

A holistic risk management framework.

Downside Protection	At the Fund Level		
	SAA/DAA	Active DAA decisions, defensive positioning and relative value positions	0.0%
	Diversification	Diversification as a result of asset responding to different market environments	0.6%
	Derivatives	Derivative protection strategies	0.4%
	At the Asset Class Level		
	Liquid Growth	Manager configurations incorporate low volatility, low beta strategies, derivatives overlay	0.81%
	Property & Infrastructure	High yield, low leverage.	1.45%
	Liquid Defensive	Duration and convexity	0.75%
	Alternatives	Asset allocation and idiosyncratic risk between and within asset classes.	0.46%
	Currency	Portfolio level currency exposure management	0.0%

Note:

- Asset class level: The above figures represent the expected outperformance vs ASX200 and MSCI World ex Australia by each asset class given a 10% market drawdown.
 - Calculations based on trailing 3 years equity beta.
 - Australian Equities calculated against ASX200 accumulation index.
 - All other asset class calculated against MSCI World ex-Australia.

Is it inline with expectation?

Period from 1-31 Dec 2018	A:Sector Return	B:Benchmark Return	C: Percentage of Performance (A/B)	D: Estimated Value Add	E: Expected Value Add for 10% drawdown
Australian Equities	-9.6	-8.4	114%		
International Equities	-7.6	-11.0	69%		
Liquid Growth				0.9%	0.8%
Multi-Asset	-6.5	-11.0	59%	0.3%	0.5%
Australian Fixed Income	0.3	-11.0	-3%		
International Fixed Income	0.9	-11.0	-8%		
Cash	0.2	-11.0	-2%		
Liquid Defensive				1.0%	0.8%
Infrastructure	1.0	-11.0	-9%		
Property	0.9	-11.0	-8%		
Infrastructure and Property				2.3%	1.5%
Defensive Overlay				0.3%	0.6%