

IOOF WealthBuilder

IOOF WealthBuilder Australian Shares Geared – First Sentier

31 December 2023

Fund features	
APIR code	IOF0245AU
Inception date	16 December 2015
Fund size	\$18.03m
Minimum investment horizon	7+ years
Risk/return profile	High

Underlying managed fund	
Underlying managed fund (UMF)	Colonial First State Wholesale Geared Share Fund ARSN 087 563 924 APIR FSF0043AU
Underlying fund manager	First Sentier Wholesale Geared Share Fund ABN 98 002 348 352 AFSL 232468 (Colonial) www.cfs.com.au

Total estimated management costs at 30/11/2023 ¹	
Estimated management fee	2.95% pa ²
Estimated performance fee	Nil
Total estimated management cost	2.95% pa

Asset class	Asset range
Cash	0 – 10%
Australian shares	90 – 100%

Investment objective

To grow the value of your investment over the long term by investing in an Underlying Managed Fund (UMF) providing exposure to geared Australian shares.

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

Investment strategy

The UMF aims to be fully invested, providing investment exposure to geared Australian shares.

The UMF generally invests in large, high-quality companies with strong balance sheets and earnings. The UMF utilises gearing to magnify returns from the underlying investments, whether they are gains or losses. The UMF predominantly invests in Australian companies and therefore, does not hedge currency risk. Where it borrows in a foreign currency, proceeds will be fully hedged into Australian dollars.

Please note: A geared option will not always magnify gains (particularly in a low return environment), but it will always magnify losses. Investors will therefore experience increased volatility in the value of their investment. This means that investors will have potentially large fluctuations both up and down in the value of their investments.

This UMF uses borrowing or gearing as a central part of its investment strategy. It is managed so that, as far as possible, income from dividends and interest exceeds the cost of borrowing and other expenses. This process of managing income and expenses is called ‘dynamic gearing’ because the gearing ratio may vary according to market

conditions. The gearing ratio is the total amount borrowed expressed as a percentage of the total assets of the UMF. Under dynamic gearing, the gearing ratio is managed at the discretion of the UMF's responsible entity, but usually the maximum amount possible is borrowed, 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.

Whilst the UMF is able to use derivatives primarily to manage risk it does not generally do so.

Investment minimums	
Initial investment	\$2000 or \$500 with regular savings plan
Additional contributions	\$500
Regular savings plan	\$100 per month
Withdrawal	\$500
Regular withdrawal	\$200 per month, quarter, half-year or year

Performance²

	3 mths %	6 mths %	1 year %	3 years %	5 years %
Actual (net)	14.38	10.82	19.91	9.11	14.73

Performance data provided by FE fundinfo.

To find out more about the underlying managed fund, please refer to the website www.colonialfirststate.com.au

1. Total management costs include the annual management fee and estimated performance fees. When money moves in or out of a WealthBuilder investment option (or Fund), you may incur transaction costs (buy/sell spreads) which are included in the entry and exit price of the applicable Fund you choose. Fund expense recoveries (if applicable) will be charged in addition to total management costs. Investor advice fees may apply depending on what arrangement investors have negotiated with their financial adviser. Please refer to the latest PDS or australianunity.com.au/aulbl-wealthbuilder for further information on fees and costs. Based on the net assets of the UMF (which excludes the UMF's borrowings). Please note: borrowings include any exposure to borrowings from the UMF investing directly or indirectly into another managed investment scheme which borrows.
2. Performance is net of management costs, expenses and tax. Performance is based on exit price to exit price for the period. Management costs, tax and other expenses are accounted for in the exit price. Past performance is not a reliable indicator of future performance. Please refer to australianunity.com.au/aulbl-wealthbuilder for updated performance information. Performance data is provided by FE fundinfo (FE fundinfo (Australia) PTY Limited, ABN 18 601 868 311). For further information visit www.fe-fundinfo.com

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