

Single sector investment option FAQs

What shares are in the ‘Australian Shares’ investment option?

The Australian Shares investment option is managed by the following fund managers:

- BlackRock
- BT Financial Group
- Intrinsic Investment Management
- Independent Asset Management
- Colonial First State

Approximately half the funds in this sector are invested with BlackRock, an ‘index’ fund manager. As an ‘index’ style manager, BlackRock aim to replicate the performance of the whole market by buying shares in each company listed in the index they benchmark against.

The rest of the fund managers are considered to be ‘active’ managers, which means they may use market analysis and modelling to make decisions to invest in companies which they believe will outperform other companies.

Through these fund managers the Australian shares investment option may include investments in companies of all sizes which may operate in any sector, including but not limited to, the top 200 companies listed on the Australian Securities Exchange (ASX200).

You can find more information on our fund managers [here](#).

Why can’t you tell me which Australian shares they’re actually investing in?

LGS has more than \$1.3 billion invested in Australian Shares across five fund managers. As they buy and sell shares regularly we’re unable to provide a full list of the shares currently being held by the fund managers.

You can view our top ten holdings in Australian Shares [here](#).

What shares are in the ‘International Shares’ investment option?

The International Shares investment option is managed by the following fund managers:

- Vanguard Investments
- LSV Asset Management
- Five Oceans Asset Management
- MFS Investment Management
- Wellington Emerging Markets Fund
- Pareto Partners (currency overlay only)
- Impax Asset Management

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Just over half of the funds invested in this sector are invested with an 'index' fund manager, which means they aim to replicate the performance of the whole market by buying shares in each company listed in the index they benchmark against.

The rest of the funds are invested with 'active' fund managers. These managers may use a combination of market analysis and modelling to make decisions to invest in companies which they believe will outperform other companies.

Through these fund managers, the International shares investment option may include investments in companies of all sizes which operate in any sector and any country, including emerging markets.

Why can't you tell me which International shares they're actually investing in?

LGS has more than \$1.2 billion invested in International Shares across six fund managers. As they buy and sell shares regularly we're unable to provide a full list of the shares currently being held by the fund managers.

You can view our top ten holdings in International Shares [here](#).

What is the difference between the 'Australian Shares' and 'Sustainable Australian Shares' investment options?

We actively invest all of our assets based on a sustainable and socially responsible investment policy, however the Sustainable Australian Shares investment option includes a stricter application of our sustainability criteria.

For example, in the Australian Shares investment option, our sustainability criteria means that we do not invest in ASX listed companies which derive more than 10% of their revenue from a list of excluded activities, including armaments, gambling and old growth logging.

In the Sustainable Australian Shares option, this threshold has been reduced to 0%, which means we will exclude investment in companies which derive any revenue from these activities. A further exclusion on companies which derive any revenue from coal mining is also applied.

As a result, the Sustainable Australian Shares investment option excludes a number of ASX listed organisations including BHP Billiton, Rio Tinto, Wesfarmers and Woolworths, who all derive some form of revenue from the activities excluded by our sustainability criteria.

For more information, see the Accumulation Scheme ['How we invest your money' fact sheet](#).

What properties are in the 'Australian Listed Properties' investment option?

The Australian Listed Properties investment option is managed by State Street Global Advisors.

This option is similar to an index property fund and is invested predominantly in Australian commercial properties listed in the ASX Listed Properties Index. The benchmark for the performance of this investment options is the S&P/ASX 200 Property Accumulation Index.

Does the ‘International Fixed Interest’ option have investments in European banks or governments?

The International Fixed Interest investment option is managed by the following fund managers:

- SSgA
- PIMCO fund
- Wellington fund

Through these fund managers this option invests predominantly in international government and corporate bonds which include investments in European banks and governments.

Why are the unit prices on the website different to the unit prices I see when I check my balance online?

A daily unit price is displayed on our website for each investment option for comparison purposes only.

When you check your balance online the system uses the latest unit price available at the time you login, which may be different the unit price displayed on the public website.

If you’re invested in the Sustainable Australian Shares or Australian Listed Property investment option, a single weekly unit price is used for processing transactions, including the calculation of your balance.

I switched my investment into/ out of Sustainable Australian Shares/ Australian Listed Property. Why hasn’t it been completed yet?

The Sustainable Australian Shares and Australian Listed Property investment options receive a weekly unit price, once per week.

If you have made an investment switch which includes one or both of these investment options, your entire investment switch will be processed once the next weekly unit price becomes available. Depending on when your investment switch request is received, this may take between 3 and 7 business days.

Why do these investment options have a weekly unit price when all the others have a daily unit price?

Most of the new single sector investment options already have a significant amount invested in the underlying assets through our pre-mixed investment options. For example, Australian Shares is an underlying asset class in all of our pre-mixed investment options, therefore when we announced the new the ‘single sector’ Australian Shares investment option, it was able to commence with an established balance.

As Sustainable Australian Shares and Australian Listed Property do not feature in our pre-mixed options, these options commenced with a nil balance. It was decided that these options would have a single weekly unit price applied to them initially to allow sufficient time for the investment and cash flow process to occur.