



## 2022 Annual Investment Update

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## On reflection: Financial year 2022 investment market summary

**This investment market commentary relates to the performance of investment markets (not the performance of the investment options) for the financial year ended 30 June 2022.**

The 2022 financial year saw a market and monetary regime shift that caused significant volatility in nearly all financial markets globally. The volatility in markets was not just limited to growth assets such as shares. Defensive assets, such as fixed interest, were also impacted as geopolitical risks, rising inflation and supply chain risks created an environment that was very challenging to navigate for most investors. The weakened market conditions saw 12 month returns across most asset classes as weak as we have seen since in over a decade.

While investment bonds do provide inherent tax-efficiency, particularly with Generation Life's Tax Aware process overlay, this benefit was not enough to counteract the considerable market corrections experienced in many asset classes.

When looking at investment returns, we believe that a disciplined approach to long term investing is extremely important in periods of short term market uncertainty. It is generally during a transition into a new period of the economic cycle that interesting investment opportunities for the long term investor can be found.

### The economy, interest rates and currencies

The 1st and 2nd halves of the financial year were polar opposites in terms of consumer and investor sentiment, however the underlying economy was fairly consistent throughout the year.

Decisions made by governments and central banks during the COVID-19 pandemic period and a deteriorating geopolitical environment between western democracies and eastern autocracies left a very telling backdrop which impacted market returns in the second half of the year.

Approaching December 2021, global economies had some consistent themes emerging which led to a distinct change in economic conditions in the second half of the financial year. These themes, framed by an environment of record low interest rate levels included:

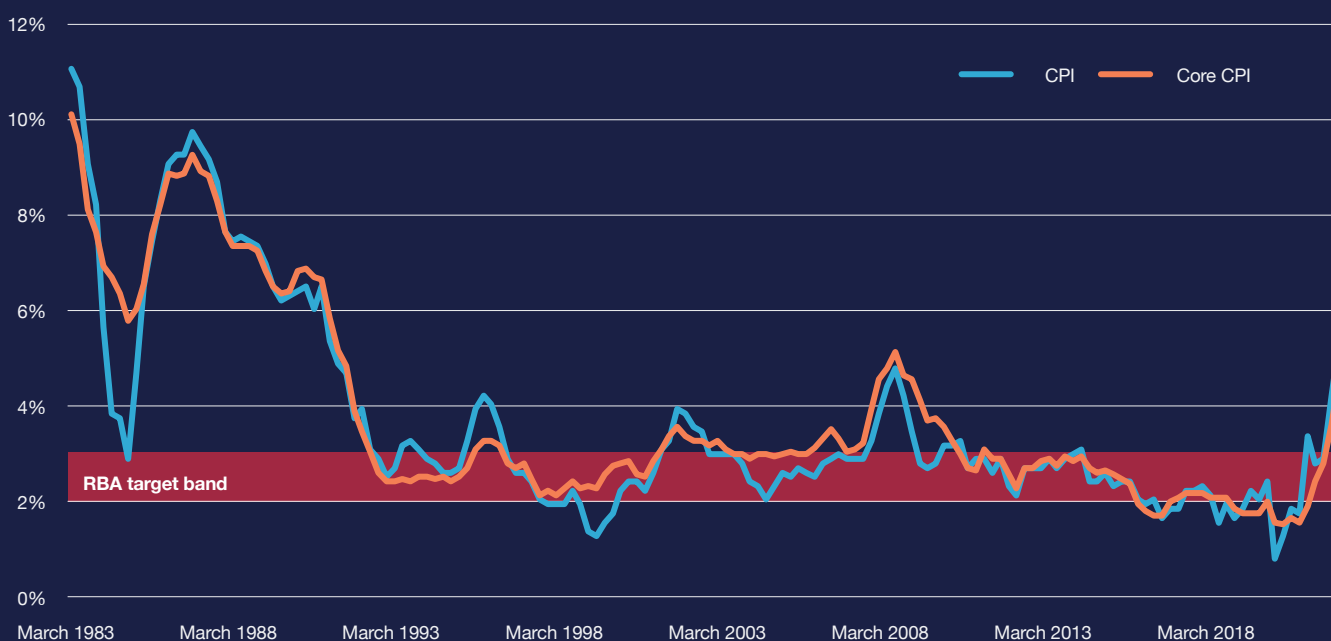
- a record level of COVID-19 pandemic related fiscal and monetary stimulus, that resulted in excess money circulating through the economy which was no longer needed due to an improving pandemic scenario;
- deteriorating geopolitical conditions due to the war in Europe and rising tensions between autocratic nations and western democracies;

- supply chain issues & constraints that were present in many sectors from food to hard commodities to technology inputs;
- pent up demand and high household savings levels built up during the COVID-19 pandemic; and
- labour supply shortages caused by a reduction in global migration, extremely low unemployment rates and rising wages.

Against this backdrop, what resulted in the second half of the financial year was the sharpest rise in inflation since the late 1990's and a concern that high levels of inflation may persist for some time.

In the U.S., annual inflation reached 8.6% in May 2022, while in Australia annual inflation rose sharply to 5.1%. Generally, inflation in the range of 2-3% is positive for the economy. The Reserve Bank of Australia uses this range as its target inflation level when considering official interest rate levels. When inflation moves outside of this range, there is a risk that it can impact the costs inherent in an economy and create economic uncertainty.

### CPI and core CPI inflation: Year-over-year



Source: Australian Bureau of Statistics. CPI is the Consumer Price Index. Core inflation is the average of the trimmed mean and weighted mean measure of inflation. Data as at 30 June 2022.

To try and arrest control of this high inflationary environment, the RBA reacted with an iron resolve to do everything in its power to put the brakes on spiralling cost pressures. In May, the RBA commenced increasing the official cash rate from a record low of 0.10% to finish the year at 0.85% with further rises expected.

Similarly in the U.S., the Federal Reserve Bank's interest rate started the calendar year at a low 0.0% and quickly increasing to 1.5% by financial year end.

The speed of these increases in interest rates took investment markets by surprise. Market expectations are that further increases will occur which has created uncertainty about the impact this will have on household demand, highly leveraged segments of the economy and overall economic output.

Sharply rising interest rates also impacted valuations of assets in most asset classes. Fixed interest securities issued which have their income levels pre-determined, also become less attractive compared to new issues in the market.

The speed of rate rises in different markets and the weaker sentiment in the global economy has also materially impacted currency rates. The Australian dollar depreciated significantly during the period, finishing at \$0.67USD at the end of the financial year, having started the year at \$0.75USD.

### Australian shares

The Australian share market held up much better compared to global share markets with the S&P/ASX300 Accumulation Index falling by 6.95% for the financial year. This follows the highest one-year growth rate on the Australian share market since 2007 of 27.8% in the 2021 financial year period.

A larger cross section of companies in Australia were more likely to be in the fortunate position of being able to benefit from rising inflation and interest rates than their global compatriots. Sectors such as Materials, Industrials and Energy which form a high proportion of the index were big beneficiaries of rising costs in the economy. A falling Australian dollar meant that exports to foreign countries were more profitable and desirable for local companies.

The Australian share market finished the year with the Energy and Utilities sectors as standouts — increasing 28.1% and 18.0% respectively over the year. On the other hand, the IT sector struggled, with company valuations falling, resulting in the sector declining 34.8% for the year.

In periods of concern around future economic conditions and rising interest rates, Australian small companies tend to underperform and this year was no exception, with the segment falling 20.1% as measured by the S&P/ASX Small Ordinaries Index.

### International shares

International share markets that had been driven up strongly for many years by IT stocks and other growth orientated companies came back to reality in a big way over the year, with their weakest performance since the GFC. The MSCI World Ex Australia Index fell a significant 12.5% after delivering a healthy 35.8% the year prior when hedged back into Australian dollars. Many of the thematic trends we have seen in previous years including accelerated structural, thematic and technological trends were offset in the short term by steep increases in interest rates, making it more difficult for companies that are focused on growing earnings and reinvesting in their business, compared to companies seeking to return earnings to investors.

One advantage for Australian investors invested in global shares assets is the weakening in the Australian dollar due to uncertainty and negative sentiment. Over the year, the Australian dollar weakened against most currencies which meant that unhedged global shares (which returned -6.78%) significantly outperformed hedged positions which returned -12.51%.

Similar to the Australian experience, international small companies underperformed their larger company peers during the year, with the MSCI World ex Australia Small Cap Index returning -14.86% over the financial year.

### Fixed interest & Cash

An asset class which is traditionally defensive in the face of equity market corrections was anything but, with current interest rates and future interest rate expectations but accelerating at speed during the second half of the year. This resulted in material write-downs of capital value of existing fixed interest securities on issue in the market due to a combination of lower relative value to newly issued income producing assets and wider credit spreads on companies to appease investors for the additional risk they were taking on in these securities.

The longer end of the yield curve rose rapidly in the second half of the year, with ten year U.S. government bond yields rising from 1.5% at the start of the year to over 3% by the end of the year. This doubling of yields meant defensive long term fixed interest performance (highlighted by the Bloomberg Barclays Global Aggregate Index) fell in value by a significant 9.3% for the year. This was mirrored in the Australian market with the Bloomberg AusBond Composite 0+ Yr Index also falling by 10.5%.

The dynamic of defensive assets such as fixed interest securities performing worse than growth assets such as shares, made it particularly challenging for asset allocators during the period to protect diversified portfolios against losses.

Credit markets performed similarly to defensive fixed interest markets with the Bloomberg Global Aggregate ex Treasury Index hedged into AUD falling by 10.5%. Floating rate credit was the best place to be in the category with these funds being protected from interest rate changes but still being affected by credit spread changes during the period. The Bloomberg AusBond Credit FRN 0+ Yr Index returned a more palatable -0.33% for the year.

Cash relative to inflation levels underperformed with a 12 month return of 0.13% as measured by the Bloomberg AusBond Bank Bill Index, however on an absolute return basis this sector provided a positive return result for defensive investors.

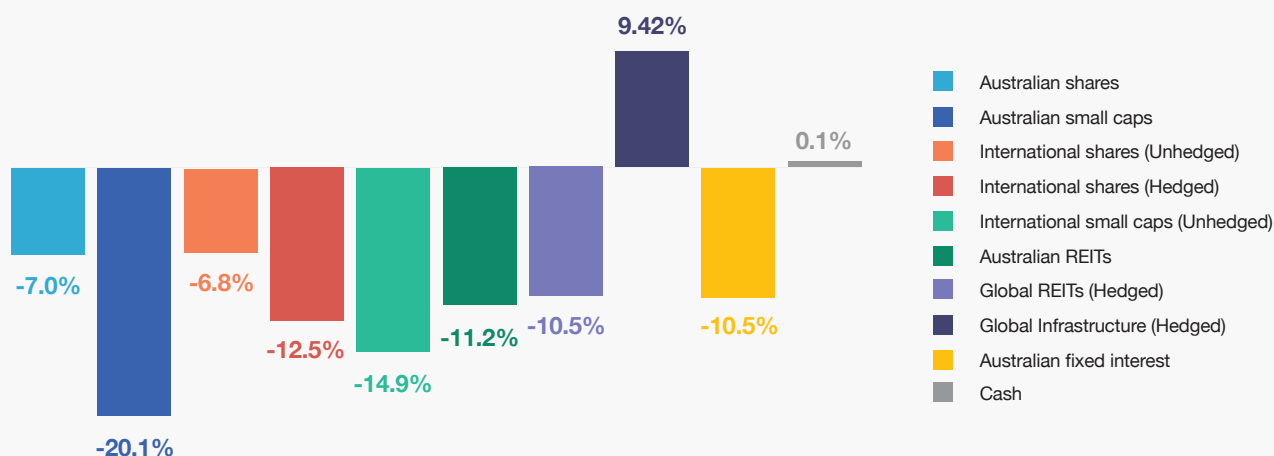
### Property

Property as a holistic category struggled in a rising interest rate environment where concerns for elevated property valuations, high debt levels and potential demand uncertainty prevailed. This saw the international and Australian REIT markets fall -10.5% (measured by the FTSE EPRA/NAREIT Developed ex Australia Rental Index (Hedged)) and -11.2% (measured by the S&P/ASX300 A-REIT Index) respectively.

There were certain segments of property and infrastructure that were significant beneficiaries from the rising inflation environment as their income is generally linked contractually to this cost of living measure. The S&P Global Infrastructure Index A\$ Hedged Net Total Return returned a healthy 9.42% for the financial year making it a standout against other asset classes.

### Asset class market returns

The following graph shows the asset class returns for the 2021-2022 financial year.





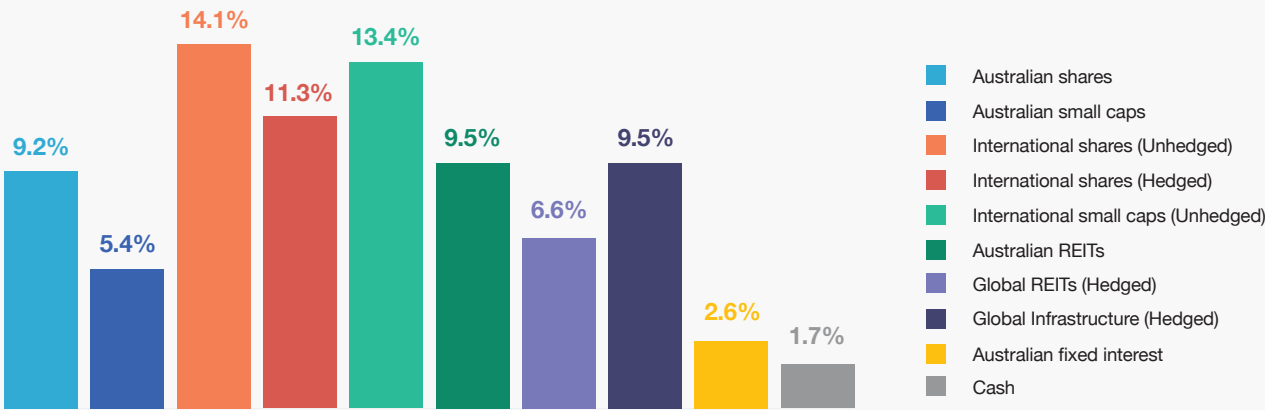


On reflection: The pitfalls of timing the market

Whilst we have seen significant volatility over the last financial year, it is important to consider your investment strategy and longer-term objectives. Short term market fluctuations will occur, and whilst relevant, this volatility should be considered in the context of expected long term returns.

Asset class market returns over 10 year period

The following graph shows the asset class returns for the 10 year period to 30 June 2022.



Time in the market rather than timing the market

Even though market returns may fluctuate significantly during the course, rebounds can occur quickly and without advance notice. History shows that withdrawing out of the market in down periods may reduce long-term returns, as over the long-term, markets have been up more often than down.

If you had invested in the S&P/ASX300 Index between 2012 and 2022, you would have received a total return of 142% or 9.2% p.a. on an annualised basis. However, if you had mistimed the market and missed out on the 10 best trading days, the total return would have been 56% or 4.5% p.a. over the same period.



Source: S&P/ASX300 Index.

## Investment strategies

We aim to give you access to a range of leading Australian and international investment managers and provide our investors with the flexibility to change and switch investment options at any time. Our investment menu currently provides a choice of 62 investment options, covering a range of risk profiles and asset classes, as well as diversified, responsible investing and low cost indexed investment options.

Investors can build their own portfolio by investing in a single asset investment option or by using one of the diversified investment options to suit their desired risk profile. To ensure that our investment options continue to remain relevant and meet our investors' needs, their stated objectives and requirements, our investment committee consistently monitors and reviews our investment managers.

## Tax Aware investing

Generation Life's investment options provide varying levels of tax-efficiency based on the composition of the underlying investment assets held by the investment option as well as how they are held and managed. Generation Life provides three levels of Tax Aware investing across our investment menu. The Tax Aware process has been designed to improve investor after-tax returns with no additional investment risk.

All investment options are managed under the Generation Life Tax Aware management process with the aim of delivering a tax-efficient investment outcome. Please refer to page 10 for the level of Tax Aware management applied to each respective investment option.

One of the benefits of the Tax Aware process is that in periods of negative markets portfolio after-tax returns can fall by less than the underlying investment before tax due to the ability to offset capital losses against assessable income.

## Three levels of Tax Aware investing



The pinnacle of our Tax Aware investing process, designed to maximise performance on an after-tax basis and increase investor returns. The Tax Optimised level generates tax efficiencies by structuring the holding of the investment through direct ownership of the underlying assets (rather than through a pooled investment arrangement). This level of Tax Aware investing is designed to maximise after-tax return outcomes and optimise the full benefits of the investment bond tax structure through the direct acquisition and sale of the underlying investments in a tax-efficient manner.

There are currently 16 Tax Optimised investment options to choose from. For some of our investment options, the Tax Optimised process has now been running for over 12 months. Over the last financial year, these options have benefited from the new tax management process resulting in an uplift in after-tax returns ranging from 0.2% p.a. to 3.2% p.a., when compared to if the strategies were invested using a standard investment bond tax management process.



An enhanced Tax Aware investment and trading approach that aims to improve after-tax returns. The Tax Enhanced level is designed to carefully manage how the underlying investments are bought and sold within a pooled investment arrangement where investments are held in underlying managed funds. There are currently 40 Tax Enhanced investment options to choose from.



The foundation of our tax-effective investment approach, essential to maximising investment returns. The Tax Advantage level offers the core benefits of the investment bond's tax structure where ongoing earnings are taxed within the investment bond at a maximum tax rate of 30%. The investment bond's earnings are not included as part of your personal assessable income, irrespective of your marginal tax rate. There are currently 6 Tax Advantage investment options to choose from.



## Responsible investing

Generation Life now offers nine responsible investing investment options managed by leading Australian and international fund managers. Each responsible investing investment option has a different focus on the core economic, social and governance (ESG) factors and employs different approaches to investing.

The investment menu also provides a responsible investing managed model portfolio option, where manager selection and asset allocation are undertaken by an independent investment consultant. This innovative approach provides a convenient way of accessing responsible investing strategies managed by multiple investment managers, which is designed to provide further investment diversification benefits.

Generation Life's range of responsible investing investment options has been developed based on an approach of providing a diverse level of exposure to a number of responsible investing strategies. The underlying investment approach for each of the responsible investing options offered varies from asset/strategy specific through to multi-asset/multi-strategy approaches.

Irrespective of the underlying strategies employed, the fundamental criteria of focusing on financial outcomes while considering the impact of the underlying investment on society must be demonstrated by the investment managers as part of our review and monitoring process.

In constructing and monitoring our menu of responsible investing investment options on an ongoing basis, a number of quantitative and qualitative factors are considered by Generation Life's investment team including:

- ESG ratings from external data and research providers;
- the level of integration of responsible investment principles into the investment manager's processes;
- the investment manager's capabilities;
- performance track record (against stated objectives); and
- other research undertaken by the Generation Life team.

## Changes to investment options during the year














Over the year the following changes to the investment option strategies occurred:
































- On 5 October 2021, the names of the Legg Mason Martin Currie Emerging Markets Fund, Legg Mason Martin Currie Equity Income Fund and Legg Mason Martin Currie Real Income Fund were changed to Martin Currie Emerging Markets Fund, Martin Currie Equity Income Fund and Martin Currie Real Income Fund respectively.
- On 20 April 2022, the name of the Affirmative Global Bond Fund was changed to Affirmative Global Impact Bond Fund. In addition, the following new investment options were added: AB Managed Volatility Equities Fund, Dimensional Global Bond Sustainability Trust, Dimensional World 30/70 Portfolio and Generation Global Share Fund.
- On 26 April 2022, the investment manager for the AMP Capital Global Property Securities Fund was replaced with Macquarie Investment Management Global Limited and the investment option's name was changed to Macquarie Global Listed Real Estate Fund.

## Investment option performance



















The following table shows the performance of our investment options over the longer term and the last financial year. Returns shown are after all fees and taxes, as at 30 June 2022. The actual returns relating to your investment will be influenced by the timing of payments into and out of the investment, allowing for contributions, taxes, fees, switches between investment options and withdrawals.

Performance reflects the performance of the investment option. Where the current investment manager has been appointed after the inception of the investment option, the performance in the table will not be reflective of the investment manager's performance prior to their appointment.

| Investment option                                       | Fund code | Tax aware level   | Returns (after fees and taxes) to 30 June 2022 |                |                |                 |                 | Inception date | Current investment manager commencement date |
|---|-----------|---|--|----------------|----------------|-----------------|-----------------|----------------|--|
|   |           |   | 2021-22 financial year                         | 3 years (p.a.) | 5 years (p.a.) | 10 years (p.a.) | Since inception |                |  |
| AB Managed Volatility Equities Fund                     | 64        |  Tax Enhanced  | -  | -              | -              | -               | 0.73%           | 20/4/22        | Since inception                              |
| Affirmative Global Impact Bond Fund                     | 49        |  Tax Enhanced  | -8.27%   | -              | -              | -               | -7.06%          | 28/4/21        | Since inception                              |
| Ardea Real Outcome Fund                                 | 37        |  Tax Advantage | -0.72%   | -              | -              | -               | -1.75%          | 28/4/21        | Since inception                              |
| Bennelong Concentrated Australian Equities Fund         | 38        |  Tax Enhanced  | -20.46%  | 2.58%          | -              | -               | 4.81%           | 21/11/18       | Since inception                              |
| BlackRock High Conviction Australian Equity Fund        | 20        |  Tax Optimised | -27.54%  | -4.55%         | -1.38%         | 4.06%           | 2.89%           | 1/5/08         | 9/6/20                                       |
| Dimensional Global Bond Sustainability                  | 69        |  Tax Enhanced  | -  | -              | -              | -               | -1.71%          | 20/4/22        | Since inception                              |
| Dimensional Global Small Company Trust                  | 9         |  Tax Enhanced  | -7.62%   | 3.86%          | 4.36%          | 9.01%           | 4.69%           | 12/8/04        | 13/6/17                                      |
| Dimensional Sustainability World Allocation 70/30 Trust | 50        |  Tax Enhanced  | -9.63%   | -              | -              | -               | -10.26%         | 28/4/21        | Since inception                              |
| Dimensional World 30/70 Portfolio                       | 62        |  Tax Optimised | -  | -              | -              | -               | -2.13%          | 20/4/22        | Since inception                              |
| Dimensional World 50/50 Portfolio                       | 40        |  Tax Optimised | -7.43%   | 0.67%          | -              | -               | 2.47%           | 21/11/18       | Since inception                              |
| Dimensional World 70/30 Portfolio                       | 24        |  Tax Optimised | -9.38%   | 1.58%          | 3.27%          | -               | 5.30%           | 31/7/12        | Since inception                              |
| Dimensional World Equity Portfolio                      | 28        |  Tax Optimised | -6.45%   | -              | -              | -               | -2.79%          | 28/4/21        | Since inception                              |
| EQT Wholesale Mortgage Income Fund                      | 25        |  Tax Advantage | 1.38%  | 1.49%          | 1.56%          | 1.86%           | 1.86%           | 9/5/12         | Since inception                              |

| Investment option                                       | Fund code | Tax aware level   | Returns (after fees and taxes) to 30 June 2022 |                |                |                 |                 | Inception date | Current investment manager commencement date |
|---|-----------|---|--|----------------|----------------|-----------------|-----------------|----------------|--|
|   |           |   | 2021-22 financial year                         | 3 years (p.a.) | 5 years (p.a.) | 10 years (p.a.) | Since inception |                |  |
| Evergreen Responsible Growth Model                      | 27        |  Tax Optimised   | -8.57%   | -              | -              | -               | -5.42%          | 28/4/21        | Since inception                              |
| Firetrail Absolute Return Fund                          | 6A        |  Tax Enhanced    | -7.18%   | 2.76%          | -              | -               | 0.56%           | 4/12/17        | 28/4/21                                      |
| Generation Global Share Fund                            | 66        |  Tax Enhanced    | -  | -              | -              | -               | -8.97%          | 20/4/22        | Since inception                              |
| Generation Life Tax Effective Australian Share Fund     | 35        |  Tax Optimised   | -5.47%   | 3.17%          | -              | -               | 4.97%           | 20/5/19        | Since inception                              |
| Generation Life Term Deposit Fund                       | 14A       |  Tax Advantage   | -0.32%   | 0.00%          | 0.42%          | 1.10%           | 1.49%           | 21/7/10        | Since inception                              |
| GMO Systematic Global Macro Trust                       | 47        |  Tax Advantage   | -2.13%   | -              | -              | -               | 0.06%           | 28/4/21        | Since inception                              |
| Hyperion Global Growth Companies Fund                   | 53        |  Tax Enhanced    | -27.62%  | -              | -              | -               | -15.78%         | 28/4/21        | Since inception                              |
| Investors Mutual Australian Share Fund                  | 6         |  Tax Enhanced    | 0.92%  | 1.88%          | 3.21%          | 6.28%           | 5.07%           | 12/8/04        | 4/12/17                                      |
| Investors Mutual Future Leaders Fund                    | 7         |  Tax Enhanced    | -7.10%   | 0.15%          | 1.89%          | 3.97%           | 4.16%           | 12/8/04        | 4/12/17                                      |
| iShares Hedged International Equity Index Fund          | 12        |  Tax Enhanced    | -10.12%  | 4.33%          | 4.59%          | 7.68%           | 5.63%           | 12/8/04        | 4/12/17                                      |
| iShares S&P/ASX20 ETF Portfolio                         | 14        |  Tax Enhanced    | -4.28%   | -0.26%         | 2.51%          | 4.96%           | 4.71%           | 12/8/04        | 28/4/21                                      |
| iShares Wholesale Australian Bond Index Fund            | 12A       |  Tax Enhanced   | -8.94%   | -2.97%         | -0.49%         | 0.70%           | 1.90%           | 1/5/08         | 4/12/17                                      |
| iShares Wholesale Australian Equity Index Fund          | 11        |  Tax Enhanced  | -5.52%   | 2.31%          | 4.83%          | 6.83%           | 5.88%           | 12/8/04        | 4/12/17                                      |
| iShares Wholesale Australian Listed Property Index Fund | 12B       |  Tax Enhanced  | -9.44%   | -2.65%         | 2.30%          | 5.79%           | 2.51%           | 1/5/08         | 4/12/17                                      |
| iShares Wholesale International Equity Index Fund       | 11A       |  Tax Enhanced  | -4.97%   | 5.45%          | 6.85%          | -               | 6.73%           | 2/8/16         | 4/12/17                                      |
| Kapstream Absolute Return Income Fund                   | 10A       |  Tax Enhanced  | -1.87%   | -0.67%         | -              | -               | -0.08%          | 4/12/17        | Since inception                              |
| Macquarie Global Listed Real Estate Fund                | 5A        |  Tax Enhanced  | -9.20%   | -0.49%         | 1.79%          | 4.14%           | 2.46%           | 1/5/08         | Since inception                              |
| Macquarie Treasury Fund                                 | 1         |  Tax Advantage | -0.16%   | -0.02%         | 0.36%          | 0.91%           | 1.95%           | 8/9/04         | 23/5/07                                      |
| Magellan Global Fund                                    | 8         |  Tax Optimised | -9.96%   | 0.36%          | 5.09%          | 7.57%           | 4.08%           | 12/8/04        | 26/2/14                                      |
| Magellan Infrastructure Fund                            | 5B        |  Tax Enhanced  | 4.27%  | 0.24%          | 3.18%          | -               | 4.52%           | 5/9/14         | Since inception                              |
| Martin Currie Emerging Markets Fund                     | 36        |  Tax Enhanced  | -21.19%  | -0.04%         | -              | -               | 3.15%           | 21/11/18       | Since inception                              |
| Martin Currie Equity Income Fund                        | 23        |  Tax Optimised | -2.38%   | 1.06%          | 2.05%          | 5.51%           | 4.46%           | 12/8/04        | 9/6/20                                       |
| Martin Currie Real Income Fund                          | 5         |  Tax Enhanced  | 1.12%  | -0.66%         | 3.23%          | 6.20%           | 3.29%           | 1/12/10        | 21/11/18                                     |
| MFS Concentrated Global Equity Trust                    | 8A        |  Tax Enhanced  | -6.93%   | 3.95%          | -              | -               | 7.06%           | 21/11/18       | Since inception                              |
| MLC Horizon 2 Income Portfolio                          | 32        |  Tax Enhanced  | -4.42%   | -0.35%         | -              | -               | 0.61%           | 21/11/18       | Since inception                              |
| MLC Horizon 3 Conservative Growth Portfolio             | 33        |  Tax Enhanced  | -5.09%   | 0.81%          | -              | -               | 2.11%           | 21/11/18       | Since inception                              |
| MLC Horizon 4 Balanced Portfolio                        | 22        |  Tax Enhanced  | -5.68%   | 1.83%          | 3.00%          | 4.90%           | 3.06%           | 1/5/08         | Since inception                              |
| MLC Horizon 6 Share Portfolio                           | 34        |  Tax Enhanced  | -6.73%   | 2.39%          | -              | -               | 4.75%           | 21/11/18       | Since inception                              |
| Mutual ADI/Bank Securities Fund                         | 14B       |  Tax Advantage | -1.49%   | 0.12%          | 0.68%          | -               | 0.99%           | 12/8/04        | Since inception                              |
| Pendal Enhanced Credit Fund                             | 3         |  Tax Enhanced  | -7.80%   | -2.05%         | -0.14%         | 1.54%           | 2.17%           | 12/8/04        | 17/5/15                                      |
| Pendal Sustainable Australian Share Fund                | 39        |  Tax Enhanced  | -9.83%   | 0.84%          | -              | -               | 4.22%           | 21/11/18       | Since inception                              |



| Investment option                                | Fund code | Tax aware level   | Returns (after fees and taxes) to 30 June 2022 |                |                |                 |                 | Inception date | Current investment manager commencement date |
|--|-----------|---|--|----------------|----------------|-----------------|-----------------|----------------|--|
|  |           |   | 2021-22 financial year                         | 3 years (p.a.) | 5 years (p.a.) | 10 years (p.a.) | Since inception |                |  |
| Pendal Sustainable Balanced Fund                 | 41        |  Tax Enhanced    | -5.15%   | 1.90%          | -              | -               | 3.79%           | 21/11/18       | Since inception                              |
| Perpetual Wholesale Australian Share Fund        | 15        |  Tax Optimised   | -2.99%   | 4.86%          | 5.46%          | 6.78%           | 4.71%           | 7/3/06         | Since inception                              |
| Perpetual Wholesale Balanced Growth Fund         | 19        |  Tax Enhanced    | -1.01%   | 3.58%          | 4.01%          | 5.41%           | 3.38%           | 7/3/06         | Since inception                              |
| Perpetual Wholesale Conservative Growth Fund     | 26        |  Tax Enhanced    | -2.66%   | 0.91%          | -              | -               | 1.72%           | 4/12/17        | Since inception                              |
| Perpetual Wholesale Ethical SRI Fund             | 21        |  Tax Enhanced    | -4.44%   | 5.71%          | 4.15%          | 8.01%           | 6.48%           | 1/5/08         | Since inception                              |
| Perpetual Wholesale Geared Australian Share Fund | 16        |  Tax Enhanced    | -8.50%   | 3.79%          | 7.35%          | 12.08%          | 5.40%           | 29/1/06        | Since inception                              |
| Perpetual Wholesale International Share Fund     | 17        |  Tax Enhanced    | 0.88%  | 7.07%          | 7.62%          | 9.53%           | 4.06%           | 29/1/06        | Since inception                              |
| PIMCO Wholesale Australian Bond Fund             | 2         |  Tax Enhanced    | -9.58%   | -3.12%         | -0.64%         | 0.70%           | 2.11%           | 12/8/04        | 14/12/12                                     |
| PIMCO Wholesale Global Bond Fund                 | 4         |  Tax Enhanced    | -8.85%   | -2.10%         | -0.42%         | 1.28%           | 1.34%           | 12/8/04        | 29/10/12                                     |
| Russell Investments Balanced Fund                | 10        |  Tax Enhanced    | -7.14%   | 0.97%          | 2.21%          | 5.06%           | 3.65%           | 10/9/04        | 20/5/18                                      |
| Schroder Absolute Return Income Fund             | 13        |  Tax Enhanced    | -2.88%   | -0.29%         | 0.46%          | 1.49%           | 1.47%           | 12/8/04        | 1/1/10                                       |
| Schroder Real Return Fund                        | 10B       |  Tax Enhanced   | -4.80%   | 0.66%          | -              | -               | -0.32%          | 4/12/17        | 17/12/19                                     |
| Stewart Investors Worldwide Sustainability Fund  | 29        |  Tax Enhanced  | -16.92%  | -              | -              | -               | -10.51%         | 28/4/21        | Since inception                              |
| Vanguard Balanced Portfolio                      | 31        |  Tax Optimised | -8.18%   | 0.62%          | -              | -               | 3.02%           | 21/11/18       | Since inception                              |
| Vanguard Conservative Portfolio                  | 12C       |  Tax Optimised | -7.94%   | -0.51%         | 1.39%          | -               | 1.28%           | 2/8/16         | Since inception                              |
| Vanguard Growth Portfolio                        | 12D       |  Tax Optimised | -8.03%   | 1.73%          | 3.72%          | -               | 3.79%           | 2/8/16         | Since inception                              |
| Vanguard High Growth Portfolio                   | 30        |  Tax Optimised | -7.59%   | 2.98%          | -              | -               | 5.89%           | 21/11/18       | Since inception                              |
| Walter Scott Global Equity Fund (Hedged)         | 52        |  Tax Enhanced  | -11.84%  | -              | -              | -               | -6.74%          | 28/4/21        | Since inception                              |

Past performance is not indicative of future performance. Performance as measured by exit price movements of the investment options (after fees and taxes).



Outthinking today.

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