

TODAY'S TOPIC

2023 Annual Investment Update



Thank you for joining us.
We will commence shortly.



Telstra Super Pty Ltd ABN 86 007 422 522, AFSL 236709 (Trustee) is the trustee of the Telstra Superannuation Scheme (TelstraSuper) ABN 85 502 108 833

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“We acknowledge the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past present and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples today.”

Acknowledgement of Country

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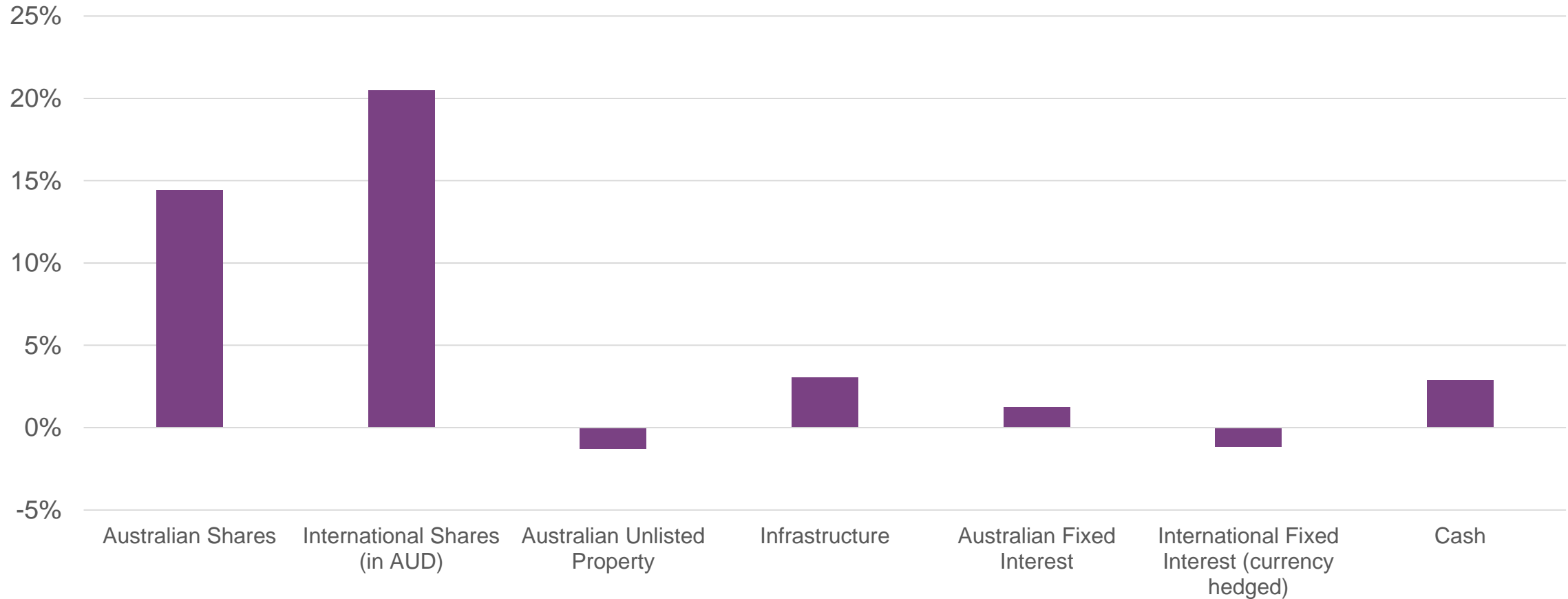
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Today's Agenda

1. How did investment markets perform in the 2022/2023 Financial Year?
2. How did TelstraSuper's investment options perform in the 2022/2023 Financial Year?
3. What is the investment outlook?
4. How are TelstraSuper's investment portfolios currently positioned?
5. Deep dive into the Opportunities asset class

Investment Market Performance for the 2022/2023 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 2023

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 +

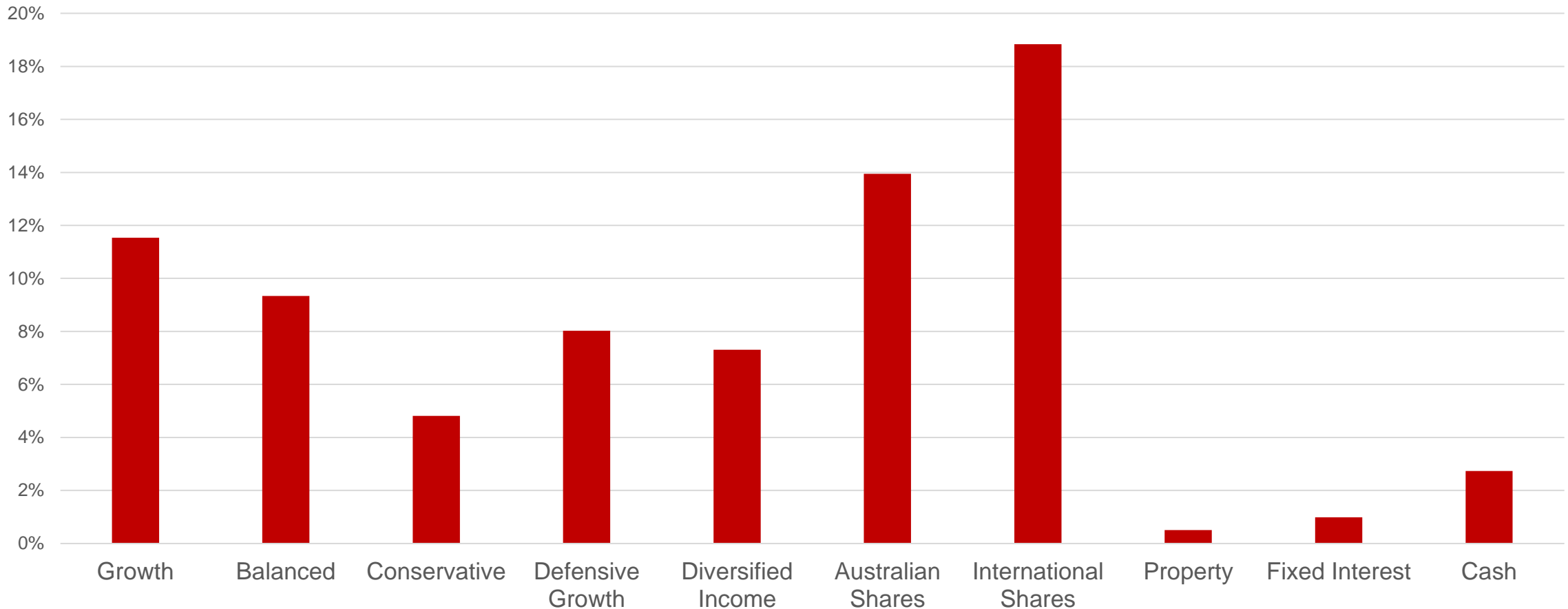
50% MSCI Australia Quarterly Private Infrastructure Fund Index (Unfrozen) - Post-fee Total Return (All Funds)

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

TelstraSuper's investment option performance for the 2022/2023 Financial Year



Accumulation members (Corporate Plus & Personal Plus)

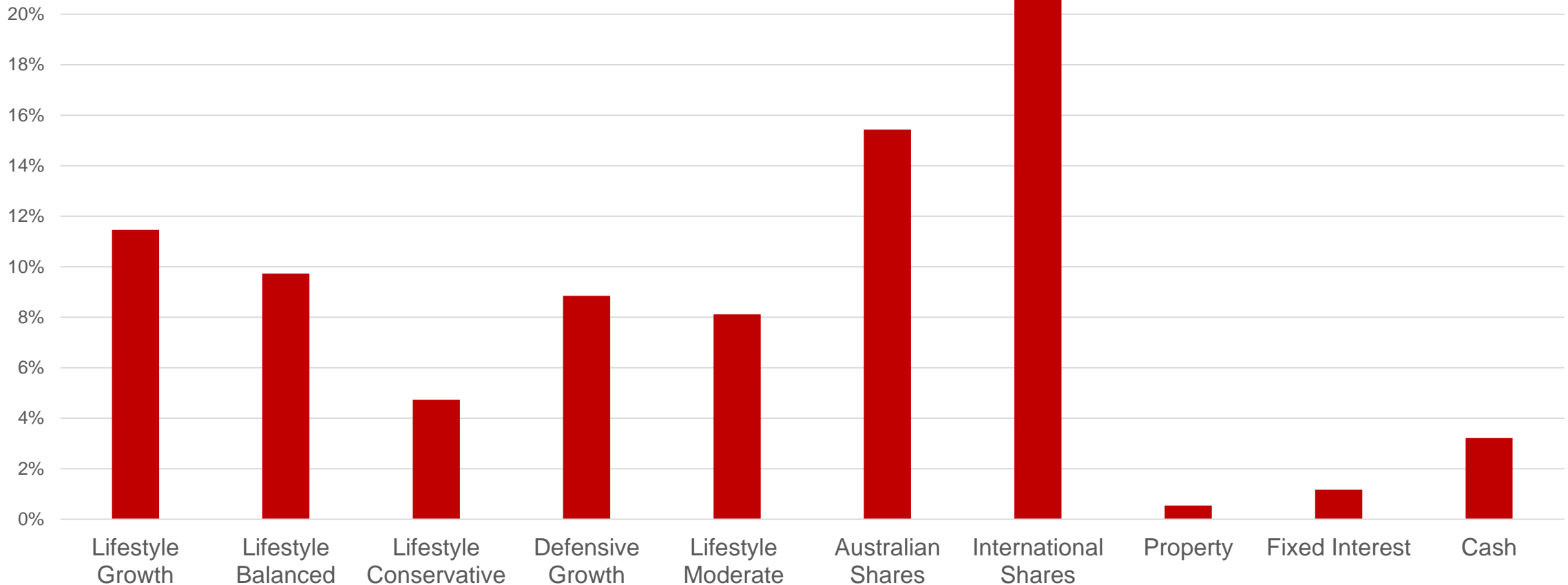


Note: Past performance is not a reliable indicator of future performance. The accumulation investment returns are net of investment fees and investment taxes, but before deducting any administration fee or indirect administration cost. Current as at 10th August 2023. This work is copyright and no part may be reproduced by any process without prior written permission from TelstraSuper.

TelstraSuper's investment option performance for the 2022/2023 Financial Year

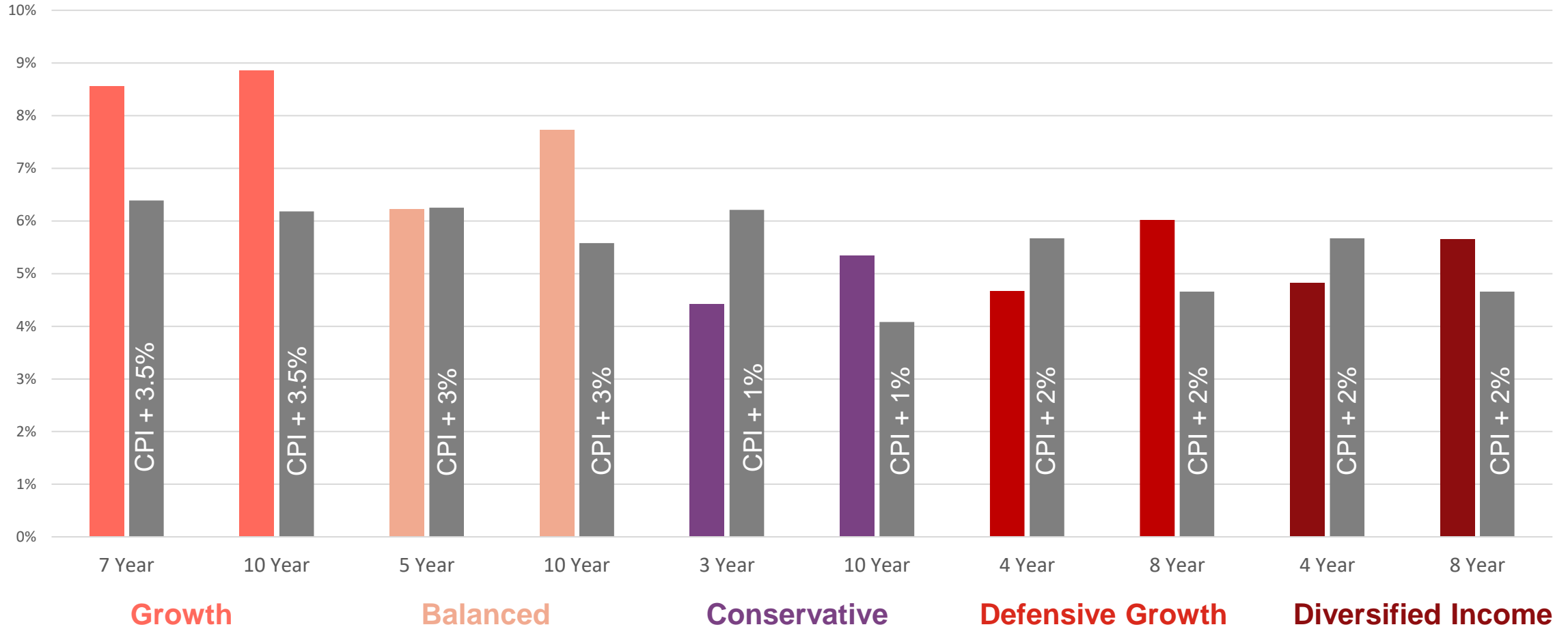


RetireAccess members



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



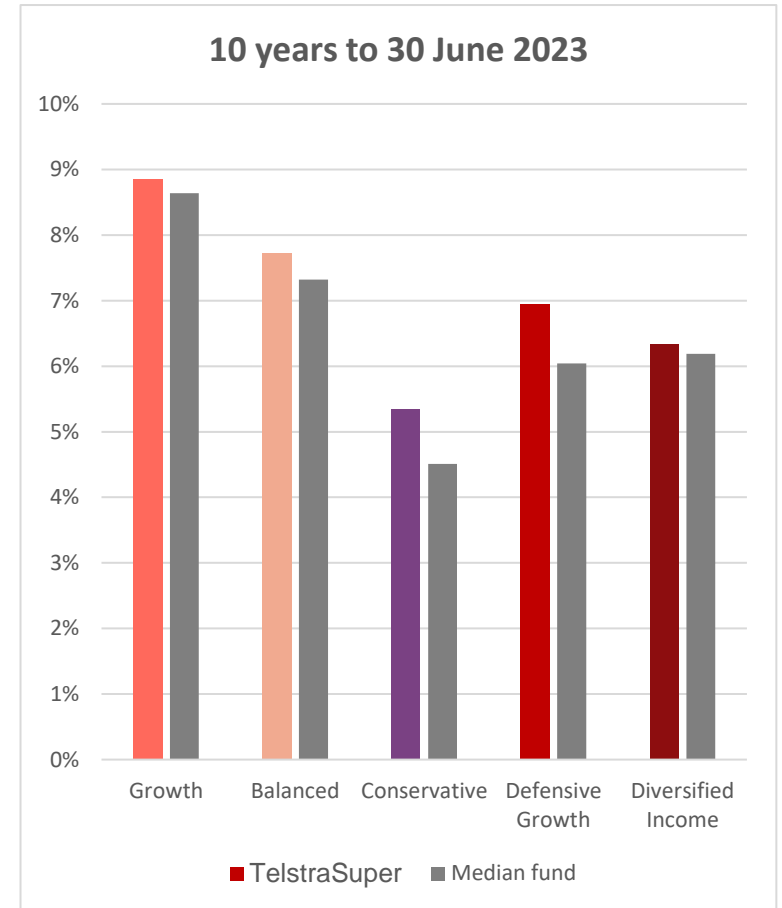
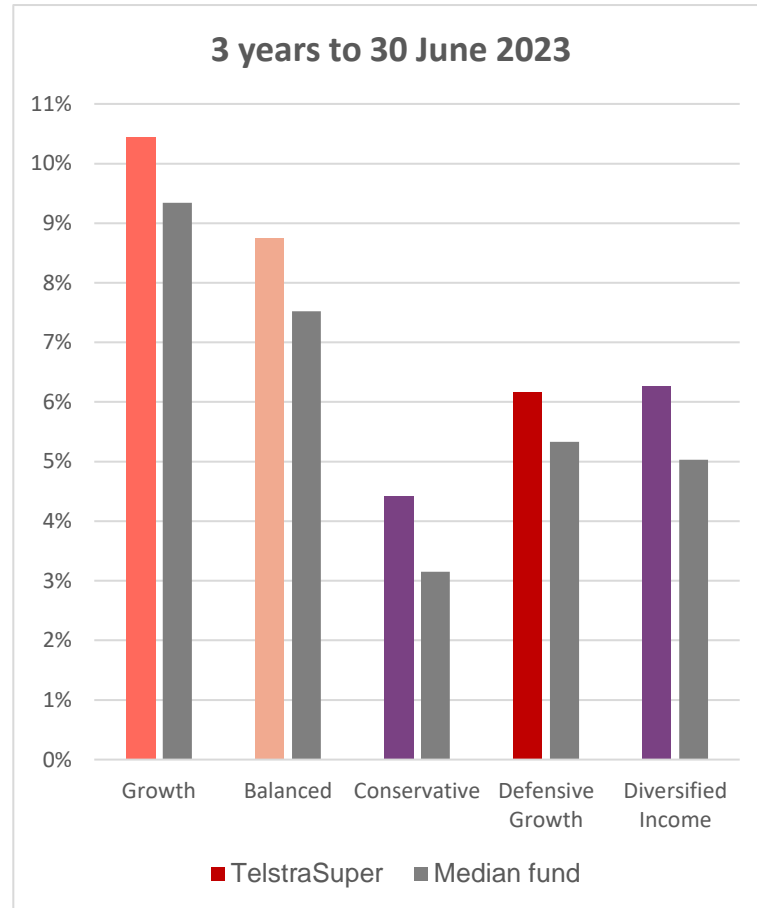
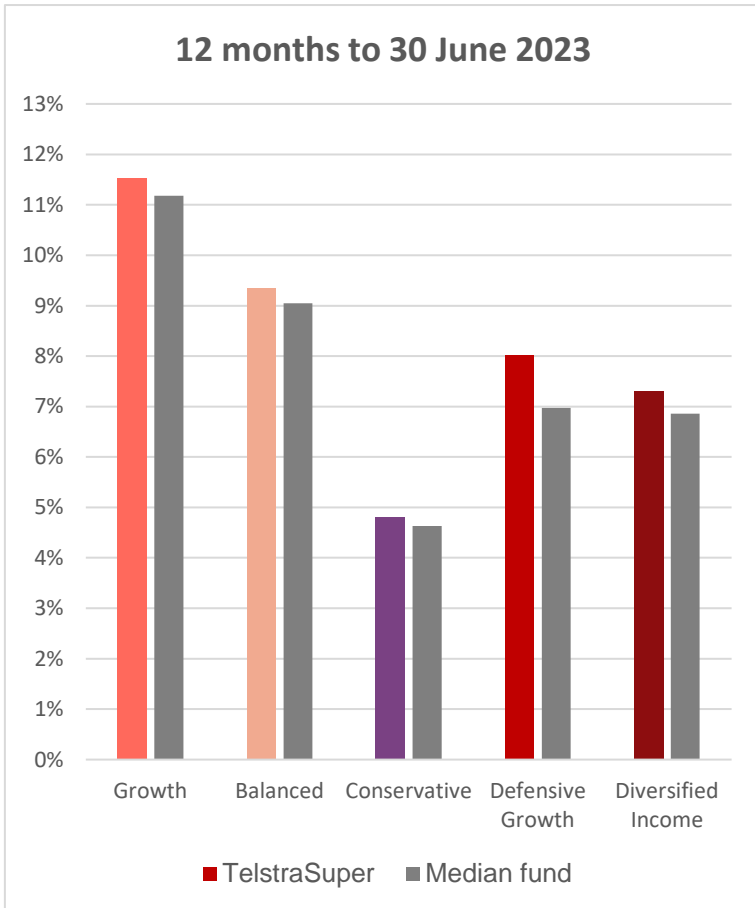
Note: Performance is for TelstraSuper's accumulation options to periods ended 30 June 2023 and is net of tax and all investment fees, but before deducting any administration fee or indirect administration cost.

Past performance is not a reliable indicator of future returns

* The objective for the Conservative option prior to June 2021 was CPI + 1.5%

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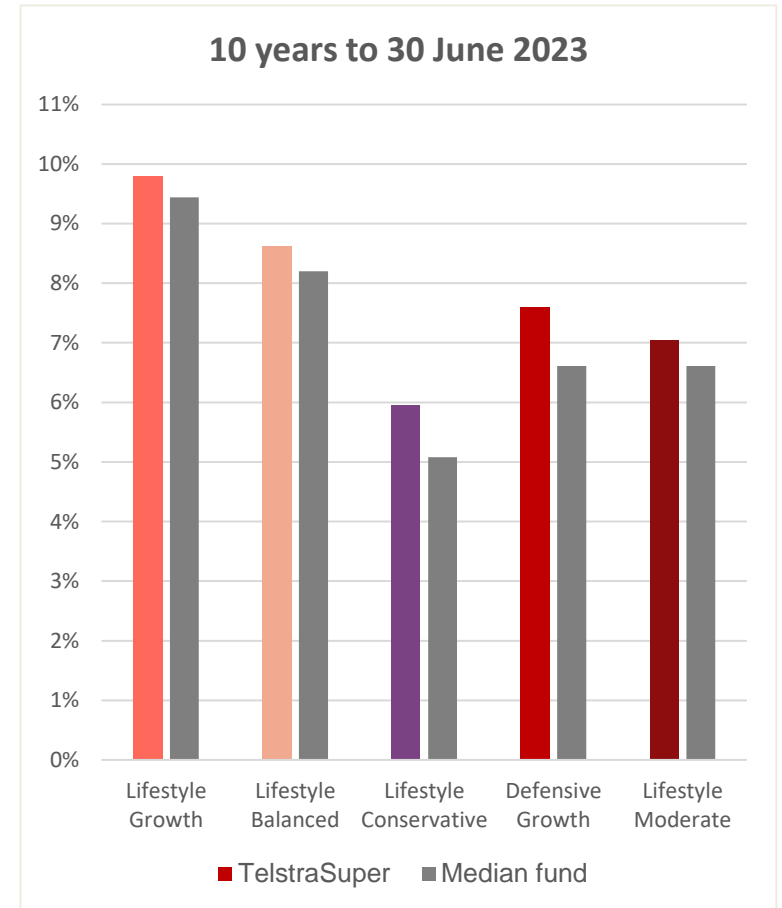
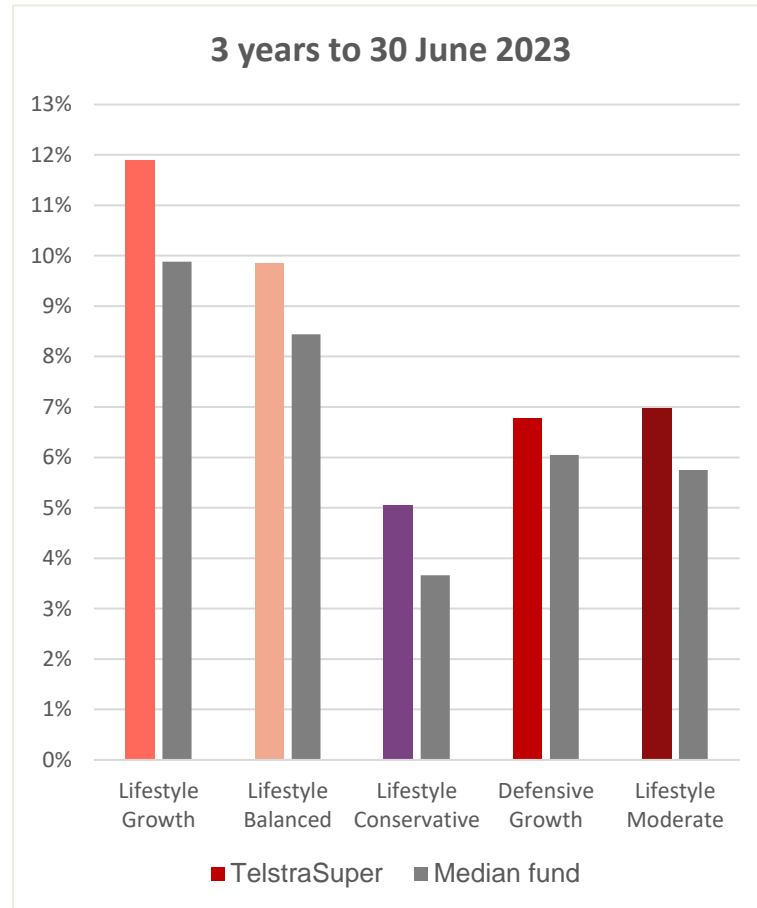
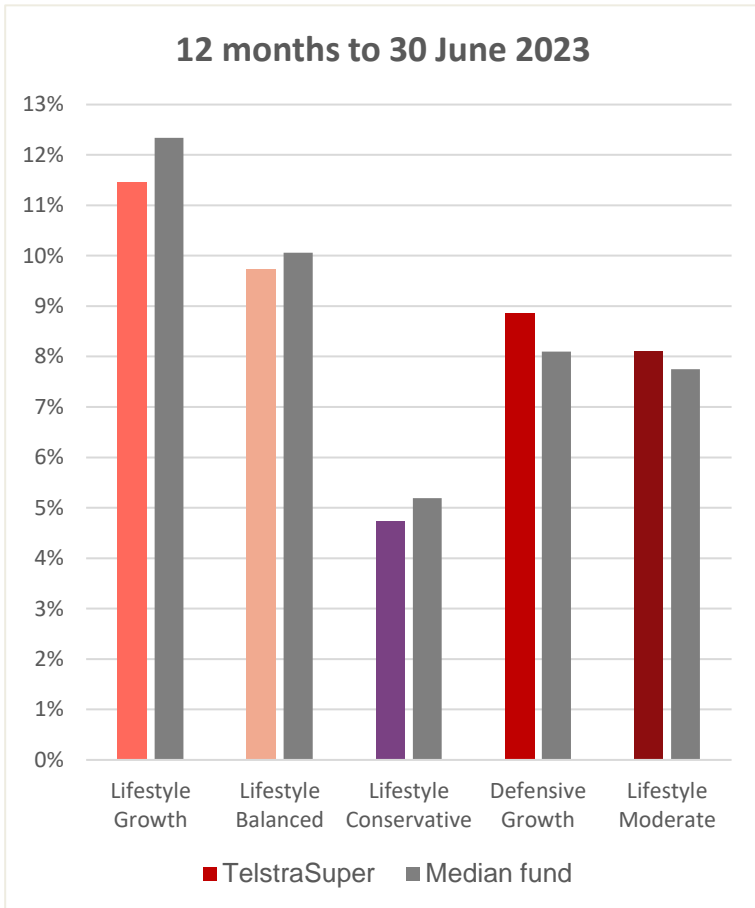
TelstraSuper's performance compared to the median fund – Accumulation options



Source: SuperRatings. The Median Fund return reflects the performance of the median fund in the relevant SuperRatings SR50/S25 Fund Crediting Rate Survey as at 30 June 2023. Performance is for TelstraSuper's accumulation options to periods ended 30 June 2023 and is net of tax and all investment fees, but before deducting any administration fee or indirect administration cost. Past performance is not a reliable indicator of future returns

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



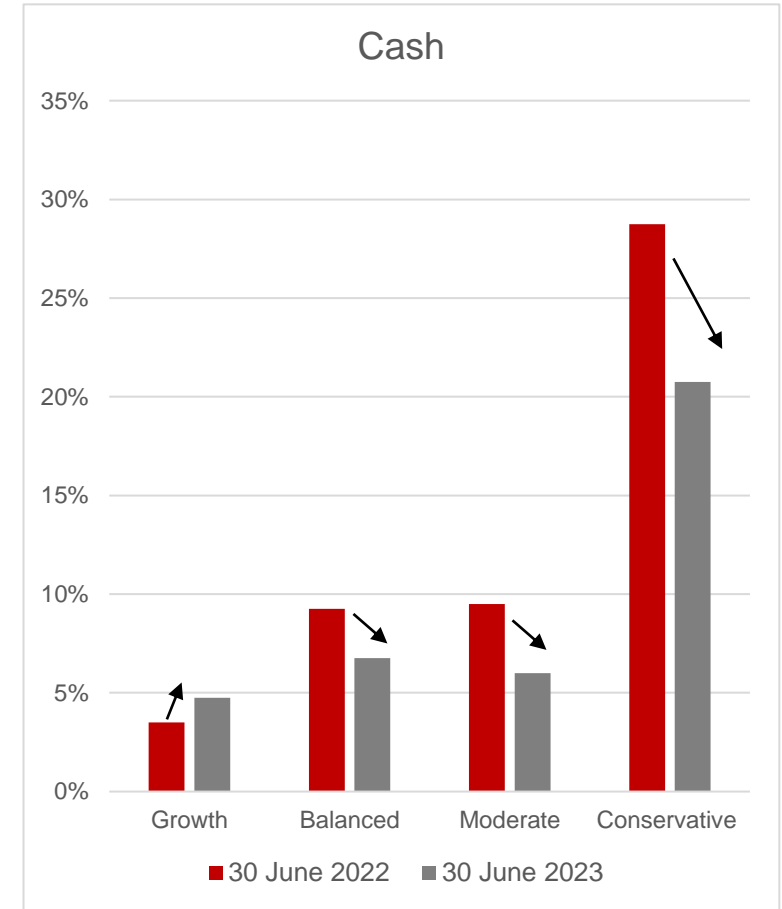
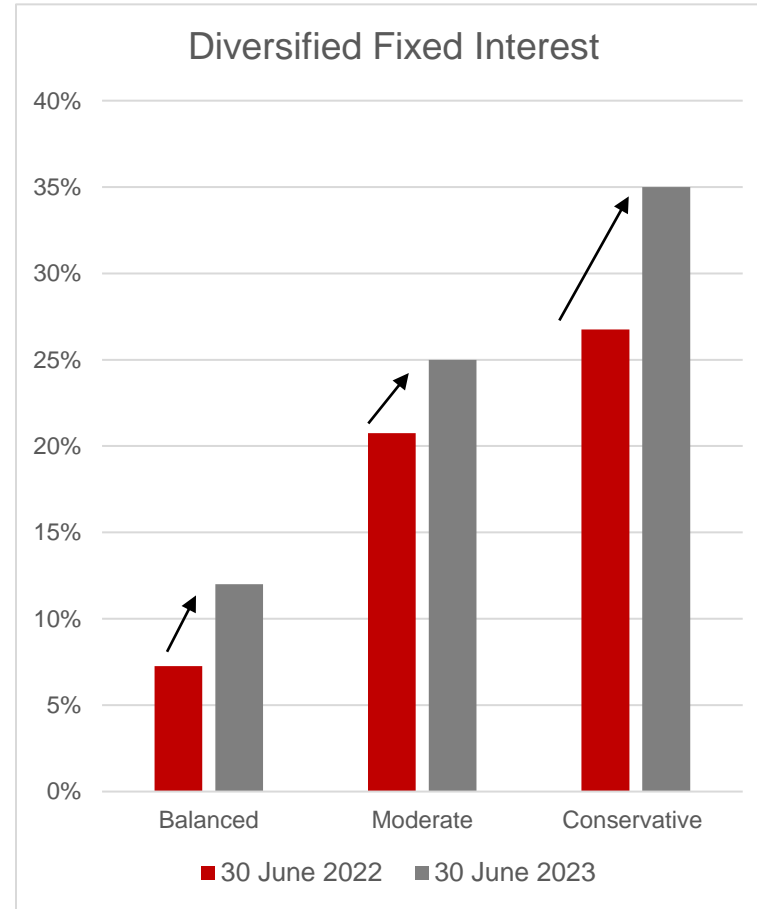
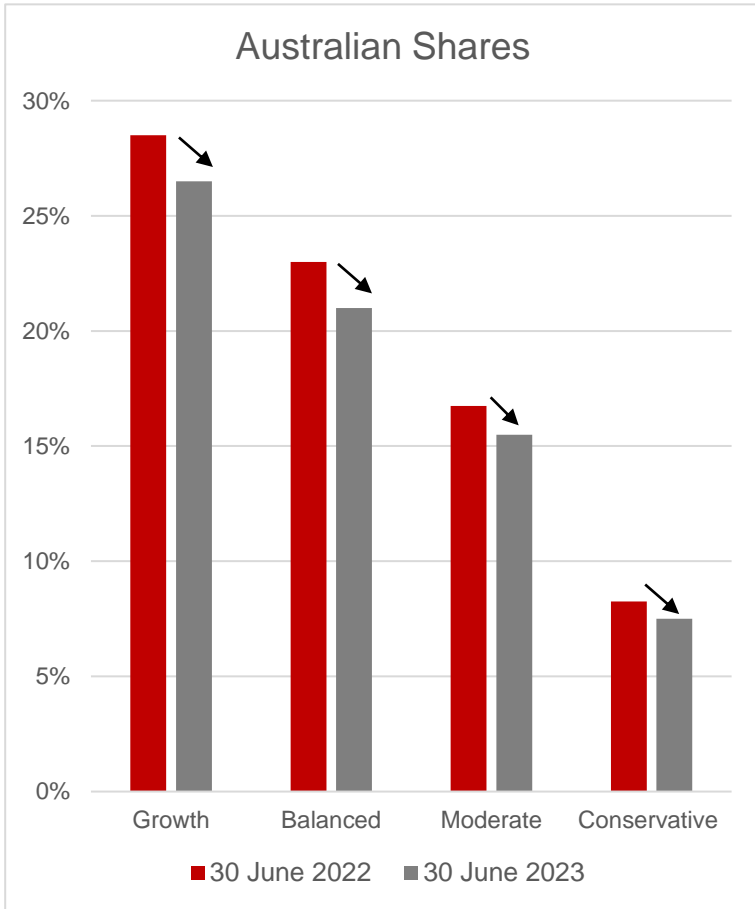
Source: SuperRatings. The Median Fund return reflects the performance of the median fund in the relevant SuperRatings SR50/S25 Fund Crediting Rate Survey as at 30 June 2023.

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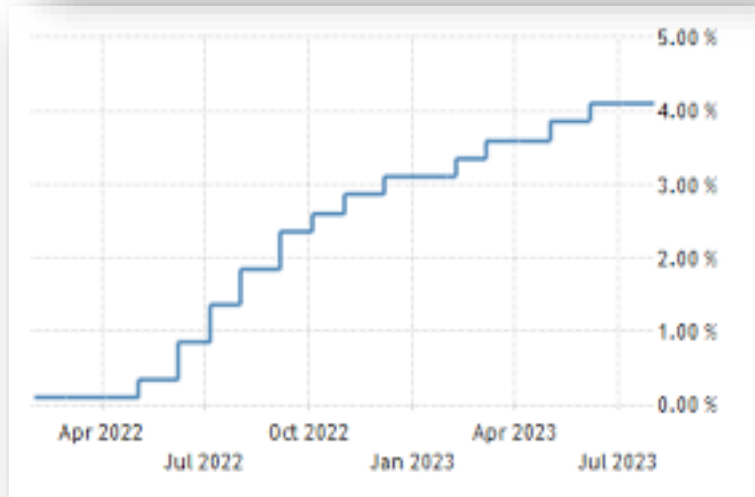
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Key Changes to Asset Allocation Targets over the year



Key drivers of investment results for the year



What is the Investment Outlook for 2023/2024?

Reasons for Optimism

- Unemployment is at record low levels
- Inflation appears to be moderating
- The interest rate increase cycle may be nearing its end
- Population growth in Australia is being boosted by immigration
- Company revenue growth is (generally) strong and profit margins are (generally) high
- Technology continues to advance at an impressive pace



What is the Investment Outlook for 2023/2024?

Reasons for Caution

- Inflation remains well-above central bank targets
- Higher interest rates will begin to bite more deeply as savings are depleted and fixed-rate mortgages convert to variable rates
- Geopolitical tensions are high
- Share prices are much higher than this time last year
- Global government debt is at unprecedented levels
- Inequality is getting worse



Current Portfolio Positioning



Our portfolios are somewhat cautiously positioned:

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

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Deep Dive into the Opportunities Asset Class



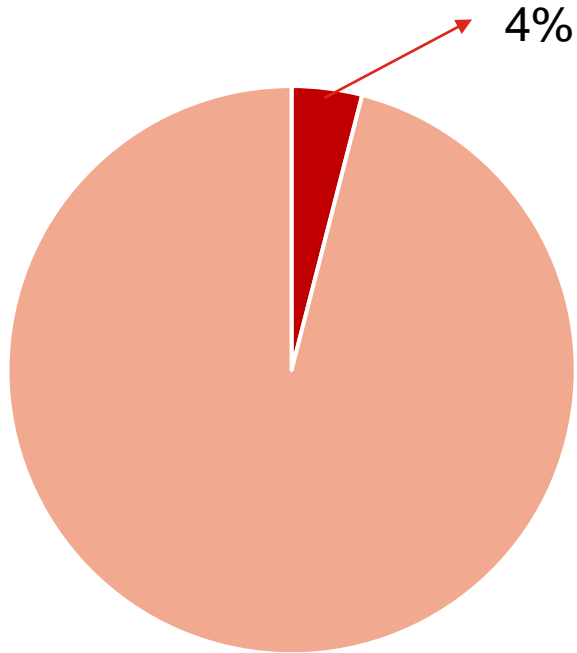
What is the Opportunities Asset Class?

- Allows us to invest in **compelling opportunities, wherever they appear.**
- For example:
 - Market dislocations
 - Social or economic trends
 - New ideas
 - “Spillovers” from other asset classes
- Aims to earn **Cash + 5% p.a.** over market cycles
- Aims to improve **diversification** in the portfolio

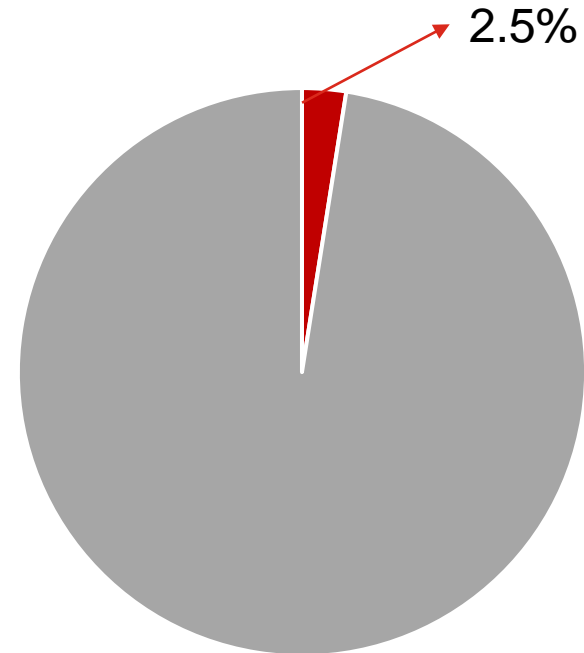


Opportunities make up a small slice of our diversified investment options

Growth, Lifestyle Growth, Balanced, Lifestyle Balanced



Moderate, Lifestyle Moderate, Conservative, Lifestyle Conservative



Red shaded area shows target allocations to Opportunities asset class at 15 August 2023. These allocations can change at any time.

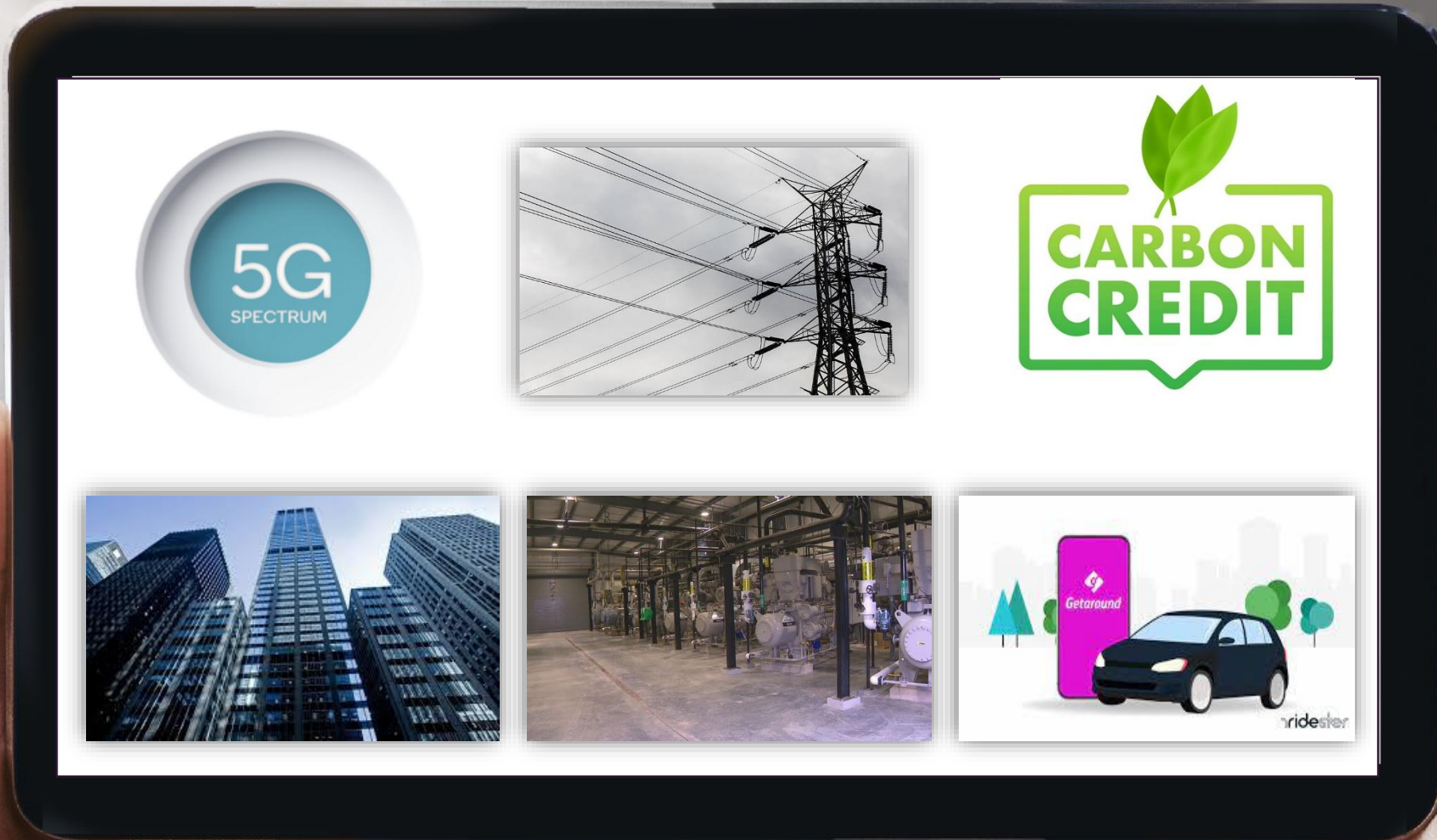
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Current “themes” in the Opportunities portfolio

- Inflation
- Renewable Energy
- Internet of things
- Transition to a lower carbon economy
- Property
- Commodities and resource scarcity
- Credit and lending



Sample investments in the Opportunities portfolio





**HOW TELSTRASUPER
CAN ASSIST YOU**



HOW TELSTRASUPER CAN ASSIST YOU

Four financial advice services to empower you



SUPER *sorter*

Simple phone advice and info designed to help you maximise your super.

No additional cost to members

Included in membership



STEP *it up*

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

Low cost Options

\$500 - \$900 per topic per person
(+GST if applicable)



BIG *picture it*

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

One off fee for service

\$1000 - \$3000
(+GST if applicable)



STAY *on track*

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

Annual fee for service

\$1600[^] pa or \$2100[^] pa
depending on advice
(+GST if applicable)

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Advice fees are current as at 1 July 2023.

[^]The ongoing advice service provides our clients with a review of the advice previously provided by us within the last 12 months, however if additional advice is required outside of this scope, due to changes in client's circumstances, additional costs may apply. Further information about costs are included in the client agreement

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HOW TELSTRASUPER CAN ASSIST YOU

Share the benefits



We're open to everyone



As a leading profit-to-member fund, TelstraSuper is committed to helping our members **build a financial outcome in retirement they can look forward to.**

We're now open to everyone, so your friends and family can join.



THANKS FOR YOUR TIME

We're happy to answer your questions



1300 033 166

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



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Rated an ESG Leader for 2022 by Rainmaker

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