



Pathfinder Managed Investment Scheme

ANNUAL REPORT 2018



Overview of Pathfinder

Pathfinder is a boutique fund manager based in Auckland. We focus on responsible investment in global assets.

We launched our first PIE fund in 2009 and now manage 5 funds for retail investors:

- Global Water Fund
- Global Responsibility Fund
- Global Property Fund
- World Equity Fund
- Commodity Plus Fund

We also manage one wholesale fund for institutional investors (the Responsible Investment Fund).

Key recent milestones for Pathfinder include:

- **Launching the Global Responsibility Fund:** This new retail global equity fund launched in October 2017 and has a strong environmental, social and governance (ESG) focus.
- **Exclusions Policy:** We introduced a new Exclusions Policy to define revenue streams and business activities our investment process will avoid. This document, along with our Socially Responsible Investment Policy, can be found on our website.
- **CGI Glass Lewis:** In September 2017 we engaged CGI Glass Lewis to provide research and voting services.

They assist us with taking responsible investment criteria into account with voting decisions.

- **Higher profile:** Pathfinder lifted its profile over the last year through our fortnightly Sunday Star Times articles, by running a series of radio adverts and by speaking to a range of community groups and industry conferences. We also moved to new offices in Takapuna.
- **Community involvement:** Pathfinder began sponsorship of the North Harbour Club and its youth focused charitable work. John continued his role as a trustee of the Mens Health Trust and Paul continued as a member of the Arthritis NZ Investment Committee.

One-year and five-year fund returns to 30 June 2018 (after deductions for charges but before tax) for the retail funds are:

Date	One year return (%)	Five year return (% per annum)
Commodity Plus Fund	25.57%	1.99%
Global Water Fund	6.32%	10.80%
World Equity Fund	12.21%	10.23%
Global Property Fund	9.60%	n.a.

The Global Responsibility Fund is not included in this table as its return history is less than one year.



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Details of scheme

Detail	Description
Scheme name	Pathfinder Managed Investment Scheme
Type of scheme	Managed investment scheme
Manager name	Pathfinder Asset Management Limited
Supervisor name	Public Trust
Date and status of latest PDS	PDS dated 25 September 2017 is open for applications
Fund update for each fund	The latest fund update for each fund is dated 30 June 2018
Scheme's latest financial statements and auditor's report	Most recent lodged with the Registrar are dated 5 July 2018 for the financial year ended 31 March 2018

Information on contributions and scheme participants

Date	Number of managed investment products on issue
31 March 2016	4
31 March 2017	4
31 March 2018	5

Changes relating to the scheme

Material changes to:	Commodity Plus Fund	Global Water Fund	World Equity Fund	Global Property Fund	Global Responsibility Fund
the governing document	No changes were made to the Master Trust Deed. A new Establishment Deed was signed for the Global Responsibility Fund.				
the terms of the offer	A new Product Disclosure Statement dated 25 September 2017 was issued to include the new Global Responsibility Fund.				
the SIPO	No significant changes to the SIPO other than the addition of the Global Responsibility Fund.				
Nature or scale of related party transactions	No material changes with the nature or scale of related party transactions. There were no related party transactions that were not on arm's-length terms.				

Other information for particular types of managed funds

Date	Commodity Plus Fund	Global Water Fund	World Equity Fund	Global Property Fund
31 March 2016	\$0.9203	\$1.5954	\$1.4402	\$1.0302
31 March 2017	\$0.8856	\$1.7586	\$1.6075	\$1.0467
31 March 2018	\$1.0601	\$1.8873	\$1.7981	\$1.1459

Changes to persons involved in the scheme

Detail	Description
The manager	none
Directors of the manager	none
Key personnel of the manager	none
The supervisor or its Board Members	<p>Changes to Public Trust's Board during the financial year to at 31 March 2018 were:</p> <ul style="list-style-type: none"> • Ian Fitzgerald (appointed 22 May 2017) • Huei Min (Lyn) Lim (retired 30 June 2017)
Any administration manager or investment manager	none
The securities registrar, custodian or auditor	none



How to find further information

Below we describe where information in relation to the Pathfinder Managed Investment Scheme and funds is available and the type of information you can obtain:

The register entry:

Detail	Description
Information available for Scheme	Product Disclosure Statement, Other Material Information document, Valuation and Pricing Methodology
Information available for funds	Fund holdings, historic data, basic fund terms, published regulatory updates
How to obtain this information	Go to www.business.govt.nz/disclose and “search offers”. A copy of information on the offer register is available on request to the Registrar of Financial Service Providers.

The scheme register:

Detail	Description
Information available for Scheme	Basic scheme description, important parties involved, Trust Deed and SIPO
Information available for funds	Annual financial statements and Establishment Deeds
How to obtain this information	Go to www.business.govt.nz/disclose and “search schemes”. A copy of information on the scheme register is available on request to the Registrar of Financial Service Providers.

On request to Pathfinder:

Detail	Description
Information available for Scheme	Master Trust Deed
Information available for funds	Monthly fund updates, annual financial statements, annual reports and each fund Establishment Deed.
How to obtain this information	Please phone, email or write to the contact details provided below. There is no charge in relation to Pathfinder providing this information.



Contact details and complaints

Detail	Description
The manager	<p>Pathfinder Asset Management Limited Suite One, Level 3 507 Lake Road Takapuna, Auckland</p> <p>Phone: 0800 PATHFINDER (0800 728 434)</p> <p>Email: John Berry: john@path.co.nz Paul Brownsey: paul@path.co.nz</p>
The supervisor	<p>Public Trust Level 9 34 Shortland Street Auckland 1010</p> <p>Phone: 0800 371 471</p> <p>Email: cts.enquiry@publictrust.co.nz</p>
Approved dispute resolution scheme	<p>Financial Services Complaints Limited PO Box 5967 Lambton Quay Wellington 6145</p> <p>Phone: 0800 347 257</p> <p>Email: info@fscl.org.nz</p>

Any complaints about the funds can be made to Pathfinder Asset Management Limited (see the contacts details above). If Pathfinder does not resolve your complaint, you may direct your complaint to either Public Trust (the supervisor) or to Financial Services Complaints Limited (an approved dispute resolution scheme). Note that Financial Services Complaints Limited will not charge a fee to any complainant to investigate or resolve a complaint. Contact details for each are in the table above.

