Capital Market Outcomes

Where do the Risks lie?

8TH OCTOBER, 2025

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Asset Allocation Survey Results

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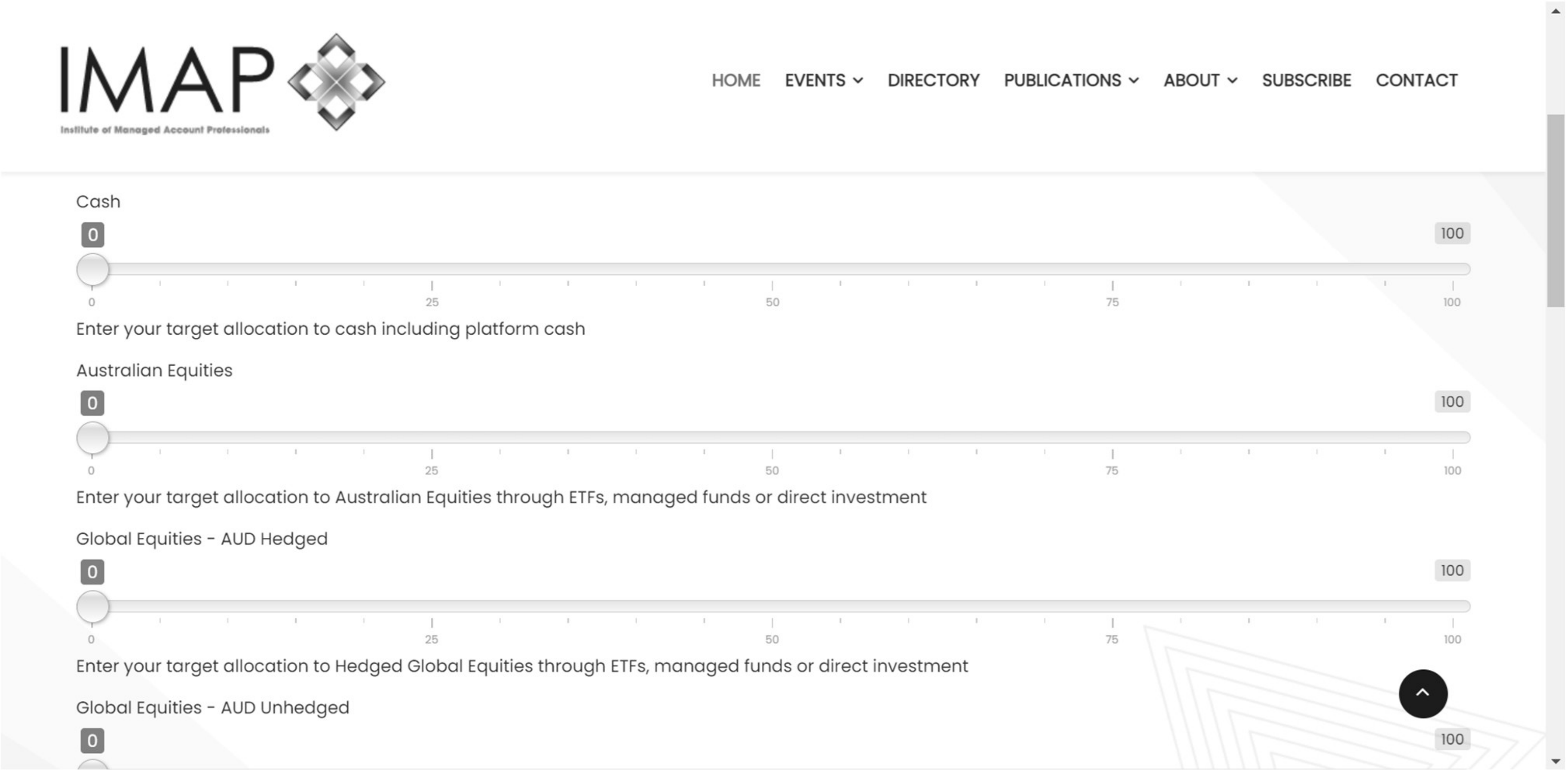
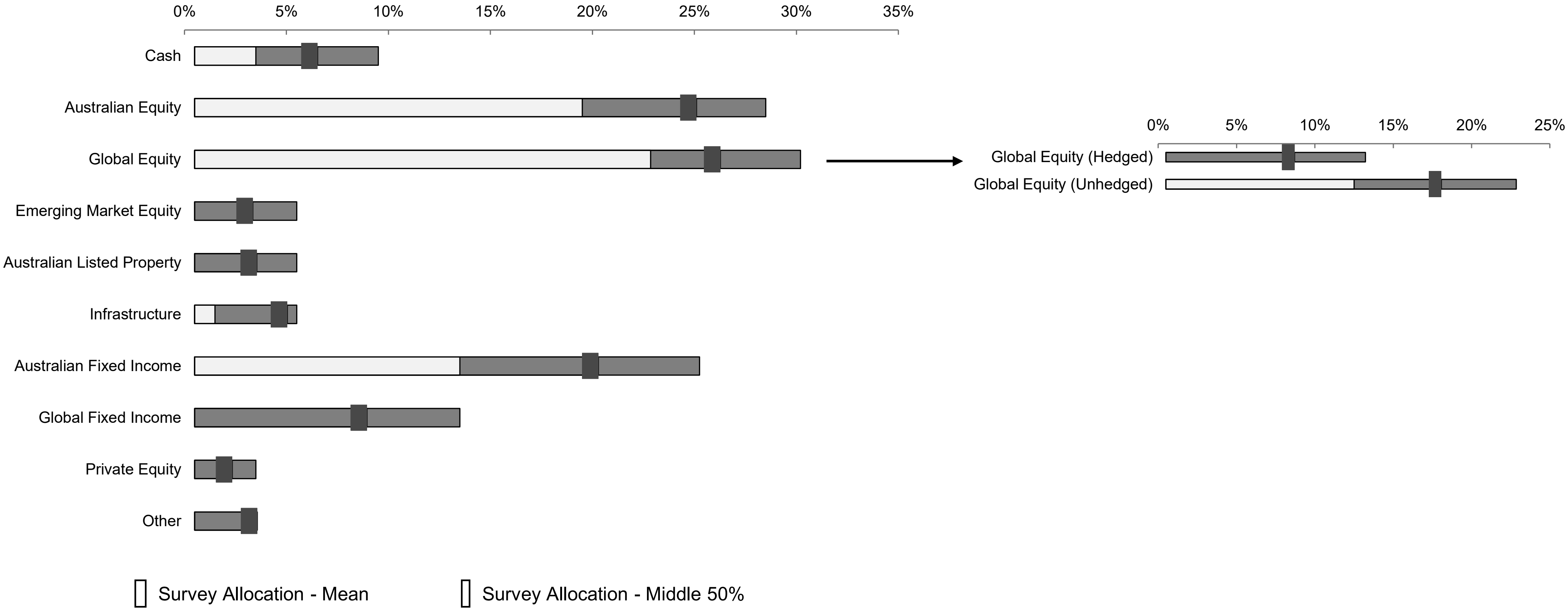
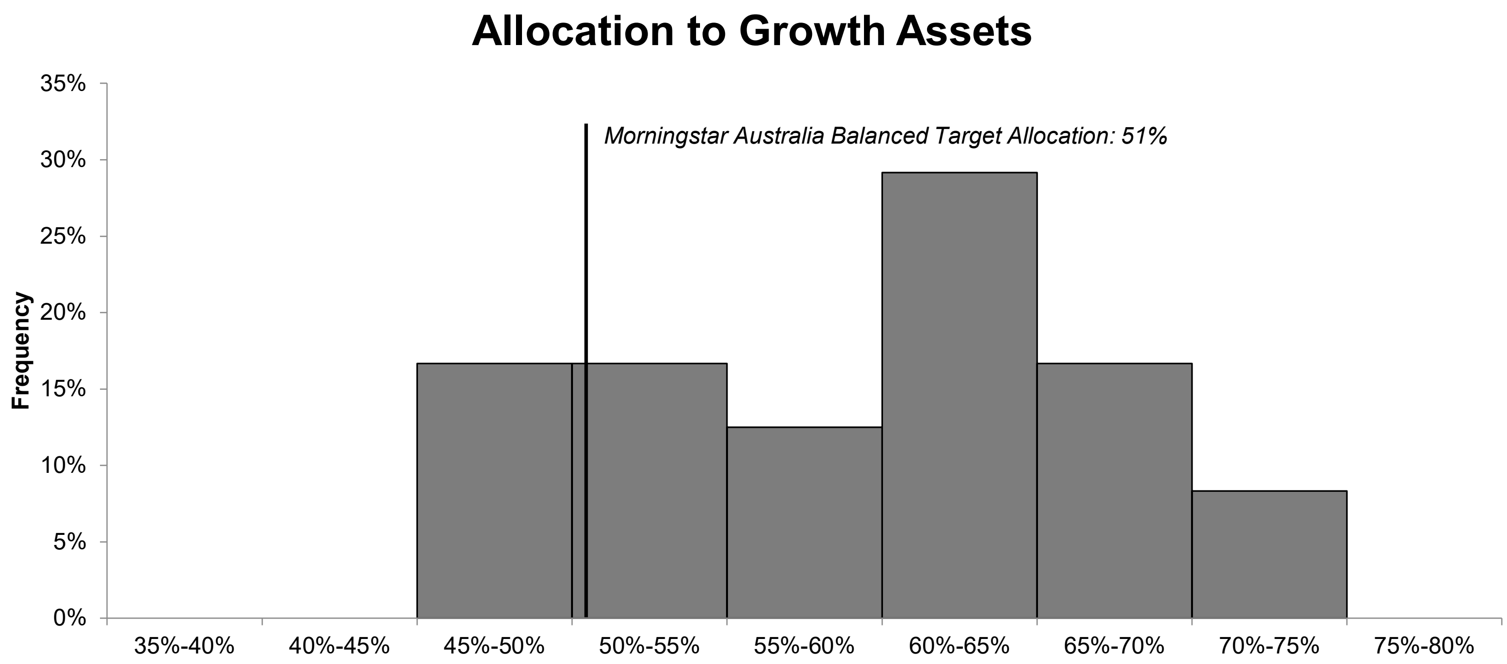
Asset Allocation Survey



Survey Results: Asset allocations at a view



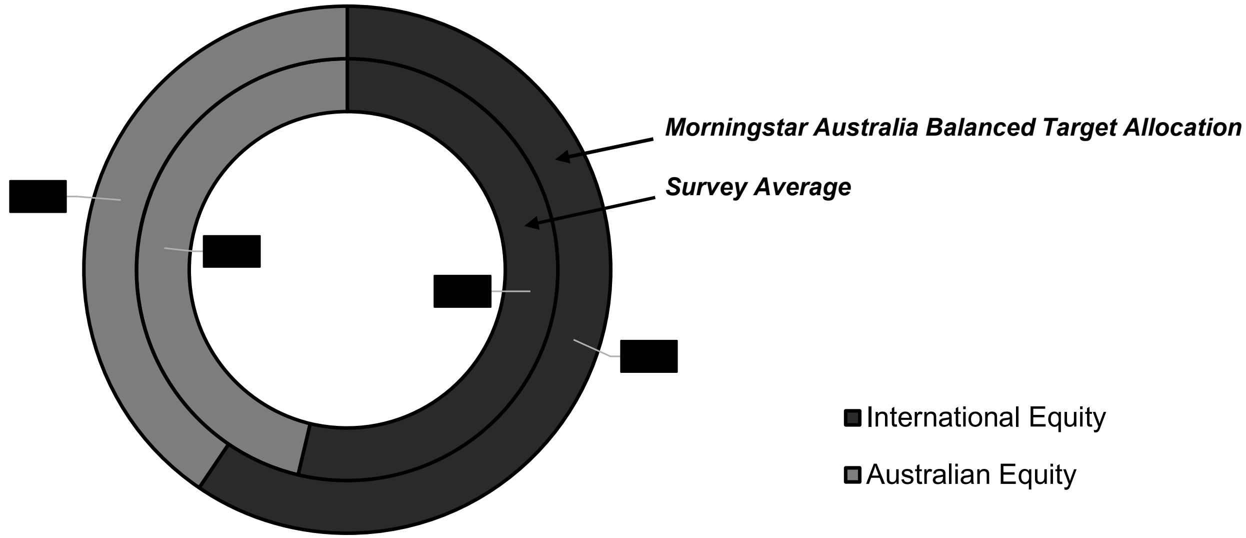
Survey Results: Allocation to growth assets



Mean	Min	25%ile	Median	75%ile	Max
60%	45%	52%	63%	65%	75%

Survey Results: Split between International vs Australian Equities

International vs Australian Equity Allocation

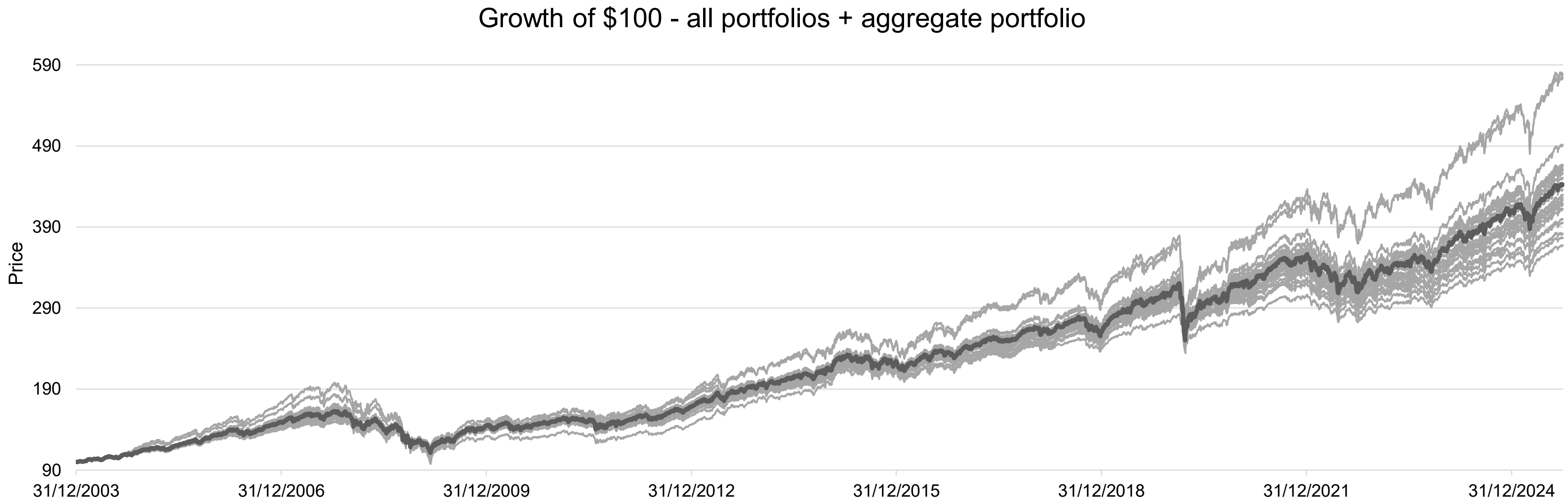


Allocation into Australian Equity (as % of total equity allocation)

Mean	Min	25%ile	Median	75%ile	Max
46%	**27%**	**41%**	**45%**	**51%**	**80%**

Impact of different asset allocations on investment outcomes

Assumes each asset class is passively invested into market indices



Growth Asset Allocation %

	Min (45%)	*25%ile (52%)*	*Median (63%)*	*75%ile (65%)*	*Max (75%)*
Return*	**6.3%**	**6.4%**	**7.3%**	**7.3%**	**8.4%**
Volatility**	**5.6%**	**7.3%**	**7.7%**	**8.1%**	**11.8%**
Max Drawdown	**-21.8%**	**-27.5%**	**-30.8%**	**-32.2%**	**-50.8%**

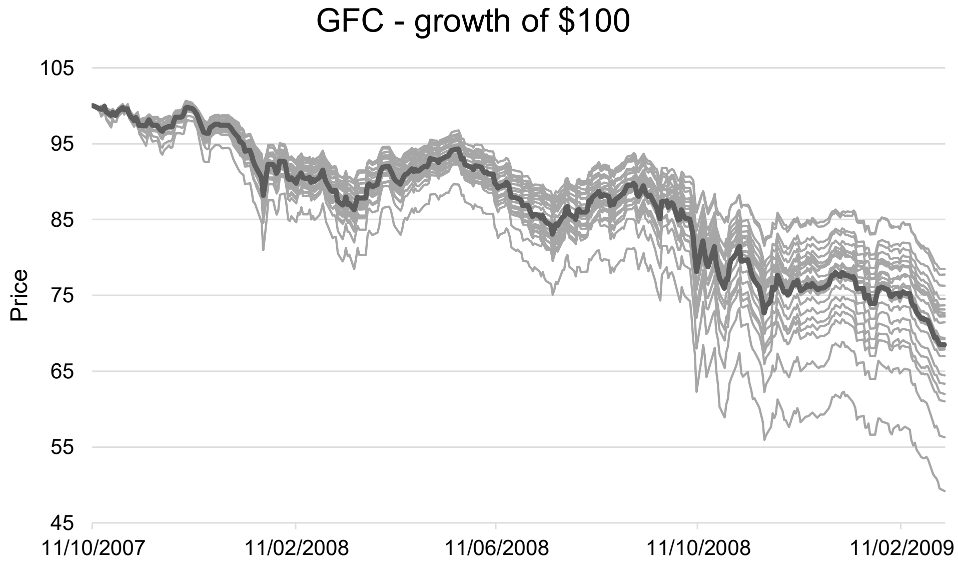
** Annualised.*

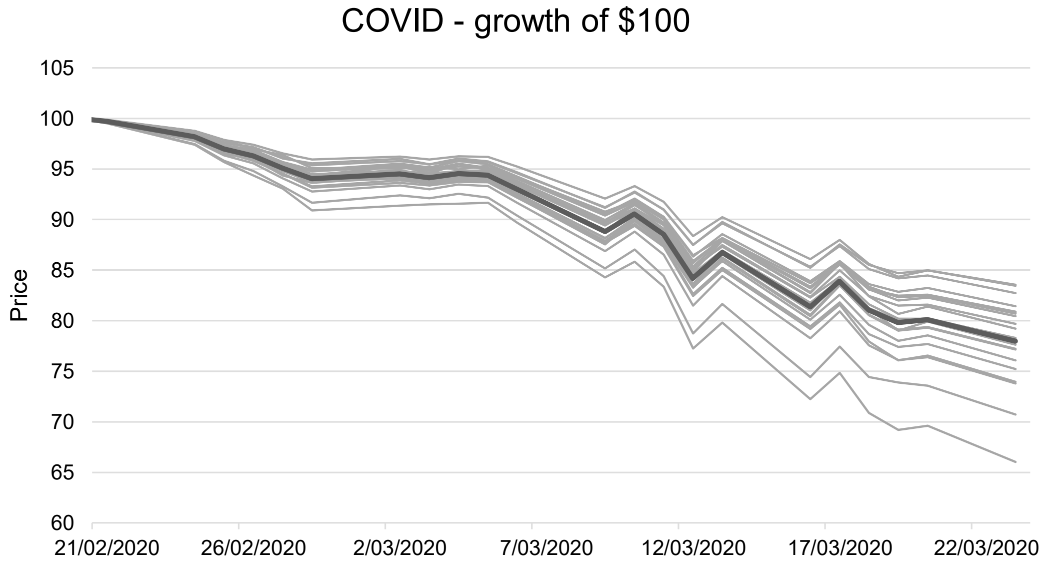
*** Annualised using daily returns.*

The results shown are historical, for informational purposes only, not reflective of any investment, and do not guarantee future results. Any reference to a market index is included for illustrative purposes only, as it is not possible to directly invest in an index. Indices are unmanaged, hypothetical vehicles that serve as market indicators and do not account for the deduction of management fees or transaction costs generally associated with investable products, which otherwise have the effect of reducing the results of an actual investment portfolio.

Impact of different asset allocations during market crisis

Assumes each asset class is passively invested into market indices





Growth Asset Allocation %

	Min (45%)	*25%ile (52%)*	*Median (63%)*	*75%ile (65%)*	*Max (75%)*
Return*	**-21.5%**	**-27.3%**	**-30.8%**	**-32.2%**	**-50.8%**
Volatility**	**9.6%**	**13.6%**	**13.3%**	**14.0%**	**23.2%**

** Returns calculated across the max drawdown period.*

*** Annualised using daily returns.*

Growth Asset Allocation %

	Min (45%)	*25%ile (52%)*	*Median (63%)*	*75%ile (65%)*	*Max (75%)*
Return*	**-16.5%**	**-20.8%**	**-21.8%**	**-22.8%**	**-34.0%**
Volatility**	**27.6%**	**31.1%**	**39.5%**	**40.4%**	**51.9%**

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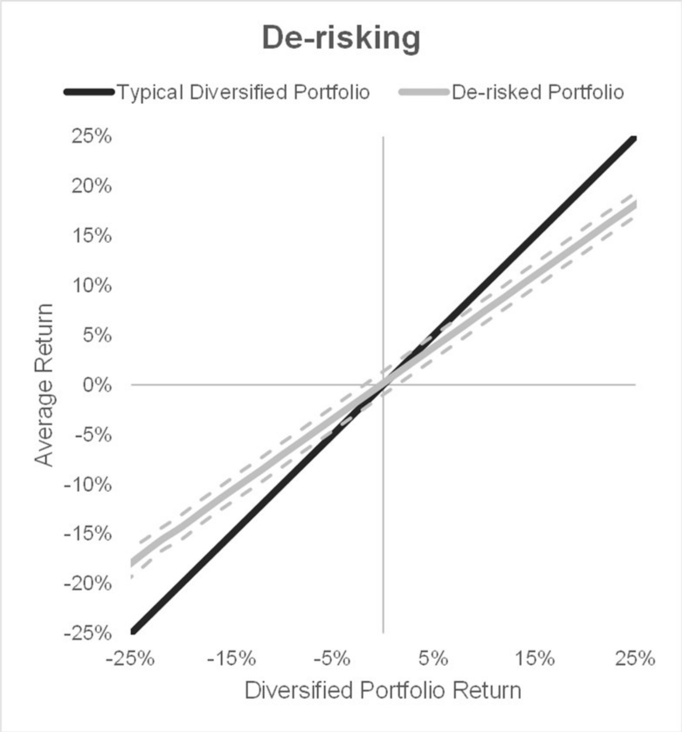
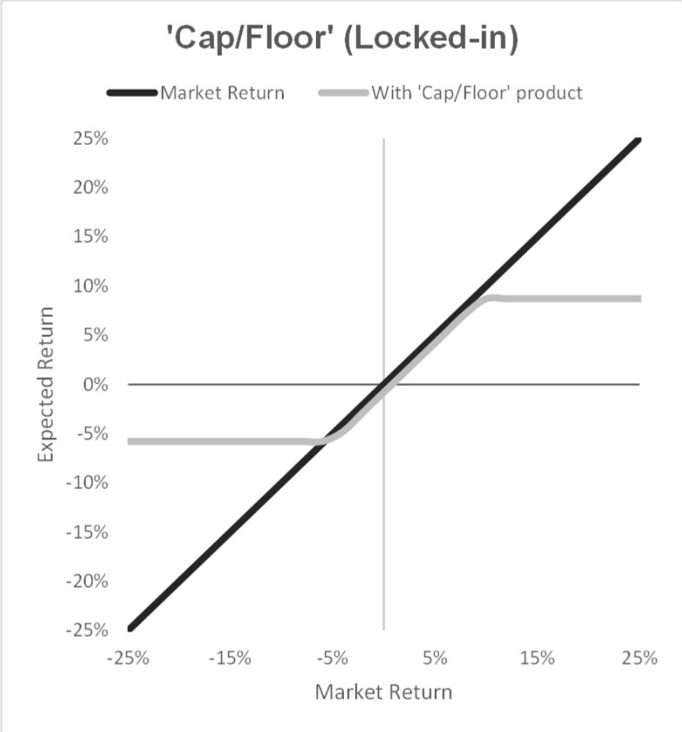
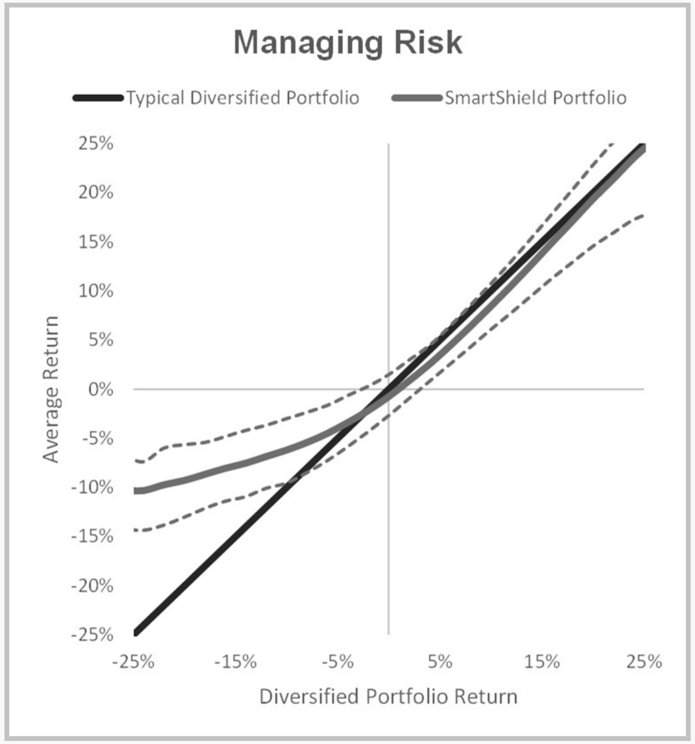
Impact of explicit risk management

Different approaches to risk management

Based on 5,000 stochastic scenarios, calibrated using Milliman’s Standard Calibration*







*Based on 5,000, random, 40 year scenarios, calibrated using Milliman’s Standard Calibration as of 31st March 2022. The dotted bands represent the 10th and 90th percentile of the selected strategy. The Cap/Floor chart is illustrative of the current market levels (as of 30th June 2022), locked in for 7 years. All results are net of typical fees.

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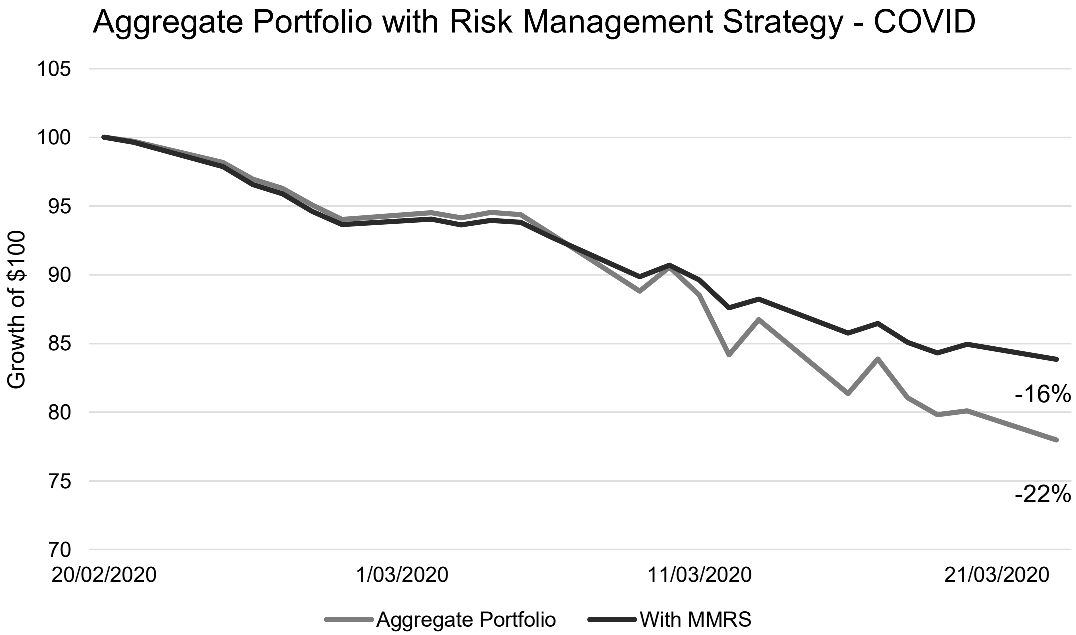
Impact of risk management during COVID

Growth Asset Allocation %

	Min (45%)	*25%ile (52%)*	*Median (63%)*	*75%ile (65%)*	*Max (75%)*
Portfolio Only					
Return	***-16.5%***	***-20.8%***	***-21.8%***	***-22.8%***	***-34.0%***
Volatility	***27.6%***	***31.1%***	***39.5%***	***40.4%***	***51.9%***
Portfolio With Risk Management*					
Return	***-13.3%***	***-14.2%***	***-15.8%***	***-16.5%***	***-24.9%***
Volatility	***15.5%***	***14.3%***	***19.0%***	***19.5%***	***26.1%***
Improvement (With Risk Management – No Risk Management)					
Return	***3.2%***	***6.6%***	***6.0%***	***6.3%***	***9.1%***
Volatility	***-12.0%***	***-16.7%***	***-20.5%***	***-21.0%***	***-25.8%***



*Portfolio with risk management incorporates a +10% equity tilt to compensate for potential hedging costs, with the understanding that during market sell-offs, the risk management overlay will reduce the portfolio's net equity exposure.

Impact of risk management during GFC

Growth Asset Allocation %

	Min (45%)	*25%ile (52%)*	*Median (63%)*	*75%ile (65%)*	*Max (75%)*
Portfolio Only					
Return	***-21.5%***	***-27.3%***	***-30.8%***	***-32.2%***	***-50.8%***
Volatility	***9.6%***	***13.6%***	***13.3%***	***14.0%***	***23.2%***
Portfolio With Risk Management*					
Return	***-13.4%***	***-15.9%***	***-17.3%***	***-18.8%***	***-36.9%***
Volatility	***5.7%***	***7.1%***	***6.7%***	***7.3%***	***14.3%***
Improvement (With Risk Management – No Risk Management)					
Return	***8.1%***	***11.4%***	***13.5%***	***13.4%***	***13.9%***
Volatility	***-3.9%***	***-6.5%***	***-6.6%***	***-6.8%***	***-9.0%***

*Portfolio with risk management incorporates a +10% equity tilt to compensate for potential hedging costs, with the understanding that during market sell-offs, the risk management overlay will reduce the portfolio's net equity exposure.

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Impact of risk management during 2024 Bull Run

Growth Asset Allocation %

	Min (45%)	*25%ile (52%)*	*Median (63%)*	*75%ile (65%)*	*Max (75%)*
Portfolio Only					
Return	***10.1%***	***8.2%***	***13.7%***	***13.3%***	***13.8%***
Volatility	***4.5%***	***5.6%***	***5.7%***	***6.1%***	***7.8%***
Portfolio With Risk Management*					
Return	***10.9%***	***7.8%***	***13.9%***	***13.3%***	***12.9%***
Volatility	***4.8%***	***5.8%***	***6.0%***	***6.2%***	***7.9%***
Improvement (With Risk Management – No Risk Management)					
Return	***0.8%***	***-0.4%***	***0.2%***	***0.0%***	***-0.9%***
Volatility	***0.3%***	***0.2%***	***0.2%***	***0.1%***	***0.1%***

*Portfolio with risk management incorporates a +10% equity tilt to compensate for potential hedging costs, with the understanding that during market sell-offs, the risk management overlay will reduce the portfolio's net equity exposure.

Key risk factors for client portfolios in 2025

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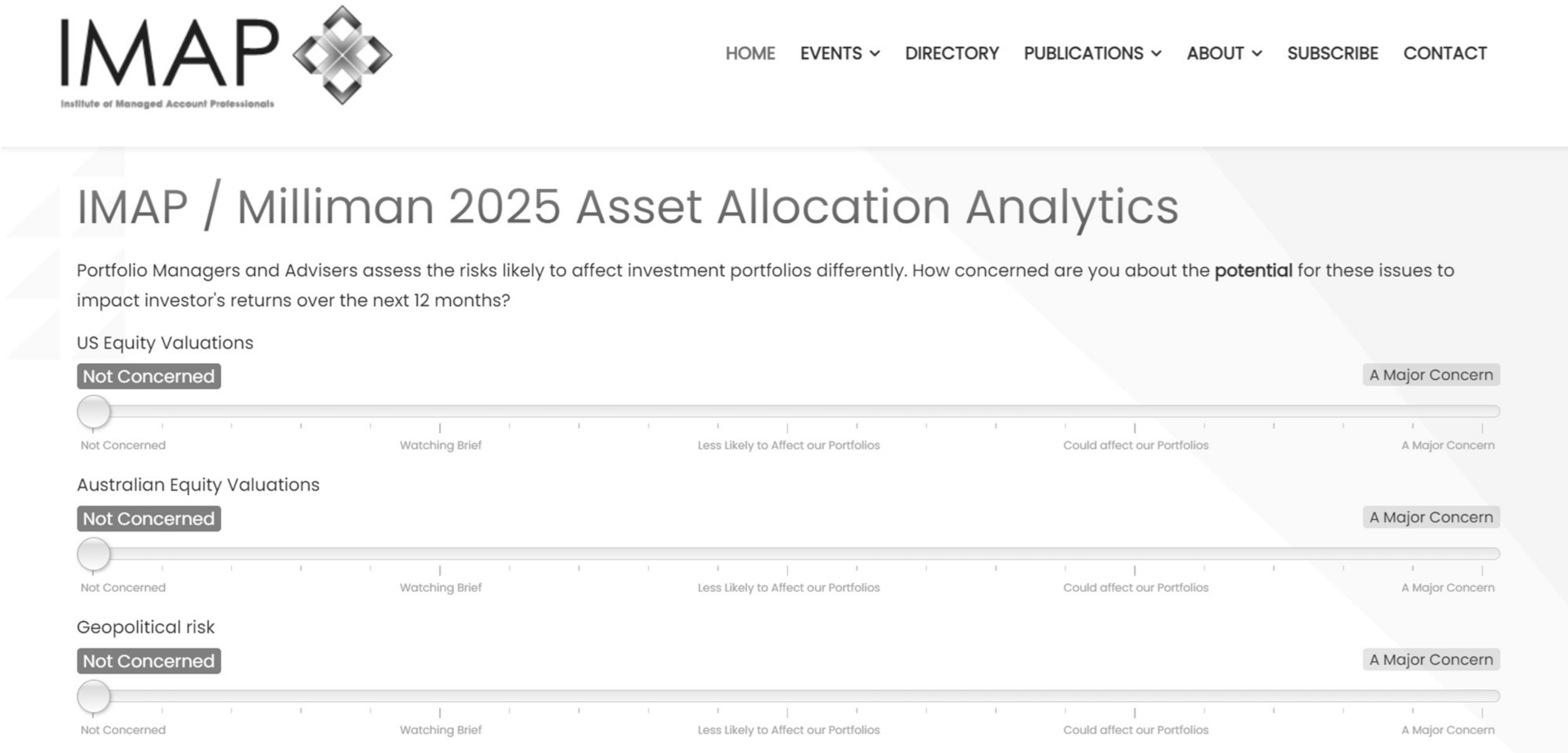
Potential Concerns Survey



Economic Risks & Concerns

Geopolitical Risk

US Interest Rate

Australian Economic Growth

Australian Interest Rate

Australian Equity Valuation

US Equity Valuation

US Growth

US Inflation

Australian Inflation

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Survey Response

US Growth

Geopolitical Risk

US Inflation

US Equity Valuation

Australian Inflation

Australian Equity Valuation

US Interest Rate

Australian Economic Growth

Australian Interest Rate

Current vs Historical PE Level

	Current (30/09/2025)		Historical Average since 2000		Reduction
	P/E Ratio	***Index Level***	***Average P/E Ratio***	***Implied Index Level****	***Index Level***
S&P 500	27.8	6,688	19.4	4,668	-30%
ASX200	22.5	8,849	17.8	6,995	-21%

*assuming EPS stays at the same level

Economic Scenarios Model Results

Based on Developed Markets (Large & Mid Cap)[1]

Total Return	Base Case[2]	High Inflation[4]	Recession[3]	Stagflation[5]
Mean	10%	5.4%	3.5%	-0.1%
Standard Deviation	18%	17.4%	20%	19.3%
25th Percentile	0%	-6.3%	-10%	-13%
75th Percentile	23%	17%	17.6%	13.4%

[1]Modelled with respect to the country allocation within the MSCI World ex Australia Index in USD

[2]Base Case = Normal Real GDP and Normal Inflation

[3]Recession is defined as YOY Real GDP < 0.5% for two consecutive quarters

[4]High inflation is defined as > 3% inflation rate

[5]Stagflation is defined as the scenario of High Inflation (> 3% inflation rate) and Recession (YOY Real GDP < 0.5% for two consecutive quarters)

Thank you

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