



Investment Description

The model provides an actively managed diversified portfolio with a strategic allocation of 30% in growth assets and 70% in defensive assets. The manager uses tactical asset allocation within pre-defined ranges as a key contributor to the manager's investment objective and core philosophy of minimising portfolio volatility.

Portfolio Updates

Following strong gains in October and November, thanks in part to a smaller than expected rate hike by the RBA in October and softer inflation numbers in the US, December proved to be a more difficult month for Markets with the ASX200 falling 3.21%. VIP's Investment Committee made the decision to reduce our Materials holdings in December and take some of the profits gained throughout 2022. Looking forward, inflation and whether Central Banks around the world continue in their aggressive rate hiking cycles will remain major talking points throughout 2023.

Portfolio Facts

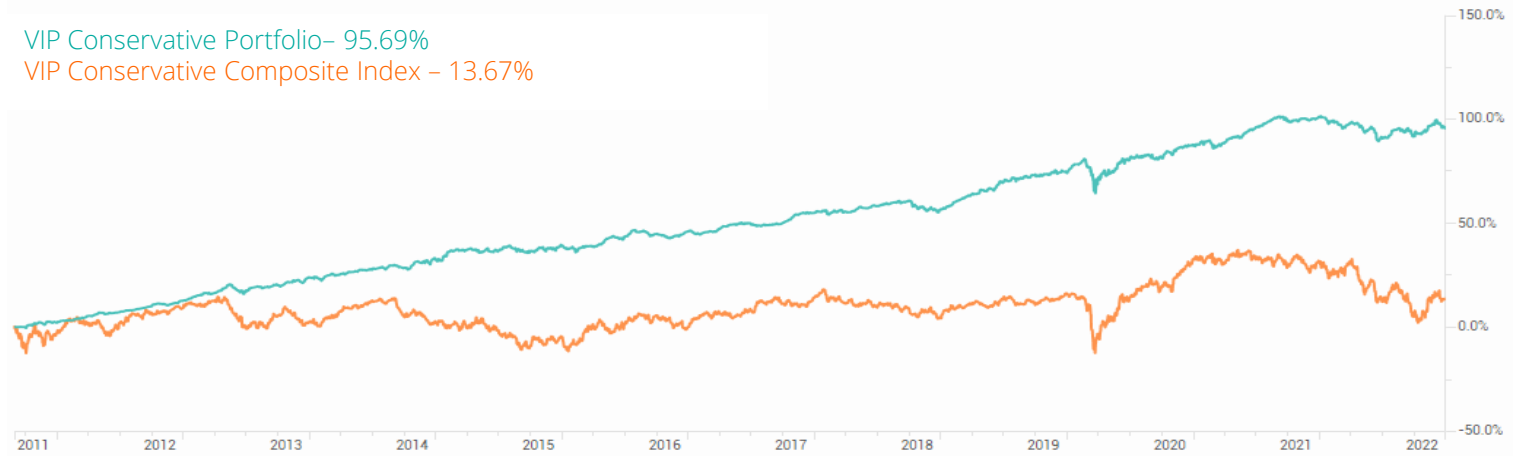
| | |
|------------------------------|----------------------------------|
| Inception Date | 1 st August 2021 |
| Asset Class | Multi-Asset |
| Platform Availability | Premium |
| Index Benchmark | VIP Conservative Composite Index |
| Investment Horizon | 5 – 7 Years |
| Suggested Minimum Investment | \$200,000 AUD |
| Management Fee (Exc. GST) | 0.45% |

Portfolio Performance

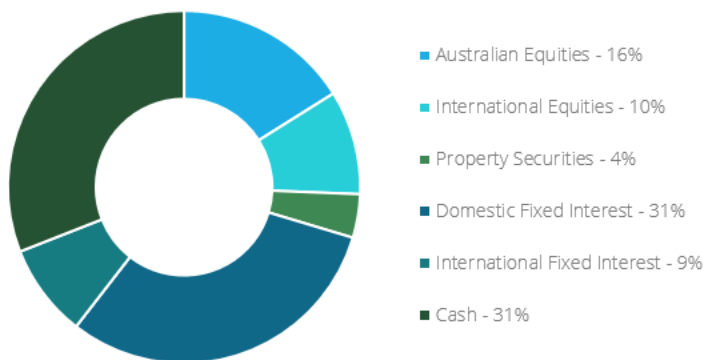
| | 1 Month | 3 Month | 6 Month | Y.T.D. | 1 Year | 3 Year (p.a.)* | 5 Year (p.a.)* | 7 Year (p.a.)* | Inception (p.a.)* |
|-------------------|---------|---------|---------|---------|---------|----------------|----------------|----------------|-------------------|
| Gross Returns | -1.49% | 2.01% | 2.59% | -2.68% | -2.68% | 4.01% | 4.78% | 5.15% | 6.10% |
| Net Returns | -1.53% | 1.90% | 2.36% | -3.13% | -3.13% | 3.56% | 4.33% | 4.70% | 5.65% |
| Benchmark Returns | -1.14% | 7.11% | 0.47% | -12.49% | -12.49% | -0.43% | 0.41% | 2.75% | 1.68% |

*Returns based on the MDA Class since its inception given the only differences between the two class from a return perspective is the different management fee and relative performance to a different performance benchmark.

VIP Conservative Portfolio – 95.69%
VIP Conservative Composite Index – 13.67%



Portfolio Asset Allocation



Sector Allocation

