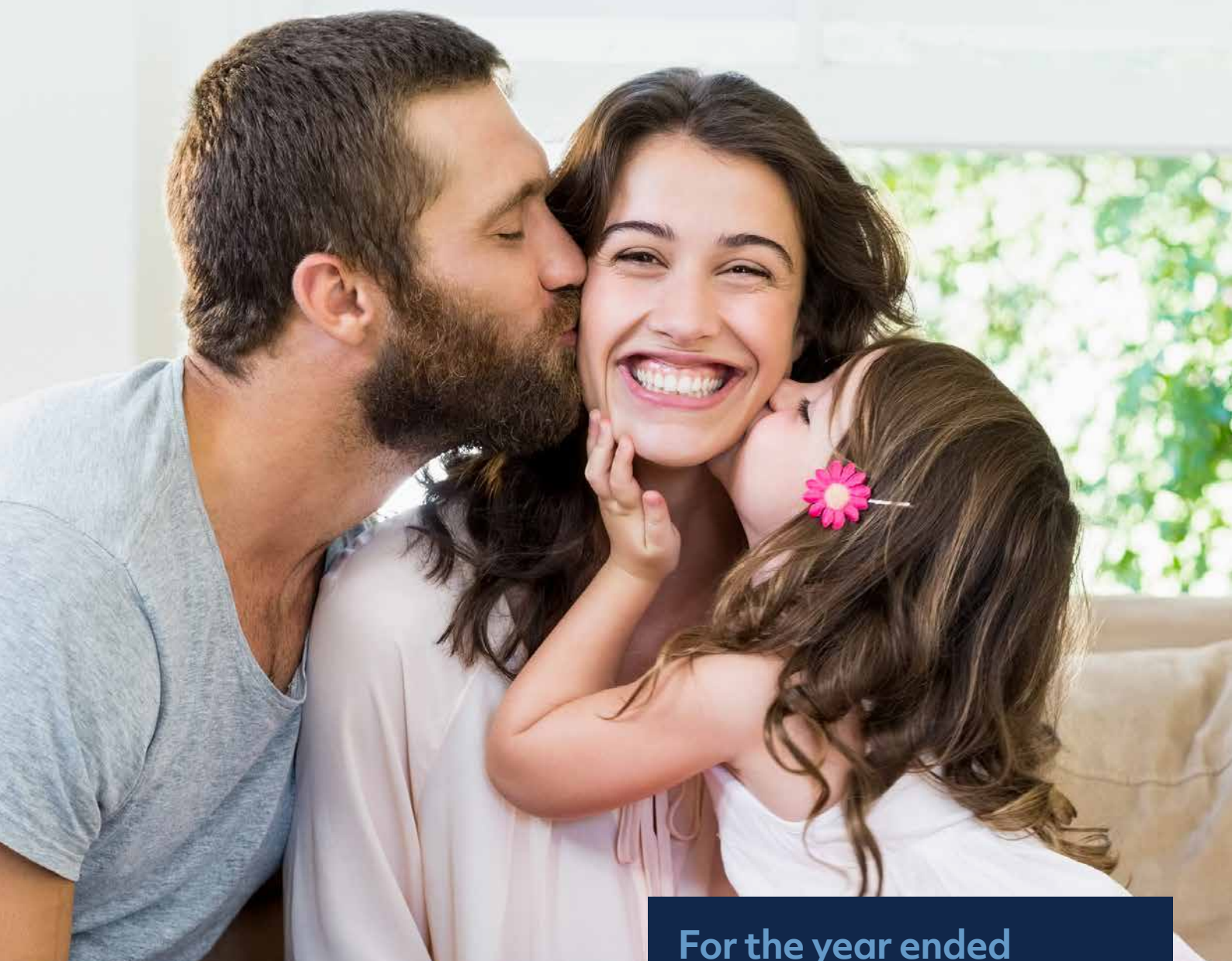


Guild Retirement Fund annual report



For the year ended
30 June 2019





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Rating issued by Chant West Pty Limited ABN 75 077 595 316 AFS Licence No. 255320. For further information about the methodology used by Chant West, see www.chantwest.com.au. Chant West has given, and has not withdrawn, its consent to the inclusion in this Annual Report of the references to Chant West and the inclusion of the logos and ratings provided by Chant West in the form and context in which they are included.

The Annual Report highlights important changes that occurred during the financial year ended 30 June 2019. It provides details on the financial statements and investment options for the Guild Retirement Fund (the Fund), which includes GuildSuper, Child Care Super and GuildPension, as well as other important information which should be read by all members.

Welcome

It has been a year of scrutiny, reflection and change in the superannuation industry, with the release of the Banking Royal Commission report and introduction of 'Protecting your Super' and 'Member Outcomes' legislation providing a catalyst for all super funds, including GuildSuper and Child Care Super, to refocus their attention to ensure the interests of members always come first. There is no better example of this than our award-winning SUPERSUPER program, a ground-breaking initiative which is helping to create a better future for GuildSuper and Child Care Super members and their families.

In February, after almost a year of hearings and deliberations, the final report from the *Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry* was released.

Of the 76 recommendations made, there were nine which directly impact superannuation funds, however most will have little effect on our members.

As a super fund that puts the well-being of members first, we applaud the Banking Royal Commission for shining a light on serious conflicts within the financial services system and validating the important role that funds like GuildSuper and Child Care Super play in safeguarding Australians' retirement savings.

We support the measures recommended by the Royal Commission that will see the entire superannuation industry operate in the best interests of fund members in the future.

Our purpose of delivering each and every member their best retirement outcome remains the same.

On 1 July, the Government's 'Protecting Your Super' legislation became law.

Under these changes, super accounts that are inactive for 16 months or more will automatically lose insurance cover, and inactive accounts under \$6,000 will be automatically transferred to the Australian Tax Office (ATO).

For ATO purposes, your account is inactive if, in the last 16 months, we have not received a contribution into your account and you haven't made any updates to your account details, such as changing investment options, insurance cover, or making or amending a binding beneficiary nomination.

While these changes will stop super savings being unnecessarily reduced by fees and insurance costs, there is a real danger that some members will be left exposed if they still need the cover or don't have insurance anywhere else.

Now, more than ever, we encourage all members to pay close attention to any correspondence you receive about your insurance cover. It may make a big difference to your financial security in the future.

In October 2018, we launched SUPERSUPER, a ground-breaking initiative that provides a new way to contribute to super that's linked to expenditure, not income – a first for the super industry.

In Australia, women are at higher risk of retiring with less money in their super than men because they often work in low-income roles, part-time, and will typically take time off to look after family.

As women tend to be the main shoppers in the family, providing a program that allows them to grow their super balance each time they shop is a real and practical solution.

Just twelve months later, the response to the industry's first shop-and-save super rewards program has been overwhelming.

SUPERSUPER won 'Best Fund: Innovation' at the 2019 Chant West awards and we placed third in the 2019 AFR BOSS 'Most Innovative Companies - Banking and Finance' awards. We were also a finalist in the 2019 Chant West 'Specialist Fund of the Year' awards.

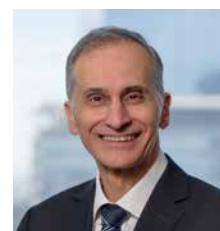
GuildSuper and Child Care Super are committed to creating solutions that make super approachable, relevant and part of everyday life for its members. These awards are recognition from the industry that SUPERSUPER is changing the future for women and their families.

If you would like more information about SUPERSUPER and how it can help create a better future for you in retirement, see page 6.

Yours sincerely



Mario Pirone
Managing Director
Guild Trustee Services



GTS

At a Glance

\$1,933,058,251

Total funds under management



82,232 Total members

MySuper Building Option



8.6% p.a.
1 year return



9.3% p.a.
Return since 1 Oct 2013



Total active employers

24,808

\$244,583,839

Total member inflows





33.16 yrs old
Average member age

84.4% of members are women



19,553 Total calls to Helpline

\$23,507 Average member balance



22,635 Total workplace visits and contacts



SUPERSUPER ... changing the future for women and their families

The Guild Retirement Fund has created SUPERSUPER, the first ever shop-and-save super rewards program.

Launched in late 2018, SUPERSUPER provides a new way to contribute to super that's linked to expenditure, not income – a first for the super industry.

While anyone can access and benefit from the program, the Guild Retirement Fund (which includes GuildSuper and Child Care Super) specifically designed SUPERSUPER with women in mind as they are at greater risk of retiring with less money in their super than men because they often work in low-income roles, part-time, and typically take time off to look after family.

As women make up 85% of our membership - the highest of any super fund in Australia, we knew we had to do something to help bridge that gap and create a better future for them in retirement.

SUPERSUPER allows you to earn money towards your super balance through your everyday shopping, without adding to your cost of living or changing your lifestyle. This is different to your typical superannuation marketing program that asks members to make sacrifices like 'giving up your daily coffee' to contribute more to super.

With SUPERSUPER, you can earn money from the money you're already spending on everyday things like groceries, petrol and movie tickets, alongside bigger ticket items such as furniture and airfares. It's a real and practical way to grow your super account balance.

How does it work?

Members who sign up for SUPERSUPER can purchase eVouchers or gift vouchers via the SUPERSUPER site to spend on everyday shopping at participating retailers.

A cash reward, calculated on a percentage of every dollar spent, will be deposited directly into your super account every time you shop. For example, spend \$100 at a participating retailer with a 5% reward and \$5 will be added to your super savings, at no cost to you.

New retailers, including online stores, will be added soon, so you can boost your super savings without having to leave the house!



You Are Part of An Award-Winning Fund!

Did you know SUPERSUPER won 'Best Fund: Innovation' at the 2019 Chant West awards and placed third in the 2019 AFR BOSS 'Most Innovative Companies - Banking and Finance' awards.

As a GuildSuper or Child Care Super member, you should be proud that your Fund is helping to lift standards across the super industry and improve retirement outcomes. SUPERSUPER is changing the future for women and their families.



Can SUPERSUPER really help create a better future?

SUPERSUPER is changing the future for women and their families.

Claire is 34 years old. She earns \$34,000 a year and has just \$18,000 in super savings.

There's a 50% chance that she will spend at least 4 years out of the workforce caring for children or other family members before she reaches retirement.

Claire is projected to retire with a superannuation account balance of \$141,000[^].

According to AFSA*, singles will need around \$43,600 a year and couples will need approximately \$61,500 a year to live comfortably in retirement.

Even a modest lifestyle, which is considered better than the Age Pension but only provides for fairly basic activities, will require \$27,800 for singles and \$40,000 for couples. Both scenarios presume you are relatively healthy and own your own home.

With a super balance of just \$141,000, Claire is at serious risk of not having enough money to live on when she stops working.

But thanks to SUPERSUPER, there is something she can do today to improve her standard of living in retirement.

If Claire was to spend what she normally does using SUPERSUPER for a quarter, half or all of her shopping (without spending more than she already does or giving anything up), she could add as much as an extra \$105,935 to her retirement savings.

Small regular amounts added to super today can add up to thousands of extra dollars over time, thanks to the magic of compound returns. And when it comes to super, a little bit extra can go a long way.

So what are you waiting for?

For more information about SUPERSUPER or superannuation in general, visit guildsuper.com.au/supersuper or childcaresuper.com.au/supersuper

[^] Assumptions: Annual Salary \$34,011, current super balance \$17,761, career break at 30 years for 4 years, Government Co-Contribution included, household spending – Couple Family with Dependent Children aged 5 to 14: \$633.66 per week, average SUPERSUPER reward: 7.59%. 4.8% gross return, 1.6% yearly fee on balance, 0% fee on contributions, \$0 admin fee, 2% price inflation; 3.2% wage inflation, retirement age 67, no partner, no TTR. Note: Actual figure is \$140,857.

* Source: ASFA 'Budgets for various households and living standards for those aged around 65 years (June quarter 2019, national)



* Figures above are based on 34 year old, \$34,011 p.a. salary, current super balance \$17,761, retirement age 67, household spending of \$633.66 per week, average SUPERSUPER reward calculated at 7.59%. Contributions of SG, Govt Co-Contribution and SUPERSUPER only, 4.8% p.a. gross return. 1.6% yearly fee on balance. Insurance premiums not included, 2% p.a. price inflation and 3.2% p.a. wage inflation. Figures are displayed in today's dollars.

Regulatory Changes

Several changes to super were passed into legislation during the year, including the Government's 'Protecting Your Super' reforms to protect account balances from unnecessary erosion by fees and insurance premiums.

The following changes came into effect as of 1 July 2019.

Insurance cover to be cancelled on inactive accounts

Insurance cover on all inactive super accounts will be automatically cancelled unless you notify us in writing that you want to keep your cover. For insurance purposes, accounts are considered inactive if we haven't received any contributions into your account in the last 16 months.

Inactive low-balance accounts to be transferred to the ATO

Inactive accounts with a balance less than \$6,000 will automatically be transferred to the ATO. Where possible, the ATO will consolidate this balance into an active account you hold with another super fund. For ATO purposes, your account is inactive if, in the last 16 months, we have not received a contribution into your account and you haven't made any updates to your account details, such as changing investment options, insurance cover, or making or amending a binding beneficiary nomination.

Removal of exit fees

Super funds can no longer charge an exit fee when members change funds. GTS implemented this change on 30 June 2019.

Cap on admin and investment fees for low-balance accounts

Administration and investment fees and costs are now capped at 3% for all accounts with less than \$6,000 at the end of the financial year (or if you leave the Fund).

Federal Government Announcement following the 2019 Election

Treasury Laws Amendment (Putting Members' Interests First) Bill 2019, which prevents trustees from providing insurance on an opt out basis to new members under 25 and members who have low-balance accounts (below \$6,000), has been legislated, with the following amendment:

- A delayed effective date of 1 April 2020, with the requirement that trustees identify members who may be affected by the measure on 1 November 2019 and notify these members by 1 December 2019.

Governance

The Board oversees the Fund's operations and ensures it is operating efficiently and in the best interests of members.

The Trustee of Guild Retirement Fund is Guild Trustee Services Pty Ltd (ABN 84 068 826 728). The Trustee has an Australian Financial Services License (AFSL 233815) issued by the Australian Securities and Investments Commission and a RSE License (L0000611) issued by the Austral Prudential Regulation Authority. The Trustee is governed by a Board of Directors (the Board) who are appointed as per the Constitution of the Guild Group. The Trustee Board meets six times per year.

The Guild Trustee Services Board

DIRECTORS: The names and details of the company's directors in office during the financial year and up to the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Linda Jenkinson (Chair) Joined: Sep 2016

MBA, ACA, B.B.S.

Linda is a global entrepreneur who has founded numerous businesses including John Paul, a global travel concierge provider to the world's largest brands. Linda is founder of several start-ups, running companies as CEO and taking on public, private and non-profit Director roles. Linda was the first New Zealand woman to take a company public on the NASDAQ and has received numerous awards for her entrepreneurial work in the United States and New Zealand. Linda received a Master Entrepreneur of the Year (NZ) award from Ernst & Young and was the first woman to be awarded the Sir Geoffrey Peren Award for Most Distinguished Alumni from Massey University, New Zealand. Linda is a Director of Air New Zealand (NZE), Eclix (ECX), Harbour Asset Management, Jaxsta (JSX) and former Partner at A.T Kearney. Linda was appointed Chair on 20 December 2018.

Stephen Somogyi (Non-Executive Director)

Joined: Jan 2013

MSc (Melb), SM (MIT), FIAA, FAICD, FFin

Steve is Principal Advisor, Strategic Projects at Monash University and has extensive experience in the financial services and health care industries, including 27 years with National Mutual and as Executive Member of the Australian Prudential Regulation Authority from 2003 to 2006. Steve also served as Chief Operating Officer at RMIT University from 2006 to 2016.

Steve holds a Master of Science in Physics from the University of Melbourne and a Master of Science in Management from the Massachusetts Institute of Technology. Steve is a Fellow of the Institute of Actuaries of Australia, the Australian Institute of Company Directors and the Financial Services Institute of Australia. Steve is also a Commissioner on the Safety, Rehabilitation and Compensation Commission, Chair of Higher Ed Services, Chair of Factor 5 Software, Director of UniSuper and is the Chair of Guild Group.

Mario Pirone (Chief Executive Officer) Joined: Aug 2010

B.Bus, Grad.Dip. Bus, FCPA

Mario Pirone has over 25 years' experience as a senior executive and Director in large and complex organisations in the areas of general insurance, funds management and superannuation. Mr. Pirone was formerly the CEO of CGU Insurance and an Executive with Insurance Australia Group (1999-2008). He has held a number of non-executive Directorships over the past 10 years and is currently a director of Capricorn Society Limited.

Trent Twomey (Non-Executive Director) Joined: Mar 2018

BPharm, BBus, FACP, FAICD, FIML

Trent is a Pharmacist and owns a number of pharmacies in Northern Queensland. Trent is the Senior National Vice President and Queensland President of the Pharmacy Guild of Australia. He has been a director of the Guild for over eleven years and was part of the negotiating team for the \$18.9B Sixth Community Pharmacy Agreement. Trent is Chairman of Advance Cairns, the peak economic development and advocacy organisation for Tropical North Queensland and Chairman of the Northern Australia Alliance. He is an Adjunct Professor at James Cook University, the Secretary of the World Pharmacy Council, a Council Member of the Queensland Futures Institute, and a Trustee for the Committee for Economic Development of Australia. Trent is a Fellow of the Australian College of Pharmacy, the Australian Institute of Company Directors and the Australian Institute of Managers and Leaders. He is a former Chairman of the Northern Queensland Primary Health Network and National President of the Australian College of Pharmacy. Trent was appointed as a Director on 8 March 2018.

Governance continued

John Dowling (Non-Executive Director)

Joined: Jan 2013

B.Pharm, CPA, FAICD, FACP

John is a Pharmacist, Certified Practising Accountant and Fellow of the Australian Institute of Company Directors and the Australian College of Pharmacy. John is owner of Coventry's Pharmacy, Latrobe, Tasmania, Tasmanian State President and National Vice-President (Finance) of the Pharmacy Guild of Australia (PGA). John is also Chairman of Meridian Lawyers Ltd, Chair of the PGA's Governance and Corporate Services Committee and member of the Pharmacy Viability Committee.

Nick Panayiaris (Non-Executive Director)

Joined: Mar 2018

BSc, BPharm, MAICD

Nick is a practising Pharmacist with over 20 years' experience and an owner of a number of community pharmacies in South Australia. Nick is South Australian President of the Pharmacy Guild of Australia (PGA) and has been a National Councillor for 9 years. He is the current Chair of the PGA's Pharmacy Transformation Committee and member of the Pharmacy Viability Committee which negotiated the 6th Community Pharmacy Agreement. Nick's other roles include being a member of the Priceline Brand Advisory Committee and Steering Group Committee member of the PGA's CP2025 Project. Nick was appointed as a Director on 8 March 2018.

Andrew Bloore (Non-Executive Director)

Joined: Sep 2016

Andrew has been described as a serial entrepreneur and has been involved in the establishment, design, funding, commercialisation and ultimate sale (both trade sale and IPO) of a number of businesses in a diverse range of industries. Andrew has been a CEO for over 20 years.

Andrew has sat on a wide range of Australian Tax Office (ATO) and Treasury Committees, including the Simple Super Legislation Committee, ATO Regulations Review and a range of Senate Select Committees.

Andrew holds a Board and Advisory position with the Sydney Institute of Marine Science and is a Director of Meridian Lawyers Ltd, Gold Cross Products and Services Pty Ltd, IOOF Ltd, IOOF Investment Management Ltd and Chairman of Guildlink Pty Ltd and Chairman of Australian Executive Trustees Ltd.

The following Director resigned from Guild Trustee Services Limited during the financial year:

- George Venardos (26 February 2019).

Company Secretary for Guild Trustee Services Pty Limited is Elisabet Wreme.

The Board has established Committees for certain functions. The Committees are made up of members of the Board and regularly report to the Board.

- The Guild Group Capital Committee: meets six times a year and is responsible for overseeing the implementation of the Fund's Investment Governance Framework as required by Prudential Standard SPS530.
- The Audit Committee: meets five times a year and is responsible for independent assurance to the Board that material risks are being addressed by an adequate and effective control framework being maintained by Management.
- The Risk Management & Compliance Committee: meets four times a year and is responsible for the objective review of the effectiveness of Guild's risk management framework and to oversee Guild's statutory, licensing and regulatory requirements, including risk management, capital requirements, and compliance and reporting requirements.
- The Guild Group Remuneration & Nominations Committee: meets up to six times a year and is responsible for monitoring and assessing the adequacy of the Guild Group Board Renewal Policy and then advising the Board of any changes required.

Board and Board Committee Attendance Summary from 1 July 2018 to 30 June 2019

Guild Trustee Services : Directors Attendance – Board Meetings

Name	Term Commence	Term Conclude	2018/19	Audit Committee	Risk Management & Compliance Committee	Guild Group Remuneration	Capital Committee
No of Meetings Held	6	5	7	5	4	6	6
Mario Pirone (Managing Director)	6/08/2010		7	–	–	–	–
George Venardos ¹	16/02/2009	26/02/2019	4	4	3	2	2
Stephen Somogyi ²	1/01/2013		7	5	4	4	6
John Dowling ³ (Director)	1/01/2013		7	1	1	–	2
Andrew Bloore ⁴ (Director)	1/09/2016		7	1	–	6	4
Linda Jenkinson (Chair) ⁵	1/09/2016		6	2	3	–	2
Trent Twomey (Director)	8/03/2018		6	–	–	–	6
Nickolas Panayiaris (Director)	8/03/2018		6	5	4	–	–

Note: Board and Committee attendance reflects appointments and resignations over the course of the year.

1. Resigned 26/2/2019

2. Appointed Chair of Capital Committee & resigned as Chair of the Audit Committee and Risk Management & Compliance Committee on 20/12/2018.

3. Appointed Chair of the Audit Committee and Risk Management & Compliance Committees, and resigned as Chair of the Capital Committee on 20/12/2018.

4. Appointed to the Audit Committee and Risk Management & Compliance Committee, and resigned from the Capital Committee on 20/12/20.

5. Appointed as Chair 20/12/18

Investments

Investment managers

The Trustee uses external investment managers to invest the Fund's assets within the guidelines set out by the Trustee. The Trustee aims to achieve the objectives of each investment option by investing in pooled investment products that are managed by external professional investment managers. The performance of each manager is closely monitored and changes are made when appropriate.

As per the table below, the majority of assets are now managed by Russell Investment Management Limited. Some assets are managed by Mercer Investment (Australia) and some residual cash is held in a National Australia Bank account.

The following table shows the Fund's investment holdings as a percentage of assets that investment managers held as at 30 June 2019.

Investment Holdings	%
Russell After-Tax Australian Shares Fund	32
Russell Australian Bond Fund	7
Russell Investments Australian Opportunities Fund	3
Mercer Australian Direct Property Fund	4
Russell Investments Low Carbon Global Shares Fund (Hedged)	4
Vanguard International Property Securities Index Fund Hedged	1
Russell Investments Low Carbon Global Shares Fund	12
Russell Tax Effective Global Shares Fund	17
Russell Australian Cash Enhanced Fund	4
Mercer Global Unlisted Infrastructure Fund	4
Russell Global Listed Infrastructure Fund \$A Hedged	0
Russell International Property Securities Fund \$A Hedged	1
Russell Emerging Markets Shares Fund	3
Russell Australian Cash Fund	2
Russell Investments Global High Yield Fund	2
Russell Emerging Market Debt Local Currency Fixed Income	3
AUD Cash	1

Please note actual holdings may vary slightly due to rounding.

Investment performance

The tables below show each investment option's net investment return to 30 June over the past five financial years as well as the compound average rate of net earnings for the five-year period ending 30 June 2019. The investment returns are net of investment fees and investment tax (where relevant).

GuildSuper and Child Care Super

Investment Option	Investment returns (%) for the year ended 30 June					Compound average (% p.a.)
	2019	2018	2017	2016	2015	5 years to 30 June 2019
Consolidating	9.0	6.2	6.8	3.5	6.1	6.3
Growing	8.5	8.4	9.8	2.8	8.0	7.5
Building	8.6	10.7	12.7	2.6	10.1	8.9
Secure	1.4	1.3	1.0	2.3	1.8	1.6
Conservative	7.1	4.4	3.5	4.1	4.1	4.6
Balanced	9.4	6.4	6.6	3.7	6.3	6.5
Growth	8.9	8.5	9.8	3.0	8.4	7.7
High Growth	9.1	10.6	12.8	2.1	10.3	8.9
Property Securities	6.7	5.3	3.1	9.7	9.2	6.8
Australian Shares	6.6	11.8	11.9	0.3	4.8	7.0
International Shares (Unhedged)	10.4	12.4	17.0	0.1	22.1	12.1

Past performance is not a reliable indicator of future returns.

GuildPension

Investment Option	Investment returns (%) for the year ended 30 June					Compound average (% p.a.)
	2019	2018	2017	2016	2015	5 years to 30 June 2019
Secure	1.4	1.3	1.6	2.1	2.5	1.8
Conservative	7.2	4.5	4.4	3.9	5.3	5.0
Balanced	8.3	6.0	7.6	3.7	6.9	6.5
Growth	9.1	9.0	11.0	2.8	8.8	8.1
High Growth	8.6	11.8	12.6	2.0	9.4	8.8

Past performance is not a reliable indicator of future returns.

How returns are allocated to accounts

The net earnings of each investment option are reflected in the change in the price of each unit in that option. The effective rate of net earnings for a given period can therefore be determined by the proportionate change (positive or negative) in the unit prices from the start to the end of the period. It is the difference in these prices that shows how the option has performed over the year. It is important to remember that although the unit price may have fallen, the number of units held has only varied in line with the transactions on the account, for example units are added when contributions are made and deducted when items like fees and tax are paid.

Investments continued

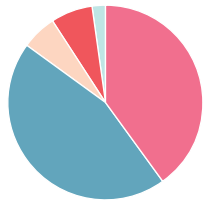
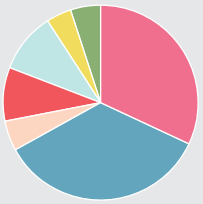
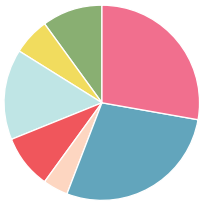
Investment objectives and strategies

The Trustee's investment strategy is to invest in a diversified portfolio of asset classes in accordance with each respective benchmark. Each investment option's investment mix is managed by the Trustee in accordance with the investment strategies set out in the following pages. The actual asset allocation may vary from time to time but will generally remain within the investment ranges set out in the following pages. The asset allocation may move outside those ranges in limited circumstances such as any large transition of assets.

More information on investment options can be obtained by referring to the Fund's *Product Disclosure Statements* or by referring to guildsuper.com.au or childcaresuper.com.au.

MySuper Lifecycle Investment Strategy

The MySuper product was launched on 1 October 2013 and is only available to GuildSuper and Child Care Super members.

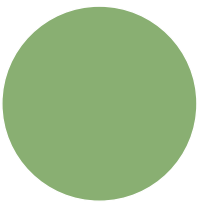
	Building		Growing		Consolidating	
Investment Return Objective*	CPI + 4.0% p.a. over rolling 10 year periods		CPI + 3.0% p.a. over rolling 10 year periods		CPI + 2.5% p.a. over rolling 10 year periods	
■ Total growth assets	98%		81%		69%	
■ Total defensive assets	2%		19%		31%	
Asset class	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
● Australian shares	40	25 to 55	32	15 to 50	28	10 to 40
● International shares	45	20 to 60	35	10 to 50	28	10 to 40
● Property	6	0 to 25	5	0 to 20	4	0 to 20
● Alternatives (growth)	7	0 to 30	9	0 to 30	9	0 to 30
Total growth	98	90 to 100	81	60 to 90	69	50 to 80
● Fixed interest	2	0 to 10	10	0 to 30	15	0 to 35
● Alternatives (defensive)	0	0 to 10	4	0 to 10	6	0 to 15
● Cash / Money market securities	0	0 to 10	5	0 to 20	10	0 to 35
Total defensive	2	0 to 10	19	10 to 40	31	20 to 50
						

* Return targets are after all investment and administration fees, costs and taxes.

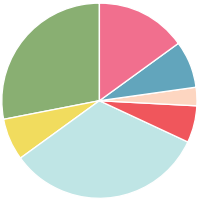
MyMix Solution suite of investment options

These investment options are available to GuildSuper, Child Care Super and GuildPension members.

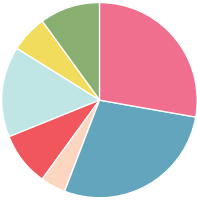
Secure	
Investment objective	To provide gross investment returns at least equal to the Bloomberg Bank Bill Index returns over rolling 1 year periods.
Investment mix	100% Defensive
Asset class	Benchmark (%)
● Cash / Money market securities	100
Total defensive	100



Conservative	
Investment objective	To provide net (after investment fees and investment tax) investment returns of at least 2.0% per annum above CPI increases over rolling 3 year periods.
Investment mix	32% Growth 68% Defensive
Asset class	Benchmark (%) Range (%)
● Australian shares	15 0 to 25
● International shares	8 0 to 25
● Property (listed & unlisted)	3 0 to 20
● Alternatives (growth)	6 0 to 20
Total growth	32 10 to 40
● Fixed interest	33 0 to 60
● Alternatives (defensive)	7 0 to 20
● Cash / Money market securities	28 20 to 60
Total defensive	68 60 to 90



Balanced	
Investment objective	To provide net (after investment fees and investment tax) investment returns of at least 2.5% per annum above CPI increases over rolling 5 year periods.
Investment mix	69% Growth 31% Defensive
Asset class	Benchmark (%) Range (%)
● Australian shares	28 10 to 40
● International shares	28 10 to 40
● Property (listed & unlisted)	4 0 to 20
● Alternatives (growth)	9 0 to 30
Total growth	69 50 to 80
● Fixed interest	15 0 to 35
● Alternatives (defensive)	6 0 to 15
● Cash / Money market securities	10 0 to 35
Total defensive	31 20 to 50



Investments continued

MyMix Solution suite of investment options (contd.)

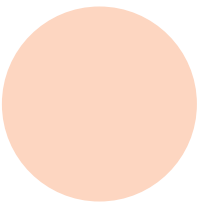
Growth		
Investment objective	To provide net (after investment fees and investment tax) investment returns of at least 3.0% per annum above CPI increases over rolling 8 year periods.	
Investment mix	81% Growth 19% Defensive	
Asset class	Benchmark (%)	Range (%)
● Australian shares	32	15 to 50
● International shares	35	10 to 50
● Property (listed & unlisted)	5	0 to 20
● Alternatives (growth)	9	0 to 30
Total growth	81	60 to 90
● Fixed interest	10	0 to 30
● Alternatives (defensive)	4	0 to 10
● Cash / Money market securities	5	0 to 20
Total defensive	19	10 to 40

High Growth		
Investment objective	To provide net (after investment fees and investment tax) investment returns of at least 4.0% per annum above CPI increases over rolling 10 year periods.	
Investment mix	98% Growth 2% Defensive	
Asset class	Benchmark (%)	Range (%)
● Australian shares	40	25 to 55
● International shares	45	20 to 60
● Property (listed & unlisted)	6	0 to 25
● Alternatives (growth)	7	0 to 30
Total growth	98	90 to 100
● Fixed interest	2	0 to 10
● Cash / Money market securities	0	0 to 10
Total defensive	2	0 to 10

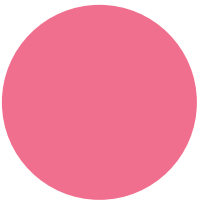
MyMix Solution suite of investment options (contd.)

These investment options are only available to GuildSuper and Child Care Super members.

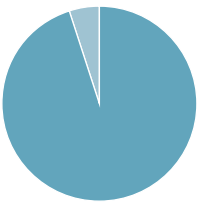
Property Securities		
Investment objective	To provide gross investment returns at least equal to the FTSE EPRA/NAREIT Developed Index in Australian Dollars (Hedged) over rolling 7 year periods.	
Investment mix	100% Growth	
Asset class	Benchmark (%)	Range (%)
● Property (listed)	100	90 to 100
Total growth	100	90 to 100
● Cash / Money market securities	0	0 to 10
Total defensive	0	0 to 10



Australian Shares		
Investment objective	To provide gross investment returns at least equal to the S&P/ASX 300 Accumulation Index returns over rolling 7 year periods.	
Investment mix	100% Growth	
Asset class	Benchmark (%)	Range (%)
● Australian shares	100	90 to 100
Total growth	100	90 to 100
● Cash / Money market securities	0	0 to 10
Total defensive	0	0 to 10



International Shares (unhedged)		
Investment objective	To provide gross investment returns at least equal to the MSCI World Index (ex-Australia) in Australian Dollars Net Dividends Reinvested (unhedged), over rolling 7 year periods.	
Investment mix	100% Growth	
Asset class	Benchmark (%)	Range (%)
● International shares	95	80 to 100
● International emerging markets	5	0 to 10
Total growth	100	90 to 100
● Cash / Money market securities	0	0 to 10
Total defensive	0	0 to 10



Investments continued

Use of Derivatives

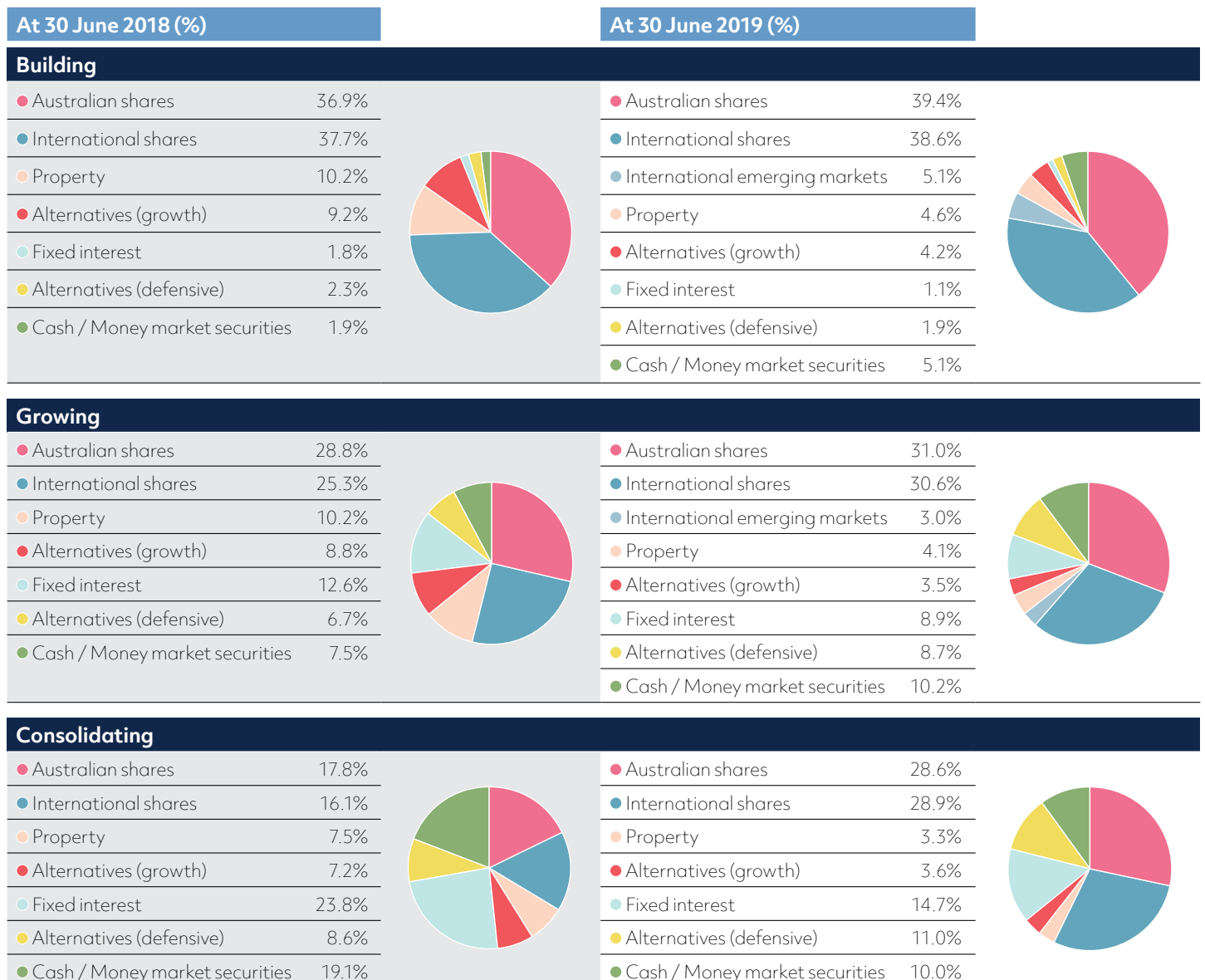
The Trustee will not normally invest directly in derivatives, but may do as a short-term mechanism to achieve a desired asset allocation during the transitioning of assets between investment managers. Underlying investment managers may use derivatives as a tool to help manage investment risk. Some examples of derivatives include futures and options.

Investment asset allocations

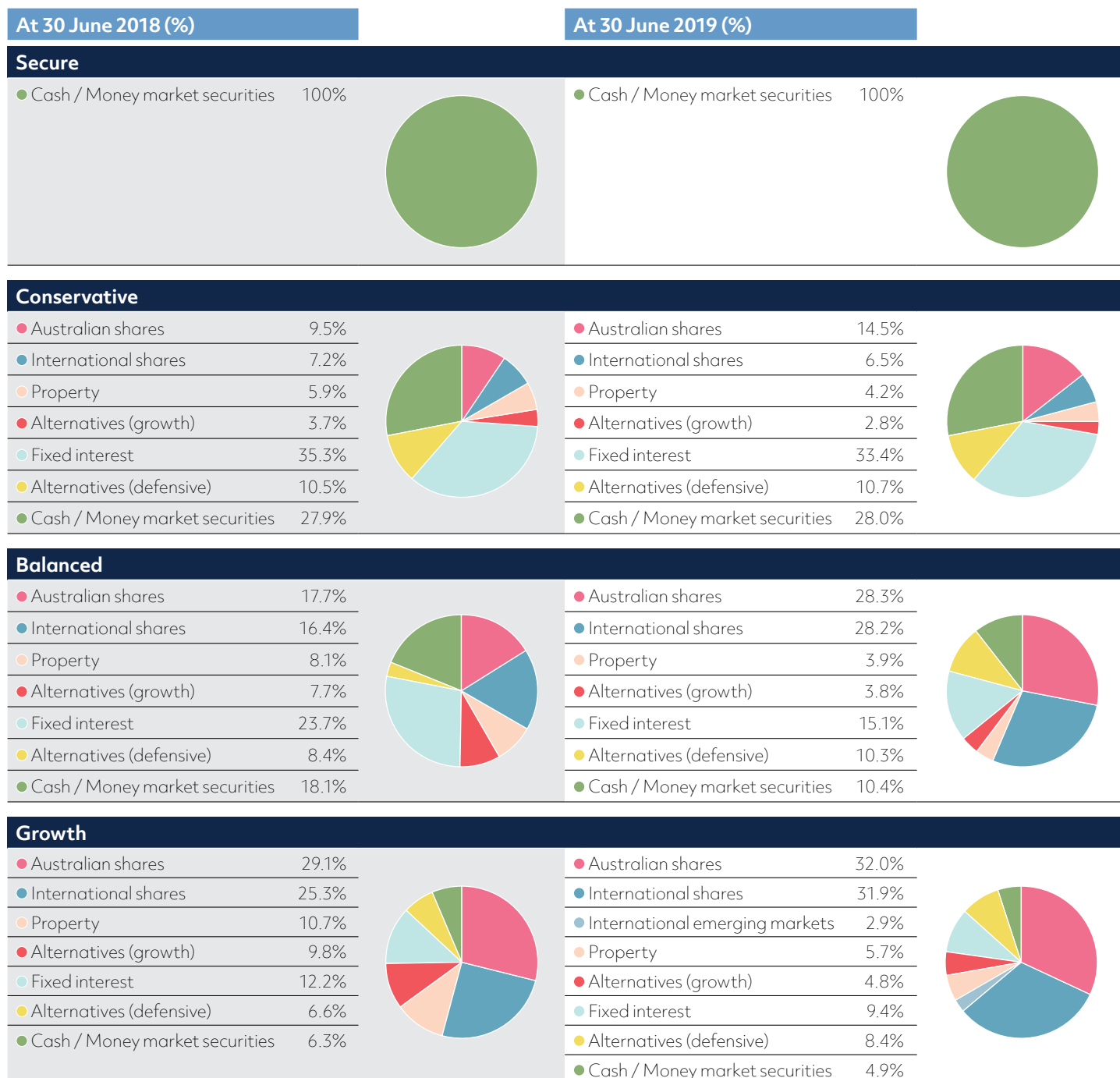
The following shows the actual asset allocation of each investment option for the assets attributable to GuildSuper and Child Care Super members and GuildPension members at 30 June 2019 and 30 June 2018.

GuildSuper and Child Care Super

The MySuper Lifecycle Investment Strategy

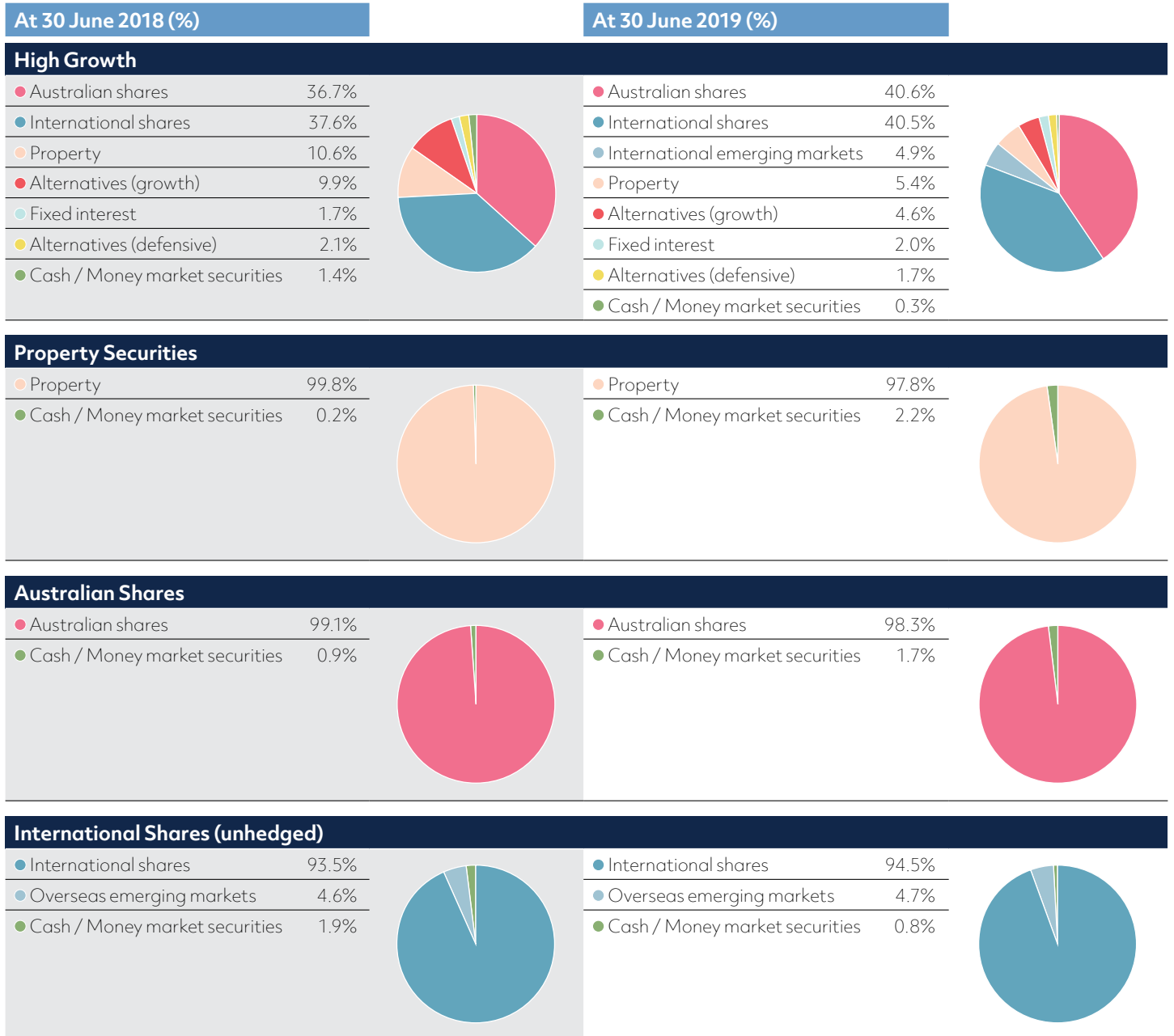


MyMix suite of investment options


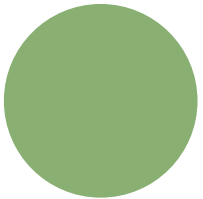
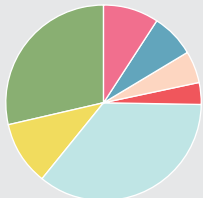
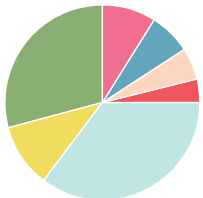


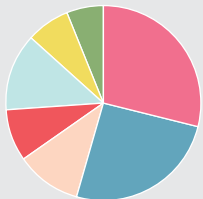
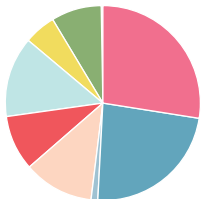
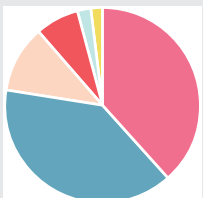
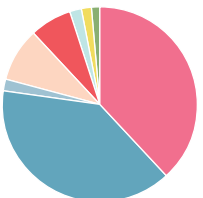


Investments continued

MyMix suite of investment options (contd.)

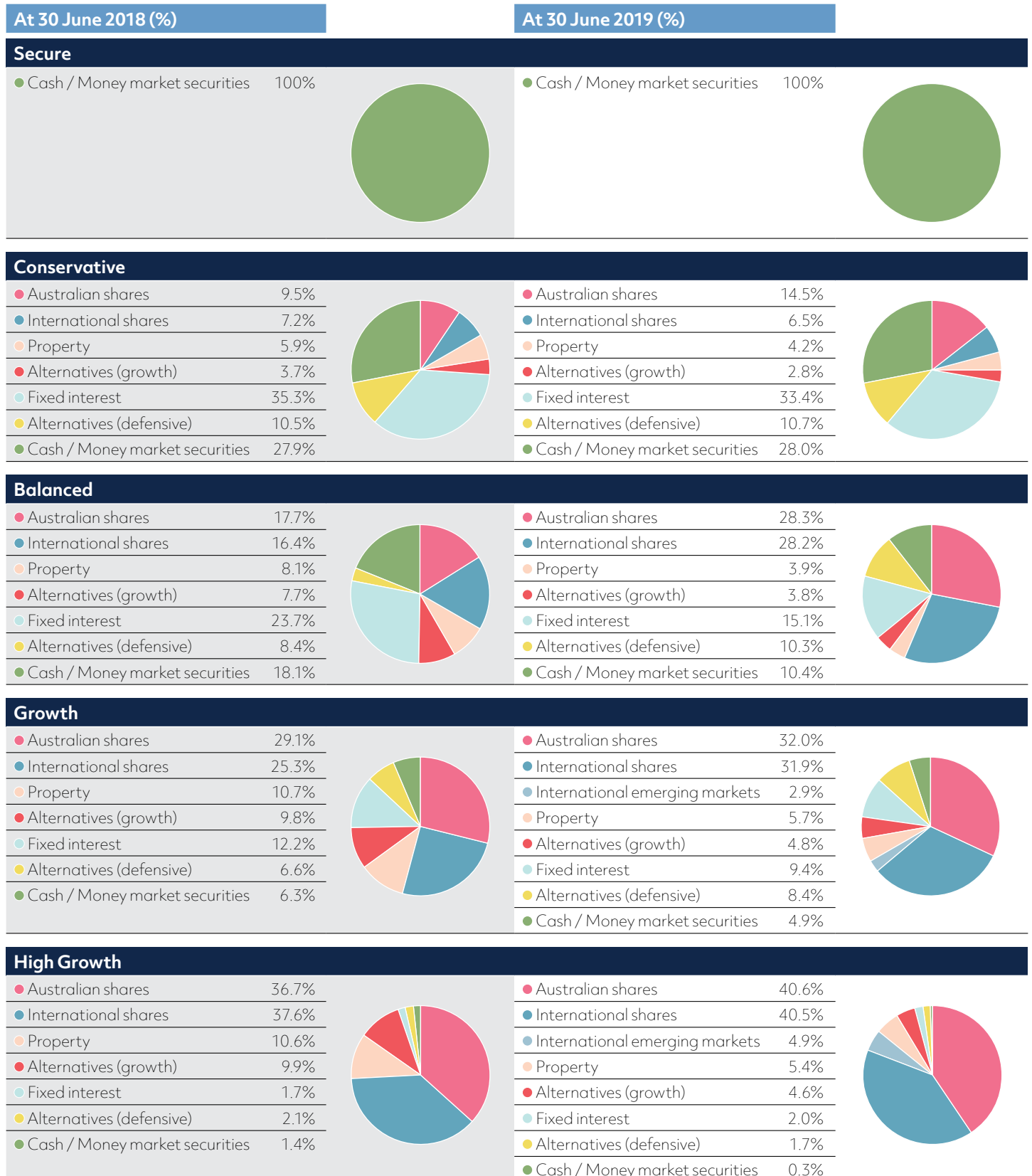


GuildPension (Untaxed)

At 30 June 2018 (%)		At 30 June 2019 (%)	
Secure			
<ul style="list-style-type: none"> Cash / Money market securities 100% 		<ul style="list-style-type: none"> Cash / Money market securities 100% 	
Conservative			
<ul style="list-style-type: none"> Australian shares 9.2% International shares 7.4% Property 5.3% Alternatives (growth) 3.4% Fixed interest 35.6% Alternatives (defensive) 10.7% Cash / Money market securities 28.4% 		<ul style="list-style-type: none"> Australian shares 9.1% International shares 6.9% Property 5.3% Alternatives (growth) 3.7% Fixed interest 35.4% Alternatives (defensive) 10.6% Cash / Money market securities 29.0% 	
Balanced			
<ul style="list-style-type: none"> Australian shares 23.8% International shares 21.9% Property 8.8% Alternatives (growth) 8.6% Fixed interest 31.7% Alternatives (defensive) 11.4% Cash / Money market securities -6.2% 		<ul style="list-style-type: none"> Australian shares 17.3% International shares 16.1% Property 7.4% Alternatives (growth) 7.7% Fixed interest 24.0% Alternatives (defensive) 8.4% Cash / Money market securities 19.2% 	
Growth			
<ul style="list-style-type: none"> Australian shares 29.0% International shares 25.5% Property 10.9% Alternatives (growth) 8.7% Fixed interest 12.9% Alternatives (defensive) 7.2% Cash / Money market securities 5.9% 		<ul style="list-style-type: none"> Australian shares 27.8% International shares 23.3% International emerging markets 0.9% Property 11.7% Alternatives (growth) 9.2% Fixed interest 13.3% Alternatives (defensive) 5.4% Cash / Money market securities 8.5% 	
High Growth			
<ul style="list-style-type: none"> Australian shares 38.7% International shares 39.3% Property 11.2% Alternatives (growth) 7.4% Fixed interest 2.0% Alternatives (defensive) 1.9% Cash / Money market securities -0.5% 		<ul style="list-style-type: none"> Australian shares 38.3% International shares 39.2% International emerging markets 1.9% Property 9.0% Alternatives (growth) 6.9% Fixed interest 1.9% Alternatives (defensive) 1.7% Cash / Money market securities 1.2% 	

Investments continued

GuildPension (Taxed)



Financial information

The following information is a summary of the Financial Statements for the Fund for the year ended 30 June 2019. The accounts have been prepared on an accrual basis and comply with the requirements of the relevant accounting standards. Assets are shown at net market value. The Financial Statements have been audited by Ernst & Young.

The Fund's full set of Audited Financial Statements are on the website and available to members on request.

Statement of financial position as at 30 June 2019

	2019 \$'000	2018 \$'000
Assets		
Cash and cash equivalents	23,596	32,726
Receivables	65,586	1,472
Investments	1,904,491	1,738,504
Current tax asset	847	–
Total assets	1,994,520	1,772,702
Liabilities		
Creditors and accruals	3,000	3,486
Current tax liabilities	–	4,208
Deferred tax liabilities	19,103	11,379
Total liabilities excluding member liabilities	22,103	19,073
Net assets available for member benefits	1,972,417	1,753,629
Member benefits	1,933,122	1,722,401
Net assets	39,295	31,228
Equity		
Operational risk financial reserve	5,512	4,490
Contingency reserve	4,496	3,988
Amount not yet allocated	29,287	22,750
Total equity	39,295	31,228

Financial information continued

Income Statement for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
Superannuation activities		
Interest	186	217
Trust distributions	64,186	76,756
Net remeasurement change in assets measured at fair value	92,234	73,636
Other investment income	7,721	6,477
Total superannuation activities revenue	164,327	157,086
Expenses		
Direct investment expense	4,594	4,057
General administration expense	13,633	12,997
Project costs	339	–
Bank charges	7	5
Total expenses	18,573	17,059
Profit from operating activities	145,754	140,027
Less net benefits allocated to member accounts	(135,696)	(119,557)
Profit/Loss before income tax	10,058	20,470
Income tax expense/ (benefit)	2,045	5,635
Profit/Loss after income tax	8,031	14,835

Contribution surcharge payments (if any) are deducted from member accounts.

Statement of changes in member benefits for the year ended 30 June 2019

	2019 \$'000	2018 \$'000
Opening balance of members' liabilities	1,722,401	1,527,589
Contributions received		
Employer contributions	191,106	175,410
Member contributions	16,081	14,966
Government co-contributions	282	311
Transfer in	34,655	26,967
Income tax on contributions	(27,845)	(27,042)
Net after tax contributions	214,279	190,612
Benefits paid		
Lum sum payments	(28,950)	(23,927)
Transfers to other funds	(104,849)	(85,305)
Pensions paid	(1,228)	(1,063)
Tax benefit from anti detriment	5	125
Net benefits paid	(135,022)	(110,170)
Insurance		
Insurance premiums charged to member	(16,303)	(16,031)
Death and disability benefits credited to members	9,626	8,439
Tax benefit from insurance deduction	2,445	2,405
Net insurance cost	(4,232)	(5,187)
Benefits allocated to members' accounts, comprising:		
Investment earnings applied to members	149,329	132,554
Administration fees paid by members	(13,633)	(12,997)
Net benefit allocated to members' accounts	135,696	119,557
Closing balance of members' liabilities	1,933,122	1,722,401

Financial information continued

Reserves

Contingency Reserve

The Fund maintains a Contingency Reserve and it is managed in accordance with the Fund's Contingency Reserving Policy.

The Reserve provides a buffer against losses not covered by the Operational Risk Financial Reserve (ORFR). It is also used to provide funding for the Operational Risk Financial Reserve. The target level of the reserve is 0.15% of the Fund's net assets as at 30 June.

	30 June 2019 \$'000	30 June 2018 \$'000	30 June 2017 \$'000
Balance at the beginning of the year	3,988	3,000	1,868
Current year increases	1,190	931	1,582
Transfer to ORFR	(736)	0	(450)
Recoverable on insurance	54	57	-
Balance at the end of the year	4,496	3,988	3,000

Operational Risk Financial Reserve

Effective 1 July 2013, the Fund established an Operational Risk Financial Reserve in accordance with APRA's prudential standards. This Reserve is managed in accordance with the Fund's Operational Risk Financial Reserve Requirement Strategy.

The Trustee may use the reserve to make a payment to address an operational risk event. The target level of the reserve is 0.30% of the Fund's net assets as at 30 June.

	30 June 2019 \$'000	30 June 2018 \$'000
Balance at the beginning of the year	4,490	4,409
Current year increases	86	81
Net transfers	936	-
Balance at the end of the year	5,512	4,490

*includes interest, tax, deduction of benefits and transfers from/to the Contingency Reserve



Important information

What should I do if I have a complaint?

The Guild Retirement Fund is committed to providing our members and their employers with the highest level of service. If you experience a problem or are not happy with our service we want to know and will strive to resolve the issue as quickly and effectively as possible.

You can lodge a complaint via the following channels:

GuildSuper	
By telephone:	1300 361 477
By mail:	GPO Box 1088, Melbourne, Victoria, 3001
Child Care Super	
By telephone:	1800 060 215
By mail:	GPO Box 2788, Melbourne, Victoria, 3001
GuildPension	
By telephone:	1300 665 722
By mail:	GPO Box 1088, Melbourne, Victoria, 3001

Alternatively, you can lodge a complaint directly with the Australian Financial Complaints Authority (AFCA).

The Guild Retirement Fund's Complaints Officer will acknowledge your complaint and endeavour to resolve it within 45 days of receipt.

If you are not satisfied with the Complaints Officer's decision or you have not received a response within 45 days of the complaint being lodged, you can request a review of your complaint by the Trustee's Delegate.

The Trustee's Delegate will have up to 45 days from receipt of your complaint to provide you with a written decision.

What can I do if I'm not satisfied with the outcome of my complaint?

If you're not happy with how we've handled your complaint you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is an independent dispute resolution body set up by the Federal Government to provide a free, impartial and binding dispute resolution service for financial services.

If AFCA can deal with your complaint, it will attempt to resolve the complaint through conciliation. If this is unsuccessful, AFCA will review the decision to which the complaint relates.

For more information about the types of complaints that AFCA can deal with and the information you'll need to provide, contact AFCA:

Australian Financial Complaints Authority

GPO Box 3
Melbourne VIC 3001

Phone: 1800 931 678

Fax: (03) 9613 6399

Email: info@afca.org.au

Web: www.afca.org.au

ASIC also has an Information Line on 1300 300 630 which may be used to obtain further information about your rights.

Pursuant to indemnity insurance under the Fund's Trust Deed, the Trustee has the right to be indemnified out of the Fund's assets for all liabilities it may incur except in the case of dishonesty, wilful neglect or misconduct. Professional indemnity insurance is in place to protect the Trustee and members' interests.

If you need more information

If you require additional information about this Annual Report or your account, in the first instance please refer to the Product Disclosure Statement which is available on the Fund's website, or contact the Fund on the details below.

GuildSuper

 **1300 361 477** |  **GPO Box 1088, Melbourne VIC 3001** |  **guildsuper.com.au**

Child Care Super

 **1800 060 215** |  **GPO Box 2788, Melbourne VIC 3001** |  **childcaresuper.com.au**

GuildPension

 **1300 665 722** |  **GPO Box 1088, Melbourne VIC 3001** |  **guildsuper.com.au/pension**

Trustee and Issuer:

Guild Trustee Services Pty Limited, 171 Collins Street, Melbourne, VIC 3000. ABN 84 068 826 728, AFS Licence no. 233815, as Trustee for the Guild Retirement Fund ABN 22 599 554 834, Fund Reg. No. R1000030, MySuper authorisation No. 22599554834526.

The Trustee is part of the Guild Group. Although the Trustee believes the information in this report is accurate and reliable as at the date of this document, to the extent permitted by law, no company in the Guild Group, nor any director or any officer of any company in the Guild Group, makes any representation or warranty as to the accuracy, reliability or completeness of material in this document. Except in so far as liability under any statute cannot be excluded, companies in the Guild Group and directors, officers, employees and consultants of the Guild Group do not accept any liability (whether arising in contract, tort or negligence or otherwise) for any error or omission in this document (whether direct, inconsequential or otherwise) suffered by the recipient of this information or any other person. Some of the information in this document is based on an interpretation of relevant laws as at 1 September, 2019. No member or any other person should act on the basis of any statement in this report without first obtaining independent advice from a licenced advisor.

You should consider if GuildSuper / Child Care Super / GuildPension is right for you by reading the PDS available at guildsuper.com.au / childcaresuper.com.au