

## Fund Update for: the Pathfinder Managed Investment Scheme

### **Pathfinder Global Property Fund** Quarter ended 30 June 2021

This fund update was first made publicly available on: 28<sup>th</sup> July 2021

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

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

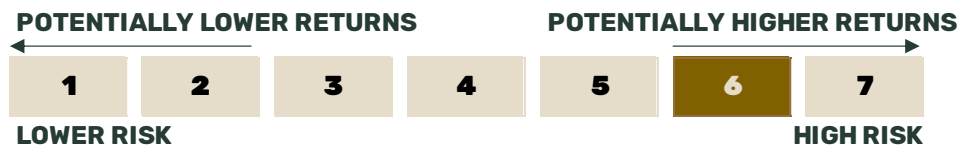
#### Description of this fund

The fund invests directly in global property stocks that are listed in developed markets. The fund targets a portfolio of 50 to 100 property stocks.

Total value of the fund	\$22,178,492.52
The date the fund started	23 July 2015

#### What are the risks of investing?

Risk indicator for the Pathfinder Global Property 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 at [www.sorted.org.nz/tools/investor-kickstarter](http://www.sorted.org.nz/tools/investor-kickstarter).

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 5-year period from 1 July 2016 to 30 June 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.

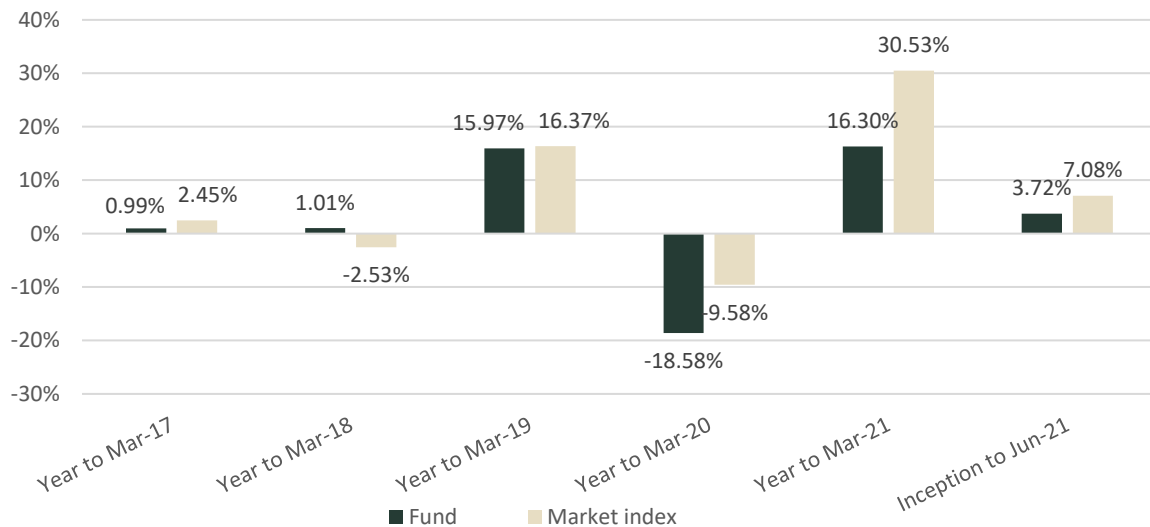
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

## How has the fund performed?

	Average over past 5 years	Past Year
<b>Annual return</b> (after deductions for charges and tax)	3.03%	26.61%
<b>Annual return</b> (after deductions for charges but before tax)	3.35%	27.46%
<b>Market index annual return</b> (reflects no deductions for charges and tax)	6.18%	32.22%

The market index annual return is based on the FTSE EPRA/NAREIT Global Real Estate Index (net of dividends and tax; 75% hedged to NZ dollars), see Note 1 below. Additional information about the index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) (search Offers, using Offer OFR10780, Documents, Other Material Information).

### 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 30 June 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 Pathfinder Global Property Fund are charged fund charges. In the year to 31 March 2021 these were:

	% of net asset value
Total fund charges*	1.00%
<b>Which are made up of:</b>	
<b>Total management and administration charges</b>	1.00%
<b>Including:</b>	
Manager basic fee	1.00%
Other management and administration expenses	0.00%

\*All amounts exclude any applicable GST

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for more information about those fees on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for more information.

## Example of how this applies to an investor

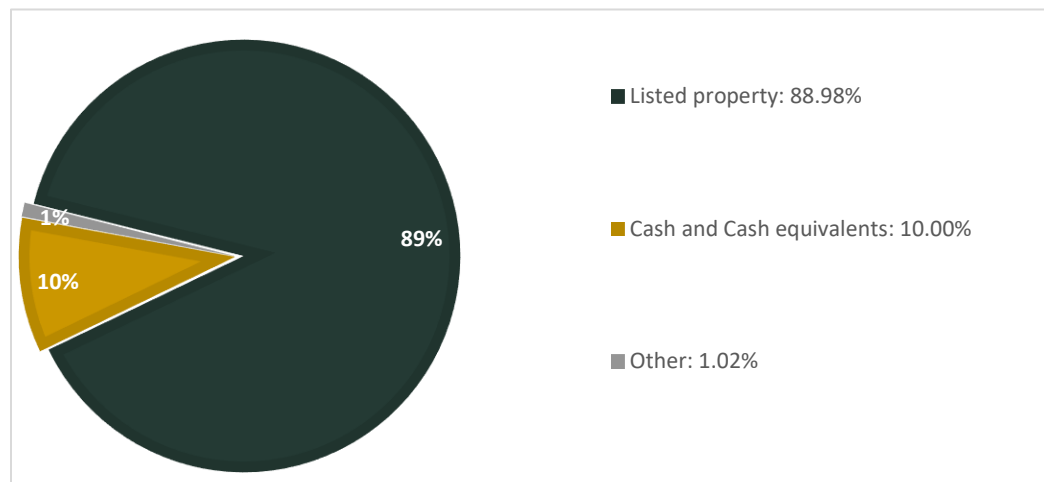
Small differences in fees and charges can have a big impact on your investment over the long term.

Angela 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, Angela made a return after fund charges were deducted of \$2,746 (that is 27.46% of her initial \$10,000). Angela did not pay any other charges. This gives Angela a total return after tax of \$2,661 for the year.

## What does the fund invest in?

This shows the type of assets that the fund invests in.

### Actual investment mix<sup>2</sup>



### Target investment mix

Cash and cash equivalents	0%
Listed property	100%

### Top 10 investments

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Cash at Bank - NZD - Westpac	7.91%	Cash and cash equivalents	NZ	AA-
2	Prologis Inc	4.79%	Listed property	US	N/A
3	Country Garden Services Holdings	4.18%	Listed property	HK	N/A
4	American Tower Corp	3.35%	Listed property	US	N/A
5	Equinix Inc	3.00%	Listed property	US	N/A
6	Simon Property Group Inc	2.78%	Listed property	US	N/A
7	Digital Realty Trust Inc	2.70%	Listed property	US	N/A
8	Welltower Inc	2.50%	Listed Property	US	N/A
9	Vonovia Se	2.42%	Listed property	DE	N/A
10	Avalonbay Communities Inc	2.36%	Listed property	US	N/A

The top 10 investments make up 35.99% of the net asset value of the fund. See Note 2 for important information on the 'Cash at Bank'.

*Currency hedging:* Changes in the value of the NZ dollar relative to other currencies can have a big impact on your investment over the long term. The target currency hedging level implemented in the fund is 75% of foreign currency exposures (actual hedging level at 30 June was 65.59%, this will change over time). The unhedged foreign exposure was 25.31% of the Net Asset Value at 30 June 2021 (this will change over time).

## Key personnel

	Name	Current position	Time in current position	Previous position	Time in previous position
1	John Berry	Chief Executive Officer	12 years, 3 months	Deutsche Bank - Consultant	4 years, 9 months
2	Paul Brownsey	Chief Investment Officer	12 years, 3 months	Deutsche Bank - Director	5 years
3	James Caughey	Investment Strategist	3 years, 10 months	Senior Research Analyst position - NZAM	6 years
4	Nish Vyas	Director of Private Wealth	1 year, 5 months	Senior Private Banker - BNZ	4 years
5	Kent Fraser	Chair of Investment Committee	4 years, 9 months		

## Further information

You can also obtain this information, the PDS for Pathfinder Investment Funds, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Notes

- 1) **Market Index:** We have changed market index for the Global Property Fund from the Morningstar US Real Estate Sector Index to FTSE EPRA/NAREIT Global Real Estate Index in 2020, because the new index has global coverage and is more representative

of the Global Property Fund which also invests globally. This is not a material change as the two indexes' returns are broadly similar.

- 2) **Accrual Investment Mix: Other** refers to unlisted property holdings in this Fund.
- 3) **'Cash at Bank'**: The fund uses foreign currency cash accounts which can be both positive and negative balances. If all cash positions are netted, the overall cash holding in NZD is 9.59% of the fund net assets.