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AMP Unit Trust

Statement of Investment Policy and Objectives (SIPO)



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This Statement of Investment Policy and Objectives (SIPO) sets out the investment policy and objectives of the AMP Unit Trust and the funds offered under the AMP Unit Trust.

1. Description of the Scheme

- 1.1. The AMP Unit Trust (Scheme) is registered as a managed investment scheme (MIS) under the Financial Markets Conduct Act 2013 (FMCA). The Scheme is comprised of 12 funds (Funds). The Scheme is closed to new investors and the Funds are no longer accepting lump sum or regular contributions. Investors that currently hold units in the Funds can continue to keep their investment in the Funds they have chosen for the purpose of investment savings. Switching between the Funds is not permitted.
- 1.2. The Scheme is a managed fund, a type of MIS for the purposes of the FMCA.
- 1.3. The manager of the Scheme is AMP Wealth Management New Zealand Limited (Manager). The Manager has appointed AMP Services (NZ) Limited (AMP Services) as administration manager of the Scheme. The supervisor is The New Zealand Guardian Trust Company Limited (Supervisor).
- 1.4. The investment in the Funds is represented by units. The 12 Funds include specific investment sector funds (Single Sector Funds) and diversified funds (Diversified Funds). The Diversified Funds range from Funds that invest in a greater proportion of lower-risk investments, such as cash and cash equivalents and fixed interest, to Funds that invest in a greater proportion of higher-risk investments, such as equities and property.
- 1.5. As at the date of this SIPO, the Funds in the Scheme are:

Diversified Funds	Single Sector Funds
Conservative	NZ Cash
Balanced	NZ Fixed Interest
Balanced - Other	NZ Shares
Dynamic	Australasian Property
Legg Mason Balanced	Global Shares
	Australian Shares
	Asian Shares

- 1.6. The beneficial interest in each Fund within the Scheme is divided into units and each unit represents an equal interest in that Fund. The value of an investor's interest in the Scheme is determined by multiplying the number of units attributable to the accounts held by the investor by the relevant unit price(s) of the Fund(s) they are invested in. The investor's interest in the Scheme is the aggregate of their interest held in each Fund. No investor acquires an interest in any particular asset of the Scheme to which their units in any particular Fund relate.
- 1.7. The Scheme is treated as a single MIS under the FMCA. The assets of one Fund in the Scheme are not available to meet the liabilities of another Fund in the Scheme. Each Fund within the Scheme is treated as a single unit trust for tax purposes.
- 1.8. The Manager may close, wind up, or alter any Funds at any time in accordance with the Trust Deed.

2. Investment Philosophy

- 2.1. The Manager seeks to provide investors with a range of investment choices and investment management styles to enable them to tailor a portfolio that suits their unique goals and needs. The Manager does this by investing the Funds within the Scheme into a range of underlying collective investment schemes (underlying funds).
- 2.2. The Manager's general investment approach is to identify various manager skills and styles and appoint a variety of underlying fund managers to provide a range of investment philosophies and styles. The investment philosophies and styles of the underlying fund managers are taken into consideration when determining whether to appoint or remove an underlying fund manager.
- 2.3. The Manager offers a range of fund types including:
 - Diversified Funds that provide exposure to a range of asset classes with varying ranges of benchmark asset allocations and ranges to provide differing balances of risk and return; and
 - Single Sector Funds that each primarily provide exposure to a single asset class.
- 2.4. The Manager regularly reviews the Funds offered and all the underlying fund managers to ensure they continue to provide a suitable diversity of choice.
- 2.5. The Funds do not have a separate investment manager. The Manager makes investment decisions for the Scheme in its role as manager, acting through its Investment Committee. As noted above the assets of the Funds are generally invested in underlying funds. Fund management services for underlying funds are performed by each of those underlying funds' fund managers (underlying fund managers) and not by the Manager.
- 2.6. Each Fund is generally wholly invested in a single underlying fund.
- 2.7. The Manager determines the investment strategy, objectives and policy of each Fund and sets the benchmark asset allocations (BAAs) and ranges (where applicable) that reflects that strategy, objectives and policy (as set out in the Schedules). The Manager then selects one or more underlying funds and underlying fund managers that has adopted strategies, objectives and policies (including BAAs and ranges) that provide the exposure required for the Funds. Where the investment strategy, objectives and policy (including BAAs and ranges) of an underlying fund manager are varied and cease to provide the required exposure, the Manager will determine whether to vary the investment strategy, objectives and policy adopted in respect of the affected Fund or Funds or to vary the underlying investment to maintain the existing investment strategy, objectives and policy adopted in respect of the affected Fund or Funds.

2.8. The underlying fund managers at the date of this SIPO are set out below.

Underlying fund manager	Funds	Description
AMP Capital Investors (New Zealand) Limited (AMP Capital)	Conservative Balanced Balanced - Other Dynamic NZ Cash NZ Fixed Interest NZ Shares Australasian Property Global Shares Australian Shares	<p>AMP Capital is an investment manager that is part of the AMP group. AMP Capital has a history that dates back to 1849.</p> <p>AMP Capital believes that asset allocation is the primary driver of investment returns and that diversification helps to reduce risk which enhances a fund's return potential over the long-term.</p> <p>AMP Capital also believes an active, global macroeconomic overview that drives asset allocation can harness the potential of volatile and uncertain markets across all asset classes.</p> <p>Furthermore, AMP Capital believes markets are by nature inefficient and that this is where the real opportunity lies for added value from active management. As a result, they believe market prices often stray significantly from fundamental or intrinsic value.</p> <p>For further information on AMP Capital please visit ampcapital.co.nz</p>
Legg Mason Asset Management Australia Limited (Legg Mason)	Legg Mason Balanced	<p>Guided by a mission of Investing to Improve Lives™, Legg Mason helps investors globally achieve better financial outcomes by expanding choice across investment strategies, vehicles and investor access through nine independent investment managers with diverse expertise in equity, fixed income, alternative and liquidity investments.</p> <p>Martin Currie Australia (a division of Legg Mason Australia) is the investment manager of the Fund. Martin Currie is an active specialist equity investment manager, headquartered in Edinburgh, Scotland. Founded in 1881, it has been a part of the Legg Mason group since 2014. Martin Currie believes a stock-focused approach, driven by in-depth fundamental research and skilled portfolio construction is the best way to exploit market inefficiencies and generate consistent outperformance.</p> <p>The Fund follows a multi asset investment approach which is designed to invest approximately 70% in growth assets and 30% in defensive assets. It seeks to optimally allocate assets across Australian and global equities, listed real assets (such as property, utility and infrastructure securities), global and domestic fixed income and cash to produce superior medium-term returns.</p> <p>The investment manager's approach focuses on identifying the relative expected returns of equities, bonds and cash in order to provide an optimal asset allocation to produce superior expected medium term returns.</p> <p>For further information on Legg Mason please visit leggmason.com.au</p>
Pendal Institutional Limited (Pendal)	Asian Shares	<p>Pendal is an independent, global investment management business focused on delivering superior investment returns for our clients through active management.</p> <p>Pendal offers investors a range of Australian and international investment choices including shares, property securities, fixed income and cash strategies, as well as multi-asset and responsible investments. To complement its in-house expertise, Pendal also partners with leading global investment managers.</p> <p>This Fund is designed for investors who want the potential for long term capital growth from a concentrated portfolio of Asian shares and are prepared to accept high variability of returns. The Fund can invest in any sharemarket in the Asian region, excluding Japan and Australia, that offers attractive opportunities including Korea, Hong Kong, Taiwan, Singapore, China, Malaysia, Thailand, Indonesia, the Philippines, India and Vietnam. The Fund may also hold cash and may use derivatives.</p> <p>Pendal has appointed J O Hambro Capital Management Limited (JOHCM) to manage the assets of the Fund. As manager of the Fund, JOHCM's investment process for Asian shares aims to add value through fundamental stock selection. JOHCM focuses on identifying and owning quality long-term sustainable growth companies and is benchmark agnostic. These core holdings are combined with cyclical holdings that are valuation driven with consideration for current macro-economic conditions.</p> <p>For further information on Pendal please visit pendalgroup.com</p>

- 2.9. The underlying funds and any investments accessed, and the underlying fund manager(s) (where relevant) may be changed at any time without notice to investors. Details of the investments of each Fund can be found in the most recent fund update for each Fund.
- 2.10. Where the assets of a Fund are not invested in underlying funds, the assets may, from time to time be placed on deposit with one or more New Zealand registered banks.

3. Investment Objective

- 3.1. The investment objective of the Scheme is to provide investors with a range of Funds that individually or in combination will enable investors to meet their short, medium or long-term investment objectives in a manner that is consistent with their own individual risk/return profiles.
- 3.2. The Manager aims to achieve this through the individual investment strategies and objectives for each Fund. These are detailed in the relevant Schedules.
- 3.3. Diversified Funds have income and growth BAA ranges, as well as BAA ranges for each asset class. The Single Sector Funds generally invest in a single asset class, and as a result have BAA ranges for that asset class. These are set out in the relevant Schedules. Other than as set out in the Schedules, there are no limits on the proportion of each asset type a Fund may invest in or be exposed to through its underlying investments.
- 3.4. The underlying fund managers (selected by the Manager to achieve investment in the asset classes set out in the Schedules where relevant) may invest either directly or indirectly (such as investment in further underlying funds).

4. Investment Policies

Currency Hedging Policy and Monitoring Process

- 4.1. Hedging may be used within each of the funds, or underlying funds, to manage the exposure of assets to exchange rate fluctuations. A hedged position will not produce the full benefit of a favourable exchange rate movement, but at the same time will not expose the fund to the full loss potential of an unfavourable exchange rate movement. A fund which incorporates a currency hedge provides a buffer against currency fluctuations either in whole, or in part.
- 4.2. For each of the Funds with foreign currency exposure (with the exception of the Asian Shares fund), the Manager has adopted a currency hedging policy and monitoring process (as set out in the relevant Schedule) that is implemented within the underlying funds by the underlying fund managers and not directly within the Funds. To ensure that the underlying fund managers have complied with the currency hedging policy and monitoring process the Manager will obtain on a quarterly basis a compliance certificate confirming that the policy has been adhered to in accordance with the relevant investment management agreement.
- 4.3. The currency hedging policy for the Asian Shares fund is implemented within this Fund by Bank of New Zealand (BNZ) on behalf of the Manager.
- 4.4. The specific currency hedging policy and monitoring process for each Fund which has foreign currency exposure is detailed in the relevant Schedules.

Derivatives Policy

- 4.5. Financial instruments known as 'derivatives' may be used for the purposes of risk management, performance enhancement or to optimise investment strategy implementation. The use of derivatives is not considered in isolation but rather as part of the overall investment strategy.
- 4.6. Where the Manager has adopted a derivatives policy, this is implemented within the underlying funds by the underlying fund managers and not directly within the Funds. In addition, as described in paragraph 4.3, derivatives are used to implement currency hedging in the Asian Shares fund.
- 4.7. The specific derivatives policy (where applicable) adopted for each Fund is detailed in the relevant Schedules.

Rebalancing Policy

- 4.8. As noted above the Manager achieves the Funds' BAAs and ranges by selecting underlying funds that align to the BAAs and ranges adopted by the Manager. No Fund will undertake rebalancing but they may invest into underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.
- 4.9. The BAA and ranges (where applicable) for each Fund and any particular rebalancing policy required for an underlying fund to be an authorised investment is detailed in the relevant Schedules.

Liquidity and Cash Management Policy

- 4.10.** The Scheme bank account is monitored daily as part of the unit pricing process.
- 4.11.** Funds may hold transactional cash as set out in each Schedule. Otherwise, each Fund has a liquidity tolerance which is generally a maximum of 5% of the Net Asset Value (NAV) of the Fund and a minimum of 0%. Where a maximum of 5% is exceeded, units in the Fund's underlying fund will be purchased to reduce the cash in the Fund back to within its tolerance range. Likewise, a cash level below 0% of NAV will result in the sale of units in the Fund's underlying fund, to bring the Fund's liquidity level back to within its tolerance range. The monitoring of the Funds' liquidity levels and any associated transactions is undertaken as part of the daily bank account reconciliation process. However, the Manager may elect not to maintain any limits on cash investments for a Fund where the Manager considers they would not be appropriate, for example where a Fund is winding down. The Manager may also increase the liquidity tolerance of the Funds to above 5% of NAV in some circumstances where significant cash outflows are expected from the Funds.

Asset Valuation Policy

- 4.12.** The assets of the Scheme are valued in accordance with the AMPWM NZ Asset Valuation Policy. This policy sets out the valuation principles to be applied to determine asset values for use in the calculation of the NAV of funds for which the Manager is responsible. The primary purpose of deriving this NAV is to determine the appropriate unit price at which investor transactions may be processed as well as to determine the value of investor balances for the calculation of related fees.
- 4.13.** Consistency and investor equity are the guiding principles of asset valuation. Asset valuation practices are applied consistently within and across the funds. Accuracy in asset valuation is paramount and a necessary component of correctly calculated unit prices.
- 4.14.** AMP Capital is AMPWM NZ's primary investment partner and their asset valuation practices are governed by AMP Capital Holdings' valuation policy. The Manager periodically reviews AMP Capital Holdings' valuation policy to ensure that it remains consistent with all other aspects of the AMPWM NZ valuation policy. Furthermore, AMP Capital outsources the custodian and fund administration roles to BNP Paribas Financial Services Australasia Pty Ltd (BNP Paribas), which has its own pricing and valuation policy. AMP Capital is responsible for ensuring that the BNP Paribas policy is consistent with its own valuation policy.
- 4.15.** In other circumstances the Manager invests into a fund(s) or other MISs managed by other external fund managers either in Australia or New Zealand. In these circumstances the assets of the Scheme will be valued in accordance with the underlying investment manager's asset valuation policy. The Manager will seek to ensure that the pricing and valuation policies adopted by these underlying funds generally align with the AMPWM NZ Asset Valuation Policy.

Taxation Policy

- 4.16.** The Scheme has not elected to become a portfolio investment entity. The Scheme is taxed as if each Fund is a company, with tax paid on investment income at the 28% tax rate.
- 4.17.** The Funds' taxable income is calculated based on the tax rules applying to underlying investment assets.
- 4.18.** The Funds may be indirectly invested in some or all of these assets:

Asset	Tax payable on capital gains/losses	Tax payable on dividends and interest	Tax payable on deemed 5% return, per 'Fair Dividend Rate' (FDR) method
New Zealand equities	No	Yes	No
Australian equities	No	Yes	No
Australian Unit Trusts (AUT)*	No	No	Yes
Global equities	No	No	Yes
Cash and cash equivalents, fixed interest, currency hedges and other financial instruments	Yes	Yes	No**

*Some limited exemptions apply where there is a Resident Withholding Tax (RWT) proxy (a NZ entity that administers payments and deducts RWT) in relation to payments from the AUT and the AUT meets minimum turnover thresholds.

**In some circumstances, currency hedges will be taxed on a full foreign exchange rate gain or on a deemed 5% return.

- 4.19.** For more information on how withdrawals from the Funds are taxed refer to the 'AMP Unit Trust Tax Information Sheet' on the AMP website at amp.co.nz.

Related Party Transactions

- 4.20.** The Manager conducts all transactions with related parties of the Scheme in accordance with the rules on related-party transactions that apply to MISs under the FMCA. The general rule under the FMCA is that the manager (and any investment manager, administration manager, or other person to whom the manager has contracted some or all of its manager functions) of a scheme is prohibited from entering into a transaction that provides for a related party benefit to be given.
- 4.21.** The FMCA provides an exemption to this rule whereby the manager can enter into a transaction that provides for a related party benefit if the manager:
- Notifies the Supervisor of the transaction, the related party benefits given under that transaction, the key terms of the transaction; and
 - Either:
 - the transaction is ‘permitted’ and the manager certifies to the Supervisor to this effect; or
 - the manager obtains the Supervisor’s consent to the transaction, which may only be given where the Supervisor considers it to be in the best interests of investors or it is approved by or contingent on approval by a special resolution of affected investors.
- 4.22.** A significant proportion of the Scheme’s assets have been invested in underlying funds that are developed by AMP Investment Management (N.Z.) Limited and managed by AMP Capital. AMP Investment Management (N.Z.) Limited and AMP Capital are currently both related parties of the Manager and AMP Services. The relevant underlying funds may themselves gain investment exposure through investment funds managed by related parties of the Manager. The Manager has satisfied itself and certified to the Supervisor that the transactions are permitted in accordance with the FMCA.
- 4.23.** For further information on the rules on related party transactions that apply to MISs under the FMCA, please visit the guidance library for managed investments on the FMA website at fma.govt.nz.

Conflicts of interest

- 4.24.** Conflicts of interest can arise when the interest of the Manager’s employees, customers or entities are inconsistent with, or diverge from, some or all of the interests of shareholders or another AMP Group entity (while it is related) or investors in the Manager’s Scheme.
- 4.25.** In relation to investment decisions for the Scheme, a conflict of interest is a financial or any other interest, a relationship, or any other association of any of the following people that would, or could reasonably be expected to, materially influence the investment decisions of the Manager or an investment manager (or both) in respect of the Scheme:
- a. the Manager;
 - b. a director, senior manager, or employee of the Manager who has a significant impact on the investment decisions that are made in respect of the Scheme;
 - c. an investment manager of the Scheme; or
 - d. an associated person (as defined in the FMCA) of the Manager (or a director or senior manager of that associated person).
- 4.26.** Details of conflicts of interest that currently exist at the date of this document, or that are likely to arise in the future, are as follows:

Nature of conflict	Funds affected	Influence on investment decisions
<p>The Manager is currently part of the AMP Group of companies. A significant proportion of the Scheme’s assets are invested in underlying funds that are developed by AMP Investment Management (N.Z.) Limited and managed by AMP Capital, which are currently both associated persons of the Manager. See paragraph 4.22 for information.</p> <p>The underlying funds managed by AMP Capital may themselves gain investment exposure through investment funds managed by AMP Capital or other parties which are currently related to the Manager.</p> <p>In addition, the Scheme may increase its investment in funds operated by related parties, or invest in alternative funds operated by related parties, in the future.</p>	<p>All Funds where AMP Capital is the underlying fund manager.</p> <p>Any other Funds may be affected in the future.</p>	<p>We may be influenced by our current association with other companies within the AMP Group to prefer funds operated by associated persons over those operated by third parties.</p>
<p>The Manager and AMP Capital are parties to an agreement affecting the investment management decisions made in respect of certain AMP Group Products including the Scheme.</p> <p>The Manager seeks advice and recommendations from AMP Capital about matters concerning the AMP Capital underlying funds into which the relevant Funds invest.</p>	<p>All Funds where AMP Capital is the underlying fund manager.</p>	<p>Our investment decisions in respect of the funds that invest in the AMP Capital funds are informed by the advice and recommendations provided by AMP Capital, as we will take that advice and those recommendations into account when making decisions.</p>
<p>Directors and employees of AMP Services and the Manager may from time to time hold units in the Scheme.</p>	<p>All Funds.</p>	<p>Decisions made by affected directors and employees may be influenced by their personal interest in the Scheme.</p>
<p>The Manager may receive distribution commissions from underlying fund managers based on the funds under management within the underlying funds managed by those managers.</p>	<p>All Funds.</p>	<p>We may be influenced to invest funds with those managers as we receive commissions or fees for doing so.</p>

- 4.27.** The Manager has taken, and will take on an ongoing basis, the following steps to manage the above conflicts:
- a. Complying with the requirements of the FMCA for related party transactions, as set out in the 'Related Party Transactions' section above.
 - b. Adopting the AMP Group Conflicts of Interest Policy and Procedures (see 4.28 and 4.29 below).
 - c. Utilising investment research and other tools to provide recommendations on underlying fund managers, where applicable.
 - d. Monitoring and reviewing the investment performance, investment options, compliance and contractual arrangements of all underlying fund managers (including AMP Capital) at regular intervals.
- 4.28.** Good practice is to properly manage conflicts of interest as they arise. To this end, the Manager has arrangements in place to identify decisions which may involve a conflict of interest and has adopted the AMP Group Conflicts of Interest Policy and Procedures. This provides guidance on what a conflict of interest is and how to avoid or manage it. It also assists the AMP Group to:
- a. Ensure it maintains its reputation, integrity and preserves stakeholder confidence in the AMP Group;
 - b. Maintain practices that will support the ongoing sustainability and stability of the AMP Group business;
 - c. Ensure its business dealings are conducted with diligence, honesty, integrity and proper judgement; and
 - d. Meet its legislative and regulatory obligations.
- 4.29.** The AMP Group Conflicts of Interest Policy and Procedures also details different types of conflict of interest situations (business/personal conflict of interest, conflict of duty, related party transactions etc.) and provides the following framework for the management of a conflict of interest:
- a. Identify and record;
 - b. Assess;
 - c. Respond by controlling;
 - d. Disclose or avoid; and
 - e. Monitor and report.

5. Investment Performance Monitoring and Reporting

- 5.1.** Investment performance for the Scheme is monitored and reviewed monthly by the Investment Committee. The Investment Committee in turn currently provides quarterly performance reports to the AMP Group Investment Committee (GIC).
- 5.2.** Performance of the Funds is monitored over various periods (gross of tax and fees). Performance is measured on an absolute return basis as well as relative to each Fund's benchmark indices and its performance objective.
- 5.3.** In monitoring investment performance, the Investment Committee considers the reports submitted to them by the underlying fund managers for the underlying funds. Attribution analysis is also provided by the underlying fund managers where the fund is actively managed.

6. Investment Strategy Review

- 6.1.** The Manager oversees the development, implementation, monitoring and performance of the investment strategy of the Funds within the Scheme, including appointing and removing the underlying fund manager(s).
- 6.2.** The Manager and AMP Capital are parties to an agreement affecting the investment management decisions made in respect of certain AMP Group Products including the Scheme.
- 6.3.** The Scheme invests in a range of wholesale and retail diversified and single sector funds. The Manager may seek advice and recommendations from AMP Capital and may consult about matters concerning the AMP Capital underlying funds into which the relevant Funds invest.
- 6.4.** The Investment Committee also utilise investment research and other tools to provide recommendations on the underlying fund managers, where applicable.
- 6.5.** The Investment Committee monitors and reviews the investment performance, investment options and compliance with contractual arrangements of the underlying fund managers quarterly. The review is based on the reports submitted by the underlying fund managers. The Investment Committee currently reports through to the GIC.
- 6.6.** BAAs are reviewed from time to time and at least annually by the Investment Committee.
- 6.7.** When selecting an underlying fund manager and assets, the Manager undergoes a strict due diligence and approval process. As well as the selection process, all incumbent external underlying fund managers are subject to ongoing monitoring by the Manager.

7. SIPO Compliance and Review

- 7.1. The Manager monitors compliance with the SIPO. The underlying fund managers are required to report quarterly on the compliance of the underlying funds with each of their SIPOs or investment guidelines. A quarterly compliance report for the Scheme is prepared and provided to the Supervisor following a review of the underlying fund manager's reports and internal compliance reporting provided by the relevant AMP business teams. The Investment Committee is also provided with a quarterly investment management and performance report that outlines the compliance certificates from the underlying fund managers.
- 7.2. A formal review of the SIPO is triggered where there is a material change to any of the Funds including (but not limited to):
 - the nature or type of investments that may be made;
 - the benchmark and asset ranges of the Funds; or
 - a change to any of the investment policies of the Funds.
- 7.3. Reviews will be undertaken in consultation with the underlying fund managers (as required). Any changes to the SIPO are approved by a formal committee, and are subject to the restrictions (if any) contained in the Trust Deed.
- 7.4. The Manager will give the Supervisor prior notice of any changes in accordance with the Trust Deed and FMCA. Where required, investors will be notified of changes to the SIPO in accordance with the Trust Deed.
- 7.5. The AMP Unit Trust's latest SIPO is available on the AMP website amp.co.nz and on the scheme register at disclose-register.companiesoffice.govt.nz.

8. Market Indices

- 8.1. The relevant market indices for each Fund are detailed in the relevant Schedules.
- 8.2. We may change the market indices at any time and without notice to investors, provided that any relevant requirements of the FMCA 2013 are met. Index disclaimers can be found on the AMP website at amp.co.nz/indexdisclaimers.

Glossary

Absolute return means the return on an asset, fund, or other investment expressed in dollar or percentage terms.

AMPWM NZ means AMP Wealth Management New Zealand. AMPWM NZ comprises all of the New Zealand based wealth management businesses within the AMP Limited group of companies. This includes the Manager and AMP Services.

AMP Capital means AMP Capital Investors (New Zealand) Limited.

AMP Capital Holdings means AMP Capital Holdings Limited. It is the parent company of AMP Capital.

AMP Group Products refers to all products for which an entity within AMPWM NZ is the manager.

AMP Services means AMP Services (NZ) Limited.

Benchmark asset allocation or **BAA** is the long-term average expected weighting for each asset class. This is referred to as the target investment mix in the Financial Markets Conduct Regulations 2014.

Derivative means a financial contract with a value that is dependent on, or derived from, one or more underlying assets or reference items. The most common underlying assets or reference items include equities, fixed interest, currencies, cash, interest rates, events, entities and market indices.

Diversified Funds are generally funds designed to diversify your investment across a range of asset classes, underlying fund managers and styles.

External manager means an underlying fund manager other than AMP Capital.

FDR means Fair Dividend Rate. A method used to calculate tax on attributing interests in offshore investments.

FMA means the Financial Markets Authority.

FMCA means the Financial Markets Conduct Act 2013.

Funds means the funds listed on page 3 under 'Description of the Scheme' and **Fund** means whichever one is relevant in the context.

GIC means the AMP Group Investment Committee. It does not include AMP Capital.

Growth assets include investments in property, and equities. Growth assets aim to provide capital growth and usually have a higher risk than income assets.

Income assets include investments such as cash and cash equivalents and fixed interest (bank deposits and bonds). Income assets aim to provide you with steady interest income and capital preservation but their long term earning potential is usually lower than growth assets.

Investment Committee means the AMP Wealth Management New Zealand Investment Committee. It currently reports through to the GIC.

Legg Mason means Legg Mason Asset Management Australia Limited.

Manager means AMP Wealth Management New Zealand Limited.

Net Asset Value or **NAV** means the market value of the Fund's assets plus any income accrued less the market value of its liabilities.

Pendal means Pendal Institutional Limited.

RWT means Resident Withholding Tax. RWT is deducted from interest or dividend income attributed to a New Zealand tax resident.

Scheme means the AMP Unit Trust.

SIPO means this Statement of Investment Policy and Objectives.

Supervisor means The New Zealand Guardian Trust Company Limited.

Trust Deed means the trust deed for the Scheme dated 22 September 2016, as subsequently amended.

Underlying fund means an underlying investment fund the assets of the Funds are generally invested in.

Underlying fund manager means the investment manager of the underlying fund.

Schedules

Schedule 1 – Conservative

Investment objective and policy:

To achieve modest to medium returns – in exchange there may be small movements up and down in the value of your investments. To provide a well-diversified portfolio that primarily invests in lower-risk income assets with a conservative allocation to growth assets.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital Diversified Fund 2	AMP Capital

Performance objective:

To outperform over the medium term, the weighted average return (before tax, fees and other expenses) of the benchmark indices used to measure performance of the underlying funds/assets into which the Fund invests (as set out in the table below).

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	23%	0 - 53%	– Bloomberg NZBond Bank Bill Index
New Zealand fixed interest	25%	0 - 55%	– Bloomberg NZBond Composite 0+ Yr Index
International fixed interest	28%	0 - 58%	– Bloomberg Barclays Global Aggregate Index (100% hedged to NZD)
Total Income Assets	76%	46 - 100%	
Listed property	2.5%	0 - 32.5%	NZ & Australian Property (50%) – 80% S&P/NZX All Real Estate (Industry Group) Gross with Imputation – 20% S&P/ASX 200 A-REIT (Sector) (TR) (100% hedged to NZD) International Property (50%) – FTSE EPRA/NAREIT Developed Index Net TRI (100% hedged to NZD)
Australasian equities	6%	0 - 36%	– 67% S&P/NZX 50 Index Gross with Imputation – 33% S&P/ASX 300 (TR) (50% hedged to NZD)
International equities - Developed markets	12%	0 - 42%	– MSCI World ex Tobacco Net Index (60% hedged to NZD)
International equities - Emerging markets	1%	0 - 31%	– MSCI Emerging Markets ex Tobacco Net Index (NZD)
International equities - Listed infrastructure	1.25%	0 - 32.5%	– 50% Dow Jones Brookfield Global Infrastructure Total Return Index (100% hedged to NZD) – 50% FTSE Global Core Infrastructure 50/50 Index (100% hedged to NZD)
Commodities	0.625%		– Bloomberg Commodity Index Total Return (100% hedged to NZD)
Other - Alternative strategies	0.625%		– SG Multi Alternative Risk Premia Index (100% hedged to NZD)**
Total Growth Assets	24%	0 - 54%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

**The *Other - Alternatives strategies* asset class of the AMP Diversified Funds has no appropriate market index. This is because the investment strategy used in respect of this asset class is different to those used by relevant market indices that would otherwise be suitable. Therefore it has been benchmarked against a peer group index: *SG Multi Alternative Risk Premia Index*. This peer group index will provide a more useful comparison for investors as it includes funds that have similar investment strategies. The peer group is adjusted to more accurately reflect the underlying fund by applying 100% hedging to NZD.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge foreign currency exposure for all asset classes, with the exception of International equities – Emerging markets, where currency exposure will be unhedged, and Australasian equities and International equities – Developed markets where currency exposure is actively managed.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives for currency hedging and other risk management purposes. The Fund (and any underlying fund it invests in) is also permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 2 – Balanced and Balanced – Other

Investment objective and policy:

To achieve medium returns - in exchange there will be some movements up and down in the value of your investments. To provide a well-diversified portfolio that has a balance of risk through holding growth assets and an allocation to lower-risk income assets.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital Diversified Fund 5	AMP Capital

Performance objective:

To outperform over the medium term, the weighted average return (before tax, fees and other expenses) of the benchmark indices used to measure performance of the underlying funds/assets into which the Fund invests (as set out in the table below).

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	10%	0 - 40%	– Bloomberg NZBond Bank Bill Index
New Zealand fixed interest	15%	0 - 45%	– Bloomberg NZBond Composite 0+ Yr Index
International fixed interest	18%	0 - 48%	– Bloomberg Barclays Global Aggregate Index (100% hedged to NZD)
Total Income Assets	43%	13 - 73%	
Listed property	4%	0 - 34%	NZ & Australian Property (50%) – 80% S&P/NZX All Real Estate (Industry Group) Gross with Imputation – 20% S&P/ASX 200 A-REIT (Sector) (TR) (100% hedged to NZD) International Property (50%) – FTSE EPRA/NAREIT Developed Index Net TRI (100% hedged to NZD)
Australasian equities	16%	0 - 46%	– 67% S&P/NZX 50 Index Gross with Imputation – 33% S&P/ASX 300 (TR) (50% hedged to NZD)
International equities - Developed markets	30%	0 - 60%	– MSCI World ex Tobacco Net Index (60% hedged to NZD)
International equities - Emerging markets	3%	0 - 33%	– MSCI Emerging Markets ex Tobacco Net Index (NZD)
International equities - Listed infrastructure	2%	0 - 34%	– 50% Dow Jones Brookfield Global Infrastructure Total Return Index (100% hedged to NZD) – 50% FTSE Global Core Infrastructure 50/50 Index (100% hedged to NZD)
Commodities	1%		– Bloomberg Commodity Index Total Return (100% hedged to NZD)
Other - Alternative strategies	1%		– SG Multi Alternative Risk Premia Index (100% hedged to NZD)**
Total Growth Assets	57%	27 - 87%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

**The *Other - Alternatives strategies* asset class of the AMP Diversified Funds has no appropriate market index. This is because the investment strategy used in respect of this asset class is different to those used by relevant market indices that would otherwise be suitable. Therefore it has been benchmarked against a peer group index: *SG Multi Alternative Risk Premia Index*. This peer group index will provide a more useful comparison for investors as it includes funds that have similar investment strategies. The peer group is adjusted to more accurately reflect the underlying fund by applying 100% hedging to NZD.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge foreign currency exposure for all asset classes, with the exception of International equities – Emerging markets, where currency exposure will be unhedged, and Australasian equities and International equities – Developed markets where currency exposure is actively managed.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives for currency hedging and other risk management purposes. The Fund (and any underlying fund it invests in) is also permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 3 – Dynamic

Investment objective and policy:

To achieve high returns – in exchange there will be larger movements up and down in the value of your investments. To provide a well-diversified portfolio that aims to provide growth, primarily through holding growth assets. The Fund has a low allocation to income assets.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital Diversified Fund 7	AMP Capital

Performance objective:

To outperform over the medium term, the weighted average return (before tax, fees and other expenses) of the benchmark indices used to measure performance of the underlying funds/assets into which the Fund invests (as set out in the table below).

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	5%	0 - 35%	– Bloomberg NZBond Bank Bill Index
New Zealand fixed interest	3%	0 - 33%	– Bloomberg NZBond Composite 0+ Yr Index
International fixed interest	5%	0 - 35%	– Bloomberg Barclays Global Aggregate Index (100% hedged to NZD)
Total Income Assets	13%	0 - 43%	
Listed property	7%	0 - 37%	NZ & Australian Property (50%) – 80% S&P/NZX All Real Estate (Industry Group) Gross with Imputation – 20% S&P/ASX 200 A-REIT (Sector) (TR) (100% hedged to NZD) International Property (50%) – FTSE EPRA/NAREIT Developed Index Net TRI (100% hedged to NZD)
Australasian equities	24.5%	0 - 54.5%	– 67% S&P/NZX 50 Index Gross with Imputation – 33% S&P/ASX 300 (TR) (50% hedged to NZD)
International equities - Developed markets	45%	15 - 75%	– MSCI World ex Tobacco Net Index (60% hedged to NZD)
International equities - Emerging markets	5%	0 - 35%	– MSCI Emerging Markets ex Tobacco Net Index (NZD)
International equities - Listed infrastructure	2.75%	0 - 35.5%	– 50% Dow Jones Brookfield Global Infrastructure Total Return Index (100% hedged to NZD) – 50% FTSE Global Core Infrastructure 50/50 Index (100% hedged to NZD)
Commodities	1.375%		– Bloomberg Commodity Index Total Return (100% hedged to NZD)
Other - Alternative strategies	1.375%		– SG Multi Alternative Risk Premia Index (100% hedged to NZD)**
Total Growth Assets	87%	57 - 100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

**The *Other - Alternatives strategies* asset class of the AMP Diversified Funds has no appropriate market index. This is because the investment strategy used in respect of this asset class is different to those used by relevant market indices that would otherwise be suitable. Therefore it has been benchmarked against a peer group index: *SG Multi Alternative Risk Premia Index*. This peer group index will provide a more useful comparison for investors as it includes funds that have similar investment strategies. The peer group is adjusted to more accurately reflect the underlying fund by applying 100% hedging to NZD.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge foreign currency exposure for all asset classes, with the exception of International equities – Emerging markets, where currency exposure will be unhedged, and Australasian equities and International equities – Developed markets where currency exposure is actively managed.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives for currency hedging and other risk management purposes. The Fund (and any underlying fund it invests in) is also permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 4 – Legg Mason Balanced

Investment objective and policy:

To achieve medium to high returns – in exchange there will be some movements up and down in the value of your investments. To provide an actively managed diversified portfolio of Australian and global equities, property securities, Australian and global fixed income, cash and alternative investments.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
Legg Mason Martin Currie Diversified Growth Trust	Legg Mason

Performance objective:

To outperform, the weighted average return (before fees and taxes) over a rolling three year periods of the benchmark indices used to measure performance of the underlying funds/assets into which the Fund invests (as set out in the table below).

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	5%	0 - 25%	– Bloomberg AusBond Bank Bill Index
Australian fixed interest	12%	0 - 35%	– Bloomberg AusBond Composite 0+ Yr Index
International fixed interest**	12%	0 - 35%	– Bloomberg Barclays Global Aggregate Index (100% hedged to AUD)
Total Income Assets	29%	10 - 60%	
Australasian equities	35%	5 - 55%	– S&P/ASX 200 (TR)
International equities	23%	0 - 45%	– MSCI ACWI ex Australia Index Net (NZD)
Listed property	13%	0 - 35%	– S&P/ASX 200 A-REIT (Sector) (TR)
Other - Alternative assets	0%	0 - 16%	N/A
Total Growth Assets	71%	40 - 90%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

** International fixed interest may also include New Zealand fixed interest securities.

Currency hedging policy: The Fund invests into an underlying Australian domiciled fund. The Australian dollar exposure of the underlying fund will not be hedged back to New Zealand dollars.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to use derivatives to implement decisions, to manage cash flows or to facilitate timely exposure to securities.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 5 – NZ Cash

Investment objective and policy:

To achieve modest, stable returns with a very low level of investment risk – in exchange there should be no significant short-term movements up and down in the value of your investments.

Investment is primarily in cash and short-term deposits.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital NZ Cash Fund	AMP Capital

Performance objective:

To provide a gross return (before tax, fees, and other expenses) above the return of the Bloomberg NZBond Bank Bill Index on a rolling 12 month basis.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	100%		– Bloomberg NZBond Bank Bill Index
Total Income Assets	100%	100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Schedule 6 – NZ Fixed Interest

Investment objective and policy:

To primarily preserve the value of investment with some capital growth by investing predominantly in New Zealand fixed interest assets. It may contain some exposure to Australian fixed interest.

The Fund may have exposure to fixed interest securities issued by, amongst others, the New Zealand government or their agencies, the Reserve Bank of New Zealand, local authorities, registered banks and corporations located predominantly in New Zealand but including others from around the world.

The Fund may also have exposure to financial derivative instruments for hedging or as part of its investment strategy.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital NZ Fixed Interest Fund	AMP Capital

Performance objective:

To provide a gross return (before tax, fees and other expenses) above the return of the Bloomberg NZBond Composite 0+ Yr Index on a rolling 3 year basis.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	0%	0 - 50%	
New Zealand fixed interest	100%	40 - 100%	– Bloomberg NZBond Composite 0+ Yr Index
International fixed interest**	0%	0 - 30%	
Total Income Assets	100%	100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

**Investment in International fixed interest is restricted to foreign currency issues of the Australian parents of New Zealand entities, Australian dollar issues of all other Australian entities and New Zealand dollar issues of non-New Zealand entities.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge foreign currency exposure back to New Zealand dollars.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives for currency hedging purposes. The Fund (and any underlying fund it invests in) is also permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 7 – NZ Shares

Investment objective and policy:

To achieve long term capital growth through exposure to a portfolio of predominantly New Zealand equities.

The Fund may have exposure to equity securities of companies that are either based in New Zealand or carry out the main part of their business in New Zealand.

The Fund may also have exposure to equity securities of companies based outside of New Zealand.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital NZ Shares Fund	AMP Capital

Performance objective:

To provide a gross return (before tax, fees and other expenses) above the return of the S&P/NZX 50 Index Gross with Imputation over a rolling three year period.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	0%	0 - 20%	N/A
Total Income Assets	0%	0 - 20%	
Australasian equities**	100%	80 - 100%	– S&P/NZX 50 Index Gross with Imputation
Total Growth Assets	100%	80 - 100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

** Listed property may also be included as Australasian equities.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge foreign currency exposures on the Australian assets back to New Zealand dollars if deemed appropriate. The base position is for the Australian dollar exposure to be unhedged.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 8 – Australasian Property

Investment objective and policy:

To provide a passively managed low tracking error portfolio managed against companies listed on the S&P/NZX All Real Estate (Industry Group) Gross with Imputation Index and the S&P/ASX 200 A-REIT (Sector) (TR) fully hedged to New Zealand dollars.

The Fund is a passively managed portfolio that provides access to Australasian property investments through a single fund. It aims to generate medium to high returns over the long term by investing in property securities in New Zealand and Australia.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
Australasian Property Index Fund	AMP Capital

Performance objective:

To provide a gross return (before tax, fees and other expenses) above the return of the S&P/NZX All Real Estate Index.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	0%	0 - 30%	N/A
Total Income Assets	0%	0 - 30%	
Australasian listed property	100%	70 - 100%	<ul style="list-style-type: none"> – 60% S&P/NZX All Real Estate (Industry Group) Gross with Imputation – 40% S&P/ASX 200 A-REIT (Sector) (TR)
Total Growth Assets	100%	70 - 100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge Australian dollar exposure back to New Zealand dollars if deemed appropriate.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 9 – Global Shares

Investment objective and policy:

To achieve long term capital growth through exposure to a portfolio of investments spread across a range of international share markets, including developed (which may include the NZ stock exchange for this Fund) and emerging economies.

The Fund invests in international equities listed on share markets around the world by using investment managers from around the world which are combined in a multi-manager fund.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital Global Shares Fund	AMP Capital

Performance objective:

To provide a gross return (before tax, fees, and other expenses) of the MSCI ACWI ex Tobacco Net Index (69% gross hedged to the New Zealand dollar) on a rolling three year basis.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	0%	0 - 15%	N/A
Total Income Assets	0%	0 - 15%	
International equities - Developed markets**	88%	63 - 100%	— MSCI ACWI ex Tobacco Net Index (69% gross hedged to NZD)
International equities - Emerging markets	12%	0 - 27%	
Total Growth Assets**	100%	85 - 100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

** Australasian equities may also be included as International equities - Developed markets. Listed property may also be included as International equities - Developed markets and International equities - Emerging markets.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) target a position of being 69% gross hedged to the New Zealand dollar. The hedges are based on the currency components of the underlying index. Currency hedges are normally rebalanced monthly, but may be adjusted intra-month for significant cash flows.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 10 – Australian Shares

Investment objective and policy:

To achieve long term capital growth through exposure to equities listed or about to list on the Australian Securities Exchange.

The Fund is a diversified portfolio of Australian equities across a range of industries and sectors.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
AMP Capital Australian Shares Fund	AMP Capital

Performance objective:

To provide a gross return (before tax, fees and other expenses) above the return of the S&P/ASX 200 (TR) in New Zealand dollars on a rolling 3 year basis.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	0%	0 - 20%	N/A
Total Income Assets	0%	0 - 20%	
Australian equities**	100%	80 - 100%	– S&P/ASX 200 (TR) (NZD)
Total Growth Assets	100%	80 - 100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

** Listed property may also be included as Australian equities.

Currency hedging policy: The Fund will (or will invest in underlying funds that will) hedge the exposure to Australian dollars back to New Zealand dollars if deemed appropriate. The base position is for the Australian dollar exposure to be unhedged.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to hold derivatives related to each asset class so long as the total market exposure of each asset class remains within their permitted asset allocation ranges above.

Rebalancing policy: The Fund will not itself undertake rebalancing but it may invest into (but will not be restricted to) underlying funds that undertake regular rebalancing to ensure that the actual asset allocations of the underlying funds remain appropriate.

Schedule 11 – Asian Shares

Investment objective and policy:

To achieve long term capital growth primarily through exposure to a portfolio of Asian equities.

The Fund invests into the Pental Asian Share Fund which is an actively managed portfolio of Asian equities, excluding Japan and Australia.

Authorised investments:

The Fund will invest in the asset classes listed in the table below directly or through investing in underlying funds to provide exposure to the asset classes listed (including by using derivatives).

Transactional cash may be held for operational purposes.

Details of the Fund's top 10 investments can be found in the latest fund update, which (if available) is found at amp.co.nz or disclose-register.companiesoffice.govt.nz.

Current investment:

As at the date of this SIPO the Fund is invested in:

Underlying fund	Underlying Fund Manager
Pental Asian Share Fund	Pental

Performance objective:

To provide a gross return (before tax, fees and other expenses) that exceeds the MSCI AC Asia ex Japan Index Net in AUD over the medium to long term.

Benchmark asset allocation, range and benchmark index:

The assets of the Fund (excluding transactional cash) will be invested in underlying funds that provide exposure within the investment ranges set out below:

Asset class	Benchmark asset allocation %*	Range %*	Benchmark index
Cash and cash equivalents	0%	0 - 30%	N/A
Total Income Assets	0%	0 - 30%	
International equities**	100%	70 - 100%	– MSCI AC Asia ex Japan Index Net (AUD)
Total Growth Assets	100%	70 - 100%	

* The above benchmark asset allocations and ranges do not apply to amounts required imminently for payment in cash, including amounts held for investors after commencement of the relevant Fund's winding up prior to payment to them or the Crown under the Trustee Act 1956, and instead the benchmark asset allocation would be 100% in cash or cash equivalents with a range of 100% in respect of such funds.

**Listed property and Australasian equities may be included as International Equities.

Currency hedging policy: The fund invests into an underlying Australian domiciled fund. This AUD exposure is generally 100% hedged back to NZD on an after tax basis, assuming a maximum tax rate of 28%. The underlying fund's foreign currency exposure will generally not be hedged to the Australian dollar, but may be from time to time.

Currency monitoring process: The Fund will (or will invest in underlying funds that will) monitor any currency hedging levels regularly.

Derivatives policy: The Fund (and any underlying fund it invests in) is permitted to use derivatives to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

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Your Adviser's disclosure statement is available from your Adviser on request and free of charge.