

HESTA Income Stream

1800 813 327 www.hesta.com.au



SuperRatings Assessment

A "best value for money" fund. Well balanced across all key assessment criteria in a robust, secure and proven risk framework. The fund provides features that should assist most individuals to meet their retirement goals.

You should contact your financial adviser or this fund before making an investment decision.

Investment

Performance *	Excellent	110
Variety of Options	Average	
Process	Excellent	

Fees and Charges

Small Account (50K)	Excellent	110
Medium Account (250K)	Excellent	
Large Account (500K)	Excellent	

Member Servicing

Member Education	Excellent	110
Advice Services	Good	

Administration

Structure & Service	Good	80
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Product Flexibility

Flexibility & Choice	Excellent	110
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Governance

Trustee Structure & Risk	Excellent	110
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* Past performance is not a reliable indicator of future performance.

What We Say

Winner of the 2018 Career Fund of the Year award, HESTA is the largest industry fund for people in Health and Community Services, with membership also open to the general public. The fund was a finalist for the 2018 Pension of the Year award and is also Infinity Recognised, which is a result of its strong commitment to environmental and social principles.

Members are provided with a range of investment options to choose from, consisting of 5 Diversified and 5 Single Sector strategies. The fund also offers the HESTA Income Stream Ready-Made Investment Strategy, which aims to reduce investment risk over time. The Balanced option has outperformed the SuperRatings Index over the short and long term.

Fees are competitive and lower than the industry average across all account balances assessed, with a reduced administration fee on account balances of \$250,000 and over. Members are entitled to 2 free investment switches per year, while no exit fees are charged for withdrawals.

HESTA provides excellent flexibility, with members having the ability to receive payments fortnightly through to annually. Pension payments can be indexed each year by up to 5% or in accordance with CPI. Members with more than one investment option can nominate the proportion of, or order in which, payments are to be drawn from each option. Beneficiary options are comprehensive, including both binding and non-binding nominations, as well as reversionary pensions.

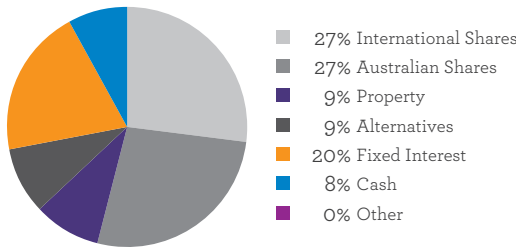
A great range of additional benefits are provided to members including free scaled advice, discounted health insurance and low cost banking services through ME.

What They Say

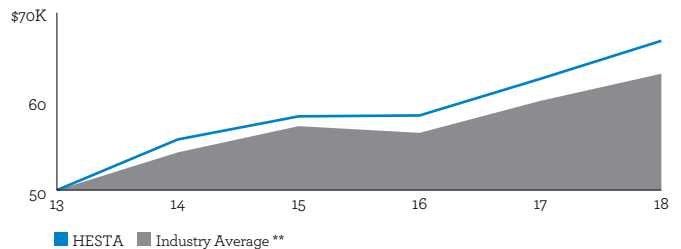
- Choice of two HESTA retirement options - Transition to Retirement Income Stream and Retirement Income Stream.
- Under particular circumstances, HESTA members may be able to have certain fees for retirement planning services deducted from their HESTA account.
- Online access to accounts, enabling members to manage their income stream 24/7.

Investment Allocation

HESTA - Balanced



Balanced Fund Returns



** The Industry Average measures \$50K invested using the actual net returns and fees over the last 5 years as per the current PDS, less 4.00% minimum pension payments.

Core Investment Options Available

Diversified Options	Growth Assets %
Balanced	63%
Conservative	33%
Active	91%
Eco Pool	72%
Defensive	18%

Single Sector Options	Single Manager Options	Term Deposits
Australian Shares	Not Available	Not Available
International Shares	<u>Individual Shares</u>	
Property	Not Available	
Cash		
Term Deposits		

Typical Fees on \$50K

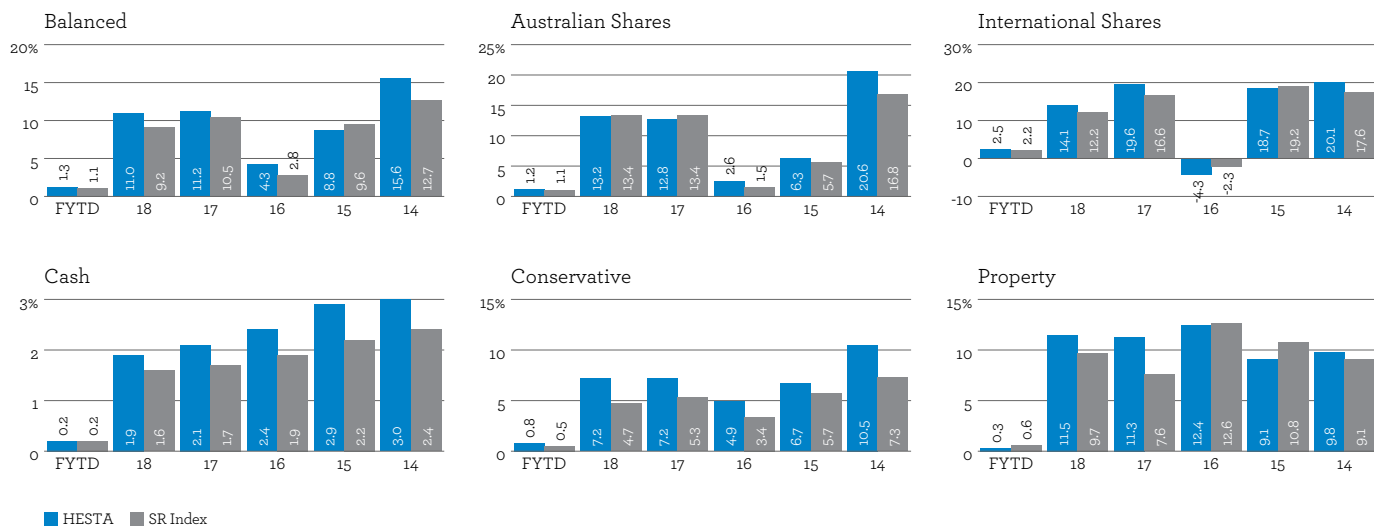
Type (Based on primary rated option)	
Admin Fee (\$)	\$91
Admin Fee (%pa)	0.28%
Investment Fee (%pa)	0.51%
Indirect Cost Ratio (%pa)	0.09%
Switching Fee	\$30
Exit Fee	\$0
Account Size Discounts	Yes

Fee Comparison	\$50K	\$250K	\$500K
This Fund's Basic Fees	\$531	\$2166	\$4241
Average Fees	\$792	\$3414	\$6510
Better than Average	✓	✓	✓

Investment Performance Key Options

* 5 year annualised return to 30 June 2018. FYTD to 31 July 2018.

	FYTD	2018	2017	2016	2015	2014	5yr Av.*
Balanced	1.3	11.0	11.2	4.3	8.8	15.6	10.1
Balanced (Industry Average)	1.1	9.2	10.5	2.8	9.6	12.7	8.9
Australian Shares	1.2	13.2	12.8	2.6	6.3	20.6	10.9
International Shares	2.5	14.1	19.6	-4.3	18.7	20.1	13.2
Conservative	0.8	7.2	7.2	4.9	6.7	10.5	7.3
Property	0.3	11.5	11.3	12.4	9.1	9.8	10.8
Cash	0.2	1.9	2.1	2.4	2.9	3.0	2.5
Active	1.7	13.9	15.4	0.9	11.9	19.9	12.2
CPI	na	2.1	1.9	1.0	1.5	3.0	1.9



Pension Flexibility

- Fortnightly, monthly, quarterly, half-yearly & annual payment frequencies available
- Pension payment date set by the fund
- Pension payments made via EFT
- Ability to nominate the proportion of, or order in which pension payments are to be drawn from each investment option. Alternatively, payments are made pro-rata across investments
- Pension payment details can be altered at anytime
- Transition to retirement pension available
- Pension payments can be indexed each year by up to 5% or in accordance with CPI.
- Minimum initial investment of \$50,000

Minimum Pension Payment Limits '17/18

Age	Drawdown %
Under 65	4.00%
65-74	5.00%
75-79	6.00%
80-84	7.00%
85-89	9.00%
90-94	11.00%
95 or more	14.00%

Fund Features

Financial Planning	Yes
Health Insurance	Yes
Minimum Investment	\$50,000
Credit Cards	Yes
Binding Nominations	Yes
Non Lapsing Binding Nominations	No
Anti Detriment Payments	No
Valuation Process	Weekly Unit Prices

About This Fund

Fund Membership	861,402
Fund Size	\$44,433,259,727
Product Start Date	2007
Fund Type	Industry-Allocated Pension

SuperRatings Assessment

SuperRatings' overall rating of a product is provided by our Platinum, Gold, Silver and Other ratings. The product's assessment across individual components such as investments, insurance and fees is split across quartiles represented by road signs. For instance, "110" denotes the best 25% of performers.

Joshua Lowen 02 9247 4711

Excellent — In the fast lane
Premium performer in this area
Well above benchmark

110

Good — Comfortable pace
Better than most funds
Above benchmark

80

Average — Cruising
Placed close to benchmark

60

Below Average — Traffic Congestion
Not quite up to speed
Lower than benchmark

40

Alert — Proceed with caution
For governance, advice & education, administration & investment process, analysis is qualitative and the available information has been insufficient to provide a rating, hence the ALERT symbol.



Concern — Requires maintenance
Based on the analysis of available information there appear to be real problems in this area.



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