



Pathfinder™

Fund Update

Pathfinder KiwiSaver Plan *Conservative Fund*

For the quarter end 30 June 2024
First made publicly available 26 July 2024



Fund Update

Pathfinder KiwiSaver Plan - Conservative Fund

Quarter ended 30 June 2024

This fund update was first made publicly available on 26 July 2024.

What is the purpose of this update?

This document tells you how the Pathfinder KiwiSaver Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Pathfinder Asset Management Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

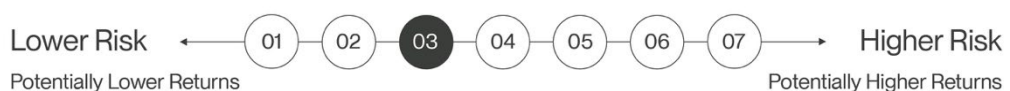
Description of this Fund

The Fund is an ethical portfolio with a higher exposure to income assets and a lower exposure to growth assets. This Fund’s value is unlikely to fluctuate as much as the Pathfinder KiwiSaver Balanced Fund or Pathfinder KiwiSaver Growth Fund.

| | |
|---------------------------------|-----------------|
| Total value of the fund | \$16,624,688.39 |
| Number of investors in the fund | 635 |
| Date the fund started | 23 July 2019 |

What are the risks of investing?

Risk indicator for the Pathfinder KiwiSaver Conservative Fund:





The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund’s assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund’s future performance. The risk indicator is based on the returns data for the 5-year period from 01 July 2019 to 30 June 2024. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the Product Disclosure Statement (**PDS**) for more information about the risks associated with investing in this fund. Also, see *Note 1* for information on the risk indicator calculation.

How has the fund performed?

Past year

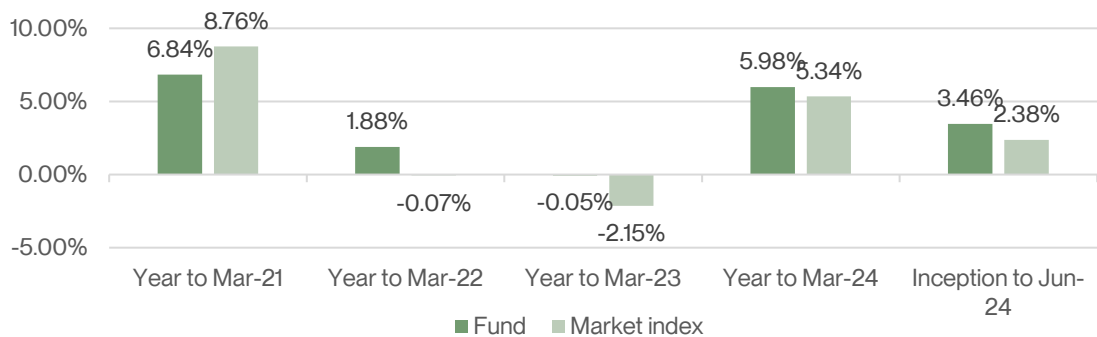
| | |
|--|-------|
| Annual return (after deductions for charges and tax) | 5.43% |
| Annual return (after deductions for charges but before tax) | 6.73% |
| Market Index Annual return (reflects no deductions for charges and tax) | 5.28% |

The Market Index is the Morningstar® Target Allocation Index™: Conservative Multisector for New Zealand, non-New Zealand Fixed Interest 100% hedged to NZD². The index is gross of dividends and tax except for International Equities and International Listed Properties, which are gross of dividends after deducting the tax withheld.



Additional information about the index is available on the offer register at www.business.govt.nz/disclose (search Offers, using Offer OFR10780, Documents, Other Material Information).

Annual Return Graph



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 June 2024.

Important: this does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.



What fees are investors charged?

Investors in the Pathfinder KiwiSaver Conservative Fund are charged fund charges. In the year to 31 March 2024 these were:

| Pathfinder KiwiSaver Conservative Fund | % of net asset value |
|--|----------------------------|
| Total fund charges* (which are made up of) | 0.88% |
| Total management and administration charges Including- | 0.88% |
| Manager basic fee | 0.80% |
| Other management and administration charges** | 0.08% |
| Other charges (Administration and member fees) *** | \$27 per investor per year |

* All amounts exclude any applicable GST

** Other management and administration charges comprise fees paid by the Fund for its investment in the related funds, Pathfinder Green Bond Fund, and the Alvarium Sustainable Income Fund.

*** Member fees are not applicable for members under 18 years old or members whose account balance is below \$1,000.

Performance fees and individual action fees: There are no performance fees or individual action fees.

Small differences in fees and charges can have a big impact on your investment over the long term.

Example of how this applies to an investor

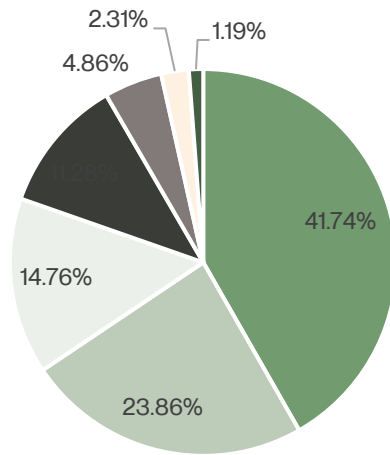
Tara had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Tara received a return after fund charges were deducted of \$673 (that is 6.73% of her initial \$10,000). Tara also paid \$27 in other charges. This gives Tara a total return after fees, charges, and tax of \$516 for the year.



What does the fund invest in?

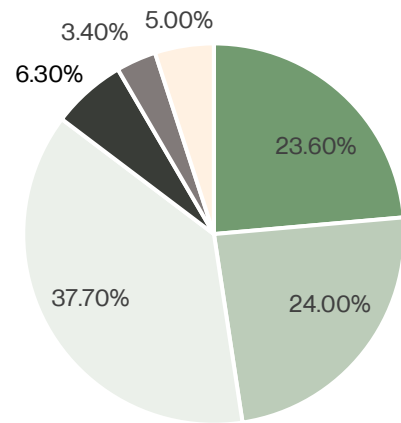
This shows the type of assets that the fund invests in.

Actual investment mix³



- New Zealand fixed interest: 41.74%
- Cash and Cash equivalents: 23.86%
- International fixed interest: 14.76%
- International equities: 11.28%
- Australasian equities: 4.86%
- Other: 2.31%
- Listed property: 1.19%

Target investment mix



- New Zealand fixed interest: 23.60%
- Cash and Cash equivalents: 24.00%
- International fixed interest: 37.70%
- International equities: 6.30%
- Australasian equities: 3.40%
- Other: 5.00%



Top 10 investments

| Name | % of fund net assets | Type | Country | Credit rating |
|---|----------------------|------------------------------|---------|---------------|
| Cash at Bank - NZD - Westpac | 23.26% | Cash and cash equivalents | NZ | AA- |
| Kapstream Absolute Return Income Plus Fund | 4.36% | International fixed interest | AU | A- |
| Kiwibank Bond 20/09/2024 | 3.67% | New Zealand fixed interest | NZ | AA |
| Community Refuge Fund 21/03/2026 | 2.27% | New Zealand fixed interest | NZ | Unrated |
| Westpac Bond 29/07/2024 | 2.12% | New Zealand fixed interest | NZ | AA- |
| ASB Bond 16/11/2026 | 1.84% | New Zealand fixed interest | NZ | AA- |
| BNZ Bond 07/06/2027 | 1.74% | New Zealand fixed interest | NZ | AA- |
| Landwirtschaftliche Rentenbank 11/02/2027 | 1.73% | International fixed interest | DE | AAA |
| The Independent Mortgage Co Bond 30/06/2024 | 1.73% | New Zealand fixed interest | NZ | Unrated |
| ANZ Bond 17/09/2031 | 1.59% | New Zealand fixed interest | NZ | AA- |

The top 10 investments make up 44.30% of the net asset value of the fund.

Currency hedging: Changes in the value of the NZ dollar relative to other currencies can have a big impact on your investment over the long term. The target currency hedging is 50% of non-NZD equity exposure and 100% of non-NZD fixed interest exposure (actual hedging level at 30 June 2024 was 64.50% of the foreign currency exposure (this will change over time)). Total unhedged foreign exposure is 10.55% of the net asset value at 30 June 2024 (this will change over time).



Key personnel

| Name | Current position | Time in position | Previous position | Time in position |
|-------------|-------------------------------|-------------------|------------------------------------|------------------|
| John Berry | Chief Executive Officer | 15 years 3 months | Deutsche Bank - Consultant | 5 years |
| Wayne Ross | Chief Investment Officer | 0 years 5 months | Newton Ross – Founder and Director | 20 years |
| Kent Fraser | Chair of Investment Committee | 7 years 9 months | | |

Further information

You can also obtain this information, the [PDS](#) for Pathfinder KiwiSaver Plan, and some additional information from the offer register at www.business.govt.nz/disclose

Notes:

1. **Risk indicator:** This risk indicator is not a guarantee of a fund's future performance. Market index returns as well as the fund's actual returns have been used to fill in the risk indicator because the risk indicator is calculated using returns data for the five-year period ending on 30 June 2024. Market index returns have therefore been used for the period from 1 July 2019 to 23 July 2019 when the fund was not in existence or available for investors, and actual fund returns have been used since then. As a result of those returns being used, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.
2. The market index changed on 1 December 2021. The previous index was a weighted composite benchmark index as described in the [SIPQ](#) ("3. Investment objective and benchmark") dated 22 July 2024. The new index is independently administered and widely used to compare funds in New Zealand. The manager also considers that the new market index is more appropriate for measuring changes in the market in relation to returns on the assets that the Fund invests in. As a result, the market index annual return is calculated using the previous market index for the period since Fund inception to 30 November 2021 and the new market index from 1 December 2021.
3. **Actual Investment Mix - Other:** Other assets are direct investments that are unlikely to be stock exchange listed. These can include investments known as 'impact investments', 'venture capital', 'private equity', and carbon credits. This category also includes unlisted property, such as direct ownership in property or ownership of property companies that are not listed on a stock exchange.