

Pathfinder

Invest Ethically

Fund Update

Pathfinder KiwiSaver Plan Growth Fund

30 September 2021

Quarter ended 30 September 2021

This fund update was first made publicly available on 28th October 2021

What is the purpose of this update?

This document tells you how the **Pathfinder KiwiSaver Growth Fund** has performed and what fees were charged. The document will help you to compare the fund with other funds. Pathfinder Asset Management 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 is an ethical portfolio with a higher exposure to growth assets and a lower exposure to income assets. This Fund's value is likely to fluctuate more than the Pathfinder KiwiSaver Balanced Fund or Pathfinder KiwiSaver Conservative Fund.

Total value of the fund	\$80,305,301.44
Number of Investors in Fund	2438
The date the fund started	23 rd July 2019

What are the risks of investing?

Risk indicator for the Pathfinder KiwiSaver Growth 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 last 5 years to 30 September 2021. 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.

Also, see *Note 1* for information on the risk indicator calculation.

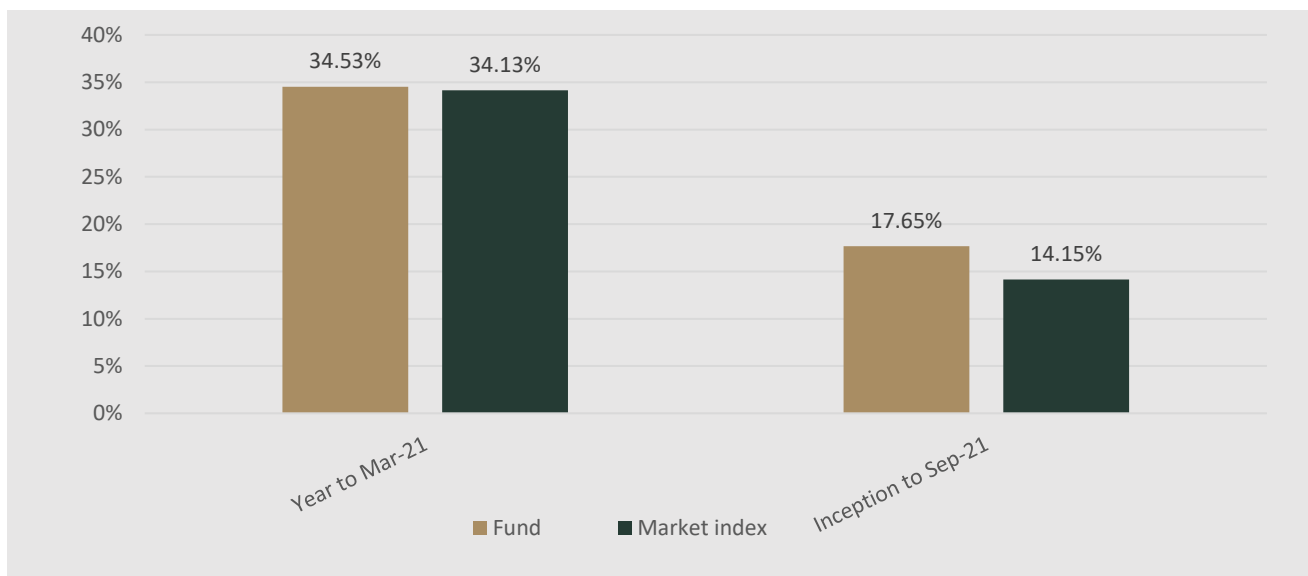
How has the fund performed?

	Past Year
Annual Return (after deductions for charges and tax)	21.81%
Annual Return (after deductions for charges but before tax)	22.81%
Market index annual return (reflects no deductions for charges and tax)	20.92%

The Market Index is a composite index made up of: 5% Bloomberg NZ Bank Bill Index, 15% Bloomberg Barclays Global Aggregate Total Return Index Unhedged (gross of interest and tax, 100% hedged to NZD) & 80% Morningstar Developed Markets Net Return Index (net of tax and dividends; 50% hedged to NZD).

Additional information about the index is available on the offer register at www.business.govt.nz/disclose (search Offers, using Offer OFR12680, Documents, Other Material Information).

Annual return graph



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 September 2021.

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 Pathfinder KiwiSaver Growth Fund are charged fund charges. In the year to 31 March 2021 these were:

	% of net asset value
Total fund charges*	1.29%
Which are made up of:	
Total management and administration charges	1.29%
Including:	
Manager basic fee	1.25%
Other management and administration expenses	0.04%
Other Charges	
Administration and member fees	\$27 per investor per year

*All amounts exclude any applicable GST

Performance Fees and Individual action fees: There are no performance fees or individual action fees.

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

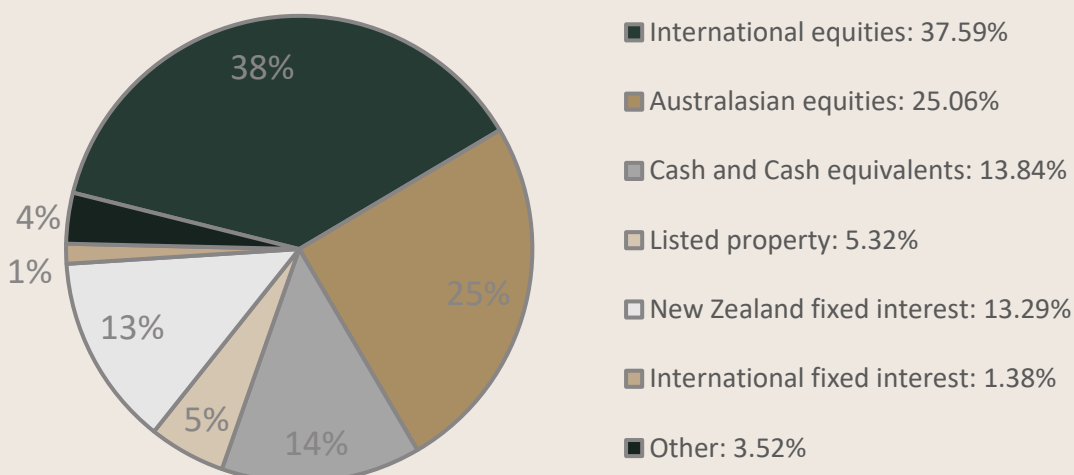
Example of how this applies to an investor

Tara 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, Tara received a return after fund charges were deducted of \$2,281 (that is 22.81% of her initial \$10,000). Tara also paid \$27 in other charges. This gives Tara a total return after fees, charges and tax of \$2,154 for the year.

What does the fund invest in?

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

Actual investment mix²



Target investment mix

Cash and cash equivalents	5%
NZ Fixed Interest	5%
International Fixed Interest	10%
Australasian Equities	20%
International Equities	50%
Listed Property	5%
Other	5%

Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit Rating
1	Cash at Bank - NZD - Interactive Brokers	7.49%	Cash and cash equivalents	NZ	BBB+
2	Westpac Term Deposit from 10/06/2021 to 10/12/2021	2.51%	Cash and cash equivalents	NZ	AA-
3	CORT to 21/03/2026	2.25%	New Zealand fixed interest	NZ	Unrated
4	Sharesies Limited	1.81%	Other	NZ	N/A
5	Microsoft Corporation	1.78%	International equities	US	N/A
6	Infratil Ltd	1.57%	Australasian equities	NZ	N/A
7	Telstra Corp Ltd	1.44%	Australasian equities	AU	N/A
8	Oceania Healthcare Limited	1.40%	Australasian equities	US	N/A
9	BR Land Co (Bremner) to 28 Feb 22	1.40%	New Zealand fixed interest	NZ	Unrated
10	Ebos Group Ltd	1.29%	Australasian equities	NZ	N/A

The top 10 investments make up 22.95% of the fund. See Note 3 for important information on the 'Cash at Bank'.

Currency hedging: Changes in the value of the NZ dollar relative to other currencies can have a big impact on your investment over the long term. The target currency hedging is 50% of non-NZD equity exposure and 100% of non-NZD fixed interest exposure (actual hedging level at 30 September 2021 was 49.34% of the foreign currency exposure (this will change over time)). Total unhedged foreign exposure is 26.68% of the net asset value of the Fund at 30 September 2021 (this will change over time).

Key Personnel

	Name	Current position	Time in current position	Previous position	Time in previous position
1	John Berry	Chief Executive Officer	12 years, 6 months	Deutsche Bank - Consultant	4 years, 9 months
2	Paul Brownsey	Chief Investment Officer	12 years, 6 months	Deutsche Bank - Director	5 years
3	James Caughey	Investment Strategist	4 years, 1 month	Senior Research Analyst position - NZAM	6 years
4	Nish Vyas	Director of Private Wealth	1 year, 8 months	Senior Private Banker - BNZ	4 years
5	Kent Fraser	Chair of Investment Committee	5 years		

Further information

You can also obtain this information, the PDS for Pathfinder KiwiSaver Plan, and some additional information from the offer register at www.business.govt.nz/disclose.

Notes

- 1) **Risk indicator:** This risk indicator is not a guarantee of a fund's future performance. Market index returns as well as the fund's actual returns have been used to fill in the risk indicator because the risk indicator is calculated using returns data for the five-year period ending on 30 September 2021. Market index returns have therefore been used for the period from 1 October 2016 to 23 July 2019 when the fund was not in existence or available for investors, and actual fund returns have been used since then. As a result of those returns being used, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. 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.
- 2) **Actual Investment Mix- Other:** Other Assets include investments known as 'impact investments', 'private equity' and also carbon credits. This category also includes unlisted property, such as direct ownership in property or ownership of property companies that are not listed on a stock exchange.
- 3) **'Cash at Bank':** The fund uses foreign currency cash accounts which can be both positive and negative balances. If all cash positions are netted, the overall cash holding in NZD is