

FORESTERS

F I N A N C I A L



INVESTMENT OPTIONS



Celebrate Your Journey, Your Way

Foresters Financial has proudly served Australian communities since 1849, with a longstanding commitment to supporting families and the funeral directors who care for them. Our commitment is built on trust, shared values and long-term partnerships.

This booklet offers general information of a factual nature. It is not general or personal financial advice on which you should rely in assessing the suitability of a Foresters PREPAIDPLUS** Funeral Plan, Funeral Bond or investment options.**

While it's not a personal recommendation, we encourage you to seek professional financial advice to find the best option for your needs.

We're here to support you every step of the way.

Options To Suit You

By investing in a Foresters Financial Funeral Bond (either as a stand-alone investment or as part of a PREPAID *PLUS* Funeral Plan), you can select from five investment options with their own return and risk objectives. You have the flexibility to choose the one that aligns with your personal goals and lifestyle preferences.

Investment Risk And Return

When selecting an investment option, the principle of return versus risk typically applies. This means that investments targeting higher returns generally come with a greater risk of potential losses. Conversely, investments focused on preserving capital are low risk but tend to have lower return expectations.

- The Capital Guaranteed option has the lowest return and lowest risk profile.
- The Balanced and Sustainable investment options both have modest returns and a medium risk profile.
- Growth has a high risk and high return profile.
- High Growth has the highest risk and return profile with the highest chance of loss in any given year.

Investment Options — Returns Versus Risk



The chart above is illustrative and is not intended to show actual return and risk outcomes to scale. Past performance is not a reliable indicator of future returns.

The Role Of Asset Classes

The main difference between each investment option is the mix of asset classes. An asset class is a type of investment building block and can generally be considered defensive if it is low risk, or growth if it is higher risk.

Investment options that primarily consist of defensive asset classes tend to have a lower return and risk profile. In contrast, options that aim for higher risk and return typically allocate more to growth asset classes.

Asset Classes Explained

Defensive Assets

Cash

Highly secure and tradeable assets like bank deposits.

Examples: Bank Bill, Overnight Bank Deposit

Fixed Interest

Includes longer term government bonds and bonds issued by companies.

*Examples: 10-Year Government Bond.
ANZ Bank Bond*

Growth Assets

Equity

Listed shares in a company, generally traded on a stock exchange like the ASX.

Examples: BHP shares, Microsoft shares

Property

Assets that include property or listed forms of property (eg. office buildings).

Examples: Westfield REIT (ASX-listed) or a commercial property

Alternatives

Includes investments that aim to deliver returns that can help diversify a portfolio.

Examples: Hedge funds aiming to provide returns while limiting risk.

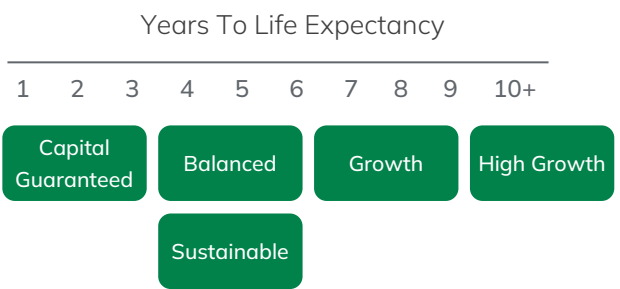
The Essence Of Time

The objective of a Funeral Bond is fundamentally different from products focused on long-term capital growth. A Funeral Bond is designed for a specific, predetermined purpose - to cover funeral costs rather than to generate wealth over time.

The key difference lies in the time horizon. Investors focused on building financial assets, particularly in their 20s, 30s, or 40s, typically have decades ahead to navigate market fluctuations, recover from potential losses and grow their financial reserves before retirement.

In contrast, a Funeral Bond can provide certainty and preservation to ensure funds are set aside exclusively for end-of-life expenses. This may include moving towards a lower-risk option over time.

The typical time horizon for each option can be used as a guide to help you or your financial adviser decide which may be best for you.



How To Learn About Investments

Investing can seem daunting and complex particularly for those that have recently found themselves managing household finances for the first time.

The good news is there are lots of ways you can learn about investing and even get professional help.

1. Financial Advice

For the most comprehensive advice on how to manage your specific financial circumstances, speak with a qualified financial adviser.

A financial adviser can work with you to develop a plan that takes into consideration your own financial goals, retirement income, taxation, estate planning, Centrelink and other financial matters.

2. Active Learning

In the age of the internet there are an increasing number of websites, online publications and podcasts that may provide free information to help you understand investments.

There are also many formal courses you may undertake, both in person or online. These courses are often run by educational institutions, super funds or financial associations.

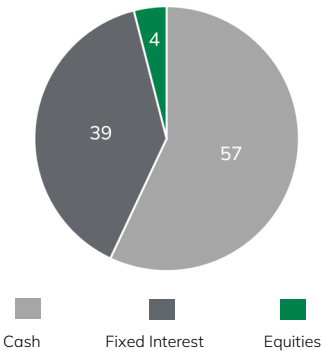
3. Foresters Investment Education

Foresters Financial is committed to improving financial literacy particularly for older Australians. Throughout the year we will offer investment education to help you understand your investments. Visit our website forestersfinancial.com.au for information and articles.

Capital Guaranteed

Risk profile	Low
Time horizon	1-3 years
Strategy	Invests in mainly cash and fixed interest assets to provide a stable and consistent return.
Investment objective ¹	Aims to provide a return higher than the RBA cash rate over the long-term.
Investor type	A conservative investor wanting to ensure their principal is relatively secure. Initial investment amount is guaranteed in dollar terms but is not protected from inflation.

Target Asset Classes²



Estimated number of negative annual returns over 20 years³



1. Cash rate is determined by the Reserve Bank of Australia (RBA).

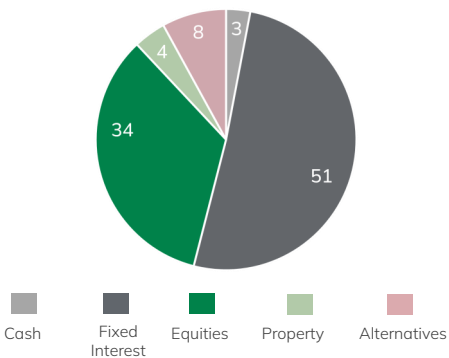
2. Target asset allocation. Actual weights may vary from the target. For more information about asset class ranges, see the Product Disclosure Statement (PDS) available at forestersfinancial.com.au.

3. Estimated returns and the number of negative annual returns are based on the Standard Risk Measure issued by APRA. Visit forestersfinancial.com.au for more information.

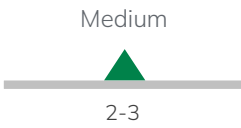
Balanced

Risk profile	Medium
Time horizon	3-5 years
Strategy	Invests in defensive and growth assets, with a moderately higher weighting to defensive assets.
Investment objective ¹	Aims to provide a return 2% above the inflation rate (CPI) over the long-term.
Investor type	A moderate investor seeking some growth potential and wanting to help protect their investment from the impact of inflation, while accepting a moderate level of risk.

Target Asset Classes²



Estimated number of negative annual returns over 20 years³



1. Consumer Price Index (CPI) is a measure of inflation that is published by the Australian Bureau of Statistics: www.abs.gov.au.

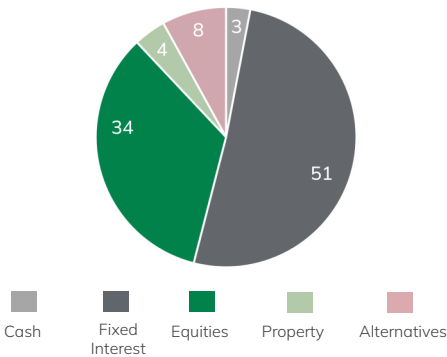
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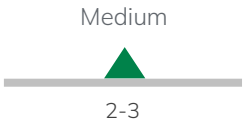
Sustainable

Risk profile	Medium
Time horizon	3-5 years
Strategy	Invests in defensive and growth assets, with a focus on Environmental, Social and Governance considerations ¹ .
Investment objective ²	Aims to provide a return 2% above the inflation rate (CPI) over the long-term.
Investor type	An investor that wants to support social causes and sustainable business practices through their investments. A moderate risk and return profile, similar to Balanced.

Target Asset Classes³



Estimated number of negative annual returns over 20 years⁴



1. Refer to our Responsible Investment Policy at forestersfinancial.com.au.

2. Consumer Price Index (CPI) is a measure of inflation that is published by the Australian Bureau of Statistics: www.abs.gov.au.

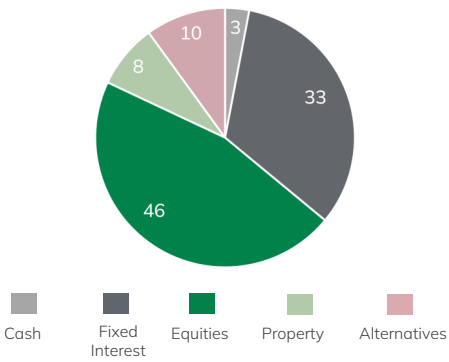
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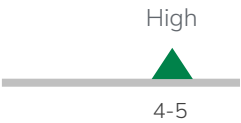
Growth

Risk profile	High
Time horizon	6-10 years
Strategy	Invests in defensive and growth assets, with a higher weighting to growth assets.
Investment objective ¹	Aims to provide a return 3% above the inflation rate (CPI) over the long-term.
Investor type	An investor seeking strong capital growth potential over the longer term, and is comfortable with a reasonable chance of short term negative returns.

Target Asset Classes²



Estimated number of negative annual returns over 20 years³



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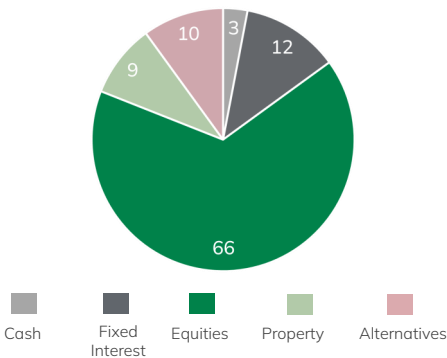
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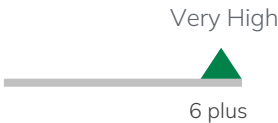
High Growth

Risk profile	Very High
Time horizon	10-plus years
Strategy	Invests primarily in a range of growth assets.
Investment objective ¹	Aims to provide a return 4% above the inflation rate (CPI) over the long-term.
Investor type	An investor aiming for high long-term growth and willing to endure extended periods of losses.

Target Asset Classes²



Estimated number of negative annual returns over 20 years³



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Foresters Legacy

Foresters Financial is a member-owned friendly society with a proud history of serving Australians through life's key milestones. Founded in 1849, we have helped protect family legacies over many generations, and we remain committed to delivering tax-effective funeral planning and investment solutions.



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