


# Generation Life Tax Effective Australian Share Fund

Fact Sheet | 31 May 2026

Performance as at 31 May 2026 <sup>1</sup>	1 Month (%)	3 Month (%)	6 Month (%)	1 year (%)	2 years (% p.a.)	3 years (% p.a.)	5 years (% p.a.)	Since Inception (% p.a.)
Fund net return (after fees & tax)	1.52	-3.42	1.91	4.51	9.13	10.05	7.03	7.79
Benchmark return (before tax) <sup>2</sup>	1.15	-4.03	3.01	6.89	10.07	11.01	8.10	8.73
Gross investment return (before fees & tax) <sup>3</sup>	1.52	-4.58	1.60	4.79	10.63	11.86	7.95	8.72
Gross investment return (before fees & after tax) <sup>3</sup>	2.05	-3.35	3.48	7.18	12.42	13.37	9.46	10.27

Fund facts	
<b>Sector</b>	Australian shares
<b>Tax aware level</b>	 Tax Optimised
<b>Inception date</b>	20 May 2019
<b>Fund code</b>	UF35
<b>Generation Life APIR code</b>	ALL3779AU
<b>Investment management cost<sup>4</sup></b>	0.54% p.a.
<b>Buy/sell spread</b>	0.15%/0.15%
<b>Suggested minimum investment period</b>	5 Years
<b>Risk level</b>	6 - High

## Performance commentary

For the one-month period ending 31 May 2026 the after fee and tax return was 1.52%.

Performance was primarily driven by stock selection, while sector positioning was a modest detractor overall. Stock selection within Healthcare and Financials contributed positively. Offsetting this, stock selection within Consumer Discretionary and underweight exposure to Materials detracted from returns.

Factor performance was generally supportive across the month, particularly during the market recovery in the second half of May. Momentum was the strongest performing factor and was the primary driver of model returns. Momentum exposures within mining and financial stocks benefitted as investor sentiment improved later in the month. Value experienced a mixed month. Performance weakened sharply around the Federal Budget announcement before recovering alongside broader cyclical sectors. Quality was similarly uneven, with higher-quality defensive companies lagging as markets rotated toward more economically sensitive areas.

## 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

- Past performance is not an indicator of future performance.
- S&P/ASX 200 Accumulation Index.
- Adjusted for Investment management fees and transaction costs.
- 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 available information, but excludes investment performance fee costs that may be charged or incurred by the investment manager and exclude indirect transaction and operational costs (refer to the Product Disclosure Statement for further information about fees and costs).

## Market commentary

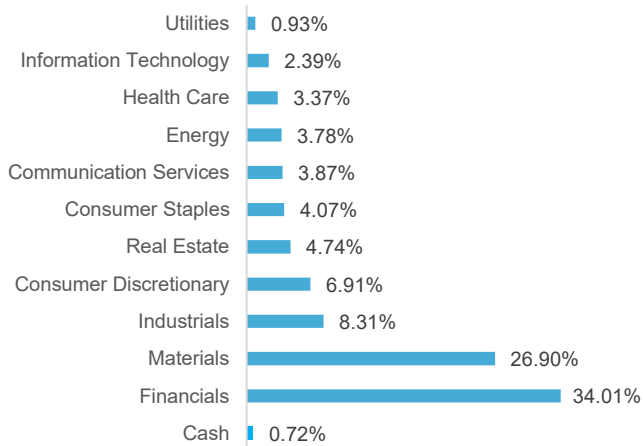
Australian equities delivered another positive month in May, with the S&P/ASX 300 returning +1.25%, although the path higher was volatile. Markets initially weakened following the 2026-27 Federal Budget, as investors reacted to a wider-than-expected fiscal deficit, proposed property tax reforms and concerns around the inflation outlook. Rising global bond yields and geopolitical uncertainty also weighed on sentiment through the first half of the month. Conditions improved later in May as domestic economic data softened and expectations for further near-term interest rate increases moderated. Australia's unemployment rate rose to its highest level since late 2021, encouraging investors to reassess the outlook for monetary policy. At the same time, optimism around easing tensions in the Middle East supported a recovery in broader risk appetite.

Sector returns were highly dispersed. Materials (+10.3%) was the strongest-performing sector, benefiting from renewed strength in mining stocks and commodity-linked momentum. Consumer Discretionary (+4.6%) and Industrials (+2.8%) also advanced. In contrast, Healthcare (-8.9%), Utilities (-7.6%) and Energy (-6.0%) lagged as investors rotated toward more cyclical areas of the market.

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## Sector selection



## Top 10 holdings

Company	Fund (%)	Benchmark (%) <sup>2</sup>
BHP Group Ltd	12.08	11.85
Commonwealth Bank of Australia	9.89	10.37
Westpac Banking Corp	5.51	4.67
ANZ Group Holdings Ltd	4.50	4.01
National Australia Bank Ltd	3.97	4.34
Macquarie Group Ltd	3.65	3.19
Wesfarmers Ltd	3.30	3.41
Telstra Group Ltd	2.82	2.23
Rio Tinto Limited	2.33	2.61
Woolworths Limited	2.02	1.63

## About the investment manager



Invesco Ltd is one of the world's leading independent global investment firms, dedicated to rethinking possibilities for clients. Founded in 1935, Invesco has funds under management of more than US\$1.85 trillion globally (as at 31 December 2024) and operates in over 20 countries. Invesco has more than 8,000 staff, including 800-plus investment professionals managing a broad array of specialised investment strategies – ranging from major equity, fixed income, and property assets to alternative assets such as direct real estate, bank loans, multi-strategy, private equity and commodities. Invesco Ltd is listed on the New York Stock Exchange under the symbol IVZ. Invesco Australia Ltd is the local presence of Invesco Ltd, offering a comprehensive range of investment capabilities across Australian equities, global equities, multi-asset, private credit and real estate.

## 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 \$5.2 billion invested with us as of end December 2025.

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.

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