

Annual Disclosure Statement for the 12 months ended 31 March 2015 Generate KiwiSaver Scheme Growth Fund

What is the purpose of this statement?

This statement provides key information about the Generate KiwiSaver Scheme Growth Fund. It tells you how the fund has performed and what fees it charged, and will help you to compare it with other funds. We prepared this statement in accordance with the KiwiSaver (Periodic Disclosure) Regulations 2013. This information is not audited and may be updated.

Description of the fund

The objective of the Growth Fund is to provide a growth investment return for members over the medium to long term through investment in a portfolio of actively managed cash, fixed interest, property and infrastructure assets and international equities managers.

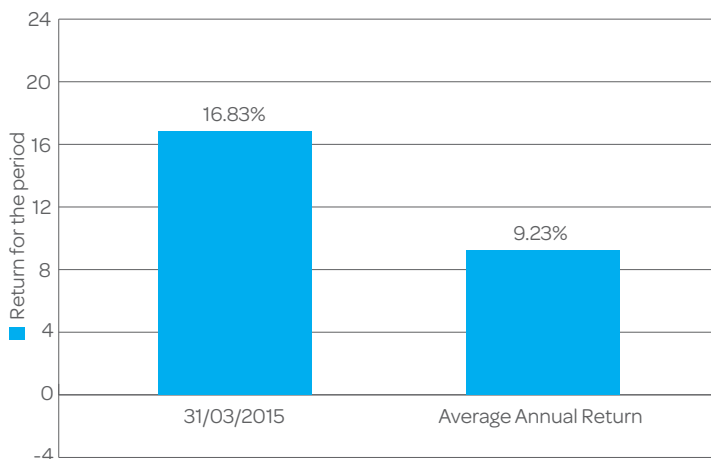
Total value of the fund	\$18,255,415.85
Number of members in the fund	4,488
Date the fund started	16 April 2013

How has the fund performed?

	Past five years	Past year
Return (after deductions for fund fees and tax ¹)	N/A	16.83%

How has the fund performed in the past?

This shows the return after fund fees and tax for each tax year since the fund started and the average annual return since the fund started. It's important to note that this doesn't tell you how the fund will perform in the future.



What fees were members charged?

The returns above are after deductions for fund fees.²

Over the past year these were:

Total fund fees	1.65% of members' investments
Annual management fee	0.93%
Performance-based fees	0.00%
Other fees and costs	0.72% ³

Members were also charged membership fees⁴ of \$36 over the year.

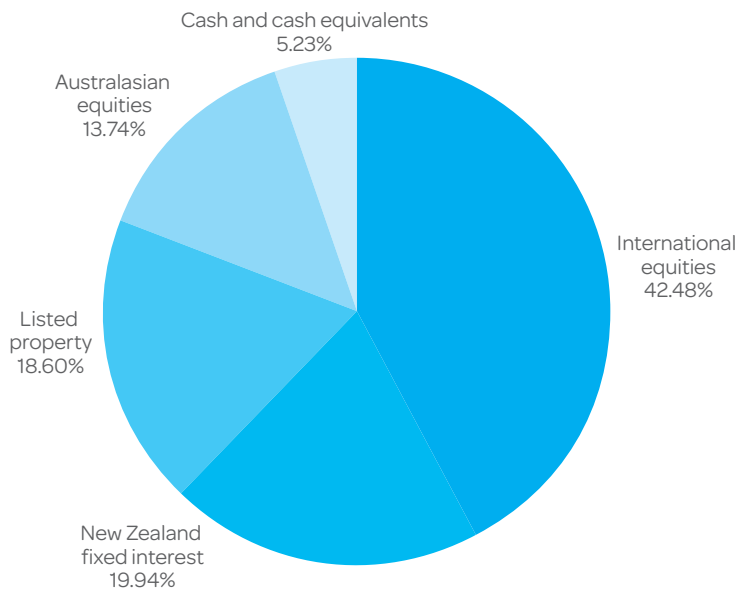
Example of how this applies to a member

Sarah had \$10,000 in the fund at the start of year and didn't make any further contributions. At the end of the year, Sarah received a return after fund fees and tax were deducted of \$1,683 (that's 16.83% of her initial \$10,000). Sarah also paid \$36 in membership fees. This gives Sarah a total return of \$1,647 for the year.

What does the fund invest in?

Actual investment mix

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



Target investment mix

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

Cash and cash equivalents	2.5%
New Zealand fixed interest	15%
International fixed interest	
Australasian equities	20%
International equities	42.5%
Listed property	20%
Unlisted property	0%
Other	0%

Top 10 investments

Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
Platinum International Fund	6.75%	Fund	Australia	
Berkshire Hathaway Inc	6.68%	International equities	United States of America	
T Rowe Price Global Equity Fund	6.60%	Fund	Australia	
Magellan Global Fund	6.52%	Fund	Australia	
Infratil Limited	6.44%	Australasian equities	New Zealand	
Worldwide Healthcare Trust PLC	5.91%	Fund	United Kingdom	
Ryman Healthcare	4.85%	Listed property	New Zealand	
Polar Capital Technology Trust plc	3.48%	Fund	United Kingdom	
Summerset Group Holdings Limited	3.41%	Listed property	New Zealand	
Z Energy	2.89%	Australasian equities	New Zealand	

The top 10 investments make up 53.53% of the fund. For a full list see:
<http://www.generatekiwisaver.co.nz/media/75214/kss10074-002-adsmar2015-generate-growth-fund.csv>

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 position	Time in previous or other position
Sam Goldwater	Portfolio Manager/Investment Committee Member/Executive Director	24 months	Led the investment management of a sizeable portfolio of family assets (previous)	7 years
Henry Tongue	Chief Executive Officer/Investment Committee Member	24 months	Senior Portfolio Manager - Huljich Wealth Management (previous)	4 years
Warren Couillault	Chairman of the Investment Committee/Director	24 months	CEO of Richmond Investment Management (current)	4 years
Peter Brook	Investment Committee Member/Director	24 months	Board Member of Trust Investments Management (current)	10 years
Jonty Edgar	Investment Committee Member	24 months	Executive Director - Forsyth Barr Asia (current)	1 month

Further information

Electronic disclosure of this information

Most of the information contained in this statement, including some additional information, is available in spreadsheet at: <http://www.generatekiwisaver.co.nz/media/75214/kss10074-002-adsmar2015-generate-growth-fund.csv>

See the Generate KiwiSaver Scheme's Investment Statement for more information which is available at: <http://www.generatekiwisaver.co.nz/media/5466/generate-kiwisaver-investment-statement-21.08.14.pdf>

Notes

- Returns in this statement are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax rate may be lower.
- Fund fees are charged as a percentage of a member's interest in the fund (i.e. as a percentage of their KiwiSaver account balance).
- Other fees and costs comprise: (a) operating costs directly incurred by the fund; and (b) annual management fees, performance-based fees and operating costs incurred by underlying funds the Fund invests into.
For some of the underlying funds that the Fund invests into estimates were used when deriving annual management fees, performance-based fees and operating costs. The management fee estimate is the sum of the Fund's monthly average investments in the underlying funds concerned, multiplied by the underlying funds' annual management fees. Where otherwise not available the performance fees were calculated using the same performance criteria as that stated by the administrators of the underlying funds and applied to FY15 performance. We estimate that the performance fees of the underlying funds were 0.11% per annum. Performance-based fees are subject to market movements and external manager performance and therefore are likely to differ from period to period. The operating costs for the relevant period for some of the underlying funds were not available. In these instances the operating costs as a percentage of NAV from the most recent period were used for the calculations for this period.
- Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme.

Generate KiwiSaver Scheme Growth Fund

Annual Disclosure Statement

Under the KiwiSaver (Periodic Disclosure) Regulations 2013

Manager's Certificate

Year End Date: 31 March 2015

The **attached** disclosure statement has been prepared for the purposes of the KiwiSaver (Periodic Disclosure) Regulations 2013 (the Regulations).

To the best of Generate Investment Management Limited's knowledge, after making reasonable inquiry, all information required by the Regulations has been disclosed in accordance with the Regulations and the information presented is accurate.

The disclosure statement does not contain any matter that is likely to deceive or mislead with regard to any particular that would be material to an offer of an interest in the Generate KiwiSaver Scheme.

Generate Investment Management Limited



Sam Goldwater
Executive Director

Date: 22 June 2015