

TODAY'S TOPIC

2022 Annual Investment Update

Thank you for joining us.
We will commence shortly.



2022 ANNUAL INVESTMENT UPDATE

Meet the Speakers



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AFSL 236709



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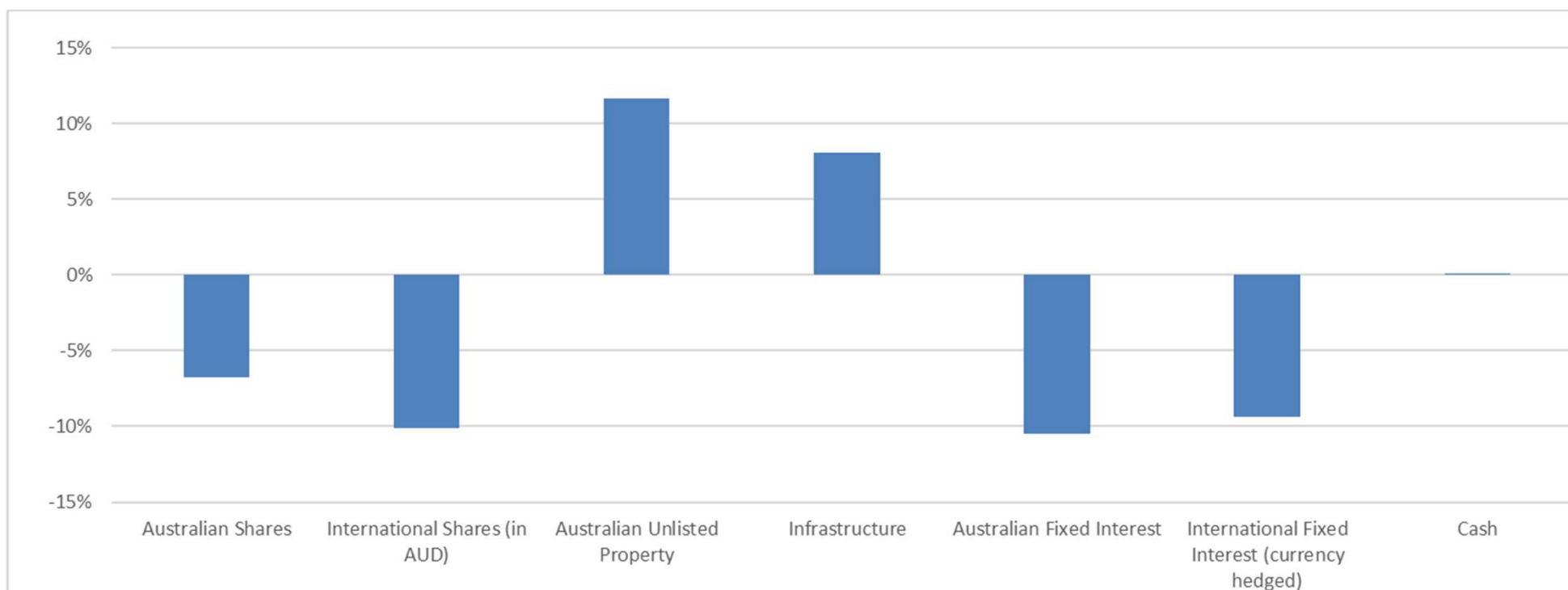
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Today's Agenda

1. How did investment markets perform in the 2021/2022 Financial Year?
2. How did TelstraSuper's investment options perform in the 2021/2022 Financial Year?
3. What is the investment outlook?
4. How are TelstraSuper's investment portfolios currently positioned?
5. Deep dive into the Australian Equities asset class

Investment Market Performance for the 2021/2022 Financial Year



Performance is gross of tax, and based on the following indices:

Australian Shares: S&P/ASX 300 Accumulation Index

Australian Unlisted Property: Mercer/IPD Australian Pooled Property Fund Index – 1 Year To June 2022

Australian Fixed Interest: Bloomberg AusBond Composite Bond Index

Cash: Bloomberg AusBond Bank Bill Index

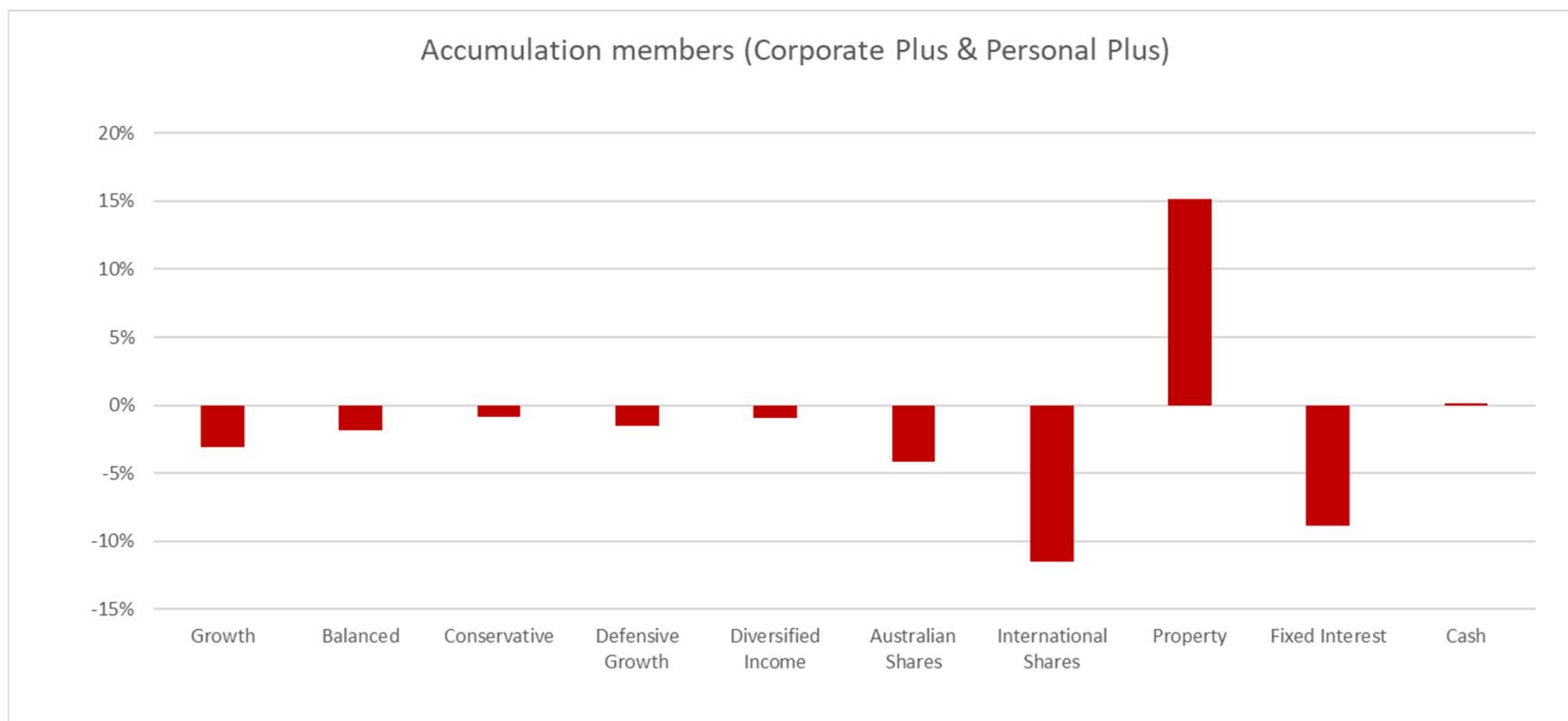
International Shares (in AUD): MSCI ACWI ex-Aust Net Div AUD

Infrastructure: 50% FTSE Developed Cored Infrastructure 100% hedged to AUD Net Tax (Super) Index + 50% MSCI Australia Quarterly Private Infrastructure Fund Index (Unfrozen) - Post-fee Total Return (All Funds)

International Fixed Interest (currency hedged): Bloomberg Barclays Capital Global Aggregate Hedged in AUD

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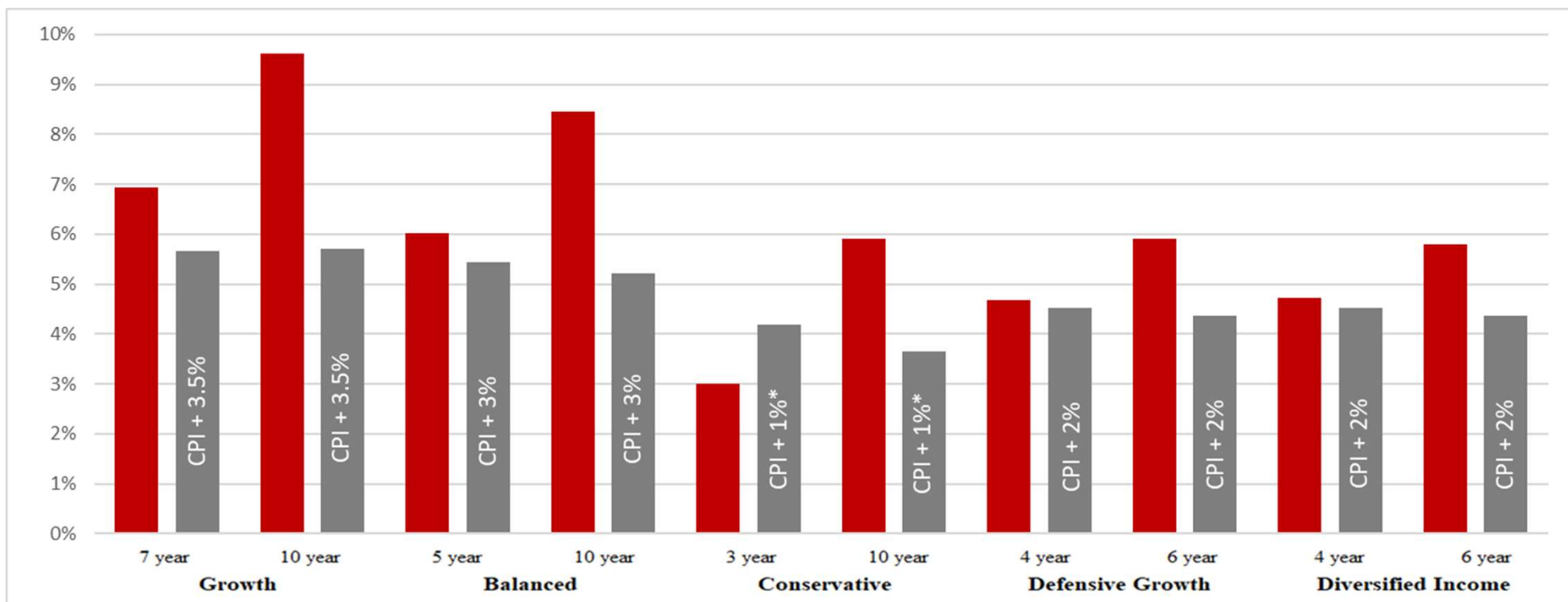
TelstraSuper's investment option performance for the 2021/2022 Financial Year



Note: Past performance is not a reliable indicator of future performance. The accumulation investment returns are net of investment fees and investment taxes, but before deducting any administration fee or indirect administration cost.

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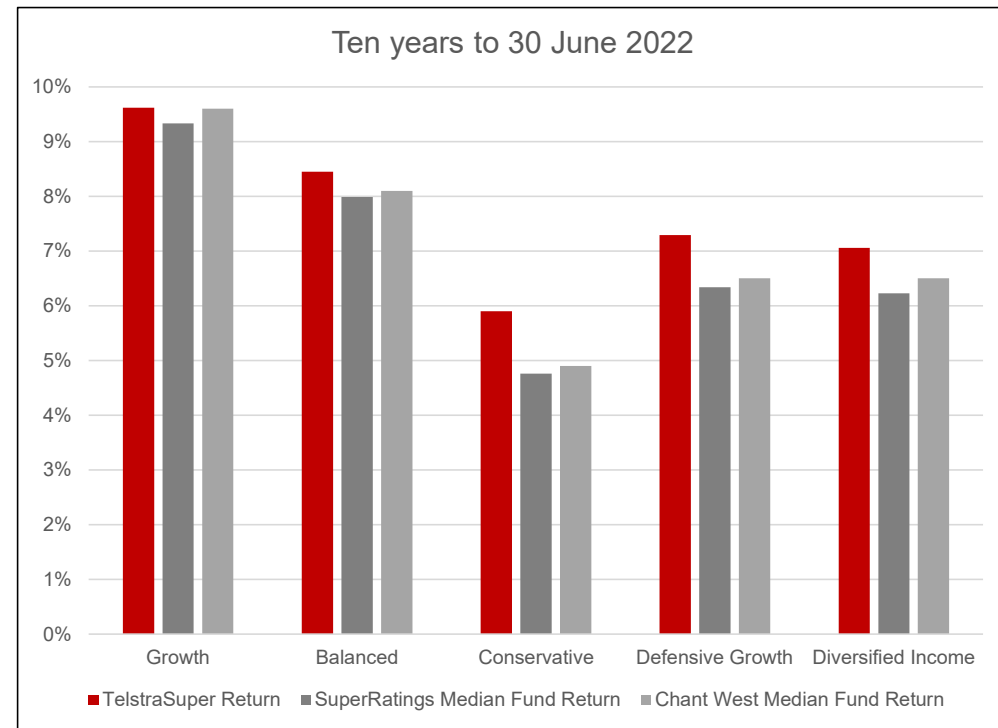
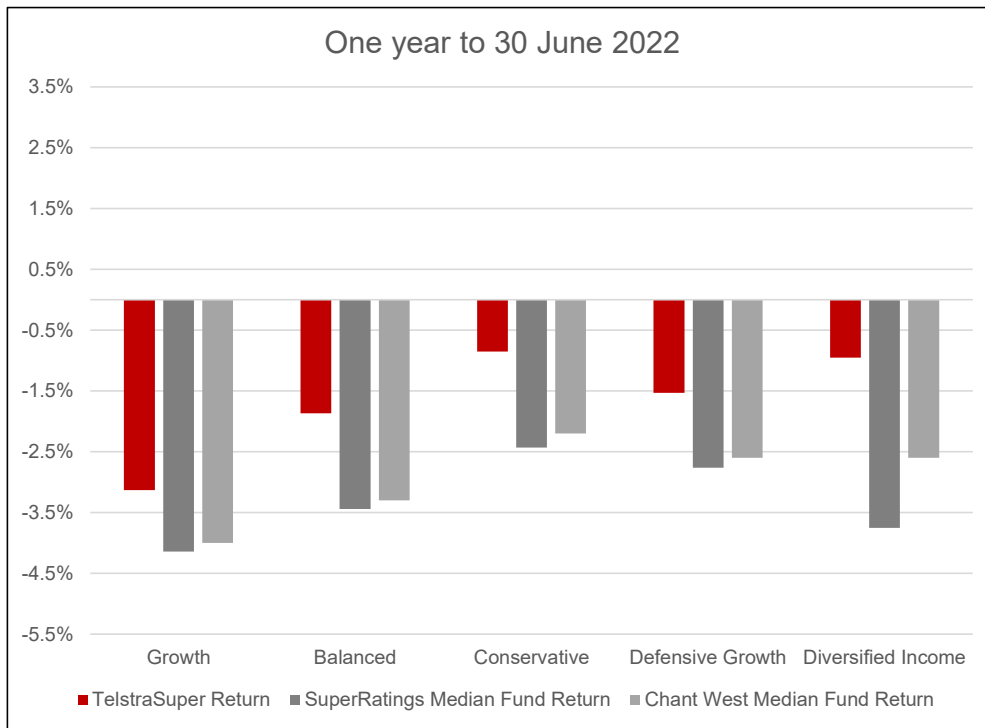
TelstraSuper's long term investment performance compared to its long-term objectives



Note: Performance is for TelstraSuper's accumulation options to periods ended 30 June 2022 and is net of tax and all investment fees, but before deducting any administration fee or indirect administration cost.
 Past performance is not an indication of future performance
 * The objective for the Conservative option prior to June 2021 was CPI + 1.5%

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TelstraSuper's performance compared to the median fund – Accumulation options

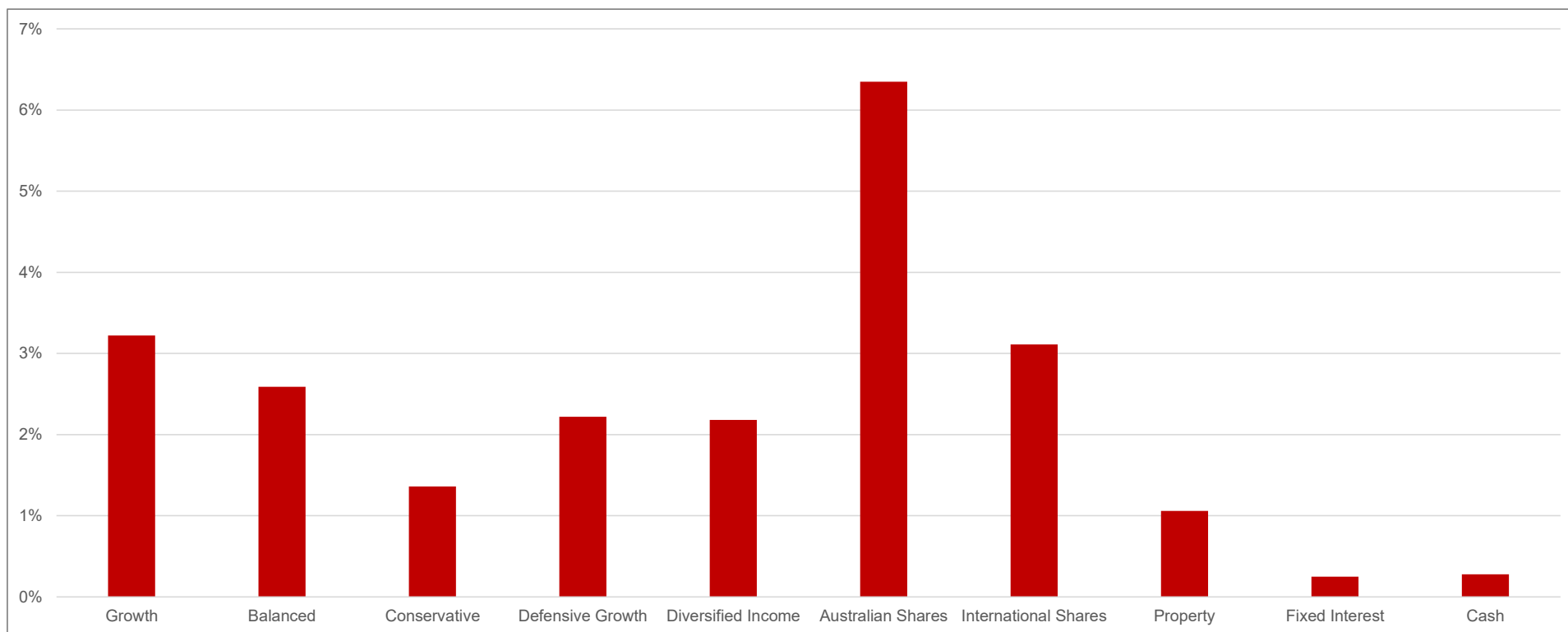


Source: SuperRatings, Chant West. The Median Fund return reflects the performance of the median fund in the relevant SuperRatings SR50/S25 Fund Crediting Rate Survey, and the Chant West Diversified Fund Performance Survey, as at 30 June 2022. Performance is for TelstraSuper's accumulation options to periods ended 30 June 2022 and is net of tax and all investment fees, but before deducting any administration fee or indirect administration cost. Past performance is not an indication of future performance

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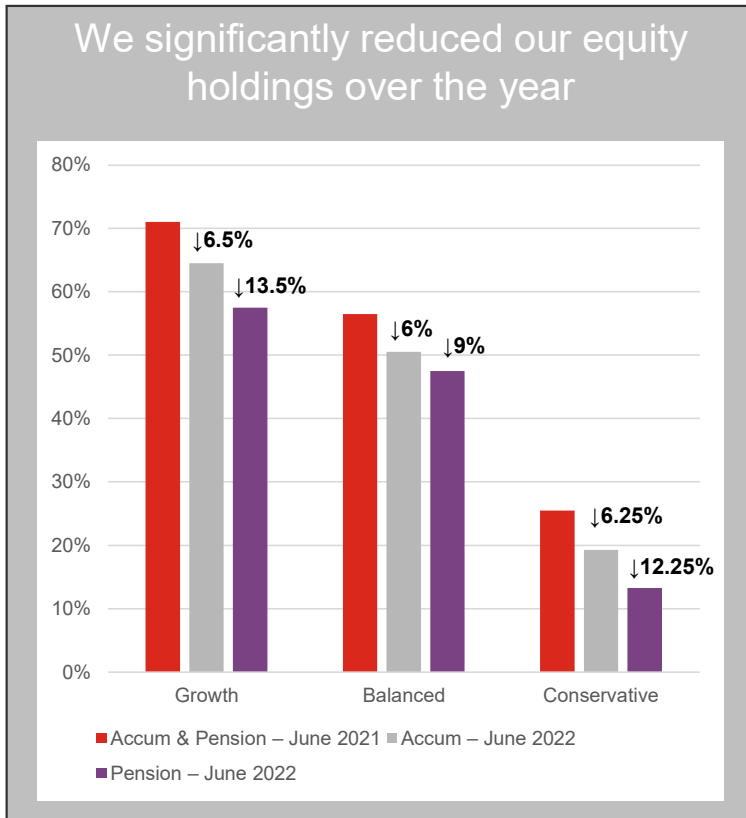
Update on performance between 1 July and 31 August 2022



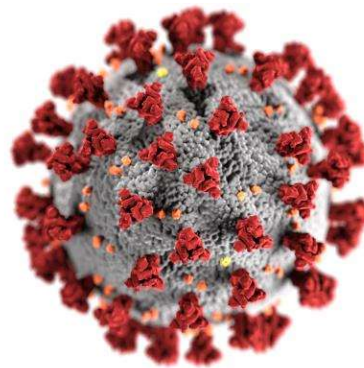
Performance is for TelstraSuper's accumulation options to periods from 1 July to 31 August 30 June 2022 and is net of tax and all investment fees, but before deducting any administration fee or indirect administration cost. Past performance is not an indication of future performance

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Key Asset Allocation Positions over the year



Key drivers of investment results for the year



What is the Investment Outlook for 2022/2023?

Reasons for Optimism

- Unemployment is at record low levels
- Interest rates remain low by historical standards
- COVID-19 vaccinations have allowed economies to reopen
- Immigration has started once again
- Company revenue growth is (generally) strong and profit margins are (generally) high
- Share prices are well below their recent highs
- Technology continues to advance at an impressive pace

What is the Investment Outlook for 2022/2023?

Reasons for Caution

- Inflation is at the highest level in decades
- Interest rates are likely to continue to rise
- Geopolitical tensions are high
- China continues to pursue a “zero covid” policy
- The housing market is cooling
- Global government debt is at unprecedented levels
- Inequality is getting worse

Current Portfolio Positioning



Our portfolios remain cautiously positioned:

- **Moderately underweight** – Shares
- **Moderately overweight** – Foreign currency
- **Significantly underweight** - Fixed Interest



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Deep Dive into the Australian Equities Asset Class

\$5.4 Billion as at 30 June 2022

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We use a blend of internal and external management



External Managers (77% of portfolio)

State Street	Pendal	Alphinity	Spheria
Passive Top 100 stocks	Core Portfolio	Core Portfolio	Specialist Small Companies Manager
Optar	Alliance Bernstein	Greencape	First Sentier
"Value" investment style	"Value" investment style	"Growth" investment style	"Growth" investment style

Internal Managers (23% of portfolio)

TelstraSuper
Core Quality Portfolio
Defensive Portfolio
Small Companies Portfolio

TelstraSuper's top 25 Australian equity holdings in the Australian Shares option



BHP Group Ltd	9.8%
Commonwealth Bank of Australia	6.8%
CSL Limited	6.7%
National Australia Bank Limited	5.0%
Telstra Corporation Limited	3.2%
Woodside Energy Group Ltd	3.0%
Macquarie Group, Ltd.	2.7%
Woolworths Group Ltd	2.7%
Westpac Banking Corporation	2.5%
ANZ Banking Group Limited	2.2%
Transurban Group Ltd.	2.2%
QBE Insurance Group Limited	2.0%
Wesfarmers Limited	1.9%

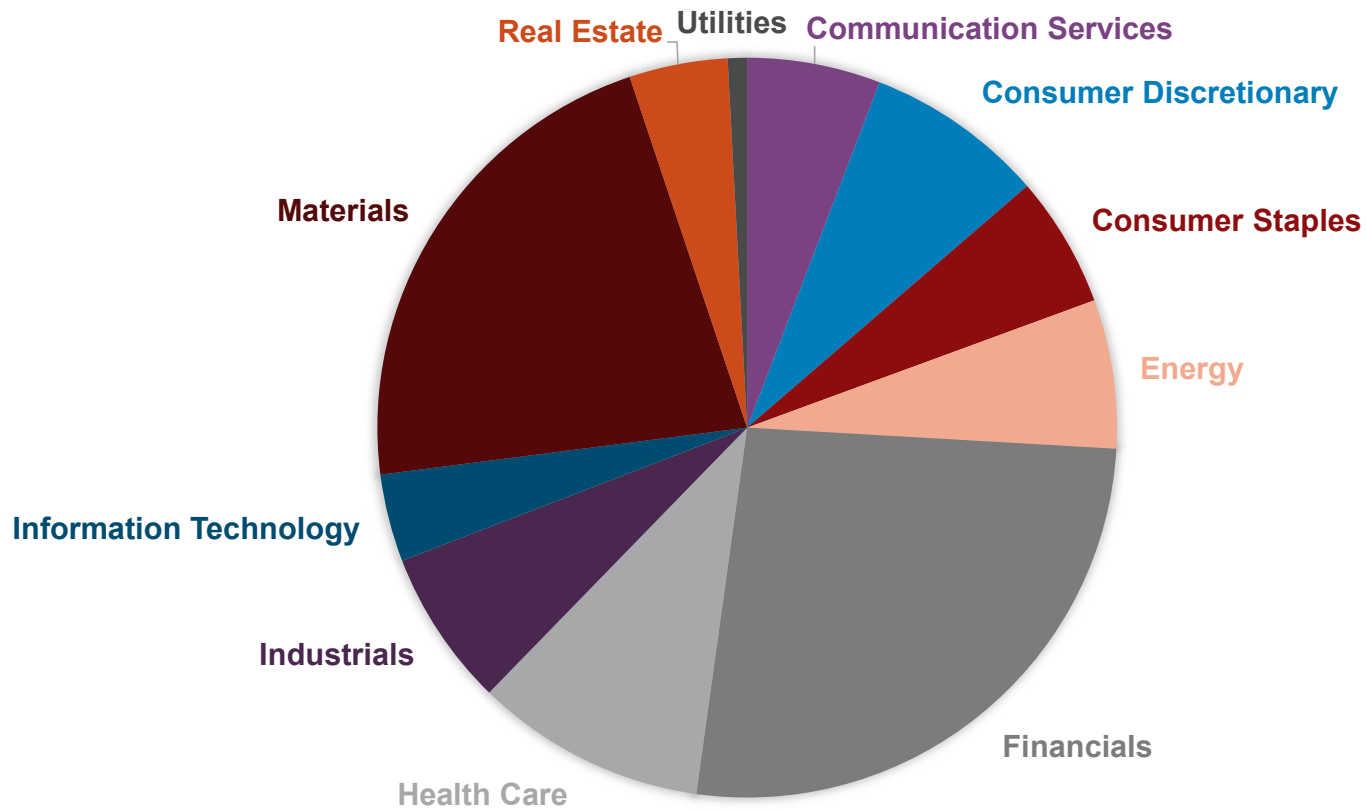
Aristocrat Leisure Limited	1.9%
Santos Limited	1.8%
Goodman Group	1.8%
South32 Ltd.	1.7%
Rio Tinto Limited	1.6%
James Hardie Industries	1.4%
Resmed	1.0%
Coles Group Ltd.	0.8%
Fortescue Metals Group Ltd	0.7%
REA Group Ltd	0.7%
Suncorp Group Limited	0.7%
Xero Limited	0.7%

Total Australian share holdings: 218

Holdings for TelstraSuper's Australian Shares Option as at 30 June 2022

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Sector exposures



Industry Sector Exposures for TelstraSuper's Australian Shares Option as at 30 June 2022

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HOW TELSTRASUPER CAN ASSIST



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HOW TELSTRASUPER CAN ASSIST

Four advice services to empower you



SUPER
sorter

Simple phone advice and info to max your super.



STEP
it up

Want to take that next step with your super or finances? We'll find you a simple solution.



BIG
picture it

Let's check out your whole financial situation and make a plan.



STAY
on track

Ongoing expert coaching on super and wealth. We'll nudge and encourage you, keeping you on track as life changes.

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Happy to answer your questions.



1300 033 166

8:30am - 5:30pm (Melbourne time) Monday to Friday



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As a current TelstraSuper member, you are able to refer friends and family members to join TelstraSuper.**

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