Colonial First State

FirstChoice

– Investments
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Investment Options Menu

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Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468

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About the Investment Options Menu

This document forms part of the Product Disclosure Statement (PDS) for the following products, referred to in this document as 'FirstChoice products':

- FirstChoice Wholesale Investments
- FirstChoice Wholesale Personal Super and Pension
- FirstChoice Investments (closed to new accounts).

Investments in FirstChoice Wholesale Investments and FirstChoice Investments are offered by Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468 ('CFSIL', 'the Responsible Entity'). CFSIL is the responsible entity for most of the investment options in FirstChoice Wholesale Investments and FirstChoice Investments.

Investments in FirstChoice Wholesale Personal Super and Pension are offered by Avanteos Investments Limited ABN 20 096 259 979, AFSL 245531 ('AIL', 'the trustee') from the Colonial First State FirstChoice Superannuation Trust ABN 26 458 298 557 (FirstChoice Trust).

Unless otherwise stated in the PDS, AIL and CFSIL are also referred to in the PDS as 'we', 'our' or 'us'.

Other information

Other information about the role of service providers and investment managers can be found in the relevant PDS.

No guarantee

The investment performance and the repayment of capital of CFSIL and AIL products is not guaranteed. Investments in FirstChoice products are subject to investment risk, including loss of income and capital invested. Past performance is no indication of future performance. Apart from FirstRate products, investments in FirstChoice products are not deposits or other liabilities of CFS entities.

Consent to be named

The investment managers of the options available have given, and not withdrawn, their consent to be referenced in this PDS in the form and context in which they are included. The investment managers are acting as investment managers only for the relevant options. They are not issuing, selling, guaranteeing, underwriting or performing any other function in relation to the options.

Rights

CFSIL and AIL reserve the right to outsource any or all of its investment management functions, including to related parties, without notice to investors.

Target Market Determination

The Target Market Determinations (TMD) for our financial products can be found at cfs.com.au/tmd and include a description of who the financial product is appropriate for.

Investing with CFS FirstChoice

CFS offers a wide range of investment options with a focus on delivering strong performance. It's easy to get started on your investment journey.

1 Define your **goals and objectives**

Set clear goals with realistic and achievable targets, and consider your personal circumstances.

2 Understand your investment **options**

Take a closer look at the diverse range of investment options available through FirstChoice.

3 Start **investing**

Select a ready-made investment portfolio and/or build your own.

Choose from a range of ready-made portfolios

Select one or more of our professionally constructed multi-manager portfolios[1]. Multi-manager portfolios provide a convenient and simple way of diversifying your investment across different investment managers.

Multi-manager options	
CFS Multi-manager multi-sector	Portfolios that invest in a range of asset classes
CFS Multi-manager single-sector	Portfolios that predominantly invest in one asset class
CFS Lifestage[2]	Portfolios that invest in a range of asset classes and automatically adjusts the investment mix according to your age
CFS Sustainability	A portfolio that invests in a range of asset classes and managers, with a focus on sustainability
CFS Enhanced Index Series	Enhanced index portfolios that invest in a range of asset classes
CFS Index Series multi-sector	Index portfolios that invest in a range of asset classes
Other Multi-sector	Portfolios that invest in a range of asset classes

Tailor your investment portfolio – pick and mix from a diverse range of individual options

Build your own investment portfolio by choosing one or more options. Our wide range of investment options enables you to adjust your portfolio to suit your changing investment needs.

Other options	
CFS ETF Exposure Series	Portfolios that provide exposure to an Exchange Traded product
Single-manager single-sector	Portfolios that predominantly invest in one asset class
CFS Index Series single-sector	Index portfolios that invest in a single asset class

1 Not all options are available to pre-retirement accounts. The options available will have 'TTR' in the option name on the Application form.

2 The CFS Lifestage options that are available on FirstChoice Wholesale Personal Super and Pension are listed in the FirstChoice Wholesale Personal Super and Pension Application forms. CFS Lifestage is not available on FirstChoice Wholesale Investments.

Understanding CFS multi-manager portfolios

Our in-house investment team constructs multi-manager portfolios so investors can access some of the best fund managers in the world across all the main asset classes. We also use a specialist investment consulting and research firm to assist us in this process.

Each multi-manager portfolio combines professionally selected investment managers to help you manage investment risk through diversification.

Constructing multi-manager portfolios is a three-step process:

1. Select specialist investment managers for each asset class

In this process, we aim to capture the competitive strengths of each investment manager. Key assessment and selection criteria include organisational stability, performance track record and investment process.

2. Combine the investment managers

We aim to select a combination of investment managers whose investment styles are complementary. In other words, we choose a mix of investment managers that is likely to deliver more consistent returns so that performance is not dependent on a single manager or a single investment style.

3. Monitor ongoing quality

We closely monitor the multi-manager portfolios and, when needed, make changes to maximise performance and manage risk.

What is diversification?

Diversification is an important way to manage investment risk by spreading your money across different asset classes. This can generally be achieved in 3 ways:

Within each asset class

Investing in a range of securities within an asset class means that returns will generally be less dependent on the performance of any single security. This may reduce the overall security-specific risk across your portfolio.

Across asset classes

Investing in a range of asset classes means that the impact of ups and downs in any single asset class or market can be reduced. That is, you can spread your exposure to different markets.

Across investment styles

Different investment managers adopt different styles like 'value' or 'growth', and these styles can perform differently at different times. Investing in a portfolio with a mix of investment managers can help investors smooth out any performance variations more effectively. That is, investment manager risk may be reduced.

Your financial adviser can help you understand investment risk, and design an investment strategy for you.

Investing all, or a large proportion, of your account balance in a single sector or investment option could reduce the level of diversification within your portfolio and, as a result, increase the risk of losses in the value of your account and/or reduce your retirement income. You should regularly review your portfolio to ensure that the investment options selected and the allocations to these options remain appropriate to your objectives and circumstances. This can be an important consideration where your allocation is to options that are within the higher risk categories. Please speak to your financial adviser for further information.

How CFS Lifestage works

When you're younger, you have more time to ride out the ups and downs of investment markets therefore your money will be invested in mostly growth assets such as shares, property and infrastructure. This can lead to higher volatility of performance year-to-year but also increases the potential to achieve a higher return over the long term.

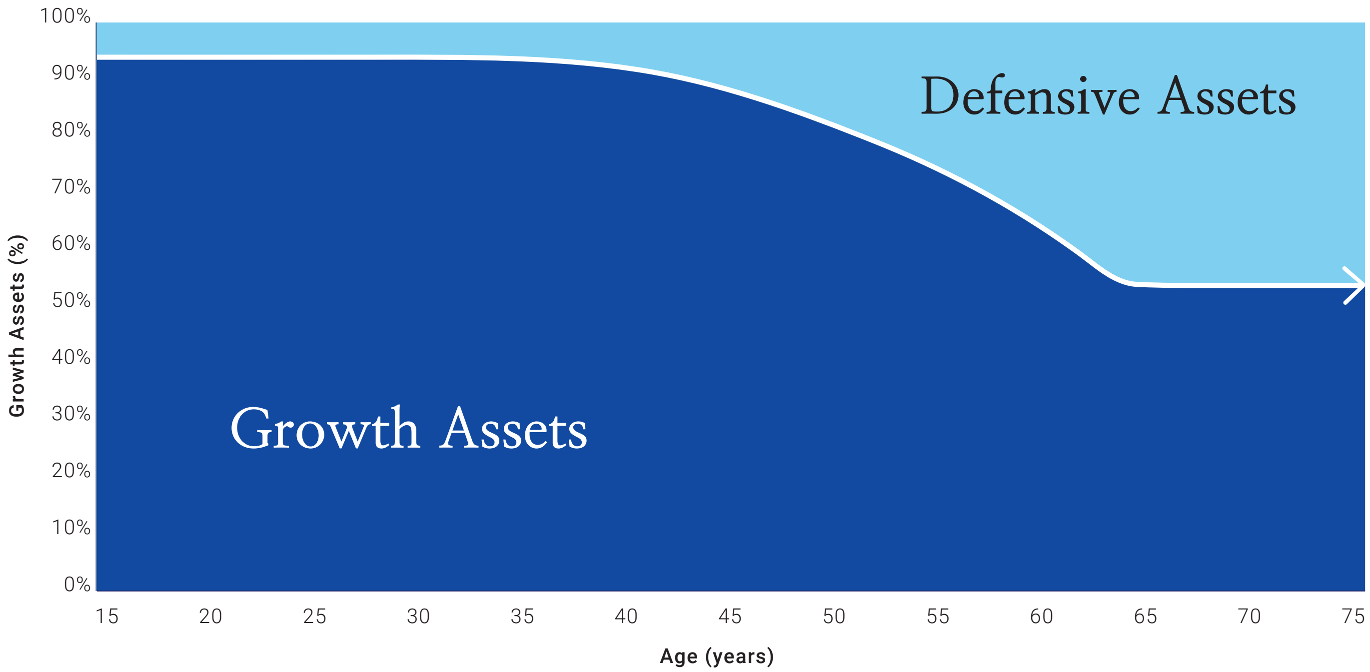
As you approach retirement and have less time to recover from any short-term losses, the investment in growth assets is gradually reduced and the investment in defensive assets, such as cash and fixed interest is increased. This aims to reduce the volatility of performance for older members.

This automatic adjustment of your asset allocation as you get older is called the glidepath, which is shown in the diagram below.

For example, if you were born between 1 January 1965 to 31 December 1969, your asset allocation is made up of approximately 74% growth assets as at 30 June 2024 and will move along the glidepath illustrated below. By 30 June 2029, your asset allocation will be made up of approximately 64% growth assets, and this will continue to gradually reduce to approximately 52% growth assets by 2035.

Further information on the objectives, investment strategy, risk bands and asset allocation for each Lifestage can be found later in this Investment Options Menu.

CFS Lifestage automatically adjusts the investment mix according to your age



Please note: Indicative CFS Lifestage as at 1 July 2024. This diagram is illustrative only.

How is FirstChoice structured?

FirstChoice Wholesale Investments and FirstChoice Investments

When you invest in FirstChoice Wholesale Investments or FirstChoice Investments, your money is combined with other investors' money in a managed investment scheme. Each FirstChoice Wholesale investment option is a separate managed investment scheme.

We may invest directly or indirectly in other managed investment schemes.

FirstChoice Wholesale Personal Super and FirstChoice Wholesale Pension

When you invest in FirstChoice Wholesale Personal Super or FirstChoice Wholesale Pension, your money is combined with other investors' money in FirstChoice. Each investment option is a separate option within this superannuation fund, and invests in an underlying 'pool' which is managed according to the option's objectives.

In most cases, CFSIL is the responsible entity for the underlying pools, which are managed by each investment manager through a mandate arrangement in FirstChoice Wholesale Personal Super and FirstChoice Wholesale Pension.

FirstRate Saver, FirstRate Saver Non-Auto-rebalancing, FirstRate Cash, FirstRate Cash Non-Auto-rebalancing and FirstRate Term Deposits are deposited with Commonwealth Bank of Australia.

Trustee diversification guidelines

For Personal Super and Pension members, the trustee suggests that no more of your portfolio is invested in each investment category than the percentages outlined below:

Investment category	Maximum suggested portfolio allocation
Alternatives	20%
Australian share – small companies	30%
Global share – emerging markets	30%
Specialist share	30%
Australian property and infrastructure securities	50%
Global property and infrastructure securities	50%
Geared – Australian and global share	30%

Note: The diversification guidelines above are suggestions only and have been provided without taking account of your objectives, financial situation or needs. Before making an investment decision, you should consider the appropriateness of the guidelines, read the PDS (which is available by calling us on 13 13 36) and talk to a financial adviser to determine the appropriate allocations for your investment.

What is a mandate?

A mandate is an agreement with an investment manager that sets out how the money is to be invested. The mandate may specify an appropriate benchmark, acceptable investments and investment ranges. A mandate structure means that the investments are managed separately on our behalf, and are not pooled with the external investment manager's other investors or invested in one of the investment manager's wholesale investment schemes. Therefore, the performance of a mandate may differ from the underlying investment manager's wholesale investment scheme. However, using mandates gives us greater flexibility, including the ability to issue timely unit prices and to better control administration and reporting.

How do we ensure the ongoing quality of FirstChoice?

We manage and regularly monitor the options. We may, without prior notice to investors, add, remove or change the investment managers and their allocations in the multi-manager portfolios; and change the investment objective and/or strategy; add, suspend, restrict, close or terminate an option; or change an investment manager or the approved deposit taking institution in the single manager options. Any change would be considered in light of the potential negative or positive impact on investors.

We will notify existing investors in affected options of any material change as soon as practicable. Updated information that is not materially adverse can be obtained via our website at cfs.com.au. A paper copy of this PDS (and any supplementary documents) can also be obtained from your adviser or free of charge by contacting us on 13 13 36.

CFS Sustainability

In 2016 we set out our commitment to responsible investing and became a signatory to the United Nations, Principles for Responsible Investment (PRI) in 2017. As a signatory to the PRI, we incorporate environmental, social and governance considerations into investment practices. This includes our commitment in 2018 to divest from tobacco producers and manufacturers of controversial weapons. In 2021, we committed to align to the goals of the Paris Agreement of net zero emissions by 2050 and to a 30% reduction in Greenhouse Gas emissions intensity by 2030, from 2019 levels for all CFS FirstChoice portfolios. As a step towards this goal in 2021, we become a signatory to the Climate Action 100+, an investor led initiative to ensure the world's largest corporate greenhouse gas emitters take the necessary action on climate change. We renewed this commitment in 2024 as the initiative moved into Phase 2 of its work.

We are also committed to social issues, signing the Investors Against Slavery and Trafficking Statement and since 2020 have taken action to address modern slavery risks in our business and supply chains. In 2022, we became a signatory to the 40:40 Vision to support gender balance in executive teams.

We will continue our focus and commitment towards providing investors with the means for sustainable, long term wealth creation.

CFS Thrive+ investment philosophy and process

How an organisation manages its environmental and social issues, and the quality of its corporate governance, directly influences its ability to sustain returns over the longer term. In line with this philosophy, we created CFS Thrive+ Sustainable Growth, which seek out companies that are aiming to achieve sustainable outcomes whilst seeking to avoid companies, that in the view of CFS and the Thrive+ investment managers, will have an adverse effect on the environment or society.

Active company engagement and voting

We choose to work with investment managers who actively engage and advocate the companies we invest in to implement better environmental and social practices. This enables us to use investment capital and active ownership to encourage change.

Areas of focus and exclusions aligned to personal values

Industries or themes we aim to seek out or not invest in (exclusionary screens) were developed at the launch of the product with input from an investor survey to ensure CFS Thrive+ aligned to personal values. As defined in the Charter, a level of screening will apply to themes and activity including certain fossil fuels, weapons, gambling, pornography, alcohol, tobacco and predatory lending and a focus on issues such as, but not limited to, climate change, healthcare, resource efficiency, sustainable communities and diversity and inclusion. Please refer to the Charter for the current sustainable investment criteria – exclusions, gross revenue thresholds and themes that CFS Thrive+ supports. The sustainable investment criteria may change over time as the world and our understanding of it changes. All reasonable care will be taken to implement the exclusionary screens.

Exclusions form part of the investment management agreements with our appointed managers. CFSIL as a Responsible Entity has instructed Investment managers not to purchase or hold a short position in equity or debt securities (or single name derivatives that would otherwise provide effective exposure to the excluded securities) issued by companies or their subsidiaries for the activities listed above. Whilst we make every endeavour to exclude these companies, there may, from time to time, be a small level of unintended exposure due to lack of data, corporate activity, indirect exposure or exposure through index derivatives, ETFs or third party managed pooled unit trusts. If we find that the fund holds an excluded security, we will instruct the relevant manager to sell down in an orderly manner.

Additional investment information

What are the main asset classes?

Asset class	Description
Cash	Cash generally refers to investments in bank bills, money market and similar securities which have a short investment timeframe. Cash investments generally provide a stable return, with low potential for capital loss.
Fixed interest	Investors in fixed interest securities, such as bonds, pay cash for the bond and in return receive a regular interest payment from the bond issuer at a fixed interest rate for an agreed period of time. The value of the bond can fluctuate based on interest rate movements, and when the bond matures the principal is repaid in cash. Publicly traded and private loans operate in a similar manner, however the interest payments received may be floating and not fixed rate – often priced with a margin above the risk free rate. Pricing of both fixed and floating securities is impacted by credit assessments, as well as the ability of borrowers to pay both interest and the principal at maturity. However, floating rate securities have less interest rate duration risk, meaning lower capital loss when interest rates are rising, and conversely lower capital gain when interest rates are falling, compared to fixed rate securities. Historically, bonds, fixed interest and floating rate securities have provided a more consistent but lower return than shares.
Property[1]	Property refers to the physical land and buildings that are used by businesses and society to operate. Investment can involve holding, managing or developing property for a variety of purposes such as offices, industrial warehouses and retail shopping centres. Property investments typically involve a capital outlay in return for ongoing rents and appreciation in value over time. Property securities provide an indirect exposure to property, generally representing part ownership of a company or an entitlement to the assets of a trust. Property securities can be listed on a stock exchange or units of an unlisted trust.
Infrastructure[2]	Infrastructure refers to the physical assets required for a business or country to operate, including transportation, communication and utilities (e.g. water, sewage and electricity). It may also include 'social infrastructure' such as hospitals, prisons and public housing. Infrastructure investments typically have: high upfront capital requirements, low ongoing operational costs and relatively predictable cash flows and operating risks. Infrastructure securities provide an indirect exposure to infrastructure, generally representing part ownership of a company or an entitlement to the assets of a trust. Infrastructure securities can be listed on a stock exchange or units of an unlisted trust.
Shares	Shares represent a part ownership of a company and are generally bought and sold on a stock exchange or can be unlisted. Shares are generally considered to be more risky than the other asset classes because their value tends to fluctuate more than that of other asset classes. However, over the longer term they have tended to outperform the other asset classes.

1 If an option invests in property or property securities it is detailed in the strategy or allocation of the option.

2 If an option invests in infrastructure or infrastructure securities it is detailed in the strategy or allocation of the option.

Important information about the investment options

Each FirstChoice investment manager will have slightly different views regarding the classification of securities into asset classes.

A reference to Australian shares or companies for an option may include, for example, units in trusts listed on the Australian Securities Exchange (ASX) and/or investments in companies listed on an overseas stock exchange if they are also or have previously been listed on the ASX.

Within their allocations to listed securities, some of the options may purchase unlisted securities on the basis that the securities will list in the future. There exists a risk that the securities may not list.

Some options in this document may also have a small exposure to New Zealand shares in their Australian share allocation.

More detailed information on each investment option is available by visiting cfs.com.au and selecting 'Find a Fund' or by calling your financial adviser.

Do the options borrow?

Except for the geared options and options that may short sell, most options do not borrow except for short-term arrangements for settlement purposes or if an emergency or extraordinary situation arises.

Borrowing can only occur in line with an option's investment strategy. If an option borrows, this is detailed in the strategy of the option.

Additional information about geared options

The aim of gearing is to produce a larger investment return over the long term by using borrowed money in addition to your own funds. The geared options in FirstChoice are 'internally geared', which means that the options borrow the money instead of you borrowing directly.

The benefits of internally geared options are that they are able to borrow at institutional rates, there are no margin calls and you do not need to apply for a loan or offer security. Importantly, we will not ask investors to provide additional funds to meet borrowing costs or to repay debt. All obligations are met within the option itself.

Some investors, such as superannuation funds or their trustees, may find it difficult to borrow in their own name, and therefore cannot use standard margin loans. Internally geared options permit such investors to gain leveraged exposure to a selected asset class.

Where do geared options borrow from?

The geared options raise money either by issuing notes or bonds in Australian or international capital markets, and/or by borrowing at competitive rates from a large number of international and Australian financial institutions. Interest and related borrowing costs are paid by the options. Providers of funding have priority over option investors for interest and principal repayments. Providers of funding earn interest and may receive reimbursements relating to early repayments, dealer fees, upfront fees, legal expenses, government charges, account transaction fees and undrawn commitment fees.

How does the gearing work in the geared options?

CFSIL offers nine geared options and is responsible for the gearing of them all, allowing the investment manager to focus on managing the option's investments.

The following five options are managed using '**dynamic gearing**', as described below:

- CFS Geared Australian Share
- CFS Geared Growth Plus
- Acadian Geared Core Australian Equity
- CFS Geared Share
- CFS Geared Index Australian Share.

These options are managed so that, as far as possible, income from dividends and interest exceeds the cost of borrowing and other expenses, to ensure the preservation of franking credits, which are passed on to you.

This process of managing income and expenses is called '**dynamic gearing**' because the gearing ratio may vary according to market conditions, in particular, the relationship between dividend yields and market interest rates. The gearing ratio is the total amount borrowed expressed as a percentage of the total assets of the option.

Dynamic gearing is also a prudent approach which forces a lower gearing ratio when borrowing costs are relatively high or dividend yields reduce. For example, if it costs 6% per annum to borrow money, and the option earns a net 3% per annum in dividends and other income, this gives a potential gearing ratio of 50%. However, if the borrowing cost rises to 6.50% per annum, with income unchanged, the gearing ratio may fall to about 46%.

The table below illustrates the relationship between the interest rates on borrowings, dividend yields and the gearing levels of a dynamically geared option.

Theoretical gearing level (%)[1]

		Dividend yield (% p.a. net of fund expenses)			
		2.50%	3.00%	3.50%	4.00%
Interest rate on borrowing (% p.a.)	4.00%	60	60	60	60
	5.00%	50	60	60	60
	6.00%	42	50	58	60
	7.00%	36	43	50	57

1 The option will stop additional borrowing at 55%, but the gearing ratio may rise above this level due to market movements or redemptions.

The table above is for illustrative purposes only and is not a forecast or future prediction as to the level of gearing or the interest rates that will apply.

Under dynamic gearing, the gearing ratio is managed at our discretion, subject to the availability of debt and ensuring that estimated income exceeds estimated expenses. No additional borrowing is made when the gearing ratio is at 55% or above. The gearing ratio varies daily due to changes in the value of the assets in the option, and applications or redemptions. If these changes cause the gearing ratio to exceed 60%, we repay debt within a reasonable amount of time to reduce the gearing ratio to below 60%.

In the event of the gearing ratio exceeding 75%, we will suspend the processing of redemption requests and, if applicable, distributions until the gearing has decreased to below 75%.

The following three options are managed using '**fixed gearing**', as described below:

- CFS Geared Global Share
- Acadian Geared Global Equity
- CFS Geared Index Global Share.

These options invest in companies listed on global stock exchanges, outside Australia, and because foreign companies do not pay franking credits, there are few or no franking credits to pass on to you. Therefore, there is no need to ensure that the option's income exceeds its expenses. Fixed gearing uses a target gearing level, with a usual tolerance either side of this level.

Option name	Target gearing	Tolerance
CFS Geared Global Share	33.3%	5%
Acadian Geared Global Equity	55%	5%
CFS Geared Index Global Share	55%	5%

The different target gearing gives investors a choice in the level of gearing available from the global options, from the lower risk 33.3% to the higher risk 55%.

We will not borrow additional amounts when the gearing is at the target level, but the gearing ratio may rise above the target due to declines in asset values or redemptions. If the gearing ratio exceeds the target level by more than the tolerance of 5%, we take the gearing back below this level within a reasonable amount of time by repaying debt.

In the event of the gearing ratio exceeding 60% in the case of the CFS Geared Global Share, 65% for the CFS Geared Index Global Share options, or 75% in the case of the Acadian Geared Global Equity option, we will suspend the processing of redemption requests and distributions until the gearing has decreased to below these levels.

Return expectations of a geared option

The aim of gearing is to produce a higher return over the long term by using borrowed money in addition to your funds. However, for an option geared at 50%, if the underlying investments' rise is less than the option's borrowing and management costs, then it is unlikely that the geared option will outperform an equivalent ungeared portfolio. Consequently, a geared option will not always magnify market gains in a low return environment, although it will always magnify market losses. Refer to 'Gearing risk' in this document.

We suggest you consult a financial adviser regarding the impact of these investments on your overall portfolio.

What is short selling, a short position and a long position?

Short selling is selling a security you do not own. By short selling a security, an option attempts to profit from a decrease in the value of the security. Generally, short selling involves borrowing a security from another party to make the sale with the intention of repaying the borrowed security at a later date with an equivalent security purchased at a lower price. An option may use short selling as a strategy to try to improve returns and to manage risk.

A **short position** is a net position in a security that profits from a decrease in the value of the security. This can be achieved by short selling.

A **long position** is a net position in a security that profits from an increase in the value of the security. Generally, an investor adopts long positions by buying securities.

If an option uses short selling, it is detailed in the strategy of the option.

What investments can the options hold?

The constitutions/trust deeds of FirstChoice products allow us a great deal of discretion about what investments are held in the options. The investments intended to be held are outlined in the strategy of the option. If we decide to change, we will advise you as soon as practical. In certain instances, and in limited circumstances, corporate actions may lead to investments in the option that do not strictly fall within the stated option strategy.

We may need to comply with substantial holding or other restrictions on individual securities from time to time, for example, if holdings within an individual security exceed a certain percentage. The restriction will be lifted if and when capacity becomes available.

Can we outsource the investment management of the options?

CFSIL is the responsible entity for each of the underlying pools in FirstChoice. We may outsource or delegate some or all of the investment management of the options to a related entity or a third party.

We have an investment management agreement in place with each of the investment managers as part of our arrangement to outsource investment management of the investment options. The agreement sets out how money should be invested. It may specify an appropriate benchmark, acceptable investments and investment ranges for investment management.

Appointed investment managers are subject to initial and ongoing reviews to ensure that they can meet their obligations under the investment management agreement. They are required to certify and report to us on certain obligations under the investment management agreement. We also monitor the performance of the investment managers.

Detailed information on each investment manager is provided in the Manager Profile, available at cfs.com.au by selecting 'Find a Fund' or by calling 13 13 36.

Investment and labour standards or environmental, social or ethical considerations

Except as disclosed below, as the trustee or responsible entity (as applicable), we don't specifically take into account labour standards or environmental, social or ethical considerations for the purpose of selecting, retaining or realising the options. We do not directly manage the investments however we do have a robust governance process for assessing the capabilities of each investment manager. This process includes consideration of an investment manager's approach to assessing the effect that climate change and environmental, social, governance (ESG) issues may have on the investments of each option.

Each investment manager may have its own policy on the extent to which labour standards or environmental, social or ethical considerations are taken into account in their investment process and some options do take one or more of these factors into account.

Due to the labour, environmental and social risks associated with the production of tobacco and manufacture of controversial weapons[1], we do not allow investment managers to invest in securities issued by companies who operate in these industries. While we make every endeavour to exclude these companies, there may, from time to time, be a small level of unintended exposure due to lack of data, corporate activity, indirect exposure, exposure through index derivatives, ETFs or third party pooled unit trusts. If we find that the option holds an excluded security, we will instruct the relevant manager to sell down in an orderly manner. However, the ability of CFSIL to sell down positions with respect to investments in unlisted assets is limited and subject to a number of factors given the nature of the asset class, the indirect way in which investments are held and governance of such investments.

1 Controversial Weapons Manufacturers are defined as any company engaged in the manufacture of chemical and biological weapons, cluster munitions (Cluster Munitions Manufacturers definition excludes 'Delivery Platforms'), antipersonnel landmines, depleted uranium ammunition, non-detectable fragments, incendiary weapons (Incendiary Weapons are defined as per 'The Convention on Certain Conventional Weapons of 1980 under Protocol 3'), and blinding lasers.

Are there any other benefits to CFSIL?

The options receive banking and treasury-related services from CBA in the normal course of business and pay normal commercial fees for them. We may derive monetary or administrative benefits from CBA as a consequence of maintaining bank accounts with CBA and through performing administration services for CBA products.

For the CFSIL geared options where money is borrowed from CBA or its subsidiaries, the terms, where comparable, are substantially the same as those of other lenders.

Risks of investing

General investment risks

These are the general risks associated with investing.

Counterparty risk	This is the risk that a party to a transaction such as a swap, foreign currency forward or stock lending fails to meet its obligations such as delivering a borrowed security or settling obligations under a financial contract.
Distribution risk	**For FirstChoice Wholesale Investments and FirstChoice Investments only** In some circumstances, the frequency or rate of distribution payments may vary or you may not receive a distribution. This is more likely to occur when an option employs extensive currency hedging or uses derivatives.
Environmental, social and governance (ESG) and climate risk	The value of individual securities may be influenced by ESG factors. These risks may be real or perceived and may lead to financial penalties and reputational damage. For example, environmental risks include waste and pollution, resource depletion and land use. Social risks are where the investment may be impacted by social, labour and human rights risks and include health and safety. Governance risks can impact sustainability of an investment and cover business practices such as board diversity and independence, voting procedures, transparency and accountability. Climate change poses a risk to the environment, the broader economy and valuation of an investment. Climate change risks can be typically split between physical and transition risks. • Physical risks refer to the direct impact that climate change has on our physical environment. For example, a company's revenue may be reduced due to weather events and this may reduce the value of the company's shares. • Transition risks refer to the wider set of changes in policy, law, markets, technology and prices that may be necessary for the transition to a low carbon economy.
Legal, regulatory and foreign investment risk	This is the risk that any change in taxation, corporate or other relevant laws, regulations or rules may adversely affect your investment. For options investing in assets outside Australia, your investment may also be adversely impacted by changes in broader economic, social or political factors, regulatory change and legal risks applicable to where the investment is made or regulated.
Liquidity risk	Liquidity risk refers to the difficulty in selling an asset for cash quickly without an adverse impact on the price received. Assets such as shares in large listed companies are generally considered liquid, while 'real' assets such as direct property and infrastructure are generally considered illiquid. Under abnormal or difficult market conditions, some normally liquid assets may become illiquid, restricting our ability to sell them and to make withdrawal payments or process switches for investors without a potentially significant delay. **For FirstChoice Wholesale Personal Super and Pension only** For FirstRate options, in the event we have initiated a withdrawal from deposits held with CBA, other than at your direction, the payment of any withdrawals or switches requested by you may be delayed for a period no greater than 35 days.
Management risk	All options have an investment manager to manage your investments and there is a risk that the investment manager will not perform to expectation. Management risk may arise from the use of financial models by the investment manager to simulate the performance of financial markets. The performance of financial markets may differ to that anticipated by the financial models.
Market risk	Investment returns are influenced by the performance of the market as a whole. This means that your investments can be affected by factors such as changes in interest rates, investor sentiment and global events, depending on which markets or asset classes you invest in and the timeframe you are considering. **For FirstChoice Wholesale Personal Super and Pension only** If you are invested in the FirstRate Saver or FirstRate Saver Non-Auto-rebalancing investment options, while returns are generally stable, a low interest rate environment may impact the future growth of your super. Investing in these investment options may result in a very low or negative return. This will depend on prevailing market interest rates, fee amounts charged, the proportion of your super invested in these options and your total super account balance.

Securities lending risk	The options may lend out or transfer their securities under securities lending transactions. If an option engages in securities lending, there is a risk that the borrower may become insolvent or otherwise become unable to meet, or refuse to honour, its obligations to return the loaned assets. In this event, the option could experience delays in recovering assets and/or accessing collateral which may incur a capital loss. Options investing any collateral received as part of the securities lending program are also subject to the general investment risks, and in some cases credit risk. In addition, some options may borrow securities under securities lending arrangements as part of their investment or borrowing strategies. An option that is involved in these strategies is also exposed to short selling risk. Where an option has been identified as having short selling risk, it will also be exposed to securities lending risk.
Security and investment-specific risk	Individual securities like mortgages, shares, fixed interest securities or hybrid securities can be affected by risks specific to each investment or security. For example, the value of a company's shares can be influenced by changes in company management, its business environment or profitability. These risks can also impact on the company's ability to repay its debt.

Option-specific risks

These risks may apply to certain options only, as outlined in each investment option information table. The relative importance of a risk to a particular option and whether or not an option-specific risk is applicable may change from time to time. Options can have exposure to an option-specific risk at or after the date of this issue, and this may not be reflected in the investment option information tables.

Credit risk	Credit risk refers to the risk that a party to a credit transaction fails to meet its obligations, such as defaulting under a mortgage, a mortgage-backed security, a hybrid security, a fixed interest security or a derivative contract. This creates an exposure to underlying borrowers and the financial condition of issuers of these securities.
Currency risk	Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the Australian dollar value of these investments may vary depending on changes in the exchange rate. Investment options which have significant currency risks adopt different currency management strategies. These strategies may include currency hedging, which involves reducing or aiming to remove the impact of currency movements on the value of the investment. Some options remain unhedged. Information on the currency management strategy for each option with a significant currency risk is set out in that option's strategy description. Different options have different currency management strategies; please consult your financial adviser on the best approach for you. For more information about currency risk, refer to the 'Additional information about currency risk' later in this section.
Derivatives risk	Derivatives are contracts between two parties that usually derive their value from the price of a physical asset or market index. They can be used to manage certain risks in investment portfolios or as part of an investment strategy. However, they can also increase other risks in a portfolio or expose a portfolio to additional risks. Risks include: the possibility that the derivative position is difficult or costly to reverse; that there is an adverse movement in the asset or index underlying the derivative; or that the parties do not perform their obligations under the contract. In general, investment managers may use derivatives to: • protect against changes in the market value of existing investments • achieve a desired investment position without buying or selling the underlying asset • leverage a portfolio • manage actual or anticipated interest rate and credit risk • alter the risk profile of the portfolio or the various investment positions • manage currency risk. Derivatives may be used in an option to provide leverage and may result in the effective exposure to a particular asset, asset class or combination of asset classes exceeding the value of the portfolio. The effect of using derivatives to provide leverage may not only result in capital losses but also an increase in the volatility and magnitude of the returns (both positive and negative) for the option.

	As financial instruments, derivatives are valued regularly, and movements in the value of the underlying asset or index should be reflected in the value of the derivative. Information on whether an option uses derivatives, such as futures, options, forward currency contracts and swaps, is outlined in that option's strategy description.
Early withdrawal risk	**For FirstChoice Wholesale Personal Super and Pension only** These FirstRate deposit choices are designed to be held for a specified period. • **FirstRate Term Deposit options for terms up to and including 12 months** Should you need to withdraw or switch from FirstRate Term Deposits prior to the maturity date, the interest rate applying on the amount withdrawn is reduced. • **FirstRate Term Deposit options for terms greater than 12 months** Withdrawals of all or part of your investment before the end of the specified period may be subject to an adjustment (reduction) to the withdrawal proceeds because of the recovery of costs and other charges connected with withdrawal. It is possible that you may receive back a net amount that is less than the amount of initial principal invested. The amount of the reduction considers reasonable costs incurred in connection with termination or replacement of funding for the FirstRate deposit. These costs can include break costs, administrative costs and replacement funding costs. Some major influences that may affect the size of the withdrawal costs are: • market interest rates are higher than when you acquired the term deposit • liquidity in the financial markets • market pricing of credit risk • the term remaining for the offer. Further details about early withdrawal adjustments for FirstRate Term Deposits are contained in the Reference Guide – FirstChoice Wholesale Personal Super and Pension, available online at cfs.com.au/fcwps or by calling 13 13 36.
Emerging markets risk	Due to the nature of the investments in emerging markets, there is an increased risk that the political and/or legal framework may change and adversely impact your investments. This could include the ability to sell assets. Options that invest in global markets may have exposure to emerging markets. Investing in emerging markets may involve a higher risk than investing in more developed markets. Emerging market securities may present market, credit, currency, liquidity, legal, political and other risks different from, and potentially greater than, the risks of investing in developed market countries. For example, companies in emerging markets may not be subject to: • accounting, auditing and financial reporting standards, practices and disclosure requirements comparable to those applicable to companies in major markets • the same level of government supervision and regulation of stock exchanges as countries with more advanced securities markets. Accordingly, certain emerging markets may not afford the same level of investor protection as would apply in more developed jurisdictions. There are also risks that, while existing in all countries, may be higher in emerging markets due to the legal, political, business and social frameworks being less developed than those in more established market economies. Examples of higher risks include: • political or social instability (including recession or war) • institutional manipulation of currency or capital flows • deflation, inflation, or loss in value of currency, and • greater sensitivity to interest rates and commodity prices. As a result, investment returns from emerging market securities are usually more volatile than those from developed markets. This means that there may be large movements in the unit prices of options that invest in emerging market securities over short or long periods of time. You should consider whether an option that invests in emerging market securities is suitable for your portfolio.
Equity risk	This risk comes from investing in companies, generally driven by growth in earnings and dividends and includes the potential for variability in returns.
Gearing risk	Some of the options offered use gearing. Gearing means the option borrows so that it can invest more to increase potential gains. Gearing can magnify gains and always magnifies losses from the option's investments. For an option geared at 50%, if the underlying investments' rise is less than the option's borrowing and management fees and costs, then it is unlikely that the geared option will outperform an equivalent ungeared portfolio. Consequently, a geared option will not always

	magnify market gains (particularly in a low return environment), but it will always magnify market losses. In extreme market conditions you may lose all your capital. We suggest you consult a financial adviser regarding the impact of these investments on your overall portfolio. Refer to 'Additional information about geared options' in the 'Additional investment information' section for further details about gearing.
Investment performance risk from sustainability exclusions	Some investment options will exclude certain industries from their portfolios in accordance with their sustainability criteria. This means their portfolios will differ from those of traditional funds without a sustainable investment focus. As a result, the investment performance may deviate from traditional funds in the short to medium term. Over the longer term, the expected risk and return objectives are likely to be consistent with traditional funds.
Short selling risk	Some of the options offered use short selling or can be exposed to underlying funds that engage in short selling. Short selling means the option sells a security it does not own to try and profit from a decrease in the value of the security. This is generally done by borrowing the security from another party to make the sale. The short sale of a security can greatly increase the risk of loss, as losses on a short position are not limited to the purchased value of the security. Short selling strategies involve additional risks such as: • Liquidity risk In certain market conditions, an option that adopts a short selling strategy may not be able to reverse a short position because the security it needs to buy may not be available for purchase in a reasonable timeframe or at all. In this event, losses may be magnified. • Leverage risk While short selling can often reduce risk, it is also possible for an option's long positions and short positions to both lose money at the same time. • Prime broker risk When short selling is employed, the assets of the option are generally held by the prime broker (which provides the broking, stock lending and other services). As part of this arrangement, assets may be used by or transferred to the prime broker under a securities lending arrangement which will also expose the option to securities lending risk. There is a risk that the prime broker does not return equivalent assets or value to the option (for example, because of insolvency). This would have a substantial negative impact on the value of your investment. This risk is managed by having arrangements with large, well-established and globally operating prime brokers. If you would like details of our prime broker, please contact us. If an option uses short selling, this is detailed in the strategy description of the relevant option information table. Refer to 'What is short selling, a short position and a long position?' in the 'Additional investment information' section for more information about short selling.
Small cap risk	This is the risk associated with investing in smaller companies, which generally exhibit higher growth rates, while also carrying greater risk compared to larger companies.
Term deposit risk	For FirstChoice Wholesale Personal Super and Pension only An investment in FirstRate Term Deposits provides a fixed interest rate. This means you are protected from decreases in interest rates during the term of your investment. However, you may not be able to take advantage of interest rate increases should interest rates rise during the term of your investment.
Term risk	This is the risk associated with investing funds at a fixed rate of interest for a specified term. If interest rates rise, the investor could have obtained higher returns from investing for a shorter term, multiple times.
Valuation risk	This is the risk that the value of an asset is mis-stated. This is due to the potential disparity between an asset's accounting value as compared to its actual fair market value when traded. Measuring assets at fair value across time ensures equity for members as they invest into, withdraw from or switch between different investments and options.

You should read all the information about the investment risks and diversification before making an investment decision. The material relating to investments may change between the time you read the PDS and the day you sign the application form.

All options are subject to some or all of these risks, which can also vary from time to time.

You should consult your financial adviser before making a decision to invest. Your financial adviser is required to be qualified in understanding the risk and return associated with the wide range of options available to you and can help you make decisions regarding these options.

Additional information about currency risk

How is currency risk managed?

Changes in the value of the Australian dollar lead to a difference between the foreign currency returns or the value of the global investments held by an option, and those returns or values expressed in Australian dollars. This is known as foreign currency risk. Currency is not an asset class and therefore does not give an option either natural long-term growth or an income stream. Rather, currency exposure gives rise to a source of potential volatility of returns – both positive and negative.

Financial instruments can be used to reduce currency risk – this is known as hedging. Hedging is a process where exposure to one currency can be reduced or removed by entering into a transaction that offsets that exposure. If an option is unhedged, then any foreign currency investments the option holds are fully exposed to movements in the Australian dollar, which can have a positive or negative effect on the value of the option.

Whether an option is hedged or unhedged is disclosed under each option's strategy. The extent to which an option is hedged depends on the underlying objectives and risk characteristics of the option. The extent of hedging may also vary over time depending on the value of the Australian dollar. The cash asset allocation limits disclosed for an option that hedges its currency exposure may not include cash held as collateral to back these hedges.

In options that hedge currency risk, movements in the Australian dollar can impact the size of distributions that you receive. Generally, a rising Australian dollar will produce gains on the currency hedge and increase the distribution, while a falling Australian dollar will produce currency losses that reduce the distribution.

For more information on specific hedging strategies, please contact us on 13 13 36.

How does currency hedging affect my investment option?

	When the Australian dollar (AUD) falls against foreign currencies	When the Australian dollar (AUD) rises against foreign currencies
Without hedging	Generally, the fall in the AUD will increase the AUD value of underlying investments that are not denominated in AUD.	Generally, the rise in the AUD will decrease the AUD value of underlying investments that are not denominated in AUD.
With hedging	Generally, currency hedging will offset some or all of the benefit arising from the fall in the Australian dollar. The increase in the AUD value of underlying investments not denominated in AUD will be partially or fully offset by currency hedging.	Generally, currency hedging will offset some or all of the impact arising from the rise in the Australian dollar. The decrease in the AUD value of underlying investments not denominated in AUD will be partially or fully offset by currency hedging.

The impact on the option of the fall or depreciation against a specific foreign currency may also be offset by other factors.

Investment options and currency management

Options with non-AUD denominated securities have different strategies in managing currency risk and they can be broadly grouped in terms of their management approach under the following headings.

Not hedged

The general investment philosophy in constructing these portfolios is that an active currency hedging strategy is not used and could be a source of additional risk rather than return. In most cases, these portfolios will not have any currency hedging in place.

Partially hedged

Some investment managers may apply different levels of hedging at different times, possibly dependent on the value of the AUD. For example, they may apply hedging only after the AUD has depreciated to a significant extent and when they believe it is fundamentally undervalued. The degree of hedging undertaken may range from 0% to 100% of the portfolio. The degree of hedging would also depend upon whether the fund is single sector or multi-sector. Multi-sector funds typically have a mix of hedged and unhedged assets.

Fully hedged

Currency movements can disguise the return from the underlying investments and consequently some options aim to hedge the currency exposure. These options generally aim to fully hedge their currency exposures to the AUD at all times, within certain permissible tolerances to allow for factors such as the change in value of the underlying assets and how often a currency hedge is adjusted.

Active currency management

Some options may implement currency positions to try to create additional return through currency movements. This approach may create currency exposures additional to those arising from the underlying positions and these exposures may or may not add to the portfolio's return. There is a risk that the additional currency exposures will reduce return.

Are there any other risks you should be aware of?

When investing, there is the possibility that your investment goals will not be met. This can happen because of the risks discussed previously. It can also happen if your chosen investment strategy is not aligned to your objectives and investment timeframe.

Understanding the investment option information

An investment option information table, such as the example below, provides information about each option to help you make an informed investment decision.

1 **Investment option name** 2 **Investment category**

3 **Objective**
To provide returns similar to those of a global equity index, but with significantly lower absolute volatility and superior downside protection, over the longer term. The fund aims to perform in line with the MSCI All Country World Index over rolling three-year periods before fees.

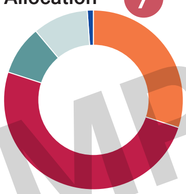
5 **Minimum suggested timeframe**
At least 7 years

6 **Risk**
6
Low Medium High

8 **Option-specific risks**
- Option specific risks
- Credit risk
- Currency risk

Strategy 4
The fund's investment strategy is based on building an equity portfolio that aims to provide returns similar to those of the Global equity market but with lower absolute volatility than the global market over the full market cycle. The fund aims to exploit the 'low volatility anomaly', the historical pattern in which higher volatility stocks have underperformed lower volatility stocks on a risk adjusted basis. The initial consideration in constructing the portfolio is its overall level of risk; in addition, the fund uses the same stock forecasts as the fund manager's other equity strategies.

Allocation 7



Target	(Range)	
30.0%	(25–45%)	Australian shares
50.0%	(35–55%)	Global shares and private equity
0.0%	(0–15%)	Property
0.0%	(0–15%)	Infrastructure
9.0%	(0–20%)	Australian fixed interest
10.0%	(0–20%)	Global fixed interest
1.0%	(0–10%)	Cash

Underlying investment managers 9

ACADIAN First Sentier Investors Tyndall

An explanation of each section of the investment option information table is provided below.

1	Investment option name	Name of the investment.
2	Investment category	The investment category is designed to be a guide to the typical range of assets in which the option generally invests. There are no mandatory or standard industry investment categories, so investors should always read the full details about an option. Refer to the table below for the investment category definitions for the options.

Investment category	Description
Cash and deposits	At-call deposits, term deposits and funds invested in money market securities
Enhanced cash	Funds invested in money market securities and some fixed interest securities
Australian fixed interest	Funds invested predominantly in domestic fixed interest securities
Diversified fixed interest	Funds invested in global fixed interest securities (or a combination of global and domestic)
Short duration fixed interest	Funds invested in domestic and/or global fixed interest securities with an absolute return focus, lower risk and minimal duration
Alternative income	Funds looking to generate a higher level of income, predominantly through investment in domestic and/or global fixed interest securities but also through certain income producing equities and alternatives, typically with an absolute return target with higher risk and expected return than Short duration fixed interest
Defensive	Funds with between 0–20% invested in growth assets and 80–100% in defensive assets
Conservative	Funds with between 21–40% invested in growth assets and 60–79% in defensive assets

Investment category	Description
Moderate	Funds with between 41–60% invested in growth assets and 40–59% in defensive assets
Growth	Funds with between 61–80% invested in growth assets and 20–39% in defensive assets
High growth	Funds with between 81–100% invested in growth assets and 0–19% in defensive assets
Diversified real return	Funds with a flexible allocation to growth assets and typically with an absolute return target
Australian share	Funds invested in Australian shares
Australian share – small companies	Funds invested in Australian small company shares
Global share	Funds invested in global shares, which can include thematic funds or funds that may incorporate shorting but which is not integral to their investment process
Global share – emerging markets	Funds invested in emerging markets, Asia ex Japan, emerging Asia, Asia Pacific ex Japan or China shares
Specialist share	Funds invested in specific sectors or regions, global small companies or long/short strategies
Geared funds	Funds which borrow to typically invest in Australian or global shares or other listed securities
Lower volatility share	Funds invested in shares with a lower volatility objective relative to the market, using quantitative techniques, equities option overlays or variable allocations to cash
Australian property and infrastructure securities	Funds invested in Australian property and/or infrastructure securities
Global property and infrastructure securities	Funds invested in global property and/or infrastructure securities
Alternatives	Funds may include, but are not limited to, absolute return funds, diversified hedge funds, global macro funds, commodity trading and currency funds

3 Objective

The option's overall objective and the term in which the investment manager aims to achieve it.

4 Strategy

Describes the overall strategy of the option and how money within the option is invested.

5 Minimum suggested timeframe

Each option has a minimum suggested timeframe. Investment professionals will have differing views about the minimum investment period you should hold various investments, and your own personal circumstances will also affect your decision. Your financial adviser can help you determine your investment timeframe.

If you are mainly concerned about protecting your capital over a relatively short period of time, then a secure, cash-based investment may be the most suitable. However, if you want the value of your investment to increase over a longer period, then growth assets like shares and property are likely to feature prominently in your investment portfolio.

6	Risk	We have adopted the Standard Risk Measure (SRM), which is based on industry guidance to allow investors to compare options that are expected to deliver a similar number of negative annual returns over any 20-year period (as outlined in the table on the right). The SRM for each option is also a measure of the risk objective of the expected variability of the return of the option. The SRM is not a complete assessment of all forms of investment risk; for instance, it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen option(s).
7	Allocation	The asset allocation refers to the proportion of an option that is invested in each asset class such as shares, property securities, fixed interest and cash. The asset allocation will vary at different points in time. The target allocation (also known as strategic asset allocation) reflects the proportion of each asset class that an investment manager aims to hold within the option. The range reflects the minimum and maximum amount that may be held in each asset class at any point in time. The actual asset allocations can move above and below the target asset allocation. While usually remaining within any ranges provided, actual asset allocations may temporarily move outside the ranges due to movements in asset values. If this occurs, we will work with the investment manager to rebalance the allocations as soon as practicable.
8	Option-specific risks	Option-specific risks refers to the additional risks a particular option may be exposed to. Please refer to the 'Risks of investing' tables.
9	Underlying investment managers	For some options, this shows the professionally selected investment managers which have been appointed to manage the money in the option.

Risk band	Risk label	Estimated number of negative annual returns over any 20-year period
1	Very low	Less than 0.5
2	Low	0.5 to less than 1
3	Low to Medium	1 to less than 2
4	Medium	2 to less than 3
5	Medium to High	3 to less than 4
6	High	4 to less than 6
7	Very high	6 or greater

You should regularly review your investment decision with your financial adviser because your investment needs or market conditions may change over time. The minimum suggested investment timeframe and SRM should not be considered personal advice.

CFS Multi-manager multi-sector

Composite benchmarks for each of the CFS Multi-manager multi-sector options can be found in the table starting on page 121.

For options with an allocation to 'Cash and defensive alternatives' or 'Cash', cash holdings may be held on deposit with Commonwealth Bank of Australia.

CFS Defensive

Defensive

Objective

To provide relatively stable returns with low potential for capital loss. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

3

Low Medium High

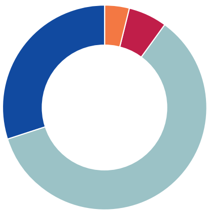
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Term risk
- Valuation risk

Strategy

To allocate 90% of the investments to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. 10% of the portfolio is allocated to growth assets, such as shares and property securities, to improve diversification and performance. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
4.0%	(0–10%)	Australian shares
6.0%	(0–10%)	Global shares and private equity
60.0%	(45–70%)	Fixed interest and private debt
30.0%	(20–45%)	Cash and defensive alternatives

CFS Conservative

Conservative

Objective

To provide relatively stable returns over the medium term with the potential for some long-term capital growth. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

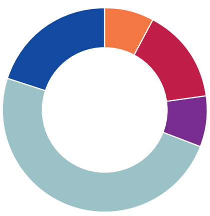
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To allocate 70% of investments to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. 30% of the portfolio is allocated to growth assets, such as shares, property and infrastructure securities, to provide the potential for capital growth. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the target but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation[1]



Target	(Range)	
8.0%	(0–20%)	Australian shares
15.0%	(5–25%)	Global shares and private equity
8.0%	(0–20%)	Property, infrastructure, alternatives
49.0%	(35–60%)	Fixed interest and private debt
20.0%	(10–30%)	Cash and defensive alternatives

1 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

CFS Diversified

Moderate

Objective

To provide a balance of income and capital growth over the medium-to-long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To allocate 50% of investments to growth assets such as shares, property and infrastructure securities and 50% to defensive assets such as fixed interest and cash. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation[1]

Target	(Range)	
14.5%	(5–25%)	Australian shares
27.0%	(15–35%)	Global shares and private equity
10.0%	(0–20%)	Property, infrastructure, alternatives
36.0%	(20–45%)	Fixed interest and private debt
12.5%	(5–25%)	Cash and defensive alternatives

1 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

CFS Moderate

Moderate

Objective

To provide a balance of income and capital growth over the medium-to-long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

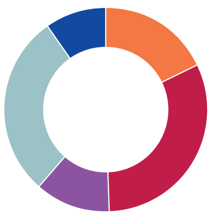
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Equity risk
- Emerging markets risk
- Short selling risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To allocate 60% of investments to growth assets such as shares, property and infrastructure securities and 40% to defensive assets such as fixed interest and cash. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation[1]



Target	(Range)	
18.0%	(10–30%)	Australian shares
31.5%	(20–40%)	Global shares and private equity
12.0%	(0–20%)	Property, infrastructure, alternatives
29.0%	(20–40%)	Fixed interest and private debt
9.5%	(0–20%)	Cash and defensive alternatives

1 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

CFS Balanced

Growth

Objective

To provide capital growth and income over the long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

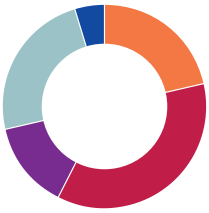
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Equity risk
- Emerging markets risk
- Short selling risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To allocate 70% of investments to growth assets such as shares, property and infrastructure securities, and 30% to defensive assets such as fixed interest and cash. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation[1]



Target	(Range)	
21.5%	(10–30%)	Australian shares
36.0%	(25–45%)	Global shares and private equity
14.0%	(5–25%)	Property, infrastructure, alternatives
24.0%	(15–30%)	Fixed interest and private debt
4.5%	(0–15%)	Cash

1 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

CFS Real Return

Diversified real return

Objective

The option aims to deliver a CPI+5% return target over rolling five-year periods before fees and taxes, subject to minimising the frequency of negative returns.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

The strategy of the option is to invest flexibly to ensure the option can perform across a range of variable economic environments. The option will actively adjust the asset exposures to deliver real returns that will be robust across a range of investment conditions. The option is designed to have a higher focus on capital stability than growth.

Allocation

Range (0% – 100%)	
0–40%	Australian shares
0–60%	Global shares
0–30%	Property and infrastructure securities
0–80%	Fixed income and credit
0–30%	Alternatives and commodities
0–50%	Cash

CFS Growth

Growth

Objective

To provide long-term capital growth with less fluctuations of returns than 'high growth' investment options. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

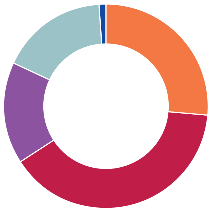
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To allocate 80% of investments to growth assets such as shares, property and infrastructure securities and 20% to defensive assets such as fixed interest and cash. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation[1]



Target	(Range)	
26.5%	(15–35%)	Australian shares
39.5%	(30–50%)	Global shares and private equity
16.0%	(5–25%)	Property, infrastructure, alternatives
17.0%	(5–20%)	Fixed interest and private debt
1.0%	(0–10%)	Cash

1 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

CFS High Growth

High growth

Objective

To provide long-term capital growth by investing primarily in growth assets. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

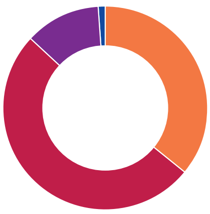
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Valuation risk

Strategy

To invest primarily in a diversified portfolio of shares, property and infrastructure securities. In order to provide further diversification, the portfolio is allocated across a number of leading investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
36.0%	(25–45%)	Australian shares
51.0%	(40–60%)	Global shares and private equity
12.0%	(0–20%)	Property, infrastructure, alternatives
1.0%	(0–5%)	Cash

CFS Geared Growth Plus

Geared

Objective

To magnify long-term returns by borrowing to invest in growth assets. To outperform the option's composite benchmark over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

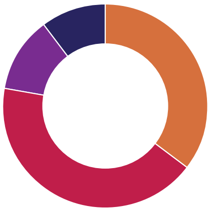
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Gearing risk
- Short selling risk

Strategy

To allocate 90% of investments to a diversified portfolio of shares, property and infrastructure securities. In order to provide further diversification, the portfolio is allocated across a number of leading investment managers. The portfolio will also allocate 10% to investments designed to generate additional income and to further diversify returns. Income from investments is used to pay the costs of gearing. The option utilises gearing to magnify returns from underlying investments. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
35.5%	(25–45%)	Australian shares
42.5%	(35–55%)	Global shares
12.0%	(0–20%)	Property, infrastructure, alternatives
10.0%	(0–15%)	Yield

A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

CFS Multi-manager single-sector

The underlying investment managers listed for each option are correct as at 16 November 2024.

CFS Fixed Interest

Diversified fixed interest

Objective

To provide relatively stable returns with low potential for capital loss by investing in Australian and global fixed interest securities. To outperform the composite benchmark of 50% Bloomberg Global Aggregate Index, hedged to Australian dollars and 50% Bloomberg AusBond Composite 0+Yr Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Short selling risk
- Term risk

Strategy

To invest in a diversified portfolio of government and corporate bonds that aims to deliver relatively stable returns with less fluctuation than investing in shares and property. The investments are managed by a number of leading active fixed interest managers who aim to outperform the index. This is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager. The portfolio aims to hedge currency risk.

Underlying investment managers

Colchester Global Investors

Loomis Sayles

Macquarie Investment Management

Morgan Stanley Investment Management

Wellington Management

CFS Australian Share

Australian share

Objective

To provide long-term capital growth and some tax-effective income from a diversified portfolio of predominantly Australian companies. To outperform the S&P/ASX 300 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk

Strategy

To invest in a diversified portfolio of predominantly Australian companies. The investments are managed by a number of leading Australian share managers which have different, yet complementary, investment styles, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager.

Underlying investment managers

Acadian

WaveStone Capital

alphinity Investment Management

Tyndall am

Longreach Alternatives

CFS Australian Small Companies

Australian share – small companies

Objective

To provide long-term capital growth from a diversified portfolio of predominantly smaller listed Australian companies. To outperform the S&P/ASX Small Ordinaries Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Short selling risk
- Small cap risk

Strategy

To invest in a diversified portfolio of predominantly smaller listed Australian companies. The investments are managed by a number of managers, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager. The underlying managers of this option may use long short strategies.

Underlying investment managers

CFS Global Share

Global share

Objective

To provide long-term capital growth from a diversified portfolio of global shares. To outperform the MSCI All Country World ex Australia Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

To invest in a diversified portfolio of companies. The investments are managed by a number of leading global share managers which have different, yet complementary, investment styles, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager.

The underlying managers of this option have guidelines for managing currency exposure. The overall portfolio does not hedge currency risk.

Underlying investment managers

CFS Global Share – Hedged

Global share

Objective

To provide long-term capital growth from a diversified portfolio of global shares. To outperform the MSCI All Country World ex Australia Index, hedged to Australian dollars, over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

To invest in a diversified portfolio of companies. The investments are managed by a number of leading global share managers which have different, yet complementary, investment styles, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager.

The underlying managers of this option have guidelines for managing currency exposure. The overall portfolio aims to hedge currency risk

Underlying investment managers

CFS Emerging Markets

Global share – emerging markets

Objective
To provide long-term capital growth from a diversified portfolio of predominantly emerging market companies. To outperform the MSCI Emerging Markets Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe
At least 7 years

Risk
7

Low Medium High

Option-specific risks
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy
To invest in a diversified portfolio of predominantly emerging market companies. The investments are managed by a number of leading emerging market share managers which have different, yet complementary, investment styles, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager.

The underlying managers of this option have guidelines for managing currency exposure. The overall portfolio does not hedge currency risk.

Underlying investment managers
ACADIAN

Allspring

FISHER INVESTMENTS®

CFS Property Securities

Australian property and infrastructure securities

Objective
To provide capital growth and income from a diversified portfolio of listed property investments. To outperform the S&P/ASX 300 A-REIT Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe
At least 7 years

Risk
7

Low Medium High

Option-specific risks
- Equity risk

Strategy
To invest in a diversified portfolio of predominantly Australian property securities. The investments are managed by a number of leading property securities managers, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager.

Underlying investment managers
DWS

Renaissance Asset Management

CFS Global Property Securities

Global property and infrastructure securities

Objective
To provide capital growth and income from a diversified portfolio of global listed property investments. To outperform the FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR, hedged to Australian dollars, over rolling three-year periods before fees and taxes.

Minimum suggested timeframe
At least 7 years

Risk
7

Low Medium High

Option-specific risks
- Currency risk
- Derivatives risk
- Equity risk

Strategy
To invest in a diversified portfolio of property securities. The investments are managed by a number of leading global property securities managers, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager. The portfolio aims to hedge currency risk.

Underlying investment managers
DWS

RESOLUTION CAPITAL

CFS Global Infrastructure Securities

Global property and infrastructure securities

Objective

To provide capital growth and income from a diversified portfolio of global listed infrastructure investments. To outperform the FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), hedged to Australian dollars, over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

To invest in a diversified portfolio of infrastructure securities. The investments are managed by a number of leading global infrastructure securities managers, which is designed to deliver more consistent returns with less risk than would be achieved if investing with a single investment manager. The portfolio aims to hedge currency risk.

Underlying investment managers

ATLAS INFRASTRUCTURE

COHEN & STEERS

LAZARD ASSET MANAGEMENT

CFS Geared Australian Share

Geared

Objective

To magnify long-term returns from capital growth by borrowing to invest in predominantly Australian companies. To outperform the S&P/ ASX 300 Accumulation Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Gearing risk

Strategy

To invest in a diversified portfolio of predominantly Australian companies. The investments are managed by combining the portfolios of a number of Australian share managers to provide an actively managed, diversified portfolio. The option utilises gearing to magnify returns from underlying investments.

Underlying investment managers

ACADIAN

WaveStone CAPITAL

alphinity INVESTMENT MANAGEMENT

Tyndall am

LONGREACH ALTERNATIVES

> A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

CFS Geared Global Share

Geared

Objective

To magnify long-term capital growth by borrowing to invest in a diversified portfolio of global shares. The option aims to outperform the MSCI All Country World ex Australia Index (net dividends reinvested), in Australian dollar terms over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Gearing risk

Strategy

To invest in a diversified portfolio of companies. The investments are managed by combining the portfolios of a number of leading global share managers to provide an actively managed, diversified portfolio. The option utilises gearing to magnify returns from underlying investments. Investors' capital in the option is not hedged, but the option may hedge up to 100% of the currency exposure relating to the borrowings of the option.

Underlying investment managers

Arrowstreet Capital

Sanders Capital

Alphinity Investment Management

WCM Investment Management

Fisher Investments®

> A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

CFS Geared Share

Geared

Objective

To magnify long-term returns from capital growth by borrowing to invest in large Australian companies. The option aims to outperform the S&P/ASX 100 Accumulation Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Gearing risk

Strategy

The option's strategy is based on the belief that, over the medium-to-long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The option generally invests in large, high quality companies with strong balance sheets and earnings. The option utilises gearing to magnify returns from underlying investments. The option predominantly invests in Australian companies and therefore does not hedge currency risk. Where the option borrows in a foreign currency, proceeds will be fully hedged into Australian dollars.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

> A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

CFS ETF Exposure Series

CFS ETF Exposure Series: US Treasury Bills

Enhanced cash

Objective

The option will invest predominantly (generally 92–98%) in an exchange traded product (ETP). The selected ETP aims to track a broad index benchmark (Bloomberg U.S. Treasury Bills: 1–3 Months Index) of US dollar denominated Treasury Bills with a maturity ranging from 1–3 months (before taxes and fees). The option aims to closely track a custom benchmark (95% Bloomberg U.S. Treasury Bills: 1–3 Months and 5% Reserve Bank of Australia cash rate) over rolling three-month periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Term risk

Strategy

The option will hold units in an ETP and cash, CFS will target 95% exposure to the underlying ETP and the option will generally have exposure to the ETP within ranges of 92–98%. CFS has selected the VanEck 1–3 Month US Treasury Bond ETF (ASX:TBIL) issued by VanEck Investments Limited (VanEck). VanEck has adopted a passive investment strategy and aims to track the underlying index. The underlying index is a rules based market capitalisation weighted index and is part of the Bloomberg US Treasury Bill Index Family. The option does not hedge currency risk.

Allocation

0% Range 100%

90–100% Cash equivalents

0–10% Cash

CFS ETF Exposure Series: Physical Gold

Alternatives

Objective

The option will invest predominantly (generally 92-98%) in an exchange traded product (ETP). The selected ETP aims to closely track the gold price with the aim of generating comparable returns (before taxes and fees) over rolling one-year periods. The option aims to closely track a Custom Benchmark (95% Gold Price in AUD and 5% Reserve Bank of Australia cash rate) before fees and taxes over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk

Strategy

The option will hold units in an ETP and cash, CFS will target 95% exposure to the underlying ETP and the option will generally have exposure to the ETP within ranges of 92-98%. CFS has selected the GlobalX Physical Gold (ASX:GOLD) ETP issued by Global X Management (AUS) Limited (Global X).

Global X has adopted a passive investment strategy for establishing and managing the Global X Physical Gold. The ETP provides investors with a beneficial interest in physical gold bullion. Gold bullion is quoted and traded in USD and the ETP is not currency hedged.

Allocation

0% Range 100%

90–100% Commodities

0–10% Cash

CFS ETF Exposure Series: All-World ex-US Shares

Global share

Objective

The option will invest predominantly (generally 92-98%) in an exchange-traded product (ETP). The selected ETP aims to track a broad index benchmark (FTSE All-World ex US Index) of shares listed on stock exchanges outside of the US (before taxes and fees). The option aims to closely track a Custom Benchmark (95% FTSE All-World ex US Index and 5% Reserve Bank of Australia cash rate) before fees and taxes over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The option will hold units in an ETP and cash, CFS will target 95% exposure to the underlying ETP and the option will generally have exposure to the ETP within ranges of 92-98%. CFS has selected the Vanguard All-World Ex-US Shares Index ETF (ASX:VEU) issued by Vanguard Investments Australia Limited (Vanguard).

Vanguard has adopted a passive investment strategy and aims to track the underlying index. The underlying index is a rules based market capitalisation weighted equity index comprising the large and mid-cap sectors of developed and emerging markets, excluding the US, as defined by FTSE Russell. The ETF invests in US dollar terms and is not currency hedged.

Allocation

0% Range 100%

Range	Asset class
90–100%	Global shares
0–10%	Cash

CFS ETF Exposure Series: US Shares

Global share

Objective

The option will invest predominantly (generally 92-98%) in an exchange-traded product (ETP). The selected ETP aims to track a broad index benchmark (S&P 500 Index) of shares listed on US stock exchanges (before taxes and fees). The option aims to closely track a Custom Benchmark (95% S&P 500 Index and 5% Reserve Bank of Australia cash rate) before fees and taxes over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Equity risk

Strategy

The option will hold units in an ETP and cash, CFS will target 95% exposure to the underlying ETP and the option will generally have exposure to the ETP within ranges of 92-98%. CFS has selected the iShares® S&P 500 (ASX:IVV) ETP issued by BlackRock Investment Management (Australia) Limited (BlackRock).

BlackRock has adopted a passive investment strategy and aims to track the underlying index. The underlying index is an established market capitalisation weighted US equity index and is widely used to measure the performance of large-cap equities listed on US stock exchanges, as defined by S&P Dow Jones Indices. The ETF is not currency hedged.

Allocation

0% Range 100%

Range	Asset class
90–100%	Global shares
0–10%	Cash

CFS Lifestage

You should be aware of the following information in relation to the CFS Lifestage options:

1 The asset allocation of each Lifestage option is actively managed and may vary over time. The current asset allocation is set out within the Investment Option Profiles on the Performance & Fees page at cfs.com.au/personal/funds-and-performance.html. Asset allocation figures may not sum to 100% due to rounding.

2 The 'Cash and defensive alternatives' investment allocation for each Lifestage option may vary over time. Up to 100% of the total allocation may be to either cash or defensive alternatives.

CFS Lifestage 1945–49

Objective

To achieve a return of Consumer Price Index (CPI) plus 1.0% per annum over rolling five-year periods after fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to generate a mix of income and long-term capital growth with an emphasis on stable returns. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation

Target	(Range)	
8.8%	(0–20%)	Cash and defensive alternatives
35.2%	(20–55%)	Fixed interest and private debt
12.8%	(0–30%)	Property, infrastructure and alternatives
17.8%	(10–25%)	Australian shares
25.4%	(20–40%)	Global shares and private equity

CFS Lifestage 1950–54

Objective

To achieve a return of Consumer Price Index (CPI) plus 1.0% per annum over rolling five-year periods after fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to generate a mix of income and long-term capital growth with an emphasis on stable returns. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation

Target	(Range)	
8.8%	(0–20%)	Cash and defensive alternatives
35.2%	(20–55%)	Fixed interest and private debt
12.8%	(0–30%)	Property, infrastructure and alternatives
17.8%	(10–25%)	Australian shares
25.4%	(20–40%)	Global shares and private equity

CFS Lifestage 1955–59

Objective

To achieve a return of Consumer Price Index (CPI) plus 1.0% per annum over rolling five-year periods after fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

Low	Medium	High
	5	

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to generate a mix of income and long-term capital growth with an emphasis on stable returns. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation

Target	(Range)	
8.8%	(0–20%)	Cash and defensive alternatives
35.2%	(20–55%)	Fixed interest and private debt
12.8%	(0–30%)	Property, infrastructure and alternatives
17.8%	(10–25%)	Australian shares
25.4%	(20–40%)	Global shares and private equity

CFS Lifestage 1960–64

Objective

To achieve a return of Consumer Price Index (CPI) plus 1.5% per annum over rolling seven-year periods after fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Low	Medium	High
		6

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to generate a mix of long-term capital growth and income. The strategy seeks to reduce volatility of returns, and over time the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation

Target	(Range)	
8.8%	(0–15%)	Cash and defensive alternatives
28.9%	(20–45%)	Fixed interest and private debt
13.6%	(0–30%)	Property, infrastructure and alternatives
20.0%	(10–30%)	Australian shares
28.8%	(20–45%)	Global shares and private equity

CFS Lifestage 1965–69

Objective

To achieve a return of Consumer Price Index (CPI) plus 2.5% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

6

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. Over time, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation

Target	(Range)	
6.6%	(0–15%)	Cash and defensive alternatives
16.2%	(0–30%)	Fixed interest and private debt
15.0%	(0–30%)	Property, infrastructure and alternatives
25.7%	(20–35%)	Australian shares
36.5%	(25–45%)	Global shares and private equity

CFS Lifestage 1970–74

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

6

Low Medium High

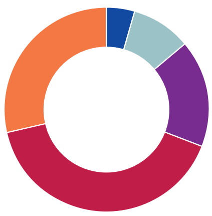
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the long term, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
4.5%	(0–15%)	Cash and defensive alternatives
9.5%	(0–25%)	Fixed interest and private debt
17.1%	(0–30%)	Property, infrastructure and alternatives
28.5%	(20–35%)	Australian shares
40.6%	(25–45%)	Global shares and private equity

CFS Lifestage 1975–79

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

6

Low Medium High

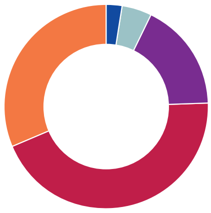
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the long term, the portfolio's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
2.6%	(0–10%)	Cash and defensive alternatives
4.9%	(0–15%)	Fixed interest and private debt
17.0%	(0–30%)	Property, infrastructure and alternatives
31.3%	(25–40%)	Australian shares
44.3%	(30–50%)	Global shares and private equity

CFS Lifestage 1980–84

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

6

Low Medium High

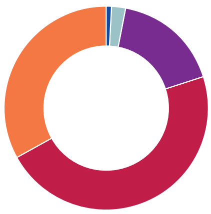
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
1.1%	(0–5%)	Cash and defensive alternatives
2.0%	(0–10%)	Fixed interest and private debt
17.2%	(0–30%)	Property, infrastructure and alternatives
33.0%	(25–40%)	Australian shares
46.8%	(30–50%)	Global shares and private equity

CFS Lifestage 1985–89

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

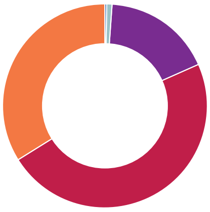
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
0.5%	(0–5%)	Cash and defensive alternatives
0.9%	(0–10%)	Fixed interest and private debt
17.2%	(0–32%)	Property, infrastructure and alternatives
33.7%	(25–40%)	Australian shares
47.8%	(30–55%)	Global shares and private equity

CFS Lifestage 1990–94

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

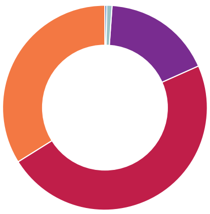
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
0.5%	(0–5%)	Cash and defensive alternatives
0.9%	(0–10%)	Fixed interest and private debt
17.2%	(0–32%)	Property, infrastructure and alternatives
33.7%	(25–40%)	Australian shares
47.8%	(30–55%)	Global shares and private equity

CFS Lifestage 1995–99

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

Low	Medium	High
		6

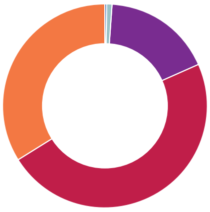
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
0.5%	(0–5%)	Cash and defensive alternatives
0.9%	(0–10%)	Fixed interest and private debt
17.2%	(0–32%)	Property, infrastructure and alternatives
33.7%	(25–40%)	Australian shares
47.8%	(30–55%)	Global shares and private equity

CFS Lifestage 2000–04

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

Low	Medium	High
		6

Option-specific risks

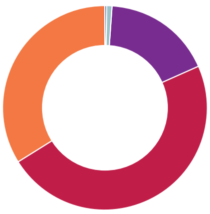
- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation

Allocation[1]



Target	(Range)	
0.5%	(0–5%)	Cash and defensive alternatives
0.9%	(0–10%)	Fixed interest and private debt
17.2%	(0–32%)	Property, infrastructure and alternatives
33.7%	(25–40%)	Australian shares
47.8%	(30–55%)	Global shares and private equity

CFS Lifestage 2005–09

Objective

To achieve a return of Consumer Price Index (CPI) plus 3.0% per annum over rolling ten-year periods after fees and taxes.

Minimum suggested timeframe

At least 10 years

Risk

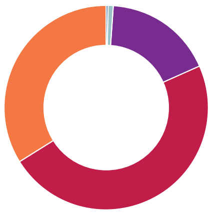
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk
- Valuation risk

Strategy

To invest in a diverse range of assets that are expected to provide long-term capital growth, but which may have a high level of short-to-medium-term volatility. In the very long term, the option's exposure to assets with volatile returns will be reduced to provide greater short-term security. The option may use derivatives with the objective of managing portfolio volatility. The portfolio aims to hedge currency risk except for part of the allocation to global shares (which may include emerging market shares).

Allocation



Target	(Range)	
0.5%	(0–5%)	Cash and defensive alternatives
0.9%	(0–10%)	Fixed interest and private debt
17.2%	(0–32%)	Property, infrastructure and alternatives
33.7%	(25–40%)	Australian shares
47.8%	(30–55%)	Global shares and private equity

CFS Sustainability

The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

CFS Thrive+ Sustainable Growth

Growth

Objective[1]

To provide capital growth and income over the long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions
- Term risk
- Valuation risk

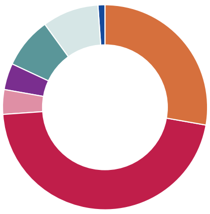
Strategy

The option is managed to sustainable investment criteria that encourages investment in companies with a sustainable business and strong environment, social and governance characteristics. It seeks out companies that are aiming to achieve sustainable outcomes whilst seeking to avoid companies, that in the view of CFS and the Thrive+ investment managers, will have an adverse effect on the environment or society.

This option is governed by the *Thrive+ Sustainable Investment Charter* which details the Manager's approach and process to sustainable investment and exclusions. Note that investment exclusions do not apply to cash, derivative instruments, exchange traded funds and pooled unit trusts that may be used by the option.

This option allocates 80% of investments to growth assets such as Australian and global shares to provide potential for capital growth, and 20% to defensive assets such as fixed interest and cash. In order to provide additional diversification, the portfolio is allocated across a number of investment managers. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for part of the allocation to global shares.

Allocation



Target	(Range)	
28.0%	(20–40%)	Australian shares
46.0%	(35–55%)	Global shares and private equity
4.0%	(0-15%)	Property
4.0%	(0-15%)	Infrastructure
8.0%	(0–20%)	Australian fixed interest
9.0%	(0–20%)	Global fixed interest
1.0%	(0–10%)	Cash

1 The option's composite benchmark is shown on page 122.

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

CFS Enhanced Index Series

Composite benchmarks for each of the CFS Enhanced Index Series options can be found in the table starting on page 121.

For all of these options, the allocation to 'Cash' may include bank deposits and/or life company annuities.

CFS Enhanced Index Conservative

Conservative

Objective

To provide relatively stable returns over the medium term with the potential for some long-term capital growth. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

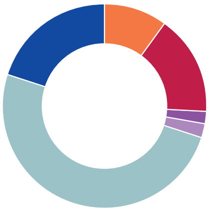
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

The option allocates 70% of investments to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component includes broadly diversified allocations to government bonds and credit. 30% of the portfolio is allocated to growth assets such as shares and property and infrastructure securities to provide potential for capital growth. The shares component is managed using an approach aiming to deliver long term returns above that of market capitalisation indices. The property and infrastructure components are managed to closely match the returns of relevant market capitalisation indices. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
10.0%	(0–20%)	Australian shares
16.0%	(5–25%)	Global shares
2.0%	(0–10%)	Global property securities
2.0%	(0–10%)	Global infrastructure securities
50.0%	(40–60%)	Fixed interest
20.0%	(10–30%)	Cash

CFS Enhanced Index Diversified

Moderate

Objective

To provide a balance of income and capital growth over the medium-to-long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

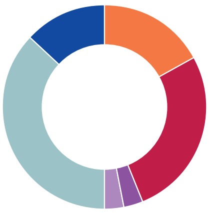
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

The option allocates 50% of investments to growth assets such as shares and property and infrastructure securities to provide potential for capital growth. The shares component is managed using an approach aiming to deliver long term returns above that of market capitalisation indices. The property and infrastructure components are managed to closely match the returns of relevant market capitalisation indices. 50% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component includes broadly diversified allocations to government bonds and credit. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
17.0%	(5–25%)	Australian shares
27.0%	(15–35%)	Global shares
3.0%	(0–15%)	Global property securities
3.0%	(0–15%)	Global infrastructure securities
37.0%	(25–45%)	Fixed interest
13.0%	(5–25%)	Cash

CFS Enhanced Index Moderate

Moderate

Objective

To provide a balance of income and capital growth over the medium-to-long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

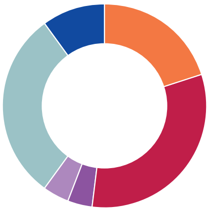
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

The option allocates 60% of investments to growth assets such as shares and property and infrastructure securities to provide potential for capital growth. The shares component is managed using an approach aiming to deliver long term returns above that of market capitalisation indices. The property and infrastructure components are managed to closely match the returns of relevant market capitalisation indices. 40% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component includes broadly diversified allocations to government bonds and credit. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
20.0%	(10–30%)	Australian shares
32.0%	(20–40%)	Global shares
4.0%	(0–15%)	Global property securities
4.0%	(0–15%)	Global infrastructure securities
30.0%	(20–40%)	Fixed interest
10.0%	(0–20%)	Cash

CFS Enhanced Index Balanced

Growth

Objective

To provide capital growth and income over the long term. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

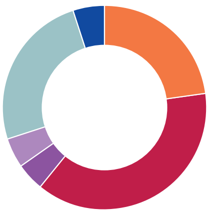
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

The option allocates 70% of investments to growth assets such as shares and property and infrastructure securities to provide potential for capital growth. The shares component is managed using an approach aiming to deliver long term returns above that of market capitalisation indices. The property and infrastructure components are managed to closely match the returns of relevant market capitalisation indices. 30% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component includes broadly diversified allocations to government bonds and credit. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
23.0%	(15–35%)	Australian shares
38.0%	(30–50%)	Global shares
4.5%	(0–15%)	Global property securities
4.5%	(0–15%)	Global infrastructure securities
25.0%	(15–30%)	Fixed interest
5.0%	(0–15%)	Cash

CFS Enhanced Index Growth

Growth

Objective

To provide long-term capital growth with less fluctuations of returns than 'high growth' option. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

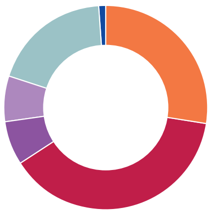
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Small cap risk
- Term risk

Strategy

The option allocates 80% of investments to growth assets such as shares and property and infrastructure securities to provide potential for capital growth. The shares component is managed using an approach aiming to deliver long term returns above that of market capitalisation indices. The property and infrastructure components are managed to closely match the returns of relevant market capitalisation indices. 20% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component includes broadly diversified allocations to government bonds and credit. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
27.5%	(20–40%)	Australian shares
42.5%	(35–55%)	Global shares
5.0%	(0–15%)	Global property securities
5.0%	(0–15%)	Global infrastructure securities
18.0%	(10–20%)	Fixed interest
2.0%	(0–10%)	Cash

CFS Enhanced Index High Growth

High growth

Objective

To provide long-term capital growth by investing primarily in growth assets. To outperform the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

6

Low Medium High

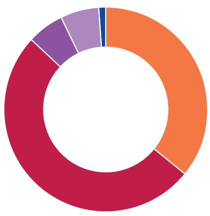
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk

Strategy

The option invests primarily in a diversified portfolio of shares and property and infrastructure securities to provide potential for capital growth. The shares component is managed using an approach aiming to deliver long term returns above that of market capitalisation indices. The property and infrastructure components are managed using market capitalisation indices. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

Allocation



Target	(Range)	
36.0%	(25–45%)	Australian shares
51.0%	(40–60%)	Global shares
6.0%	(0–15%)	Global property securities
6.0%	(0–15%)	Global infrastructure securities
1.0%	(0–5%)	Cash

CFS Index Series

CFS Index Conservative

Conservative

Objective[1]

To provide relatively stable returns over the medium term with the potential for some long-term capital growth. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

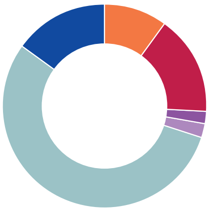
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Term risk

Strategy

The option allocates 70% of investments to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component is managed on a traditional index basis while the cash component may include money market securities, bank deposits and annuities. 30% of the portfolio is allocated to growth assets such as shares, property and infrastructure securities to provide potential for capital growth. The growth assets are managed using market capitalisation indices. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

Allocation



Target	(Range)	
10.0%	(0–20%)	Australian shares
16.0%	(5–25%)	Global shares
2.0%	(0–10%)	Global property securities
2.0%	(0–10%)	Global infrastructure securities
55.0%	(45–65%)	Fixed interest
15.0%	(5–25%)	Cash

1 The option's composite benchmark is shown on page 123.

2 Cash may include bank deposits and/or life company annuities.

CFS Index Diversified

Moderate

Objective[1]

To provide a balance of income and capital growth over the medium-to-long term. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes

Minimum suggested timeframe

At least 5 years

Risk

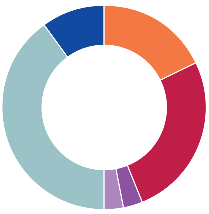
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Term risk

Strategy

The option allocates 50% of investments to growth assets such as shares, property and infrastructure securities to provide potential for capital growth. The growth assets are managed using market capitalisation indices. 50% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component is managed on a traditional index basis while the cash component may include money market securities, bank deposits and annuities. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

Allocation



Target	(Range)	
18.0%	(10–30%)	Australian shares
26.0%	(15–35%)	Global shares
3.0%	(0–15%)	Global property securities
3.0%	(0–15%)	Global infrastructure securities
40.0%	(30–50%)	Fixed interest
10.0%	(0–20%)	Cash

1 The option's composite benchmark is shown on page 123.

CFS Index Moderate

Moderate

Objective[1]

To provide a balance of income and capital growth over the medium-to-long term. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

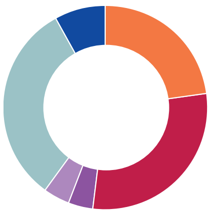
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Term risk

Strategy

The option allocates 60% of investments to growth assets such as shares, property and infrastructure securities to provide potential for capital growth. The growth assets are managed using market capitalisation indices. 40% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component is managed on a traditional index basis while the cash component may include money market securities, bank deposits and annuities. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

Allocation



Target	(Range)	
23.0%	(15–35%)	Australian shares
29.0%	(20–40%)	Global shares
4.0%	(0–15%)	Global property securities
4.0%	(0–15%)	Global infrastructure securities
32.0%	(20–40%)	Fixed interest
8.0%	(0–20%)	Cash

1 The option's composite benchmark is shown on page 123.

CFS Index Balanced

Growth

Objective[1]

To provide capital growth and income over the long term. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

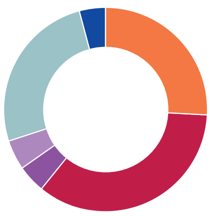
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Term risk

Strategy

The option allocates 70% of investments to growth assets such as shares, property and infrastructure securities to provide potential for capital growth. The growth assets are managed using market capitalisation indices. 30% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component is managed on a traditional index basis while the cash component may include money market securities, bank deposits and annuities. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

Allocation



Target	(Range)	
26.0%	(15–35%)	Australian shares
35.0%	(25–45%)	Global shares
4.5%	(0–15%)	Global property securities
4.5%	(0–15%)	Global infrastructure securities
26.0%	(15–30%)	Fixed interest
4.0%	(0–15%)	Cash

1 The option's composite benchmark is shown on page 123.

CFS Index Growth

Growth

Objective[1]

To provide long-term capital growth with less fluctuations of returns than 'high growth' investment option. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

6 (Low – Medium – High)

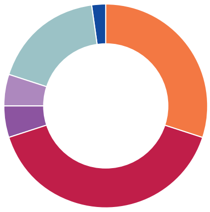
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Term risk

Strategy

The option allocates 80% of investments to growth assets such as shares, property and infrastructure securities to provide potential for capital growth. The growth assets are managed using market capitalisation indices. 20% of the portfolio is allocated to defensive assets such as fixed interest and cash to provide the portfolio with relatively stable returns. The fixed interest component is managed on a traditional index basis while the cash component may include money market securities, bank deposits and annuities. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

Allocation



Target	(Range)	
30.0%	(20–40%)	Australian shares
40.0%	(30–50%)	Global shares
5.0%	(0–15%)	Global property securities
5.0%	(0–15%)	Global infrastructure securities
18.0%	(10–20%)	Fixed interest
2.0%	(0–10%)	Cash

1 The option's composite benchmark is shown on page 123.

CFS Index High Growth

High growth

Objective[1]

To provide long-term capital growth by investing primarily in growth assets. To closely track the option's composite benchmark over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

6 (Low – Medium – High)

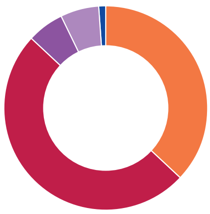
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

The option invests primarily in a diversified portfolio of shares and property and infrastructure securities to provide potential for capital growth. The assets are managed using market capitalisation indices. Allocations to asset classes will generally align to the benchmark but the option may adjust its exposure within the allocation ranges in response to changes in risk and return expectations. The portfolio aims to hedge currency risk, except for a part of the allocation to global shares.

Allocation



Target	(Range)	
37.0%	(25–45%)	Australian shares
50.0%	(40–60%)	Global shares
6.0%	(0–15%)	Global property securities
6.0%	(0–15%)	Global infrastructure securities
1.0%	(0–5%)	Cash

1 The option's composite benchmark is shown on page 123.

CFS Index Australian Bond

Australian fixed interest

Objective

To closely track the Bloomberg AusBond Composite 0+Yr Index with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to the Australian bond market, as measured by that benchmark, over rolling one-year periods.

Minimum suggested timeframe

At least 3 years

Risk

4 (Low – Medium – High)

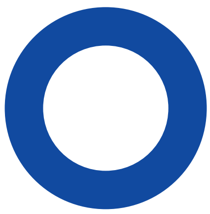
Option-specific risks

- Credit risk
- Term risk

Strategy

The option is a passively managed portfolio of bonds which is designed to replicate the benchmark's performance and risk characteristics.

Allocation



Target	
100%	Cash and fixed interest

CFS Index Global Bond

Diversified fixed interest

Objective

To closely track the Bloomberg Global Aggregate Index, hedged to Australian dollars, with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to global government bond markets as measured by that benchmark over rolling one-year periods.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk

Strategy

Detailed risk analysis is used to design a portfolio of bonds which provides the greatest likelihood of matching the performance of the Bloomberg Global Aggregate Index, hedged to Australian dollars. This option aims to hedge currency risk.

Allocation

Target	
100%	Cash and fixed interest

CFS Index Australian Share

Australian share

Objective

To closely track the S&P/ASX 300 Accumulation Index with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to the Australian sharemarket as measured by that benchmark over rolling one-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Equity risk

Strategy

Detailed risk analysis is used to design a portfolio of shares which provides the greatest likelihood of matching the performance of the S&P/ASX 300 Accumulation Index. All shares in this option are maintained within a very close margin to their weight in the Index. The option predominantly invests in Australian companies and therefore does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

CFS Index Global Share

Global share

Objective

To closely track the MSCI All Country World Ex-Australia Equities Index (unhedged in AUD) with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to the world sharemarkets as measured by that benchmark (unhedged) over rolling one-year periods.

Minimum suggested timeframe

At least 7 years

Risk

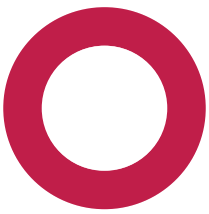
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

Detailed risk analysis is used to design a portfolio of shares which provides the greatest likelihood of matching the performance of the MSCI All Country World Ex-Australia Equities Index (unhedged in AUD). This option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

CFS Index Global Share – Hedged

Global share

Objective

To closely track the MSCI All Country World Ex-Australia Equities Index, with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to the world sharemarkets as measured by that benchmark (hedged) over rolling one-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

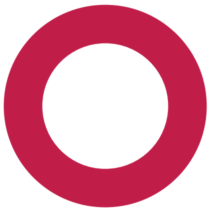
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

Detailed risk analysis is used to design a portfolio of shares which provides the greatest likelihood of matching the performance of the MSCI All Country World Ex-Australia Equities Index (100% hedged to AUD). This option aims to hedge currency risk.

Allocation



Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

CFS Index Property Securities

Australian property and infrastructure securities

Objective

To closely track the S&P/ASX 200 A-REIT Accumulation Index with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to the listed property sector of the Australian sharemarket, as measured by that benchmark over rolling one-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

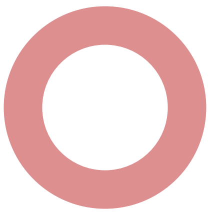
Option-specific risks

- Equity risk

Strategy

Detailed risk analysis is used to design a portfolio of property securities which provides the greatest likelihood of matching the performance of the S&P/ASX 200 A-REIT Accumulation Index. All securities in this option are maintained within a very close margin to their weight in the Index. The option predominantly invests in Australian property securities and therefore does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(95–100%)	Property securities
0.0%	(0–5%)	Cash

CFS Index Global Property Securities

Global property and infrastructure securities

Objective

To closely track the FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR, hedged to Australian dollars, with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to listed global property markets as measured by that benchmark over rolling one-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

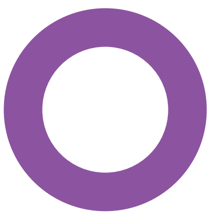
Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Detailed risk analysis is used to design a portfolio of shares which provides the greatest likelihood of matching the performance of the FTSE EPRA/NAREIT Developed Rental Index ex Australia rental index NTR, hedged to Australian dollars. This option aims to hedge currency risk.

Allocation



Target	(Range)	
100.0%	(95–100%)	Global property securities
0.0%	(0–5%)	Cash

CFS Index Global Listed Infrastructure Securities

Global property and infrastructure securities

Objective

To closely track the FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), hedged to Australian dollars with the aim of generating returns (before taxes and fees and assuming income is reinvested) comparable to listed global infrastructure markets as measured by that benchmark over rolling one-year periods.

Minimum suggested timeframe

At least 7 years

Risk

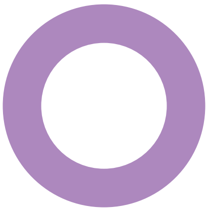
Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Detailed risk analysis is used to design a portfolio of shares which provides the greatest likelihood of matching the performance of the FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), hedged to Australian dollars. This option aims to hedge currency risk.

Allocation



Target	(Range)	
100%	(95–100%)	Global infrastructure securities
0%	(0–5%)	Cash

CFS Geared Index Australian Share

Geared

Objective

To magnify long-term capital growth by borrowing to invest in predominantly Australian companies. The option aims to outperform the S&P/ASX 100 Accumulation Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Equity risk
- Gearing risk

Strategy

This option uses detailed risk analysis to design a portfolio of shares that provides the greatest likelihood of matching the performance of the S&P/ASX 100 Accumulation Index. All shares in this option are maintained within a very close margin to their weight in the index. The option predominantly invests in Australian companies and therefore does not hedge currency risk. The option utilises gearing to magnify returns from underlying investments.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

CFS Geared Index Global Share

Geared

Objective

To magnify long-term capital growth by borrowing to invest in a diversified portfolio of global shares. The option aims to outperform the MSCI All Country World (ex Australia) Index in Australian dollar terms over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

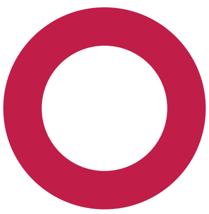
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk
- Gearing risk

Strategy

This option uses detailed risk analysis to design a portfolio of shares that provides the greatest likelihood of matching the performance of the MSCI All Country World (ex Australia) Index. The option utilises gearing (borrowing) to magnify returns from underlying investments. The option does not hedge investors' capital but may hedge up to 100% of the currency exposure relating to the borrowings.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

Multi-sector

Pendal Monthly Income Plus

Alternative income

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the Reserve Bank of Australia cash rate over rolling three-year periods while allowing for some capital growth to reduce the impact of inflation.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Equity risk
- Term risk

Strategy

This option is designed for investors who want the potential for regular income and some long-term capital growth. The option invests in a number of income generating strategies across the fixed interest, shares and cash asset classes.

Pendal's investment process is designed to provide a flexible approach to asset allocation. This is aimed at preserving capital and minimising the occurrence of adverse income outcomes.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets. The option does not hedge currency risk.

Allocation

Range (0%–100%)	
0–50%	Cash
20–100%	Fixed interest
0–30%	Australian shares

AZ Sestante Conservative

Conservative

Objective

To provide relatively stable returns over the medium term with the potential for some long-term capital growth. To deliver a return in excess of CPI plus 2% per annum over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

The option's broad asset allocation is to be 30% exposed to growth assets such as shares, property and infrastructure securities and 70% to defensive assets such as fixed interest and cash. The actual asset allocation will vary from this, as the manager uses a tactical asset allocation approach to optimise expected risk and return outcomes for the portfolio. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. The option may hedge its currency exposure.

Allocation

Range (0%–100%)	
3–23%	Australian shares
2–22%	Global shares
1–15%	Property and infrastructure securities
0–10%	Alternatives
30–50%	Fixed income
20–40%	Cash

Context Capital Short Term

Conservative

Objective

To achieve a return of CPI +1.0% per annum, after fees and costs and before taxes, over rolling three-year periods, while aiming to minimise the incidence of negative returns greater than 5% over any 12-month period.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option will be invested with the following investment philosophy; quality focused; rebalancing adds value; active when its exceptional; keep it simple; buckets work best; use relevant measures of risk and value for money.

The option will be invested across a diverse mix of asset classes including Australian and International equities, property, infrastructure, fixed interest, alternative investments, and cash. Investment exposure will be obtained through ASX listed exchange traded products and managed funds. The option has been purpose built around the investment philosophy above and to be part of a bucketing approach to managing wealth. This option is designed to be used for short term spending requirements. The option may hedge some of its currency risk.

Allocation

Target	(Range)	
7.5%	(0–25%)	Australian shares
7.5%	(0–25%)	Global shares
6.0%	(0–25%)	Property and infrastructure securities
54.0%	(20–100%)	Fixed income
25.0%	(10–50%)	Cash

Perpetual Conservative Growth

Conservative

Objective[1]

The option aims to provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed income securities. The option aims to outperform CPI +3.5% pa (before fees and taxes) over at least two-year periods and to outperform its composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

Perpetual invests in a diverse mix of growth, defensive and other assets with a focus on cash, enhanced cash and fixed income securities. Tactical asset allocation strategies may be applied, which involves the option adjusting its exposure to asset classes on a regular basis within the allocation ranges. Currency is managed at the option level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net exposure to foreign currencies is not to exceed 50% of the net asset value of the option. Derivatives and exchange traded funds may be used.

Allocation

Target	(Range)	
11.0%	(0–25%)	Australian shares[2]
10.0%	(0–20%)	Global shares[3]
4.0%	(0–10%)	Property securities
56.0%	(15–65%)	Fixed income
7.0%	(5–55%)	Cash and enhanced cash
12.0%	(0–30%)	Alternatives

1 This option's composite benchmark is shown on page 123

2 The Australian shares asset allocation primarily invests in Australian listed shares, and may have up to 20% exposure to stocks outside of Australia.

3 The allocation to Global shares may include exposure to emerging markets.

AZ Sestante Diversified

Moderate

Objective

To provide relatively stable returns over the medium term with the potential for some long-term capital growth. To deliver a return in excess of CPI plus 3.5% per annum over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

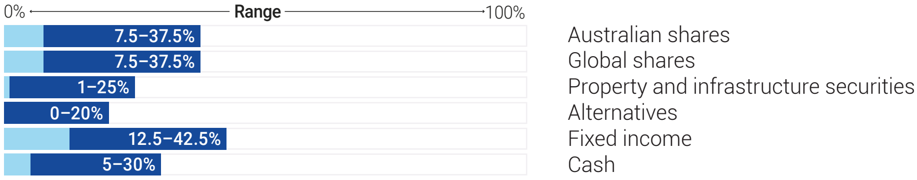
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option's broad asset allocation is to be 55% exposed to growth assets such as shares, property and infrastructure securities and 45% to defensive assets such as fixed interest and cash. The actual asset allocation will vary from this, as the manager uses a tactical asset allocation approach to optimise expected risk and return outcomes for the portfolio. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. The option may hedge its currency exposure.

Allocation



Context Capital Medium Term

Moderate

Objective

To achieve a return of CPI + 2.0% per annum, after fees and costs and before taxes, over rolling five-year periods, while aiming to minimise the incidence of negative returns greater than 10% over any 12-month period.

Minimum suggested timeframe

At least 5 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option will be invested with the following investment philosophy; quality focused; rebalancing adds value; active when its exceptional; keep it simple; buckets work best; use relevant measures of risk and value for money.

The option will be invested across a diverse mix of asset classes including Australian and International equities, property, infrastructure, fixed interest, alternative investments, and cash. Investment exposure will be obtained through ASX listed exchange traded products and managed funds. The option has been purpose built around the investment philosophy above and to be part of a bucketing approach to managing wealth. This option is designed to be used for medium term spending requirements. The option may hedge some of its currency risk.

Allocation

Target	(Range)	
20.0%	(5–40%)	Australian shares
20.0%	(5–40%)	Global shares
10.0%	(0–25%)	Property and infrastructure securities
32.0%	(0–65%)	Fixed income
8.0%	(0–20%)	Alternatives
10.0%	(0–30%)	Cash

Evidentia Medium Term

Moderate

Objective

The option has a primary objective to preserve capital over a rolling three-year period and a secondary objective to exceed a return of CPI+2.0% per annum over this period, after fees and before taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option is actively managed using a dynamic approach to asset allocation. The strategic asset allocation aims to have exposure to 50% growth assets and 50% defensive assets. The strategy is designed to provide a funding source for medium term cashflow requirements (three to seven years). The option is managed with the aim of providing a higher level of downside protection relative to the benchmark and capital preservation over the investment time horizon. Capital preservation however is not guaranteed. Manager selection is then based on two distinct steps. Firstly, the efficiency of each asset class is assessed to determine whether active or passive investments are used. Secondly, managers are assessed on a quantitative and qualitative basis, selecting managers that are believed to best meet the investment objective. Managers are selected based on their perceived ability to generate excess returns over the benchmark and their ability to provide downside protection in down markets. The option may hedge some of its currency risk.

Allocation

Target	(Range)	
19%	(5–35%)	Australian shares
25%	(10–40%)	Global shares
6%	(0–20%)	Property and infrastructure securities
0%	(0–30%)	Alternatives
0%	(10–30%)	Diversified
40%	(10–65%)	Fixed income
10%	(0–40%)	Cash

Perpetual Diversified Growth

Moderate

Objective[1]

The option aims to provide long-term capital growth and income through investment in a diversified portfolio of growth and income assets. The option aims to outperform CPI + 4.5% p.a. (before fees and taxes) over at least three-year periods and to outperform its composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

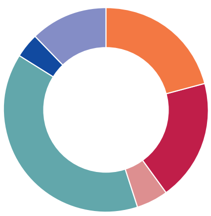
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

Perpetual invests in a diverse mix of growth, defensive and other assets. Tactical asset allocation strategies may be applied, which involves the option adjusting its exposure to asset classes on a regular basis within the allocation ranges. Currency is managed at the option level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net exposure to foreign currencies is not to exceed 50% of the net asset value of the option. Derivatives and exchange traded funds may be used.

Allocation



Target	(Range)	
21.0%	(10–35%)	Australian shares[2]
19.0%	(10–30%)	Global shares[3]
5%	(0–15%)	Property securities
39%	(10–55%)	Fixed income
4%	(0–30%)	Cash and enhanced cash
12%	(0–30%)	Alternatives

1 This option's composite benchmark is shown on page 123

2 The Australian shares asset allocation primarily invests in Australian listed shares, and may have up to 20% exposure to stocks outside of Australia.

3 The allocation to Global shares may include exposure to emerging markets.

Pendal Sustainable Balanced

Growth

Objective[1]

The option aims to provide a return (before fees and expenses) that exceeds the option's composite benchmark over rolling three-year periods.

Minimum suggested timeframe

At least 5 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions
- Term risk

Strategy

This option is designed for investors who want the potential for long term capital growth and income, diversification across a broad range of asset classes and are prepared to accept some variability of returns. Sustainable and ethical investment practices are incorporated into the Australian and international shares, Australian fixed interest and alternative investments components of the option to avoid exposure to companies and issuers with activities or practices Pendal considers to negatively impact the environment and/or society. Exclusionary screens are not applied to property, government securities, cash or derivatives. The use of derivatives may result in the option having indirect exposure to the excluded companies and/or issuers.

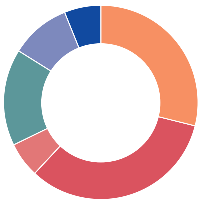
The Australian and international shares, Australian fixed interest and alternatives component of the option will not invest in companies and issuers which directly produce tobacco (including e-cigarettes and inhalers); or manufacture controversial weapons (including cluster munitions, landmines, biological or chemical weapons, nuclear weapons, blinding laser weapons, incendiary weapons, and/or non-detectable fragments).

Additional exclusionary screens are applied differently across these asset classes:

- Australian Shares
- International Shares
- Australian Fixed Interest
- Alternatives

The option may hedge a portion of its currency exposure. The option may use derivatives to achieve its investment objective and to gain exposure to assets and markets. Derivatives may also be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets.

Allocation



Target	(Range)	
29%	(20–40%)	Australian shares
33%	(20–40%)	Global shares
6%	(0–10%)	Australian property securities
16%	(0–25%)	Australian fixed interest
10%	(0–20%)	Alternative investments
6%	(0–20%)	Cash

1 This option's composite benchmark is shown on page 124

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Perpetual Balanced Growth

Growth

Objective[1]

The option aims to provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments. The option aims to outperform CPI + 5% pa (before fees and taxes) over at least five-year periods and to outperform its composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.

Minimum suggested timeframe

At least 5 years

Risk

Low | Medium | High — 6

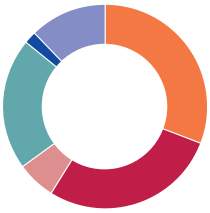
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

Perpetual invests in a diverse mix of growth, defensive and other assets with a focus on Australian and international shares. Tactical asset allocation strategies may be applied, which involves the option adjusting its exposure to asset classes on a regular basis within the allocation ranges. Currency is managed at the option level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net exposure to foreign currencies is not to exceed 50% of the net asset value of the option. Derivatives and exchange traded funds may be used.

Allocation



Target	(Range)	
31%	(10–50%)	Australian shares[2]
28%	(10–50%)	Global shares[3]
6%	(0–15%)	Property securities
21%	(0–45%)	Fixed income
2%	(0–30%)	Cash and enhanced cash
12%	(0–30%)	Alternatives

1 This option's composite benchmark is shown on page 124

2 The Australian shares asset allocation primarily invests in Australian listed shares, and may have up to 20% exposure to stocks outside of Australia.

3 The allocation to Global shares may include exposure to emerging markets.

Drummond Dynamic Plus

Diversified real return

Objective

The investment objective of the option is to exceed a return of 8% p.a. over five-year rolling periods before fees and taxes with equity-like volatility.

Minimum suggested timeframe

At least 5 years

Risk

Low | Medium | High — 6

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Term risk

Strategy

The option is a dynamically managed, global multi-asset strategy and seeks to provide investors with an attractive return in a low return world by capturing equity beta combined with Drummond's proven tactical asset allocation process across liquid markets such as equities, bonds, credit and alternatives. Typically, the option will be diversified across asset classes, seeking diversified sources of return and reducing drawdown risk. The Manager expects most of the option's return to be generated from long term exposure to traditional market betas. The option may hedge a portion of its currency exposure and may use derivatives to achieve its investment objective and to gain exposure to assets and markets. Derivatives may also be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. The option may use leverage in order to contribute meeting the investment objective.

The option gains exposure by investing in the underlying Drummond Dynamic Plus Fund via buying and selling units.

Allocation

Range (0%–100%)	
0–100%	Australian shares
0–100%	Global shares
0–50%	Property and infrastructure securities
0–50%	Alternatives
0–100%	Global fixed income
0–100%	Corporate bonds
0–100%	Cash and derivatives

Note: Net asset allocation ranges. Asset allocations may be greater than these ranges on a gross basis.

The allocation definitions are standardised for the FirstChoice PDS, Drummond Capital Partners does not formally define asset class exposure in their IM in the same way, however have provided the ranges for the purposes of the FirstChoice PDS.

> This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Perpetual Diversified Real Return

Diversified real return

Objective

The option aims to target a pre-tax return of inflation plus 5% per annum (before fees and taxes) above the All Groups Consumer Price Index (CPI) over rolling five-year periods, while minimising downside risk.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Small cap risk
- Term risk

Strategy

The option will invest in a diversified range of asset classes. The combination of assets held by the option at any time are those which Perpetual believe provide the greatest probability of achieving the target return over rolling five-year periods. Perpetual may adjust the option's asset allocation to respond to changing market conditions and/or to take advantage of new opportunities.

In managing the option to meet its investment objective, the option may implement a considerable amount of its exposures via derivatives and may include alternative assets.

Currency is managed at the option level, taking into account currency exposure arising from underlying investments. Currency management is used to either hedge currency for an existing position or create an exposure to a foreign currency. Net exposure to foreign currencies is not to exceed 50% of the net asset value of the option.

Allocation

Range (0%–100%)	
0–50%	Australian shares[1]
0–50%	Global shares[1]
0–15%	Property securities
0–15%	Commodities
0–100%	Fixed income and credit
0–100%	Cash

1 Global shares may include some exposure to Australian shares and vice versa. The combined exposure to Australian and international shares is subject to a maximum of 70%.

Schroder Real Return

Diversified real return

Objective

To deliver an investment return of 5% pa before fees and taxes above inflation over rolling three-year periods. Inflation is defined as the Reserve Bank of Australia's Trimmed Mean, as published by the Australian Bureau of Statistics.

Minimum suggested timeframe

At least 5 years

Risk

6

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

Schroder Real Return has an objective based multi-asset investment strategy which uses a dynamic approach to asset allocation to take full advantage of the opportunities presented in the market. The diverse nature of the option's investment universe and broad investment ranges ensures that it has the flexibility to effectively and efficiently allocate to and select those assets that in combination target the greatest probability of achieving the option's investment objective in all market environments.

The option may also use derivatives and active currency management as part of the overall investment strategy. The option may hedge some currency risk.

Allocation

Range (0%–100%)	
0–100%	Cash, cash equivalents and investment grade securities
0–75%	Australian and global high yield, emerging markets debt and Asian bonds
0–75%	Australian and global shares and property securities

AZ Sestante Growth

High growth

Objective

To provide long-term capital growth by investing in growth assets. To deliver a return in excess of CPI plus 4.5% per annum over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

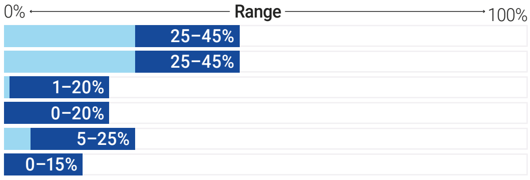
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option's broad asset allocation is to be 80% exposed to growth assets such as shares, property and infrastructure securities and 20% to defensive assets such as fixed interest and cash. The actual asset allocation will vary from this, as the manager uses a tactical asset allocation approach to optimise expected risk and return outcomes for the portfolio. In order to provide additional diversification, the portfolio is allocated across a number of leading investment managers. The option may hedge its currency exposure.

Allocation



Range	Asset class
25–45%	Australian shares
25–45%	Global shares
1–20%	Property and infrastructure securities
0–20%	Alternatives
5–25%	Fixed income
0–15%	Cash

Context Capital Long Term

High growth

Objective

To achieve a return of CPI + 4.5% per annum, after fees and costs and before taxes, over rolling five-year periods, while aiming to minimise the incidence of negative returns greater than 20% over any 12-month period.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

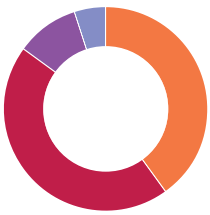
- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option will be invested with the following investment philosophy; quality focused; rebalancing adds value; active when its exceptional; keep it simple; buckets work best; use relevant measures of risk and value for money.

The option will be invested across a diverse mix of asset classes including Australian and International equities, property, infrastructure, fixed interest, alternative investments, and cash. Investment exposure will be obtained through ASX listed exchange traded products and managed funds. The portfolio has been purpose built around the investment philosophy above and to be part of a bucketing approach to managing wealth. This option is designed to be used for long term wealth accumulation. The option may hedge some of its currency risk.

Allocation



Target	(Range)	
40.0%	(10–70%)	Australian shares
45.0%	(10–70%)	Global shares
10.0%	(0–30%)	Property and infrastructure securities
0.0%	(0–30%)	Fixed income
5.0%	(0–20%)	Alternatives
0.0%	(0–20%)	Cash

Evidentia Long Term

High growth

Objective

The option has a primary objective to preserve capital over a rolling seven-year period and a secondary objective to exceed a return of CPI+4.5% per annum over this period, after fees and before taxes.

Minimum suggested timeframe

At least 7 years

Risk

Risk: 6 (Low – Medium – High)

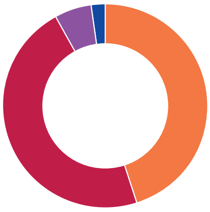
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Small cap risk
- Term risk

Strategy

The option is actively managed using a dynamic approach to asset allocation. The strategic asset allocation aims to have exposure to 98% growth assets. The strategy is designed to provide a funding source for long term cashflow requirements (seven years +). The option is managed with the aim of providing a higher level of downside protection relative to the benchmark and capital preservation over the investment time horizon. Capital preservation however is not guaranteed. Manager selection is then based on two distinct steps. Firstly, the efficiency of each asset class is assessed to determine whether active or passive investments are used. Secondly, managers are assessed on a quantitative and qualitative basis, selecting managers that are believed to best meet the investment objective. Managers are selected based on their perceived ability to generate excess returns over the benchmark and their ability to provide downside protection in down markets. The option may hedge some of its currency risk.

Allocation



Target	(Range)	
45%	(30–60%)	Australian shares
47%	(30–60%)	Global shares
6%	(0–20%)	Property and infrastructure securities
0%	(0–30%)	Alternatives
0%	(0–30%)	Diversified
0%	(0–17%)	Fixed income
2%	(0.5–17%)	Cash

Single-manager single-sector

FirstRate Cash

Cash and deposits

Objective

To provide positive interest income each month and very low risk by depositing funds with Commonwealth Bank of Australia. For the target return rate, please visit cfs.com.au/firstratereturns

Minimum suggested timeframe

No minimum

Risk

1

Low Medium High

Option-specific risks

- Credit risk

Information for FirstChoice Wholesale Investments Investors only

Strategy

To invest in a bank deposit product offered by Commonwealth Bank of Australia.

Allocation

Target 100% Cash

FirstRate Cash Non-Auto-rebalancing

Cash and deposits

Objective

To provide positive interest income each month and very low risk by depositing funds with Commonwealth Bank of Australia. For the target return rate, please visit cfs.com.au/firstratereturns

Minimum suggested timeframe

No minimum

Risk

1

Low Medium High

Option-specific risks

- Credit risk

Information for FirstChoice Wholesale Investments Investors only

Strategy

To invest in a bank deposit product offered by Commonwealth Bank of Australia.

Allocation

Target 100% Cash

FirstRate Saver

Cash and deposits

Objective

To provide positive interest income each month and very low risk by depositing funds with Commonwealth Bank of Australia. For the target return rate, please visit cfs.com.au/firstratereturns

Minimum suggested timeframe

No minimum

Risk

1

Low Medium High

Option-specific risks

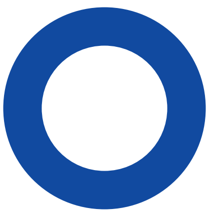
- Credit risk

Information for FirstChoice Wholesale Personal Super and FirstChoice Wholesale Pension Investors only

Strategy

To invest in a bank deposit product offered by Commonwealth Bank of Australia.

Allocation



Target 100% Cash

FirstRate Saver Non-Auto-rebalancing

Cash and deposits

Objective

To provide positive interest income each month and very low risk by depositing funds with Commonwealth Bank of Australia. For the target return rate, please visit cfs.com.au/firstratereturns

Minimum suggested timeframe

No minimum

Risk

1

Low Medium High

Option-specific risks

- Credit risk

Information for FirstChoice Wholesale Personal Super and FirstChoice Wholesale Pension Investors only

Strategy

To invest in a bank deposit product offered by Commonwealth Bank of Australia.

Allocation

Target 100%

Cash

FirstRate Term Deposits

Cash and deposits

Objective

To provide positive interest income at a fixed rate for the relevant term and very low risk by depositing funds with Commonwealth Bank of Australia.

Minimum suggested timeframe

No minimum

Early withdrawal adjustments may apply; refer to the PDS for the product you wish to invest in or are otherwise considering.

Risk

1

Low Medium High

Option-specific risks

- Credit risk
- Early withdrawal risk
- Term deposit risk
- Term risk

Offering a range of terms from three months to 5 years with a choice of interest payment options (information for FirstChoice Wholesale Personal Super and FirstChoice Wholesale Pension investors only

Strategy

To invest in a fixed rate term deposit product offered by Commonwealth Bank of Australia. Current interest rates for FirstRate Term Deposits are available on cfs.com.au/firstrate-td.

Allocation

Target 100%

Cash

Note: For important information that you should consider when establishing or transacting on FirstRate Term Deposits, refer to the Reference Guide for the product you wish to invest in or are otherwise considering, available at cfs.com.au or by calling 13 13 36.

CFS Enhanced Cash

Enhanced cash

Objective

To provide stable returns with very low risk of capital loss by predominantly investing in money market securities and bank deposits. To outperform the Bloomberg AusBond Bank Bill Index over rolling one-year periods before fees and taxes.

Minimum suggested timeframe

No minimum

Risk

1

Low Medium High

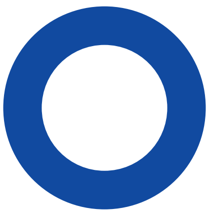
Option-specific risks

- Credit risk
- Derivatives risk
- Term risk

Strategy

To invest in a diversified portfolio of money market securities (which may include asset-backed securities), bank deposits and annuities to deliver stable returns. The investments are managed by leading cash managers and on deposit with Australian banks.

Allocation



Target 100%

Cash, money market securities and annuities

First Sentier Strategic Cash

Enhanced cash

Objective

To provide a regular income stream from investments in money market securities with a very low risk of capital loss. The option aims to outperform the returns of Australian money markets over rolling threeyear periods as measured by the Bloomberg AusBond Bank Bill Index before fees and taxes.

Minimum suggested timeframe

No minimum

Risk

1

Low Medium High

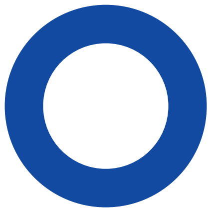
Option-specific risks

- Credit risk
- Derivatives risk
- Term risk

Strategy

The option's strategy is to invest in high quality money market securities (including asset backed securities), with predominantly short maturities, to achieve a very stable income stream. The option invests in assets that offer value-for-risk by taking into account economic analysis and market trends. Derivatives may be used for risk management.

Allocation



Target 100%

Cash and money market securities

Note: This option is used for the SuperFirst Transfer Facility as outlined in the Reference Guide – FirstChoice Wholesale Personal Super and Pension, available online at cfs.com.au/fcwps or by calling 13 13 36.

Daintree Core Income

Short duration fixed interest

Objective

The option aims to generate returns of 1.5% - 2.0% p.a. above the RBA Cash Rate after fees and before taxes over rolling three-year periods.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

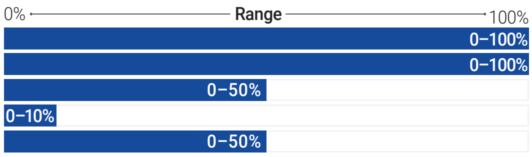
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk

Strategy

The aim of the strategy is to provide a steady stream of income and capital stability over the medium term, by investing in a diversified portfolio of credit fixed income securities and cash, and to provide a total return (after fees) that exceeds the Benchmark measured throughout a market cycle. The option aims to hedge currency risk.

Allocation



Cash and Cash equivalents
Australian fixed interest
Global fixed interest
High yield
Mortgage and asset backed securities

Franklin Australian Absolute Return Bond

Short duration fixed interest

Objective

The investment objective of the option is to provide investors with access to an actively managed portfolio of fixed income strategies with an aim to deliver returns in excess of the Bloomberg AusBond Bank Bill Index, after fees and expenses (but before taxes), over rolling three-year periods.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

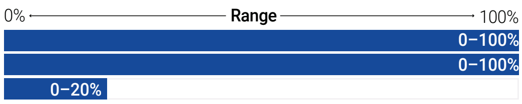
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option is an actively managed absolute return fixed income portfolio designed to deliver attractive returns through the interest rate and credit cycles while protecting against capital volatility through strong risk management. The option seeks to achieve its investment objective by primarily investing in Australian dollar and non Australian dollar-denominated fixed income instruments and debt obligations of government, government related issuers (including supranational organisations supported by several national governments) and corporations worldwide. The option seeks to take advantage of fixed income opportunities in domestic markets and select strategies from the broader global universe, as well, including emerging markets. The option generally hedges currency risk.

Allocation



Cash
Investment grade fixed income
High yield

Janus Henderson Diversified Credit

Short duration fixed interest

Objective

The option seeks to achieve a total return before fees and taxes that exceeds the total return of the Bloomberg AusBond Bank Bill Index by 2.00% p.a. over rolling three year periods.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option will typically invest in a diversified portfolio of Australian and global investment grade and sub-investment grade securities, which can be listed or unlisted. The option is designed to leverage the considerable expertise of the Manager and gives them the flexibility to actively allocate the option's assets geographically and across the credit ratings spectrum. The Manager considers the risk and return outcomes of the securities and how the option may benefit from diversification across less correlated global credit market sectors. The Manager's approach is to determine the overall level of credit and duration risk in the option by taking a top down approach, which considers trends in credit fundamentals, market dynamics and current valuations. The Manager then works to construct and maintain a well-diversified portfolio that aims to offer the best risk-adjusted returns within the option's risk framework. To the extent that the option holds fixed interest rate securities, the Manager will use interest rate derivatives to hedge the option's interest rate risk to a modified duration range of zero to three years. The option aims to hedge currency risk.

Allocation

Range (0% – 100%)	
0–50%	Cash and short term securities
0–100%	Corporate debt
0–70%	Australian hybrids
0–50%	Australian asset backed securities
0–25%	Global high yield credit
0–20%	Global secured loans
0–10%	Emerging markets debt

Kapstream Absolute Return Income

Short duration fixed interest

Objective

To provide investors with a diversified exposure to fixed interest with an absolute return focus. The option aims to consistently deliver capital stability and a reliable income stream and outperform its composite benchmark (50% Bloomberg AusBond Bank Bill Index and 50% Bloomberg AusBond Composite 0–3 Yr Index) over rolling three-year periods before fees and taxes through active diversification across sectors and geographies.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

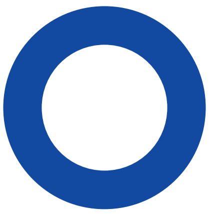
- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

Kapstream applies a distinctive approach to fixed income investments, actively allocating between specific investment strategies on an ongoing basis. Kapstream's active and flexible approach, when combined with the option's investment universe, enables the option to generally deliver positive returns to investors over time.

Kapstream seeks out value across sectors and geographies, identifying strategies priced for the best return potential in the current market environment. This means that Kapstream can take advantage of unique opportunities within countries and sectors that are often overlooked or under-represented in market indices. As a result, Kapstream aims to generate positive returns through market cycles. It manages total portfolio risk, rather than index risk, so the option can deliver capital stability with a regular income stream. The result is the potential for consistent positive returns, with less risk. The option aims to hedge currency risk.

Allocation



	Target
Cash and fixed interest (including derivatives)[1]	100%

1 Includes derivatives and is broken down as follows: investment grade securities 85–100% and non-investment grade securities 0–15%.

Macquarie Income Opportunities

Short duration fixed interest

Objective

To outperform the Bloomberg AusBond Bank Bill Index over rolling three-year periods before fees and taxes. It aims to provide higher income returns than traditional cash investments at all stages of interest rate and economic cycles by investing in the full spectrum of credit based securities including global credit based securities.

Minimum suggested timeframe

At least 3 years

Risk

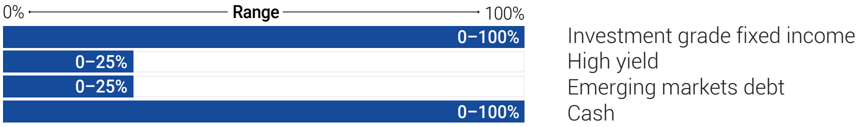
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option predominantly provides exposure to a wide range of domestic and global investment grade floating and fixed rate instruments, asset-backed securities, and cash. The option may also have opportunistic exposure to other fixed income sectors and instruments such as, high yield and emerging markets debt as well as other fixed income instruments (such as hybrid securities). Interest rate risk will generally be hedged through the use of derivatives such as swaps and futures. The option is generally hedged to Australian dollars, however exposure to emerging markets debt issued in the local currency of the debt will generally be unhedged. Small active currency positions may also be taken, for example when there are opportunities to add value or hedge risks in the portfolio.

Allocation



Mutual Income

Short duration fixed interest

Objective

The option aims to achieve superior outcomes across two investment objectives; to provide a greater total return than the Bloomberg AusBond Bank Bill Index (benchmark), after fees and before taxes, over a rolling 12-month period and provide income greater than its benchmark quarterly

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Term risk

Strategy

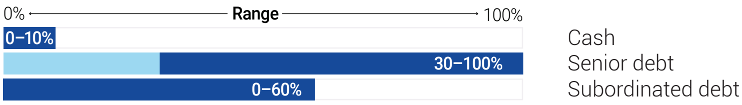
The option actively manages a portfolio of debt instruments offered by Australian ADI's with a minimum 60% exposure to ANZ, CBA, NAB and WBC.

Mutual's investment process is based on using bottom-up fundamental analysis to determine the relative value and appropriateness of the various Australian bank bonds available within the market.

The cornerstone of Mutual's investment philosophy is security with performance. The Manager's research process places its emphasis on mitigating downside risks by attempting to provide investors with a high level of capital preservation and outperforming the Bloomberg Index, while generating excess net cash returns to investors.

The option gains exposure by investing in the underlying Mutual Income Fund via buying and selling units.

Allocation



Perpetual Diversified Income

Short duration fixed interest

Objective

To provide investors with regular income and consistent returns above the Bloomberg AusBond Bank Bill Index over rolling three-year periods (before fees and taxes) by investing in a diverse range of income generating assets

Minimum suggested timeframe

At least 3 years

Risk

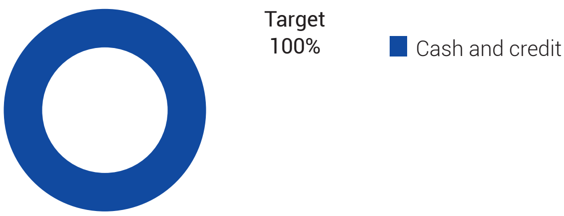
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk
- Valuation risk

Strategy

The option's approach to delivering returns and managing risk is through an active and risk aware investment process which predominantly invests in a diversified core portfolio of liquid investment grade credit securities. Perpetual believes these assets provide investors with protection in times of market stress. When the environment is supportive Perpetual seeks to enhance returns by taking more risk whether that be in maturity, credit rating or subordination. The option can also invest in alternative income generating securities such as mortgages, infrastructure debt and private debt. This approach to portfolio construction is Perpetual's preferred method to deliver investors the highest possible risk adjusted returns. Derivatives may be used in managing this option. The option aims to hedge currency risk.

Allocation



PM Capital Enhanced Yield

Short duration fixed interest

Objective

To provide investment returns in excess of the Reserve Bank of Australia cash rate by tactically investing the majority of assets in a combination of cash and yield securities with a minor allocation to low volatility equity strategies. The option aims to outperform the Reserve Bank of Australia cash rate over rolling two-year periods after fees and taxes, with a low degree of volatility and minimal risk of capital loss. The option is managed from an Australian investor's perspective, where tax (including imputation credits and discounted capital gains) is an important consideration in the daily management of the option.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Equity risk
- Term risk

Strategy

The option aims to invest the majority of its assets in cash and interest bearing securities. The option will aim to hold a minimum cash weighting of 20% of the option's net asset value. If the option cannot find suitable low risk investments, it will let the cash build up. The option will aim to be invested in cash and income securities including, but not limited to, hybrid securities, corporate bonds and asset-backed securities (both fixed and floating rate). The option has the ability to minimise or hedge against interest rate, credit spread and equity risk. Therefore, derivatives may be used to synthetically create or replicate underlying positions; however, derivatives may not be used to leverage the portfolio. Such derivatives may include options, futures, swaps, credit derivatives and warrants. The option may employ equity strategies to a maximum of 5% of the portfolio's net asset value. PM Capital attempts to hedge all foreign currency exposure back to the Australian dollar to substantially reduce the exposure of the option to the risks associated with movements in foreign exchange rates.

Allocation

Range (0%–100%)	
0–5%	Australian and global shares
0–80%	Yield securities
20–100%	Cash and Cash equivalents

This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Schroder Absolute Return Income

Short duration fixed interest

Objective

To outperform the Reserve Bank of Australia cash rate by 2.5% p.a. after fees and taxes over rolling three-year periods with no negative returns on a 12 month rolling basis.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Term risk

Strategy

The option is an active absolute return strategy that invests in a range of domestic and international fixed income securities. The option invests primarily in a portfolio of bonds and other fixed and floating rate securities denominated in various currencies issued by corporates, governments, government agencies, supra-nationals as well as securitised credit such as asset and mortgage backed securities. The full spectrum of available securities, including non-investment grade, may be utilised. With a focus on managing downside risk, the option has the flexibility to invest in cash and other debt securities (such as government bonds) to help preserve capital during downturns in the credit cycle. In adopting an absolute return approach, the most critical element of the investment process is to identify which assets to own and when to own them. This is then complemented by extensive credit research and expertise in individual credit selection. The option may also use derivatives and active currency management as part of the overall investment strategy to create a well-diversified portfolio with the potential to deliver consistent returns above cash and term deposits but with less risk and volatility than the equity market. The option actively manages currency exposure.

Allocation

Range (0%–100%)	
0–100%	Australian and global investment grade
0–40%	Australian high yield[1]
0–30%	Global high yield[1]
0–100%	Cash and Cash equivalents
0–10%	Active currency

1 Maximum aggregate exposure to high yield will not exceed 50%

Yarra Enhanced Income

Short duration fixed interest

Objective

The option aims to earn higher returns than traditional cash management and fixed income investments and outperform the Reserve Bank of Australia cash rate over rolling three-year periods before fees and taxes through exposure to a diversified portfolio of hybrid (debt/equity) and fixed income securities. The option is expected to produce less volatile returns than are inherent in equity markets, while offering modest capital growth and some franking credits.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk

Strategy

The strategy is research-driven, utilising the comprehensive research process of the Yarra Capital Management Group and taking into the account the broad economic and market environment as well as specific investment details. The underlying assets are predominantly Australian, may be quoted or unquoted, issued by listed or unlisted issuers, denominated in Australian dollars or foreign currencies and acquired in the primary or secondary markets. Derivatives may be used to manage investment risk and gain or reduce exposure to relevant markets in an efficient manner whilst still remaining within allowable asset allocation ranges. Allocations to cash may include investments in managed investment schemes issued or operated by the Yarra Capital Management Group. The option may hedge some currency risk.

Allocation

Range (0%–100%)	
0–100%	Fixed income
0–100%	Cash

Bentham Global Income

Diversified fixed interest

Objective

The option aims to provide exposure to global credit markets and to generate income with some potential for capital growth over the medium to long term. The option aims to outperform its benchmark (Bloomberg AusBond Bank Bill Index (50%) and Bloomberg AusBond Composite 0+Yr Index (50%)) over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option is actively managed and focused on generating stable investment income by providing diversified exposure to domestic and global credit markets while managing interest rate risk and currency risk. Bentham seeks to add value through actively managing allocations across different credit sectors, trading of individual securities and managing its interest rate and currency risk.

Bentham manages the option on a top-down basis. Active asset allocations are made according to quarterly forecasts of prospective risk-adjusted returns across a range of credit sectors. Drawing on a combination of both experience and strong relationships with specialist investment managers,

Bentham seeks out and identifies global investment opportunities in credit markets with the aim to generate income with some potential for capital growth. Bentham utilises a bottom-up analysis to select individual investments based on credit fundamentals and market information. The option must maintain a minimum investment of 50% in investment grade rated securities. Bentham aims to minimise credit risk with a focus on capital preservation and a high diversity of investments which would otherwise be difficult to achieve without access to global markets. Bentham aims to fully hedge any foreign currency exposures back to the Australian dollars.

The option gains exposure by investing in the underlying Bentham Global Income Fund via buying and selling units.

Allocation

Range (0%–100%)	
0–50%	Australian hybrids
0–40%	Global hybrids
0–50%	Global loans
0–30%	Global high yield
0–75%	Investment grade credit
0–30%	Cash

Brandywine Global Income Optimiser

Diversified fixed interest

Objective

The option's investment objective is to seek to generate a high and consistent level of income in all market conditions over a full market cycle with a secondary objective of downside protection. The option aims to outperform the Bloomberg AusBond Bank Bill index over rolling five-year periods, before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Short selling risk
- Term risk

Strategy

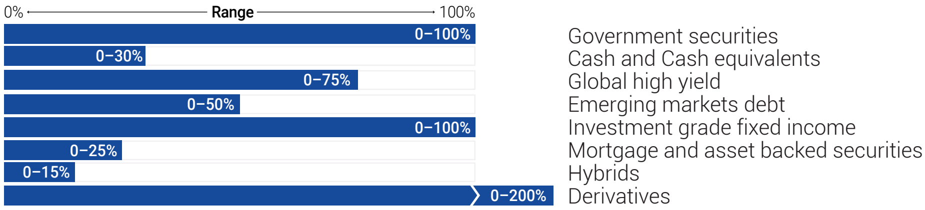
The strategy seeks to balance income with the pursuit of total return based on the prevailing market environment. It leverages Brandywine's fundamental research and top-down macroeconomic analysis.

The option aims to provide an attractive and stable income by investing across diverse sources of income in global fixed income markets. It seeks the best global income opportunities, with a strong focus on limiting downside risk by rotating risk across different sectors of the fixed income market and through tactical hedging of credit and interest rate risk.

The option may employ a long/short investment strategy, which can generate returns by owning securities that Brandywine expects will rise in value (long) and at the same time the option can sell (short) securities that are expected to decrease in value.

The option will not directly short securities, but instead will hold any short positions exclusively through financial derivative instruments. Using a value-oriented, global investing approach, Brandywine seeks to maximise the option's income through country, currency, sector, quality and security selection. The option aims to be at least 85% hedged to Australian dollars.

Allocation



This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Colchester Global Government Bond

Diversified fixed interest

Objective

The option aims to generate income and increase the amount invested by investing in a globally diversified portfolio of government bonds and currencies.
The option aims to outperform the FTSE World Government Bond Index hedged to AUD (before fees, costs and taxes) over rolling five-year periods.

Minimum suggested timeframe

At least 3 years

Risk

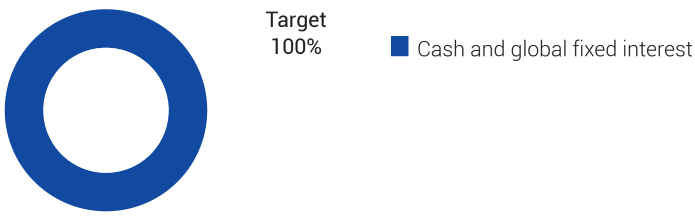
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option invests in bonds and currencies of predominantly investment grade rated countries.
The option uses foreign exchange forwards (including non-deliverable foreign exchange transactions) to manage the currency risk in the portfolio. Colchester believes that both bond and currency markets can be valued in terms of their expected real returns, thereby providing an indication of their relative attractiveness. The option may hedge some currency risk.

Allocation



Colchester Emerging Market Bond

Diversified fixed interest

Objective

The option aims to generate income and increase the value of the amount invested by investing in a globally diversified portfolio of government bonds and currencies in emerging markets. The option aims to outperform the JP Morgan (GBI EM) Global Diversified Index unhedged in AUD over rolling five-year periods before fees and taxes.

Strategy

The option will invest primarily in sovereign debt or debt-like securities of countries that are deemed to be developing (ie developing market debt securities that are issued in the local currency of the issuer) and in currencies that are deemed to be developing.

The option will make investments that are rated investment grade or below investment grade. Colchester will seek to achieve the investment objective of the option principally by investing in a portfolio of debt obligations issued by:

i. World governments, their agencies and instrumentalities and government owned corporations

ii. State, provincial, county and city governments, as well as those of public utilities and other quasi-governmental bodies;

iii. Supranational entities; and

iv. Entities guaranteed by any of i, ii and iii above.

Colchester may acquire securities such as fixed and floating rate bonds, inflation-indexed securities, zero-coupon and discount bonds, Eurobonds, global bonds, and yankee bonds issued by such issuers. Forward foreign exchange transactions (including non-deliverable foreign exchange transactions) may be used by the option to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure in order to address foreign currency fluctuations between currencies.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Allocation

Target	
100%	Cash and global fixed interest

Fortlake Real Income

Diversified fixed interest

Objective

The option aims to target strong returns above the RBA cash rate over rolling three-year periods after fees, taxes and inflation, commensurate with a high level of risk.

Minimum suggested timeframe

At least 3 years

Risk

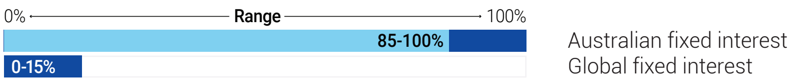
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Short selling risk
- Term risk

Strategy

The option invests mainly in investment-grade corporate bonds, inflation derivatives, credit derivatives, interest rate derivatives, bank bills, Negotiable Certificates of Deposit and other deposit products. The option may also use derivatives to gain exposure to non- Australian interest rates. The option's investment strategy utilises a variety of institutional techniques, including a combination of inflation hedges, overlays, arbitrage strategies and short-to-medium term investment-grade bond opportunities to generate real returns above the RBA cash rate. The option aims to hedge currency risk.

Allocation



This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Macquarie Dynamic Bond

Diversified fixed interest

Objective

The option aims to outperform the reference benchmark, Bloomberg Global Aggregate Index hedged to Australian dollars, over rolling three-year periods before fees and taxes by dynamically investing in global fixed income instruments. It aims to provide diversification against equity risk as well as capital growth and some income.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

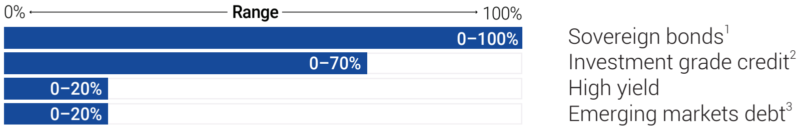
- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option provides exposure to an actively managed, benchmark unaware and diversified portfolio of fixed income investments such as sovereign bonds and investment grade credit. The option may also provide exposure to other fixed income sectors such as high yield and emerging markets debt when these are expected to outperform.

Generally, exposure will be to fixed rate notes. The duration profile of the option is actively managed through the use of derivatives such as swaps and futures. The investment process aims to reduce the risk of the option being adversely affected by unexpected events or downgrades in the credit rating of the option's investments. A disciplined framework is used to analyse each sector and proposed investment to assess its risk. The portfolio is generally hedged to Australian dollars.

Allocation



1 Sovereign bonds: Includes Australian government and semi-government, supranational, global sovereign and cash.

2 Investment grade credit: Includes Australian and global investment grade credit.

3 Emerging markets debt: May include holdings of sub-investment grade instruments.

MetLife Global Impact Bond

Diversified fixed interest

Objective

To seek to simultaneously create a positive and verifiable environmental and social impact whilst targeting a total return in excess of the Bloomberg Global Aggregate Index hedged to Australian dollars before fees and taxes over rolling three-year time periods.

Minimum suggested timeframe

At least 3 years

Risk

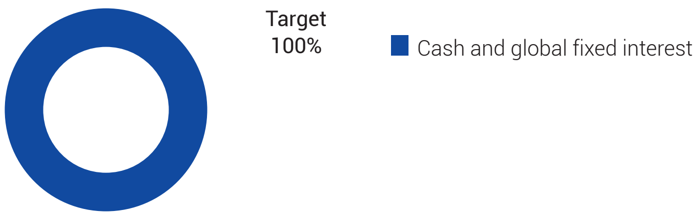
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Investment performance risk from sustainability exclusions
- Term risk

Strategy

This option focuses on investing mainly in global fixed income instruments such as green, social, and sustainability bonds but may use derivatives for exposure or risk management. This option seeks financial returns with environmental and social impact through a three-step process: verification (SPECTRUM methodology), portfolio management, and evidence. The SPECTRUM verification process screens issues and issuers for measurable impact, underpinned by issuer engagement. The manager also applies issuer-level exclusions for controversial activities and sectors. The investable universe consists only of bonds meeting the verification criteria. The option aims to hedge currency exposure.

Allocation



This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

PIMCO Diversified Fixed Interest

Diversified fixed interest

Objective

To achieve maximum total return by investing in underlying funds that invest in Australian and overseas bonds, and to seek to preserve capital through prudent investment management. The option aims to outperform the composite benchmark (Bloomberg AusBond Composite 0+Yr Index (50%) and Bloomberg Global Aggregate Index, hedged to Australian dollars (50%)), over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

In pursuing the option's investment objective, PIMCO applies a wide range of diverse strategies including duration analysis, credit analysis, relative value analysis, sector allocation and rotation, and individual security selection. PIMCO's investment strategy emphasises active decision making with a long-term focus and seeks to avoid extreme swings in duration or maturity with a view to creating a steady stream of returns. PIMCO's portfolio construction and risk management efforts are designed to position the portfolio with exposure to a series of moderate risks, ensuring that no single trade idea or risk factor overwhelms the portfolio. Given its dynamic approach to active management, as well as its large size in certain cash markets, PIMCO may use derivatives to implement its trade ideas. The option may invest in derivatives to gain or reduce exposure to relevant markets and to manage investment risk. The option aims to hedge currency risk.

Allocation

Target
100%

Cash and fixed interest

PIMCO Global Bond

Diversified fixed interest

Objective

The option utilises PIMCO's core fixed interest strategy of seeking strong, consistent investment returns while at the same time moderating the volatility of returns relative to the benchmark. The option aims to outperform the Bloomberg Global Aggregate Index hedged to Australian dollars over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

In pursuing the option's investment objective, PIMCO applies a wide range of diverse strategies including duration analysis, credit analysis, relative value analysis, sector allocation and rotation, and individual security selection. PIMCO's investment strategy emphasises active decision making with a long-term focus and seeks to avoid extreme swings in duration or maturity with a view to creating a steady stream of returns. PIMCO's portfolio construction and risk management efforts are designed to position the portfolio with exposure to a series of moderate risks, ensuring that no single trade idea or risk factor overwhelms the portfolio. Given its dynamic approach to active management, as well as its large size in certain cash markets, PIMCO may use derivatives to implement its trade ideas. The option may invest in derivatives to gain or reduce exposure to relevant markets and to manage investment risk. The option aims to hedge currency risk.

Allocation

Target
100%

Cash and global fixed interest

T. Rowe Price Dynamic Global Bond

Diversified fixed interest

Objective

Seeks to generate positive returns from global fixed-income with a focus on downside risk and providing diversification from equity markets. The option seeks to outperform the Bloomberg AusBond Bank Bill Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

5

Low Medium High

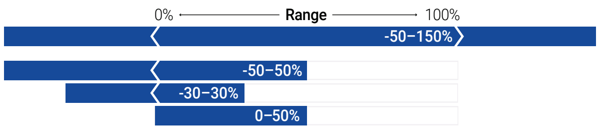
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

To maximise total return and provide income through investment primarily in a portfolio of fixed income securities which may include, but is not limited to, transferable debt securities of governments and their agencies, supranational organisations, corporations and banks as well as mortgage-backed and asset-backed securities. There are no restrictions on the sectors or countries in which bond issuers are located. The option may make extensive use of derivatives including, but not limited to, bond futures, forward foreign exchange contracts (including non-deliverable forwards), interest rate futures, options on interest rate futures, options on bond futures, currency options and OTC swaps including interest rate swaps and credit default swaps as well as swap indices. On an opportunistic basis, the option may create synthetic short positions in currencies, bonds and credit indices using various instruments including currency forwards, currency options, interest rate and bond futures, options on interest rate and bond futures, interest rate swaps, credit default swaps and swap indices. The option is generally hedged to Australian dollars, however can take small active currency positions, for example when there are opportunities to add value or hedge risks in the portfolio.

Allocation



Government bond and Government related bonds[1]
Corporate bonds
Securitised
Cash and Cash equivalents

1 There may be short periods where the portfolio is outside the noted exposure to government bonds and government related bonds as the Manager aims to protect the portfolio from extreme movement in markets.

UBS Diversified Fixed Income

Diversified fixed interest

Objective

To provide investors with a total return in excess of the composite benchmark (Bloomberg AusBond Composite 0+Yr Index (50%) and Bloomberg Global Aggregate Index, hedged to Australian dollars (50%)), over rolling three-year periods after fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

The option is actively managed, based on fundamental research that draws upon the investment insights of the Manager's fixed income teams. The approach employs both 'top-down' research, including analysis of economic factors, market data and macro credit themes and 'bottom-up' research in respect of particular securities including analysis of earnings and cash flow stability, balance sheet strength, industry and valuation. The option generally hedges currency risk.

Allocation

Target	(Range)	
50%	(20–80%)	Australian fixed interest and cash
50%	(20–80%)	International fixed interest and cash

Janus Henderson Tactical Income

Australian fixed interest

Objective

The option seeks to achieve a total return after fees and taxes that exceeds the total return of the Benchmark (Bloomberg AusBond Bank Bill Index (50%) and Bloomberg AusBond Composite 0+ Yr Index (50%)) over rolling three-year periods, by investing in a diversified portfolio of predominantly Australian income producing assets.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

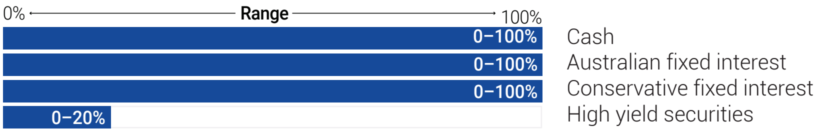
- Credit risk
- Currency risk
- Derivatives risk
- Term risk

Strategy

The option is an actively managed strategy that invests in a wide range of cash and fixed interest securities. These include debt issued by banks and other corporations, mortgage and other asset backed securities and government, semi-government and supranational bonds. The option may also allocate to Australian and global high yielding securities when attractive opportunities are identified.

The option is designed to leverage the considerable expertise of the Manager and gives them the flexibility to tactically and actively allocate the option's assets based on their assessment of the outlook for the Australian and global economy, interest rates and fundamentals of the corporate sector within the context of the credit cycle. The flexible asset allocation ranges and fundamentally driven approach allows the Manager to meaningfully adjust the level of fixed interest exposure to both enhance performance in periods of falling interest rates and conversely, to protect value from the adverse impact of rising yields. The overall level of credit risk within the option is actively adjusted to reflect the Manager's assessment. The option generally hedges currency risk.

Allocation



Macquarie Australian Fixed Interest

Australian fixed interest

Objective

The option aims to outperform the Bloomberg AusBond Composite 0+ Yr Index over a three year period (before fees and taxes) by using an active investment strategy. It aims to provide regular income and a moderate level of growth.

Minimum suggested timeframe

At least 3 years

Risk

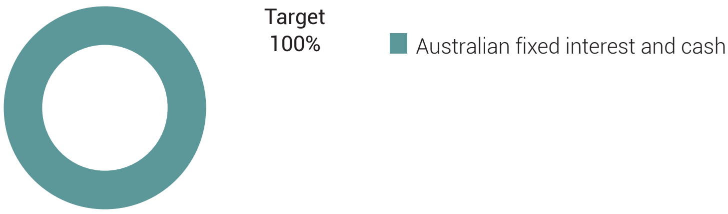
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk

Strategy

The option provides exposure to a diversified portfolio of predominantly Australian fixed interest securities issued by government or corporate entities and asset-backed securities. The option aims to deliver above index returns by actively managing the main sources of value-add in the Australian fixed interest market using a disciplined and comprehensive investment process based on a combination of fundamental, economic, quantitative and technical analysis of market conditions. This seeks to ensure a balance between short-term technical factors and longer term market trends. The option generally hedges currency risk.

Allocation



Pendal Sustainable Australian Fixed Interest

Australian fixed interest

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the Bloomberg AusBond Composite 0+ Yr Index by 0.75% p.a. over rolling three-year periods. The option offers an active tilt to impact bonds (green/climate, social and sustainability) to support positive societal and/or environmental outcomes (including advancement of United Nations Sustainable Development Goals).

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Investment performance risk from sustainability exclusions
- Term risk

Strategy

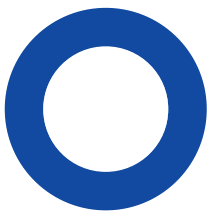
The option offers investors access to a diversified portfolio of fixed interest securities and seeks exposure to issuers that demonstrate Environmental, Social and Corporate Governance (ESG) and ethical practices while avoiding exposure to issuers with activities that Pendal considers to negatively impact the environment and/or society, by investing in securities (including green bonds, social bonds and sustainable bonds) that pass Pendal's ethical screens and sustainability assessment.

The option will not invest in issuers[1] directly involved in the production of tobacco (including e-cigarettes and inhalers), manufacture of controversial weapons, exploration, extraction or refinement of fossil fuels (specifically coal, oil and gas), production of alcohol, manufacture or provision of gaming facilities, manufacture of non-controversial weapons or armaments, manufacture or distribution of pornography, direct mining of uranium for the purpose of weapons manufacturing and predatory lending. Ethical screens are not applied to government securities, cash or derivatives. The use of derivatives may result in the portfolio having indirect exposure to the excluded issuers from time to time.

In managing the option, Pendal draws on internal and external research to assess issuers on their sustainability performance (managing exposures to ESG risks and opportunities), relative to peers. In addition to employing a sustainability assessment (where any issuer must pass the Pendal's sustainability threshold), ethical screens are applied to avoid exposure to issuers with activities that Pendal considers to negatively impact the environment or society. Pendal actively engages with relevant issuers to manage risk, effect change and realise potential value over the long term.

Pendal's investment process for fixed interest aims to add value through multiple strategies and investment research including active security (including green bonds, social bonds and sustainable bonds) and sector selection, duration, yield curve, and credit management. Pendal's process draws on quantitative and technical models in tandem with a qualitative fundamental overlay to generate excess returns. The investment process comprises of three main steps: macro inputs, credit/government research and portfolio construction. The macro input stage uses a combination of quantitative, qualitative and technical analysis. This drives the top down view on yields (duration/yield curve), credit spread direction and sector allocations. The credit and government research process incorporates fundamental issuer analysis, quantitative issuer modelling, ESG research and valuations to identify investment opportunities whilst avoiding deteriorating credits. The portfolio construction stage combines the macro inputs and the bottom up credit research arrived at during the investment process.

Allocation



	Target
Cash and fixed interest	100%

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

1 An exemption applies to some fixed income investments 'use of proceeds' securities such as green, social, and sustainability bonds issued by companies, that may have otherwise been screened out, to fund projects with dedicated environmental and/or social benefits. An exemption also applies to government, government related and supranationals. Exemptions do not apply to sustainability-linked bonds.

PIMCO Australian Bond

Australian fixed interest

Objective

The option utilises PIMCO's core fixed interest strategy of seeking strong, consistent investment returns while at the same time moderating the volatility of returns relative to the benchmark. The option aims to outperform the Bloomberg AusBond Composite 0+ Yr Index dollars over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Term risk

Strategy

In pursuing the option's objective, PIMCO applies a wide range of diverse strategies including duration analysis, credit analysis, relative value analysis, sector allocation and rotation and individual security selection. PIMCO's investment strategy emphasises active decision making with a long-term focus and seeks to avoid extreme swings in duration or maturity with a view to creating a steady stream of returns. PIMCO's portfolio construction and risk management efforts are designed to position the portfolio with exposure to a series of moderate risks, ensuring that no single trade idea or risk factor overwhelms the portfolio. Given its dynamic approach to active management, as well as its large size in certain cash markets, PIMCO may rely heavily on derivatives to implement its trade ideas. The option may invest in derivatives to gain or reduce exposure to relevant markets and to manage investment risk. The option aims to hedge currency risk.

Allocation

Target
100%

Cash and fixed interest

Western Asset Australian Bond

Australian fixed interest

Objective

The option aims to earn an after fee and before taxes return in excess of the Bloomberg AusBond Composite 0+yr Index over rolling three-year periods.

Minimum suggested timeframe

At least 3 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Term risk

Strategy

The option provides exposure to an actively managed portfolio of Australian bonds. The investment approach aims to capture returns from a variety of actively managed sources, including interest rate management (duration), yield curve positioning, sector and security selection. Risk management is a core focus and is supported by credit research, diversification of holdings and investment guidelines. The option is designed to be an active core fixed income allocation with a mandate to provide both defensive exposure and disciplined alpha generation. The option invests in government and semi-government bonds, corporate bonds and asset backed securities. Western Asset employs a value investing framework built on disciplined and rigorous analysis of prices relative to fundamental fair value. The option generally hedges currency risk.

Allocation

Target
100%

Cash and fixed interest

Acadian Defensive Income

Alternatives

Objective

To provide investment returns in excess of the Reserve Bank of Australia cash rate over rolling three-year periods before fees and taxes, with a relatively low degree of volatility. This will be achieved by combining cash and fixed interest investments with long and short equity holdings chosen using Acadian Australia's equity investment process. Sophisticated portfolio construction techniques will be used to implement this in a way that limits equity market exposure.

Minimum suggested timeframe

At least 3 years

Risk

4

Low Medium High

Option-specific risks

- Credit risk
- Equity risk
- Short selling risk
- Term risk

Strategy

The option's strategy is to adopt an active approach to managing a portfolio of money market and fixed income securities along with stocks listed on the Australian Securities Exchange. The majority of assets will be actively invested in high quality money market securities with short duration. The option will then seek to enhance returns by taking long and short positions in securities generally listed on the Australian Securities Exchange. Acadian will dynamically manage the exposure of the long/short component of the portfolio, with the net market exposure being typically close to 0%. The long/short structure aims to minimise equity market risk whilst benefiting from franking credits and Acadian Australia's sophisticated analytical models for stock selection.

Allocation

Target	(Range)	
0%	(-10–+10%)	Australian shares
100%	(90–110%)	Cash and fixed interest

Aspect Absolute Return

Alternatives

Objective

To produce consistent absolute returns that are independent of overall movements in traditional stock and bond markets. The option aims to provide a return greater than the Reserve Bank of Australia cash rate over rolling three-year periods after fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Short selling risk

Strategy

Aspect takes a quantitative and systematic approach to investment management. Aspect has no market sector or directional preference, and markets are selected on the basis of diversification, liquidity and transaction costs. The option aims to maximise portfolio diversification by spreading risk allocations across the different investment themes in the portfolio, which can be categorised into two families of models: macro models seek to identify and profit from the underlying structural drivers of returns, whilst technical models capture persistent behavioural patterns based on historical price. The strategy employs a quantitative process to determine a view of the opportunities across these two families of models. It has exposure to over 230 of the most liquid global financial and commodity futures, currency forwards and other derivative contracts. By maintaining a comparatively small exposure to any individual contract, Aspect achieves sector and contract diversification, thereby exploiting a wide range of opportunities and maximising expected long-term risk-adjusted return. The option actively manages currency exposure.

Allocation

Target	
100%	Cash and derivatives

Note: Futures and forwards are used to establish the market exposure of the option. The face value of the option's combined long and short positions will frequently be greater than 100% of the net asset value of the option and, as a result, the option will often be leveraged. The option receives earnings from cash allocations for the benefit of investors.

> This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Aspect Diversified Futures

Alternatives

Objective

To generate significant medium-term capital growth independent of overall movements in traditional stock and bond markets within a rigorous risk management framework. The option aims to provide a return greater than the Reserve Bank of Australia cash rate over rolling three-year periods after fees and taxes.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Short selling risk

Strategy

Aspect takes a quantitative and systematic approach to investment management. Aspect has no market sector or directional preference, and markets are selected on the basis of diversification, liquidity and transaction costs. Aspect's trend-following systems have exposure to over 230 of the most liquid global financial and commodity futures, currency forwards and (through an unlisted unit trust) other derivative contracts. These trend-following systems employ a quantitative process to collect, process and analyse market data in order for the model to determine a view of the trend-following opportunities in each market in the portfolio. By maintaining a comparatively small exposure to any individual contract, Aspect achieves sector and contract diversification, thereby allowing a wide range of opportunities to be exploited and maximising expected long-term risk-adjusted returns. The option aims to minimise unintentional currency exposure.

Allocation

Range (0%–100%)	
0–100%	Cash, futures and forwards

Note: Global financial and commodity futures, currency forwards and (through an unlisted unit trust) other derivative contracts are used to establish the market exposure of the option. The face value of the option's combined long and short positions will frequently be greater than 100% of the net asset value of the option and, as a result, the option will often be leveraged. The option receives earnings from cash allocations for the benefit of investors.

> This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

BlackRock Global Liquid Alternatives

Alternatives

Objective

The option aims to achieve a return of 3% - 5% p.a. (net of fees), above the RBA Cash Rate Target (Benchmark) over rolling three-year periods.

Minimum suggested timeframe

At least 5 years

Risk

5

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk

Strategy

The option aims to outperform the Benchmark by providing investors with a source of risk controlled absolute returns that are, over time, expected to have low correlations with the returns of major asset classes. The option has exposure to a diversified range of absolute return investment strategies through investment in a number of pooled investment vehicles (Strategy Funds) each of which offers daily dealing and daily liquidity. The option generally invests into Australian dollar denominated share classes of the Strategy Funds and the currency exposure between the base currency of the Strategy Funds and the Australian dollar is generally hedged. It should be noted however that the Strategy Fund may have active currency positions and this exposure is not hedged.

Allocation

Range (0%–100%)	
0–100%	Australian shares
0–100%	Global shares
0–100%	Australian fixed income
0–100%	Global fixed income
0–100%	Structured products
0–100%	Real property
0–100%	Derivatives
0–100%	Cash and Cash equivalents

Note:The option gains exposure by investing in BlackRock fund by buying and selling units. The BlackRock fund allocates to a number of unlisted strategy funds which involve a range of derivatives and long and short positions in securities. The face value of the option's long and short positions will frequently be greater than 100% of the net asset value of the option and, as a result, the option will often be leveraged.

> This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

AB Managed Volatility Equities

Lower volatility share

Objective

The option aims to achieve returns that exceed the S&P/ASX 300 Accumulation Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

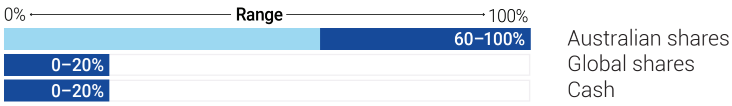
Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

The option invests mainly in Australian Securities Exchange (ASX) listed shares but may also invest in global developed market shares (maximum limit of 20%) and cash. The option implements a managed volatility equities strategy that aims to reduce volatility by identifying, and investing in, high quality listed equity securities that have reasonable valuations, high quality cash flows and relatively stable share prices. The option does not always hedge the foreign currency exposures of its global equity assets to Australian dollars but the the Manager has the discretion to determine the extent of hedging against any foreign currency exposure. Derivatives may be used to manage risks (including foreign currency risk), invest cash, manage volatility and gain or reduce investment exposures. The assets of the option may be used as security (collateral) for derivatives entered into on behalf of the option. Derivatives will not be used for leveraging or gearing purposes.

Allocation



Acadian Global Managed Volatility Equity

Lower volatility share

Objective

To provide returns similar to those of a global equity index, but with significantly lower absolute volatility and superior downside protection, over the longer term. Limiting absolute risk has the potential to allow investors to compound wealth more efficiently and steadily than traditional capitalisation weighted indices. The option aims to perform in line with the MSCI All Country World Index over rolling three-year periods before fees.

Minimum suggested timeframe

At least 7 years

Risk

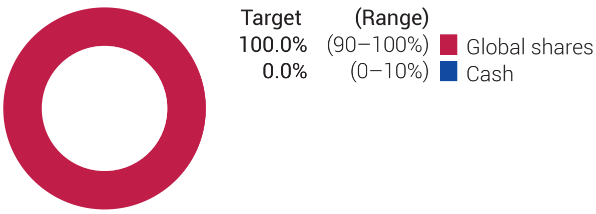
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The option's investment strategy is based on building an equity portfolio that aims to provide returns similar to those of the global equity market but with lower absolute volatility than the global market over the full market cycle. The option aims to exploit the 'low volatility anomaly', the historical pattern in which higher volatility stocks have underperformed lower volatility stocks on a risk-adjusted basis. The initial consideration in constructing the portfolio is its overall level of risk; in addition, the option uses the same stock forecasts as Acadian's other equity strategies. These forecasts are designed to incorporate characteristics such as quality, value, earnings growth, and price-related factors. The option invests in a diversified portfolio of equities worldwide, including North America and Europe. The option does not hedge currency risk.

Allocation



Merlon Australian Share Income

Lower volatility share

Objective

The option aims to provide a higher level of tax-effective income with a lower level of risk than the S&P/ASX 200 Accumulation Index, whilst also aiming to outperform the composite benchmark (70% S&P/ASX 200 Accumulation Index, 30% Bloomberg Ausbond Bank Bill Index) on a total return basis over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Credit risk
- Derivatives risk
- Equity risk

Strategy

Merlon's investment approach is to construct a portfolio of undervalued companies, based on sustainable free cash flow, in broadly equal weights whilst using options to overlay downside protection on holdings with poor short-term momentum characteristics. An outcome of the investment style is a higher level of tax-effective income, along with the potential for capital growth over the medium term.

Allocation

1 The ranges reflect the option's effective exposure (i.e. after taking derivatives into account).

State Street Australian Equity

Lower volatility share

Objective

To outperform the S&P/ASX 300 Accumulation Index over rolling fiveyear periods before fees and taxes but with a lower standard deviation than its benchmark.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Derivatives risk
- Equity risk

Strategy

The option is a long only, benchmark-unaware active strategy, which invests in listed Australian securities selected primarily from the S&P/ASX 300 Index.

The strategy focuses on the manager's best investment ideas in the universe regardless of benchmark construction, investing in the highest conviction stocks which demonstrate strong expected returns as assessed by valuation, growth capability, investor sentiment and company quality. Equally important is the investment manager's assessment of risk; which aims to minimize total portfolio risk by incorporating a comprehensive array of stock, industry and market level risk considerations.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

Acadian Core Australian Equity

Australian share

Objective

To maximise risk-adjusted, long-term returns by investing in stocks listed on the Australian Securities Exchange while carefully controlling portfolio risk and transaction costs. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling four-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk

Strategy

The option's investment strategy is based on the belief that markets are inefficient, creating price anomalies that can be exploited by a disciplined, objective investment process. Acadian Australia's investment approach employs structured stock and peer group valuation models, which are designed to capture a broad range of relevant characteristics such as quality, value, earnings growth and price-related factors. This aims to systematically unearth securities with unrecognised value, as well as improving earnings prospects to help unlock that value.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Airlie Australian Share

Australian share

Objective

The option aims to outperform the S&P/ASX 200 Accumulation Index before fees and taxes over rolling four-year periods and provide long-term capital growth and regular income through investment in Australian equities.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

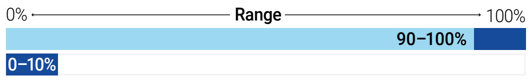
Option-specific risks

- Derivatives risk
- Equity risk

Strategy

The option offers investors the opportunity to invest in a specialised and focused Australian equities strategy. Airlie's broad investment philosophy is to build portfolios using a bottom up investment approach with a belief that active management can produce significant wealth accumulation relative to passive management. Airlie assesses companies in the investment universe on four key criteria: financial strength, quality of the management team, quality of the business and valuation. The option's portfolio will generally comprise 15 to 35 securities.

Allocation



Australian shares
Cash and Cash equivalents

Alphinity Sustainable Share

Australian share

Objective

The option aims to outperform the S&P/ASX 300 Accumulation Index, before fees, costs and taxes over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

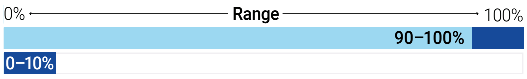
- Derivatives risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The option aims for a portfolio of high quality companies which have net positive alignment with one or more of the UN's Sustainable Development Goals (SDGs), exceed Alphinity's minimum Environmental, Social and Corporate Governance (ESG) criteria, and fit the investment process described below. The SDGs are a globally-recognised framework that address themes such as climate change, inclusion, healthy lives, and poverty. The option will not invest in companies with greater than 10% of gross revenue from the production or operation of products or activities considered incongruent with the SDGs. These include fossil fuels (including the generation of electricity using fossil fuels); uranium; predatory lending; hostile debt collection; tobacco; alcohol; gambling; pornography; armaments; gold (except as a by-product of other mining); logging of old growth forests; non-sustainable palm oil; factory farming; live animal exports; or animal testing for cosmetic products. We tolerate testing in healthcare only where necessary providing stringent policies are in place.

Alphinity has found that upgrades or downgrades to the market's expectations of a company's earnings ultimately drives its share price, and that there can be a systematic mispricing of individual equities over the short to medium term due to under- or over-estimation of a company's earnings capability. This provides an opportunity for outsized investment returns as the true earnings trajectory becomes apparent to the market over time. Through its well-tested, systematic combination of in-depth fundamental research and targeted quantitative analysis, the Alphinity investment team seeks to identify and invest in quality, undervalued companies in, or about to enter, an earnings upgrade cycle. Importantly, they also seek to avoid companies with deteriorating or overly-optimistic earnings expectations.

Allocation



Australian shares

Cash and Cash equivalents

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Antares Ex-20 Australian Equities

Australian share

Objective

The option aims to outperform the S&P/ ASX 300 Accumulation Index excluding that part of the return that is generated by the stocks included in the S&P/ASX 20 Index over rolling five-year periods after fees and before taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Derivatives risk
- Equity risk
- Small cap risk

Strategy

The strategy is actively managed and invests in a portfolio of Australian equities outside the largest 20 Australian listed companies by market capitalisation (as defined by the S&P/ASX 20 Total Return Index). Antares will seek a greater diversification within their Australian shares exposure beyond the top 20 ASX listed stocks by market capitalisation, and are willing to accept a higher level of risk in exchange for the opportunity to earn higher potential returns.

The option contains only Antares' highest conviction investment ideas and is relatively unconstrained by the Benchmark's industry or company weights. Antares follows a bottom-up investment process, with investment decisions made by undertaking in-depth proprietary research and analysis of individual companies and securities.

In general, Antares aims to invest in companies where the current share price does not fully reflect its view of the potential value of the company's business. Through company contact and detailed financial and nonfinancial analysis, Antares' research analysts gain a first-hand understanding of Australian businesses and the industries in which they operate.

Antares may invest up to 10% of the option in companies listed outside of the S&P/ASX 200 Total Return Index. This may include investments in equities expected to be listed on the Australian share market. Securities held in the portfolio may sometimes move into the S&P/ASX 20 Total Return Index and when this happens the investment manager will use its discretion to sell down that security, having regard to the best interests of investors. In this way, the portfolio may hold securities in the S&P/ASX 20 Index from time to time.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash and cash equivalents

Ausbil Active Sustainable Equity

Australian share

Objective

The option aims to achieve returns (before fees and taxes) in excess of the S&P/ASX 200 Accumulation Index over rolling three-year periods by primarily investing in listed Australian companies which meet Ausbil's sustainable approach to investing.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Derivatives risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

Ausbil's active investment process aims to exploit the inefficiencies across the market, at all stages of the cycle and across all market conditions, with the aim of producing consistent and risk controlled outperformance, whilst applying its sustainability approach to investing. The option's sustainable approach to investing initially excludes companies that have material exposure to 'controversial activities'. Ausbil then applies its proprietary Environmental, Social and Corporate Governance (ESG) research to determine the sustainability profile of remaining companies. Companies that Ausbil determines to have poor sustainability profiles are excluded and the option can invest in companies that are determined by Ausbil to have relatively good sustainability profiles. In addition, Ausbil actively engages with companies on sustainability issues and the wider industry that they operate in.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Ausbil Australian Active Equity

Australian share

Objective

To provide long-term growth with moderate tax-effective income. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Derivatives risk
- Equity risk

Strategy

The option predominantly invests in a portfolio of listed large cap Australian equities in the S&P/ASX 300 Index. The option seeks to identify earnings and earnings revisions at an early stage, and hence to pre-empt stock price movements. The manager also seeks to position the portfolio towards those sectors and stocks which it believes will experience positive earnings revisions and away from those it believes will suffer negative revisions. At any time, the portfolio will be tilted toward stocks which afford the most compelling opportunities for appreciation over the coming 12 months.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Bennelong ex-20 Australian Equities

Australian share

Objective

To provide a total return, through investments in primarily Australian shares, that aims to outperform the S&P/ASX 300 Accumulation Index excluding that part of the return that is generated by the stocks included in the S&P/ASX 20 Index over rolling three-year periods after fees and before taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk
- Small cap risk

Strategy

The companies within the portfolio are primarily selected from, but not limited to, the S&P/ASX 300 Accumulation Index, excluding the S&P/ASX 20 Index. The option may also invest in securities listed on other exchanges where such securities relate to ASX-listed securities. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

DNR Capital Australian Equities High Conviction

Australian share

Objective

To invest in a high conviction portfolio of Australian equities that aims to outperform the S&P/ASX 200 Accumulation Index (before fees and taxes) over rolling three-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk

Strategy

DNR Capital believes a focus on quality will enhance returns when combined with a thorough valuation overlay. DNR Capital seeks to identify good quality businesses that are mispriced by overlaying DNR Capital's quality filter, referred to as the 'quality web', with a strong valuation discipline. DNR Capital's security selection process has a strong bottom up discipline and focuses on buying quality businesses at reasonable prices. The portfolio construction process is influenced by a top-down economic appraisal and also considers the risk characteristics of the portfolio such as security and sector correlations. The investment strategy is intended to result in a portfolio that is high conviction and invests for the medium term.

Allocation

Target	(Range)	
100.0%	(80–100%)	Australian shares
0.0%	(0–20%)	Cash

DNR Capital Australian Equities Income

Australian share

Objective

The option aims to outperform the S&P/ ASX 200 Industrials Index (before fees and taxes) and deliver higher levels of income relative to the Index over a rolling three-year period by investing in a portfolio of Australian equities.

Minimum suggested timeframe

At least 7 years

Risk

Low Medium High — 7

Option-specific risks

- Equity risk

Strategy

DNR Capital believes a focus on quality will enhance returns when it is combined with a thorough valuation overlay. DNR Capital seeks to identify quality companies that are mispriced by overlaying a quality filter, referred to as the 'quality web', with a strong valuation discipline. The stock selection process has a strong bottom-up discipline and focuses on investing in quality companies at reasonable prices.

The portfolio seeks to identify quality medium term investments, delivering sustainable, growing income. The portfolio seeks to invest in a selection of securities that have high and sustainable dividend capability, strong profit-to-cash conversion, and relatively assured earnings growth. The portfolio construction process considers stock weightings based on the risk versus the expected return. It is also influenced by a top-down economic appraisal, sector exposures and liquidity considerations.

Allocation

Target	(Range)	
100.0%	(80–100%)	Australian shares
0.0%	(0–20%)	Cash

Fidelity Australian Equities

Australian share

Objective

To achieve returns in excess of the S&P/ASX 200 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Low Medium High — 7

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

The Fidelity Australian Equities option provides investors with the potential for long-term capital growth and some income by investing in a diversified portfolio of listed Australian shares.

Fidelity believes that markets are semi-efficient and share prices don't always reflect inherent value. Through in-house, bottom-up company research, Fidelity aims to uncover the opportunities that it believes offer the greatest scope for outperformance. Based on this research approach, Fidelity seeks out stocks that it believes are undervalued and likely to generate growth. The companies selected for the portfolio must demonstrate good management, strong competitive advantages and enjoy favourable industry dynamics. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

First Sentier Concentrated Australian Share

Australian share

Objective

To provide long-term capital growth by investing in a concentrated portfolio of 15–30 stocks. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Low Medium High — 7

Option-specific risks

- Derivatives risk
- Equity risk

Strategy

The option's strategy is based on the belief that, over the medium-to-long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The option generally invests in a concentrated selection of high quality companies with strong balance sheets and earnings in the S&P/ASX 300 Accumulation Index. The option may use derivatives for efficient portfolio management as well as risk management purposes. The option predominantly invests in Australian companies and therefore does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

First Sentier Imputation

Australian share

Objective

To combine long-term capital growth with tax-effective income by targeting Australian growth companies with a high level of franked dividends. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling three year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Equity risk

Strategy

The option's strategy has an emphasis on companies that provide long term capital growth and growing dividends with tax-effective income. The strategy is based on the belief that, over the medium-to-long term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The option generally invests in high quality companies with strong balance sheets and earnings. The option predominantly invests in Australian companies and therefore does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Infinity Core Australian Equity

Australian share

Objective

The option aims to outperform the S&P/ASX 200 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk

Strategy

This strategy is designed for investors who may be seeking exposure to a mix of Australian companies listed on the ASX and part of the S&P/ASX 200 Accumulation Index, who can tolerate higher levels of investment risk and the potential for negative returns in any single year. The long-term, strategic asset allocation aims to have 100% exposure to growth assets (shares and listed property).

Infinity adopts an active approach to managing investment portfolios with an integrated focus on sustainable investing. Infinity's investment philosophy is built on the premise that financial markets are inefficient over the short to medium term and that appropriate asset allocation along with security selection can be utilised to effectively reduce overall investment risk while providing the opportunity to add value through a market cycle.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Investors Mutual Australian Share

Australian share

Objective

To provide investors with a rate of return (after fees and before taxes) which exceeds the return of the S&P/ASX 300 Accumulation Index on a rolling four-year basis.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Investors Mutual Limited (IML) uses a conservative investment style with a long-term focus. IML aims to deliver consistent returns for clients through the disciplined application of a fundamental, quality and value-based approach to investing. The option will invest in a diversified portfolio of quality ASX-listed industrial and resource shares, where these shares are identified by our investment team as being undervalued. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Lazard Select Australian Equity

Australian share

Objective

To achieve total returns (including income and capital appreciation and before fees and taxes) that exceed those of the S&P/ASX 200 Accumulation Index by 5% per annum over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

The investment strategy of the option is to provide investors with access to companies listed on the Australian Securities Exchange that Lazard believes are out of favour and trading below their intrinsic value. The number of stocks will generally range between 12 and 30 depending on Lazard's active investment decisions and assessment of the relative value of the companies. The option may also invest up to 10% in companies listed on the New Zealand Stock Exchange. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

Martin Currie Australia Equity Income

Australian share

Objective

To generate an after-tax income yield in excess of the S&P/ASX 200 Index franked yield over rolling three year periods before fees and taxes. The option aims to provide long-term growth in its dividend income in excess of CPI.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Equity risk

Strategy

The investment manager seeks to provide a growing income stream by investing in a diversified portfolio of high-quality companies. The investment manager combines extensive fundamental research into long-term normalised earnings power, quantitative research and disciplined portfolio construction to identify the most attractive income opportunities. The portfolio is managed in a tax-aware manner in order to maximise the benefit from franking credits and maintain low levels of portfolio turnover.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Pendal Australian Share

Australian share

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Accumulation Index over rolling three-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Derivatives risk
- Equity risk

Strategy

This option is designed for investors who want the potential for long term capital growth and tax effective income, diversification across a broad range of Australian companies and industries and are prepared to accept higher variability of returns. The option may also hold cash and may use derivatives.

Pendal's investment process for Australian shares is based on its core investment style and aims to add value through active stock selection and fundamental company research. Pendal's core investment style is to select stocks based on its assessment of their long-term worth and ability to outperform the market, without being restricted by a growth or value bias. Pendal's fundamental company research focuses on valuation, franchise, management quality and risk factors (both financial and non-financial risk).

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

Allocation

Target	(Range)	
100.0%	(80–100%)	Australian shares
0.0%	(0–20%)	Cash

Pendal Sustainable Australian Share

Australian share

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 200 Accumulation Index over rolling three-year periods, whilst maximising the portfolio's focus on sustainability.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Derivatives risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

This option is designed for investors who want the potential for long-term capital growth and tax effective income, diversification across a broad range of Australian companies and industries and are prepared to accept higher variability of returns. The option uses an active stock selection process that combines Pendal's sustainable and ethical criteria with financial analysis. Pendal actively seeks out companies and industries that demonstrate Environmental, Social and Corporate Governance (ESG) and ethical practices.

The option aims to invest in companies that advance the transition to a more sustainable economy. Pendal's view of a sustainable economy is one which is made up of companies:

- producing or offering products or services that provide social and/or environmental benefits; and/or
- that have leading operational practices with regard to the environment, their employees and community, and conduct their business ethically; and/or
- whose actions, business models and products or services do not cause significant harm.

In managing the portfolio, Pendal focuses on sustainable themes (including energy transformation, sustainable environment, human basics and increasing prosperity), and draws on internal and external research to assess companies on their sustainability performance. In addition to employing a sustainability assessment framework, exclusionary screens are applied to avoid exposure to companies with business activities that Pendal considers to negatively impact the environment and/or society.

Pendal will not invest in companies directly involved in the production of tobacco (including e-cigarettes and inhalers), manufacture or distribution of controversial weapons, supply of goods or services specifically related to controversial weapons, exploration or extraction of fossil fuels (specifically coal, oil and gas), manufacture, own or operate gambling facilities, gaming services or other forms of wagering, produce pornography, manufacture of non-controversial weapons or armaments, produce alcoholic beverages, directly undertake animal testing for cosmetic products or live animal export, directly provide products or services with lending practices that are unfair or deceptive and breaches and misconduct.

The option will also not invest in companies directly involved in any of the following activities, where such activities account for 10% or more gross revenue: fossil fuel-based power generation, fossil fuel refinement or distribution (coal, oil and gas)[1], provision of supplies or services which relate specifically to fossil fuel extraction or exploration (coal, oil and gas)[1], directly mining uranium for the purpose of nuclear power generation, unsustainable forestry or forest products, including non-Forest Stewardship Council certified forest products or non-Roundtable on Sustainable Palm Oil certified palm oil production, indirect provision of gambling, distribution or retailing of pornography, distribution or retailing of non-controversial weapons or armaments; or supply of goods or services specifically related to non-controversial weapons or armaments, distribution or retailing of alcoholic beverages and distribution of tobacco (including e-cigarettes and inhalers) or supply of goods or services specifically related to the tobacco industry.

The option may hold cash and may use derivatives. Exclusionary screens are not applied to cash or derivatives. The use of derivatives may result in the portfolio having indirect exposure to excluded companies from time to time.

Pendal actively engages with the management of the companies they invest in to manage risk, effect change and realise potential value over the long term. Pendal's engagement strategy and priorities for individual companies is also guided by Pendal's Sustainability Assessment Framework to identify opportunities to enhance the sustainability of their products or services, or operational practices.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

1 Companies with a climate transition plan may be exempted from this exclusion, provided that they have in place a Paris Agreement aligned transition plan and produce climate-related financial disclosures annually, which in both cases the manager considers credible.

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Perennial Value Australian Share

Australian share

Objective

To grow the value of your investment over the long term via a combination of capital growth and tax-effective income by investing in a diversified portfolio of Australian shares. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Perennial Value is an active value-based investment manager which invests in companies which are believed to have sustainable businesses (qualitative) and offer good value (quantitative). Original research is the cornerstone to this approach. Detailed modelling is conducted on approximately 200 companies, comprising the major companies listed on the Australian Securities Exchange and a number of smaller and mid-cap companies where the market capitalisation exceeds $50 million (therefore the shares may at times fall outside the S&P/ASX 300 Accumulation Index). The process aims to ensure that the investment decisions are focused on buying stocks offering good value and selling stocks offering poor value. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Perpetual Australian Share

Australian share

Objective

To provide long-term capital growth and regular income through investment in quality industrial and resource shares. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: conservative debt levels; sound management; quality business; and recurring earnings. Derivatives may be used in managing this option. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares[1]
0.0%	(0–10%)	Cash

1 The option invests primarily in Australian listed shares, and may have up to 20% exposure to stocks outside of Australia. Currency hedges may be used from time to time. Currency risk is due to the exposure to international companies.

Perpetual Industrial Share

Australian share

Objective

To provide long-term capital growth and regular income predominantly through investment in quality Australian industrial shares. The option aims to outperform the S&P/ASX 300 Industrials Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Low Medium High 7

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: conservative debt levels; sound management; quality business; and recurring earnings. Derivatives may be used in managing the option. The option may hedge some currency risk.

Allocation

Target	(Range)	
100%	(90–100%)	Australian industrial shares[1]
0%	(0–10%)	Cash

1 The option invests primarily in Australian listed shares, and may have up to 20% exposure to stocks outside of Australia. Currency hedges may be used from time to time. Currency risk is due to the exposure to international companies.

Platypus Australian Equities

Australian share

Objective

The option aims to outperform the S&P/ASX 300 Accumulation Index (before fees and expenses) over a rolling three-year rolling period.

Minimum suggested timeframe

At least 7 years

Risk

Low Medium High 7

Option-specific risks

- Equity risk

Strategy

The option aims to deliver strong returns over the medium to long-term by identifying high quality Australian companies with strong future growth prospects. The option adopts a 'high conviction' approach, meaning the portfolio is concentrated, holding typically between 25 and 40 stocks listed on an Australian securities exchange. The option can invest up to 100% of its assets in Australian shares, however, it generally holds up to 10% in cash and cash equivalents.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash and cash equivalents

RQI Australian Value

Australian share

Objective

To provide capital and income growth by investing in Australian shares and outperforming the S&P/ASX 200 Accumulation Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk

Strategy

RQI forms a universe of Australian companies based on accounting measures, which gives the portfolio a value tilt. In addition, factors such as quality, near-term value, fundamental momentum and market sentiment are applied to form a final portfolio of companies. The resulting portfolio has a value tilt relative to the benchmark and provides the benefits of being lower in cost, lower turnover and highly diversified compared to traditional active investment strategies. By weighting the portfolio based on accounting measures and factors such as quality, fundamental momentum and market sentiment, RQI aims to generate higher returns versus the benchmark over the long term.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

Schroder Australian Equity

Australian share

Objective

To outperform the S&P/ASX 200 Accumulation Index over rolling three-year periods before fees and taxes, by investing in a broad range of companies from Australia and New Zealand.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

The option is an actively managed core Australian equity portfolio with a focus on investing in quality stocks predominantly in Australia characterised by strong returns on capital with a sustainable competitive advantage. The option draws on Schroders' deep research capabilities, with a long term focus on investing, it is suitable as a core portfolio holding over the medium to long term. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

Solaris Core Australian Equity

Australian share

Objective

To outperform the S&P/ASX 200 Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Derivatives risk
- Equity risk

Strategy

Solaris has an investment style described as style-neutral having no consistent bias to value or growth stocks. Solaris picks stocks using fundamental analysis to exploit market inefficiencies in forecasts and valuations. Fundamental analysis and stock selection are optimised by analysts being empowered and rewarded as portfolio managers.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

WaveStone Australian Share

Australian share

Objective

The option aims to outperform the S&P/ASX 300 Accumulation Index before fees, costs and taxes over rolling three-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low | Medium | High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk
- Small cap risk

Strategy

WaveStone is an active investment manager that places primary emphasis on bottom-up stock picking through comprehensive research, instead of targeting a market index exposure.

WaveStone's investment approach focuses on companies which WaveStone believe exhibit Sustainable Competitive Advantage (SCA). A company's SCA is determined after analysing its corporate make up or 'DNA' and the broader industry dynamics within which it operates. This includes an assessment of the track record of the company's management team including their approach to capital allocation. WaveStone then applies a set of valuation, balance sheet and growth tests to further refine the number of companies that are considered suitable for the portfolio. Engagement with companies on ESG factors is a core part of the investment process and WaveStone believe that this provides additional insight into the business. Applying portfolio risk guidelines to the target portfolio of companies together with an assessment of how each company's share price is currently trading will determine the final portfolio mix for the option, typically between 30-50 individual company holdings.

The option can invest up to 10% in companies listed on international stock exchanges. This exposure may be hedged back to the Australian dollar from time to time at WaveStone's discretion. Derivatives may be used as a risk management tool to hedge against adverse market movements and at times, to gain exposure to underlying investments.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares[1]
0.0%	(0–10%)	Cash

1 Maximum 10% weighting to global shares listed in developed markets.

Ausbil Australian Emerging Leaders

Australian share – small companies

Objective

To provide long-term growth by investing in both mid and smallcap stocks which possess potential for superior growth. The option aims to outperform the composite benchmark (70% S&P/ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index) over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low | Medium | High

Option-specific risks

- Equity risk
- Small cap risk

Strategy

The option predominantly invests in a portfolio of listed mid and small-cap Australian equities in the S&P/ASX 300 Index, but generally excludes securities from the S&P/ASX 50 Index. The option seeks to identify earnings and earnings revisions at an early stage, and hence to pre-empt stock price movements. The manager also seeks to position the portfolio towards those sectors and stocks which it believes will experience positive earnings revisions and away from those it believes will suffer negative revisions. At any time, the portfolio will be tilted toward stocks which afford the most compelling opportunities for appreciation over the coming 12 months.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Celeste Australian Small Companies

Australian share – small companies

Objective

To provide exposure to listed Australian companies outside the S&P/ASX 100 Accumulation Index and produce investment returns which exceed the S&P/ASX Small Ordinaries Accumulation Index, over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Small cap risk

Strategy

The option provides exposure to a portfolio of 20 to 50 smaller company shares, actively managed to achieve returns above the S&P/ASX Small Ordinaries Accumulation Index over the medium term.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

Eiger Australian Small Companies

Australian share – small companies

Objective

The option aims to outperform the S&P/ASX Small Ordinaries Accumulation Index over rolling fiveyear periods (after fees and taxes).

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk
- Small cap risk

Strategy

The option is an actively managed, style unaware portfolio of small to medium companies. The Eiger team follow a disciplined and proven investment management approach which seeks to identify quality companies that can deliver over the medium term. The option does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares[1]
0.0%	(0–10%)	Cash

1 The option may have a small exposure to shares listed solely on the New Zealand Stock Exchange in its Australian share exposure.

First Sentier Australian Small Companies

Australian share – small companies

Objective

To provide long-term capital growth by investing predominantly in small Australian companies. The option aims to outperform the S&P/ASX Small Ordinaries Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Equity risk
- Small cap risk

Strategy

The option's strategy is to favour companies with sustainable competitive advantages, strong financials, quality management and predictable earnings. By investing in these companies, the option aims to deliver superior returns over the long term. The option predominantly invests in Australian companies and therefore does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

1 A reference to Australian shares or companies may include, for example, units in trusts listed on the Australian Securities Exchange (ASX) and/or investments in companies listed on an overseas stock exchange if they are also listed on the ASX. The option may have a small exposure to shares listed solely on the New Zealand Stock Exchange in its Australian share exposure. The option may also purchase unlisted securities on the basis that the securities will list in the future.

Infinity SMID Australian Equity

Australian share – small companies

Objective

The option aims to outperform the S&P/ASX Mid Small Cap Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Small cap risk

Strategy

This strategy is designed for investors who may be seeking exposure to a mix of small to mid-cap Australian companies listed on the ASX and part of the S&P/ASX Mid Small (TR) Index, who can tolerate a high level of investment risk and the potential for negative returns in any single year. The long-term, strategic asset allocation aims to have 100% exposure to growth assets (shares and listed property).

Infinity adopts an active approach to managing investment portfolios with an integrated focus on sustainable investing. Infinity's investment philosophy is built on the premise that financial markets are inefficient over the short to medium term and that appropriate asset allocation along with security selection can be utilised to effectively reduce overall investment risk while providing the opportunity to add value through a market cycle.

Allocation

Target	(Range)	
100.0%	(85–100%)	Australian shares
0.0%	(0–15%)	Cash

Investors Mutual Future Leaders

Australian share – small companies

Objective

To provide a rate of return (after fees and expenses and before taxes) that exceeds the return of the S&P/ASX Small Ordinaries Accumulation Index on a rolling four-year basis.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk
- Small cap risk

Strategy

The option will invest in a diversified portfolio of quality ASX listed Australian shares outside the Top 50 shares listed on the ASX, where these shares are identified by the investment team as being undervalued. The option may hedge some currency risk.

Allocation

Target	(Range)	
100.0%	(80–100%)	Australian shares
0.0%	(0–20%)	Cash

Longwave Australian Small Companies

Australian share – small companies

Objective

The option aims to outperform the S&P ASX Small Ordinaries Accumulation Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk
- Small cap risk

Strategy

The strategy consists of a combination of fundamental and quantitative processes leading to a diversified portfolio of high-quality small companies.

Quantitative models built from many years of fundamental experience and insight are designed to assess companies for risk of failure across a range of characteristics, for example commercial viability, shareholder risk, management and business quality, accounting risk, significant company events and liquidity.

Fundamental research is applied to each company to identify probability of outperformance and determine business value drivers, apply analyst judgements, and form a view on fair value.

The option does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

OC Premium Small Companies

Australian share – small companies

Objective

To outperform the S&P/ASX Small Ordinaries Accumulation index by 3–5% over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Small cap risk

Strategy

OC provides a long-only benchmark-unaware strategy with a target investment universe of ASX-listed securities outside the S&P/ASX 100 Index. OC has a bottom-up, active approach to investing where the research effort is internally driven and focused on company visits and industry analysis. The team has a core focus on high quality businesses, favouring companies with strong management, simple and transparent business models, sustainable competitive advantages, favourable operational risk characteristics and attractive valuation metrics. There is a heavy emphasis on risk management, where OC screens out complex or speculative businesses from its investment process. The team also has a strong sell discipline which helps minimise losses when companies' financial or operational expectations are not met.

Allocation

Target	(Range)	
100.0%	(80–100%)	Australian shares
0.0%	(0–20%)	Cash

RQI Australian Small Cap Value

Australian share – small companies

Objective

To provide capital and income growth by investing in smaller Australian companies and outperforming the S&P/ASX Small Ordinaries Accumulation Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Small cap risk

Strategy

RQI forms a universe of smaller Australian companies based on accounting measures, which gives the portfolio a value tilt. In addition, factors such as quality, near-term value, fundamental momentum and market sentiment are applied to form a final portfolio of companies. The resulting portfolio has a value tilt relative to the benchmark and provides the benefits of being lower in cost, lower turnover and highly diversified compared to traditional active investment strategies. By weighting the portfolio based on accounting measures and factors such as quality, fundamental momentum and market sentiment, RQI aims to generate higher returns versus the benchmark over the long term.

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

Acadian Global Equity

Global share

Objective

To maximise risk-adjusted, long term active returns from a diversified portfolio of global securities while actively incorporating a range of Environmental, Social and Governance (ESG) investment criteria and reducing exposure to carbon intensive companies relative to the benchmark. The option aims to outperform the MSCI World ex Australia Index over rolling four-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

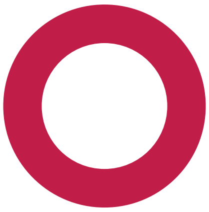
Option-specific risks

- Currency risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

Acadian utilises a systematic multi-factor investment approach, while integrating a range of ESG criteria, to select stocks. The option aims to exclude stocks associated (to varying degrees) with the following activities: production or manufacturing of tobacco and controversial weapons; production or manufacture of products in alcohol, gambling and adult entertainment; thermal coal mining or extraction of unconventional oil and gas; fossil fuel companies considered to be climate transition laggards[2] and stocks considered to have business practices that violate the UN Global Compact. Acadian will target a reduction in weighted average carbon intensity (WACI) of the portfolio relative to the MSCI World ex Australia index. The option will also aim to maintain a positive active exposure to stocks considered to be contributing to environmental and social objectives as defined by the UN Sustainable Development Goals. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Antipodes Global

Global share

Objective

To achieve absolute returns in excess of the MSCI All Country World Index over rolling five-year periods before fees and taxes at below market levels of risk.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

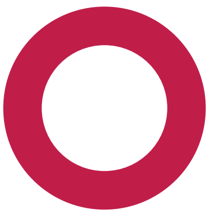
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Term risk

Strategy

Antipodes seeks to take advantage of the market's tendency for irrational extrapolation, identify investments that offer a high margin of safety and build high conviction portfolios with a capital preservation focus. The strategy typically invests in a select number of attractively valued companies listed on global share markets (usually a minimum of 30 long holdings) and will typically have a net equity exposure of 50–100%. Long and short positions may be used where Antipodes sees attractive opportunities and also to offset specific unwanted portfolio risks and provide some protection from tail risk. Derivatives may also be used to amplify high conviction ideas. The option may hedge some currency risk.

Allocation



Target	(Range)	
100.0%	(50–100%)	Global shares[1]
0.0%	(0–50%)	Cash

1 Including equity derivatives

Note: The underlying portfolio's gross exposure is limited to 150% net asset value of the underlying portfolio. The maximum allowable net equity exposure is 100% of the net asset value.

This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

2 Fossil Fuel Companies deemed Climate Transition Laggards are defined as any companies that derive: (a) >10% revenue from the extraction and production of oil and gas (as identified via third party data); or (b) >10% revenue from power generation associated with fossil fuels (thermal coal, liquid fuel and natural gas) as identified via third party data are identified in the first step. In a second step, those companies (identified in the first step) that appear unable or unwilling to transition to the low carbon economy are excluded. To identify companies that appear unable or unwilling to transition to the low carbon economy the Manager employs a proprietary classification model. The Manager's classification model uses proprietary techniques and third party data. Companies showing strong evidence of transitioning towards the low carbon economy are classified climate transition leaders. These climate transition leaders typically exhibit at least one of the following characteristics: a committed/approved science-based target, a strong ability to manage carbon risks, an announced decarbonization target together with carbon intensity below its sector peer group, and/or revenue derived from alternative energy. Conversely companies not displaying any of the above characteristics are categorized as climate transition laggards, and excluded during this second step.

Baillie Gifford Sustainable Growth

Global share

Objective

To outperform the MSCI All Country World Index in AUD over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The Sustainable Growth option aims to invest in companies that are capable of maintaining a decade or more of profitable growth and are doing so either by distributing products/services that can create value for society, or by demonstrating business practices that help to shape industry standards and influence wider change. The portfolio is a diversified collection of 55-80 holdings, designed to sit at the heart of a client's growth equity allocation.

The option does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Baillie Gifford Long Term Global Growth

Global share

Objective

To outperform the MSCI All Country World Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

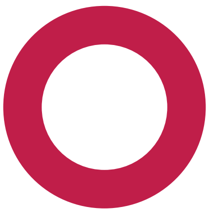
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The option is a purely stock-driven, unconstrained global equity strategy focused on investing in exceptional growth companies. This approach is expressly long term, with Baillie Gifford holding a belief that investing in companies with the scope to grow to multiples of their current size has the potential to transform the returns for investors over time. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

Barrow Hanley Concentrated Global Share

Global share

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the MSCI World ex-Australia Index in AUD over rolling five-year periods

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

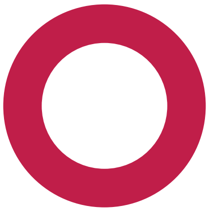
Strategy

The Investment Manager strives to achieve the objectives by adopting a value-oriented, bottom-up investment process focused on in-depth fundamental research to identify companies that trade below their intrinsic value for reasons that they can identify, believe are temporary and have a clearly identified path to achieving fair value.

The Investment Manager aims to select the most attractive securities to construct a concentrated, high active share portfolio that provides asymmetrical returns by participating in up markets while protecting in down markets. The portfolio will exhibit a clear value bias and seek characteristics such as 1) price / earnings ratios below the market, 2) price / book ratios below the market, 3) enterprise value / free cash flow ratios below the market and 4) dividend yields above the market.

The option will primarily invest in companies incorporated in developed markets and may hold up to 20% of the portfolio in companies incorporated in emerging markets. The portfolio has no direct tobacco stock exposure. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Barrow Hanley Global Share

Global share

Objective

To provide long-term capital growth and income through investment in quality global shares. The option aims to outperform the MSCI World Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

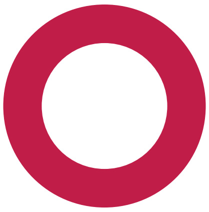
Strategy

The Investment Manager strives to achieve the objectives by adopting a value-oriented, bottom-up investment process focused on in-depth fundamental research to identify companies that trade below their intrinsic value for reasons that they can identify, believe are temporary and have a clearly identified path to achieving fair value.

The Investment Manager aims to select the most attractive securities to construct a well-diversified, high active share portfolio that provides asymmetrical returns by participating in up markets while protecting in down markets. The portfolio will exhibit a clear value bias and seek characteristics such as 1) price/earnings ratios below the market, 2) price/book ratios below the market, 3) enterprise value/free cash flow ratios below the market and 4) dividend yields above the market.

The option will primarily invest in companies incorporated in developed markets and may hold up to 20% of the portfolio in companies incorporated in emerging markets. The portfolio has no direct tobacco stock exposure. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

Capital Group New Perspective

Global share

Objective

The option's investment objective is to outperform the MSCI All Country World Index ("Benchmark") over rolling five-year periods before fees and taxes while achieving long term growth of capital. The strategy invests primarily in common stocks of companies located around the world, which may include Emerging Markets.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

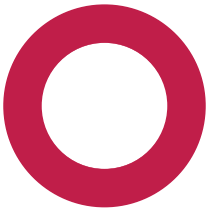
- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The Capital Group New Perspective strategy seeks long-term capital appreciation and focuses on capturing investment opportunities created by global economic growth and changing patterns of world trade and economic relationships. It seeks to invest mainly in stocks of well-established multinational companies. Managers seek to own both global market leaders as well as those which have the capacity to develop into the global market leaders of tomorrow. A high-conviction portfolio is built from bottom-up research, drawing on the best-ideas of several portfolio managers, each of whom makes portfolio decisions independently. The strategy has a global mandate that allows portfolio managers to pursue appreciation through changing global trade patterns – wherever they may occur. The strategy is managed in a manner that is conscious of, but not constrained by, the composition of the Benchmark. New Perspective's composition will typically be different to the benchmark reflecting portfolio managers' bottom-up research. The strategy is not hedged to Australian dollars.

The Capital Group New Perspective strategy aims to manage a carbon footprint for its investment in corporate issues that is generally at least 30% lower than MSCI All Country World Index as well as evaluate and apply ESG and norms-based screening to implement exclusions for corporate issuers.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Capital Group New Perspective – Hedged

Global share

Objective

The option's investment objective is to outperform the MSCI All Country World Index hedged to AUD ("Benchmark") over rolling five year periods before fees and taxes while achieving long term growth of capital. The strategy invests primarily in common stocks of companies located around the world, which may include Emerging Markets.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

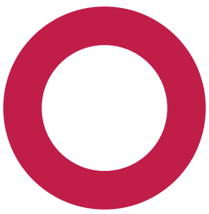
- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The Capital Group New Perspective strategy seeks long-term capital appreciation and focuses on capturing investment opportunities created by global economic growth and changing patterns of world trade and economic relationships. It seeks to invest mainly in stocks of well-established multinational companies. Managers seek to own both global market leaders as well as those which have the capacity to develop into the global market leaders of tomorrow. A high-conviction portfolio is built from bottom-up research, drawing on the best-ideas of several portfolio managers, each of whom makes portfolio decisions independently. The strategy has a global mandate that allows portfolio managers to pursue appreciation through changing global trade patterns – wherever they may occur. The strategy is managed in a manner that is conscious of, but not constrained by, the composition of the Benchmark. New Perspective's composition will typically be different to the benchmark reflecting portfolio managers' bottom-up research. The strategy is hedged to Australian dollars.

The Capital Group New Perspective strategy aims to manage a carbon footprint for its investment in corporate issues that is generally at least 30% lower than MSCI All Country World Index as well as evaluate and apply ESG and norms-based screening to implement exclusions for corporate issuers

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Epoch Global Equity Shareholder Yield

Global share

Objective

To generate superior risk-adjusted returns with a dividend yield that exceeds the dividend yield of the MSCI World (ex Australia) Index, over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The option pursues attractive total returns with an above average level of income by investing in a diversified portfolio of global companies with strong and growing free cash flow. Companies in the portfolio possess managements that focus on creating value for shareholders through consistent and rational capital allocation policies with an emphasis on cash dividends, share repurchases and debt reduction – the key components of shareholder yield. The portfolio generally holds between 90 and 120 stocks from equity markets worldwide (including emerging markets), with risk controls to diversify the sources of shareholder yield and minimise volatility. The option does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

GQG Partners Global Equity

Global share

Objective

The option aims to seek long term capital appreciation by investing directly or indirectly in equity securities and equity-linked securities anywhere in the world that GQG Partners believes can sustain long term earnings growth and are available at a reasonable price. The objective of the option is to provide a rate of return (after fees and expenses and before taxes) which exceeds the return of the MSCI All Country World Index ex Tobacco Index (AUD) over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

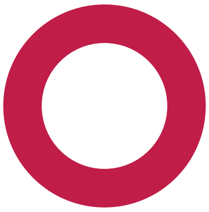
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The GQG Global Equity strategy seeks long-term capital appreciation by investing primarily in the equity securities of both U.S. and non-U.S. issuers that GQG believes are undervalued by the market. GQG believes that concentrated portfolios comprised of companies meeting GQG's quality and growth criteria, managed in a benchmark-agnostic fashion, will enable them to offer attractive risk-adjusted returns against the market index. GQG believes that out-performing the benchmark in down markets is essential to achieving compounding. Therefore, the investment philosophy is ingrained in seeking to buy high-quality companies and building portfolios that focus on diversifying end-consumer risk. GQG expects that this approach will achieve the dual objectives of achieving growth and managing downside risk. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash and cash equivalents

GQG Partners Global Equity – Hedged

Global share

Objective

The option aims to seek long term capital appreciation by investing directly or indirectly in equity securities and equity-linked securities in the world that GQG Partners believes can sustain long term earnings growth and are available at a reasonable price. The objective of the option is to provide a rate of return (after fees, expenses and before taxes) which exceeds the return of the MSCI All Country World Index ex Tobacco Index hedged to AUD over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The GQG Global Equity strategy seeks long-term capital appreciation by investing primarily in the equity securities of both U.S. and non-U.S. issuers that GQG believes are undervalued by the market. GQG believe that concentrated portfolios of high-quality companies with durable earnings, managed in a benchmark-agnostic fashion, will enable them to offer attractive risk-adjusted returns against the market index. GQG believe that out-performing in down markets is essential to achieving compounding. Therefore, the investment philosophy ingrained in buying high-quality companies and building portfolios that focus on diversifying end-consumer risk. GQG expect that this approach will achieve the dual objectives of achieving growth and protecting on the downside. The option aims to hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash and cash equivalents

Hyperion Global Growth Companies

Global share

Objective

The option aims to achieve long-term returns above the MSCI World Index over rolling five-year periods (before fees and taxes) and minimise the risk of permanent capital loss.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

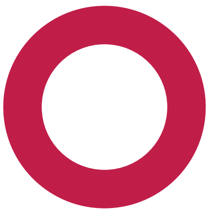
- Currency risk
- Equity risk

Strategy

The strategy invests primarily in growth-oriented companies listed on recognised global exchanges. Typically, the strategy is highly concentrated with 15-30 stocks.

Hyperion's investment process uses rigorous and in-depth quantitative and qualitative analysis to establish a unique portfolio. Fundamental analysis is central to the research effort, with a particular focus afforded to company-specific and qualitative industry factors. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Intermede Global Equities

Global share

Objective

The option aims to deliver a return that exceeds the MSCI All Country World Index (before fees and taxes) over rolling seven-year periods.

Minimum suggested timeframe

At least 7 years

Risk

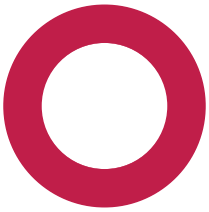
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

Intermede looks for companies that it believes meets all of the following criteria; a sustainable competitive advantage, e.g. a dominant position in its industry, a superior business model, e.g. its costs grow more slowly than revenue, excellent management team e.g. proven track record and clear strategy for growth, and which has a share price lower than Intermede's valuation for the company. The option may hedge some currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Magellan Global Share

Global share

Objective

To achieve attractive risk-adjusted returns over the medium-to-long term, while reducing the risk of permanent capital loss via investment in global shares. The option aims to deliver 9% p.a. net of fees over the economic cycle. The option also aims to outperform the MSCI World Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

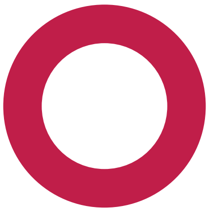
Option-specific risks

- Credit risk
- Currency risk
- Emerging markets risk
- Equity risk

Strategy

Magellan aims to find companies at attractive prices which have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. Magellan will endeavour to acquire these companies at a discount to its assessment of the intrinsic value of the companies. The portfolio will consist of 20 to 40 investments. This option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Magellan Global Share – Hedged[1]

Global share

Objective

To achieve attractive risk-adjusted returns over the medium-to-long term, while reducing the risk of permanent capital loss via investment in global equities. The option aims to deliver 9% p.a. net of fees over the economic cycle. The option also aims to outperform the MSCI World Index hedged to Australian dollars over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

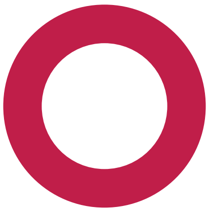
Option-specific risks

- Credit risk
- Currency risk
- Emerging markets risk
- Equity risk

Strategy

Magellan aims to find companies at attractive prices which have sustainable competitive advantages which translate into returns on capital in excess of their cost of capital for a sustained period of time. Magellan will endeavour to acquire these companies at a discount to its assessment of the intrinsic value of the companies. The portfolio will consist of 20 to 40 investments. The option aims to hedge foreign currency exposure.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

1 Hedged means the option aims to hedge currency exposure.

MFS Global Equity

Global share

Objective

To provide capital appreciation over the longer term by investing in a diversified portfolio of global shares (unhedged) and aims to outperform the MSCI World Index over rolling five-year periods, before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

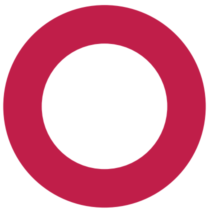
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

MFS' philosophy is based on the belief that companies with durable above-average growth and return prospects, which are not reflected in their valuation, will outperform over the long run. The value of compounding high returns on capital and above-average growth rates over long time periods is often underestimated by the market. Through fundamental analysis, MFS seeks to identify enduring businesses, focusing on operational risks and the long-term potential for change. MFS considers whether the valuation reflects the long-term growth and returns of the company, and to what extent it adequately incorporates risk. This option does not typically hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Nanuk New World

Global share

Objective

To outperform the MSCI All Country World Index in AUD over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

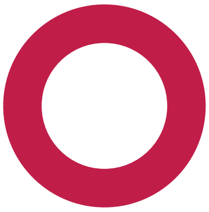
The option is an actively managed, diversified, global equity strategy that seeks to outperform traditional global equity indices through investment in a large and growing component of the overall global equity universe positively impacted by global sustainability trends. The option provides investors with exposure to a diversified portfolio of listed companies that are assessed to be benefiting from, or contributing to, improving global environmental sustainability and resource efficiency – primarily in areas such as clean energy, energy efficiency, industrial efficiency, advanced and sustainable materials, waste management, recycling and pollution control, food and agricultural productivity and healthcare technology.

Nanuk's investment process incorporates a valuation-based approach coupled with fundamental insights into industries and investee companies and is focused on delivering strong investment returns from a negatively and positively screened investment universe focused on industries related to environmental sustainability and resource efficiency. Nanuk seeks to avoid investment in companies with levels of involvement in activities that are deemed by Nanuk to be inconsistent with the option's focus on sustainability, companies operating in severe or potentially severe contravention of established norms for responsible business practices (such as those outlined in the UN Global Compact) or companies that are involved in areas of significant environmental or ethical concern set by Nanuk from time to time, or otherwise misaligned with the sustainability focus of Nanuk. This is implemented via negative based screening in the construction of the option's investment universe.

The option does not hedge currency exposure.

For further details about Nanuk's investment process, please see Nanuk's ESG Policy.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Pendal Global Select

Global share

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the MSCI All Country World Index over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

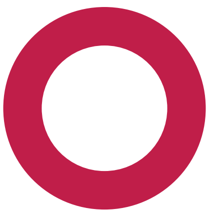
The option is designed for investors who want the potential for long-term capital growth from a concentrated portfolio of developed and emerging market listed global equities, with an investment time frame of five years or greater and are prepared to accept higher variability of returns.

The option's strategy is based on a belief that stock markets are inefficient and aim to exploit market anomalies via an investment process that combines both top-down and bottom-up research. The underlying investment manager's distinct '4-Dimensional' investment process (stocks, sectors, countries, time/change) focuses on the behaviour of each share price to determine whether the most important driver of each prospective investment is stock specific, sector or country-based. The strategy will typically hold 30–60 stocks and is benchmark agnostic.

The option has assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the strategy. Generally, these currency exposures will not be hedged to the Australian dollar but Pendal may do so from time to time.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives may also be used to gain exposure to assets and markets.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Royal London Concentrated Global Share

Global share

Objective

The option seeks to outperform the MSCI World Index by 2-3% after fees and taxes, over rolling five-year periods through investment in a focused selection of equities on a global basis.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

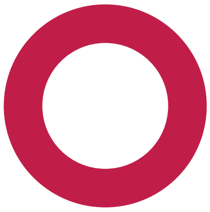
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

The option adopts a high conviction, long-only stock picking approach that invests in listed shares of 20 – 45 companies around the globe which aims to create shareholder wealth as a result of their intentional management strategy and/or business models; identify stocks that are priced at a significant discount to conservative estimates of cash-based, long-term intrinsic value; and demonstrate a reasonable investment 'margin of safety' in the analysis of these two attributes. The option aims to be fully invested in global listed shares, however will have exposure to cash. The combination of management strategy, capital allocation, business models, long-term valuation opportunities and an investment 'margin of safety' leads to a style that is both valuation and quality focused. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Royal London Core Global Share

Global share

Objective

The option seeks to outperform the MSCI World Index by 1–1.25% after fees and taxes, over rolling five-year periods before fees and taxes, through investment in a diversified selection of equities on a global basis.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

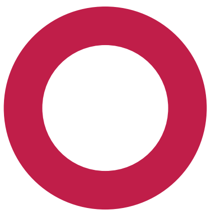
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

The option adopts a long-only stock picking approach that invests in listed shares of 150-250 companies around the globe, which aims to; create shareholder wealth as a result of their intentional management strategy and/or business models; identy stocks that are priced at a significant discount to conservative estimates of cash-based, long-term intrinsic value and demonstrate a reasonable investment 'margin of safety' in the analysis of the above two attributes.

The option aims to be fully invested in global listed shares, however will have exposure to cash. The combination of management strategy, capital allocation, business models, long-term valuation opportunities and an investment 'margin of safety' leads to a style that is both valuation and quality focused. The option may have exposure to derivatives or exchange traded options for exposure management purposes. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

RQI Global Value

Global share

Objective

To provide capital and income growth by investing in global shares and outperforming the MSCI All Country World (ex Australia) Index, over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

RQI forms a universe of global companies based on accounting measures, which gives the portfolio a value tilt. In addition, factors such as quality, near-term value, fundamental momentum and market sentiment are applied to form a final portfolio of companies. The resulting portfolio has a value tilt relative to the benchmark and provides the benefits of being lower in cost, lower turnover and highly diversified compared to traditional active investment strategies. By weighting the portfolio based on accounting measures and factors such as quality, fundamental momentum and market sentiment, RQI aims to generate higher returns versus the benchmark over the long term. The option does not hedge currency exposure.

Allocation

Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

RQI Global Value – Hedged

Global share

Objective

To provide capital and income growth by investing in global shares and outperforming the MSCI All Country World (ex Australia) Index, hedged to Australian dollars over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

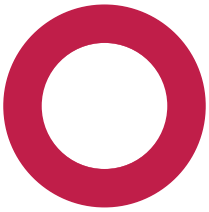
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

RQI forms a universe of global companies based on accounting measures, which gives the portfolio a value tilt. In addition, factors such as quality, near-term value, fundamental momentum and market sentiment are applied to form a final portfolio of companies. The resulting portfolio has a value tilt relative to the benchmark and provides the benefits of being lower in cost, lower turnover and highly diversified compared to traditional active investment strategies. By weighting the portfolio based on accounting measures and factors such as quality, fundamental momentum and market sentiment, RQI aims to generate higher returns versus the benchmark over the long term. The option aims to hedge currency exposure.

Allocation



Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

Stewart Investors Worldwide Leaders Sustainability

Global share

Objective

To achieve long-term capital appreciation by investing in companies that contribute to, and benefit from, sustainable development. The option aims to exceed the MSCI All Country World Index over rolling five-year periods before fees and taxes. The option is actively managed and the benchmark does not limit or constrain portfolio construction.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

Strategy

The option aims to achieve its investment objective by investing in a diversified portfolio of equity or equity-related securities[1] of larger capitalisation companies which are listed in, traded or dealt on any of the regulated markets worldwide.

Stewart Investors undertakes a bottom-up and qualitative approach to identifying, analysing and investing in companies, which it believes can deliver long-term positive financial returns and also contribute to, and benefit from, sustainable development. Stewart Investors considers a company contributes to, and benefits from, sustainable development if its activities lead to positive social outcomes and may lead to positive environmental outcomes.

The option invests in larger capitalisation companies with a minimum investible market cap (free float) of US$5 billion at the time of initial investment.[2,3]

The option does not hedge currency risk.

For more information about Stewart Investors' investment process, please refer to 'Stewart Investors' approach to sustainability and ESG'.

Allocation

Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

1 The option may have exposure to 'equity-related securities' if it is entitled to such securities via a corporate action.

2 For the purposes of this option, Stewart Investors refers to companies of this size as 'Leaders'.

3 The option can actively trade (buy and sell) a security that it continually holds, even if the minimum investable market cap falls below the threshold.

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

Talaria Global Equity

Global share

Objective

The option aims to generate superior risk-adjusted returns and distributions 3% per annum greater than the yield on the MSCI World (ex Australia) Value Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

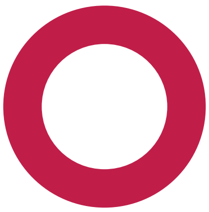
Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

Talaria's lower risk approach seeks to compound wealth and reduce volatility via a combination of capital appreciation and an above average level of income. Talaria generally invests in 25 – 40 global companies trading at discounts to its assessment of their intrinsic value. The conservative use of options to enter and exit positions generates consistent income and lowers portfolio volatility. This option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares and options
0.0%	(0–20%)	Cash

T. Rowe Price Global Equity

Global share

Objective

To provide long-term capital appreciation by investing primarily in a diversified portfolio of companies that have the potential for above-average and sustainable rates of earnings growth. The option aims to outperform the MSCI All Country World (ex Australia) Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

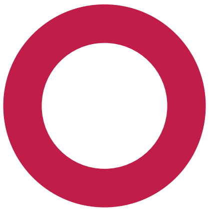
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

T. Rowe Price believes that active management, driven by bottom-up fundamental research, can uncover and exploit anomalies among global equities. The team applies a global, high-conviction, and growth oriented approach, looking for companies with the potential for either growth or relative improvement, located in industries where the outlook is becoming more attractive across developed and emerging markets. The option's benchmark is unhedged. Currency hedging may be used from time to time.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

T. Rowe Price Global Equity – Hedged

Global share

Objective

To provide long-term capital appreciation by investing primarily in a diversified portfolio of companies that have the potential for above average and sustainable rates of earnings growth. The option aims to outperform the MSCI All Country World (ex Australia) Index – Hedged over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

T. Rowe Price believes that active management, driven by bottom-up fundamental research, can uncover and exploit anomalies among global equities. The team applies a global, high-conviction, and growth-oriented approach, looking for companies with the potential for either growth or relative improvement, located in industries where the outlook is becoming more attractive across developed and emerging markets. The option aims to hedge currency risk.

Allocation

Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Aikya Emerging Markets Opportunities

Global share – emerging markets

Objective

The option aims to achieve long-term capital growth against the MSCI Emerging Markets Index over rolling five-year periods (after fees and taxes), by investing in high quality companies. These companies should make a positive contribution to sustainable development within the countries in which they operate.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Investment performance risk from sustainability exclusions

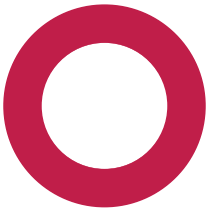
Strategy

The option's investment strategy is to identify the highest quality companies listed or operating within Emerging Markets that can deliver long term growth whilst aiming to limit downside. The Manager ("Aikya") is a fundamental, bottom-up investor, conducting analysis at the level of individual companies whose equity (or equity- related) securities are being considered for inclusion. The investment process takes place via idea generation, stock selection, portfolio construction, monitoring and engaging, and sell decisions. The option has a high conviction approach resulting in a 30-35 typical stock portfolio.

Aikya's investment philosophy is focused around the quality of a company which is determined with reference to (i) quality of stewardship (ii) quality of franchise and (iii) quality of financials. Aikya believes that investing in high-quality companies maximises returns, and that environmental, social (including labour standards) and ethical (incorporating corporate governance) ('ESG') considerations are integral to determining the quality of a company. These ESG considerations are incorporated when Aikya conducts stewardship, franchise and financial analysis of companies.

Aikya believes that investment and ESG considerations are inextricably interlinked, because investing in Emerging Markets requires understanding a complex array of sustainable development challenges which create certain long-term investment risks and opportunities that are not typically appreciated by the broader investment community. Currency exposure will generally be unhedged.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Fidelity Asia

Global share – emerging markets

Objective

To achieve returns in excess of the MSCI All Country Asia (ex-Japan) Index over rolling five-year periods, before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

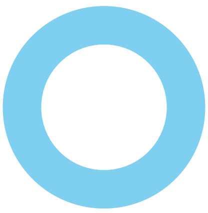
The Fidelity Asia option provides investors with the potential for long-term capital growth by investing in companies located in Asia, as well as companies located elsewhere that derive a significant proportion of their earnings from Asia (Asian Shares).

Fidelity believes that markets are semi-efficient and share prices don't always reflect inherent value. Through in-house, bottom-up company research, Fidelity aims to uncover the opportunities that it believes offer the greatest scope for outperformance.

Based on this research approach, Fidelity seeks out stocks that it believes are undervalued and likely to generate growth. The companies selected for the portfolio must demonstrate strong management, financial strength and competitive advantages.

The option's exposure to international securities will not be hedged back to Australian dollars. This means that the value of an investment in the option will change not only on the basis of a change in asset values, but also because of movements in exchange rates.

Allocation



Target	(Range)	
100.0%	(90–100%)	Asian shares
0.0%	(0–10%)	Cash

Pendal Global Emerging Market Opportunities

Global share – emerging markets

Objective

The option aims to provide a return (before fees, costs and taxes) that exceeds the MSCI Emerging Markets Index over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

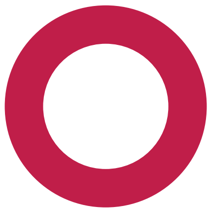
This option is designed for investors who want the potential for long-term capital growth, diversification across a broad range of global emerging market shares and are prepared to accept high variability of returns. The option can invest in shares in a range of emerging markets and may also hold cash.

The manager's investment process for global emerging market shares aims to add value through a combination of country allocation as well as individual stock selection. The manager's country allocation process is based on analysis of a country's economic growth, monetary policy, market liquidity, currency, governance/politics and equity market valuation. The stock selection process focuses on buying quality growth stocks at attractive valuations.

The option has assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the option. The option's foreign currency exposure will generally not be hedged to the Australian dollar but the manager may do so from time to time. The manager does not intend to use currency trading as an additional source of the option's returns.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

Platinum Asia

Global share – emerging markets

Objective

To provide capital growth over the long term through searching out undervalued listed (and unlisted) investments in the Asian region excluding Japan. The option aims to outperform the MSCI All Country Asia (ex Japan) Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Term risk
- Valuation risk

Strategy

The option primarily invests in the listed securities of Asian companies. Asian companies may be listed on exchanges other than those in Asia, and the option may invest in those securities. The option may invest in companies not listed in Asia where their predominant business is conducted in Asia. The option may invest in companies that benefit from exposure to the Asian economic region.

The portfolio will ideally consist of 30 to 80 securities that the manager believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found.

The manager may short sell securities that it considers overvalued and may also use derivatives. The portfolio will typically have 50% or more net equity exposure. The manager may also invest in unlisted securities, but in aggregate such investments will not exceed 20% of the net asset value of the option. Derivatives (options, swaps and futures) may be used for risk management and for opportunities to increase returns; however, the effective exposure of derivative positions (excluding forward foreign exchange contracts and stock borrowing covering short equity positions), stocks and participatory notes will not exceed 150% of the portfolio's net asset value. The manager may also use foreign exchange contracts and derivatives on foreign exchange contracts to take currency positions. The option actively manages currency exposure.

Allocation

Note: The principal investments in the option are international equities. Cash and cash equivalents typically represents less than 40% of the portfolio's net asset value.

> This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

RQI Emerging Markets Value

Global share – emerging markets

Objective

To provide capital and income growth by investing in global shares predominantly in emerging markets and outperforming the MSCI Emerging Markets Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

RQI forms a universe of emerging market companies based on accounting measures, which gives the portfolio a value tilt. In addition, factors such as quality, near-term value, fundamental momentum and market sentiment are applied to form a final portfolio of companies. The resulting portfolio has a value tilt relative to the benchmark and provides the benefits of being lower in cost, lower turnover and highly diversified compared to traditional active investment strategies. By weighting the portfolio based on accounting measures and factors such as quality, fundamental momentum and market sentiment, RQI aims to generate higher returns versus the benchmark over the long term. This option does not hedge currency exposure.

Allocation

Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

Skerryvore Global Emerging Markets All-Cap

Global share – emerging markets

Objective

The option's objective is to achieve long-term capital appreciation and to outperform the MSCI Emerging Markets Index through investing in companies operating in, or exposed to, emerging markets (after fees and taxes) over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

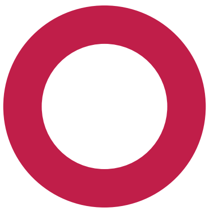
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The strategy aims to generate absolute long-term returns by investing in companies listed on exchanges worldwide, which operate in, or are economically exposed to, emerging markets. This is based on a focus on the quality of the businesses in which the option invests. Emerging markets refers to countries that are transitioning from a low income, less developed economy towards a modern, industrial economy with a higher standard of living and greater connectivity to global markets. The strategy is index unaware (meaning that the Skerryvore team decides to invest in individual securities based on their merit and without reference to the composition of the Benchmark) and the option's country and sector allocations will reflect the active bottom-up investment approach of the Skerryvore team. The option also invests in companies that are incorporated and listed in developed market countries which have economic exposure to emerging markets. The difference in allocation against any emerging markets index can be significant. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Acadian Australian Equity Long Short

Specialist share

Objective

To maximise risk-adjusted, long-term returns by investing in undervalued stocks and short selling overvalued stocks listed on the Australian Securities Exchange while carefully controlling portfolio risk and transaction costs. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling four-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Short selling risk

Strategy

The option's investment strategy is based on the belief that markets are inefficient, creating price anomalies that can be exploited by a disciplined, objective investment process. Acadian Australia's investment approach employs structured stock and peer group valuation models, which are designed to capture a broad range of relevant characteristics such as quality, value, earnings growth and price-related factors. This aims to systematically unearth securities with unrecognised value, as well as improving earnings prospects to help unlock that value. Stocks that Acadian Australia believes are undervalued will be purchased, and overvalued stocks will be selectively short sold. The option will target a gross long exposure of 130% and a gross short exposure of 30% (130/30).

Allocation

Target	(Range)	
100.0%	(95–100%)	Australian shares
0.0%	(0–5%)	Cash

Acadian Global Equity Long Short

Specialist share

Objective

To maximise risk-adjusted, long-term returns by investing in undervalued stocks and short selling overvalued stocks from around the world, while carefully controlling portfolio risk and transaction costs.
The option aims to outperform the MSCI World Index over rolling four-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Equity risk
- Short selling risk

Strategy

The option's investment strategy is based on the belief that markets are inefficient, creating price anomalies that can be exploited by a disciplined, objective investment process. Acadian's investment approach employs structured stock and peer group valuation models, which are designed to capture a broad range of relevant characteristics such as quality, value, earnings growth and price-related factors. This aims to systematically unearth securities with unrecognised value, as well as improving earnings prospects to help unlock that value. Undervalued stocks will be purchased, while stocks that are expensive relative to their peers or have recently had their earnings estimates reduced will be selectively short sold. The option will target a gross long exposure of 130% and a gross short exposure of 30% (130/30). The option does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(95–100%)	Global shares
0.0%	(0–5%)	Cash

Bell Global Emerging Companies

Specialist share

Objective

The option aims to outperform the MSCI World SMID Cap Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

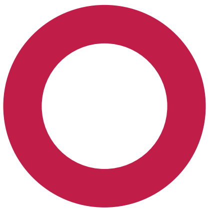
Option-specific risks

- Currency risk
- Equity risk
- Small cap risk

Strategy

The option will invest in a diversified portfolio of small and mid-capitalisation companies domiciled in global developed markets. The investible universe for the strategy will consist of all companies that fall within the bottom 28% of the MSCI World Index at the time of purchase and have a minimum market capitalisation of US$1bn. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

CFS - Wellington Global Health & Biotechnology

Specialist share

Objective

To provide long-term capital growth by predominantly investing in companies around the world, whose primary business is in the fields of pharmaceuticals, biotechnology, healthcare services and medical products. The option aims to outperform the MSCI All Country Health Care Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

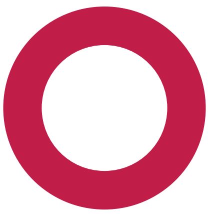
Option-specific risks

- Currency risk
- Equity risk

Strategy

The option's strategy is to add value by investing, over the medium to long term, in quality companies, with sustainable earnings per share growth and sensible valuations, whose primary business is healthcare related. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

CFS - Wellington Global Small Companies

Specialist share

Objective

To provide long-term capital growth from a diversified portfolio of predominantly smaller listed global shares. To outperform the MSCI World Small Cap Net Index, over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

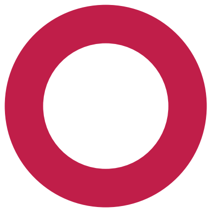
Option-specific risks

- Currency risk
- Equity risk
- Small cap risk

Strategy

To invest in a diversified portfolio of predominantly smaller listed global shares, ex Australia. The investments are managed by a dedicated US small cap manager and team of global industry analysts which seek to provide a portfolio that is broadly diversified across issuers, countries and industries. The portfolio does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

CFS - Wellington Global Technology & Communications

Specialist share

Objective

To provide long-term capital growth by predominantly investing in companies around the world, whose primary business is in the fields of technology, and/or communications. The option aims to outperform the MSCI All Country Technology and Communications Free Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

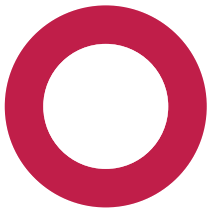
Option-specific risks

- Currency risk
- Equity risk

Strategy

The option's strategy is to add value by investing, over the medium to long term, in companies with sustainable earnings per share growth and sensible valuations, whose primary business is in the field of information technology and/or communications. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

Janus Henderson Global Natural Resources

Specialist share

Objective

The option seeks to achieve a total return after fees and taxes that exceeds the total return of the S&P Global Natural Resources Accumulation Index over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

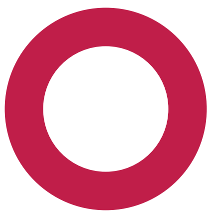
Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The option will typically invest in 50–70 companies that the manager has identified as being quality global natural resource companies operating in the materials, energy, agribusiness, industrial and utility sectors. The option may have exposure across upstream (production and exploration), midstream (storage, transportation and marketing commodities) and downstream (smelting, refining and selling of processed mineral, energy and agricultural products to end users) segments of the natural resources supply chain. The investment approach used by the manager utilises bottom-up fundamental research and screens for quality, valuation and growth potential to identify companies that are best placed to benefit from the ongoing demand for natural resources. The manager's global investment approach enlarges the overall size and breadth of the natural resources investment universe and also improves the chance of early identification of profitable resource investment trends and pricing inefficiencies across global markets. The option does not hedge currency exposure back to the Australian dollar.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash

L1 Capital Catalyst

Specialist share

Objective

The objective of the option is to deliver strong positive risk adjusted returns over the long term and outperform the S&P/ASX 200 Accumulation Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Equity risk

Strategy

The Investment Manager believes that conducting intensive analysis of individual companies' financial characteristics and management teams (i.e. bottom-up, fundamental investing) enables the building of a portfolio of companies with compelling value and quality and identifiable catalysts to drive increases in valuation.

The Investment Manager seeks to deliver private equity-style returns with listed market liquidity by taking a hands-on "owner's mindset" and approach to each investment in a tightly focused portfolio of up to 15 companies. The "owner's mindset" is anchored in constructive engagement with companies, driving the realisation of positive change by bringing strategic options, new ideas and thinking to company boards and management.

The option may invest in a wide variety of assets, including but not limited to the following; securities quoted (or soon to be quoted) on the Australian Securities Exchange or an international securities exchange; specialised international and Australian investment trusts and other pooled investment vehicles; and unlisted securities.

Whilst investing primarily in Australian listed companies, the strategy is able to invest up to 30% of NAV in overseas listed companies. Any overseas exposure will be unhedged. The strategy seeks to be fully invested at all times, however is allowed to invest up to 25% in cash.

Allocation

Target	(Range)	
100.0%	(75–100%)	Australian shares[1]
0.0%	(0–25%)	Cash

1 The option invests primarily in Australian listed shares, and may have up to 20% exposure to stocks outside of Australia.

Perpetual Share-Plus Long-Short

Specialist share

Objective

The option aims to provide long-term capital growth and income through investment in quality shares and taking short positions predominately in selected Australian Shares and to outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

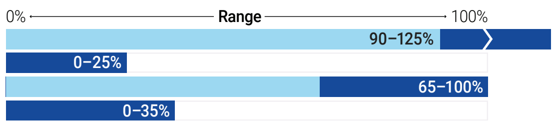
Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk
- Short selling risk

Strategy

Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria; conservative debt levels; sound management; quality business and recurring earnings. In addition, Perpetual aims to take short positions predominantly in Australian shares that it believes will fall in value. The short positions are determined based on each stock's expected returns and the investment constraints (designed to reduce the risks associated with taking short positions). The option may have up to 20% exposure to investments in international shares where Perpetual believe there are opportunities that may enhance returns. The option may have up to 10% exposure to short positions in international shares. Derivatives may be used in managing the option. The option may hedge some currency risk.

Allocation



Target	
N/A	Australian shares - Long[1]
N/A	Australian shares - Short[1]
100%	Australian shares - Net
0%	Cash

1 The option invests primarily in Australian listed shares, and may have up to 20% long exposure and up to 10% short exposure to stocks outside of Australia. Currency hedges may be used from time to time. Currency risk is due to the exposure to international companies.

This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Platinum International

Specialist share

Objective

To provide capital growth over the long term through searching out undervalued listed (and unlisted) investments around the world. The option aims to outperform the MSCI All Country World Index over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk
- Short selling risk
- Term risk
- Valuation risk

Strategy

The option primarily invests in listed securities. The portfolio will ideally consist of 40 to 80 securities that the manager believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. The manager may short sell securities that it considers overvalued and may also use derivatives. The portfolio will typically have 50% or more net equity exposure. The manager may also invest in unlisted securities, but in aggregate such investments will not exceed 20% of the net asset value of the option. Derivatives (options, swaps and futures) may be used for risk management and for opportunities to increase returns; however, the effective exposure of derivative positions (excluding forward foreign exchange contracts and stock borrowing covering short equity positions), stocks and participatory notes will not exceed 150% of the portfolio's net asset value. The manager may also use foreign exchange contracts and derivatives on foreign exchange contracts to take currency positions. The option actively manages currency exposure.

Allocation

Range (0%–100%)	
0–100%	Global shares
0–100%	Cash and fixed interest

Note: The principal investments in the option are global shares. Cash and cash equivalents typically represents less than 40% of the portfolio's net asset value.

This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

PM Capital Global Companies

Specialist share

Objective

To provide long-term capital growth and outperform the greater of the MSCI World Index or the Reserve Bank of Australia cash rate after fees and taxes over rolling seven-year periods. The goal of the option is not to replicate the standard industry benchmarks such as the MSCI, and it is likely to have varied outcomes from those of a traditional index benchmarked option.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Equity risk
- Short selling risk
- Term risk

Strategy

The option invests in a focused portfolio with approximately 25 to 45 stock-specific ideas diversified across global stock markets. The portfolio may also own interest bearing debt securities (which includes government or corporate bonds, asset-backed, inflation-linked, structured, hybrid securities and tradeable loans). All the portfolio positions are subject to intensive research and peer group review. If PM Capital cannot find appropriate opportunities, the option may hold up to 100% cash and cash equivalents. PM Capital can use derivatives and sell stocks short as a risk management tool. Derivatives (including futures, options, swaps, credit derivatives, forwards and warrants) may also be used to synthetically create or replicate an underlying position. The level of direct shorts (where shares are borrowed and sold in the market) generally will not be in excess of 30% of the portfolio. Leverage is used on a prudent basis; for example, where gross dividend yields exceed borrowing costs. Leverage generally shall not exceed 30% of the net asset value of the option. The option is managed from an Australian investor's perspective. Tax and currency exposures are important considerations in the daily management of the option. PM Capital may elect to hedge up to 100% of the foreign currency exposure or remain fully exposed to any currencies in which the option may invest.

Allocation

Range (0%–100%)	
0–110%	Equities
0–30%	Yield securities
0–100%	Cash

Note: Leverage may be used to increase the effective exposure of the option to 130% of the underlying portfolio's net asset value. The underlying portfolio's gross exposure is limited to 170%.

This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

Sage Capital Equity Plus

Specialist share

Objective

The option aims to achieve positive returns in excess of the S&P/ASX200 Accumulation Index, after fees expenses and before taxes, over rolling five-year periods by taking both long positions and short positions in selected Australian shares.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Derivatives risk
- Equity risk
- Short selling risk

Strategy

The option is a 150/50 long/short strategy that may have 90-150% of its Net Asset Value ('NAV') invested in long positions and 0-50% of NAV invested in short positions. The option's typical net market exposure will be 90–100% as it can hold up to 10% of NAV in cash. The option seeks to deliver style neutral returns that are consistent across market cycles. It achieves this by breaking the market up into eight custom Sage Groups and selecting long and short positions within them. Low net exposure is maintained to each of these Groups to limit style or thematic bias across the portfolio. Stock selection is driven by a blend of fundamental and quantitative investment strategies. The quantitative process systematically ranks stocks using a range of momentum, value and quality factors while the fundamental process goes into more detail to understand the key drivers of a company's earnings and assess its relative value. The long/short structure allows the portfolio to capture a broad level of information from the investment process while maintaining a high level of diversification, producing a better risk/reward outcome than a long only approach. The option may invest up to 10% in exchange traded derivatives.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash and cash equivalents
0.0%	(0–10%)	Derivatives

This option has been identified as a 'complex' option. More information is provided in the Reference Guide – Complex Funds, available online at cfs.com.au/complex or by calling 13 13 36.

First Sentier Property Securities

Australian property and infrastructure securities

Objective

To provide medium-to-long-term capital growth and income to the investor by investing in a portfolio of Australian listed property securities. The option aims to outperform the S&P/ASX 200 A-REIT Accumulation Index over rolling three-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

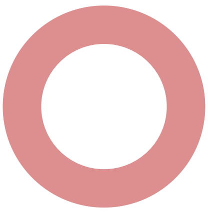
Option-specific risks

- Equity risk

Strategy

The option's strategy is to bring together specialist resources in order to identify undervalued Australian real estate securities with minimal downside risk, sustainable earnings growth and good qualitative attributes. The option uses proprietary forecasting and valuation methodologies and a disciplined portfolio construction process with an over-riding focus on absolute and relative risk. The option invests predominantly in Australian securities and therefore does not hedge currency exposure.

Allocation



Target	(Range)	
100.0%	(80–100%)	Property securities
0.0%	(0–20%)	Cash

Ironbark Property Securities

Australian property and infrastructure securities

Objective

The option seeks to outperform the S&P/ASX 300 A-REIT Accumulation Index, after fees and before taxes, over rolling three-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

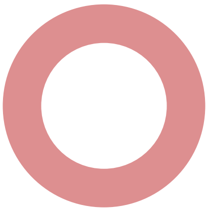
- Currency risk
- Derivatives risk
- Equity risk

Strategy

The option invests predominantly in Australian property trusts and property related securities, with some exposure to cash investments. The option may also invest in international property securities and Initial Public Offering ('IPO') securities, provided those securities are expected to be listed within three months of issue.

The option may have exposure to derivatives for investment and currency management purposes. In particular, derivatives may be used by the Investment Manager for hedging to protect an asset in the option; against market value fluctuations; to reduce volatility in the option; as a substitute for a physical security and when adjusting asset exposures within the investment parameters of the option. The option may invest in other securities, not considered to be property related securities, where most of the earnings are derived from real estate activities. The option may hedge some currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Property securities
0.0%	(0–10%)	Cash

Martin Currie Real Income

Australian property and infrastructure securities

Objective

To generate an income yield in excess of the S&P/ASX 200 Index unfranked yield over rolling three-year periods before fees and taxes. The option aims to provide long-term growth in its dividend income in excess of CPI.

Minimum suggested timeframe

At least 7 years

Risk

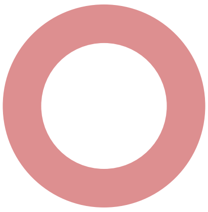
Option-specific risks

- Currency risk
- Equity risk

Strategy

The investment manager applies a tailored investment approach to construct a portfolio of ASX-listed real income securities (such as property, utility and infrastructure securities), to deliver sustainable income over the medium-to-long term. The investment manager assesses each investment for its dividend-paying attributes, as well as its risk quality and ability to provide inflation protection over time. Disciplined portfolio construction rules and risk controls are utilised by the investment manager to help construct a portfolio of Australian real income securities that aims to offer liquidity and investment transparency. The option does not hedge currency risk.

Allocation



Target	(Range)	
100.0%	(90–100%)	Australian property and infrastructure securities[1]
0.0%	(0–10%)	Cash

1 The option invests primarily in Australian property and infrastructure securities and may have up to 20% exposure to stocks outside of Australia.

Pendal Property Investment

Australian property and infrastructure securities

Objective

The option aims to provide a return (before fees and taxes) that exceeds the S&P/ASX 300 A-REIT Accumulation Index over rolling three-year periods.

Minimum suggested timeframe

At least 7 years

Risk

Option-specific risks

- Currency risk
- Derivatives risk
- Equity risk

Strategy

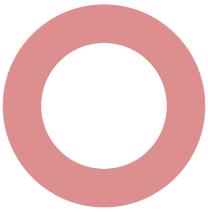
This option is designed for investors who want the potential for long term capital growth and income, diversification across a broad range of primarily Australian listed property securities and are prepared to accept higher variability of returns. The option invests in property securities including listed property trusts, developers and infrastructure investments. The option invests primarily in Australia but at times it may have some overseas exposure. Up to 10% of the option can be invested in international listed property securities. The option may also hold cash and may use derivatives.

Pendal's investment process for property securities is based on its valuation-driven investment style and aims to add value through active security selection and fundamental investment research. Pendal's valuation-driven investment style is to identify securities that are mis-priced relative to their fundamental value. Pendal's fundamental investment research focuses on financial modelling, valuation and identifying quality securities through franchise, management quality and risk factors (both financial and non-financial risk).

The option may have assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the option. The option's foreign currency exposure will generally be fully hedged back to the Australian dollar to the extent considered reasonably practicable.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

Allocation



Target	(Range)	
100.0%	(80–100%)	Property securities
0.0%	(0–20%)	Cash

ClearBridge RARE Infrastructure Value

Global property and infrastructure securities

Objective

To provide investors with regular and stable income comprised of dividends, distributions and interest received plus capital growth from a portfolio of global infrastructure securities while hedging the option's currency exposure back to AUD and to outperform the OECD G7 Inflation Index plus 5.5% per annum before fees and taxes over a rolling five-year period.

Minimum suggested timeframe

At least 7 years

Risk

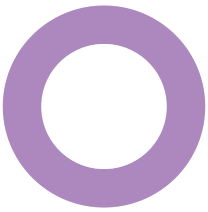
Option-specific risks

- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

The ClearBridge RARE Infrastructure Value Strategy aims to provide investors with long-term, inflation-protected stable growth, comprised of consistent income and capital growth with a focus on minimising the volatility of returns. This is achieved by investing in a range of listed infrastructure securities spread across geographic regions in both the developed and emerging markets. The Strategy is managed by a highly experienced specialist infrastructure investment team located in Sydney. The option hedges its currency exposure.

Allocation



Target	(Range)	
100.0%	(80–100%)	Global infrastructure securities
0.0%	(0–20%)	Cash and cash equivalents

Cohen & Steers Global Listed Infrastructure

Global property and infrastructure securities

Objective
The option aims to outperform the FTSE Developed Core Infrastructure 50/50 Index hedged to Australian dollars over rolling five-year periods before fees and taxes.

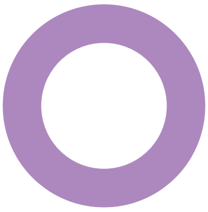
Minimum suggested timeframe
At least 7 years

Risk
7

Low Medium High

Option-specific risks
- Currency risk
- Derivatives risk
- Equity risk

Strategy
The option has a value-oriented philosophy towards investing in listed infrastructure and uses a relative value framework to determine both subsector and security weightings. Cohen & Steers believes success in global listed infrastructure investing requires a balance of top-down subsector research and bottom-up company specific analysis. While all infrastructure subsectors share several core investment characteristics, each will perform differently across economic and market environments. Cohen & Steers anticipates that the portfolio will comprise 30 to 50 investments. This option aims to hedge currency risk.

Allocation


Target	(Range)	
100%	(90–100%)	Global listed infrastructure securities
0%	(0–10%)	Cash

First Sentier Global Property Securities

Global property and infrastructure securities

Objective
To maximise total returns to the investor by investing in a portfolio of listed property securities from around the world. The option aims to outperform the FTSE EPRA/ NAREIT Developed Index, hedged to Australian dollars, over rolling three-year periods before fees and taxes.

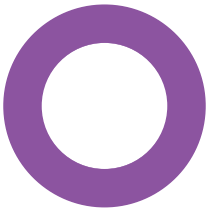
Minimum suggested timeframe
At least 7 years

Risk
7

Low Medium High

Option-specific risks
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy
The option's strategy is to bring together specialist resources in order to identify undervalued global real estate securities with minimal downside risk, sustainable earnings growth and good qualitative attributes. The option uses proprietary forecasting and valuation methodologies and a disciplined portfolio construction process with an over-riding focus on absolute and relative risk. The option provides investors with exposure to a broad selection of property-related investment opportunities. The option aims to hedge currency exposure.

Allocation


Target	(Range)	
100.0%	(80–100%)	Global property securities
0.0%	(0–20%)	Cash

Macquarie Global Listed Real Estate

Global property and infrastructure securities

Objective
To provide total returns (income and capital growth), after costs and before tax, above the FTSE EPRA/NAREIT Developed Index, hedged to Australian dollars on a rolling three-year basis.

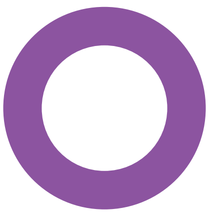
Minimum suggested timeframe
At least 7 years

Risk
7

Low Medium High

Option-specific risks
- Currency risk
- Derivatives risk
- Equity risk

Strategy
To take advantage of global real estate market conditions, as well as country-specific opportunities, the option's investment style combines a stock-specific (bottom-up) selection process with a secondary macroeconomic (top-down) approach to regional and country allocations. The option is managed by an investment team made up of on-the-ground regional investment specialists based in Sydney, Chicago, London and Hong Kong. The option aims to hedge currency exposure.

Allocation


Target	(Range)	
100.0%	(90–100%)	Global property securities
0.0%	(0–10%)	Cash

Magellan Infrastructure

Global property and infrastructure securities

Objective

To achieve attractive risk-adjusted returns over the medium-to-long term, while reducing the risk of permanent capital loss via investment in global infrastructure. The option aims to outperform the S&P Global Infrastructure Index hedged to Australian dollars over rolling five-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

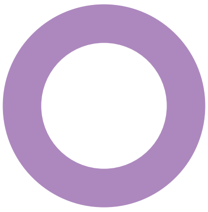
Option-specific risks

- Credit risk
- Currency risk
- Derivatives risk
- Emerging markets risk
- Equity risk

Strategy

The option will invest in companies that generate the dominant part of their earnings from the ownership of infrastructure assets. Magellan endeavours to acquire these companies at discounts to their assessed intrinsic value. Magellan anticipates that the portfolio will comprise 20 to 40 investments. This option aims to hedge currency risk.

Allocation



Target	(Range)	
100%	(80–100%)	Global infrastructure securities
0%	(0–20%)	Cash

Quay Global Real Estate – Unhedged

Global property and infrastructure securities

Objective

To provide a total return (before fees, expenses and taxes) of the Australian Consumer Price Index (CPI) + 5% per annum over rolling five-year periods.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Emerging markets risk
- Equity risk

Strategy

The Quay Global Real Estate (Unhedged) option invests in a portfolio of real estate securities listed on securities exchanges around the world. It is relatively concentrated, with a high conviction-based approach, and does not hedge currency. The strategy focuses on delivering investors real total returns (index-unaware), and invests through the cycle whilst also taking advantage of counter-cyclical opportunities. The primary goal is to identify and invest in a portfolio of global real estate securities that; meet or exceed the return objective; offer reliable long-term cash flows; have robust balance sheets; are managed by experienced and competent managers; and offer returns assisted by secular themes and/or demographic tailwinds. The investment team has a disciplined and repeatable investment process with a strong focus on risk and quality cash flows. The majority of income is derived from leases, rent and other real estate related income (avoiding developers and non-rent income streams). Real estate sectors include Storage, Retail, Health, Housing, Apartments, Office, Industrial and Student Accommodation. The option does not hedge currency risk.

Allocation

Target	(Range)	
100.0%	(80–100%)	Global shares
0.0%	(0–20%)	Cash and cash equivalents

Resolution Capital Global Property Securities

Global property and infrastructure securities

Objective

The option's investment objective is to exceed the total returns of the FTSE EPRA/NAREIT Developed Index (AUD Hedged) after fees over a rolling three year basis. In doing so, the option aims to provide investors with a level of distributable income combined with the potential for long term capital growth sourced from global real estate based revenue streams.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

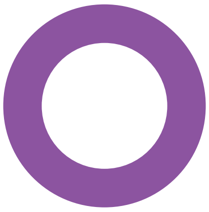
- Currency risk
- Derivatives risk
- Equity risk

Strategy

The option primarily invests in global listed REITs and real estate securities that derive most of their returns from rental income. The option's investments provide exposure to a range of underlying real estate from around the world including but not limited to office buildings, shopping centres, industrial warehouses, residential communities, data centres and towers, self-storage, hotels and healthcare facilities. The option may also have exposure to companies which undertake activities such as real estate development, real estate construction contracting and real estate funds management activities.

Resolution Capital believes that optimum risk-adjusted returns can be achieved through a concentrated portfolio of 30 to 60 stocks. In constructing the portfolio, bottom-up stock analysis is combined with the identification of broader investment and direct real estate market themes. Resolution Capital adopts a 'multiple portfolio manager' approach for its global portfolio construction. Resolution Capital intends to mitigate currency risk through hedging the capital component of the option's exposure to global real estate securities and may also hedge currency exposure arising from income receivable from global real estate securities at its discretion.

Allocation



Target	(Range)	
100.0%	(85–100%)	Global property securities
0.0%	(0–15%)	Cash

Acadian Geared Core Australian Equity

Geared

Objective

To maximise long-term returns by borrowing to invest, predominantly, in a selection of Australian companies within the S&P/ASX 300 Accumulation Index, while carefully controlling portfolio risk and transaction costs. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Equity risk
- Gearing risk

Strategy

The option uses gearing with the aim of magnifying returns from the underlying core Australian equity strategy. The underlying strategy is based on the belief that markets are inefficient, creating price anomalies that can be exploited by a disciplined, objective investment process. Acadian Australia's investment approach employs structured stock and peer group valuation models, which are designed to capture a broad range of relevant characteristics such as quality, value, earnings growth and price-related factors. This aims to systematically unearth securities with unrecognised value, as well as improving earnings prospects, to help unlock that value.

Allocation

Target	(Range)	
100.0%	(90–100%)	Australian shares
0.0%	(0–10%)	Cash

A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

Acadian Geared Global Equity

Geared

Objective

To maximise risk-adjusted, long-term returns by borrowing to invest in stocks from around the world, while carefully controlling portfolio risk and transaction costs.
The option aims to outperform the MSCI World ex Australia Index over rolling seven-year periods before fees and taxes.

Minimum suggested timeframe

At least 7 years

Risk

7

Low Medium High

Option-specific risks

- Currency risk
- Equity risk
- Gearing risk
- Investment performance risk from sustainability exclusions

Strategy

Acadian utilises a systematic multi-factor investment approach, while integrating a range of ESG criteria, to select stocks. The option aims to exclude stocks associated (to varying degrees) with the following activities: production or manufacturing of tobacco and controversial weapons; production or manufacture of products in alcohol, gambling and adult entertainment; thermal coal mining or extraction of unconventional oil and gas; fossil fuel companies considered to be climate transition laggards[3] and stocks considered to have business practices that violate the UN Global Compact. Acadian will target a reduction in weighted average carbon intensity (WACI) of the portfolio relative to the MSCI World ex Australia index. The option will also aim to maintain a positive active exposure to stocks considered to be contributing to environmental and social objectives as defined by the UN Sustainable Development Goals. The option utilises gearing to magnify returns from underlying investments. The option does not hedge investors' currency risk, but may hedge up to 100% of the currency exposure relating to the borrowings of the option.

Allocation

Target	(Range)	
100.0%	(90–100%)	Global shares
0.0%	(0–10%)	Cash

A geared option will not always magnify gains (particularly in a low return environment), but will always magnify losses. Investors will therefore experience increased volatility (potentially large fluctuations up and down) in the value of their investment.

This option considers aspects of ESG factors as part of its investment strategy. More information is provided in the Reference Guide – Sustainable Funds, available online at cfs.com.au/sustainable or by calling 13 13 36.

3 Fossil Fuel Companies deemed Climate Transition Laggards are defined as any companies that derive: (a) >10% revenue from the extraction and production of oil and gas (as identified via third party data); or (b) >10% revenue from power generation associated with fossil fuels (thermal coal, liquid fuel and natural gas) as identified via third party data are identified in the first step. In a second step, those companies (identified in the first step) that appear unable or unwilling to transition to the low carbon economy are excluded. To identify companies that appear unable or unwilling to transition to the low carbon economy the Manager employs a proprietary classification model. The Manager's classification model uses proprietary techniques and third party data. Companies showing strong evidence of transitioning towards the low carbon economy are classified climate transition leaders. These climate transition leaders typically exhibit at least one of the following characteristics: a committed/approved science-based target, a strong ability to manage carbon risks, an announced decarbonization target together with carbon intensity below its sector peer group, and/or revenue derived from alternative energy. Conversely companies not displaying any of the above characteristics are categorized as climate transition laggards, and excluded during this second step.

Benchmarks and indices

Composite benchmarks

The objective for some options includes a reference to a composite benchmark. They may be subject to change at any time within the allocation ranges.

Option name	Composite benchmark
CFS Defensive	30.0% Bloomberg AusBond Bank Bill Index, 25.0% Bloomberg AusBond Composite 0+Yr Index, 25.0% Bloomberg Global Aggregate Index (AUD hedged), 10.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 4.0% MSCI All Country World ex Australia Net Index, 4.0% S&P/ASX 300 Accumulation Index, 2.0% MSCI All Country World ex Australia Net Index (AUD hedged).
CFS Conservative[1]	20.0% Bloomberg AusBond Bank Bill Index, 19.0% Bloomberg AusBond Composite 0+Yr Index, 20.0% Bloomberg Global Aggregate Index (AUD hedged), 2.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 2.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 7.0% MSCI All Country World ex Australia Net Index, 2.0% MSCI World Small Cap Index, 2.0% MSCI Emerging Markets Index, 10.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 2.0% MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index – NAV-Weighted Post-Fee Total Return (All Funds), 7.0% S&P/ASX 300 Accumulation Index, 1.0% S&P/ASX Small Ordinaries Index, 4.0% MSCI All Country World ex Australia Net Index (AUD hedged), 2.0% MSCI Australia Quarterly Private Infrastructure Index (Unfrozen) - Post-fee Total Return (50th Percentile).
CFS Diversified[1]	12.5% Bloomberg AusBond Bank Bill Index, 13.0% Bloomberg AusBond Composite 0+Yr Index, 14.0% Bloomberg Global Aggregate Index (AUD hedged), 2.5% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 2.5% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 14.0% MSCI All Country World ex Australia Net Index, 2.5% MSCI World Small Cap Index, 3.0% MSCI Emerging Markets Index, 9.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 2.5% MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index – NAV-Weighted Post-Fee Total Return (All Funds), 13.0% S&P/ASX 300 Accumulation Index, 1.5% S&P/ASX Small Ordinaries Index, 7.5% MSCI All Country World ex Australia Net Index (AUD hedged), 2.5% MSCI Australia Quarterly Private Infrastructure Index (Unfrozen) - Post-fee Total Return (50th Percentile).
CFS Moderate[1]	9.5% Bloomberg AusBond Bank Bill Index, 10.0% Bloomberg AusBond Composite 0+Yr Index, 11.0% Bloomberg Global Aggregate Index (AUD hedged), 3.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 3.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 16.0% MSCI All Country World ex Australia Net Index, 3.0% MSCI World Small Cap Index, 3.5% MSCI Emerging Markets Index, 8.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 3.0% MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index – NAV-Weighted Post-Fee Total Return (All Funds), 16.0% S&P/ASX 300 Accumulation Index, 2.0% S&P/ASX Small Ordinaries Index, 9.0% MSCI All Country World ex Australia Net Index (AUD hedged), 3.0% MSCI Australia Quarterly Private Infrastructure Index (Unfrozen) - Post-fee Total Return (50th Percentile).
CFS Balanced[1]	4.5% Bloomberg AusBond Bank Bill Index, 8.0% Bloomberg AusBond Composite 0+Yr Index, 9.0% Bloomberg Global Aggregate Index (AUD hedged), 3.5% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 3.5% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 18.5% MSCI All Country World ex Australia Net Index, 3.5% MSCI World Small Cap Index, 4.0% MSCI Emerging Markets Index, 7.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 3.5% MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index – NAV-Weighted Post-Fee Total Return (All Funds), 19.0% S&P/ASX 300 Accumulation Index, 2.5% S&P/ASX Small Ordinaries Index, 10.0% MSCI All Country World ex Australia Net Index (AUD hedged), 3.5% MSCI Australia Quarterly Private Infrastructure Index (Unfrozen) - Post-fee Total Return (50th Percentile).

1 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

Option name	Composite benchmark
CFS Growth[2]	1.0% Bloomberg AusBond Bank Bill Index, 5.0% Bloomberg AusBond Composite 0+Yr Index, 6.0% Bloomberg Global Aggregate Index (AUD hedged), 4.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 4.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 20.0% MSCI All Country World ex Australia Net Index, 4.0% MSCI World Small Cap Index, 4.5% MSCI Emerging Markets Index, 6.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 4.0% MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index – NAV-Weighted Post-Fee Total Return (All Funds), 23.5% S&P/ASX 300 Accumulation Index, 3.0% S&P/ASX Small Ordinaries Index, 11.0% MSCI All Country World ex Australia Net Index (AUD hedged), 4.0% MSCI Australia Quarterly Private Infrastructure Index (Unfrozen) - Post-fee Total Return (50th Percentile).
CFS High Growth	1.0% Bloomberg AusBond Bank Bill Index, 6.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 6.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 28.0% MSCI All Country World ex Australia Net Index, 4.0% MSCI World Small Cap Index, 5.0% MSCI Emerging Markets Index, 32.0% S&P/ASX 300 Accumulation Index, 4.0% S&P/ASX Small Ordinaries Index, 14.0% MSCI All Country World ex Australia Net Index (AUD hedged).
CFS Geared Growth Plus	10.0% Bloomberg AusBond Bank Bill Index, 6.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 6.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 20.5% MSCI All Country World ex Australia Net Index, 4.0% MSCI World Small Cap Index, 5.0% MSCI Emerging Markets Index, 32.0% S&P/ASX 300 Accumulation Index, 3.5% S&P/ASX Small Ordinaries Index, 13.0% MSCI All Country World ex Australia Net Index (AUD hedged).
CFS Thrive+ Sustainable Growth[2]	1.0% Bloomberg AusBond Bank Bill Index, 8.0% Bloomberg AusBond Composite 0+Yr Index, 9.0% Bloomberg Global Aggregate Index (AUD hedged), 4.0% MSCI All Country World ex Australia Net Index, 18.0% MSCI All Country World ex Australia Net Index Hedged AUD, 19.0% MSCI World ex Australia Net Index, 5.0% MSCI Emerging Markets Index, 4.0% MSCI/Mercer Australia Core Wholesale Monthly Property Fund Index – NAV-Weighted Post-Fee Total Return (All Funds), 28.0% S&P/ASX 300 Accumulation Index, 4.0% MSCI Australia Quarterly Private Infrastructure Index (Unfrozen) - Post-fee Total Return (50th Percentile).
CFS Enhanced Index Conservative	20.0% Bloomberg AusBond Bank Bill Index, 20.0% Bloomberg AusBond Composite 0+Yr Index, 20.0% Bloomberg Global Aggregate Index (AUD hedged), 2.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 2.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 7.0% MSCI All Country World ex Australia Net Index, 5.0% MSCI All Country World ex Australia Net Index Hedged AUD, 1.0% S&P / ASX Small Ordinaries Accumulation Index, 2.0% MSCI World Small Cap Index, 2.0% MSCI Emerging Markets Index, 10.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 9.0% S&P/ASX 300 Accumulation Index.
CFS Enhanced Index Diversified	13.0% Bloomberg AusBond Bank Bill Index, 14.0% Bloomberg AusBond Composite 0+Yr Index, 14.0% Bloomberg Global Aggregate Index (AUD hedged), 3.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 3.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 13.0% MSCI All Country World ex Australia Net Index, 8.5% MSCI All Country World ex Australia Net Index Hedged AUD, 1.5% S&P / ASX Small Ordinaries Accumulation Index, 2.5% MSCI World Small Cap Index, 3.0% MSCI Emerging Markets Index, 9.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 15.5% S&P/ASX 300 Accumulation Index.
CFS Enhanced Index Moderate	10.0% Bloomberg AusBond Bank Bill Index, 11.0% Bloomberg AusBond Composite 0+Yr Index, 11.0% Bloomberg Global Aggregate Index (AUD hedged), 4.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 4.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 16.0% MSCI All Country World ex Australia Net Index, 9.5% MSCI All Country World ex Australia Net Index Hedged AUD, 2.0% S&P / ASX Small Ordinaries Accumulation Index, 3.0% MSCI World Small Cap Index, 3.5% MSCI Emerging Markets Index, 8.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 18.0% S&P/ASX 300 Accumulation Index.
CFS Enhanced Index Balanced	5.0% Bloomberg AusBond Bank Bill Index, 9.0% Bloomberg AusBond Composite 0+Yr Index, 9.0% Bloomberg Global Aggregate Index (AUD hedged), 4.5% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 4.5% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 19.0% MSCI All Country World ex Australia Net Index, 11.5% MSCI All Country World ex Australia Net Index Hedged AUD, 2.5% S&P / ASX Small Ordinaries Accumulation Index, 3.5% MSCI World Small Cap Index, 4.0% MSCI Emerging Markets Index, 7.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 20.5% S&P/ASX 300 Accumulation Index.

2 The target asset allocations and corresponding composite benchmarks disclosed reflect the strategic asset allocations that we are progressively implementing as opportunities arise.

Option name	Composite benchmark
CFS Enhanced Index Growth	2.0% Bloomberg AusBond Bank Bill Index, 6.0% Bloomberg AusBond Composite 0+Yr Index, 6.0% Bloomberg Global Aggregate Index (AUD hedged), 5.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 5.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 21.0% MSCI All Country World ex Australia Net Index, 13.0% MSCI All Country World ex Australia Net Index Hedged AUD, 3.0% S&P / ASX Small Ordinaries Accumulation Index, 4.0% MSCI World Small Cap Index, 4.5% MSCI Emerging Markets Index, 6.0% Bloomberg Global Aggregate Corporate Index (AUD hedged), 24.5% S&P/ASX 300 Accumulation Index.
CFS Enhanced Index High Growth	1.0% Bloomberg AusBond Bank Bill Index, 6.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 6.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 26.5% MSCI All Country World ex Australia Net Index, 15.5% MSCI All Country World ex Australia Net Index Hedged AUD, 3.0% S&P / ASX Small Ordinaries Accumulation Index, 4.0% MSCI World Small Cap Index, 5.0% MSCI Emerging Markets Index, 33.0% S&P/ASX 300 Accumulation Index.
CFS Index Conservative	15.0% Bloomberg AusBond Bank Bill Index, 26.0% Bloomberg AusBond Composite 0+Yr Index, 29.0% Bloomberg Global Aggregate Index (AUD hedged), 2.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 2.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 10.5% MSCI All Country World ex Australia Net Index, 5.5% MSCI All Country World ex Australia Net Index Hedged AUD, 10.0% S&P/ASX 300 Accumulation Index.
CFS Index Diversified	10.0% Bloomberg AusBond Bank Bill Index, 19.0% Bloomberg AusBond Composite 0+Yr Index, 21.0% Bloomberg Global Aggregate Index (AUD hedged), 3.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 3.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 16.5% MSCI All Country World ex Australia Net Index, 9.5% MSCI All Country World ex Australia Net Index Hedged AUD, 18.0% S&P/ASX 300 Accumulation Index.
CFS Index Moderate	8.0% Bloomberg AusBond Bank Bill Index, 16.0% Bloomberg AusBond Composite 0+Yr Index, 16.0% Bloomberg Global Aggregate Index (AUD hedged), 4.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 4.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 18.0% MSCI All Country World ex Australia Net Index, 11.0% MSCI All Country World ex Australia Net Index Hedged AUD, 23.0% S&P/ASX 300 Accumulation Index.
CFS Index Balanced	4.0% Bloomberg AusBond Bank Bill Index, 13.0% Bloomberg AusBond Composite 0+Yr Index, 13.0% Bloomberg Global Aggregate Index (AUD hedged), 4.5% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 4.5% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 21.0% MSCI All Country World ex Australia Net Index, 14.0% MSCI All Country World ex Australia Net Index Hedged AUD, 26.0% S&P/ASX 300 Accumulation Index.
CFS Index Growth	2.0% Bloomberg AusBond Bank Bill Index, 9.0% Bloomberg AusBond Composite 0+Yr Index, 9.0% Bloomberg Global Aggregate Index (AUD hedged), 5.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 5.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 24.0% MSCI All Country World ex Australia Net Index, 16.0% MSCI All Country World ex Australia Net Index Hedged AUD, 30.0% S&P/ASX 300 Accumulation Index.
CFS Index High Growth	1.0% Bloomberg AusBond Bank Bill Index, 6.0% FTSE EPRA/NAREIT Developed ex Australia Rental Index NTR (AUD hedged), 6.0% FTSE Developed Core Infrastructure 50/50 Index (AUD hedged), 30.0% MSCI All Country World ex Australia Net Index, 20.0% MSCI All Country World ex Australia Net Index Hedged AUD, 37.0% S&P/ASX 300 Accumulation Index.
Perpetual Conservative Growth	17.0% Bloomberg AusBond Bank Bill Index, 52.0% Bloomberg AusBond Composite 0+Yr Index, 14.0% S&P/ASX 300 Accumulation Index, 8.5% MSCI World ex Australia Accumulation Index, 1.5% MSCI Emerging Markets Index Return, 3.0% MSCI World ex Aus Total Return Index Hedged, 2.0% FTSE EPRA/NAREIT Developed Rental Index (AUD Hedged), 2.0% S&P/ASX 300 A-REIT Index.
Perpetual Diversified Growth	9.0% Bloomberg AusBond Bank Bill Index, 40.0% Bloomberg AusBond Composite 0+Yr Index, 24.0% S&P/ASX 300 Accumulation Index, 13.0% MSCI World ex Australia Accumulation Index, 3.5% MSCI World ex Australia Accumulation Index (Hedged to $A), 2.5% MSCI Emerging Markets Index, 3.0% MSCI World ex Aus Total Return Index Hedged, 2.5% FTSE EPRA/NAREIT Developed Rental Index (AUD Hedged), 2.5% S&P/ASX 300 A-REIT Index.

Option name	Composite benchmark
Pendal Sustainable Balanced	29% S&P/ASX 200 Accumulation Index, 33% MSCI All Country World Index in AUD, 16% Bloomberg AusBond Composite 0+Yr. Index, 6% S&P/ASX 300 A-REIT Accumulation Index, 16% Bloomberg AusBond Bank Bill Index.
Perpetual Balanced Growth	4.0% Bloomberg AusBond Bank Bill Index, 25.0% Bloomberg AusBond Composite 0+Yr Index, 34.0% S&P/ASX 300 Accumulation Index, 18.0% MSCI World ex Australia Accumulation Index, 7.0% MSCI World ex Australia Accumulation Index (Hedged to $A), 3.0% MSCI Emerging Markets Index, 3.0% MSCI World ex Aus Total Return Index Hedged, 3.0% FTSE EPRA/NAREIT Developed Rental Index (AUD Hedged), 3.0% S&P/ASX 300 A-REIT Index.

Unless otherwise stated, indices referred to in the PDS are calculated on the basis that: dividends are reinvested; foreign dividends are reinvested net of withholding tax; the calculation is in Australian dollar terms; and the index is unhedged to movements in the Australian dollar.

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