



Investment Update – 30 September 2021

TAL Life Limited ABN 70 050 109 450 AFSL 237848

For Savings policy owners

The Investment Update is to be read in conjunction with your Annual Statement and is provided by TAL Life Limited (TAL). It provides you with the information you need to understand the management, financial condition and investment performance of your investment option(s) and product.

Your Annual Statement provides details of your accumulated benefit entitlement, including details of opening and closing balances, transactions and your investment option(s).

If you would like a printed copy of this update or have any questions, please call us on 1300 209 088 or email customerservice@tal.com.au quoting your policy number.

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Directory

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TAL Life Limited
ABN 70 050 109 450 AFSL 237848

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TAL Life Limited
GPO Box 5380
Sydney NSW 2001

Terms used in this Investment Update

| | |
|--------------------------|--|
| ABN | Australian Business Number |
| AEST/AEDT | Australian Eastern Standard Time/Australian Eastern Daylight Time |
| AFSL | Australian Financial Services Licence |
| AFCA | Australian Financial Complaints Authority |
| AML/CTF Act | Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) |
| CPI | Consumer Price Index |
| 'TAL', 'we', 'us', 'our' | TAL Life Limited and any of its related bodies corporate |

| | |
|---------------------------|---|
| Unit Linked | an investment option where members purchase units, with each unit representing an equal share of the underlying assets of the option. The value of each unit, i.e. the unit price, reflects the market value of the underlying assets |
| 'you', 'your', 'customer' | the customer |

Disclaimer

TAL, its related bodies corporate and their directors and associates do not guarantee any particular rate of return, the repayment of capital or income, or the performance of any of the products or investment options referred to in this Investment Update unless otherwise stated. The information contained in this Investment Update is general information only and does not constitute financial or taxation advice. It does not take into account your individual objectives, financial situation or particular needs (your circumstances). TAL recommends that you read the relevant Product Disclosure Statement or other offer documentation provided to you when you acquired this product, and consider obtaining independent investment and taxation advice specific to your circumstances before making any financial decision.

Important information on how we manage your investment

Processing of contributions and withdrawals

Subject to regulatory approval (where required), we reserve the right to suspend or restrict the processing of some or all transactions where:

- in our absolute discretion, market disruptions or extraordinary circumstances mean that it would not be fair and reasonable to continue processing transactions;
- for whatever reason, we are unable to determine the unit price(s) at which transactions should be processed; or
- one or more investment options are illiquid in that they do not have sufficient assets that can reasonably be expected to be realised and converted into cash to satisfy redemption requests within the timeframe set by legislation.

Additionally, if we do not receive all the necessary information, we may reject an application for units in whole or in part until all completed information is received by TAL.

The temporary suspension or restriction of processing of transactions will be lifted when the risk to policy owners has abated sufficiently to make it fair and reasonable to resume processing transactions.

Identification requirements

The AML/CTF Act requires us to identify you and verify your identity when you make withdrawals from your investment. Generally, you will need to provide certain documents (such as a certified copy of your passport or current driver's licence) to establish or verify your identity. If you do not provide identifying documents, or if we are unable to adequately verify your identity, we may not be able to process your withdrawal. The AML/CTF Act also imposes reporting obligations on us if we form suspicions about the identity of someone we are transacting with or about the purpose of the transaction itself. In these circumstances we may decide to delay or decline to process that transaction and report it to the regulator if we are concerned that the request or transaction may be in breach of the provisions of the AML/CTF Act or cause us to commit an offence under that Act. If we take this step, we will not incur any liability to you.

Privacy

The way in which TAL collects, handles, secures and discloses your personal information is set out in the TAL Privacy Policy which is available on our website www.tal.com.au/Privacy-Policy or a copy is available free of charge on request.

TAL has processes in place to help to prevent unauthorised people from gaining access to your information. However, there are some steps that you can take to help protect your personal information from unauthorised access or use. The website of the Office of the Australian Information Commissioner at www.oaic.gov.au contains useful information on how you can protect your personal information.

How unit pricing works

The current process to determine unit prices may differ from any process description provided when this product commenced. Therefore, we provide this description of how our unit pricing process works currently. When you invest money in an investment option, your money is pooled together with that of other policy owners. TAL then uses this pool of funds to invest in assets which are managed on behalf of all policy owners. All units within each Unit Linked investment option have an equal value. Unit prices for these investment options are determined daily (for each business day) by dividing the total net asset value of the investment option by the number of units on issue within that investment option.

The net asset value of all investment options includes the market value of the assets (including provision for tax benefits that may arise in the future) and provisions for fees, taxes, transaction costs and any other expenses of the option. We use the most recent best estimate of these provisions in each day's net asset value. These estimates are updated regularly and may be subject to change.

How non-unit linked pricing works

For non-unit linked options, income is credited to the policy through an interest rate, rather than movements in a unit price. The interest rate is declared annually.

Withdrawals and benefit payments

TAL's current process is to calculate the withdrawal value using the latest available unit price or interim interest rate at the time of calculating the payment. This current process may differ from the benefit calculation procedure in your original product terms.

Adjustments

Very occasionally, errors occur that have a material effect on the value of your account. When this happens, TAL will adjust your account as follows:

- for policies that are still current, we will adjust the investment to ensure it is in the position it should have been had the error not occurred; and
- for policies that have exited, compensation may be paid where the adjustment to your account is at least \$20.

Where an exited policy has been overpaid, TAL may seek to recover the overpayment from you.

Fees

We will provide you with 30 days' prior written notice before introducing any additional fee(s) or before increasing existing fee(s) (other than CPI increases). Standard rounding practices apply to CPI increases to fees.

Investment management arrangements

TAL invests contributions received into the investment option(s) that you have selected. These investment options form part of a life insurance policy issued by TAL. This has not changed. However, the assets supporting the investment options forming part of the policy are managed by a number of external fund managers. Please visit the [Investment Philosophy webpage](#) for more information.

Performance returns

Investment performance information as at 30 September 2021 is rounded to one decimal place. The calculation of performance returns is based on the movement of unit prices over the period reported. The performance returns shown are calculated after the deduction of any tax, asset management charge and investment costs attributable to the investment option and before the deduction of any other fees and rebates that may be applicable to your policy. Performance returns are the annual returns for the investment option as a whole. For current investment performance information, see [Investment Options](#) on our website. Past performance is not necessarily indicative of future performance.

Asset allocations and benchmarks

Asset allocations as at 30 September 2021 and 30 September 2020 for each of the investment options have been rounded to the nearest one decimal place. The actual allocations may vary from time to time due to market fluctuations and investment decisions. A limited portion of the investment portfolios may be held as cash for liquidity purposes or other investment purposes from time to time. For current or further information about asset allocation benchmarks and minimum and maximum ranges, please contact your financial adviser, call us on 1300 209 088 or see [Investment Options](#) on our website.

Investment in derivatives

Derivatives such as futures, forwards, options and swaps (as applicable) may be used, within agreed limits, by the underlying investment managers in managing the various asset classes.

Changes to the investment options

TAL reserves the right to withdraw or close an investment option. We may also change any other aspect of any investment option that you invest in at any time. You will be notified in writing of any such change. If an investment option is withdrawn, we will transfer your investment to the nearest equivalent option available at that time.

TAL's investment objective and strategy

| Products | TAL's investment objective | TAL's investment strategy |
|---|---|---|
| <ul style="list-style-type: none"> • Advance Asset Investment Bond • Bank Bond Ordinary • Bank Bond Superannuation • Blue Ribbon Executive - Savings • Blue Ribbon Executive - Super • Blue Ribbon Investment Bond • Blue Ribbon Plus - Savings • Blue Ribbon Plus - Super • Blue Ribbon Series - Savings • Blue Ribbon Series - Super • Blue Ribbon Super Bond • Bond - Unit Linked • Health Invest Salary Sacrifice • Ordinary Unit Linked Bond • Passport Ordinary • Prestige Investment Bond • Prestige Superannuation Bond • TOWER Managed Investment Bond • TOWER Managed Super Bond • TOWER Savings Account • Unit Linked Bond • Unit Linked Bond – Series B • Unit Linked Reg Prem Ordinary • Unit Linked Regular Premium • Unit Linked Super Bond | <p>To provide a product with a range of investment options from which you can make selections which are broadly suitable for your personal circumstances.</p> | <p>To invest in insurance policies which provide investment options consistent with our investment objective.</p> |
| <ul style="list-style-type: none"> • Assurety Plan • Assurety Superannuation Bond • Bonds • Cap Guaranteed Ordinary Bond 1, 6 & 7 • Capital Guaranteed Bond • Capital Guaranteed Super Bond • Employee Security Plan • Foundation Plan • Growing Dollar Plan Series 1 • Growing Dollar Plan Series 2 • Growth Bonds • Investment Account Series B • Investment Account Series C • Ordinary Assurety Bond • Personal Achievement Bond • Personal Achievement Plan • Regular Premium Plan - Savings • Regular Premium Plan - Super | <p>To provide a product with modest investment growth.</p> | <p>To invest in insurance policies which provide investment options consistent with our investment objective.</p> |

- Single Premium Plan - Super
- SPA Series Superannuation
- SPO Series Ordinary

Investment performance

For the Unit Linked investment options: The calculation of investment performance is based on the movement of unit prices over the period reported.

For the non-Unit Linked options: The calculation of investment performance is based on the interest rates declared over the period reported.

The returns shown below are calculated after the deduction of any tax, asset management charge and investment costs attributable to the investment option, and before the deduction of any other fees and the calculation of rebates that may be applicable to your policy. Performance returns are the annual returns for the investment option as a whole.

Not all investment options are available to all policy owners. Please refer to your Annual Statement or Policy/Disclosure document for details of the investment options available to your individual policy.

The 5- and 10-Year Compound Average Returns are detailed below, and the figures are rounded to one decimal place. Current 1, 3, 5 and 10 year performance returns are updated at the end of each quarter and may be obtained by contacting us on 1300 209 088 or by visiting the [Investment Options](#) page on our website.

Your individual returns, after taking into account transactions throughout the reporting period, are detailed in your Annual Statement.

| Product | Investment option | Compound Average Returns (%) | |
|---|-------------------------------------|------------------------------|------------------------|
| | | 5 Years to 30/09/2021 | 10 Years to 30/09/2021 |
| Advance Asset Investment Bond (ADB) | TAL Balanced Ordinary Series 1 | 5.6 | 6.5 |
| | TAL Balanced Ordinary Series 2 | 5.2 | 6.1 |
| | TAL Balanced Ordinary Series 3 | 5.6 | 6.5 |
| Assurety Plans – Ordinary ^{3,4} (AP) Ordinary Assurety Bond ³ (ABO) Regular Premium Plan – Savings (FCO) | TAL Capital Guaranteed ⁵ | 2.1 | 2.6 |
| Assurety Plans – Super ^{3,4} (AP) | TAL Capital Guaranteed ⁵ | 2.5 | 3.2 |
| Assurety Superannuation Bond (ABS) | TAL Capital Guaranteed ⁵ | 2.5 | 3.2 |
| Bank Bond Ordinary (ULO) | TAL Bank Portfolio | 3.7 | 5.2 |
| Bank Bond Superannuation (ULS) | TAL Bank Portfolio | 3.8 | 5.9 |
| Blue Ribbon Executive – Savings (BEO) (policies commenced pre June 2001) | TAL Balanced Growth | 5.3 | 6.2 |
| | TAL Capital Assured ^{2,7} | 1.8 | 1.9 |
| | TAL Cash | -0.6 | -0.1 |
| | TAL Conservative Balanced | 3.7 | 4.9 |
| | TAL Growth Maximiser | 6.3 | 7.3 |
| | TAL Security Focus | 2.3 | 3.4 |
| Blue Ribbon Executive – Savings (BEO) (policies commenced from June 2001) | TAL Balanced Growth | 4.4 | 5.2 |
| | TAL Capital Assured ^{2,7} | 0.8 | 0.8 |
| | TAL Cash | -1.4 | -1.0 |
| | TAL Conservative Balanced | 2.8 | 3.9 |
| | TAL Growth Maximiser | 5.4 | 6.4 |
| | TAL Security Focus | 1.4 | 2.5 |
| Blue Ribbon Executive – Super (BES) (policies commenced pre June 2001) | TAL Cash | -0.5 | 0.1 |
| Blue Ribbon Investment Bond (BOB) Blue Ribbon Plus – Savings (BRO) Blue Ribbon Series – Savings (BOR) | TAL Balanced Growth | 5.3 | 6.2 |
| | TAL Capital Guaranteed ⁵ | 0.5 | 1.0 |
| | TAL Cash | -0.6 | -0.1 |
| | TAL Conservative Balanced | 3.7 | 4.9 |

| | | | |
|--|-------------------------------------|------|------|
| | TAL Growth Maximiser | 6.3 | 7.3 |
| | TAL Security Focus | 2.3 | 3.4 |
| Blue Ribbon Plus – Super (BRS) | TAL Cash | -0.5 | 0.1 |
| Blue Ribbon Series – Super (BSR) | TAL Capital Guaranteed ⁵ | 0.9 | 1.5 |
| Blue Ribbon Super Bond (BSB) | TAL Capital Guaranteed ⁵ | 0.9 | 1.5 |
| Unit Linked Bond – Ordinary (UB2)* | TAL Balanced Growth | 5.1 | 6.0 |
| Bond – Unit Linked – Ordinary (UB4)* | TAL Cash | -0.7 | -0.2 |
| <i>*Internal note: The multibond subset of UB2 and UB4 policies can only invest in Balanced Growth & Security Focus.</i> | TAL Ethical Growth | 7.9 | 7.2 |
| | TAL International Growth | 10.2 | 10.0 |
| | TAL Property Plus | 4.2 | 8.5 |
| | TAL Security Focus | 2.1 | 3.3 |
| | | | |
| Unit Linked Bond – Super (UB2)* | TAL Balanced Growth | 6.8 | 8.5 |
| Bond – Unit Linked – Super (UB4)* | TAL Cash | -0.2 | 0.5 |
| <i>*Internal note: The multibond subset of UB2 and UB4 policies can only invest in Balanced Growth & Security Focus.</i> | TAL Ethical Growth | 12.3 | 10.6 |
| | TAL International Growth | 13.7 | 13.7 |
| | TAL Property Plus | 5.6 | 10.4 |
| | TAL Security Focus | 2.7 | 4.5 |
| | | | |
| BMA Bonds (BND) | BMA Bonds | 0.3 | 0.6 |
| Capital Guaranteed Bond (OCG) | TAL Capital Guaranteed ⁵ | 0.5 | 1.0 |
| Cap Guaranteed Ordinary Bond (SBO) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| Cap Guaranteed Ordinary Bond 1 (SBO) | TAL Capital Guaranteed ⁵ | 4.5 | 4.5 |
| Cap Guaranteed Ordinary Bond 6 (SBO) | TAL Capital Guaranteed ⁵ | 1.0 | 1.7 |
| Cap Guaranteed Ordinary Bond 7 (SBO) | TAL Capital Guaranteed ⁵ | 1.0 | 1.7 |
| Capital Guaranteed Super Bond (SCG) | TAL Capital Guaranteed ⁵ | 0.9 | 1.5 |
| Capital Guaranteed Super Bond (SBS) | TAL Capital Guaranteed ⁵ | 1.9 | 2.7 |
| Capital Guaranteed Super Bond 1 (SBS) | TAL Capital Guaranteed ⁵ | 4.5 | 4.5 |
| BMA Employee Security Plan (ESP) | Employee Security Plan | 4.4 | 4.4 |
| BMA Foundation Plan (FNP) | Foundation Plan | 4.4 | 4.4 |
| BMA Growing Dollar Plan Series 1 (GDP) | Growing Dollar Plan Series 1 | 4.4 | 4.4 |
| BMA Growing Dollar Plan Series 2 (GDP) | Growing Dollar Plan Series 2 | 4.0 | 4.0 |
| Growth Bonds – Ordinary (GB1) | TAL Capital Assured ⁶ | 3.4 | 3.6 |
| Growth Bonds – Super (GB1) | TAL Capital Assured ⁶ | 4.2 | 4.3 |
| Health Invest Salary Sacrifice (HES) | TAL Australian Shares | 5.3 | 5.7 |
| | TAL Balanced Growth | 4.4 | 5.2 |
| | TAL Cash | -1.4 | -1.0 |
| | TAL Conservative Balanced | 2.8 | 3.9 |
| | TAL Ethical Growth | 7.1 | 6.4 |
| | TAL Growth Maximiser | 5.4 | 6.4 |
| | TAL International Growth | 9.4 | 9.2 |
| | TAL Property Plus | 3.5 | 7.6 |
| | TAL Security Focus | 1.4 | 2.5 |
| Investment Account Series B – Ordinary (IA1 – 5) | TAL Capital Assured ⁶ | 3.4 | 3.6 |
| Investment Account Series B – Super (IA1 – 5) | TAL Capital Assured ⁶ | 4.2 | 4.3 |
| Investment Account Series C (IAA, IA6, IA9) | TAL Series C ⁸ | 4.0 | 4.1 |
| Ordinary Unit Linked Bond (USO) | | | |
| Unit Linked Bond – Series B (UBO) | TAL Conservative Balanced | 3.7 | 4.9 |
| Passport Ordinary (PO) | TAL Australian Shares | 6.1 | 6.6 |
| Prestige Investment Bond (PBO) | TAL Balanced Growth | 5.3 | 6.2 |
| (policies commenced pre June 2001) | TAL Capital Assured ²⁷ | 1.8 | 1.9 |

| | | | |
|--|--|------|------|
| TOWER Managed Investment Bond (TBO) (policies commenced pre June 2001) TOWER Savings Account (TSA) (policies commenced pre June 2001) | TAL Capital Guaranteed ^{1 5} | 0.5 | 1.0 |
| | TAL Cash | -0.6 | -0.1 |
| | TAL Conservative Balanced | 3.7 | 4.9 |
| | TAL Ethical Growth | 8.0 | 7.3 |
| | TAL Growth Maximiser | 6.3 | 7.3 |
| | TAL International Growth | 10.3 | 10.1 |
| | TAL Property Plus | 4.3 | 8.5 |
| | TAL Security Focus | 2.3 | 3.4 |
| Personal Achievement Bond (PAS) Personal Achievement Plan (PAP) | TAL Capital Guaranteed ⁵ | 1.9 | 2.3 |
| Prestige Investment Bond (PBO) (policies commenced from June 2001) TOWER Managed Investment Bond (TBO) (policies commenced from June 2001) TOWER Savings Account (TSA) (policies commenced from June 2001) | TAL Australian Shares | 5.3 | 5.7 |
| | TAL Balanced Growth | 4.4 | 5.2 |
| | TAL Capital Assured ^{2 7} | 0.8 | 0.8 |
| | TAL Cash | -1.4 | -1.0 |
| | TAL Conservative Balanced | 2.8 | 3.9 |
| | TAL Ethical Growth | 7.1 | 6.4 |
| | TAL Growth Maximiser | 5.4 | 6.4 |
| | TAL International Growth | 9.4 | 9.2 |
| Prestige Superannuation Bond (PBS) | TAL Property Plus | 3.5 | 7.6 |
| | TAL Security Focus | 1.4 | 2.5 |
| | TAL Cash | -0.5 | 0.1 |
| | TAL Capital Guaranteed ⁵ | 2.5 | 3.2 |
| | TAL Capital Guaranteed ⁵ | 2.5 | 3.2 |
| | TAL Capital Guaranteed ⁵ | 1.8 | 2.7 |
| | TAL Capital Guaranteed ⁵ | 2.0 | 2.9 |
| | TAL Capital Guaranteed ⁵ | 1.9 | 2.7 |
| Regular Premium Plan – Super (23F) | TAL Capital Guaranteed ⁵ | 1.9 | 2.7 |
| Single Premium Plan – Super (23S) | TAL Capital Guaranteed ⁵ | 1.3 | 2.1 |
| SPA Series Superannuation (SPS) | TAL Capital Guaranteed ⁵ | 1.7 | 2.4 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Cash | -0.5 | 0.1 |
| | TAL Balanced Growth | 4.4 | 5.2 |
| | TAL Cash | -1.4 | -1.0 |
| | TAL Ethical Growth | 7.1 | 6.4 |
| | TAL Growth Maximiser | 5.4 | 6.4 |
| SPA2 Series Superannuation (SPS) | TAL International Growth | 9.4 | 9.2 |
| | TAL Security Focus | 1.4 | 2.5 |
| | TAL Conservative Balanced – Initial | 1.0 | 1.9 |
| | TAL Conservative Balanced – Accumulation | 3.7 | 4.9 |
| | TAL Conservative Balanced | 5.4 | 6.8 |
| | TAL Capital Guaranteed ⁵ | 1.9 | 2.7 |
| | TAL Capital Guaranteed ⁵ | 1.9 | 2.7 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| SPA4 Series Superannuation (SPS) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| SPA5 Series Superannuation (SPS) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| SPO Series Ordinary (SPO) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| SPO2 Series Ordinary (SPO) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| SPO4 Series Ordinary (SPO) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| SPO5 Series Ordinary (SPO) | TAL Capital Guaranteed ⁵ | 1.6 | 2.2 |
| TOWER Managed Super Bond (TBS) | TAL Cash | -0.5 | 0.1 |
| Unit Linked Regular Premium (UL4) | TAL Cash | -0.5 | 0.1 |
| | TAL Balanced Growth | 4.4 | 5.2 |
| | TAL Cash | -1.4 | -1.0 |
| | TAL Ethical Growth | 7.1 | 6.4 |
| | TAL Growth Maximiser | 5.4 | 6.4 |
| | TAL International Growth | 9.4 | 9.2 |
| Unit Linked Reg Prem Ordinary (URO) | TAL Security Focus | 1.4 | 2.5 |
| | TAL Conservative Balanced | 5.4 | 6.8 |
| Unit Linked Super Bond (USS) | TAL Conservative Balanced | 5.4 | 6.8 |

¹ This investment option is only available to policies which commenced prior to 1 October 1994.

² This investment option is only available to policies which commenced from 1 October 1994.

³ If a casual contribution is made, an Asset Management Charge of 4.2% p.a. applies to the portion of the account balance made up by the casual contribution for a period of up to 2 years. The returns have not had this asset management charge deducted and do not show the actual return for those investments to which this fee applies.

⁴ If your policy is still within its 'Charging Period', an Asset Management Charge of 4.2% p.a. may apply for the remainder of the 'Charging Period'. Please refer to your Policy/Disclosure document for details on the Charging Period applicable to your Assurety Plan policy. For policies still within the 'Charging Period', the returns shown have not had this Asset Management Charge deducted and do not show the actual return for those investments to which this fee applies.

⁵ The TAL Capital Guaranteed investment option is not Unit Linked. For this investment option, a declared crediting rate and interim crediting rate is determined each year at the crediting date. These crediting rates are net of taxes, charges, the deduction of investment costs, asset management charges and other fees and is rounded to one decimal place. The declared crediting rate is applied to the policy owners' account balances at the crediting date in respect of the year preceding

the crediting date. Guarantees applying to the declared crediting rate are outlined in policy owners' original Policy/Disclosure documents.

Payments made to policy owners during the period between the application of declared crediting rates from one year to the next have the prevailing interim crediting rate applied to them. This is achieved by applying the prevailing interim crediting rate to the account balance and to any net contributions received from the date they are received, and allowing for any withdrawals made during the period, to the benefit payment date. The interim crediting rate applied during this period can be changed retrospectively at any time, but is guaranteed never to be negative. Past investment performance is not a guarantee or necessarily indicative of future investment performance.

⁶ *Note 6 applies to the Growth Bond and Investment Account Series B only* The TAL Capital Assured investment option is not Unit Linked. For this investment option, a declared crediting rate and interim crediting rate is determined each year at the crediting date. These crediting rates are net of taxes and charges. The declared crediting rate is applied to the policy owners' account balances at the crediting date in respect of the year preceding the crediting date. The declared crediting rate is guaranteed never to be negative.

Payments made to policy owners during the period between the application of declared crediting rates from one year to the next have the prevailing interim crediting rate applied to them. This is achieved by applying the prevailing interim crediting rate to the account balance and to any net contributions received from the date they are received, and allowing for any withdrawals made during the period, to the benefit payment date. The interim crediting rate applied during this period can be changed retrospectively at any time, and may be negative if investment returns are poor.

⁷ The TAL Capital Assured investment option is not Unit Linked. For this investment option, a declared crediting rate and interim crediting rate is determined each year at the crediting date. These crediting rates are net of taxes and charges. The declared crediting rate is applied to the policy owners' account balances at the crediting date in respect of the year preceding the crediting date. Guarantees applying to the declared crediting rate are outlined in policy owners' original Policy/Disclosure documents.

Payments made to policy owners during the period between the application of declared crediting rates from one year to the next have the prevailing interim crediting rate applied to them. This is achieved by applying the prevailing interim crediting rate to the account balance and to any net contributions received from the date they are received, and allowing for any withdrawals made during the period, to the benefit payment date. The interim crediting rate applied during this period can be changed retrospectively at any time, but is guaranteed never to be negative.

⁸ The TAL Series C investment option is not Unit Linked. For this investment option, a declared crediting rate and interim crediting rate is determined each year at the crediting date. These crediting rates are net of taxes and charges. The declared crediting rate is applied to the policy owners' account balances at the crediting date in respect of the year preceding the crediting date. The declared crediting rate may be negative if investment returns are poor.

Payments made to policy owners during the period between the application of declared crediting rates from one year to the next have the prevailing interim crediting rate applied to them. This is achieved by applying the prevailing interim crediting rate to the account balance and to any net contributions received from the date they are received, and allowing for any withdrawals made during the period, to the benefit payment date. The interim crediting rate applied during this period can be changed retrospectively at any time, and may be negative if investment returns are poor.

Investment option profiles

Asset allocations for 30 September 2021 and 30 September 2020 for each of the investment options are shown below, and have been rounded to one decimal place.

| TAL Australian Shares | | | |
|------------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide high investment growth over the long term from a portfolio of Australian shares. | | |
| Investment strategy | The option invests in a diversified range of Australian shares. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | High | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian shares | 100.0 | 100.0 |

| TAL Balanced Growth | | | |
|----------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide moderate to high investment growth over the long term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a strong emphasis on growth assets such as shares and property. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | Moderate - high | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 11.8 | 14.1 |
| | Australian shares | 24.0 | 29.5 |
| | Cash and short-term securities | 7.6 | 5.2 |
| | International fixed interest | 11.6 | 9.1 |
| | International shares | 34.3 | 34.1 |
| | Property | 4.8 | 8.0 |
| | Commodities | 5.9 | 0.0 |

| TAL Balanced Ordinary Series 1, Series 2 and Series 3 | | | |
|--|---|------------------------|------------------------|
| Investment objective | The option aims to provide moderate to high investment growth over the long term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a strong emphasis on growth assets such as shares and property. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | Moderate – high | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 11.8 | 14.1 |
| | Australian shares | 24.0 | 29.5 |
| | Cash and short-term securities | 7.6 | 5.2 |
| | International fixed interest | 11.6 | 9.1 |
| | International shares | 34.3 | 34.1 |
| | Property | 4.8 | 8.0 |
| | Commodities | 5.9 | 0.0 |

| TAL Bank Portfolio | | | |
|---------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide modest investment growth over the medium term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a strong emphasis on defensive assets such as cash and fixed interest. | | |
| Investment timeframe | 3+ years | | |
| Risk and return profile | Low – moderate | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 18.8 | 22.0 |
| | Australian shares | 11.2 | 12.7 |
| | Cash and short-term securities | 28.3 | 22.2 |
| | International fixed interest | 21.5 | 24.2 |
| | International shares | 17.2 | 13.0 |
| | Property | 0.0 | 5.9 |
| | Commodities | 3.0 | 0.0 |

| TAL Capital Assured | | | |
|----------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide modest investment growth over the medium term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a strong emphasis on defensive assets such as cash and fixed interest. | | |
| Investment timeframe | 3+ years | | |
| Risk and return profile | Low | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 23.9 | 27.0 |
| | Australian shares | 6.0 | 6.9 |
| | Cash and short-term securities | 35.0 | 27.1 |
| | International fixed interest | 26.4 | 29.0 |
| | International shares | 6.7 | 6.0 |
| | Property | 0.0 | 4.0 |
| | Commodities | 2.0 | 0.0 |

| TAL Capital Guaranteed | | | |
|-------------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide income over the short to medium term from a portfolio which invests in defensive assets such as cash and fixed interest. | | |
| Investment strategy | The option invests predominantly in defensive assets with a strong emphasis on fixed interest securities issued in Australia. | | |
| Investment timeframe | 2 years | | |
| Risk and return profile | Low – moderate | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 100.0 | 100.0 |

| TAL Cash | | | |
|-------------------------|--|------------------------|------------------------|
| Investment objective | The option aims to provide cash returns over the short term from a portfolio that invests in cash and short-term securities. | | |
| Investment strategy | The option invests in cash and short-term securities. | | |
| Investment timeframe | 1 year | | |
| Risk and return profile | Low | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Cash and short-term securities | 100.0 | 100.0 |

| TAL Conservative Balanced | | | |
|----------------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide moderate investment growth over the medium to long term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a broadly equal weighting to growth and defensive assets. | | |
| Investment timeframe | 3+ years | | |
| Risk and return profile | Moderate | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 14.9 | 18.1 |
| | Australian shares | 16.2 | 21.6 |
| | Cash and short-term securities | 16.3 | 13.1 |
| | International fixed interest | 18.6 | 17.1 |
| | International shares | 25.1 | 23.0 |
| | Property | 3.9 | 7.1 |
| | Commodities | 5.0 | 0.0 |

| TAL Ethical Growth | | | |
|---------------------------|--|------------------------|------------------------|
| Investment objective | The option aims to provide high investment growth over the long term from a portfolio of Australian shares issued by companies that take into account the wider ethical, social and environmental issues in the community. | | |
| Investment strategy | The option invests in a range of Australian shares issued by companies that take into account the wider ethical, social and environmental issues in the community. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | High | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian shares | 100.0 | 100.0 |

| TAL Growth Maximiser | | | |
|-----------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide high investment growth over the long term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests predominantly in growth assets such as shares and property. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | High | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 5.9 | 7.1 |
| | Australian shares | 29.9 | 35.5 |
| | Cash and short-term securities | 4.5 | 2.1 |
| | International fixed interest | 8.7 | 4.1 |
| | International shares | 38.2 | 41.2 |
| | Property | 5.8 | 10.0 |
| | Commodities | 7.0 | 0.0 |

| TAL International Growth | | | |
|---------------------------------|--|------------------------|------------------------|
| Investment objective | The option aims to provide high investment growth over the long term from a portfolio of international shares. | | |
| Investment strategy | The option invests in a range of international shares. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | High | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | International shares | 100.0 | 100.0 |

| TAL Property Plus | | | |
|--------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide property returns over the long term from a portfolio of property securities. | | |
| Investment strategy | The option invests in a range of property securities. | | |
| Investment timeframe | 5+ years | | |
| Risk and return profile | High | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Property | 100.0 | 100.0 |

| TAL Security Focus | | | |
|---------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide modest investment growth over the medium term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a strong emphasis on defensive assets such as cash and fixed interest. | | |
| Investment timeframe | 3+ years | | |
| Risk and return profile | Low to moderate | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 18.8 | 22.0 |
| | Australian shares | 11.2 | 12.7 |
| | Cash and short-term securities | 28.3 | 22.2 |
| | International fixed interest | 21.5 | 24.2 |
| | International shares | 17.2 | 13.0 |
| | Property | 0.0 | 5.9 |
| | Commodities | 3.0 | 0.0 |

| TAL Series C | | | |
|-------------------------|---|------------------------|------------------------|
| Investment objective | The option aims to provide moderate investment growth over the medium to long term from a portfolio that invests in a range of asset classes. | | |
| Investment strategy | The option invests in a range of asset classes, with a focus on defensive assets such as cash and fixed interest. | | |
| Investment timeframe | 3+ years | | |
| Risk and return profile | Moderate | | |
| Asset allocation | Asset class | 30 Sep 2021 (%) | 30 Sep 2020 (%) |
| | Australian fixed interest | 20.8 | 24.0 |
| | Australian shares | 9.2 | 10.4 |
| | Cash and short-term securities | 30.7 | 24.1 |
| | International fixed interest | 23.5 | 26.1 |
| | International shares | 13.2 | 10.2 |
| | Property | 0.0 | 5.2 |
| | Commodities | 2.6 | 0.0 |

Changes to Strategic Asset Allocations – Effective 30 November 2020

The following changes to the strategic asset allocations for the TAL Balanced Growth, TAL Balanced Ordinary (Series 1, Series 2 and Series 3), TAL Bank Portfolio, TAL Capital Assured, TAL Conservative Balanced, TAL Growth Maximiser, TAL Security Focus and TAL Series C investment options were made:

- Modest reductions in Australian fixed interest and Australian shares
- An increase in Cash holdings
- A greater allocation to International shares (except for the TAL Growth Maximiser option)
- A reduction in Property exposures
- New allocations to Commodities (Gold)

These changes reflect asset manager BlackRock's updated assessment of the long-term opportunities in each asset class aimed at enhancing overall portfolio diversification.

Changes to Statutory Funds - Effective 30 September 2021

TAL Life Limited's statutory Funds No.2 and No.3 were consolidated on 30 September 2021 simplify our business.

We closed statutory fund No. 3 and moved the policies which were referable to that statutory fund into statutory fund No. 2. This restructure was approved by the Australian Prudential Regulation Authority (APRA).

Any references in your original policy documents referring to statutory fund 3 should now be taken to refer to statutory fund No. 2.

Changes to fees - Effective 1 October 2021

We recently reviewed some of the product fees on our products and as a result have reduced the fee charged on contributions made to policies in the following products:

- Unit Linked Bond (UB2)
- Bond – Unit Linked (UB4)

The fees, sometimes referred to as an 'entry fee' were reduced to 0%. This change took effect on 1 October 2021 and was implemented by removing the spread between the buy and sell unit prices on the following investment options:

- TAL Balanced Growth
- TAL Ethical Growth
- TAL International Growth
- TAL Property Plus
- TAL Security Focus
- TAL Cash

Changes to fees - Effective 3 November 2021

We recently reviewed some of the product fees on our products and as a result have reduced the fee charged on contributions made to policies in the following products:

- Unit Linked Reg Prem Ordinary (URO)
- Blue Ribbon Executive – Super (BES)
- Unit Linked Super Bond (USS)
- Blue Ribbon Executive – Savings (BEO)
- Blue Ribbon Plus – Savings (BRO)
- Blue Ribbon Plus – Super (BRS)
- Ordinary Unit Linked Bond (USO)

The fees, sometimes referred to as an 'entry fee' were reduced to 0%. This change took effect on 3 November 2021 and was implemented by removing the spread between the buy and sell unit prices on the following investment options:

- TAL Cash
- TAL Security Focus
- TAL Conservative Balanced
- TAL Balanced Growth
- TAL Growth Maximiser
- TAL Capital Stable

Changes to Investment Options - Effective 4 December 2021

On 4 December 2021, we restructured some of the investment options. This restructuring saw duplicate investment options offered across a range of our products with the same underlying investment strategy and asset allocation, combined into one option.

The restructuring has resulted in changes to the names of some of the investment options. These changes are outlined in the table below. There may also be a change in the number of units held in the new investment option(s), to check, refer to the 'Investment Holdings' section of your statements.

It is important to note that these changes are administrative only and there has been no change to investment strategy or the overall value of your investment(s). The restructuring exercise also saw a reduction in the administration fee charged on some of the investment option(s). Further details on these changes are also provided in the table below.

However, you should seek financial advice that will consider your individual and personal circumstances. No other fees or terms and conditions have changed, apart from those detailed in the table.

| Product Name (code) | Investment Option Name | Before 4 December 2021 | | | On and from 4 December 2021 | | |
|-------------------------------------|------------------------|------------------------|---------------------------|------------|-----------------------------|---------------------------|------------|
| | | Administration Fee | Investment Management Fee | Total Fee* | Administration Fee | Investment Management Fee | Total Fee* |
| Unit Linked Bond (UB2) | TAL Balanced Growth | 1.45% | 0.20% | 1.65% | 1.15% | 0.20% | 1.35% |
| Bond - Unit Linked (UB4) | TAL Balanced Growth | 1.45% | 0.20% | 1.65% | 1.15% | 0.20% | 1.35% |
| Blue Ribbon Executive – Super (BES) | TAL Cash | 1.20% | 0.05% | 1.25% | 0.55% | 0.05% | 0.60% |
| Blue Ribbon Plus Super (BRS) | TAL Cash | 1.20% | 0.05% | 1.25% | 0.55% | 0.05% | 0.60% |
| Prestige Superannuation Bond (PBS) | TAL Cash | 1.20% | 0.05% | 1.25% | 0.55% | 0.05% | 0.60% |
| TOWER Managed Super Bond (TBS) | TAL Cash | 1.20% | 0.05% | 1.25% | 0.55% | 0.05% | 0.60% |

*Fees above are the cost for the administration and investment management of your policy. These fees consist of costs in managing the assets, including fees paid to investment managers. These fees are deducted from the daily unit price for each investment option. These fees may vary from time to time. Please refer to your product disclosure document and/or annual statement for other fees charged to your policy.

| Product Name (code) | Before 4 December 2021 | On and from 4 December 2021 |
|-------------------------------------|---------------------------------|-----------------------------|
| | Investment Option Name | Investment Option Name |
| Advance Asset Investment Bond (ADB) | TAL Balanced Series 3 | TAL Balanced Series 1 |
| Advance Asset Investment Bond (ADB) | TAL Balanced Series 2 | TAL Balanced Growth |
| Bond - Unit Linked (UB2) | TAL Security Focus | TAL Bank Portfolio |
| Unit Linked Bond (UB4) | TAL Security Focus | TAL Bank Portfolio |
| Unit Linked Reg Prem Ordinary (URO) | TAL Conservative Balanced – Ini | TAL Conservative Balanced |

General information

Information for investment bonds and plans

The 125% Rule option

If you withdraw the account balance after 10 years, the investment is fully tax paid, provided in any one policy year you have not contributed more than 125% of the previous policy year's contributions. If, in any policy year, you have contributed more than 125% of the previous policy year's contributions, the 10 year tax paid period recommences for the whole investment. If you withdraw your investment during the first 10 years, a portion of the earnings on the investment must be declared as your assessable income for income tax purposes. Note that a credit for tax paid by the life company during that period may reduce the amount of income tax that you have to pay. The portion of the earnings that must be declared depends on the year in which the withdrawal is made:

| Year withdrawn | Portion of earnings to be declared |
|------------------------------|------------------------------------|
| After 10th year | Nil |
| During 10th year | One third of earnings |
| During 9th year | Two thirds of earnings |
| Up to and including 8th year | All of the earnings |

The above information does not take into account your individual investment objectives, financial situation or particular needs. Please contact your financial adviser or taxation consultant for more information or advice.

Contact us

Enquiries

If you have a general enquiry, call us on 1300 209 088, Monday to Friday between 8.00am – 7.00pm (AEST/AEDT). Alternatively, email us on customerservice@tal.com.au quoting your policy number or write to us at the following address:

TAL Life Limited
GPO Box 5380
Sydney NSW 2001

Complaints

If you have an issue or complaint in relation to your investment, please contact our Customer Service Team on 1300 209 088, Monday to Friday, between 8.00am – 7.00pm (AEST/AEDT). Alternatively, you may wish to address your complaint in writing to:

Internal Dispute Resolution
GPO BOX 5380
Sydney NSW 2001
customerservice@tal.com.au

We aim to resolve all complaints quickly and fairly. If you are not satisfied with our final response to your complaint, or you have not received our final response to your complaint within 30 days (standard complaints) or 45 days (superannuation complaints) of the date we received your complaint, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA).

AFCA is an external dispute resolution scheme that provides a fair and independent complaint resolution service that is free to consumers:

Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678 (free call within Australia)
Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Time limits may apply to complain to AFCA, so you should act quickly. Please consult the AFCA website, or call them, to find out if or when the time limit relevant to your circumstances expires. AFCA has authority to hear certain complaints and can advise if they can assist you.