



Victorian Traditional  
Owners Trusts

## Victorian Traditional Owners Funds Limited

A Company Limited by Guarantee  
ACN 153 198 791

12-14 Leveson Street/PO Box 431  
North Melbourne, Vic 3051  
Email: [secretary@vtofl.org.au](mailto:secretary@vtofl.org.au)

### REGISTERED NAME

#### **The Trustee for Victorian Traditional Owners Trust - Gunaikurnai Land & Waters Aboriginal Corporation for and on behalf of the Gunaikurnai People**

The Trustee, the Victorian Traditional Owners Funds Limited (VTOFL), presents the Report Card for the 2023 financial year for Victorian Traditional Owners Trust - Gunaikurnai Land and Waters Aboriginal Corporation for and on behalf of the Gunaikurnai People (Gunaikurnai Trust).

The Gunaikurnai Trust was established with effect from 1 July 2018. The Gunaikurnai Trust holds the funds of the Gunaikurnai Land & Waters Aboriginal Corporation Ltd (GLaWAC) which were originally held with the funds of another Traditional Owner Group in the Victorian Traditional Owners Trust (VTOT). VTOT was established under a Trust Deed signed on 13 September 2011 between Robert Clark the Attorney General of Victoria and the Trustee, VTOFL. The amendment deed creating the two separate trusts one, of which is the Gunaikurnai Trust was signed on 25 September 2018.

### DIRECTORS

The names of each person who has been a Director of the VTOFL during the year and to the date of this report are:

Neil Donald Westbury (PSM), Chairperson

Elizabeth Helen Eldridge, retired 12 September 2022

Glen Gerald Brennan (PSM)

Susanne Dahn

Kim Bowater, appointed 27 October 2022

### GOVERNANCE CHANGES

Ms Kim Bowater was appointed as a Director on 27 October 2022 and brings extensive investment experience to the board.

### PRINCIPAL ACTIVITIES

The principal activity of the Gunaikurnai Trust is to invest settlement funds received on behalf of the Gunaikurnai People represented by GLaWAC. The settlement between the Gunaikurnai People and the State of Victoria was under the Native Title Settlement Framework.

The State of Victoria and the Gunaikurnai People reached a settlement in October 2010, and the Participation Agreement was executed on 4 October 2011.

In terms of this Participation Agreement the State of Victoria paid the settlement amount of \$10 million to the VTOT on 11 October 2011.

The Gunaikurnai Trust (originally VTOT) has a duration of 20 years of which 9 years remain, based on a terminal date of 10 October 2031.

The costs of running VTOFL are currently met by an annual grant agreed with the Department of Justice and Community Safety.

### **GUNAIKURNAI TRUST AND INVESTMENT STRATEGY**

Pending discussions with GLaWAC and the development of an investment strategy, VTOFL initially invested the settlement funds in secure term deposits with the National Australia Bank.

VTOFL subsequently developed investment objectives and an investment strategy for the Gunaikurnai Trust. The investment objectives and the investment strategy were developed after meetings with GLaWAC where GLaWAC outlined its long term and short-term objectives and its tolerance for risk.

The Gunaikurnai Trust's objectives are as follows:

- pay the minimum annual funding amount of \$175,000 per annum adjusted for changes in the Consumer Price Index (CPI); and
- achieve a targeted capital sum on the terminal date, 10<sup>th</sup> October 2031, of \$10,000,000 (being the settlement sum) adjusted for inflation.

The investment objective is a return of CPI + 3.8% pa to 30 June 2019, CPI +2.4% pa to 31 December 2021 and CPI + 2.6% pa thereafter.

The target allocation for the Trust is 52% Growth / 48% Defensive. As at the end of June 2023 and due to the defensive positioning of the Mercer funds, there is a variance of 0.4% between the actual and target growth and defensive allocations. All sector allocations remain within IPS SAA ranges. The current Investment Policy states where a split moves by 5% or more it must rebalance.

VTOFL expects to meet the minimum annual funding amounts each year and to achieve a terminal amount of \$10 million (CPI adjusted) on 10 October 2031, the terminal date of the Gunaikurnai Trust.

The Gunaikurnai Trust funds were transitioned during October and November 2021 from VFMC to the Mercer Conservative Growth Fund (30%) and the Mercer Moderate Growth Fund (70%).

The investment strategy target split between defensive and growth assets of 52% and 48% respectively.

Table 1 below sets out the value of funds invested with Mercer as at 30 June 2022 and VFMC at 30 June 2021. It also reports the other assets of the Trust, which comprise franking credits receivable less accrued expenses.

**Table 1**

The funds were invested and valued in the following Mercer Funds as at 30 June 2023 and 30 June 2022:

	2023	2022
	\$	\$
Mercer Moderate Growth Fund	11,315,178	10,495,975
Mercer Conservative Growth Fund	4,774,476	4,559,150
Total Funds	16,089,654	15,055,125
Other Assets less Accrued Expenses	53,422	78,531
Total Equity	<u>16,143,076</u>	<u>15,133,656</u>

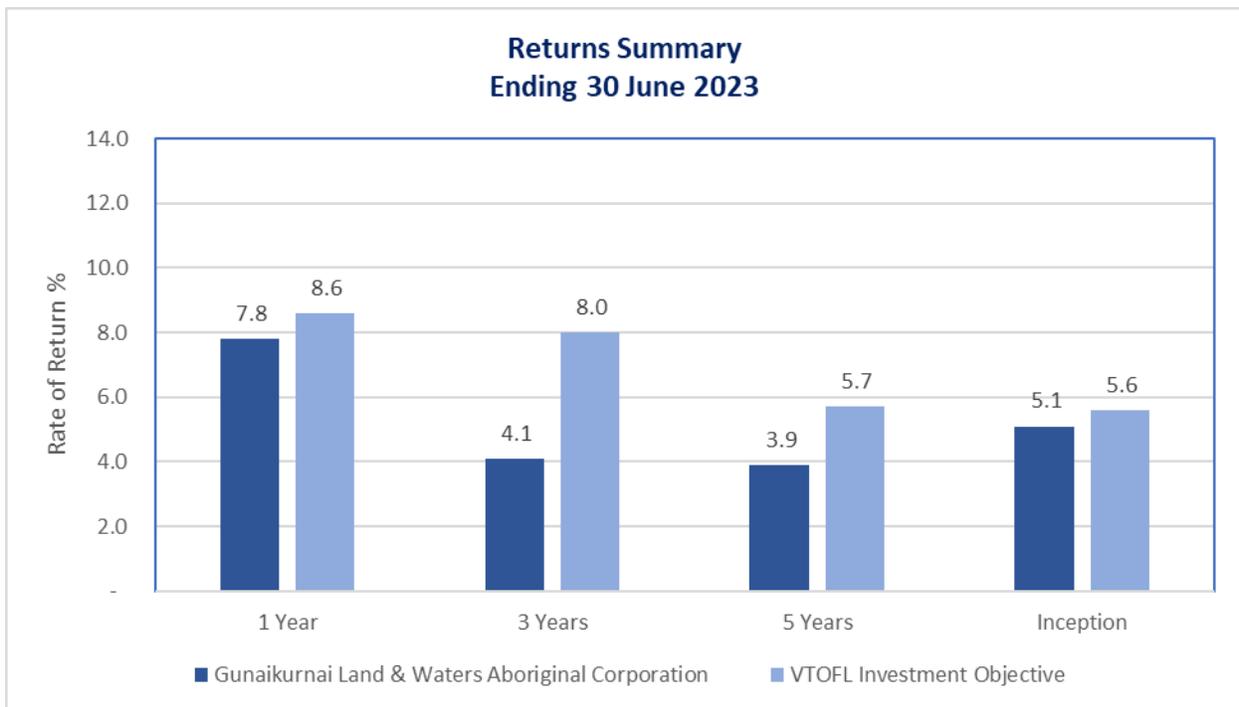
## REPORT ON GUNAIKURNAI TRUST'S PERFORMANCE

The actual return of the funds will be determined by a wide range of market driven factors and will vary over time.

Chart 1 below shows the performance of the Gunaikurnai Trust against its investment target since it was established. The performance includes earnings from VFMC, Mercer and franking credits less expenses.

The investment target was changed during the year, so the current year figure is blended.

**Chart 1 Performance of the Gunaikurnai Trust against Target Returns**



Note: Inception for the Trust is 11 October 2011. The VTOFL Investment Objective is a return of CPI + 3.8% p.a. to 30 June 2019, CPI + 2.4% p.a. to 31 December 2021 and CPI + 2.6% p.a. thereafter.

Table 2 below shows the actual performance of the Gunaikurnai Trust against its investment target.

	Total Trust			
	CPI Return	Margin	Arithmetic Investment Objective*	Investment Return
<b>FY Ending</b>				
30-Jun-2012	0.6%	2.5%	3.1%	4.4%
30-Jun-2013	2.4%	0.2%	2.6%	5.0%
30-Jun-2014	3.0%	3.8%	6.9%	7.0%
30-Jun-2015	1.5%	3.8%	5.4%	5.7%
30-Jun-2016	1.0%	3.8%	4.9%	3.6%
30-Jun-2017	1.9%	3.8%	5.8%	6.8%
30-Jun-2018	2.1%	3.8%	5.9%	6.7%
30-Jun-2019	1.6%	3.8%	5.4%	7.0%
30-Jun-2020	-0.3%	2.4%	2.0%	1.3%
30-Jun-2021	3.8%	2.4%	6.3%	10.4%
30-Jun-2022	6.1%	2.6%	8.7%	-5.1%
30-Jun-2023	6.0%	2.6%	8.6%	7.8%
<b>To 30 June 2023 (cumulative %)</b>			<b>89.6%</b>	<b>78.9%</b>
<b>To 30 June 2023 (% p.a.)</b>			<b>5.6%</b>	<b>5.1%</b>

For the 2022 financial year the Gunaikurnai Trust under performed against its investment target of CPI (6%) plus the Margin (2.6%), or a Target of 8.6%. The actual return was 7.8%.

The average annual return since the Gunaikurnai Trust was established has been 5.1% compared with a target of 5.6%.

Table 3 below summarises the key changes in the balances over the last 11 years.

	Total Trust					
	Opening Balance	Net Investment Gain	Withdrawals	Closing Balance	Gain in Net Assets	Investment Objective
	\$	\$	\$	\$		
<b>FY Ending</b>						
30-Jun-2012	10,000,000	435,687	-	<b>10,435,687</b>	4.4%	3.1%
30-Jun-2013	10,435,687	517,306	-	<b>10,952,993</b>	5.0%	2.6%
30-Jun-2014	10,952,993	756,420	-	<b>11,709,413</b>	6.9%	6.9%
30-Jun-2015	11,709,413	668,627	(100,000)	<b>12,278,040</b>	5.7%	5.4%
30-Jun-2016	12,278,040	438,532	(145,000)	<b>12,571,572</b>	3.6%	4.9%
30-Jun-2017	12,571,572	848,012	-	<b>13,419,584</b>	6.7%	5.8%
30-Jun-2018	13,419,584	897,988	(300,000)	<b>14,017,571</b>	6.7%	5.9%
30-Jun-2019	14,017,571	971,014	(250,000)	<b>14,738,585</b>	6.9%	5.4%
30-Jun-2020	14,738,585	191,856	(175,000)	<b>14,755,441</b>	1.3%	2.0%
30-Jun-2021	14,755,441	1,548,636	(178,640)	<b>16,125,437</b>	10.5%	6.3%
30-Jun-2022	16,125,437	(806,291)	(185,500)	<b>15,133,646</b>	-5.0%	8.7%
30-Jun-2023	15,133,646	1,206,170	(196,750)	<b>16,143,066</b>	8.0%	8.6%
<b>To 30 June 2023</b>	<b>10,000,000</b>	<b>7,673,957</b>	<b>(1,530,890)</b>	<b>16,143,066</b>	<b>79.2%</b>	<b>89.6%</b>

The original settlement amount of \$10 million was received by the Gunaikurnai Trust on the 11<sup>th</sup> of October 2011 and over the life of the trust, the cumulative earnings and franking credits after expenses have been \$7,673,957. Distributions have been \$1,530,890.

The initial capital sum adjusted for changes to the Consumer Price Index was \$13,396,800 as at 30 June 2023.

Table 4 below shows the detailed movements in the Gunaikurnai Trust over the last two financial years, and the distributions paid.

**Table 4 Detailed Movements Over the Past Two Years**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trust Equity at Beginning	15,133,646	16,125,437
Add		
Return from funds invested	1,170,763	(1,042,040)
Realised gain on sale of investments	3,767	165,359
Franking credits	37,210	75,450
Resources received free of charge	105,000	120,000
Other income		
Less		
Trust's share of VTOFL expenses	(105,000)	(120,000)
Bank fees	(70)	
Audit fees	(5,500)	(5,060)
Distributions paid	(196,750)	(185,500)
Trust Equity at end	<u>16,143,066</u>	<u>15,133,646</u>

*Difference in Equity from Table 1 and Table 4 is the \$10 Settlement Sum*

#### **CONSULTATIVE ADVISORY COUNCIL**

Since 2011 VTOFL has managed the funds of three Traditional Owner Groups and expects to manage funds for additional Traditional Owner Groups in the next two to three years.

Given that over time Traditional Owner Groups will take responsibility for managing the funds VTOFL has initiated a Consultative Advisory Council (CAC) made up of nominated representatives from the Traditional Owner Corporations to enhance understanding, knowledge, and transparency on a range of matters directly relevant to their managed investments.

The CAC had its first meeting in June 2022 and its second meeting in June 2023. It is intended that it will meet twice a year.

The Terms of Reference for CAC are:

- Share and discuss information with Traditional Owner Groups regarding VTOFL's process for establishing and maintaining an Investment Policy and an Investment Strategy, including the role of financial and economic modelling.
- Share and discuss with Traditional Owner Groups the products in which VTOFL invests and the reasons those products have been selected.
- Share more detailed information with Traditional Owner Groups as to the performance of the funds VTOFL manages and trends and developments in financial markets.

- Enable Traditional Owner Groups to access VTOFL’s financial advisers and fund managers.
- Serve as a forum where Traditional Owner Groups can discuss investment issues with VTOFL and its financial advisers and investment managers.

## **MERCER UPDATE REPORT ON SIGNIFICANT CHANGES AND LIKELY DEVELOPMENTS**

The 2023 financial year saw a sharp rise in interest rates alongside peaking global inflation, which has defined the past financial year and has resulted in challenging market conditions. However, inflation has seemingly peaked across most major economies and is expected to decline in the coming quarters but remains firmly above central bank targets this year.

During the 2023 financial year, Mercer Australia (Investment) Limited (Mercer) undertook a strategic review of the Gunaikurnai Land & Waters Aboriginal Corporation (GLAWAC) Trust’s investment strategy and financial objectives, using Mercer’s March 2023 capital market aware assumptions (CMAs). Given the rising yield rates over the past year, the return assumptions within our CMAs have improved the expected returns for both equities and fixed income assets. The strategic review indicated that given the current, expected investment returns, risk, investment strategy and asset allocation, the GLAWAC Trust has a probability of around 87.6% of achieving its current real return target of 2.6% per annum over a nine year period. Following the strategic review, no changes were recommended or have been made to the investment structure as the Trust is considered to be in a very strong capital position with an expected median balance of around \$26.4 million in the Trust, when the Trust terminates in nine years’ time.

## **MERCER’S ANNUAL SUSTAINABLE INVESTMENT REPORT**

Mercer Investments (Australia) Limited (“MIAL”, “we”, “us” or “our”) provides investment management and implemented consulting services to a range of superannuation, insurance, endowment and foundation clients. MIAL is the Responsible Entity (“RE”) (or Trustee, where applicable) for a number of investment funds and other managed investment schemes (“Mercer Funds” or “the Funds”).

MIAL is responsible for establishing, monitoring and implementing investment strategies for the Funds. MIAL does not directly select securities; instead, MIAL appoints and relies on specialist third-party investment managers to invest on our behalf. MIAL may rely on specialist third party environmental, social and governance (“ESG”) providers and their methodology for implementing the MIAL Sustainable Investment Policy including determining the securities to be excluded based on Fund exclusion criteria.

### **Our sustainable investment philosophy**

#### **Sustainability is one of our key investment beliefs.**

We believe a sustainable investment approach is consistent with an objective of creating and preserving long-term investment capital, and more specifically, that:

- ESG factors can have a material impact on long-term risk and return outcomes and these should be integrated into the investment process

- Taking a broader and longer-term perspective on risk, including identifying sustainability themes and trends, is likely to lead to improved risk management and new investment opportunities
- Climate change poses a systemic risk, and investors should consider the potential financial impacts of both the associated transition to a low-carbon economy and the physical impacts of different climate outcomes
- Stewardship (or active ownership) supports the realisation of long-term shareholder value by providing investors with an opportunity to enhance the value of companies and markets.

Consequently, we believe that a sustainable investment approach that considers these risks and opportunities is likely to be in the best interests of all investors.

### **Portfolio activity highlights from 2022**

Mercer continues to drive forward our portfolio implementation activities in line with our sustainable investment policy, noting positive results across a number of sustainability metrics.

Some key activities and achievements are summarised below.

#### **Policy and disclosure**

- Commenced review and updates to our Sustainable Investment Policy (finalised in May 2023).
- Published our inaugural TCFD-aligned Investment Approach to Climate Change report
- Published our second annual Sustainable Investment Report
- Investment specific content was included in Marsh McLennan Pacific's second annual Modern Slavery Statement

#### **ESG ratings**

- Where relevant and aligned with achieving investment objectives, Mercer expects its appointed investment managers to assess and reflect ESG risks and opportunities when they select securities or assets and construct portfolios, acknowledging that the degree of relevance or materiality varies across asset classes and the type of investment strategy.
- A manager's approach to ESG is rated under Mercer's ESG ratings (rating scale is ESG1-4 with 1 being the highest and 4 lowest).
- 81% of Mercer's underlying manager strategies have an ESG rating that is better than their respective universe.

#### **Net zero climate transition strategy**

- We are continuing to implement climate-related governance and sustainable investment considerations, including climate change, in broader reviews of governance and committee structures.
- Applying Mercer's latest global Climate Scenario Analysis Tool ('CAST') to a range of Mercer diversified portfolios in 2022, to inform our climate and broader investment strategy into 2023.
- Building on our climate risk management approach through ongoing and enhanced analysis and engagement, leveraging our proprietary Analytics for Climate Transition ('ACT') tool.

- Our total assessed portfolio Absolute Emissions per \$M invested have decreased by 31.5% from the 2020 baseline, and progress is well ahead of our expected decarbonisation trajectory as at 31 December 2022.
- Total assessed portfolio Weighted Average Carbon Intensity (WACI) has decreased against the 2020 baseline – with two potential outcomes depending on different data assumptions in infrastructure. Data reliability outside listed equities is low and involves high degree of estimation, and we have seen a high level of variability in the 6 monthly tracking. Further attribution analysis will be completed in 2023 as part of Mercer’s three-year Net Zero progress review.

### **Diversity, equity and inclusion (DEI)**

- DEI continues to be a priority engagement area for Mercer.
- 88% of our investment managers have a firmwide diversity, equity and inclusion policy.

### **Active ownership**

- Mercer believes that stewardship, or active ownership, helps the realisation of long-term investor value through voting and engagement.
- As a multi-manager, Mercer’s approach to identifying, monitoring and engaging on ESG factors is centred on interaction with our appointed investment managers.
- Mercer’s appointed investment managers voted on Mercer’s behalf at 99% of Australian and global meetings.
- We continue to monitor portfolios and engage with our investment managers on key thematic areas including climate change, modern slavery and severe UN Global Compact breaches.

### **Investment**

- Mercer believes that including some exposure to investment managers that identify longer-term environmental and social themes and who seek to invest in companies delivering solutions to environmental and social challenges, are likely to lead to improved risk management and new investment opportunities.
- Our investment manager selection and monitoring processes, as well as strategic asset allocation reviews, may seek to consider including sustainability themed investment opportunities where this is aligned with the investment strategy and objectives of a Fund.
- Further, MIAL’s sustainability-labelled funds may aim for a higher allocation to sustainability themes via the appointed investment managers.
- 65% and >50% respectively of the Sustainable Plus Australian and International Shares Funds, by Funds Under Management (FUM), were invested in manager strategies that explicitly seek to invest a portion of the strategy in sustainability themes and solutions.

### **Exclusions**

- As an overarching principle, Mercer prefers an integration and engagement-based approach to sustainable investing rather than an exclusions-based approach. There are, however, a limited number of instances in which we apply exclusions.
- We continue to monitor and seek to ensure ongoing compliance with exclusions criteria as relevant to each Fund.
- In addition, Mercer’s listed portfolio is routinely screened for UN Global Compact and modern slavery red flagged incidents. Mercer surveys our investment managers annually on their monitoring and management of these incidents, and

we utilise the results of this survey along with our internal screening assessment, to guide our manager engagement process based on exposure and materiality.

### **Industry recognition**

- Mercer was recognised by the Responsible Investment Association Australasia (RIAA) as a Responsible Investment Leader in 2022

### **Looking forward**

In April 2023, Mercer completed the merger of BT Super with Mercer Super, as well as the acquisition of Advance Asset Management Limited (“AAML”). This brings exciting opportunities for the combined entity. As such, ensuring alignment of approach to sustainable investment across the new combined entity will be a key area of focus this year.

As always, industry best practice remains at the core of Mercer’s priorities. This year there has been a strong focus on ESG-related regulation by the Australian Prudential Regulation Authority and the Australian Securities and Investments Commission. Following the reform by the International Sustainability Standards Board, the Australian Government also announced the introduction of mandatory climate reporting for companies and financial institutions, expected in 2024. Ensuring compliance with, and endeavouring to stay ahead of, these developments will play a large part in Mercer’s strategic priorities.

Mercer’s target to achieve net zero absolute carbon emissions will also shape the key focus areas. Implementing the Climate Plan will see climate change a core priority across integration, active ownership and sustainability-themed investment activities. Providing clear reporting and communications on the progress in these areas is important to Mercer.

### **Investment Market Overview**

The peaking of global inflation and interest rates, slowdown of economic growth and the possibility of a soft-landing scenario have defined 2023 and materially impacted markets over FY23. Over the 12 months to June 2023, Australian Equities increased by 14.4%, as quality stocks drove performance. Globally, international equities delivered strong returns with the IT sector in the first half of 2023, led by the rally in the ‘Magnificent 7’ tech stocks, leading. Drivers that played into the outperformance of the IT stocks included the rise of artificial intelligence, and preference for quality stocks that are highly profitable with low debt levels, given recessionary concerns.

Fixed Interest produced mixed returns over the past financial year, with Australian Government Bonds up 0.6% and Overseas Government Bonds down by -2.6%. Key themes that impacted bond markets include bond yields remaining elevated for longer and interest rate cuts not expected until the later half of 2024. Despite this, interest rates have likely peaked, or are close to peaking with interest rate hikes from Central Banks somewhat possible, signalling a potential end to the rate hiking cycle in the near future.

Hedged asset classes underperformed unhedged assets over the year as the Australian Dollar depreciated, due to weakness within the Chinese economy and commodity prices. Global Property and Global Listed Infrastructure returned -5.0% and -2.2% respectively over the financial year, as these asset classes were also impacted by the rising yield environment.

Overall, most growth asset classes rebounded strongly and returned positive in FY2023 off the back of a broad sell off across markets in FY2022.

## **Market Update**

The global economy remained resilient in the second quarter, despite a slowdown in China. In the US, economic activity remained decent, and the labour market very strong with lots of new jobs being created and wage growth remaining firm. Economic growth in Europe softened a little, staying scarcely in positive territory, whilst China's recovery slowed following the rapid gains experienced earlier in the year with manufacturing soft and the property sector showing renewed signs of weakness. Inflation fell sharply at a headline level, but less so at a core level.

Economic growth in the developed world is expected to remain weak well into 2024, as lagged effects take hold following the monetary policy tightening to date and as some of the factors that have supported growth in 2023 are expected to fade. With inflation seemingly peaked across most major economies, inflation is expected to fall in most of the developed world on the back of base effects, lower commodity and rental prices and supply chain improvements. At a core level, however, inflation is expected to remain above central banks' 2% targets well into 2024, as the tightness in labour markets keeps wage growth high.

Domestically, there has been some softening in data momentum, with economic conditions in Australia remaining remarkably resilient despite the interest rate hikes to date. Labour markets remain tight in Australia with the unemployment rate remaining near multi decade lows at 3.5% as at June 2023. Wage growth appears to be picking up on a year-on-year basis with this trend expected to continue in the near term. Headline inflation has declined with the Consumer Price Index (CPI) reading declining from 7.0% Year-on-Year (YoY) in Q1 2023 to 6.0% YoY in Q2 2023, whilst core inflation has also slowed.

Looking ahead, a slowdown in economic activity is anticipated in the coming quarters with the increase in interest rates and the expiration of fixed rate mortgages (previously secured at low rates) expected to take their toll on consumers and the economy more broadly. Inflation in Australia is expected to moderate this year, albeit the pressures in residential rental and services markets tilts the risk for core inflation to decline more slowly than rapidly. Consequently, the RBA is likely to maintain a restrictive monetary policy stance for some time.

With regards to the AUD, there are some downside risks that may lead to the AUD being lower in the future, such as commodity price weakness and a softer economic outlook in Australia compared to the US.

As at the time of writing, Mercer's base case view of economic conditions is for a soft-landing scenario, where, should a recession occur, it would be at the mild end of the

spectrum. We believe that the risks around our base case outlook are equally balanced to the upside and downside, albeit the upside scenario may also experience sticker core inflation and higher RBA cash rates.

As it relates to GLAWAC, the Trust has returned 7.8% over the financial year to date, although underperforming its CPI objective, which has been elevated in recent times on account of the higher levels of realised inflation (CPI), as the investment markets grappled with the radically changing inflationary environment that has not been seen in decades. However, Mercer continue to have confidence in the Trust's current Strategic Asset Allocation (SAA) to deliver on the stated Investment Objective over the longer term. This confidence is drawn from the SAA analysis undertaken earlier in the year which showed a high probability of the Trust achieving its Investment Objective over the full investment period. While, in the short term, the range of potential investment outcomes remains unusually wide, we continue to monitor investment markets for the opportunity or need to reconsider the current GLAWAC SAA and investment strategy.

### **Mercer Superannuation Australia Ltd (MSAL) Update**

The ASIC prosecution is against the trustee of the Mercer Super Trust (MST), and relates specifically to whether statements that previously appeared on the MST website relating to the MST's sustainably labelled investment options were misleading or deceptive, given their absolute rather than qualifying nature. VTOFL is not invested in the MST.

There is no allegation of any irregularities in any Product Disclosure Statement (PDS) or other disclosure document relating to the MST or its sustainably labelled investment options.

Similarly, there is no allegation relating to any of the other funds or services operated by Mercer entities whether in Australia or internationally.

Mercer has co-operated with ASIC throughout and has reviewed its practices in relation to marketing and disclosures for its products.

## TRUSTEE'S COMMENTS

As it relates to GLaWAC the impacts of higher-than-expected inflation meant that its annual investment return fell short of meeting its CPI linked investment return objective. Mercer continue to have confidence in the Trust's current Strategic Asset Allocation (SAA) to deliver on the stated Investment Objective over the longer term. This confidence is drawn from the SAA analysis undertaken during the year which showed a high probability of the Trust achieving its Investment Objective over the full investment period. While, in the short term, because of increased economic uncertainty and related continued market volatility the range of potential investment outcomes remains unusually wide, we continue to monitor investment markets for the opportunity or need to reconsider the current GLAWAC SAA and investment strategy. In this context Directors also closely assess and engage with Mercer regarding its own performance in meeting both the individual Trusts and VTOFL's requirements.

As approved by the Directors of VTOFL.



Neil Westbury PSM  
Chairperson  
13 November 2023



Lisa Norden  
Company Secretary  
13 November 2023