

# AON MASTER TRUST

## Annual Report Supplement 2008

**THIS SUPPLEMENT TO THE AON MASTER TRUST 2008 ANNUAL REPORT IS ISSUED TO MEMBERS OF THE AON MASTER TRUST WHO WERE INVESTED IN ONE OR MORE TIER 3: SPECIALIST OPTIONS AS AT 30 JUNE 2008.**

For each of the Tier 3: Specialist options, this supplement reports on:

- investment objective and strategy
- asset allocation at 30 June 2008 and 30 June 2007
- return for years ended 30 June 2004 – 2008
- compound average return at 30 June 2008 (since inception)
- market value at 30 June 2008
- percentage of total Aon Master Trust assets at 30 June 2008.

Every care has been taken in the production of the tables in this supplement. While the investment performance information contained in them has been obtained from sources that the trustee (Aon Superannuation Pty Limited) believes to be reliable, the trustee does not warrant, represent or guarantee the accuracy, adequacy, completeness or fitness for any purpose that the information may be used. The trustee can accept no liability for any loss incurred in any way whatsoever by any person who may rely on it.

### **Your Aon Master Trust annual reporting information consists of:**

- this supplement
- the 2008 annual report
- your 2008 benefit statement

The Aon logo is located in the bottom right corner of the page. It consists of the word "Aon" in a white, bold, sans-serif font, set against a dark, circular background that is part of a larger graphic element on the right side of the page.

# INVESTMENT OBJECTIVES AND STRATEGIES

	investment objective	investment strategy	asset allocation at 30 June 2008 (30 June 2007 in brackets)
<b>Australian shares</b>			
AMP Capital Sustainable Future Australian Share Fund	To provide a total return, after costs and before tax, that is higher than the return from the benchmark on a rolling 3-year basis.	Invests in companies within 'industries of the future' which are providing solutions to social and environmental challenges, as well as 'leaders within traditional sectors' that exhibit high levels of corporate social responsibility.	Australian shares ..... 100% (100%)
Ausbil Australian Emerging Leaders Fund	To provide long-term growth with moderate tax-effective income.	Invests to obtain a wide range of assets primarily chosen from the S&P/ASX 300 Index, but generally exclude securities from the S&P/ASX 50 Leaders Index. Invests in both mid and small cap stocks with potential for superior growth.	Australian shares ..... 100% (100%)
Barclays Investment Funds Aust. Alpha Equity Fund	To provide returns that exceed the S&P/ASX300 Accumulation Index over rolling 3-year periods.	This fund is designed to be a highly diversified equity strategy providing broad exposure to the Australian equity market.	Australian shares ..... 100% (100%)
Colonial First State Wholesale Imputation Fund	To provide long-term capital growth with some tax-effective income by investing in a broad selection of companies listed on the Australian Stock Exchange.	Holds a diversified portfolio of Australian shares listed on the Australian Stock Exchange with some exposure to cash (up to 10%).	Australian shares ..... 100% (100%)
JF Capital Partners Australian Equity Trust	To provide capital growth, targeting a return of 2.5% to 5.0% above the return from the S&P/ASX 300 Accumulation Index over a period of 3 to 5 years.	Invests in shares of listed Australian companies that they believe are strategically sound and attractively priced.	Australian shares ..... 100% (100%)
Perpetual Wholesale Industrial Fund	To provide investors with long-term capital growth and income through investment in quality Australian industrial shares.	Holds a diversified portfolio of Australian industrial shares listed on the Australian Stock Exchange and some exposure to cash (up to 10% at any time).	Australian shares ..... 100% (100%)
SSGA Australian Equities Index Trust	To provide a return that closely matches the benchmark return before fees.	The fund strategy is to fully replicate the benchmark holdings in order to closely match the benchmark return and risk characteristics.	Australian shares ..... 100% (100%)
<b>international shares</b>			
AMP Capital Future Directions Extended Mkts Int'l Share Fund	To provide high returns over the long term while accepting high levels of volatility. This fund aims to provide a total return, after costs and before tax, higher than the return from the benchmark on a rolling 12-month basis.	Managed using a multi-manager style with passive re-weighting to the benchmark asset mix (ie no active or significant positions away from the benchmark).	International shares ..... 100% (100%)

	investment objective	investment strategy	asset allocation at 30 June 2008 (30 June 2007 in brackets)
Barclays Investment Funds – Int'l Alpha Equity Fund	To provide returns that exceed those of the MSCI World ex Aust. Index over rolling 3-year periods.	This fund is designed to be a highly diversified international equity strategy providing broad exposure to the world (ex Aust.) equity markets.	International shares..... 100% (100%)
Credit Suisse Asset Management Int'l Shares PST	To provide exposure to primarily international shares with potential to achieve a high level of investment growth over the long term with the benefit of exposure to world growth opportunities.	To invest in a range of quality international share investments with a wide geographic spread and actively manage currency risk to add additional value. A maximum of 50% of the fund may be hedged at any time.	International shares..... 100% (100%)
Platinum International Fund	To provide capital growth over the long term through searching out undervalued listed and unlisted investments around the world.	The fund invests primarily in international securities. The portfolio ideally will consist of around 100 to 200 stocks believed to be undervalued by the market. Where undervalued stocks cannot be found funds may be invested in cash. The manager may short sell shares that it considers to be overvalued. Typically the portfolio will have 50% or more net exposure to stocks. Currency is actively managed.	International shares..... 100% (100%)
SSGA International Equities Index Trust	To provide a return that closely matches the benchmark return before fees.	The fund strategy is to fully replicate the benchmark holdings in order to closely match the benchmark return and risk characteristics.	International shares..... 100% (100%)
<b>property</b>			
AMP Australian Core Property Portfolio	To outperform the benchmark on a rolling 3-year basis.	Invests in high quality Australian property.	Property ..... 100% (100%)
SSGA Australian Listed Property Index Trust	To provide a return that closely matches the benchmark return before fees.	The fund strategy is to fully replicate the benchmark holdings in order to closely match the benchmark return and risk characteristics.	Property ..... 100% (100%)
United Funds Mgmt – United Sector Leader Property Fund <sup>1</sup>	To provide investors with a total investment return that is at least equal to the rate of increase of the asset-weighted composite of the S&P/ASX 300 Property Trust Accumulation Index and the UBS Global Real Estate Investors ex-Australia Index (hedged) before fees and taxes over rolling periods of 5 years or longer.	The fund adopts the multi-manager sector specialist investment approach by outsourcing the security selection function to a range of high quality investment managers with specific skills and expertise at managing investments within a specific investment class. It aims to achieve a style neutral portfolio, which can provide superior returns more consistently than any single manager.	Property ..... 100% (100%)
<b>fixed interest</b>			
Macquarie Global Bond Solution	Aims to outperform the UBS Australian Composite Bond Index over the medium term (before fees) by using an active investment strategy.	Uses various managers to manage those assets where they have demonstrated expertise.	Australian/international fixed interest..... 100% (100%)

<sup>1</sup> Formerly Challenger Wholesale Property Securities/HSBC Wholesale Property Securities.

	investment objective	investment strategy	asset allocation at 30 June 2008 (30 June 2007 in brackets)
SSgA Australian Fixed Income Index Trust	To provide a return that closely matches the benchmark return before fees.	The fund strategy is to use index sampling techniques to approximate the benchmark in a range of key risk areas.	Australian fixed interest ..... 100% (100%)
SSgA Global Fixed Income Index Trust	To provide a return that closely matches the benchmark return before fees.	The fund strategy is to use index sampling techniques to approximate the benchmark in a range of key risk areas. Foreign exchange contracts are used to hedge current exposures to Australian dollars.	International fixed interest ..... 100% (100%)
<b>diversified</b>			
Barclays Super. Funds Diversified Growth Fund	To achieve superior investment performance through providing returns, before fees and taxes, that exceed those of the neutral portfolio benchmark over rolling 3-year periods. The neutral benchmark comprises of 30% interest bearing assets and 70% growth assets.	The fund invests in various asset classes primarily via actively managed sector funds. Each sector fund utilises a disciplined active approach to investment management that aims to add value and control active risk, with the exception of a passive international bond fund.	Aust. shares ..... 33% (34%) Int'l shares (unhedged) ..... 20% (20%) Int'l shares (hedged) ..... 8% (8%) Listed property ..... 5% (5%) Alternatives ..... 10% (8%) Aust. fixed interest ..... 13% (16%) Int'l fixed interest ..... 5% (2%) Cash ..... 6% (7%)
Barclays Super. Funds Diversified Stable Fund	Aims to achieve superior investment performance through providing returns, before fees and taxes, that exceed those of the neutral portfolio benchmark over rolling 3-year periods. The neutral benchmark comprises of 70% interest bearing assets and 30% growth assets.	The fund invests in various asset classes primarily via actively managed sector funds. Each sector fund utilises a disciplined active approach to investment management that aims to add value and control active risk, with the exception of a passive international bond fund.	Aust. shares ..... 13% (14%) Int'l shares (unhedged) ..... 8% (3%) Int'l shares (hedged) ..... 0% (5%) Listed property ..... 5% (5%) Alternatives ..... 13% (8%) Aust. fixed interest ..... 30% (33%) Int'l fixed interest ..... 6% (7%) Cash ..... 25% (25%)
ING Wholesale Managed Growth Trust	Aims to achieve gross returns that on average exceed inflation by at least 5% pa over periods of 5 years or more.	Invests in a diversified mix of Australian and international assets with a strategic bias towards growth assets.	Aust. shares ..... 38% (37%) International shares ..... 23% (29%) Listed property ..... 6% (10%) Global property ..... 3% (2%) Other ..... 3% (0%) Aust. fixed interest ..... 14% (10%) Int'l fixed interest ..... 2% (3%) Cash ..... 11% (9%)

	investment objective	investment strategy	asset allocation at 30 June 2008 (30 June 2007 in brackets)
Maple-Brown Abbott PST	To outperform, over rolling 3-year periods, the average of other pooled superannuation funds (as measured by the Mercer Investment Consulting Pooled Fund Survey – Arithmetic Mean).	Invests in various asset classes and applies an active value-based style to select securities within each class. Tactical asset allocation changes are implemented over time to increase prospective returns and protect capital.	Aust. shares ..... 34% (32%) International shares ..... 20% (21%) Property ..... 6% (6%) Alternatives ..... 3% (2%) Fixed interest ..... 24% (21%) Liquidity/Cash ..... 13% (18%)
MLC Aggressive Option	Return potential in excess of CPI + 4.5% on average pa over the longer term.	The fund invests in a portfolio of Australian and global shares, property securities and private markets.	Aust. shares ..... 41% (41%) Int'l shares (unhedged) ..... 25% (25%) Int'l shares (hedged) ..... 26% (27%) Aust. property ..... 3% (3%) Private markets ..... 5% (4%)
MLC Assertive Option	Return potential in excess of CPI + 4.0% on average pa over the longer term.	Invests in a number of asset classes, including shares, property securities, private markets and bonds. The fund focuses on assets with greater growth potential.	Aust. shares ..... 36% (36%) Int'l shares (unhedged) ..... 23% (23%) Int'l shares (hedged) ..... 18% (19%) Aust. property ..... 3% (3%) Diversified debt ..... 15% (15%) Private markets ..... 5% (4%)
MLC Moderate Option	Return potential in excess of CPI + 3.0% on average pa over the longer term.	Invests in a number of asset classes, including shares, property securities, private markets and bonds.	Aust. shares ..... 31% (32%) Int'l shares (unhedged) ..... 16% (17%) Int'l shares (hedged) ..... 12% (14%) Aust. property ..... 4% (4%) Diversified debt ..... 31% (29%) Private markets ..... 5% (4%)
MLC Conservative Option	Return potential in excess of CPI + 2.0% on average pa over the longer term.	Invests in a number of asset classes, including shares, property securities, private markets and bonds. The fund favours more secure assets.	Aust. shares ..... 9% (10%) Int'l shares (unhedged) ..... 10% (11%) Int'l shares (hedged) ..... 5% (6%) Aust. property ..... 2% (2%) Diversified debt ..... 62% (60%) Private markets ..... 2% (1%) Cash ..... 10% (10%)

# RETURNS, MARKET VALUE & PERCENTAGE OF TOTAL AON MASTER TRUST ASSETS

	return (%) for year ended 30 June					compound average return (%) <sup>1</sup>	inception date	market value at 30/6/2008 \$'000	% total Aon Master Trust assets at 30/6/2008
	2008	2007	2006	2005	2004				
<b>Australian shares</b>									
AMP Capital Sustainable Future Aust. Share Fund	-12.4	23.8	26.8	19.6	16.8	14.0 pa	15/12/01	2,043	0.2
Ausbil Australian Emerging Leaders Fund	-12.1	N/A <sup>2</sup>	N/A	N/A	N/A	4.6 (SI) pa	18/7/06	905	0.1
Barclays Investment Funds Aust. Alpha Equity Fund	-12.8	25.5	22.2	21.4	9.7	12.3 (SI) pa	29/3/03	1,131	0.1
Colonial First State Wholesale Imputation Fund	-14.8	18.1	21.9	23.3	13.5	11.4 pa	9/11/01	5,394	0.4
JF Capital Partners Australian Equity Trust	-8.7	22.7	26.8	27.7	21.5	17.2 pa	20/10/01	2,545	0.2
Perpetual Wholesale Industrial Fund	-20.9	24.5	13.0	18.4	18.4	9.4 pa	30/11/01	6,376	0.5
SSgA Australian Equities Index Trust	-10.8	25.4	22.3	N/A	N/A	13.3 (SI) pa	16/9/04	10,448	0.8
<b>International shares</b>									
AMP Capital Future Directions Extended Mkts Int'l Share Fund	-15.5	11.2	N/A <sup>3</sup>	N/A	N/A	2.1 (SI) pa	8/9/05	497	0.0
Barclays Investment Funds – Int'l Alpha Equity Fund	-17.2	5.5	N/A <sup>3</sup>	N/A	N/A	-2.7 (SI) pa	3/11/05	195	0.0
Credit Suisse Asset Mgmt Int'l Shares PST	-19.5	4.0	15.7	-2.9	14.4	1.5 pa	15/12/01	954	0.1
Platinum International Fund	-14.6	5.9	20.9	-2.0	23.4	5.8 pa	13/12/01	5,759	0.4
SSgA International Equities Index Trust	-18.4	6.3	18.8	N/A	N/A	2.4 (SI) pa	16/9/04	2,401	0.2
<b>Property</b>									
AMP Australian Core Property Portfolio	16.6	22.7	12.6	N/A	N/A	15.6 (SI) pa	2/11/04	2,117	0.2
SSgA Australian Listed Property Index Trust	-30.5	22.0	18.3	N/A	N/A	2.1 (SI) pa	5/8/04	2,280	0.2
United Funds Mgmt – United Sector Leader Property Fund <sup>4</sup>	-29.8	22.3	8.8	15.4	13.0	4.1 pa	11/1/02	764	0.1
<b>Fixed interest</b>									
Macquarie Global Bond Solution	2.7	5.8	1.6	9.5	3.7	4.6 pa	9/11/01	1,011	0.1
SSgA Australian Fixed Income Index Trust	3.2	3.5	1.8	N/A	N/A	3.4 (SI) pa	15/8/04	1,195	0.1
SSgA Global Fixed Income Index Trust	7.6	4.1	0.4	N/A	N/A	4.9 (SI) pa	5/9/04	2,080	0.2

	return (%) for year ended 30 June					compound average return (%) <sup>1</sup>	inception date	market value at 30/6/2008 \$'000	% total Aon Master Trust assets at 30/6/2008
	2008	2007	2006	2005	2004				
<b>Diversified</b>									
Barclays Super. Funds Diversified Growth Fund	-10.3	14.6	15.4	14.5	N/A	8.1 (SI) pa	28/5/04	2,914	0.2
Barclays Super. Funds Diversified Stable Fund	-1.9	8.0	7.8	10.0	N/A	5.9 (SI) pa	28/5/04	1,734	0.1
ING Wholesale Managed Growth Trust	-10.6	10.9	13.5	13.0	12.8	7.5 pa	9/11/01	2,840	0.2
Maple-Brown Abbott PST	-9.0	14.1	11.5	N/A	N/A	5.8 (SI) pa	9/11/01	19,502	1.4
MLC Aggressive Option	-12.5	18.7	19.6	13.8	N/A	9.1 (SI) pa	30/6/04	5,328	0.4
MLC Assertive Option	-9.7	16.4	16.4	11.8	N/A	8.6 (SI) pa	28/5/04	12,232	0.9
MLC Moderate Option	-7.2	14.3	14.1	12.8	N/A	8.1 (SI) pa	30/6/04	38,650	2.9
MLC Conservative Option	-0.9	7.6	8.0	7.4	N/A	5.6 (SI) pa	28/5/04	1,620	0.1

**Please note:**

- Past performance should not be considered a guide to future performance.
- Returns are calculated using Aon Master Trust unit prices, after investment management fees and tax on investment income, but before any direct fees.

N/A Product not offered in this time period.

<sup>1</sup> Compound average return is for 5 years to 30 June 2008 unless marked SI (since inception) when it is the compound average return from inception date to 30 June 2008.

N/A<sup>2</sup> Less than one year's performance history in the Aon Master Trust as at 30 June 2008.

N/A<sup>3</sup> Less than one year's performance history in the Aon Master Trust as at 30 June 2007.

<sup>4</sup> Formerly Challenger Wholesale Property Securities/HSBC Wholesale Property Securities.

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