

Effective from 9 February 2022



## **Statement of Investment Policy and Objectives (SIPO)**

Garrison Bridge Superannuation Scheme

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## 1. Description of the Scheme

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The Garrison Bridge Superannuation Scheme (**Scheme**) is a managed investment scheme.

The Scheme offers six funds (each a **fund** and together the **funds**), all multi-asset-class funds including five passively managed investment funds and one actively managed investment fund. The funds are:

- NZD Conservative Fund
- NZD Growth Fund
- AUD Balanced Fund
- GBP Conservative Fund
- GBP Growth Fund
- GBP Balanced Active Fund



See Appendix A for more information on the asset classes our funds invest in.

## 2. Manager and supervisor

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Lifetime Asset Management Limited is the manager of the Scheme (**Lifetime, manager, we, us and our**). As the manager, we are responsible for managing the investments of the funds.

Public Trust is the licensed supervisor of the Scheme (**supervisor**). The supervisor is independent of us and supervises how we run the Scheme, for the benefit of you and other members.

## 3. Investment philosophy

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Our investment philosophy is based on seven key beliefs. We believe:

- long-term investments outperform short-term investments
- the target investment mix of a fund is the primary driver of investment risk and return
- a well-diversified portfolio providing exposure to a carefully selected mix of asset classes is necessary for investors to meet their investment goals
- in the value of quality, simplicity and transparency when selecting investments

- by investing in multi-asset-class funds, we maximise diversification for investors
- in the importance of strong governance and efficient portfolio management and implementation
- the relationship between risk and return means that growth assets are likely to deliver higher returns over time but may be more volatile (prices falling as well as rising) while income assets are usually less volatile but are also likely to deliver a lower return over the long term.

#### 4. Investment strategy

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##### Investment strategy

Each fund has a different investment strategy. The investment strategy of a fund is made up of the:

- investment objectives
- target investment mix
- target investment mix operating ranges (or limits)
- index or composite index that performance is measured against



See Appendix B for more information on the investment strategies of our funds.

##### Permitted investments

Our funds are permitted to invest in underlying funds and cash and cash equivalents.

#### 5. Investment objective

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Each fund has a different investment objective.



See Appendix B for more information on the objectives of our funds.

#### 6. Investment policy and processes

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The investment policy of the Scheme is to invest the assets of each fund according to the investment strategy described in the SIPO, while complying with:

- all applicable laws, and
- the requirements of the Scheme's governing document.

The processes set out below are followed when managing the assets of each fund.

#### Tactical asset allocation policy

The funds, through use of operating ranges attempt to add value by making short to medium term tactical asset allocations.

#### Liquidity and cash management policy

The Scheme bank account is monitored weekly. We monitor each fund's liquidity levels in order to meet obligations during normal market conditions. This includes having available funds to meet withdrawals, taxation payments, fees and expenses.

#### Derivatives policy

Financial instruments known as 'derivatives' may be used in some of the underlying funds for the purposes of risk management, performance enhancement or to optimise investment strategy implementation (i.e. as an alternative to investing in a physical asset). If an underlying fund contains derivatives this is implemented within and at the underlying fund level and not directly within, or at, the fund level.

#### Pricing/Valuation policy

Each working day, Adminis NZ Limited, the Administration Manager, calculates a unit price for each fund. This unit price will set the transactional value of a fund on that day for those investors wishing to contribute to or make a full withdraw from a fund/s.

Valuations are objective, not subject to undue influence and are independently verified by external audit processes on an annual basis.

Once the daily unit price is calculated and verified, it is applied to members' accounts within the registry. The value of a member's account on a particular day is the unit price calculated, for that day, multiplied by the number of units on issue to that investor.

In the event market values, systems or pricing interfaces are unavailable, Adminis NZ Limited may price the fund based on the movement of the market index the fund is measured against. Once market values become available, the normal pricing/valuation process will be followed.

#### Responsible investment

While none of the fund's current investments have a 100% ethical investment focus, responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the fund. Lifetime will continue to monitor the global investing environment, looking for funds that best align with the fund's goals.

## Currency hedging



See Appendix B for more information on the currency hedging of our funds.

## Rebalancing policy and limit break reporting

We recognise that market movements and cash flows can result in the actual asset allocations becoming different from the benchmark asset allocations. Therefore, we have adopted the following process for ensuring that actual asset allocation remains close to the benchmark asset allocations.



See Appendix B for more information on benchmark asset allocations and operating ranges.

We have set appropriate operating range limits for exposure to underlying asset classes and monitor them on a monthly basis, thus ensuring that maximum permitted operating range limits are not breached. The maximum permitted operating range limits have been designed based on the maximum permitted operating ranges of the underlying funds, with an appropriate margin.

If, at any time, any allocation falls outside of the operating ranges, we will arrange for a rebalancing to take place so as to restore the allocation to within the operating ranges within five working days.

For the avoidance of doubt, the 'operating ranges' are not limits – they are simply the level of variance from benchmark above which we would normally begin making precautionary adjustments to asset allocations to ensure that the asset allocation remain as close to the benchmark asset allocations as possible and to prevent any limit break occurring.

A 'limit break' is any breach of any limits on either the nature or type of investments that may be made by a fund, or the maximum permitted operating range being the proportion of each type of assets that may be invested in.

In determining whether a limit break is material, the following factors will be considered:

- the size of the breach, in relation to the fund;
- any losses to members;
- whether the breach involves related party transactions;
- whether the breach is an isolated incident, or part of a recurring pattern of breaches;
- if the breach causes the PDS, registry entry, or an advertisement to which the offer relates, to be false or misleading;
- how quickly the breach is rectified after the manager becomes aware of the breach;
- how long the breach lasted.

### Proxy voting

The funds do not vote on proxies. However, the underlying funds that hold equities may vote on proxies.

## 7. Investment performance monitoring and reporting

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### Measuring performance

Investment performance (also known as returns) is measured each working day as part of the unit pricing process and this forms the basis for the performance calculations.

We measure performance for each fund on:

- an after-fees and before-tax basis, and
- an after-fees and after-tax (at the highest PIR) basis.

Each month, the performance outcomes for each fund are aggregated into longer-term measures of performance, including but not limited to monthly, three-monthly, one-year, three-year and five-year. These are compared against fund objectives and indices.

### Market indices

The performance of each fund is compared against a relevant market index or composite index.



The market indices are available on the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (click 'search offers' and search for 'Garrison Bridge Superannuation Scheme').

## 8. Investment strategy review

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We oversee the development, implementation, monitoring and performance of the investment strategy of the funds within the Scheme, including choosing or removing underlying investment funds.

We may seek advice and recommendations from external investment advisers concerning the funds and underlying investment funds including, whether or not to add or remove an underlying investment fund. We also utilise investment research and other tools to provide recommendations on investment managers, where applicable.

Reviews of investment strategy are normally carried out on a bi-annual basis or when market conditions warrant it. The last review of strategic asset allocation was completed in November 2021.

## 9. SIPO compliance and review

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We monitor the funds each month to ensure compliance with the SIPO.

We review the SIPO annually and on an ad-hoc basis as required. An ad-hoc review may come about as a result of any fundamental changes in the investment environment or any changes to any fund's investment objectives.

We can make changes to the SIPO at any time. Any changes are approved by us. We will consult with the supervisor before making any changes and any material changes will be outlined in the Scheme's annual report.



The most up-to-date version of the SIPO is available on the Scheme register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) (click 'search Schemes' and search for 'Garrison Bridge Superannuation Scheme').

## 10. No guarantee of investments in the Scheme

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### No guarantee of investments in the Scheme

Investments in the Scheme are not deposits in Retirement Income Group Limited (**RIG**) or their subsidiaries (together RIG), nor are they liabilities of RIG. Investments are subject to investment risk, including possible delays in repayment, and loss of income and principal invested. RIG will not be liable to you for the capital value or performance of your investment.

Your investment in the Scheme is not guaranteed by RIG, the supervisor, any of their directors, board members, or any other person.

### No guarantee of fund objectives

We do not guarantee that the objectives of each fund will be achieved.



## Appendices

## Appendix A – Asset classes

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The asset classes that our funds and underlying funds invest in are described below:

| Asset class                               | Description                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cash and cash equivalents</b>          | May include interest-bearing deposits with one or more registered banks (such as term deposits), short-term debt securities, floating rate notes.                                                                                                                                                                |
| <b>Fixed interest assets</b>              | May include debt securities issued by governments, corporations, local authorities or banks (called issuers). The issuer generally pays a set (or fixed) interest rate for a set period of time. Cash and cash equivalents may also be included in fixed interest assets.                                        |
| <b>Listed property assets</b>             | Shares or units in listed property trusts or companies. Those trusts or companies own or invest directly in commercial property.                                                                                                                                                                                 |
| <b>Equities</b>                           | Investments that give the holder part-ownership of a company, corporation or similar entity, including units, shares, or other equity investments, such as some types of exchange traded futures. These investments are generally listed on a stock exchange. Equities might sometimes be referred to as shares. |
| <b>Other (such as alternative assets)</b> | An asset that doesn't fit into our four main asset classes (cash and cash equivalents, fixed interest, listed property and equities). Alternative assets can include commodities, hedge funds, private equity, infrastructure, and unlisted property funds.                                                      |

The funds and underlying funds may invest in other investments that we consider to be part of the relevant asset class.



We may also use derivatives, see page 5 for more information.

## Appendix B – Fund objectives and strategy

### NZD Conservative Fund

| Risk indicator <sup>1</sup>                                                                                                          | Establishment date | Description                                                                                                                                                                                                                                                                                | Investment objectives                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>← Potentially lower returns</p> <p>Potentially higher returns →</p> <p>← Lower risk</p> <p>Higher risk →</p> <p>1 2 3 4 5 6 7</p> | 3 December 2018    | New Zealand Dollar denominated fund employing an active asset allocation strategy and a passive investment management strategy invested 70% in income assets (New Zealand and international fixed interest), with 30% exposure to growth assets (Australasian and international equities). | Seeks to track composite indices (before annual fund charge and tax), comprising 10% S&P/NZX Bank Bills 90-Day Index, 40% Bloomberg NZ Bond Govt 0+ Yr Index, 20% Bloomberg Barclays Global Aggregate Corporate Index, 20% S&P/NZX 50 Gross Index (including imputation credits) and 10% MSCI World Ex Australia Custom ESG Leaders Index. |

### Benchmark Asset Allocation, Range, and Benchmark Index

The assets of the fund will be invested within the investment ranges set out below:

| Asset class                  | Underlying investment fund                                     | Benchmark asset allocation | Maximum operating ranges | Currency hedging | Benchmark Index                                       |
|------------------------------|----------------------------------------------------------------|----------------------------|--------------------------|------------------|-------------------------------------------------------|
| Cash and cash equivalents    | Harbour Enhanced Cash Fund                                     | 10%                        | 0% - 100%                | Not applicable   | S&P/NZX Bank Bills 90-Day Index                       |
| New Zealand fixed interest   | Simplicity NZ Bond Fund                                        | 40%                        | 30% - 50%                | Not applicable   | Bloomberg NZ Bond Govt 0+ Yr Index                    |
| International fixed interest | NZX/iShares Core Global Bond UCITS ETF                         | 20%                        | 15% - 40%                | 100% hedged      | Bloomberg Barclays Global Aggregate Corporate Index   |
| Australasian equities        | Simplicity NZ Share Fund                                       | 20%                        | 5% - 30%                 | 100% hedged      | S&P/NZX 50 Gross Index (including imputation credits) |
| International equities       | Blackrock iShares Core MSCI World ex Australia ESG Leaders ETF | 10%                        | 5% - 20%                 | Not hedged       | MSCI World Ex Australia Custom ESG Leaders Index      |
| <b>Total assets</b>          |                                                                | <b>100%</b>                |                          |                  |                                                       |

#### Notes

- As all the funds have not been in existence for five years, the risk indicator is based on market returns data and actual returns for the five years to the quarter ending 30 September 2021. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the funds. Please refer the supplementary information on underlying funds and market indices which is available on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

#### Currency hedging

Global equity exposure is achieved using an Australian Dollar denominated fund and is not hedged back to New Zealand Dollars. The fund will not hold unhedged exposure back to the New Zealand Dollar of greater than 20%.

## NZD Growth Fund

| Risk indicator <sup>1</sup>                                                                                     | Establishment date | Description                                                                                                                                                                                                                                                                                | Investment objectives                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>← Potentially lower returns</p> <p>Potentially higher returns →</p> <p>← Lower risk</p> <p>Higher risk →</p> | 3 December 2018    | New Zealand Dollar denominated fund employing an active asset allocation strategy and a passive investment management strategy invested 16% in income assets (New Zealand and international fixed interest), with 84% exposure to growth assets (Australasian and international equities). | Seeks to track composite indices (before annual fund charge and tax), comprising 8% Bloomberg NZ Bond Govt 0+ Yr Index, 8% Bloomberg Barclays Global Aggregate Corporate Index, 30% S&P/NZX 50 Gross Index (including imputation credits) and 54% MSCI World Ex Australia Custom ESG Leaders Index. |

### Benchmark Asset Allocation, Range, and Benchmark Index

The assets of the fund will be invested within the investment ranges set out below:

| Asset class                  | Underlying investment fund                                           | Benchmark asset allocation | Maximum operating ranges | Currency hedging | Benchmark Index                                       |
|------------------------------|----------------------------------------------------------------------|----------------------------|--------------------------|------------------|-------------------------------------------------------|
| Cash and cash equivalents    | Not applicable                                                       | 0%                         | 0% - 100%                | Not applicable   | Not applicable                                        |
| New Zealand fixed interest   | Simplicity NZ Bond Fund                                              | 8%                         | 5% - 15%                 | Not applicable   | Bloomberg NZ Bond Govt 0+ Yr Index                    |
| International fixed interest | iShares Core Global Bond UCITS ETF                                   | 8%                         | 5% - 15%                 | 100% hedged      | Bloomberg Barclays Global Aggregate Corporate Index   |
| Australasian equities        | Simplicity NZ Share Fund (15%)<br>Harbour NZ Index Shares Fund (15%) | 30%                        | 20% - 50%                | Not applicable   | S&P/NZX 50 Gross Index (including imputation credits) |
| International equities       | Blackrock iShares Core MSCI World ex Australia ESG Leaders ETF       | 54%                        | 40% - 60%                | Not hedged       | MSCI World Ex Australia Custom ESG Leaders Index      |
| <b>Total assets</b>          |                                                                      | <b>100%</b>                |                          |                  |                                                       |

### Notes

- As all the funds have not been in existence for five years, the risk indicator is based on market returns data and actual returns for the five years to the quarter ending 30 September 2021. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the funds. Please refer the supplementary information on underlying funds and market indices which is available on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

### Currency hedging

Global equity exposure is achieved using an Australian Dollar denominated fund and is not hedged back to New Zealand Dollars. The fund will not hold unhedged exposure back to the New Zealand Dollar of greater than 65%.

## AUD Balanced Fund

| Risk indicator <sup>1</sup>                                                                                                          | Establishment date | Description                                                                                                                                                                                                                                                               | Investment objectives                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>← Potentially lower returns</p> <p>Potentially higher returns →</p> <p>← Lower risk</p> <p>Higher risk →</p> <p>1 2 3 4 5 6 7</p> | 3 December 2018    | Australian Dollar denominated fund employing an active asset allocation strategy and a passive investment management strategy invested 40% in income assets (international fixed interest), with 60% exposure to growth assets (Australasian and international equities). | Seeks to track composite indices (before annual fund charge and tax), comprising 20% Bloomberg Aus Bond Credit 0+ Yr Index, 20% Bloomberg Barclays Global Treasury Scaled Index hedged into Australian Dollars, 20% FTSE Australia 300 Choice Index and 40% MSCI World ex Australia Custom ESG Leaders Index 100% hedged to AUD. |

### Benchmark Asset Allocation, Range, and Benchmark Index

The assets of the fund will be invested within the investment ranges set out below:

| Asset class                  | Underlying investment fund                                     | Benchmark asset allocation | Maximum operating ranges | Currency hedging | Benchmark Index                                                                |
|------------------------------|----------------------------------------------------------------|----------------------------|--------------------------|------------------|--------------------------------------------------------------------------------|
| Cash and cash equivalents    | Not applicable                                                 | 0%                         | 0% - 100%                | Not applicable   | Not applicable                                                                 |
| International fixed interest | iShares ESG Aware USD Corporate Bond ETF                       | 20%                        | 10% - 30%                | Not applicable   | Bloomberg Aus Bond Credit 0+ Yr Index                                          |
| International fixed interest | Vanguard International Fixed Interest Index (hedged) ETF       | 20%                        | 10% - 30%                | 100% hedged      | Bloomberg Barclays Global Treasury Scaled Index hedged into Australian Dollars |
| Australasian equities        | Vanguard Ethically Conscious Australian Shares Index           | 20%                        | 10% - 40%                | Not applicable   | FTSE Australia 300 Choice Index                                                |
| International equities       | Blackrock iShares Core MSCI World ex Australia ESG Leaders ETF | 40%                        | 30% - 50%                | 100% hedged      | MSCI World ex Australia Custom ESG Leaders Index 100% hedged to AUD            |
| <b>Total assets</b>          |                                                                | <b>100%</b>                |                          |                  |                                                                                |

#### Note

1. As all the funds have not been in existence for five years, the risk indicator is based on market returns data and actual returns for the five years to the quarter ending 30 September 2021. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the funds. Please refer the supplementary information on underlying funds and market indices which is available on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

#### Currency hedging

The base currency of the fund and underlying funds is Australian Dollars. No currency hedging is performed at the fund level and the fund is not hedged to New Zealand Dollars. The underlying funds invest in international securities and are 100% hedged back to Australian Dollars by the investment manager of the underlying funds.

The currency hedging is passive, meaning the investment manager of the underlying funds target the benchmark hedging level (i.e. 100%), although actual hedging may differ from this, due to cash flow and market movements.

## GBP Conservative Fund

| Risk indicator <sup>1</sup>                                                                                     | Establishment date | Description                                                                                                                                                                                                                                                | Investment objectives                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>← Potentially lower returns</p> <p>Potentially higher returns →</p> <p>← Lower risk</p> <p>Higher risk →</p> | 3 December 2018    | Great British Pound denominated fund employing an active asset allocation strategy and a passive investment management strategy invested 65% in income assets (international fixed interest), with 35% exposure to growth assets (international equities). | Seeks to track composite indices (before annual fund charge and tax), comprising 10% iBoxx MSCI ESG GBP Liquid Investment Grade Ultrashort, 55% Bloomberg Barclays Global Aggregate Corporate Index, 5% FTSE EPRA/NAREIT UK Property Index and 30% MSCI world ESG Screened Net GBP |

### Benchmark Asset Allocation, Range, and Benchmark Index

The assets of the fund will be invested within the investment ranges set out below:

| Asset class                  | Underlying investment fund                                    | Benchmark asset allocation | Maximum operating ranges | Currency hedging                    | Benchmark Index                                             |
|------------------------------|---------------------------------------------------------------|----------------------------|--------------------------|-------------------------------------|-------------------------------------------------------------|
| Cash and cash equivalents    | iShares GBP Ultrashort Bond ESG ETF                           | 10%                        | 0% - 100%                | Not applicable                      | iBoxx MSCI ESG GBP Liquid Investment Grade Ultrashort Index |
| International fixed interest | iShares ESG Screened Global Corporate Bond Index Fund Class D | 55%                        | 45% - 65%                | 100% hedged to Great British Pounds | Bloomberg Barclays Global Aggregate Corporate Index         |
| Listed property              | iShares UK Property UCITS ETF                                 | 5%                         | 0% - 20%                 | 100% hedged                         | FTSE EPRA/NAREIT UK Property Index                          |
| International equities       | iShares Developed World ESG Screened Index Fund Class D       | 30%                        | 10% - 35%                | 100% hedged to Great British Pounds | MSCI World ESG Screened Index Net GBP                       |
| <b>Total assets</b>          |                                                               | <b>100%</b>                |                          |                                     |                                                             |

### Notes

- As all the funds have not been in existence for five years, the risk indicator is based on market returns data and actual returns for the five years to the quarter ending 30 September 2021. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the funds. Please refer the supplementary information on underlying funds and market indices which is available on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

### Currency hedging

The base currency of the fund is Great British Pounds and the base currency of the underlying global funds are United States Dollars. No currency hedging is performed at the fund level and the fund is not hedged to New Zealand Dollars. The underlying funds invest in international securities and are hedged back to United States Dollars by the investment manager of the underlying funds. The investment manager of underlying funds 100% hedge the underlying funds to Great British Pounds.

The currency hedging is passive, meaning the investment manager of the underlying funds target the benchmark hedging level (i.e. 100%), although actual hedging may differ from this, due to cash flow and market movements.

## GBP Growth Fund

| Risk indicator <sup>1</sup>                                                                                     | Establishment date | Description                                                                                                                                                                                                                                                                    | Investment objectives                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>← Potentially lower returns</p> <p>Potentially higher returns →</p> <p>← Lower risk</p> <p>Higher risk →</p> | 3 December 2018    | Great British Pound denominated fund employing an active asset allocation strategy and a passive investment management strategy invested 15% in income assets (international fixed interest), with 85% exposure to growth assets (listed property and international equities). | Seeks to track composite indices (before annual fund charge and tax), comprising 15% Bloomberg Barclays Global Aggregate Corporate Index, 7% FTSE EPRA/NAREIT UK Property Index and 78% MSCI world ESG Screened Index Net GBP. |

### Benchmark Asset Allocation, Range, and Benchmark Index

The assets of the fund will be invested within the investment ranges set out below:

| Asset class                  | Underlying investment fund                                    | Benchmark asset allocation | Maximum operating ranges | Currency hedging                    | Benchmark Index                                     |
|------------------------------|---------------------------------------------------------------|----------------------------|--------------------------|-------------------------------------|-----------------------------------------------------|
| Cash and cash equivalents    | Not applicable                                                | 0%                         | 0% - 100%                | Not applicable                      | Not applicable                                      |
| International fixed interest | iShares ESG Screened Global Corporate Bond Index Fund Class D | 15%                        | 5% - 35%                 | 100% hedged to Great British Pounds | Bloomberg Barclays Global Aggregate Corporate Index |
| Listed property              | iShares UK Property UCITS ETF                                 | 7%                         | 0% - 20%                 | 100% hedged                         | FTSE EPRA/NAREIT UK Property Index                  |
| International equities       | iShares Developed World ESG Screened Index Fund Class D       | 78%                        | 60% - 85%                | 100% hedged to Great British Pounds | MSCI world ESG Screened-Index Net GBP               |
| <b>Total assets</b>          |                                                               | <b>100%</b>                |                          |                                     |                                                     |

### Notes

1. As all the funds have not been in existence for five years, the risk indicator is based on market returns data and actual returns for the five years to the quarter ending 30 September 2021. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the funds. Please refer the supplementary information on underlying funds and market indices which is available on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

### Currency hedging

The base currency of the fund is Great British Pounds and the base currency of the underlying funds are United States Dollars. No currency hedging is performed at the fund level and the fund is not hedged to New Zealand Dollars. The underlying funds invest in international securities and are hedged back to United States Dollars by the investment manager of the underlying funds. The investment manager of underlying funds 100% hedge the underlying funds to Great British Pounds.

The currency hedging is passive, meaning the investment manager of the underlying funds target the benchmark hedging level (i.e. 100%), although actual hedging may differ from this, due to cash flow and market movements.

## GBP Balanced Active Fund

| Risk indicator <sup>1</sup>                                                                                                          | Establishment date | Description                                                                                                                                                                                                                                                                                                                                            | Investment objectives                                                                                                                                                                      | Underlying investment fund |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| <p>← Potentially lower returns</p> <p>Potentially higher returns →</p> <p>← Lower risk</p> <p>Higher risk →</p> <p>1 2 3 4 5 6 7</p> | 11 February 2019   | Great British Pound denominated fund that seeks to generate modest capital growth over the medium to long-term and return above the rate of inflation. The fund will be invested in an actively managed and diversified portfolio of equity, fixed income, absolute return, property and commodity investments at various parts of the economic cycle. | Seeks to track a composite index (before annual fund charge and tax), comprising 50% MSCI World (net dividends) (LCT) and 50% Bloomberg Barclays Global Aggregate Bond Index (GBP hedged). | TAM Balanced Fund          |

### Benchmark Asset Allocation, Range, and Benchmark Index

The assets of the fund will be invested within the investment ranges set out below:

| Asset class                  | Benchmark asset allocation | Operating ranges | Maximum permitted ranges | Currency hedging | Benchmark Index                                             |
|------------------------------|----------------------------|------------------|--------------------------|------------------|-------------------------------------------------------------|
| Cash and cash equivalents    | 0%                         | 0% to 15%        | 0% to 100%               | Not applicable   | Not applicable                                              |
| International fixed interest | 50%                        | 40% to 70%       | 10% to 75%               | Not applicable   | Bloomberg Barclays Global Aggregate Bond Index (GBP hedged) |
| International equities       | 50%                        | 30% to 60%       | 25% to 65%               | Not applicable   | MSCI World Index (net dividends) (LCT)                      |
| Other <sup>2</sup>           | 0%                         | 0% to 15%        | 0% to 20%                | Not applicable   | Not applicable                                              |
| <b>Total assets</b>          | <b>100%</b>                | <b>100%</b>      |                          |                  |                                                             |

### Notes

- As all the funds have not been in existence for five years, the risk indicator is based on market returns data and actual returns for the five years to 31 December 2020. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the funds. Please refer the supplementary information on underlying funds and market indices which is available on [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).
- The asset category "Other" includes investments that are neither pure long only traditional equity or fixed interest assets but are investments in funds that deploy both strategies to create a neutral impact on risk exposure and form a more defensive element to the fund.

### Currency hedging

The base currency of the fund is Great British Pounds. No currency hedging is performed at the fund level and the fund is not hedged to New Zealand Dollars. The underlying fund invest in international securities and are not hedged back to Great British Pounds by the investment manager of the underlying funds.



