

Monthly fund update - January 2022

Investment approach

Each Fund invests via expert asset managers that specialise in index strategies that seek to track the performance of selected benchmarks as well as alternative assets and cash. Alternative assets and cash may or may not invest in index strategies. Sandhurst will invest each Fund's assets across a variety of asset classes in a manner that we believe will meet the investment return objective of each Fund. Each Fund aims to provide a total return after fees in excess of a stated percentage above inflation over a full market cycle (typically 7 to 10 years), where inflation is measured by the Australian Consumer Price Index (CPI).

Fund performance¹

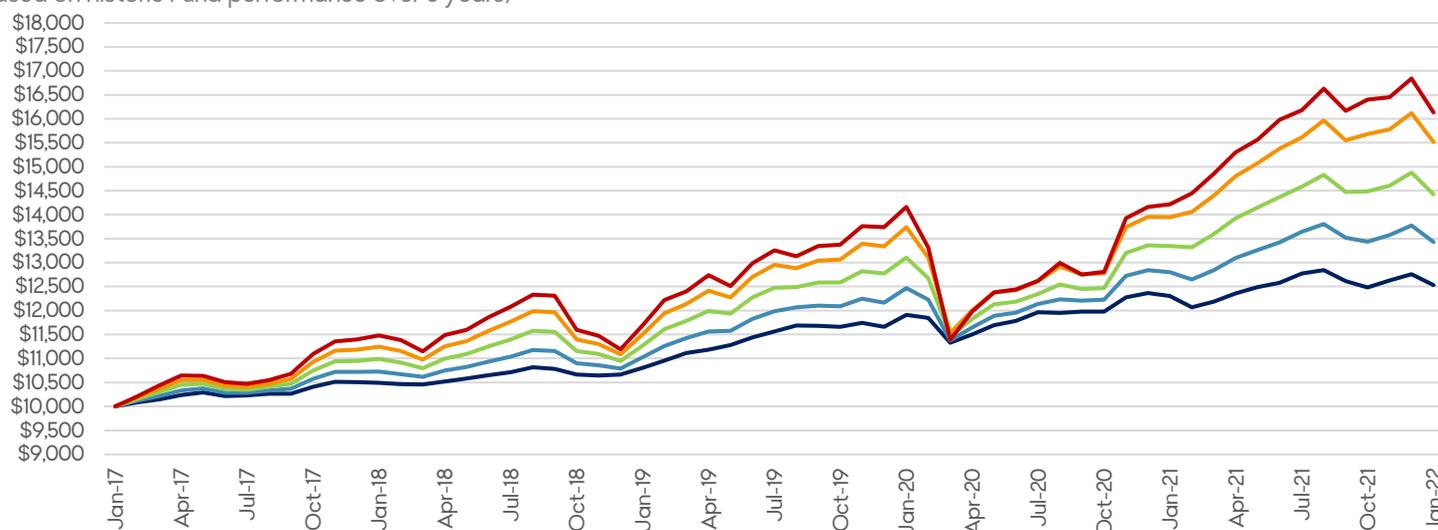
as at 31 January 2022

	Morningstar Rating™ Overall ²	Morningstar Category Rank 5 Year ²	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Fund size \$m
Bendigo Defensive Index Fund	★★★★★	1 / 22	0.39	1.85	5.06	4.61	\$110.66
<i>Peer Comparison</i>			-0.26	1.15	3.15	3.08	
Bendigo Conservative Index Fund	★★★★★	2 / 107	-0.05	4.94	6.82	6.08	\$471.67
<i>Peer Comparison</i>			-0.24	3.80	4.49	4.08	
Bendigo Balanced Index Fund	★★★★★	2 / 110	-0.41	8.05	8.58	7.60	\$510.60
<i>Peer Comparison</i>			-0.36	7.52	6.82	5.86	
Bendigo Growth Index Fund	★★★★★	4 / 181	-1.05	11.24	10.50	9.18	\$429.80
<i>Peer Comparison</i>			-0.83	10.53	8.55	7.26	
Bendigo High Growth Index Fund	★★★★	25 / 122	-1.64	13.48	11.34	10.04	\$84.61
<i>Peer Comparison</i>			-0.88	14.43	10.84	9.17	

An example of how your investment grows

Growth of \$10,000 over 5 years¹

(Based on historic Fund performance over 5 years)

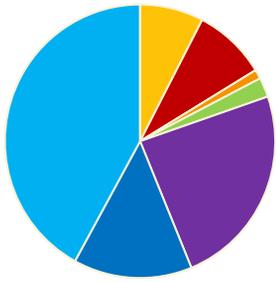


Fund Facts

	APIR Code	Fund inception date	Distribution frequency	Return objective	Recommended investment timeframe	Risk level	Management costs ³	Buy / Sell spread ³
Bendigo Defensive Index Fund	STL0031AU	30 Sept 2011	Half yearly	CPI + 1.5%	2 years +	Low	0.40% p.a.	+0.09%/-0.12%
Bendigo Conservative Index Fund	STL0032AU	30 Sept 2011	Half yearly	CPI + 2%	3 years +	Low to medium	0.42% p.a.	+0.10%/-0.10%
Bendigo Balanced Index Fund	STL0033AU	30 Sept 2011	Half yearly	CPI + 3%	4 years +	Medium	0.44% p.a.	+0.10%/-0.10%
Bendigo Growth Index Fund	STL0034AU	30 Sept 2011	Half yearly	CPI + 4%	5 years +	Medium to high	0.46% p.a.	+0.10%/-0.10%
Bendigo High Growth Index Fund	STL0035AU	30 Sept 2011	Half yearly	CPI + 5%	7 years +	High	0.47% p.a.	+0.10%/-0.10%

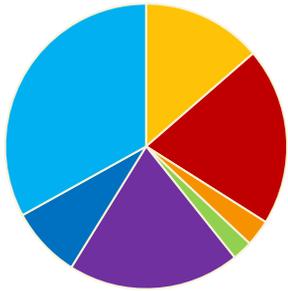
Asset allocation

Bendigo Defensive Index Fund



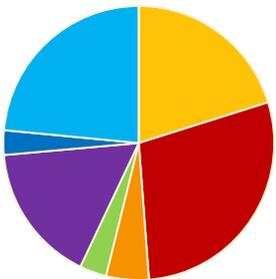
■ Aust Sh	7.6%
■ Int Sh	8.7%
■ Int Sh (Hedged)	1.1%
■ Property & Infra	2.3%
■ Cash	24.1%
■ Int FI	14.2%
■ Aust FI	42.0%
■ Alternative	0.0%

Bendigo Conservative Index Fund



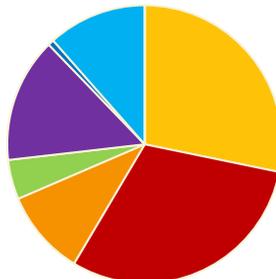
■ Aust Sh	13.7%
■ Int Sh	20.2%
■ Int Sh (Hedged)	3.0%
■ Property & Infra	2.3%
■ Cash	19.7%
■ Int FI	8.1%
■ Aust FI	33.0%
■ Alternative	0.0%

Bendigo Balanced Index Fund



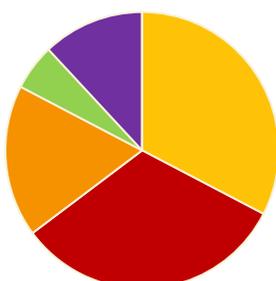
■ Aust Sh	20.2%
■ Int Sh	28.6%
■ Int Sh (Hedged)	5.1%
■ Property & Infra	3.2%
■ Cash	16.5%
■ Int FI	2.9%
■ Aust FI	23.5%
■ Alternative	0.0%

Bendigo Growth Index Fund



■ Aust Sh	28.2%
■ Int Sh	30.4%
■ Int Sh (Hedged)	10.0%
■ Property & Infra	4.6%
■ Cash	14.5%
■ Int FI	0.7%
■ Aust FI	11.6%
■ Alternative	0.0%

Bendigo High Growth Index Fund



■ Aust Sh	32.6%
■ Int Sh	32.2%
■ Int Sh (Hedged)	17.8%
■ Property & Infra	5.4%
■ Cash	12.0%
■ Int FI	0.0%
■ Aust FI	0.0%
■ Alternative	0.0%

Unit prices

as at 31 January 2022

Application price Withdrawal price

Bendigo Defensive Index Fund	\$1.14182	\$1.13942
Bendigo Conservative Index Fund	\$1.30979	\$1.30717
Bendigo Balanced Index Fund	\$1.47893	\$1.47598
Bendigo Growth Index Fund	\$1.70694	\$1.70353
Bendigo High Growth Index Fund	\$1.77980	\$1.77624

Make the most of your investment

You need \$50,000 to start an investment in one of our Bendigo Managed Wholesale Funds

► The power of compounding

Compounding can be a powerful tool in wealth creation. Reinvesting distributions can be one of the easiest and cheapest ways to increase your holdings over time. You're compounding your investment's growth by continually adding more units which, in turn, will generate distributions of their own.

Why not reinvest your half yearly distributions?

► The benefits of making it regular

Making regular contributions to your investment can both grow your investment and smooth the effects of market highs and lows.

Why not add a Regular Savings Plan to your investment? You can establish one from as little as \$50 per month.

You can also use BPAY® to add to your investment at any time with as little as \$100. See your statement for your BPAY reference number.

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Do you have any questions?

For further information contact us on 1800 634 969 or visit our website: www.bendigobank.com.au/managedfunds

Performance commentary

The majority of risk profiles underperformed the Morningstar peer group over the period. Driving the relative return was the lack of exposure to unlisted investments such as private equity, unlisted property, infrastructure and private credit. Given the index, low cost nature of the Funds, unlisted investments are not currently invested in. Unlisted investments adopt less frequent valuations and hence they are not subject to short term market volatility such as the events of January. Over the month active tilts in emerging markets and underweight positions in interest rate sensitive investments such as fixed government bonds both benefited the Funds.

Economic commentary

Global sharemarkets sold off over the month of January as higher than expected inflation led to the markets realisation that easy monetary policy is behind us. The Australian sharemarket as per the S&P ASX 300 fell by 6.5%, while global shares (MSCI World ex-Australia hedged) fell by 5.1%. Whilst returns were negative overall, pockets such as energy and financials gained in value, while interest rate sensitive investments such as Australian listed property fell 9.5% (S&P ASX200 A-REIT index).

Within fixed income, the Bloomberg Ausbond Index fell 1.02%, while the Bloomberg Barclays Global Aggregate returned -1.6%. Market losses relate to the changing expectation for inflation, in which the confidence in central banks transitory tag line began to dissipate in the face of stickier than expected inflation. Within the US, a declining employment participation, combined with goods demand stoked by government fiscal support, has led to a very strong employment market. Pressure on wages grew over the period, giving the greenlight for the Federal Reserve to provide guidance on the withdrawal of quantitative easing and the gradual increase in cash rates over the year ahead. With higher interest rates came a sharemarket rotation away from companies with higher growth and more speculative profits, towards the larger more liquid companies with proven earnings streams.

Overall the Funds have benefited from underweight positions in interest rate sensitive investments such as fixed government bonds and property with preference for cash, credit and Australian inflation linked bond positions. On the growth side, managers on aggregate underperformed given their larger weightings away from the more liquid stable earnings companies. These dynamics have led to outperformance from the more defensive risk profile funds and lower relative returns in the Funds with higher growth proportions over the six month period.

Footnotes

1. Fund performance figures are calculated before tax and after fees and costs; using withdrawal prices and assumes distributions are reinvested. Past performance is not an indication of future performance.

2. Morningstar rates managed funds from one to five stars based on how well they've performed (after adjusting for risk) in comparison to similar funds. Within each Morningstar Category, the top 10% of funds receive five stars, the next 22.5% four stars, the middle 35% three stars, the next 22.5% two stars, and the bottom 10% receive one star. Funds are rated for up to three time periods - three, five, and 10 years - and these ratings are combined to produce an overall rating. Funds with less than three years of history are not rated. Ratings are objective, based entirely on a mathematical evaluation of past performance. They're a useful tool for identifying funds worthy of further research, but shouldn't be considered buy or sell recommendations.

Bendigo Defensive Index Fund received a 5-Star Overall Morningstar Rating™ out of 22 Multisector Conservative funds as of 31 January 2022. In the Morningstar Multisector Conservative Category, the Bendigo Defensive Index Fund 5 year return was ranked 1 out of 22 funds as of 31 January 2022. Source: www.morningstar.com.au/Funds/FundReport/19288

Bendigo Conservative Index Fund received a 5-Star Overall Morningstar Rating™ out of 109 Multisector Moderate funds as of 31 January 2022. In the Morningstar Multisector Moderate Category, the Bendigo Conservative Index Fund 5 year return was ranked 2 out of 107 funds as of 31 January 2022. Source: www.morningstar.com.au/Funds/FundReport/19289

Bendigo Balanced Index Fund received a 5-Star Overall Morningstar Rating™ out of 117 Multisector Balanced funds as of 31 January 2022. In the Morningstar Multisector Balanced Category, the Bendigo Balanced Index Fund 5 year return was ranked 2 out of 110 funds as of 31 January 2022. Source: www.morningstar.com.au/Funds/FundReport/19290

Bendigo Growth Index Fund received a 5-Star Overall Morningstar Rating™ out of 187 Multisector Growth funds as of 31 January 2022. In the Morningstar Multisector Growth Category, the Bendigo Growth Index Fund 5 year return was ranked 4 out of 181 funds as of 31 January 2022. Source: www.morningstar.com.au/Funds/FundReport/19291

Bendigo High Growth Index Fund received a 4-Star Overall Morningstar Rating™ out of 127 Multisector Aggressive funds as of 31 January 2022. In the Morningstar Multisector Aggressive Category, the Bendigo High Growth Index Fund 5 year return was ranked 25 out of 122 funds as of 31 January 2022. Source: www.morningstar.com.au/Funds/FundReport/19292

'Peer Comparison' performance refers to the performance of the relevant 'Morningstar Category' for the stated period. Investments are placed into Morningstar Categories based on their compositions and portfolio statistics so that investors can make meaningful comparisons. 'Morningstar Category Rank' is the Fund's performance rank relative to all funds in the same Morningstar Category.

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3. Management costs are based on costs incurred by the Fund in the past financial year and may be different in the current and future financial years. Other fees and costs may apply. See the Product Disclosure Statement for full details.

The managed funds detailed in this update (individually referred to as 'Fund' or collectively as 'Funds') are issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (the Bank) ABN 11 068 049 178 AFSL 237879. Sandhurst and the Bank receive remuneration on the issue of the Funds or the service they provide, full details of which are contained in the relevant Product Disclosure Statement (PDS). Investments in the Funds are not deposits with, guaranteed by, or liabilities of the Bank or any of its related entities. Economic and outlook forecasts are not guaranteed to occur. Sandhurst has prepared this document based on information available to it. The information and opinions provided in this document have not been verified and Sandhurst has no obligation to notify you in the event that any information or opinions change. No representation is made to the fairness and accuracy of the information, opinions and conclusions contained in this document. This update is provided by Sandhurst and contains general advice only. Please consider your situation and read the relevant PDS available at www.bendigobank.com.au/managedfundsforms, any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision. For target market determination: www.bendigobank.com.au/TMD

The information is current as at 31 January 2022 (unless stated otherwise) and is subject to change without notice.

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