



OneAnswer

Investment Funds Guide

27 February 2012

Investment Portfolio

The whole of this OneAnswer Investment Funds Guide forms Part Two of the Product Disclosure Statement (PDS) for:

- OneAnswer Frontier Investment Portfolio
- OneAnswer Investment Portfolio
- OneAnswer Investment Portfolio //Select*.

* Only applicable for OneAnswer Investment Portfolio //Select investors who joined prior to 15 November 2010. No new investors are being accepted into OneAnswer Investment Portfolio //Select.

Before making an investment decision, you should read this Investment Funds Guide carefully together with the following books:

For OneAnswer Frontier Investment Portfolio:

- OneAnswer Frontier Investment Portfolio – Product Book (Part One)

For OneAnswer Investment Portfolio:

- OneAnswer Investment Portfolio – Product Book (Part One)

For OneAnswer Investment Portfolio //Select:

- OneAnswer Investment Portfolio – Product Book (Part One).
- OneAnswer Investment Portfolio // Select – Fees and Charges Guide (Part Three).

If you have not received all relevant parts of the PDS, please contact Customer Services.

Additional information can also be found in the incorporated material which is comprised of the OneAnswer Investment Portfolio Additional Information Guide. The incorporated material is available by contacting your financial adviser, visiting our website at onepath.com.au > Forms & brochures or free of charge by contacting Customer Services.

You should read all parts of the PDS and the incorporated material in its entirety before making a decision to invest.

Personal Super and Pension

This OneAnswer Investment Funds Guide consists of two documents:

1. the Important Information document, and
2. the Incorporation By Reference document (the IBR Document).

Each of these documents applies to the following OneAnswer Personal Super and Pension products:

- OneAnswer Frontier Personal Super
- OneAnswer Frontier Pension
- OneAnswer Personal Super
- OneAnswer Pension.

The information in the IBR Document contained within this Investment Funds Guide forms part of the Product Disclosure

Statement (PDS) dated 27 February 2012 for OneAnswer Personal Super and Pension. Its purpose is to give you more information and/or specific terms and conditions referred to in the PDS. You should consider all that information before making a decision to invest.

The Important Information document contained within this Investment Funds Guide does not form part of the PDS. Its purpose is to provide you with additional information in relation to OneAnswer Personal Super and Pension.

You can access a copy of the PDS, this Investment Funds Guide and any matter that is applied, adopted or incorporated in the PDS from our website at onepath.com.au > Forms & brochures or you can request a copy of this information free of charge by contacting Customer Services.

Important notes

References to 'OneAnswer' relate to OneAnswer Investment Portfolio, OneAnswer Personal Super, OneAnswer Pension, OneAnswer Investment Portfolio //Select, OneAnswer Frontier Investment Portfolio, OneAnswer Frontier Personal Super, OneAnswer Frontier Pension, ANZ OneAnswer Investment Portfolio, ANZ OneAnswer Personal Super and ANZ OneAnswer Pension.

OnePath Funds Management Limited (ABN 21 003 002 800, AFSL 238342) (OnePath Funds Management) is the issuer of OneAnswer Investment Portfolio, OneAnswer Investment Portfolio //Select, OneAnswer Frontier Investment Portfolio and ANZ OneAnswer Investment Portfolio.

OnePath Custodians Pty Limited (ABN 12 008 508 496, AFSL 238346, RSE L0000673) (OnePath Custodians) is the issuer of OneAnswer Personal Super and Pension, OneAnswer Frontier Personal Super and Pension and ANZ OneAnswer Personal Super and Pension.

In this Investment Funds Guide, the terms 'us', 'we' and 'our' when used in relation to a OneAnswer product, refer to the issuer of that particular product, which is either OnePath Funds Management or OnePath Custodians as the context requires.

Each issuer has prepared and is responsible for the contents of this Investment Funds Guide.

The information provided in this OneAnswer Investment Funds Guide is general information only and does not take into account your objectives, financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

Each external fund manager has provided its consent to statements relating to them being included in this Investment Funds Guide in the form and context in which it is included. No consents have been withdrawn at the time of preparation of this Investment Funds Guide.

OneAnswer Investment Portfolio – This OneAnswer Investment Funds Guide (comprising the information under the sections titled ‘Important Information’ and ‘How we invest your money’) forms Part Two of the Product Disclosure Statement dated 27 February 2012.

OneAnswer Personal Super and Pension – There are two sections in this OneAnswer Investment Funds Guide:

- The first section titled ‘Important information’ represents the Important Information document and provides additional information that does not form part of the Product Disclosure Statement dated 27 February 2012.
- The second section titled ‘How we invest your money’ is the Incorporation By Reference document (the IBR Document) and forms part of the Product Disclosure Statement dated 27 February 2012.

Contents

| Important information | Page |
|---|------|
| What are my investment risks? | 6 |
| How we invest your money | Page |
| What are my investment choices? | 12 |
| Your guide to the investment profiles | 15 |
| How to read an investment profile | 16 |
| Multi-manager investment funds | 18 |
| Profile 1 – Defensive | 22 |
| Profile 2 – Conservative | 23 |
| Profile 3 – Moderate | 26 |
| Profile 4 – Growth | 27 |
| Profile 5 – High growth | 29 |
| Single manager investment funds | 34 |
| Profile 1 – Defensive | 40 |
| Profile 2 – Conservative | 46 |
| Profile 3 – Moderate | 50 |
| Profile 4 – Growth | 52 |
| Profile 5 – High growth | 56 |
| MoneyForLife investment funds | 80 |
| Profile 2 – Conservative | 80 |
| Profile 3 – Moderate | 81 |
| Other information | 82 |
| What investment funds are offered through OneAnswer? | 91 |

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Important information

Investment Portfolio – The 'Important information' section forms Part Two of the Product Disclosure Statement dated 27 February 2012.

Personal Super and Pension – The 'Important information' section provides additional information and does not form part of the Product Disclosure Statement dated 27 February 2012.

What are my investment risks?

The importance of risk assessment

Risk and return go hand-in-hand. When investing, you need to consider the opportunities and subsequent risks associated with each investment to create an investment profile that suits your needs.

Generally speaking, the higher the potential return from an investment, the higher the risk associated with it.

The more volatile investment funds, such as share funds, potentially offer greater returns and high growth, but generally carry a higher risk than investing in cash or fixed interest funds.

The less volatile investment funds, such as cash funds, generally provide more secure and stable returns because your capital is less susceptible to risk and you may receive interest payments.

However, the returns on these investments are not guaranteed (just as the returns from other types of investments are not guaranteed). The returns also may not keep pace with inflation.

Investors should consider the level of risk involved with a particular investment and whether the potential returns justify those risks, before investing.

All the investment funds are subject to some or all of the risks described below. Your financial adviser can help you establish an investment profile that suits your needs.

The risk level of different investments

Investment risk refers to the chance of losing money on a particular investment. If negative returns are generated by an investment fund the unit price of that fund will go down. Whilst this reduces the value of your investment in the fund, it is not an actual loss until you decide to switch or withdraw from that fund. If you choose to switch or withdraw at that particular point in time, the loss will be realised.

The generally accepted view is that the higher the risk, the higher the potential return. However, taking a high risk does not automatically mean a high return. It could result in a significant loss.

Different types of risk

The basic definition of risk is that your financial expectations will not be achieved. Investment risk is the deviation from your expected return, or the risk that you might lose money.

The following types of risk can impact your investment:

- **Interest rate risk:** The possibility that the value of a fixed income investment, such as a government bond, will decrease because of an increase in interest rates.
- **Inflation (purchasing power) risk:** The buying power of your capital or interest income is decreased by inflation.

- **Business or financial or credit risk:** The possibility that an individual business entity may fail due to factors such as bad management, or changes in consumer demand or market share.
- **Political or social risk:** The possibility that changes in government policy may adversely affect an investment or, in the case of an overseas investment, the chance of a political upheaval such as an uprising or revolution.
- **Currency risk:** The possibility that changes in relative currency values will affect import – or export-driven companies, or that a fund may be faced with an unfavourable exchange rate when a foreign investment is sold.
- **Liquidity risk:** The risk that an investment may not be able to be sold to realise enough cash to fund a withdrawal.
- **Longevity risk:** The risk that you may outlive your retirement assets.

In addition, lower than expected returns can result because of the choices made by fund managers, for example, in the selection of shares, or choices made by organisations that provide services to a fund manager in carrying out their obligations. However, the potential for loss can be reduced through diversification.

Diversification involves selecting a range of investment funds and accessing a range of fund managers. Through diversification, below-average performance by one fund manager may be potentially compensated for by above-average performance by other fund managers.

Risks associated with particular investment strategies

International investing

While global investing can provide more opportunities and greater diversification than investing in Australia alone, it also carries greater risk. For example, fluctuating currencies can increase or decrease the return from an investment. Also, many overseas countries have different financial industry regulations to what we have in Australia.

When a fund invests overseas it can make a profit or loss on the investment and a profit or loss on currency movements. For instance, an investment in US dollars, when the value of that currency falls, will involve a loss when the money is converted back into Australian dollars. If the investment itself has also made a loss, the losses will be compounded. However, it is also possible for profits to be compounded in the opposite scenario.

Fund managers may reduce the risk of adverse currency movements by hedging against falls in the currency in which an investment is made. In effect, the fund managers may fix the exchange rate for the duration of the investment so that there is protection against foreign currency values declining.

Fund managers may also actively manage currencies, which means they take a view on the likely movement of currencies and purchase or sell them accordingly. This is riskier, but it can be more profitable. This strategy carries significant risk because the fund manager's view can be wrong and, as a result, they can make a loss on the movement in currency values.

Currency risk can be reduced or mitigated if the fund manager places a stop/loss order on their transaction. If a fund manager believes a currency will increase in price, they will buy the currency and set a lower price at which they will automatically sell the currency and take a loss on the transaction. This is a form of insurance against the currency falling significantly lower in price. The risk of placing a stop/loss order is that a fund manager may not be able to execute it at the price they would like to. This may happen if the price of the currency falls dramatically in a short period of time.

Alternative Assets

Alternative assets are assets that behave differently to traditional asset classes such as shares, listed property, fixed interest, bonds and cash and are not generally included as part of a standard investment portfolio.

Alternative assets may include commodities such as precious metals and gold, hedge funds, derivatives (including swaps which provide economic exposure to underlying assets), exchange traded funds, private equity, currencies and other newer asset classes.

Some alternative assets can be classified as 'growth' and others as 'defensive'. Alternative assets (growth) generally provide higher returns and have higher risks with greater levels of volatility and a higher chance of a negative return. Alternative assets (defensive) generally provide a relatively stable income stream and lower price volatility compared to alternative assets (growth).

One of the benefits of alternative assets is that they produce returns with a lower correlation to traditional assets and when included in a diversified portfolio, can smooth out and improve total portfolio returns by using investment instruments and strategies such as short-selling, hedging and derivatives.

Gearing

Gearing or leveraging means that a fund borrows money in order to invest a greater amount. Gearing incurs additional investment risks, as it magnifies potential gains or losses and as a result increases the volatility of returns and reduces the security of capital invested. For example, if the return from an investment is 10% and the cost of borrowing money is 5%, the overall return from the investment will be a profit because the cost of borrowing is less than the return from

the investment. Conversely, if the return from an investment was 3%, the net return would be a loss because the fund is paying 5% to borrow the money to invest.

Geared investments may significantly underperform equivalent non-geared investments when the underlying assets experience negative returns or 'bear' markets. In extreme market declines, all capital invested could be lost.

Please refer to page 85 of this guide for more information about OptiMix Geared Australian Shares which utilises gearing.

Derivatives

A derivative is a financial product where the price is 'derived' from the underlying product. The underlying product could be stocks, bonds, commodities, currencies, interest rates and market indexes. Future contracts, forward contracts, warrants, options and swaps are examples of derivatives.

Any of the funds may use derivatives to gain exposure to investment markets or to protect against changes in the values of financial products, other assets, interest rates or currencies. It is also possible to use derivatives to gear a fund.

Risks associated with using derivatives include:

- **Variability of the market value:** Derivative market values can fluctuate significantly and, as a result, potential gains and losses can be magnified compared with investments that do not use derivatives.
- **Potential illiquidity:** The value of derivatives may not move in the same direction as the value of the underlying financial product, which may result in an investment loss. In addition, the derivative may not experience the same levels of liquidity resulting in illiquidity, meaning that it may not be easily converted into cash.
- **Counterparty risk:** The other party in a derivative transaction may not be able to meet its financial obligations.

OptiMix Diversified Funds – Risks of Swaps

These funds include exposure to alternative assets under a Swap arrangement.

The Swap is operated by a counterparty, in this case a major Australian bank. There is risk dealing with a single counterparty. However, we have taken out additional security to protect the OptiMix Diversified Funds in the unlikely event that the counterparty defaults. This security ensures that the OptiMix Diversified Funds rank equally with other depositors of the bank rather than as an unsecured creditor. In addition we have conducted a thorough due diligence in selecting the Swap counterparty.

As well as the above risk other risks may include:

Liquidity – this is the risk that the underlying investments may become illiquid or that we may not be able to withdraw from the Swap when required. To minimise this risk the counterparty will select liquidity strategies or put in place restrictions to minimise any possible illiquidity.

Credit Risk – this is the risk that the counterparty is unable to repay the capital in the investment. We have selected a suitable counterparty and also have in place additional protection in the event the counterparty is unable to meet its obligations.

Fund Risk – this is the risk that one of the underlying investments is unable to meet its obligations. The underlying investments have been selected in accordance with stringent investment requirements, such that in the event that one strategy (or underlying investment product) fails there is sufficient diversification to reduce the overall volatility of the portfolio.

Manager Risk – this is the risk that an underlying manager may fail to meet its investment objectives, resulting in lower than expected results for a portfolio. This risk is mitigated by diversifying across a range of underlying managers.

Currency Risk – this is the risk that currency movements will adversely affect the return in Australian dollars. In order to minimise the impact of adverse currency movements, a currency hedging strategy in place.

Inflation

Inflation is usually measured by the upward movement of the Consumer Price Index (CPI), which measures the increase in prices of goods and services in an economy. Inflation reduces a fund's purchasing power over time because, as the cost of goods and services increases, the relative value of the Australian dollar declines.

It is important to factor inflation into your investment choices because some investments will decline in real value while others will keep pace with inflation or exceed it. Generally speaking, cash funds are most at risk of not keeping pace with inflation.

Securities lending

Some fund managers may engage in the lending of securities to third parties for a fee. The lending is done through an appointed custodian who receives the fee and passes it on to the fund manager. This fee will be reflected in the unit price of the fund as revenue for that fund.

The risk of securities lending is that the borrower or custodian is not able to return equivalent securities, in which case the investment fund could experience delays in recovering assets and in some cases may incur a capital loss. The risk of securities lending may be mitigated by ensuring the investment funds lend to approved borrowers only, and by requiring the borrowers to provide sufficient collateral.

Short-selling

Some managers use a strategy called short-selling which is the selling of stock which they do not hold. They may borrow securities and then sell them in anticipation of a fall in their price. If the price falls as expected then the fund

manager may buy the securities back at a lower price and make a profit. The risk with this strategy is that the price of these securities may rise instead of fall and the fund manager will need to purchase the securities at a higher price than the price at which they were sold. As there is no limit to how high the price may rise, in theory the potential loss is uncapped. Managers using short-selling strategies typically closely monitor the positions and employ stop/loss techniques to manage these risks.

Long/short strategy

Some funds may adopt a long/short strategy. This means that a fund manager profits by short-selling when the value of securities is expected to decline (referred to as 'shorting' or 'going short'), while purchasing (or 'going long') securities that are expected to increase in value. By using such a strategy a fund manager can potentially make profits both in rising and falling markets. The risk is that they may short-sell securities that increase in value and purchase securities that fall in value.

Going long is potentially a less risky strategy than going short. If a fund manager purchases securities, the lowest price to which they can fall is zero, providing a limit to the loss. When going short, however, the risk is that the price of the securities may increase and the fund manager will have to buy back at a higher price than the one at which they sold. As there is theoretically no limit to how high the price of a security can rise, the potential loss is unlimited.

When short-selling, a fund manager may use a stop/loss order to reduce the risk of unlimited loss. For example, if the fund manager was to short-sell at \$10 with the aim of buying back at \$9 the fund manager would instruct a buy-back at \$11 so that if the price rises, the loss is limited to \$1 per security.

As part of a short-selling strategy, a fund manager may need to provide collateral to the securities lender in order to borrow the securities it sells short. There is a risk that this collateral may not be returned to the fund manager when requested.

For the purposes of this section the term 'securities' includes futures, warrants and other derivatives. Fund Managers may use futures and other derivatives to gain exposure to, or protect the portfolio from adverse market movements. They may also short-sell securities or use long/short strategies. Each of these strategies involves risk including loss of income or capital. Asset managers typically have detailed risk management processes in place to ensure that these risks are appropriately managed.

Liquidity risk

Liquidity risk means that sufficient assets cannot reasonably be expected to be realised and converted into cash to satisfy a withdrawal request of the fund within the period specified in the fund's constitution.

Assets such as shares, listed property securities, fixed interest and cash are generally considered to be liquid because they are actively traded on markets where they can more easily be sold or converted into cash at their full value. Private and unlisted assets such as direct property, leveraged leases and infrastructure are generally considered to be less liquid. They are not generally traded on active markets and, as such, can take longer to convert into cash.

During abnormal or extreme market conditions some normally liquid assets may become illiquid, restricting the ability to sell them and to make withdrawal payments or to process switches for investors.

In certain circumstances, which will vary depending on the rules governing the investment fund, we may suspend or otherwise restrict withdrawals from the fund (albeit that the fund may not technically be 'illiquid') meaning that the payment of withdrawal proceeds may be significantly delayed or not made at all. We may also terminate certain investment funds and in these circumstances may delay the realisation of the fund's assets, meaning that payment of your share of the proceeds will also be delayed.

By investing in OneAnswer you acknowledge that it may take longer than 30 days to process a withdrawal or switch request in the unlikely event of an investment ceasing to be 'liquid'.

Liquidity risk may be reduced by investing in funds that invest only in liquid assets. Another way of reducing liquidity risk is to diversify across a range of funds and fund managers.

Capital and income protection – counterparty risk

Some funds may offer capital or income protection. In either case, there is still a risk that the organisation providing the protection may fail to honour its commitments. For example, if an organisation providing capital protection cannot fulfil its contractual obligations, the capital protection may not be available and you may lose some or all of your money.

This risk can be reduced by critically evaluating the quality of the organisation providing the capital or income protection.

OnePath Protected AUS 50

The underlying fund of OnePath Protected AUS 50 is exposed to counterparty risk. Although it is unlikely, Barclays could fail to honour its contractual obligations to OnePath Funds Management in respect of the capital protection applying to the underlying fund. The capital protection constitutes an unsecured obligation ranking equally to other unsecured and subordinated obligations of Barclays. If Barclays fails to meet its obligations, protection may not be available and you could lose some or all of your investment.

Counterparty risk may be assessed by critically evaluating the quality of the counterparty, including their financial position and performance.

We have assessed the underlying quality and potential counterparty risk for Barclays. You may also make your own assessment of the financial position and performance of Barclays. Information about Barclays' financial position, performance and credit rating is available at www.barclays.com

Other circumstances may lead to the agreements no longer remaining in place, and therefore the protection no longer being available. These include changes in law, changes in ownership in respect of the PAUS 50, prolonged ASX trading halts and/or suspensions, the S&P/ASX 50 Accumulation Index ceasing to exist or the valuation methodology for assets comprised within this Index changing substantially.

Please refer to page 87 of this guide for more information about the OnePath Protected AUS 50 fund.

Changes in legislation

Your investment may be affected by changes in legislation, particularly in relation to taxation laws. These changes may be either favourable or unfavourable and it is generally not possible to mitigate the impact of unfavourable events. When changes occur, you may be notified via regular investor communications and/or via the OnePath website at onepath.com.au, as soon as practicable after any changes occur.

Changes to investment funds

We regularly monitor the investment funds offered through OneAnswer. To maintain the quality and diversity of the investment funds, we may make changes at any time, including:

- adding, closing or terminating an investment fund
- removing, replacing or adding an investment manager
- changing an investment fund's objective, investment strategy (including the benchmark), asset allocation, neutral position and range, currency strategy and the number of asset classes
- changing the rules that govern an investment fund (e.g. changing fees, notice periods or withdrawal features).

The investment environment can change rapidly and you need to be aware that you may not have the most up-to-date information available at your fingertips when you make an investment. Material events can take place that you are not aware of at the time of investing. In some cases we can make these changes without prior notice to investors. Any changes will be considered in light of the potential negative or positive impact on investors. We will notify existing investors in affected funds as soon as practicable after any changes, via regular investor communications and/or the OnePath website.

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How we invest your money

Investment Portfolio – The 'How we invest your money' section forms Part Two of the Product Disclosure Statement dated 27 February 2012.

Personal Super and Pension – The 'How we invest your money' section is the Incorporation by Reference Document (the IBR document) and forms part of the Product Disclosure Statement dated 27 February 2012.

What are my investment choices?

Through OneAnswer you can choose from a wide range of investment funds which enable you to diversify and gain exposure to a range of asset classes, fund managers and styles – all via one convenient investment.

We constantly review and monitor the investment funds and underlying fund managers to ensure they can meet the needs of investors.

You can build your own portfolio by investing or switching into:

- Investment funds, including OnePath funds, managed by leading Australian and international fund managers.
- OptiMix Manage the Managers (MTM) investment funds. The OptiMix process carefully selects a number of complementary investment managers to manage the underlying funds within each asset class.
- OnePath Multi-manager funds which combine the benefits of expert active manager diversification with index funds.
- A range of cash options offered by ANZ Bank include ANZ Term Deposit options.

Each external fund manager has provided its consent to statements relating to them being included in this PDS in the form and context in which it is included. No consents have been withdrawn at the time of preparation of this PDS.

What are the benefits of diversification?

Diversification is an important way of managing the risks associated with investing. It involves spreading your money across different investments to provide more consistent overall returns. If done well, diversification can reduce investment risk.

Types of diversification

Across multiple investment managers

Performance may vary across different fund managers and time periods, depending on their investment style and success in implementing their strategy. Fund managers adopt differing investment styles such as value or growth, or market capitalisation biases such as large cap or small cap. These varying investment management styles are generally better suited to certain market and economic conditions.

By investing in a portfolio with a mix of fund managers you can potentially smooth out performance fluctuations more effectively than if you only had exposure to the one fund manager.

Across multiple asset classes

Different asset classes (e.g. cash, fixed interest, property and shares) usually perform with a degree of variation over a period of time. By diversifying your investment exposure across different asset classes you can reduce your risk to an individual asset class. For example, instead of investing only in shares, you could diversify across asset classes by investing some of your money in shares, some in property, some in fixed interest and some in cash.

Within asset classes

Investing in a range of securities within an asset class means that returns are less dependent on the performance of any one security. Within each asset class your portfolio can be diversified across a number of areas, including:

Property

- Property trusts
- Property-related securities
- Geographic regions

Australian shares

- Companies
- Industries

Fixed interest

- Government bonds
- Corporate bonds
- Term to maturity
- Credit quality

International shares

- Companies
- Industries
- Countries
- Currencies

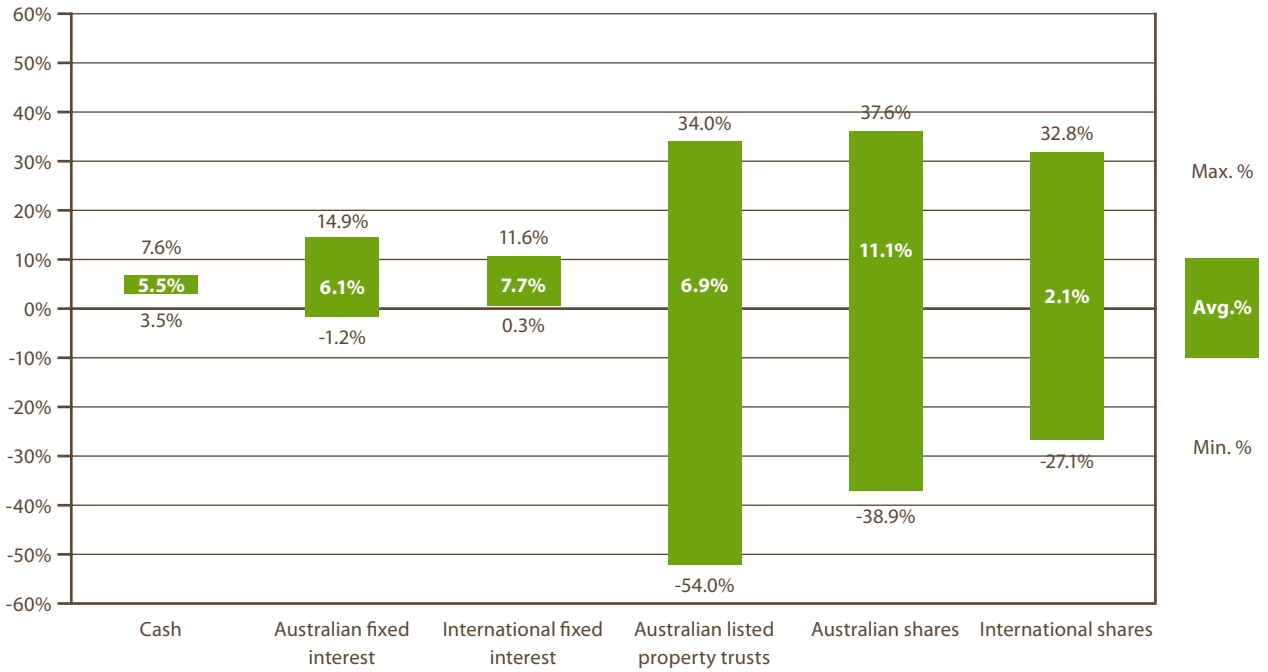
What asset classes can I gain exposure to?

The asset classes available through OneAnswer are outlined below, along with an indication of the risk level to which each of those asset classes is generally subject. For further information on each investment fund's exposure to these asset classes, refer to the investment profiles available in pages 15 to 17 of this guide

| Asset class | Description |
|--------------------------------|--|
| Cash | <p>Risk level and potential return – Low</p> <p>Cash funds are designed to offer a high degree of capital security relative to other asset classes. Generally, cash investments have a very low risk of capital loss. Examples include bank deposits and investments in fixed interest securities, including treasury notes and highly rated corporate debt securities which generally have a maturity of less than one year.</p> <p>Enhanced cash vehicles may attempt to generate higher returns by holding a portion of fixed interest securities with a longer time to maturity or a higher proportion of highly rated corporate debt securities.</p> |
| Mortgages | <p>Risk level and potential return – Low to medium</p> <p>A mortgage fund would typically invest primarily in loans secured by first mortgages over commercial and residential property. Income is earned mainly from interest payments made on the loans held by the mortgage fund. Income may also be generated from mortgage backed securities, other short-term fixed interest securities and cash held by the fund for liquidity purposes. Risk is mitigated through lending criteria and portfolio management policies, including diversifying mortgages across geographical locations and property types. Examples of property types are office, industrial, retail and residential.</p> |
| Fixed interest | <p>Risk level and potential return – Low to medium</p> <p>A fixed interest investment is a debt security issued by a bank, corporation or government in return for cash from an investor. The issuer of the debt is effectively a borrower and is required to pay interest on the loan for the life of the security. Fixed interest investments are valued on a mark to market basis, and as a result, their value may fluctuate. Fixed interest investments are generally higher risk than cash but lower risk than shares and property.</p> <p>Consequently, returns on fixed interest investments tend to be higher than cash and lower than shares and property.</p> |
| Property | <p>Risk level and potential return – Medium to high</p> <p>Property can include investments in direct property, Australian and international property trusts and other property securities. Property trusts may invest in a range of residential and commercial property, office buildings, hotels and industrial properties. Property investments have a higher risk than fixed interest but a lower risk than shares.</p> |
| Alternative investments | <p>Risk level and potential return – Medium to high</p> <p>Alternative investments are investments that generally do not fit into the traditional asset categories.</p> <p>Risk can be controlled by limiting exposure to individual investments and seeking diversification of alternative asset opportunities. Examples of alternative assets include:</p> <ul style="list-style-type: none"> • private equity • leveraged leases • property related investments (e.g. infrastructure assets) • commodities • hedge funds • currencies • market neutral investments adding value through inefficiencies. |
| Shares | <p>Risk level and potential return – High</p> <p>A share (or stock) is an ownership stake in a company.</p> <p>The owner of the share has an interest in the company that issued it. The value of shares will typically fluctuate with general economic and industry conditions in addition to the company's profitability. Historically, the value of shares has been more volatile than the other major asset classes, therefore they carry the highest risk of capital loss on your investment but have potentially the greatest return over the long term.</p> |

Returns across asset classes

The graph below shows the range of annual returns that the asset classes have achieved (minimum and maximum) for the thirteen years from January 1998 to December 2010. The average return for each asset class for this period is also highlighted.



Assumptions: Returns are calculated based on the accumulation index of each asset class.

Sourced by OnePath from licensed research houses.

Past performance is not indicative of future performance. Actual returns for each asset class may vary significantly from the returns illustrated in the above graph.

The returns from alternative assets are not shown in the above graph as there is not an appropriate index recording returns from this asset class.

Your guide to the investment profiles

To assist in selecting an appropriate investment fund or mix of investment funds, these have been categorised into the following investment profiles. You should speak to your financial adviser to determine which investment profile best suits your needs.

Profile 1 – Defensive

Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset classes: Mainly includes low risk assets such as cash and fixed interest (e.g. Australian and international fixed interest).

Profile 2 – Conservative

Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset classes: Predominantly includes asset classes such as cash and fixed interest and a small allocation to assets such as shares (e.g. Australian and international shares) and property (e.g. listed property trusts and direct property).

Profile 3 – Moderate

Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset classes: Includes an exposure to all asset classes, including cash, fixed interest, property, shares and alternative investments.

Profile 4 – Growth

Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset classes: Mainly includes assets such as property, shares and alternative investments and a smaller allocation to cash and fixed interest.

Profile 5 – High growth

High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and shorter-term capital losses.

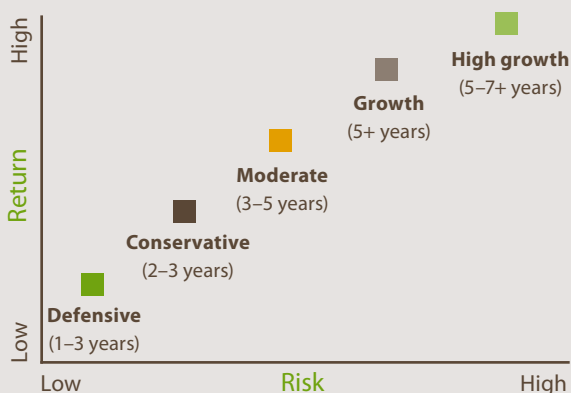
Asset classes: Includes assets such as shares, property, infrastructure and alternative investments.

Risk, return and investment timeframe

The graph to the right is illustrative only and is intended to show the potential return and risk for each of the investment profiles described above. Please refer to the specific investment fund profile in this OneAnswer Investment Funds Guide for more information. For each investment profile the suggested investment timeframe is shown, which is the minimum period normally required for an investment fund to meet its objectives.

The investment profiles sitting higher on the axis are more likely to experience returns that may vary significantly and may be negative over shorter-term periods. However, they are more likely to produce higher returns over the long-term.

You should consider these factors when choosing an investment fund option in which to invest.



How to read an investment profile

Information about each investment fund offered through OneAnswer is detailed in an investment profile. The following information is a guide to understanding the information in each profile.

Investment objective

The investment objective identifies the expected return for the investment fund. This is sometimes stated in relation to a relevant index (see below for a description).

Index

An index is a sample of stocks or securities selected to represent a particular financial market. For example, an index that can represent returns for the Australian sharemarket is the S&P/ASX 300 Accumulation Index.

The performance of an index can be used as an indicator for the performance of the relevant market. An index return is calculated using the weighted average returns of the stocks that are included in the representative sample.

Unless otherwise stated, all Morgan Stanley Capital International (MSCI) indices referred to in this Investment Funds Guide in relation to international shares are based on total returns with net dividends reinvested.

Description

The fund description provides information about the type of assets the fund invests in and the level of variability in fund returns. This information is useful when an investor decides whether the fund is suitable for their needs.

Investment strategy

The investment strategy describes how the investment fund's objective is achieved. It involves a description of the relevant asset classes to which the investment fund will gain exposure.

The investment funds offered through OneAnswer achieve their investment strategy by investing into an underlying fund(s) in most cases, although in some cases they invest in direct assets. The underlying fund(s) may hold direct assets or in turn also invest in other funds.

Where the OneAnswer investment funds (other than OnePath investment funds) invest in an underlying fund which is a wholesale fund the name of the wholesale fund is shown underneath the fund profile. For these investment funds investors are effectively exposed to the underlying manager and their investment strategy. For example, the OneAnswer Colonial First State Diversified Fund will invest and hold units in the Colonial First State Wholesale Diversified Fund.

Changes to investment funds

The underlying funds may change from time to time – we may substitute one investment fund with another investment fund with the same investment objective and strategy. We will notify impacted investors as appropriate and seek their approval where required. We will also include details on our website and in investor communications.

Risk Profile

The risk profile (also known as an investment profile) describes the fund's level of investment risk and includes information about the possible level of return.

(More detailed information about investment profiles is on page 15).

OptiMix Balanced

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5.0% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking exposure to a diversified range of asset classes and a mix of managers and who are prepared to accept a higher variability of returns.

Investment strategy

The fund invests in a diversified portfolio of Australian and international assets through a mix of managers, with a bias towards growth assets. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 4 | 0–19 |
| Australian fixed interest | 10 | 0–25 |
| International fixed interest | 11 | 0–26 |
| Australian property securities | 2 | 0–9 |
| International property securities | 4 | 0–11 |
| Australian shares | 29 | 19–39 |
| International shares | 27 | 17–37 |
| Alternative assets | 13 | 7–21 |

* International equities may include exposure to emerging market and/or global small cap securities. Fixed interest may include exposure to government, corporate, inflation protected and/or other securities. The maximum allocation to Growth Assets for the OptiMix Balanced Fund is 90%.

Minimum time horizon

As a guide only, each investment fund has a suggested minimum time horizon. This is the minimum period of time you should consider holding your investment in a particular investment fund. Holding an investment for the suggested time does not guarantee a positive return, but it does make it more likely.

If, after the suggested minimum time horizon, investment markets are performing poorly, the investment may need to be held for a longer period to attempt to avoid a negative return.

The minimum time horizon relates to the OneAnswer investment funds and not the underlying fund into which the OneAnswer fund invests.

Distribution frequency

The investment funds in Investment Portfolio pay distributions at different times throughout the year. The distribution frequency can be either monthly, quarterly, half-yearly or yearly. The table below outlines the period for which each distribution frequency is processed.

| Distribution frequency | Processed for period ending |
|------------------------|----------------------------------|
| Monthly | Every month |
| Quarterly | September, December, March, June |
| Half-yearly | December, June |
| Yearly | June |

Please refer to the OneAnswer Investment Portfolio or OneAnswer Investment Portfolio Product Book for more information on distributions. Distributions do not apply to Personal Super or Pension.

Asset allocation

The asset allocation displays the type(s) of assets (and proportions) the investment fund invests in.

The **benchmark** is the neutral allocation for each asset class.

The **range** indicates the anticipated minimum and maximum allowable allocations for each asset class. The manager may vary the fund's asset allocation within the intended ranges in order to position the investment fund to benefit from prevailing market conditions. Under certain circumstances, the asset allocation for a particular asset class may move outside its range.

In some cases, an investment fund may have either a benchmark or a range, or neither.

Where an investment fund has a benchmark but no range for a particular asset class, there may be circumstances where the actual allocation for that asset class is different from the benchmark.

Multi-manager investment funds

OnePath offers investors a choice of Multi-manager funds from both OptiMix and OnePath

We believe that a Manage the Managers (MTM) approach to investment provides the best opportunity for effective diversification and reliable returns. Detailed economic analysis and tactical asset allocation for both OptiMix and OnePath investment funds is provided by our comprehensive team of investment and research specialists. Factors considered include domestic and overseas economic growth forecasts, inflation settings, and government policy. Taking all of these factors into account, our team determines whether, in the short-term, certain asset classes are expected to outperform others. Where this is believed to be the case, we will increase or decrease our weightings towards these asset classes without compromising the funds' long-term objectives. Our team may also use derivatives, such as futures, to implement these tactical asset allocation decisions.

OptiMix Multi-manager funds

The OptiMix Manage the Managers investment process combines a number of professionally selected investment managers in one investment portfolio, providing a convenient way to diversify across investment managers.

OptiMix is a specialist MTM research and investment process. The OptiMix investment approach is based on the principle that broad diversification of investments can actively reduce fluctuations and provide consistent and competitive returns over time. In order to achieve this consistency in returns, OptiMix funds are diversified across a range of specialist investment managers – all within a single investment.

The OptiMix advantage

Proven expertise

The OptiMix research and investment solution has been in existence for over 15 years. The strength of the OptiMix process is reflected by the OptiMix investment team which consists of highly qualified and experienced investment professionals who are well regarded in the industry.

Consistent yet competitive returns

Investment managers have different styles of managing investments. The reality is that relying on one particular style or process can be risky, as markets can frequently change in response to economic and political events. The OptiMix solution aims to deliver consistent yet competitive returns by combining managers with different investment approaches across a range of asset classes.

Peace of mind

With OptiMix you can be assured that your investments are being managed by a team of experienced investment professionals purely focused on ensuring your investment portfolio is positioned for strong, consistent, long-term investment returns.

Diversify your funds

Diversification is a key feature of the OptiMix MTM process. Diversification means that as an investor, to reduce risk and protect your portfolio against market volatility, you do not put all your 'eggs into one basket' but spread your money across different investment managers and asset classes to provide more consistent returns.

The OptiMix investment team rigorously monitors economic conditions, financial markets and investment managers to ensure the portfolios are sufficiently robust to withstand market fluctuations.







































Access the world's leading specialist investment managers

To produce superior investment outcomes, the OptiMix investment team chooses managers who are not only highly talented but have a proven track record in managing investment portfolios. Some of the managers are not normally available to retail investors, which means by choosing OptiMix you can gain access to some of the most talented and successful investment managers the global funds management industry has to offer.

Choice of investment funds

As investors have different investment objectives, risk preferences and time frames, OptiMix provides a comprehensive range of portfolio options. Your financial adviser will be able to assist you by assessing your individual needs and financial risk profile.

Specialist investment managers

| Global shares | Global emerging markets | Global smaller companies | Australian shares | Global property securities | Australian property securities | Cash |
|--|---|---|--|--|---|------|
|         |      |      |         Optimisation strategies |   |  | |
| Global fixed interest | Global inflation linked fixed interest bonds | Australian fixed interest | Australian inflation linked fixed interest bonds | Alternative Growth | Alternative Defensive | |
|   |  |   |   |  |  | |

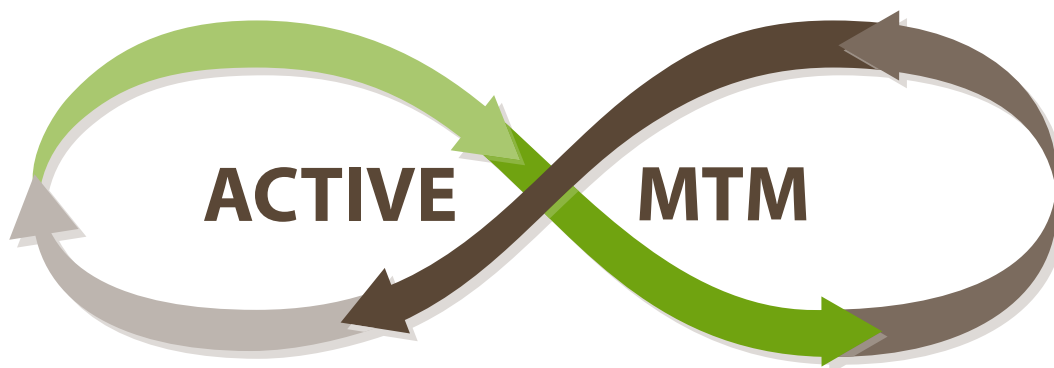
* Currency manager.

The investment managers may change at any time without notice.

The specialist investment managers are current as at the time of the preparation of this Investment Funds Guide. The investment managers are regularly reviewed and may be removed at any time and the investment objectives and strategies may be changed without prior notification to you. As a result, the investment managers within may vary throughout the life of this Investment Funds Guide.

How the OptiMix investment process works

The OptiMix MTM research and investment solution is active at every stage of the investment process.



Specialist investment manager selection

The OptiMix investment team selects a range of investment managers who have expertise in a particular asset class. Each manager must have a distinct investment style, a proven investment process and a strong track record of performance.

Manager allocation within asset classes

The OptiMix investment team blends complementary investment manager styles and adjusts the portfolio in favour of the managers who are expected to perform well during a particular market cycle.

Performance measurement

Once selected, managers are closely monitored and evaluated on their ongoing performance. The OptiMix investment team looks at qualitative factors, such as the way investment managers construct their portfolios and their investment methods, as well as quantitative measures such as the returns of each manager, compared with pre-set benchmarks and their competitors.

Regular review

The OptiMix investment committee regularly reviews the OptiMix MTM process and the performance of the specialist investment managers.

OnePath Diversified Multi-manager investment funds

OnePath also offers a range of diversified multi-manager investment funds that blend the processes and styles of leading investment managers with index funds.

OnePath Diversified Multi-manager investment funds are designed for investors who believe that consistent returns can be generated through portfolios that combine selected investment managers with market benchmark based investments.

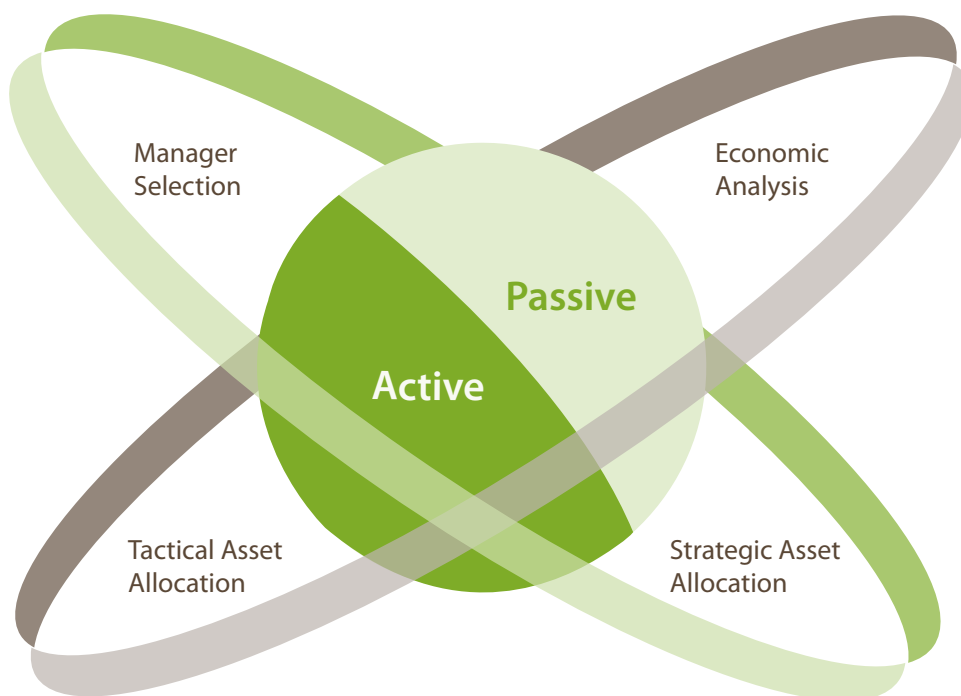
The benefits to investors of this style of investing include effective diversification across asset classes, investment styles, markets and managers.

Using a rigorous process, a range of highly regarded specialist investment managers are selected to manage individual asset class components to achieve enhanced performance.

The managers, asset classes and markets are continuously researched, assessed and monitored by OnePath's investment specialists, who then blend these portfolios with a range of index fund options.

Index funds invest in a portfolio of assets that match a particular investment index. The inclusion of index funds provides investors with smoother performance against nominated benchmarks, which in turn ensures that performance is more likely to be within expectations.

The underlying managers of OnePath's Diversified Multi-manager investment funds may, in some cases, also be accessed through the OnePath single manager investment funds.



Profile 1 – Defensive

Minimum investment horizon is 1-3 years

OnePath Capital Guaranteed* (ANZ OneAnswer Personal Super and ANZ OneAnswer Pension only)

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 1.5% p.a., over periods of one year or more. We guarantee the unit price will never fall.

Description

The fund is suitable for investors seeking to generate returns through investing in cash and fixed interest defensive investments offering yield with modest capital growth.

Investment strategy

The fund invests predominantly in a diversified mix of Australian defensive assets. The fund blends active and passive management styles from a selection of leading investment managers.

Minimum time horizon

1 year

Risk Profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and fixed interest | 100 | n/a |

* This investment fund is not available through OneAnswer Frontier or OneAnswer Investment Portfolio. Through OneAnswer Personal Super and Pension this investment fund is exclusively available through ANZ Financial Planning. A capital guarantee on your investment applies for this fund, whereby the account balance, including all interest once credited, is fully guaranteed by OnePath Life. Please refer to page 88 of this Guide for further details.

OptiMix Australian Fixed Interest

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that exceed the UBS Composite Bond Index (All Maturities), over periods of three years or more.

Description

The fund is suitable for investors seeking exposure to a diversified portfolio of fixed interest securities and a mix of managers and who can accept some variability of returns.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian fixed interest securities through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk Profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---------------------------|---------------|-----------|
| Cash | 0 | 0–100 |
| Australian fixed interest | 100 | 0–100 |

Profile 2 – Conservative

Minimum investment horizon is 2-3 years

OnePath Capital Stable* (OnePath Stable in OneAnswer Pension)

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 2.5% p.a., over periods of three years or more.

A guarantee applies to this fund for OneAnswer Personal Super only. For more information on OnePath Capital Stable, see page 88 of this guide.

Description

The fund is suitable for investors seeking medium term returns through investing in a diversified mix of asset classes with a bias towards defensive assets offering yield with modest capital growth.

Investment strategy

The fund invests in a diversified mix of Australian and international assets with a strong bias towards defensive assets. The fund blends active and passive management styles from a selection of leading investment managers.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and are willing to accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation†

| Asset class | Benchmark (%) | Range (%) |
|--------------------------------|---------------|-----------|
| Australian shares | 15 | 10–20 |
| International shares | 2.5 | 0–5 |
| Property securities | 1.5 | 0–5 |
| Australian fixed interest | 30 | 10–50 |
| International fixed interest | 20 | 5–35 |
| Cash | 15 | 0–35 |
| Enhanced cash | 15 | n/a |
| Global property securities | 1 | 0–5 |
| Alternative assets (defensive) | 0 | 0–5 |

* This investment fund is not available through OneAnswer Frontier.

† The maximum investment in shares and property securities is 25%.

The maximum asset allocation to growth assets for OneAnswer Personal Super is 20%. For OneAnswer Pension and OneAnswer Investment Portfolio the maximum is 25%.

OnePath Conservative*

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 3.0% p.a., over periods of three years or more.

Description

The fund is suitable for investors seeking medium term returns through investing in a diversified mix of asset classes with a bias towards defensive assets offering yield with modest capital growth.

Investment strategy

The fund invests in a diversified mix of Australian and international assets with a strong bias towards defensive assets. The fund blends active and passive management styles from a selection of leading investment managers.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and are willing to accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--------------------------------|---------------|-----------|
| Cash | 9 | 0–30 |
| Enhanced cash | 10 | n/a |
| Diversified fixed interest | 30 | 10–50 |
| International fixed interest | 20 | 5–35 |
| Property securities | 3 | 0–10 |
| Global property securities | 2 | 0–10 |
| Australian shares | 15 | 10–20 |
| International shares | 10 | 5–15 |
| Alternative assets (growth) | 1 | 0–5 |
| Alternative assets (defensive) | 0 | 0–10 |

The maximum asset allocation to growth assets is 40%. The maximum asset allocation to property is 10%.

* This investment fund is available to all financial planning groups through OneAnswer Frontier, however, this is exclusively available through ANZ Financial Planning through OneAnswer.

OnePath Income*

Investment objective

The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed inflation by at least 2.5% p.a., over periods of two years or more.

Description

The fund is suitable for investors seeking medium term returns through investing in a diversified mix of income producing asset classes with a bias towards defensive assets.

Investment strategy

The fund invests predominantly in a diversified mix of Australian and international assets including mortgages, cash, fixed interest, property securities and shares, with a strong bias towards income producing defensive assets. The fund blends active and passive management styles from a selection of leading investment managers.

Minimum time horizon

2 years

Distribution frequency

Monthly (ANZ OneAnswer Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------------|---------------|-----------|
| Cash | 10 | 0–30 |
| Enhanced cash | 10 | n/a |
| Mortgages | 10 | n/a |
| Diversified fixed interest | 55 | 35–75 |
| Property securities | 3 | 0–10 |
| Global property securities | 2 | 0–10 |
| Australian shares | 10 | 5–15 |

The maximum asset allocation to growth assets is 25%. The maximum asset allocation to property is 10%.

* This investment fund is not available through OneAnswer Frontier. Through OneAnswer this investment fund is exclusively available through ANZ Financial Planning.

OnePath Income Plus*

Investment objective

The fund aims to provide income and achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 3.5% p.a., over periods of three years or more.

Description

The fund is suitable for investors seeking medium term returns through investing in a diversified mix of income producing asset classes with a bias towards defensive assets.

Investment strategy

The fund is actively managed and invests in a diversified mix of Australian assets including mortgages, cash, fixed interest, property securities and shares, with a bias towards income producing defensive assets.

Minimum time horizon

3 years

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---|---------------|-----------|
| Mortgages, cash and Australian fixed interest | 65 | n/a |
| Property securities | 15 | n/a |
| Australian shares | 20 | n/a |

* Applications, switches and withdrawals are suspended until further notice.

For additional information about the liquidity, portfolio diversification and a range of other factors that may assist you to better understand the ongoing management of OnePath Income Plus, you should see the 'OnePath Mortgage and Income Plus funds – Additional information' document, which can be found in the 'Product Updates' section of the OnePath website. The information in the document will be updated quarterly.

OptiMix Conservative

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 3.5% p.a., over periods of three years or more.

Description

The fund is suitable for investors seeking exposure to a diversified range of asset classes and a mix of managers and who can accept some variability of returns.

Investment strategy

The fund invests in a diversified portfolio of Australian and international assets through a mix of managers, with a bias towards defensive assets. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 20 | 0–40 |
| Australian fixed interest | 20 | 0–40 |
| International fixed interest | 22 | 7–37 |
| Australian property securities | 1 | 0–8 |
| International property securities | 3 | 0–10 |
| Australian shares | 14 | 4–24 |
| International shares | 10 | 0–20 |
| Alternative assets | 10 | 2–18 |

* International equities may include exposure to emerging market and/or global small cap securities. Fixed interest may include exposure to government, corporate, inflation protected and/or other securities. The maximum allocation to Growth Assets for the OptiMix Conservative Fund is 45%.

Refer to pages 7 and 86 of this guide for additional information regarding OptiMix Diversified Funds.

Profile 3 – Moderate

Minimum investment horizon is 3-5 years

OnePath Balanced

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 4.5% p.a., over periods of four years or more.

Description

The fund is suitable for investors seeking medium term returns through investing in a diversified range of asset classes balancing growth and defensive assets offering capital growth as well as yield.

Investment strategy

The fund invests in a diversified mix of Australian and International assets spread across growth and defensive asset classes. The fund blends active and passive management styles from a selection of leading investment managers.

Minimum time horizon

4 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk Profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 8 | 0–28 |
| Australian fixed interest | 15 | 0–35 |
| International fixed interest | 20 | 5–35 |
| Australian property securities | 2 | 0–9 |
| International property securities | 4 | 0–11 |
| Australian shares | 20 | 10–30 |
| International shares | 19 | 9–29 |
| Alternative assets | 12 | 6–20 |

* The maximum asset allocation to growth assets is 75%. A portion of the assets in this asset class may be invested in a long/short strategy. International equities may include exposure to emerging market and/or global small cap securities. Fixed interest may include exposure to government, corporate, inflation protected and/or other securities.

OptiMix Moderate

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 4.5% p.a., over periods of four years or more.

Description

The fund is suitable for investors seeking exposure to a diversified range of asset classes and a mix of managers and who can accept some variability of returns.

Investment strategy

The fund invests in a diversified portfolio of Australian and international assets through a mix of managers, with a balance of growth and defensive assets. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

4 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk Profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 8 | 0–28 |
| Australian fixed interest | 15 | 0–35 |
| International fixed interest | 20 | 5–35 |
| Australian property securities | 2 | 0–9 |
| International property securities | 4 | 0–11 |
| Australian shares | 20 | 10–30 |
| International shares | 19 | 9–29 |
| Alternative assets | 12 | 6–20 |

* International equities may include exposure to emerging market and/or global small cap securities. Fixed interest may include exposure to government, corporate, inflation protected and/or other securities. The maximum allocation to growth assets for the OptiMix Moderate Fund is 75%.

Refer to pages 7 and 86 of this guide for additional information regarding OptiMix Diversified Funds.

Profile 4 – Growth

Minimum investment horizon is 5 years or more

OnePath Active Growth

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5.0% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking medium to higher returns through investing in a diversified range of asset classes with a bias towards growth assets and an active asset allocation process between asset classes.

Investment strategy

The fund invests in a diversified mix of Australian and international, growth and defensive assets. The fund blends active and passive management styles from a selection of leading investment managers. The allocation to asset classes is varied within broad ranges, providing high exposure to investment markets expected to perform well.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|------------------------------|---------------|-----------|
| Cash | n/a | 0–50 |
| Diversified fixed interest | n/a | 0–50 |
| International fixed interest | n/a | 0–50 |
| Property securities | n/a | 0–30 |
| Global property securities | n/a | 0–20 |
| Australian shares* | n/a | 0–80 |
| International shares | n/a | 0–40 |

* The maximum asset allocation to growth assets is 100%.

A portion of the assets in this asset class may be invested in a long/short strategy.

OnePath Managed Growth

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5.0% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking medium to higher returns through investing in a diversified range of asset classes with a bias towards growth assets delivering capital growth with some yield.

Investment strategy

The fund invests in a diversified mix of Australian and International assets with a strategic bias towards growth assets. The fund blends active and passive management styles from a selection of leading investment managers.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 4 | 0–19 |
| Australian fixed interest | 10 | 0–25 |
| International fixed interest | 11 | 0–26 |
| Australian property securities | 2 | 0–9 |
| International property securities | 4 | 0–11 |
| Australian shares | 29 | 19–39 |
| International shares | 27 | 17–37 |
| Alternative assets | 13 | 7–21 |

* International equities may include exposure to emerging market and/or global small cap securities. Fixed interest may include exposure to government, corporate, inflation protected and/or other securities. The maximum allocation to growth assets for the OnePath managed Growth Fund is 90%.

OptiMix Balanced

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5.0% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking exposure to a diversified range of asset classes and a mix of managers and who are prepared to accept a higher variability of returns.

Investment strategy

The fund invests in a diversified portfolio of Australian and international assets through a mix of managers, with a bias towards growth assets. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 4 | 0–19 |
| Australian fixed interest | 10 | 0–25 |
| International fixed interest | 11 | 0–26 |
| Australian property securities | 2 | 0–9 |
| International property securities | 4 | 0–11 |
| Australian shares | 29 | 19–39 |
| International shares | 27 | 17–37 |
| Alternative assets | 13 | 7–21 |

* International equities may include exposure to emerging market and/or global small cap securities. Fixed interest may include exposure to government, corporate, inflation protected and/or other securities. The maximum allocation to growth assets for the OptiMix Balanced Fund is 90%.

OptiMix Growth

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5.5% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking long term capital growth through passive exposure to a diversified portfolio of growth assets and who are prepared to accept a higher variability of returns.

Investment strategy

The fund invests in a diversified portfolio of Australian and international assets through a mix of managers, with a strong bias towards growth assets. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 1 | 0–16 |
| Australian fixed interest | 5 | 0–15 |
| International fixed interest | 4 | 0–19 |
| Australian property securities | 2 | 0–9 |
| International property securities | 4 | 0–11 |
| Australian shares | 37 | 27–47 |
| International shares | 33 | 23–43 |
| Alternative assets | 14 | 8–22 |

* The maximum combined exposure to Australian and International property securities is 12%.

Refer to pages 7 and 86 of this guide for additional information regarding OptiMix Diversified Funds.

Profile 5 – High growth – Property

Minimum investment horizon 5–7 years or more

OptiMix Property Securities

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 300 Property Trusts Accumulation Index, over periods of five years or more.

Description

The fund is suitable for investors seeking exposure to the Australian property securities market and who are prepared to accept a higher variability of returns.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian property securities through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Property securities | 100 | 90–100 |

For the latest investment returns for OneAnswer go to onepath.com.au

Profile 5 – High Growth – Australian shares

Minimum investment horizon 5-7 years or more

OptiMix Australian Shares

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 300 Accumulation Index, over periods of five years or more.

Description

The fund is suitable for investors seeking a broad exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian shares through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

OptiMix Geared Australian Shares

Investment objective

The fund aims to achieve magnified returns (before fees, charges and taxes) that exceed the S&P/ASX 300 Accumulation Index, over periods of five years or more.

Description

This is a geared fund and is suitable for investors seeking a broad exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian shares through a mix of managers via the underlying OptiMix Wholesale Geared Australian Share Trust.

Minimum time horizon

5 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Gearing magnifies both gains and losses and investors may experience increased volatility in the value of their investment. Refer to page 85 of this guide for additional information regarding OptiMix Geared Australian Shares.

Profile 5 – High growth – Global shares

Minimum investment horizon 5-7 years or more

| OptiMix Global Emerging Markets Shares | | |
|---|----------------------|------------------|
| Investment objective | | |
| The fund aims to achieve returns (before fees, charges and taxes) that exceed the MSCI Emerging Markets (Free) Index (\$A unhedged), over periods of five years or more. | | |
| Description | | |
| The fund is suitable for investors seeking broad exposure to international shares and related investments and who are prepared to accept higher variability of returns. | | |
| Investment strategy | | |
| The fund invests predominantly in a diversified portfolio of shares in global emerging markets through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process. | | |
| Minimum time horizon | | |
| 5 years | | |
| Distribution frequency | | |
| Yearly (Investment Portfolio only) | | |
| Risk profile | | |
| High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses. | | |
| Asset allocation | | |
| Asset class | Benchmark (%) | Range (%) |
| Cash | 0 | 0–20 |
| Global emerging markets shares | 100 | 80–100 |

| OptiMix Global Shares | | |
|--|----------------------|------------------|
| Investment objective | | |
| The fund aims to achieve returns (before fees, charges and taxes) that exceed the MSCI World Index, excluding Australia (A\$ unhedged), over periods of five years or more. | | |
| Description | | |
| The fund is suitable for investors seeking broad exposure to international shares and related investments and who are prepared to accept higher variability of returns. | | |
| Investment strategy | | |
| The fund invests predominantly in a diversified portfolio of international shares through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process. | | |
| Minimum time horizon | | |
| 5 years | | |
| Distribution frequency | | |
| Half-yearly (Investment Portfolio only) | | |
| Risk profile | | |
| High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses. | | |
| Asset allocation | | |
| Asset class | Benchmark (%) | Range (%) |
| Cash | 0 | 0–10 |
| International shares | 100 | 90–100 |

This fund may utilise managers which short sell securities including futures. OptiMix ensures that managers appointed have in place appropriate risk management controls.

OptiMix Global Smaller Companies Shares

Investment objective

This fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/Citigroup GEI BMI <US \$2 billion Index, excluding Australia (\$A unhedged), over periods of five years or more.

Description

The fund is suitable for investors seeking broad exposure to international shares and related investments and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests predominantly in a diversified portfolio of international small companies through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process.

Minimum time horizon

7 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Global small companies shares | 100 | 90–100 |

Profile 5 – High growth – Multi-sector

Minimum investment horizon 5–7 years

| OnePath High Growth | | |
|---|---------------|-----------|
| Investment objective | | |
| The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 6.0% p.a., over periods of five years or more. | | |
| Description | | |
| The fund is suitable for investors seeking higher long term returns through investing in a diversified range of asset classes with a strong bias towards growth assets delivering capital growth with some yield. | | |
| Investment strategy | | |
| The fund invests predominantly in a diversified portfolio of Australian and international shares. The fund blends active and passive management styles from a selection of leading investment managers using disciplined Australian shares and global share investment processes. | | |
| Minimum time horizon | | |
| 5 years | | |
| Distribution frequency | | |
| Quarterly | | |
| Risk profile | | |
| High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses. | | |
| Asset allocation* | | |
| Asset class | Benchmark (%) | Range (%) |
| Cash | 0 | 0–10 |
| Australian property securities | 1 | 0–8 |
| International property securities | 4 | 0–11 |
| Australian shares | 40 | 25–65 |
| International shares | 43 | 28–63 |
| Alternative assets | 12 | 7–20 |

* International equities may include exposure to emerging market and/or global small cap securities.

| OptiMix High Growth | | |
|--|---------------|-----------|
| Investment objective | | |
| The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 6.0% p.a., over periods of five years or more. | | |
| Description | | |
| The fund is suitable for investors seeking exposure to a mix of growth assets and who are prepared to accept higher variability of returns. | | |
| Investment strategy | | |
| The fund invests in an actively managed, diversified portfolio of Australian and international shares through a mix of managers. The fund is actively managed in accordance with the OptiMix Manage the Managers investment process. | | |
| Minimum time horizon | | |
| 5 years | | |
| Distribution frequency | | |
| Quarterly (Investment Portfolio only) | | |
| Risk profile | | |
| High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses. | | |
| Asset allocation* | | |
| Asset class | Benchmark (%) | Range (%) |
| Cash | 0 | 0–10 |
| Australian property securities | 1 | 0–8 |
| International property securities | 4 | 0–11 |
| Australian shares | 40 | 25–65 |
| International shares | 43 | 28–63 |
| Alternative assets | 12 | 7–20 |

* International equities may include exposure to emerging market and/or global small cap securities.

Refer to pages 7 and 86 of this guide for additional information regarding OptiMix Diversified Funds.

For the latest investment returns for OneAnswer go to onpath.com.au

Single manager investment funds

OneAnswer also offers a range of investment funds across all risk profiles, giving a choice of investment approaches to suit varying needs.

Funds are available offering investments in a wide range of asset classes including: Australian shares, international shares, property securities, global property securities, fixed interest and cash, and mortgages.

The selected fund managers available in OneAnswer are strong, reputable brands that are well supported in the marketplace, and are subject to regular, rigorous review. Further information on each of these fund managers is provided in the following pages.

AMP Capital Investors

ABN 59 001 777 591

Established 1849*

Funds under management \$94 billion (as at 30 September 2011)

AMP Capital Investors Limited (AMP Capital) is one of Asia Pacific's largest investment managers. As part of the AMP Group, AMP Capital shares a heritage that spans more than 160 years. AMP Capital employs over 250 investment professionals working across equities, fixed income, real estate, infrastructure, and multi asset markets. AMP Capital's size, and the quality and diversity of their people, offers home strength in Australia and New Zealand, with a reach across Asian and world markets. That's why their clients entrust them to invest over A\$94 billion* on their behalf.

* AMP was established in 1849 and AMP Capital Investors is a wholly owned subsidiary of AMP.

+ As at 30 September 2011



Australia and New Zealand Banking Group Limited

ABN 11 005 357 522

Australian Financial Services Licence Number 234527

Established 1835

Deposit funds under management \$297 billion (as at 30 September 2011)

ANZ is a major Australian financial institution and provider of loans, insurance and deposit products. Established in 1835, ANZ is one of the largest companies in Australia and New Zealand and among the top 50 international banking and financial service providers. ANZ has more than six million personal, private banking, small business, corporate, institutional, and asset finance customers worldwide. ANZ is one of the four major Australian banks with an extensive network including over 2,000 ATMs and 800 branches in Australia.



Ausbil Dexia Limited

ABN 26 076 316 473

Established 1997

Funds under management \$11.5 billion (as at 30 June 2011)

Ausbil Dexia Limited (Ausbil), an Australian equities specialist, is a joint venture between senior members of Ausbil's Australian investment/management team and Dexia Asset Management, the asset management arm of the Dexia Group, a major European bank.

Ausbil offers clients the focus and specialisation of an employee-owned boutique backed by the financial integrity of a global banking partner.



AXA (National Mutual Funds Management Ltd.)

ABN 32 006 787 720

Established 2000

Funds under management \$41.04 billion (as at 30 June 2011)

AXA Funds are offered as part of AMP Capital Investors who are one of Asia Pacific's largest investment managers and as part of the AMP Group share a heritage that spans more than 160 years. AMP Capital manages over A\$100 billion*, across multi-asset, real estate, infrastructure, fixed interest and equity markets. *As at 30 September 2011. AllianceBernstein L.P., a US-based investment firm and a member of the Global AXA Group, is the investment manager for the Funds exposure to global equities.



Bentham Asset Management

ABN 92 140 833 674

Established 2010

Funds under management \$1.8 billion (as at 30 September 2011)

Bentham is a boutique investment manager based in Sydney specialising in global credit investment. The company was founded by Richard Quin, Nik Persic and Mark Fabry. Prior to establishing Bentham, the founders worked together as part of the Credit Suisse Alternative Capital Inc. where Richard held the role of Portfolio Manager for three credit related funds.

Bentham's investment philosophy is based on a strong credit culture and a systematic investment process with a focus on preservation of principal and protection against downside risk.



**BlackRock Investment
Management (Australia) Limited**

ABN 13 006 165 975

Established 1988

**BlackRock Asset Management
Australia Limited (formerly Barclays
Global Investors Australia Limited)**

ABN 33 001 804 566

Established 1996

Combined funds under management AU\$40.4 billion
(as at 30 September 2011)

BlackRock is a leader in investment management, risk management and advisory services for institutional and retail clients worldwide.

At September 30, 2011, BlackRock's AUM was \$3.345 trillion.

BlackRock offers products that span the risk spectrum to meet clients' needs, including active, enhanced and index strategies across markets and asset classes. Products are offered in a variety of structures including separate accounts, mutual funds, iShares® (exchange-traded funds), and other pooled investment vehicles.

BlackRock also offers risk management, advisory and enterprise investment system services to a broad base of institutional investors through BlackRock Solutions®. Headquartered in New York City, as of September 30, 2011, the firm has approximately 10,200 employees in 27 countries and a major presence in key global markets, including North and South America, Europe, Asia, Australia, and the Middle East and Africa.



**BT Investment
Management (RE) Limited**

ABN 17 126 390 627

Established 2007

Funds under management \$32.7 billion (as at 30 September 2011)

BT Investment Management (RE) Limited (BTIM) is a 'multi-boutique' specialist investment fund manager providing a diverse range of investment choices for both individual and institutional investors.

Our vision is to combine the benefits of our strong institutional foundation and performance-focused culture with a 'multi-boutique' specialist investment approach. BTIM's investment capabilities are grouped into specialised investment teams or 'boutiques'. These include Equity, Income, and Macro. We believe this approach positions BTIM with the potential to achieve outstanding risk-adjusted returns for our clients. BTIM's investment teams develop products in asset classes such as equities, bonds, fixed income and alternative investments, where we believe our investment capabilities and processes have a comparative advantage. We focus on utilising a large, talented resource pool and applying disciplined investment processes to generate true-to-label performance. We also partner with leading global and domestic external investment managers with complementary capabilities. These managers are specialists in their asset classes and are selected by BTIM for their reputation, skill and experience. These alliances enable investors to access a broader range of expertise and perspectives.

BT Investment Management is listed on the Australian Securities Exchange and manages over A\$32.7 billion (30 September 2011) for investors. BTIM is majority owned by the Westpac Group.



**BNP Paribas Investment
Partners (Australia) Limited**

ABN 78 008 576 449

Established 1986

Funds under management \$16.7 billion (as at 30 September 2011)

BNP Paribas Investment Partners (Australia) Limited currently distributes the MFS' Global Equity Trust to Australian investors. Massachusetts Financial Services (MFS) is a subsidiary of Sun Life Assurance Company of Canada (US) and is America's oldest mutual fund organisation with a history of money management dating from 1924. MFS has over AUD\$212 billion in assets (at 30 September 2011).



Capital International, Inc

Established 1987

Funds under management A\$31.47 billion (as at 30 September 2011)

WHTM Capital Management Limited (responsible entity)

ABN 29 082 494 362

Capital International is part of The Capital Group Companies, one of the largest and most experienced investment management firms in the world. With 80 years of global research and management experience, the Capital organisation has maintained a singular focus on providing clients with consistently superior investment returns over the long term. Today, millions of individual and institutional investors around the world trust their long-term assets to The Capital Group organisation.

Capital International has appointed Pinnacle Investment Management Limited (Pinnacle) as the distributor of the funds to retail investors in Australia. Pinnacle is a distribution and business support company for the development of high quality investment businesses. Pinnacle is owned by its senior staff and Wilson HTM Investment Group Ltd.



CBRE Clarion Securities LLC

Established 1984*

Funds under management \$A19 billion (as at 30 September 2011)

CBRE Clarion is an industry leading investment advisory firm specializing in global listed property securities. CBRE Clarion's research team located worldwide work closely with a global network of direct property research professionals to form a proprietary view of local market fundamentals. CBRE Clarion's integrated approach, disciplined investment process and rigorous risk management are designed to address the challenges of investing in the dynamic and evolving global investment universe of listed property securities.

CBRE Clarion Securities is part of CBRE Group, Inc. and is the listed equity management arm of the firm's global real estate investment management division, CBRE Global Investors.

*Year firm began managing listed property securities.



Fidelity Worldwide Investment



Established Fidelity Worldwide Investment (Fidelity) was established in 1969. We have offices in 23 countries and employ over 4,400 people. Our US Affiliate, Fidelity Management and Research, LLC was established in 1946.

Funds under management Investment management is Fidelity's primary business. We are a trusted global leader in investment management and have over \$210 billion in funds under management (as at 30 September 2011) for millions of investors from individuals to institutions.

We have invested in Australian equities for over 35 years. Our Australian-based team is backed by one of the largest buy-side research teams in the world.

Fidelity has built its reputation on first-hand research of companies. We build investment funds from the bottom up, stock by stock, through active, on-the-ground analysis of companies, their customers, suppliers and competitors wherever they may be in the world. This intensive first hand knowledge of companies sets Fidelity apart from other fund managers.

Fidelity is a private and independent company and our ownership structure, focus on investment management and size enable us to develop successful and innovative products and provide the highest levels of customer service.

Challenger

ABN 94 002 835 592

Established 1985

Funds under management \$25.8 billion (as at 30 September 2011)

Challenger Limited is an ASX-listed investment management firm established in 1985. Challenger Limited is a leading provider of annuities in Australia and offers a range of listed and unlisted financial products and services across other asset classes. Challenger Limited has established relationships with quality investment partners to offer a range of products to help meet your investment needs, across not only a variety of asset classes, but also across different investment styles.



Goldman Sachs Asset Management



Asset Management

ABN 63 005 885 567

Established 1981

Funds under management \$12 billion (as at 30 September 2011)

Goldman Sachs Asset Management is one of the world's leading asset managers, managing US\$699.8 billion in assets under management globally*. With over 1,800 professionals based in 29 locations around the world[^], our experienced investment teams offer a broad range of competitive products across asset classes, regions and risk spectrum.

In Australia, we have been providing asset management products and services to institutional and individual investors for more than 20 years. Today, we manage over \$12 billion* on behalf of Australian based institutional and individual investors across a comprehensive range of high quality core and satellite investment strategies, including active equity, fixed income, cash, multi-sector and quantitative products, managed by highly experienced and skilled investment teams.

We place the utmost importance on client relationships, delivering outstanding investment products and solutions, providing a high level of client service and communicating timely market and investment insights to our clients.

*As at 30 September 2011

[^]As at 30 June 2011

Colonial First State

ABN 98 002 348 352

Established 1988

Funds under management \$143.2.4 billion (as at 30 September 2011)

Colonial First State Global Asset Management ('CFSGAM') is committed to delivering quality investment solutions which enhance the wealth of our investors. We provide asset and investment management services to institutional and wholesale investors, as well as indirectly to retail investors.

CFSGAM is the largest Australian-based investment manager, with a growing presence in selected international markets. Our specialist investment teams manage portfolios across a diverse range of global markets, investment styles and asset classes, including Australian equities, global equities, global emerging market equities, global resource equities, global property securities, global listed infrastructure securities, global fixed interest and credit and short-term investments. In addition, we have a direct asset management business which offers investors specialist property and infrastructure investments.

Our aim as an investment manager is to understand and manage risk appropriately relative to the return objectives of the funds we manage. We do this through the implementation of disciplined investment and risk management processes. CFSGAM is also a signatory to the United Nations Principles for Responsible Investment, a framework we follow to incorporate environmental, social and governance issues into our investment process.

Our approach to investment is driven by a commitment to providing the best possible outcomes over the long term for our investors. To achieve this, we ensure our interests are aligned with our investors and uphold a culture of always acting in our clients' best interests.



SG Hiscock

ABN 51 097 263 628

Established 2001

Funds under management \$1.73 billion (as at 30 September 2011)

SG Hiscock & Company (SGH) is a boutique investment manager, established in July 2001. The highly experienced principals were formerly employed at National Asset Management (NAM), a \$17 billion subsidiary of National Australia Bank. The team has worked together since 1995 and use their trademarked investment style (ValueActive™). Since its inception in 2001, SGH has grown from \$5 million to \$1.7 billion as at September 2011. SGH has a broad range of funds and a mix of some of the largest wholesale clients in Australia as well as a large number of high net worth and retail clients who predominantly invest through financial planners and platforms. SGH has won several awards, including Money Management / Lonsec Property Securities Fund Manager of the Year in 2010, and in 2007 PIR Australian Property Securities Fund Manager of the Year.



SG HISCOCK & COMPANY

Investors Mutual Limited

ABN 14 078 030 752

Established 1998

Funds under management \$2.6 billion (as at 30 June 2011)

Investors Mutual Ltd (IML) is a specialist Australian equity manager based in Sydney. IML has a conservative investment style with a long-term focus, and aims to deliver consistent returns for clients. IML achieves this through the disciplined application of a fundamental and value-based approach to investing. The IML investment team is a committed and stable team whose remuneration structure aligns their interest with those of Investors Mutual's clients.



Karara Capital

ABN 34 134 075 157

Established 2007

Funds under management \$1.157 billion

Karara Capital is a specialist investment manager focusing on the active management of funds investing in Australian equities. Established in 2007 by its three executive Directors, who between them have built a successful record of managing Australian equities spanning 25 years. Supporting them is a team of experienced investment professionals.

Karara brings together like minded investors within an aligned, performance focused environment. As an independent, wholly staff owned company Karara is free to invest in a purely objective fashion. Its belief is that a small, self determining team is best positioned to build a strong and durable investment culture.



Legg Mason Asset Management Australia Limited

ABN 76 004 835 849

Established 1987

Funds under management A\$1.1 billion (Australian sourced assets under management at 30 September 2011) US\$612 billion (global assets under management at 30 September 2011)

Legg Mason is a dedicated global asset management firm that comprises a range of affiliate asset managers. Manager of the Global Multi Sector Bond strategy is Western Asset. Western Asset is a leading fixed income investment manager that offers a range of products that encompass the world's bond markets. Manager of the Global Value Equity strategy is Global Currents. Global Currents is a global equities manager that adheres to a value investment approach with a tilt to quality.



Merlon Capital Partners

ABN 94 140 833 683

Established 2010

Funds under management \$1.2 billion (as at 30 September 2011)

Merlon Capital Partners is a boutique fund manager based in Sydney, Australia, specialising in equity income strategies. Merlon Capital Partners commenced operation in May 2010, with the ambition of providing high quality, tailored investment management services to investors. The business is controlled by the principals of Merlon Capital Partners, while strategic partner Challenger Limited holds a minority voting shareholding. Challenger Limited provides key business and operational services, with this structure allowing the Merlon investment team to focus on the management of client investments. Prior to establishing Merlon Capital Partners, the majority of the principals worked together at Challenger Limited for 5 years managing over \$650 million in funds.



Perennial Investment Partners Ltd

ABN 59 087 901 620

Established 1999

Funds under management \$20.3 billion (as at 30 September 2011)

Perennial Investment Partners Limited (Perennial) is a specialist active funds management group of companies whose business objective is to manufacture superior investment outcomes for clients. Perennial operates as a suite of five boutique investment management businesses. Each business specialises in the investment management of one of the following asset classes: Australian equities, international equities (global and Asian shares), global and domestic property, fixed interest and cash.



Perpetual

ABN 18 000 866 535

Established 1971

Funds under management \$23.5 billion (as at 30 September 2011)

Perpetual Investment Management Limited (Perpetual Investments) is one of Australia's leading investment managers. Perpetual Investments is part of the Perpetual Group, which has been in operation for more than 125 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual Investments has been able to help generations of Australians manage their wealth.



PIMCO Australia Pty Ltd

ABN 54 084 280 508

Established 1998

Funds under management \$32.65 billion (as at 30 September 2011)

PIMCO is one of the largest global investment solutions providers in the world, with more than AU\$1.2 trillion in assets under management and more than 1,800 employees in offices around the world. In Australia, PIMCO manages over AU\$32 billion for a wide range of clients including superannuation funds, insurance companies, corporations, dealer groups and family offices. PIMCO also provide investment solutions and advisory services to financial planners, advisors and private banks where their strategies appear on numerous model portfolios, investment wrap vehicles and approved product lists across Australia.



Platinum Asset Management

ABN 25 063 565 006

Established 1994

Funds under management \$16.4 billion (as at 30 September 2011)

Platinum Investment Management Limited, trading as Platinum Asset Management (Platinum) is an Australian-based manager specialising in international equities. Platinum manages approximately \$16.4 billion (as at 30 September 2011) with around 14% of funds from investors in New Zealand, Europe, America and Asia. Platinum's investment methodology is applied with the aim of achieving absolute returns for investors. Platinum is owned by Platinum Asset Management Limited ABN 13 050 064 287, a company listed on the Australian Securities Exchange. The majority of issued shares, however, remain held by staff (and related parties).



T. Rowe Price International Ltd

ABN 84 104 852 191

Established 2000*

Funds under management \$466.6 billion (as at 30 September 2011)

T. Rowe Price is a global investment management firm headquartered in Baltimore, Maryland USA and with offices worldwide. It manages investments in all major asset classes. As of 30 September 2011 it had AUD\$466.6 billion under management†.

T. Rowe Price's disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research. Proprietary research is at the core of T. Rowe Price's investment approach together with its emphasis on long term investment merit. It supports a global network of analysts with its proprietary analytics and state-of-the-art technologies.

* T. Rowe Price International Limited was founded in 2000 and is a wholly owned subsidiary of T. Rowe Price Group, Inc., an independent public holding company which was founded in 1937.

† The combined assets under management of the T. Rowe Price group of companies. The T. Rowe Price group of companies includes several investment advisers which are regulated by one or more regulatory bodies such as the Securities and Exchange Commission in the U.S., the Financial Services Authority in the U.K. and other regulatory bodies. Assets under management are calculated in U.S. dollars and converted to Australian dollars using an exchange rate determined by an independent third party.

T. Rowe Price, Invest With Confidence, and the Bighorn Sheep logo is a registered trademark of T. Rowe Price Group Inc. in Australia and other countries.



RARE Infrastructure Limited

ABN 84 119 339 052

Established 2006

Funds under management \$4.1 billion (as at 30 September 2011)

RARE Infrastructure Limited (RARE) is a specialist investment manager in global infrastructure securities. The RARE investment team consists of a highly skilled group of eleven professionals who specialise in the investment and management of securities in the global infrastructure sector, including airports, gas, electricity, water and roads. Members of the team have over 90 years in global infrastructure experience and over 70 years funds management experience.



Schroder Investment Management Australia Limited

ABN 22 000 443 274

Established 1961

Funds under management \$24.7 billion (as at 30 September 2011)

Schroders offers a range of investment products and is part of the Schroders Group which as at 30 September 2011 managed investment assets of approximately A\$292 billion worldwide. The Schroders Group is one of the largest and most internationally diverse independent investment managers providing investment management, research and marketing services from offices located in 25 countries. While many financial institutions try to provide all things to their clients, we specialise in just one – pure investment management.

In Australia, Schroders is a wholly owned subsidiary of Schroders plc, a publicly listed UK company descending from a group that can trace its origins in banking and finance back over 200 years. Financial services has been a core business for Schroders in Australia since 1961 and it now manages A\$24.7 billion as at 30 September 2011 across a broad range of asset classes.



UBS Global Asset Management (Australia) Ltd

ABN 31 003 146 290

Established 1985

Funds under management \$595 billion (as at 30 September 2011)

UBS Global Asset Management, a business division of UBS AG, is a large-scale asset manager with businesses well-diversified across regions, capabilities and distribution channels. It has invested assets of some \$595 billion and is located in 26 countries at 30 September 2011. UBS Global Asset Management offers investment capabilities and styles across all major traditional and alternative asset classes to private clients, financial intermediaries and institutional investors around the globe. These include equities, fixed income, currency, hedge funds, real estate and infrastructure; which can be combined into multi-asset strategies.

In Australia, the firm was established in 1985 and has invested assets of \$23 billion at 30 September 2011. This does not include invested assets from the recent acquisition of the ING Investment Management in Australia which occurred on 4 October 2011. UBS Global Asset Management offers a range of domestic equities, fixed income and multi-asset capabilities while accessing international traditional and alternative solutions.



Vanguard Investments Australia Ltd

ABN 72 072 881 086

Established 1996

Funds under management \$1.7 trillion (global assets under management as at September 2011)

Vanguard Investments Australia Ltd is a wholly owned subsidiary of The Vanguard Group, Inc. which is based in the US and currently manages over US \$1.7* trillion for nearly 25 million individual and institutional accounts. In Australia, Vanguard has been helping investors meet their long-term financial goals with low cost indexing solutions for nearly 15 years.

*As at 30 September 2011.



Zurich Financial Services Australia Limited

ABN 11 008 423 372

Established 1961

Funds under management \$4.55 billion (as at 30 September 2011)

Zurich Investment Management (Zurich Investments) is a subsidiary of Zurich Financial Services Australia Limited (Zurich), which is part of the worldwide Zurich Financial Services Group based in Switzerland. In Australia, Zurich's core lines of business are general insurance, life risk, investments and superannuation solutions.

Zurich Investments provides exclusive access to specialist investments, previously unavailable to retail investors, by combining the expertise of strategic investment partners with the distribution and customer service strength of Zurich.



Walter Scott & Partners Limited



ABN 66 002 867 003

Established 1983

Funds under management \$45.5 billion (as at 30 September 2011)

Walter Scott & Partners Limited (Walter Scott), a global investment manager was established in 1983 in Edinburgh, Scotland.

Walter Scott has a wealth of experience in global equity investment, and currently manages A\$45.5 billion in assets for its global client base. Walter Scott is a classical, fundamental and long-term growth manager.

Walter Scott believes that the long term returns generated from investing in a company are primarily determined by the wealth it generates through the growth of its earnings, a competitive return on equity and solid free cash flow generation.

Profile 1 – Defensive

Minimum investment horizon is 1-3 years

ANZ Cash Advantage*†

Investment objective

The fund aims to provide investors with a high level of capital security while achieving returns generally in line with cash management accounts by investing in ANZ bank deposits.

Description

The fund is suitable for investors seeking a steady and reliable income stream with a high level of capital security.

Investment strategy

ANZ Cash Advantage aims to meet its objective by investing in a portfolio of cash held by ANZ.

Minimum time horizon

No minimum

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------|---------------|-----------|
| Cash‡ | 100 | n/a |

* This investment is not covered by the Federal Government guarantee.

† The fund profile of ANZ FTD Fund is identical to ANZ Cash Advantage which is described above. ANZ FTD Fund is closed to new investment except for Regular Investment Plans and Auto-Rebalance Plans established by existing clients prior to 12 April 2010.

‡ May include term deposits.

ANZ Prime Cash Management Account (Pension only)

Investment objective

The ANZ Prime Cash Management Account aims to protect the value of your investment while achieving returns generally consistent with cash management account interest rates with the added security of a bank account.

The ANZ Prime Cash Management Account has the added convenience of at-call access to your investment via ANZ branches, ATMs, EFTPOS, ANZ Phone Banking, ANZ Internet Banking and BPAY® (conditions apply).

Description

The option is suitable for investors seeking a steady and reliable income stream with a high level of capital security.

Investment strategy

Your investment is held in an ANZ account.

Minimum time horizon

No minimum

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------|---------------|-----------|
| Cash | 100 | n/a |

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ANZ Term Deposits

Investment objective

To provide investors with a fixed rate of return with a choice of investment terms by depositing funds with ANZ.

Description

The option is suitable for investors seeking a steady and reliable income stream with a high level of capital security.

Investment strategy

To invest in term deposit products issued by ANZ.

Minimum time horizon

There are six terms available ranging from 3 months to 5 years.

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------|---------------|-----------|
| Cash | 100 | n/a |

Refer to page 82 of this guide for more information on ANZ Term Deposits.

BlackRock Monthly Income

Investment objective

The fund aims to generate monthly income significantly in excess of that available from short-term money market securities and cash rates. The fund aims to achieve up to 1.70% p.a. (before fees, charges and taxes) in excess of the UBS Bank Bill Index over the medium term (three years).

Description

The fund is suitable for investors seeking exposure to a portfolio of predominately credit fixed income securities as an alternative to mortgages or bonds and who are prepared to accept some variability of returns.

Investment strategy

The fund aims to achieve this objective primarily through the management of credit exposure using research-based knowledge, fundamental credit analysis and the requisite skill base to identify securities with superior risk-adjusted return characteristics in both the domestic and international debt markets. Within a disciplined risk framework, the fund seeks to access the performance potential of a diverse range of these investment opportunities on a global basis.

The fund invests in longer dated floating rate instruments and fixed rate instruments swapped back to floating rate exposures and international debt securities (hedged in A\$) swapped back to domestic floating rate exposures.

Minimum time horizon

3 years

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and fixed interest | 100 | 0–100 |

Underlying fund: BlackRock Monthly Income Fund Class D Units

Challenger Howard Mortgages*

Investment objective

The fund aims to provide investors with a diversified income producing portfolio that aims to provide regular income and capital stability.

Description

The fund is suitable for investors seeking income through a portfolio of mortgages and who are prepared to accept some variability of returns.

Investment strategy

Challenger's mortgage lending team employs a conservative approach to managing the mortgage investments of the fund. The fund has a lending policy which sets out the criteria under which loans are made or acquired. Please refer to 'The fund's lending policy' in the Benchmark Report for further information. The Benchmark Report is available on Challenger's website at www.challenger.com.au/download/MortgageFunds_ASICBenchmark.pdf

Challenger adopts an active approach to managing investments in interest bearing securities.

Minimum time horizon

1 year

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

Please refer to the Benchmark Report on Challenger's website www.challenger.com.au/download/MortgageFunds_ASICBenchmark.pdf for up to date information on asset allocation in the fund.

Underlying fund: Challenger Howard Wholesale Mortgage Fund

* Applications, switches and withdrawals are suspended until further notice.

For further information about suspended funds refer to our website at onepath.com.au > Performance & updates > Fund suspensions.

Colonial First State Global Credit Income

Investment objective

The fund aims to provide income-based returns which exceed, over the medium term and before fees, the return available from cash by investing in a diversified portfolio of higher yielding Australian and international fixed interest investments.

Description

The fund is suitable for investors seeking exposure to a heavily diversified absolute return credit fund that hedges out interest rate and currency risk in order to create a pure credit fund. The fund is suitable for investors who are prepared to accept some variability of returns.

Investment strategy

The option invests in a portfolio of predominantly global corporate debt investments. The option's strategy is to earn an income return from its investments, controlling risk through careful selection and monitoring, combined with broad diversification. The increased credit risk of corporate debt means that these investments have the potential to deliver higher returns over the medium term compared to cash. The option uses derivatives to manage interest rate sensitivity and credit risk, and to hedge currency risk.

Minimum time horizon

3 years

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and fixed interest | 100 | 0–100 |

Underlying fund: Colonial First State Wholesale Global Credit Income Fund

OnePath Cash

Investment objective

The fund aims to match the performance of the UBS Bank Bill Index (after costs but before fees and charges), over one year periods.

Description

The fund is suitable for investors seeking to generate returns through investing in cash and fixed interest defensive investments.

Investment strategy

The fund invests predominantly in a diversified portfolio of short-term defensive assets. The fund is actively managed in accordance with a disciplined fixed interest and cash investment processes.

Minimum time horizon

1 year

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and fixed interest | 100 | n/a |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Diversified Fixed Interest

Investment objective

The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed the UBS Composite Bond Index (0+Yr), over periods of three years or more.

Description

The fund is suitable for investors seeking to generate returns through investing in cash and fixed interest defensive investments.

Investment strategy

The fund is actively managed and invests predominantly in a diversified mix of Australian and international defensive assets.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--|---------------|-----------|
| Cash and Australian fixed interest | 45 | 0–90 |
| International fixed interest | 45 | 0–90 |
| Australian and international high yield debt | 10 | 0–20 |

Managed on behalf of OnePath by PIMCO. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Mortgages*†

Investment objective

The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed the UBS Bank Bill Index by at least 1.5% p.a., over periods of one year or more.

Description

The fund is suitable for investors seeking to generate returns through investing in cash, fixed interest and mortgage-backed defensive investments.

Investment strategy

The fund invests predominantly in a diversified portfolio of loans secured by mortgages over real property, mortgage backed securities, cash and other fixed interest securities.

Minimum time horizon

2 years

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------------------|---------------|-----------|
| Cash and Australian fixed interest | 15 | 10–40 |
| Mortgages | 85 | 60–90 |

* Applications, switches and withdrawals are suspended until further notice.

† Managed by OnePath.

For additional information about the liquidity, portfolio diversification and a range of other factors that may assist you to better understand the ongoing management of OnePath Mortgages, you should see the 'OnePath Mortgage and Income Plus funds – Additional information' document, which can be found in the 'Product Updates' section of the OnePath website. The information in the document will be updated quarterly.

Schroder Fixed Income

Investment objective

The fund aims to obtain exposure to a diversified range of domestic and international fixed income securities with the principal aim of outperforming the UBS Composite Bond Index over the medium term.

Description

The fund is suitable for investors seeking stable absolute returns over time through exposure to a range of domestic and international fixed income assets and who are prepared to accept some variability of returns.

Investment strategy

Schroders believes an active 'Core Plus' approach can deliver stable absolute returns to investors over time. Schroders aim to deliver the return objective for the lowest achievable risk. This is critical as they judge themselves not only on meeting the stated fund objectives but also on a 'reward-for-risk' basis. Schroders also put a lot of emphasis on the management of tail risk which is critical especially in the current credit environment.

Schroders seek to combine asset allocation, country selection, credit risk management, stock selection and duration in a combination that delivers solid absolute returns to investors while protecting capital in most economic environments.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------|---------------|-----------|
| Australian bonds | 50 | 20–100 |
| Australian hybrids | 10 | 0–20 |
| International bonds | 25 | 0–50 |
| Asian bonds (ex Japan) | 5 | 0–15 |
| Emerging market bonds | 5 | 0–15 |
| Cash | 5 | 0–50 |

Underlying fund: Schroder Fixed Income Fund

UBS Diversified Fixed Income

Investment objective

The fund aims to provide investors with a total return (after management costs) in excess of the returns measured by relevant debt market indices, over rolling three year periods.

Description

The fund is suitable for investors seeking diversified exposure to a range of domestic and international fixed income securities across fixed income classes and who are prepared to accept some variability of returns.

Investment strategy

The fund is an actively managed portfolio of cash and Australian and international fixed income securities. The fund may gain its asset sector exposure by investing in UBS managed funds or direct securities and financial derivatives.

The fixed income assets of the fund are predominantly of investment grade quality. Non- investment grade fixed income assets (High Yield and Emerging Market debt) will generally not exceed 30% of the total portfolio. The fund may invest in derivatives to gain or reduce exposure to relevant markets and currencies and to manage investment risk. The fund is managed to a minimum 90% \$A exposure. Derivative holdings may result in notional exposures that are greater than the underlying value of the assets in the fund.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation†

| Asset class | Benchmark (%) | Range (%) |
|------------------------------|---------------|-----------|
| Australian bonds and cash | 50 | 20–80 |
| International bonds and cash | 50 | 20–80 |

Underlying fund: UBS Diversified Fixed Income Fund

† Total portfolio exposure to currency movements has a benchmark of 0%, with a range of 0-10%.

Vanguard® Index Diversified Bond

Investment objective

The fund seeks to track the return (income and capital appreciation) of a tailored diversified index representing a 40% allocation to the UBS Australian Composite Bond Index, and a 60% allocation to the Barclays Capital Global Aggregate ex Securitised Index (hedged to Australian dollars) before taking into account fees, expenses, and tax.

Description

The fund is suitable for investors seeking a steady and reliable income stream through passive exposure to a diversified range of domestic and international fixed income securities and who are prepared to accept some variability of returns.

Investment strategy

The fund invests in Australian and international bonds through the underlying Vanguard Index Funds. The Australian fixed interest allocation invests in the Vanguard® Australian Fixed Interest Index Fund and the international fixed interest allocation invests in the Vanguard® International Fixed Interest Index Fund (Hedged) and the Vanguard® International Credit Securities Index Fund (Hedged).

Vanguard seeks to reduce credit risk in the portfolio by selecting only bonds with a sufficiently high credit rating and by diversifying the fund's holding across issuers.

Futures may be used to gain market exposure without investing directly in fixed interest securities. This allows Vanguard to maintain fund liquidity without being under-invested.

Importantly, derivatives are not used to leverage the fund's portfolio. Vanguard will use forward foreign exchange contracts to hedge most of the currency risk back to Australian dollars.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Defensive – Defensive investment funds are more likely to suit you if you seek to maintain the original value of your investment and you are prepared to accept lower returns for lower risk.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------------|---------------|-----------|
| Australian fixed interest | 40 | 40 |
| International fixed interest | 60 | 60 |

Underlying fund: Vanguard® Diversified Bond Index Fund

Profile 2 – Conservative

Minimum investment horizon is 2-3 years

AMP Capital Enhanced Yield*

Investment objective

The fund aims to:

- provide a regular and consistent level of income,
- return above the fund's performance benchmark (after manager cost but before taxes and OneAnswer Ongoing Fees), and
- return capital to investors over time via capital distributions.

The performance benchmark for the fund is the Reserve Bank of Australia Cash Rate.

Description

The fund is not suitable for new investors with applications, switches and withdrawals suspended until further notice. The fund is currently illiquid with available liquidity being paid to investors via pro rata capital distributions. As the fund returns capital to investors over time, the credit risk of the fund will likely become more concentrated and increase. The fund invests in private debt instruments (via units in the underlying AMP Capital Structured High Yield Fund) and a small holding in cash and liquid securities.

Investment strategy

Due to the fund's liquidity position, it makes pro rata special distributions of capital and income to investors. AMP Capital believes this is the fairest way to deliver the available liquidity to investors. The traded high yield component of the fund has been returned to investors and therefore the fund now holds private debt, together with cash and liquid investments. The private debt investments are high yielding subordinated debt assets and senior debt assets in countries around the globe and in normal circumstances any foreign currency denominated assets are hedged back to Australian dollars.

Minimum time horizon

n/a

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation†

| Asset class | Benchmark (%) | Range (%) |
|------------------------------------|---------------|-----------|
| Cash and fixed interest securities | n/a | 0–100 |

Underlying fund: AMP Capital Enhanced Yield – Class A units

* Applications, switches and withdrawals are suspended until further notice.

For further information about suspended funds refer to our website at onepath.com.au > Performance & updates > Fund suspensions.

† The target asset allocation of 50% traded high yield and 50% private debt has been removed.

Bentham Syndicated Loan

Investment objective

The fund aims to achieve investment returns (before taxes and OneAnswer Ongoing Fees) above the Credit Suisse Leverage Loans Index (hedged into AUD) over the suggested time horizon.

Description

The fund is suitable for investors seeking income through a portfolio of non traditional fixed income securities and who are prepared to accept some variability of returns.

Investment strategy

The fund seeks to add value through loan selection and industry rotation, while maintaining a highly diversified portfolio with exposure to high yielding investments primarily through the US syndicated loan market with additional investments through US corporate debt securities that are rated below investment grade. The fund also has the ability to invest in second lien loans and high yield bonds and collateralised loan obligations. The fund aims to fully hedge any foreign currency exposure back to the Australian dollar. The fund will also generally include an exposure to cash at bank.

Minimum time horizon

3 years

Distribution frequency

Monthly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---------------------------------|---------------|-----------|
| Syndicated loans | n/a | 60–100 |
| High yield bonds | n/a | 0–15 |
| Non-rated debt securities | n/a | 0–10 |
| Collateralised debt obligations | n/a | 0–10 |

Underlying fund: Bentham Professional Syndicated Loan Fund

For the latest investment returns for OneAnswer go to onepath.com.au

Goldman Sachs Income Plus

Investment objective

The fund aims to provide regular income and to achieve medium-term capital growth by investing in cash, money market products, domestic fixed interest assets and a range of high yielding investments including domestic hybrid investments, property, infrastructure and utilities securities and international fixed interest assets. In doing so, the fund aims to outperform the UBS Bank Bill Index over rolling three-year periods.

Description

The fund is suitable for investors seeking exposure to a diversified range of asset classes and who can accept some variability of returns.

Investment strategy

The fund's investment process aims to benefit investors by providing diversified sources of income and rigorous risk management through tactical asset allocation. The process can be broadly divided into three steps – strategic asset allocation, active asset allocation and risk management, and portfolio construction.

Emphasis is given to maximising income paid by the fund, whilst targeting volatility that is in line with bond markets.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%)* | Range (%) |
|--|----------------|-----------|
| Cash [†] | 40 | 5–100 |
| Australian fixed interest securities [†] | 20 | 0–50 |
| Hybrid investments [‡] | 15 | 0–40 |
| Global high yield securities [†] | 10 | 0–25 |
| Property, infrastructure and utilities securities [‡] | 15 | 0–25 |

Underlying fund: Goldman Sachs Income Plus Wholesale Fund

* Neutral position is reviewed annually and may be altered.

[†] These asset classes combined must be within a range of 50-100%.

[‡] Maximum combined exposure to hybrid and property, infrastructure and utilities securities is 50%.

Legg Mason Global Multi Sector Bond

Investment objective

The trust aims to maximise total returns through income and capital appreciation. The comparative index comprises 50% the Barclays Capital Global Aggregate Index, 25% the J.P. Morgan Emerging Markets Bond Index Plus and 25% the Barclays Capital Global U.S. Corporate High Yield Index (all hedged into Australian dollars).

Description

The fund is suitable for investors seeking exposure to an actively managed global portfolio of high yield and investment grade corporate securities, mortgage and asset back securities, sovereign and emerging market securities. The fund is suitable for investors who are prepared to accept some variability of returns.

Investment strategy

The trust aims to achieve the investment objective by constructing a strategic multi-sector high yield global bond portfolio that invests in a range of fixed income markets and currencies. Value can be added by active sector selection and by security selection. Portfolio risk is controlled through broad diversification across markets and sectors.

Minimum time horizon

3 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--------------|---------------|-----------|
| Cash | 0 | 0–20 |
| Global bonds | 100 | 80–100 |

Underlying fund: Legg Mason Global Multi Sector Bond Trust

OnePath Diversified High Yield

Investment objective

The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed the UBS Bank Bill Index by at least 2.0% p.a., over periods of three years or more.

Description

The fund is suitable for investors seeking medium term returns through investing in a diversified mix of income producing asset classes with a bias towards defensive assets.

Investment strategy

The fund invests predominantly in a diversified mix of Australian and international high yield debt assets and fixed interest securities. The fund is actively managed using disciplined fixed interest and cash investment processes.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---|---------------|-----------|
| Australian investment grade debt and cash | 0 | 0–100 |
| International investment grade debt | 0 | 0–80 |
| Australian high yield debt | 60 | 20–100 |
| International high yield debt | 40 | 0–80 |

Managed on behalf of OnePath by PIMCO. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

Perpetual Conservative Growth

Investment objective

The fund aims to provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash, enhanced cash and fixed income securities.

Description

The fund is suitable for investors seeking long term capital growth and income through exposure to a well diversified portfolio of assets and who are prepared to accept some variability of returns.

Investment strategy

Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments)*. Tactical asset allocation strategies may be applied. This process involves the fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.

Currency hedges may be used from time to time.

Derivatives and exchange traded funds may be used in managing each asset class.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and enhanced cash* | 34 | 15–45 |
| Fixed income | 30 | 25–55 |
| Property | 5 | 0–10 |
| Australian shares† | 11.5 | 0–25 |
| International shares | 11.5 | 0–20 |
| Alternative assets‡ | 8 | 0–30 |

Underlying fund: Perpetual Wholesale Conservative Growth Fund.

* This Fund may invest in enhanced cash funds that allow gearing.

† The fund gains its exposure to Australian shares by investing in an underlying fund/s which invest/s primarily in Australian listed or soon to be listed shares but may have up to 20% exposure to stocks outside Australia. The investment guidelines showing the Fund's maximum investment in international shares do not include this potential additional exposure. Short positions may be part of the underlying Australian share funds' strategy. Currency hedges may be used from time to time.

‡ Perpetual may allocate up to 30% of the portfolio to other investments, which may include infrastructure, mortgages (including mezzanine mortgages) and alternative investments such as private equity, emerging market debt, opportunistic property, absolute return funds, specialist credit, commodities and diversified beta funds. The additional exposure to other investments enhances the Fund's diversification and may help reduce volatility.

UBS Defensive

Investment objective

The fund aims to provide a total return (after management costs) in excess of its Neutral Allocation (measured by relevant market indices), over rolling five year periods. Over a full investment cycle (usually three to five years), this Neutral Allocation displays performance characteristics of CPI plus 4.5-6.5% p.a. on average.

Description

The fund is suitable for investors seeking exposure to a diversified portfolio of income assets through a limited investment in growth and alternative assets and who are prepared to accept some variability of returns.

Investment strategy

The fund may maintain its asset allocation anywhere within the allowable range to differing asset classes consistent with the risk and return objectives indicated above. The fund normally gains its asset sector exposure by investing in other relevant UBS managed funds and third-party funds either directly or indirectly through a range of instruments. The fund may also invest directly in securities. Derivatives may also be used to gain or hedge exposure to securities, markets, asset classes and currencies. Derivative holdings may result in notional exposures that are greater than the underlying value of assets in the fund. The long term neutral (or average) exposure to traditional growth and income assets is expected to be around 30% and 60% respectively of the total portfolio. The remaining 10% is expected to be allocated on average to various alternative asset strategies which are likely to provide a combination of both income and growth potential.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-------------------------------|---------------|-------------------|
| Income Assets | | |
| Cash | | 0–50 |
| Australian bonds | | 0–80 |
| International bonds | | 0–80 |
| TOTAL | 60 | 30–90 |
| Growth Assets | | |
| Property Securities/REITs | | 0–20 |
| Australian shares | | 0–40 |
| International shares | | 0–40 |
| TOTAL | 30 | 0–50 |
| Alternative Strategies | 10 | 0–40 [†] |

Underlying fund: UBS Defensive Investment Fund

* Total portfolio exposure to currency movements has a benchmark of 10%, with a range of 0-40%.

† May exceed the upper limit of this range for extended periods due to market movements or significant cash flows.

Vanguard® Conservative Index

Investment objective

The fund seeks to track the weighted average return of the various indices of the underlying funds in which the fund invests, in proportion to the strategic asset allocation (SAA) for the fund, before taking into account fees, expenses, and tax.

Description

The fund is suitable for investors seeking a steady and reliable income stream, with some capital growth potential through passive exposure to a diversified portfolio of assets and who are prepared to accept some variability of returns.

Investment strategy

The fund holds units in a range of Vanguard's sector index funds (i.e. the underlying funds), including but not limited to:

- Vanguard® Cash Plus Index Fund
- Vanguard® Australian Fixed Interest Index Fund
- Vanguard® International Fixed Interest Index Fund (Hedged)
- Vanguard® International Credit Securities Index Fund (Hedged)
- Vanguard® Australian Property Securities Index Fund
- Vanguard® International Property Securities Index Fund (Hedged)
- Vanguard® International Small Companies Index Fund (Hedged)
- Vanguard® Australian Shares Index Fund
- Vanguard® International Shares Index Fund.

The portfolio targets a 70% allocation to income asset classes (cash and fixed interest securities) and a 30% allocation to growth asset classes (property securities and shares).

Actual allocations are permitted to deviate from the strategic asset allocations provided they remain within the ranges in the table below. Vanguard may vary the strategic asset allocations and asset allocation ranges or introduce new asset classes from time to time.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--|---------------|-----------|
| Australian fixed interest | 11 | 9–13 |
| International fixed interest (hedged) | 17 | 15–19 |
| Australian cash | 42 | 40–44 |
| Australian shares | 15 | 13–17 |
| International shares | 10 | 9–11 |
| Australian property securities | 2 | |
| International property securities (hedged) | 2 | 3–5 |
| International small companies (hedged) | 1 | 0–2 |

Underlying fund: Vanguard® Conservative Index Fund

Profile 3 – Moderate

Schroder Balanced

Investment objective

The objective of the fund is to provide unit holders with returns (before OneAnswer Ongoing Fees) in the order of 5% above Australian inflation (as measured by headline CPI) over the medium to long-term (e.g. rolling three-year basis).

Description

The fund is suitable for investors seeking exposure to a diversified portfolio of assets and who are prepared to accept some variability of returns.

Investment strategy

The fund invests in a diversified mix of Australian and international assets with a bias towards growth assets.

The fund is actively managed in accordance with Schroders' investment process. Schroders' approach to managing investments is based on the principle that risk and return are of equal importance. This means that understanding risk and how to allocate it across the portfolio is crucial to successful investment management over time. While Schroders' research also seeks to identify assets that are mispriced relative to medium-term fundamentals, their preference is to find and hold assets that deliver consistent returns over time – in effect, assets that pay the holder to own them.

Minimum time horizon

4 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------|---------------|-----------|
| Cash | 8 | 0–20 |
| Fixed income | 15 | 10–35 |
| Objective based | 10 | 0–20 |
| Higher yielding credit | 5 | 0–15 |
| REITs | 5 | 0–10 |
| Australian equities | 30 | 20–40 |
| Global equities | 27 | 20–40 |

Underlying fund: Schroder Balanced Fund

For the latest investment returns for OneAnswer go to onepath.com.au

UBS Balanced

Investment objective

This fund aims to provide a total return (after management costs) in excess of its Neutral Allocation (measured by relevant market indices), over rolling five year periods. Over a full investment cycle (usually three to five years), this Neutral Allocation displays performance characteristics of CPI plus 6-8% p.a. on average.

Description

The fund is suitable for investors seeking exposure to a mix of growth, income and alternative assets and who are prepared to accept some variability of returns.

Investment strategy

The fund may maintain its asset allocation anywhere within the allowable range to differing asset classes consistent with the risk and return objectives indicated above. The fund normally gains its underlying security selection exposure by investing in other relevant UBS managed funds and third-party funds either directly or indirectly through a range of instruments. The fund may also invest directly in securities. Derivatives may also be used to gain or hedge exposure to securities, markets, asset classes and currencies. Derivative holdings may result in notional exposures that are greater than the underlying value of assets in the Fund. The long term neutral (or average) to traditional growth and income assets is expected to be around 65% and 25% respectively of the total portfolio. The remaining 10% is expected to be allocated on average to various alternative asset strategies which are likely to provide a combination of both income and growth potential.

Minimum time horizon

3 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation*

| Asset class | Benchmark (%) | Range (%) |
|-------------------------------|---------------|-------------------|
| Income Assets | | |
| Cash | | 0–30 |
| Australian bonds | | 0–60 |
| International bonds | | 0–60 |
| TOTAL | 25 | 0–70 |
| Growth Assets | | |
| Property Securities/REITs | | 0–30 |
| Australian shares | | 0–60 |
| International shares | | 0–60 |
| TOTAL | 65 | 20–95 |
| Alternative Strategies | 10 | 0–40 [†] |

Underlying fund: UBS Balanced Investment Fund

* Total portfolio exposure to currency movements has a benchmark of 30%, with a range of 0-95%.

† May exceed the upper limit of this range for extended periods due to market movements or significant cash flows.

Vanguard® Balanced Index

Investment objective

The fund seeks to track the weighted average return of the various indices of the underlying funds in which the fund invests, in proportion to the strategic asset allocation (SAA) for the fund, before taking into account fees, expenses, and tax.

Description

The fund is suitable for investors seeking a balance between income and capital growth through passive exposure to a diversified portfolio of assets and who are prepared to accept some variability of returns.

Investment strategy

The fund holds units in a range of Vanguard's sector index funds (i.e. the underlying funds), including but not limited to:

- Vanguard® Cash Plus Index Fund
- Vanguard® Australian Fixed Interest Index Fund
- Vanguard® International Fixed Interest Index Fund (Hedged)
- Vanguard® International Credit Securities Index Fund (Hedged)
- Vanguard® Australian Property Securities Index Fund
- Vanguard® International Property Securities Index Fund (Hedged)
- Vanguard® International Small Companies Index Fund (Hedged)
- Vanguard® Australian Shares Index Fund
- Vanguard® International Shares Index Fund
- Vanguard® Emerging Markets Shares Index Fund.

The portfolio targets a 50% allocation to income asset classes (cash and fixed interest securities) and a 50% allocation to growth asset classes (property securities and shares).

Actual allocations are permitted to deviate from the strategic asset allocations provided they remain within the ranges in the table below. Vanguard may vary the strategic asset allocations and asset allocation ranges or introduce new asset classes from time to time.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--|---------------|-----------|
| Australian fixed interest | 11 | 9–13 |
| International fixed interest (hedged) | 17 | 15–19 |
| Australian cash | 22 | 20–24 |
| Australian shares | 24 | 22–26 |
| International shares | 17 | 15–19 |
| Australian property securities | 3 | 5–7 |
| International property securities (hedged) | 3 | |
| International small companies (hedged) | 2 | 1–3 |
| Emerging markets shares | 1 | 0.5–1.5 |

Underlying fund: Vanguard® Balanced Index Fund

Profile 4 – Growth

Minimum investment horizon is 5 years or more

BlackRock Balanced

Investment objective

The fund aims to provide investors with the highest possible returns consistent with a 'balanced' investment strategy, encompassing:

- an orientation towards growth assets
- a bias towards Australian assets
- active asset allocation, security selection and risk management.

The performance aim of the fund is to outperform its strategic benchmark over the medium to longer term timeframes (i.e. 3 to 5 years).

The fund's strategic benchmark is reviewed periodically. Specific allocations may vary but the fund will retain a broad 70/30 split between growth and income assets and a bias toward Australian assets, particularly within the growth asset category.

Description

The fund is suitable for investors wanting exposure to a diversified range of asset classes and who can accept some variability of returns.

Investment strategy

The investment strategy of the fund is to provide investors with a diversified exposure to the best investment teams and strategies that BlackRock has globally, within the context of an Australian based 'balanced' investment portfolio.

Minimum time horizon

5 years

Strategic benchmark

The fund's strategic benchmark has exposure to predominantly growth assets such as Australian shares, international shares and property. It also has exposure to more defensive (income) asset classes such as Australian and international fixed income and cash.

The fund's strategic benchmark is provided below.

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

BlackRock Balanced (continued)

Asset allocation

| Asset class | Benchmark (%) | Range (%)* |
|----------------------------|---------------|------------|
| Cash | 5 | n/a |
| Australian fixed income | 15 | n/a |
| International fixed income | 10 | n/a |
| Property | 6 | n/a |
| Australian shares | 38 | n/a |
| International shares | 26 | n/a |

Underlying fund: BlackRock Wholesale Balanced Fund*

* The risks associated with the fund are controlled through a risk budgeting framework, rather than containing risk by limiting allocations to particular asset classes. This framework seeks to manage the overall risk being run in the fund to a level consistent with the universe of Australian 'balanced' funds, while leaving the fund manager discretion in the precise allocation of this risk between investment teams and strategies.

BlackRock Scientific Diversified Growth

Investment objective

The fund aims to achieve superior investment performance through providing returns (before fees, charges and taxes) that exceed those of the neutral portfolio benchmark over rolling three-year periods. The benchmark return is calculated using the benchmark asset allocation of the fund and the index returns for each asset class.

Description

The fund is suitable for investors wanting exposure to a diversified range of asset classes and who can accept some variability of returns.

Investment strategy

The fund invests in a diversified mix of Australian and international assets with a bias towards growth assets. The fund seeks to add value through active stock selection and tactical asset allocation. BlackRock believes that optimal investment outcome can best be achieved through Total Performance Management – understanding, measuring, forecasting and managing the three dimensions of investment performance: return, risk and cost.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---|---------------|-----------|
| Cash | 7 | 0–15 |
| Australian fixed interest | 12 | 10–30 |
| International fixed interest | 4 | 0–10 |
| Global inflation-linked bonds | 3 | 0–10 |
| Australian shares | 41 | 30–50 |
| International shares (unhedged) | 11 | 15–35 |
| International shares (hedged) | 12 | 15–35 |
| Emerging markets shares | 5 | 0–10 |
| Global listed infrastructure (unhedged) | 5 | 0–10 |

Underlying fund: BlackRock Scientific Diversified Growth Fund

Colonial First State Diversified

Investment objective

The fund aims to provide medium to long-term capital growth, together with some income, by investing in cash, fixed interest, property and shares.

Description

The fund is suitable for investors wanting exposure to a diversified range of asset classes and who can accept some variability of returns.

Investment strategy

The option's broad asset allocation is to be 70% invested in growth assets (shares and property) and 30% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although a reallocation is only considered in response to a fundamental change in long-term expectations or market demand. We seek to add value through a disciplined approach to the selection of the investments held by the option. For risk management purposes, the option may hedge some of its currency exposure.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and fixed interest | 30 | 20–40 |
| Global infrastructure | 5 | 0–10 |
| Property securities | 5 | 0–10 |
| Global resource shares | 10 | 5–15 |
| Australian shares | 30 | 25–35 |
| International shares | 20 | 15–25 |

Underlying fund: Colonial First State Wholesale Diversified Fund

For the latest investment returns for OneAnswer go to onepath.com.au

OnePath Protected AUS 50**†

Investment objective

The fund aims to provide investors with exposure to Australian shares and cash via a portfolio that is managed with the dual objective of providing long term capital growth, whilst also limiting losses in volatile and/or falling markets.

Description

The fund is suitable for investors seeking higher long term returns through investing in a broad exposure to the Australian equity market while wishing to diminish volatility.

Investment strategy

The fund invests in the OnePath Wholesale Protected AUS 50 Trust (PAUS 50). The PAUS 50 uses a systematic process to manage its exposure to Australian shares and cash in order to provide protection in volatile and/or falling markets. Australian share exposure consists of a portfolio of shares and derivatives that closely resemble the composition and weightings of the top 50 shares on the Australian Stock Exchange (ASX) by market capitalisation (S&P/ASX 50 Accumulation Index).

Minimum time horizon

5 years

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Distribution frequency

Yearly (Investment Portfolio only)

Asset allocation

The PAUS 50's assets are systematically allocated daily between Australian shares and cash in order to limit losses in volatile and/or falling markets. Accordingly, there is no benchmark asset allocation.

The allocation between Australian shares and cash can vary substantially over time, in accordance with market conditions.

Protection

Protection* is provided such that the unit price of the PAUS 50 will not fall below 80% of the Trust's highest ever unit price, adjusted for distributions and any other Trust expenses.

* The protection is provided by Barclays Bank PLC.

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

* The capital protection is provided by Barclays Bank PLC and is based on the protected price of the PAUS 50. Protection does not apply directly to your investment.

† Refer to page 87 of this guide for more information on the OnePath Protected AUS 50.

OnePath Tax Effective Income

Investment objective

The fund aims to provide income and achieve returns (before fees and taxes) that on average exceed inflation by at least 5.0% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking higher long term returns through investing in a diversified mix of income producing asset classes with a bias towards growth assets.

Investment strategy

The fund invests in a diversified mix of Australian assets with a bias towards income producing growth assets. The fund is actively managed in accordance with a disciplined investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---------------------------|---------------|-----------|
| Australian shares | 40 | 30–50 |
| Property securities | 30 | 20–40 |
| Total growth | 70 | |
| Australian fixed interest | 30 | 0–40 |
| Cash | 0 | 0–25 |
| Total defensive | 30 | |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

Perpetual Balanced Growth

Investment objective

The fund aims to provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments.

Description

The fund is suitable for investors seeking long term capital growth and income through exposure to a well diversified portfolio of assets and who are prepared to accept some variability of returns.

Investment strategy

Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments)*. Tactical asset allocation strategies may be applied. This process involves the Fund adjusting its exposure to asset classes on a regular basis within the investment guidelines.

Currency hedges may be used from time to time.

Derivatives and exchange traded funds may be used in managing each asset class.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------|---------------|-----------|
| Cash and enhanced cash* | 13 | 0–30 |
| Fixed income | 10 | 5–35 |
| Property | 5 | 0–15 |
| Australian shares† | 28 | 10–50 |
| International shares | 28 | 10–50 |
| Alternative assets‡ | 16 | 0–30 |

Underlying fund: Perpetual Wholesale Balanced Fund

*This Fund may invest in enhanced cash funds that allow gearing.

† The fund gains its exposure to Australian shares by investing in an underlying fund/s which invest/s primarily in Australian listed or soon to be listed shares but may have up to 20% exposure to stocks outside Australia. The investment guidelines showing the Fund's maximum investment in international shares do not include this potential additional exposure. Short positions may be part of the underlying Australian share funds' strategy. Currency hedges may be used from time to time.

‡ Perpetual may allocate up to 30% of the portfolio to other investments, which may include infrastructure, mortgages (including mezzanine mortgages) and alternative investments such as private equity, emerging market debt, opportunistic property, absolute return funds, specialist credit, commodities and diversified beta funds. The additional exposure to other investments enhances the Fund's diversification and may help reduce volatility.

Vanguard® Growth Index

Investment objective

The fund seeks to track the weighted average return of the various indices of the underlying funds in which the fund invests, in proportion to the strategic asset allocation (SAA) for the Fund, before taking into account fees, expenses, and tax.

Description

The fund is suitable for investors seeking a balance between income and capital growth through passive exposure to a diversified portfolio of assets and who are prepared to accept some variability of returns.

Investment strategy

The fund holds units in a range of Vanguard's sector index funds (i.e. the underlying funds), including but not limited to:

- Vanguard® Cash Plus Index Fund
- Vanguard® Australian Fixed Interest Index Fund
- Vanguard® International Fixed Interest Index Fund (Hedged)
- Vanguard® International Credit Securities Index Fund (Hedged)
- Vanguard® Australian Property Securities Index Fund
- Vanguard® International Property Securities Index Fund (Hedged)
- Vanguard® International Small Companies Index Fund (Hedged)
- Vanguard® Australian Shares Index Fund
- Vanguard® International Shares Index Fund
- Vanguard® Emerging Markets Shares Index Fund.

The portfolio targets a 30% allocation to income asset classes (cash and fixed interest securities) and a 70% allocation to growth asset classes (property securities and shares).

Actual allocations are permitted to deviate from the strategic asset allocations provided they remain within the ranges in the table below. Vanguard may vary the strategic asset allocations and asset allocation ranges or introduce new asset classes from time to time.

Minimum time horizon

7 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

Growth – Growth investment funds are more likely to suit you if you are seeking higher long-term returns and are willing to accept the increased possibility of sustained negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--|---------------|-----------|
| Australian fixed interest | 11 | 9–13 |
| International fixed interest (hedged) | 17 | 15–19 |
| Australian cash | 2 | 1–3 |
| Australian shares | 34 | 32–36 |
| International shares | 23 | 21–25 |
| Australian property securities | 4 | 7–9 |
| International property securities (hedged) | 4 | |
| International small companies (hedged) | 3 | 2–4 |
| Emerging markets shares | 2 | 1.5–2.5 |

Underlying fund: Vanguard® Growth Index Fund

Profile 5 – High growth – Property

AXA Australian Property*

Investment objective

The fund aims to provide income (some of which is tax advantaged) with some long-term capital growth.

Description

The fund is suitable for investors seeking exposure to both Australian direct property and listed property securities and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests primarily in direct property within Australia and New Zealand, as well as listed property securities and cash to provide liquidity. The key office, industrial and retail sectors each have different performance and risk profiles, so the portfolio manager seeks to maintain a spread of assets across these sectors to promote diversification.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--|---------------|-----------|
| Cash | n/a | 0–30 |
| Direct property and unlisted property securities | n/a | 25–100 |
| Listed property securities | n/a | 0–50 |

Underlying fund: AXA – Wholesale Australian Property Fund

* Applications, switches and withdrawals are suspended until further notice. For further information about suspended funds refer to our website at onepath.com.au > Performance & updates > Fund suspensions.

For the latest investment returns for OneAnswer go to onepath.com.au

Challenger Property

Investment objective

The fund aims to provide exposure primarily to listed property trusts for some tax-effective* income and capital growth potential over the long-term. The fund aims to outperform (before taxes and OneAnswer Ongoing Fees) the S&P/ASX 200 A-REIT Accumulation Index over the suggested time horizon.

Description

The fund is suitable for investors seeking exposure to the Australian property securities market and who are prepared to accept higher variability of returns.

Investment strategy

SG Hiscock† believe to add value to investment portfolios, a combination of fundamental analysis of 'top-down' macroeconomic influences and 'bottom-up' company specific research, analysis and valuation is required. SG Hiscock's investment approach assesses every security from both a fundamental and valuation perspective to identify the major trends in the global and domestic economies, and look at how these trends influence each individual security. SG Hiscock assesses the valuation of every security incorporating relevant macroeconomic and microeconomic factors. Their bottom-up analysis allows them to identify those stocks that they expect will deliver superior performance over the medium to long-term.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---------------------|---------------|-----------|
| Property securities | n/a | 80–100 |
| Cash | n/a | 0–20 |

Underlying fund: Challenger Professional Property Fund

* Tax-effective income refers to the amount of tax deferred income the fund has distributed over the last 10 years.

† Challenger, as the responsible entity of the underlying Fund, has appointed SG Hiscock & Company Limited as the investment manager of the portfolio.

OnePath Global Property Securities

Investment objective

The fund aims to outperform (before fees, charges and taxes) the UBS Global Real Estate Investors (ex-Australia) Net Total Return Index (hedged to the Australian dollar) over rolling three-year periods.

Description

The fund is suitable for investors seeking higher long term returns through investing in a broad exposure to the International, listed property securities market.

Investment strategy

The fund invests primarily in a portfolio of global (including Australia) property and property-related securities.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Global property securities | 100 | 90–100 |

Managed on behalf of OnePath by CBRE Clarion. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Property Securities

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 200 AREIT Accumulation Index, over periods of three years or more.

Description

The fund is suitable for investors seeking higher long term returns through investing in a broad exposure to the Australian, listed property securities market with a strong bias towards growth assets.

Investment strategy

The fund invests predominantly in a diversified portfolio of property securities selected in accordance with a disciplined property securities investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| Property securities | 100 | 95–100 |

Managed on behalf of OnePath by SG Hiscock & Company. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

For the latest investment returns for OneAnswer go to onepath.com.au

Vanguard® Property Securities Index

Investment objective

The fund aims to match the return (income and capital appreciation) (before fees, charges and taxes) of the S&P/ASX 300 A-REIT Index.

Description

The fund is suitable for investors seeking long term capital growth and some tax effective income through passive exposure to the Australian property securities market. The fund is suitable for investors who are prepared to accept higher variability of returns.

Investment strategy

While maintaining the objective of closely tracking the index, the fund will hold all of the property securities in the index (at most times) allowing for individual security weightings to vary marginally from the index from time to time. These securities are real estate investment trusts and companies that own real estate assets and derive a significant proportion of their revenue from rental income. The fund may invest in property securities that have been or are expected to be included in the Index. Futures may be used to gain market exposure without investing directly in securities. This allows Vanguard to maintain fund liquidity without being under invested. Importantly, derivatives are not used to leverage the fund's portfolio.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------|---------------|-----------|
| Listed property trusts | 100 | 100 |

Underlying fund: Vanguard® Australian Property Securities Index Fund

Profile 5 – High growth – Australian shares

Minimum investment horizon 5-7 years or more

AMP Capital Responsible Investment Leaders Australian Shares*

Investment objective

To provide a total return, income and capital growth, (after manager costs but before OneAnswer Ongoing Fees) above the fund's performance benchmark on a rolling 5 year basis. The fund's performance benchmark is the S&P/ASX 200 Accumulation Index.

Description

The fund is suitable for investors seeking exposure to the Australian equity market within a responsible investment framework and who are prepared to accept the risks associated with sharemarket investments.

Investment strategy

The fund is managed by AMP Capital using a multi-manager Responsible Investment approach and seeks to achieve its objective by investing in shares listed on the Australian Securities Exchange. The fund may invest up to 10% in cash and fixed interest securities if these investments are seen to add value or assist in managing risk. However, in certain market conditions, the fund may hold higher levels of cash. The fund may also invest in other managed funds and securities including those offered by AMP Capital or its associates.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------------------|---------------|-------------------|
| Cash and fixed interest securities | 0 | 0–10 [†] |
| Australian shares | 100 | 90–100 |

Underlying fund: Responsible Investment Leaders Australian Share Fund

* Please refer to page 89 of this guide for information about the standards used by AMP Capital in the management of the fund.

† In certain market conditions the portfolio may hold higher cash levels.

Ausbil Australian Emerging Leaders

Investment objective

The aim of the fund is to outperform the benchmark over the medium to long-term. The performance benchmark for the fund consists of 70% S&P/ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index.

Description

The fund is suitable for investors wanting the potential for long-term capital growth from Australian shares and who are prepared to accept variability of returns.

Investment strategy

The fund invests in a portfolio of listed Australian equities that are primarily chosen from the S&P/ASX 300 Index, but generally exclude securities from the S&P/ASX 50 Leaders Index. The fund invests in both mid and small cap stocks which possess potential for superior growth.

Minimum time horizon

7 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Ausbil Australian Emerging Leaders Fund

BlackRock Scientific Australian Equity

Investment objective

The fund aims to achieve superior investment performance through providing returns (before fees, charges and taxes) that exceed those of the S&P/ASX 300 Accumulation Index over rolling three-year periods, while maintaining a similar level of benchmark investment risk to the Index.

Description

The fund is suitable for investors seeking a broad exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests in a diversified portfolio of Australian shares and adds value through active stock selection. Rather than making large and inherently risky investments in a few individual stocks, the fund makes smaller investments across many individual stocks. This process diversifies active risk across a broad spectrum of stocks in a variety of industries and is designed to provide more consistent, active returns over time.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| Australian shares | 100 | 95–100 |

Underlying fund: BlackRock Scientific Australian Equity Fund

BT Core Australian Shares

Investment objective

Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Accumulation Index over the medium-to long-term.

Description

This fund is suitable for investors who want the potential for long term capital growth and tax effective income, diversification across a broad range of Australian companies and industries and are prepared to accept higher variability of returns. The Fund may also hold cash and may use derivatives.

Investment strategy

The fund is an actively managed portfolio of Australian shares designed for investors who want the potential for long term capital growth and tax effective income.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–20 |
| Australian shares | 100 | 80–100 |

Underlying fund: BT Wholesale Core Australian Share Fund

BT Smaller Companies

Investment objective

The fund aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX Small Ordinaries Accumulation Index over the medium to long term.

Description

This fund is suitable for investors who want the potential for long term capital growth and tax effective income, diversification across a broad range of smaller companies and industries and are prepared to accept higher variability of returns.

Investment strategy

The fund invests primarily in companies outside the top 100 listed on the Australian Securities Exchange. The fund may also invest in equivalent companies listed on the New Zealand Stock Exchange, hold cash and may use derivatives.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--------------------|---------------|-----------|
| Cash | 0 | 0–20 |
| Australian shares | 100 | 80–100 |
| New Zealand shares | 0 | 0–10 |

Underlying fund: BT Wholesale Smaller Companies Fund

Colonial First State Core Australian Shares

Investment objective

To provide long-term capital growth with some income by investing predominantly in a broad selection of Australian companies.

Description

The fund is suitable for investors seeking a broad exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

This option's strategy is to not seek any particular style bias, such as growth or value, but to consistently add value throughout the investment cycle by taking advantage of mispricing by the market. Suitable companies are identified by detailed fundamental research, including a high number of company visits and a proprietary database to analyse company financials. This option predominantly invests in Australian companies and therefore does not hedge currency risk.

Minimum time horizon

7 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Colonial First State Wholesale Australian Share – Core Fund

Colonial First State Imputation

Investment objective

The fund aims to provide long-term capital growth with some tax-effective income by investing in a broad selection of Australian companies.

Description

The fund is suitable for investors seeking exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

The option's strategy is based on the belief that, over the medium to long-term, stock prices are driven by the ability of management to generate excess returns over their cost of capital in their chosen industry. The option generally invest in high quality companies with strong balance sheets and earnings. The strategy has an emphasis on companies paying higher dividend yields and some tax-effective income. The option predominantly invests in Australian companies and therefore does not hedge currency risk.

Minimum time horizon

7 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Colonial First State Wholesale Imputation Fund

Fidelity Australian Equities

Investment objective

To achieve returns in excess of the S&P/ASX 200 Accumulation Index over the suggested minimum time period of five years.

Description

The fund is suitable for investors seeking exposure to a core Australian equities portfolio and who are prepared to accept higher variability of returns.

Investment strategy

Fidelity seeks out stocks that it believes are undervalued and likely to generate growth. The companies selected for the portfolio must demonstrate good management, strong competitive advantages and favourable industry dynamics.

Minimum time horizon

5+ years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Fidelity Australian Equities Fund

Investors Mutual Australian Shares

Investment objective

The fund aims to achieve returns (after external manager fees, but before taxes and OneAnswer Ongoing Fees) that exceed the S&P/ASX 300 Accumulation Index, on a rolling four-year basis.

Description

The fund is suitable for investors seeking reasonable capital growth and steady income over time through exposure to a core Australian equities portfolio and who are prepared to accept higher variability of returns.

Investment strategy

Investors Mutual's investment philosophy is based on a belief that a company's share price will reflect its underlying value in the long-term. We believe that markets are not fully efficient and there will be times that a company's share price will not reflect what we believe to be that company's true underlying value. Such situations provide our investment team with the opportunity to build long term portfolio positions in quality companies at attractive valuations.

We are focused on both quality and value when researching and analysing companies.

We are looking to invest in companies with four clear quality characteristics:

- Competitive advantage
- Recurring earnings
- Capable management
- The ability to grow over time.

Additionally, from a valuation perspective it is important that such companies be trading at a price below what we believe represents the long-term underlying value of the company.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Investors Mutual Australian Share Fund managed by Investors Mutual Ltd (IML)

IML can vary the asset allocation outside the range from time to time.

Merlon Australian Share Income

Investment objective

The fund aims to provide a higher level of tax effective income than the S&P/ASX 200 Accumulation Index, with the potential for capital growth over the medium to long-term.

Description

The fund is suitable for investors seeking exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

Merlon is an active 'bottom-up' manager who believes they can enhance the mix of total return in favour of income and generate capital growth by using fundamental research to identify companies with attractive, sustainable and growing dividends. Merlon's approach to stock selection combined with the use of derivatives and hybrid equity securities will generally produce a portfolio with a lower level of volatility (i.e. variations in total return) than the S&P/ASX 200 Accumulation Index.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--------------------------|---------------|-----------|
| Australian securities | n/a | 60–100 |
| Derivatives | n/a | 0–40 |
| Hybrid equity securities | n/a | 0–20 |
| Cash | n/a | 0–10 |

Underlying fund: Merlon Wholesale Australian Share Income Fund

OnePath Australian Shares

Investment objective

The fund aims to achieve returns (after costs but before fees and taxes) that exceed the S&P/ASX 300 Accumulation Index, over periods of at least three to five years.

Description

The fund is best suited to investors who seek a well diversified portfolio of securities listed on the Australian Stock Exchange.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian shares selected in accordance with a disciplined investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| Australian shares | 100 | 95–100 |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Blue Chip Imputation

Investment objective

The fund aims to outperform the gross return of the S&P/ASX 100 Total Return Index, including franking credits (but before investment fees and taxes) over periods of at least 3 to 5 years. The fund also targets a gross dividend yield, including franking credits that exceeds the gross dividend yield of the benchmark, including franking credits.

Description

The fund is suitable for investors seeking higher long term returns and income through investing in the Australian equity market with a strong bias towards income producing shares.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian companies which provide a relatively high level of franked income, and have been selected in accordance with a disciplined Australian shares investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| Australian shares | 100 | 95–100 |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Emerging Companies

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX Small Ordinaries Accumulation Index, over periods of three years or more.

Description

The fund is suitable for investors seeking higher long term returns and targeted exposure to the Australian, small cap equity market with a strong bias towards growth assets.

Investment strategy

The fund invests predominantly in a diversified portfolio of smaller companies in accordance with a disciplined Australian shares investment process.

Minimum time horizon

7 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–20 |
| Australian shares | 100 | 80–100 |

Managed on behalf of OnePath by Karara Capital. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Select Leaders

Investment objective

The fund aims to achieve returns (after costs but before fees and taxes) that exceed the S&P/ASX 100 Accumulation Index by at least 4% p.a., over periods of five years or more.

Description

The fund is suitable for investors seeking higher long term returns and targeted exposure to the Australian equity market with a strong bias towards growth assets.

Investment strategy

The fund invests predominantly in a concentrated portfolio of Australian shares selected in accordance with a disciplined Australian shares investment process.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Sustainable Investments – Australian Shares

Investment objective

The fund aims to achieve returns (after costs but before fees and taxes) that exceed the S&P/ASX 300 Accumulation Index, over periods of three to five years or more.

Description

The fund is suitable for investors seeking higher long term returns within a socially responsible investment framework, through investing in the Australian equity market.

Investment strategy

The fund invests predominantly in a diversified portfolio of Australian shares, selected in accordance with a detailed sustainable Australian shares investment process. As a general guideline both positive and negative screens are applied in the stock selection process.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| Australian shares | 100 | 95–100 |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

Perennial Growth Shares

Investment objective

To grow the value of your investment over the long term via a combination of capital growth and tax effective income by investing in a diversified portfolio of 'growth oriented' Australian shares and to provide a total return (after fees) that exceeds the S&P/ASX 300 Accumulation Index measured on a rolling three-year basis.

Description

The fund is suitable for investors seeking exposure to a growth oriented Australian equities portfolio who are prepared to accept higher variability of returns.

Investment strategy

The fund invests in the Perennial Growth Shares Wholesale Trust which invests in companies listed (or soon to be listed) on the ASX, whilst applying a 'growth' investment style to investing. Perennial Growth, the investment manager, seeks to invest in companies that offer profitable growth prospects at attractive prices. Perennial Growth believes that growing companies generate the most value for shareholders and that these companies attract management interested in building businesses rather than merely managing them. Perennial Growth's investment process also takes into account the effect that competitive forces have on a company's growth prospects.

The fund will attempt to be fully invested at all times, with a cash exposure not exceeding 10% for any length of time.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Perennial Growth Shares Wholesale Trust

Perennial Value Shares

Investment objective

The fund aims to achieve returns (after fees) that exceed the S&P/ASX 300 Accumulation Index, on a rolling three-year basis.

Description

The fund is suitable for investors seeking exposure to a value oriented Australian equities portfolio who are prepared to accept higher variability of returns.

Investment strategy

The fund invests in the Perennial Value Shares Wholesale Trust which invests in a range of companies listed (or soon to be listed) on the ASX which Perennial Value, the investment manager, believes have sustainable operations and whose share prices offer good value. The cornerstone of this approach is a strong emphasis on company research. The aim is to develop a detailed understanding of each company before committing investors' funds. Perennial Value's process aims to ensure that investment decisions are focused on buying stocks offering good value and selling stocks offering poor value.

The fund will attempt to be fully invested at all times, with a cash exposure not exceeding 10% for any length of time.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares | 100 | 90–100 |

Underlying fund: Perennial Value Shares Wholesale Trust

Perpetual Australian Shares

Investment objective

The fund aims to provide long-term capital growth and income through investment in quality shares.

Description

The fund is suitable for investors seeking the potential for long-term capital growth and income and who are prepared to accept higher variability of returns.

Investment strategy

Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: conservative debt levels, sound management, quality business and, in the case of industrial shares, recurring earnings. Derivatives may be used in managing the fund.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--------------------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Australian shares [†] | 100 | 90–100 |

Underlying fund: Perpetual Wholesale Australian Fund

[†] The fund invests primarily in Australian listed or soon to be listed shares but may have up to 20% exposure to stocks outside Australia. Currency hedges may be used from time to time.

Schroder Australian Equity

Investment objective

The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium to long-term.

Description

The fund is suitable for investors seeking exposure to the Australian equity market and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests in a portfolio of predominantly Australian and New Zealand equity securities. Schroders is a fundamental active manager that seeks to invest predominantly in growth stocks where growth is defined as growing shareholder value over the longer term. The core of Schroders' investment philosophy is that corporate value creation, or the ability to generate returns on capital higher than the cost of capital, leads to sustainable share price outperformance in the long term.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-----------------------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| Australian and New Zealand shares | 100 | 95–100 |

Underlying fund: Schroder Wholesale Australian Equity Fund

Vanguard® Australian Shares Index

Investment objective

The fund seeks to match the return (income and capital appreciation) (before fees, charges and taxes) of the S&P/ASX 300 Index.

Description

The fund is suitable for investors seeking long term capital growth and some tax effective income through passive exposure to the Australian equity market. The fund is suitable for investors who are prepared to accept higher variability of returns.

Investment strategy

The S&P/ASX 300 Index comprises approximately 300 of the largest companies (shares) listed on the Australian Securities Exchange (ASX). The index represents approximately 85 per cent of the value of all Australian-based companies and property trusts listed on the ASX. The Fund will hold most of the securities in the index, allowing for individual security weightings to vary marginally from the index from time to time. The fund may invest in securities that have been removed from or are expected to be included in the index.

Minimum time horizon

5 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------|---------------|-----------|
| Australian shares | 100 | 100 |

Underlying fund: Vanguard® Australian Shares Index Fund

Profile 5 – High growth – Global shares

Minimum investment horizon is 5-7 years

AMP Capital Responsible Investment Leaders International Shares*

Investment objective

To provide a total return, income and capital growth, (after management costs but before taxes and OneAnswer Ongoing Fees), above the fund's performance benchmark on a rolling 5 year basis. The fund's performance benchmark is the MSCI All Country World Index.

Description

The fund is suitable for investors seeking exposure to the International equity market within a responsible investment framework and who are prepared to accept the risks associated with international investments and share market investments.

Investment strategy

The fund is managed by AMP Capital using a multi-manager Responsible Investment approach and seeks to achieve its objective by investing in a portfolio of shares diversified across countries, industries and types of companies allowing it to take advantage of opportunities in countries throughout the world if the investments are considered consistent with its objectives.

The fund may also invest a portion of its assets in emerging markets, invest up to 10% in cash and fixed income securities if these investments are seen to add value or assist in managing risk; however, in certain market conditions, the fund may hold higher levels of cash, and invest in other managed funds and securities including those offered by AMP Capital or its associates.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------------------|---------------|-------------------|
| Cash and fixed interest securities | 0 | 0–10 [†] |
| International shares | 100 | 90–100 |

Underlying fund: Responsible Investment Leaders International Share Fund

* Please refer to page 89 of this guide for information about the standards used by AMP Capital in the management of the fund.

† In certain market conditions the portfolio may hold higher cash levels.

AXA Global Equity Value

Investment objective

The objectives are twofold: to provide unitholders with long-term capital growth and to outperform (before taxes and OneAnswer Ongoing Fees) the MSCI World ex-Australia Index (net dividends reinvested) in Australian dollar terms, after costs and over rolling five-year periods.

Description

The fund is suitable for investors seeking exposure to the international equity market and who are prepared to accept higher variability of returns.

Investment strategy

AllianceBernstein manages the fund's global equities using a research-driven, active, value style. Value investing involves buying stocks that are priced low in relation to the stream of cash earnings the company is expected to deliver over time.

Minimum time horizon

5 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------------|---------------|-----------|
| Cash/money market securities | 0 | 0–5 |
| International shares | 100 | 95–100 |

Underlying fund: AXA – Wholesale Global Equity – Value Fund

BlackRock Scientific International Equity

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that exceed those of the MSCI World ex-Australia Index (unhedged in AUD with net dividends reinvested) over rolling three-year periods while maintaining a similar level of investment risk to the Index.

Description

The fund is suitable for investors seeking broad exposure to international shares and who are prepared to accept higher variability of returns.

Investment strategy

The fund uses a combination of stock selection, country and currency allocation strategies. Active stock selection is conducted using investment processes specifically developed for a single global portfolio. Active country allocation and currency management decisions are implemented using a range of inputs to measure both the relative value across equity markets and the relative value across currency markets.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| International shares | 100 | 95–100 |

Underlying fund: BlackRock Scientific International Equity Fund

Capital International Global Equities (Hedged)

Investment objective

The fund seeks to achieve long-term capital growth through investment primarily in listed equities, researched and selected on a worldwide basis. The benchmark of the fund is the MSCI World ex-Australia Index (Hedged).

Description

The fund is suitable for investors seeking long term capital growth through exposure to a hedged portfolio of international shares and who are prepared to accept higher variability of returns.

Investment strategy

The fund invests in the Capital International Global Equities Fund (Hedged). Capital International is an active manager that utilises a bottom-up approach to managing assets. With a basic investment philosophy of seeking long-term investment opportunities that are attractively priced, Capital International emphasises fundamental research and relies on its own financial analysis to select investments for the fund.

Capital International's focus is on long-term investments, global coverage of industries and knowing the management teams of the companies in which it invests. Investment decisions are reached by employing a 'Multiple Portfolio Manager System', in which a portfolio is divided into segments which are assigned to individual portfolio managers. Each portfolio manager decides how their individual segment will be invested (within the limits provided by the fund's objectives and guidelines and by the investment committee). An additional segment is invested based on direct input from Capital International's research professionals under the supervision of a research portfolio co-ordinator.

Minimum time horizon

5–7 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| International shares | 100 | 90–100 |

Underlying fund: Capital International Global Equities Fund (Hedged)

Legg Mason Global Value Equity

Investment objective

The fund aims to earn a before fees and taxes return in excess of the MSCI World (ex-Australia) Index, expressed in Australian dollars, by at least 3% p.a. over rolling three- to five-year periods.

Description

The fund is suitable for investors seeking actively managed exposure to a value oriented global equity portfolio and diversification benefits that would be difficult to achieve through direct investment. The fund is suitable for investors who are prepared to accept higher variability of returns.

Investment strategy

The Global Value Equity investment strategy entails both fundamental research and quantitative analysis. A screening process seeks to identify those stocks that are trading below normal valuation, while fundamental research highlights those firms that have catalysts in place to spur a return to normal valuation. Portfolio holdings are weighted in order to achieve an optimal risk/reward trade-off. The outcome is a highly diversified, value orientated global equity portfolio of approximately 50 to 100 stocks.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-----------------|---------------|-----------|
| Global equities | 100 | 90–100 |
| Cash | 0 | 0–10 |

Underlying fund: Legg Mason Global Value Equity Trust

MFS Global Equity

Investment objective

MFS's philosophy is based on a belief that original, fundamental, bottom-up research is the best means of uncovering high-quality companies with above-average, sustainable earnings growth and attractive investment opportunities. The trust is designed for investors seeking capital appreciation over the longer term by investing in a diversified portfolio of global shares (unhedged) and aims to outperform its benchmark (the MSCI World Index with net dividends reinvested before fees in AUD) over rolling three- to five-year periods, before taking into account trust fees and expenses.

Description

The fund is suitable for investors seeking capital appreciation over the longer term by investing in a diversified portfolio of global shares and who are prepared to accept higher variability of returns.

Investment strategy

MFS believes that stock selection is the most reliable method of adding value to a client's portfolio. On-the-ground research provides an effective opportunity to identify inefficiencies in global markets and to invest in high-quality companies (at attractive valuations) which have above-average sustainable growth. Screens applied reduce a universe of 5,000 securities to 2,000–2,500 (excludes companies with unattractive fundamentals, are relatively illiquid or are domiciled in countries with obvious political risk or economic crises). Buy, hold or sell ratings are assigned using earnings models and forecasts. Approximately 550–650 stocks merit a 'buy' rating. Relative value analysis completes the portfolio construction process with the selection of approximately 80–120 stocks.

Minimum time horizon

5 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|------------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| International equities | 100 | 90–100 |

Underlying fund: MFS® Global Equity Trust

Note: The underlying fund aims to be fully invested in international equities.

OnePath Global Emerging Markets Shares

Investment objective

The fund aims to achieve returns (after costs but before fees and taxes) that exceed the MSCI Emerging Markets Net Total Return Index (A\$ unhedged), over periods of three years or more.

Description

The fund is best suited to investors seeking a diversified portfolio of global emerging markets equity securities and related investments.

Investment strategy

The fund invests predominantly in a portfolio of international emerging markets shares selected in accordance with a disciplined, global shares investment process.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| International shares | 100 | 90–100 |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

OnePath Global Shares

Investment objective

The fund aims to achieve returns (after costs but before fees and taxes) that exceed the MSCI World (excluding Australia) Net Total Return Index (unhedged and in AUD with net dividends reinvested), over periods of three years or more.

Description

The fund is suitable for investors seeking higher long term returns through investing in the international equity market with a strong bias towards growth assets.

Investment strategy

The fund invests predominantly in a diversified portfolio of international shares selected in accordance with a disciplined global shares investment process.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | 0 | 0–5 |
| International shares | 100 | 95–100 |

Managed on behalf of OnePath by UBS. This manager's appointment becomes effective on or around 1 April 2012. For further information please refer to our website at onepath.com.au

Perpetual International Shares

Investment objective

The fund aims to provide long-term growth through investment in international shares.

Description

The fund is suitable for investors wanting the potential for long-term capital growth and who are prepared to accept higher variability of returns.

Investment strategy

The fund primarily invests in publicly traded, or to be listed, global equity securities, including emerging markets.

The focus is on investing in stocks of companies the investment manager believes are solid but temporarily out-of-favour and provide above-average total return potential. The country and sector allocations within the fund are a result of the stock selection process.

The currency exposure of the fund is typically unhedged, although currency hedging may be used to protect investments at the discretion of the investment manager.

Derivatives may be used in managing the fund.

Minimum time horizon

5 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| International shares | 100 | 90–100 |

Underlying fund: Perpetual Wholesale International Share Fund

Platinum Asia

Investment objective

The fund aims to provide capital growth over the long-term through searching out undervalued listed (and unlisted) investments in the Asian region.

Description

The fund is suitable for investors seeking exposure to Asian share market opportunities and who are prepared to accept higher variability of returns.

Investment strategy

The portfolio will ideally consist of 75 to 150 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The portfolio will typically have 50% or more net equity exposure. Derivatives may be used for risk management purposes and to take opportunities to increase returns. The underlying value of Derivatives may not exceed 100% of the Net Asset Value (NAV) of the fund and the underlying value of long stock positions and Derivatives will not exceed 150% of the NAV of the fund. The fund's currency exposures are actively managed.

Minimum time horizon

5 or more years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|--------------|---------------|-----------|
| Cash | n/a | 0–100 |
| Asian shares | n/a | 0–100 |

Underlying fund: Platinum Asia Fund

Platinum International

Investment objective

The fund aims to provide capital growth over the long-term through searching out undervalued listed (and unlisted) investments around the world.

Description

The fund is suitable for investors seeking exposure to international shares and who are prepared to accept higher variability of returns.

Investment strategy

The portfolio will ideally consist of 100–200 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The portfolio will typically have 50% or more net equity exposure. Derivatives may be used for risk management purposes and to take opportunities to increase returns. The underlying value of Derivatives may not exceed 100% of the Net Asset Value (NAV) of the fund and the underlying value of long stock positions and Derivatives will not exceed 150% of the NAV of the fund. The fund's currency exposures are actively managed.

Minimum time horizon

5 or more years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | n/a | 0–100 |
| International shares | n/a | 0–100 |

Underlying fund: Platinum International Fund

T. Rowe Price Global Equity

Investment objective

The fund's objective is to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are traded, listed or due to be listed, on recognised exchanges and/or markets throughout the world. The portfolio may include investments in the securities of companies traded, listed or due to be listed, on recognised exchanges and/or markets, of developing countries.

Description

The fund is suitable for investors seeking exposure to a relatively concentrated portfolio of developed and emerging market shares, exhibiting growth characteristics and who are prepared to accept higher variability of returns.

Investment strategy

The portfolio manager applies his judgement to construct a global portfolio of the highest-conviction investment ideas by:

- leveraging the T. Rowe Price network of more than 100 equity investment professionals to identify highly recommended companies, and
- engaging equity investment professionals to identify superior investment ideas, assess opportunities in a global sector context, overlay macroeconomic and local market factors to refine industry and company analysis, and select what they believe to be investments with the most attractive risk-reward characteristics.

Minimum time horizon

5–7 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-----------------|---------------|-----------|
| Cash | 0 | 0–10 |
| Global equities | 100 | 90–100 |

Underlying fund: T. Rowe Price Global Equity Fund

Vanguard® International Shares Index

Investment objective

The fund seeks to match the return (income and capital appreciation) (before fees, charges and taxes) of the MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars.

Description

The fund is suitable for investors seeking long-term capital growth, some income and international diversification through passive exposure to international shares. The fund is suitable for investors who are prepared to accept higher variability of returns.

Investment strategy

While maintaining the objective of closely tracking the index, Vanguard employs an index management process, which allows index changes to be managed highly efficiently. The fund holds most of the shares in the index but allows individual share weightings to vary marginally from the index from time to time.

The fund may invest in shares that have been or are expected to be included in the index. Futures may be used to gain market exposure without investing directly in securities. This allows Vanguard to maintain fund liquidity without being under-invested. Importantly, derivatives are not used to leverage the fund's portfolio. The fund will be fully exposed to the fluctuating values of foreign currencies, as there will not be any hedging of foreign currencies to the Australian dollar.

Minimum time horizon

7 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| International shares | 100 | 100 |

Underlying fund: Vanguard® International Shares Index Fund

For the latest investment returns for OneAnswer go to onepath.com.au

Vanguard® International Shares Index (Hedged)

Investment objective

The fund aims to match the return (income and capital appreciation) (before fees, charges and taxes) of the MSCI World ex-Australia Index (with net dividends reinvested), hedged to Australian dollars.

Description

The fund is suitable for investors seeking long-term capital growth, some income and international diversification through passive exposure to international shares. The fund is suitable for investors who are prepared to accept higher variability of returns.

Investment strategy

The fund invests in the Vanguard® International Shares Index Fund and forward foreign exchange contracts in order to meet its objectives. While maintaining the objective of closely tracking the index, the Vanguard International Shares Index Fund employs an index management process, which allows index changes to be managed highly efficiently. The Vanguard International Shares Index Fund holds most of the shares in the Index but allows individual share weightings to vary marginally from the Index from time to time.

The Vanguard International Shares Index Fund may invest in shares that have been or are expected to be included in the Index. The fund uses forward foreign exchange contracts to offset depreciation and/or appreciation in the value of the securities resulting from fluctuation of the currencies in the countries where the securities are held. The net result for the fund is that the return (income and capital appreciation) is relatively unaffected by currency fluctuations. Futures may be used to gain market exposure without investing directly in securities. This allows Vanguard to maintain fund liquidity without being under-invested. Importantly, derivatives are not used to leverage the fund's portfolio.

Minimum time horizon

7 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| International shares | 100 | 100 |

Underlying fund: Vanguard® International Shares Index Fund (Hedged)

Walter Scott Global Equity (Hedged)

Investment objective

The fund seeks to achieve a long-term (at least five to seven years) total return that exceeds the MSCI World ex-Australia Index (Hedged) in \$A dollars with net dividends reinvested.

Description

The fund is suitable for investors who want the potential for long term capital growth and income by exposure to a relatively concentrated portfolio of international stocks possessing growth characteristics and low turnover, hedged back to Australian dollars and are prepared to accept higher variability of returns.

Investment strategy

The fund is managed in accordance with Walter Scott's global equities investment strategy which offers a concentrated portfolio of approximately 40 to 60 stocks which Walter Scott believes offer above-average earnings growth and therefore warrants long-term investment. Walter Scott adopts a 'buy and hold' strategy to allow time for a company's earnings growth to translate into strong share price performance for investors.

The fund is actively managed using a bottom-up investment approach driven by in-depth financial analysis and qualitative research that aims to identify companies capable of generating high earnings growth. Walter Scott expects that on average and based on long term experience, 15% to 25% of the stocks in the fund's portfolio will be turned over each year which reflects Walter Scott's long-term 'buy and hold' approach.

Minimum time horizon

5 – 7 years

Distribution frequency

Yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | n/a | 0–10 |
| International shares | n/a | 90–100 |

Underlying fund: Walter Scott Global Equity Fund (Hedged)

Zurich Investments Global Thematic Shares

Investment objective

To provide investors with long-term capital growth, with the benefits of global diversification. The fund aims to outperform (before taxes and OneAnswer Ongoing Fees) the MSCI World (ex-Australia) Accumulation Index in \$A (net dividends reinvested), over periods of five or more years. The fund will actively hedge up to 40% of its exposure to international currency back to Australian dollars.

Description

The fund is suitable for investors seeking exposure to international shares and who are prepared to accept higher variability of returns.

Investment strategy

The fund generally invests in a broad selection of securities listed on foreign stock exchanges.

Minimum time horizon

5–7 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|----------------------|---------------|-----------|
| Cash | 0 | 0–10 |
| International shares | 100 | 90–100 |

Underlying fund: Zurich Investments Global Thematic Share Fund

Profile 5 – High growth – Multi-sector

Minimum investment horizon is 5-7 years

BlackRock Asset Allocation Alpha

Investment objective

The fund's investment objective is to maximise total returns by implementing a diverse range of global tactical asset allocation strategies within a flexible but disciplined risk management framework.

The fund aims to provide investors with the benefits of an active asset allocation process which could either be combined with specialist sector funds or utilised as a total return fund.

The fund targets a return of 12 percentage points above the UBS Bank Bill Index over rolling three-year periods, before fees, charges and taxes. Most, if not all, of the fund's returns are likely to be in the form of income.

Description

The fund is suitable for investors seeking exposure to asset allocation strategies and who are prepared to accept higher variability of returns.

Investment strategy

The investment strategies are thematic, concentrating on exploiting trends, likely developments and mispricing in global asset markets.

The thematic strategies employed are the product of BlackRock's analysis which focuses on a fundamental assessment of economics, liquidity and valuations. BlackRock draws on its worldwide research capabilities and fund management expertise in developing and exploiting these strategies.

Minimum time horizon

5 years

Distribution frequency

Half-yearly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

N/A

Underlying fund: BlackRock Asset Allocation Alpha Fund (Class D Units)

Vanguard® High Growth Index

Investment objective

The fund seeks to track the weighted average return of the various indices of the underlying funds in which the Fund invests, in proportion to the strategic asset allocation (SAA) for the Fund, before taking into account fees, expenses, and tax.

Description

The fund is suitable for investors seeking long term capital growth through passive exposure to a diversified portfolio of growth assets and who are prepared to accept higher variability of returns.

Investment strategy

The fund holds units in a range of Vanguard's sector index funds (i.e. the underlying funds), including but not limited to:

- Vanguard® Cash Plus Index Fund
- Vanguard® Australian Fixed Interest Index Fund
- Vanguard® International Fixed Interest Index Fund (Hedged)
- Vanguard® International Credit Securities Index Fund (Hedged)
- Vanguard® Australian Property Securities Index Fund
- Vanguard® International Property Securities Index Fund (Hedged)
- Vanguard® International Small Companies Index Fund (Hedged)
- Vanguard® Australian Shares Index Fund
- Vanguard® International Shares Index Fund
- Vanguard® Emerging Markets Shares Index Fund.

The portfolio targets a 10% allocation to income asset classes (cash and fixed interest securities) and a 90% allocation to growth asset classes (property securities and shares).

Actual allocations are permitted to deviate from the strategic asset allocations provided they remain within the ranges in the table below. Vanguard may vary the strategic asset allocations and asset allocation ranges or introduce new asset classes from time to time.

Minimum time horizon

7 years

Distribution frequency

Quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Vanguard® High Growth Index (continued)**Asset allocation**

| Asset class | Benchmark (%) | Range (%) |
|--|----------------------|------------------|
| Australian fixed interest | 4 | 3-5 |
| International fixed interest (hedged) | 6 | 5-7 |
| Australian cash | 0 | 0-1 |
| Australian shares | 44 | 42-46 |
| International shares | 29 | 27-31 |
| Australian property securities | 5 | 9-11 |
| International property securities (hedged) | 5 | |
| International small companies (hedged) | 4 | 3-5 |
| Emerging markets shares | 3 | 2-4 |

Underlying fund: Vanguard® High Growth Index Fund

Profile 5 – High growth – Infrastructure

Minimum investment horizon is 5-7 years

RARE Infrastructure Value

Investment objective

The fund aims to provide investors with regular and stable income, comprised of dividends, distributions and interest plus capital growth from a portfolio of global infrastructure securities. The fund targets an absolute annual return of 5.5% above the OECD G7 Inflation rate.

Description

The fund is suitable for investors seeking regular and stable income and capital growth from a portfolio of global listed infrastructure securities. The fund is suitable for investor who are prepared to accept higher variability of returns.

Investment strategy

RARE intends to invest the assets of the fund in securities which offer positive absolute returns, rather than selecting securities because they are included in a particular industry standard index. The fund may invest up to 20% of the portfolio in a range of unlisted infrastructure assets when suitable opportunities arise, to enhance the fund's diversification, but will only consider such investments where the fund's overall liquidity is not at risk.

Minimum time horizon

5 years

Distribution frequency

Generally quarterly (Investment Portfolio only)

Risk profile

High Growth – High growth investment funds are more likely to suit you if you seek to maximise long-term returns and accept the possibility of greater volatility and short-term capital losses.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|---|---------------|-----------|
| Global listed infrastructure securities | n/a | 80–100 |
| Unlisted infrastructure | n/a | 0–20 |
| Cash | n/a | 0–20 |

Underlying fund: RARE Infrastructure Value Fund

For the latest investment returns for OneAnswer go to onepath.com.au

MoneyForLife investment funds

MoneyForLife investment funds are closed to members in OneAnswer Personal Super and Pension who are not already invested in those funds. If you are invested in MoneyForLife investment funds through OneAnswer Personal Super you may, in certain circumstances, and if agreed to by us, be permitted to transfer your holdings in these funds to OneAnswer Pension.

MoneyForLife investment funds

The aim for each of the MoneyForLife investment funds is to achieve returns that are closely aligned with the performances of the underlying market indices. Each of the funds allocates a different amount to each of the asset classes. Consequently, each fund has a different composite index target.

Profile 2 – Conservative

Minimum investment horizon is 2-3 years

MoneyForLife Index Conservative*

Investment objective

The fund aims to provide stable returns with some capital growth over the medium term, with a strong bias towards investing in defensive assets.

Description

The fund is suitable for investors seeking exposure to a diversified mix of defensive and growth assets with a bias for defensive assets, and who can accept some variability of returns.

Investment strategy

The fund invests in a diversified mix of index linked strategies, with 65% of fund assets strategically allocated to defensive assets (cash and Australian government bonds), and 35% allocated to growth assets (Australian and international shares – fully hedged).

Minimum time horizon

3 years

Risk profile

Conservative – Conservative investment funds are more likely to suit you if you seek relatively stable returns and accept some risk through a diversified portfolio containing more than one asset class.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------------------|---------------|-----------|
| Cash | 35 | 33–37 |
| Australian government bonds | 30 | 28–32 |
| Australian shares | 20 | 18–22 |
| International shares (fully hedged) | 15 | 13–17 |

* This fund is closed to members who are not already invested in MoneyForLife.

For the latest investment returns for OneAnswer go to onepath.com.au

Profile 3 – Moderate

Minimum investment horizon is 3-5 years

MoneyForLife Index Balanced*

Investment objective

The fund aims to provide medium to long-term capital growth, with a bias towards investing in growth assets.

Description

The fund is suitable for investors seeking exposure to a diversified mix of defensive and growth assets with a slight bias for growth, and who can accept some variability of returns.

Investment strategy

The fund invests in a diversified mix of index linked strategies, with 60% of fund assets strategically allocated to growth assets (Australian and international shares – fully hedged) and 40% allocated to defensive assets (cash and Australian government bonds).

Minimum time horizon

4 years

Risk profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------------------|---------------|-----------|
| Cash | 20 | 18–22 |
| Australian government bonds | 20 | 18–22 |
| Australian shares | 30 | 28–32 |
| International shares (fully hedged) | 30 | 28–32 |

* This fund is closed to members who are not already invested in MoneyForLife.

For the latest investment returns for OneAnswer go to onpath.com.au

MoneyForLife Index Moderate*

Investment objective

The fund aims to provide moderate levels of capital growth over the medium term, by investing in a balance of growth and defensive assets.

Description

The fund is suitable for investors seeking balanced exposure to a diversified mix of defensive and growth assets, and who can accept some variability of returns.

Investment strategy

The fund invests in a diversified mix of index linked strategies, with 50% of fund assets strategically allocated to defensive assets (cash and Australian government bonds), and 50% allocated to growth assets (Australian and international shares – fully hedged).

Minimum time horizon

4 years

Risk profile

Moderate – Moderate investment funds are more likely to suit you if you seek higher medium-term returns and accept the possibility of negative returns and/or capital losses over shorter periods.

Asset allocation

| Asset class | Benchmark (%) | Range (%) |
|-------------------------------------|---------------|-----------|
| Cash | 25 | 23–27 |
| Australian government bonds | 25 | 23–27 |
| Australian shares | 25 | 23–27 |
| International shares (fully hedged) | 25 | 23–27 |

* This fund is closed to members who are not already invested in MoneyForLife.

Other information

ANZ Term Deposits through OneAnswer

The following information applies to the six options available through the ANZ Term Deposit fund. There are a number of special features and conditions that apply to each option. You should read the following information carefully before investing and speak to your financial adviser.

| | |
|---------------------------------|---|
| What is the minimum investment? | <p>A minimum of \$1,000 applies to each option in ANZ Term Deposits.</p> <p>When investing in an ANZ Term Deposit option, you will be required to also be invested in another OneAnswer fund other than an ANZ Term Deposit. We suggest that a maximum of 70% of the total account balance in OneAnswer is invested in ANZ Term Deposits.</p> <p>Holding another investment fund will ensure that there are sufficient funds outside of ANZ Term Deposits to pay for deductions that may be applicable to your OneAnswer account. For example these may include adviser service fees, other fees and charges, insurance premiums, pension payments or taxes.</p> <p>This suggested maximum will help you manage your ANZ Term Deposits to avoid early withdrawals. Refer to the section 'Early Withdrawal Adjustment' on page 84 of this guide.</p> |
| How do I invest and switch in? | <p>Investing in ANZ Term Deposits can be done by selecting from one of the six available terms in the relevant OneAnswer Application Form.</p> <p>Existing members in OneAnswer can invest by completing an Additional Investment Form* or by selecting from one of the six available terms in the OneAnswer Switch Request Form.</p> <p>If a switch or additional investment is made into an ANZ Term Deposit for the same term as an existing ANZ Term Deposit then a new ANZ Term Deposit will be established. The prevailing interest rate at the time of the switch or investment will apply.</p> <p>Details of the interest rate and maturity date applicable to your term deposit investment will be available online via Account Access. Current interest rates are available by contacting Customer Services.</p> |
| How is interest calculated? | <p>Interest is payable at maturity for the 3, 6 and 12 month ANZ Term Deposit options. For terms greater than 12 months interest is paid annually on the anniversary start date of the ANZ Term Deposit and at maturity.</p> <p>Interest is calculated daily on your ANZ Term Deposit using the following formula:</p> $\text{Interest} = \text{Deposit balance} \times \text{Interest rate (p.a.)} \times (\text{Term in days}/365).$ <p>'Term in days' is calculated including the day you start your ANZ Term Deposit but excluding the day your term deposit matures.</p> <p>For OneAnswer Personal Super, interest earned will be determined after taking into account tax payable by superannuation funds, currently up to 15%.</p> <p>For OneAnswer Investment Portfolio interest will be paid after the deduction of withholding tax if you have not supplied a TFN or ABN or are a non-resident.</p> |
| How is interest paid? | <p>All interest payments at maturity and annually will be automatically deposited into the ANZ Cash Advantage fund offered through OneAnswer. We will automatically establish this investment fund for you at the time interest is paid.</p> <p>By investing in ANZ Term Deposits, you authorise us to establish a holding in ANZ Cash Advantage to permit payments of earned interest and, where applicable, principal.</p> <p>As the terms and conditions of the ANZ Cash Advantage fund differ from those of the ANZ Term Deposit options you should refer to the information on ANZ Cash Advantage contained in the PDS and incorporated material.</p> <p>Once interest has been paid to ANZ Cash Advantage you can then access your interest through a normal switch or withdrawal process or leave it invested in ANZ Cash Advantage.</p> |

*Pension members cannot make additional investments.

| | |
|---|--|
| How is the maturity date calculated? | <p>The maturity date is calculated from the date of the initial investment plus the term selected (in months).</p> <p>For example, if a 3 month ANZ Term Deposit commenced on 12 September 2012, the maturity date will be 12 December 2012.</p> |
| What happens to my ANZ Term Deposit at maturity? | <p>We will send you a Maturity Reminder letter approximately one month prior to your term deposit's maturity date. At this time you will be required to advise us of your maturity instructions. There are two options available to you:</p> <ul style="list-style-type: none"> • Reinvest the principal into a new ANZ Term Deposit, with the same investment term. The prevailing interest rate* will apply to this new term deposit. This option will be applied in the event that you do not respond to the Maturity Reminder letter. The interest will be paid to the ANZ Cash Advantage fund. This will result in the commencement of a new term deposit and the current applicable interest rate will be applied. • Switch the principal out of the ANZ Term Deposit. The principal and final interest payment will be paid into ANZ Cash Advantage within OneAnswer. You can then access your principal and interest through a normal switch or withdrawal process or leave the investment in ANZ Cash Advantage. <p>We can accept maturity instructions on your ANZ Term Deposit until 12 noon (Sydney time) at least two business days prior to the maturity date.</p> <p>If no instructions are received the principal will be reinvested into a new ANZ Term Deposit for the same term at the interest rates prevailing on the date of maturity*.</p> <p>*The interest rates applicable to your new ANZ Term Deposit may vary from the interest rate that applied to your matured ANZ Term Deposit. Current interest rates are available by contacting Customer Services .</p> |
| What happens if I withdraw prior to maturity? | <p>To access monies invested in the ANZ Term Deposit prior to maturity, the entire deposit must be withdrawn. An Early Withdrawal Adjustment will apply to deposits withdrawn prior to maturity. Refer to 'Early Withdrawal Adjustment' on page 84 of this guide. In the event of an early withdrawal, proceeds from your ANZ Term Deposit will be invested in the ANZ Cash Advantage fund within OneAnswer. You can access your principal and paid interest through a normal switch or withdrawal process or leave the investment in ANZ Cash Advantage.</p> <p>A withdrawal of your ANZ Term Deposit can be done by completing an ANZ Term Deposit Break Form which is available by contacting your financial adviser or by contacting Customer Services.</p> |
| What interest rate will apply? | <p>The interest rate that applies to your investment in an ANZ Term Deposit will be determined by the date we receive your correctly completed Application Form, Additional Investment Form or Switch Request Form. Where an amount is automatically reinvested upon the maturity of an ANZ Term Deposit, the interest rate applied to the new ANZ Term Deposit will be that prevailing on the date the previous ANZ Term Deposit matured.</p> <p>A request received prior to 12 noon (Sydney time) on a business day (excluding weekends and public holidays) will receive the rate applicable for that day. Current interest rates are available at onepath.com.au or by contacting Customer Services.</p> <p>For OneAnswer Personal Super, interest earned will be determined after taking into account tax payable by superannuation funds, currently up to 15%.</p> |
| How are pension payments made? (applicable to OneAnswer Pension only) | <p>Pension payments are not able to be made from ANZ Term Deposits. It is important that you ensure that there will be sufficient funds to meet your pension payments from other investment funds otherwise we may need to break your ANZ Term Deposit early and an Early Withdrawal Adjustment will apply.</p> |
| What happens if I transfer my investments between OneAnswer Personal Super and OneAnswer Pension accounts? (not applicable to OneAnswer Investment Portfolio) | <p>If you transfer the full balance of an investment in an ANZ Term Deposit from OneAnswer Personal Super to OneAnswer Pension, the term deposit will transfer over to the new account retaining the interest rate and maturity date without an Early Withdrawal Adjustment being applied. This means the commencement date for the term deposit will be carried over for transfers between OneAnswer Personal Super and Pension accounts.</p> <p>At the point of transfer, any accrued earnings tax that applies to your investment in OneAnswer Personal Super will be calculated and deducted from the other investment funds held prior to transferring to OneAnswer Pension.</p> <p>A partial transfer of an ANZ Term Deposit is not possible and will result in an Early Withdrawal Adjustment.</p> |

Managing your account and investments in ANZ Term Deposits

Due to the fixed terms that apply to ANZ Term Deposits, there are some OneAnswer features which will be restricted to avoid withdrawals prior to maturity.

Furthermore, any fees (including fees for advice), charges, insurance premiums and pension payments (if applicable) must be paid from the other investment funds held in your OneAnswer account. If there are insufficient funds in the non-ANZ Term Deposit investment funds to meet these payments and deductions we may need to break your ANZ Term Deposit to pay any fees and charges payable by you. We will advise you when the allocation to ANZ Term Deposits within your OneAnswer account is greater than 85%.

The following functionality that is currently offered for OneAnswer, cannot be used in relation to ANZ Term Deposits:

- Auto-Rebalancing
- Dollar Cost Averaging
- Regular Draw down Plan (not applicable to OneAnswer Personal Super or Pension)
- Regular Investment Plan (not applicable to OneAnswer Pension).

Other information

ANZ Term Deposits will not operate like other funds through OneAnswer where monies are pooled together and you receive income and tax obligations in proportion to your holding in the overall fund. In ANZ Term Deposits, you will have complete beneficial interest to your ANZ term Deposit investment and you will receive income and pay tax as if you held the term deposit directly with ANZ. Please speak to your adviser about your tax obligations.

Early Withdrawal of your ANZ Term Deposit

If you withdraw your investment in an ANZ Term Deposit option prior to maturity, the interest rate payable will be reduced. We refer to this reduction as an 'Early Withdrawal Adjustment'. We will not adjust the interest rate if an early withdrawal is requested in the event of death of the investor.

Early Withdrawal Adjustment

The reduction in the interest rate will depend on the time remaining until maturity as outlined in the table below:

| Percentage of term remaining | Interest rate reduction |
|------------------------------|-------------------------|
| 0 to less than 20% | 20% |
| 20% to less than 40% | 40% |
| 40% to less than 60% | 60% |
| 60% to less than 80% | 80% |
| 80% to less than 100% | 90% |

For OneAnswer Personal Super members a tax deduction is generally available for any Early Withdrawal Adjustment that may be charged on a break of a Term Deposit. You may receive the benefit of any tax deduction that is available in your account balance.

If you transfer your ANZ Term Deposit from OneAnswer Personal Super to OneAnswer Pension, and then request an early withdrawal from that ANZ Term Deposit, any tax deduction associated with the Early Withdrawal Adjustment may be retained by OnePath Life.

Withdrawal proceeds

For early withdrawals from an ANZ Term Deposit with terms less than 12 months, the amount you receive will be equal to:

- your principal on deposit, plus
- interest that has accrued to the date of your withdrawal, less
- the amount calculated as an Early Withdrawal Adjustment.

Example: \$10,000 investment into a 12 month ANZ Term Deposit offering 5% interest p.a.

You deposit \$10,000 in an ANZ Term Deposit with a 12 month investment term in OneAnswer Personal Super. The fixed interest rate is 5% p.a. Assuming you hold the full deposit to maturity, the total interest payable to your ANZ Cash Advantage is \$500 ($\$10,000 \times 5\%$).

If your ANZ Term Deposit is withdrawn after 6 months, the term remaining is 50%, therefore, a reduction of 60% is applied in this case; and

- Interest accrued for time invested is \$250.68 or ($(\$10,000 \times 5\%) \times 183/365$); and
- Early Withdrawal Adjustment after the 15% tax deduction is \$127.85 or ($\$250.68 \times 60\% \times 0.85$)

Therefore, the total interest paid is \$122.83 or ($\$250.68 - \127.85).

The total withdrawal proceeds are **\$10,122.83** or ($\$10,000 + \$250.68 - \127.85) before earnings tax.

Note: This example is illustrative only and is not indicative of future performance.

For 2, 3 and 5 year ANZ Term Deposit options, if the deposit is broken after an annual interest payment has been credited but before maturity, the following amounts will be compared:

- a) interest earned taking into account the Early Withdrawal Adjustment for the period (from the start date of the term deposit until the date your term deposit is broken), and
- b) the interest payments already credited to ANZ Cash Advantage on the anniversary.

If a) is less than b), the difference will be deducted from the principal.

If a) is greater than b), the difference will be paid in addition to the principal.

Where the Early Withdrawal Adjustment is greater than any accrued interest, the net amount will be deducted from your initial principal invested.

The full withdrawal of your ANZ Term Deposit prior to maturity will be confirmed in a Switch Confirmation letter that will be sent to you.

Example: \$100,000 investment into a 2 year ANZ Term Deposit offering 5.5% p.a.

You deposit \$100,000 in an ANZ Term Deposit with a 2 year investment term in OneAnswer Pension. The fixed interest rate is 5.5% p.a. Assuming you hold the full deposit to maturity, the total interest payable to your ANZ Cash Advantage fund is \$11,000 ($\$100,000 \times 5.5\% \times 2\text{yrs}$).

If your ANZ Term Deposit is withdrawn after 13 months, the term remaining is 46%, therefore a reduction of 60% is applied.

- Interest paid in first year is \$5,500 or ($\$100,000 \times 5.5\%$)
- Interest accrued in 2nd year is \$467.12 or ($(\$100,000 \times 5.5\%) \times (31/365)$)
- Early Withdrawal Adjustment is \$3,580.27 or ($\$5,500 + \467.12) x 60%

Therefore, the total withdrawal proceeds are **\$96,886.85** or ($\$100,000 + \$467.12 - \$3,580.27$)

Including the \$5,500 of interest earned in the first year, the total amount returned on the \$100,000 investment is **\$102,386.85**

Note: This example is illustrative only and not indicative of future performance.

OptiMix Geared Australian Shares

OptiMix Geared Australian Shares invests primarily in Australian shares and gears to magnify returns.

What is gearing?

Gearing is the process of borrowing money to purchase more assets. As a result, gearing magnifies returns or losses and increases the volatility and risk from investments, relative to the returns of a comparable non-gearred investment. In other words, the fund has the potential for larger variations in returns as a result of its borrowings.

Underlying investment

The fund invests into OptiMix Wholesale Geared Australian Share Trust (Wholesale Trust). The Wholesale Trust borrows from, and in turn invests into, the OptiMix Wholesale Australian Share Trust.

Benefits

Benefits of geared investing through the investment fund include:

- magnified returns
- access to the OptiMix Wholesale Australian Share Trust, which provides diversification across a range of specialist investment managers
- borrowing at favourable institutional interest rates compared to interest rates available to individuals
- potential for increased franking credits as a result of higher investment in Australian shares
- professionals managing the gearing level for you
- access to gearing for superannuation investors.

For investors in OneAnswer Investment Portfolio, there are also benefits to investing in the fund when compared to margin lending. Gearing is similar to margin lending in its ability to increase exposure to underlying investments, however, it has the following additional benefits:

- you are not subject to margin calls
- you do not provide additional security from other assets because lenders have no recourse to you beyond the assets of the fund
- interest costs are usually lower because the Wholesale Trust borrows at institutional interest rates.

Managing the gearing level of the Wholesale Trust

The Wholesale Trust aims to magnify returns through gearing. An important objective is to limit gearing to the level supported by expected dividends and borrowing costs. The aim is to set the gearing ratio from time to time so that income earned from the Wholesale Trust covers interest payments. As a result, the gearing ratio is impacted by the relationship between dividend yields and average borrowing rates. For example, when interest rates are high, relative to dividend yields, the gearing ratio may be relatively low, and vice-versa.

The Wholesale Trust has a targeted gearing ratio of 50%. This means that for every \$1 invested, the Wholesale Trust borrows another \$1 to increase the investment to \$2.

The level of gearing will automatically move with market movements and daily revaluation of the underlying investments. Sudden falls in underlying market values will automatically increase the gearing level. Gearing levels will be monitored on a daily basis. However, movements in gearing levels will not result in re-balancing to the gearing target. Important considerations in determining gearing levels will include the dividends and borrowing costs of the Wholesale Trust and gearing ranges.

Lending Arrangements

The gearing of the Wholesale Trust will be implemented through leading funding providers (lenders) and will be based on commercial terms. Members of the ANZ Group will be considered as possible lenders. The lenders will receive interest payments and other fees appropriate for providing such facilities and these amounts will be paid by the Wholesale Trust.

Lenders have priority over investors for interest and principal repayments, in line with the loan facilities. To minimise the risk to investors, lenders do not have additional recourse to investors if the fund or the Wholesale Trust is unable to meet its obligations under the loan facilities.

Instead of receiving a cash fee, the Responsible Entity of the Wholesale Trust can receive units in the fund as consideration for managing the fund. This assists with the objective of maintaining positive net income for the fund each year after the payment of interest and other expenses. The loan for the gearing is provided on commercial terms, with the costs of borrowing being paid by the Fund. These costs are offset against income earned by the Fund. The costs of the borrowing are determined by a reference rate (margin above) the 90 day Bank Bill Swap Rate (BBSW).

Fluctuations in the BBSW result in fluctuations in the cost of borrowing for the Fund. The Fund may also be charged for any undrawn amount from the loan facility provided.

Risks

Please refer to page 7 of this guide for an explanation of risks involved in a geared investment.

Implications of gearing

It is possible that deductible interest and other expenses may exceed income (including capital gains), resulting in a tax loss. If a loss arises, the Wholesale Trust is not able to distribute to investors. This risk is reduced by the regular monitoring and management of the gearing levels. The Responsible Entity also has the ability to further reduce this risk by waiving some or all of its fees and issuing units in lieu.

Gearing significantly increases the risk of investing. We strongly recommend that you consult your financial adviser before deciding to use this investment strategy.

Other funds which employ gearing

Other funds such as (but not limited to) the OptiMix Global Shares fund and OptiMix Australian Shares fund may undertake forms of gearing through employing long/short fund managers.

OptiMix Diversified Funds

The following OptiMix investment funds (collectively referred to as the OptiMix Diversified Funds) have an economic exposure to alternative assets under a Swap arrangement with a major Australian Bank:

- OptiMix Balanced
- OptiMix Conservative
- OptiMix Growth
- OptiMix High Growth
- OptiMix Moderate.

Swap arrangements

A Swap is a derivative contract where the investors receive the investment return of an underlying basket of investments. In this case, the Swap invests into such strategies as currency and long/short trading and equity swaps.

The objective of the alternative asset investment is to provide three key benefits being: increased diversification, improved performance and reduced correlation to traditional assets such as world stock markets. This means that when other markets are falling these assets may provide a hedge within the portfolio.

All fees associated with the Swap such as the Swap fee, administration charges and any transaction charges, as well as the management fees for the underlying investments are included as an expense within the Swap. This means that investment returns produced from the Swap are net of all fees and expenses.

OptiMix Global Emerging Markets Shares and Global Shares Funds

The OptiMix Global Emerging Markets Shares and OptiMix Global Shares Funds may invest in Equity Swaps.

What is an Equity Swap?

An Equity Swap is a derivative contract between two parties that allows each party to exchange future cash flows based on movements in value of different underlying assets.

Investment in the swaps aims to hedge the volatility from certain equity market exposures within each of the funds. In this instance both funds will have access to the expected outperformance of selected country or regional fund managers while at the same time limiting the normal risk associated with these markets.

The risks associated with the equity swap are counterparty risk and currency risk. Counterparty risk is the risk the counterparty will not be able to pay the profit due to OnePath under the swap contract. OnePath has selected a suitable counterparty. Currency risk is the risk that currency movements of either side of the swap will adversely affect the return in Australian dollars.

The swaps are usually entered into with an investment bank as an unsecured creditor. Therefore, a small proportion of the fund (amounting to the unrealised profit in the swap) may be exposed to the risk that the counterparty defaults.

Counterparty risk is assessed by evaluating the quality of the counterparty, including their financial position and performance.

In addition OnePath has in place appropriate risk management procedures for monitoring the swap's operation.

All fees associated with the Swap such as the Swap fee, administration charges and any transaction charges, are included as an expense within the Swap. This means that investment returns produced from the Swap are net of fees and expenses.

OnePath Protected AUS 50

The OnePath Protected AUS 50 Fund invests in an underlying fund, the OnePath Wholesale Protected AUS 50 Fund (PAUS 50). The PAUS 50 aims to provide investors with exposure to Australian shares and cash via a portfolio that is managed with the dual objective of providing long term capital growth, whilst also limiting losses in volatile and/or falling markets.

The exposure to Australian shares and cash is systematically managed, according to prevailing market conditions. The allocation between Australian shares and cash is determined by price fluctuations of the S&P/ASX 50 Accumulation Index as well as the realised volatility of this index.

The capital protection is provided by Barclays Bank PLC (Barclays) and is based on the 'Protected Price' of the PAUS 50. OnePath Funds Management has entered into agreements with Barclays to ensure that the unit price for the

PAUS 50 does not fall by more than 20% from its highest-ever unit price, adjusted for distributions and any other Trust expenses. The protection will be available from the date of investment, provided the agreements between UBS and Barclays remain in place.

No lock-in period or set maturity date applies to your investment.

In general:

- when markets are rising and volatility is low—the Trust's exposure to Australian shares will increase
- when markets are falling and/or volatility is high—the Trust will increase its exposure to cash until markets improve and/or stabilise.

This process allows investors to capture some of the upside from rising markets while limiting losses in falling and/or volatile markets.

Barclays Bank PLC

Barclays is a major global financial services provider engaged in retail banking, credit cards, corporate banking, investment banking, wealth management and investment management services, with an extensive international presence in Europe, the Americas, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs approximately 145,000 people. Barclays moves, lends, invests and protects money for over 49 million customers and clients worldwide.

Neither Barclays, its associates, nor any member of the Barclays Group (being Barclays PLC and its subsidiary undertakings) has authorised or caused the issue of, has made or authorised the making of any statement or representation on the accuracy or completeness of the information in this guide, nor are they providing any financial services to you. Barclays expressly disclaims and takes no responsibility for any statements in, or omissions from, this guide. This applies to the maximum extent permitted by law.

Neither Barclays, its associates nor any member of the Barclays Group, gives any warranty or guarantee as to the investment performance of any OneAnswer investment funds, any return or rate of return on your investment or repayment of capital invested in any one of the OneAnswer investment funds. An investment in any OneAnswer investment fund is not a deposit with or other liability of Barclays or any member of Barclays Group, and is subject to investment risk, including possible delays in repayment and loss of income or loss of principal invested. The capital protection is provided by Barclays Bank PLC and is based on the protected price of the PAUS 50. Protection does not apply directly to your investment.

Barclays and their associates or related entities and the individuals associated therewith may receive fees in connection with the investments and transactions described in this PDS, and may (in various capacities) have positions or deal in transactions or securities (or related derivatives) identical or similar to those described herein.

Counterparty risk

Please refer to page 9 for an explanation of counterparty risks.

Exposure to growth assets

The PAUS 50 has exposure to Australian shares and cash. The Australian share exposure may consist of a type of derivative known as SFE SPI 200[®] Futures. All derivatives must be fully collateralised and the PAUS 50 must not be leveraged at any time.

Derivatives are used to provide the PAUS 50 with exposure to the S&P/ASX 50 Accumulation Index, without having to buy or sell shares of every company in that index.

Should the capital protection be called upon, your exposure via the PAUS 50 to Australian shares could be reduced to as low as 0% and your money will be held entirely in cash. A reallocation to Australian shares in these circumstances would be unlikely. This may adversely affect the future return potential of the PAUS 50 as it would no longer contain any exposure to Australian shares.

[®] SFE SPI 200 is a registered trademark of the Sydney Futures Exchange.

OnePath Capital Guaranteed

For the OnePath Capital Guaranteed fund the unit price is calculated daily to reflect:

- interest earned
- changes in the book value of assets
- profits and losses on the sale of assets (these are spread over no more than 2 years)
- management fees
- tax on interest earned, changes in the book value of assets, and profits and losses arising from the sale of assets
- duties and other statutory charges payable
- all costs, charges and expenses directly incurred in the purchase, maintenance and sale of assets in the portfolio
- transfer to and from equalisation reserves.

Equalisation reserves are used to smooth profit and losses in the sale of assets. The reserves are managed so that all investment proceeds (after allowable deductions) are ultimately distributed to members. The reserves, as at OnePath Life's balance date each year, will be distributed over the following 12 months by way of equal daily transfers. This will be reflected in the unit price calculated.

OnePath Capital Stable

OnePath Capital Stable offered through OneAnswer Personal Super offers a guarantee.

For units held for at least three years, the unit price used to calculate the withdrawal amount is guaranteed by us not to be less than the highest unit price on any day between the date units were issued and three years before the date of withdrawal. If units are held for less than three years, this guarantee will be 80% of the price at which the units were issued. If units withdrawn are comprised of units issued both more and less than three years before the date of withdrawal, the calculation of the guarantee will take into account the age of the units to be withdrawn.

Except to the extent that has been stated:

- an investment in OneAnswer is not guaranteed
- the value of your investment can rise and fall.

OnePath Mortgages

OnePath manages mortgage investment funds. OnePath invests in loans secured by mortgages over real property.

OnePath employs stringent lending criteria with a focus on both the quality of the property security and the cash flows available to meet interest commitments. OnePath mortgage funds are diversified across property types such as office, industrial, residential and retail, predominantly focusing on the major population areas of Australia. The portfolios contain a mix of both fixed and variable rate loans.

The funds may also invest in cash, mortgage backed securities and other interest-earning assets.

What standards do we adhere to when investing?

OnePath Funds Management does not take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments. Such factors are also not considered when selecting fund managers and the investment funds to be made available through this product.

Environmental, social and governance considerations

With the exception of OnePath Sustainable Investments – Australian Shares (managed on behalf of OnePath by UBS), labour standards and environmental, social and ethical considerations are generally not a consideration, and there are many other factors that OnePath, OptiMix and the other underlying managers take into account when deciding whether to select, retain or realise an investment.

OnePath Sustainable Investments – Australian Shares

UBS Global Asset Management became a signatory to the United Nations Principles for Responsible Investment (UNPRI) in April 2009. This is a global investor initiative that is designed to provide a framework for better integration of environmental, social and governance (ESG) issues into mainstream investment practice. The approach to ESG issues necessarily varies across the firm and, to some extent, across countries/regions according to local market customs and client needs.

Sustainability factors which may be considered when identifying investments for the OnePath Sustainable Investments – Australian Shares can be grouped into four key categories:

- environment factors, such as environmental strategy and planning, environmental risk assessment systems, and industry specific items
- human capital, such as labour relations, health and safety, and workplace practices
- stakeholder capital, such as relations with regulators, suppliers, customers and local communities
- strategic governance, including traditional governance concerns such as board composition and independence, and corporate social responsibility strategy.

These factors are combined with a rigorous process that includes financial analysis, portfolio construction and integrity checking of included data.

Standards AMP Capital uses when managing the Responsible Investment Leaders funds

The Responsible Investment Leaders funds are managed by AMP Capital using a multi-manager approach, which uses a blend of investment managers to provide greater diversification. AMP Capital's Responsible Investment (RI) approach follows five key steps:

1. Setting the investment objectives and considerations for each fund.
2. Identifying the manager universe.
3. Selecting the managers.
4. Determining the optimal manager mix of each fund.
5. Monitoring of the funds and operational governance.

This process combines stringent financial assessment with an RI focus, both of which are critical in meeting the fund's objectives of producing competitive returns within a sustainable and responsible framework.

Step 1 – Setting the investment objectives and considerations for each fund

Each of the funds operate under distinct objectives, from a financial, social and environmental perspective.

Step 2 – Identifying the manager universe

AMP Capital searches the RI manager universe in Australia and overseas for the leading managers that can meet the financial, social and environmental requirements.

Step 3 – Selecting the managers

In selecting managers, consideration and assessment is made from a financial, social and environmental perspective. Financial analysis, which is conducted in partnership with independent consultants, includes detailed analytics together with a review of each manager's investment process, team and style.

Specifically, AMP Capital seeks out managers that are identifying leaders across industries, in their responsible approach to the following RI issues:

- Environmental considerations – including energy and resource use and product stewardship (e.g. where a company takes into account the life cycle of the product, from manufacture to the extent to which the product can be recycled).
- Social considerations – including indigenous relations and community involvement.
- Ethical considerations – including meeting fundamental human rights, and articulating and implementing a Code of Conduct.
- Labour standards – including Occupational Health and Safety, International Labour Organisation standards, working conditions and the exclusion of child labour.
- Governance considerations – including meeting corporate governance guidelines on board structures and remuneration. Additionally, investment managers and funds will also be well regarded if they actively participate in corporate engagement and governance initiatives.

Managers are also required to avoid companies operating within sectors with recognised high negative social impact. This means the funds will avoid exposure, either directly or indirectly through underlying managers and funds, to companies with material exposure to the production or manufacture of alcohol, armaments, gambling, pornography, tobacco and nuclear power (including uranium). Material exposure is considered to be where a company derives more than 10% of its total revenues from these industries.

Step 4 – Determining the optimal manager mix for each fund

When determining the optimal manager mix, consideration is given to the investment style and risk diversification of the managers, with the aim of generating a style-neutral blend that most effectively provides stable returns across fluctuating market cycles.

Step 5 – Monitoring of the funds and operational governance

Two specialist committees – the Investment Committee and the Ethics Committee – monitor the managers and the asset allocations for each fund, maintain the fund's RI integrity, and oversee the overall operation of the Responsible Investment Leaders product range.

Retention and realisation policy

If a company falls below the standards noted above, it is policy that the relevant manager sells its investment in that company within six months. This policy is monitored and if the policy is breached, AMP Capital may terminate the services of the relevant underlying manager. AMP Capital's policy also requires that the managers review individual companies if there are major changes to the companies, such as takeovers or major environmental incidents. Investments may also be sold at any time for financial reasons.

What investment funds are offered through OneAnswer?

Multi-manager investment funds

| Investment fund | Page |
|---|------|
| Profile 1 – Defensive | |
| OnePath Capital Guaranteed (ANZ OneAnswer Super and Pension only) [‡] (Not available through OneAnswer Frontier) | 22 |
| OptiMix Australian Fixed Interest | 22 |
| Profile 2 – Conservative | |
| OnePath Capital Stable (OnePath Stable in OneAnswer Pension) [§] (Not available through OneAnswer Frontier) | 23 |
| OnePath Conservative | 23 |
| OnePath Income [‡] | 24 |
| OnePath Income Plus [*] | 24 |
| OptiMix Conservative | 25 |
| Profile 3 – Moderate | |
| OnePath Balanced | 26 |
| OptiMix Moderate | 26 |
| Profile 4 – Growth | |
| OnePath Active Growth | 27 |
| OnePath Managed Growth | 27 |
| OptiMix Balanced | 28 |
| OptiMix Growth | 28 |
| Profile 5 – High growth | |
| Property | |
| OptiMix Property Securities | 29 |
| Australian shares | |
| OptiMix Australian Shares | 30 |
| OptiMix Geared Australian Shares | 30 |
| Global shares | |
| OptiMix Global Emerging Markets Shares | 31 |
| OptiMix Global Shares | 31 |
| OptiMix Global Smaller Companies Shares | 32 |
| Multi-sector | |
| OnePath High Growth | 33 |
| OptiMix High Growth | 33 |

Single manager investment funds

| Investment fund | Page |
|--|------|
| Profile 1 – Defensive | |
| ANZ Cash Advantage | 40 |
| ANZ Prime Cash Management Account (OneAnswer Pension only) | 40 |
| ANZ Term Deposits | 41 |
| BlackRock Monthly Income | 41 |
| Challenger Howard Mortgages [*] | 42 |
| Colonial First State Global Credit Income | 42 |
| OnePath Cash | 43 |
| OnePath Diversified Fixed Interest | 43 |
| OnePath Mortgages [*] | 44 |
| Schroder Fixed Income | 44 |
| UBS Diversified Fixed Income | 45 |
| Vanguard Index Diversified Bond | 45 |
| Profile 2 – Conservative | |
| AMP Capital Enhanced Yield [*] | 46 |
| Bentham Syndicated Loan | 46 |
| Goldman Sachs Income Plus | 47 |
| Legg Mason Global Multi Sector Bond | 47 |
| OnePath Diversified High Yield | 48 |
| Perpetual Conservative Growth | 48 |
| UBS Defensive | 49 |
| Vanguard Conservative Index | 49 |
| Profile 3 – Moderate | |
| Schroder Balanced | 50 |
| UBS Balanced | 50 |
| Vanguard Balanced Index | 51 |
| Profile 4 – Growth | |
| BlackRock Balanced [§] | 52 |
| BlackRock Scientific Diversified Growth | 53 |
| Colonial First State Diversified | 53 |
| OnePath Protected AUS 50 [§] | 54 |
| OnePath Tax Effective Income | 54 |
| Perpetual Balanced Growth | 55 |
| Vanguard Growth Index | 55 |

Single manager investment funds – continued

| Investment fund | Page |
|---|------|
| Profile 5 – High growth | |
| Property | |
| AXA Australian Property* | 56 |
| Challenger Property | 56 |
| OnePath Global Property Securities | 57 |
| OnePath Property Securities | 57 |
| Vanguard Property Securities Index | 58 |
| Australian shares | |
| AMP Capital Responsible Investment Leaders Australian Shares | 59 |
| Ausbil Australian Emerging Leaders | 59 |
| BlackRock Scientific Australian Equity | 60 |
| BT Core Australian Shares | 60 |
| BT Smaller Companies | 61 |
| Colonial First State Core Australian Shares [§] | 61 |
| Colonial First State Imputation | 62 |
| Fidelity Australian Equities | 62 |
| Investors Mutual Australian Shares | 63 |
| Merlon Australian Share Income | 63 |
| OnePath Australian Shares | 64 |
| OnePath Blue Chip Imputation | 64 |
| OnePath Emerging Companies [§] | 65 |
| OnePath Select Leaders | 65 |
| OnePath Sustainable Investments – Australian Shares | 66 |
| Perennial Growth Shares [§] | 66 |
| Perennial Value Shares | 67 |
| Perpetual Australian Shares | 67 |
| Schroder Australian Equity | 68 |
| Vanguard Australian Shares Index | 68 |
| Global shares | |
| AMP Capital Responsible Investment Leaders International Shares | 69 |
| AXA Global Equity Value | 69 |
| BlackRock Scientific International Equity | 70 |

Single manager investment funds – continued

| Investment fund | Page |
|--|------|
| Profile 5 – High growth | |
| Capital International Global Equities (Hedged) | 70 |
| Legg Mason Global Value Equity [§] | 71 |
| MFS Global Equity | 71 |
| OnePath Global Emerging Markets Shares | 72 |
| OnePath Global Shares | 72 |
| Perpetual International Shares | 73 |
| Platinum Asia [§] | 73 |
| Platinum International | 74 |
| T. Rowe Price Global Equity | 74 |
| Vanguard International Shares Index | 75 |
| Vanguard International Shares Index (Hedged) | 75 |
| Walter Scott Global Equity (Hedged) [§] | 76 |
| Zurich Investments Global Thematic Shares | 76 |
| Multi-sector | |
| BlackRock Asset Allocation Alpha | 77 |
| Vanguard High Growth Index | 77 |
| Infrastructure | |
| RARE Infrastructure Value [§] | 79 |

MoneyForLife investment funds[†]

| Investment fund | Page |
|---------------------------------|------|
| Profile 2 – Conservative | |
| MoneyForLife Index Conservative | 80 |
| Profile 3 – Moderate | |
| MoneyForLife Index Balanced | 81 |
| MoneyForLife Index Moderate | 81 |

* Applications, switches and withdrawals are suspended until further notice.

† MoneyForLife investment funds are not available on OneAnswer Investment Portfolio or OneAnswer Frontier Investment Portfolio.

‡ This investment fund is exclusively available through ANZ Financial Planning.

§ These investment funds are not available through ANZ Financial Planning.

|| This investment fund is available to all financial planning groups for OneAnswer Frontier, however, is available exclusively through ANZ Financial Planning for OneAnswer.

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