

# Fund Update

For the quarter ended 30 June 2022

- InvestNow KiwiSaver Scheme
- InvestNow Pathfinder Ethical Growth Fund

This fund update was first made publicly available on: 3 October 2022

This is a replacement fund update. It replaces the previous fund update for the quarter ended 30 June 2022, which was first made publicly available on 28 July 2022. This fund update provides the correct market index annual return and risk indicator for the period ending 30 June 2022. It also identifies the start date of the fund's new market index from 1 October 2021.

## What is the purpose of this update?

This document tells you how the InvestNow Pathfinder Ethical Growth Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Implemented Investment Solutions 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

**Objective:** focuses on ethical investing to achieve medium to high returns with a higher risk focus.

**Strategy:** provides exposure to a diversified ethical portfolio with a higher exposure to growth assets and a lower exposure to income assets.

Total value of the fund	\$1,798,390
Number of members in the fund	193
The date the fund started	19 April 2021

## What are the risks of investing?

Risk indicator for the InvestNow Pathfinder Ethical Growth Fund<sup>1</sup>.

⇐ Potentially lower returns			Potentially higher returns ⇒			
1	2	3	4	5	6	7
⇐ Lower risk			Higher risk ⇒			

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/>.

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 5 years to 30 June 2022. 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)	-9.68%
Annual return (after deductions for charges but before tax)	-9.81%
Market index annual return (reflects no deduction for charges and tax)	-6.45%

The market index return is the Morningstar Target Allocation Index – Growth Multisector for New Zealand. This has been the market index since 1 October 2021. The previous index was a weighted composite benchmark index as described in the Fund Update for the quarter ended 30 June 2021. Market index returns are calculated using the previous market index since fund inception to 30 September 2021 and the current market index from 1 October 2021. Additional information about the market index is available on the offer register at <https://disclose-register.companiesoffice.govt.nz>.

### What fees are investors charged?

Investors in the InvestNow Pathfinder Ethical Growth Fund are charged fund charges which are:

	% of net asset value (including GST)
Total fund charges (estimate) <sup>ii</sup>	1.47%
<b>Which are made up of:</b>	
Total manager and administration charges	1.47%
<b>Including:</b>	
Manager's basic fee	1.44%
Other management and administration charges	0.03%

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the InvestNow KiwiSaver Scheme Diversified Funds #3 on the offer register at <https://disclose-register.companiesoffice.govt.nz> for more information about those fees.

### Example of how this applies to an investor

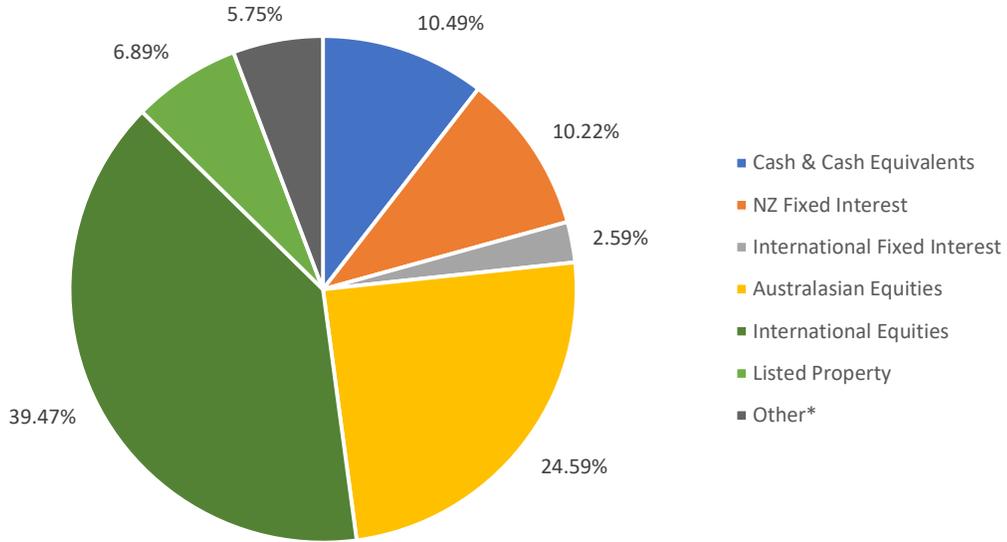
Small differences in fees and charges can have a big impact on your investment over the long term.

Anthony had \$10,000 in the fund when the fund received its first contribution, on 19 April 2021, and did not make any further contributions. At the end of the period, Anthony incurred a loss after fund charges were deducted of \$981 (that is -9.81% of his initial \$10,000). This gives Anthony a total loss after tax of \$968 for the period.

**What does the fund invest in?**

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

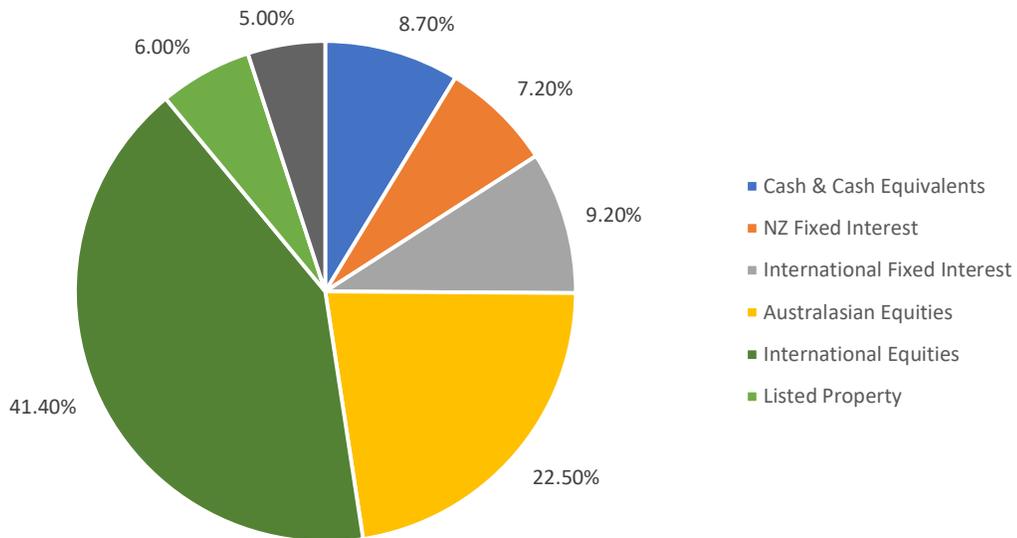
**Actual investment mix**



The target currency hedging is 50% of non-NZD equity exposure and 100% of non-NZD fixed interest exposure (actual hedging level was 52.30% at the quarter end (this will change over time). Total unhedged foreign exposure is 27.66% of the net asset value of the fund at 30 June 2022 (this will change over time).

Other refers to private equities/ loans and unlisted properties.

**Target investment mix**



Other refers to investments that are unlikely to be stock exchange listed and can include impact investments, venture capital, private credit, private equity and unlisted property.

### Top 10 investments

	Name	% of Fund net assets	Type	Country	Credit rating (if applicable)
1	Pathfinder Ethical Growth Fund	100.00%	Interest in a diversified fund	NZ	N/A

The top 10 investments make up 100.00% of the net asset value of the fund.

### Key personnel

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

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
Mike Heath	Investment Committee Member	2 years 3 months	General Manager, InvestNow	4 years 3 months
Anthony Edmonds	Investment Committee Member	2 years 3 months	Managing Director, Implemented Investment Solutions	11 years 7 months
Anthony Sowerby	Investment Committee Member	2 years 3 months	Senior Product Manager, Implemented Investment Solutions	0 years 9 months

### Further information

You can also obtain this information, the PDS for the InvestNow KiwiSaver Scheme Diversified Funds #3, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz>.

### Notes

- i. A combination of actual fund returns and market index returns have been used to determine the risk indicator as the fund has not been operating for the required five years. The risk indicator may therefore provide a less reliable indicator of the fund's future volatility. Market index returns have been used until 31 May 2021 and fund returns thereafter.
- ii. As the InvestNow Pathfinder Ethical Growth Fund only started accepting contributions on 19 April 2021 historical fee information is not available. The fund charges represent our best estimates of the fees and expenses that will be charged to the fund. These have been estimated using information provided by the underlying fund manager and by reference to the underlying fund's disclosure documents.