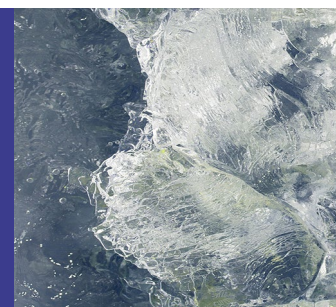


Nikko AM NZ Investment Scheme

NIKKO AM GLOBAL SHARES HEDGED FUND

Fund Update



What is the purpose of this update?

This document tells you how the Nikko AM Global Shares Hedged 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.

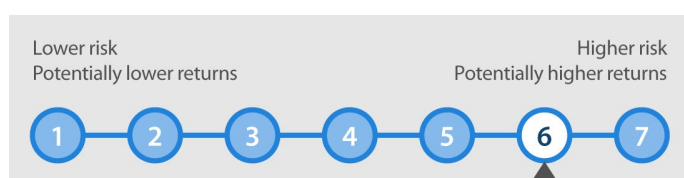
Description of this fund

The Fund aims to outperform the MSCI All Countries World Index, with net dividends reinvested, gross hedged 100% to NZD by 3.0% p.a. over a rolling three year period before fees, expenses and taxes. The Fund seeks to provide investors with a relatively concentrated actively managed investment portfolio of global equities to achieve long term capital growth.

| | |
|---------------------------|---------------|
| Total value of the fund | \$164,598,471 |
| The date the fund started | 10 May 2019 |

What are the risks of investing?

Risk indicator for Nikko AM Global Shares Hedged 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 September 2023¹. 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.

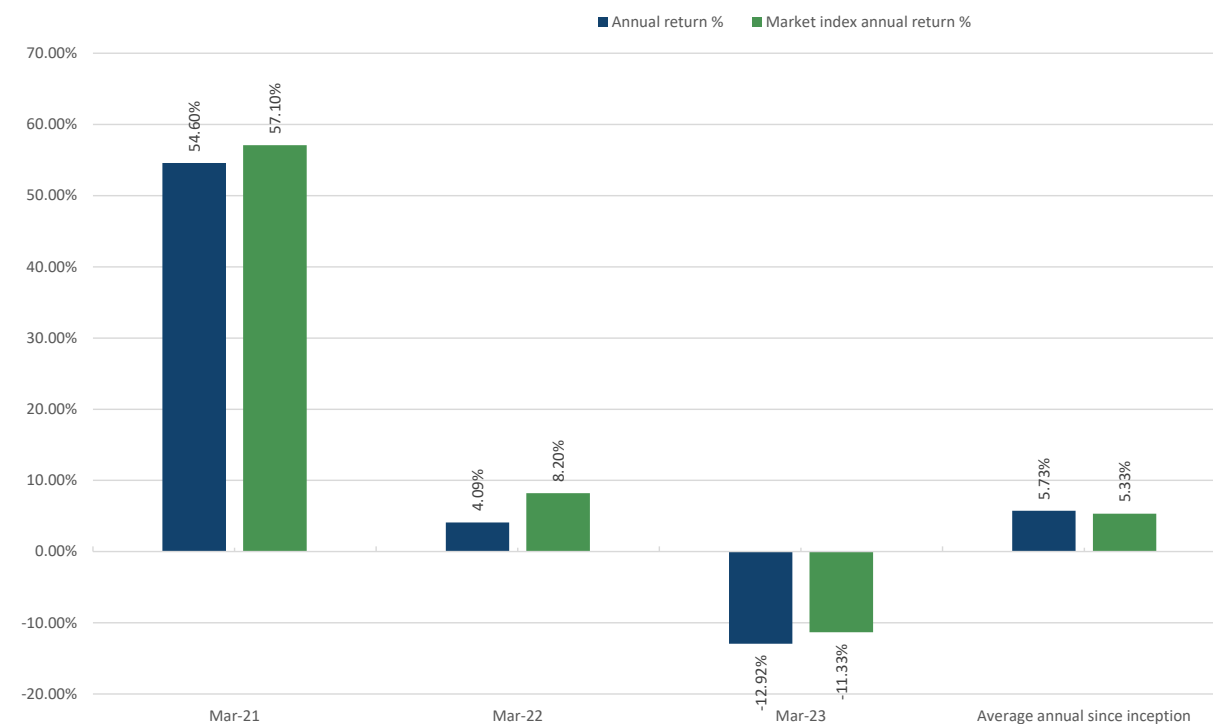
How has the fund performed?

| | Past year |
|--|-----------|
| Annual return <i>(after deductions for charges and tax)</i> | 10.63% |
| Annual return <i>(after deductions for charges but before tax)</i> | 13.41% |
| Market index annual return <i>(reflects no deduction for charges and tax)</i> | 20.88% |

The market index on which the annual return is based is the MSCI All Countries World Index (net dividends reinvested), gross hedged 100% to NZD.

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 September 2023.

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 Global Shares Hedged Fund are charged fund charges. In the year to 31 March 2023, these were (inclusive of GST where applicable):

| | % of net asset value |
|---|----------------------|
| Total fund charges | 1.20% |
| Which are made up of: | |
| Total management and administration charges | 1.20% |
| Including: | |
| Manager’s basic fee | 1.20% |
| Other management and administration charges (estimated) | 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 Global Equity Funds PDS for more information about those fees.

Example of how this applies to an investor

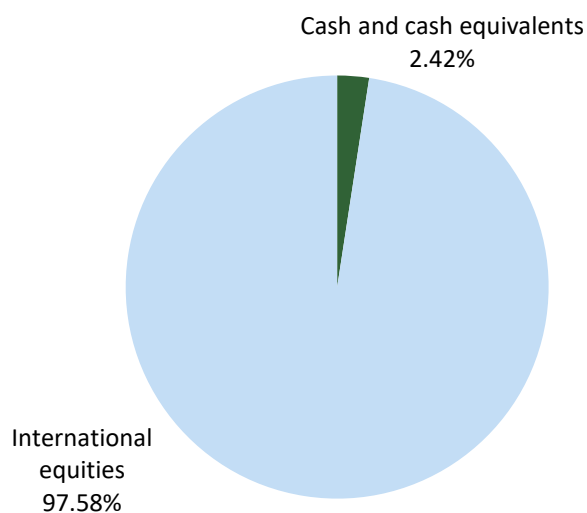
Small differences in fees and charges can have a big impact on your investment over the long term.

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 received a return after fund charges were deducted of \$1,341 (that is 13.41% of his initial \$10,000). Simon also paid no other charges. This gives Simon a total return after tax of \$1,063 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

| | |
|------------------------|------|
| International equities | 100% |
|------------------------|------|

Top 10 investments

| | Name | Type | Country | Credit rating (if debt securities) | Percentage of fund's net asset value |
|----|---------------------------|------------------------|----------------|------------------------------------|--------------------------------------|
| 1 | Microsoft Corp | International equities | United States | | 6.59% |
| 2 | Nvidia Corp | International equities | United States | | 3.43% |
| 3 | Accenture Plc | International equities | Ireland | | 3.37% |
| 4 | Samsonite Intl Sa Usd0.01 | International equities | Luxembourg | | 3.00% |
| 5 | Haleon Plc | International equities | United Kingdom | | 2.99% |
| 6 | Worley Limited | International equities | Australia | | 2.87% |
| 7 | Kbr Inc | International equities | United States | | 2.80% |
| 8 | Synopsys Inc | International equities | United States | | 2.79% |
| 9 | Schlumberger Ltd | International equities | United States | | 2.78% |
| 10 | Compass Group | International equities | United Kingdom | | 2.71% |

The total value of the top 10 investments makes up 33.33% of the net asset value of the fund.

Currency hedging is material to the fund. As at 30 September 2023, the value of all hedges totalled 2.11% of the fund's net asset value.

Any foreign currency exposure is gross hedged at 100% to NZD. The permitted operational hedging range is 95% to 105%. The Nikko AM Wholesale Global Shares Hedged Fund, which this fund invests in, enters into foreign currency exchange contracts to mitigate currency risk. It is not possible to fully mitigate all currency risks, and therefore the currency hedging in place may not fully replicate the currency exposure of your investments. In addition, changes in the value of currency hedges will result in exposure to global shares being less than or greater than the value of fund.

Key personnel

| | Name | Current position | Time in current position | Previous or other current position | Time in previous or other current position |
|---|------------------|---|--------------------------|--|--|
| 1 | Stuart Williams | Managing Director and Member of Investment Committee | 0 years and 6 months | Head of Equities – Nikko Asset Management New Zealand Limited | 8 years and 7 months |
| 2 | Fergus McDonald | Head of Bonds and Currency and Member of Investment Committee | 23 years and 3 months | NZ Fixed Interest Portfolio Manager - Nikko Asset Management New Zealand Limited | 10 years and 5 months |
| 3 | Michael Sherrock | Head of Equities and Member of Investment Committee | 0 years and 6 months | Portfolio Manager – Nikko Asset Management New Zealand Limited | 8 years and 5 months |
| 4 | Sam Bryden | Head of Distribution and Member of Investment Committee | 0 years and 6 months | Senior Relationship Manager – Nikko Asset Management New Zealand Limited | 4 years and 5 months |
| 5 | James Rogers | Chief Operating Officer and Member of Investment Committee | 6 years and 6 months | Senior Project Manager – Nikko Asset Management New Zealand Limited | 0 years and 5 months |

Further information

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

Notes

¹ Because the fund is less than five years old, the risk indicator uses returns data for the period October 2018 to April 2019 from the MSCI World Index (net dividends reinvested). 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 October 2022.

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