



# Fund Update

for the quarter ended 31 March 2024

This fund update was first made publicly available on 30 April 2024

## 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. This fund is closed to new investors.

Total value of the fund	\$30,078,716
Number of investors in the fund	898
The date the fund started	28 July 2016

## What are the risks of investing?

Risk indicator for the Nikko AM 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 [sorted.org.nz/tools/investor-profiler](https://sorted.org.nz/tools/investor-profiler).

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.

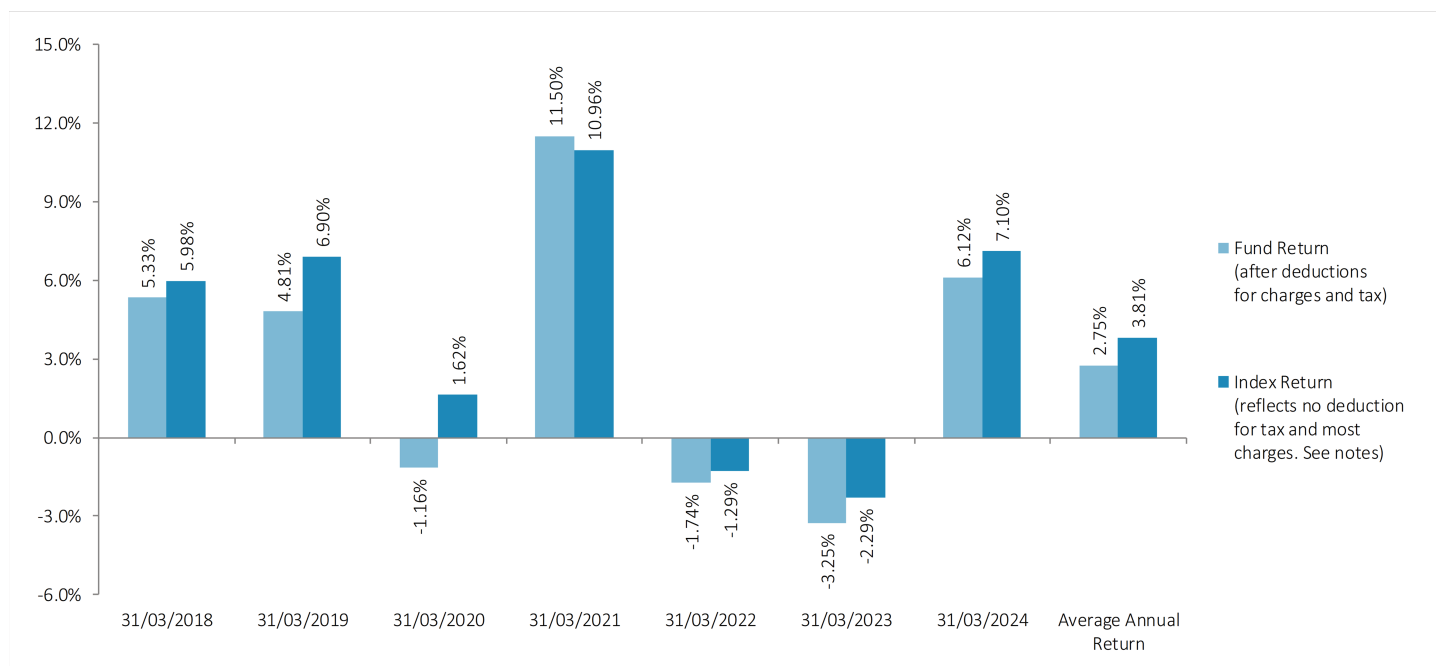
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past 5 years. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

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

## How has the fund performed?

	Average over past 5 years <sup>1,2</sup>	Past year <sup>1,2</sup>
<b>Annual return</b> (after deductions for charges and tax)	2.15%	6.12%
<b>Annual return</b> (after deductions for charges but before tax)	2.42%	7.39%
<b>Composite of market index annual return</b> (reflects no deduction for charges and tax) <b>and peer group index annual return</b> (after deductions for charges but before tax)	3.10%	7.10%

## Annual return graph<sup>1, 2, 3</sup>



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 31 March 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 Nikko AM Conservative Fund are charged fund charges. In the year to 31 March 2023 these were:

	% of net asset value
<b>Total fund charges</b> (estimated) <sup>4</sup>	1.12%*
Which are made up of -	
<b>Total management and administration charges</b> (estimated)	1.12%
Including -	
Manager's basic fee	0.98%
Other management and administration charges (estimated) <sup>5</sup>	0.14%
<b>Total performance-based fees</b>	0.00%
<b>Other charges</b>	<b>Dollar amount per investor or description of how charge is calculated</b>
Member fee	\$23.40

\* Based on a decrease in the Manager's basic fee and Other management and administration charges, the Manager estimates that the total fund charges for the next scheme year will reduce to 1.03% of the net asset value.

Different member fees or fee rebates may apply to some members. Any different fees or rebates will be set out in the Member Booklet or supplement, if applicable, which you can request from your Adviser.

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 AMP KiwiSaver Scheme maintained on the offer register ([disclose-register.companiesoffice.govt.nz](https://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.

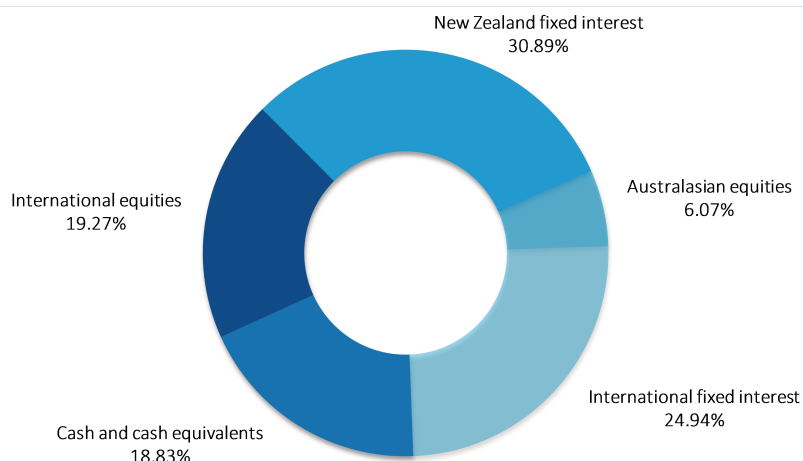
## Example of how this applies to an investor

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 \$612.00 (that is 6.12% of his initial \$10,000). Craig also paid \$23.40 in other charges. This gives Craig a total return after tax of \$588.60 for the year.

## What does the fund invest in?

### Actual investment mix<sup>2</sup>

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



### Target investment mix<sup>2</sup>

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

Asset Type	Allocation
Cash and cash equivalents	19.00%
New Zealand fixed interest	28.00%
International fixed interest	25.00%
Australasian equities	6.00%
International equities	19.00%
Listed property	0.00%
Unlisted property	0.00%
Commodities	0.00%
Other*	3.00%

\*Other includes direct infrastructure assets.

### Top 10 investments<sup>6</sup>

Name	Percentage of fund net assets	Asset Type	Country	Credit rating (if applicable)
1 New Zealand Government Bond - maturing 15 Apr 2027	2.21%	New Zealand fixed interest	New Zealand	Aaa
2 New Zealand Government Bond - maturing 20 Apr 2029	1.91%	New Zealand fixed interest	New Zealand	Aaa
3 New Zealand Government Bond - maturing 15 Apr 2025	1.88%	New Zealand fixed interest	New Zealand	Aaa
4 New Zealand Government Bond - maturing 14 Apr 2033	1.87%	New Zealand fixed interest	New Zealand	Aaa
5 New Zealand Government Bond - maturing 15 May 2024	1.71%	New Zealand fixed interest	New Zealand	Aaa
6 New Zealand Government Inflation Linked Bond - maturing 20 Sep 2035	1.70%	New Zealand fixed interest	New Zealand	Aaa
7 Bank of New Zealand - maturing 30 Apr 2024	1.42%	Cash and cash equivalents	New Zealand	P-1
8 New Zealand Government Bond - maturing 15 May 2031	1.41%	New Zealand fixed interest	New Zealand	Aaa
9 New Zealand Government Inflation Linked Bond - maturing 20 Sep 2030	1.23%	New Zealand fixed interest	New Zealand	Aaa
10 New Zealand Government Bond - maturing 15 May 2028	1.23%	New Zealand fixed interest	New Zealand	Aaa

The top 10 investments make up 16.57% 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

This shows the directors and employees who have the most impact on the investment decisions of the fund.

Name	Current position	Time in current position	Other current position	Time in other current position
Jeffery Darren Ruscoe	Investment Committee Member	5 years and 0 months	Managing Director, AMP Wealth Management New Zealand	1 year and 11 months
Mark David Ennis	Investment Committee Member	3 years and 8 months	Managing Director, AdviceFirst Limited	4 years and 1 month
Katie Priscilla Breatnach	Investment Committee Member	1 year and 1 month	GM Legal & Governance, AMP Wealth Management New Zealand	1 year and 4 months

## Further information

You can also obtain this information, the PDS for the AMP KiwiSaver Scheme, and some additional information from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz). The information in this fund update forms part of the PDS for the AMP KiwiSaver Scheme.

## Notes

- 1 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. The composite index used in this fund update is not directly relevant for all of the underlying assets of this fund. 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](https://disclose-register.companiesoffice.govt.nz). Index disclaimers can be found on the AMP website at [amp.co.nz/indexdisclaimers](https://amp.co.nz/indexdisclaimers).
- 2 On 26 March 2024 AMP Wealth Management New Zealand Limited (AMPWM) replaced Nikko AM as the underlying fund manager of the Nikko AM Conservative Fund. The actual and target investment mix relate to AMPWM. The fund performance table relates to both AMPWM and Nikko AM.
- 3 The indices used to calculate index returns for this fund includes the Eurekahedge Fund of Funds Index, which is a peer group index. We have aligned the timing for calculating returns for that index with the approach taken by the underlying fund manager, and accordingly the index return in the annual return graph has been revised slightly from previous fund updates which use those returns.
- 4 The total fund charges are inclusive of any applicable GST.
- 5 The other management and administration charges include estimates of underlying fund charges provided by underlying fund managers.
- 6 The actual investment mix and top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.

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