

UPDATED ONEANSWER PDS UPDATE – ADDITION OF ARDEA REAL OUTCOME FUND

PDS Update |16 March 2021

Please note this PDS Update replaces the previous OneAnswer PDS Update – Addition of Ardea Real Outcome Fund dated 18 February 2021 as some of the information in the February 2021 update relating to the name of a document and page number was incorrect.

This Product Disclosure Statement (PDS) Update amends the following PDSs (including incorporated material):

- OneAnswer Investment Portfolio Product Disclosure Statement - Product Book dated 1 December 2020
- OneAnswer Investment Portfolio //Select Fees and Charges Guide 1 December 2020 – closed to new members.

WHY ARE THESE DOCUMENTS BEING AMENDED?

The Ardea Real Outcome fund has been added to the OneAnswer investment menus and is now available for investment.

WHAT IS CHANGING?

OneAnswer Investment Portfolio//Select Fees and Charges Guide dated 1 December 2020

The following row will be inserted in Investor Profile 3 – Moderate on page 7, above Colonial First State Global Credit Income.

Investment fund	Ongoing Fee charged to investment fund (%p.a.)	Rebate paid to //Select (%p.a.)	Total Ongoing Fees and Costs		
			(A) Ongoing Fee (% p.a.)	(B) Indirect Costs (% p.a.)	(C = A + B) Total Fees & Costs (% p.a.)
Ardea Real Outcome	1.95	0.94	1.01	0.00	1.01

OneAnswer Investment Portfolio Product Disclosure Statement - Product Book dated 1 December 2020

The following row will be inserted in Investor Profile 3 – Moderate on page 15, above Colonial First State Global Credit Income.

Investment fund	Ongoing Fee (% p.a.)			Total (% p.a.)	
	Entry Fee option	Nil Entry Fee option	Indirect Costs (% p.a.)	Entry Fee option	Nil Entry Fee option
Ardea Real Outcome	1.10	1.95	0.00	1.10	1.95

onepath.com.au

OnePath Funds Management Limited (ABN 21 003 002 800, AFSL 238342)

OnePath Custodians Pty Limited ABN 12 008 508 496, AFSL 238346, RSE L0000673



OneAnswer Investment Funds Guide dated 1 December 2020

1. The following fund manager profile will be inserted on page 30 above Arrowstreet Capital, Limited Partnership.

ARDEA INVESTMENT MANAGEMENT

Ardea Investment Management (Ardea) is a Sydney-based multi-strategy fixed income manager founded in 2008. It is majority owned by employees.

Ardea manages over \$19.2bn in assets (as at December 2020) across a suite of active investment strategies. Ardea has outsourced non-investment functions to Fidante Partners to provide investment operations and corporate services, as well as distribution and related services. Ardea is co-founded by four ex-Credit Suisse Asset Management (CSAM) professionals with over 20 years of investment experience on average. The investment team is broadly split across investment strategy and risk and implementation.

2. The following investment fund profile will be inserted in Investor Profile 3 – Moderate on page 41, before Colonial First State Global Credit Income.

Ardea Real Outcome

Investment objective

The fund targets a stable return in excess of inflation over the medium term.

Investment strategy

The fund's investment approach is based on generating returns from relative value strategies that aim to exploit mispricing between comparable fixed income securities which are related to each other and have similar risk characteristics but are priced differently. Ardea believes this type of mispricing exists because fixed income markets are inefficient. Ardea have built a repeatable investment process over time around capturing this mispricing. From Ardea's experience, combining a large and diverse range of such relative value opportunities, with risk management strategies to remove unwanted market risk, can deliver reliable risk-adjusted returns independent of the direction of interest rates or broader market fluctuations.

Investment universe and portfolio construction

The fund primarily invests in high quality, liquid Australian and global government bonds, semi-government bonds, interest rate derivatives, and short-term money market instruments. The fund may have up to 25% exposure to direct offshore government bonds. In addition, the fund may also use derivatives to gain additional exposure to non-Australian interest rates.

The fund's net cash and derivative value will not exceed 10% of the net asset value (NAV). The fund is also allowed to enter into repurchase agreements. A repurchase agreement is a money-market instrument generally used to raise funds in the short term. A party will sell a government security (such as a government bond), and will then buy the security back at a pre-agreed price in the near future. Any proceeds from repurchase agreements may be invested in nominal government bonds and inflation linked government bonds, as well as short-dated bank bills negotiable certificates of deposits and promissory notes, with predominantly less than six months to maturity (rated A1 (or equivalent) or better). Portfolios are constructed to achieve risk diversification by combining many modestly sized and uncorrelated relative value positions, so that no single position becomes a dominant driver of overall portfolio risk. Ardea believe this approach delivers more stable returns, with lower risk, compared to portfolios with large directional positions that can overwhelm a fund's risk/return profile.

Ardea aims to fully hedge any foreign currency exposure back to the Australian dollar.

Minimum time horizon

2 years

Distribution frequency

Quarterly

Standard Risk Measure

5 – Medium to high

Asset allocation

Asset class	Benchmark (%)	Range (%)
Cash	n/a	0 - 10
Commonwealth Gov bonds, semi-gov bonds and overseas gov bonds	n/a	90 - 100

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3. The following row will be inserted in the Index under 'Single-manager investment funds' in Investor Profile 3 – Moderate on page 81, before Colonial First State Global Credit Income.

Investment fund	Page
Investor Profile 3 – Moderate	
Ardea Real Outcome	41

OneAnswer Frontier Investment Portfolio – Additional Information Guide dated 1 December 2020

The following row will be inserted in Investor Profile 3 – Moderate on page 14, above Colonial First State Global Credit Income.

Investment fund	ARSN	Constitutional name
Investor Profile 3 – Moderate		
Ardea Real Outcome	135 334 940	One Answer – Ardea Real Outcome Trust

Buy-Sell Spread Guide dated 1 December 2020

The following row will be inserted in the transaction costs table on page 4, above Colonial First State Global Credit Income.

OneAnswer Investment Portfolio (including OneAnswer Frontier, ANZ OneAnswer and //Select)		
Investment fund	Buy spread (%)	Sell spread (%)
Ardea Real Outcome	0.05	0.05

ANY QUESTIONS?

If you have any questions or require further information, please:

- speak with your financial adviser
- call Customer Services on 133 665, weekdays between 8.30am and 6.30pm (AEST)
- email customer@onepath.com.au

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