

# Quarterly Disclosure Statement for the 12 months ended 30 June 2016

## 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.

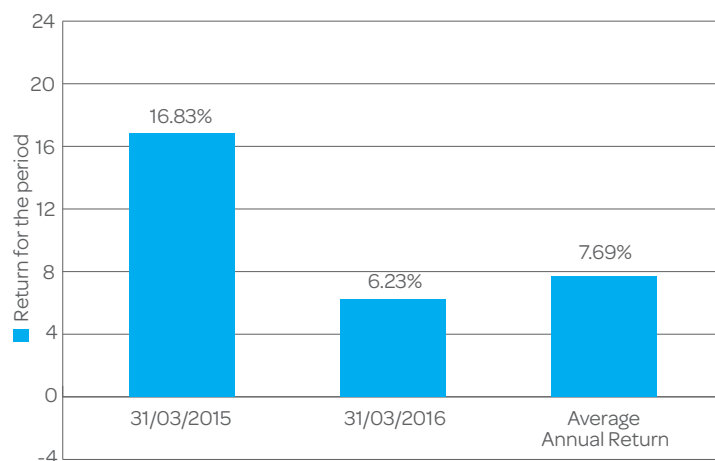
Total value of the fund	\$76,968,330.69
Number of members in the fund	11,907
Date the fund started	16 April 2013

### How has the fund performed?

	Past year
Return (after deductions for fund fees and tax <sup>1</sup> )	1.61%

### 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**.<sup>2</sup>

These fees were last totaled up for the year to 31 March 2016 and were:

Total fund fees	1.58% of members' investments
Annual management fee	0.95%
Performance-based fees	0.00%
Other fees and costs	0.63%

Members were also charged **membership fees**<sup>3</sup> of \$36 over the year to 31 March 2016.

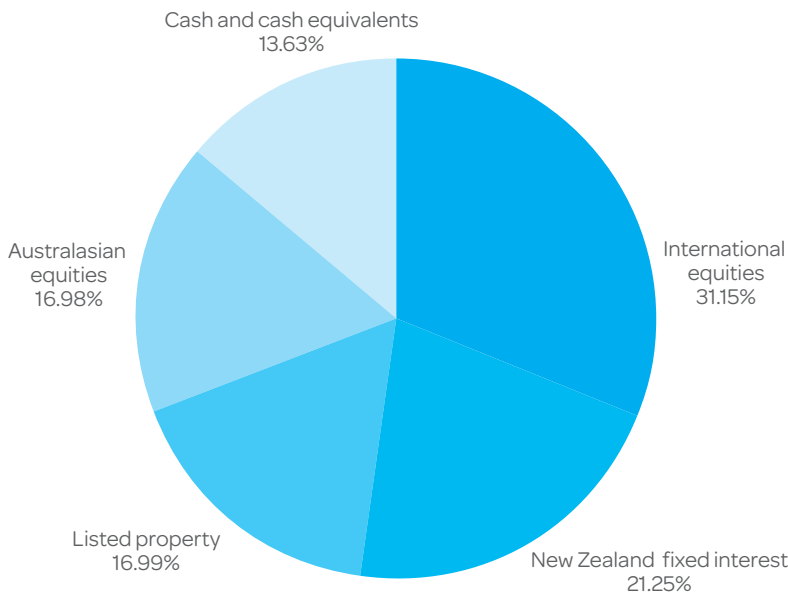
**Example of how this applies to a member**

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 \$161 (that's 1.61% of her initial \$10,000). Sarah also paid \$36 in membership fees. This gives Sarah a total return of \$125 for the year.

**What does the fund invest in?**

**Actual investment mix**

This shows the types of assets that the fund invests in. In the graph below 'Cash and cash equivalents' includes the value of foreign exchange hedging derivatives related to the fund's off-shore investments.



**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	0%
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)
Other Cash Accounts*	8.31%	Cash and cash equivalents	Multiple	
Infratil	6.40%	Australasian equities	New Zealand	
Magellan Global Fund	4.87%	Fund	Australia	
Platinum International Fund	4.86%	Fund	Australia	
ANZ on Call Bank Account	4.71%	Cash and cash equivalents	New Zealand	
Worldwide Healthcare Trust	4.71%	Fund	United Kingdom	
T Rowe Price Global Equity Fund	4.68%	Fund	Australia	
Berkshire Hathaway	4.07%	International Equities	United States of America	
Ryman Healthcare	3.73%	Listed property	New Zealand	
Contact Energy	3.57%	Australasian equities	New Zealand	

The top 10 investments make up 49.90% of the fund.

\*Includes cash held in foreign currencies

#### 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	Since April 2013	Led the investment management of a sizeable portfolio of family assets (previous)	7 years
Henry Tongue	Chief Executive Officer/Investment Committee Member/Director	Since April 2013	Senior Portfolio Manager - Huijich Wealth Management (previous)	4 years
Warren Couillault	Chairman of the Investment Committee/Director	Since April 2013	CEO of Richmond Investment Management (current)	5 years
Peter Brook	Investment Committee Member/Director	Since April 2013	Board Member of Trust Investments Management (current)	11 years
Jonty Edgar	Investment Committee Member	Since April 2013	Executive Director - Forsyth Barr Asia (current)	1 Year

#### Further information

##### Information about conflicts of interest

There have not been changes to the nature, or increases in the scale of the fund's related party transactions compared with the last quarter. See the Generate KiwiSaver Scheme annual financial statements for more information about the Scheme's related party transactions.

##### Changes to trade allocation, execution and proxy voting policies

As the Fund does not have any trade allocation, execution or proxy voting policies this section is not applicable.

##### Changes to valuation methods

There have not been changes to the fund's valuation methods in the past three months.

##### 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/disclosure-statement>

See the Generate KiwiSaver Scheme's Investment Statement for more information which is available at:  
<http://www.generatekiwisaver.co.nz/forms-and-downloads>

#### 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).
- Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme.

## Generate KiwiSaver Scheme Growth Fund

Quarterly Disclosure Statement

Under the KiwiSaver (Periodic Disclosure) Regulations 2013

### Manager's Certificate

Quarter End Date: 30 June 2016

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: 20 July 2016