New Zealand Retirement Trust
Nikko AM Conservative Fund

A little help.

Fund Update

for the quarter ended 30 June 2021

This fund update was first made publicly available on 28 July 2021

What is the purpose of this update?

This document tells you how the Nikko AM Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. AMP Wealth Management New Zealand 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 aims to minimise the risk of investment loss while optimising investment returns and to preserve the capital value of invested funds over the long term in real terms.

Total value of the fund	$18,215,555
Number of investors in the fund	294
The date the fund started	28 July 2016

What are the risks of investing?

Risk indicator for the Nikko AM Conservative Fund[1]:

Potentially lower returns ← → Potentially higher returns

1	2	**3**	4	5	6	7

Lower risk ← → Higher risk

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 **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.

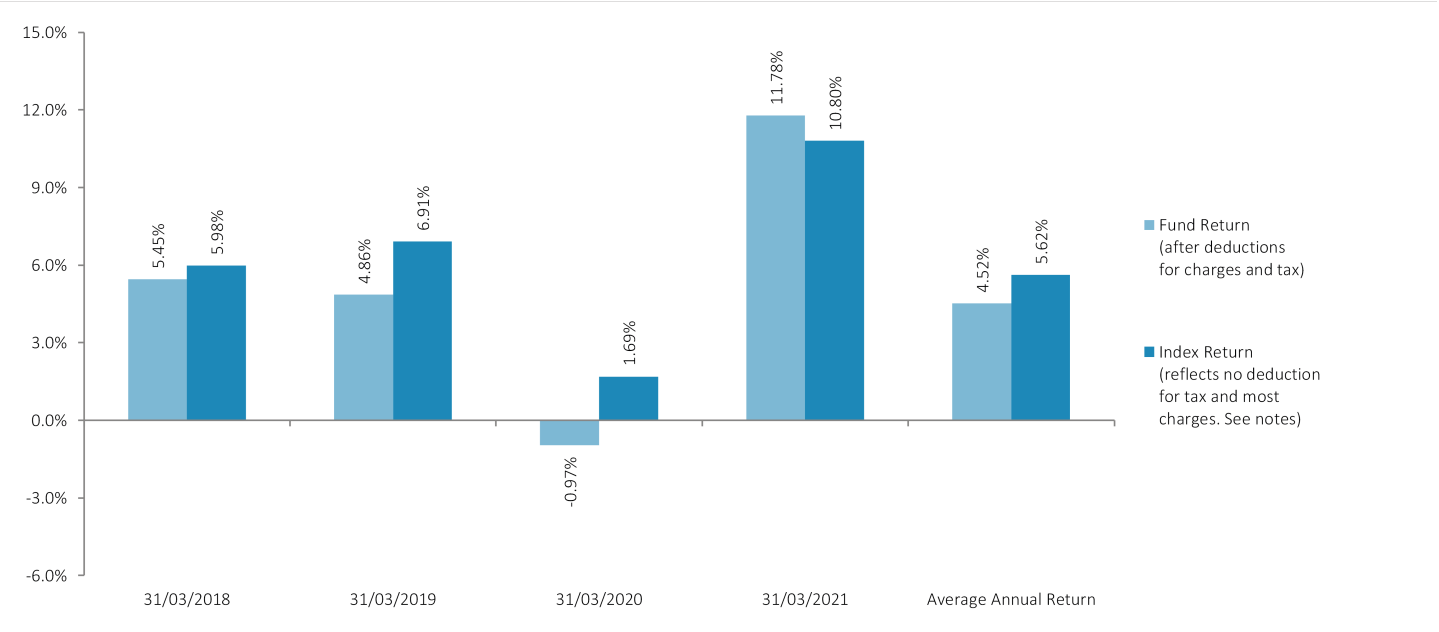
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past 5 years. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

	Past year[2, 3]
Annual return (after deductions for charges and tax)	6.66%
Annual return (after deductions for charges but before tax)	7.04%
Composite of market index annual return (reflects no deduction for charges and tax) **and peer group index annual return** (after deductions for charges but before tax)	6.64%

Annual return graph[2]



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 2021.[3]

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 Nikko AM Conservative Fund are charged fund charges. In the year to 30 June 2020 these were:

	% of net asset value
Total fund charges (estimated)[4]	0.96%
Which are made up of -	
Total management and administration charges (estimated)	0.96%
Including -	
Manager's basic fee (estimated)[5]	0.73%
Other management and administration charges (estimated)[5,6,7]	0.23%
Total performance-based fees	0.00%
Other charges	**Dollar amount per investor or description of how charge is calculated**
Member fee [8]	$107.52

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the 'fees and other charges' document on the entry relating to the offer of interests in the New Zealand Retirement Trust maintained on the offer register (**disclose-register.companiesoffice.govt.nz**) for more information about those fees.

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

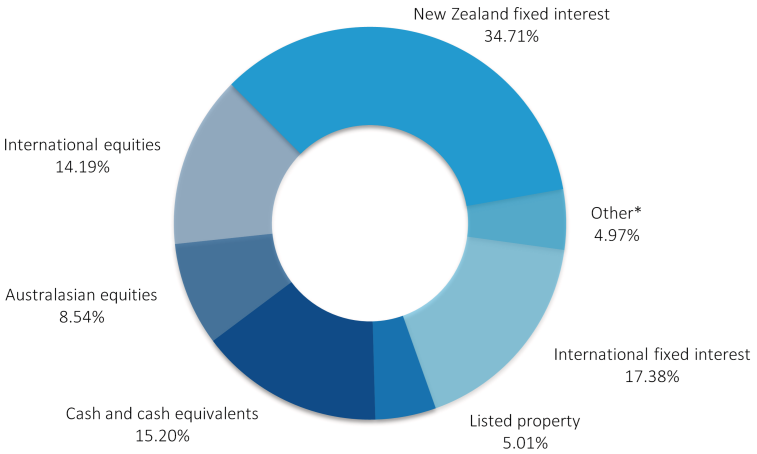
Example of how this applies to an investor

Craig 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, Craig received a return after fund charges were deducted of $666.00 (that is 6.66% of his initial $10,000). Craig also paid $107.52 in other charges. This gives Craig a total return after tax of $558.48 for the year.

What does the fund invest in?

Actual investment mix[9]

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



*Other consists of Alternative equity strategies (4.97%)

Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Asset Type	Allocation
Cash and cash equivalents	15.00%
New Zealand fixed interest	35.00%
International fixed interest	17.50%
Australasian equities	8.50%
International equities	14.00%
Listed property	5.00%
Unlisted property	0.00%
Commodities	0.00%
Other**	5.00%

**Other consists of Alternative equity strategies (5.00%)

Top 10 investments[9]

	Name	Percentage of fund net assets	Asset Type	Country	Credit rating (if applicable)
1	Nikko AM Wholesale Conservative Fund	100.00%	Interest in a diversified fund	New Zealand	N/A
2	-	-	-	-	-
3	-	-	-	-	-
4	-	-	-	-	-
5	-	-	-	-	-
6	-	-	-	-	-
7	-	-	-	-	-
8	-	-	-	-	-
9	-	-	-	-	-
10	-	-	-	-	-

The top 10 investments make up 100.00% of the fund.

Currency hedging

The fund will (or will invest in underlying funds that will) fully hedge foreign currency exposure arising from International fixed interest and Alternative assets back to New Zealand dollars. For all other asset classes hedging is at the discretion of the underlying fund manager and may change from time to time.

Key personnel

Name	Current position	Time in current position	Other current position	Time in other current position
Timothy Pritchard	Investment Committee Member	2 years and 3 months	General Counsel, AMP Wealth Management New Zealand	3 years and 1 month
Jeffery Darren Ruscoe	Investment Committee Member	2 years and 3 months	Chief Client Officer, AMP Wealth Management New Zealand	2 years and 3 months
Blair Robert Vernon	Investment Committee Member	10 years and 0 months	Chief Executive, AMP Wealth Management New Zealand	2 years and 6 months
Mark David Ennis	Investment Committee Member	0 years and 11 months	Managing Director, AdviceFirst Limited	1 year and 4 months

Further information

You can also obtain this information, the PDSs for the New Zealand Retirement Trust, and some additional information from the offer register at **disclose-register.companiesoffice.govt.nz**. The information in this fund update forms part of each PDS for the New Zealand Retirement Trust.

Notes

1 As the fund started on the date above, actual returns for the last five years are not available. To calculate the risk indicator for the five year period up to the date of this fund update a combination of market index returns, underlying fund returns and actual returns have been used where relevant. We consider this to be the most accurate way to calculate returns and as a result of this calculation, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.

2 We have used a composite index to prepare the table and bar graph, as there was no market index available for some of the relevant assets. The composite index is calculated using the target investment mix weightings of the underlying market and peer group indices for the asset classes that the fund invests into. A composite index may be a less reliable indicator of performance than an appropriate market index. In the table and bar graph, the return for the market index reflects no deduction for fund charges, trading expenses and tax, and the return for the peer group index reflects deductions for fund charges and trading expenses, but before tax. Additional information about the market and peer group indices is available in the Statement of Investment Policy and Objectives for your product which is available on the offer register at disclose-register.companiesoffice.govt.nz. Index disclaimers can be found on the AMP website at amp.co.nz/index disclaimers.

3 The returns include an estimated administration and service fee, which has been determined by using the average fee charged for the entire NZRT. Individual returns will depend on the administration and service fee applicable to the individual member. For more information relating to the administration and service fee applicable to you, please see the applicable PDS or the Member Booklet for your employer plan.

4 The total fund charges are inclusive of any applicable GST.

5 The management and administration charges are made up of the 'Manager's basic fee' (comprising the investment management fee and administration fee) and the 'other management and administration charges' (service fee and costs and expenses). Administration fees and service fees, while calculated by reference to investment balances, are not allocated to specific funds. As the actual amount of the fees charged to the fund can't be reported, estimates have been used. The estimated administration fee is 0.28% and the estimated service fee is 0.04%. The estimates represent the percentage of the fees deducted from the Scheme for the year over the average funds under management for the Scheme for the year. Fees payable by a member will depend on the section of the Scheme they are a member of (including whether they are a member of an employer plan) and whether any reduction of the fee amount has been agreed. Please see the NZRT - Fees and Other Charges document at amp.co.nz/amp/forms or on the Offer Register at disclose-register.companiesoffice.govt.nz, and your Member Booklet (if you are a member of an employer plan), to work out your fees.

6 The other management and administration charges include estimates of underlying fund charges provided by underlying fund managers. The balance dates of the underlying fund(s) do not align with the balance date of the fund. To estimate the charges, AMP includes the underlying fund charges as at the relevant underlying fund(s) balance date, adjusted (where required) to reflect any material changes advised to AMP by the relevant underlying manager as having occurred during the intervening period.

7 Other management and administration charges include charges by underlying fund managers who are not subject to New Zealand law and are unable to provide us with actual figures. In these circumstances, AMP Wealth Management New Zealand Limited (AMP) is not able to verify that these charges have been calculated in accordance with the requirements of New Zealand law. Therefore, the charges include actual underlying fund costs where available and a component based on estimated costs and expenses provided by an underlying fund manager, after AMP has made reasonable endeavours to obtain all relevant information for the purposes of preparing the fund update.

8 You may receive the benefit of reduced member fees. For details of any discounts, please speak with your adviser or see your Member Booklet (if you are a member through an employer plan). Members of the NZRT Personal Superannuation Section are not currently charged member fees. Therefore the impact of these fees on you could be less than that set out in the example.

9 The actual investment mix and top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.

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Want to know more?

For more information about the Scheme, please visit amp.co.nz/NZRT, contact us on 0800 800 267 or talk to your Adviser today. Your Adviser's disclosure statement is available from your Adviser on request and free of charge.