

INVESTMENT STRATEGY FOR 2022/23 THE ASHLEY-BROWN SUPER FUND

Fundamental Objectives of the Fund

- To maintain the assets of the fund solely for the retirement benefits of the member(s) and any dependants, of those members, in the event of a member's death.
- To ensure the fund has sufficient liquidity at all times to meet its commitments
- To formulate an Investment Strategy to meet the fundamental objective of maximising members benefits and returns having given due regard to investment risk.
- To maintain all its assets in investments considered "prudent by a wise man, or woman" in the spirit of superannuation and pension fund guidelines.
- To consider the personal risk insurance requirements of each member of the fund.
- From time to time to seek professional advice from Investment Professionals in the formulation or implementation of this or any future investment strategy.

Investment Objectives

Consideration has been given to each of the members age and personal circumstances. The Fund has a long investment horizon, therefore the members are prepared to endure a reasonable level of volatility of returns in expectation of long term growth. The members are prepared that there might be years where the returns are negative.

- To achieve an average annual return around 3.0% to 5.0% greater than the prevailing annual inflation rate. It is expected that some active management of equities will be employed to assist with this rate of return.
- To ensure that sufficient assets will be available to meet benefit payments when those payments are due to be paid (solvency).
- To ensure that sufficient liquid assets will be available to meet benefit payments as and when those payments are due to be paid (liquidity).
- To provide protection against the chance of a negative return over any 5 year period.

Investment Risks

The Trustee aims to ensure that the purchasing power of the fund remains relevant to members benefit withdrawal needs over the long term. This will require having some of the fund in equity investments.

Diversification across currencies, economies and asset classes may be achieved through a mix of Cash, Fixed Interest, Property both listed and unlisted, as well as Australian and International Investments via the use of direct equities and managed funds.

The trustee recognises that diversification can result in a reduction to return volatility, and will look to diversify through a mix of Cash, Fixed Interest, Property both listed and unlisted, as well as Australian and International Investments via the use of direct equities and managed funds. The Trustee may, however, they choose not to invest in particular asset classes during times of uncertainty.

The Trustee understands that there is a risk associated with equity investments in that the capital value of investments can fluctuate. There is also risk associated with fixed interest investments in that interest rates can fluctuate widely over a longer term.

To assist in reducing risk, the recommended portfolio aims to provide diversification over a number of financial / business sectors.

The Trustee has considered the impact on the fund from COVID-19 and understands that the short term remains uncertain. They are more focused on the medium to longer term outcome and will make alteration if deemed to seem fit for the medium to longer term.