


Generation Life Tax Effective Australian Share Fund

Fact Sheet | 31 May 2021

Performance as at 31 May 2021 ¹	1 Month (%)	3 Month (%)	6 Month (%)	12 Month (%)	24 Month (%)	Since Inception (%)
Fund net return (after fees & tax)	1.99	7.54	10.59	23.23	8.32	9.69
Benchmark return (before tax) ²	2.34	8.48	11.74	28.23	9.41	10.30
Gross investment return (before fees & tax) ³	2.36	8.91	11.72	27.91	9.09	9.91
Gross investment return (before fees & after tax) ³	2.43	9.27	12.38	29.76	11.56	12.32

Fund facts	
Sector	Australian shares
Tax aware level	 Tax Optimised
Inception date	20 May 2019
Fund code	UF35
Generation Life APIR code	ALL3779AU
Investment management cost⁴	0.65%p.a.
Buy/sell spread	0.25%/0.25%
Suggested minimum investment period	5 Years
Risk level	6 - High

Investment objective

Aims to provide long-term tax effective total returns, with diversification across a broad range of Australian companies and industries.

Investment approach

The fund uses a systematic quantitative rules-based approach to build a diversified portfolio by considering factors such as the quality of a company, its growth potential and its implied value relative to its price. The approach considers the tax position of each holding and incorporates additional active investment insights to take advantage of dividends, associated franking credits and other tax effective payments with the aim of delivering an enhanced after-tax return.

Notes

1. Past performance is not an indicator of future performance.
2. S&P/ASX 200 Accumulation Index.
3. Adjusted for Investment management fees and transaction costs
4. Investment management costs include investment manager's fees, estimated investment expense recoveries and other indirect investment costs as a percentage of the total average assets of the investment option based on latest available information, but excludes indirect transaction and operational costs.

Performance commentary

For the one-month period ending 31 May 2021 the after fee and tax return was 1.99%.

Consumer Discretionary, Industrials and Health care sectors were the largest contributors to active return during the month.

By contrast, allocation in the Communication services, Consumer staples and Information technology were the largest detractors for the month.

At a stock level Aristocrat Leisure Ltd, Woodside Petroleum Ltd and EML Payments Ltd were the top contributors. On the other side, positions in Sonic Healthcare Ltd, Mineral Resources Ltd and Aurizon Holdings Ltd detracted from returns.

The rolling 12-month cash dividend yield of the Fund is forecast to be 4.06% versus the S&P/ASX200 Index of 3.78%.

Market commentary

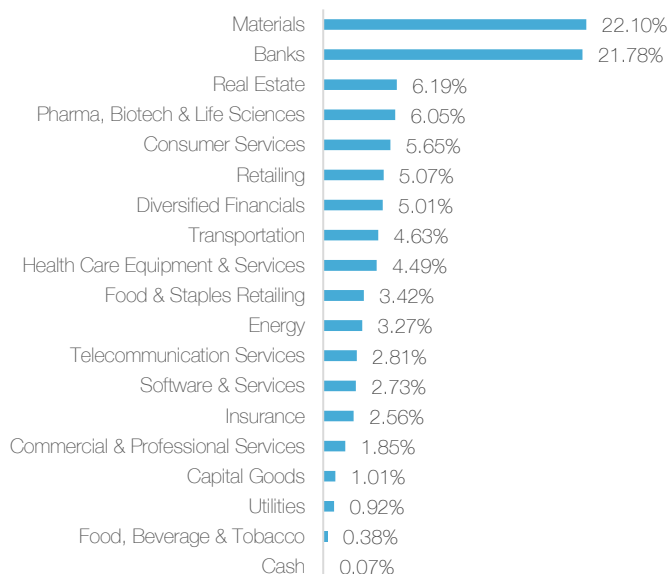
The Australian Equity market (ASX 200) continued its positive run, finishing up 2.34% and surpassing its pre-covid high. Relative to the Index, the Strategy outperformed by 0.08%, delivering a total return of 2.42% (before fees and taxes).

For the ASX200, the Financial and Consumer Discretionary sectors performed best in May whilst Information Technology and Utilities lagged.

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Sector selection



Top 10 holdings

Company	Fund (%)	Benchmark (%) ²
Commonwealth Bank of Australia	8.62	8.81
BHP Group Ltd	6.37	7.02
CSL Ltd	6.05	6.58
Westpac Banking Corp	4.29	4.83
National Australia Bank Ltd	4.02	4.43
Australia & New Zealand Banking	3.50	4.07
Rio Tinto Ltd	3.21	2.29
Aristocrat Leisure Ltd	2.96	1.31
Fortescue Metals Group Ltd	2.92	1.86
Woolworths Group Ltd	2.13	2.62

About the investment manager



Redpoint is a boutique Australian investment manager that specialises in listed asset classes including Australian equities, international equities, global infrastructure and global property. Redpoint has brought together a significant group of seasoned investment specialists with complementary skills with a shared vision of delivering risk efficient and cost-effective investment solutions to their clients.

The Redpoint team have been managing systematic Australian and global equity strategies for over 20 years. Redpoint currently manages approximately \$10 billion for institutional and retail clients across a range of domestic and global equity strategies.

About Generation Life

As the pioneer of Australia's first truly flexible investment bond, we have been at the forefront of providing innovative tax-effective investment solutions since 2004. As an innovation led business, we constantly strive to enhance our products and processes to optimise after-tax investment performance for our investors. We are a leading specialist provider of tax optimised investment and estate planning solutions – with over \$2 billion invested with us to date.

Generation Life is a regulated life insurance company and our parent company is listed on the Australian Securities Exchange. Our focus is to continue to provide Australians with market leading tax-effective investment solutions that provide a flexible investment alternative to meet both personal and financial goals.

Our investment solutions are designed to help you grow your wealth, meet your day-to-day investment needs and to help you plan for your future needs including the transfer of wealth to the next generation.

Investor services

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Important notice: Generation Life Limited (Generation Life) AFSL 225408 ABN 68 092 843 902 is the issuer of Investment Bonds (IB). In deciding to acquire an IB or to hold an IB (including switching between investment options), you should obtain the relevant PDS and consider its content. We recommend that you obtain financial, legal and taxation advice before making any investment decision, including switching investment options. Generation Life does not guarantee (whether expressly or impliedly) investment returns or the return of capital invested when investing in IB investment options. The information provided does not take account of your objectives, financial situation or needs. Past performance is not an indicator of future performance. Performance is measured by unit price movements (after tax and fees).