

Commonwealth SuperSelect

Commonwealth PensionSelect

Commonwealth Personal Superannuation & Rollover Plan

Annual Report

2015/16 Annual Report to Members



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This Annual Report (Report) is issued by Colonial Mutual Superannuation Pty Limited ABN 56 006 831 983 AFSL 235025 (CMS, we, us, our), trustee of the Colonial Super Retirement Fund ABN 40 328 908 469 (the Fund). The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA) is the Administrator, Investment Manager and Insurer.

Commonwealth Financial Services is a registered business name of CMS and CMLA. CMS and CMLA are both wholly owned subsidiaries of Commonwealth Bank of Australia ABN 48 123 123 124 AFSL 234945.

Commonwealth SuperSelect (SuperSelect), Commonwealth PensionSelect (PensionSelect) and Commonwealth Personal Superannuation & Rollover Plan (CPS&RP) are products within the Fund.

Commonwealth Bank of Australia and its subsidiaries do not guarantee or in any way stand behind the performance of the Fund or the repayment of capital or interest by the Fund. Investments in the Fund are not deposits or liabilities of Commonwealth Bank of Australia or its subsidiaries, and investment-type products are subject to investment risk including possible delays in payment of benefits and loss of principal invested. Past performance is not an indicator of future performance. Past performance figures are generally quoted as annualised effective yields and are net of fees and taxes on earnings. Returns of less than 12 months are not annualised.

The information in this Report has been prepared without taking into account your objectives, financial situation or needs. You should, before acting on this information, consider its appropriateness to your circumstances.

You should speak to your tax adviser in relation to taxation issues and consider talking to a financial adviser before making an investment decision.

Taxation considerations are general and based on present taxation laws and may be subject to change. You should seek independent, professional tax advice before making any decision based on this information. CMS is also not a registered tax (financial) adviser under the Tax Agent Services Act 2009 and you should seek tax advice from a registered tax agent or a registered tax (financial) adviser if you intend to rely on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

Introduction

Dear Member,

We are pleased to provide you with the Colonial Super Retirement Fund 2015/2016 Annual Report to Members.

SuperSelect and CPS&RP are accumulation plans that allow you to build superannuation benefits for your retirement. PensionSelect is a pension plan that allows you to draw an income from your retirement benefit.

We trust you will find the Report informative and recommend that you read all sections relevant to your situation.

You can also obtain additional information online in relation to new superannuation rules and regulations and product updates by referring to our *Product news and important information* document at **commbank.com.au/superreports**.

If you have any questions about this Report or your investment, please call 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

Investment performance

How we calculate performance

Returns are net of investment management fees, taxes and charges (where applicable).

Certain fees such as contribution fees, administration fees or withdrawal fees (if any) are not taken into account.

Performance is calculated on the change in the withdrawal unit prices for the period ended 30 June 2016, corresponding to the investment timeframe indicated.

Individual net returns

Your individual net return may differ from the returns quoted in this Report. Your return depends on the timing of transactions such as contributions, withdrawals, switches or unit adjustments during the period and your mix of investment options.

Quarterly up-to-date performance information and investment market commentary is available online at commbank.com.au/personal/superannuation. Simply click on the 'Unit prices and performance' link in the 'Useful tools and information' section.

For the price of units on the dates of any deposits, withdrawals or switches (including any investment options you have switched into or out of), please call 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

Returns are not guaranteed and past performance is not indicative of future returns. There is no guarantee that one investment option will outperform another. The performance of the investment options is generally dependent on economic conditions, investment management and taxation laws.

Composite Benchmark

The investment objectives and strategy for some investment options with exposure to more than one asset class includes reference to a composite benchmark.

The composite benchmark is calculated based on the weighted average target asset allocation and index returns for each asset class.

SuperSelect and CPS&RP

Table of investment performance

Investment option	Annual returns to 30 June (%)					Five year compound average return to 30 June 2016 % p.a.
	2016	2015	2014	2013	2012	
High Growth/Shares strategy						
Commonwealth Australian Shares*	-0.1	4.8	13.3	18.1	-5.6	5.7
Commonwealth Shares	-0.9	9.4	14.9	20.5	-3.2	7.8
FirstChoice Wholesale High Growth [†]	-1.8	9.1	12.1	25.1	-0.4	8.6
Growth strategy						
Commonwealth Growth*	1.2	8.8	13.2	16.1	0.0	7.7
Colonial First State Diversified	2.5	7.3	12.0	15.3	-1.5	6.9
Perpetual Balanced Growth	-1.2	5.2	9.7	17.3	-0.1	6.0
FirstChoice Multi-Index Balanced	1.1	5.7	12.2	13.7	-0.7	6.2
Moderate strategy						
Commonwealth Managed*	1.6	7.9	11.7	13.4	1.2	7.0
Colonial First State Balanced	2.1	5.0	9.0	9.7	-3.1	4.5
BT Active Balanced	0.6	9.8	11.7	15.1	-1.0	7.1
Conservative strategy						
Commonwealth Balanced*	2.1	6.1	7.7	8.2	3.0	5.4
Colonial First State Conservative	1.5	4.4	5.9	7.5	0.2	3.9
Defensive strategy						
Commonwealth Capital Defensive	2.7	3.2	4.8	3.9	4.5	3.8
Commonwealth Savings*	1.8	2.3	2.7	3.0	3.4	2.6
Commonwealth Capital Secure* [^]	2.1	1.7	2.4	2.0	4.2	2.5

* Only these options are available to CPS&RP members.

[^] This option is not available to SuperSelect members.

[#] Performance prior to 14 May 2014 for this fund was Perpetual Split Growth.

Past performance is not indicative of future returns.

Investment performance

PensionSelect

Table of investment performance

Investment option	Annual returns to 30 June (%)					Five year compound average return to 30 June 2016 % p.a.
	2016	2015	2014	2013	2012	
High Growth/Shares strategy						
Commonwealth Australian Shares	0.6	6.6	16.1	22.1	-5.5	7.5
Commonwealth Shares	-0.2	10.9	17.2	24.2	-2.6	9.4
FirstChoice Wholesale High Growth [#]	-1.8	10.7	13.4	29.4	1.0	10.0
Growth strategy						
Commonwealth Growth	1.9	10.4	15.2	18.7	0.8	9.2
Colonial First State Diversified	3.1	8.3	13.6	17.4	-1.3	8.0
Perpetual Balanced Growth	-0.9	6.0	11.2	19.9	0.6	7.1
FirstChoice Multi-Index Balanced	1.5	6.6	14.1	16.0	-0.3	7.4
Moderate strategy						
Commonwealth Managed	2.5	9.4	13.7	15.7	2.1	8.5
Colonial First State Balanced	2.7	6.1	10.6	11.5	-3.0	5.4
BT Active Balanced	0.7	11.2	13.7	17.9	-0.5	8.4
Conservative strategy						
Commonwealth Balanced	2.8	7.2	9.2	9.7	3.9	6.5
Colonial First State Conservative	2.2	5.4	7.2	9.0	0.8	4.9
Defensive strategy						
Commonwealth Capital Defensive	3.5	4.2	6.1	4.9	6.0	4.9
Commonwealth Savings	2.5	3.0	3.5	3.9	4.3	3.4
Commonwealth Capital Secure	3.1	2.7	3.6	3.0	5.7	3.6

[#] Performance prior to 14 May 2014 for this fund was Perpetual Split Growth.

Past performance is not indicative of future returns.

Investment options

Fund investment objective and strategy

The Fund's investment objective is to provide a diversified range of investment options. The Fund's investment strategy is to invest in life insurance policies issued by CMLA in accordance with the governing rules of the Fund. For the investment objective and strategy relevant to a specific investment option please refer to pages nine to twenty-three.

CMLA manages your money but may delegate the investment management of the investment option to an underlying investment manager. Please refer to page eight for further details.

Selecting your investor profile

When choosing the investment option(s) you want to invest in or continue to remain in, you need to determine how much risk you are prepared to accept to receive an expected return. Generally, the higher the expected return, the higher the level of risk associated with the investment. The table on page six is segmented into five investor profiles we have identified, determined by attitudes to investment time horizon, required rate of return and tolerance to risk.

The benefits of a financial adviser

The information in this Report is of a general nature only. It does not take into account your individual needs, objectives or personal circumstances. In order to determine which investment options best suit your needs, we recommend that you speak with a financial adviser. A financial adviser will be able to

make a detailed assessment of your financial situation, help you define your investment goals and set a clear path to reaching them.

If you do not have a financial adviser a Commonwealth Financial Planner may be able to help you. To arrange a no obligation consultation with a Commonwealth Financial Planner just ask at any Commonwealth Bank branch or call 1800 241 996 between 8.30am and 5pm (Sydney time), Monday to Friday.

Investment options

	High growth/ Shares	Growth	Moderate	Conservative	Defensive
Risk/return profile	High				Very Low
Suggested investment time horizon*	7 years				3 years
Volatility	Higher				Lower
Return objective	To earn returns that exceed headline CPI increases by at least 4% per annum over rolling seven year periods.	To earn returns that exceed headline CPI increases by at least 3% per annum over rolling five year periods.	To earn returns that exceed headline CPI increases by at least 2.5% per annum over rolling five year periods.	To earn returns that exceed headline CPI increases by at least 1% per annum over rolling three year periods.	To earn returns that exceed headline CPI increases by at least 0.5% per annum over rolling three year periods.
Investment strategy	Investment Options offered will typically represent traditional multi-sector Growth funds with greater than 80% in growth assets.	Investment Options offered will typically represent traditional multi-sector funds with between 61-80% in growth assets.	Investment Options offered will typically represent traditional multi-sector funds with between 41-60% in growth assets.	Investment Options offered will typically represent traditional multi-sector funds with between 21-40% in growth assets.	Investment Options offered will typically represent traditional multi-sector funds with 0-20% in growth assets.
Investor profile	For investors who seek to maximise their return and in exchange are prepared to accept a higher level of risk on their investment. They have a long-term horizon (seven years) and invest nearly entirely in growth assets.	For investors who desire the potential for higher returns and are comfortable with higher risks. Often, they have more time to ride out the ups and downs of the market, so they invest more aggressively to seek maximum long-term (five years) growth.	For investors who seek capital growth and are willing to accept some volatility. Often, they have longer time horizons (five years) and therefore may go after higher investment returns to outpace inflation.	For investors who regard security as more important than the level of returns. Often they have short time horizons (three years) and are willing to minimise volatility of investment returns. This strategy is more heavily weighted to defensive assets, which are usually less volatile compared to growth assets.	For investors who regard security as the most important aspect of their investment. They are willing to sacrifice returns to minimise risk and often have a short-term horizon (three years). This strategy is predominantly weighted to defensive assets.

* For the suggested investment horizon for each investment option, please refer to the investment profiles on pages 9 to 19.

Switching between investment options

You can elect to switch between your investment options at any time by completing the relevant switch form and sending it to us. You can obtain a copy of these forms by visiting commbank.com.au/superforms or calling 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday; or visiting any Commonwealth Bank branch.

No switch fees apply to SuperSelect, CPS&RP and PensionSelect.

Applicable dates when transacting

If you enquire about unit prices for transactional purposes, we can provide historical prices or values only. Should you decide to transact, you will receive the applicable unit price on the date we receive and accept your completed documentation (including any eligibility requirements, if applicable) at our principal office of administration.

Trustee policy towards use of derivatives

In managing your investments, the underlying investment managers may use financial derivatives such as futures, options and forward rate agreements.

For the Commonwealth branded investment options the investment manager may not use derivatives to create net short positions or gear the investment option's position.

How we calculate your investment balance

You purchase units in the investment option(s) of your choice whenever you contribute, transfer and rollover amounts.

Similarly, you redeem units to pay for any withdrawals, switches, insurance premiums, tax and fees. The value of your benefit is determined by multiplying the number of your units in each investment option by the relevant withdrawal unit price.

Net earnings

The net investment earnings for members in the Fund are reflected in the value of the unit price for each investment option, rather than being credited or debited against individual member accounts. Changes in the unit price reflect the earnings of the assets in the Fund, after providing for tax and management fees.

Method of allotment of earnings in all investment options

All income, including realised and unrealised capital gains and losses, and expenses for all investment options, are brought to account and are fully reflected in the unit price of that investment option. The unit prices of each investment option also provide for tax as appropriate.

Labour standards, environmental, social and ethical considerations

CMS and CMLA do not have a predetermined approach for considering labour standards or environmental, social or ethical considerations when making investment decisions.

However, should sustainability of earnings of those companies we invest in be adversely affected due to poor labour standards or activities considered environmentally, socially or ethically unacceptable, we may divest ourselves of the investment.

Investment options

Hence we may sometimes consider these factors when making investment decisions.

Responsible investing

Environment, Social and Corporate Governance (ESG) factors can have a material impact on investment outcomes and therefore ESG considerations are embedded into CMLA's investment decision making and active ownership practices. CMLA is a signatory to:

- The CBA Wealth Management Responsible Investing Framework (visit commbank.com.au); and
- The United Nations Principles for Responsible Investment (UN PRI) which provide a framework for the mainstream global investment community to incorporate ESG factors into their investment processes.

CMLA has embedded ESG considerations in the process used to select managers and managers are encouraged to actively engage with companies and to incorporate ESG factors into their investment processes.

Who are the parties involved in your investment?

CMS is the Trustee of the Fund. The Fund invests in life insurance policies (Investment Policies) issued to the Trustee by CMLA. The underlying assets of the Investment Policies are held in CMLA's Statutory Fund No. 2L for SuperSelect and CPS&RP and Statutory Fund No. 4 for PensionSelect. SuperSelect and CPS&RP members are provided with optional term life insurance under a Group Life Insurance Policy (Life

Policy) issued to the Trustee by CMLA. Premiums for the optional term life insurance under the Life Policy are paid to, and benefits are paid from, CMLA's Statutory Fund No. 1. CMLA is the investment manager and manages all investments of the Statutory Funds. CMLA delegates the investment of the Statutory Funds in which the Investment Policies invest to Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468 (Colonial First State).

Investment strategies

High Growth/Shares

Commonwealth Australian Shares

Investment objective	To provide long-term capital growth through investments in Australian listed companies. This option may have a high level of short to medium-term volatility.
Risk/return profile	High
Suggested investment time horizon¹	Seven years
Investment strategy	Invest in shares of Australian listed companies
Asset allocation ranges³	90 – 100% Australian shares 0 – 10% Cash
Underlying investment manager⁴	Colonial First State

Commonwealth Shares

Investment objective	To invest in a diversified portfolio of Australian and global listed company shares expected to generate a mix of long-term capital growth and income but which may have a high level of short to medium-term volatility.
Risk/return profile	High
Suggested investment time horizon¹	Seven years
Investment strategy	Invest in shares of Australian and overseas listed companies.
Asset allocation ranges³	25 – 75% Australian shares 25 – 75% International shares 0 – 10% Cash
Underlying investment manager⁴	Colonial First State

Notes

- 1 The suggested period is based on analysis of the past performance of the types of assets held in each investment option and is not intended to imply or guarantee any particular return from any investment option. You should be aware that the value of your investment could fall as well as rise.
- 2 These are investments in non-traditional sectors that may be illiquid in nature. They may include but are not limited to private equity, direct property, infrastructure, alternative betas and hedge funds. Alternative investments offer the opportunity for enhanced returns and further portfolio diversification.
- 3 The asset allocation ranges represent the expected minimum and maximum exposure to each asset class within the investment option over the long-term. Asset allocations may move outside these ranges temporarily depending on movements in the value of financial markets. The asset allocation ranges may change over time.
- 4 Refers to the investment manager/adviser of the underlying fund. See page eight for further details.

Investment strategies

High Growth/Shares (cont.)

FirstChoice Wholesale High Growth	
Investment objective	To provide long-term capital growth by investing in growth assets.
Risk/return profile	High
Suggested investment time horizon¹	At least seven years
Investment strategy	To invest in a diversified portfolio of shares, property and infrastructure securities. In order to provide further diversification, the portfolio is allocated across a number of leading investment managers. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.
Benchmark Asset allocation	40% Australian shares 15% Global shares 15% Global shares hedged 10% Emerging market shares 10% Global property securities 10% Global infrastructure securities
Underlying investment manager¹	Colonial First State

Growth strategy

Commonwealth Growth

Investment objective	To invest in a diversified portfolio of predominately growth assets expected to generate a mix of long-term capital growth and income but which may be quite volatile in the short to medium term.
Risk/return profile	High
Suggested investment time horizon¹	Six years
Investment strategy	Invest in a broad range of assets, predominantly in growth investments.
Asset allocation ranges³	20 – 50% Australian shares 20 – 50% International shares 0 – 25% Fixed interest 0 – 10% Listed property 0 – 30% Alternative assets ² 0 – 20% Cash
Underlying investment manager⁴	Colonial First State

Colonial First State Diversified

Investment objective	To provide long-term capital growth. The option aims to outperform the composite benchmark over rolling three-year periods before fees and taxes.
Risk/return profile	Medium to high
Suggested investment time horizon¹	At least five years
Investment strategy	The broad asset allocation is to be 70% invested in growth assets (shares and property) and 30% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The investment manager seeks to add value through a disciplined approach to selection of the investments held by the investment option. For risk management purposes, the investment option may hedge some of its currency exposure.
Asset allocation ranges³	25 – 35% Australian shares 15 – 25% Global shares 5 – 15% Global resource shares 0 – 10% Property securities 0 – 10% Global infrastructure securities 20 – 40% Fixed interest and cash
Underlying investment manager⁴	Colonial First State

Investment strategies

Growth strategy (cont.)

Perpetual Balanced Growth	
Investment objective	To provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments. The option aims to outperform the composite benchmark over rolling three-year periods before fees and taxes.
Risk/return profile	Medium to high
Suggested investment time horizon¹	At least five years or more
Investment strategy	Perpetual invests in a diverse mix of growth, defensive and other assets, with a focus on Australian and international shares. Tactical asset allocation strategies may be applied, which involves the option adjusting its exposure to asset classes on a regular basis within the allocation ranges. Currency hedges may be used from time to time. Derivatives and exchange traded funds may be used.
Asset allocation ranges³	<ul style="list-style-type: none"> 10 – 50% Australian shares 10 – 50% Global shares 0 – 15% Property securities 0 – 35% Fixed income 0 – 30% Alternative assets² 0 – 40% Cash and credit
Underlying investment manager⁴	Perpetual

Growth strategy (cont.)

FirstChoice Multi-Index Balanced	
Investment objective	To provide capital growth and income over the long-term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.
Risk/return profile	High
Suggested investment time horizon¹	At least five years or more
Investment strategy	The option allocates 70% of investments to growth assets such as shares and property to provide potential for capital growth. The shares component is managed by Realindex Investments using the enhanced Research Affiliates Fundamental Index (RAFI) methodology to select securities. 30% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. This defensive component is managed on a traditional index basis. The portfolio aims to hedge currency risk except for part of the allocation to global shares.
Asset allocation ranges³	29% Australian shares 13% Global shares 14% Global shares - hedged 2% Emerging market shares 6% Global property securities 6% Global infrastructure securities 25% Australian fixed interest 5% Cash
Underlying investment manager⁴	Colonial First State

Investment strategies

Moderate strategy

Commonwealth Managed	
Investment objective	To invest in a diversified portfolio of assets expected to generate a mix of long-term capital growth and income, but which may be volatile in the short to medium term.
Risk/return profile	Medium to high
Suggested investment time horizon¹	Five years
Investment strategy	Invest in a broad range of assets with a majority in growth investments.
Asset allocation ranges³	15 – 40% Australian shares 15 – 40% International shares 10 – 35% Fixed interest 0 – 10% Listed property 0 – 30% Alternative assets ² 0 – 20% Cash
Underlying investment manager⁴	Colonial First State

Moderate strategy (cont.)

Colonial First State Balanced	
Investment objective	To provide long-term capital growth and income. The option aims to outperform the composite benchmark over rolling three-year periods before fees and taxes.
Risk/return profile	Medium
Suggested investment time horizon¹	At least five years
Investment strategy	The broad asset allocation is to be 50% invested in growth assets (shares and property) and 50% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The investment manager seeks to add value through a disciplined approach to selection of the shares and other assets held by the investment option. For risk management purposes, the investment option may hedge some of its currency exposure.
Asset allocation ranges³	15 – 25% Australian shares 10 – 20% International shares 5 – 15% Global resource shares 0 – 10% Property securities 40 – 60% Fixed interest and Cash
Underlying investment manager⁴	Colonial First State

BT Active Balanced	
Investment objective	To provide a return (before fees, costs and taxes) that exceeds the investment option's composite benchmark over rolling three-year periods.
Risk/return profile	High
Suggested investment time horizon¹	At least five years
Investment strategy	The investment option provides an actively managed diversified portfolio that invests in Australian and international shares, property securities, Australian and international fixed interest and cash. The investment option has a higher weighting towards growth assets than defensive assets. This investment option may hedge a portion of its currency exposure. Derivatives may be used in managing the investment option.
Asset allocation ranges³	28 – 48% Australian shares 12 – 32% International shares 5 – 45% Diversified fixed interest 0 – 15% Property securities 0 – 15% Cash

Investment strategies

Underlying investment manager¹	BT
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Conservative strategy

Commonwealth Balanced	
Investment objective	To invest in a diversified portfolio of assets expected to generate a mix of long-term capital growth and income with a moderate level of security and relatively stable returns.
Risk/return profile	Medium
Suggested investment time horizon¹	Four years
Investment strategy	Invest in a broad range of assets with exposure to defensive and growth investments.
Asset allocation ranges³	5 – 25% Australian shares 5 – 25% International shares 12 – 45% Fixed interest 0 – 10% Listed property 0 – 22% Alternative assets ² 20 – 35% Cash
Underlying investment manager¹	Colonial First State

Conservative strategy (cont.)

Colonial First State Conservative	
Investment objective	To provide long-term capital preservation with an income focus. The option aims to outperform the composite benchmark over rolling three-year periods before fees and taxes.
Risk/return profile	Medium
Suggested investment time horizon¹	At least three years or more
Investment strategy	The broad asset allocation is to be 30% invested in growth assets (shares and property) and 70% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. The investment manager seeks to add value through a disciplined approach to selection of the shares and other assets held by the investment option. For risk management purposes, the investment option may hedge some of its currency exposure.
Asset allocation ranges³	10 – 20% Australian shares 5 – 15% International shares 0 – 10% Australian property securities 60 – 80% Fixed interest and cash
Underlying investment manager⁴	Colonial First State

Investment strategies

Defensive strategy

Commonwealth Capital Defensive

Investment objective	To invest in a diversified portfolio of predominately defensive assets expected to generate a mix of income and long-term capital growth with an emphasis on stable returns and a high level of security.
Risk/return profile	Low
Suggested investment time horizon¹	Two years
Investment strategy	Invest primarily in defensive investments while maintaining some exposure to growth investments.
Asset allocation ranges³	0 – 10% Australian shares 0 – 10% International shares 45 – 85% Fixed interest 5 – 45% Cash
Underlying investment manager⁴	Colonial First State

Commonwealth Capital Secure

Investment objective	To invest in a diversified portfolio of fixed interest and money market securities expected to generate a mix of income and some long-term capital growth with an emphasis on stable returns and a high level of security.
Risk/return profile	Very low
Suggested investment time horizon¹	One year
Investment strategy	Invest in a defensive portfolio of income producing investments.
Asset allocation ranges³	5 – 60% Fixed interest 45 – 95% Cash
Underlying investment manager⁴	Colonial First State

Defensive strategy (cont.)

Commonwealth Savings	
Investment objective	To provide income from investments in money market securities with a very low risk of capital loss.
Risk/return profile	Very low
Suggested investment time horizon¹	One year
Investment strategy	Invest solely in deposits of the Commonwealth Bank.
Asset allocation ranges³	100% cash
Underlying investment manager⁴	Colonial First State

Information for Commonwealth SuperSelect and Commonwealth Personal Superannuation & Rollover Plan members

Convenient ways to contribute more to your super

You can make additional contributions at any time by:

- Bpay® (see below for further information);
- setting up a Regular Savings Plan (RSP) (see across for more information);
- mailing a completed 'Additional Contribution form' with a cheque made payable to 'The Colonial Mutual Life Assurance Society Limited' directly to us.

A copy of the form is available by calling 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday or from 'Forms and documents' under the 'Super and Retirement' section of commbank.com.au/superforms or

- visiting any Commonwealth Bank branch.

Contributions via Bpay®

To make a deposit via Bpay®, just follow the four simple steps below:

1. Access your bank, building society or credit union's internet or phone banking service.
2. Select the contribution that you wish to make by entering one of the following corresponding Biller codes:

Contribution type	Biller code
Personal contributions	131045
Spouse contributions	131029

3. Enter your Customer Reference Number (CRN), which is your SuperSelect or CPS&RP account number.
4. Confirm the transaction and write or print the transaction receipt number for your records.

You should check with your bank, building society or credit union to find out their daily cut-off time for Bpay® payments to ensure that they are credited to your superannuation account on the same day. These times can vary according to the financial institution.

Contributions via a Regular Savings Plan (RSP)

From as little as \$100 per month you or your spouse can make regular contributions to your account through an RSP. (We cannot accept employer contributions via an RSP.)

You can establish a RSP for any of the investment options currently offered through SuperSelect or CPS&RP.

We will automatically deduct all RSP contributions from your nominated bank, building society or credit union account each month on a date you nominate.

To establish a RSP please complete a 'Commonwealth Personal Superannuation & Rollover Plan and Commonwealth SuperSelect Regular Savings Plan form', which you can obtain from commbank.com.au/superforms or by calling 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

Don't miss the deadline – transactions at the end of the financial year.

To ensure the completion of all contributions and transactions prior to 30 June, it is important that we receive and accept all funds and documentation (including confirmation that you are eligible to contribute to superannuation if aged 65 or over) at our principal office of administration prior to or on 30 June.

Missing the 30 June cut-off may have tax consequences. Please allow a minimum of five working days for mail to reach our principal office of administration (refer to 'Contact details' on page 32 of this report). If contributing through a Commonwealth Bank branch, please ensure you make the contribution at least three business days prior to 30 June to ensure the transaction reaches our principal office of administration at this busy time of the year.

Important information if your account receives employer contributions

The Australian Government has introduced new rules regarding employer superannuation payments under the SuperStream legislation. From 1 July 2016 this requires employers to:

1. Send all contributions data electronically in a standard message format;
2. Make contribution payments electronically using a compliant payment method (e.g. direct credit); and
3. Link the contributions data and money with a unique Payment Reference Number.

The Australian Taxation Office (ATO) has notified employers of the new rules. Further information in relation to the SuperStream requirements can be found on the ATO website at www.ato.gov.au/super/superstream/employers/

Fees and charges – Commonwealth SuperSelect and Commonwealth Personal Superannuation & Rollover Plan

All fees, charges and expenses that were charged to SuperSelect and CPS&RP members during 2015/16 and apply for 2016/17 are described below. The 2016/17 fees are current from 1 July 2016 and are indexed to the Consumer Price Index (CPI). All fees shown in the table are net of tax.

Fees and charges	Fee amount 2015/16	Fee amount 2016/17	How and when payable
Contribution fee			
SuperSelect	Up to 3%	Up to 3%	Deducted at the time of any contribution, transfer or rollover and prior to the issue of units i.e. the number of units we allocate is based on the net investment amount.
CPS&RP	Nil	Nil	
Exit charge	Nil	Nil	N/A
Administration fee*	\$69.08 p.a.	\$70.24 p.a.	Debited from your account annually, usually on each anniversary of the commencement of your account and upon termination of your account (a pro-rata amount if you leave before your next anniversary). It will appear on your annual and exit statement.
Investment switching fee**			
SuperSelect	Nil	Nil	N/A
CPS&RP	Nil	Nil	N/A
Dishonour fee*	\$18.19 plus any other bank charges incurred.	\$18.49 plus any other bank charges incurred.	We may apply a dishonour fee to you or your account if a non-cash contribution is not honoured. If debited from your account, this fee will appear on your annual statement. This fee does not currently apply, however we reserve the right to charge this fee in the future.
Cheque issuing fee*	\$40.81	\$41.49	We may debit this fee from your account if a benefit is payable by cheque. This fee does not currently apply, however we reserve the right to charge this fee in the future.

* These fees increase in line with the CPI on 1 July each year.

Switches may incur buy/sell spreads. See page 23 for more information.

Management fees and transaction costs – SuperSelect & CPS&RP

The estimated buy/sell spreads and management fees applicable to SuperSelect and CPS&RP for 2016/17 are set out below. Please note that these figures are indicative and may change over time.

Investment option	Buy/sell spread ¹ (%)	Management fee ² (% p.a.)
Commonwealth Australian Shares*	0.35/0	1.95
Commonwealth Shares	0.35/0	1.95
FirstChoice Wholesale High Growth	0.50/0	2.50
Commonwealth Growth*	0.30/0	1.95
Colonial First State Diversified	0.40/0	1.96
Perpetual Balanced Growth	0.40/0	2.37
FirstChoice Multi-Index Balanced	0.30/0	2.03
Commonwealth Managed*	0.30/0	1.90
Colonial First State Balanced	0.25/0	1.87
BT Active Balanced	0.40/0	2.43
Commonwealth Balanced*	0.20/0	1.80
Colonial First State Conservative	0.15/0	1.79
Commonwealth Capital Defensive	0.20/0	1.50
Commonwealth Savings*	0/0	1.20
Commonwealth Capital Secure [^] *	0.10/0	1.50

1 The buy/sell spread is an allowance for transaction costs such as brokerage, settlement and clearing costs and stamp duty associated with actual asset transactions. The spread is not paid to any investment manager and neither we, nor CMLA earn income from this spread. These figures are expressed as a percentage of the funds under management of the underlying trust, applicable to the deposit and withdrawal unit prices respectively, and are subject to change from time to time and will not be notified until the next Report. The spread is applied before we declare the deposit and withdrawal unit prices for the investment options.

2 The management fee covers the cost of managing your investment options and includes investment and administration costs for the investment managers and the responsible entities of the underlying trusts in which we invest. It does not include custody and other operating expenses (e.g. audit fees) where these have been deducted from the underlying assets. We calculate this fee as a percentage of the total assets of the investment option and it varies from time to time. We deduct the fee from the investment option assets before we calculate the unit prices and is net of tax. Where we deduct custody and other operating expenses from the assets of the underlying trusts, we will still reflect these charges in the ongoing management costs that we disclose to you annually.

[^] The Commonwealth Capital Secure investment option is not available for investment by SuperSelect members.

* Only investment options marked with an (*) are available to CPS&RP members.

Member benefit protection

If at any time your SuperSelect or CPS&RP account balance is less than \$1,000 and it includes or has included superannuation guarantee or award contributions, we limit the amount of administration fees and charges that we deduct from your account. Member benefit protection does not apply to insurance premiums that we deduct for your insurance cover (if any).

Fees and charges

– Commonwealth PensionSelect

All fees, charges and expenses that were charged to PensionSelect members during 2015/16 and apply for 2016/17 are described below. The 2016/17 fees are current from 1 July 2016 and are indexed to the Consumer Price Index (CPI). All fees shown in the table are net of tax.

Fees and charges	Fee amount 2015/16	Fee amount 2016/17	How and when payable
Exit charge	Nil	Nil	N/A
Administration fee*	\$69.08 p.a.	\$70.24 p.a.	Debited from your account annually, usually on each anniversary of the commencement of your account and upon termination of your account (a pro-rata amount if you leave before your next anniversary). It will appear on your annual and exit statement.
Investment switching fee*#	Nil	Nil	N/A
Cheque issuing fee*	\$11.06	\$11.24	We may debit this fee from your account or from the withdrawal amount if a benefit is payable by cheque. This fee does not currently apply, however we reserve the right to charge this fee in the future.

* These fees increase in line with the CPI on 1 July each year.

Switches may incur buy/sell spreads. See page 25 for more information.

Management fees and transaction costs – PensionSelect

The estimated buy/sell spreads and management fees applicable to PensionSelect for 2016/17 are set out below. Please note that these figures are indicative and may change over time.

Investment option	Buy/sell spread (%) ¹	Management fee ² (% p.a.)
Commonwealth Australian Shares	0.35/0	1.60
Commonwealth Shares	0.35/0	1.60
FirstChoice Wholesale High Growth	0.50/0	2.52
Commonwealth Growth	0.30/0	1.60
Colonial First State Diversified	0.40/0	1.95
Perpetual Balanced Growth	0.40/0	2.37
FirstChoice Multi-Index Balanced	0.30/0	1.97
Commonwealth Managed	0.30/0	1.60
Colonial First State Balanced	0.30/0	1.85
BT Active Balanced	0.40/0	2.43
Commonwealth Balanced	0.20/0	1.60
Colonial First State Conservative	0.15/0	1.75
Commonwealth Capital Defensive	0.20/0	1.30
Commonwealth Savings	0/0	1.10
Commonwealth Capital Secure ³	0.10/0	1.10

1 The buy/sell spread is an allowance for transaction costs such as brokerage, settlement and clearing costs and stamp duty associated with actual asset transactions. The spread is not paid to any investment manager and neither we, nor CMLA earn income from this spread. These figures are expressed as a percentage of the funds under management of the underlying trust, applicable to the deposit and withdrawal unit prices respectively, and are subject to change from time to time and will not be notified until the next Report. The spread is applied before we declare the deposit and withdrawal unit prices for the investment options.

2 The management fee covers the cost of managing your investment options and includes investment and administration costs for the investment managers and the responsible entities of the underlying trusts in which we invest. It does not include custody and other operating expenses (e.g. audit fees) where these have been deducted from the underlying assets. We calculate this fee as a percentage of the total assets of the investment option and it varies from time to time. We deduct the fee from the investment option assets before we calculate the unit prices and is net of tax. Where we deduct custody and other operating expenses from the assets of the underlying trusts, we will still reflect these charges in the ongoing management costs that we disclose to you annually.

3 Only available to PensionSelect members who joined prior to 1 July 2000.

Additional information regarding the Fund for all members

Portability

Under superannuation portability rules, superannuation balances may move from one fund into another fund upon member request. These rules complement the Choice of Fund legislation and generally require the trustee of a regulated superannuation fund to rollover or transfer benefits within 3 days of receiving a request. The 3 day period will commence after you provide the transferring fund with all the information it requires.

Portability may also be subject to other important restrictions that prevent you from transferring some or all of your benefits. You should note that if you rollover or transfer your benefits, it may affect the benefit entitlements in your account including your eligibility for insurance cover.

If you are considering investing via a Self-Managed Superannuation Fund, go to the Australian Securities & Investments Commission's Money Smart website moneysmart.gov.au for things to consider before making this decision.

Enquiries and complaints resolution

The Trustee is obliged to provide you with any information you reasonably require to understand your benefit entitlements. If you require further information about the Fund, require assistance to understand your benefit entitlements, have an enquiry or complaint, please call 13 2015 between 8.30am and 6pm (Sydney time), Monday to Friday.

What to do if you have a complaint

We accept that sometimes we can get things wrong, and when this happens we're determined to make them right again.

Talk to us

You can resolve most problems quickly and simply by talking with us. You can contact us as follows:

Customer Relations Team

Phone: 1800 805 605

Fax: 1800 028 540

CustomerRelations@cba.com.au

National Relay Service TTY/Voice

Phone: 133 677

Website: Relayservice.com.au

Speak and Listen Relay (SSR)

Phone: 1300 555 727

If you need further assistance after your initial enquiry, you can also contact us by writing to:

The Complaints Manager
Group Customer Relations
Commonwealth Bank of Australia
Reply Paid 41 Sydney NSW 2001

Alternatively you can contact us through a third party, providing you give us written authority to deal with them regarding the complaint.

What we will do

When you make a complaint to us we will:

- acknowledge your complaint and make sure we understand the issues;
- do everything we can to fix the problem;
- keep you informed of our progress;
- keep a record of your complaint;
- give you the name of the person dealing with your complaint, a reference number and contact details so that you can follow up if you want to;
- provide you with regular updates on your complaint; and
- provide a final response within 90 days.

If we are unable to provide a final response to your complaint within 90 days, we will:

- inform you of the reasons for the delay;
- advise you of your right to complain to the Superannuation Complaints Tribunal (SCT); and
- provide you with the SCT contact details.

Superannuation Complaints Tribunal (SCT)

Before the SCT has jurisdiction to deal with the matter it must be satisfied that the complaint was referred to an appropriate person under our internal enquiries and complaints arrangements. The SCT cannot deal with your complaint until you make reasonable efforts to have the Fund resolve the complaint.

If, after you make a complaint to the Fund, you are not satisfied with the response, or do not receive a response within 90 days, you can then lodge a complaint with the SCT. The SCT cannot deal with certain

matters, for example decisions that relate to the management of the Fund as a whole, such as investment performance, the level of fees and charges or employer decisions.

If the SCT accepts the complaint, it will attempt to resolve the matter through conciliation. If conciliation cannot resolve a complaint and it has not been withdrawn, it will proceed to Review. This means the SCT will consider submissions and make a decision to determine the outcome of the complaint.

To contact the SCT, you can telephone **1300 884 114** between 9am and 5pm (Sydney time), Monday to Friday from anywhere in Australia. Alternatively, visit their website at sct.gov.au.

Payment to an eligible rollover fund

The Trustee has selected SuperTrace Eligible Rollover Fund (SuperTrace) as the fund where it may transfer your benefit if:

- you do not have insurance cover and two pieces of written communication to you are returned unclaimed; or
- we are unable to allocate a contribution or rollover to your Account and the transferor will not accept a refund of the monies; or
- you exercise cooling-off rights and the nominated fund will not accept the transfer; or
- you do not have insurance cover, no contributions or rollovers have been credited to your Account for a period of at least 12 months, and your Account balance is less than \$1,000; or

Additional information regarding the Fund for all members

- to meet family law requirements; or
- we have not had two-way contact with you for a period greater than three years.

The trustee of SuperTrace is Colonial Mutual Superannuation Pty Ltd ABN 56 006 831 983 AFSL 235025. SuperTrace is part of the Commonwealth Bank Group's range of products and is administered by CMLA.

On transfer to SuperTrace, you cease to be an account holder of the Fund and your insurance cover (if applicable) will cease.

You should also note that SuperTrace:

- will apply a different fee structure;
- has a different risk investment approach;
- does not currently offer insured benefits in the event of death and disablement.

You should refer to the SuperTrace Product Disclosure Statement for more details.

You will need to consider whether this is appropriate for your circumstances at the time of transfer to SuperTrace. To obtain a copy of the current SuperTrace PDS, please contact:

The Administrator
SuperTrace Eligible Rollover Fund
Locked Bag 5429
Parramatta NSW 2124

Telephone 1300 788 750 between 8.30am to 6pm Monday to Friday, Sydney time or visit supertrace.com.au.

Unclaimed benefits

In some circumstances your benefits in the Fund may become subject to unclaimed superannuation benefit laws. Superannuation money may become unclaimed if:

- you have reached age 65; and
 - no contributions or amounts have been received by or for you for at least two years; and
 - the Trustee has not had contact with you for five years, after which reasonable efforts to make contact were unsuccessful; or
- you die and the Trustee determines that an immediate benefit (other than a pension) is payable and the Trustee cannot find the person entitled to the benefit after making reasonable efforts to do so and after the passing of a reasonable period; or
- you cease to hold a temporary visa and leave Australia and the ATO requires payment of the benefit.

The Trustee will transfer unclaimed benefits to the ATO. Where the Trustee transfers such benefits, any request for payment should be directed to:

Unclaimed Super Money
Australian Taxation Office
PO Box 3578
Albury NSW 2640

You can also contact the ATO on 13 10 20. Alternatively, you can do an online search for unclaimed superannuation using Super Seeker, available at www.ato.gov.au/super.

Lost members

We will treat you as lost if you are uncontactable, meaning that:

- we have never had an address for you; or
- two written communications to your last known address return unclaimed; and

- we do not receive a contribution or rollover for you within the last 12 months.

If you are lost at any time we will report this to the ATO. If you are lost and your account is less than \$4,000 (increasing to \$6,000 from 31 December 2016), we will pay this to the ATO. The ATO maintains a Lost Member Register. We will also need to tell the ATO if we subsequently find you, or if you subsequently transfer to another superannuation provider.

If we transfer your account, you will no longer be an account holder of the Fund and any insurance cover that you may have in place will cease. If your account transfers to the ATO, you will be able to reclaim your money from the ATO at any time.

Departing Australia Superannuation Payment (DASP)

If you are a temporary resident and have not requested a DASP benefit within six months of the later of your temporary visa expiring and you are leaving the country, we may be required to pay your account balance to the ATO. In these circumstances you will no longer be a member of the fund and you will lose any insurance cover. You will also no longer be invested in your chosen investment option(s). We are not obliged to notify or give an exit statement to you in this circumstance as allowed by ASIC Class Order 09/437. Once your account balance has been transferred to the ATO, you may claim your benefit by contacting the ATO and downloading a DASP application from its website, ato.gov.au, or by calling on 13 10 20 or emailing it at DASPmail@ato.gov.au.

Financial information

Benefits applicable to each member of the

Fund are wholly determined by reference to life insurance policies. The Corporations Act 2001 provides an exemption for funds that invest in life insurance policies from providing certain information in their Annual Report to Members including audited fund accounts, the auditor's report, statement of assets and large investments.

If requested in writing, we will make copies of the following information available to you free of charge once each year:

- a copy of the recent audited accounts of the Fund; and
- a copy of the auditor's report.

Complying status of the Fund

The Fund is a complying superannuation fund and is eligible for concessional tax treatment.

The complying status of the Fund can only be revoked in exceptional circumstances. It is the Trustee's intention to ensure that the Fund will continue to qualify as a complying superannuation fund.

Indemnity Insurance

The Trustee, as a member of the Commonwealth Bank Group, is covered under the Group's Directors and Officers indemnity and professional indemnity insurance policies.

Reserves

The Fund does not currently hold any reserves.

Fund Trust Deed

The Fund's Trust Deed contains rules governing SuperSelect, PensionSelect and CPS&RP and sets out the rights and obligations of the Trustee and Members.

Additional information regarding the Fund for all members

Subject to law, we may change the Trust Deed at any time however changes that may adversely affect your account balance are only allowable if:

- superannuation law expressly permits it;
- all affected members agree; or
- the regulatory authority agrees.

We will advise you if we make a change to the Trust Deed that affects you. A copy of the Trust Deed is available by calling us.

Trust Deed amendments

During the period 1 July 2015 to 30 June 2016 there were no Trust Deed amendments.

Amendment to the Investment Policy

There were no changes made to the Investment Policy for the period 1 July 2015 to 30 June 2016.

Collection and verification of customer information

Customer information includes personal information such as name, age, gender, contact details as well as your health and financial information. The law requires us to identify our customers. We do this by collecting and verifying information about you. We may also collect and verify information about persons who act on your behalf. The collection and verification of information helps to protect against identity theft, money-laundering and other illegal activities.

We use your customer information to manage our relationship with you, provide you with the products and services you

request and also tell you about the products and services offered by the Commonwealth Bank Group (Group), affiliated providers and external providers for whom we act as agent. If you have given us your electronic contact details, we may provide marketing information to you electronically. We may carry out the collection and verification of customer information in different ways and we will advise you of the most acceptable methods of doing this. We may disclose your customer information to carry out verification e.g. we may refer to public records to verify information and documentation, or we may verify with an employer that the information you give us is accurate.

We may collect and verify your full name, date of birth and residential address. If you are commonly known by two or more different names, you must give us full details of your other name or names. In addition, during your relationship with us, we may also seek, and collect, further information about you and about your dealings with us. You must provide us with accurate and complete information. If you do not, you may be in breach of the law and also we may not be able to provide you with products and services that best suit your needs.

Protecting customer information

The Commonwealth Bank Group has a Privacy Policy outlining how we comply with the National Privacy Principles. You can view the Privacy Policy at commbank.com.au/privacy or request a copy from us or from any Commonwealth Bank branch.

Other disclosures

So that we can manage our relationships, we may disclose customer information to:

- your employer (if any, to the extent required to assist your employer to meet their obligations), brokers and agents who refer your business to us;
- any person acting on your behalf, including your financial adviser, solicitor, settlement agent, accountant, executor, administrator, trustee, guardian or attorney;
- if you have insurance, medical practitioners (to verify or clarify, if necessary, any health information you may provide), claims investigators and reinsurers (so that we can assess and manage any claim that you make), insurance reference agencies (where we are considering whether to accept a proposal of insurance from you and, if so, on what terms);
- external product providers into which you might direct some of your investment, other product providers to which we may transfer your investment; and
- organisations to whom we may outsource certain functions.

In all circumstances where our contractors, agents and outsourced service providers become aware of customer information, confidentiality arrangements apply. Our agents, contractors and outsourced service providers may only use customer information for our purposes. The law may require us to disclose customer information e.g. under Court Orders or Statutory

Notices pursuant to taxation or social security laws or under laws relating to sanctions, anti-money laundering or counter terrorism financing.

The Group may send customer information overseas if:

- that is necessary to complete a transaction; or
- we outsource certain functions overseas.

We may also be permitted, as distinct from required, to disclose information in other circumstances.

Access to your personal information

The law allows you (subject to permitted exceptions) to access your personal information. You can do this by:

- emailing customerrelations@cba.com.au
- calling **1800 805 605**# or
- writing to:
Group Customer Relations
Commonwealth Bank of Australia
Reply Paid 41
Sydney NSW 2001

We may charge you for providing access to your personal information.

A free call unless made from a mobile phone, which we will charge at the applicable mobile rate.

Contact details

General enquiries	Who to contact ...
National callers	13 2015 8.30am to 6pm (Sydney time), Monday to Friday
International callers	+61 2 8756 5541 8.30am to 6pm (Sydney time), Monday to Friday
Unit prices	commbank.com.au/unitprices
Facsimile	1800 002 715
Internet	commbank.com.au/personal
Email	service@cba.com.au
Postal address	Commonwealth Financial Services GPO Box 3306, Sydney NSW 2001
Principal office of administration	Level 1, 11 Harbour Street Sydney NSW 2000
Branch network	Visit any Commonwealth Bank branch

Directory

The Fund

Colonial Super Retirement Fund
ABN 40 328 908 469

Trustee

Colonial Mutual Superannuation Pty Limited
ABN 56 006 831 983 AFSL 235025

Ground floor, Tower 1, 201 Sussex Street
Sydney NSW 2000

Administrator, Investment Manager and Insurer

The Colonial Mutual Life Assurance Society Limited
ABN 12 004 021 809 AFSL 235035

Locked Bag 5429
Parramatta NSW 2124

Principal office of administration

Level 1, 11 Harbour Street
Sydney NSW 2000

13 2015

8.30am to 6pm (Sydney time)

Monday to Friday

commbank.com.au

CLN1796 300916

