



Statement of Investment Policy

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Date of last review:
Approved Board Meeting:
Next review due:

General Information

The Sunrise Foundation (the Foundation) was established by Trust Deed 21 March 2014.

Scope of this Investment Policy

This statement contains the policies, objectives and constraints for the investment of endowment funds held by the Foundation.

Purpose of Investment Policy

The purpose of this statement is to:

1. Define and assign responsibilities for management of the Foundation's endowment fund investments ('the Fund').
2. Establish the investment goals and objectives of the Foundation.
3. Provide guidance and limitations to Investment Committee members regarding the Fund.

Authority & Responsibilities of the Board

The Board is responsible for directing and monitoring the Foundation's Investment Policy. This includes, but is not limited to:

1. Establishing investment policy and objectives which will guide investment of the Fund.
2. Appointing an Investment Committee that will be accountable for implementing policy on behalf of the Board.

Authority of the Investment Committee

The Investment Committee is authorised to engage one or more investment managers to manage the Fund or any part of the Fund in accordance with this Statement of Investment Policy.

Responsibility of the Investment Committee

The Investment Committee is responsible for managing the Fund.

The Investment Committee will:

1. Have full discretion to manage the Fund in accordance with this Statement of Investment Policy.
2. Provide the Board with investment performance reports on a quarterly basis.
3. Provide the Board with other reports or information as requested.
4. Inform the Board of any information considered material regarding the Fund, particularly in relation to significant changes to economic outlook, investment strategy, or any other factors which have the potential to impact the long-term investment objectives of the Foundation.

General Investment Principles

1. Investments shall be made solely for the benefit of the Foundation.
2. Foundation assets shall be invested with the care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the investment of assets for an organisation of like character and with like objectives.
3. Investment of the Fund shall be diversified to minimize the risk of significant losses from any single asset.

Investment Management Policy

1. Preservation of Capital – The Investment Committee shall make reasonable efforts to preserve capital overall, even though losses may occur in individual securities and in certain asset classes.
2. Risk Aversion – Although reasonable risk is necessary to produce long-term investment results meeting the Foundation's objectives, the Investment Committee is to make every reasonable effort to control risk.
3. Adherence to Investment Discipline – The Investment Committee is expected to adhere to this Statement of Investment Policy.

Investment Objectives

The Foundation's specific investment objectives are as follows:

1. The Fund will generate sufficient returns to firstly maintain the real value of the Fund, secondly to cover annual distributions, and thirdly to pay up to 1% of the value of the portfolio to Sunrise Foundation to meet administration costs.
2. The Fund will be invested with an expectation that negative annual returns will be infrequent (less than 1 year in every 5 years).
3. Maintain an overall level of risk in the Fund that is consistent with return requirements.

Asset Allocation

1. Endowment funds are held by the Foundation in perpetuity. The Investment Committee has determined that an appropriate long-term benchmark for investments held in perpetuity is to hold 70% of the Fund in growth assets and 30% in income assets, as follows.

Asset Class	Benchmark	Range
Shares listed – NZ	15%	+ - 10%
Shares listed - Aus	15%	+ - 10%
Shares listed – International	30%	+ - 10%
Property listed	10%	+ - 10%
Growth	70%	+ - 10%
Fixed Interest - NZ	25%	+ - 10%
Fixed Interest - International	0%	+ - 10%
Cash - on call to 90 days	5%	+ - 10%
Income	30%	
Total	100%	

2. Asset allocation targets will be reviewed annually.

Performance reporting

The Investment Committee will provide investment performance reports to the Board on a quarterly basis.

Income

The Board may periodically provide the Investment Committee with an estimate of expected income requirements.

Marketability of Assets

Subject to the Investment Guidelines below, the Foundation's investments shall be in liquid securities, defined as securities that can be transacted quickly and efficiently with minimal impact on market price.

Investment Guidelines

Authorised Investments

1. Cash Equivalents

Call or Term Deposits, including Current accounts with any New Zealand Registered Bank.

2. Fixed Interest Securities

- Government Bonds
- Local Authority Bonds
- Registered Banks
- Corporate Bonds
- Preference Shares
- Unit Associations investing in any of the above Fixed Income securities or Cash Equivalents.

3. Equity and Property Securities

- Common Stocks
- Listed Property Trusts
- Exchange Traded Funds
- Unit Associations investing in any of the above equity and property securities.

Fixed Interest Portfolio Guidelines

Maximum exposure to any one rating tier within the Fixed Interest portfolio

Rating tier	SIPO compliance
AAA (+ or -)	100%
AA (+ or -)	80%
A (+ or -)	70%
BBB (+ or -)	20%
Unrated (below BBB -)	0%

Fixed Interest Investment Restrictions

There is no maximum exposure for any one entity in the portion of the portfolio allocated to Fixed interest, however issuer exposures will be detailed in regular reporting.

Equity Portfolio Guidelines

Where an investment is not held within a managed fund the Maximum exposure to any one issue within the total portfolio

	Maximum exposure to any one issue within the total portfolio
(Market capitalisation)	
Companies less than \$100m	No holdings
Companies \$100m - \$500m	3%
Companies \$500m - \$2b	5%
- Companies \$2b and above	15%
Sector or sub-industry limit:	30%

Prohibited Securities

The Foundation will not hold investments in companies whose principal business is to operate in the following industries:

- Tobacco products
- Gambling
- Armaments/Weapons

An exception to these restrictions shall apply to investments which are held in a managed fund or ETF equivalent and are considered negligible within those funds.

Prohibited Transactions

The Foundation will not undertake transactions using futures, options, other derivatives, currency hedging and short selling.

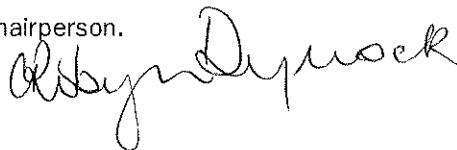
Managers may be employed who undertake those transactions as part of their investment activities to enhance returns and manage risks.

Investment Policy Review

The Board intends to review this Statement at least every 2 years.

This statement has been reviewed and approved by the Board of The Sunrise Foundation:

Signed by Rob Dymock - Chairperson.



Approval Date:

17/01/2024

Date of last review:

Approved Board Meeting:

Next review due: