

Statement of Investment Policy and Objectives ASB KiwiSaver Scheme

Effective from 14 October 2024

Contents

1. Introduction	1
2. Investment beliefs	1
3. Scheme objective	2
4. Investment strategy	2
• Asset allocation	2
• Currency hedging	3
• Portfolio manager	3
• Managing asset classes	4
• MSCI Climate Paris Aligned Indexes	6
• Authorised investments	6
5. Exclusions criteria	7
• Core funds	7
• Specialist fund	8
• Application of investment exclusions	9
6. Engagement and voting	10
7. Investment policies	10
8. Investment strategy review	11
9. Monitoring	11
• Investment performance monitoring	11
• Portfolio manager monitoring	11
• Underlying investment manager performance monitoring	11
10. Compliance with this SIPO	12
• Limit break monitoring	12
11. Valuation and Pricing Methodology	12
• Asset valuation	12
• Unit price calculation	12
12. Changes to this SIPO	12
Schedule	13
• NZ Cash Fund	13
• Conservative Fund	14
• Moderate Fund	15
• Balanced Fund	16
• Growth Fund	17
• Aggressive Fund	18
• Positive Impact Fund	19
• Positive Impact Fund - impact approach	20

1. Introduction

The ASB KiwiSaver Scheme (the **Scheme**) is registered under the Financial Markets Conduct Act 2013 as a managed investment scheme.

ASB Group Investments Limited (**we, our or us**) is the manager of the Scheme and owned by ASB Bank Limited (**ASB**). The ASB investment committee has been established to be responsible for making investment decisions for the Scheme (the **Investment Committee**).

The supervisor of the Scheme is Public Trust (the **supervisor**).

The Scheme has the following core and specialist funds (**Funds**).

Core funds:

- the NZ Cash Fund
- the Conservative Fund
- the Moderate Fund
- the Balanced Fund
- the Growth Fund and
- the Aggressive Fund.

Specialist fund:

- the Positive Impact Fund, which was closed to new investors on 17 September 2024, and will be wound up from 15 January 2025.

This Statement of Investment Policy and Objectives (**SIPO**) sets out the investment policies and objectives for the Scheme and the Funds. This SIPO is prepared in consultation with the supervisor.

This SIPO describes how:

- ASB Group Investments Limited manages the Scheme's investments
- the performance of the Scheme's investments are measured and monitored and
- changes are made to this SIPO.

This SIPO, the Product Disclosure Statement (**PDS**), the other material information document and other documentation relating to the Scheme can be found in the Disclose Register at disclose-register.companiesoffice.govt.nz (search for ASB KiwiSaver Scheme).

2. Investment beliefs

Our investment beliefs provide a framework for our investment decision making. The investment beliefs are considered together when making decisions for the Scheme.

Investment beliefs	What this means for our investment decisions
Clear governance and decision-making structures that promote efficiency and accountability are effective and add value to our customers.	Our Investment Committee is responsible for ensuring each Fund's investment objective is reasonably achievable, and it regularly monitors the results of our investment strategies against the Funds' objectives.
Asset allocation and currency decisions are the most important investment decisions we make.	Our investment decisions begin with making the best possible asset allocation and currency hedging decisions.
Decisions taken with a medium - long term horizon will in the long term provide better outcomes for our investors.	We make investment decisions based on medium to longer term expectations, while monitoring the portfolios for near term risks and acting if appropriate.
Investment risks, including environmental, social and governance (ESG) risks, are material to investment returns.	We focus on both risk and return outcomes when making investment decisions. This includes the investment risks and opportunities that may result from climate change. Generally, higher returns means higher risk, therefore we aim to ensure that returns appropriately reflect the risk that is being taken to achieve those returns. Higher returns can also be a result of avoiding risk, such as those that may be identified by ESG factors, event risk and market dislocation amongst others.
Active management within asset classes can add value, however, it is difficult to identify and secure active managers who consistently capture excess returns after costs.	When choosing an investment management style, we consider whether an active investment management style is likely to outperform a market index (after fees) over the long term.
The cost of managing money is an important component of investment returns.	We focus on keeping investment costs as low as possible for a given investment style, meaning that more of our customers' money is invested to earn returns.

3. Scheme objective

The Scheme is designed to help investors save for their retirement. Contributions made to each investor’s account and the returns of the investor’s chosen Funds, will largely determine the amount that an investor receives when they withdraw their investment.

To provide for a range of investors' needs, the Scheme has six Funds to invest in, each with a unique risk and return profile. See the Schedule to this SIPO for the investment objectives for each Fund. These may change from time to time.

4. Investment strategy

The investment strategy for each Fund is designed to achieve or exceed its investment objective and performance target. The investment strategy for each Fund is made up of asset allocation, currency hedging and decisions about how each asset class is managed.

Asset allocation

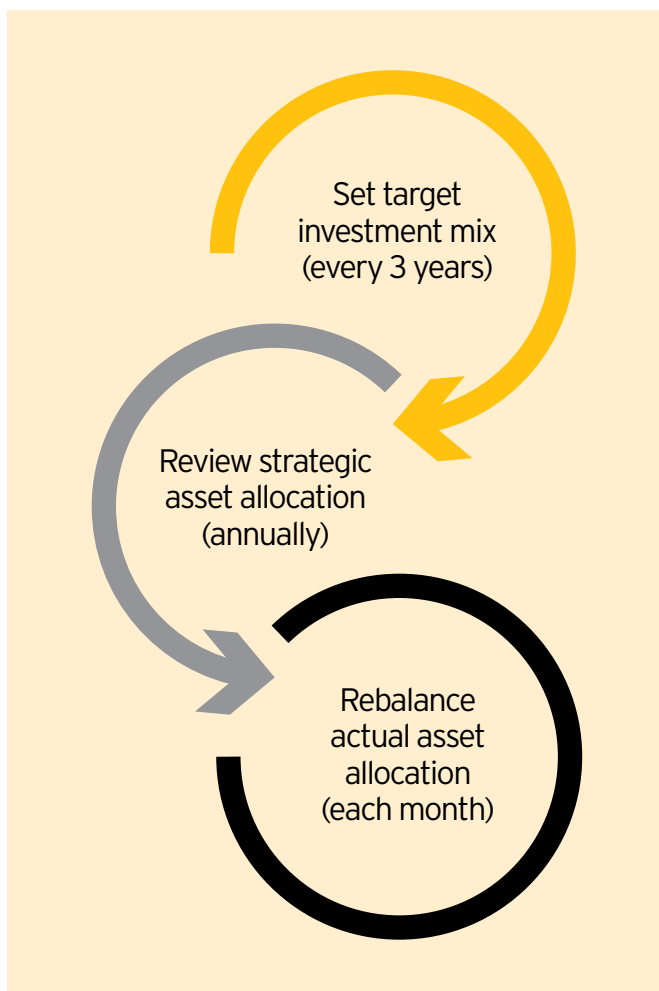
Asset allocation has a significant influence on investment returns. Each Fund is invested in line with a strategic asset allocation. The strategic asset allocation is reviewed annually (or sooner if market conditions warrant), and measured against a long term benchmark. We call this benchmark the target investment mix, which we set at least once every three years.

The target investment mix for each Fund is the allocation of assets that is expected to achieve the investment objective over the long term. The target investment mix is the benchmark that we use to measure the success of our asset allocation process.

The strategic asset allocation is the allocation of assets that we believe will produce a better investment outcome than the target investment mix over a three year period.

The actual asset allocation will differ from the strategic asset allocation only as a result of cash flows and market movements. The actual asset allocation for each Fund is monitored daily. We usually rebalance the actual asset allocation to the strategic asset allocation each month by buying and selling assets in a Fund. In the event of adverse market conditions we may delay a rebalance.

See the Schedule to this SIPO for the target investment mix for each Fund.



Currency hedging

All Funds, except the NZ Cash Fund, invest in foreign currency assets and are exposed to foreign currency movements. Foreign currency exposure is one of the key drivers of the Funds' overall level of risk and return.

Currency hedging involves off-setting the currency exposure of foreign assets, such as bonds or shares, so that the effect of currency movements on the value of those assets is reduced.

When setting the target investment mix, we determine a level of hedging for each asset class that has an exposure to foreign currency that we believe is appropriate in the long term.

When we review the strategic asset allocation, we determine a level of currency hedging for each asset class which we believe will produce a better investment outcome in the shorter term than the target investment mix level of currency hedging.

The actual level of hedging that is determined in the strategic asset allocation is achieved through the use of derivatives.

Asset class	Target investment mix level of currency hedging*
Core funds	
Asset classes without foreign currency assets: Cash and cash equivalents, NZ government bonds, NZ inflation-linked bonds, NZ corporate bonds, and NZ equities	Not applicable
Global bonds (including Government, inflation-linked and corporate)	100%
Australian equities and listed property	100%
Global equities	50%
Emerging market equities	0%
Global Listed Infrastructure	100%
Commodities	0%
Specialist fund	
Global Bonds (including Government and corporate)	100%
Global equities	50%
*Strategic asset allocation hedging levels may differ.	

See the Schedule to this SIPO for each Fund's allowable unhedged foreign currency exposure.

Portfolio manager

We have selected BlackRock Investment Management (Australia) Limited as a portfolio manager to manage the Scheme's asset allocation and currency hedging.

Managing asset classes

Core funds

We manage asset classes in the same way across the core funds. This means that the investment management style, market index and underlying investment manager for each asset class is the same.

We use either an active investment management style or an index tracking investment management style.

An active investment management style means that investments are made with the goal of outperforming chosen market indices.

An index tracking investment management style aims to deliver returns that closely track those of a market index (or a combination of market indices). Index tracking isn't expected to exactly match the returns of the index because of transaction costs and cash flow and timing issues. Funds that are managed by index tracking generally have lower fees than those managed by an active investment management style. This is important because fees reduce returns.

Specialist fund

For the Positive Impact Fund, the global bonds asset class currently invests in a third party managed fund that is managed in an index tracking manner. The international equities asset class currently invests in a third party managed fund, the BlackRock Global Impact Fund, that uses an active investment management style to invest in companies that seek to make a positive impact on society or the environment. BlackRock Investment Management (UK) Limited, the underlying manager of the BlackRock Global Impact Fund, has notified us that they intend to close this fund on 15 January 2025. As a result, we have decided to wind up the Positive Impact Fund from 15 January 2025. See page 19 for more information on the impact of winding-up on the management of the Positive Impact Fund's assets.

Market index

The performance of each asset class is measured against a market index (or a combination of market indices).

Underlying Funds

The money in each asset class is invested in underlying funds. The underlying funds are unlisted unit trusts that we manage. For the specialist fund the respective underlying funds currently invest in managed funds offered by underlying investment managers.

Underlying investment managers

We select underlying investment managers to manage the assets in each underlying fund, either directly or indirectly. The underlying investment managers are specialist investment managers within their asset class.

Asset class	Market index	Investment management style	Underlying investment manager
Core funds			
Cash & Cash Equivalents ¹	S&P/NZX 90-Day Bank Bills Index	Active	First Sentier Investors (Australia) IM Ltd
NZ Government Bonds	Bloomberg NZBond Govt O+ Yr Index	Index tracking	State Street Global Advisors, Australia, Limited
NZ Inflation-Linked Bonds	Bloomberg NZBond Infl O+ Yr Index		
NZ Corporate Bonds	Bloomberg NZBond Local Govt & Credit A O+ Yr Index	Index tracking	BlackRock Investment Management (Australia) Limited
Global Government Bonds (1-10 years)	FTSE World Government Bond (1-10 years) Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global Inflation-Linked Bonds	FTSE US Inflation Linked Securities Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited

1. Cash & Cash Equivalents comprise on-call and term investments with registered New Zealand banks, including wholesale deposits, registered certificates of deposit and floating rate notes. Maximum term to maturity of any security is 365 days.

Asset class	Market index	Investment management style	Underlying investment manager
Core funds (continued)			
Global Corporate Bonds	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global Government Bonds	FTSE World Government Bond Index (100% hedged)	Index tracking	Not applicable ²
Australasian Equities	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global Equities	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)	Index tracking	BlackRock Investment Management (Australia) Limited
Emerging Market Equities	MSCI Emerging Markets Index (unhedged)	Index tracking	BlackRock Investment Management (Australia) Limited
Listed Property	FTSE EPRA/NAREIT Developed Index (100% hedged)	Index tracking	Not applicable ³
Global Listed Infrastructure	FTSE Developed Core Infrastructure 50/50 Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Commodities	Refinitiv Gold Price in NZD	Index tracking	BlackRock Investment Management (Australia) Limited

2. There is currently no actual asset allocation to Global Government Bonds.

3. There is currently no actual asset allocation to Listed Property.

Asset class	Market index	Investment management style	Underlying investment manager and third party managed fund
Specialist fund			
Global Bonds	FTSE World Government Bond Index (100% hedged) FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)	Index tracking	BlackRock Advisors (UK) Limited via the iShares Green Bond Index Fund - NZD Hedged
Global Equities	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)	Active	BlackRock Investment Management (UK) Limited via the BlackRock Global Impact Fund (NZD Hedged and NZD Unhedged)

We may change the market indices and underlying investment managers at any time. We do not need to give anyone notice of that change.

See the Schedule to this SIPO for the market index weightings for each Fund.

See the full market index disclaimers at asb.co.nz/index-disclaimers

MSCI Climate Paris Aligned Indexes

The MSCI Climate Paris Aligned Indexes are designed to support investors seeking to reduce their exposure to transition and physical climate risks and to pursue opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements.

The index construction method for the MSCI World ex Australia Climate Paris Aligned Index starts with the MSCI World ex Australia Index as the "Parent Index". The below is a description of the construction method as of May 2023. This method may change from time to time.

The eligible securities that can be included in the Paris Aligned Index are derived after exclusions relating to the following categories from the Parent Index.

- Controversial Weapons
- ESG Controversies
- Tobacco
- Environmental Harm
- Thermal Coal Mining
- Oil and Gas
- Power Generation

Certain revenue thresholds and other criteria for exclusion apply. For the avoidance of doubt, our exclusions as outlined in Section 5 continue to apply.

The MSCI Climate Paris Aligned Index has additional objectives compared to the Parent Index as described below.

Reduce transition and physical risk by:

- Reducing Greenhouse Gas (GHG) Intensity in terms of Scope 1, 2 and 3 relative to the Parent Index.
- Reducing (e.g. a minimum average reduction (per year)) GHG Intensity relative to the GHG Intensity at the Base Date by 10%.
- Increasing aggregate weight in companies setting targets relative to aggregate weight of such companies in the Eligible Universe by 20%.
- Reducing Weighted Average Potential Emissions Intensity relative to Parent Index by 50%.

Target transition opportunities by:

- Increasing the Weighted Average Green Revenue relative to the Parent Index by 100%.
- Increasing the minimum ratio of Weighted Average Green Revenue versus the Weighted Average Fossil fuels-based Revenue relative to the Parent Index 4 times.
- Increasing the weighted average Low Carbon Transition Score relative to Parent Index by 10%.

These additional objectives are incorporated into the semi-annual rebalancing of the Paris Aligned Index, along with diversification objectives (e.g. the degree to which it is over or under weight countries, sectors, and companies relative to the Parent Index). If there is no optimal solution that meets these objectives, certain diversification objectives are relaxed. If still no optimal solution is found, the Paris Aligned Index will not rebalance for the relevant period.

The Paris Aligned Index exclusion definitions and additional objectives may change from time to time. More details on the methodology and exclusion definitions, can be found in the MSCI Climate Paris Aligned Indexes Methodology at <https://www.msci.com/index-methodology>. Capitalised terms used in this section of the SIPO have the same meaning as in the MSCI Climate Paris Aligned Indexes Methodology.

Authorised investments

The authorised investments for the Funds are:

- unlisted unit trusts managed by us
- cash balances with ASB
- derivatives
- exchange traded funds (ETFs) and
- any other investments as agreed from time to time with the supervisor.

We agree authorised investments with the underlying investment managers.

5. Exclusions criteria

In our Core funds, we currently exclude investments in securities issued by companies which are involved in the activities listed in the table below. The table also sets out the level of involvement required for a company's security to be excluded. Our Funds may invest in derivatives for risk management and investment purposes. Derivatives may reference broad market indices, and so may result in indirect exposure to excluded companies and securities. The definitions, or the research used to implement these exclusions, may change from time to time.

Core funds:

Exclusion	Definition	Level of involvement
Controversial weapons	Companies involved in the manufacture of, or that provide dedicated and/or essential components or services for: <ul style="list-style-type: none"> · Anti-personnel mines · Chemical and biological weapons · Cluster weapons · Depleted uranium · Nuclear weapons 	Companies that derive any revenue from the relevant activities and companies with a significant (greater than 10%) ownership in an involved company.
Civilian firearms	The manufacture, sale, retail and/or distribution to civilian customers of assault weapons or small arms, and the manufacture and sale of small arms key components (such as gun sights, triggers, bullet casings and other components of small arms or small calibre ammunition) to civilian customers.	Companies that derive any revenue from the relevant activities. ⁴
Tobacco	Companies that manufacture tobacco products, or that supply tobacco-related products or services, and companies that distribute their own label tobacco products. Tobacco products include cigarettes, cigars, tobacco for pipes and snuff, smokeless tobacco products and e-liquid, complete e-cigarettes. Tobacco-related products or services includes products that facilitate the consumption of tobacco such as pipes, e-cigarette devices, vaping devices, and rolling papers, specialised materials including packaging, specialised equipment necessary for the production of tobacco products, and raw materials that are produced primarily for use in tobacco products. Tobacco retailers are not excluded.	Companies that derive any revenue from the relevant activities. ⁴
Whale meat	Whale meat processing.	Companies that derive any revenue from the relevant activities. ⁴
Fossil fuel producers	Companies with their primary business activity in: <ul style="list-style-type: none"> · Coal · Oil & gas exploration and production · Oil & gas equipment · Oil & gas drilling · Integrated oil & gas 	Primary business activity, as identified by our third party ESG research provider.
	And/or companies involved in oil and gas production, artic oil and gas exploration, and thermal coal, oil sands and shale energy extraction. For the purposes of these definitions, metallurgical coal is not included in the term 'coal'.	Companies that derive at least 10% revenue from the relevant activity. ⁴
	Companies that have a primary business activity in oil and gas refining and marketing, or oil and gas storage and transportation, are not excluded, unless they meet the 10% revenue threshold described above.	

4. Where a company has a majority stake in another company, relevant revenues of the subsidiary are attributed to the parent.

Exclusion	Definition	Level of involvement
Securities where the country of issue is the Russian Federation	Securities issued by any Russian Federation domiciled entity, where the country of issue is the Russian Federation. This captures securities listed on a Russian stock exchange and American Depository Receipts (ADRs) and Global Depository Receipts (GDRs) listed on other exchanges and Russian Rubles held with a Custodian. Some of the Funds have exposure to a small number of securities issued in Russia that are subject to sanctions and cannot currently be divested.	NA
Global standards screen	Companies that are assessed by our third party ESG research provider as non-compliant with one or more of the United Nations Global Compact principles, and related international norms and standards. The United Nations Global Compact principles define minimum fundamental responsibilities that companies are expected to meet in the areas of human rights, labour rights, the environment and anti-corruption.	NA
One off exclusions	ASB may from time to time specify additional securities issued by companies as excluded investments. These securities could be excluded for exceptional reasons such as strong customer consensus objecting to the nature of the company activities or where the company activities do not align with ASB's values or policies (such as serious incidents surrounding modern slavery, social harm, environmental damage). When considering whether to divest a security, in accordance with the ASB Framework for Excluded Investments, we will conduct a review on our manager's engagement and voting outcomes and the likelihood that the company's activities will change.	NA

Specialist fund:

Currently the Positive Impact Fund invests in third party managed funds. These funds have certain exclusion policies as outlined below. The details of these exclusions may change from time to time.

The BlackRock iShares Green Bond Index Fund

Currently excludes, where possible, direct investment in issuers of securities undertaking the following activities:

Nuclear weapons	Derive any revenue from the direct involvement in the production of nuclear weapons or nuclear weapon components or delivery platforms, or the provision of auxiliary services related to nuclear weapons.
In addition, the market index the Fund tracks has the following exclusions:	
Controversial weapons	Are involved in production, or ownership of or by a company with involvement in controversial weapons. Covers cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons or their critical components, blinding lasers, non-detectable fragments and incendiary weapons.
Fossil fuels	Generate more than 15% of their revenue from thermal coal mining.
ESG controversies and global norms	Are implicated in one or more ESG Controversy cases where there are credible allegations that the company or its management violated global norms and conventions, including the United Nations Global Compact Principles, the International Labour Organisation's conventions, and the United Nations Guiding Principles on Business and Human Rights.

The BlackRock Global Impact Fund

Currently excludes, where possible, exposure to companies undertaking the following activities:

Controversial weapons	Zero tolerance for companies with ties to cluster bombs, landmines, depleted uranium weapons, chemical and biological weapons, blinding laser weapons, nondetectable fragments, and incendiary weapons.
Nuclear weapons	Minimal tolerance for companies connected with nuclear weapons: manufacturers, providers of components or auxiliary services related to nuclear warheads and missiles, and assemblers of delivery platforms for nuclear weapons.
Fossil fuels	Companies that generate more than 5% of their revenue from production of and power generation from thermal coal and companies that generate more than 5% of their revenue from the production of tar sands.
Tobacco	Companies classified as producers or deriving 5% or more aggregate revenue from the production, distribution, retail and supply of tobacco-related products.
Civilian firearms	Companies classified as producers of firearms and small arms ammunition for civilian market or deriving 5% or more in revenue from the distribution of firearms and small arms.
UN Global Compact	Companies (or issuers) which have been deemed to have failed to comply with, or violated, the UN Global Compact's Ten Principles. These principles relate to human rights, labour standards, the environment and anti-corruption.

Application of investment exclusions

Core funds:

We apply our exclusions using data from a third party ESG research provider. Using this data, we issue instructions quarterly (or more frequently as required) to our underlying investment managers on which securities to exclude. We monitor compliance with investment exclusions on an ongoing basis. If we identify any exposure to a security on our exclusions list (or a security that should be on our exclusions list) we would instruct the investment manager to divest the security as soon as possible, regardless of financial impacts.

Investment exclusions are complex and dependent on specialist ESG research. We continue to evolve our exclusions in line with; ASB's values, the changing expectations of society and relevant world events. Our current exclusions can be found in this SIPO and on our responsible investing webpage, asb.co.nz/responsible-investment. Full portfolio holdings for the funds can be found at asb.co.nz/kiwisaverforms and at asb.co.nz/kiwisaver-pif-full-portfolio-holdings for the Positive Impact Fund.

Specialist fund:

Currently the Positive Impact Fund invests in third party managed funds. These funds have their own exclusion policies. When selecting third-party funds, we review their exclusion policies for broad alignment with our ASB exclusion framework, however due to differences in exclusion categories, definitions and research providers, in some instances the Positive Impact Fund may have indirect exposure to a security on our exclusions list through an underlying third party fund. We cannot instruct a manager to divest a security from a third party fund they offer, but we do share our feedback and our reasons for excluding securities.

ASB Framework for Excluded Investments

The Investment Committee is responsible for recommending to the CEO whether an investment should be specified as an excluded investment under the ASB Framework for Excluded Investments and for giving effect to any decision by the CEO under this framework.

Further information about our responsible investing approach can be found at asb.co.nz/responsible-investment

6. Engagement and voting

As outlined in section 4, we select underlying investment managers to provide investment expertise and manage funds on our behalf.

We require our underlying investment managers to:

- describe clearly how they consider ESG issues in managing investments
- have a policy covering how they engage on ESG issues with the entities in which they invest
- have a clear proxy voting policy.

Our investment managers engage with companies and vote at shareholder meetings on your behalf with a focus on sustainable long-term value. We assess our manager's engagement and voting activities for consistency with ASB's values and investment beliefs.

All our investment managers report regularly on their stewardship and engagement activities, which can be found at asb.co.nz/responsible-investment

7. Investment policies

Our investment decision-making is guided by our investment policies, which include the policies listed below. Our investment policies are reviewed at least once every two years.

Rebalancing policy	We rebalance by selling assets in an asset class that exceeds the strategic asset allocation and by purchasing assets in asset classes that are under the strategic asset allocation. Rebalancing is usually undertaken monthly. Rebalancing is also described in section 4 of this SIPO.
Currency hedging policy	We use an active approach to hedging where the actual level of hedging for each asset class with assets in foreign currency matches the strategic asset allocation hedging level. The hedging level represents the proportion of foreign currency exposure hedged back to New Zealand dollars. Currency hedging is also described in section 4 of this SIPO.
Derivatives usage policy	We use derivatives: <ul style="list-style-type: none"> • for risk management (including to hedge foreign currency exposure and managing total portfolio risk) • for investment purposes, to facilitate efficient portfolio management (including to achieve transactional efficiency and to manage cash flows). We may use derivatives for other purposes if approved by the Investment Committee.
Gearing policy	Gearing is an investment technique where money is borrowed to enhance investment returns. The Funds do not use gearing.
Market risk management policy	The value of some investments can go up and down over time because of changes in market conditions. We spread our investments across different markets to reduce the likelihood or impact of this risk. Market risk management is a key part of the asset allocation process and asset class management process.
Credit risk policy	An investment in cash, fixed interest or derivatives may be affected if a person doesn't pay what they owe. This could result in lower returns or the loss of some or all of the money invested by a Fund. We spread our investments across different markets and apply credit quality criteria (such as credit ratings and issuer limits) to reduce the likelihood or impact of this risk.
Asset valuation policy	We have documented procedures, systems and controls to ensure fair value.

Responsible investing policy	<p>We have a responsible investment policy that describes the responsible investment principles to be adopted by the Investment Committee. These principles guide the Investment Committee in the application of our responsible investment commitments, being commitments to incorporate, amongst other things, environmental, social and governance considerations into our investment analysis and decision making process. More information about our commitments can be found at asb.co.nz/responsible-investment</p>
Liquidity risk policy	<p>Liquidity risk arises when assets become difficult to sell in a reasonable timeframe and at a fair price. This can affect our ability to pay withdrawal requests in a timely way, or we may have to sell those assets at a lower price. We manage and mitigate this risk through the asset allocation process, by diversifying across sectors and issuers and by investing in liquid public markets.</p>

8. Investment strategy review

The management of each asset class is formally reviewed at least once every two years. This review is in addition to the review processes described in sections 4 (Investment strategy) and 7 (Investment policies) of this SIPO.

The review includes considering:

- the current investment approach to the asset class
- whether the asset class should be managed using an active or index tracking investment management style
- which market index should be used
- underlying investment managers by looking at investment processes and systems, reputation, investment management style and the managers' performance record and
- whether to gain exposure to the asset class via a separately managed account in the supervisor's name or by a pooled vehicle offered by the investment manager.

9. Monitoring

We regularly monitor the performance of the investment strategies, policies and the underlying investment managers appointed to carry these out.

This monitoring looks at whether:

- the relevant investment objective is achieved
- the strategy remains effective and appropriate and
- the underlying investment managers are competent and achieving the agreed objectives.

Investment performance monitoring

The investment performance of each Fund is monitored every month. This includes each Fund's absolute performance, the volatility of performance, and risk-adjusted performance. Each Fund's performance is compared with the performance of the target investment mix and a peer group of managers.

Portfolio manager monitoring

The performance of our portfolio manager is reviewed every month, relative to agreed objectives. The review looks at the performance over short, medium and longer timeframes.

Underlying investment manager performance monitoring

The performance of each underlying investment manager is reviewed every month, relative to agreed objectives. The review looks at the performance over short, medium and longer timeframes.

10. Compliance with this SIPO

We monitor the Funds each day for compliance with the investment strategies and policies in this SIPO.

The underlying funds are also monitored for compliance with the authorised investments and restrictions. The underlying investment managers are monitored for their compliance with the relevant investment management agreements.

Limit break monitoring

Each Fund has limits on the amount of:

- an asset class, and
- income assets (cash and cash equivalents and fixed interest) and growth assets (equities and listed property) it can hold.

If a Fund moves outside a limit (a **Limit Break**), we will rebalance to correct the allocation of assets for that Fund, ordinarily within five working days of discovering the Limit Break. We will report any Limit Break to the supervisor.

See the Schedule to this SIPO for the limits for each Fund.

We confirm our compliance with this SIPO quarterly:

- to the supervisor and
- to the Investment Committee.

11. Valuation and Pricing Methodology

Asset valuation

The assets held by the Funds are valued in order to determine the unit price for each Fund. Asset valuations for the Funds are typically performed each valuation day based on the last market prices (or unit prices) available at that time. Our asset valuation policy permits the use of alternative fair value pricing valuation methods, including asset valuation estimates, where:

- market prices are not readily available,
- the securities are not traded in an active market, or,
- in our view the pricing source does not represent fair value.

Unit price calculation

The unit prices for the Funds are calculated by dividing the net asset value of the relevant Fund by the number of units on issue in that Fund. The basic methodology for the calculation of unit prices is set out in the Scheme's trust deed. Unit prices are generally calculated each business day.

The current policy is to calculate unit prices using the forward pricing method, meaning the declared unit price is based on the value of the Funds' assets as at close of business for the valuation day.

Unit prices are rounded down at the fourth decimal place.

You can obtain the unit price applicable to any valuation day by contacting us or visiting asb.co.nz

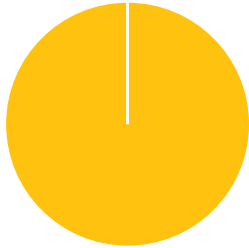
12. Changes to this SIPO

This SIPO is reviewed at least annually or to reflect a change such as a new target investment mix or a change to an underlying investment manager. Any changes to this SIPO will be made in consultation with the supervisor and approved by the ASB Head of Wealth Product. Any material changes to the SIPO will be reported in the Scheme's next annual report.

Schedule

NZ Cash Fund

Income/growth asset split



● Income 100% ● Growth 0%

Investment objective

To provide exposure to a portfolio of investment grade short term deposits and fixed interest investments with New Zealand registered banks. The number of years with negative returns are generally expected to be less than the other Funds.

Performance target

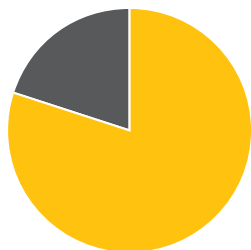
Exceed the return of the S&P/NZX 90-Day Bank Bills Index by 0.25% per annum before management fees, expenses and tax over rolling 12-month periods.

The tracking error of the expected performance should be no greater than 0.25% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limit	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	100%		S&P/NZX 90-Day Bank Bills Index
Income assets		100%	100%	

Conservative Fund

Income/growth asset split



● Income 80% ● Growth 20%

Investment objective

To provide modest total returns allowing for modest movements of value up and down. The number of years with negative returns are generally expected to be higher than the NZ Cash Fund but lower than the Moderate Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 2.5% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	23.25%	5% - 40%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	20.5%	10% - 40%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		9.5%	0% - 25%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	8.5% - 40%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		14.5%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-	FTSE US Inflation Linked Securities Index (100% hedged)	
Global Corporate Bonds		12.25%	0% - 25%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Income assets		80%	70% - 90%	
Australasian Equities	Australasian Equities	3.3%	0% - 20%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	15%	0% - 22.5%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		1.7%	0% - 10%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 10%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 10%	Refinitiv Gold Price in NZD
Growth assets		20%	10% - 30%	

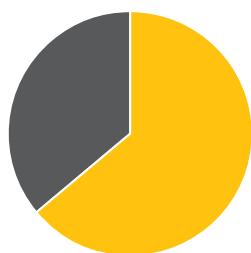
The total unhedged foreign currency exposure for this fund is limited to between 0% - 20%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

- The International Fixed Interest asset category may be exposed to any NZ Fixed Interest securities that are included in a market index for the International Fixed Interest asset category.
- The Australasian Equities asset category may be exposed to any Listed Property securities that are included in a market index for the Australasian Equities asset category.
- The International Equities asset category may be exposed to any Listed Property securities and any Australasian Equity securities that are included in a market index for the International Equities asset category.

Moderate Fund

Income/growth asset split



● Income 64% ● Growth 36%

Investment objective

To provide moderate total returns allowing for moderate movements of value up and down. The number of years with negative returns are generally expected to be higher than the Conservative Fund but lower than the Balanced Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 3.5% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	10.5%	3% - 30%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	20.5%	5% - 30%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		9.5%	0% - 15%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	5% - 30%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		12.5%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-	FTSE US Inflation Linked Securities Index (100% hedged)	
Global Corporate Bonds		11%	0% - 17%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Income assets		64%	50% - 70%	
Australasian Equities	Australasian Equities	8%	0% - 30%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	25%	0% - 36%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		3%	0% - 10%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 10%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD
Growth assets		36%	30% - 50%	

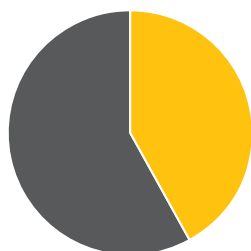
The total unhedged foreign currency exposure for this fund is limited to between 0% - 40%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

- The International Fixed Interest asset category may be exposed to any NZ Fixed Interest securities that are included in a market index for the International Fixed Interest asset category.
- The Australasian Equities asset category may be exposed to any Listed Property securities that are included in a market index for the Australasian Equities asset category.
- The International Equities asset category may be exposed to any Listed Property securities and any Australasian Equity securities that are included in a market index for the International Equities asset category.

Balanced Fund

Income/growth asset split



● Income 42% ● Growth 58%

Investment objective

To provide moderate to high total returns allowing for moderate to high movements of value up and down. The number of years with negative returns are generally expected to be higher than the Moderate Fund but lower than the Growth Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 4% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	5.5%	2% - 25%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	14.5%	5% - 20%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		6.8%	0% - 12%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	0% - 25%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		8.2%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-	FTSE US Inflation Linked Securities Index (100% hedged)	
Global Corporate Bonds		7%	0% - 12%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Income assets		42%	30% - 50%	
Australasian Equities	Australasian Equities	15.7%	5% - 40%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	37.6%	10% - 45%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		4.7%	0% - 12%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 12%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD
Growth assets		58%	50% - 70%	

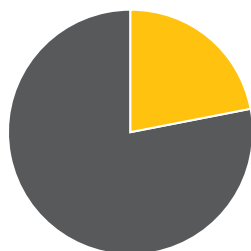
The total unhedged foreign currency exposure for this fund is limited to between 0% - 60%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

- The International Fixed Interest asset category may be exposed to any NZ Fixed Interest securities that are included in a market index for the International Fixed Interest asset category.
- The Australasian Equities asset category may be exposed to any Listed Property securities that are included in a market index for the Australasian Equities asset category.
- The International Equities asset category may be exposed to any Listed Property securities and any Australasian Equity securities that are included in a market index for the International Equities asset category.

Growth Fund

Income/growth asset split



● Income 22% ● Growth 78%

Investment objective

To provide high total returns allowing for large movements of value up and down. The number of years with negative returns are generally expected to be higher than the Balanced Fund but lower than the Aggressive Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 4.5% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	3%	1% - 20%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	8.5%	5% - 15%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		4%	0% - 8%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	0% - 20%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		3.5%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-	FTSE US Inflation Linked Securities Index (100% hedged)	
Global Corporate Bonds		3%	0% - 10%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Income assets		22%	10% - 30%	
Australasian Equities	Australasian Equities	20.7%	5% - 50%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	51%	10% - 60%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		6.3%	0% - 15%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 15%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD
Growth assets		78%	70% - 90%	

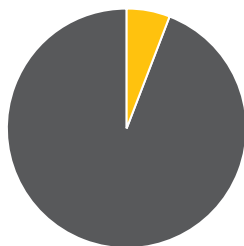
The total unhedged foreign currency exposure for this fund is limited to between 0% - 80%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

- The International Fixed Interest asset category may be exposed to any NZ Fixed Interest securities that are included in a market index for the International Fixed Interest asset category.
- The Australasian Equities asset category may be exposed to any Listed Property securities that are included in a market index for the Australasian Equities asset category.
- The International Equities asset category may be exposed to any Listed Property securities and any Australasian Equity securities that are included in a market index for the International Equities asset category.

Aggressive Fund

Income/growth asset split



● Income 6% ● Growth 94%

Investment objective

To provide the highest total returns of the Funds allowing for the largest movements of value up and down. The number of years with negative returns are generally expected to be the highest of the Funds.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 5% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	2%	0% - 10%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	2.75%	0% - 20%	Bloomberg NZBond Govt 0+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl 0+ Yr Index
NZ Corporate Bonds		1.25%	0% - 10%	Bloomberg NZBond Local Govt & Credit A 0+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	0% - 20%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		-		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-		FTSE US Inflation Linked Securities Index (100% hedged)
Global Corporate Bonds		-	0% - 10%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Income assets		6%	0% - 20%	
Australasian Equities	Australasian Equities	20.5%	8% - 60%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	65.5%	15% - 71.5%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		8%	0% - 20%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 30%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD
Growth assets		94%	80% - 100%	

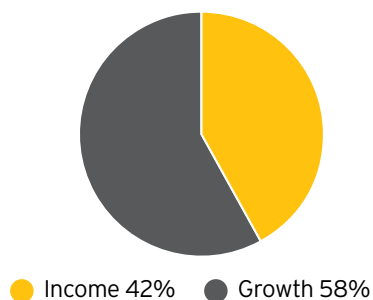
The total unhedged foreign currency exposure for this fund is limited to between 0% - 95%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

- The International Fixed Interest asset category may be exposed to any NZ Fixed Interest securities that are included in a market index for the International Fixed Interest asset category.
- The Australasian Equities asset category may be exposed to any Listed Property securities that are included in a market index for the Australasian Equities asset category.
- The International Equities asset category may be exposed to any Listed Property securities and any Australasian Equity securities that are included in a market index for the International Equities asset category.

Positive Impact Fund

Income/growth asset split



Investment objective

To invest in a portfolio of investments that make a positive impact on society or the environment while seeking to provide moderate to high long-term returns allowing for large movements of value up and down. The number of years with negative returns are generally expected to be similar to the Growth Fund.

Impact objective

To achieve measurable positive outcomes in line with the UN Sustainable Development Goals.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The Positive Impact Fund invests in the BlackRock Global Impact Fund for exposure to Global Equities. BlackRock Investment Management (UK) Limited, the underlying manager of the BlackRock Global Impact Fund, has notified us that they intend to close this fund on 15 January 2025. As a result, we have decided to wind up the Positive Impact Fund from 15 January 2025.

This means from 15 January 2025 the assets of the Positive Impact Fund will be sold and the proceeds, minus any expenses or liabilities, will be invested across your other ASB KiwiSaver Scheme funds. If you do not hold investments in any other ASB KiwiSaver Scheme funds, the proceeds will be invested in the Balanced Fund. The proceeds of asset sales will be held as cash until they are reinvested in the relevant other ASB KiwiSaver Scheme funds.

The underlying manager of the BlackRock Global Impact Fund has notified us that it may be necessary to begin selling down the BlackRock Global Impact Fund's portfolio in advance of 15 January 2025, and during such time the BlackRock Global Impact Fund may not be compliant with its investment objective and assets may be held as cash.

From now until 15 January 2025, the Positive Impact Fund may experience higher volumes of withdrawal or fund switch requests. As a result, we may be required to sell down investments in the third-party underlying funds to meet those requests. Due to notice requirements to withdraw from the iShares Green Bond Index Fund, instructions to sell units will not be processed until the day after they are received. This means withdrawals or switches from the Positive Impact Fund will be complete before the sale of units in the iShares Green Bond Index Fund. As a result, the proportion of the Positive Impact Fund's total assets invested in bonds (and therefore, exposure to bond price movements) will increase for remaining investors until the instruction to sell units is complete.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	5.5%	0% - 25%	S&P/NZX 90-Day Bank Bills Index
Global Bonds	International Fixed Interest	36.5%	5% - 50%	55% FTSE World Government Bond Index (100% hedged) 45% FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Income assets		42%	30% - 50%	
Global Equities	International Equities	58%	10% - 70%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Growth assets		58%	50% - 70%	

The total unhedged foreign currency exposure for this fund is limited to between 0% - 60%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

- The International Fixed Interest asset category may be exposed to any NZ Fixed Interest securities that are included in a market index for the International Fixed Interest asset category.
- The International Equities asset category may be exposed to any Listed Property securities and any Australasian Equity securities that are included in a market index for the International Equities asset category.

Positive Impact Fund - impact approach

The Positive Impact Fund invests in companies and bonds that are making a positive and measurable social and/or environmental impact, alongside a financial return.

The Positive Impact Fund's impact objective is to achieve measurable positive outcomes in line with the United Nations Sustainable Development Goals (UN SDG). The UN SDG are an urgent call for action by all countries in a global partnership. They recognise that ending poverty and other deprivations must go with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The UN SDG include 169 targets to stimulate action in areas of critical importance for humanity and the planet.

You can find out more about the UN SDG here: sdgs.un.org/goals

Reporting

We will report at least annually on the Positive Impact Fund's impact objective.

Our investment managers

We have selected third-party funds for the Global Equities and Global Bonds exposure of the Positive Impact Fund. More detail on our third-party funds and the underlying investment managers' current approaches to impact investing is below.

Impact and green bond investing continues to evolve, and these approaches may change from time to time. We will update investors on any changes in our impact and/or annual reporting.

Positive Impact Fund		
Asset class	Global Equities	Global Bonds
Third-party fund (Fund)	BlackRock Global Impact Fund.	BlackRock's iShares Green Bond Index Fund.
Investment approach	This Fund seeks to maximise long-term returns through active investment in global companies whose goods and services address the world's greatest social and environmental problems as identified by the UN SDG.	This market index tracking Fund seeks to provide exposure to global investment grade bonds that create measurable environmental impact. The primary purpose of green bonds is to raise capital and investment for projects with direct environmental benefits.
Eligibility criteria for investments	BlackRock and their research partners select a universe of qualifying impact investments. To qualify as impact an investment must be: <ul style="list-style-type: none"> • Materially impact, this means a majority of revenues or business activity advances one or more of the UN SDG and targets. • Additional, this means a company's offerings will help address a specific need that's unlikely to be met by other agents. • Measurable, the company's impact must be quantifiable. From this impact universe BlackRock selects investments based on company-specific research (such as relative valuation, strength of earnings, quality of balance sheet and cashflow trends) to identify and select the investments that have the potential to produce attractive long term returns across "Impact Themes" which are mapped to the UN SDG.	The market index, which the Fund tracks, uses seven categories defined by MSCI ESG research to identify green bonds. To be classified as a green bond and qualify as providing a direct environmental benefit, a bond's proceeds must fund projects that fall within one or more qualifying environmental categories including: <ul style="list-style-type: none"> • alternative energy • energy efficiency • pollution prevention and control • sustainable water • green building • climate adaptation, and • other (for example, biodiversity, sustainable forestry, sustainable agriculture, etc.). Most of the assets will be invested in sustainable investments, which have regard to applicable law and regulation and the UN SDG.

Positive Impact Fund

Asset class	Global Equities	Global Bonds
<p>Other allowable investments and limits to impact approach</p>	<p>The Fund seeks to achieve its objective by investing at least 80% of its total assets in investments of companies whose goods and services seek to address the world's social and environmental problems, as identified in the UN SDG.</p> <p>It may also invest up to 10% indirectly in other types of investments:</p> <ul style="list-style-type: none"> • if they are consistent with the Fund's objective, or • to efficiently manage cash and/or collateral. <p>This means the Fund can have indirect exposure to investments that may not satisfy the impact criteria.</p> <p>The BlackRock Global Impact Fund will be closed and all remaining investments in the Fund will be automatically redeemed on 15 January 2025. The underlying manager of the BlackRock Global Impact Fund has notified us that during the period before closing it is possible that the BlackRock Global Impact Fund will not comply with its investment objective and assets may be held as cash.</p>	<p>The Fund may also invest in other fixed interest investments to achieve a similar return to the Fund's market index in a cost efficient way. These investments will be held to help achieve a risk profile like the Fund's market index.</p> <p>General purpose bonds can also be included if 90% of the green bond issuer's activities (as measured by revenues) fall within the environmental categories above.</p>
<p>Environmental, social and governance (ESG) approach or consideration</p>	<p>The Fund adopts a "best in class" approach to sustainable investing meaning it selects the best issuers (from an ESG perspective) for each relevant sector of activities. More than 90% of the companies invested in are either ESG rated or have been ESG analysed.</p>	<p>More than 90% of the investments are either ESG rated or have been ESG analysed in accordance with the market index methodology.</p> <p>For index products, such as the Fund, ESG considerations include:</p> <ul style="list-style-type: none"> • Engagement with the index provider on the market index • Industry consultation on ESG considerations • Advocacy for transparency and reporting • Investment stewardship activities to advocate for sound corporate governance and business practices on material ESG factors.
<p>Exclusions</p>	<p>In addition to exposure to sustainable investments, all holdings in the Funds above will be deemed to do no significant harm to environmental or social factors as defined by the Funds' exclusions criteria.</p> <p>See section 5. of this SIPO for details of each Fund's exclusions criteria.</p>	

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