

# Aon KiwiSaver Scheme



## Nikko Balanced Fund

### Fund update for the quarter ending 30 September 2021

This fund update was first made publicly available on 29 October 2021.

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

This document tells you how the Nikko Balanced Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Aon Saver 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 Nikko Balanced Fund aims to produce returns in excess of inflation by investing with a higher allocation to growth assets than income assets.

|  |                 |
|--|-----------------|
| <b>Total value of the fund</b>         | \$12,711,875    |
| <b>Number of investors in the fund</b> | 504             |
| <b>Date the fund started</b>           | 31 October 2007 |

#### What are the risks of investing?

Risk indicator for the Nikko Balanced Fund.



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 using our [Aon KiwiSaver Scheme risk profiler](#).

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 five years to 30 September 2021.** 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.

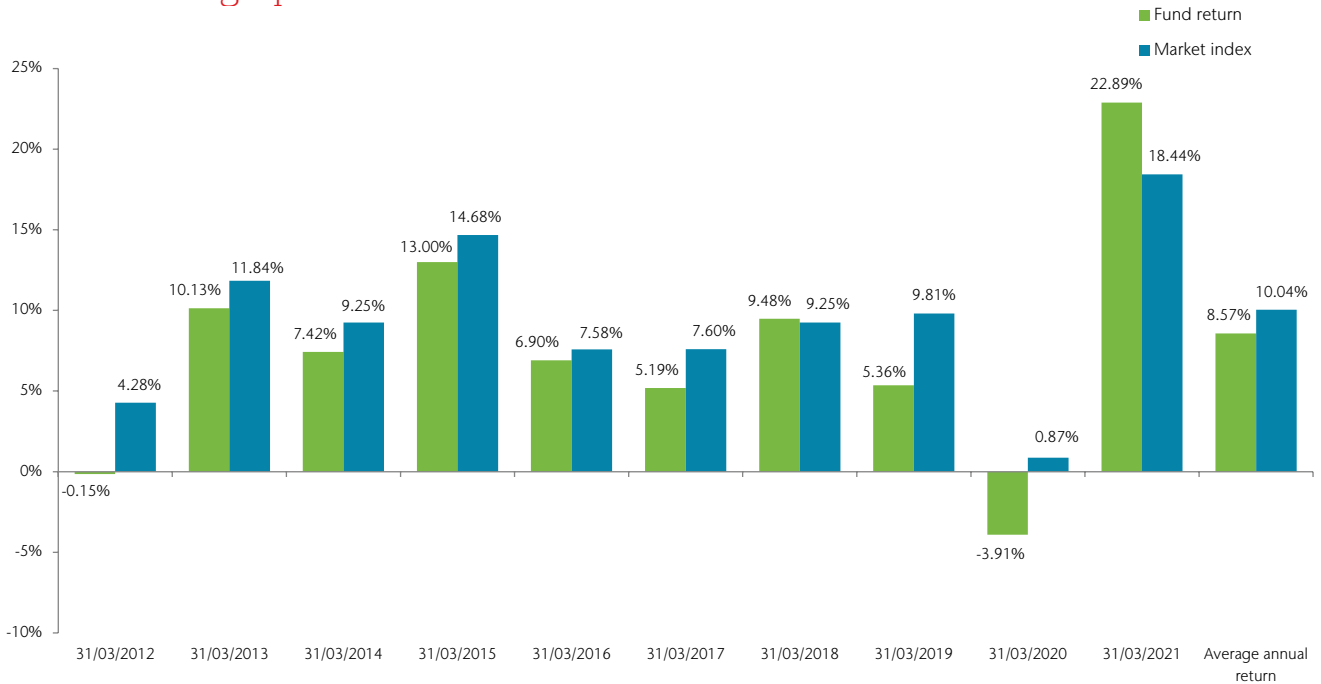
#### How has the fund performed?

|  | Average over past 5 years | Past year |
|--|---------------------------|-----------|
| <b>Annual return</b><br>(after deductions for charges and tax)                   | 7.57%                     | 10.16%    |
| <b>Annual return</b><br>(after deductions for charges but before tax)            | 7.94%                     | 10.52%    |
| <b>Market index annual return</b><br>(reflects no deduction for charges and tax) | 8.78%                     | 9.25%     |

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 in the SIPO available from the scheme register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

## Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 September 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.

## What fees are investors charged?\*

Investors in the Nikko Balanced Fund are charged fund charges. These fund charges are inclusive of GST, where applicable. In the year to 31 March 2021, fund charges were:

|   | % of net asset value |
|---|----------------------|
| <b>Total fund charges</b>                                     | 1.55%                |
| Which are made up of:   |                      |
| <b>Total management and administration charges including:</b> |                      |
| Manager's basic fee   | 1.41%                |
| Other management and administration charges                   | 0.14%                |
| <b>Total performance-based fees</b>                           | 0.00%                |
| <b>Other charges</b>  |                      |
| Annual membership fee   | \$39.96**            |

\* See the Product Disclosure Statement for more information about the basis on which performance fees are charged. Some underlying fund fees are estimates as underlying fund managers change from time to time and underlying fund managers charge a variable performance fee at different times.

\*\*The annual membership fee was reduced to \$39.96 from 1 February 2021. Prior to this date the annual membership fee was \$49.80, or \$40 if you were under 18.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the ‘Aon KiwiSaver Scheme Fees and other charges’ document available from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz) for more information about those fees.

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

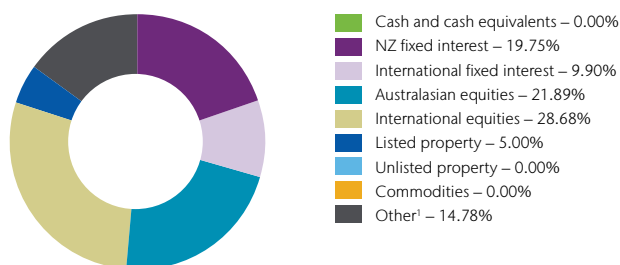
## Example of how this applies to an investor

Jacob 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, Jacob received a return after fund fees and tax were deducted of \$1,016 (that’s 10.16% of his initial \$10,000). Jacob also paid \$39.96 in membership fees. This gives Jacob a total return of \$976.04 for the year.

## What does the fund invest in?

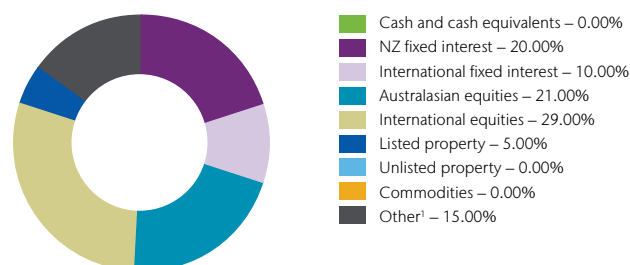
### Actual investment mix

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.



## Top 10 investments

|   | Asset name                       | Percentage of fund net assets | Asset class      | Country     | Credit rating (if applicable) |
|---|----------------------------------|-------------------------------|------------------|-------------|-------------------------------|
| 1 | Nikko AM Wholesale Balanced Fund | 100.00%                       | Diversified fund | New Zealand |                               |

The Top 10 investments make up 100.00% of the fund.

## Currency hedging

Currency hedging can apply to some of the asset classes this fund invests in.

The targeted level of currency hedging for international equities is 50%. Other global asset classes target a 100% hedge to the New Zealand dollar. As at 30 September 2021 the fund’s unhedged foreign currency exposure was 19% of the net asset value of the fund. Refer to the Statement of Investment Policy and Objectives for more information which is available from the scheme register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

## Key personnel

This shows the employees or directors of the fund 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 |
|-----------------|---|--------------------------|--|------------------------------------|
| Helen McKenzie  | Director,<br>Aon Saver Limited  | 2 years, 5 months        | Director,<br>Superannuation<br>Management<br>Nominees Limited<br>(current position)        | 4 years, 11 months                 |
| Enzo Cutrupi    | Director,<br>Aon Saver Limited  | 3 years, 10 months       | Principal and Head<br>of Product and<br>Investment,<br>Aon Australia<br>(current position) | 8 years, 6 months                  |
| Dennis Church   | Director,<br>Aon Saver Limited  | 2 years, 5 months        | General Manager,<br>Public Trust<br>Corporate Trustee<br>Services                          | 9 years, 6 months                  |
| Simon Ferry     | Manager of<br>Retirement<br>& Financial<br>Management,<br>Aon New Zealand | 4 years, 5 months        | Retirement Business<br>Leader,<br>Mercer Hong Kong   | 4 years                            |
| Amanda Beeslaar | Principal and Head of<br>Retirement Products,<br>Aon New Zealand          | 4 years, 3 months        | Principal and<br>KiwiSaver Sales and<br>Service Manager,<br>Aon New Zealand                | 9 years, 4 months                  |

## Further information

You can also obtain this information, the PDS for the Aon KiwiSaver Scheme, and some additional information from the offer register at [disclose-register.companiesoffice.govt.nz](https://disclose-register.companiesoffice.govt.nz).

## Notes

<sup>1</sup> Nikko Balanced Fund has a 5% allocation to the Nikko Option Fund and a 10% allocation to the Nikko Multi Strategy Fund.

Our helpdesk staff are available to assist you with any queries.

You can contact us by email at [aonkiwisaver@linkmarketservices.com](mailto:aonkiwisaver@linkmarketservices.com) or by calling 0800 266 463.