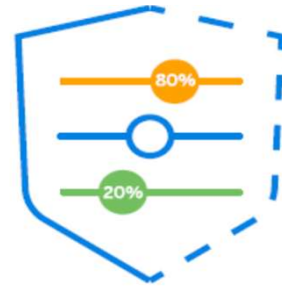


Milliman Smartshield Growth

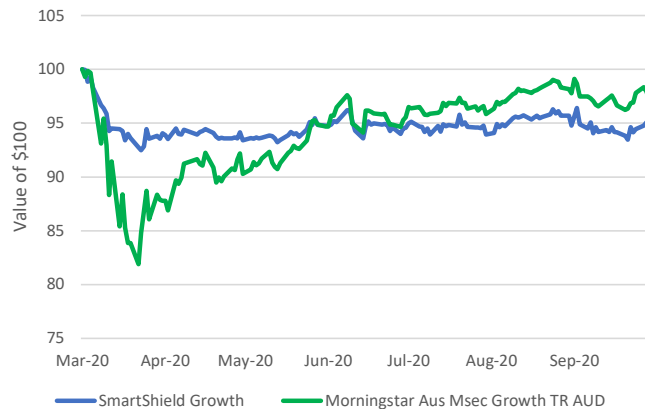
Quarter in Review - Q3 2020



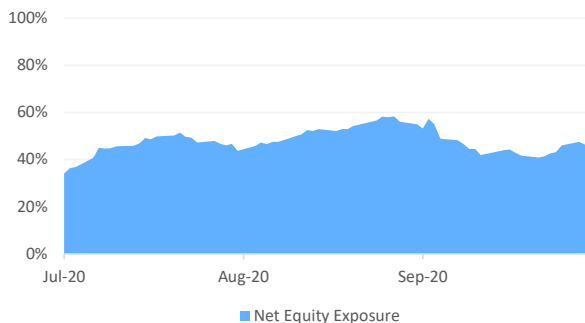
MARKET SNAPSHOT

This year has been a year unlike any other and Q3 has continued this trend. After an initial easing of lockdown measures across the country, a second wave of COVID infections in Melbourne led to an even harsher lockdown. Similarly across the world, new infections have been growing at an even greater pace. Equity markets have responded in mixed fashion. The ASX200 endured a rollercoaster ride to close down 1.5% this quarter while the S&P 500 steadily gained 8.5% thanks to significant stimulus from the US Fed.

Market volatility remains elevated as investors weigh new stimulus against rising infections with a vaccine still far off into the horizon at the end of Q3. The market implied volatility (VIX) on the ASX200 bounced around to ultimately end at 21.48 points while on the S&P 500, this dropped to 26.37 pts (both still much higher than pre-pandemic levels). The Aussie Dollar continues to strengthen against the US Dollar, gaining 3.8% to end the quarter at 71.62 US Cents, muting some of the gains seen in international equities.



SMARTSHIELD OVERLAY



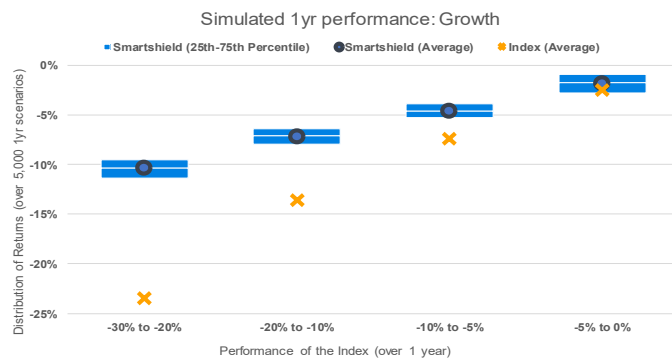
The risk management overlay continued to play a critical role throughout the third quarter as market remains volatile. The market volatility in Q3 was predominately a function of uncertainties surrounding the duration of COVID pandemic and the November US Presidential Election.

With market volatility remaining high and a significant level of uncertainty, the level of hedging increased over this quarter in response. Smartshield Growth portfolio ended the September quarter with net equity exposure at 43.4%.

PERFORMANCE OUTLOOK

At the end of Q3-2020, a number of key risk events remains front and centre in investors' minds; namely the November US presidential election, the uncertainties surrounding Brexit and no clear end to the pandemic in sight. As many people learn to live in the new "Covid-Normal" world with inherent levels of uncertainties, providing them a level of comfort with their life savings is more important than ever before.

Investors continue to have material exposure to growth assets and are expected to participate if markets recover from here. However, with market volatility remaining at elevated levels, the dynamic risk management strategy is well positioned to quickly react and shield your clients from a severe market sell-off.

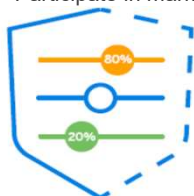


PERFORMANCE	1 month	3 months	6 months	1 year	2 year	Since Inception
SmartShield Growth	-1.76%	-0.51%	0.52%			-5.96%
Benchmark: Morningstar Aus Msec Growth TR AUD	-1.13%	1.86%	10.42%			-2.96%

RISK METRICS SINCE INCEPTION	Volatility (Annualised)	Max Drawdown
SmartShield Growth	9.06%	-7.52%
Benchmark: Morningstar Aus Msec Growth TR AUD	20.96%	-18.10%

BENEFITS

- Built-in portfolio protection
- Diversified
- Dynamically managed
- Low cost
- Flexibility & control
- Participate in market upside



PORTFOLIO HOLDINGS

80% GROWTH ASSETS

iShares S&P 500
iShares MSCI EAFE
Vanguard Australian Shares
Vanguard Australian Property
Even Keel - Global & Domestic Risk management Classes

20% DEFENSIVE ASSETS

BetaShares Australian High Interest Cash
Vanguard Australian Fixed Interest
Vanguard Global Aggregate Bond AUD Hedged
Cash

Key Contacts

Victor Huang

Practice Leader
Sydney, AU
victor.huang@milliman.com
+61 (0) 433 383 580

Durand Oliver

Head of Distribution
Melbourne, AU
durand.oliver@milliman.com
+61 (0) 403 148 057

Simon Ho

Portfolio Manager
Sydney, AU
simon.ho@milliman.com
+61 (0) 401 874 948

For more information about Milliman, please call or visit us at:

+61 2 8090 9100 | au.milliman.com

LIMITATIONS & DISCLAIMERS

Milliman Pty Ltd ABN 51 093 828 418 AFSL 340679 (Milliman AU) for provision to Australian financial services (AFS) licensees and their representatives, [and for other persons who are wholesale clients under section 761G of the Corporations Act]. Not for public use or distribution.

Past performance is not indicative of future results. Recipients must make their own independent decisions regarding any strategies or securities or financial instruments mentioned herein.

Milliman Pty Ltd does not make any representations that products or services described or referenced herein are suitable or appropriate for the recipient. Many of the products and services described or referenced herein involve significant risks, and the recipient should not make any decision or enter into any transaction unless the recipient has fully understood all such risks and has independently determined that such decisions or transactions are appropriate for the recipient.

Any discussion of risks contained herein with respect to any product or service should not be considered to be a disclosure of all risks or a complete discussion of the risks involved.

The recipient should not construe any of the material contained herein as investment, hedging, trading, legal, regulatory, tax, accounting or other advice. The recipient should not act on any information in this document without consulting its investment, hedging, trading, legal, regulatory, tax, accounting and other advisors.

Milliman Pty Ltd does not ensure a profit or guarantee against loss.