

Nikko AM NZ Investment Scheme

NIKKO AM SRI EQUITY FUND

Fund Update

What is the purpose of this update?

This document tells you how the Nikko AM SRI Equity Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Nikko AM NZ 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 outperform the S&P/NZX 50 Index Gross (with Imputation Credits) by 3.00% p.a. over a rolling three year period before fees, expenses and taxes. This fund aims to provide investors with an exposure to New Zealand and Australian equity markets from an actively managed investment portfolio with potential for growth of income and capital. The fund will exclude certain securities under a socially responsible investment framework.

Total value of the fund	\$2,124,801
The date the fund started	11 January 2022

What are the risks of investing?

Risk indicator for Nikko AM SRI Equity 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 five year period to June 2024¹. 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.

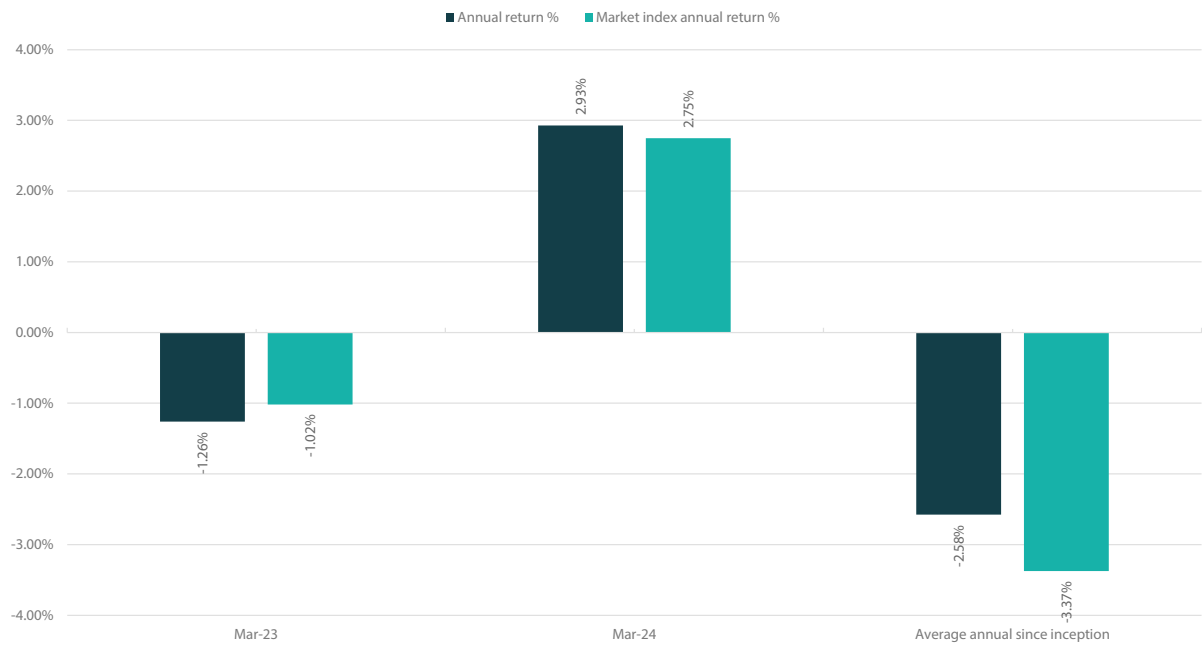
How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	-0.98%
Annual return (after deductions for charges but before tax)	-0.21%
Market index annual return (reflects no deduction for charges and tax)	-0.83%

The market index on which the annual return is based is the S&P/NZX 50 Index Gross (with Imputation Credits). The fund returns include imputation credits.

Additional information about the market index is available on the offer register at <https://disclose-register.companiesoffice.govt.nz/>.

Annual Return Graph²



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 Nikko AM SRI Equity Fund are charged fund charges. In the year to 31 March 2024, these were (inclusive of GST where applicable):

	% of net asset value
Total fund charges	0.95%
Which are made up of:	
Total management and administration charges	0.95%
Including:	
Manager's basic fee	0.95%
Other management and administration charges	0.00%
Total performance-based fees	0.00%

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the Nikko AM Domestic Equity Funds PDS for more information about those fees.

Example of how this applies to an investor

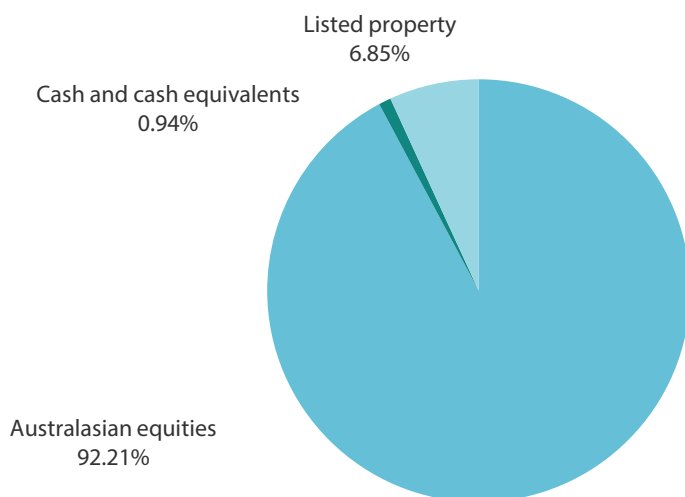
Small differences in fees and charges can have a big impact on your investment over the long term.

Simon 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, Simon incurred a loss after fund charges were deducted of \$21 (that is -0.21% of his initial \$10,000). Simon also paid no other charges. This gives Simon a total loss after tax of \$98 for the year.³

What does the fund invest in?

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

Actual investment mix



Target investment mix⁴

Australasian equities	100%
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Top 10 investments

	Name	Type	Country	Credit rating (if debt securities)	Percentage of fund's net asset value
1	Fisher & Paykel Healthcare	Australasian equities	New Zealand		14.11%
2	Infratil Limited	Australasian equities	New Zealand		12.20%
3	Contact Energy Limited	Australasian equities	New Zealand		9.20%
4	Auckland International Airport Ltd	Australasian equities	New Zealand		9.03%
5	Spark New Zealand Ltd	Australasian equities	New Zealand		7.23%
6	Meridian Energy Ltd NPV	Australasian equities	New Zealand		6.93%
7	EBOS Group Limited	Australasian equities	New Zealand		5.00%
8	The A2 Milk Company Limited	Australasian equities	New Zealand		4.81%
9	Mainfreight Limited	Australasian equities	New Zealand		4.11%
10	Mercury NZ Limited	Australasian equities	New Zealand		3.89%

The total value of the top 10 investments makes up 76.51% of the net asset value of the fund.

Foreign currency exposure is not currently hedged to New Zealand dollars.

Key personnel

	Name	Current position	Time in current position	Previous position	Time in previous position
1	Michael Sherrock	Head of Equities and Member of Investment Committee	1 year and 3 months	Portfolio Manager – Nikko Asset Management New Zealand Limited	8 years and 5 months
2	Michael De Cesare	Portfolio Manager	6 years and 3 months	Research Analyst – Nikko Asset Management New Zealand Limited	5 years and 8 months
3	Stuart Williams	Managing Director and Chair of Investment Committee	1 year and 3 months	Head of Equities – Nikko Asset Management New Zealand Limited	8 years and 7 months

Further information

You can also obtain this information, the PDS for the Nikko AM Domestic Equity Funds, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz/>.

Notes

1 Because the fund is less than five years old, the risk indicator uses returns data partly from returns of the fund, and partly (for the period July 2019 to December 2021) from the S&P/NZX 50 Index Gross with Imputation credits. As a result of this, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund.

2 The bar chart show fund returns after the deduction of fees and taxes, however, the market index returns are shown before any fees or taxes are deducted.

3 For the purposes of this example, the start of the year is 1 July 2023.

4 All investments in this fund update are described in New Zealand dollars.