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# Pie KiwiSaver Scheme

## Statement of Investment Policy and Objectives

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ISSUED BY  
PIE FUNDS MANAGEMENT LIMITED  
DATED 1 MAY 2025

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# 1 Introduction

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The Pie KiwiSaver Scheme (**'the Scheme'**), formerly known as the JUNO KiwiSaver Scheme, is a managed investment scheme under the Financial Markets Conduct Act 2013 (**'FMCA'**). The Scheme has four funds (each a 'Fund'):

1. Pie KiwiSaver Conservative Fund (**'Conservative Fund'**);
2. Pie KiwiSaver Balanced Fund (**'Balanced Fund'**);
3. Pie KiwiSaver Growth Fund (**'Growth Fund'**); and
4. Pie KiwiSaver Aggressive Fund (**'Aggressive Fund'**).

The Scheme is managed by Pie Funds Management Limited (the **'Manager'**, **'we'**, **'our'** or **'us'**).

The Manager is responsible for administering each Fund within the Scheme and selecting and managing its investments.

The Supervisor for the Scheme is Trustees Executors Limited (**'TEL'**). TEL is responsible for the supervision of the Scheme and the Manager. TEL is independent of the Manager.

The Scheme is an investment scheme where the Supervisor has appointed a custodian to hold the assets of the Scheme for the benefit of all members who hold units in the Scheme (**'Members'**).

The Manager makes investment management decisions but the assets of each Fund are held separately from, and independent of, the Manager.

A Member will receive units in the Scheme in whichever Fund they choose to invest.

Each Fund within the Scheme is a portfolio investment entity (**'PIE'**) for tax purposes.

## This document

This Statement of Investment Policy and Objectives (**'SIPO'**) sets out the investment policies and objectives for the Funds. It can change from time to time without notice to members (provided prior written notice is given to TEL).

The most current version of this SIPO, along with the Product Disclosure Statement (**'PDS'**), the Other Material Information Document (**'OMI'**) and other documentation relevant to the Funds is available on the Disclose Register at: [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

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# Investment philosophy and strategy

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Investment markets change all the time. Sometimes it is clear what is causing the change in markets or in individual assets, other times it is not. We believe the market often values or prices assets incorrectly and this provides opportunities. To take advantage, the Funds use an active investment strategy to help deliver the best long-term results to Members. Generally, this means buying assets when they are cheap and selling them when they are expensive. It's not an exact science, but we believe active investors can achieve above-average market returns. That is our goal.

The key principles of our philosophy are:

1. Our belief that skilled active investing helps deliver good, long-term results.
2. We research investments to determine:
  - which types and mix of assets (e.g. international equities, international fixed interest) will best meet the Fund's objectives without unnecessary risk, given market conditions;
  - which assets to invest in (e.g. specific bonds, term deposits, derivatives or shares in companies).
3. Our key competencies are in active equity investment. We are a high-conviction manager, so we look for a relatively small number of companies, relative to the benchmark that we believe the market has mispriced. This means we think the companies we pick, have one or more of the following characteristics:
  - are growing sales and earnings; and/or
  - are good quality; and/or
  - are undervalued.
4. Where we do not have key competencies in areas we believe will benefit our members, we engage with organisations e.g. research providers who can provide them.
5. We undertake systematic quantitative research to assist our portfolio managers with stock selection. Actively screening our investment universe from a quantitative perspective allows our investment team to identify the factors we are looking for that we believe will deliver outperformance. For example screening for quality or growth factors.

We believe this approach will generate higher returns in the long term but a Fund may experience higher volatility and may underperform the relevant market index or our competitors for a time. It may also mean we temporarily suspend withdrawals from a Fund in some circumstances

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## Investment process – how we invest

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Pie Funds is an active, high-conviction fund manager. Our investing approach has three key elements. We look for quality businesses, we look at valuation, and we're continually focused on our own decision-making quality.

### Business quality

Good businesses are not exactly alike, but they tend to have common characteristics emerging from our research, including direct engagement with the company.

- A sustainable competitive advantage (or 'moat')
- Good management
- Low or no debt
- Earnings growth
- Strong free cashflow
- High (cash) return on operating capital

This does not mean we invest only in such companies. For example, for investments in property and infrastructure securities we may apply different business quality characteristics in our decision-making. This is because property and infrastructure securities often require substantial debt to fund projects and therefore we also assess these based on serviceability of the debt.

From time-to-time, companies in certain sectors may benefit from cycles, helping to increase returns for our members. However, over time, we expect high-quality businesses to be the main driver of returns in our funds. So, they are the focus of our idea-generation efforts.

In addition, from time-to-time the funds may invest in ETF's to gain exposure to sectors or regions where we prefer to own a basket of positions, rather than take single company risks.

Our investment process and analysis can be both quantitative and qualitative, and where we believe it adds value, we utilise artificial intelligence to assist our investment analysts and portfolio managers in constructing portfolios.

### Stress Testing

Outside of significant market sell-downs, we stress test our funds at least semi-annually against a range of disaster scenarios appropriate to the risks in the particular Fund. These tests look not only at the volatility and loss for the Funds, but any impacts on their liquidity and ability to meet member withdrawals given many Funds focus on smaller companies.

### Valuation

We strive not to overpay for companies, even if they are high- quality. We construct a view of what we believe a company is worth and then take a probability-based view of the company's current price. For example if it is highly-valued do we think their earnings growth momentum will continue.

Sometimes a company is cheap because the market has overestimated the likelihood or severity of something bad happening and its share price is dropping. Sometimes it is cheap because the market has not fully or properly appreciated some value-adding aspect of the company's operations or outlook.

In both cases, the risk or opportunity for that company is mispriced, which we typically find attractive and figure into our valuation and purchasing decisions.

### Our decision quality

Active investment is not just about what you buy and when. It is also about who does it and how. Deciding whether a company is high quality, determining a valuation and being disciplined about not overpaying are ultimately about human decisions and behaviour. Key qualities and habits for our own process are:

- Patience
- Avoidance of unnecessary cost
- Emotional neutrality about our positions
- High appetite to learn from our mistakes
- Continuous self-improvement (of our process and capabilities)

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## Review and governance

The Investment Team regularly reviews each Fund and their own and each other's individual buy and sell decisions.

The responsible oversight body for approving and ensuring adherence to the SIPO is the Investment Committee, which is a sub-committee of the Board of Pie Funds. The Investment Committee's objective is to assist the Board with its responsibility in respect of investment oversight, including portfolio structures, performance and risk. The Investment Committee currently comprises the Chief Executive Officer, the Chief Investment Officer, senior members of the Investment team and Board representation.

The Investment Committee does regular, detailed reviews of each Fund. This includes a risk assessment covering:

- liquidity
- market and currency risk
- fund-specific risk arising from the size and nature of certain positions
- performance
- compliance with this SIPO and other set parameters

## Market Index

Each Fund has an appropriate market index, or blend of market indices, which is appropriate in terms of assessing movements in the market in relation to the returns from the Fund. This allows members to understand their Fund's performance.

The Investment Committee reviews the appropriateness of each market index annually. Further information about each Fund's market index (or indices) is set out in the Schedules to this document.

## Reporting

We report each Fund's performance to members in monthly fact sheets. Fund performance (after fees and before individual PIR tax is applied) is typically reported for the following time periods (as applicable) – 1 month, 1 year, 3 years (per annum), 5 years (per annum), 10 years (per annum) and on an annualised since inception basis. In addition, quarterly fund updates are prepared for each Fund in accordance with the Financial Markets Conduct Act 2013 and are available on the Disclose Register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## Externally managed funds

The Funds invest in underlying funds managed by Pie Funds. These funds can invest in externally managed funds. All externally managed funds are subject to due diligence prior to appointment and at least annual, formal reviews. Due diligence and reviews cover:

- strategy (including any strategy drift)
- risk management
- ownership structure of the fund management companies (including any changes)
- key personnel (including their alignment with investors)
- idea generation and portfolio construction
- trading and other implementation
- operations and compliance
- ESG integration
- past performance
- reporting and transparency

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## Key investment policies

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### Liquidity and cash flow management

Funds should have sufficient liquidity to meet ongoing short-term operational requirements, for example but not limited to:

- settlement of securities purchased;
- settlement of derivatives including foreign currency hedges;
- anticipated Fund withdrawals and switches between Funds; and
- to meet the expenses of the Fund, for example the administration and Supervisor fees.

The liquidity and cash flow of the Funds is monitored by portfolio managers and the Investment Committee.

### Conflicts of interest policy

We recognise the issues conflicts of interest or potential conflicts can present, particularly those between investors and us (or between investors and individual staff). We have adopted the 'Conflicts of Interest Policy' (**'Conflicts Policy'**).

The Conflicts Policy assists our employees to recognise, disclose and manage conflicts of interest and potential conflicts between us (or individual staff) and investors. The Conflicts Policy also provides a procedure to manage and resolve any potential or apparent conflicts in a way that is fair to investors.

More detailed information about what conflicts may arise, and our process for dealing with them when they do, is described in our OMI document available at: [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

There are stringent systems and controls in place to minimise the risks of conflicts of interests. These include a segregation of duties between the Investment Team and operations/compliance to ensure robust checks and balances are in place, and the maintenance of restricted trading lists. Further, all staff and directors must adhere to our HR Handbook and Conflicts of Interest Policy which requires the avoidance of conflicts of interests, and to act with high integrity. Finally, we have in place a process with

our Supervisor, TEL, for the identification, notification and certification or obtaining consent around related party transactions, as required by the FMCA.

### Currency hedging policy

The purpose of hedging currency exposure is to reduce, eliminate or change the effect of the New Zealand dollar appreciating against the home currencies of our offshore investments.

For example, if the New Zealand dollar appreciates in value against the US Dollar, any US dollar-denominated investments we have are worth less in New Zealand dollars (which is what our members are paid in when they withdraw their funds). Hedging counters that effect. But if the New Zealand dollar declines in value against the US dollar, any US dollar-denominated investments are worth more in New Zealand dollars. So in this case our members are better off if we don't hedge.

Our approach is not to fully hedge foreign currency exposure within the Funds. The intention is that some will remain unhedged. This decision is at our discretion. However, the target hedging level is 100% for the Pie Fixed Income Fund and the Pie Property & Infrastructure Fund, into which the Funds may invest.

When we hedge, we typically buy forward New Zealand dollar exposure and sell the relevant foreign currency exposure, in one-month rolling contracts. We can also purchase investments already partially or fully hedged to the New Zealand dollar (many ETFs and derivatives provide this option).

When deciding whether to hedge, how much to hedge and with what instruments, we consider the diversification benefits of foreign currency against the benefits to the Funds from currency hedging.

Currency hedges are generally monitored daily, and rebalanced monthly to align with the current hedging view.

Currency hedges may be adjusted during the month if market exposures change significantly, there is a change in hedging policy or market conditions or the Investment Team considers it appropriate.

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## Counterparty risk

Counterparty risk relates to the risk of financial loss through the default of a financial counterparty (e.g. trading or banking partner). We aim to reduce this risk by setting and adhering to internal exposure limits for each of our trading and banking partners. Essentially, we ensure that we do not hold accounts with one banking/trading partner, but spread this across a number of relationships.

Our exposure limits are determined with reference to the credit ratings provided by S&P, or where no S&P, then equivalent Fitch or Moody rating.

## Investment trade allocation and execution policy

The Manager's Trade Allocation and Execution Policy can be found on the Disclose Register at: [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz)

## Responsible Investment policy

ESG risks and opportunities can affect the risk and return of investments. We have developed a policy for deciding how we best integrate ESG within our investment process ('Responsible Investment Policy'). Under the Responsible Investment Policy, we consider Environmental, Social and Governance ('ESG') factors in researching, evaluating and monitoring investments. The current version of the policy is available on our website: [www.piefunds.co.nz](http://www.piefunds.co.nz) or the Disclose Register: [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). The policy may be amended from time to time.

## Proxy voting policy

Our Proxy Voting Policy can be found on the Disclose Register at: [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## Pricing and valuation policy

Pricing and valuing the assets of each Fund is done by Apex Investment Administration (NZ) Limited ('Apex'), independent of the Manager, guided by an agreed methodology. This outsourcing arrangement is governed by a Services Agreement and Service Level Agreement between Apex and the Manager.

While pricing and valuation is undertaken by Apex, we remain responsible for the pricing and valuation of the Funds.

## Taxation policy

Each Fund in the Scheme is a Portfolio Investment Entity or a 'PIE' (as defined in the Income Tax Act 2007). The income is taxed at the member's 'prescribed investor rate' ('PIR'), currently capped at 28%.

Under the PIE tax rules, all taxable income, losses and tax credits related to the Fund's investments will be allocated to members in proportion with their respective member interest. Tax will be calculated and paid by the Manager in respect of a member's allocated income using the member's prescribed investor rate (currently capped at 28%). We then make any necessary adjustments to a member's interests in the relevant Fund (by cancelling or issuing units), reflecting that tax is paid at varying rates for different members.

## Tactical asset allocation and Rebalancing policy

The Portfolio Managers for each Fund can make tactical asset allocation decisions within the asset allocation ranges outlined for each Fund. This means the Portfolio Manager shifts the balance of growth assets (that is, international equities and Australasian equities) and income assets (that is, cash and cash equivalents, New Zealand fixed interest and international fixed interest) to manage risk and cash flow in respect of the Fund or to take advantage of short term opportunities. These decisions are made on an active and ongoing basis to improve the risk-adjusted returns of the Funds.



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We do not automatically rebalance asset classes to targets. However, we review positions by reference to asset class targets and targets are regularly reviewed, including as part of the SIPO review process (see page 10).

Each Fund's actual asset mix is generally monitored each business day to check that it is within its authorised asset ranges. If a Fund's ranges are exceeded, we will rebalance the Fund's actual investment mix to bring it back in line with its authorised asset ranges as quickly as practicable while ensuring we act in members' best interests.

## Review and governance

The Investment Team reviews the performance of Funds in several ways:

- reviewing good and bad news and price movements for specific companies to decide if it affects their current view of the value and price of the company;
- reviewing investment strategy for each Fund (based on its performance). Performance is monitored daily and measured monthly, annually and since inception of each Fund. The Manager receives daily reports from Apex about each Fund's pricing and asset valuations; and
- regular reviews of tactical asset allocation mix (see above) and annual reviews of the appropriateness of chosen benchmarks (see Benchmarks section below).

Additionally, the Investment Committee does regular, detailed reviews of each Fund. This includes a risk assessment which considers liquidity, stock market and currency risk, the weightings of each position, the overall composition of the Funds and the Funds' overall compliance with this SIPO.

## Benchmarks

A benchmark is intended to provide investors with an appropriate comparator for their Fund's holdings, risk level and performance.

The Scheme has the following approach to benchmarks:

- for each asset type in our Funds, we disclose an appropriate market index and the performance of that index over the relevant period. This provides a reference point for the performance of each type of asset we have included in the Fund;
- for each Fund, we disclose the aggregate performance of the separate market indices. This provides a reference point for the performance of the overall Fund; and
- the Investment Committee reviews the appropriateness of each benchmark annually.

## Reporting

We typically publish on a monthly basis fact sheets showing how the Funds have performed against their relevant market index over different time periods. In these fact sheets we typically report returns, after fees and before individual PIR tax is applied, for the following time periods – 1 month, 3 months, 12 months, 3 years (per annum), 5 years (per annum), and since inception. In addition, quarterly fund updates are prepared for each Fund in accordance with the FMCA and are available on the Disclose Register at: [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

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## SIPO compliance and review

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The SIPO is reviewed by the Investment Committee at least annually. The Investment Committee currently comprises the Chief Executive Officer, the Chief Investment Officer, senior members of the Investment team and Board representation.

The review process has three elements:

- regular, detailed reviews of each Fund, as described in the Review and Governance section on page 9;
- a formal, annual review of the SIPO; and
- event-driven reviews of (and, if necessary, amendments to) the SIPO because of adverse market or other developments.

All reviews involve the Investment Team and are designed to ensure the SIPO accurately and appropriately captures the intent, strategy, governance and constraints of the investment strategy. And, in turn, that the investment activity is consistent with the SIPO.

A review may consider the following factors (amongst others):

- a change in investment strategy or objective of a Fund;
- a change in personnel;
- a change to a policy; and
- a change in risk factors.

Any changes to the SIPO will be in accordance with the requirements of the Governing Document and the FMCA, including the requirement for prior written notice to the Supervisor. This also includes giving at least 30 days' written notice to members if they will be materially affected by amendments to the SIPO. Further, we follow a process whereby the Supervisor will review any changes made.

The most current version of the SIPO is available on the Disclose Register ([www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz)) and on our website [www.piefunds.co.nz](http://www.piefunds.co.nz).

## 6 Fund objectives and parameters

In this section we provide information about each Fund, including:

- the investments they can make; and
- the mix of investments in each Fund, and how much that can vary.

### Permitted assets in each asset type

Asset type	Permitted assets
<b>Cash and cash equivalents</b>	Cash and cash equivalents, e.g. term deposits, bonds and cash in banks.
<b>New Zealand fixed interest</b>	Fixed interest securities, loans, bonds, ETFs and other yield-bearing investments in New Zealand.
<b>International fixed interest</b>	Fixed interest securities, loans, bonds, ETFs, futures and other yield bearing investments based outside of New Zealand.
<b>International equities</b>	International equity and equity-like listed and unlisted securities including ordinary, preference and partly paid shares, convertible securities, warrants, ETFs, futures and options. This definition specifically excludes Australasian (AU and NZ) equities.
<b>Australasian equities</b>	Australian and New Zealand equity and equity-like listed and unlisted securities including ordinary, preference and partly paid shares, convertible securities, warrants, ETFs, futures and options.
<b>Listed property</b>	Equity and equity-like listed securities in companies operating primarily in the property sector including ordinary, preference and partly paid shares, convertible securities, warrants, ETFs, futures and options.
<b>Other</b>	Other investments that do not meet the criteria of the above categories, as determined by the Manager and agreed with the Supervisor.

### Recommended Investment Period

The table below shows the recommended minimum investment period for each Fund.

Fund	Recommended minimum investment period
<b>Conservative</b>	3 years
<b>Balanced</b>	5 years
<b>Growth</b>	7 years
<b>Aggressive</b>	10 years

## Equities, limits and constraints

This table shows the restrictions the Manager has chosen for the equity portion of the Funds' asset mixes. These limits reflect the Manager's investment philosophy and process and the need to balance the benefits with the risks of a relatively concentrated active portfolio.

Factor	Limit	Comment
<b>Maximum holding in one company</b>	5% of any Fund	To manage concentration risk.
<b>Market capitalisation of companies</b>	We will generally not invest in companies with a market capitalisation, at time of investment, of less than NZ\$200 million.	Recognises importance of liquidity to the risk and return of the Funds. Market movements affect the market capitalisation of companies. If capitalisation reduces, we will consider the circumstances before adjusting our position (including exiting).

## Short-selling, use of derivatives and currency hedging

This table shows whether the Funds can sell short, borrow or use derivatives and if so, what limitations are on their use. It also shows ranges for hedging foreign currency. And, if so, what the limitations are on their use.

Fund	Short sell?	Borrow cash?	Derivatives?	Foreign currency exposure (as a percentage of Fund NAV)	
				Minimum	Maximum*
<b>Conservative</b>	Yes	No	Yes	0%	60%
<b>Balanced</b>	Yes	No	Yes	0%	60%
<b>Growth</b>	Yes	No	Yes	0%	100%
<b>Aggressive</b>	Yes	No	Yes	0%	100%

The Funds will not borrow cash. Short selling means funds can borrow and short-sell individual shares and bonds.

A Fund may use derivatives (including taking short positions) to gain exposure to permitted assets (the list of permitted assets is set out in the Schedules). This is most often done because it is a more cost-effective way of purchasing a permitted asset. The most common types of derivatives will be index Futures, which can provide efficient exposure to a sector (for example healthcare companies), region or specific country.

\*The Funds can hedge up to 100% of foreign currency exposure. This typically will happen when the Manager believes it is necessary to preserve member capital in strongly adverse market conditions.

## Target investment mix and ranges

Target investment mixes are what the Manager expects to apply over an economic cycle and should be considered a general guide. We are an active manager and may use different strategies (subject to investment constraints and the minimum and maximum levels disclosed).

Target mixes are monitored according to the Tactical Asset Allocation and Rebalancing Policy on page 8.

Fund	Asset class	Target allocation	Minimum	Maximum
<b>Conservative</b>	Cash and cash equivalents	25%	0%	100%
	New Zealand fixed interest	15%	0%	100%
	International fixed interest	35%	0%	100%
	International equities	19%	0%	25%**
	Australasian equities	6%	0%	25%**
<b>Balanced</b>	Cash and cash equivalents*	10%	0%	75%
	New Zealand fixed interest	10%	0%	50%
	International fixed interest	20%	0%	50%
	International equities	50%	0%	75%
	Australasian equities	10%	0%	50%
<b>Growth</b>	Cash and cash equivalents*	5%	0%	50%
	New Zealand fixed interest	5%	0%	50%
	International fixed interest	10%	0%	50%
	International equities	65%	0%	100%
	Australasian equities	15%	0%	100%
<b>Aggressive</b>	Cash and cash equivalents*	5%	0%	50%
	New Zealand fixed interest	0%	0%	50%
	International fixed interest	0%	0%	50%
	International equities	65%	0%	100%
	Australasian equities	30%	0%	100%

\*The cash allocation of each fund can be increased beyond the maximum (resulting in the fund operating outside the other asset class minimums and maximums) if the Manager believes it is necessary to protect members' capital. This would be done only in adverse market conditions and the Manager would advise members of our intention to do so, as promptly as possible. The Manager would also promptly advise members when we intended to return cash allocations to within the stated ranges. If we did this, members in the Conservative and Balanced Funds would likely see a change in the mix between fixed interest and cash. Aggressive and Growth Fund members would likely see a reduction in the growth allocation (that is, international equities and Australasian equities) and an increase in the income allocation (that is, cash and cash equivalents, New Zealand fixed interest and international fixed interest).

\*\*Maximum of 35% in total for Australasian equities and International equities in the Conservative Fund.

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## Glossary and further explanations

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**Borrow cash:** means where the Fund borrows money from another party to invest, perhaps in company shares. This is not relevant for these Funds as borrowing cash is not permitted.

**Derivatives:** A Fund may use derivatives to gain exposure to authorised investments (the list of authorised investments is set out in the Schedule). This is most often done because it is a more cost-effective way of purchasing an authorised investment. The most common types of derivatives will be index futures, which can provide efficient exposure to a sector – for example healthcare companies – region or specific country. Taking a short position in index futures is also an efficient way to provide market hedging.

**ESG:** Environmental, social and governance factors which can present risk or opportunities for companies and for investors in those companies. For example, climate change risk, independence of directors, and child labour in the supply chain.

**ETF:** An exchange traded fund; a marketable security that tracks an index, a commodity, bonds, or a basket of assets like an index fund.

**Futures:** A financial contract that obliges the purchaser to purchase an asset or the seller to sell an asset such as a physical commodity, or an index, at a predetermined future date and price.

**Market Capitalisation:** The total value of the company's shares on issue.

**Short Sell:** Is different from long positions – the typical positions in the Funds – which are shares a Fund buys and holds with the objective of selling for a higher price. When short selling, the Fund borrows a share from another party (and pays them a fee) and sells it, with the expectation that the value of the share will decline. The Fund then buys the share back at the lower price and returns it to the party they bought it from. The Fund and its investors make money on short positions if the share price of the borrowed security falls – the reverse of how money is usually made i.e. on long positions.

# Schedule 1:

## Pie KiwiSaver Conservative Fund investment objectives and strategy

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### Investment objective

The Conservative Fund seeks to preserve members' capital, with modest capital growth over a period exceeding 3 years.

### Investment strategy

The Fund invests primarily in fixed interest and cash, with an allocation to equities, directly and/or through other funds also managed by the Manager, or third parties.

The Manager can also invest in ETFs and derivatives.

### Relevant market index

Asset type	Benchmark index	Target allocation
Cash and cash equivalents	NZ Bond Bank Bill Index (NZD)	25%
New Zealand fixed interest	Bloomberg NZBond Credit 0+ Yr (NZD)	15%
International fixed interest	Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD)	35%
International equities	S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)	19%
Australasian equities	S&P/ASX Small Ordinaries Total Return Index (75% hedged to NZD)	6%

# Schedule 2:

## Pie KiwiSaver Balanced Fund investment objectives and strategy

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### Investment objective

The Balanced Fund seeks to provide members with steady capital growth over a period exceeding 5 years.

### Investment strategy

The Fund invests in equities with a reasonable allocation towards fixed interest, directly and/or through other funds also managed by the Manager, or third parties.

The Manager can also invest in ETFs and derivatives.

### Relevant market index

Asset type	Benchmark index	Target allocation
Cash and cash equivalents	NZ Bond Bank Bill Index (NZD)	10%
New Zealand fixed interest	Bloomberg NZBond Credit 0+ Yr (NZD)	10%
International fixed interest	Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD)	20%
International equities	S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)	50%
Australasian equities	S&P/ASX Small Ordinaries Total Return Index (75% hedged to NZD)	10%



# Schedule 3:

## Pie KiwiSaver Growth Fund investment objective and strategy

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### Investment objective

The Growth Fund seeks to maximise capital growth for members over a period exceeding 7 years.

### Investment strategy

The Fund invests primarily in International and Australasian equities, along with a cash and fixed interest exposure, directly and/or through investment in other funds also managed by the Manager, or third parties.

The Manager can also invest in ETFs and derivatives.

### Relevant market index

Asset type	Benchmark index	Target allocation
Cash and cash equivalents	NZ Bond Bank Bill Index (NZD)	5%
New Zealand fixed interest	Bloomberg NZBond Credit 0+ Yr (NZD)	5%
International fixed interest	Bloomberg Global Aggregate Corporate Total Return Index (100% hedged to NZD)	10%
International equities	S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD)	65%
Australasian equities	S&P/ASX Small Ordinaries Total Return Index (75% hedged to NZD)	15%

# Schedule 4:

## Pie KiwiSaver Aggressive Fund investment objective and strategy

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### Investment objective

The Aggressive Fund seeks to maximise capital growth for members over a period exceeding 10 years.

### Investment strategy

The Fund invests primarily in International and Australasian equities directly and/or through investment in other funds also managed by the Manager, or third parties.

The Manager can also invest in ETFs and derivatives.

### Relevant market index

Asset type	Benchmark index	Target allocation
Cash and cash equivalents	NZ Bond Bank Bill Index (NZD)	5%
International equities	S&P Global Broad Market (BMI) Total Return Index (75% hedged to NZD) S&P Global SmallCap Total Return Index (75% hedged to NZD)	45% 20% } 65%
Australasian equities	S&P/ASX Small Ordinaries Total Return Index (75% hedged to NZD)	30%