

# Guild Retirement Fund annual report



For the year ended  
30 June 2021



# Contents

Welcome	pg 3
Guild Retirement Fund at a glance	pg 4
Fund changes	pg 6
Governance	pg 7
Super thresholds for the 2021/2022 financial year	pg 9
Changes in Super	pg 10
Investments	pg 12
Financial information	pg 24
Important information	pg 28

# Welcome

The last 12 months have been a roller coaster ride for many people. Despite the challenges, we have maintained a steadfast focus on our core objective – to help members achieve the best possible outcome at retirement. This focus on the long-term has seen us achieve high returns for all of our MySuper options and most of our Choice options. This is great news for members, particularly those seeking to rebuild their retirement savings after accessing their super early due to Covid-19. The launch of new and improved digital services and changes to our asset consultants will further increase our ability to deliver exceptional results as we seek to recover from the turmoil of the last two years.



**You're in good hands.**

You can relax, knowing your super is invested in a fund with proven results and is rated AAA, Rainmaker 2021.

The Annual Report highlights important changes that occurred during the financial year ended 30 June 2021. 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.



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## Market update

What a difference a year can make! After the uncertainty and volatility of last year, we are pleased to announce the Growing (MySuper) option, in which most of our members are invested, has returned an incredible 25.68% for the 12 months to 30 June, 2021.

This is great news given the disappointment of negative returns last year and will provide a significant boost to the retirement savings of all members.

Our ability to navigate the volatility of investment markets and remain focussed on performance over the long-term is the reason for this incredible result.

## You are with a top-rated Fund

In these challenging times, members need to know they are with a Fund that they can trust.

We are proud to announce that The Guild Retirement Fund's superannuation products all achieved a AAA rating as part of *Rainmaker Information's 2021 Annual Fund quality assessment*. This is the highest rating available.

To achieve a AAA rating, superannuation products are independently assessed to ensure they meet high standards across investments, fees, insurance, communications and more.

Of the 692 superannuation products assessed, just 29% were awarded a AAA rating.

According to Alex Dunnin, Executive Director of Research and Compliance at Rainmaker Information, "Members in AAA-rated funds can be confident their fund will deliver on its promises."

AAA-rated products are also eligible to be considered in *Money Magazine's* annual 'Best of the Best Awards' which will be determined later this year.

## New and improved digital services

The last six months has been a period of significant digital transformation. In May, we changed administrators from Mercer to IRESS Limited (ABN 47 060 313 359) and moved our Call Centre in-house to provide a superior customer experience.

We also launched a new and improved online account for members, featuring:

- a new Direct Debit facility for personal contributions;
- a new way to access SUPERSUPER;
- improved security with a new digital authentication process; and
- a move away from paper forms to online requests.

For employers, we launched SuperConnector, a new contributions platform which allows:

- employer self-service reporting;
- greater access to data, including member numbers returned in near real time; and
- reporting per employer group and location, making it easier for payroll users to identify employer groups and outlets.

These changes are part of our ongoing commitment to improving the service we offer, making super simpler to engage with and more relevant in the everyday lives of our members.

## New Asset Consultant

Following a review of the Fund's investment structures, Frontier Advisors has been appointed as our Asset Consultant from June 2021.

Frontier are Australia's number 1 ranked asset consultant. They will provide strategic and dynamic asset allocation advice, free of adviser bias, tailored to our member's needs.

We look forward to working with them to deliver the best possible financial outcomes for members.

## COVID-19 early release payments

Many of our members were hit hard by the economic impacts of the various lockdowns and restrictions introduced by State and Federal governments last year.

Through the Federal Government's COVID-19 early access to superannuation scheme, we were able to provide support during this difficult time. 18,617 claims were paid, valued at \$131,627,772.

The scheme was closed by the Federal Government on 31 December 2020, however we remain committed to helping members rebuild their superannuation savings and achieve financial security in retirement.

Yours sincerely



**Mario Pirone**  
Managing Director  
Guild Trustee Services

# Guild Retirement Fund at a glance

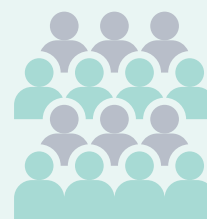
Total funds under management

**\$2,401,498,672**



Total members

**82,656**



MySuper Growing Option

**25.68%** p.a.

One year  
return

**8.73%** p.a.

Return since  
1 Oct 2013



Total employers

**24,941**



Total member inflows

**\$278,854,405**



Total number of COVID  
paid claims

**18,617**



Average member age  
**33.06** years



Female members  
**84.8%**



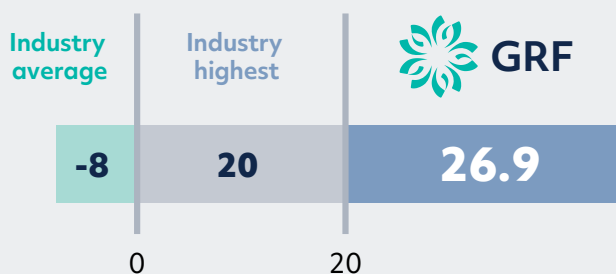
Total calls to helpline  
**28,239**



Average member balance  
**\$29,054**



Net Promoter Score



Number of SUPERSUPER purchases  
**5,672**



# Fund changes

## Changes to our Asset Consultant

To continue to deliver Members' best financial outcomes the Trustee has conducted a review of the Fund's investment structures. Effective June 2021, Frontier Advisors have been appointed as the Fund's Asset Consultant. Frontier are Australia's number 1 ranked Asset Consultant and will provide proven strategic and dynamic asset allocation advice tailored to our members' needs. Members will benefit from Frontier's broad and deep investment research free of adviser bias and conflicts.

## Changes to the investment fees and indirect costs (ICRs) for each investment option

On 1 Dec 2020, the following changes were made to the investment fees and ICRs for the investment options.

Investment option	Before 1 Dec 2020			From 1 Dec 2020		
	Investment fee	ICR	TOTAL	Investment fee	ICR	TOTAL
<b>MySuper options</b>						
Building	0.39%	0.05%	<b>0.44%</b>	0.39%	0.04%	<b>0.44%</b>
Growing	0.64%	0.16%	<b>0.80%</b>	0.57%	0.22%	<b>0.79%</b>
Consolidating	0.69%	0.13%	<b>0.82%</b>	0.60%	0.19%	<b>0.79%</b>
<b>MyMix options</b>						
Secure	0.25%	0.00%	<b>0.25%</b>	0.08%	0.00%	<b>0.08%</b>
Conservative	0.52%	0.17%	<b>0.69%</b>	0.44%	0.22%	<b>0.66%</b>
Balanced	0.64%	0.20%	<b>0.84%</b>	0.53%	0.30%	<b>0.83%</b>
Growth	0.73%	0.26%	<b>0.99%</b>	0.59%	0.40%	<b>0.99%</b>
High Growth	0.81%	0.24%	<b>1.05%</b>	0.67%	0.39%	<b>1.06%</b>
Property Securities	0.67%	0.25%	<b>0.92%</b>	0.58%	0.17%	<b>0.75%</b>
Australian Shares	0.70%	0.10%	<b>0.80%</b>	0.70%	0.11%	<b>0.81%</b>
International Shares	0.75%	0.01%	<b>0.76%</b>	0.67%	0.02%	<b>0.69%</b>

## Minimum balance requirements for partial rollouts

From 1 May 2021, members can only make a partial cash withdrawal or partial rollover from their accumulation account to another super fund if at least \$6,000 remains in their account.

## Changes to Mercer Financial Planning

From 1 May 2021, Mercer Financial Planning no longer provides personal advice to members. For general advice members can call the Member Services Team.

## Change of Administrator

To expand and enhance the services we provide to our members, from 1 May 2021 the Trustee changed our administrator platform to a new provider, IRESS Limited (ABN 47 060 313 359).

Full details were provided to members in our Significant Event Notice dated March 2021.

# 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.

To further strengthen Board independence, the GTS Board split from the GGHL Board in June 2020 to form a standalone board dedicated to GRF members.

## The Guild Trustee Services Board

**DIRECTORS:** The names and details of the company's directors in office during the financial year are as follows.

### 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.

### Mario Pirone (Managing Director)

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. Mario was appointed as a Director on 6 August 2010.

### Nickolas Panayiaris (Non-Executive Director)

Joined: Mar 2018

BSc, BPharm, MAICD

Nickolas is a practising Pharmacist with over 20 years' experience and an owner of a number of community pharmacies in South Australia. Nickolas 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. Nickolas' other roles include being a member of the Priceline Brand Advisory Committee and Steering Group Committee member of the PGA's CP2025 Project. Nickolas was appointed as a Director on 8 March 2018.

### Keri Pratt (Non-Executive Director)

Joined 28 April 2020

MBA (Exec), Grad.Dip.App. Fin, SFFin., GAICD

Keri is an experienced Non-Executive Director and Committee Chair in the private, public and NFP/NSO sectors. She brings skills in designing and executing strategies for growth, particularly in financial services in Australia and NZ. Her executive career includes superannuation and investment consulting, product and marketing/ distribution management roles with large global listed companies including NAB/MLC, Lend Lease, Franklin Templeton and GMO. She is currently working in an investment governance and ESG role for SAS Trustee Corporation, the trustee for NSW public sector superannuation schemes with assets in excess of \$40B. Ms Pratt is a Non-Executive Director of: CIMA Society of Australia Ltd, the Advisory Board for Diversification & Sustainability Support Fund (ACT Govt), and The Junction Works Ltd, and has served on a number of other Industry boards and committees in superannuation. Keri was appointed as a Director on 28 April 2020.

# Governance continued

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 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 four 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 Attendance Summary from 1 July 2020 to 30 June 2021

### Guild Trustee Services : Directors Attendance – Board Meetings

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

Name	Term Commenced	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16
Mario Pirone (Managing Director)	6/08/2010	6 of 6	6 of 6	7 of 7	6 of 6	6 of 6	6 of 6
Linda Jenkinson (Director)	1/09/2016	6 of 6	6 of 6	6 of 7	6 of 6	5 of 5	
Nickolas Panayiaris (Director)	8/3/2018	6 of 6	6 of 6	6 of 7	2 of 2		
Keri Pratt (Director)	28/4/2020	6 of 6	2 of 2				

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

# Super thresholds for the 2021/2022 financial year

The following super and taxation thresholds amounts apply during the 2021/2022 financial year. Please refer to the relevant Product Disclosure Statement (PDS) for an explanation of each of these thresholds.

Threshold	From 1 July 2021
<b>Standard concessional contributions cap</b>	\$27,500 per annum
<b>Non concessional contributions cap:</b> Currently legislated as follows:	
• Standard:	110,000 per annum
• Bring forward before age 65:	\$330,000 over 3 years
<b>SG maximum contribution base</b>	\$58,920 per quarter
<b>Government co-contribution:</b>	
• Lower income threshold	\$41,112 per annum
• Higher income threshold	\$56,112 per annum
<b>Maximum adjusted taxable income for eligibility for the Low Income Superannuation Tax Offset (LISTO)</b>	\$37,000 per annum
<b>Tax free part of bona fide redundancy and approved early retirement scheme payments</b>	
• Base limit	\$11,341
• Plus for each completed year of service	\$5,672
<b>Low rate cap amount</b> (previously known as post June 1983 low tax threshold) Applies to the taxable component of taxed super fund benefits for members who have reached their preservation age but are aged under 60 years.	\$225,000 (lifetime limit)
<b>Untaxed plan cap amount</b> Applies to the taxable component of untaxed super fund benefits	\$1,615,000 (lifetime limit)
<b>Employment termination payment cap (ETP)</b>	\$225,000 (per annum)
<b>Capital gains tax (CGT) cap amount</b>	\$1,615,000 (lifetime limit)
<b>General Transfer Balance Cap</b>	\$1,700,000

## Unused concessional cap carry forward

From 1 July 2018 if you have a total superannuation balance of less than \$500,000 on 30 June of the previous financial year, you may be entitled to contribute more than the general concessional contributions cap and make additional concessional contributions for any unused amounts.

The first year you will be entitled to carry forward unused amounts is the 2019–20 financial year. Unused amounts are available for a maximum of five years, after which they will expire.

## Non concessional contributions cap:

From 1 July 2017, your non-concessional cap is nil for a financial year if, at the end of the previous financial year, you have a total superannuation balance greater than or equal to the general transfer balance cap. In this case, if you make non concessional contributions in that year, they will be excess non-concessional contributions.

Note: The total superannuation balance cap is \$1.6 million between 1 July 2017 and 30 June 2021 and is increasing to \$1.7 million from 1 July 2021.

If you are under 65 years old, you may be able to make non-concessional contributions of up to three times the annual non-concessional contributions cap in a single year. If eligible, when you make contributions greater than the annual cap, you automatically gain access to future year caps. This is known as the 'bring forward' option.

## Preservation age

Date of Birth	Preservation Age
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
From 1 July 1964	60

## SG Rate

Financial Year	SG % rate
1 July 2020 – 30 June 2021	9.5
1 July 2021 – 30 June 2022	<b>10</b>
1 July 2022 – 30 June 2023	10.5
1 July 2023 – 30 June 2024	11
1 July 2024 – 30 June 2025	11.5
1 July 2025 – 30 June 2026	12
1 July 2026 – 30 June 2027	12
1 July 2027 – 30 June 2028 and onwards	12

# Changes in Super

## 2020/21 Year in Super

### Treasury Laws Amendment (Your Future, Your Super) Bill 2021

The Treasury Laws Amendment (Your Future, Your Super) Bill 2021 was passed by the Federal Parliament in June 2021.

The Bill implements the Government's Your Future, Your Super (YFYS) reforms, announced in the October 2020 Federal Budget. The YFYS reforms contain:

- a requirement that where a new employee is 'stapled' to an existing superannuation fund and does not choose a fund to receive contributions, their employer is required to make contributions on behalf of the employee into the 'stapled' superannuation fund
- measures to address underperformance in superannuation, by requiring APRA to conduct an annual performance test for MySuper products and other products to be specified in regulations. On 27 August 2021, GTS received notification from APRA that its MySuper product passed the 2020-21 annual performance assessment.
- a 'best financial interests duty' requiring superannuation trustees to act in the best financial interests of their members when they undertake the many actions involved in operating a superannuation entity.

The Government successfully moved amendments to the Bill to:

- delay the application of the stapling amendments so that they apply to employees commencing employment on or after 1 November 2021 (rather than 1 July 2021)
- make technical corrections to the Bill in relation to the underperformance and best financial interests measures.

We will communicate the implications of this to Fund members during the 2021/22 year.

### Other 2020 Federal Budget Announcements

At time of writing, some of these legislative measures may be yet to be legislated. Please seek personal financial advice from a licensed financial advisor before making any financial decisions.

### Increase super for low income earners

From 1 July 2022, the minimum income threshold of \$450 per month will be removed, which means if you receive employment income of less than \$450 per month your employer will now be required to pay you the superannuation guarantee (SG).

### Expansion to the First Home Super Saver Scheme

From 1 July 2022, if you're a first home buyer you can release up to \$50,000 (up from \$30,000) from your voluntary super contributions to help you buy your first home.

### Reduction in age to qualify for the downsizer contribution

From 1 July 2022, you can make downsizer super contributions if you're age 60 and over (currently you need to be age 65 or over).

Downsizer super contributions allows you to contribute a maximum of \$300,000 (for each eligible member of a couple) to super up to the total proceeds from the sale of your home.

### Low and Middle Income Tax Offset

The Low and Middle Income Tax Offset (LMITO) is proposed to be extended for the 2021/22 financial year. The LMITO provides a tax offset of up to \$1,080 for individuals or \$2,160 for a couple. The maximum tax offset of \$1,080 is available to you if you have a taxable income between \$48,000 and \$90,000 per annum.

See the table at below for offset amounts based on your taxable income.

Taxable Income	LMITO
\$37,000 and less	\$255
Between \$37,001 and \$48,000	\$255 plus 7.5 cents for every dollar above \$37,000 up to a maximum of \$1,080
Between \$48,001 and \$90,000	\$1,080
Between \$90,001 and \$126,000	\$1,080 minus 3 cents for every dollar of amounts above \$90,000

### **Age raised for the bring forward rule.**

The bring-forward rule for non concessional contributions has been raised to age 67.

The bring-forward measures will enable individuals aged 65 and 66 to make up to three years of non-concessional superannuation contributions under the bring-forward rule.

Previously, members under age 65 at any time in a financial year may effectively bring forward up to two years' worth of non-concessional cap for that income year, allowing them to contribute a greater amount up to \$300,000 without exceeding their non-concessional cap.

From 1 July 2021, the annual non-concessional cap has increased to \$110,000. The bring forward rule allows members to contribute a greater amount up to \$330,000 without exceeding their non-concessional cap.

### **COVID-19 Early Release Payment**

The Guild Retirement Fund supported our members who were in immediate need when this Federal Government Scheme was in operation.

The scheme was closed by the Federal Government on 31 December 2020.

Through the COVID-19 early access to superannuation scheme 18,617 claims were paid, valued at \$131,627,772.

We also increased our communication, provided regular updates on our website and adapted our services to enable greater online efficiency of our member services.



# 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 2021.

Investment Holdings	FUM (\$)	%
AUD Cash	36,797,146	2%
Russell After-Tax Australian Shares Fund – Class A	869,967,137	35%
Russell Australian Bond Fund – Class A	69,955,971	3%
Russell Investments Australian Opportunities Fund – Class A	71,412,135	3%
Mercer Australian Direct Property Fund	83,587,560	3%
Russell Investments Low Carbon Global Shares Fund – Class A	683,221,585	28%
Russell Global Opportunities Fund \$A Hedged – Class A	134,366	0%
Vanguard Intl Property Securities Index Fund Hedged	17,806,715	1%
Russell Global Opportunities Fund – Class A	878,140	0%
Russell Australian Shares Fund – Class A	2,227,324	0%
Russell Investments Low Carbon Global Shares Fund – Class AUDH	128,635,042	5%
Russell Tax Effective Global Shares Fund – Class A	99,951,645	4%
Russell Investments Australian Floating Rate Fund – Class A	44,468,906	2%
Mercer GBL Unlisted Infrs FD	83,495,438	3%
Russell Global Listed Infrastructure Fund \$A Hedged – Class A	435,959	0%
Russell International Property Securities Fund \$A Hedged – Class A	17,321,164	1%
Russell Emerging Markets Fund – Class A	82,921,829	3%
Russell Australian Cash Fund – Class A	53,841,518	2%
Russell Australian Responsible Investment EFT	57,483,279	2%
Ric Plc Russell Investments Global High Yield Fund CLS AUDHB	24,342,916	1%
Russell Emerging Market Debt Local Currency FDI AUD Income	22,632,829	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 2021. 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.)
	2021	2020	2019	2018	2017	5 years to 30 June 2021
Consolidating	17.5	-0.2	9	6.2	6.8	7.9
Growing	25.7	-1	8.5	8.4	9.8	10.3
Building	27.5	-3	8.6	10.7	12.7	11.3
Secure	0.0	0.5	1.4	1.3	1	0.8
Conservative	7.8	1.3	7.1	4.4	3.5	4.8
Balanced	17.1	-0.2	9.4	6.4	6.6	7.9
Growth	19.9	-0.6	8.9	8.5	9.8	9.3
High Growth	24.8	-1.5	9.1	10.6	12.8	11.2
Property Securities	28.1	-15	6.7	5.3	3.1	5.6
Australian Shares	28.8	-7.4	6.6	11.8	11.9	10.3
International Shares (Unhedged)	27.1	3.7	10.4	12.4	17	14.1

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.)
	2021	2020	2019	2018	2017	5 years to 30 June 2021
Secure	-0.1	0.5	1.4	1.3	1.6	0.9
Conservative	7.5	0.9	7.2	4.5	4.4	4.9
Balanced	13.7	-0.6	8.3	6.0	7.6	7.0
Growth	20.5	-2.0	9.1	9.0	11.0	9.5
High Growth	27.3	-4.1	8.6	11.8	12.6	11.2

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

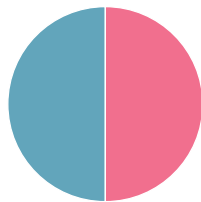
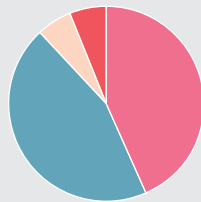
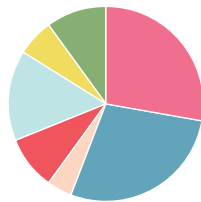
## Investment objectives and strategies

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](http://guildsuper.com.au) or [childcaresuper.com.au](http://childcaresuper.com.au).

## MySuper Lifecycle Investment Strategy

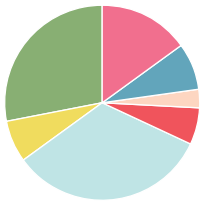
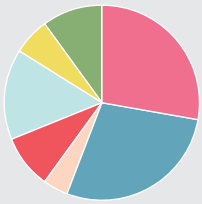
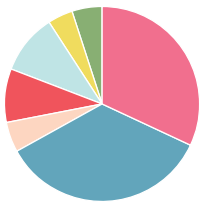
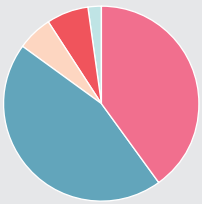
The MySuper product is only available to GuildSuper and Child Care Super members.

	Building		Growing		Consolidating	
Age	Under 25		25-59		60 and over	
Investment Return Objective*	CPI + 4.0% p.a. over rolling 10 year periods		CPI + 4.0% p.a. over rolling 10 year periods		CPI + 2.5% p.a. over rolling 10 year periods	
Investment mix	100% Growth		100% Growth		69% Growth 31% Defensive	
Asset class	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
● Australian shares	50	40 to 60	44	35 to 55	28	10 to 40
● International shares	50	40 to 60	45	35 to 55	28	10 to 40
● Property	–	–	6	0 to 10	4	0 to 20
● Alternatives (growth)	–	–	5	0 to 10	9	0 to 30
Total growth	<b>100</b>	<b>90 to 100</b>	<b>100</b>	<b>90 to 100</b>	<b>69</b>	<b>50 to 80</b>
● Fixed interest	–	–	–	–	15	0 to 35
● Alternatives (defensive)	–	–	–	–	6	0 to 15
● Cash / Money market securities	–	0 to 10	–	0 to 10	10	0 to 35
Total defensive	<b>–</b>	<b>0 to 10</b>	<b>–</b>	<b>0 to 10</b>	<b>31</b>	<b>20 to 50</b>
Asset Allocation						

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

## MyMix Solution suite of investment options

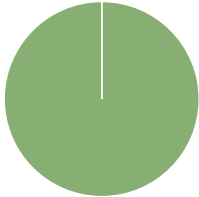
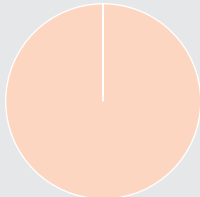
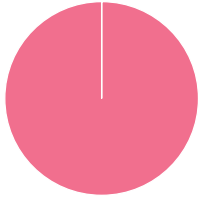

These investment options are available to GuildSuper, Child Care Super and GuildPension members.

	Conservative		Balanced		Growth		High Growth	
<b>Investment objective*</b>	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.		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.		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.		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.	
<b>Investment mix</b>	<b>32% Growth</b>		<b>69% Growth</b>		<b>81% Growth</b>		<b>98% Growth</b>	
	<b>68% Defensive</b>		<b>31% Defensive</b>		<b>19% Defensive</b>		<b>2% Defensive</b>	
<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
● Australian shares	15	0 to 25	28	10 to 40	32	15 to 50	40	25 to 55
● International shares	8	0 to 25	28	10 to 40	35	10 to 50	45	20 to 60
● Property (listed & unlisted)	3	0 to 20	4	0 to 20	5	0 to 20	6	0 to 25
● Alternatives (growth)	6	0 to 20	9	0 to 30	9	0 to 30	7	0 to 30
<b>Total growth</b>	<b>32</b>	<b>10 to 40</b>	<b>69</b>	<b>50 to 80</b>	<b>81</b>	<b>60 to 90</b>	<b>98</b>	<b>90 to 100</b>
● Fixed interest	33	0 to 60	15	0 to 35	10	0 to 30	2	0 to 10
● Alternatives (defensive)	7	0 to 20	6	0 to 15	4	0 to 10	0	0 to 10
● Cash / Money market securities	28	20 to 60	10	0 to 35	5	0 to 20	0	0 to 10
<b>Total defensive</b>	<b>68</b>	<b>60 to 90</b>	<b>31</b>	<b>20 to 50</b>	<b>19</b>	<b>10 to 40</b>	<b>2</b>	<b>0 to 10</b>
<b>Asset Allocation</b>								

# Investments continued

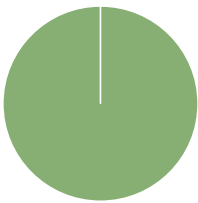
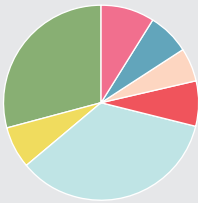
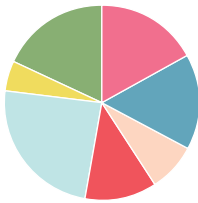
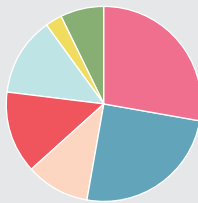
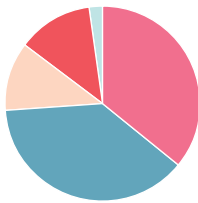
## MyMix Solution suite of investment options

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

	Secure		Property Securities		Australian Shares		International Shares (unhedged)	
<b>Investment objective*</b>	To provide gross investment returns at least equal to the Bloomberg Bank Bill Index returns over rolling 1 year periods		To provide gross investment returns at least equal to the FTSE EPRA/NAREIT Developed Index in Australian Dollars (Hedged) over rolling 7 year periods.		To provide gross investment returns at least equal to the S&P/ASX 300 Accumulation Index returns over rolling 7 year periods.		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.	
<b>Investment mix</b>	100% Defensive		100% Growth		100% Growth		100% Growth	
<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
● Australian shares	-	-	-	-	100	90 to 100	-	-
● International shares	-	-	-	-	-	-	95	80 to 100
● International emerging shares	-	-	-	-	-	-	5	0 to 10
● Property (listed)	-	-	100	90 to 100	-	-	-	-
<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>90 to 100</b>	<b>100</b>	<b>90 to 100</b>	<b>100</b>	<b>90 to 100</b>
● Fixed interest	-	-	-	-	-	-	-	-
● Alternatives (defensive)	-	-	-	-	-	-	-	-
● Cash / Money market securities	100	0 to 100	-	0 to 10	-	0 to 10	-	0 to 10
<b>Total defensive</b>	<b>100</b>	<b>100 to 100</b>	<b>-</b>	<b>0 to 10</b>	<b>-</b>	<b>0 to 10</b>	<b>-</b>	<b>0 to 10</b>
<b>Asset Allocation</b>								

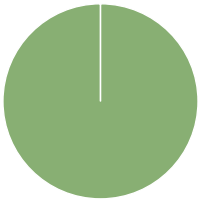
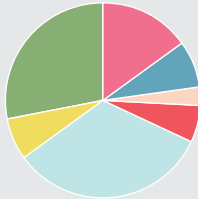
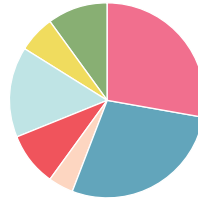
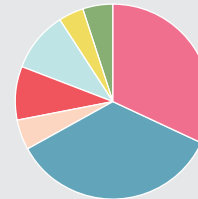
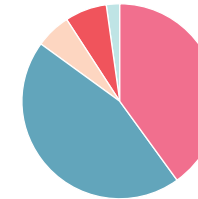
## GuildPension (Untaxed)

These investment options are available to GuildPension members.

	Secure		Conservative		Balanced		Growth		High Growth	
<b>Investment objective*</b>	To provide gross investment returns that exceed the Bloomberg Bank Bill Index returns over rolling 1 year periods.		To provide net (after investment fees) investment returns of at least 2.0% per annum above CPI increases over rolling 3 year periods.		To provide net (after investment fees) investment returns of at least 2.5% per annum above CPI increases over rolling 5 year periods.		To provide net (after investment fees) investment returns of at least 3.0% per annum above CPI increases over rolling 8 year periods.		To provide net (after investment fees) investment returns of at least 4.0% per annum above CPI increases over rolling 10 year periods.	
<b>Investment mix</b>	100% Defensive		29% Growth 71% Defensive		53% Growth 47% Defensive		77% Growth 23% Defensive		98% Growth 2% Defensive	
<b>Asset class</b>	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)	Benchmark (%)	Range (%)
• Australian shares	-	-	9	0 to 20	17	5 to 40	28	15 to 41	36	25 to 55
• International shares	-	-	7	0 to 25	16	5 to 40	25	10 to 50	38	20 to 60
• Property (listed & unlisted)	-	-	5.5	0 to 20	8	0 to 20	10.5	0 to 20	11.5	0 to 25
• Alternatives (growth)	-	-	7.5	0 to 20	12	0 to 30	13.5	0 to 30	12.5	0 to 30
<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>10 to 40</b>	<b>53</b>	<b>35 to 65</b>	<b>77</b>	<b>60 to 90</b>	<b>98</b>	<b>90 to 100</b>
• Fixed interest	-	-	35	0 to 60	24	0 to 45	13	0 to 30	2	0 to 10
• Alternatives (defensive)	-	-	7	0 to 20	5	0 to 15	3	0 to 10	-	0 to 10
• Cash / Money market securities	100	0 to 100	29	20 to 60	18	5 to 45	7	0 to 20	-	0 to 10
<b>Total defensive</b>	<b>100</b>	<b>100 to 100</b>	<b>71</b>	<b>60 to 90</b>	<b>47</b>	<b>35 to 65</b>	<b>23</b>	<b>10 to 40</b>	<b>2</b>	<b>0 to 10</b>
<b>Asset Allocation</b>										

## GuildPension Transition To Retirement (Taxed)

These investment options are available to GuildPension members.

	Secure		Conservative		Balanced		Growth		High Growth	
<b>Investment objective*</b>	To provide gross investment returns at least equal to the Bloomberg Bank Bill Index returns over rolling 1 year periods.		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.		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.		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.		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.	
<b>Investment mix</b>	100% Defensive		32% Growth 68% Defensive		69% Growth 31% Defensive		81% Growth 19% Defensive		98% Growth 2% Defensive	
<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
● Australian shares	-	-	15	0 to 25	28	10 to 40	32	15 to 50	40	25 to 55
● International shares	-	-	8	0 to 25	28	10 to 40	35	10 to 50	45	20 to 60
● Property (listed & unlisted)	-	-	3	0 to 20	4	0 to 20	5	0 to 20	6	0 to 25
● Alternatives (growth)	-	-	6	0 to 20	9	0 to 30	9	0 to 30	7	0 to 30
<b>Total growth</b>	<b>-</b>	<b>-</b>	<b>32</b>	<b>10 to 40</b>	<b>69</b>	<b>50 to 80</b>	<b>81</b>	<b>60 to 90</b>	<b>98</b>	<b>90 to 100</b>
● Fixed interest	-	-	33	0 to 60	15	0 to 35	10	0 to 30	2	0 to 10
● Alternatives (defensive)	-	-	7	0 to 20	6	0 to 15	4	0 to 10	-	0 to 10
● Cash / Money market securities	100	0 to 100	28	20 to 60	10	0 to 35	5	0 to 20	-	0 to 10
<b>Total defensive</b>	<b>100</b>	<b>100 to 100</b>	<b>68</b>	<b>60 to 90</b>	<b>31</b>	<b>20 to 50</b>	<b>19</b>	<b>10 to 40</b>	<b>2</b>	<b>0 to 10</b>
<b>Asset Allocation</b>										

## 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 2021 and 30 June 2020. High cash holdings in the Building option at 30/06/2021 are to maintain liquidity for the 1st July MySuper Lifecycle switches.

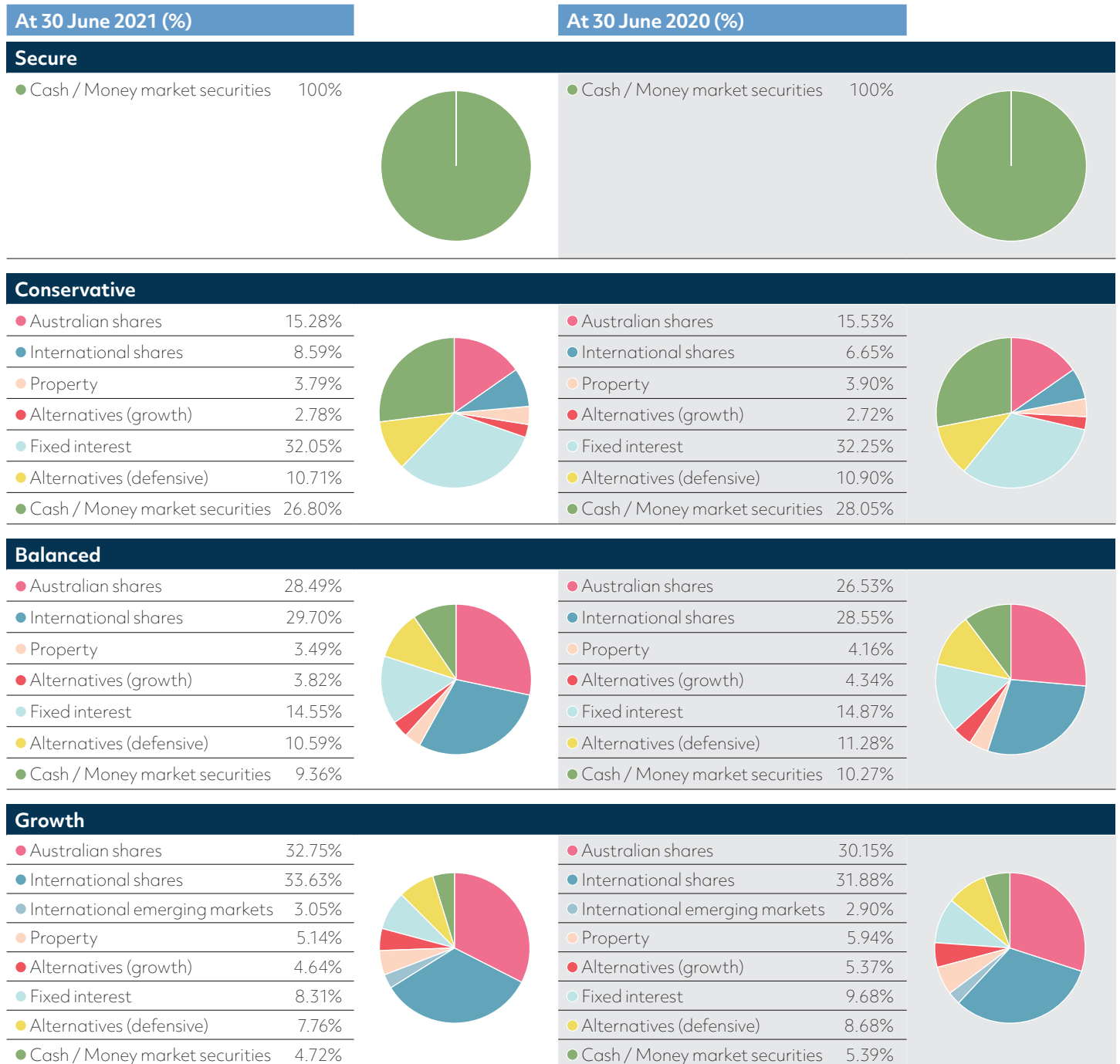
## GuildSuper and Child Care Super

### The MySuper Lifecycle Investment Strategy

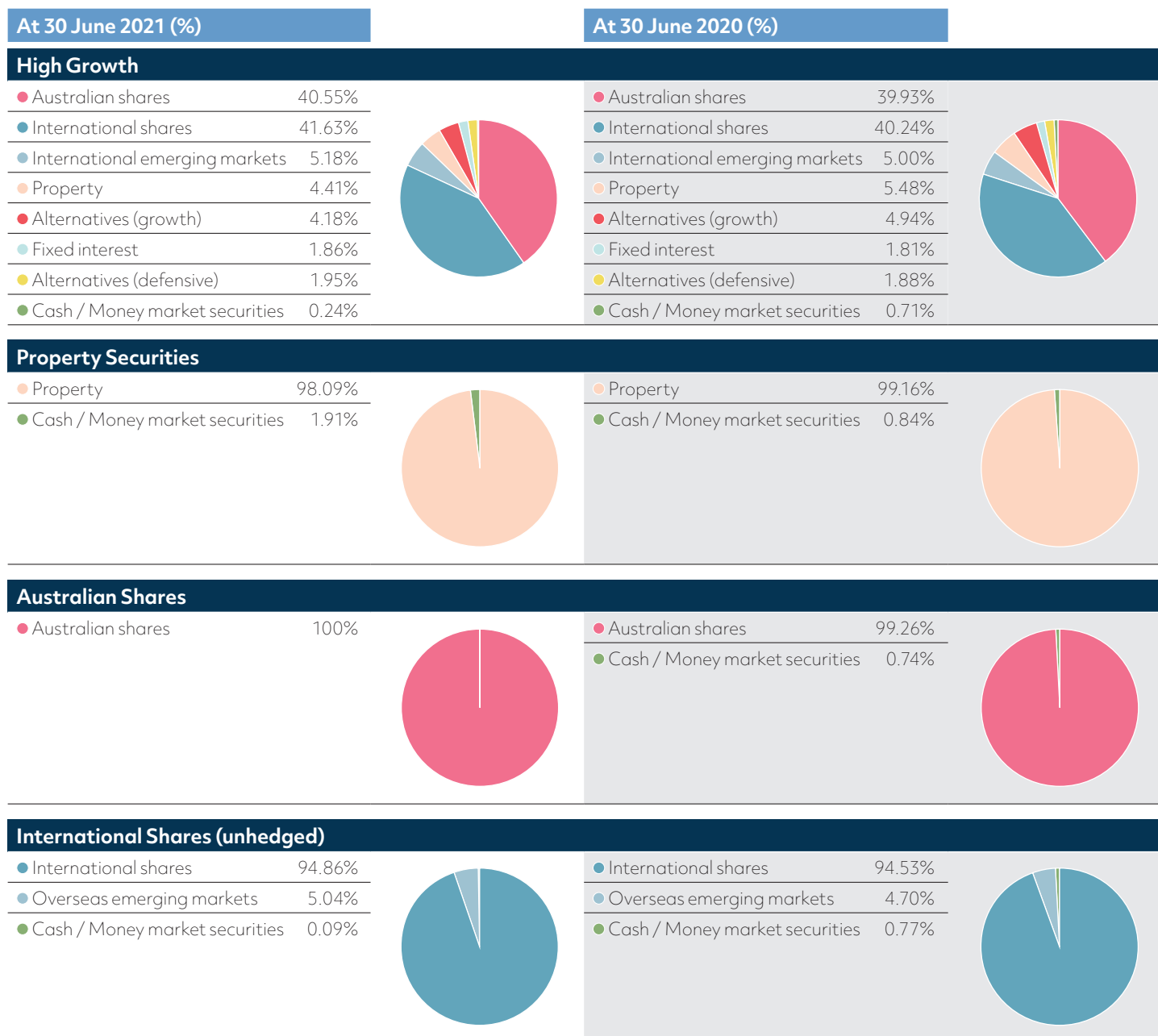
At 30 June 2021 (%)		At 30 June 2020 (%)	
<b>Building</b>			
● Australian shares	47.50%	● Australian shares	49.27%
● International shares	34.83%	● International shares	48.43%
● Cash / Money market securities	17.67%	● Cash / Money market securities	2.29%
<b>Growing</b>			
● Australian shares	44.85%	● Australian shares	41.80%
● International shares	42.48%	● International shares	40.05%
● International emerging markets	4.42%	● International emerging markets	4.47%
● Property	3.69%	● Property	4.68%
● Alternatives (growth)	3.78%	● Alternatives (growth)	4.53%
● Cash / Money market securities	0.78%	● Cash / Money market securities	1.19%
<b>Consolidating</b>			
● Australian shares	27.97%	● Australian shares	27.27%
● International shares	28.52%	● International shares	28.02%
● Property	3.91%	● Property	4.32%
● Alternatives (growth)	4.18%	● Alternatives (growth)	4.41%
● Fixed interest	14.67%	● Fixed interest	14.77%
● Alternatives (defensive)	10.82%	● Alternatives (defensive)	10.57%
● Cash / Money market securities	9.93%	● Cash / Money market securities	10.65%

# Investments continued

## MyMix suite of investment options

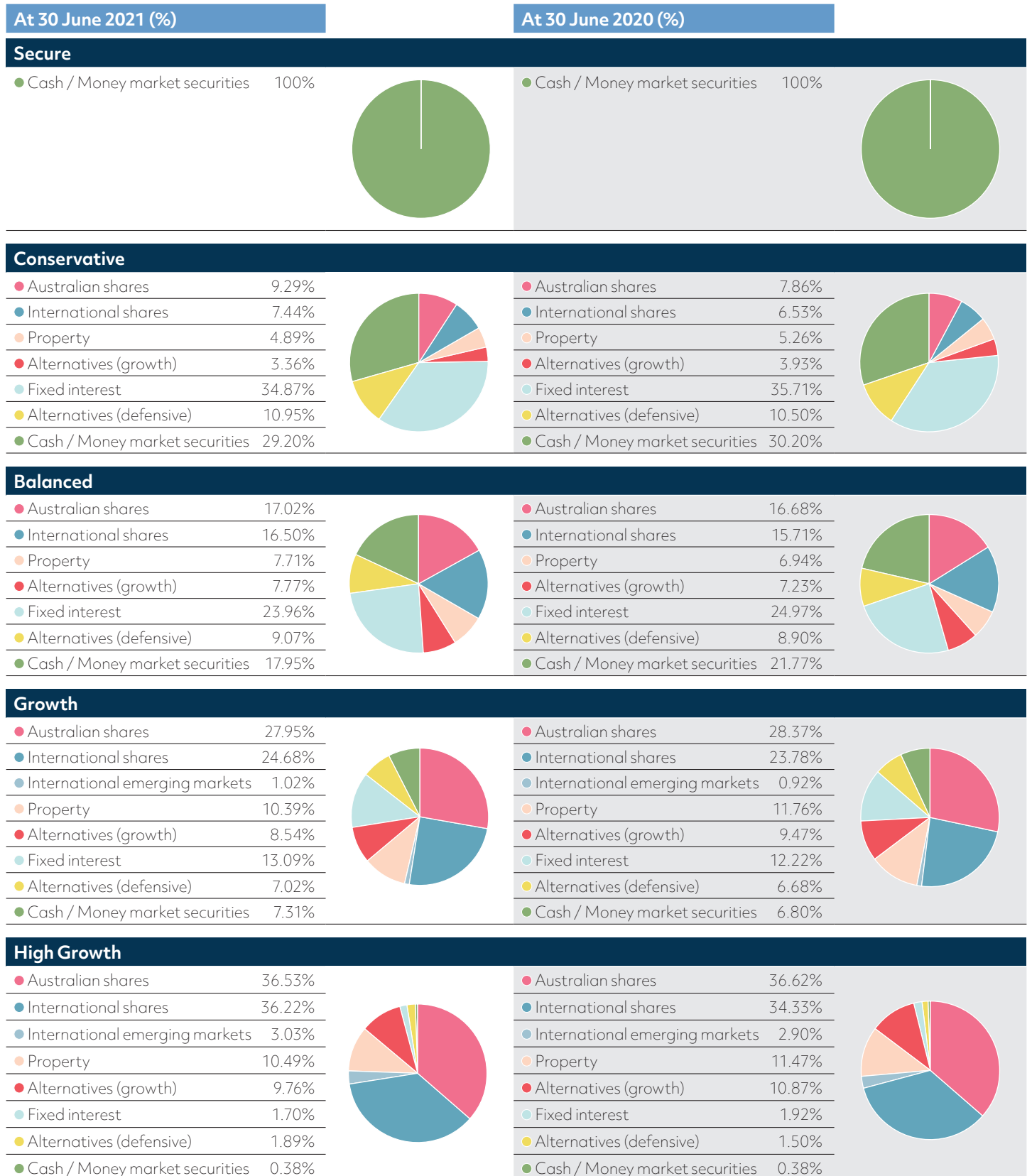


## MyMix suite of investment options (contd.)

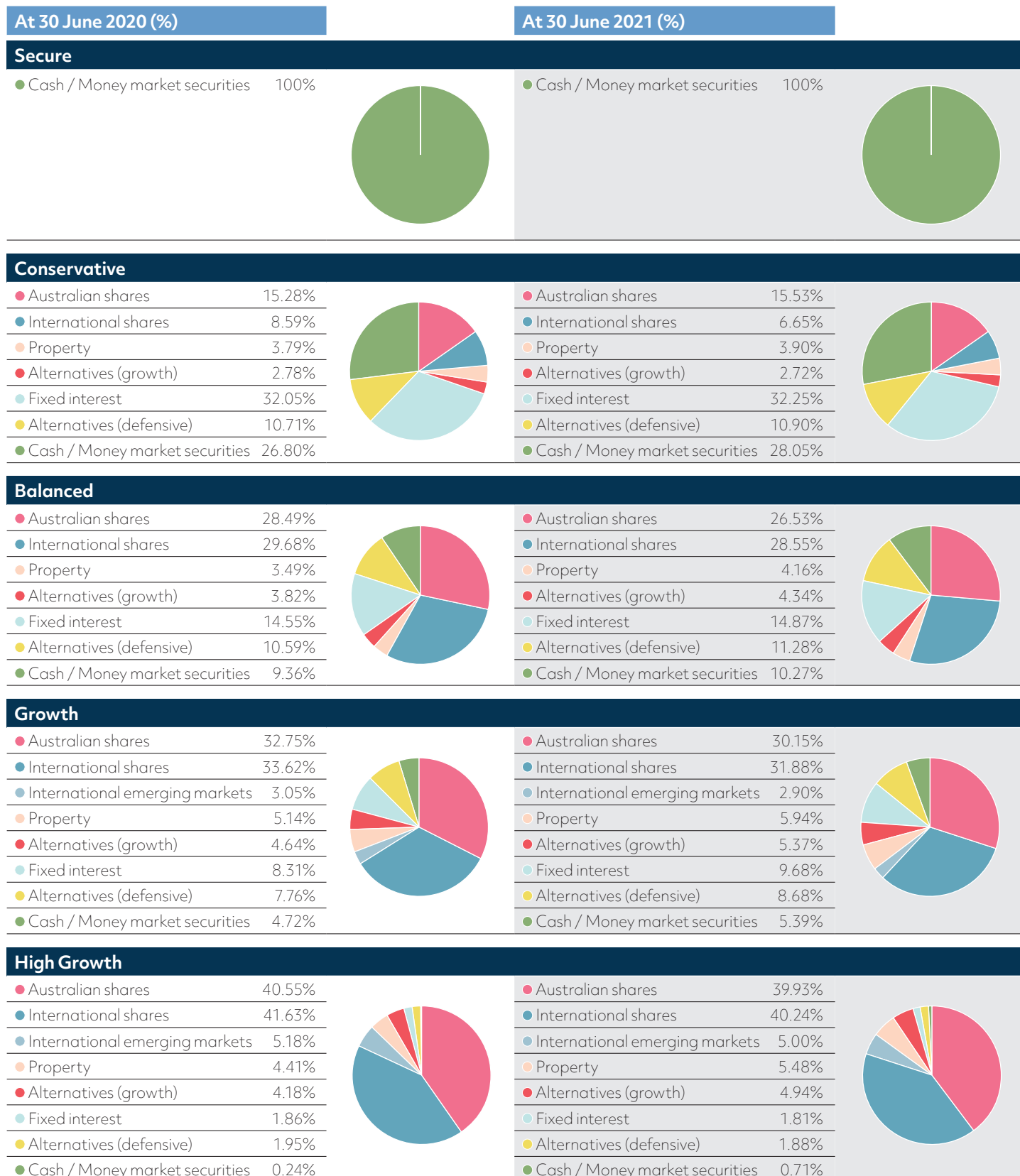


# Investments continued

## GuildPension (Untaxed)



## GuildPension Transition To Retirement (Taxed)



# Financial information

The following information is a summary of the Financial Statements for the Fund for the year ended 30 June 2021. 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 2021

	2021 \$'000	2020 \$'000
<b>Assets</b>		
Cash and cash equivalents	41,091	25,120
Receivables	22,259	4,088
Investments	2,414,721	1,927,522
Deferred tax asset	–	1,485
<b>Total assets</b>	<b>2,478,071</b>	<b>1,958,215</b>
<b>Liabilities</b>		
Creditors and accruals	3,111	2,156
Current tax liabilities	13,928	13,530
Deferred tax liabilities	41,130	–
<b>Total liabilities excluding member liabilities</b>	<b>58,169</b>	<b>15,686</b>
<b>Net assets available for member benefits</b>	<b>2,419,903</b>	<b>1,942,529</b>
Member benefits	2,401,499	1,895,042
<b>Net assets</b>	<b>18,404</b>	<b>47,487</b>
<b>Equity</b>		
Operational risk financial reserve	6,099	6,098
Contingency reserve	3,351	2,891
Amount not yet allocated	8,954	38,498
<b>Total equity</b>	<b>18,404</b>	<b>47,487</b>

## Income Statement for the year ended 30 June 2021

	2021 \$'000	2020 \$'000
<b>Superannuation activities</b>		
Interest	17	75
Trust distributions	71,019	75,882
Net change in fair value of investments	408,247	(128,334)
Fee rebates	8,436	8,124
Other income	–	1
<b>Total superannuation activities revenue</b>	<b>487,719</b>	<b>(44,252)</b>
<b>Expenses</b>		
Direct investment expense	6,067	5,034
General administration expense	14,186	13,238
Bank charges	17	9
<b>Total expenses</b>	<b>20,270</b>	<b>18,281</b>
<b>Profit from operating activities</b>	<b>467,449</b>	<b>(62,533)</b>
Less net benefits allocated from/(to) members accounts	(453,536)	55,984
<b>Net operating result before income tax</b>	<b>13,914</b>	<b>(6,549)</b>
Income tax expense/(benefit)	43,035	(14,687)
<b>Operating Result after income tax</b>	<b>(29,122)</b>	<b>8,138</b>

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

# Financial information continued

## Statement of changes in member benefits for the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Opening balance of members' liabilities	1,895,042	1,933,122
<b>Contributions received</b>		
Employer contributions	223,772	211,673
Member contributions	21,453	13,654
Government co-contributions	342	323
Transfer in	23,886	55,104
Income tax on contributions	35,276	31,844
<b>Net after tax contributions</b>	<b>248,910</b>	<b>248,910</b>
<b>Benefits paid</b>		
Lump sum payments	(73,027)	(99,792)
Transfers to other funds	(103,899)	(126,121)
Pensions paid	(1,202)	(1,207)
<b>Net benefits paid</b>	<b>(178,127)</b>	<b>(227,120)</b>
<b>Insurance</b>		
Insurance premiums charged to member	(13,447)	(16,092)
Death and disability benefits credited to members	8,301	9,792
Tax benefit from insurance deduction	2,017	2,414
<b>Net insurance cost</b>	<b>(3,129)</b>	<b>(3,886)</b>
<b>Benefits allocated to members' accounts, comprising:</b>		
Investment earnings applied to members	466,079	(44,372)
Administration fees paid by members	(12,544)	(11,612)
<b>Net benefit allocated to members' accounts</b>	<b>453,536</b>	<b>(55,984)</b>
<b>Closing balance of members' liabilities</b>	<b>2,401,499</b>	<b>1,895,042</b>

## Reserves

### Contingency Reserve

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

The Reserve provides a buffer against losses not covered by the Operational Risk Financial Reserve (ORFR) and also funds regulatory reform and other projects that are deemed to be in the best interests of all members. 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 2021 \$'000	30 June 2020 \$'000
Opening Balance	2,891	4,496
Current year increases	871	21
Transfer out of Reserve	(450)	(1,626)
Recoverable on insurance	39	–
Balance at the end of the year	<b>3,351</b>	<b>2,891</b>

### 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 2021 \$'000	30 June 2020 \$'000
Balance at the beginning of the year	6,098	5,512
Current year increases	1	532
Transfer to ORFR	–	–
Recoverable on Insurance	–	54
Balance at the end of the year	6,099	6,098

# 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:

<b>GuildSuper</b>	
By telephone:	<b>1300 361 477</b>
By mail:	<b>GPO Box 1088, Melbourne, Victoria, 3001</b>
<b>Child Care Super</b>	
By telephone:	<b>1800 060 215</b>
By mail:	<b>GPO Box 1088, Melbourne, Victoria, 3001</b>
<b>GuildPension</b>	
By telephone:	<b>1300 361 477</b>
By mail:	<b>GPO Box 1088, Melbourne, Victoria, 3001</b>

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

GuildSuper's Complaints Officer will acknowledge your complaint within 24 hours of receiving it (taking into account non-business days) and endeavour to resolve it within 45 days of receipt.

For complaints related to the distribution of a superannuation death benefit, a response will be provided no later than 90 calendar days after the expiry of the 28-calendar day period for objecting to a proposed death benefit distribution.

If we are unable to respond to your complaint within the timeframes specified above, we will send you an Internal Dispute Resolution Delay Notification.

Internal Dispute Resolution Delay Notification' informs the complainant about:

- (a) the reasons for the delay;
- (b) their right to complain to AFCA if they are dissatisfied; and
- (c) the contact details for AFCA.

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](mailto:info@afca.org.au)

Web: [www.afca.org.au](http://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 1088, Melbourne VIC 3001** |  **childcaresuper.com.au**

## **GuildPension**

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

### **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, 2021. 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](http://guildsuper.com.au) / [childcaresuper.com.au](http://childcaresuper.com.au)