



Forsyth Barr Funds

Statement of Investment Policy and Objectives

Version: 2.0
Date: 15 May 2024

| VERSION | DATE | CHANGES |
|---------|---------------|---|
| 1.0 | 7 August 2023 | SIPO adopted for launch of the Tempo Funds (renamed the Forsyth Barr Funds on 15 May 2024) |
| 2.0 | 15 May 2024 | <p>Change of scheme name to “Forsyth Barr Funds”, along with changes to reflect the Scheme being used in conjunction with financial services provided by Forsyth Barr group companies more generally, not just by Tempo Limited via the Tempo app.</p> <p>Five new global funds established, investing into actively managed underlying funds, along with a change to the investment philosophy to reflect that.</p> <p>Change to ESG policy to provide for screening in respect of all Forsyth Barr Funds (i.e. including those investing into Octagon Funds) and to clarify approach to screening.</p> <p>Change the revenue threshold for controversial weapons screening to 0% and align the wording more closely with that of the screening service provider.</p> <p>Changes to clarify practical application of limits.</p> <p>Change to the investment objective for the Cash Fund so that it is not tied to a benchmark return.</p> <p>Various editorial changes.</p> |

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The SIPO – what it's all about

The statement of investment policy and objectives (SIPO) is a key document for a managed investment scheme:

- it describes the scheme and sets out the philosophy, strategies and objectives – so you can understand what makes the scheme tick,
- it describes the investment governance and management framework for the scheme – so you can see how the scheme is managed and monitored, and
- it establishes limits on the types of investments that each fund within a scheme may invest in – so you know the sorts of investments each fund will be investing in.



The Forsyth Barr Funds

The Forsyth Barr Funds (the Scheme) is a managed investment scheme registered under the Financial Markets Conduct Act 2013. Forsyth Barr Investment Management Limited (the Manager, we or us) is the issuer and manager of the Forsyth Barr Funds. The Scheme provides investors with access to a range of 20 investment funds (each a Fund and together, the Funds).

New Zealand Cash and New Zealand Fixed Interest Funds

- Cash Fund
- Local Bond Fund

New Zealand and Australian Shares and Property Funds

- NZ Companies Fund
- AUS Companies Fund
- Australasian Property Fund

Global Shares and Property Funds

- Global Quality Fund
- Global Value Fund

- Global Growth Fund
- Global Variety Fund
- Global Property Fund

Specialist Funds

- Global Sustainability Fund
- Climate Change Fund
- Lower Carbon Fund
- Clean Energy Fund
- US Responsible Fund
- Diversity and Inclusion Fund
- Tech Fund
- Future Cities Fund
- Healthcare Fund
- Gold Fund



Forsyth Barr Funds Investment Philosophy

The Funds provide investors with a broad selection of investment opportunities, through underlying managed funds, that can be combined into well-designed portfolios to suit different investor preferences and goals and different investor types.

The Funds cut through the complexity of having to choose from among the multitude of investment opportunities available. We do the research and present investors with our expert choices for each Fund.

Generally we believe there are opportunities for active investment managers to make the most of, and that an actively managed portfolio of investments will over time provide better returns than one that merely tracks an index. However, the use of a passive index-based approach in some instances also enables us to offer a wider range of funds, and in some instances there may be fewer opportunities to exploit or greater risk from trying to pick those opportunities.



Investment objectives, strategies, and policies

Specific objectives, policies and limits

The specific objectives, policies, and limits that apply to each Fund are set out in the Schedules to this SIPO.

General strategies

The Funds generally invest in other managed funds.¹ This helps to ensure good diversification and provides specialist investment management (through active management or in the design of the passive strategy), regardless of how small or big our Funds are. As at the date of this SIPO, each Fund invests in one underlying fund, but it is possible for each Fund to invest in more than one underlying fund.

For our New Zealand and Australian Funds we invest in the Octagon Investment Funds.² We are also the issuer of those funds and closely monitor their performance. The investment manager of the Octagon Investment Funds is Octagon Asset Management Limited, which is another Forsyth Barr group company.

For the Global and Specialist Funds we follow an investment selection process to choose underlying funds that align with our investment philosophy and each Forsyth Barr Fund's investment objective.

We aim to track the performance of the underlying funds as closely as possible (in New Zealand dollar terms). The key factors affecting that are the amount of cash assets each Fund holds for liquidity purposes, and the transaction costs involved in buying and selling units in the underlying funds. Subject to maintaining a liquidity buffer, the overarching strategy

for each Fund is to be as fully-invested as possible in the relevant underlying fund. As such there is no tactical allocation away from that target and no rebalancing to be done. However, the actively managed underlying funds will be doing those things within the underlying fund.

Currency Hedging Policy

We do not undertake foreign currency hedging in relation to the Funds. That means that the value of the Global and Specialist Funds will fluctuate with the value of the New Zealand dollar. However, some of the underlying funds may manage currency risk in terms of the currency they are issued in (e.g. a US dollar denominated fund may manage USD currency risk). Octagon Asset Management Limited also manages currency risk in the Octagon Investment Funds in terms of the New Zealand dollar, as described in the SIPO for those funds.

Derivatives Policy

We do not enter into derivatives in respect of the Funds. Underlying funds may use derivatives.

Borrowing

The Funds may borrow to facilitate investor-initiated activity and for the payment of fund expenses.

Environmental, Social, and Governance (ESG) Policy

In the table that follows, we set out the extent to which ESG factors are incorporated into investment choices for the Forsyth Barr Funds, and the extent to which ESG factors are applied within the underlying fund. You can also check the investments made by each underlying fund, and the policies they or the index they track applies, by searching on each fund or index.³

¹ Except for the Gold Fund which currently invests in an exchange traded product which is technically a debt security under EU law, but which is designed to track the price of physical gold, is secured by physical gold, and is in substance similar to a managed fund.

² Octagon Investment Funds are issued by Forsyth Barr Investment Management Limited. The Product Disclosure Statement for the Octagon Investment Funds is available on the Octagon Asset Management website (www.octagonasset.co.nz) and on the Disclose Register (www.disclose-register.companiesoffice.govt.nz).

³ The information on external websites is prepared and provided by the managers of the underlying funds, the administrators of the indices and other third parties, and not by us. Those underlying funds and indices are not sponsored, endorsed, issued or promoted by us. To the maximum extent permitted by law, we accept no responsibility for the accuracy or availability of the information on those external websites

| FORSYTH BARR FUND | ESG SCREENING BY FORSYTH BARR? | UNDERLYING FUND | ESG APPROACH BY UNDERLYING FUND OR INDEX |
|-----------------------------------|---------------------------------------|---|---|
| Cash Fund | Yes | Octagon Enhanced Cash Fund | Actively managed fund that applies a limited exclusion policy and takes into account ESG factors through the manager's ESG Risk Assessment Framework. ⁴ |
| Local Bond Fund | Yes | Octagon New Zealand Fixed Interest Fund | Actively managed fund that applies a limited exclusion policy and takes into account ESG factors through the manager's ESG Risk Assessment Framework. |
| NZ Companies Fund | Yes | Octagon New Zealand Equities Fund | Actively managed fund that applies a limited exclusion policy and takes into account ESG factors through the manager's ESG Risk Assessment Framework. |
| AUS Companies Fund | Yes | Octagon Australian Equities Fund | Actively managed fund that applies a limited exclusion policy and takes into account ESG factors through the manager's ESG Risk Assessment Framework. |
| Australasian Property Fund | Yes | Octagon Listed Property Fund | Actively managed fund that applies a limited exclusion policy and takes into account ESG factors through the manager's ESG Risk Assessment Framework. |
| Global Quality Fund | Yes | GMO Quality Trust | Actively managed fund that considers ESG factors as part of the investment process. Additionally, the fund does not invest in companies identified as being involved in the production or supply of tobacco. |
| Global Value Fund | Yes | Pzena Global Focused Value Fund | Actively managed fund that considers ESG factors as part of the investment process. The fund excludes the purchase of (i) companies using cluster munitions manufacturers and (ii) companies that are categorised by the benchmark as belonging to the tobacco industry. |
| Global Growth Fund | Yes | Nikko AM Global Shares Fund | Actively managed fund that considers ESG factors within the investment process. The fund invests with the following criteria: the carbon intensity of the portfolio should be substantially lower relative to benchmark, zero violations of the UN Global Compact, zero severe controversies on environmental, human rights, labour rights or governance issues, zero controversial weapons, zero tobacco exposure and no companies with >10% revenue from gambling, adult entertainment and alcohol. |

⁴ The Responsible Investment Policy for the Octagon Investment Funds is set out in its Statement of Investment Policies and Objectives (SIPO), which is available on the Octagon Asset Management website (www.octagonasset.co.nz) and on the Disclose Register (www.disclose-register.companiesoffice.govt.nz).

| FORSYTH BARR FUND | ESG SCREENING BY FORSYTH BARR? | UNDERLYING FUND | ESG APPROACH BY UNDERLYING FUND OR INDEX |
|----------------------------|--------------------------------|--|---|
| Global Variety Fund | Yes | iShares MSCI World SRI UCITS ETF Index: MSCI WORLD SRI Select Reduced Fossil Fuel Index | Passively managed fund that tracks an index that targets companies with higher ESG ratings than their sector peers, and applies ESG exclusions |
| Global Property Fund | Yes | iShares Global REIT ETF | n/a |
| Global Sustainability Fund | Yes | AB Sustainable Global Thematic Equities Fund | <p>The fund focuses on actively investing in companies dedicated to achieving positive social and environmental impacts. It targets companies addressing issues identified by the United Nations as crucial, thus generating global investment returns by supporting Sustainable Development Goals-aligned businesses.</p> <p>The fund excludes companies which are directly involved in the production, ownership or operation of the following products or services: Adult Entertainment; Alcohol; Cannabis, Coal (companies involved in the mining, distribution, refining, and transportation of thermal and metallurgical coal); Controversial Weapons; Firearms; Gambling; Genetically Modified Organisms; Military Contracting, Private Prisons; Tobacco (or those that derive 5% or more of their revenue from the wholesale distribution of tobacco)</p> |
| Climate Change Fund | Yes | GMO Climate Change Trust | <p>The fund invests in companies positioned to benefit from efforts to curb the long-term effects of climate change, to address the environmental challenges presented by climate change, or to help the world adapt to climate change through improved efficiency of resource consumption.</p> <p>An actively managed fund that considers ESG factors as part of the investment process.</p> |
| Lower Carbon Fund | Yes | iShares MSCI World Paris-Aligned Climate UCITS ETF Index: MSCI World Climate Paris Aligned Benchmark Select Index | Passively managed fund that tracks a thematically focused ESG-related index that targets companies with higher thematic ratings than their sector peers, and applies ESG exclusions |

| FORSYTH BARR FUND | ESG SCREENING BY FORSYTH BARR? | UNDERLYING FUND | ESG APPROACH BY UNDERLYING FUND OR INDEX |
|-------------------------------------|--------------------------------|--|---|
| Clean Energy Fund | Yes | iShares Global Clean Energy ETF Index: S&P Global Clean Energy Net Total Return Index | Passively managed fund that tracks a thematically focused ESG-related index that targets companies with higher thematic ratings than their sector peers, and applies ESG exclusions |
| US Responsible Fund | Yes | iShares ESG Advanced MSCI USA ETF Index: MSCI USA Choice ESG Screened Index | Passively managed fund that tracks a thematically focused ESG-related index that targets companies with higher thematic ratings than their sector peers, and applies ESG exclusions |
| Diversity and Inclusion Fund | Yes | iShares Refinitiv Inclusion and Diversity UCITS ETF Index: Refinitiv Global Large/Mid Diversity & Inclusion ex. Controversial Weapons Equal Weight Net Total Return Index | Passively managed fund that tracks a thematically focused ESG-related index that targets companies with higher thematic ratings than their sector peers, and applies ESG exclusions |
| Tech Fund | Yes | iShares Expanded Tech Sector ETF | n/a |
| Future Cities Fund | Yes | iShares Smart City Infrastructure UCITS ETF Index: STOXX Global Smart City Infrastructure Index | Passively managed fund that tracks an index that applies ESG exclusions. |
| Healthcare Fund | Yes | Vanguard Health Care ETF | n/a |
| Gold Fund | n/a | iShares Physical Gold ETC LBMA Responsible Gold Guidance | Gold held meets LBMA responsible gold criteria |

Funds that have ESG themes

- Global Sustainability Fund – “Sustainability” as a theme relates to companies contributing to positive environmental and social outcomes, thereby being seen as more sustainable over the longer term. Accordingly, the investment objective of this Fund is to invest in one or more funds that invest in companies which are assessed as contributing to positive environmental and social outcomes.
- Climate Change Fund – “Climate Change” as a theme relates to companies responding to climate change. Accordingly, the investment objective of this Fund is to invest in one or more funds that invest primarily in companies taking steps to position themselves to benefit from efforts to mitigate, to address challenges presented by, or to help the world adapt to climate change.
- Lower Carbon Fund – “Lower Carbon” as a theme relates to climate-related risks and the transition to a lower carbon economy. Accordingly, the investment objective of this Fund is to track a market index comprised of a portfolio of shares that reduces exposure to transition and physical climate risks.
- Clean Energy Fund – “Clean Energy” as a theme relates to energy produced from solar, wind, hydro, biomass, and other renewable sources (“clean energy”). Accordingly, the investment objective of this Fund is to track a market index comprised of shares in companies that produce clean energy, as well as companies that build and provide clean energy technology, and which applies ESG screenings to remove companies with relatively high carbon footprints (for example because they also produce energy from other sources).
- US Responsible Fund – “Responsible” as a theme is a generic reference to incorporating ESG factors. Accordingly, the investment objective of this Fund is to track a market index comprised of shares in companies listed in the United States that have a high environmental, social and governance rating relative to their sector peers, and to exclude

companies that are involved in controversies and controversial business activities (from an ESG perspective).

- Diversity and Inclusion Fund – “Diversity and Inclusion” as a theme relates to diversity, inclusion, and people development measures in workplace practices. Accordingly, the investment objective of this Fund is to track a market index comprised of shares in companies that demonstrate high levels of diversity, inclusion and people development, relative to their sector peers.

Screening done by Forsyth Barr

We undertake screening in relation to companies in each underlying fund that the Forsyth Barr Funds invest in. We apply that screening both as part of the selection processes and in our regular monitoring.

However, because we aren’t the investment manager of the underlying funds, we don’t have control over the holdings within them and cannot get them to dispose of an offending investment, should one arise. This means that when we identify a company in an underlying fund that is flagged by our ESG screening, our decision will be whether to (a) still select or continue to hold the underlying fund, or (b) not select it or to sell it.

We will make that decision based on assessment of the holding and the related screening flag. We will discuss the findings with the fund manager. After this engagement we also assess the materiality of flagged investments and whether these impede the investment objective of the fund.

If we decide to replace an underlying fund because it has been flagged by our ESG screening, we’ll disclose the relevant details on the Tempo website (www.tempo.co.nz) and through the reporting provided for any relevant Forsyth Barr service that uses the Funds, including why we are replacing the underlying fund, the name of the fund we’re replacing it with, and the timing for doing that (if it has not already been replaced).

If we decide to select or continue to invest in an underlying fund that has some exposure to one or more companies we are seeking to identify and exclude through our ESG screening, we'll disclose relevant details on the Tempo website (www.tempo.co.nz) and through the reporting provided for any relevant Forsyth Barr service that uses the Funds, including our explanation as to why we've decided to select or continue to invest in that underlying fund. We will then review our continued investment in that underlying fund in our on-going monitoring and review.

The Investment Committee responsible for the Forsyth Barr Funds monitors and reviews the ESG screening of the Forsyth Barr Funds. The Committee meets at least every two months.

We apply screening in three ways –

- **Product Involvement Screening**
We use a screening service that provides research on company involvement in activities relating to specified products and services, broken down by the revenues derived from those activities into ranges (i.e. 0-4.9%, 5-9.9%, 10-24.9%, 25-49.9%, 50-100%). We screen for any company that derives:
 - revenues of 5% or more from the manufacture of tobacco products for human consumption; or
 - any revenue from the manufacture of core weapon systems for controversial weapons (such as cluster munitions, anti-personnel mines, nuclear explosive devices, chemical and biological weapons) or components/services which are considered to be tailor made and essential for the lethal use of controversial weapons (in each case, as determined by the screening service provider); or
 - revenues of 5% or more from the extraction of thermal coal.

The screening we apply does not extend to the sale or distribution of these products. For example, the screen captures tobacco manufacturers but does not extend to retail distributors (e.g. supermarkets and other retailers) who sell cigarettes.

- **Global Standards Screening**
We use a screening service which assesses a company's compliance with the UN Global Compact Principles. The UN Global Compact Principles are a set of 10 principles which relate to human rights, labour, environment and anti-corruption.⁵ The screening service assesses companies as either compliant, watchlist, or non-compliant. We screen for any company assessed as non-compliant.
- **ESG Controversies Screening**
We use a screening service which monitors companies involved in an event or aggregation of events relating to an ESG topic (a "controversy"). These incidents are assessed through a materiality framework that considers the severity of any incidents, the corporation's accountability and whether they form part of a pattern of corporate misconduct. Each incident is given a controversy score which puts it into one of 5 categories: low, moderate, significant, high, and severe. We screen for any company involved in a controversy assessed as severe.

As at the date of this SIPO we use screening tools provided by [Sustainalytics](#).

Cash and cash equivalents

Each of the Forsyth Barr funds has an allocation of up to 10% in cash and cash equivalents for transactional and operational purposes, although typically we would look to minimise that allocation (as reflected in the target allocation of 0%). ESG factors are not taken into account in investing these amounts.

⁵ See <https://unglobalcompact.org/what-is-gc/mission/principles>. The UN Global Compact is a voluntary international association calling on companies to align their strategies and operations with the UN Global Compact Principles.



Investment governance and investment management framework

Who's involved

The following companies are involved in the management of the Funds:

| NAME | ROLE |
|--|---|
| Forsyth Barr Investment Management Limited | Manager |
| Forsyth Barr Limited | Makes the investment decisions about which underlying funds the Forsyth Barr Funds invest in. Provides monitoring and oversight of all Forsyth Barr Funds, and provides certain fund administration services. Responsible for the day to day operation of the Funds. Manages the technology platform through which the Forsyth Barr Funds are distributed through Forsyth Barr group services. |
| Tempo Limited | Provides certain fund administration services and undertakes certain aspects of the day to day operation of the Forsyth Barr Funds, under the oversight of Forsyth Barr Limited. |
| Adminis NZ Limited | Administration and Registry Services – provides us with registry functions and unit pricing, investment accounting, and other fund administration services |
| Trustees Executors Limited | Supervisor – supervises us as the manager |
| Adminis NZ Limited through its related nominee company Adminis Custodial Nominees Limited | Custodian – appointed by the Supervisor to hold the assets of the Scheme |

How it actually works

Manager's Board

The board of directors of the Forsyth Barr Investment Management Limited (the Board) is responsible for –

- approving and overseeing the investment governance and investment management framework,
- reviewing and approving this SIPO and any changes to it,
- reviewing and approving the investment policies and objectives of each Fund and any changes to them,
- reviewing the performance and operation of the Funds,
- reviewing compliance with this SIPO and the investment policies of each Fund, and
- approving the appointment or termination of any external administration manager and any other outsource providers to the Manager.

The Board meets at least every two months to, amongst other things, consider the Scheme's compliance with this SIPO.

Forsyth Barr

Forsyth Barr Limited (Forsyth Barr), is responsible for:

- certain investment management services, as provided by the Investment Committee responsible for the Forsyth Barr Funds (see below),
- overseeing the day to day operation of the Funds through its Director, Strategic Operations (see below),
- funds management oversight through its Funds Management Oversight Committee (see below),
- compliance oversight through its Compliance Committee (see below),
- co-ordinating the preparation, review, and updating of the offer documents and register entries for the Scheme, and
- co-ordinating engagement with and reporting to the Supervisor.

Investment Committee

Forsyth Barr has established an Investment Committee to –

- make the investment decisions about which fund or funds each Forsyth Barr Fund invests in (noting that the day-to-day decisions about how much of each underlying fund to buy or sell are automated),
- monitor and review the investment performance and ESG screening of the Funds, and
- review the selection of the underlying funds that the Funds invest in.

The Investment Committee meets at least every two months.

Forsyth Barr's Director, Strategic Operations

The Director, Strategic Operations is responsible, through Tempo Limited as applicable, for:

- managing and monitoring the day to day operations of Funds, including in relation to –
 - investor subscriptions and withdrawals, and
 - investments into the underlying funds that each Fund invests in,
- maintaining an operational risk framework which covers risk and control assessment, policy and compliance management, incident management (including breach reporting), governance and risk reporting,
- maintaining a business continuity plan,
- monitoring the Scheme's compliance with this SIPO and notifying any breaches to Compliance Committee, the Funds Management Oversight Committee, and the Board of the Manager,
- regular reporting to the Funds Management Oversight Committee and the Investment Committee responsible for the Forsyth Barr Funds, and
- making recommendations to the Board of the Manager in respect of operational matters.

Forsyth Barr Compliance Committee

The Compliance Committee is responsible for reviewing compliance incidents and reports, including in relation to this SIPO, and reporting to the Manager's Board.

The Compliance Committee meets every month to, amongst other things, consider the Scheme's compliance with this SIPO, and compliance monitoring reports from the Compliance Team.

Forsyth Barr Funds Management Oversight Committee

The Funds Management Oversight Committee is responsible for:

- monitoring the administrators' (Forsyth Barr Limited, Tempo Limited, and Adminis NZ Limited) performance of administrative and other operational functions in respect of the Scheme;
- monitoring the performance of the Custodian, any external investment manager, the Supervisor and any other outsource providers to the Manager; and
- reporting on the above items to the Board.

The Funds Management Oversight Committee meets at least every two months.

Administration and Registry Services Provider

The Administration and Registry Services Provider is responsible for:

- registry functions;
- unit pricing and investment accounting; and
- other fund administration services.

Supervisor

The Supervisor is responsible for, amongst other things:

- supervising compliance with this SIPO;
- supervising the Manager's performance of its functions; and
- monitoring the Manager's and Scheme's financial position to assess whether they are adequate.

Custodian

The Custodian is appointed by the Supervisor and is independent of the Manager and, as a delegate of the Supervisor, holds the Scheme's assets on behalf of the Scheme.



Limit Breaks

A limit break is a material breach of a limit set out in this SIPO.

In deciding whether a breach is material, we will assess the circumstances of the breach in the context of the Forsyth Barr Funds and the relevant Fund, and take into account the following factors:

- the size of the breach in relation to the Forsyth Barr Funds and the relevant Fund;
- any losses caused to investors;
- whether the breach involves related-party transactions;
- whether the breach is an isolated incident, or part of a recurring pattern of breaches;
- whether the breach causes the PDS or any register entry on Disclose in respect of the Forsyth Barr Funds and the relevant Fund, or an advertisement relating to the Forsyth Barr Funds and the relevant Fund, to be false or misleading;
- how quickly the breach is rectified after we became aware of the breach; and
- how long the breach went on for.

Limit breaks are reported to the Supervisor in accordance with the requirements of the Financial Markets Conduct Act 2013.

If any Fund moves outside a target asset allocation range or ceases to comply with any other limit or restriction, there is no breach of that limit or restriction if the Fund returns to compliance within five business days.



SIPO Review

Forsyth Barr will co-ordinate review of this SIPO annually in consultation with the Investment Committee, the Director, Strategic Operations, and the Supervisor.

The Investment Committee or the Director, Strategic Operations may also instruct Forsyth Barr to undertake an ad hoc review of this SIPO.

Forsyth Barr will report to the Board as to the outcome of the review, including any input from the Investment Committee, the Director, Strategic Operations or the Supervisor, together with any proposed changes to this SIPO.

The Board will consider Forsyth Barr's report and may approve the changes to this SIPO.

If any changes are made to this SIPO then the Scheme's register entry will be updated accordingly.

The most current version of this SIPO is available on the Disclose Register for managed investment schemes under the Financial Markets Conduct Act 2013 at <https://disclose-register.companiesoffice.govt.nz/>.



Schedule 1 – Cash Fund

Investment Objective

The Fund's investment objective is to achieve positive long-term returns after fees and other expenses but before taxes, by investing in one or more underlying funds which invest in cash, cash equivalents and short-term New Zealand fixed interest assets. This investment is subject to the risks associated with cash, cash equivalents and short-term New Zealand fixed interest which typically have very low levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective (subject to the restriction below) | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest in a mix of cash and cash equivalents and short-term New Zealand fixed interest assets. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Restriction: Any underlying fund must have a portfolio duration limit of less than 12 months and a maximum time to maturity of 3 years or less for any New Zealand fixed interest investment.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the [S&P/NZX Bank Bill 90-Day Index](#).

Current investment

As at the date of this SIPO the underlying fund that the Cash Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|--|----------------------------------|
| Octagon Enhanced Cash Fund | Octagon Asset Management Limited |

The Octagon Enhanced Cash Fund is actively managed. The Octagon Investment Funds are issued by Forsyth Barr Investment Management Limited. The Product Disclosure Statement and SIPO for the Octagon Investment Funds is available on the Octagon Asset Management website – www.octagonasset.co.nz. The Octagon Investment Funds SIPO sets out the investment strategy, target asset allocations, and permitted investments for the Octagon Enhanced Cash Fund.

As at the date of this SIPO the Octagon Enhanced Cash Fund aims to invest 65% in Cash and cash equivalents and 35% in short term New Zealand fixed interest.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 2 – Local Bond Fund

Investment Objective

The Fund's investment objective is to achieve positive long-term returns after tax, fees and other expenses, by investing in one or more underlying funds which invest in selected New Zealand dollar denominated debt and debt-like securities. This investment is subject to the risks associated with New Zealand fixed interest which typically have low to moderate levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest in the asset allocation mix of the underlying fund as set out below. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the [Bloomberg NZBond Composite 0+ Year Index](#).

Current investment

As at the date of this SIPO the underlying fund that the Local Bond Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|---|----------------------------------|
| Octagon New Zealand Fixed Interest Fund | Octagon Asset Management Limited |

The Octagon New Zealand Fixed Interest Fund is actively managed. The Octagon Investment Funds are issued by Forsyth Barr Investment Management Limited. The Product Disclosure Statement and SIPO for the Octagon Investment Funds is available on the Octagon Asset Management website – www.octagonasset.co.nz. The Octagon Investment Funds SIPO sets out the investment strategy, target asset allocations, and permitted investments for the Octagon New Zealand Fixed Interest Fund.

As at the date of this SIPO the Octagon New Zealand Fixed Interest Fund aims to invest 5% in Cash and cash equivalents and 95% in New Zealand fixed interest.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 3 – NZ Companies Fund

Investment Objective

The Fund's investment objective is to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which mostly invest in selected New Zealand equities, and can invest in Australian listed equities where the company has meaningful operations in New Zealand. This investment is subject to the risks associated with New Zealand equities which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest in the asset allocation mix of the underlying fund as set out below. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the [S&P/NZX50 Gross with Imputation Index](#).

Current investment

As at the date of this SIPO the underlying fund that the NZ Companies Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|---|----------------------------------|
| Octagon New Zealand Equities Fund | Octagon Asset Management Limited |

The Octagon New Zealand Equities Fund is actively managed. The Octagon Investment Funds are issued by Forsyth Barr Investment Management Limited. The Product Disclosure Statement and SIPO for the Octagon Investment Funds is available on the Octagon Asset Management website – www.octagonasset.co.nz. The Octagon Investment Funds SIPO sets out the investment strategy, target asset allocations, and permitted investments for the Octagon New Zealand Equities Fund.

As at the date of this SIPO the Octagon New Zealand Equities Fund aims to invest in 5% in Cash and cash equivalents, 85% in Australasian Equities, and 10% in Listed property.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 4 – AUS Companies Fund

Investment Objective

The Fund's investment objective is to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest mostly in selected Australian equities, and can invest in New Zealand listed shares where the company has meaningful operations in Australia. This investment is subject to the risks associated with Australian equities which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest in the asset allocation mix of the underlying fund as set out below. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, Fund performance may be considered in relation to the [S&P/ASX 200 Accumulation Index](#), 50% hedged to the New Zealand dollar.

Current investment

As at the date of this SIPO the underlying fund that the AUS Companies Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|--|----------------------------------|
| Octagon Australian Equities Fund | Octagon Asset Management Limited |

The Octagon Australian Equities Fund is actively managed. The Octagon Investment Funds are issued by Forsyth Barr Investment Management Limited. The Product Disclosure Statement and SIPO for the Octagon Investment Funds is available on the Octagon Asset Management website – www.octagonasset.co.nz. The Octagon Investment Funds SIPO sets out the investment strategy, target asset allocations, and permitted investments for the Octagon Australian Equities Fund.

As at the date of this SIPO the Octagon Australian Equities Fund aims to invest in 5% in Cash and cash equivalents, 85% in Australasian Equities, and 10% in Listed property.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 5 – Australasian Property Fund

Investment Objective

The Fund's investment objective is to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest in listed financial products whose financial performance is primarily determined or materially affected by the owning or managing of property, property-like assets or real assets. This investment is subject to the risks associated with listed property and Australasian equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest in the asset allocation mix of the underlying fund as set out below. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the [S&P/NZX All Real Estate Gross with Imputation Index](#).

Current investment

As at the date of this SIPO the underlying fund that the Australasian Property Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|--|----------------------------------|
| Octagon Listed Property Fund | Octagon Asset Management Limited |

The Octagon Listed Property Fund is actively managed. The Octagon Investment Funds are issued by Forsyth Barr Investment Management Limited. The Product Disclosure Statement and SIPO for the Octagon Investment Funds is available on the Octagon Asset Management website – www.octagonasset.co.nz. The Octagon Investment Funds SIPO sets out the investment strategy, target asset allocations, and permitted investments for the Octagon Listed Property Fund.

As at the date of this SIPO the Octagon Listed Property Fund aims to invest 5% in Cash and cash equivalents, 20% in Australasian Equities, 5% in International Equities and 70% in Listed property.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 6 – Global Quality Fund

Investment Objective

The Fund aims to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest in international equities, in companies with established track records of historical profitability and strong fundamentals – high quality companies. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the FTSE All-World Index in NZD.

Further information about this market index is available at <https://www.lseg.com/en/ftse-russell/indices/global-equity-index-series>

Current investment

As at the date of this SIPO the underlying fund that the Global Quality Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|-------------------|---|
| GMO Quality Trust | GMO Australia Limited / Grantham, Mayo, Van Otterloo & Co. LLC ("GMO") |

As at the date of this SIPO the GMO Quality Trust is actively managed. The fund seeks to generate total returns by investing primarily in equities the manager believes to be of high quality. The manager believes that companies with established track records of historical profitability and strong fundamentals – high quality companies – are able to outgrow the average company over time and are therefore worth a premium price. The manager uses both quantitative and fundamental techniques to assess the relative quality and valuation of global companies and aims to exploit a long-term investment horizon while withstanding short-term volatility.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 7 – Global Value Fund

Investment Objective

The Fund aims to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest in international equities in companies whose shares are identified as trading substantially below the assessed intrinsic value of the company, but which are also assessed as having solid long term prospects. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the FTSE All-World Index in NZD.

Further information about this market index is available at <https://www.lseg.com/en/ftse-russell/indices/global-equity-index-series>

Current investment

As at the date of this SIPO the underlying fund that the Global Value Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|---------------------------------|---|
| Pzena Global Focused Value Fund | Pzena Investment Management Limited LLC |

As at the date of this SIPO the Pzena Global Focused Value Fund is actively managed. The fund seeks to invest in companies generally among the world's 2000 largest companies whose shares sell at a substantial discount to their assessed intrinsic value but which are assessed as having solid long term prospects.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 8 – Global Growth Fund

Investment Objective

The Fund aims to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest in international equities in companies that demonstrate a competitive advantage, achieve excess returns and reinvest these returns into business growth. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the FTSE All-World Index in NZD.

Further information about this market index is available at <https://www.lseg.com/en/ftse-russell/indices/global-equity-index-series>

Current investment

As at the date of this SIPO the underlying fund that the Global Growth Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|-----------------------------|--|
| Nikko AM Global Shares Fund | Nikko Asset Management New Zealand Limited |

As at the date of this SIPO the Nikko AM Global Shares Fund is actively managed. This fund aims to outperform a recognised global market index over a rolling three year period before fees expenses and taxes, by providing investors with a relatively concentrated actively managed investment portfolio of global equities to achieve long term capital growth.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 9 – Global Variety Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of the shares of ESG (environmental, social and governance) screened companies as determined by the Fund's underlying index provider. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the MSCI WORLD SRI Select Reduced Fossil Fuel Index.

The MSCI WORLD SRI Select Reduced Fossil Fuel Index is made up of financial products of large and mid-cap companies which exhibit a high minimum level of ESG performance, as determined by the Fund's underlying index provider, across developed market countries.

Further information about this market index is available at <https://www.msci.com/msci-sri-indexes>

Current investment

As at the date of this SIPO the underlying fund that the Global Variety Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|--|--|
| iShares MSCI World SRI UCITS ETF | BlackRock Asset Management Ireland Limited |

As at the date of this SIPO the iShares MSCI World SRI UCITS ETF employs a passive market indexing investment approach and generally invests in financial products included in the MSCI WORLD SRI Select Reduced Fossil Fuel Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 10 – Global Property Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of the shares of international real estate companies. This investment is subject to the risks associated with international equities, which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in listed property. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the FTSE EPRA Nareit Global REITS Net Total Return Index.

The FTSE EPRA Nareit Global REITS Net Total Return Index is made up of the shares of international real estate companies in developed and emerging markets.

Further information about this market index is available at <https://www.ftserussell.com/products/indices/epra-nareit>

Current investment

As at the date of this SIPO the underlying fund that the Global Property Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|---|-------------------------|
| iShares Global REIT ETF | BlackRock Fund Advisors |

As at the date of this SIPO the iShares Global REIT ETF employs a passive market indexing investment approach and generally invests in the financial products included in the FTSE EPRA Nareit Global REITS Net Total Return Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 11 – Global Sustainability Fund

Investment Objective

The Fund aims to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest in international equities in companies which are assessed as contributing to positive environmental and social outcomes. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the FTSE All-World Index in NZD.

Further information about this market index is available at <https://www.lseg.com/en/ftse-russell/indices/global-equity-index-series>

Current investment

As at the date of this SIPO the underlying fund that the Global Sustainability Fund invests in is:

| UNDERLYING FUND | INVESTMENT MANAGER |
|--|---|
| AB Sustainable Global Thematic Equities Fund | AllianceBernstein Investment Management Australia Limited |

As at the date of this SIPO the AB Sustainable Global Thematic Equities Fund is actively managed. It aims to achieve long-term growth of capital by investing in global equity securities in companies that may contribute to positive environmental and social outcomes.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 12 – Climate Change Fund

Investment Objective

The Fund aims to achieve positive long-term returns after fees, taxes and other expenses by investing in one or more underlying funds which invest in international equities primarily in companies taking steps to position themselves to benefit from efforts to mitigate, to address challenges presented by, or to help the world adapt to climate change. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the FTSE All-World Index in NZD.

Further information about this market index is available at <https://www.lseg.com/en/ftse-russell/indices/global-equity-index-series>

Current investment

As at the date of this SIPO the underlying fund that the Climate Change Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|--------------------------|--|
| GMO Climate Change Trust | GMO Australia Limited / Grantham, Mayo, Van Otterloo & Co. LLC ("GMO") |

As at the date of this SIPO the GMO Climate Change Trust is actively managed. The trust seeks to generate high total returns by investing primarily in equities of companies GMO believes are positioned to benefit, directly or indirectly, from efforts to curb or mitigate the long-term effects of global climate change, to address the environmental challenges presented by global climate change, or to help the world adapt to climate change through improved efficiency of resource consumption.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 13 – Lower Carbon Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of a portfolio of shares that reduces exposure to transition and physical climate risks. This investment is subject to the risks associated with international equities, which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the MSCI World Climate Paris Aligned Benchmark Select Index.

The MSCI World Climate Paris Aligned Benchmark Select Index is made up of large and mid-cap companies across developed markets countries. The index aims to provide a portfolio of shares that reduces the exposure to transition and physical climate risks and provides opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements, as determined by the index provider. Further information about this market index is available at www.msci.com/our-solutions/esg-investing/esg-indexes/climate-paris-aligned-benchmark-select-indexes

Current investment

As at the date of this SIPO the underlying fund that the Lower Carbon Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|--|--|
| iShares MSCI World Paris-Aligned Climate UCITS ETF | BlackRock Asset Management Ireland Limited |

As at the date of this SIPO the iShares MSCI World Paris-Aligned Climate UCITS ETF employs a passive market indexing investment approach and generally invests in the financial products included in the MSCI World Climate Paris Aligned Benchmark Select Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 14 – Clean Energy Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of the shares of companies that produce energy from solar, wind, hydro, biomass, and other renewable sources ("clean energy"), as well as companies that build and provide clean energy technology, and which applies ESG screenings to remove companies with relatively high carbon footprints (for example because they also produce energy from other sources). This investment is subject to the risks associated with international equities, which typically have extremely high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the S&P Global Clean Energy Net Total Return Index.

The S&P Global Clean Energy Net Total Return Index is made up of financial products of companies from around the world that are involved in clean energy related businesses, as determined by the index provider.

Further information about this market index is available at <https://www.spglobal.com/spdji/en/indices/esg/sp-global-clean-energy-index/#overview>

Current investment

As at the date of this SIPO the underlying fund that the Clean Energy Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|---|-------------------------|
| iShares Global Clean Energy ETF | BlackRock Fund Advisors |

As at the date of this SIPO the iShares Global Clean Energy ETF employs a passive market indexing investment approach and generally invests in the financial products included in the S&P Global Clean Energy Net Total Return Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 15 – US Responsible Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of shares of companies listed in the U.S. that have a high environmental, social and governance rating relative to their sector peers, and to exclude companies that are involved in controversies and controversial business activities (from an ESG perspective). This investment is subject to the risks associated with international equities, which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the MSCI USA Choice ESG Screened Index.

The MSCI USA Choice ESG Screened Index is made up of large and mid-capitalisation companies listed in the U.S. that have a favourable environmental, social and governance rating, as determined by the index provider.

Further information about this market index is available at www.msci.com/esg/choice-esg-screened-indexes.

Current investment

As at the date of this SIPO the underlying fund that the US Responsible Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|---|-------------------------|
| iShares ESG Advanced MSCI USA ETF | BlackRock Fund Advisors |

As at the date of this SIPO the iShares ESG Advanced MSCI USA ETF employs a passive market indexing investment approach and generally invests in the financial products included in the MSCI USA Choice ESG Screened Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 16 – Diversity and Inclusion Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of shares of companies that demonstrate high levels of diversity, inclusion and people development relative to their sector peers. This investment is subject to the risks associated with international equities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the Refinitiv Global Large/Mid Diversity & Inclusion ex. Controversial Weapons Equal Weight Net Total Return Index.

The Refinitiv Global Large/Mid Diversity & Inclusion ex. Controversial Weapons Equal Weight Net Total Return index uses all of the publicly traded companies covered by the Refinitiv Global Ex Frontier Large and Mid-Cap index as the starting universe of candidates. The universe is further limited to the subset of those index constituents that are not involved in the production of controversial weapons, and for which a Diversity and Inclusion Rating score is calculated. The (approximately) 100 companies with the best overall scores are selected for the index.

Further information about this market index is available at www.refinitiv.com/en/financial-data/indices/diversity-and-inclusion-index.

Current investment

As at the date of this SIPO the underlying fund that the Diversity and Inclusion Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|---|--|
| iShares Refinitiv Inclusion and Diversity UCITS ETF | BlackRock Asset Management Ireland Limited |

As at the date of this SIPO the iShares Refinitiv Inclusion and Diversity UCITS ETF employs a passive market indexing investment approach and generally invests in the financial products included in the Refinitiv Global Large/Mid Diversity & Inclusion ex. Controversial Weapons Equal Weight Net Total Return index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 17 – Tech Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of the shares of North American companies in the technology sector; plus selected North American companies within the communication services and consumer discretionary sectors. This investment is subject to the risks associated with international equities, which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the S&P North American Expanded Technology Sector Index (USD) Total Return Index.

The S&P North American Expanded Technology Sector Index (USD) Total Return Index is made up of financial products designed to measure U.S. securities in the GICS® Information Technology sector, as well as the internet & direct marketing retail, interactive home entertainment, and interactive media & services sub-industries, plus supplementary stocks specified by the index provider.

Further information about this- market index is available at www.spglobal.com/spdji/en/indices/equity/sp-north-american-expanded-technology-sector-index-custom/#overview.

Current investment

As at the date of this SIPO the underlying fund that the Tech Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|--|-------------------------|
| iShares Expanded Tech Sector ETF | BlackRock Fund Advisors |

As at the date of this SIPO the iShares Expanded Tech Sector ETF employs a passive market indexing investment approach and generally invests in the financial products included in the S&P North American Expanded Technology Sector Index (USD) Total Return Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 18 – Future Cities Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of the shares of companies that provide services and solutions for development and efficient running of cities. This investment is subject to the risks associated with international equities, which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the STOXX Global Smart City Infrastructure Index.

The STOXX Global Smart City Infrastructure index tracks the performance of companies deploying the physical structures and facilities needed as urban development becomes more intelligent and efficiency-focused. Further information about this market index is available at <https://qontigo.com/index/stxsciv/>.

Current investment

As at the date of this SIPO the underlying fund that the Sustainable Cities Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|---|--|
| iShares Smart City Infrastructure UCITS ETF | BlackRock Asset Management Ireland Limited |

As at the date of this SIPO the iShares Smart City Infrastructure UCITS ETF employs a passive market indexing investment approach and generally invests in financial products included in the STOXX Global Smart City Infrastructure index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 19 – Healthcare Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of a market index comprised of the shares of large, mid-size, and small U.S. companies within the health care sector.

This investment is subject to the risks associated with international equities, which typically have very high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in international equities. However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the MSCI US Investable Market Index (IMI)/Health Care 25/50 Gross Total Return USD Index.

The MSCI US Investable Market Index (IMI)/Health Care 25/50 Gross Total Return USD Index is made up of large, mid and small cap companies in the health care sector.

Further information about this market index is available at www.msci.com/equity-fact-sheet-search.

Current investment

As at the date of this SIPO the underlying fund that the Healthcare Fund invests in is:

| UNDERLYING FUND | FUND MANAGER |
|--|-------------------------|
| Vanguard Health Care ETF | The Vanguard Group, Inc |

As at the date of this SIPO the Vanguard Health Care ETF employs a passive market indexing investment approach and generally invests in the financial products included in the MSCI US Investable Market Index (IMI)/Health Care 25/50 Gross Total Return USD Index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds.



Schedule 20 – Gold Fund

Investment Objective

The Fund aims to track the investment performance before tax, fees and other expenses, of the price of gold. This investment is subject to the risks associated with commodities, which typically have high levels of movement up and down in value.

Permitted investments and target allocation

The Fund may invest in:

| | TARGET | RANGE |
|---|--------|------------|
| Managed funds which meet the investment objective | 100% | 90% – 100% |
| Transactional cash and cash equivalents for operational purposes | 0% | 0% – 10% |

This means that the Fund aims to indirectly invest 100% in commodities (Gold) (or a product 100% secured by Gold). However, the limits that apply and are monitored for the purposes of this SIPO are those set out above.

Benchmark

The Fund has no benchmark, however for comparative purposes only, performance may be considered in relation to the NZD value of the LBMA Gold Price PM USD Index. We note that this is not an “appropriate market index” as defined in the FMC Regulations because is not “broad based” or a “securities index”, it is however more generally an appropriate index for comparative purposes.

The LBMA Gold Price PM USD index is a global benchmark for unallocated gold delivered in London.

Further information about this market index is available at www.theice.com/iba/lbma-gold-silver-price.

Current investment

As at the date of this SIPO the Gold Fund invests in the following investment:

| UNDERLYING FUND | FUND MANAGER |
|---|-----------------------------|
| iShares Physical Gold ETC | iShares Physical Metals plc |

As at the date of this SIPO the iShares Physical Gold ETC has targeted exposure to the gold spot price and aims to track the LBMA Gold Price PM USD index.

The investment selection and monitoring for the Forsyth Barr Funds includes reviewing the investment strategy, target asset allocations, permitted investments, and performance against benchmarks for underlying funds or products.