generation life

Generation Life Tax Effective Australian Share Fund

Fact Sheet | 31 July 2026

Performance as at 31 July 2026[1]	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)	1.42	3.23	1.64	3.55	7.61	9.24	6.79	7.85
Benchmark return (before tax)[2]	2.26	4.13	2.85	6.00	8.86	10.39	8.01	8.96
Gross investment return (before fees & tax)[3]	1.72	3.62	1.35	3.56	8.74	10.85	7.61	8.82
Gross investment return (before fees & after tax)[3]	1.89	4.47	3.14	6.22	10.64	12.39	9.18	10.38

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 cost[4]	0.54% p.a.
Buy/sell spread	0.15%/0.15%
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 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).

Performance commentary

For the one-month period ending 31 July 2026 the after fee and tax return was 1.42%.

The fund returned 1.66% in July, underperforming the broad market benchmark return of 2.13%. The shortfall was driven jointly by sector allocation and stock selection, with our long-standing underweight to Energy the single largest detractor from relative performance, given the strength of the rally in the commodity price; stock selection within the Energy sector was also mildly negative over the month. Elsewhere, stock selection proved more challenging within Financials, where underweight positions in NAB, CBA and Helia more than offset a strong positive contribution from an overweight in AMP (34.0%), which rallied sharply as its wealth management turnaround continued to gain investor favour.

At the individual stock level, underweight positions in Lynas (-22.0%) and Pro Medicus (-20.3%) - both of which gave back significant ground during the month - added to relative performance, while an overweight in 4DMedical (-19.9%) detracted as the volatile medical software name extended its recent underperformance. Underweight positions in Woodside Energy (16.8%) and CSL (7.3%) also weighed on relative performance, as both stocks advanced during the month without the benefit of full portfolio exposure.

Overall factor model performance was strong over the month, consistent with the broader market's rotation toward more defensive characteristics. Quality was the standout, with its more defensive tone finding clear favour across domestic markets, while Value also performed well as investors turned toward more defensively oriented cyclical businesses. Momentum had a patchier month, detracting modestly as crowded positioning in Energy and Information Technology names came under pressure.

Market commentary

Australian equities delivered a strong result in July, with the S&P/ASX 300 returning +2.13%, the index's largest monthly gain since February 2026 and its fourth consecutive month of positive returns, building on the more modest 0.6% gain recorded in June. The rally unfolded against a complex and at times unsettling macro backdrop, spanning shifting interest rate expectations, elevated geopolitical risk in the Middle East, and a sharp global reassessment of AI-related equities, yet the local market demonstrated genuine resilience throughout the period.

Beneath the headline number, the month's leadership told a story of value and quality reasserting themselves over momentum, as investors gravitated toward companies with strong balance sheets, reliable earnings and durable business models in the face of a more complex macro backdrop. Energy (21.3%) was the standout sector performer, benefiting from a surging oil price as tensions around the Strait of

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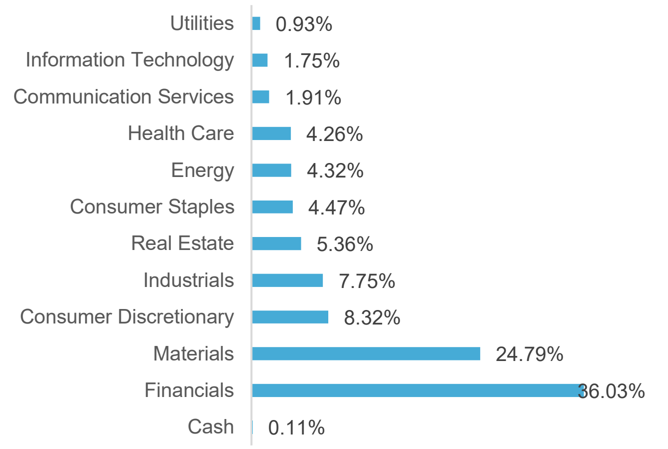
Hormuz kept energy markets on edge, while Consumer Staples (14.6%) and Materials (14.0%) also featured among the month's leaders as investors favoured more defensive, earnings-certain businesses. In contrast, Healthcare (-17.0%) and Information Technology (-12.7%) were the clear laggards, giving back ground as previously crowded, momentum-driven positioning came under pressure both locally and abroad.

Sector selection



Top 10 holdings

Company	Fund (%)	Benchmark (%)[2]
BHP Group Ltd	11.56	11.16
Commonwealth Bank of Australia	10.79	10.95
ANZ Group Holdings Ltd	4.78	4.15
Macquarie Group Ltd	4.76	3.28
National Australia Bank Ltd	4.41	4.68
Westpac Banking Corp	4.41	4.78
Wesfarmers Ltd	4.07	3.73
Woodside Energy Group Ltd	2.54	2.30
Woolworths Limited	2.28	1.80
QBE Insurance Group Ltd	2.23	1.38

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.

Investor services		Adviser services	
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