



The Gift Trust Investment Options

For Gift Accounts over \$20,000 The Gift Trust offers a variety of investment options, giving you choices based on your philanthropic goals and risk tolerance. Whichever option you choose, The Gift Trust ensures the funds in your Gift Account are stewarded so that they are ready whenever you would like to make donations. With any of the options below your fund has the potential to grow **tax-free**, allowing you to give more to charities over time.

1. Bank term deposits

Your gifted funds would be pooled with others and held in a rolling series of bank term deposits. Interest rates fluctuate and can vary between 1% and 4% depending on the year and timeframe. The advantage to this option is the security that your donated funds are never at risk of reducing in value due to investment market fluctuations and you know what level of interest they will earn. The drawback is that interest rates are generally lower than what we would expect in an investment portfolio.

2. Pooled Socially Responsible Investment portfolios

We've worked with accredited financial advisers Bloomsbury Associates to create two ethical, transparent investment options which may provide higher returns over the long term and therefore the ability to give more to charities over time. Socially Responsible investment has grown in recent years and we can now offer what in our view are the "best in market" options in NZ. This is an ideal option for donors who seek a pooled investment strategy that considers social and environmental factors, while also emphasizing financial returns. The portfolios exclude assets in weapons and armaments, nuclear weapons, tobacco, child labour, alcohol, gambling, pornography, fossil fuel stocks and factory farming. There are two options available - Growth and Conservative. You can read more detail on the funds below.

3. Nominate your own trusted financial adviser

Alternatively donors who have more specific needs may recommend your own trusted investment advisor to manage their fund. Please get in touch to discuss this option.

Things to consider to help you decide

Time Horizon: What is your time horizon for donating a significant proportion of your funds to charities? If you are going to donate 50% or more of your Gift Account funds to charity within the next five years you might choose to keep at least that percentage of the funds in bank term deposits. If your time horizon is longer than five years, you might consider one of the investment options below.



Risk tolerance: If you would like to move your funds into Socially Responsible Investments then you need to be comfortable with short term fluctuations in the total value. For example, your funds may drop in value in the short term and be worth less than you originally donated. However, the goal of these invested funds is that they will grow over the long term. The returns - estimated to be 6.12% for the growth fund and 5.16% for the conservative fund - are shown below.



Socially Responsible Investment options

We're offering two investment options both of which have been selected with high ethical standards but which are expected to offer good investment returns over the long term. They take account of a range of social and environmental factors and exclude investments in weapons and armaments, nuclear weapons, tobacco, child labour, alcohol, gambling, pornography, fossil fuel stocks and factory farming.

Option 1: Socially Responsible Investment Growth Portfolio

A diversified portfolio allocated to 80% equity and property, and 20% fixed income and cash. It is likely to achieve higher returns over 10 years or more but is expected to show higher volatility in the value of funds held throughout that period.



Projected long term annual return: 6.12% (after fees).

Total Annual Investment Fees (in addition to your Gift Trust fees): 1.30%

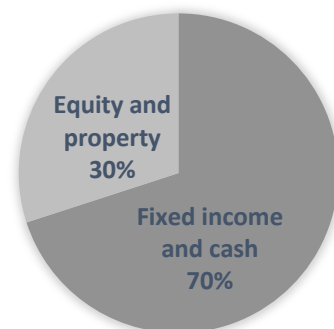
Investments	Target allocation
<u>Australasian Equities</u>	
Perpetual Ethical SRI Fund	3.9%
Australian Ethical Investment Ltd Australian Shares Fund	3.9%
<u>International Equities</u>	
Australian Ethical Investment Ltd International Shares Fund	22.8%
Pathfinder Responsible Investment Fund (Wholesale) - NZD hedged	45.5%
<u>New Zealand Property</u>	
Goodman Property Trust	0.9%
Kiwi Property Group Limited	1.0%
Precinct Properties New Zealand Limited	0.9%
<u>International Property</u>	
Pathfinder Global Property Trust	1.1%
<u>Fixed interest</u>	
Vanguard Ethically Conscious Global Aggregate Bond Index Fund	9.0%
Direct term deposits (30/60/90 days) & NZ Government Stock	9.0%
Cash account	2.0%
TOTAL	100%

If you would like more detail on the underlying funds we can make these available.

This allocation of investments could change without notice as more appropriate solutions become available.

Option 2: SRI Conservative Portfolio

A diversified portfolio allocated to 30% equity and property, and 70% fixed income and cash. It is likely to achieve higher returns than bank deposits over a five-year period and with lower volatility than the Growth Portfolio.



Projected long term annual return: 5.16% (after fees)

Total Annual Investment Fees (in addition to your Gift Trust fees): 1.01%

Asset type	Target allocation
<u>Australasian Equities</u>	
Perpetual Ethical SRI Fund	1.9%
Australian Ethical Investment Ltd Australian Shares Fund	1.9%
<u>International Equities</u>	
Australian Ethical Investment Ltd International Shares Fund	8.1%
Pathfinder Responsible Investment Fund (Wholesale) - NZD hedged	16.3%
<u>New Zealand Property</u>	
Goodman Property Trust	0.4%
Kiwi Property Group Limited	0.5%
Precinct Properties New Zealand Limited	0.4%
<u>International Property</u>	
Pathfinder Global Property Trust	0.5%
<u>Fixed interest</u>	
Vanguard Ethically Conscious Global Aggregate Bond Index Fund	34.0%
Direct term deposits (30/60/90 days) & NZ Government Stock	34.0%
Cash account	2.0%
TOTAL	100%

If you would like more detail on the underlying funds we can make these available.

This allocation of investments could change without notice as more appropriate solutions become available.