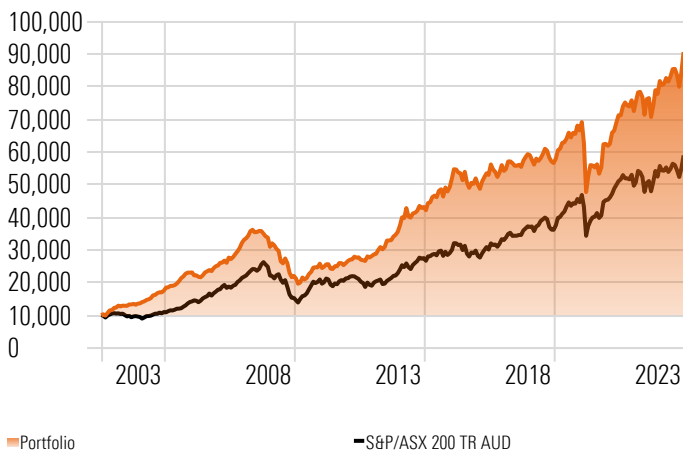


Morningstar Australian Shares Income Model Portfolio

Performance Update | As of 31/12/2023

Risk Profile: High
Inception: 31 August 2001
Investment Horizon: 7 Years

Investment Growth



Trailing Returns

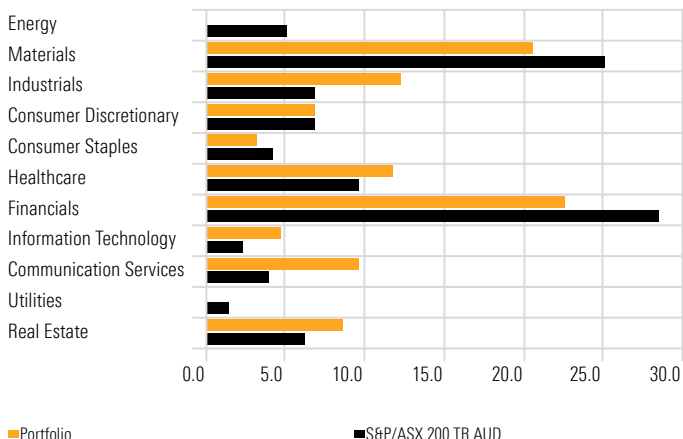
| | 1mth | 3mth | 1yr | 3yr (% p.a) | 5yr (% p.a) | 10yr (% p.a) | Incp (% p.a) |
|--------------------|------|------|-------|----------------|----------------|-----------------|-----------------|
| Portfolio | 7.42 | 8.44 | 16.43 | 13.20 | 9.86 | 7.70 | 10.33 |
| S&P/ASX 200 TR AUD | 7.26 | 8.40 | 12.42 | 9.25 | 10.28 | 7.93 | 8.24 |

Past performance is not a reliable indicator of future performance.
Returns over 12 months are annualised.

Risk Since Inception

| | Std Dev | Max Drawdown | Beta |
|--------------------|---------|--------------|------|
| Portfolio | 13.00 | -45.72 | 0.81 |
| S&P/ASX 200 TR AUD | 13.53 | -47.18 | 1.00 |

Sector Exposure



Notes

1) Investment performance represents modelled performance only and assumes income is reinvested. Investment returns are calculated before tax. An individual's performance will differ from the modelled performance depending on factors such as transaction timing, actual management fees, whether income is paid and any divergence from the model portfolio weightings.

Investment Objective

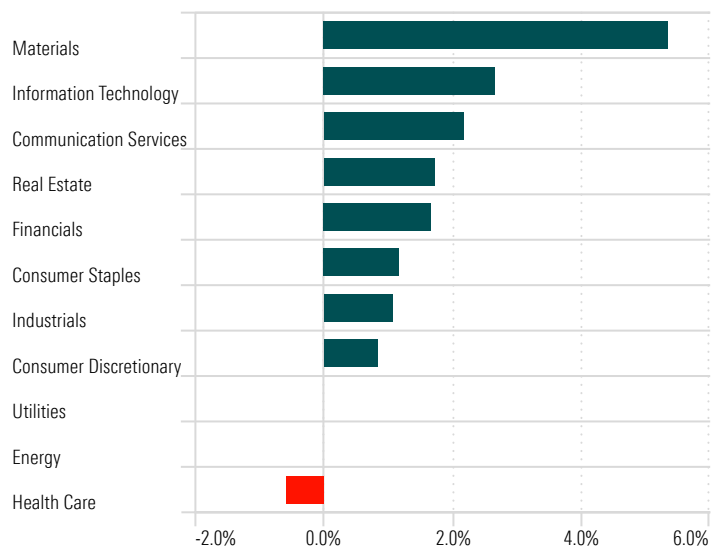
The Morningstar Australian Shares Income Portfolio aims to provide investors with greater risk-adjusted returns and a higher sustainable franked dividend yield relative to the S&P/ASX 200 Accumulation Index in the long term.

Investment Strategy

The portfolio is actively managed and concentrated consisting of ASX-listed stocks covered by Morningstar's large Equity Research team. Morningstar focusses portfolio exposure on companies with competitive advantages, a market price offering margin of safety, a sustainable dividend yield above the benchmark, and franking credits. This combination of factors helps to preserve capital and reduce volatility in various market environments.

Portfolio turnover is modest to minimise costs and further support after-tax performance. Morningstar Equity Research analysts' ratings, such as Fair Value Estimate, Economic Moat, and Valuation Uncertainty, are important inputs to the portfolio construction process. Total return will tend to be driven more by income than capital appreciation, although both are of course desirable.

Sector Contribution Over the Past Year



Note: Contribution to return from ETFs has been calculated using NAV returns. Contribution analysis is calculated using a monthly buy and hold methodology.



Portfolio Holdings

| | Sector | Portfolio Weighting % |
|--|------------------------|------------------------------|
| James Hardie Industries PLC DR | Materials | 4.868 |
| Goodman Group | Real Estate | 4.824 |
| WiseTech Global Ltd | Information Technology | 4.564 |
| Westpac Banking Corp | Financials | 4.509 |
| ANZ Group Holdings Ltd | Financials | 4.320 |
| National Australia Bank Ltd | Financials | 4.311 |
| Car Group Ltd | Communication Services | 4.223 |
| ASX Ltd | Financials | 4.049 |
| Cash | — | 4.045 |
| Aurizon Holdings Ltd | Industrials | 4.032 |
| ResMed Inc CDR | Health Care | 3.955 |
| Rio Tinto Ltd | Materials | 3.880 |
| BHP Billiton Ltd | Materials | 3.736 |
| Newmont Corp Chess Depository Interest | Materials | 3.719 |
| Bapcor Ltd | Consumer Discretionary | 3.402 |
| Brambles Ltd | Industrials | 3.289 |
| Wesfarmers Ltd | Consumer Discretionary | 3.116 |
| Inghams Group Ltd | Consumer Staples | 3.071 |
| Perpetual Ltd | Financials | 3.017 |
| Computershare Ltd | Industrials | 2.980 |
| Ramsay Health Care Ltd | Health Care | 2.790 |
| Ansell Ltd | Health Care | 2.746 |
| Telstra Group Ltd | Communication Services | 2.611 |
| TPG Telecom Ltd Ordinary Shares | Communication Services | 2.354 |
| Scentre Group | Real Estate | 2.152 |
| Fisher & Paykel Healthcare Corp Ltd | Health Care | 1.835 |
| South32 Ltd | Materials | 1.770 |
| Amcor PLC | Materials | 1.706 |
| Ventia Services Group Ltd | Industrials | 1.456 |
| Credit Corp Group Ltd | Financials | 1.426 |
| Dexus | Real Estate | 1.242 |

Morningstar's Investment Principles



We put investors first. We believe the firms that put investors first win in the long term because their investors win. Since 1984, Morningstar, Inc. has been helping investors reach their financial goals. Our fiduciary duty to our principals is paramount.



We're independent-minded. To deliver results, we think it's necessary to invest with conviction, even when it means standing apart from the crowd. Our research shows that making decisions based on fundamental analysis, rather than short-term factors and sentiment, delivers better long-term investment results.



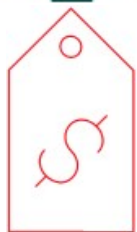
We invest for the long term. Taking a patient, long-term view helps people ride out the market's ups and downs and take advantage of opportunities when they arise. Investing with a multi decade horizon aligns with investors focus on increasing their purchasing power over their lifetimes. The long term is the only period where fundamental, valuation driven investing works.



We're valuation-driven investors. Anchoring decisions to an investment's fair value—or what it's really worth—can lead to greater potential for returns. Valuation-driven investing through a long-term focus on the difference between price and intrinsic value enables investors to get more than they're paying for.



We take a fundamental approach. Powerful research is behind each decision we hold, and we understand what drives each investment we analyse. Fundamental investing incorporates a focus on the future earnings of an investment and not its prospective price change.



We strive to minimise costs. Controlling costs helps investors build wealth by keeping more of what they earn. Investment returns are uncertain, but costs are not. Lower costs allow investors to keep more of their returns.



We build portfolios holistically. To help manage risk and deliver better returns, truly diversified portfolios combine investments with different underlying drivers. Portfolios should be more than the sum of their parts. True diversification can have a powerful impact on a portfolio's risk-adjusted returns – but simply holding more investments isn't the same as true diversification.