



Fund Update

for the quarter ended 31 December 2022

This fund update was first made publicly available on 13 February 2023

What is the purpose of this update?

This document gives you information about the Milford Balanced Fund, including its target investment mix and what fees are 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

To provide a diversified portfolio that primarily invests in equities, with a significant allocation to fixed interest securities. The fund's objective is to achieve capital growth over the minimum recommended investment timeframe.

| | |
|---------------------------------|------------------|
| Total value of the fund | \$17,816,912 |
| Number of investors in the fund | 662 |
| The date the fund started | 23 February 2022 |

What are the risks of investing?

Risk indicator for the Milford Balanced Fund¹:



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.

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 |
|---|----------------|
| Annual return (after deductions for charges and tax) | Not applicable |
| Annual return (after deductions for charges but before tax) | Not applicable |
| Market index annual return (reflects no deduction for charges and tax) | -8.75% |

The market index annual return is based on a composite index, calculated using the target investment mix weightings of the underlying market indices that the fund invests into. Additional information about the market index 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/indexdisclaimers.

What fees are investors charged?

Investors in the Milford Balanced Fund are charged fund charges. Our estimate of the fund charges as at 31 December 2022 are:

| | % of net asset value |
|---|---|
| Total fund charges (estimated) ^{2,3} | 1.36% |
| Which are made up of - | |
| Total management and administration charges (estimated) ³ | 1.36% |
| Including - | |
| Manager's basic fee (estimated) ⁴ | 1.31% |
| Other management and administration charges (estimated) ⁵ | 0.05% |
| Total performance-based fees | 0.00% |
| Other charges | Dollar amount per investor or description of how charge is calculated |
| Member fee | \$23.40 |

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) for more information about those fees.

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

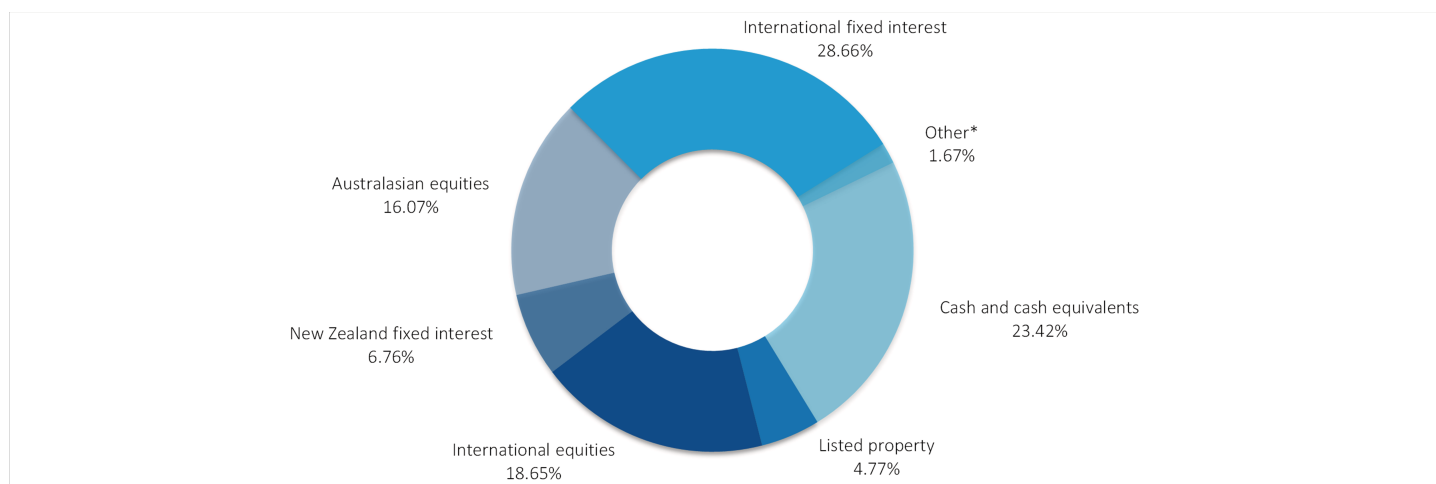
Example of how this applies to an investor

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 incurred a loss after fund charges were deducted of \$875.00 (that is -8.75% of his initial \$10,000). Craig also paid \$23.40 in other charges. This gives Craig a total loss after tax of \$898.40 for the year.⁶

What does the fund invest in?

Actual investment mix⁷

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



*Other includes currency derivatives used to manage foreign exchange risk

Target investment mix

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

| Asset Type | Allocation |
|------------------------------|------------|
| Cash and cash equivalents | 8.00% |
| New Zealand fixed interest | 6.00% |
| International fixed interest | 25.00% |
| Australasian equities | 24.00% |
| International equities | 30.00% |
| Listed property | 7.00% |
| Unlisted property | 0.00% |
| Commodities | 0.00% |
| Other | 0.00% |

Top 10 investments⁷

| Name | Percentage of fund net assets | Asset Type | Country | Credit rating (if applicable) |
|-------------------------|-------------------------------|--------------------------------|-------------|-------------------------------|
| 1 Milford Balanced 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 may have foreign currency exposure of between -10% and 50% back to New Zealand dollars.

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 | 3 years and 9 months | Managing Director, AMP Wealth Management New Zealand | 0 years and 8 months |
| Mark David Ennis | Investment Committee Member | 2 years and 5 months | Managing Director, AdviceFirst Limited | 2 years and 10 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. The information in this fund update forms part of the PDS for the AMP KiwiSaver Scheme.

Notes

- 1 As the fund started on 23 February 2022, 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 appropriate way to calculate the risk indicator, but as a result of this calculation, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund than it would if actual returns for the last five years were able to be used.
- 2 The total fund charges are inclusive of any applicable GST.
- 3 As the fund started on 23 February 2022, historical fee information prior to that date is not available. The total fund charges shown include our best estimates of the amount of costs and expenses that will be charged to the fund. These have been estimated as a percentage of the fund’s net asset value and include both expenses expected to be incurred by the fund and fees (and costs) expected to be charged by the managers of the underlying funds in which the fund invests. These include fees for audit, printing and distribution, regulatory compliance, IT costs, administration manager charges, performance fees charged by unrelated underlying funds and other professional service fees. These fees have been determined using estimates provided by the underlying fund managers, our experience with the Scheme and a presumption that total fund charges will increase over the Scheme’s next accounting period to 31 March 2023 as a result of increased regulatory costs and administration manager charges.
- 4 The Manager’s basic fee has been estimated to include a portion of administration fee estimates which was accounted until period 31 March 2022.
- 5 The other management and administration charges include estimates of underlying fund charges provided by underlying fund managers.
- 6 As the fund started on 23 February 2022, this calculation is based on the market index return for the past year and treats all investment returns as taxable.
- 7 The actual investment mix and top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.

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