

## ANZ KiwiSaver Scheme

### Conservative Balanced Fund

#### What is the purpose of this statement?

This statement provides key information about the ANZ KiwiSaver Scheme Conservative Balanced 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 Conservative Balanced Fund invests mainly in cash and fixed interest assets, with some exposure to share and listed property assets. It may also invest in alternative assets. The objectives of the Conservative Balanced Fund are to:

- Consistently deliver positive real investment returns in the form of income and capital growth by investing in a range of asset classes; and
- Achieve investment performance that reflects the level of risk applicable to the Conservative Balanced Fund's underlying asset classes.

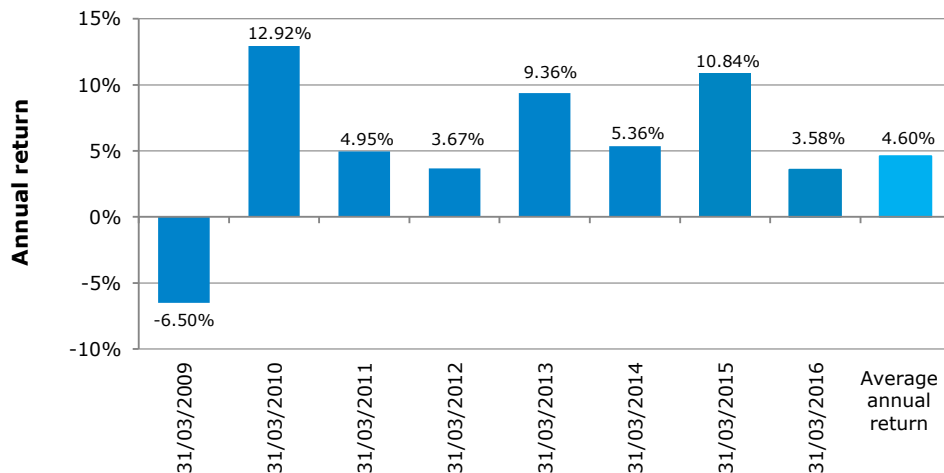
|                               |                |
|-------------------------------|----------------|
| Total value of the fund (\$)  | 656,512,990    |
| Number of members in the fund | 44,990         |
| Date the fund started         | 1 October 2007 |

#### How has the fund performed?

|  |                           |
|--|---------------------------|
| <b>Annual return</b><br>(after deductions for fund fees and tax <sup>1</sup> ) | <b>Past year</b><br>3.38% |
|--|---------------------------|

#### 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 totalled up for the year to 31 March 2016 and were:

|                              | % of members' investments |
|------------------------------|---------------------------|
| <b>Total fund fees</b>       | 0.94%                     |
| <i>Which are made up of:</i> |                           |
| Annual management fee        | 0.85%                     |
| Performance-based fees       | 0.00%                     |
| Other fees and costs         | 0.09%                     |

Members were also charged **membership fees**<sup>3</sup> of up to \$24 over the year to 31 March 2016.

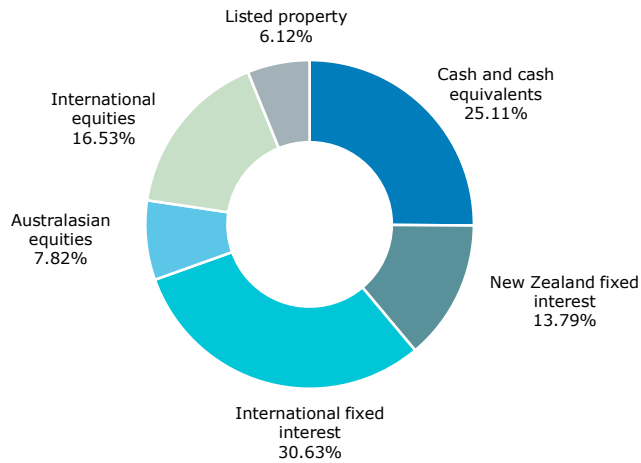
### Example of how this applies to a member

Sarah had \$10,000 in the fund at the start of the 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 \$338 (that's 3.38% of her initial \$10,000). Sarah also paid \$24 in membership fees<sup>3</sup>. This gives Sarah a total return of \$314 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    | 15.00% |
| New Zealand fixed interest   | 15.00% |
| International fixed interest | 35.00% |
| Australasian equities        | 9.00%  |
| International equities       | 20.00% |
| Listed property              | 6.00%  |
| Unlisted property            | 0.00%  |
| Other                        | 0.00%  |

#### Top 10 investments

| Name   | Percentage of fund net assets | Type                       | Country     | Credit rating (if applicable) |
|--|-------------------------------|----------------------------|-------------|-------------------------------|
| 1 Cash Deposit (ANZ Bank)                              | 1.77%                         | New Zealand fixed interest | New Zealand |                               |
| 2 NZ Govt Stock 6.0% 2021                              | 1.20%                         | New Zealand fixed interest | New Zealand | AA+                           |
| 3 NZ Govt Stock 5.5% 2023                              | 1.12%                         | New Zealand fixed interest | New Zealand | AA+                           |
| 4 NZ Govt Stock 6.0% 2017                              | 1.10%                         | New Zealand fixed interest | New Zealand | AA+                           |
| 5 ASB Registered Certificate of Deposit 5/9/16         | 1.08%                         | Cash and cash equivalents  | New Zealand | A1+                           |
| 6 NZ Govt Stock 4.5% 2027                              | 1.07%                         | New Zealand fixed interest | New Zealand | AA+                           |
| 7 NZ Govt Stock 5.0% 2019                              | 1.02%                         | New Zealand fixed interest | New Zealand | AA+                           |
| 8 Rabobank Floating Rate Note 4/9/18                   | 0.91%                         | Cash and cash equivalents  | New Zealand | A+                            |
| 9 BNZ Registered Certificate of Deposit 12/10/16       | 0.86%                         | Cash and cash equivalents  | New Zealand | A1+                           |
| 10 Rabobank Registered Certificate of Deposit 24/08/16 | 0.78%                         | Cash and cash equivalents  | New Zealand | A1                            |

The top 10 investments make up 10.91% of the fund.

## 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 |
|-------------------|---|--------------------------|---|------------------------------------|
| Graham Ansell     | Chief Investment Officer, ANZ Bank New Zealand Limited            | 3 years, 7 months        | Head of Fixed Interest, ANZ Bank New Zealand Limited                | 16 years, 2 months                 |
| Stewart Brentnall | Chief Investment Officer, ANZ Wealth                              | 3 years, 11 months       | Chief Investment Officer, OnePath Australia                         | 3 years                            |
| Mark Rider        | Head of Investment Strategy & Asset Allocation, OnePath Australia | 3 years, 1 month         | Head of Investment Strategy, Australia, UBS Global Asset Management | 9 years, 6 months                  |
| Stuart Millar     | Head of Diversified Portfolio Management                          | 11 months                | Senior Capital Markets Manager, ANZ Bank New Zealand Limited        | 3 years, 4 months                  |
| Alan Clarke       | Senior Mandate Research Manager                                   | 11 months                | Investment Analyst, ANZ Bank New Zealand Limited                    | 8 years, 8 months                  |

## 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. All related party transactions during the quarter were conducted at arms length. See the ANZ KiwiSaver Scheme annual financial statements for more information about the scheme's related-party transactions.

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

There have been changes to the fund's trade allocation, execution and proxy voting policies in the past three months. See the below link for more information about these policies.

[Trade allocation, execution and proxy voting](#)

### 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 a spreadsheet at the below link.

[Conservative Balanced Fund data file](#)

## Notes

<sup>1</sup> 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.

<sup>2</sup> Fund fees are fees charged as a percentage of a member's interest in the fund (i.e. as a percentage of their KiwiSaver account balance).

<sup>3</sup> Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme. We may, generally or in respect of any particular member, waive part or all of any fee payable to us.

## ANZ KiwiSaver Scheme: Conservative Balanced Fund

### Manager's Certificate

for the twelve months ended 30 June 2016

ANZ New Zealand Investments Limited, the Manager of the ANZ KiwiSaver Scheme, has prepared this Disclosure Statement for the Conservative Balanced Fund for the purposes of the KiwiSaver (Periodic Disclosure) Regulations 2013. The Manager declares that to the best of its 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 ANZ KiwiSaver Scheme.

On behalf of ANZ New Zealand Investments Limited, the Manager:



Ana-Marie Lockyer  
General Manager Wealth Products  
21 July 2016