

Annual Report

NIKKO AM NZ INVESTMENT SCHEME

31 March 2024

Prepared on 30 July 2024

Issued by Nikko Asset Management
New Zealand Limited

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on <https://disclose-register.companiesoffice.govt.nz/>. Nikko Asset Management New Zealand Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial adviser to help you to make an investment decision.

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Details of scheme

Scheme name

Nikko AM NZ Investment Scheme

Scheme type

Managed Investment Scheme

Manager:

Nikko Asset Management New Zealand Limited

Supervisor:

Public Trust

Latest PDS:

Fund Name	Latest PDS (as at 31 March 2024)
Nikko AM Cash and Fixed Interest Funds	4 March 2024 – Open for applications
- Nikko AM NZ Cash Fund	
- Nikko AM NZ Corporate Bond Fund	
- Nikko AM NZ Bond Fund	
- Nikko AM Global Bond Fund	
Nikko AM Domestic Equity Funds	3 July 2023 – Open for applications
- Nikko AM Core Equity Fund	
- Nikko AM Concentrated Equity Fund	
- Nikko AM SRI Equity Fund	
Nikko AM Global Equity Funds	1 June 2023 – Open for applications
- Nikko AM Global Equity Multi-Manager Hedged Fund	
- Nikko AM Global Equity Multi-Manager Unhedged Fund	
- Nikko AM Global Shares Fund	
- Nikko AM Global Shares Hedged Fund	
Nikko AM Diversified Funds	3 July 2023 – Open for applications
- Nikko AM Growth Fund	
- Nikko AM Balanced Fund	
- Nikko AM Conservative Fund	
Nikko AM Income Fund	3 July 2023 – Open for applications
Nikko AM ARK Disruptive Innovation Fund	3 July 2023 – Open for applications
Nikko AM Freedom Fund	27 September 2023 – Open for applications

Latest fund updates:

Fund Name	Latest fund Update
Nikko AM ARK Disruptive Innovation Fund	Quarter ended 31 March 2024
Nikko AM Balanced Fund	Quarter ended 31 March 2024
Nikko AM Concentrated Equity Fund	Quarter ended 31 March 2024
Nikko AM Conservative Fund	Quarter ended 31 March 2024
Nikko AM Core Equity Fund	Quarter ended 31 March 2024
Nikko AM Freedom Fund	Quarter ended 31 March 2024
Nikko AM Global Bond Fund	Quarter ended 31 March 2024
Nikko AM Global Equity Multi-Manager Hedged Fund	Quarter ended 31 March 2024
Nikko AM Global Equity Multi-Manager Unhedged Fund	Quarter ended 31 March 2024
Nikko AM Global Shares Fund	Quarter ended 31 March 2024
Nikko AM Global Shares Hedged Fund	Quarter ended 31 March 2024
Nikko AM Growth Fund	Quarter ended 31 March 2024
Nikko AM Income Fund	Quarter ended 31 March 2024
Nikko AM NZ Cash Fund	Quarter ended 31 March 2024
Nikko AM NZ Bond Fund	Quarter ended 31 March 2024
Nikko AM NZ Corporate Bond Fund	Quarter ended 31 March 2024
Nikko AM SRI Equity Fund	Quarter ended 31 March 2024

Each fund's 31 March 2024 financial statements and auditor's report have been lodged with the Registrar.

Information on contributions and scheme participants

The number of managed investment products on issue was 17 at 1 April 2023 and 17 at 31 March 2024. The units for each of the managed investment products are:

Fund Name	Units on Issue as of 31 March 2023	Units on Issue as of 31 March 2024
Nikko AM ARK Disruptive Innovation Fund	22,411,808	21,694,624
Nikko AM Balanced Fund	24,905,939	22,027,892
Nikko AM Concentrated Equity Fund	10,246,364	8,369,008
Nikko AM Conservative Fund	9,755,823	8,239,922
Nikko AM Core Equity Fund	11,515,555	10,351,555
Nikko AM Freedom Fund	404,999	516,857
Nikko AM Global Bond Fund	88,926,973	153,650,659
Nikko AM Global Equity Multi-Manager Hedged Fund	6,567,667	5,294,215
Nikko AM Global Equity Multi-Manager Unhedged Fund	9,931,418	8,491,855
Nikko AM Global Shares Fund	27,300,895	35,628,454
Nikko AM Global Shares Hedged Fund	131,612,093	113,241,964
Nikko AM Growth Fund	10,479,593	9,274,910
Nikko AM Income Fund	4,076,188	3,178,371
Nikko AM NZ Cash Fund	220,670,842	257,424,661
Nikko AM NZ Bond Fund	93,410,668	167,861,239
Nikko AM NZ Corporate Bond Fund	358,920,370	314,900,068
Nikko AM SRI Equity Fund	4,079,678	2,339,777

Changes relating to the scheme

On 1 June 2023, a replacement Product Disclosure Statement (PDS) was issued for the Nikko AM Global Equity Funds to capture the following changes:

- Name of Global Equity Unhedged and Hedged Funds amended to Global Equity Multi-Manager Unhedged Fund and Global Equity Multi-Manager Hedged Fund

On 1 June 2023 an updated SIPO was issued for the Scheme to reflect:

- Hedging ranges for Global Shares and Global Equity Hedged Funds
- Benchmark change Property Fund
- Update of benchmark name Global Bonds

On 3 July 2023, the following replacement PDS' were issued:

- Nikko AM Diversified Funds – SAA changes
- Nikko AM Income Fund – SAA change
- Nikko AM Domestic Equity Funds – updated description of the Concentrated Equity Fund performance fee
- Nikko AM ARK Disruptive Innovation Fund – minor amendment to risk indicator description.
- Nikko AM Cash and Fixed Interest funds – change of benchmark index name for the Global Bond Fund.

On 3 July 2023 an updated SIPO and OMI were also issued to reflect these changes. Also included in these updates were update of Directors and Investment team and Investment Committee members, change of benchmark for the Nikko AM Wholesale Property Fund, removal of reference to the Nikko AM Wholesale Option Fund and hedging changes for Global Shares Hedged and Global Equities Hedged Fund mandates.

On 27 September 2023 a replacement PDS for the Nikko AM Freedom Fund was issued. The following changes were made:

- new SAA for the fund
- Revised risk indicator

A updated Freedom Fund OMI was issued on the same day which updated the example of expected returns for the fund.

On 9 October 2023, Alan Clarke was appointed as Portfolio Manager, External Managers and Diversified Funds

An updated OMI was issued for the Scheme on 17 October 2023 to reflect key personnel changes in the business:

- Stuart Williams – Managing Director, formerly MD and Co-Head of Equities
- Michael Sherrock – Head of Equities, formerly Co-Head of Equities
- Appointment of Alan Clarke – Portfolio Manager, External Managers and Diversified Funds

On 12 December, a replacement PDS Nikko AM Cash and Fixed Interest funds was issued to reflect a mandate change for the Nikko AM Wholesale NZ Corporate Bond and NZ Bond funds.

An updated SIPO was issued on 12 December 2023 due to a mandate change for both the Nikko AM Wholesale NZ Bond and Wholesale NZ Corporate Bond Funds

Owen Batchelor was appointed as Portfolio Manager, Wholesale Property Fund on 1 April 2024.

We confirm that there were no related party transactions entered into during the accounting period that were not on arm's-length terms.

Other information for particular types of managed funds

Fund Name	Unit Prices as of 31 March 2023	Unit Price as of 31 March 2024
Nikko AM ARK Disruptive Innovation Fund	0.8971	1.2109
Nikko AM Balanced Fund	1.1487	1.2963
Nikko AM Concentrated Equity Fund	2.6410	2.9218
Nikko AM Conservative Fund	1.1289	1.2135
Nikko AM Core Equity Fund	2.7841	2.8459
Nikko AM Freedom Fund	1.0000	1.0000
Nikko AM Global Bond Fund	1.1001	1.1077
Nikko AM Global Equity Multi-Manager Hedged Fund	2.5418	3.3605
Nikko AM Global Equity Multi- Manager Unhedged Fund	3.2487	4.4953
Nikko AM Global Shares Fund	1.8927	2.4510
Nikko AM Global Shares Hedged Fund	1.2521	1.5470
Nikko AM Growth Fund	1.1692	1.3635
Nikko AM Income Fund	1.0300	1.0202
Nikko AM NZ Cash Fund	1.0407	1.0491
Nikko AM NZ Bond Fund	0.9675	0.9664
Nikko AM NZ Corporate Bond Fund	1.1298	1.1527
Nikko AM SRI Equity Fund	0.9264	0.9367

Changes to persons involved in the scheme

1 April 2023:

- Georger Carter resigned as Director
- Kiyotaka Ryu resigned as Director
(Chief Administrative Officer, Nikko Asset Management Co., Ltd., (Nikko Japan))
- Stuart Williams appointed as Managing Director and Co-Head of Equities
- Michael Sherrock appointed as Co-Head of Equities
- Anthony Glover appointed as Director (Global Head, International Sales, Nikko Japan)
- Yutaka Nishida appointed as Director (Chairman, Nikko Japan)

1 October 2023:

- Stuart Williams – ceased as Co-Head of Equities
- Michael Sherrock – commenced as Head of Equities, formerly Co-Head of Equities

9 October 2023:

- Appointment of Alan Clarke – Portfolio Manager, External Managers and Diversified Funds

Relating to Public Trust (the supervisor), in the year ending 31 March 2024 :

No changes

How to find further information

Further information relating to the scheme and the managed investment products (including the trust deed, financial statements, SIPOs, the PDS and quarterly fund updates) is available on:

- the Disclose register www.business.govt.nz/disclose
- www.nikkoam.co.nz
- www.goalsgetter.co.nz

Other information we will provide

Information	How to obtain
Latest unit price	The latest unit price is available on our website www.nikkoam.co.nz .
Fund information relevant to you	You can inspect documents we hold that are relevant to you and other documents that are legally required to be provided to you, at our office during normal business hours or request an extract of those documents, by writing to us.
Fund updates	Once available, the fund updates for the Fund will be publicly available from our website – https://www.nikkoam.co.nz/invest/retail – and can be requested from us.

You will not be charged any fee to access this information.

You can find more information about us and the Funds on our website www.nikkoam.co.nz.

Contact details and complaints

Nikko Asset Management New Zealand Limited

Level 17, Vero Centre, 48 Shortland Street, Auckland 1010, New Zealand
PO Box 3892, Shortland Street, Auckland 1140
09 307 6363

NZenquiries@nikkoam.com

www.nikkoam.co.nz

Please direct any enquiries to the "the Managing Director" at the address above.

Public Trust

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151 Queen Street, Auckland 1010
Private Bag 5902, Wellington 6140
0800 371 471

CTS.enquiry@publictrust.co.nz

www.publictrust.co.nz/corporate-trustee-services

Apex Investment Administration (NZ) Limited (as unit registry provider)

Level 25, QBE Centre
125 Queen Street, Auckland 1010
PO Box 106 039, Auckland City, Auckland 1143
09 309 8926

nikkoregistry@apexfs.co.nz

How to complain

Any complaints about a fund or the Scheme may be referred to the Manager, the Supervisor or Financial Services Complaints Limited.

The Manager and the Supervisor are both members of the Financial Services Complaints Limited independent dispute resolution scheme which is a scheme approved by the Ministry of Consumer Affairs.

If you have made a complaint to us and it has not been resolved within 40 days or if you are dissatisfied with the proposed resolution, you can refer it to:

Financial Services Complaints Limited

Level 4, 101 Lambton Quay, Wellington 6011
PO Box 5967, Wellington 6145
Freephone 0800 347 257 or 04 472-FSCL

www.fscl.org.nz

Financial Services Complaints Limited will not charge a fee to any complainant to investigate or resolve a complaint. Further information about referring a complaint to Financial Services Complaints Limited can be found at www.fscl.org.nz.