Morningstar Diversified Income Managed Account Portfolio

Performance Update | As of 31/10/2026

Risk Level: Medium to High
Inception: 30 June 2014
Investment Horizon: 5 Years

Management Fee: 0.55%
Indirect Costs: 0.12%

Investment Objective: To achieve a consistent level of income at or above prevailing cash levels and the potential for long term capital growth, by investing in a diversified portfolio that has an emphasis on income producing assets.

Performance Objective: To deliver outperformance of the asset weighted benchmark and additionally to aim to earn a rate of return that exceeds inflation by at least 2% per annum both over rolling 5-year periods before fees, with a bias towards income producing assets across the growth and defensive spectrum.

Investment Strategy
An actively managed diversified portfolio of securities across both defensive asset classes such as cash and fixed interest securities, and growth asset classes such as Australian equities, property and global securities. In general, the portfolio's long-term average exposure will be around 55% defensive assets and around 45% growth assets; however the allocations will be actively managed within the allowable ranges depending on market conditions.

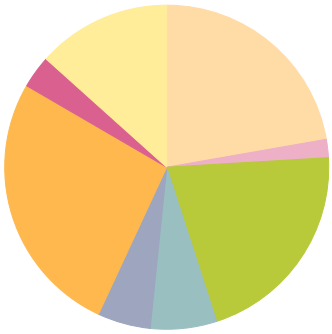
Trailing Returns

	1mth (%)	3mth (%)	1yr (%)	3yr (% p.a)	5yr (% p.a)	7yr (% p.a)	10yr (% p.a)	Incp (% p.a)
Portfolio*	2.07	0.63	4.65	9.32	5.40	4.99	4.84	5.02
Asset Weighted BM** ***	1.30	-0.07	3.09	9.23	—	—	—	—
CPI + 2.00%^	0.96	2.52	7.20	5.67	6.67	5.89	5.26	4.92

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

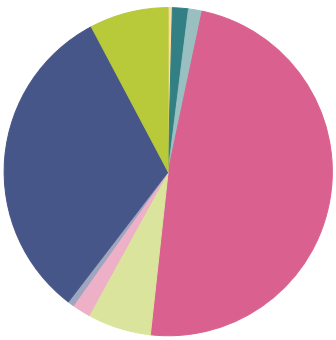


Asset Allocation



	%
Australian Bonds	22.2
Australian Property Securities	1.8
Australian Shares	21.0
Cash	6.6
Global Infrastructure	5.3
International Bonds	26.5
International Property Securities	3.3
International Shares	13.4
Total	**100.0**

Equity Regional Exposure



	%
Africa/Middle East	0.4
Asia Developed	1.6
Asia Emerging	1.3
Australasia	48.4
Europe Developed	6.3
Europe Emerging	0.0
Japan	1.8
Latin America	0.6
North America	31.8
United Kingdom	7.8
Total	**100.0**

Equity Sector Exposure



	%
Basic Materials	10.4
Communication Services	5.6
Consumer Cyclical	6.1
Consumer Defensive	7.9
Energy	6.2
Financial Services	19.3
Healthcare	7.2
Industrials	10.3
Real Estate	13.7
Technology	6.7
Utilities	6.6
Total	**100.0**

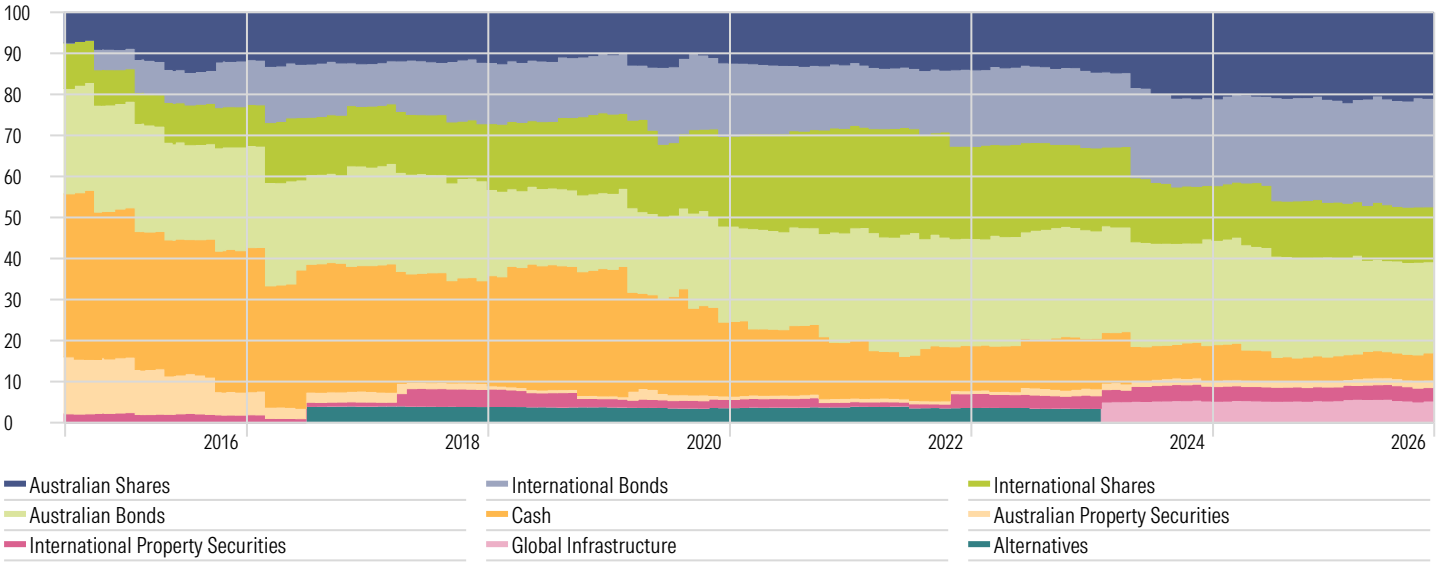
*Investment performance represents modelled performance only and assumes all income distributions received are reinvested back into the portfolio. This does not imply participation in issuer dividend reinvestment plans (DRPs), and actual reinvestment outcomes will vary between investors. Investment returns are calculated before tax and after management fees which are inclusive of GST. An individual investor's performance will differ from the modelled performance due to factors such as transaction timing, actual management fees, cash flows, whether income is distributed or reinvested, and any divergence from model portfolio weightings or holdings. In certain circumstances, a specific platform may not make a model security, fund or investment manager that is selected by our investment managers, available for investment. Where this occurs, a substitute investment may be used, which may result in differences in portfolio holdings, risk characteristics and investment performance relative to the model portfolio. The portfolio may include Funds (including Exchange Traded Funds) which charge management fees and these fees are an additional cost (captured within the indirect costs) to individual investors and impact their return.

**Prior to 1 October 2023, the portfolios were managed to a CPI benchmark only. The performance of the Asset Weighted Benchmark will be displayed from 1 October 2023.

***Effective 1 November 25, the constituent benchmarks used in the construction of the Portfolio's composite benchmark are provided by Morningstar, Inc. Historical benchmark returns up to 1 November 25 will remain unchanged. Morningstar, Inc. operates Morningstar Indexes, which is a separate business unit to Morningstar Investment Management. Morningstar Investment Management is not involved in the construction, methodology, or maintenance of Morningstar Indexes.

^The CPI was not available for the current month at the time of creation of this report. CPI for the previous month has been used as a proxy for the current month. Please note the actual CPI for the current month may differ to the proxy used.

Asset Allocations Over Time



Portfolio Holdings

Holding	Code	Asset Class	Morningstar Sector	Portfolio Weighting %
Morningstar International Bonds Hdgd Z	40519	International Bonds	—	20.2
iShares Core Composite Bond ETF	IAF	Australian Bonds	—	9.0
Vanguard Australian Fixed Interest ETF	VAF	Australian Bonds	—	8.7
Morningstar International Shrs Actv ETF	MSTR	International Shares	—	7.3
iShares Core S&P/ASX 200 ETF	IOZ	Australian Shares	—	6.5
iShares Core FTSE Global Infras AUDH ETF	GLIN	Global Infrastructure	—	5.3
Vanguard Intl Credit Secs (Hdg) ETF	VCF	International Bonds	—	4.8
Morningstar Global Opportunities Class Z	44388	International Shares	—	4.3
iShares Core Cash ETF	BILL	Cash	—	4.0
VanEck FTSE Intl Prop (AUD Hdg) ETF	REIT	International Property Securities	—	3.3
Morningstar Australian Shares Z	42105	Australian Shares	—	2.9
Cash	—	Cash	—	2.6
BetaShares Aus Bank Sr Fltng Rt Bd ETF	QPON	Australian Bonds	—	2.5
BetaShares Aus Inv Grd Corp Bd ETF	CRED	Australian Bonds	—	2.0
BetaShares FTSE 100 ETF	F100	International Shares	—	1.7
iShares Core Corporate Bond ETF	ICOR	Australian Bonds	—	1.4
Telstra Group Ltd	TLS	Australian Shares	Communication Services	1.3
National Australia Bank Ltd	NAB	Australian Shares	Financial Services	1.3
ANZ Group Holdings Ltd	ANZ	Australian Shares	Financial Services	1.2
BHP Group Ltd	BHP	Australian Shares	Basic Materials	1.0
GPT Group	GPT	Australian Property Securities	Real Estate	1.0
Woodside Energy Group Ltd	WDS	Australian Shares	Energy	1.0
James Hardie Industries PLC DR	JHX	Australian Shares	Basic Materials	0.9
Endeavour Group Ltd Ordinary Shares	EDV	Australian Shares	Consumer Defensive	0.9
Dexus	DXS	Australian Property Securities	Real Estate	0.9
Macquarie Group Ltd	MQG	Australian Shares	Financial Services	0.8
Brambles Ltd	BXB	Australian Shares	Industrials	0.7
CSL Ltd	CSL	Australian Shares	Healthcare	0.7
Westpac Banking Corp	WBC	Australian Shares	Financial Services	0.7
Woolworths Group Ltd	WOW	Australian Shares	Consumer Defensive	0.6
Amcor PLC	AMC	Australian Shares	Consumer Cyclical	0.6

Benchmark

Weight	Asset Class	Asset Class Benchmark
23.00%	Australian Shares	Morningstar Australia GR AUD
6.05%	International Shares	Morningstar Global xAU NR AUD
4.95%	International Shares (H)	Morningstar Global xAU NR Hdg AUD
3.00%	Australian Property Securities	Morningstar AU Real Est GR AUD
3.00%	International Property Securities	Morningstar Gbl xAU REIT NR Hdg AUD
5.00%	Global Infrastructure	Morningstar Gbl Eq Infra Hdg NR AUD
20.00%	Australian Bonds	Morningstar AU Core Bd GR AUD
27.00%	International Bonds (H)	Morningstar Gbl Core Bd GR Hdg AUD
8.00%	Cash	Morningstar AUD 1M Cash GR AUD

Detailed information regarding portfolio holdings are available using Morningstar's Look Through Tool.
https://morningstarinvestments.com.au/holdings/

MORNINGSTAR®

Investment Principles

Our search for quality & value never ends.

Our three investment principles inform every investment decision we make.

01



We champion investors.

We believe that if investors win, we all win.

We are independent minded which allows us to make investment decisions with the focus on helping investors meet their financial goals.

Investment decisions are made with the end investor in mind.

02



We take a fundamental approach.

We believe that fundamental factors, such as the quality of personnel and an investment's future earnings will drive results.

Powerful analytics and models are behind our research and portfolios, giving us the confidence to take a long-term perspective.

We stand firm behind our investment views, even if they are unpopular. This means being willing to ride out market volatility.

03



We believe that price matters.

We anchor on an investment's underlying intrinsic value rather than fleeting news, sentiment or momentum.

Focusing on the difference between price and intrinsic value enables investors to get more than they're paying for.

We also believe controlling costs helps investors build wealth by letting them keep more of what they earn.

This document is issued by Morningstar Investment Management Australia Limited (ABN 54 071 808 501, AFS Licence No. 228986) ('Morningstar'). © Copyright of this document is owned by Morningstar and any related bodies corporate that are involved in the document's creation. As such the document, or any part of it, should not be copied, reproduced, scanned or embodied in any other document or distributed to another party without the prior written consent of Morningstar. The information provided is for general use only. In compiling this document, Morningstar has relied on information and data supplied by third parties including information providers (such as Standard and Poor's, MSCI, Barclays, FTSE). Whilst all reasonable care has been taken to ensure the accuracy of information provided, neither Morningstar nor its third parties accept responsibility for any inaccuracy or for investment decisions or any other actions taken by any person on the basis or context of the information included. Past performance is not a reliable indicator of future performance. Morningstar does not guarantee the performance of any investment or the return of capital. Morningstar warns that (a) Morningstar has not considered any individual person's objectives, financial situation or particular needs, and (b) individuals should seek advice and consider whether the advice is appropriate in light of their goals, objectives and current situation. Refer to our Financial Services Guide (FSG) for more information at morningstarinvestments.com.au/fsg. Before making any decision about whether to invest in a financial product, individuals should obtain and consider the disclosure document and the Target Market Determination (TMD).