

Conservative Trust

Investment objective

To provide stable returns over the medium term by investing in a diversified portfolio of defensive assets with some growth asset exposure, and to achieve a total return after fees in excess of the Trust's benchmark over a rolling three-year period.

Features	Information
APIR code	IOF0095AU
Inception date	April 2008
Minimum suggested investment time frame	3-5 years
Risk/return profile	Low/Medium
Benchmark	Composite benchmark
Income distribution frequency	Half yearly (as at 30 June and 31 December)
Trust size	\$652.89m

Investment minimums	
Initial investment	\$25,000
Additional investment	\$5,000
Switch/withdrawal	\$5,000

Total estimated management costs as at 30/06/2021 ¹	
Estimated management fee	0.73% pa
Estimated performance fee	0.07% pa
Total estimated management cost	0.80% pa

Performance ²

	3 mths %	6 mths %	1 year %	3 years % pa	5 years % pa
Total return	2.79	3.43	8.20	5.47	5.60
Benchmark	2.83	2.82	6.91	5.50	5.25

Performance data provided by FE fundinfo.

Investment strategy

The Trust generally gains its exposure to a diversified portfolio of investments through a mix of investment managers.

The conservative nature of the Trust means it has a greater exposure to income-bearing assets such as cash, fixed interest and alternative – defensive with some exposure to growth assets such as Australian and international property and shares and alternative – growth.

The Trust is authorised to utilise approved derivative instruments for risk management purposes subject to the specific restriction that the derivative instruments cannot be used to gear portfolio exposure.

The underlying investment managers may utilise strategies for the management of currency exposure. The level of currency hedging used for the Trust will vary from time to time. The Trust has the capacity to apply a currency overlay to manage the Trust's currency risk.

Quarter highlights

- There were no changes over the quarter.
- Diversified fixed interest portfolio and Income portfolio both added value through positive credit selection.
- The Alternatives Defensive portfolio outperformed its fixed interest benchmark.
- An underweight to diversified fixed interest and cash contributed to performance.
- An underweight to Australian equities detracted from performance.
- Defensive equities portfolio underperformed as value-tilted managers underperformed.

Manager weightings

Asset class	Investment manager/s strategy	Manager style/strategy description	Asset allocation %
Australian shares	Defensive Equities Trust	Defensive equities	7.54
Australian shares	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.12
International shares	Alphinity Investment Management Pty Ltd	Quality with earnings leadership	1.66
International shares	Antipodes Partners	Pragmatic value, absolute return	1.72
International shares	EAM Global Investors LLC	Emerging markets small caps	0.82
International shares	The Northern Trust Company of Hong Kong Limited	Multi-factor	1.54
International shares	Thomson Horstmann & Bryant, Inc.	Micro-caps	0.58
International shares	TT International	Growth at reasonable price and concentrated quality	2.62
International shares	Wellington International Management Company Pte Ltd	Growth	1.54
International shares	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.05
Australian property	Fidante Partners Limited	Broad cap core	0.36
Australian property	Direct Property (IOOF Investment Services Ltd)	Core	8.32
Australian property	Legg Mason Martin Currie Australia Limited	Small cap	0.36
Australian property	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.49
International property	Cohen & Steers Capital Management, Inc.	Active, core, bottom-up	0.35
International property	Pendal Institutional Limited	Active, value-driven, risk-controlled	0.21
International property	Resolution Capital Limited	High conviction, benchmark-unaware	0.65
International property	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.01
Alternative - growth	Private debt	Private debt	0.40
Alternative - growth	Hedge fund	Hedge fund	0.01
Alternative - growth	Private equity	Private equity	2.10
Alternative - growth	Transactional cash	Transactional cash	0.16
Australian fixed interest	Ardea Investment Management	Total return Australian fixed income	5.27
Australian fixed interest	Janus Henderson Investors (Australia) Funds Management Limited	Active Australian fixed interest	14.26
Australian fixed interest	Metrics Credit Partners Pty Limited	Australian corporate loans	3.73
Australian fixed interest	Western Asset Management Company	Australian bonds	1.62
Australian fixed interest	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.79
International fixed interest	Bentham Asset Management Pty Ltd	Syndicated loans	2.10
International fixed interest	Brandywine Global Investment Management, LLC	Top-down, value-driven	4.95
International fixed interest	PIMCO Australia Pty Ltd	Global bonds	1.86
International fixed interest	Stone Harbor Investment Partners LP	Emerging markets debt	2.29
International fixed interest	T. Rowe Price International Ltd	International core fixed income	1.97
International fixed interest	Western Asset Management Company	Global total return and global high-grade multi-asset credit	6.36
Alternative - defensive	Hedge fund	Hedge fund	0.08
Alternative - defensive	Real assets	Real assets	4.00
Alternative - defensive	Private debt	Private debt	5.25
Alternative - defensive	Transactional cash	Transactional cash	0.40
Cash and short-term securities	IOOF Investment Services Ltd	Short-term money market securities	1.73
Cash and short-term securities	Janus Henderson Investors (Australia) Funds Management Limited	Active	6.03
Cash and short-term securities	Pendal Institutional Limited	Relative value credit	5.71

Asset allocation range

Asset class	Asset range
Cash and short-term securities	10-35%
Diversified fixed interest	30-55%
Alternative - defensive	0-20%
Property	0-20%
Australian shares	0-20%
International shares	0-25%
Alternative - growth	0-15%

Top holdings - Australian shares³

Commonwealth Bank of Australia	0.36%
Westpac Banking Corporation	0.26%
Coles Group Ltd.	0.24%
Telstra Corporation Limited	0.23%
CSL Limited	0.22%
BHP Group Ltd	0.21%
National Australia Bank Limited	0.20%
Transurban Group Ltd.	0.20%
Wesfarmers Limited	0.20%
Suncorp Group Limited	0.20%

Top holdings - International shares

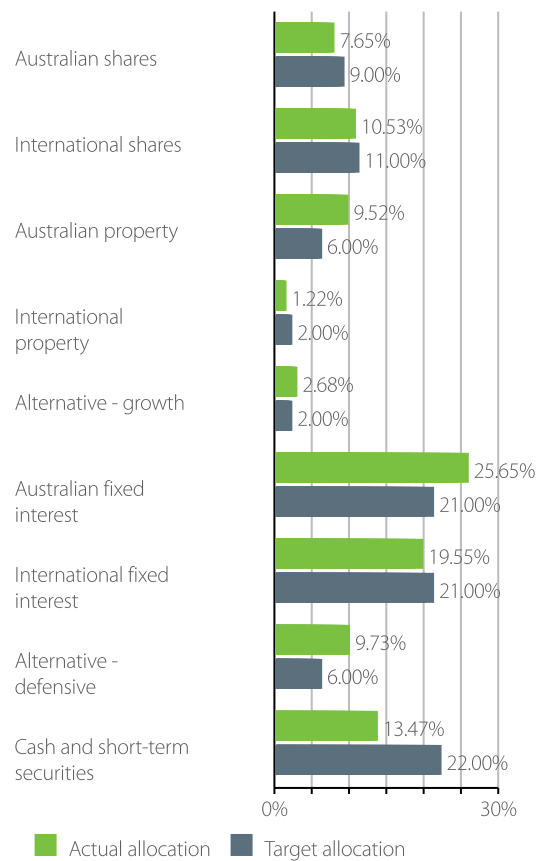
Microsoft Corporation	0.28%
Amazon.com, Inc.	0.26%
Alphabet Inc. Class C	0.18%
Tencent Holdings Ltd.	0.16%
Alphabet Inc. Class A	0.14%
Taiwan Semiconductor Manufacturing Co., Ltd.	0.12%
Samsung Electronics Co., Ltd.	0.11%
Visa Inc. Class A	0.11%
Facebook, Inc. Class A	0.10%
Eli Lilly and Company	0.10%

Asset allocation



Australian shares	7.65%
International shares	10.53%
Australian property	9.52%
International property	1.22%
Alternative - growth	2.68%
Australian fixed interest	25.65%
International fixed interest	19.55%
Alternative - defensive	9.73%
Cash and short-term securities	13.47%

Actual versus target asset allocation



1800 002 217**investorservices@ioof.com.au****www.ioof.com.au****Notes to the trust profile**

- 1 The total estimated management cost includes the management fee and any performance fees (shown if applicable) that may be charged by underlying investment managers. These costs are subject to change from time to time and may vary depending on changes to the composition of the underlying assets, changes in exposure to underlying investment managers and where any unusual or non-recurrent expenses are incurred. Estimated performance fees if applicable are indicative and have been based on the annualised performance fees incurred as at 30 June 2021. Please refer to the latest PDS and www.ioof.com.au for full details on fees and costs.
- 2 Performance is net of management costs and expenses. Performance is based on exit price to exit price for the period and assumes that all distributions are reinvested. Management costs and other expenses are accounted for in the exit price. Past performance is not a reliable indicator of future performance. Please refer to www.ioof.com.au 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 <https://www.fe-fundinfo.com>
- 3 Information shown may include data provided by some investment managers from the prior month.

Important information: This profile is issued by IOOF Investment Services Ltd (IISL) ABN 80 007 350 405, AFSL 230703, as Responsible Entity of the IOOF MultiSeries and IOOF MultiMix Trusts. IISL is a company within the IOOF group which consists of IOOF Holdings Ltd ABN 49 100 103 722 and its related bodies corporate. This profile is not intended to represent investment or professional advice. The information does not take into account your individual objectives, financial circumstances or needs. You should assess whether the information is appropriate for you, having regard to your objectives, financial circumstances or needs. You should consider the relevant PDS in deciding whether to acquire or to continue to hold the investment and consider talking to a licenced or appropriately authorised financial adviser before making an investment decision.