

# OneAnswer

## Product Disclosure Statement

### Part Two – Investment Book

> Personal Super  
> Pension

This Product Disclosure Statement is comprised of:  
**Part One** – Product book  
**Part Two** – this book  
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# What investment funds are offered through OneAnswer?

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# What asset classes do the investment funds invest in?

## Shares

**Risk level** – high

**Potential return** – high

A share (or stock) is an ownership stake in a company.

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 and therefore they carry the highest risk of capital loss on your investment but have potentially the greatest return over the long term.

## Property

**Risk level** – medium to high

**Potential return** – medium to high

Property can include investments in direct property, Australian and international property trusts and other property securities. Property trusts 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 less than shares.

## Mortgages

**Risk level** – medium to low

**Potential return** – medium to low

A mortgage fund would typically invest primarily in loans secured by first mortgages over commercial 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.

## Derivatives

The investment funds may also invest in financial derivatives, such as futures, options or other derivative contracts to gain exposure to investment markets and manage the risk associated with market prices, interest rates and currency fluctuations.

Derivatives may also be used by some fund managers to gear an investment fund. Losses as well as gains are possible via the use of financial derivatives.

## Inflation

The effects of inflation upon your investment should be considered. Inflation is the overall upward price movement of goods and services in an economy, which is usually measured by the Consumer Price Index (CPI). Inflation reduces your purchasing power over time as the cost of goods and services increases, and the value of \$1 decreases.

## Alternative investments

Alternative investments are investments that generally do not fit into the traditional asset categories. Risk can be controlled by limiting exposure to individual investments and seeking diversification of alternative asset opportunities. Examples of alternative assets include:

- private equity
- leveraged leases
- direct property and property related investments (e.g. infrastructure assets)
- commodities
- hedge funds.

## Fixed interest

**Risk level** – medium to low

**Potential return** – medium to low

A fixed interest investment is a debt security issued by a 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 bond. Fixed interest investments are relatively low in risk and generally return more than cash assets.

## Cash

**Risk level** – low

**Potential return** – low

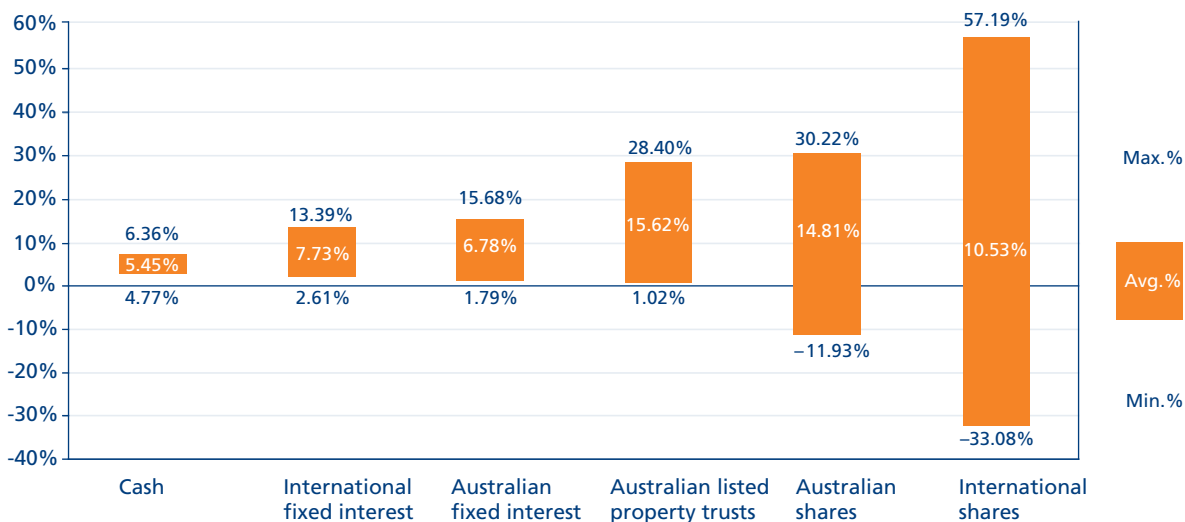
Cash funds are designed to offer a high degree of capital security relative to other asset classes. Examples of 'cash' include bank deposits and investments in securities such as treasury notes with a term of less than one year.

Generally, cash investments do not carry a risk of losing your initial investment.

Enhanced cash vehicles may attempt to generate higher returns by holding a small portion of securities with a longer time to maturity.

## Returns across asset classes

The graph below shows the range of annual returns that the asset classes have achieved (minimum and maximum) for the ten years from April 1997 to March 2007. The average return for each asset class for this period is also highlighted.



Source: ING Investment Management

# What are the benefits of diversification?

One of the major benefits of investing in managed funds is 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

Different investment managers may perform differently at different times, depending on their investment style and success in implementing their strategy. Investment managers adopt different investment styles such as value or growth, or market capitalisation biases such as large cap or small cap. These different investment management styles are generally suited to certain market and economic conditions better than others.

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

### Across multiple asset classes

Different asset classes (e.g. cash, fixed interest, property and shares) usually perform differently at different times. By diversifying your investment across asset classes you can reduce your exposure to the risk of an individual asset class. For example, instead of investing only in shares, you could diversify across asset classes by investing some of your funds 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 will be diversified across a number of areas including:

<b>Australian shares</b>	<b>International shares</b>	<b>Property</b>	<b>Fixed interest</b>
Companies	Companies	Property trusts	Government bonds
Industries	Industries	Property-related securities	Corporate bonds
	Countries	Geographic regions	Term to maturity
	Currencies		Credit quality

# Your guide to the investment profiles

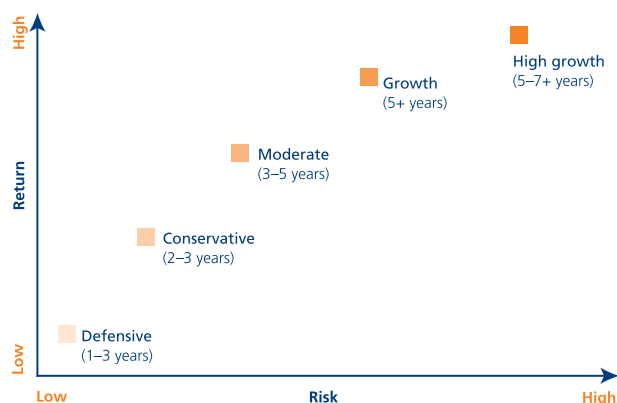
When you invest through OneAnswer, you have access to over 70 quality investment funds. To assist in selecting an appropriate investment fund, or mix of funds, the investment funds have been categorised into the following profiles.

<p><b>Profile 1 – Defensive</b></p> <p>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.</p> <p><b>Asset classes:</b> mainly includes low risk assets such as cash and fixed interest (e.g. Australian and international fixed interest and mortgages).</p>
<p><b>Profile 2 – Conservative</b></p> <p>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.</p> <p><b>Asset classes:</b> 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).</p>
<p><b>Profile 3 – Moderate</b></p> <p>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 short periods.</p> <p><b>Asset classes:</b> includes an exposure to all asset classes including cash, fixed interest, property and shares.</p>
<p><b>Profile 4 – Growth</b></p> <p>Growth investment funds are more likely to suit you if you seek high long-term returns and accept the higher possibility of sustained negative returns over short periods and/or capital losses.</p> <p><b>Asset classes:</b> mainly includes assets such as property and shares and a smaller allocation to cash and fixed interest.</p>
<p><b>Profile 5 – High growth</b></p> <p>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.</p> <p><b>Asset classes:</b> mainly includes assets such as shares and property.</p>
<p><b>Profile 6 – Alternative investments</b></p> <p>Alternative investments are a relatively new asset class to most investors and are more likely to suit you if you seek to add further diversification to your portfolio. Alternative investments may increase, or in some instances, depending on how you use them, decrease the level of volatility of your portfolio.</p> <p><b>Asset classes:</b> hedge funds, private equity, infrastructure, commodities, etc.</p>

## Risk, return and investment time frame

The graph opposite shows the potential return and risk for each of the investment profiles described above. Alternative investments (Profile 6) may fall outside the traditional profiles outlined in this graph, due to the nature of the underlying assets. Please refer to the specific fund profile for more information. For each investment profile the suggested investment time frame is shown, which is the minimum period 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 short-term periods. However, they are more likely to produce higher returns over the long term.



## How to read an investment profile

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

### Investment objective

The investment objective identifies what return the manager of the investment fund aims to achieve for investors. This is often 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 PDS in relation to international shares are based on total returns with net dividends reinvested.

### Investment strategy

The investment strategy describes how the manager of the investment fund aims to achieve its objective.

An investment strategy usually involves a description of the relevant asset classes and an outline of the investment process, or combination of processes, the manager will use to manage the investment fund.

### 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 fund. Holding an investment for the suggested time does not guarantee a positive return, but it does make it more likely.

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

### Asset allocation

The asset allocation displays the type 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.



## OptiMix Balanced

<b>Investment objective</b>	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.		
<b>Investment strategy</b>	The fund invests in a diversified mix of Australian and international assets through a mix of managers, with a bias towards growth assets. This fund is actively managed in accordance with the OptiMix Manage the Managers investment process.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and Australian fixed interest	16	9–30
	Australian inflation linked bonds	0	0–9
	International inflation linked bonds	5	0–9
	International fixed interest	9	2–18
	Australian property securities	12	5–15
	International property securities	0	0–10
	Australian shares	33	26–45
	International shares	20	18–35
	Global small companies shares	0	0–10
	Global emerging markets shares	5	0–10

The OneAnswer investment funds which are not managed by ING Investment Management Limited (INGIM) have been established specifically for OneAnswer and invest in the noted underlying funds managed by external fund managers. The minimum time horizon relates to the OneAnswer investment funds and not the underlying fund into which the OneAnswer fund invests.

# Multi-manager investment funds

Multi-manager investment funds, also known as Manage the Managers or MTM, combine a number of professionally selected investment managers in one investment portfolio, providing a convenient way to diversify across investment managers.

ING uses specialist MTM manager, OptiMix, to construct the Manage the Managers portfolios offered through OneAnswer.



## OptiMix

OptiMix is ING Australia's specialist Manage the Managers (MTM) research and investment solution. The OptiMix investment process 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. OptiMix has over a decade of proven performance.

ING Australia has appointed ING Investment Management's specialist MTM investment team to manage the OptiMix process and funds.

## The OptiMix advantage

### Proven expertise

The OptiMix research and investment solution has been in existence for over 10 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 don't 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

Investors have different investment objectives, risk preferences and time frames. OptiMix provides a comprehensive range of portfolio options to suit all kinds of investors regardless of your age, gender, level of financial expertise or risk preference.

## Specialist investment managers

International shares		Australian shares	Property securities	International fixed interest	Australian indexed linked fixed interest bonds	Australian fixed interest and cash
 Capital International <sup>†</sup>  FRANKLIN TEMPLETON INVESTMENTS  AB ALLIANCE Growth Equities  M F S INVESTMENT MANAGEMENT  WELLINGTON MANAGEMENT  RA Rosenberg <sup>*</sup>  LAZARD <sup>*</sup>  Schroders <sup>*</sup>	 PANAGORA <sup>†</sup>  Deutsche Asset Management <sup>‡</sup>  COMGEST <sup>†</sup>  Pareto <sup>‡</sup>	 ING INVESTMENT MANAGEMENT  Tyndall  DEXIA Ausbil Dexia Limited Australia  452 CAPITAL  ORION asset management  BARCLAYS GLOBAL INVESTORS	 challenger  MACQUARIE	 INVESCO  FRANKLIN TEMPLETON INVESTMENTS  TCW <sup>§</sup>  FFTW	 CREDIT SUISSE  UBS Global Asset Management  WESTERN ASSET <sup>  </sup>  CREDIT SUISSE  UBS Global Asset Management	 WESTERN ASSET <sup>  </sup>  CREDIT SUISSE  UBS Global Asset Management

\* Manager for the OptiMix Global Smaller Companies Share fund.

† Manager for the OptiMix Global Emerging Markets Share portfolio.

‡ Currency manager.

§ Manages US mortgage backed securities within international fixed interest.

|| Manager for the OptiMix Australian Fixed Interest fund only.

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

## 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.

### Economic analysis and tactical asset allocation

The OptiMix investment team looks at factors around the world such as economic growth, inflation and government policies – and assesses how these impact the performance of each asset class. The investment team then adjusts the funds to gain a greater exposure to the asset classes expected to perform well at that particular time in the market cycle.

### Manager allocation within asset classes

The OptiMix investment team blends complementary investment manager styles and adjusts the portfolio in favour of the managers 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 independent review

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


## Profile 1 – Defensive

	OptiMix Australian Fixed Interest		
Investment objective	The fund aims to achieve returns (before fees, charges and taxes) that exceed the UBS Australian Composite Bond Index (0+Yr), over periods of three years or more.		
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		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–100
	Australian fixed interest	100	0–100

## Profile 2 – Conservative

	OptiMix Conservative		
Investment objective	The 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.		
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		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash and Australian fixed interest	46	33–59
	Australian inflation linked bonds	3	0–8
	International inflation linked bonds	5	0–8
	International fixed interest	12	6–32
	Australian property securities	8	2–10
	Australian shares	13	5–25
	International shares	13	5–20

## Profile 3 – Moderate

	OptiMix Moderate		
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.		
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		
Asset allocation	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and Australian fixed interest	29	15–42
	Australian inflation linked bonds	3	2–8
	International inflation linked bonds	3	0–5
	International fixed interest	15	8–22
	Australian property securities	10	6–16
	International property securities	0	0–10
	Australian shares	23	16–28
	International shares	13	10–22
	Global small companies shares	4	0–5

## Profile 4 – Growth

	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.		
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		
Asset allocation	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and Australian fixed interest	16	9–30
	Australian inflation linked bonds	0	0–9
	International inflation linked bonds	5	0–9
	International fixed interest	9	2–18
	Australian property securities	12	5–15
	International property securities	0	0–10
	Australian shares	33	26–45
	International shares	20	18–35
	Global small companies shares	0	0–10
	Global emerging markets shares	5	0–10


	<h2>OptiMix Growth</h2>		
<b>Investment objective</b>	The 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		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and Australian fixed interest	9	4–23
	Australian inflation linked bonds	0	0–9
	International inflation linked bonds	5	0–9
	International fixed interest	6	1–14
	Australian property securities	12	5–15
	International property securities	0	0–10
	Australian shares	41	20–50
	International shares	22	20–35
	Global small companies shares	0	0–10
	Global emerging markets shares	5	0–10


## Profile 5 – High growth

### Property

	<h2>OptiMix Property Securities</h2>		
<b>Investment objective</b>	The 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.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	Property securities	100	90–100


## Australian shares

	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.		
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		
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.		
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		
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 54 of this book for additional information regarding OptiMix Geared Australian Shares.

Global shares

	<h2 style="background-color: #f4a460; padding: 5px;">OptiMix Global Shares</h2>		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	International shares	100	90–100

	<h2 style="background-color: #f4a460; padding: 5px;">OptiMix Global Smaller Companies Shares</h2>		
<b>Investment objective</b>	The 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.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	7 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	Global small companies shares	100	90–100

## Multi-sector

	<h3>OptiMix High Growth</h3>																				
<b>Investment objective</b>	<p>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.</p>																				
<b>Investment strategy</b>	<p>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.</p>																				
<b>Minimum time horizon</b>	<p>5 years</p>																				
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–20</td> </tr> <tr> <td>Australian shares</td> <td>50</td> <td>25–75</td> </tr> <tr> <td>International shares</td> <td>41</td> <td>25–75</td> </tr> <tr> <td>Global small companies shares</td> <td>0</td> <td>0–15</td> </tr> <tr> <td>Global emerging markets shares</td> <td>9</td> <td>0–15</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–20	Australian shares	50	25–75	International shares	41	25–75	Global small companies shares	0	0–15	Global emerging markets shares	9	0–15		
Asset class	Benchmark (%)	Range (%)																			
Cash	0	0–20																			
Australian shares	50	25–75																			
International shares	41	25–75																			
Global small companies shares	0	0–15																			
Global emerging markets shares	9	0–15																			

# Single manager investment funds

Single manager investment funds invest in a portfolio of assets managed by one investment manager. Single manager funds can invest in just one asset class (single sector) or a range of asset classes (multi-sector).

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

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



## INVESTMENT MANAGEMENT

### ING Investment Management Limited

ING Investment Management Limited (INGIM) manages all OneAnswer ING investment funds excluding ING Mortgages which is managed by ING Australia.

INGIM is part of the specialist investment network of ING Group. World-wide INGIM employs more than 2,600 staff in 32 countries across three broad geographic regions: Europe, the Americas and Asia Pacific. Its global assets under management total more than A\$618 billion as at 31 December 2006.

In Australia, INGIM is one of the largest investment managers, with in excess of A\$38 billion of assets under management as at 31 December 2006.

Combining rigorous research and integrated risk management, INGIM has a team of investment professionals who are expert in constructing and delivering progressive and tailored investment solutions across all major asset classes on a truly global scale.

#### INGIM's investment approach

INGIM's investment philosophy maintains that markets have inefficiencies, and active portfolio management should generate superior long-term investment returns. INGIM aims to deliver consistently attractive returns for investors over the long term at acceptable levels of risk.

INGIM believes that investment markets are ultimately driven by trends in the economic cycle, and a particular asset class tends to perform differently to other asset classes at any given point in the cycle.

INGIM's active portfolio management aims to take advantage of asset class trends, adding value and managing risk.

INGIM's multi-sector and international share funds have exposure to foreign currency. Foreign currency is actively managed with a view to increasing the return available in Australian dollars for the benefit of the total portfolio. Active currency management means buying undervalued currencies and selling overvalued currencies.

#### Australian shares

INGIM's Australian shares investment process is designed to deliver consistently above-benchmark returns over the medium to long term, while controlling risk. INGIM seeks to identify stocks that are likely to deliver above-average earnings growth in the foreseeable future and are also attractively priced relative to the market. This style of investing is often referred to as 'Growth At a Reasonable Price' (GARP) or core.

INGIM's team of highly experienced analysts undertakes comprehensive ongoing research to assess the earnings prospects and relative valuations of the stocks in their investment universe. INGIM's analysts assess each company's competitive position and the relative attractiveness of the industry in which it operates. Quantitative and qualitative assessments for each company are combined in an overall company score, which is a primary input into INGIM's portfolio construction process. Other inputs to this process include stock liquidity constraints, constraints on the size of individual stock positions, and market sentiment and corporate/market activity considerations.

## International shares

INGIM's stock selection processes for international shares are designed to deliver consistently above-benchmark returns over the medium to long term. The focus is on identifying companies with good medium-term earnings growth prospects whose shares are attractively priced relative to the market. The process is driven by in-depth analysis and research, utilising INGIM's network of global resources.

In the management of international share strategies INGIM has the benefit of using the expertise of country, regional and sector teams spread across 31 countries around the world.

Regional asset allocation is supported by INGIM's strategy experts including those from the US and Europe.

INGIM's international share portfolios are all managed against an unhedged benchmark. Foreign currency is actively managed where INGIM believes that this will be beneficial to the portfolio's investment performance.

## Property securities

INGIM's property securities investment universe includes listed property trusts and listed property-related securities. Property-related securities include companies where the majority of earnings are sourced from property or property-related activities, including the ownership, development or management of property assets.

INGIM's experienced Listed Property Trust team uses its investment process to select property trusts that offer attractive yields and distribution growth. Property-related securities are selected based on the analysis and recommendations provided by INGIM's Australian Shares team.

When selecting individual property securities, INGIM also assesses the experience of management, quality and diversity of the property portfolio, stability of rental income, level of distribution yield, potential for distribution growth, level of borrowing, interest rate risk and liquidity considerations.

## Global property securities

A multi-step portfolio construction process is employed combining top-down portfolio design and bottom-up security analysis. These steps include top-down country/regional allocation, top-down property sector allocation and bottom-up security selection.

Regional and property type allocations are determined following a systematic evaluation of public and private real estate market trends, conditions and research by team members based in local markets throughout the world. A proprietary valuation process is used in the selection of individual securities that identifies investments with superior current income and growth potential relative to their peers.

## Fixed interest and cash

INGIM aims to add value to its fixed interest and cash portfolios by weighting the portfolio in favour of those sectors that offer the highest potential return for the associated risk, and taking advantage of pricing opportunities that occur at various stages of the economic cycle.

INGIM maintains that the best way to deliver consistently strong returns from a fixed interest portfolio is through a combination of active interest rate management and a well-diversified blend of credit investments.

While traditional fixed interest portfolios have tended to focus exclusively on domestic securities, the newer form diversified fixed interest strategies have also incorporated a range of international fixed interest and higher-yielding opportunities.

The active interest rate component of INGIM's portfolios is managed in accordance with its investment process, which combines the analysis of economic fundamentals, market psychology and market valuations.

Within the non-government sector of the market, INGIM uses its investment process to select individual securities. Essentially, analysis focuses on calculating an appropriate price for each security relative to the associated credit risk, with the aim of ensuring that the reward offered by borrowers to lenders is sufficient to compensate them for the associated risk. Security and issuer analysis is undertaken by INGIM's dedicated credit analysts.

Foreign currency exposures within the international fixed interest component of ING's multi-sector funds are normally hedged into Australian dollars.

## Mortgages

ING Australia manages mortgages for ING investment funds. ING Australia invests in loans secured by mortgages over real property.

ING Australia employs stringent lending criteria with a focus on both the quality of the property security and the cash flows available to meet interest commitments. ING mortgage funds are diversified across property types such as commercial, 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.

	<p><b>AMP Capital Investors</b>          ABN 59 001 777 591          Established 1849*          Funds under management Over \$105 billion (as at 31 December 2006)</p>
<p>AMP Capital Investors is a specialist investment manager with over \$105 billion (as at 31 December 2006) in funds under management. As a wholly owned subsidiary of AMP, AMP Capital Investors operate independently with a pure investment focus, but benefit from the resources of its parent. With almost 200 in-house investment professionals and a carefully selected global network of investment partners, AMP Capital offers significant depth and breadth of investment expertise.</p> <p>The combination of our scale, breadth and capability provides access to superior investment opportunities – reliably, consistently and repeatedly.</p>	

\*The AMP Group was established in 1849 and AMP Capital is a member of the AMP Group.

	<p><b>Australia and New Zealand Banking Group Limited</b>          ABN 11 005 357 522          Australian Financial Services Licence Number 234527          Established 1835          Deposit funds under management \$206.8 billion (as at 31 December 2006)</p>
<p>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.</p>	

	<p><b>Ausbil Dexia</b>          ABN 26 076 316 473          Established 1997          Funds under management Approximately \$9 billion (as at 31 December 2006)</p>
<p>Ausbil Dexia Limited (Ausbil Dexia), 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.</p>	

	<p><b>AXA (National Mutual Funds Management Ltd.)</b>          ABN 32 006 787 720          Established 2000          Funds under management \$80 billion (as at 31 December 2006)</p>
<p>AXA Australia and AllianceBernstein US have joined forces to form an Australian investment operation, AllianceBernstein Australia Limited, that will give Australian investors access to AllianceBernstein US globally integrated style and proven performance. AllianceBernstein US acquired Sanford C Bernstein (Bernstein) in October 2000. This acquisition allows AllianceBernstein US to offer a broad range of investment strategies across the value/growth spectrum.</p>	

	<p><b>Barclays Global Investors</b>  ABN 33 001 804 566  Established 1996  Funds under management \$43.3 billion (as at 31 December 2006)</p>
<p>Barclays Global Investors Australia Limited is the Responsible Entity of the Barclays Managed Investment Funds – Diversified Growth Fund, International Share Fund and Australian Share Fund. Barclays Global Investors (BGI) has offices in the US, Australia, Canada, Europe, Hong Kong, Japan and Singapore and is the asset management arm of Barclays Plc – a public company listed on the London Stock Exchange. BGI is one of the world's largest investment managers and providers of risk controlled active strategies including total return, stock selection, market selection, fixed income, currency and diversified funds, as well as index strategies across developed and emerging markets.</p>	

	<p><b>BlackRock Investment Management (Australia) Limited</b>  ABN 13 006 165 975  Established 1988  Funds under management \$15.6 billion (as at 31 December 2006)</p>
<p>BlackRock Investment Management (Australia) Limited is an Australian subsidiary of BlackRock, Inc. Through its subsidiaries and affiliates, BlackRock provides global investment management, risk management and advisory services to institutional and retail clients around the world. In its merger with Merrill Lynch Investment Managers, which closed September 29, 2006, it significantly increased its assets under management and more importantly, transformed the business into a truly global one. BlackRock's assets under management are US\$1.045 trillion (as at June 2006). The Merrill Lynch name and logo are trademarks of, and used under licence from Merrill Lynch &amp; Co., Inc.</p>	

	<p><b>BNP Paribas Investment Management (Australia) Limited</b>  ABN 88 003 165 160  Established 1986  Funds under management \$14.16 billion (as at 31 December 2006)</p>
<p>BNP Paribas Investment Management (Australia) Limited currently distributes the MFS<sup>(TM)*</sup> 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.</p>	

\* Registered in the European community and the United States, among other countries.

	<p><b>BT Financial Group</b>          ABN 22 000 727 659          Established 1969  <b>Funds under management</b> \$72.3 billion (as at 31 December 2006)</p>
<p>BT Financial Group (BT) is Westpac's wealth management business and has more than \$72.3 billion in total assets under management and administration as at 31 December 2006. BT has been helping Australians create and manage wealth since 1969.</p> <p>BT offers a wide range of services to individuals and businesses including investment, superannuation and retirement solutions by offering access to a comprehensive range of investment management solutions. BT also offers investment platforms including wrap accounts and margin lending. BT's domestic asset classes are managed by one of Australia's largest investment teams, and for global opportunities, alliances have been formed with some of the world's top investment managers to capitalise on those managers' extensive and highly successful investment skills.</p> <p>BT is part of the Westpac Banking Corporation. As Australia's first bank, Westpac has been delivering banking and other financial services to Australians since 1817. Westpac now serves more than 8 million customers throughout Australia, New Zealand and the Pacific region. The group employs more than 26,000 people with global assets of more than \$299.6 billion (as at 30 September 2006).</p>	

	<p><b>Challenger</b>          ABN 94 002 835 592          Established 2003  <b>Funds under management</b> \$15.5 billion (as at 31 December 2006)</p>
<p>Challenger is an established player in Australian financial services, dedicated to providing smarter solutions to financial intermediaries and their clients. Challenger offers a broad spectrum of financial products and services, including a range of quality investment alternatives across a variety of asset classes and different investment styles. Highly regarded as a quality investment manager, Challenger is always striving to challenge the status quo and deliver a smarter way forward.</p>	

 <p>We want what you want</p>	<p><b>Colonial First State</b>          ABN 98 002 348 352          Established 1988  <b>Funds under management</b> \$80 billion (as at 31 December 2006)</p>
<p>Colonial First State is a wholly-owned subsidiary of the Commonwealth Bank of Australia, a leading financial services organisation. Since 1988 Colonial First State has earned a reputation as a professional, disciplined investment manager, providing investment expertise to individual, corporate and public sector investors. Colonial First State actively manages investments across all major asset classes including Australian and international shares, property, fixed interest and cash.</p>	

**Credit Suisse Asset Management (Australia) Limited**

ABN 57 007 305 384

Established 1990

Funds under management \$22 billion (as at 31 December 2006)

As one of the world's leading banks, Credit Suisse provides its clients with investment banking, private banking and asset management services worldwide. Credit Suisse is active in over 50 countries and employs approximately 45,000 people. Credit Suisse's parent company, Credit Suisse Group, is a leading global financial services company headquartered in Zurich. Credit Suisse Group's registered shares (CSGN) are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York.

Credit Suisse's Asset Management business offers products across the full spectrum of investment classes, ranging from equities, fixed income and multiple-asset class products, to alternative investments such as real estate, hedge funds, private equity and volatility management. In Australia, our strength and structure has helped Credit Suisse fulfil the expectations of a large and diverse group of investors including superannuation funds, Government agencies, large companies and private individuals.

**Investors Mutual Limited**

ABN 14 078 030 752

Established 1998

Funds under management \$5.6 billion (as at 31 December 2006)

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.

**Perennial Investment Partners Ltd**

ABN 59 087 901 620

Established 1999

Funds under management \$21.05 billion (as at 31 December 2006)

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 six specialist, active boutique investment management businesses. Each business specialises in the investment management of one of the following asset classes: Australian equities, international equities (global, Asian and Japanese shares), global and domestic property, fixed interest and cash.

**Perpetual**

ABN 18 000 866 535

Established 1966

Funds under management \$36.8 billion (as at 31 December 2006)

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 over 120 years. By employing some of the industry's best investment specialists and applying a proven investment philosophy, Perpetual Investments has been able to provide strong and consistent performance to investors. PI Investment Management Limited (PIIML) is a wholly owned subsidiary of Perpetual Limited and is based in Dublin, Ireland.

**Platinum Asset Management**

ABN 25 063 565 006

Established 1994

Funds under management \$21.5 billion (as at 31 December 2006)

Platinum Investment Management Limited (trading as Platinum Asset Management) is an Australian-based manager specialising in international equities. Platinum manages in excess of \$21.5 billion with more than 20% of funds from overseas investors. Platinum's investment methodology is applied with the aim of achieving absolute returns for investors. Platinum's focus is on managing clients' money rather than gathering funds under management. Platinum is primarily owned by its staff.

**Schroder Investment Management Australia Limited**

ABN 22 000 443 274

Established 1961

Funds under management \$10.5 billion (as at 31 December 2006)

Schroder Investment Management Australia Limited (Schroders) is part of the Schroder Group. The Schroder Group is one of the largest and most internationally diverse investment managers, with over 230 investment professionals, providing investment management, research and marketing services from its 39 offices located in 26 countries.

**Société Générale Asset Management Banque S.A.**

Established 1996

Funds under management \$590 billion (as at 31 December 2006)

Société Générale Asset Management Banque S.A., a French registered company, is a subsidiary of the SG Asset Management Group (SGAM Group). The SGAM Group has been structuring and managing guaranteed funds for over ten years. Due to the growing demand of these products, a separate entity – Société Générale Asset Management Alternative Investments (SGAM AI) was set up within the SGAM Group to be dedicated to the management of four main alternative product lines, namely structured products, hedge funds, private equity and real estate.

The SGAM Group is a wholly owned subsidiary of Société Générale, the fifth largest European bank (total assets). Created in 1864, Société Générale is present and active throughout the world, with more than 22 million customers in retail banking, and employs over 120,000 staff members based in more than 76 countries.

**UBS Global Asset Management**

ABN 31 003 146 290

Established 1985

Funds under management \$29 billion (as at 31 December 2006)

UBS Global Asset Management is a business group of UBS AG, one of the world's leading financial services groups. UBS Global Asset Management's strong local presence and its integrated global network enable it to understand and meet the domestic and international investment needs of Australian investors.



**Vanguard Investments Australia**

ABN 72 072 881 086

Established 1996

Funds under management \$42.3 billion (as at 31 December 2006)

Vanguard Investments Australia Ltd was established in 1996, as an indexing specialist. The Vanguard Group Inc. is the US parent company and was a pioneer in indexing in the 1970s. It is now managing over A\$1.4 trillion, for more than 18 million individual and institutional investor accounts.



**Zurich Financial Services Australia Limited**

ABN 11 008 423 372


Established 1961

Funds under management \$7.7 billion (as at 31 December 2006)


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.

## Profile 1 – Defensive

 <b>ANZ Prime Cash Management Account (Allocated Pension only)</b>							
<b>Investment objective</b>	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).						
<b>Investment strategy</b>	Your investment is held in an ANZ account. ANZ has been awarded a 'AAA' rating by Standard & Pools.						
<b>Minimum time horizon</b>	No minimum						
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>100</td> <td>n/a</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	100	n/a
Asset class	Benchmark (%)	Range (%)					
Cash	100	n/a					

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 <b>Challenger Howard Mortgages</b>										
<b>Investment objective</b>	The fund, by investing in commercial mortgage loans, fixed interest securities and short-term investments, aims to provide regular income, capital stability and liquidity.									
<b>Investment strategy</b>	<p>The fund invests in a diversified portfolio of commercial mortgage loans, fixed interest securities and short-term investments. Challenger selects mortgage investments for the fund using the following criteria. Mortgage loans are only made or acquired where:</p> <ul style="list-style-type: none"> <li>• first mortgage security is held</li> <li>• the loan does not exceed 75% of the value of the property security, or 85% with mortgage insurance</li> <li>• borrowers must demonstrate an ability to meet loan commitments</li> <li>• a valuation is carried out by a qualified and independent valuer</li> <li>• a valuation is not more than three months old at the time the loan or loan facility was made</li> <li>• the loan meets Challenger's credit rating policy.</li> </ul>									
<b>Minimum time horizon</b>	2 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>n/a</td> <td>10–30</td> </tr> <tr> <td>Australian mortgages</td> <td>n/a</td> <td>70–90</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	n/a	10–30	Australian mortgages	n/a	70–90
Asset class	Benchmark (%)	Range (%)								
Cash	n/a	10–30								
Australian mortgages	n/a	70–90								

Underlying fund: Challenger Howard Wholesale Mortgage Trust

## Colonial First State Global Credit Income

<b>Investment objective</b>	The fund aims to provide income-based returns in excess of that available from cash over the medium term by investing in a diversified portfolio of higher yielding Australian and international fixed interest investments.		
<b>Investment strategy</b>	The fund's strategy is to earn an income return from predominantly investing in global corporate debt, 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 reduce interest rate sensitivity and to hedge currency risk.		
<b>Minimum time horizon</b>	3 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and fixed interest	100	0–100


Underlying fund: Colonial First State Wholesale Global Credit Income Fund


## ING Cash

<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that exceed the UBSA Bank Bill Index, over periods of one year or more.		
<b>Investment strategy</b>	The fund invests predominantly in a diversified portfolio of short-term defensive assets. The fund is actively managed in accordance with INGIM's fixed interest and cash investment process.		
<b>Minimum time horizon</b>	1 year		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and fixed interest	100	n/a

## ING Diversified Fixed Interest


<b>Investment objective</b>	The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed the UBSA Composite Bond Index (0+Yr), over periods of three years or more.		
<b>Investment strategy</b>	The fund invests predominantly in a diversified mix of Australian and international defensive assets. The fund is actively managed in accordance with INGIM's investment process.		
<b>Minimum time horizon</b>	2 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and Australian fixed interest	45	0–90
	International fixed interest	45	0–90
	Australian and international high yield debt	10	0–20

 ING	ING Mortgages		
Investment objective	The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed the UBS Australian Bank Bill Index by at least 1.5% p.a., over periods of one year or more.		
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		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash and Australian fixed interest	15	10–40
	Mortgages	85	60–90

 BLACKROCK MERRILL LYNCH INVESTMENT MANAGERS	Merrill Lynch 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 Australia Bank Bill Index over the medium term (three years).		
Investment strategy	<p>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.</p> <p>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.</p>		
Minimum time horizon	3 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash and fixed interest	100	0–100

Underlying fund: Merrill Lynch Monthly Income Fund Class D Units


\* The Merrill Lynch name and logo are trademarks of, and used under licence from, Merrill Lynch & Co., Inc.

 UBS Global Asset Management	UBS Diversified Fixed Income		
Investment objective	This fund aims to provide a total return (after external manager costs, but before taxes and OneAnswer Ongoing Fees) in excess of the returns measured by relevant debt market indices*, over rolling three-year periods.		
Investment strategy	The fund is an actively managed portfolio of cash and fixed income securities with respect to market and sector allocation, interest rate exposure and issue selection. The fund normally gains its asset sector exposure by investing in the relevant UBS managed funds. 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) must not exceed 30% of the total portfolio. The fund may invest in financial derivatives to gain exposure to markets and currencies and to limit the risk of adverse interest rate movements. The fund is managed to a minimum 90% \$A exposure.		
Minimum time horizon	3 years		
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

\* Market indices: 50% UBS Australian Composite Bond Index (0+Yr) and 50% Lehman Global Aggregate Index (\$A hedged).


## Profile 2 – Conservative


	AMP Capital Enhanced Yield								
Investment objective	<p>The fund aims to provide:</p> <ul style="list-style-type: none"> <li>a regular and consistent level of income</li> <li>returns above the fund's performance benchmark (after external manager costs but before taxes and OneAnswer Ongoing Fees), while accepting low to medium levels of volatility in returns.</li> </ul> <p>The performance benchmark for the fund is the Reserve Bank of Australia Cash Rate.</p>								
Investment strategy	<p><b>High income</b> – the fund normally invests in high yielding assets across private debt, listed hybrids and corporate debt.</p> <p><b>Capital stability</b> – the fund's objective to provide capital stability is facilitated by its significant exposure to debt instruments which are subject to floating rates, and the use of derivative strategies involving interest rate swaps and futures contracts. AMP also aims to achieve capital stability from diversification of income sources and industry, sector, geography and risk profile.</p> <p><b>Liquidity</b> – is provided from two sources:</p> <ul style="list-style-type: none"> <li>a portion of the portfolio is comprised of traded high yield securities, which are traded on a day to day basis.</li> <li>a liquidity facility is provided by Westpac Banking Corporation (S&amp;P: AA-) to provide additional comfort in meeting investors' liquidity needs.</li> </ul>								
Minimum time horizon	3 years								
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash and fixed interest securities</td> <td>n/a</td> <td>0–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash and fixed interest securities	n/a	0–100		
Asset class	Benchmark (%)	Range (%)							
Cash and fixed interest securities	n/a	0–100							


Underlying fund: AMP Capital Enhanced Yield Fund – Class A Units


	Credit Suisse Syndicated Loan																				
Investment objective	<p>To provide 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 aims to achieve investment returns (before taxes and OneAnswer Ongoing Fees) above the UBS Australian Bank Bill Index over the suggested time horizon.</p>																				
Investment strategy	<p>The fund will invest primarily in the US syndicated loan market and seeks to add value through loan and security selection and industry rotation, while maintaining a highly diversified portfolio. The fund will be as close to fully hedged back to Australian dollars as practicable.</p>																				
Minimum time horizon	3 years																				
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Syndicated loans</td> <td>n/a</td> <td>75–100</td> </tr> <tr> <td>High yield bonds</td> <td>n/a</td> <td>0–15</td> </tr> <tr> <td>Non-rated debt securities</td> <td>n/a</td> <td>0–10</td> </tr> <tr> <td>Collateralised debt obligations</td> <td>n/a</td> <td>0–5</td> </tr> <tr> <td>Cash at bank</td> <td>n/a</td> <td>0–20</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Syndicated loans	n/a	75–100	High yield bonds	n/a	0–15	Non-rated debt securities	n/a	0–10	Collateralised debt obligations	n/a	0–5	Cash at bank	n/a	0–20		
Asset class	Benchmark (%)	Range (%)																			
Syndicated loans	n/a	75–100																			
High yield bonds	n/a	0–15																			
Non-rated debt securities	n/a	0–10																			
Collateralised debt obligations	n/a	0–5																			
Cash at bank	n/a	0–20																			

Underlying fund: Credit Suisse Asset Management Select Investment Syndicated Loan Fund

 <b>ING Capital Stable (ING Stable in OneAnswer Pension)</b>																															
<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 2.5% per annum, over periods of three years or more.  A guarantee applies to this fund for OneAnswer Personal Super only. For more information on the guarantee, see page 58 of this book.																														
<b>Investment strategy</b>	The fund invests in a diversified mix of Australian and international assets with a strong bias towards defensive assets. The fund is actively managed in accordance with INGIM's investment process.																														
<b>Minimum time horizon</b>	3 years																														
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>15</td> <td>0–35</td> </tr> <tr> <td>Enhanced cash</td> <td>15</td> <td>n/a</td> </tr> <tr> <td>Australian fixed interest</td> <td>30</td> <td>10–50</td> </tr> <tr> <td>International fixed interest</td> <td>20</td> <td>5–35</td> </tr> <tr> <td>Property securities</td> <td>1.5</td> <td>0–5</td> </tr> <tr> <td>Global property securities</td> <td>1</td> <td>0–5</td> </tr> <tr> <td>Australian shares</td> <td>15</td> <td>10–20</td> </tr> <tr> <td>International shares</td> <td>2.5</td> <td>0–5</td> </tr> <tr> <td>Alternative assets (defensive)</td> <td>0</td> <td>0–5</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	15	0–35	Enhanced cash	15	n/a	Australian fixed interest	30	10–50	International fixed interest	20	5–35	Property securities	1.5	0–5	Global property securities	1	0–5	Australian shares	15	10–20	International shares	2.5	0–5	Alternative assets (defensive)	0	0–5
Asset class	Benchmark (%)	Range (%)																													
Cash	15	0–35																													
Enhanced cash	15	n/a																													
Australian fixed interest	30	10–50																													
International fixed interest	20	5–35																													
Property securities	1.5	0–5																													
Global property securities	1	0–5																													
Australian shares	15	10–20																													
International shares	2.5	0–5																													
Alternative assets (defensive)	0	0–5																													

 <b>ING Diversified High Yield</b>																
<b>Investment objective</b>	The fund aims to provide income and achieve returns (before fees, charges and taxes) that exceed the UBSA Bank Bill Index by at least 2.0% p.a., over periods of three years or more.															
<b>Investment strategy</b>	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 in accordance with INGIM's fixed interest and cash investment process.															
<b>Minimum time horizon</b>	3 years															
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Australian investment grade debt and cash</td> <td>0</td> <td>0–80</td> </tr> <tr> <td>International investment grade debt</td> <td>0</td> <td>0–80</td> </tr> <tr> <td>Australian high yield debt</td> <td>60</td> <td>20–100</td> </tr> <tr> <td>International high yield debt</td> <td>40</td> <td>0–80</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Australian investment grade debt and cash	0	0–80	International investment grade debt	0	0–80	Australian high yield debt	60	20–100	International high yield debt	40	0–80
Asset class	Benchmark (%)	Range (%)														
Australian investment grade debt and cash	0	0–80														
International investment grade debt	0	0–80														
Australian high yield debt	60	20–100														
International high yield debt	40	0–80														

 <b>ING Income Plus</b>													
<b>Investment objective</b>	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.												
<b>Investment strategy</b>	The fund invests in a diversified mix of Australian assets with a bias towards income producing defensive assets. The fund is actively managed in accordance with INGIM's investment process.												
<b>Minimum time horizon</b>	3 years												
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Mortgages, cash and Australian fixed interest</td> <td>65</td> <td>n/a</td> </tr> <tr> <td>Property securities</td> <td>15</td> <td>n/a</td> </tr> <tr> <td>Australian shares</td> <td>20</td> <td>n/a</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Mortgages, cash and Australian fixed interest	65	n/a	Property securities	15	n/a	Australian shares	20	n/a
Asset class	Benchmark (%)	Range (%)											
Mortgages, cash and Australian fixed interest	65	n/a											
Property securities	15	n/a											
Australian shares	20	n/a											

 <b>Perpetual Conservative Growth</b>																						
<b>Investment objective</b>	The fund aims to provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed interest securities.																					
<b>Investment strategy</b>	Perpetual invests in a diverse mix of assets* (such as Australian shares, international shares, fixed interest securities, property, mezzanine mortgages and cash). Tactical asset allocation strategies (utilising derivatives) may be applied to Australian shares, Australian fixed interest securities and cash (the fund may adjust its exposure to these three asset classes on a regular basis). PIIML manages the international shares component and Perpetual manages all other asset classes. The currency exposure of international assets is monitored and hedging strategies may be implemented (using derivatives) with the aim of reducing the impact of adverse currency movement.																					
<b>Minimum time horizon</b>	3 years																					
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash<sup>†</sup></td> <td>25</td> <td>15–45</td> </tr> <tr> <td>Fixed interest</td> <td>40</td> <td>25–55</td> </tr> <tr> <td>Mortgages</td> <td>5</td> <td>0–10</td> </tr> <tr> <td>Property</td> <td>5</td> <td>0–10</td> </tr> <tr> <td>Australian shares<sup>‡</sup></td> <td>20</td> <td>10–30</td> </tr> <tr> <td>International shares<sup>§</sup></td> <td>5</td> <td>0–10</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash <sup>†</sup>	25	15–45	Fixed interest	40	25–55	Mortgages	5	0–10	Property	5	0–10	Australian shares <sup>‡</sup>	20	10–30	International shares <sup>§</sup>	5	0–10
Asset class	Benchmark (%)	Range (%)																				
Cash <sup>†</sup>	25	15–45																				
Fixed interest	40	25–55																				
Mortgages	5	0–10																				
Property	5	0–10																				
Australian shares <sup>‡</sup>	20	10–30																				
International shares <sup>§</sup>	5	0–10																				


Underlying fund: Perpetual's Wholesale Conservative Growth Fund

\* Perpetual may allocate up to 10% of the portfolio to other investments including but not limited to infrastructure, high yield fixed interest securities and absolute return funds. The additional exposure to other assets enhances the fund's diversification and may help reduce the degree to which your investment rises or falls.

<sup>†</sup> The cash component may invest in quality deposits, money market, mortgages, fixed interest and debt-like hybrid securities.


<sup>‡</sup> The fund gains its exposure to Australian shares by investing in an underlying Australian Share Fund, which has an investment universe that allows it to invest in stocks listed on sharemarket exchanges outside of Australia. Exposure to stocks listed outside Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practical. The investment guideline showing the fund's maximum investment in international shares does not include this potential additional exposure.

<sup>§</sup> The currency exposure of international assets may be hedged up to 75% of the underlying international investments of the fund.


	UBS Defensive																							
Investment objective	This fund aims to provide a relatively stable pattern of total returns (after external manager costs, but before taxes and OneAnswer Ongoing Fees) in excess of the benchmark when measured 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.																							
Investment strategy	The fund normally gains its asset sector exposure by investing in other relevant UBS managed funds. The fund may also invest directly. Derivatives may be used to gain or hedge exposure to markets and currencies. The long-term average exposure to conventional growth and income assets is expected to be 30% and 65% respectively of the total portfolio. The remaining 5% is expected to be allocated to alternative assets which are likely to be a combination of both income and growth.																							
Minimum time horizon	3 years																							
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>20</td> <td>0–50</td> </tr> <tr> <td>Bonds</td> <td>45</td> <td>0–80</td> </tr> <tr> <td>Property securities</td> <td>5</td> <td>0–20</td> </tr> <tr> <td>Australian shares</td> <td>15</td> <td>0–40</td> </tr> <tr> <td>International shares</td> <td>10</td> <td>0–40</td> </tr> <tr> <td>Alternative strategies</td> <td>5</td> <td>0–15</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	20	0–50	Bonds	45	0–80	Property securities	5	0–20	Australian shares	15	0–40	International shares	10	0–40	Alternative strategies	5	0–15		
Asset class	Benchmark (%)	Range (%)																						
Cash	20	0–50																						
Bonds	45	0–80																						
Property securities	5	0–20																						
Australian shares	15	0–40																						
International shares	10	0–40																						
Alternative strategies	5	0–15																						

Underlying fund: UBS Defensive Investment Fund

## Profile 3 – Moderate

 <b>ING</b>	<b>ING Balanced</b>		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	The fund invests in a diversified mix of Australian and international assets spread across growth and defensive assets. The fund is actively managed in accordance with INGIM's investment process.		
<b>Minimum time horizon</b>	4 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	10	0–30
	Diversified fixed interest	20	5–35
	International fixed interest	10	0–20
	Property securities	3	0–10
	Global property securities	2	0–10
	Australian shares	33	20–50
	International shares	20	5–35
	Alternative assets (growth)	2	0–5
	Alternative assets (defensive)	0	0–10


The maximum asset allocation to growth assets is 75%.

 <b>ING</b>	<b>ING Protected Growth*</b>		
<b>Investment objective</b>	<p>The fund aims to provide investors with exposure to growth assets via a portfolio that is managed with the objectives of providing long term capital growth and to limit losses in falling markets.</p> <p>The fund is expected to achieve returns (before fees, charges and taxes) that on average exceed inflation by 3.75% p.a., over the long term.</p>		
<b>Investment strategy</b>	<p>The fund invests in the ING Investment Management HarVest Fund (IHF). The IHF invests in an actively managed mix of growth assets, cash and fixed interest. Each of the asset classes are managed in accordance with INGIM's investment process.</p> <p>Protection<sup>†</sup> is provided at a level of 85% of the highest unit price. This protection means the unit price of IHF will not fall by greater than 15% from its highest unit price, adjusted for distributions. ING Bank N.V. (AA- rated bank) is the provider of the protection.</p>		
<b>Minimum time horizon</b>	4 years		
<b>Asset allocation</b>	<p>The IHF varies the allocation between growth assets, cash and fixed interest in order to limit the losses in falling markets to no more than 15%.</p> <p>The IHF intends to achieve its growth asset exposure via the ING Wholesale Managed Growth Trust.</p>		


Underlying fund: ING Investment Management HarVest Fund (IHF)

\* This fund is not available to OneAnswer Term Allocated Pension members.

<sup>†</sup> The capital protection applies to the underlying fund (IHF). There are no guarantees that apply directly to your investment. Refer to page 55 of this book for additional information regarding ING Protected Growth.

 Schroders	Schroder Balanced		
<b>Investment objective</b>	The objective of the fund is to provide unit holders with returns (before taxes and OneAnswer Ongoing Fees) in the order of 4% to 5% above inflation (as measured by headline CPI) over the medium to long term (e.g. rolling three-year basis), through investment across a broad range of asset classes and investment instruments including (but not limited to) a range of Schroders' or third party registered managed investment schemes and direct securities (including Exchange Traded Funds (ETF)). The fund may also gain exposure to markets through derivatives positions.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	4 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	8	0–20
	Fixed interest	15	10–35
	Property trusts	6	0–15
	Higher yielding credit	5	0–15
	Alternatives	6	0–15
	Inflation linked bonds	3	0–10
	Australian and New Zealand equities	37	28–45
	International equities	20	10–30

Underlying fund: Schroder Balanced Fund Wholesale Class


 UBS Global Asset Management	UBS Balanced		
<b>Investment objective</b>	This fund aims to provide a total return (after external manager costs, but before taxes and OneAnswer Ongoing Fees) in excess of the benchmark when measured 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.		
<b>Investment strategy</b>	The fund normally gains its asset sector exposure by investing in other relevant UBS managed funds. The fund may also invest directly. Derivatives may be used to gain or hedge exposure to markets and currencies. The long-term average exposure to growth and income assets is expected to be 65% and 30% respectively of the total portfolio. The remaining 5% is expected to be allocated to alternative assets which are likely to be a combination of both growth and income.		
<b>Minimum time horizon</b>	4 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	5	0–30
	Bonds	25	0–60
	Property securities	10	0–30
	Australian shares	30	0–60
	International shares	25	0–60
	Alternative strategies	5	0–20

Underlying fund: UBS Balanced Investment Fund


## Profile 4 – Growth

		<h3>Barclays Global Investors Diversified Growth</h3>	
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	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. BGI 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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	6	0–15
	Australian fixed interest	16	10–30
	International fixed interest	3	0–10
	Property securities	5	0–15
	Australian shares	34	25–45
	International shares (8% hedged)	28	20–40
	Global listed infrastructure (unhedged)	5	0–10
	Commodities	3	0–5


Underlying fund: Barclays Managed Investment Funds – Diversified Growth Fund

		<h3>Colonial First State Diversified</h3>	
<b>Investment objective</b>	The fund aims to provide medium to long-term capital growth together with some income by investing in cash, fixed interest, property and shares.		
<b>Investment strategy</b>	The broad asset allocation is to be 70% invested in growth assets (shares, property) and 30% in defensive assets (fixed interest, cash). Allocations are reviewed regularly although changes are infrequent, and a reallocation would only be considered in response to a fundamental change in long-term expectations or market demand. Colonial First State seek to add value through a disciplined approach to selection of the shares and other assets held by the option. The option may partially hedge currency risk.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash and Australian fixed interest	30	20–40
	Property securities	5	3–7
	Global property securities	2	0–4
	Australian shares	35	32–38
	International shares	23	20–26
	Global resource shares	5	3–7

Underlying fund: Colonial First State Wholesale Diversified Fund

 ING	ING Active Growth		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	<p>The fund invests in a diversified mix of Australian and international, growth and defensive assets. The fund is actively managed in accordance with INGIM's investment process.</p> <p>The allocation to assets is varied within broad ranges, providing high exposure to investment markets expected to perform well.</p>		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	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%.

 ING	ING Managed Growth		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	The fund invests in a diversified mix of Australian and international assets with a strategic bias towards growth assets. The fund is actively managed in accordance with INGIM's investment process.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	3	0–30
	Diversified fixed interest	15	0–30
	International fixed interest	10	0–20
	Property securities	6	2–18
	Global property securities	4	0–10
	Australian shares	35	20–50
	International shares	25	10–40
	Alternative assets (growth)	2	0–5
	Alternative assets (defensive)	0	0–10

The maximum asset allocation to growth assets is 90%.



## ING Tax Effective Income

<b>Investment objective</b>	The fund aims to provide income and 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.		
<b>Investment strategy</b>	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 INGIM's investment process.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–25
	Australian fixed interest	30	0–40
	Property securities	30	20–40
	Australian shares	40	30–50



## Merrill Lynch Balanced\*

<b>Investment objective</b>	<p>The fund aims to provide investors with the highest possible returns consistent with a 'balanced' investment strategy, encompassing:</p> <ul style="list-style-type: none"> <li>• an orientation towards growth assets</li> <li>• a bias towards Australian assets</li> <li>• active asset allocation, security selection and risk management.</li> </ul> <p>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).</p> <p>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.</p>		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Strategic benchmark</b>	<p>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.</p> <p>The fund's strategic benchmark is provided below.</p>		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)<sup>†</sup></b>
	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

\* The Merrill Lynch name and logo are trademarks of, and used under licence from, Merrill Lynch & Co., Inc.

<sup>†</sup> 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.

Perpetual 		Perpetual Balanced Growth	
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	Perpetual invests in a diverse mix of assets* (such as Australian shares, international shares, fixed interest securities, property, infrastructure, mezzanine mortgages and cash). Tactical asset allocation strategies (utilising derivatives) may be applied to Australian shares, Australian fixed interest and cash (the fund may adjust its exposure to these three asset classes on a regular basis). PIML manages the international shares component and Perpetual manages all other asset classes. Currency risk is actively managed. The currency exposure of international assets is monitored and hedging strategies may be implemented (using derivatives) with the aim of reducing the impact of adverse currency movement.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash <sup>†</sup>	10	0–30
	Fixed interest	15	5–35
	Mortgages	5	0–10
	Property	5	0–15
	Infrastructure	5	0–10
	Australian shares <sup>‡</sup>	35	25–60
	International shares <sup>§</sup>	25	5–30

Underlying fund: Perpetual's Wholesale Balanced Growth Fund

\* Perpetual may allocate up to 10% of the portfolio to other investments including but not limited to infrastructure, high yield fixed interest securities and absolute return funds. The additional exposure to other assets enhances the fund's diversification and may help reduce the degree to which your investment rises or falls.


<sup>†</sup> The cash component may invest in quality deposits, money market, mortgages, fixed interest and debt-like hybrid securities.

<sup>‡</sup> The fund gains its exposure to Australian shares by investing in an underlying Australian Share Fund, which has an investment universe that allows it to invest in stocks listed on sharemarket exchanges outside of Australia. Exposure to stocks listed outside Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practical. The investment guideline showing the fund's maximum investment in international shares does not include this potential additional exposure.

<sup>§</sup> The currency exposure of international assets may be hedged up to 75% of the underlying international investments of the 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.		
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		
Asset allocation	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	n/a	5–30
	Direct property and unlisted property securities	n/a	40–70
	Listed property securities	n/a	10–50

Underlying fund: AXA – Wholesale Australian Property Fund

In certain circumstances, such as if the fund experiences large withdrawals, its level of direct property may go as high as 90% and the level of unlisted property securities may go as low as 5%, for extended periods.


	Credit Suisse Property		
Investment objective	To provide exposure primarily to listed property trusts (up to 10% of the fund may be held in cash) 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 Property Trusts Accumulation Index over the suggested time horizon.		
Investment strategy	The fund focuses on listed property trusts that have proven management expertise, financial strength, secure tenancies and a positive outlook for rental growth. Credit Suisse Asset Management believes that quality listed property trusts with growing and sustainable income streams will outperform and reduce portfolio risk over the long term.		
Minimum time horizon	5 years		
Asset allocation	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	Property securities	100	90–100


Underlying fund: Credit Suisse Asset Management Select Investment Property Fund

ING 		ING Global Property Securities*	
Investment objective	To outperform (before fees, charges and taxes) the UBS Global Real Estate Investors (ex Australia) Total Return Index (hedged to the Australian dollar) over rolling three-year periods.		
Investment strategy	The fund invests primarily in a portfolio of global (including Australia) property and property related securities.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–10
	Global property securities	100	90–100

Underlying fund: ING Wholesale Global Property Securities Fund managed by INGIM

\* This fund is not available to OneAnswer Term Allocated Pension members.


ING 		ING Property Securities	
Investment objective	The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 200 Property Trusts Accumulation Index, over periods of three years or more.		
Investment strategy	The fund invests predominantly in a diversified portfolio of property securities selected in accordance with INGIM's property securities investment process.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–5
	Property securities	100	95–100

Vanguard  INVESTMENTS™		Vanguard Property Securities Index	
Investment objective	The fund aims to match the total return (before fees, charges and taxes) of the S&P/ASX 300 Accumulation Property Index.		
Investment strategy	To closely track the Index, the fund employs optimised replication techniques to select securities, holding all of the securities in the Index (at most times) but allowing individual security weightings to vary marginally from the Index from time to time. The fund may invest in property securities that have been or are expected to be included in the Index.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Listed property trusts	100	100

Underlying fund: Vanguard Property Securities Index

## Profile 5 – High growth

### Australian shares

	AMP Capital Equity											
Investment objective	Over the long term, the fund aims to provide high returns while accepting high levels of volatility in returns, and returns above the fund's performance benchmark, (after external manager costs and before taxes and OneAnswer Ongoing Fees). The performance benchmark for the fund is the S&P/ASX 200 Accumulation Index.											
Investment strategy	<p><b>Company selection</b></p> <p>To be considered for investment, a company must:</p> <ul style="list-style-type: none"> <li>• generate a strong free cash flow</li> <li>• manage capital effectively</li> <li>• have sustainable long term growth prospects, and</li> <li>• demonstrate strong management capability and vision.</li> </ul> <p>This approach involves assessing these characteristics when selecting companies for potential investment and then determining which companies will be included in the investment portfolio.</p> <p>The resulting portfolio is diversified across industries and this diversification is intended to help the fund generate consistently high performance over the long term.</p>											
Minimum time horizon	5 years											
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash and fixed interest</td> <td>0</td> <td>0–20</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>80–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash and fixed interest	0	0–20	Australian shares	100	80–100		
Asset class	Benchmark (%)	Range (%)										
Cash and fixed interest	0	0–20										
Australian shares	100	80–100										

Underlying fund: AMP Capital Equity Fund – Class A Units

	Ausbil Australian Emerging Leaders											
Investment objective	The aim of the Fund is to outperform the benchmark over the medium to long term. 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 performance benchmark for the Fund consists of 70% S&P/ASX Midcap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index. The Fund invests in both mid and small cap stocks which possess potential for superior growth.											
Investment strategy	The fund invests to obtain a wide range of assets consisting of listed Australian equities. The securities are primarily chosen from the S&P/ASX 300 Index, but generally exclude securities from the S&P/ASX 50 Leaders Index.											
Minimum time horizon	7 years											
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–10</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>90–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–10	Australian shares	100	90–100		
Asset class	Benchmark (%)	Range (%)										
Cash	0	0–10										
Australian shares	100	90–100										


Underlying fund: Ausbil Australian Emerging Leaders Fund

BARCLAYS GLOBAL INVESTORS	Barclays Global Investors Australian Shares		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–5
	Australian shares	100	95–100


Underlying fund: Barclays Managed Investment Funds – Australian Share Fund


 BT Financial Group	BT Smaller Companies		
<b>Investment objective</b>	The fund aims to outperform (before taxes and OneAnswer Ongoing Fees) the S&P/ASX Small Ordinaries Accumulation Index over periods of five years or more.		
<b>Investment strategy</b>	The fund is actively managed and invests in companies outside the top 100 listed on the Australian Stock Exchange and their equivalent on the New Zealand Stock Exchange that BT believes are trading below their assessed valuation, and which BT expects to grow their profits quickly.		
<b>Minimum time horizon</b>	7 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	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 We want what you want	Colonial First State Imputation		
<b>Investment objective</b>	The fund aims to provide long-term capital growth with some tax-effective income by investing in a broad selection of Australian companies.		
<b>Investment strategy</b>	Colonial First State's 'GDP Plus' approach is based on the belief that, over the medium to long term, share prices are driven by the growth in a company's earnings, despite the existence of sentiment which can lead to short-term price volatility. The strategy of the option is therefore to invest in quality companies with strong balance sheets, whose earnings are expected to grow at a greater rate than the Australian economy as a whole. The option 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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	Australian shares	100	90–100


Underlying fund: Colonial First State Wholesale Imputation Fund

 <b>ING Australian Shares</b>										
<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 300 Accumulation Index, over periods of three years or more.									
<b>Investment strategy</b>	The fund invests predominantly in a diversified portfolio of Australian shares selected in accordance with INGIM's Australian shares investment process.									
<b>Minimum time horizon</b>	5 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–5</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>95–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–5	Australian shares	100	95–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–5								
Australian shares	100	95–100								

 <b>ING Blue Chip Imputation</b>										
<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 100 Accumulation Index, over periods of three years or more.									
<b>Investment strategy</b>	The fund invests predominantly in a diversified portfolio of large Australian companies which provide a relatively high level of franked income, selected in accordance with INGIM's Australian shares investment process.									
<b>Minimum time horizon</b>	5 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–5</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>95–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–5	Australian shares	100	95–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–5								
Australian shares	100	95–100								

 <b>ING Emerging Companies</b>										
<b>Investment objective</b>	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.									
<b>Investment strategy</b>	The fund invests predominantly in a diversified portfolio of emerging companies in accordance with INGIM's Australian shares investment process.									
<b>Minimum time horizon</b>	7 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–20</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>80–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–20	Australian shares	100	80–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–20								
Australian shares	100	80–100								

 <b>ING Select Leaders</b>										
<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 100 Accumulation Index by at least 2.0% p.a., over periods of five years or more.									
<b>Investment strategy</b>	The fund invests predominantly in a concentrated portfolio of Australian shares selected in accordance with INGIM's Australian shares investment process.									
<b>Minimum time horizon</b>	5 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–10</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>90–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–10	Australian shares	100	90–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–10								
Australian shares	100	90–100								

 <b>ING Sustainable Investments – Australian Shares*</b>										
<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 300 Accumulation Index, over periods of three years or more.									
<b>Investment strategy</b>	The fund invests predominantly in a diversified portfolio of sustainable Australian shares, selected in accordance with INGIM's sustainable Australian shares investment process. As a general guideline, screens are applied to each company analysed, covering both negative 'exclusionary' and positive 'best-in-class' criteria.									
<b>Minimum time horizon</b>	5 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–5</td> </tr> <tr> <td>Australian shares</td> <td>100</td> <td>95–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–5	Australian shares	100	95–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–5								
Australian shares	100	95–100								

\* For information about how INGIM manages sustainable investments, see page 58 of this book.

 <b>Investors Mutual Australian Shares</b>										
<b>Investment objective</b>	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.									
<b>Investment strategy</b>	The fund invests in a diversified portfolio of quality Australian industrial and resource shares, where these shares are identified by the investment team as being undervalued.									
<b>Minimum time horizon</b>	5 years									
<b>Asset allocation</b>	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>n/a</td> <td>0–10</td> </tr> <tr> <td>Australian shares</td> <td>n/a</td> <td>90–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	n/a	0–10	Australian shares	n/a	90–100
Asset class	Benchmark (%)	Range (%)								
Cash	n/a	0–10								
Australian shares	n/a	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.



## Perennial Value Shares

<b>Investment objective</b>	The fund aims to achieve returns (before fees, charges and taxes) that exceed the S&P/ASX 300 Accumulation Index, on a rolling three-year basis.		
<b>Investment strategy</b>	The fund invests in a diversified portfolio of Australian shares. Perennial Value management has selected these companies on the belief that they have sustainable operations and that their share prices offer good value. The cornerstone to this approach is a strong emphasis on company research.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	n/a	0–10
	Australian shares	n/a	90–100

Underlying fund: Perennial Value Shares Wholesale Trust



## Perpetual Australian Shares

<b>Investment objective</b>	The fund aims to provide long-term capital growth and income through investment in quality industrial and resource shares and other securities.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	Australian shares*	100	90–100

Underlying fund: Perpetual's Wholesale Australian Fund


\* The fund's investment universe allows it to invest in stocks listed on sharemarket exchanges outside Australia. Exposure to stocks listed outside Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practical.



## Schroder Australian Equity

<b>Investment objective</b>	The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium to long term.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–5
	Australian and New Zealand shares	100	95–100


Underlying fund: Schroder Wholesale Australian Equity Fund

 Vanguard INVESTMENTS™	Vanguard Australian Shares Index		
<b>Investment objective</b>	The fund seeks to match the return (before fees, charges and taxes) of the S&P/ASX 300 Accumulation Index.		
<b>Investment strategy</b>	To closely track the Index, the fund employs optimisation techniques which involve selecting a representative sample of shares in the Index. 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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Australian shares	100	100

Underlying fund: Vanguard Australian Shares Index

## Profile 5 – High growth

### Global shares

 AXA	AXA Global Equity Value		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	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.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash/money market securities	0	0–5
	International shares	100	95–100

Underlying fund: AXA – Wholesale Global Equity – Value Fund


BARCLAYS GLOBAL INVESTORS	Barclays Global Investors International Shares		
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.		
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 region. 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		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–5
	International shares	100	95–100

Underlying fund: Barclays International Funds – International Share Fund


CREDIT SUISSE	Credit Suisse International Shares		
Investment objective	To provide exposure to primarily international shares with potential for a high level of growth over the long term, with the benefit of exposure to world growth opportunities. The fund aims to outperform (before taxes and OneAnswer Ongoing Fees) the MSCI World ex-Australia Index over the suggested time horizon.		
Investment strategy	The fund aims to invest primarily in a range of quality international share investments with a wide geographic spread and actively manage currency risk to add additional value. The management of international shares combines the skills of Credit Suisse's Australian Asset Management for country guidelines and currency management, and Capital International, Inc for stock selection.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–10
	International shares	100	90–100


Underlying fund: Credit Suisse Asset Management Select Investment International Share Fund

ING	ING 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 three years or more.		
Investment strategy	The fund invests predominantly in a portfolio of international emerging markets shares selected in accordance with INGIM's investment process.		
Minimum time horizon	7 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–10
	International shares	100	90–100

 <b>ING Global High Dividend</b>										
Investment objective	The fund aims to outperform the MSCI World (Total Return) Index (before fees, charges and taxes) over rolling three-year periods.									
Investment strategy	The fund invests in global shares, including Australian shares, which are supported by sound business fundamentals and which pay a relatively higher level of dividends.									
Minimum time horizon	5 years									
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–10</td> </tr> <tr> <td>International shares</td> <td>100</td> <td>90–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–10	International shares	100	90–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–10								
International shares	100	90–100								

Underlying fund: ING Wholesale Global High Dividend Fund managed by INGIM

 <b>ING Global Shares</b>										
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 three years or more.									
Investment strategy	The fund invests predominantly in a diversified portfolio of international shares selected in accordance with INGIM's global share investment processes.									
Minimum time horizon	5 years									
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–5</td> </tr> <tr> <td>International shares</td> <td>100</td> <td>95–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–5	International shares	100	95–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–5								
International shares	100	95–100								

 <b>MFS Global Equity</b>										
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 international 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 fees, charges and taxes.									
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 400–450 stocks merit a 'buy' rating. Relative value analysis completes the portfolio construction process with the selection of approximately 90–110 stocks.									
Minimum time horizon	5 years									
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–10</td> </tr> <tr> <td>International equities</td> <td>100</td> <td>90–100</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–10	International equities	100	90–100
Asset class	Benchmark (%)	Range (%)								
Cash	0	0–10								
International equities	100	90–100								

Underlying fund: MFS™ Global Equity Trust

**Please note:** the underlying fund aims to be fully invested in international equities.


	Perpetual International Shares		
Investment objective	The fund aims to provide long-term capital growth through investment in international shares and other securities.		
Investment strategy	PIIML adopts a fundamental bottom-up approach to stock selection focusing on quality companies (strong balance sheets, earnings visibility and competitive position) with attractive valuations within a global framework. Currency exposure may be hedged up to 75% of the value of the fund.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	Cash	0	0–10
	International shares	100	90–100

Underlying fund: Perpetual's Wholesale International Share 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.		
Investment strategy	The fund primarily invests in securities listed on sharemarkets around the world. The portfolio ideally consists of 100–200 stocks that Platinum believes to be undervalued by the market. Where undervalued stocks cannot be found, funds may be invested in cash. Platinum may short sell securities that it considers overvalued. Typically, the fund's portfolio will have 50% or more net exposure to stocks. Currency is actively managed.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	International equities	n/a	0–100*
	Cash	n/a	0–100

Underlying fund: Platinum International Fund


\* Derivatives may be used to increase the effective exposure of the fund to 150% of the fund's net asset value.

	Vanguard International Shares Index		
Investment objective	The fund seeks to match the return (before fees, charges and taxes) of the MSCI World ex-Australia Index (with net dividends reinvested) in AUD.		
Investment strategy	To closely track the Index, the fund employs optimisation techniques which involve selecting a representative sample of shares in the Index. 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.		
Minimum time horizon	5 years		
Asset allocation	Asset class	Benchmark (%)	Range (%)
	International shares	100	100

Underlying fund: Vanguard International Shares Index

 Vanguard INVESTMENTS	Vanguard International Shares Index (Hedged)		
<b>Investment objective</b>	The fund aims to match the total return (before fees, charges and taxes) of the MSCI World ex-Australia Index (with net dividends reinvested), hedged to Australian dollars.		
<b>Investment strategy</b>	<p>To closely track the Index, the fund employs optimisation techniques which involve selecting a representative sample of shares in the Index. 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.</p> <p>The fund uses forward foreign exchange contracts to offset depreciation and/or appreciation in the value of securities resulting from fluctuation of the currencies in the countries where the securities are held. The net result for the fund is that the total return is relatively unaffected by currency fluctuations.</p>		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	International shares	100	100


Underlying fund: Vanguard International Shares Index (Hedged)

 ZURICH	Zurich International Shares		
<b>Investment objective</b>	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.		
<b>Investment strategy</b>	The fund generally invests in a broad selection of securities listed on foreign stock exchanges.		
<b>Minimum time horizon</b>	5 years		
<b>Asset allocation</b>	<b>Asset class</b>	<b>Benchmark (%)</b>	<b>Range (%)</b>
	Cash	0	0–10
	International shares	100	90–100


Underlying fund: Zurich Investments International Share Fund

## Profile 5 – High growth

### Multi-sector

	ING 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.														
Investment strategy	The fund invests predominantly in a diversified portfolio of Australian and international shares selected in accordance with INGIM's Australian shares and global share investment processes.														
Minimum time horizon	5 years														
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Benchmark (%)</th> <th>Range (%)</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>0</td> <td>0–5</td> </tr> <tr> <td>Australian shares</td> <td>50</td> <td>40–60</td> </tr> <tr> <td>International shares</td> <td>50</td> <td>40–60</td> </tr> </tbody> </table>	Asset class	Benchmark (%)	Range (%)	Cash	0	0–5	Australian shares	50	40–60	International shares	50	40–60		
Asset class	Benchmark (%)	Range (%)													
Cash	0	0–5													
Australian shares	50	40–60													
International shares	50	40–60													


## Profile 6 – Alternative investments

	<b>ING SGAM Protected Alternatives*</b>
<b>Investment objective</b>	The fund aims to achieve returns of up to 4% p.a. in excess of the UBS Australian Bank Bill Index (before fees, charges and taxes) over the medium term.
<b>Investment strategy</b>	The fund invests in the ING SGAM Wholesale Protected Alternatives Trust (Wholesale Trust). The Wholesale Trust provides investors with exposure to alternative assets via a Reference Portfolio <sup>†</sup> that is managed with the objective of providing long-term capital growth while limiting losses in falling markets.
<b>Minimum time horizon</b>	5 years
<b>Asset allocation</b>	Exposure is varied between alternative assets, cash and fixed interest in order to maintain a capital protection level <sup>‡</sup> of 80%. The exposure to alternative assets will vary over the life of the exposure agreement.

\* This fund is not available to OneAnswer Term Allocated Pension members.

<sup>†</sup> The Reference Portfolio is capital protected.

<sup>‡</sup> The capital protection applies to the Reference Portfolio and is set at 80% of its highest ever value until the maturity date. After the maturity date the capital protection will no longer apply and the Wholesale Trust will consist solely of delivery assets. Please refer to page 55 of this book for more information.

	<b>Merrill Lynch Asset Allocation Alpha*<sup>†</sup></b>
<b>Investment objective</b>	<p>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.</p> <p>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.</p> <p>The fund targets a return of 12 percentage points above the UBS Australia 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.</p>
<b>Investment strategy</b>	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.
<b>Minimum time horizon</b>	5 years
<b>Asset allocation</b>	N/A

Underlying fund: Merrill Lynch Asset Allocation Alpha Fund (Class D Units)

\* This fund is not available to OneAnswer Term Allocated Pension members.

<sup>†</sup> The Merrill Lynch name and logo are trademarks of, and used under licence from, Merrill Lynch & Co., Inc.

# Other important information

## 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-g geared 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 and in turn invests into OptiMix Wholesale Australian Share Trust.

### Benefits

Benefits of geared investing through the fund include:

- magnified returns
- access to 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.

## Managing the gearing level of the Wholesale Trust

The Wholesale Trust aims to magnify returns through gearing. We have appointed INGIM to manage and monitor the gearing levels of the Wholesale Trust. An important objective of INGIM is to limit gearing to the level supported by expected dividends and borrowing costs. That is, INGIM aims 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 necessarily 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.

The gearing of the Wholesale Trust will be implemented through leading funding providers (lenders) and will be based on commercial terms. Members of the ING 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.

### Risks

Gearing incurs additional investment risks, as it magnifies returns or losses and as a result increases the volatility of returns and reduces the security of capital invested.

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

## Fees

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 payment of interest and other expenses. Costs of borrowing are offset against income and are therefore not included in the management fee.

**Gearing significantly increases the risk of investing. We strongly recommend that you consult your financial adviser before deciding to use this investment strategy.**

## ING Protected Growth

This investment option invests in an underlying fund, the ING Investment Management HarVest Fund (IHF). The IHF dynamically manages the allocation of assets between growth biased investments and income biased investments so as to maximise return, whilst also allocating to protect the value of the fund from losses of greater than 15% of its highest value.

The unit price of the IHF is capital protected so as not to fall by more than 15% from its previous highest unit price, adjusted for distributions. The capital protection is provided by ING Bank N.V. (an AA- rated bank). Should the assets of the IHF fall excessively, the protection provider will add assets to the IHF to ensure that the unit price does not fall below the minimum capital protected level.

**The capital protection applies to the underlying fund (IHF). There are no guarantees that apply directly to your investment.**

## Counterparty risk

The IHF is exposed to counterparty risk. Although it is unlikely, ING Bank N.V. could fail to honour its commitments. If this happens, ING Bank N.V. may not be able to satisfy its contractual obligations to the IHF in respect of the capital protection mechanism applying to the IHF. If this occurs you could lose some or all of your investment.

## Exposure to growth assets

The IHF invests in growth and defensive assets. The IHF intends to achieve its growth asset exposure via the ING Wholesale Managed Growth Trust, which currently has a benchmark exposure to growth assets of 72%. The expected average exposure to this trust over the long term is around 75% of the IHF, but this can vary substantially over time and will fall as low as 0% if the capital protected minimum level is reached. Should the capital protection mechanism be instigated, your exposure via the IHF to the ING Wholesale Managed Growth Trust will remain at 0% and the capital protection will cease to apply.

A reallocation to growth assets would not be possible. This may adversely affect the future return potential of the IHF as it would no longer contain any exposure to growth assets.

## ING SGAM Protected Alternatives

The below investment terms apply to the information on the ING SGAM Protected Alternatives fund.

**Exposure agreement** – The ING SGAM Wholesale Protected Alternatives Trust (Wholesale Trust) does not generally invest in direct assets; instead, it holds a Deferred Purchase Agreement (exposure agreement) with Société Générale Asset Management Banque S.A. (SGAM).

The exposure agreement provides the Wholesale Trust with exposure to the performance of the Reference Portfolio until the maturity date. The agreement also specifies that SGAM will deliver the delivery asset to the Wholesale Trust on the maturity date or for a specific amount upon redemption. The exposure agreement provides the Wholesale Trust with rising capital protection until the maturity date. The exposure agreement, cash and the delivery asset are likely to be the Wholesale Trust's only significant assets.

**Reference Portfolio** – The Reference Portfolio is a list of notional assets and liabilities (component funds, cash and fixed interest) used as a reference point for determining:

- the value of the exposure agreement on a daily basis
- the delivery amount under the exposure agreement.

**Component funds** – The component funds provide exposure to the following alternative assets:

- SGAM AI Equity Fund – Highbridge Statistically Enhanced Equity Portfolio–US – being a long-only US equity fund
- SGAM AI Equisys Euroland I1 – being an absolute return European equity fund
- HFRX Global Tracker Fund Series B – being a global diversified fund of hedge funds.

The exposure of the Reference Portfolio to the returns of the component funds will be varied as a result of Dynamic Portfolio Insurance.

**Note that an investment in the Wholesale Trust is not a direct investment in the component funds.**

**Dynamic Portfolio Insurance (DPI)** – DPI is the methodology of dynamically allocating between alternative investments and cash and fixed interest in order to maximise the return within the capital protection constraints. This means the Reference Portfolio's level of exposure to the component funds (i.e. to alternative assets) will vary during the life of the exposure agreement, and can fall as low as 0%. As a result, this may reduce the Reference Portfolio's future return potential.

**Delivery asset** – The delivery asset is SPDR S&P/ASX 200 Fund (ARSN 097 712 377). SGAM must deliver these assets to the Wholesale Trust under the terms of the exposure agreement on the maturity date or for a specific amount upon redemption. The SPDR S&P/ASX 200 Fund invests in a portfolio of securities so as to generally correspond to the composition of the S&P/ASX 200 Index. The S&P/ASX 200 Index is typically comprised of 200 of the largest securities by market capitalisation and liquidity listed on the Australian Stock Exchange.

**Rising capital protection** – The capital protection is of a rising nature due to the fact that it always represents 80% of the highest ever value of the Reference Portfolio, i.e. as the value of the Reference Portfolio increases so does the value of the capital protection. The absolute percentage amount of capital protection does not change, i.e. it remains at 80%; however, as the value of the Reference Portfolio increases this translates to a higher protected dollar amount.

**Maturity date** – Although your investment in ING SGAM Protected Alternatives does not have an expiry date, the exposure agreement held by the Wholesale Trust has a maturity date of 1 March 2017. From the maturity date the investments of the Wholesale Trust will be SPDR S&P/ASX 200 Fund and investment returns from that date will reflect those investments.

## Important information about the fund

ING SGAM Protected Alternatives invests in an underlying trust, ING SGAM Wholesale Protected Alternatives Trust. The Wholesale Trust holds an exposure agreement with SGAM whereby SGAM will provide the performance of a Reference Portfolio to the Wholesale Trust. The Reference Portfolio will be dynamically managed so that the allocation of assets between the component funds, cash and fixed interest is varied in order to maximise returns whilst providing 80% rising capital protection.

As a result, the value of the Reference Portfolio is managed so as not to fall by more than 20% from its previous highest value. The capital protection of the Reference Portfolio is provided by Société Générale S.A. (a AA-rated bank). Should the assets of the Reference Portfolio fall below the capital protected level, Société Générale S.A. will add assets to the Reference Portfolio to ensure that the value of the Reference Portfolio will at least be at the capital protected level.

ING SGAM Protected Alternatives is designed for investors who are seeking exposure to alternative assets and understand the nature of the exposure agreement. We strongly recommend that you consult your financial adviser before deciding to use this investment strategy.

**The 80% capital protection applies to the Reference Portfolio. There are no guarantees that apply directly to your investment.**

### Capital protection

The exposure agreement is designed to provide the Reference Portfolio with rising capital protection. The capital protected amount will equate to 80% of the highest-ever value of the Reference Portfolio. In other words, as the value of the Reference Portfolio increases, so will the value of protection.

As at the maturity date, the capital protection will cease to apply. For more information please refer to the section 'The maturity of the exposure agreement'.

Should the capital protection mechanism be instigated prior to the maturity date, the Reference Portfolio will consist entirely of cash and fixed interest. The capital protection will cease to apply and may be terminated by SGAM under the exposure agreement. Also, a re-allocation to the component funds would not be possible. This will affect the future return potential of the Reference Portfolio as it will no longer contain any exposure to the component funds.

### Exposure agreement

The exposure agreement is between INGFM as the Responsible Entity of the Wholesale Trust and SGAM. The exposure agreement provides for the purchase (on a deferred basis) and

delivery of delivery assets. The purchase price is paid up front by the Wholesale Trust to SGAM and delivery of the delivery assets is deferred until the maturity date or upon redemption. The delivery amount is the higher of:

- the value of the Reference Portfolio at the maturity date or upon redemption
- the capital protected amount.

In the last two months of the term of the exposure agreement, the Reference Portfolio composition may be progressively shifted from the component funds to cash and fixed interest in order to prepare for the delivery of assets on the maturity date.

The exposure agreement is classified as a 'derivative' because the value of the exposure agreement will vary significantly over time by reference to the value of the Reference Portfolio.

Although unlikely, the exposure agreement may be terminated by SGAM or INGFM prior to the maturity date.

#### Component funds

The Reference Portfolio provides capital protection via a dynamic allocation between cash, fixed interest and the component funds (DPI management). The basket of component funds is generally invested as follows:

##### 40% – SGAM AI Equisys Euroland 11

The fund's objective is to capture equity market growth in the euro zone while reducing sensitivity to significant downturns. Managed using a systematic process, the fund combines two complementary approaches: pertinent stock-picking and active management of market exposure.

##### 40% – SGAM AI Equity Fund – Highbridge Statistically Enhanced Equity Portfolio (Steep) – US

A purely quantitative long-only US equity fund that seeks to achieve capital appreciation above the S&P 500 Index with similar volatility over a medium-term horizon (3–5 years).

##### 20% – HFRX Global Tracker Fund Series B

The HFRX Global Tracker Fund Series B's objective is to replicate the performance of the HFRX Global Hedge Fund Index which is a passive, capitalisation-weighted index designed to be representative of a wide range of alternative investment strategies.

**Please note:** the above allocation and component funds can be varied.

#### The maturity of the exposure agreement

At the maturity date, the Wholesale Trust's exposure to the Reference Portfolio will cease, as the exposure agreement will have ended. At this time, the Wholesale Trust's assets will consist entirely of the delivery asset (SPDR S&P/ASX 200 Fund) and cash. The capital protection will also cease to apply. Instead, the returns of the Wholesale Trust will reflect the returns of the

SPDR S&P/ASX 200 Fund.

#### Delivery obligations

On receipt of redemption requests, or on the maturity of the exposure agreement, SGAM will be required to transfer the delivery asset to the Wholesale Trust based on the equivalent net asset value of the Reference Portfolio (less any cost or expense incurred in acquiring or transferring the delivery asset).

Where abnormal trading conditions prevail in respect of the delivery asset on the maturity date, or upon redemption, SGAM may be unable to purchase the entire delivery asset on that particular day for reasons beyond its reasonable control. This may result in delays or the delivery asset being substituted for an alternative security.

#### Counterparty risk

Although it is unlikely, Société Générale S.A. could fail to honour its commitments as the guarantor of the exposure agreement. If this happens, Société Générale S.A. might not be able to satisfy its contractual obligations in respect of the capital protection mechanism which supports the Reference Portfolio. If this occurs you could lose some or all of your investment.

ING Australia or any other company in the ING Group or any other company associated with the ANZ Group does not provide a guarantee if Société Générale S.A. fails to honour its commitments.

#### Risks associated with component funds

The component funds have exposure to alternative investment strategies such as statistical arbitrage and other hedge fund strategies. This form of investing involves additional risks such as lack of liquidity, increased volatility and lack of transparency.

#### Fees payable in connection with component funds

The net asset value of the component funds used to determine the value of the Reference Portfolio is net of fees (including management and performance fees) and expenses.

The average management fee charged by the component funds (weighted according to their initial percentage allocations in the Reference Portfolio) is 1.13% p.a. The performance fees charged by the component funds range from 0% p.a. to 20% p.a. of outperformance above the respective benchmark of each component fund.

**Note:** these fees may be subject to change without notice throughout the duration of the exposure agreement.

These are not additional fees charged by us and have already been taken into account in the net asset value of the component funds.

## Guarantees

ING 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, these units will be treated as being comprised of units from both the above categories pro rated.

Except to the extent that has been stated:

- an investment in OneAnswer is not guaranteed
- the value of your investment can rise and fall.

## What standards do we adhere to when investing?

The issuer of OneAnswer 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 OneAnswer.

With the exception of ING Sustainable Investments – Australian Shares, INGIM does not explicitly take into account labour standards, environmental, social or ethical considerations for the purpose of selecting, retaining or realising investments. However, where such issues may materially impact financially on a company in which INGIM holds an investment, INGIM may divest itself of that investment. For this reason, these factors are implicitly taken into account when making investment decisions.

OptiMix and the other managers of the investment funds offered through OneAnswer may have various policies regarding the extent to which they take into account these issues when investing.

## Standards INGIM uses when managing ING Sustainable Investments – Australian Shares

When managing this fund, INGIM applies sustainability criteria. Sustainability criteria may cover issues relating to how a company performs in relation to:

- corporate governance
- the environment
- their staff
- the wider community.

INGIM enlists the services of an independent specialist sustainable adviser who reviews the practices of companies that meet INGIM's financial criteria.

INGIM may seek further review from time to time. If an investment no longer meets INGIM's basis for selection or continuation (as it exists from time to time), then that investment will generally be changed.

INGIM may exclude from the portfolio companies fundamentally engaged in activities that contravene generally accepted values and standards in relation to society and the environment.



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