

Investment profile



GESB  
MAKES SENSE

## GESB Investment profile

GESB manages a total portfolio of over \$9 billion on behalf of its members (as at 14 August 2009), making it clearly the largest superannuation fund based in Western Australia and one of the larger funds in Australia. We focus on delivering competitive long-term returns for members, and our size enables us to manage the portfolio in ways that smaller funds can't.

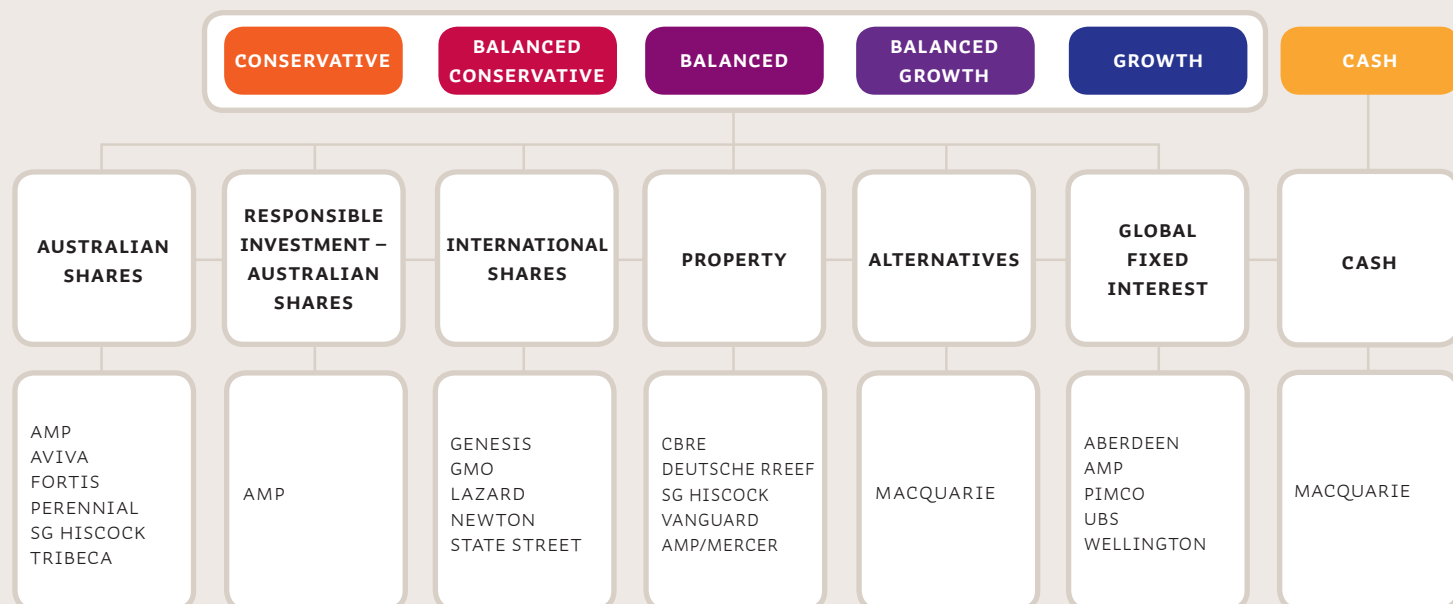
GESB's experienced and highly-qualified investment team develops the overall structure of the investment portfolios that underpin the range of investment plans available to members. We carefully manage the risks that are inherent in financial markets, ensuring that each investment plan has the right level of diversification across and within asset classes to meet its overall risk and return targets.

We achieve this by investing in diversified, traditional assets classes such as shares, property, fixed interest securities and cash, to newer ones

such as alternatives. We also implement appropriate investment strategies within each asset class – this is where GESB's size is an advantage. Our investment team works carefully to identify and evaluate the drivers of risk and return in each asset class – this is key to building portfolios that deliver on their objectives.

We use a multi-manager approach within each asset class. We select specialist investment managers based on their expertise in a particular asset class and their ability to meet the set performance targets within defined risk constraints. The managers are closely monitored to ensure that they adhere to GESB's investment guidelines and are maintaining a consistent process. For most asset classes we combine managers that have complementary investment processes; this creates a blended portfolio that performs in a range of investment conditions.

## GESB's Readymade Investment Plans



## Investment strategy

GESB's investment strategy focuses on the long term. Financial markets can be highly unpredictable in the short term – some say irrationally so – but over longer periods tend to conform to that age-old relationship between risk and return. For each investment plan we identify the appropriate mix of asset classes and the right mix of investment managers in order to meet the plan's risk and return targets over the long term.

Forecasting the direction of financial markets in the short term is fraught with risk, so in normal times we tend to make only minor adjustments to our asset allocations; preferring to rebalance back to our long-term, or strategic, allocation as the

performance of the various asset classes ebb and flow. However, we also recognise that from time to time markets can become severely mispriced if investors are collectively driven more by fear or greed than by the fundamental determinants of asset prices. Such situations present attractive opportunities to investors who can identify the imbalances and respond quickly. GESB's investment team has the scope to do just that – to adjust the investment plan's asset mix so as to take advantage of mispriced asset classes that offer good investment prospects for members in the medium term.

## Meet GESB's Investment Team

---

### SHARON HICKS – CHIEF INVESTMENT OFFICER

---

Sharon leads GESB's investment team and is responsible for the overall management of the various investment portfolios, including GESB's asset allocation policy. Sharon joined GESB in August 2000 and was appointed CIO in July 2007. She has more than 15 years experience in the investment industry including key roles as an equity analyst with stockbroking firms Merrill Lynch, Hartley Poynton and DJ Carmichael & Co, specialising in small companies and industrial markets. Sharon has a Bachelor of Commerce (Finance) and is a Certified Investment Management Analyst (CIMA).

---

### STEVE MCKENNA – SENIOR INVESTMENT STRATEGIST

---

Steve develops appropriate strategies for GESB's global fixed interest and alternatives portfolios. Steve has over 15 years investment experience in Australia and overseas, including senior roles in investment analysis, manager research and portfolio construction at Everest Group and The Capital Partnership - both fund-of-hedge-fund managers. Steve has a Master of Applied Finance and holds a certificate in derivatives from the Securities Institute in the UK. He joined GESB in July 2009.

---

### BILL DWYER – INVESTMENT STRATEGIST

---

Bill focuses on strategies for GESB's Australian and international share portfolios. Bill is a Chartered Financial Analyst (CFA) and a qualified actuary with over 8 years experience in financial services, most recently as an investment manager at a \$3 billion superannuation fund. Previously, Bill had gained 5 years experience in a senior manager research role at a prominent global investment consultant. Bill joined GESB in August 2009.

---

### JOHN LIM – INVESTMENT ANALYST

---

John's role within GESB's investment team involves analysing economic, investment and performance data across all asset classes, providing valuable input for the team's evaluation of investment managers and formulation of investment strategy. John has a Bachelor of Science, a Graduate Diploma in Science and a Graduate Diploma in Applied Finance & Investment. Prior to joining GESB in May 2004 John held roles in policy development, strategic research and data analysis within the government sector.

---

### ANDREW GUILFOYLE – INVESTMENT ANALYST

---

Andrew's role involves analysing economic, investment and performance data across all asset classes, providing valuable input for the team's evaluation of investment managers and formulation of investment strategy. Andrew has 4 years experience in the investment industry, most recently with investment manager BT Financial Group based in Sydney. Andrew has a Bachelor of Commerce (Honours) and is currently completing the Chartered Financial Analyst (CFA) program. He joined GESB in December 2008.

## How to contact us

Government Employees Superannuation Board  
ABN 43 418 292 917  
Member Services Centre 13 GESB (4372)  
Facsimile 1800 300 067  
Website [gesb.com.au](http://gesb.com.au)

PO Box J 755, Perth WA 6842  
Level 4 Central Park, 152 St Georges Terrace  
Perth, Western Australia 6000

