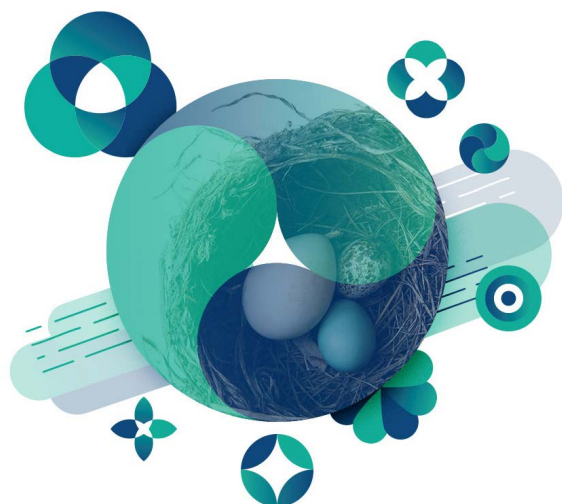




# FISHER FUNDS MANAGED FUNDS FUND UPDATE

## Conservative Fund

For the quarter ended: 31 March 2021

This fund update was first made publicly available on:  
3 May 2021

## WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Fisher Funds Management Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

## DESCRIPTION OF THIS FUND

The fund aims to provide stable returns over the long term by investing in mainly income assets with a modest allocation to growth assets.

|                                 |              |
|---------------------------------|--------------|
| Total value of the fund         | \$79,358,723 |
| Number of investors in the fund | 1,961        |
| The date the fund started       | 31 Jul 2018  |

## WHAT ARE THE RISKS OF INVESTING?

Risk indicator for the Conservative Fund<sup>1</sup>:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [ipq.fisherfunds.co.nz/ffmf](http://ipq.fisherfunds.co.nz/ffmf).

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the past 5 years. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

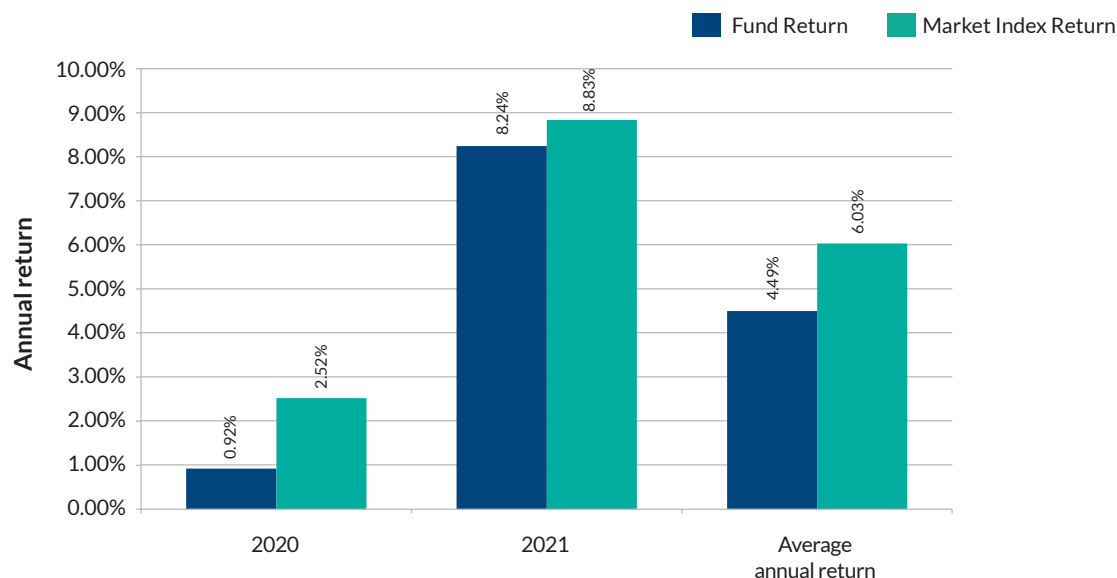
See the [product disclosure statement \(PDS\)](#) for more information about the risks associated with investing in this fund.

## HOW HAS THE FUND PERFORMED?

|                                                                                  | Past year |
|----------------------------------------------------------------------------------|-----------|
| <b>Annual return</b><br>(after deductions for charges and tax)                   | 8.24%     |
| <b>Annual return</b><br>(after deductions for charges but before tax)            | 8.88%     |
| <b>Market index annual return</b><br>(reflects no deduction for charges and tax) | 8.83%     |

The market index return reflects a composite of benchmark index returns, weighted for the fund's target asset allocation. The benchmark indices used for each asset class are defined in the Statement of Investment Policy and Objectives (SIPO). Additional information about the market index is available on the offer register at [companiesoffice.govt.nz/disclose](http://companiesoffice.govt.nz/disclose) under Fisher Funds Managed Funds or OFR10667.

## ANNUAL RETURN GRAPH



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 31 March 2021.

**Important:** This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower. The market index return reflects no deduction for charges and tax.

## WHAT FEES ARE INVESTORS CHARGED?

Investors in the Conservative Fund are charged fund charges that include GST. In the year to 31 March 2020 these were:

|                                                    | % of net asset value |
|----------------------------------------------------|----------------------|
| <b>Total fund charges</b>                          | 1.38%                |
| Which are made up of:                              |                      |
| <b>Total management and administration charges</b> | 1.38%                |
| Including:                                         |                      |
| Manager's basic fee                                | 1.12%                |
| Other management and administration charges        | 0.26%                |
| <b>Total performance-based fees</b>                | 0.00%                |

Small differences in fees and charges can have a big impact on your investment over the long term.

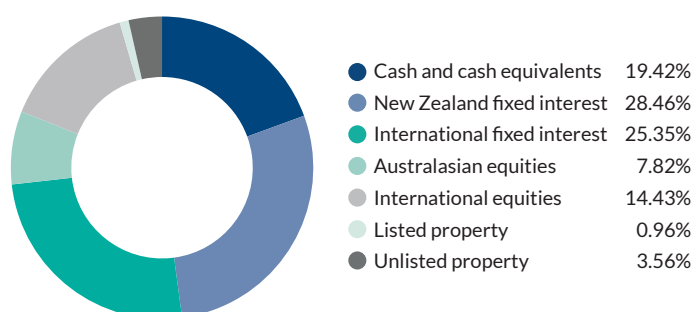
## EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

Katie had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Katie received a return after fund charges were deducted of \$824 (that is 8.24% of her initial \$10,000). Katie did not pay other charges. This gives Katie a total return after tax of \$824 for the period.

## WHAT DOES THE FUND INVEST IN?

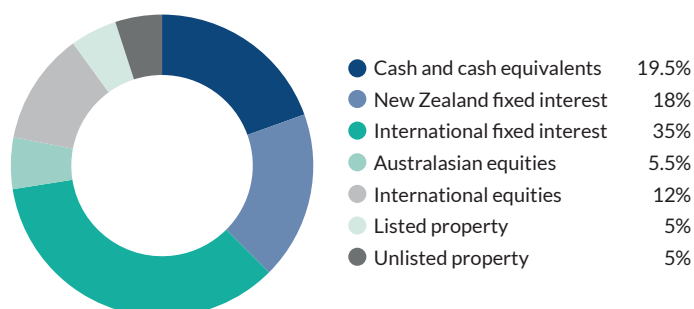
### Actual investment mix

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.



## Currency hedging

The currency hedge ratios for each asset class (hedged into NZD) at quarter end are:

|                                    | Benchmark |       |
|------------------------------------|-----------|-------|
| International fixed interest       | 100%      | 98.1% |
| Australian equities                | 70%       | 70.0% |
| International equities             | 50%       | 36.1% |
| Listed property (overseas portion) | 70%       | 70.9% |

## Top 10 Investments

| Name                                        | % of fund net assets | Type                       | Country | Credit rating (if applicable) |
|---------------------------------------------|----------------------|----------------------------|---------|-------------------------------|
| ANZ 10 A/C - CURRENT ACCOUNTS               | 11.12%               | Cash and cash equivalents  | NZ      | NA                            |
| BNZ CALL A/C - CURRENT ACCOUNTS 31/03/2021  | 3.28%                | Cash and cash equivalents  | NZ      | NA                            |
| GOVERNMENT OF NEW ZEALAND 3.5% 14-APR-2033  | 1.52%                | New Zealand fixed interest | NZ      | AAA                           |
| GOVERNMENT OF NEW ZEALAND 3.0% 20-APR-2029  | 1.47%                | New Zealand fixed interest | NZ      | AAA                           |
| BAYFAIR SHOPPING CENTRE - RETAIL            | 1.44%                | Unlisted property          | NZ      | NA                            |
| GOVERNMENT OF NEW ZEALAND 2.0% 20-SEP-2025  | 1.23%                | New Zealand fixed interest | NZ      | AAA                           |
| GOVERNMENT OF NEW ZEALAND 2.75% 15-APR-2025 | 1.01%                | New Zealand fixed interest | NZ      | AAA                           |
| ASB BANK LTD. FRN 22-FEB-2022               | 0.92%                | New Zealand fixed interest | NZ      | AA-                           |
| GOVERNMENT OF NEW ZEALAND 4.5% 15-APR-2027  | 0.91%                | New Zealand fixed interest | NZ      | AAA                           |
| GOVERNMENT OF NEW ZEALAND 2.75% 15-APR-2037 | 0.86%                | New Zealand fixed interest | NZ      | AAA                           |

The top 10 investments make up 23.76% of the fund.

## KEY PERSONNEL

| Name             | Current position                         | Time in current position | Previous or other position                                         | Time in previous or other position |
|------------------|------------------------------------------|--------------------------|--------------------------------------------------------------------|------------------------------------|
| Frank Jasper     | Chief Investment Officer                 | 3 Years, 8 Months        | Director, Fisher Funds Management Limited                          | 12 Years, 4 Months                 |
| Mark Brighthouse | Chief Investment Strategist              | 3 Years, 8 Months        | Chief Investment Officer, Fisher Funds Management Limited          | 5 Years, 9 Months                  |
| David McLeish    | Senior Portfolio Manager, Fixed Interest | 10 Years, 0 Months       | Executive Director, Goldman Sachs International, London            | 3 Years, 0 Months                  |
| Sam Dickie       | Senior Portfolio Manager, NZ Equities    | 4 Years, 1 Months        | Portfolio Manager, Moore Capital Asia Limited                      | 5 Years, 10 Months                 |
| Brent Buchanan   | Head of Direct Property                  | 12 Years, 10 Months      | Portfolio Manager, Commercial & Industrial, AMP Capital Management | 8 Years, 0 Months                  |

## FURTHER INFORMATION

You can also obtain this information, the PDS for the Fisher Funds Managed Funds, and some additional information from the offer register at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose) under Fisher Funds Managed Funds or OFR10667.

## NOTES

<sup>1</sup> Market index returns as well as the fund's actual returns have been used to fill in the risk indicator, as the fund commenced less than 5 years ago. As a result of market index returns being used, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. Market index returns were used for the period from 1 April 2016 to 31 July 2018.