

Generation Life investment bonds PDS

Product update summary

28 April 2021

The Product Disclosure Statement ('PDS') for the Generation Life LifeBuilder, ChildBuilder and FuneralBond products has been updated as at 28 April 2021. The new PDS is available together with a new Investment Options booklet and Additional Information booklet. These documents are available on our website www.genlife.com.au/forms-and-resources or via the adviser portal.

The new documents replace any previously issued documents. The Application Form accompanying the previous PDS will only remain valid for a period of 60 days after the issue date of the new PDS.

PDS and Investment Options booklet

The PDS has been revised with key investment strategy details now contained in a separate Investment Options booklet which can be downloaded from our website or the adviser portal. The Investment Options booklet contains detailed information on the investment strategies and fund manager profiles.


Updated investment menu

We've made some changes to the investment options including adding nine new investment options and changing the investment manager for two investment options. There are now 58 investment options to select from representing 28 investment managers.


Our range of Responsible Investing options (which includes ESG, impact and sustainable investing strategies) has been broadened to now include 7 investment options including a new ESG multi-manager model portfolio exclusively managed by Evergreen Consultants.

The new investment options added are as follows:


Affirmative Global Bond Fund

Fund code	Generation Life APIR code	Underlying strategy APIR code	Sector
UF49	ALL0565AU	FSF7298AU	Responsible Investing - International fixed interest
Tax aware level	Investment management fee (p.a.) ¹	Administration fee (p.a.)	Note
 Tax Enhanced	0.55%	0.60% p.a.	NEW Investment Option


Ardea Real Outcome Fund

Fund code	Generation Life APIR code	Underlying strategy APIR code	Sector
UF37	ALL0815AU	HOW0098AU	Diversified - fixed interest
Tax aware level	Investment management fee (p.a.) ¹	Administration fee (p.a.)	Note
 Tax Advantage	0.50%	0.60% p.a.	NEW Investment Option


Dimensional Sustainability World Allocation 70/30 Trust

Fund code UF50	Generation Life APIR code ALL7937AU	Underlying strategy APIR code DFA7518AU	Sector Responsible Investing - diversified growth
Tax aware level  Tax Enhanced	Investment management fee (p.a.)¹ 0.405%	Administration fee (p.a.) 0.60% p.a.	Note NEW Investment Option


Dimensional World Equity Portfolio

Fund code UF28	Generation Life APIR code ALL8615AU	Underlying strategy APIR code DFA0035AU	Sector International shares
Tax aware level  Tax Optimised	Investment management fee (p.a.)¹ 0.42%	Administration fee (p.a.) 0.40% p.a.	Note NEW Investment Option


Evergreen Responsible Growth Model

Fund code UF27	Generation Life APIR code ALL9827AU	Underlying strategy APIR code ALL9827AU	Sector Responsible Investing - diversified growth
Tax aware level  Tax Optimised	Investment management fee (p.a.)¹ 0.946%	Administration fee (p.a.) 0.60% p.a.	Note NEW Investment Option


Firetrail Absolute Return Fund

Fund code UF06A	Generation Life APIR code ALL0527AU	Underlying strategy APIR code WHT5134AU	Sector Alternatives - market neutral
Tax aware level  Tax Enhanced	Investment management fee (p.a.)¹ 1.50%	Administration fee (p.a.) 0.60% p.a.	Note Replaces Ellerston Australian Market Neutral Fund


GMO Systematic Global Macro Trust

Fund code UF47	Generation Life APIR code ALL1297AU	Underlying strategy APIR code GMO0006AU	Sector Alternatives
Tax aware level  Tax Advantage	Investment management fee (p.a.)¹ 1.011%	Administration fee (p.a.) 0.60% p.a.	Note NEW Investment Option


Hyperion Global Growth Companies Fund

Fund code UF53	Generation Life APIR code ALL4510AU	Underlying strategy APIR code WHT8435AU	Sector International shares
Tax aware level  Tax Enhanced	Investment management fee (p.a.)¹ 0.70%	Administration fee (p.a.) 0.60% p.a.	Note NEW Investment Option


iShares S&P/ASX20 ETF Portfolio

Fund code UF14	Generation Life APIR code ALL0002AU	Underlying strategy APIR code ILC.AXW ²	Sector International shares - hedged
Tax aware level  Tax Enhanced	Investment management fee (p.a.)¹ 0.24%	Administration fee (p.a.) 0.60% p.a.	Note Replaces Mutual 50 Leaders Australian Shares Fund.

Stewart Investors Worldwide Sustainability Fund







Fund code UF29	Generation Life APIR code ALL5665AU	Underlying strategy APIR code FSF1675AU	Sector Responsible Investing - International shares
Tax aware level  Tax Enhanced	Investment management fee (p.a.)¹ 0.615%	Administration fee (p.a.) 0.60% p.a.	Note NEW Investment Option



Walter Scott Global Equity Fund (Hedged)

Fund code UF52	Generation Life APIR code ALL5980AU	Underlying strategy APIR code MAQ0557AU	Sector International shares - hedged
Tax aware level  Tax Enhanced	Investment management fee (p.a.)¹ 1.28%	Administration fee (p.a.) 0.60% p.a.	Note NEW Investment Option

- Investment management costs include investment manager's fees, estimated investment expense recoveries and other indirect costs as a percentage of the total average assets of the investment option based on latest information available, but excludes indirect transaction and operational costs. The investment fees and costs exclude any investment performance-based fee that may be charged or incurred by the investment manager. Please refer to the Product Disclosure Statement for details of fees applicable.
- Represents ASX listing code.

New investment options in more detail

	Affirmative Global Bond Fund	Managed by Affirmative Investment Management Limited with both ESG and Impact investing screens. The fund aims to simultaneously create a positive and verifiable environmental and social impact whilst targeting a total return in excess of the Bloomberg Barclays Global Aggregate Index ³ hedged to Australian dollars (before fees and tax) over rolling three-year time periods.
	Ardea Real Outcome Fund	Managed by Ardea Investment Management Pty Ltd that has a value-based approach to investment management. The fund targets a stable return in excess of inflation (before fees and tax) over the medium term.
	Dimensional Sustainability World Allocation 70/30 Trust	Managed by DFA Australia using a quantitative and factor-based investment approach together with a Sustainability Criteria. The fund aims to provide a total return (before tax), consisting of capital appreciation and income, by gaining exposure to a diversified portfolio of securities listed on approved developed markets, and domestic and global fixed interest securities.
	Dimensional World Equity Portfolio	Managed by DFA Australia using a quantitative and factor-based investment approach. The portfolio aims to provide a total return consisting of capital appreciation and income, by gaining exposure to a diversified portfolio of companies and real estate securities listed on approved developed and emerging markets.
	Evergreen Responsible Growth Model	Managed by Evergreen Consultants using sustainability and ESG analysis combined with a multi-manager model portfolio approach. The fund's portfolio aims to provide long-term capital growth by investing in a well-constructed and diversified portfolio of superior, socially responsible investment options. The manager aims to achieve returns of the RBA Cash Rate plus 3.5% p.a. (after manager fees and tax) over rolling seven-year periods, in a sustainable way.
	Firetrail Absolute Return Fund	Managed by Firetrail Investments Pty Ltd using an absolute return market neutral approach to investing. The fund aims to outperform the RBA Cash Rate over the medium to long term (before fees and tax).

	GMO Systematic Global Macro Trust	Managed by GMO Australia Ltd using an absolute return approach to investing. The fund's strategy is designed to deliver absolute returns by managing long and short exposures in global equity, fixed income, currency and commodity markets. The investment objective is long-term total return. The manager aims to produce a portfolio that seeks to outperform the Bloomberg AusBond Bank Bill Index ³ (before fees and tax).
	Hyperion Global Growth Companies Fund	Managed by Hyperion Asset Management using a concentrated approach to portfolio construction. The fund aims to achieve long-term capital growth and income above the MSCI World Accumulation Index (AUD) (before fees and tax) and minimise the risk of permanent capital loss.
	iShares S&P/ASX20 ETF Portfolio	Managed by BlackRock Investment Management (Australia) Limited using an index approach to investing. The fund aims to provide investors with the performance of the S&P/ASX 20 Accumulation Index (before fees, expenses and tax). The index is designed to measure the performance of the 20 largest Australian securities listed on the ASX.
 Stewart Investors	Stewart Investors Worldwide Sustainability Fund	Managed by Stewart Investors which takes a bottom-up approach to investing in high quality companies that contribute to and benefit from sustainable development. The fund seeks to achieve long-term capital growth by investing in a diversified portfolio of equity or equity-related securities that are listed, traded or dealt in on any of the regulated markets worldwide. The fund is not managed to a benchmark and may have exposure to developed markets or emerging markets whilst maintaining its geographical diversity. The fund invests in companies that are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate. The option fund aims to exceed the MSCI All Country World Index over rolling five-year periods before fees and taxes.
	Walter Scott Global Equity Fund (Hedged)	Managed by Walter Scott and Partners using a benchmark unaware, growth orientated approach to investing. Aims to achieve a long-term total return (before fees, expenses and tax) that exceeds the MSCI World ex Australia Index, in \$A hedged with net dividends reinvested.

3. Bloomberg Finance L.P. and its affiliates (collectively, 'Bloomberg') do not approve or endorse this material and disclaim all liability for any loss or damage of any kind arising out of the use of all or any part of this material.

You can find out more about the investment strategies of the new investment options in the new Investment Options booklet which is available on our website or by logging into the adviser portal.

Tax Aware options

We are pleased to advise that we have been working with Dimensional Fund Advisors to streamline the investment process with the aim of improving the tax efficiency of their strategies through our Tax Aware process. As a result, the Dimensional World 50/50 Portfolio (UF40) (previously named Dimensional World Allocation 50/50 Trust) and Dimensional World 70/30 Portfolio (UF24) (previously named Dimensional World Allocation 70/30 Trust) have been upgraded and are now offered as Tax Optimised options – this is in addition to the new Tax Optimised Dimensional World Equity Portfolio (UF28) now available.

Our analysis indicates that the improved tax management process can enhance the after-tax return outcomes for the funds with no additional investment risk. Based on the historical returns and investment profiles of the strategies, the new Tax Optimised process for the Dimensional World 50/50 Portfolio, Dimensional World 70/30 Portfolio and Dimensional World Equity Portfolio is expected to improve after-tax returns over the long term by up to 0.39% p.a., 0.68% p.a. and 0.55% p.a. respectively⁴.

The Tax Optimised series of investment options are the pinnacle of our Tax Aware investing process designed to maximise performance on an after-tax basis. You can find out more about our Tax Aware process on our website at www.genlife.com.au.

4. The expected improvement in after-tax returns is based on our estimate of the future tax benefits of the Tax Optimised approach to tax management for the respective investment options. These estimates are based on the back-tested historical performance and tax profile of the underlying Dimensional investment trusts (since inception) and assuming the actual returns, portfolio turnover and tax components of the returns, the use of a direct mandate structure and net cash inflows over the period. The estimated after-tax improvement in returns assumes a Tax Optimised approach to tax management is adopted. The estimate does not account for a total sell down of the investments at the end of the observed period or any provision for tax on the sell down of the portfolio. This is an estimate based on historical performance which may not represent actual future performance. No guarantee on any actual uplift in after-tax performance is provided.

Adviser fees

We have introduced the ability for advisers to charge a separate one-off adviser service fee which will be deducted from your client's account. To instruct a one-off adviser fee deduction, the Change of Advice Fees form must be completed (available through the Adviser portal).

Authorised Representative facility

The Authorised Representative facility has been upgraded with a financial adviser now automatically allocated as the investor's Authorised Representative on new investment bonds. Investors can choose to not provide their adviser with the authority to transact on the account by electing to do so in the application form.

The types of transactions an adviser is able to carry out on behalf of their client has been expanded to enable withdrawal instructions to be provided. Withdrawal instructions will be restricted however, with proceeds only able to be paid to the investor's previously nominated bank account.

BPAY® and bank transfers

Initial and ongoing contributions can be electronically transferred via BPAY or a direct debit request. Your client's BPAY details can be found on client investment confirmation statements and through the adviser portal. EFT/direct credit transfers will not be available going forward.

Investment management fees and costs

Investment management fees, buy-sell spreads and transactional costs have been updated to reflect the latest available information.



Outthinking today.

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