

Nikko AM Wholesale Growth Fund

From 1 July 2023

Fund Purpose

To provide investors with a portfolio of predominately growth assets to deliver growth in capital value over the long term.

Investment Objective

The objective of the Fund is to achieve a return which exceeds the weighted composite benchmark return by 2.00% p.a. over a rolling three year period before fees, expenses and taxes (if any).

Authorised Investments

The Authorised Investments of the Fund are:

- Cash balances with brokers, agents or custodians (both local and overseas) pending investment or pending payment to the manager.
- Units, sub-units or other interests in any managed investment scheme, mutual fund, group investment fund or similar entity in any part of the world.
- The investments set out in the Strategic Asset Allocation below.
- Any other investment agreed to by the Manager and Supervisor.

Currency Management

Currency hedging contracts, if any, are held in the sector funds listed in the Strategic Asset Allocation. Currency management in accordance with the Nikko AM NZ Currency Risk Management Policy.

Portfolio Management

The Fund is permitted to maintain an overdraft with a registered bank in order to provide liquidity to fund redemptions and facilitate settlements for the Fund.

The Manager shall not be deemed to have breached the Investment Mandate if any of the mandated minimum or maximum ranges are exceeded as the result of:

- the value of any asset changing solely as a result of market movements,
- contributions to or withdrawals from the Fund; or
- a change in the nature of any investment (whether through change in business activity or credit rating).

This is conditional upon the Manager within five business days of being aware of the range being exceeded, re-weighting the portfolio to be within the mandated ranges, unless the Supervisor otherwise agrees in writing.

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Strategic Asset Allocation and Benchmark

Investment	Target%	Ranges %	Benchmark
Domestic Fixed Interest	11.0		
Nikko AM Wholesale Corporate Bond Fund	6.0	1.0-11.0	Bloomberg NZ Bond Credit 0+ YR Index
Nikko AM Wholesale NZ Bond Fund	5.0	0.0-10.0	Bloomberg NZ Bond Composite 0+ YR Index
Nikko AM Wholesale Cash Fund	0.0	0.0-5.0	Bloomberg NZ Bank Bill Index
Global Fixed Interest (100% hedged)	6.0	1.0-11.0	Bloomberg Barclays Global Aggregate Index hedged into NZD
Nikko AM Wholesale Global Bond Fund			
Domestic Shares	29.0		
Nikko AM Wholesale Concentrated Equity Fund	12.0	7.0-17.0	RBNZ Official Cash Rate plus 5.0% p.a. S&P/NZX 50 Index Gross with Imputation Index
Nikko AM Wholesale Core Equity Fund	17.0	12.0-22.0	
Global Shares	49.0		
Nikko AM Wholesale Global Shares Fund	21.5	16.5-26.5	MSCI All Countries World Index (net dividends reinvested), expressed in NZD
Nikko AM Wholesale Global Shares Hedged Fund	21.5	16.5-26.5	MSCI All Countries World Index (net dividends reinvested) 100% gross hedged to NZD
Nikko AM ARK Disruption Innovation Fund	6.0	1.0-11.0	Absolute return of 10% per annum
Alternatives	5.0		
Nikko AM Wholesale Multi Strategy Fund	5.0	0.0-10.0	Bloomberg NZ Bond Bank Bill Index + 3.0% p.a.

Noted by Supervisor

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Version Control	Reasons for Change	Author/Editor	Date
Version 1.0	Commencement Mandate	Investment Committee	30 May 2016
Version 2.0	Formal Review	Investment Committee	01 March 2017
Version 3.0	Adding Global Shares Fund	Tim Morrison/James Rogers	22 June 2017
Version 4.0	Formal review Adding JP Morgan Multi manager Alternatives Fund and replacing Corporate Bond Fund with the Wholesale Corporate Bond Fund	Investment Committee	6 November 2017
Version 5.0	Adding correct benchmark for Alternatives	CRD	20 February 2018
Version 6.0	Additional of Nikko AM Global Shares Hedged Fund	Investment Committee	5 June 2018
Version 7.0	Change of benchmark	Investment Committee	11 December 2018
Version 8.0	Change of Corporate Bond Fund benchmark dates to match	Tim Morrison	23 January 2019
Version 9.0	SAA Review	Investment Committee	8 March 2019
Version 10.0	SAA Review	Investment Committee	8 April 2020
Version 11.0	SAA Review	Investment Committee	7 September 2020
Version 12.0	Amedment to reflect change in Multi Strategy Investment directly through Nikko AM Wholesale Fund	Investment Committee	5 May 2021
Version 13.0	SAA Review	Investment Committee	28 April 2022
Version 14.0	SAA Review Change of hedging level for the Nikko AM Wholesale Global Shares Hedged Fund	Investment Committee	26 April 2023