

Monday 4 February 2019

Dear Unitholder,

## **BlackRock Scientific Diversified Stable Fund (BAR0811AU)**

**Please note that this is for your information only and no action is required from you.**

BlackRock Investment Management (Australia) Limited (“BlackRock”) wishes to inform you of some pending changes to the existing investments and strategic benchmarks of the BlackRock Scientific Diversified Stable Fund (the “Fund”). These modifications are the result of our periodic review of the Fund’s investment strategy and will take place on or after 28 February 2019.

Full details are shown in the table on the following page. The key changes are:

- ▶ A modest reduction in Australian Equities
- ▶ A modest increase in Global Listed Infrastructure Equities
- ▶ An increase to Global Fixed Interest and a reduction in Cash
- ▶ Preference for a greater proportion of unhedged growth assets over hedged assets

These changes reflect our updated assessment of the opportunities in each asset class in the context of the Fund’s strategic benchmark and are consistent with BlackRock’s philosophy of continuously monitoring and seeking to improve investment strategies.

There are no changes to the Fund’s investment objective or fees.

If you have any questions regarding these changes or would like further information, including a copy of the updated Product Disclosure Statement, please contact the BlackRock Client Services Centre using the contact details shown above.

Yours sincerely

BlackRock

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## BlackRock Scientific Diversified Stable Fund (BAR0811AU)

### Asset Allocation Ranges and Benchmark Weights

| Asset class                                     | Current Investment Range (%) |     | Current Benchmark Weights (%) | New Investment Range (%) |     | New benchmark Weights (%) | Benchmark Difference % |
|---|------------------------------|-----|-------------------------------|--------------------------|-----|---------------------------|------------------------|
|   | Min                          | Max |                               | Min                      | Max |                           |                        |
| Australian shares                               | 5                            | 25  | 14                            | 5                        | 25  | 13                        | -1                     |
| International developed markets shares:         |                              |     |                               |                          |     |                           |                        |
| ▶ Hedged  | 0                            | 20  | 6                             | 0                        | 20  | 3                         | -3                     |
| ▶ Unhedged                                      |                              |     | 4                             |                          |     | 7                         | 3                      |
| Emerging markets shares                         | 0                            | 10  | 0                             | 0                        | 10  | 0                         | 0                      |
| Global listed infrastructure                    | 0                            | 10  | 3                             | 0                        | 10  | 5                         | 2                      |
| Global real estate (REITs)                      | 0                            | 10  | 4                             | 0                        | 10  | 4                         | 0                      |
| Australian fixed interest                       |                              |     |                               |                          |     |                           |                        |
| ▶ Australian fixed interest                     | 15                           | 35  | 22                            | 15                       | 35  | 22                        | 0                      |
| ▶ Australian inflation-linked bonds             |                              |     | 0                             |                          |     | 0                         | 0                      |
| International fixed interest                    |                              |     |                               |                          |     |                           |                        |
| ▶ Developed markets fixed interest <sup>1</sup> | 10                           | 30  | 14                            | 10                       | 30  | 15                        | 1                      |
| ▶ International credit                          |                              |     | 3                             |                          |     | 6                         | 3                      |
| ▶ Emerging markets fixed interest               |                              |     | 3                             |                          |     | 3                         | 0                      |
| Cash <sup>2</sup>                               | 20                           | 40  | 27                            | 20                       | 40  | 22                        | -5                     |

1. 100% hedged in AUD

2. The Fund's cash allocation may include exposure to underlying funds through which active asset allocations are made.

#### IMPORTANT INFORMATION

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