



# **Asteron Retirement Plus Personal Superannuation Plan**

## **Statement of Investment Policy and Objectives**

Effective from: 30 November 2016

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# 1. Background

## Description of the Scheme

Asteron Retirement Plus Personal Superannuation Plan (**Scheme**) is a defined contribution superannuation scheme. Asteron Retirement Plus Personal Superannuation Plan is registered as a restricted and legacy superannuation scheme under the Financial Markets Conduct Act 2013 (**FMCA**).

The Scheme is closed to new members.

Asteron Retirement Investment Limited (**ARIL**) is the trustee and manager of the Scheme. ARIL provides the benefits under the Scheme by investing members' investments in policies issued by Asteron Life Limited (**Policies**). The Policies are the Scheme's sole investments. Through the Policies, members can access a range of investment funds.

Asteron Life Limited, as provider of the Policies, has appointed Suncorp Corporate Services Pty Limited (**SCS**) as the Investment Manager for the investments funds under the Policies. SCS has appointed Nikko Asset Management New Zealand Limited (**Nikko AM NZ**) as the Sub-Investment Manager.

ARIL, Asteron Life Limited and SCS are companies within the Suncorp Group. ARIL has delegated responsibility for management oversight of the Scheme to Suncorp New Zealand's (**SNZ**) Chief Executive Officer (**CEO**). The SNZ CEO is supported to execute this responsibility by SNZ's Asset and Liability Committee (**ALCO**) and its sub-committees.

In this Statement of Investment Policy and Objectives (**SIPO**), references to the Scheme's investments are references to the assets of the Scheme as invested into the investments funds under the Policies.

## Availability of this SIPO

The current version of this SIPO is available on the register entry for the Scheme on the Disclose website at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## 2. Roles and Responsibilities

### Trustee/Manager

ARIL is responsible for the investment of the Scheme's assets, including:

- Maintaining the Scheme's investment governance framework;
- Setting the Scheme's investment objectives and risk tolerance;
- Determining the Scheme's investment strategy, including the benchmark asset allocations, ranges and other limits and identifying appropriate indices to benchmark investment performance against;
- Implementing the Scheme's investment strategy, via the Policies; and
- Monitoring the Scheme's investment performance relative to objectives and compliance with strategy limits.

ARIL has delegated management oversight of the Scheme to SNZ's CEO. This responsibility is supported by the advice and activities of SNZ's ALCO (and its sub-committees).

### Suncorp Head of Investments

Suncorp's Head of Investments (**Head of Investments**) will provide investment and strategy advice to ARIL as well as undertaking due diligence on any sub-investment managers before their appointment by SCS. The Head of Investments will also provide oversight and management of appointed sub-investment managers.

### 3. Investment Structure

The Scheme's investments are selected by the Sub-Investment Manager.

The Scheme's assets are currently, through the Policies, invested in:

- Nikko AM NZ wholesale and retail unit trusts, and
- Foreign and Colonial (F&C) wholesale unit trusts.

The underlying Nikko AM NZ unit trusts invest in a mix of:

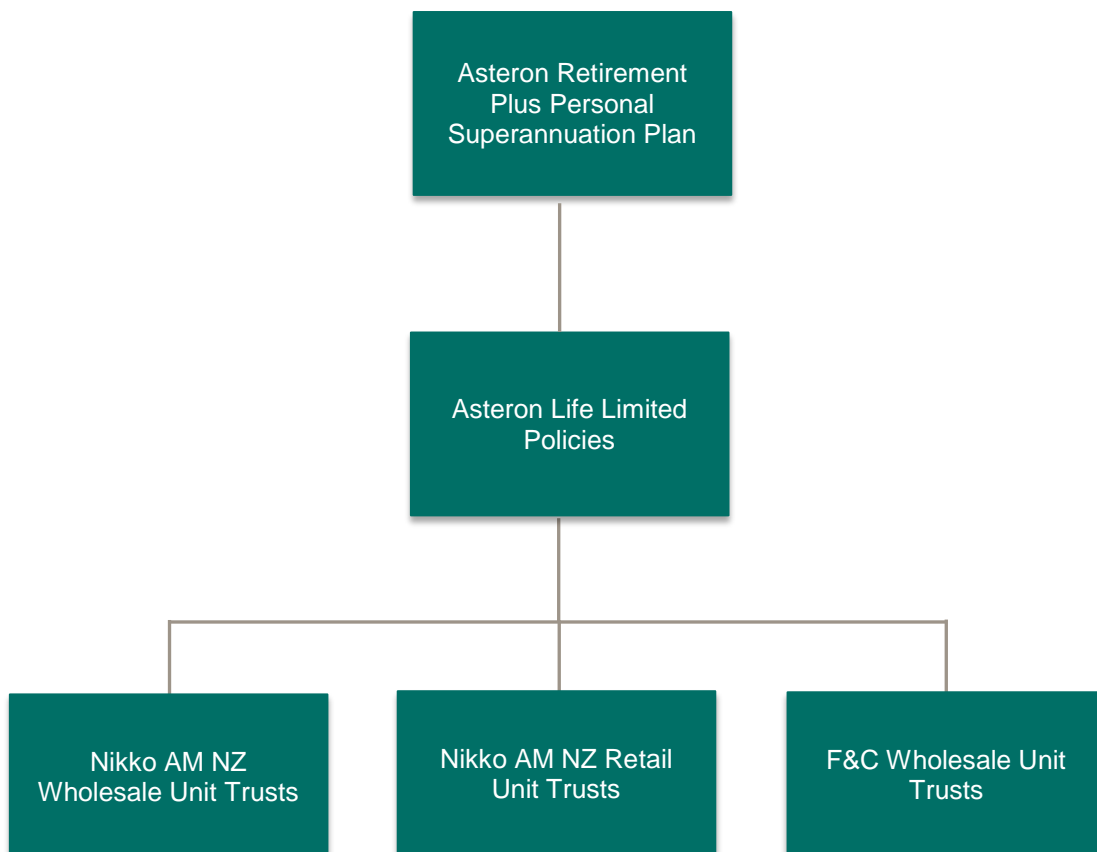
- Directly held investment securities, and
- Global fixed interest, Global equity and multi-strategy investment funds offered and managed by other investment managers.

The underlying F&C unit trusts provide exposure to the following regional equity markets:

- North America, and
- Europe.

Each of these underlying unit trusts will itself have an underlying investment manager. The investment styles of that underlying investment manager are taken into account in determining whether to invest in the relevant underlying investment unit trust.

The current investment structure is:



## 4. Investment Philosophy

The investment philosophy that underpins the investment strategies and arrangements of the Scheme is as follows:

- Investment strategy is an important driver of the investment returns, capital position and risk profile of the Scheme's investment portfolio;
- The Scheme's strategic asset allocation is set with specific reference to the permissible asset classes for the Scheme. Strategic asset allocation is generally adopted for a longer time horizon;
- Investments are subject to mispricing by markets from time to time and therefore value can be added from dynamic asset allocation and the selection of individual investments. Asset allocation should be managed actively in light of prevailing market conditions and risk appetite;
- Diversification across asset classes, regions, sectors, individual issuers and investment managers is important to reduce investment risk;
- Investment risk and return are considered holistically, with the overall performance of the investment strategy being considered in addition to the return from constituent parts of the strategy;
- Investment portfolios should be sufficiently liquid to ensure the Scheme's cash flow requirements can be met;
- Investment structures and arrangements which are simple and transparent are favoured; and
- Outsourcing of investment management to sector specialist investment managers who have the skills to actively manage investment portfolios across all asset classes.

## 5. Investment Processes

### Setting of Investment Objectives

ARIL sets the investment objectives for the Scheme. The process for setting investment objectives is:

- ARIL, after due consideration of advice from Suncorp's Head of Investments, will be responsible for preparing a set of investment objectives for the Scheme;
- The objective will be to maximise the return on assets within any contractual, risk and regulatory constraints while aligning with asset allocations and risk profiles communicated to members;
- A performance benchmark index must be specified for each permissible asset class that allows for the tracking of investment returns against specified performance objectives. ARIL is responsible for determining appropriate performance benchmarks, in consultation with the Head of Investments. The reasons as to why the performance benchmarks chosen are appropriate for the Scheme's liabilities and obligations will be documented by or on behalf of ARIL; and
- Once adopted, ARIL requires that the Scheme's investment objectives are delivered through the Policies.

Any excess return targets set above the Scheme's performance benchmarks must be approved by ARIL. ARIL will draw on advice from the Head of Investments and document how excess return targets have been set (if applicable) for each asset class.

The investment objectives are reviewed by ARIL whenever there is a material change required for consideration, or at least every two years.

### Setting of Investment Strategy

The setting of the investment strategy for the Scheme involves several components, including:

- Investment objectives;
- Appetite for investment risk;
- Permissible asset classes;
- Asset allocation ranges;
- Strategic asset allocation;
- Dynamic asset allocation;
- Investment style; and
- Regulatory capital considerations.

### Benchmark Asset Allocation

The Appendix summarises the benchmark asset allocations, the benchmark asset allocation ranges and the investment strategy for each retail investment fund within the Policies invested in by the Scheme.

## Review of Investment Strategy

ARIL, in consultation with the Head of Investments, undertakes a formal review of the Scheme's investment strategy at least every three years, including the benchmarks asset allocations and limits.

The primary aim of any adjustment to the Scheme's investment strategy is to improve the balance between risk and return and maximise the opportunity of achieving the Scheme's investment objectives.

## Investment Risk Limits

The Scheme has approved investment risk limits appropriate for the underlying investment funds. The investment risk limits are in the Appendix which sets out the strategic asset allocations and the asset allocation ranges.

ARIL is responsible for defining the metrics, risk tolerances and limits used to quantify and assess investment risks that apply to the Scheme. The investment mandate with any sub-investment manager appointed under the Policies must incorporate the relevant documented limits.

In determining the metrics, tolerances and limits, ARIL draws on advice from specialist services from Suncorp's Financial and Specialist Risk team (sourced through the local SNZ Chief Risk Office) and the Head of Investments.

## Investment Risk Monitoring

ARIL is responsible for ensuring the investment strategy complies with the Scheme's investment risk limits, permissible asset classes and asset allocation ranges as outlined in the SIPO.

In particular:

- The SNZ Chief Financial Officer (**CFO**) will ensure that compliance with SIPO limits is monitored daily. All compliance errors, issues and events will be reported to the SNZ Chief Risk Officer (**CRO**) and ARIL.
- The Head of Investments is responsible for the reporting and monitoring of sub-investment managers and will provide assurance to ARIL that the investment mandate with sub-investment managers complies with the risk limits in the SIPO.
- The SNZ CRO is responsible for providing second line oversight of the effectiveness of the investment control framework designed to monitor the activities of sub-investment managers.

## Permissible Asset Classes

Permissible asset classes for the Scheme are to be consistent with the specific domestic and international asset class or combination thereof provided for under the SIPO.

In consultation with the SNZ CFO and SNZ CRO, the Head of Investments is responsible for recommending permissible asset classes to the SNZ CEO for endorsement and ARIL for approval.

The Scheme invests in a range of approved asset classes, via investment funds within the Policies, being:

- Cash;
- Domestic listed property;
- Domestic and Global fixed interest;
- Domestic and Global equities;
- Domestic fixed interest options; and
- Multi-strategy funds (including hedge funds).



The following derivatives are authorised within the Policies for the Scheme:

- Written (or bought) call and put options;
- Interest rate swaps;
- Futures; and
- Repurchase agreements (Repos).

Any changes to permissible assets will be documented in this SIPO and reflected in an updated investment mandate.

No gearing is allowed within the Scheme's portfolios.

The Head of Investments will provide assurance to ARIL that all investment mandates comply with the permissible asset class requirements. Any breaches of permissible asset class requirements will be notified to the SNZ CRO and will be rectified in accordance with the rebalancing policy summarised in section 7.

### **Strategic Asset Allocation**

The strategic asset allocation process involves setting long term benchmark weights for key asset classes as well as ranges around those benchmark weights to allow for market movements, and to take advantage of short-to-medium market views. The asset class ranges are also approved by ARIL.

The strategic asset allocation is approved by ARIL. Strategic asset allocation must be determined by considering the Scheme's investment objectives and investment risk limits as established by ARIL.

This requires:

- Assessing the risk-return expectations of members and expected volatility of returns;
- Considering the liquidity, investment fee and tax implications associated with different asset allocations and how they affect member risks and returns;
- Ensuring asset allocations are in line with ARIL approved risk limits (e.g. concentration limits); and
- Understanding the impact on capital requirements from various asset allocations.

The Head of Investments is responsible for preparing a recommendation to ARIL for the appropriate strategic asset allocation for the Scheme.

A comprehensive strategic asset allocation review must be conducted within the timeframes required by ARIL. The Head of Investments is responsible for overseeing the review process for the Scheme by delegation from ARIL.

Any material changes to the strategic asset allocation and asset allocation ranges must be approved by ARIL and then integrated into the investment processes under the Policies.

### **Dynamic Asset Allocation**

Dynamic asset allocation refers to the process of adopting an asset allocation that is different from the strategic asset allocation in light of the short to medium-term outlook for investment markets. The Scheme may adopt dynamic asset allocation to realise the potential benefits of enhanced returns and reduced risk associated with mispricing by markets from time to time.

ARIL is responsible for approving the overall dynamic asset allocation framework for the Scheme's investments after due consideration of advice from the Head of Investments. All aspects of dynamic asset allocation execution are delegated by ARIL to the Head of Investments.

## Investment Manager Selection

Asteron Life Limited (as provider of the Policies in which the Scheme invests) has appointed SCS as the investment manager of the Policies which has, in turn, appointed Nikko AM NZ as a sub-investment manager. SCS may appoint a new sub-investment manager without notice to members. Sub-investment manager appointments are reviewed at least every three years.

Sub-investment manager selection is undertaken by Asteron Life Limited, ARIL and SCS. When selecting a sub-investment manager, Asteron Life Limited, ARIL, SCS and the Head of Investments undertake a due diligence and approval process. In evaluating sub-investment managers, Asteron Life Limited, ARIL, SCS and the Head of Investments apply the following criteria:

- Effective governance and alignment structures including the quality of the parent organisation;
- Scale/funds under management;
- Talented and sufficiently resourced investment teams;
- Clearly defined and consistently applied investment philosophies;
- Investment styles consistent with their investment philosophies;
- Sound and disciplined investment processes; and
- Track record.

Each sub-investment manager is required to provide SCS with a monthly compliance certificate that provides detail on any breaches of the investment mandate of the investment funds that the Scheme invest in through the Policies.

## SIPO Review

The SIPO is reviewed annually. ARIL may also review the SIPO in consultation with the Head of Investments and, subject to the restrictions and procedures below, amend the SIPO on an ad hoc basis as a result of adverse market conditions or other events.

ARIL can make changes to the SIPO in accordance with the Scheme's trust deed and the FMCA. Before making any changes to the SIPO, ARIL will consult with the Head of Investments.

## 6. Investment Objectives

The Scheme's investment objectives are to:

- Ensure that for each investment fund the Scheme's assets are invested in accordance with the investment mandate, which reflects the intended risk profile for each fund; and
- Ensure the Scheme generates investment returns that meet targeted returns in excess of the applicable benchmark.

The performance of each fund will be assessed over a rolling three-year period, with reference to the return targets in excess of the performance benchmark index, as summarised in the Appendix.

Individual investment objectives, investment performance benchmarks and target returns for each of Scheme's retail investment funds are set out in the Appendix.

### Currency Management

ARIL believes that an active approach to currency hedging is appropriate. The responsibility of managing the level of currency exposure in the relevant investment funds as part of the strategic asset allocation and dynamic asset allocation processes is undertaken within the investment funds by the Head of Investments.

The investment funds will not maintain the same level of currency hedging at all times. Currency hedging for the Scheme can be undertaken directly or indirectly by investing in hedged investment funds via the Policies.

### Currency Hedging – Global Equity Funds

The currency hedging for the specialist single sector global equity funds only (i.e. Global, European, and North American equities), aims to be 25% hedged into NZ Dollars (NZD). This does not apply to the composite funds, where the currency hedging into NZD may vary between 15-35%.

## 7. Policies and Protocols

Suncorp has an investment governance framework that applies to the SIPO.

### Investment Performance Reporting

SNZ Finance is responsible for providing performance and risk reporting to ARIL. The type of information contained within the investment reports includes:

- Investment returns, in absolute and relative (against benchmark) terms, as appropriate to the investment objectives;
- Attribution of investment returns;
- Investment risk profile;
- Compliance with the SIPO;
- Reconciliation of reported investment performance returns to statutory accounts and/or regulatory returns; and
- Material changes to the investment strategy, related policies or frameworks that require the endorsement or approval of ARIL.

### Performance Monitoring

Investment performance is monitored monthly for the following performance periods:

- Monthly;
- Quarterly;
- Six-monthly;
- Annually;
- Rolling three-year;
- Rolling five-year; and
- Rolling seven-year.

Exceptions, including unexpected performance dispersion or negative outcomes, are highlighted in this reporting, and any recommended remedial actions are noted for ARIL to approve.

### Rebalancing

Asset allocation is monitored daily by SCS to confirm the Scheme's assets are invested under the Policies within the specified benchmark asset allocation ranges for each permissible asset class within individual funds.

The sub-investment manager is required to undertake pre-trade compliance to confirm trades will not breach the benchmark asset allocation ranges within the investment mandate. Independent post trade compliance is performed by MMC Limited (as investment administration services provider) to confirm the Scheme's investment assets are within specified benchmark asset allocation ranges.

If, for any reason, the Scheme's investment funds are in breach of any conditions within the investment mandate (including benchmark asset allocation ranges), the investment manager must remedy that breach as soon as practicable and no later than five business days after it becomes aware of that breach, or agree an alternative action with ARIL.

Where an asset allocation breach relates to an investment in a fund managed by a sub-investment manager, the investment manager will agree a time limit for rectifying the breach with ARIL.

## Liquidity Management

ARIL ensures that the Scheme has appropriate levels of liquidity, including holding cash and exposure to liquid securities. An appropriate level of liquidity has been determined for each investment fund to ensure that it maintains a suitable asset allocation to cash to ensure the following obligations can be fulfilled:

- Member withdrawals;
- Fees and expense payments;
- Taxation payments; and
- Rebalancing requirements.

## Investments in Suncorp Related Securities

No investment in Suncorp or Suncorp-related securities is permitted unless approved by both ARIL and the Suncorp Group Board.

The Scheme must comply with the Suncorp Group's general requirement on investments in Suncorp related securities. All exceptions to the general requirement must be reported by ARIL to the SNZ CRO, including any potential conflicts of interest.

ARIL will ensure that the Scheme will comply with the requirements of the FMCA in relation to any related party transactions.

## Investment Risk Management

The Scheme's assets are exposed to different risks that will lead to variation between the actual and expected returns. Fluctuations in investment performance results over time will directly affect the ability of the Scheme to meet its obligation to Scheme members. To reduce the potential negative effects of the risks, ARIL has adopted a risk management policy to support the effective governance and risk management of investment risks.

The SNZ CFO is responsible for developing supporting investment risk guidelines that set out the measures and controls that will support compliance with the Scheme's investment risk management, including within the Policies. Supporting guidelines developed will seek to be consistent with practices adopted across the Suncorp Group unless compelling reasons require otherwise.

## Pricing and Valuation

Pricing and valuation of the Scheme's assets has been outsourced to MMC Limited. MMC Limited applies its policies for asset and liability valuation, unit pricing, taxation and error reporting and compensation to the Scheme's assets held under the Policies.

## Conflicts of Interest

Suncorp recognises that effectively managing conflicts of interest will enhance Suncorp's ability to deliver financial products and services which create value for customers in an efficient, honest and fair manner. Suncorp has a conflicts of interest policy that applies to all employees, directors, officers, contractors, agents, financial advisers and suppliers. A conflict of interest is a situation in which a person's ability to make an objective and impartial decision is potentially compromised as a result of having a competing commercial, professional or personal interest or relationship. Suncorp identifies and takes all reasonably practicable actions to avoid or prudently manage all potential, actual and perceived conflicts of interest in carrying out its business operations and the provision of services to its customers.

## Operational Risk Management

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Suncorp promotes a risk aware culture and manages operational risk by having a consistent approach to identify, measure and aggregate, manage, monitor and report on operational risks. This includes early identification and management of operational risk incidents to minimise financial loss and disruption to business processes. Operational risk exposures are reported in an accurate and timely manner, and with remedial actions monitored and implemented within acceptable timeframes.

# Appendix:

Fund	Description of Fund	Investment Strategy	Investment Performance and Asset Allocation Objectives	Strategic Asset Allocations									
				Income Assets				Growth Assets					
				Cash and cash equivalents %	New Zealand Fixed Interest %	International Fixed Interest %	TOTAL Non-Growth %	Hedge Funds %	Australasian Equity %	New Zealand Listed Property %	International Equity (Hedged) %	International Equity (Unhedged) %	TOTAL Growth %
<b>Conservative:</b>  Asteron Retirement Plus Personal Superannuation Plan	This is a diversified fund that aims to achieve consistent growth over the medium to long term with a relatively low risk strategy. The fund's investment exposure is to both domestic and international markets. Investments are mainly in fixed interest securities. However, shares and property may be included to enhance the fund's overall growth prospects.	<ul style="list-style-type: none"> <li>- Achieve consistent growth over the medium to long term</li> <li>- Invest largely in fixed interest securities, both domestically and internationally</li> </ul>	<b>Investment Objectives:</b>										
			Strategic Asset Allocations	20%	39%	10%	69%		13%			18%	31%
			Strategic Asset Allocation Ranges	10-30%	29-49%	0-20%	54-84%		3-23%			8-28%	16-46%
			<b>Performance:</b>										
			Benchmark	S&P/NZX Bank Bills 90-Day Index									
Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	2.40%												
<b>Managed:</b>  Asteron Retirement Plus Personal Superannuation Plan	This is a broadly diversified fund that aims to achieve consistent growth over the medium to long term. This fund provides exposure to shares listed on the New Zealand, Australian and other international stock exchanges, as well as New Zealand, Australian and international fixed interest securities. The growth focus of shares is balanced with stability produced by fixed interest and cash. Exposure to property may also be included.	<ul style="list-style-type: none"> <li>- Maximise medium to long term returns</li> <li>- Invest in a judicious mix of equity type assets, anchored by a range of fixed interest securities</li> <li>- Use strict stock selection disciplines</li> </ul>	<b>Investment Objectives:</b>										
			Strategic Asset Allocations	18%	17%	5%	40%	5%	19%	5%	6%	25%	60%
			Strategic Asset Allocation Ranges	8-28%	7-27%	0-15%	25-55%	0-15%	4-34%	0-15%	0-16%	15-35%	45-75%
			<b>Performance:</b>										
			Benchmark	S&P/NZX Bank Bills 90-Day Index									
Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	3.60%												
<b>Aggressive:</b>  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve strong growth over the long term by managing the portfolio aggressively in terms of leveraged positions and seeking out undervalued equity shares with potential to outperform the sharemarket indices in their respective markets. This fund provides exposure to an internationally diversified portfolio of assets that include emerging markets, global developed markets and Multi Strategy Funds (also known as 'hedge' funds or 'absolute return' funds). There are no limits to the markets which may be selected.	<ul style="list-style-type: none"> <li>- Achieve strong capital growth</li> <li>- Allocate part of the portfolio to active trading</li> <li>- Control and lower the volatility of returns by investing in a mix of hedged funds using a multi strategy approach</li> </ul>	<b>Investment Objectives:</b>										
			Strategic Asset Allocations	5%			5%	30%	20%		11%	34%	95%
			Strategic Asset Allocation Ranges	0-15%			0-15%	10-50%	0-45%		0-26%	19-59%	85-100%
			<b>Performance:</b>										
			Benchmark	S&P/NZX Bank Bills 90-Day Index									
Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	4.40%												

\* The return targets are stated at the underlying Fund level (i.e. before taxes, fees, and expenses, but after investment management fees, at the underlying Fund level) rather than the Scheme level.

Fund	Description of Fund	Investment Strategy	Investment Performance and Asset Allocation Objectives	Strategic Asset Allocations										
				Income Assets				Growth Assets						
				Cash and cash equivalents	New Zealand Fixed Interest	International Fixed Interest	TOTAL Non-Growth	Hedge Funds	Australasian Equity	New Zealand Listed Property	International Equity (Hedged)	International Equity (Unhedged)	TOTAL Growth	
%	%	%	%	%	%	%	%	%	%	%				
<b>Money:</b>  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve a stable return, focusing on capital preservation. It invests only in high quality short term fixed interest securities and cash.	- Maximise medium term returns while ensuring preservation of capital. - Actively manage, by continual analysis and monitoring of interest rate movements, to ensure that capital gains are secured and that capital losses are minimised.	<b>Investment Objectives:</b>											
			Strategic Asset Allocations	100%			100%						0%	
			Strategic Asset Allocation Ranges	100%			100%						0%	
			<b>Performance:</b>											
			Benchmark	S&P/NZX Bank Bills 90-Day Index										
			Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	0.10%										
<b>Fixed Interest:</b>  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve growth over the medium term through exposure to a range of low risk New Zealand fixed interest securities. Suitable investments include New Zealand Government stock, local authority stock, debt issued by New Zealand companies and short term deposits.	- Maximise medium term returns. - Actively manage, by continual analysis and monitoring of interest rate movements, to ensure that capital gains are secured and that capital losses are minimised.	<b>Investment Objectives:</b>											
			Strategic Asset Allocations	2%	98%		100%						0%	
			Strategic Asset Allocation Ranges	0-10%	90-100%		0-100%						0%	
			<b>Performance:</b>											
			Benchmark	S&P/NZX Government Bond Index										
			Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	0.80%										
<b>Equity Fund:</b>  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve growth over the long term by investing predominantly in shares listed on the New Zealand Stock Exchange, although the fund may invest a small amount in the Australian sharemarket. Investment may be in both well established companies and those that promise growth.	- Achieve long term real growth by active management of shares. - Identify undervalued stocks and weight the portfolio with investments in growth areas of the New Zealand and Australian economies.	<b>Investment Objectives:</b>											
			Strategic Asset Allocations	2%			2%		98%				98%	
			Strategic Asset Allocation Ranges	0-10%			0-10%		90-100%				90-100%	
			<b>Performance:</b>											
			Benchmark	S&P/NZX 50 Index Gross (with imputation credits)										
			Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	2.70%										

\* The return targets are stated at the underlying Fund level (i.e. before taxes, fees, and expenses, but after investment management fees, at the underlying Fund level) rather than the Scheme level.



Fund	Description of Fund	Investment Strategy	Investment Performance and Asset Allocation Objectives	Strategic Asset Allocations									
				Income Assets				Growth Assets					
				Cash and cash equivalents %	New Zealand Fixed Interest %	International Fixed Interest %	TOTAL Non-Growth %	Hedge Funds %	Australasian Equity %	New Zealand Listed Property %	International Equity (Hedged) %	International Equity (Unhedged) %	TOTAL Growth %
North American Equity:  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve long term growth by providing exposure to ordinary shares and equity linked securities from American and Canadian companies. The fund currently utilises a mixture of funds offered by international fund managers. These funds invest either directly or via suitable unit trusts or other funds in shares.	- Achieve long term real growth from diversified portfolio. - Identify undervalued stocks and weight the portfolio with investments in growth areas of the North American economy.	<b>Investment Objectives:</b>										
			Strategic Asset Allocations	5%			5%				95%		95%
			Strategic Asset Allocation Ranges	0-10%			0-10%				90-100%		90-100%
			<b>Performance:</b>										
			Benchmark	MSCI North America Index with net dividends reinvested (25% NZD Hedged)									
			Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	1.90%									
European:  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve long term growth by focusing on the economics of Europe (excluding UK). This fund invests either directly or via suitable unit trusts or other funds in shares on the major European Stock Exchanges. The European fund currently utilises a fund offered by an international fund manager.	- Achieve real growth over the long term from a diversified portfolio. - To take advantage of the varying investment conditions from country to country within Europe.	<b>Investment Objectives:</b>										
			Strategic Asset Allocations	5%			5%				95%		95%
			Strategic Asset Allocation Ranges	0-10%			0-10%				90-100%		90-100%
			<b>Performance:</b>										
			Benchmark	MSCI Europe Index with net dividends reinvested (25% NZD Hedged)									
			Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	1.90%									
International Equity:  Asteron Retirement Plus Personal Superannuation Plan	This fund aims to achieve long term growth through exposure to a diverse range of international sharemarkets. The fund currently utilises a mixture of funds offered by both domestic and international fund managers, but may invest in other suitable trusts, funds or directly into appropriate global shares.	- Achieve real growth over the long term. - Spread risk by diversification of currency, economy, location and type of equity investment in several major regions of the world.	<b>Investment Objectives:</b>										
			Strategic Asset Allocations	2%			2%				17%	81%	98%
			Strategic Asset Allocation Ranges	0-10%			0-10%				90-100%		90-100%
			<b>Performance:</b>										
			Benchmark	MSCI All Countries World Accumulation Index (hedged and unhedged to NZD)									
			Return Target (before tax, fees, and expenses, but after investment management fees) in excess of Benchmark over a rolling 3 year period (% pa) *	1.90%									

\* The return targets are stated at the underlying Fund level (i.e. before taxes, fees, and expenses, but after investment management fees, at the underlying Fund level) rather than the Scheme level.