

ONEANSWER KIWISAVER SCHEME BALANCED FUND

This fund update was first made publicly available on: 26 July 2024

WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the Balanced Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. ANZ New Zealand Investments 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 Balanced Fund invests in similar amounts of income assets (cash and cash equivalents and fixed interest) and growth assets (equities, listed property and listed infrastructure). The fund may also invest in alternative assets.

The Balanced Fund aims to achieve (after the fund charge and before tax) over the long term moderate returns, allowing for moderate ups and downs in value.

| | |
|---------------------------------|----------------|
| Total value of the fund (\$) | 649,252,952 |
| Number of investors in the fund | 9,690 |
| The date the fund started | 1 October 2007 |

WHAT ARE THE RISKS OF INVESTING?

Risk indicator for the Balanced 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 <https://sorted.org.nz/tools/investor-profiler>.

Note that even the lowest category does not mean a risk-free investment, and there may be 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 years ended 30 June 2024. 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 five years | Past year |
|---|------------------------------|-----------|
| Annual return (after deductions for charges and tax) | 3.38% | 4.52% |
| Annual return (after deductions for charges but before tax) | 3.96% | 5.85% |
| Market index annual return (reflects no deductions for charges and tax) | 4.95% | 9.84% |

The market index annual return is calculated using the target investment mix and the indices of each asset class.

Additional information about the market index is available in the statement of investment policy and objectives on the offer register at www.disclose-register.companiesoffice.govt.nz.

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, 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 Balanced Fund are charged fund charges. In the year to 31 March 2024 these were:

| | % of net asset value |
|---|----------------------|
| Total fund charges ¹ | 0.91%* |
| Which are made up of: | |
| Total management and administration charges | 0.91% |
| Including: | |
| Manager's basic fee | 0.87% |
| Other management and administration charges | 0.04% |
| Total performance based fees | 0.00% |

| | Dollar amount per investor |
|---------------|----------------------------|
| Other charges | \$0 |

*The manager expects the fund charges for the next scheme year will be less than the fund charges disclosed in this fund update because the manager's basic fee was reduced effective 3 August 2023 from 0.90% to 0.85% per year and is to be reduced further from 0.85% to 0.83% effective 1 August 2024.

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for more information about Scheme fees.

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

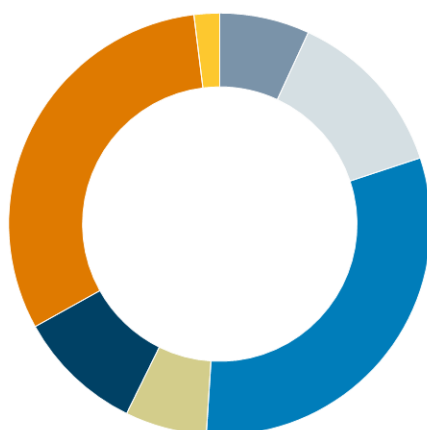
EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

Sarah 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, Sarah received a return after fund charges were deducted of \$452 (that is 4.52% of her initial \$10,000). Sarah did not pay any other charges. This gives Sarah a total return after tax of \$452 for the year.

WHAT DOES THE FUND INVEST IN?

Actual investment mix²

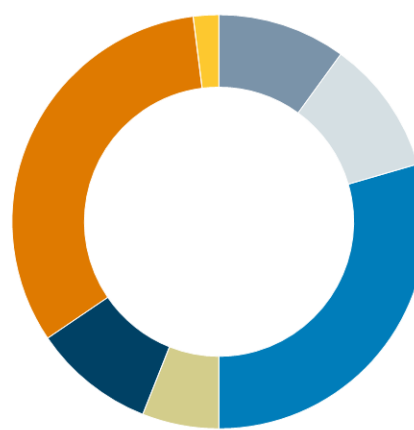
This shows the types of assets that the fund invests in.



| | |
|-------------------------------|--------|
| Cash and cash equivalents: | 6.89% |
| New Zealand fixed interest: | 13.03% |
| International fixed interest: | 31.10% |
| Listed property: | 6.25% |
| Australasian equities: | 9.66% |
| International equities: | 31.11% |
| Other ³ : | 1.96% |

Target investment mix²

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



| | |
|-------------------------------|--------|
| Cash and cash equivalents: | 10.00% |
| New Zealand fixed interest: | 10.50% |
| International fixed interest: | 29.50% |
| Listed property: | 6.00% |
| Australasian equities: | 9.50% |
| International equities: | 32.50% |
| Other ³ : | 2.00% |

Top 10 investments

| Name | Percentage of fund net assets | Type | Country | Credit rating (if applicable) |
|---|-------------------------------|----------------------------|---------------|-------------------------------|
| 1 Cash Deposit (J.P. Morgan USD) | 1.04% | Cash and cash equivalents | United States | A-1 |
| 2 Canada Bond Fixed 1.5% 01/Dec/2031 - Repurchase Agreement | 0.98% | Cash and cash equivalents | Canada | |
| 3 New Zealand Government 14/4/2033 3.50% | 0.90% | New Zealand fixed interest | New Zealand | AAA |
| 4 Federal Home Loan 01/Jul/2024 - Repurchase Agreement | 0.89% | Cash and cash equivalents | United States | |
| 5 Fisher and Paykel Healthcare Industries Ltd | 0.82% | Australasian equities | New Zealand | |
| 6 New Zealand Government 15/05/2028 0.25% | 0.80% | New Zealand fixed interest | New Zealand | AAA |
| 7 New Zealand Government 15/05/2026 0.50% | 0.70% | New Zealand fixed interest | New Zealand | AAA |
| 8 Goodman Group | 0.68% | Australasian equities | Australia | |
| 9 New Zealand Government 15/04/2027 4.5% | 0.68% | New Zealand fixed interest | New Zealand | AAA |
| 10 Microsoft Corporation | 0.60% | International equities | United States | |

The top 10 investments make up 8.09% of the net asset value of the fund.

Currency hedging

| | Benchmark hedging rate | Current hedging level |
|-------------------------------|--|-----------------------|
| Cash and cash equivalents | No foreign exchange exposure | – |
| New Zealand fixed interest | No foreign exchange exposure | – |
| International fixed interest | Benchmark 100% hedged | 100% |
| Australasian listed property | Benchmark 100% hedged | 100% |
| International listed property | Benchmark 100% hedged | 100% |
| Australasian equities | Benchmark 50% AUD hedged (range of 0 - 100%) | 41% |
| International equities | Benchmark 65% hedged (range of 0 - 100%) | 64% |
| Listed infrastructure | Benchmark 100% hedged | 100% |

KEY PERSONNEL

This shows the employees who have the most influence on investment decisions in relation to the fund.

| Name | Current position | Time in current position | Previous or other current position | Time in previous or other current position |
|---------------|---------------------------------|--------------------------|---|--|
| George Crosby | Chief Investment Officer | 0 years and 4 months | General Manager Portfolio Completion, New Zealand Superannuation Fund | 2 years and 9 months |
| Mathew Young | Deputy Chief Investment Officer | 0 years and 3 months | Head of FX Strategy and Implementation, ANZ Bank New Zealand Limited | 5 years and 1 month |
| Helen Skinner | Head of Responsible Investing | 2 years and 1 month | Head of Emerging Wealth, Craigs Investment Partners | 1 year and 2 months |

FURTHER INFORMATION

You can also obtain this information, the PDS for the OneAnswer KiwiSaver Scheme, and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

NOTES

- Our fund charges are inclusive of GST, where applicable.
- The target and actual investment mix of this fund are based on:
 - the cash and cash equivalents held by the fund, and
 - the asset class of the underlying fund in which the fund invests.
They are not based on the cash and cash equivalents or any other assets held by the underlying fund.
- This is an allocation to listed infrastructure.