

# Lifeplan Education Bond Additional Information Document

**29 March 2023**

The Additional Information Document ('AID') forms part of the current Product Disclosure Statement ('PDS') for the Lifeplan Education Bond dated 29 March 2023.

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The information provided is general information only and does not take into account your investment objectives, financial situation or particular needs. Before making any decision based upon information contained in this AID, you should read it carefully in its entirety, and consider consulting with a financial adviser or tax adviser.

Visit our website for further information on the Lifeplan Education Bond, including updated continuous disclosure information, unit prices and performance. We recommend that you obtain and review this information before you invest.

Alternatively, you can call us and we will send you the requested information free of charge.

Defined terms used in the Additional Information Document have the same meaning as the defined terms used in the current Lifeplan Education Bond PDS unless defined in this document or the context requires otherwise.

# Description of underlying fund managers

The Fund provides access to range of quality and enduring investment managers. The investment managers in this PDS have given and not withdrawn their consent to the inclusion of statements and to be named in this PDS. The investment managers appointed by us are listed in alphabetical order in this section.



AMP Investments manage over \$98 billion of assets across a range of contemporary multi-asset investment solutions, for our superannuation, retail and institutional clients.

We are one of the largest diversified investment managers in Australia with 40 investment professionals who have, on average, over 18 years investment experience. The team specialises in designing, constructing and managing global diversified and single sector investment strategies using our active investment model. As part of the AMP Group, we share a heritage that spans over 170 years.

*National Mutual Funds Management Limited ABN 32 006 787 720 AFSL 234652 (As Investment Manager)*



Colonial First State provides investment, superannuation and retirement products to individuals, corporate and superannuation fund members, including more than 130 investment options across the FirstChoice suite of products.

The Investments team constructs and manages multi-manager portfolios that combine the skillsets of a number of specialist investment managers. In particular, the team retains responsibility and accountability for analysing and reviewing investment managers, with the purpose of appointing (and replacing) investment managers to manage allocations within the portfolios. The team also assesses advice and research from its investment consultant for a deeper understanding of investment issues and investment manager capabilities.

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



MLC Asset Management is one of Australia's most experienced investment managers, with over 35 years' experience designing and managing portfolios.

The team is well-resourced with combined experience of more than 200 years in designing and managing all aspects of a portfolio including asset allocation, investment manager selection, risk management and implementation.

The investment approach structures the portfolios with the aim of delivering more reliable returns across different potential market environments. As MLC Asset Management's assessment of market changes, the portfolios are evolved to capture new opportunities and manage new risk.

MLC Asset Management is part of the group of companies comprising Insignia Financial Ltd ABN 49 100 103 722.

*MLC Investments Limited, ABN 30 002 641 661, AFSL 230705*



## Important

We continuously research new investment opportunities and we adopt an active and disciplined approach when selecting and monitoring the appointed investment managers.

## PENDAL

Pendal Institutional Limited (Pendal) is a global investment management firm focused on delivering superior investment returns for its clients through active management. Pendal offers investors a range of Australian and international investment choices including shares, property securities, fixed income and cash strategies, as well as multi-asset and responsible investments. To complement its in-house expertise, Pendal also partners with other leading investment managers.

Pendal operates a multi-boutique style business through a meritocratic investment-led culture. Its experienced, long-tenured fund managers have the autonomy to offer a broad range of investment strategies with high conviction based on an investment philosophy that fosters success from a diversity of insights and investment approaches. Pendal's investment teams are also supported by a strong operational platform across risk and compliance, sales, and marketing and operations, allowing fund managers to focus on generating returns for Pendal's clients.

Pendal is a wholly owned subsidiary of Perpetual Limited.



Perpetual Investment Management Limited (Perpetual), via the Perpetual Asset Management Australia business is a dynamic, active manager, offering an extensive range of specialist investment capabilities including Australian and global equities, credit, fixed income, multi-asset as well as environmental, social and governance (ESG), designed to help meet the needs of clients across Australia and New Zealand. Perpetual Asset Management Australia is part of the Perpetual Group, which has been in operation for over 130 years. As one of Australia's longest serving and most trusted investment managers, with \$21.3 billion in funds under management (as at 30 June 2022) our longstanding commitment is to deliver superior outcomes over the long-term for our clients.

*Perpetual Investment Management Limited, ABN 18 000 866 535, AFSL 234426*



UBS Asset Management in Australia provides a comprehensive range of investment styles and strategies to institutional investors, financial advisers, wholesale and retail investors. Drawing on its 30-year heritage, UBS Asset Management strives to deliver outcome orientated investment solutions for our clients, underpinned by a teambased approach and disciplined risk management. With \$A54 billion (as at 30 June 2022) of invested assets in Australia and approximately 50 employees located locally, UBS is one of the largest global asset management businesses in the Australian market. Globally, with approximately \$A1,026 billion (as at 30 June 2022) of invested assets under management and approximately 3,500 employees located in 23 countries, UBS Asset Management is a truly global asset manager.

*UBS Asset Management (Australia) Ltd, ABN 31 003 146 290, AFSL 222605*

# Investment options menu



## How much risk should you take to meet your investment objectives?

All investments involve some risk and some investments are considered more risky than others. Before investing you should speak to a licensed financial adviser as they can help you determine your risk profile. Discussing your personal objectives, financial circumstances and needs with your financial adviser will help them design an investment strategy that is suitable for you.

Manager	Option name	Risk profile	Page
UBS	UBS Cash	Low	6
Pendal	Pendal Active Conservative Fund	Low to Moderate	6
CFS	Colonial First State FirstChoice Conservative	Moderate	7
MLC	MLC Horizon 2 – Income Portfolio	Moderate	7
Pendal	Pendal Active Balanced Fund	Moderate	7
CFS	Colonial First State FirstChoice Moderate	Moderate to High	8
MLC	MLC Horizon 4 – Balanced	Moderate to High	8
Pendal	Pendal Active Growth Fund	Moderate to High	9
Perpetual	Perpetual Conservative Growth	Moderate to High	9
AMP	AMP Capital Balanced Growth	High	10
CFS	Colonial First State FirstChoice Growth	High	10
MLC	MLC Horizon 6 – Share	High	10
Perpetual	Perpetual Balanced Growth	High	11
Perpetual	Perpetual Industrial Share	High	11

## Investment option asset allocation

Fund portfolios are governed by Registered Rules ('Rules') which specify authorised asset allocations. The 'Lifeplan portfolio name' in the tables for each of the investment options on pages 6 to 11 is the portfolio's name in the Rules. For details of the current and most recently available information about asset allocations and ranges of a particular investment option, please refer to the Lifeplan Education Bond Performance Update at [australianunity.com.au/wealth](https://australianunity.com.au/wealth).

## What happens if no investment option is selected?

If you do not make an investment allocation, we will apply your investment amount in full to the Colonial First State FirstChoice Conservative as our default investment option.

# Investment option objectives and strategies

## Guide to the investment options

### Investment timeframe

The length of time you wish to invest for or length of time you can invest before you need to access your money.

We have suggested a minimum investment timeframe for each investment option in this PDS. Your investment timeframe will depend on your own personal circumstances and you should talk to your financial adviser to determine your particular investment timeframe.

### Underlying portfolio

The underlying portfolio into which the investment option invests.

Each investment option offered in this AID invests in an underlying portfolio(s) managed according to the underlying portfolio's objectives.

### Investment objective

What returns the underlying fund manager of the underlying portfolio aims to achieve.

The investment objective can be stated in general terms or in terms of achieving returns relative to a specified indicator of market performance.

### Investment strategy

How the underlying fund manager of the underlying portfolio aims to achieve the investment objective.

This normally includes a description of the broad types of investments in which the underlying fund manager expects to invest. The asset allocation of an underlying portfolio is a key component of the investment strategy

### Asset allocation

The asset classes the appointed investment manager of the underlying portfolio can invest in and in what proportions.

The 'range' refers to the minimum and maximum percentage of the underlying portfolio that may be invested in the specified asset class according to the investment strategy.

### Options' risk profile

The risk profile of the investment option.

The risk profiles provide an indication of the level of investment risk and hence return potential you may expect from investment options with the designated profile.



#### Low

Investment options with a 'Low' or 'Very Low' risk profile are expected to experience relatively low levels of variability in returns and a low or very low potential for negative returns. Returns are expected to be relatively stable and predictable but unlikely to outperform the returns expected from options with 'Moderate' to 'High' risk profiles over the medium to long term.



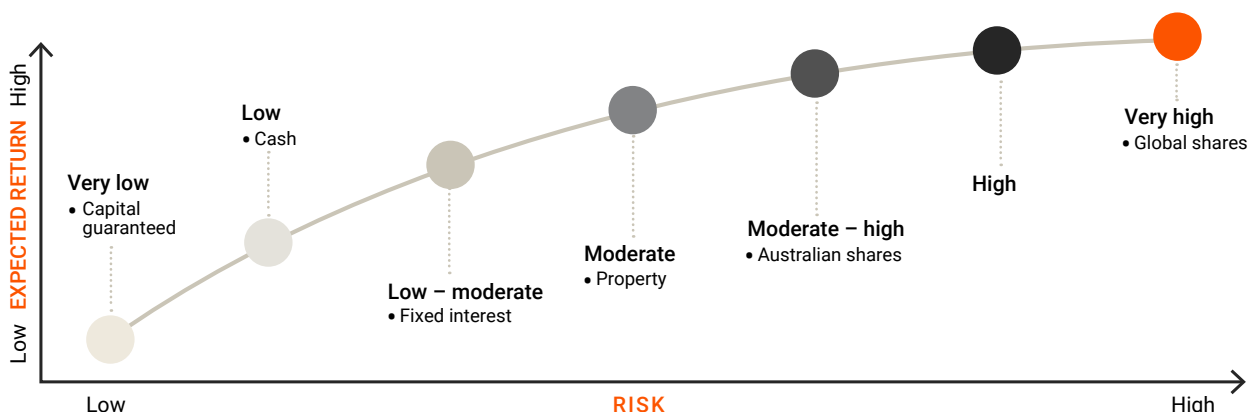
#### Moderate

Investment options with a 'Low to Moderate' or 'Moderate' risk profile are expected to experience relatively higher levels of variability in returns including periods of negative returns. Returns are likely to outperform the returns from 'Low' risk profile options over the medium to long term but would be unlikely to outperform the returns expected from options with 'High' risk profiles over the medium to long term.




#### High


Investment options with a 'Moderate to High', 'High' or 'Very High' risk profile are expected to experience relatively high levels of variability in returns including periods of negative returns, which may continue for extended periods. Returns are likely to outperform the returns expected from options with 'Low' or 'Moderate' risk profiles over the long term.



**Risk Profile: Low**

UBS Cash			
	<b>Lifeplan portfolio name</b> Cash Portfolio No. 1	<b>Investment timeframe</b> Minimum suggested timeframe: 1 year	<b>Underlying portfolio</b> UBS Cash Fund
	<b>Investment objective</b> The Fund aims to provide investors with a total return (before management costs) equivalent to the Bloomberg AusBondBank Bill Index (Benchmark) over rolling 12 month periods.		
	<b>Investment strategy</b> The Fund invests predominantly in Australian cash and cash equivalent investments. The Responsible Entity considers "cash equivalent" investments to include short term (less than 3 months) highly liquid investments (including deposits, bank bills, money market instruments and Australian Commonwealth and State government bonds) that are readily convertible to known amounts of cash.  The Fund may also invest in investment grade corporate bonds and asset backed securities, and longer term Australian Federal and State government bonds. An "investment grade" security means a security rated as investment grade (BBB-/Baa3 or higher) by a licensed credit rating agency selected by the Responsible Entity		

**Risk Profile: Low to Moderate**

Pendal Active Conservative Fund			
	<b>Lifeplan portfolio name</b> Defensive Portfolio No. 6	<b>Investment timeframe</b> Minimum suggested timeframe: 3 years	<b>Underlying portfolio</b> Pendal Active Conservative Fund
	<b>Investment objective</b> The Fund aims to provide a return (before all fees, costs and taxes) that exceeds the Fund's benchmark over the medium term.		
	<b>Investment strategy</b> To invest in Australian and international shares, Australian and international property securities, Australian and international fixed interest, cash and alternative assets. The underlying portfolio may also use derivatives. The underlying portfolio has a significant weighting towards defensive assets.  The assets of the Fund are managed by Pendal together with a manager selected by Pendal for international listed property securities. Pendal manages the asset allocation of the Fund. Pendal may implement asset allocation decisions away from the neutral position within the specified minimum and maximum ranges based on investment views.		

**Risk Profile: Moderate****Colonial First State FirstChoice Conservative**

**Lifeplan portfolio name**  
Defensive Portfolio No. 1

**Investment timeframe**  
Minimum suggested timeframe:  
At least 3 years

**Underlying portfolio**  
FirstChoice Wholesale Conservative

**Investment 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.

**Investment 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. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

**MLC Horizon 2 – Income Portfolio**

**ASSET MANAGEMENT**

**Lifeplan portfolio name**  
Defensive Portfolio No. 2

**Investment timeframe**  
Minimum suggested timeframe:  
3 years

**Underlying portfolio**  
MLC Wholesale Horizon 2  
Income Portfolio

**Investment objective**

Aims to outperform its benchmark (before fees) over 3-year periods.

**Investment strategy**

Investment markets are the main driver of the Trust's investment returns. The strategic asset allocation has a strong bias to defensive assets and some exposure to growth assets. The Trust's returns are benchmarked against a combination of investment market indices. MLC actively look for opportunities to provide better returns, or less risk, than those generated by the strategic asset allocation. They do this by:

- Actively managing the Trust's exposure to return opportunities and risk, by adjusting the allocations to the asset classes away from the strategic asset allocation, while aiming to remain within the defined ranges.
- Researching and selecting a broad range of mainstream asset classes, and including some exposure to alternative assets and strategies.
- Researching investment managers from around the world and selecting the managers they believe are the best for the Trust. These investment managers, who are mainly active managers, choose many companies and securities in Australia and overseas for investments.

**Pendal Active Balanced Fund**

**PENDAL**

**Lifeplan portfolio name**  
Growth Portfolio No. 2

**Investment timeframe**  
Minimum suggested timeframe:  
5 years

**Underlying portfolio**  
Pendal Active Balanced Fund

**Investment objective**


The Fund aims to provide a return (before all fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term.

**Investment strategy**


The Fund invests in Australian and international shares, Australian and international listed property securities, Australian and international fixed interest, cash and alternative investments. The Fund may also use derivatives. The Fund has a higher weighting towards growth assets than defensive assets.

The assets of the Fund are managed by Pendal together with a manager selected by Pendal for international listed property securities. Pendal manages the asset allocation of the Fund. Pendal may implement asset allocation decisions away from the neutral position within the specified minimum and maximum ranges based on investment views.

**Risk Profile: Moderate to High****Colonial First State FirstChoice Moderate**

	<b>Lifeplan portfolio name</b> Balanced Portfolio No. 1	<b>Investment timeframe</b> Minimum suggested timeframe: At least 5 years	<b>Underlying portfolio</b> FirstChoice Wholesale Moderate
	<b>Investment objective</b> 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.		
	<b>Investment strategy</b> 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. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.		

**MLC Horizon 4 – Balanced**

 <b>ASSET MANAGEMENT</b>	<b>Lifeplan portfolio name</b> Growth Portfolio No. 1	<b>Investment timeframe</b> Minimum suggested timeframe: 5 years	<b>Underlying portfolio</b> MLC Wholesale Horizon 4 Balanced Portfolio
	<b>Investment objective</b> Aims to provide a return higher than its benchmark (before fees) over 4 year periods.		
	<b>Investment strategy</b> Investment markets are the main driver of the Trust's investment returns. The strategic asset allocation has a strong bias to growth assets and some exposure to defensive assets. The Trust's returns are benchmarked against a combination of investment market indices. MLC actively look for opportunities to provide better returns, or less risk, than those generated by the strategic asset allocation. They do this by: <ul style="list-style-type: none"> <li>• Actively managing the Trust's exposure to return opportunities and risk, by adjusting the allocations to the asset classes away from the strategic asset allocation, while aiming to remain within the defined ranges.</li> <li>• Researching and selecting a broad range of mainstream asset classes, and including some exposure to alternative assets and strategies.</li> <li>• Researching investment managers from around the world and selecting the managers they believe are the best for the Trust. These investment managers, who are mainly active managers, choose many companies and securities in Australia and overseas for investments.</li> </ul>		



**Risk Profile: Moderate to High****Pendal Active Growth Fund****PENDAL**

**Lifeplan portfolio name**  
High Growth Portfolio No. 2

**Investment timeframe**  
Minimum suggested timeframe:  
5 years

**Underlying portfolio**  
Pendal Active Growth Fund

**Investment objective**

The Fund aims to provide a return (before all fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term.

**Investment strategy**

The Fund invests in Australian and international shares, Australian and international listed property securities, Australian and international fixed interest, cash and alternative investments. The Fund may also use derivatives. The Fund has a significant weighting towards growth assets.

The assets of the Fund are managed by Pendal together with a manager selected by Pendal for international listed property securities. Pendal manages the asset allocation of the Fund. Pendal may implement asset allocation decisions away from the neutral position within the specified minimum and maximum ranges based on investment views.

**Perpetual Conservative Growth****Perpetual**

**Lifeplan portfolio name**  
Defensive Portfolio No. 4

**Investment timeframe**  
Minimum suggested timeframe:  
3 years or longer

**Underlying portfolio**  
Perpetual Conservative Growth Fund

**Investment objective**

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; outperform the All Groups CPI + 3.5% p.a. (before fees and taxes) over at least two-year periods; and outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.

**Investment strategy**

The Fund invests in a diverse mix of growth, defensive and other assets, with a focus on cash and fixed income securities. Tactical asset allocation strategies may be applied, which involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines. Currency is managed at the Fund 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 foreign currency exposure will be limited to 50% of the gross asset value of the Fund. Derivatives and exchange traded funds may be used in managing each asset class.

**Risk Profile: High****AMP Capital Balanced Growth****Lifeplan portfolio name**

Balanced Portfolio No. 2

**Investment timeframe**Minimum suggested timeframe:  
5 years**Underlying portfolio**AMP Capital Balanced Growth Fund  
(Platform Class A units)**Investment objective**

By investing across a range of asset types, with high exposure to growth assets, the Fund aims to provide a total return (primarily capital growth with some income) after costs and before tax, above the Fund's performance benchmark on a rolling 3 year basis.

**Investment strategy**

The Fund aims to provide investors with exposure to a diversified range of Australian and international growth asset classes including but not limited to fixed income, shares, Australian and global listed property securities. Designed with a bias towards growth assets, the Fund's investment across a range of asset classes supports the Fund in achieving its objective to provide moderate capital growth and income. The Fund's blend of investment sectors is managed within a strategic asset allocation mix, with the flexibility to vary the Fund's allocations to suit the changing investment environment.

**Colonial First State FirstChoice Growth****Lifeplan portfolio name**

Growth Portfolio No. 2

**Investment timeframe**Minimum suggested timeframe:  
At least 5 years**Underlying portfolio**

FirstChoice Wholesale Growth

**Investment 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.

**Investment 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. The portfolio aims to hedge currency risk except for the allocation to emerging market shares and part of the allocation to global shares.

**MLC Horizon 6 – Share****ASSET MANAGEMENT****Lifeplan portfolio name**

High Growth Portfolio No. 1

**Investment timeframe**Minimum suggested timeframe:  
6 years**Underlying portfolio**MLC Wholesale Horizon 6  
Share Portfolio**Investment objective**


Aims to provide a return higher than its benchmark (before fees) over 5 year periods.

**Investment strategy**


Investment markets are the main driver of the Trust's investment returns. It's invested in growth assets with minimal exposure to defensive assets. The Trust's returns are benchmarked against a combination of investment market indices. MLC actively look for opportunities to provide better returns, or less risk, than those generated by the strategic asset allocation. They do this by:

- Actively managing the Trust's exposure to return opportunities and risk, by adjusting the allocations to the asset classes away from the strategic asset allocation, while aiming to remain within the defined ranges.
- Researching and selecting a broad range of mainstream asset classes, and including some exposure to alternative assets and strategies.
- Researching investment managers from around the world and selecting the managers they believe are the best for the Trust. These investment managers, who are mainly active managers, choose many companies and securities in Australia and overseas for investments.

**Risk Profile: High****Perpetual Balanced Growth**

	<b>Lifeplan portfolio name</b> Growth Portfolio No. 5	<b>Investment timeframe</b> Minimum suggested timeframe: 5 years or longer	<b>Underlying portfolio</b> Perpetual Balanced Growth Fund
	<b>Investment objective</b> Aims to provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments; outperform the All Groups CPI + 5.0% p.a. (before fees and taxes) over at least five-year periods; and outperform a composite benchmark (before fees and taxes) reflecting its allocation to the various asset types over rolling three-year periods.		
	<b>Investment strategy</b> The Fund 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 underlying portfolio adjusting its exposure to asset classes on a regular basis within the investment guidelines.  Currency is managed at the Fund 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 foreign currency exposure to foreign currency will be limited to 50% of the gross asset value of the Fund. Derivatives and exchange traded funds may be used in managing each asset class.		

**Perpetual Industrial Share**

	<b>Lifeplan portfolio name</b> Australian Share Portfolio No. 2	<b>Investment timeframe</b> Minimum suggested timeframe: 5 years or more	<b>Underlying portfolio</b> Perpetual Industrial Share Fund
	<b>Investment objective</b> Aims to provide long-term capital growth and regular income through investment predominantly in quality Australian industrial shares; outperform the S&P/ASX 300 Industrials Accumulation Index (before fees and taxes) over rolling three-year periods.		
	<b>Investment strategy</b> 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.  The Fund may have up to 10% exposure to investments in international shares where we believe there are opportunities that may enhance returns.*  Derivatives may be used in managing the Fund.  * The Fund invests predominately in Australian shares listed on or proposed to be listed on any recognised Australian exchange but may have up to 10% exposure to international shares listed or proposed to be listed on any recognised global exchange. Currency hedges may be used from time to time.		

**Contact us**
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