



# OnePath investment solutions

Invest your way

# About OnePath

OnePath is one of Australia's leading providers of wealth, insurance and advice solutions. We have been helping Australians grow and protect their wealth for over 130 years, previously as Mercantile Mutual and as ING Australia.

OnePath is a wholly owned subsidiary of Australia and New Zealand Banking Group Limited (ANZ) and operates as part of ANZ's specialist wealth business. By harnessing the scale and strength of the ANZ Group, OnePath is well positioned to support the investment needs of our clients.



## Invest your way

Everyone has different goals and attitudes when it comes to investing.

To help you find an investment that's right for you, OnePath offers a wide selection of investment funds.

The three main types of funds we offer are:

- 1. Single manager funds.** These funds allow you to invest with one investment manager that's a specialist in a single asset class – for example Australian or international shares. See page 5.
- 2. OptiMix funds.** These funds invest in a mix of 'active' investment managers in one or multiple asset classes. See page 6.
- 3. OnePath Diversified Multi-Manager funds.** These funds invest in a mix of 'active' and 'passive' investment managers across multiple asset classes. See page 7.

### Active or passive?

**Active** investment managers attempt to achieve above-market performance by being selective about the shares or securities to invest in, rather than investing in the market as a whole. This approach generally means higher management fees.

**Passive** (or 'index') managers attempt to achieve similar performance to a market index (e.g. the ASX 200) by investing across the whole index. This approach generally means lower management fees.

With the help of your financial adviser, you can invest in a fund that suits your goals, timeframe and attitude to risk.

# Benefits of investing with OnePath

## 1. Broad diversification

Diversification involves spreading your money across different investments. This can help reduce the risk of poor performance and deliver more consistent overall returns.

OnePath's investment solutions allow you to diversify:

- **Within an asset class** – so your returns are less dependent on the performance of any one particular stock or security.
- **Across multiple asset classes** – so your returns are less susceptible to unfavourable market conditions for a particular asset class.
- **Across multiple investment managers** – so your returns are less dependent on the investment style of an individual manager.

## 2. High quality investment managers

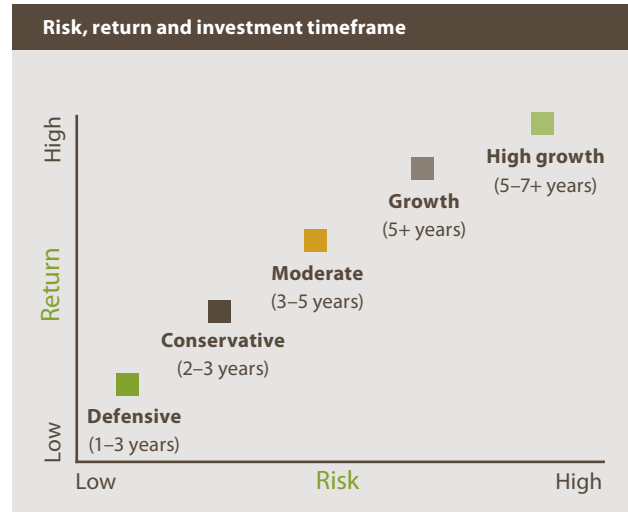
The investment managers we appoint are highly rated within the industry and historically have demonstrated strong investment performance.

Read about the investment managers we partner with on page 5.

## 3. Options to suit you

Our funds offer access to a broad range of investments to suit different types of investors, no matter what your financial goals, tolerance to risk or investment timeframes (Investor Profile).

The graph below shows the potential return and risk for each of our Investor Profiles, and the minimum period normally required for an investment fund to meet its objectives.



It's important to recognise the level of risk you feel comfortable with. You may be risk averse and prefer to invest in safer, low interest cash and bank deposits where the value of your money is unlikely to fall.

You may accept the risk that the value of your money may go down over short periods of time, but has the potential to earn a higher return over a longer timeframe, if invested in growth assets such as shares or property. It is important to remember that losses are always possible, depending on the fluctuations in the sharemarket and when you want to withdraw and use your investment.

For more information on investment managers and funds in this booklet please refer to the relevant Product Disclosure Statement available from your financial adviser or at [onepath.com.au](http://onepath.com.au)

# OnePath single manager investment funds

OnePath's single manager investment funds give you access to the expertise and specialist skills of some of the world's best investment managers, in a single asset class.

| Advantages  | Disadvantages   |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>Targeted</b> investment approach by investing in a single asset class.</li> <li>• An <b>efficient</b> way to fill any gaps in your portfolio.</li> <li>• <b>Actively managed funds</b>, providing the potential to achieve above-market performance.</li> </ul> | <ul style="list-style-type: none"> <li>• Dependency on the performance of a single manager and a single asset class – which can <b>increase fluctuations</b> (particularly in shares and property securities).</li> <li>• An individual manager's <b>investment style</b> may suit some market conditions and not others.</li> <li>• <b>Management fees</b> for the actively managed OnePath single manager funds are generally higher than the OnePath Diversified Multi-Manager funds (within the same risk profile) – (see page 7).</li> </ul> |

All of the investment managers we choose are strong, reputable companies that are well regarded in the marketplace and subject to regular, rigorous review by OnePath.

## Our single manager investment funds

We offer single manager investment funds in all of the major asset classes. While the managers and investment funds available may change over time, our manager line up as at March 2015 is:

### UBS Global Asset Management

- OnePath Australian Shares
- OnePath Blue Chip Imputation
- OnePath Select Leaders
- OnePath Sustainable Investments – Australian Shares
- OnePath Tax Effective Income
- OnePath Cash



### Vontobel

- OnePath Global Shares



### MFS Investment Management

- OnePath Global Emerging Markets Shares



### Karara Capital

- OnePath Australian Small Companies



### CBRE Clarion

- OnePath Global Property Securities



### PIMCO

- OnePath Diversified Fixed Interest
- OnePath Diversified High Yield



# OptiMix investment funds

OnePath's OptiMix investment process provides a convenient and effective way to diversify across multiple investment managers.

Our specialist investment manager selection process ensures experienced investment managers are appointed to each OptiMix portfolio – with regular reviews and active adjustments helping to ensure the optimal mix at all times.

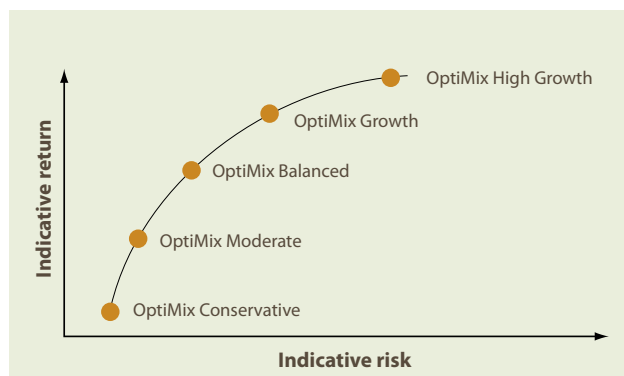
| Advantages   | Disadvantages   |
|--|---|
| <ul style="list-style-type: none"> <li>Diversifying investments across multiple investment managers can help reduce fluctuations and deliver more <b>consistent</b> returns over time.</li> <li>OnePath <b>actively adjusts</b> the allocations to investment managers to help optimise the return opportunities.</li> <li>A choice of <b>single sector and multi-sector funds</b> allows for investment in one or multiple asset classes using the OptiMix multi-manager approach.</li> </ul> | <ul style="list-style-type: none"> <li>Increasing diversification can lower risk but it can also <b>lower potential returns</b>, as not all investment managers are likely to perform well at the same time.</li> <li><b>Management fees</b> for the actively-managed OptiMix funds are generally higher than the OnePath Diversified Multi-Manager funds – which use a combination of active and passive management (see page 7).</li> <li>Although active managers provide the potential to achieve above market performance there is also the <b>potential that they may under-perform</b> against their performance benchmark.</li> </ul> |

## Our OptiMix portfolios

You can access the OptiMix approach across multiple or single asset classes.

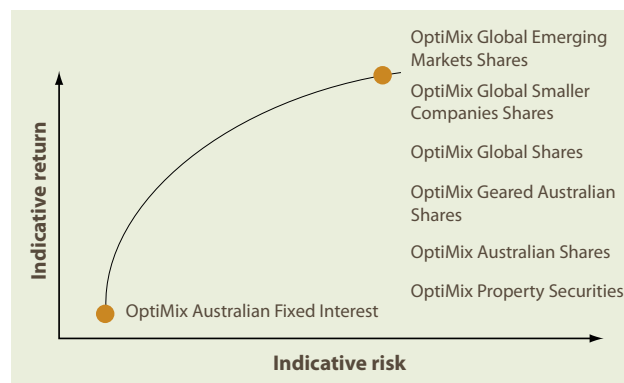
### Multi-sector funds

Each multi-sector investment fund invests in a portfolio of Australian and international assets through a mix of investment managers.



### Single sector funds

OptiMix also gives you access to seven single sector investment funds, all expertly managed by our dedicated investment team.



# OnePath Diversified Multi-Manager investment funds

OnePath Diversified Multi-Manager investment funds offer diversification by combining investments in a blend of single manager investment funds and index funds.

- **Single manager investment funds** are actively managed within a single asset class, offering the potential for above-market performance (see page 5 for more information).
- **Index funds** are designed to replicate the movements of a particular market index (e.g. the ASX 200 for Australian shares). This helps provide smoother performance against nominated benchmarks.

Having both single manager investment funds and index funds in your portfolio helps you take advantage of the benefits of active and passive management.

| Advantages   | Disadvantages   |
|--|---|
| <ul style="list-style-type: none"> <li>• Diversifies investments across a range of investment managers to reduce fluctuations and achieve <b>more consistent returns</b> over time.</li> <li>• Inclusion of actively-managed funds offers the potential for <b>above-market performance</b>.</li> <li>• Inclusion of index funds helps to smooth performance and <b>lower management costs</b>.</li> </ul> | <ul style="list-style-type: none"> <li>• Increasing diversification can lower risk but it can also <b>lower potential returns</b>, as not all investment managers and asset classes are likely to perform well at the same time.</li> <li>• Although active managers provide the potential to achieve above market performance there is also the <b>potential that they may under-perform against</b> their performance benchmark.</li> <li>• Having index funds in a portfolio means the funds are <b>less likely to outperform</b> the broader market.</li> </ul> |

## Our Diversified Multi-Manager funds

We offer a range of Diversified Multi-Manager funds to suit the needs of different types of investors.

| Fund                   | Strategy               | Risk Profile |
|------------------------|------------------------|--------------|
| OnePath Capital Stable | Active / Passive Blend | Conservative |
| OnePath Conservative   | Active / Passive Blend | Conservative |
| OnePath Balanced       | Active / Passive Blend | Moderate     |
| OnePath Active Growth  | Active / Passive Blend | Growth       |
| OnePath Managed Growth | Active / Passive Blend | Growth       |
| OnePath High Growth    | Active / Passive Blend | High Growth  |


 To find out more **more** about **investing**  
 with **OnePath** talk to your financial adviser.

### Customer Services

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This information is current at May 2015 but may be subject to change. This information has been produced by OnePath Funds Management Limited (ABN 21 003 002 800, AFSL 238342), ('issuer'). The issuer is a wholly owned subsidiary of Australian and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ). ANZ is an authorised deposit taking institution (Bank) under the *Banking Act 1959* (Cth). Although the issuer is owned by ANZ it is not a Bank. Except as described in the relevant Product Disclosure Statement (PDS), an investment in a financial product is not a deposit or other liability of ANZ or its related group of companies and none of them stands behind or guarantees the issuer of the capital or performance of an investment.

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