

Generation Life Tax Effective Australian Share Fund (Geared)

Fact Sheet | 30 September 2026

Performance as at 30 September 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)	-2.14	1.14	7.02	-	-	-	-	-5.79

Fund facts	
Sector	Australian shares
Tax aware level	 Tax Optimised
Inception date	26 February 2026
Fund code	UF85
Generation Life APIR code	ALL0872AU
Investment management cost^{4,5}	0.54% p.a.
Buy/sell spread	0.27%/0.27%
Suggested minimum investment period	7 Years
Risk level	7 – Very High

Investment objective

Provide investors with leveraged exposure to the Generation Life Tax Effective Australian Share Fund investment option.

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.

Gearing approach

Generation Life overlays gearing through borrowings to leverage the underlying investment option's exposure. The target gearing level of the investment option is 45% and the investment option will generally operate within a range of 35%-50% under normal market conditions.

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).
5. The investment management fees and costs are based on the fund's management fee (excluding indirect costs) of 0.50% p.a. charged on its gross asset value, which equates to a management fee of 0.91% p.a. of the fund's net asset value assuming an average annual gearing level of 45%. If the average gearing level in the fund over the year is lower or higher than 45%, the fund's management fee based on net asset value will be respectively lower or higher than 0.91% p.a.
6. **A geared investment option may not always magnify gains under certain market conditions (including, but not limited to, low return or high-interest rate environments) however, losses will always be magnified. Investors may potentially experience large fluctuations in the value of their investment (up and down).**
7. The gearing level is the borrowings divided by the total value of the underlying investment option assets. The investment option provides for a gearing range of 0-60%, with the typical target range being 35-50%. This target range is only an indication of the targeted gearing level. Actual gearing levels may differ depending on market conditions, the level of borrowing and the value of the investment option assets.

Performance commentary

For the one-month period ending 30 September 2026 the after fee and tax return was -2.14%.

The Invesco Wholesale Australian Share fund returned -1.37% (gross of fees), ahead of the broad market benchmark return of -2.42%. The outperformance was driven largely by stock selection, while sector allocation effects largely netted out. At the sector level, our underweight to Health Care detracted as the sector led the market. This was offset by our underweight to Information Technology, which was the weakest sector.

Our Australian factors performed well overall. Momentum was a strong contributor, selecting energy and resource names with firm relative price trends, and keeping us away from out-of-favour Information Technology stocks such as Xero. Quality was also strong. In an environment of rising rates and earnings uncertainty, investors gravitated toward companies with durable earnings and robust balance sheets. Value continued its solid form as capital rotated away from expensive growth and technology stocks into cheaper, cash-generative businesses. This is consistent with the global pattern of higher-for-longer interest rates favouring Value over Growth. These three factors are the sources of return we seek to be rewarded for, and the diversification across them supported results in a month when market leadership changed quickly.

Among the style risks we aim to control, our underweights to high Volatility and large Size contributed to performance. Our mild overweight to Growth detracted, as growth-oriented stocks came under pressure from higher yields.

At the stock level, Xero (-31.3%) was the largest contributor, as the technology sector sold off and the stock fell sharply. Our underweight to lithium producer PLS Group (-27.8%) also contributed as Materials weakened. In the gold industry, our underweight to Evolution Mining (-

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9.0%) added to returns. On the other side of the ledger, our overweight to gold producer Resolute Mining (-15.7%) was the largest detractor. Our underweight to CSL (+8.8%) also detracted as the stock performed well during the month. This was consistent with the broader strength in Health Care.

Market commentary

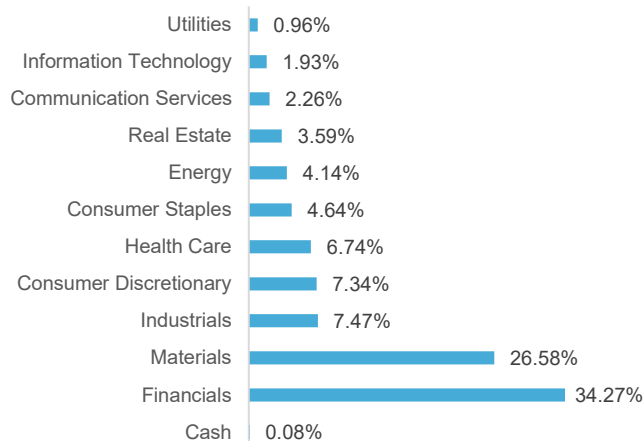
The Australian share market declined in September, with the S&P/ASX 300 returning -2.43% after a gain of 1.62% in August. Resilient commodity-linked sectors were offset by pressure on financials, technology and rate sensitive stocks. The index began the month near 9,000 points, fell through mid-month and found some footing in the final days as softer inflation data eased concerns about interest rates.

Domestically, the main focus was the prospect of further RBA tightening. A Bloomberg survey of economists pointed to a 25 basis point increase to 4.60% in October, with the cash rate then expected to hold through mid-2027. Headline CPI for 2026 was forecast at 3.9%, well above the RBA's target band. Softer August inflation data released on 30 September led markets to pare back rate hike expectations, which prompted a sharp rally in rate-sensitive sectors.

Global developments added to the cautious tone. Escalating exchanges between US and Iranian forces pushed Brent crude above US\$108 per barrel at its peak. Australian energy stocks benefitted from elevated oil prices, with Woodside and Santos among the better performers. The US Federal Reserve also raised rates for the first time since 2023 and signalled the possibility of further tightening, pushing Australian front-end rates higher and weighed on growth and long-duration assets. Technology was the weakest area globally as confidence in the AI sector wavered, with proposals from major AI executives to slow the pace of development. Locally, this weighed on names such as WiseTech Global and Xero. The AI theme cuts both ways for the ASX: it is a headwind for technology valuations and a structural tailwind for copper demand and the mining sector.

Sector returns were widely dispersed. Health Care (2.92%) was the strongest sector, while Financials (-1.10%) and Energy (-1.28%) fell by less than the broader market. Information Technology (-9.98%) and Materials (-7.15%) were the weakest sectors.

Sector selection



Top 10 holdings

Company	Fund (%)	Benchmark (%) ²
BHP Group Ltd	11.90	11.65
Commonwealth Bank of Australia	9.22	9.52
ANZ Group Holdings Ltd	4.75	4.37
National Australia Bank Ltd	4.73	4.61
Wesfarmers Ltd	4.21	3.24
Macquarie Group Ltd	4.02	3.18
Westpac Banking Corp	3.92	4.53
CSL Ltd	2.90	3.31
Woolworths Limited	2.65	1.80
Woodside Energy Group Ltd	2.42	2.27

Investor services

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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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