

Fisher Funds KiwiSaver Plan

Statement of Investment Policy and Objectives

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1. About the Fisher Funds KiwiSaver Plan

The Fisher Funds KiwiSaver Plan (the **Plan**) was established on 2 April 2007 and is registered under the Financial Markets Conduct Act 2013 (**FMCA**) as a managed investment scheme.

Fisher Funds Management Limited is the manager of the Plan (**Manager, FFML, we, our or us**) and is responsible for offering and issuing interests in the Plan and for the management of investments and administration of the Plan. Your money will be pooled with other investors' money and invested in various investments. Fisher Funds Management Limited will invest your money and charge you a fee for its services.

Apex Investment Administration (NZ) Limited provides some of the administration functions, including registry services and unit pricing, for the Plan.

Public Trust is the supervisor and custodian of the Plan (**Supervisor**).

As at the date of this statement of investment policy and objectives (**SIPO**), most of the Plan's assets are invested in underlying wholesale funds issued and managed by FFML.

This SIPO specifies the policy, objectives, investment philosophy, investment style, guidelines and limits that the Manager shall follow in relation to the investment of the assets of each investment fund of the Plan (**Fund**).

The governance body responsible for this SIPO is the Investment Policy Committee (**Investment Policy Committee**), which is delegated with this responsibility by the board of directors of the Manager.

This SIPO is at all times subject to the trust deed that governs the Plan (**Trust Deed**) and the applicable Instrument of Appointment which appointed the Manager as a default KiwiSaver scheme provider.

The Manager currently offers the following eight funds to members of the Plan:

- Cash Fund
- CashPlus Fund*
- Default Conservative Fund**
- Conservative Fund
- Default Fund
- Balanced Fund
- Growth Fund
- Aggressive Fund

Collectively 'the Funds'

*The CashPlus Fund was closed to new fund members on 1 April 2019.

** Prior to 1 December 2021 the Default Conservative Fund was called the Default Fund.

The most current version of this SIPO is available on the schemes register entry for the Plan on the Disclose Register website at <https://disclose-register.companiesoffice.govt.nz/>.

2. Role of the Supervisor

Public Trust is responsible for supervising the performance of the Manager's functions, acting on behalf of investors, and ensuring the Funds' assets are appropriately held. Public Trust as Supervisor is custodian and holds each Fund's assets on trust for investors. Public Trust may appoint other persons to act as custodian.

Details of any custodians appointed by Public Trust are available in the 'Who is involved' section of the Other Material Information document (OMI) on the offer register at www.disclose-register.companiesoffice.govt.nz. A complete list of the Supervisor's responsibilities is set out in the Trust Deed. A copy of the Trust Deed can be found at fisherfunds.co.nz/kiwisaver-plan/forms-and-documents.

3. Role of the Investment Policy Committee

The Investment Policy Committee is a committee with delegations from the board of directors of the Manager. Its objective is to provide oversight of the investment process with the aim of maintaining high standards of investment decision making and good outcomes for clients.

The Investment Policy Committee's responsibilities include:

- Receiving and reviewing reports about compliance and risk measures
- Making recommendations on matters affecting investment operations or processes
- Reviewing investment performance and drivers
- Reviewing, approving or confirming decisions to appoint or change external managers
- Setting portfolio objectives and constraints
- Reviewing and approving strategic asset allocation changes
- Approving new SIPOs and changes to SIPOs and considering how SIPOs could be improved
- Recommending or endorsing proposals to develop new products or close existing products.
- Reviewing and monitoring adherence to policies and commitments related to climate change legislation.

Significant issues with the Plan and its investments will also be brought to the attention of the Supervisor.

4. Objectives of the Plan

The Plan is a savings scheme designed to encourage New Zealanders to save and accumulate assets for their retirement. The principal objective of the Plan is to diligently manage a KiwiSaver scheme that provides New Zealanders with a range of transparent, liquid and diversified investment options they can use to save for their retirement.

5. Investment objectives

The investment objectives specific to each Fund in the Plan are set out in Appendix 1.

The key investment objective of each Fund is to deliver returns that, over the relevant investment timeframe, meet or exceed that Fund's benchmark with similar levels of risk.

In setting the investment objectives for each Fund, the performance of the Funds will vary, and they may not always meet or exceed their investment objective.

6. Investment philosophy

The Manager is focussed on managing total risk. It defines investment risk as the possibility of a permanent loss of economic capital – the purchasing power of money. It believes that investors experience this risk in two ways: the probability of loss, as well as the variance of returns. It manages both of these risk dimensions by:

- Using a risk-budgeting approach and diversifying across multiple sources of risk and return.
- Managing total fund risk rather than focusing solely on benchmark centric tracking error.

- Favouring liquid and transparent investments so that the underlying sources of risk and return are clear and investments are able to be exited at reasonable prices, in times of stress.

Investment management for actively managed Funds

The philosophy of the Manager is that the role of an active KiwiSaver scheme investment manager is to protect the value of members' capital and the Plan's purchasing power, then enhance wealth through the active selection of securities, such as shares and fixed interest assets, and asset allocation.

Investment management for the Default Fund

The Default Fund provides exposure to a combination of active and enhanced passive managed investment components. Enhanced passive is an active management technique aimed at adding incremental value to a portfolio's return without wide variation from the index return. This decision will take into account the level of active risk. The investment philosophy for offering a fund with exposure to an enhanced passive management style is to provide an investment option that is lower-cost while having a high chance of delivering on its key objective to meet or exceed its benchmark.

Policy and process for selecting and monitoring external investment managers

When selecting external investment managers (including for underlying funds the Plan invests in), the Manager considers diversification, liquidity, cost, potential risk and returns, and tax efficiency.

When investing in managed funds or unit trusts the Manager also considers the credentials and track record of the manager, transparency, and fees. This includes consideration of a range of key factors including performance track record, management structure, investment process and philosophy, their approach to responsible investment, operations, risk management and compliance, transparency, liquidity and fees.

7. Investment style

Actively managed funds

For actively managed funds, the Manager's style is principally active, global and local investment with a dynamic total fund approach to investing.

The Manager is principally an active investment manager of global and local investments. As an active investment manager, it has the discretion to change the asset allocation (the mix of asset classes between shares, fixed interest, cash and other financial instruments) and to actively choose individual securities and investments within any applicable limits set out in Appendix 1, as opposed to managing tightly against a predefined asset allocation.

The Manager seeks to create risk efficient funds that utilise a wide practical set of investment activities subject to ethical, liquidity, transparency and cost efficiency tests.

The Manager follows an integrated bottom up (security level) as well as top down (macro) approach with four main areas of emphasis:

- Capturing market returns (risk premia) effectively
- Adding value by active security selection
- Risk management to preserve capital
- Cost efficiency of implementation

Default Fund

The Default Fund uses a combination of active and enhanced passive investment styles. For the Default Fund, the Manager's investment style is to provide investors with access to an investment option that is

designed to generate similar or greater performance to chosen indices and is diversified across investment sectors and countries. The Instrument of Appointment mandates that the Default Fund must have between 45% - 63% in growth assets at all times. It also requires that the Default Fund exclude certain investments relating to fossil fuels and weapons – please see section 21 below (Responsible investment policy).

Currency management

The Manager looks to hold currency hedges appropriate to the Plan's Funds to reduce the impact on returns from variations in the value of the NZ Dollar, in accordance with the Plan's hedging policy (see section 17).

8. Security selection

Underlying investments are held across a reasonably large number of assets, securities, sectors, countries and/or industries in order to achieve sufficient diversification. There is also a strong focus on liquidity of the underlying assets so that assets can be sold within a reasonable timeframe without having a material adverse effect on the price of those assets.

Actively managed funds

The Manager is responsible for making decisions about the asset allocation of each actively managed Fund, and the selection of each investment in the Fund. Relative value, liquidity, tax efficiency, transparency, cost, potential returns and the associated risks are used as criteria to select assets.

The Default Fund

The Manager is responsible for determining which parts of the Default Fund's asset allocation will be implemented as active, and enhanced passive.

9. Automatic enrolments and unspecified investment direction

Other than where the below paragraph applies, members allocated to the Plan by Inland Revenue will automatically be invested in:

- the Default Fund.

Members who are allocated to the Plan by Inland Revenue as a result of their employer having chosen the Plan as its preferred KiwiSaver scheme will automatically be invested in the Balanced Fund. In addition, members (other than members where the above paragraph applies) who do not provide a valid investment direction will have their contributions (or any unallocated percentage of them) invested in the Balanced Fund.

10. Asset classes

Each Fund invests, in different proportions, across seven asset classes: cash, NZ fixed interest, international fixed interest, direct property, Australasian shares, international shares, commodities, and other. The asset classes are described in the following table:

Asset class	Assets included in the asset class
Cash (maturity date of up to 6 months)	<ul style="list-style-type: none"> • Cash • Cash on call • Term deposits • Debt securities • Derivatives thereof denominated in NZD.

NZ Fixed Interest (maturity date of greater than 6 months)	<ul style="list-style-type: none"> • Term deposits • Debt securities • Derivatives thereof denominated in NZD.
International Fixed Interest (maturity date of greater than 6 months)	<ul style="list-style-type: none"> • Term deposits • Debt securities • Derivatives thereof non-NZD denominated • Forward foreign exchange contracts and currency swaps • Outright short positions in debt securities or derivatives thereof, subject to the minimum and maximum asset class weightings set out in Appendix 1 for each Fund.
Direct Property	<ul style="list-style-type: none"> • Interests in directly owned real property • Related real property instruments • Unlisted vehicles investing in real property • Derivatives thereof.
Listed Property	<ul style="list-style-type: none"> • Listed property and infrastructure, derivatives thereof
Australasian Shares	<ul style="list-style-type: none"> • Securities issued or traded in New Zealand or Australia (listed and unlisted) at time of purchase and derivatives thereof • Forward foreign exchange contracts and currency swaps.
International Shares	<ul style="list-style-type: none"> • Securities issued or traded outside of New Zealand and Australia (listed and unlisted) and derivatives thereof • Forward foreign exchange contracts and currency swaps.
Commodities	<ul style="list-style-type: none"> • Funds, notes, bonds, over the counter and exchange traded derivatives giving exposure to the prices of commodity indices or specific commodities.
Other	<ul style="list-style-type: none"> • Forward foreign exchange contracts and currency swaps • Other investments, strategies or derivatives that may fall outside the traditional asset classes of cash, fixed interest, shares and property.

11. Asset allocation ranges

The minimum and maximum asset class limits the Manager must adhere to when investing the assets of each Fund are set out in Appendix 1 for each Fund.

The asset class limit ranges set out in Appendix 1 for each Fund refer to the exposure to the investment vehicle and/or the underlying assets to which the asset class exposure is obtained.

The Manager may invest directly into the asset class or gain exposure to the asset class indirectly through other investment vehicles (e.g. through a unit trust or other type of managed fund).

The Manager has a target asset allocation for each Fund. The actual asset allocation can change in response to market conditions. The actual asset allocation for actively managed funds can change as part of the Manager's active investment management.

The Manager may amend the asset class limit ranges for a Fund from time to time (by amending the SIPO with the Supervisor's consent). Any amendments will be implemented, by buying and selling assets for the affected Fund, as soon as reasonably practicable after the adoption of the revised SIPO.

For the purposes of section 167 of the FMCA, no limit break will occur if:

- the actual asset allocation of a Fund was, when the relevant amendment took effect, within the range for that Fund that applied immediately prior to the amendment; and

- the actual asset allocation of a Fund is brought in line with the new asset class limit ranges as soon as reasonably practicable after the amendment takes effect; or
- in relation to the Default Fund, the breach of the asset class limit range has occurred in the specific circumstances set out in the Instrument of Appointment.

The Funds operate as separate funds of the Plan for financial reporting purposes.

12. Benchmarks

The benchmarks that apply to each Fund are specified in Appendix 1.

For the purposes of our quarterly Fund Updates, benchmark (or market index) returns are calculated gross of fees and tax as per the Financial Markets Conduct Regulations 2014.

13. Authorised investments

The authorised investments for the Funds are set out in Appendix 1 of this SIPO. The authorised investments can be altered by way of amendment to this SIPO, and subject to agreement from the Supervisor.

The Funds may also invest in other investments that are not explicitly stated in this SIPO, that the Manager considers fall within the parameters of authorised investments and that appropriately reflect the risk profile of the relevant Fund and will contribute to the performance objectives of that Fund.

14. Related party transactions

Transactions with related parties which confer related party benefits are only permissible as per the FMC Act or with Supervisor consent. Transactions with related parties which confer no benefit are always permitted.

Refer to the offers register entry for the Plan on the Disclose Register website at <https://disclose-register.companiesoffice.govt.nz> for a copy of our Conflicts of Interest Policy.

15. Derivatives

The Funds and the underlying funds may use the derivatives referenced in the Asset Classes in Section 10. Where derivatives are used the resulting portfolio exposures to investments plus the economic exposure derived by derivative positions must comply with all appropriate guidelines in this SIPO.

16. Asset valuations and pricing

The guiding principle is that securities in the Funds are valued at a price that fairly and accurately represents the market price.

Securities are valued in accordance with the Trust Deed, the Unit Pricing and Valuation Policy, and the Unlisted and Suspended Securities Policy which can be found on the Plan's offers register entry: <https://disclose-register.companiesoffice.govt.nz/>.

17. Foreign currency hedging policy

The Manager may actively manage currency risk. The NZ Dollar target for each asset class is in the table below. The Manager may vary from the target level.

NZ Dollar exposure by asset class

Asset Class	Indicative Range %	Target %
Direct Property	0-110	70
International Fixed Interest	90-110	100
Australasian Shares	0-110	70
International Shares	0-110	50
Other	0-110	70

Separate to the NZ Dollar exposure, the Manager may also actively manage and vary exposure between foreign currency pairs.

18. Borrowing policy

The Manager may not arrange for moneys to be borrowed unless otherwise agreed, in writing, with the Supervisor as to both the purpose and extent of those borrowings.

For the purposes of this clause, amounts outstanding or payable for settlement purposes, taxation, or under a derivative contract permitted under this SIPO shall not be considered to be borrowing.

The Manager will ensure that the economic exposure to derivatives will not result in the Funds being leveraged (excluding amounts accrued which are due to be paid on the maturity of the derivative contract).

19. Investment guidelines

Investment concentration

The Manager will take reasonable care to ensure that underlying investments of the Plan (the underlying wholesale funds) provide appropriate levels of diversification (which includes number of securities held, across industries, issuer exposures, credit ratings) that would be expected of a prudent Manager when managing portfolios.

Unlisted securities

The maximum Fund exposure to unlisted Australasian Shares and International Shares shall be no more than 15%.

Liquidity

Reasonable care will be taken by the Manager to ensure the investments of each Fund are liquid (as described in section 6. Investment philosophy).

20. Asset class rebalancing policy

The weightings to each asset class will be reviewed, at least, weekly and the Funds rebalanced if appropriate. The Manager will have regard for transaction costs when considering whether a rebalancing is appropriate.

Members can find each Fund's actual asset allocations at the end of each quarter in the Fund Updates that are available at fisherfunds.co.nz/kiwisaver-plan/forms-and-documents.

21. Responsible investment policy

The Manager maintains a responsible investment policy with some exclusions and giving consideration to environmental, social and governance issues. The Manager is also required to ensure that the Default Fund's assets are not invested (directly or indirectly) in companies involved in certain activities relating to

cluster munitions, anti-personnel mines, nuclear explosive devices, and fossil fuel production. The Manager also applies the same criteria to all other funds available in the Plan.

Further information can be found in the responsible investment policy, available on our website at the following address: <https://fisherfunds.co.nz/responsible-investing>.

22. Taxation

The Plan is a Portfolio Investment Entity (**PIE**). The Plan pays tax calculated at the rate of the member's elected Prescribed Investor Rate (**PIR**). Details of the way the Plan calculates tax can be found in the Plan's Trust Deed and offer documents.

23. Permitted encumbrances

The Manager may not create or allow to exist any encumbrance over all or any part of the investments or property of the Plan or a Fund, except where it:

- has directed the Supervisor to encumber the property in accordance with the Trust Deed;
- arises by operation of law;
- was created by the Trust Deed in favour of the Supervisor or the Manager;
- was created by any nominee or custodian deed or agreement (however so described) and made in connection with holding or vesting such investments or property; or
- after consultation with the Supervisor, was made in favour of a third party in connection with investing such investments or property.

In this SIPO, "encumbrance" includes a mortgage, charge, assignment, pledge, lien, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect but, for the avoidance of doubt, excludes any right of set-off.

24. Investment Performance Monitoring and Reporting

Investment performance for the Plan is monitored monthly by the IMT and reviewed by the Investment Policy Committee when it meets. The Investment Policy Committee is responsible for setting portfolio objectives and constraints. In monitoring investment performance, the Investment Policy Committee considers an attribution analysis and other performance reports provided to it.

Performance of the Plan is monitored over various periods, including, monthly, quarterly, year-to-date and on a rolling 12 months' basis (gross of tax). Performance is measured on an absolute return basis as well as relative to the Fund benchmark indices.

25. SIPO Compliance and Review

Investment Compliance monitors whether the Funds are in compliance with the guidelines and investment objectives stated in this SIPO, daily. Reports are produced monthly, and Investment Compliance is a standing agenda item for Investment Policy Committee meetings. Monthly and quarterly compliance reports for the Plan are reviewed by relevant business teams and submitted to the Supervisor quarterly. Compliance with the benchmark asset allocations and prudential limits imposed by this SIPO is taken into consideration before trades are executed and monitored post-trade. The pre-trade compliance consists of using models that show the resulting asset allocation of the Fund assuming the planned trade is executed. Portfolio Managers fully understand the prudential limits of the portfolios and take this into account when determining appropriate trades. Each day monitoring is undertaken to ensure the investments of the Fund remain within the limits of the SIPO.

This SIPO is reviewed at least annually by the Manager and any changes are reviewed and approved by the Investment Policy Committee. The SIPO may only be amended or replaced with the Supervisor's consent. Material changes will be notified to affected members prior to taking effect.

Ad hoc reviews may occur where there is a change to any of the Funds including (but not limited to), the nature or type of investments, benchmark or asset ranges, or a change to any of the investment policies of the Funds.

Appendix 1 – Funds

Cash Fund

This Fund is suitable for a short term or naturally cautious investor who is looking to make a withdrawal within 12 months or who is most interested in low volatility of returns over achieving potential higher returns.

Fund Description	Aims to provide stable returns and reduce the potential of capital loss over the short to medium term by investing in cash and New Zealand short term fixed interest assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the short term.
Benchmark	S&P/NZX Bank Bills 90-Day Index or equivalent index
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Cash Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	100%	25%	100%
New Zealand fixed interest	0%	0%	75%

CashPlus Fund

This type of investment fund is generally more suitable for members with a short investment timeframe (less than three years) or members who have low tolerance for declines in the value of their member account. From 1 April 2019, this Fund no longer accepts new Fund members.

Fund Description	Aims to provide stable returns and reduce the potential of capital loss over the short to medium term by investing in cash and fixed interest assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the short term.
Benchmark	75% S&P/NZX Bank Bills 90-Day Index or equivalent index 12.5% New Zealand Fixed Interest: Bloomberg NZBond Composite 0+ Yr Index or equivalent index 12.5% International Fixed Interest: Bloomberg Global-Aggregate Total Return Index hedged into NZD or equivalent index
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives). Cash may be held for transactional purposes.

CashPlus Fund benchmark, minimum and maximum asset class weightings

Asset class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	75%	0%	100%
New Zealand fixed interest	12.5%	0%	100%
International fixed interest	12.5%	0%	75%

Default Conservative Fund

This Fund is suitable for a short term or naturally cautious investor who is nearing retirement or intends on making a withdrawal in the short term. It also suits an investor who values lower volatility of returns over achieving potential higher returns.

Fund Description	Aims to provide stable returns over the long term by investing mainly in income assets with a small allocation to growth assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the long term.
Benchmark	<p>29.5% Cash: S&P/NZX Bank Bills 90-Day Index or equivalent index</p> <p>21% New Zealand Fixed Interest: Bloomberg NZBond Composite 0+ Yr Index or equivalent index</p> <p>27% International Fixed Interest: Bloomberg Global-Aggregate Total Return Index hedged into NZD or equivalent index</p> <p>2% Direct Property: S&P/NZX All Real Estate Index</p> <p>6.5% Australasian Shares: 50% S&P/NZX50 Gross Index including imputation credits and 50% S&P/ASX 200 Accumulation Index 70% hedged into NZD</p> <p>12% International Shares: S&P Global LargeMidCap Index 50% hedged into NZD</p> <p>2% Other (Property and Infrastructure assets): 65% S&P Global Infrastructure Index (70% hedged to NZD), 15% S&P/ASX200 A-REIT Index (70% hedged to NZD) and 20% S&P/NZX All Real Estate Index</p>
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	<p>The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).</p> <p>Cash may be held for transactional purposes.</p>

Default Conservative Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	29.5%	2.0%	85.0%
New Zealand fixed interest	21.0%	0.0%	85.0%
International fixed interest	27.0%	0.0%	50.0%
Total Income Assets	77.5%	75.0%	85.0%
Direct property	2.0%	0.0%	15.0%
Australasian shares	6.5%	0.0%	15.0%
International shares	12.0%	0.0%	15.0%
Other	2.0%	0.0%	10.0%
Total Growth Assets	22.5%	15.0%	25.0%

Conservative Fund

This Fund is suitable for a short term or naturally cautious investor, looking to make a withdrawal in the short term or who values lower volatility of returns over achieving potential higher returns.

Fund Description	Aims to provide stable returns over the long term by investing mainly in income assets with a modest allocation to growth assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the long term.
Benchmark	14.5% Cash: S&P/NZX Bank Bills 90-Day Index or equivalent index 26% New Zealand Fixed Interest: Bloomberg NZBond Composite 0+ Yr Index or equivalent index 32% International Fixed Interest: Bloomberg Global-Aggregate Total Return Index hedged into NZD or equivalent index 5% Direct Property: S&P/NZX All Real Estate Index 5.5% Australasian Shares: 50% S&P/NZX50 Gross Index including imputation credits and 50% S&P/ASX 200 Accumulation Index 70% hedged into NZD 12% International Shares: S&P Global LargeMidCap Index 50% hedged into NZD 5% Other (Property and Infrastructure assets): 65% S&P Global Infrastructure Index (70% hedged to NZD), 15% S&P/ASX200 A-REIT Index (70% hedged to NZD) and 20% S&P/NZX All Real Estate Index
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives). Cash may be held for transactional purposes.

Conservative Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	14.5%	0.0%	100%
New Zealand fixed interest	26.0%	10.0%	100%
International fixed interest	32.0%	0.0%	60.0%
Total Income Assets	72.5%	50.0%	100.0%
Direct property	5.0%	0.0%	10.0%
Australasian shares	5.5%	0.0%	16.0%
International shares	12.0%	0.0%	20.0%
Other	5.0%	0.0%	10.0%
Total Growth Assets	27.5%	0.0%	50.0%

Default Fund

This Fund is suitable for a medium to long term investor who wants a balance between volatility of returns and achieving potential higher returns.

Fund Description	Aims to provide a balance between stability of returns and growing your investment over the long term by investing in a mix of income and growth assets. An enhanced passive investment style may be used at times.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the long term.
Benchmark	6% Cash: S&P/NZX Bank Bills 90-Day Index or equivalent index 17% New Zealand Fixed Interest: Bloomberg NZBond Composite 0+ Yr Index or equivalent index 17% International Fixed Interest: Bloomberg Global-Aggregate Total Return Index hedged into NZD or equivalent index. 20% Australasian Shares: S&P/NZX50 Gross Index including imputation credits 40% International Shares: S&P Global LargeMidCap Index 50% hedged into NZD
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives). Cash may be held for transactional purposes.

Default Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	6.0%	0.0%	55.0%
New Zealand fixed interest	17.0%	0.0%	55.0%
International fixed interest	17.0%	0.0%	30.0%
Total Income Assets	40.0%	37.0%	55.0%
Australasian shares	20.0%	0.0%	40.0%
International shares	40.0%	0.0%	60.0%
Total Growth Assets	60.0%	45.0%	63.0%

Balanced Fund

This Fund is suitable for a medium to long term investor who wants a balance between volatility of returns and achieving potential higher returns.

Fund Description	Aims to provide a balance between stability of returns and growing your investment over the long term by investing in a mix of income and growth assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the long term.
Benchmark	<p>3% Cash: S&P/NZX Bank Bills 90-Day Index or equivalent index</p> <p>17% New Zealand Fixed Interest: Bloomberg NZBond Composite 0+ Yr Index or equivalent index</p> <p>20% International Fixed Interest: Bloomberg Global-Aggregate Total Return Index hedged into NZD or equivalent index</p> <p>6% Direct Property: S&P/NZ All Real Estate Index</p> <p>14% Australasian Shares: 50% S&P/NZX50 Gross Index including imputation credits and 50% S&P/ASX 200 Accumulation Index 70% hedged into NZD</p> <p>34% International Shares: S&P Global LargeMidCap Index 50% hedged into NZD</p> <p>6% Other (Property and Infrastructure assets): 65% S&P Global Infrastructure Index (70% hedged to NZD), 15% S&P/ASX200 A-REIT Index (70% hedged to NZD) and 20% S&P/NZX All Real Estate Index</p>
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	<p>The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).</p> <p>Cash may be held for transactional purposes.</p>

Balanced Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	3.0%	0.0%	65.0%
New Zealand fixed interest	17.0%	0.0%	65.0%
International fixed interest	20.0%	0.0%	30.0%
Total Income Assets	40.0%	25.0%	65.0%
Direct property	6.0%	0.0%	20.0%
Australasian shares	14.0%	0.0%	40.0%
International shares	34.0%	0.0%	60.0%
Other	6.0%	0.0%	10.0%
Total Growth Assets	60.0%	35.0%	75.0%

Growth Fund

This Fund is suitable for a long term investor who can tolerate volatility of returns in the expectation of potential higher returns, and who has time on their side.

Fund Description	Aims to grow your investment over the long term by investing mainly in growth assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the long term
Benchmark	1% Cash: S&P/NZX Bank Bills 90-Day Index or equivalent index 11% New Zealand Fixed Interest: Bloomberg NZBond Composite 0+ Yr Index or equivalent index 7% International Fixed Interest: Bloomberg Global-Aggregate Total Return Index hedged into NZD or equivalent index 4.5% Direct Property: S&P/NZX All Real Estate Index 25% Australasian Shares: 50% S&P/NZX50 Gross Index including imputation credits and 50% S&P/ASX 200 Accumulation Index 70% hedged into NZD 47% International Shares: S&P Global LargeMidCap Index 50% hedged into NZD 4.5% Other (Property and Infrastructure assets): 65% S&P Global Infrastructure Index (70% hedged to NZD), 15% S&P/ASX200 A-REIT Index (70% hedged to NZD) and 20% S&P/NZX All Real Estate Index
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives). Cash may be held for transactional purposes.

Growth Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	1.0%	0.0%	30.0%
New Zealand fixed interest	11.0%	0.0%	30.0%
International fixed interest	7.0%	0.0%	15.0%
Total Income Assets	19.0%	0.0%	30.0%
Direct property	4.5%	0.0%	10.0%
Australasian shares	25.0%	10.0%	50.0%
International shares	47.0%	20.0%	80.0%
Other	4.5%	0.0%	10.0%
Total Growth Assets	81.0%	70.0%	100.0%

Aggressive Fund

This Fund is suitable for a long term investor who can tolerate significant volatility of returns in the expectation of potential higher returns, and who has time on their side.

Fund Description	Aims to grow your investment over the long term by investing predominantly in growth assets.
Investment Objective	The objective is to meet or exceed the return of the investment benchmark before fees and tax over the long term
Benchmark	5% Cash: S&P/NZX Bank Bills 90-Day Index or equivalent index 28% Australasian Shares: S&P/NZX50 Gross Index including imputation credits. 63% International Shares: S&P Global LargeMidCap Index 50% hedged into NZD 2% Direct Property: S&P/NZX All Real Estate Index 2% Listed Property: S&P/NZX All Real Estate Index
Authorised investments (subject to the applicable asset class descriptions in section 10 and investment concentration guidelines in section 19)	The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives). Cash may be held for transactional purposes.

Aggressive Fund benchmark, minimum and maximum asset class weightings

Asset Class	Benchmark Asset Allocation (Long Term Target)	Minimum	Maximum
Cash	5.0%	0.0%	20.0%
New Zealand fixed interest	0.0%	0.0%	30.0%
International fixed interest	0.0%	0.0%	30.0%
Total Income Assets	5.0%	0.0%	30.0%
Australasian shares	28.0%	15.0%	40.0%
International shares	63.0%	40.0%	80.0%
Direct property	2.0%	0.0%	20.0%
Listed property	2.0%	0.0%	15.0%
Commodities	0.0%	0.0%	5.0%
Other	0.0%	0.0%	10.0%
Total Growth Assets	95.0%	70.0%	100.0%