

# HARBOUR NZ CORE FIXED INTEREST FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour NZ Core Fixed Interest Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour 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 is an actively managed investment grade bond fund that invests mainly in New Zealand Government and corporate bond fixed interest securities.

**Investment Objective:** The investment objective of the Fund is to outperform the benchmark by 100 basis points per annum over a rolling three year period.

**Benchmark:** 50:50 weighted average of the S&P/NZX Government Bond Index and S&P/NZX A Grade Corporate Bond Index.

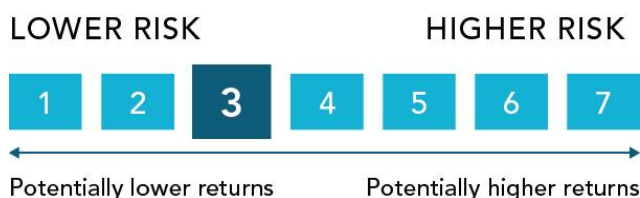
Total value of the Fund (NZD)

\$149,078,917

The date the Fund started

24 May 2011

### What are the risks of investing?



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](http://www.sorted.org.nz).

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.

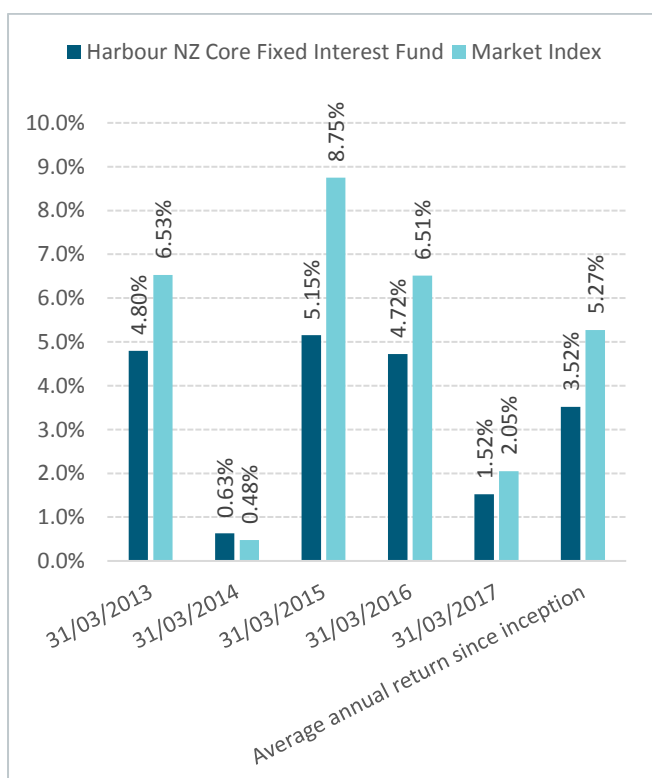
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund 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<sup>1</sup></b> (after deductions for charges and tax)	<b>3.35%</b>	<b>1.52%</b>
<b>Annual Return<sup>1</sup></b> (after deductions for charges but before tax)	<b>4.68%</b>	<b>2.12%</b>
<b>Market index annual return<sup>1</sup></b> (reflects no deduction for charges and tax)	<b>4.82%</b>	<b>2.05%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying Fund. In this case the Market Index is: 50:50 weighted average of the S&P/NZX Government Bond Index and S&P/NZX A Grade Corporate Bond Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the Fund started. The last bar

shows the annualised annual return since the Fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

**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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (Inc. GST)*</b>	<b>0.75%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>0.75%</b>
Including-	
Manager's basic fee	0.51%
Other management and administration charges <sup>3</sup>	0.24%
<b>Total Performance-based fees</b>	<b>0.00%</b>

*\* It is expected that fund charges for the year to 30 June 2017 will be different from the fees presented in the table above due to changes that have been made to the fee structure for the Fund. The PDS sets out an estimate of the fund charges based on the new fee structure and we suggest this will provide you with a more accurate indication of the likely fund charges for the year to 30 June 2017, than the actual charges for the year to 30 June 2016 presented above.*

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees

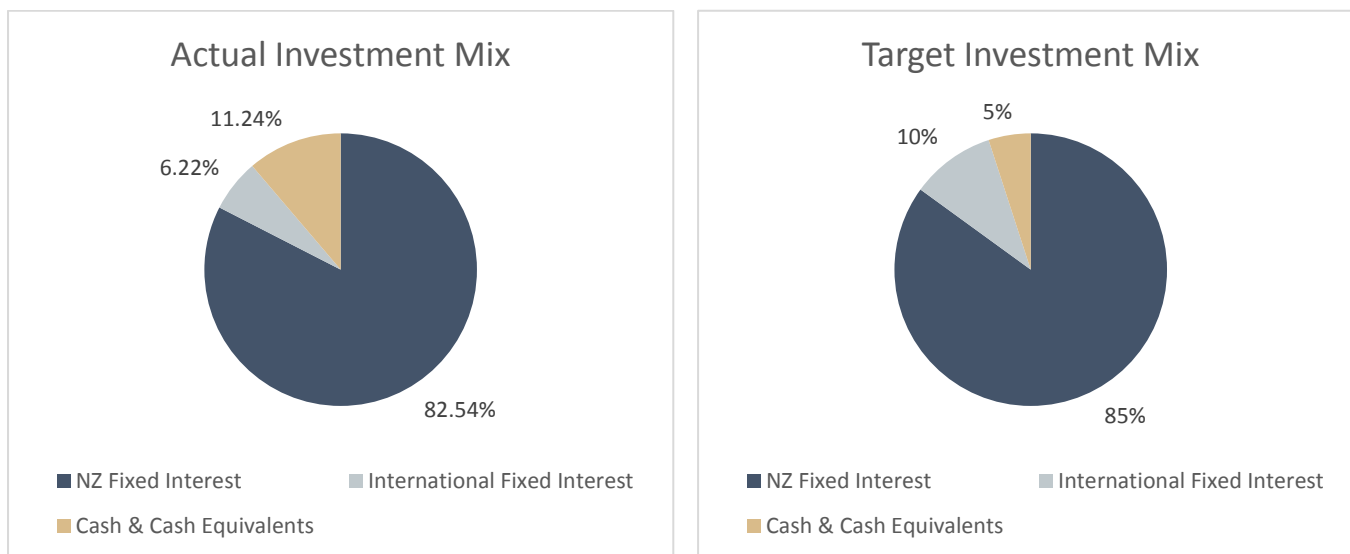
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour NZ Core Fixed Interest Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$212 (that is 2.12% of her initial \$10,000). This gives Jenny a total return after tax of \$152 for the year.

## What does the Fund invest in?

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



Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country	Credit rating
NZ Government Stock 15/04/2020 3.00%	9.23%	New Zealand fixed interest	NZD	AA+
NZGS Index Linked Bond 20/09/2025 2.00%	7.21%	New Zealand fixed interest	NZD	AA+
NZ Government Stock 15/03/2019 5.00%	5.61%	New Zealand fixed interest	NZD	AA+
NZ Government Stock 15/04/2025 2.75%	4.46%	New Zealand fixed interest	NZD	AA+
NZ Government Stock 15/04/2023 5.50%	3.36%	New Zealand fixed interest	NZD	AA+
Kommunalbanken AS Norway 20/08/25 4.00%	2.49%	New Zealand fixed interest	NZD	AAA
Landwirtschaftliche Ren 23/04/24 5.375%	2.44%	New Zealand fixed interest	NZD	AAA
Retail Financial Services Ltd 12/06/17	2.22%	New Zealand fixed interest	NZD	A-1+
NZ Government Stock 15/05/2021 6.00%	2.13%	New Zealand fixed interest	NZD	AA+
Westpac New Zealand Ltd 28/04/21 3.795%	1.98%	New Zealand fixed interest	NZD	AA-

The top 10 investments make up 41.12% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
Mark Brown 	Portfolio Manager	6 years & 6 months	AXA/Alliance Bernstein, Head of Fixed Interest	16 years & 4 months
Christian Hawkesby 	Head of Fixed Interest	6 years & 6 months	Bank of England	9 years & 1 month
Simon Pannett 	Investment Analyst	3 years & 8 months	Investment Solutions, UK Investment Analyst	1 year & 7 months

## Further information

You can also obtain this information, the PDS for the Harbour NZ Core Fixed Interest Fund, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016 and includes any applicable GST. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](http://www.business.govt.nz/disclose).

# HARBOUR NZ CORPORATE BOND FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour NZ Corporate Bond Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour 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 provides access to favourable income yields through a diversified portfolio of primarily investment grade corporate bond fixed interest securities.

**Investment Objective:** The investment objective of the Fund is to exceed the return of the benchmark portfolio after fees on a rolling 12 month basis.

**Benchmark:** S&P/NZX A Grade Corporate Bond Index.

Total value of the Fund (NZD)

\$304,289,528

The date the Fund started

16 February 2009

### What are the risks of investing?

LOWER RISK

HIGHER RISK



Potentially lower returns

Potentially higher returns

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](http://www.sorted.org.nz).

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.

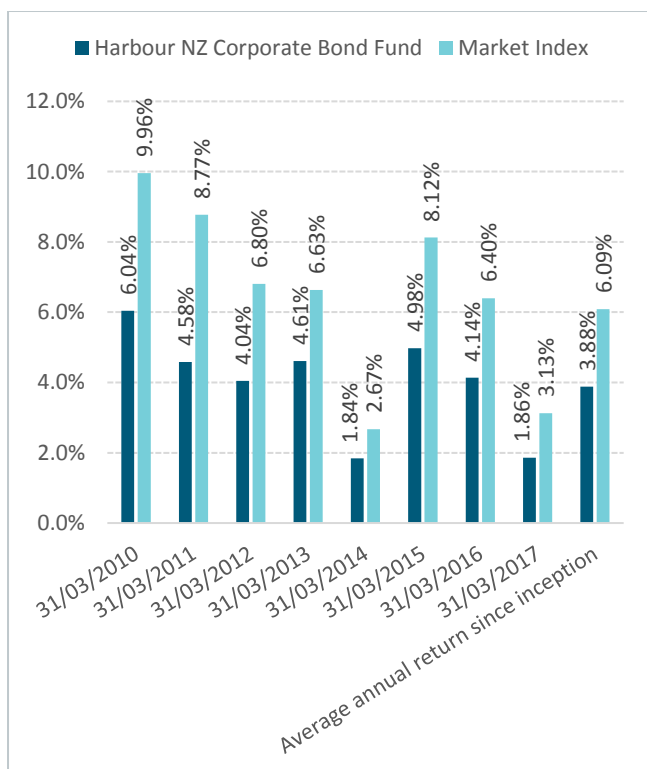
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund 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<sup>1</sup></b> (after deductions for charges and tax)	<b>3.48%</b>	<b>1.86%</b>
<b>Annual Return<sup>1</sup></b> (after deductions for charges but before tax)	<b>4.86%</b>	<b>2.59%</b>
<b>Market index annual return<sup>1</sup></b> (reflects no deduction for charges and tax)	<b>5.37%</b>	<b>3.13%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying fund. In this case the Market Index is the S&P/NZX A Grade Corporate Bond Index to 31 March 2017. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The

last bar shows the annualised annual return since the fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

**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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (Inc. GST)</b>	<b>0.64%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>0.64%</b>
Including-	
Manager's basic fee	0.54%
Other management and administration charges <sup>3</sup>	0.10%
<b>Total Performance-based fees</b>	<b>0.00%</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees.

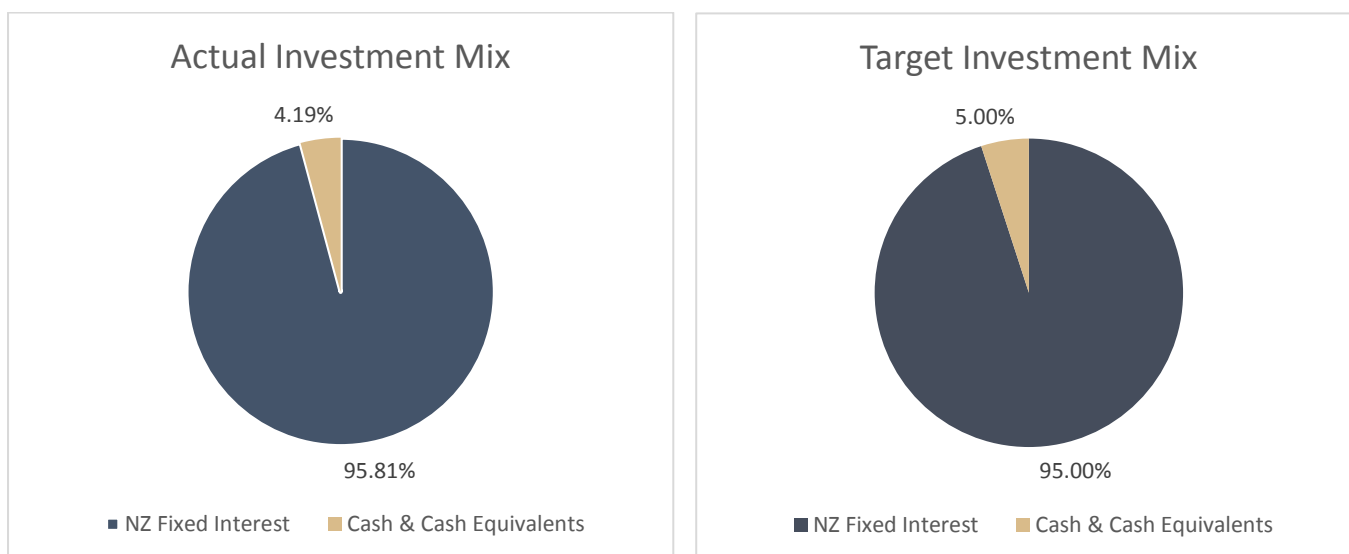
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour NZ Corporate Bond Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$259 (that is 2.59% of her initial \$10,000). This gives Jenny a total return after tax of \$186 for the year.

## What does the Fund invest in?

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



Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country	Credit rating
Westpac New Zealand Ltd 28/04/21 3.795%	4.68%	New Zealand fixed interest	NZD	AA-
Bank of New Zealand 25/06/2019 5.57%	3.80%	New Zealand fixed interest	NZD	AA-
NZ Local Gov Fund Agency 15/04/27 4.50%	3.50%	New Zealand fixed interest	NZD	AA+
Westpac 20/09/2018 5.545%	3.47%	New Zealand fixed interest	NZD	AA-
NZ Government Stock 15/04/2020 3.00%	3.39%	New Zealand fixed interest	NZD	AA+
NZ Local Govt Fund Agency 15/03/19 5.00%	3.11%	New Zealand fixed interest	NZD	AA+
ANZ 11/05/2020 4.48%	2.57%	New Zealand fixed interest	NZD	AA-
Kiwibank 29/05/2020 4.6475%	2.40%	New Zealand fixed interest	NZD	AA-
Kommunalbanken AS 28/03/2019 5.00%	2.23%	New Zealand fixed interest	NZD	AAA
ASB Bank Limited 26/05/2021 4.245%	2.21%	New Zealand fixed interest	NZD	AA-

The top 10 investments make up 31.36% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
Mark Brown 	Portfolio Manager	6 years & 6 months	AXA/Alliance Bernstein, Head of Fixed Interest	16 years & 4 months
Christian Hawkesby 	Head of Fixed Interest	6 years & 6 months	Bank of England	9 years & 1 month
Simon Pannett 	Investment Analyst	3 years & 8 months	Investment Solutions, UK Investment Analyst	1 year & 7 months

## Further information

You can also obtain this information, the PDS for the Harbour NZ Corporate Bond Fund, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016 and includes any applicable GST. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).



# HARBOUR INCOME FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour Income Fund has performed and what fees were charged. The document will help you compare the fund with other funds. Harbour 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 is designed to generate a favourable level of income. The Fund invests predominately in New Zealand Fixed Interest securities with some exposure to Australasian equities paying a sustainable dividend yield.

**Investment Objective:** The objective is to exceed the Official Cash Rate (OCR) plus 2% pa over rolling three year periods.

**Benchmark:** 70% S&P/NZX A Grade Corporate Bond Index; 18% S&P/ASX 200 Index (90% hedged); and 12% S&P/NZX Portfolio Index.

Total value of the Fund (NZD)

**\$2,502,761**

The date the Fund started

**28 October 2015**

### What are the risks of investing?

LOWER RISK

HIGHER RISK



Potentially lower returns

Potentially higher returns

A combination of actual Fund returns and market index returns have been used to determine the risk indicator for the Harbour Income Fund (inception 28 October 2015), as the Fund has not been operational for the required 5 years. The risk indicator may therefore provide a less reliable indicator of potential future volatility of this 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](http://www.sorted.org.nz).

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.

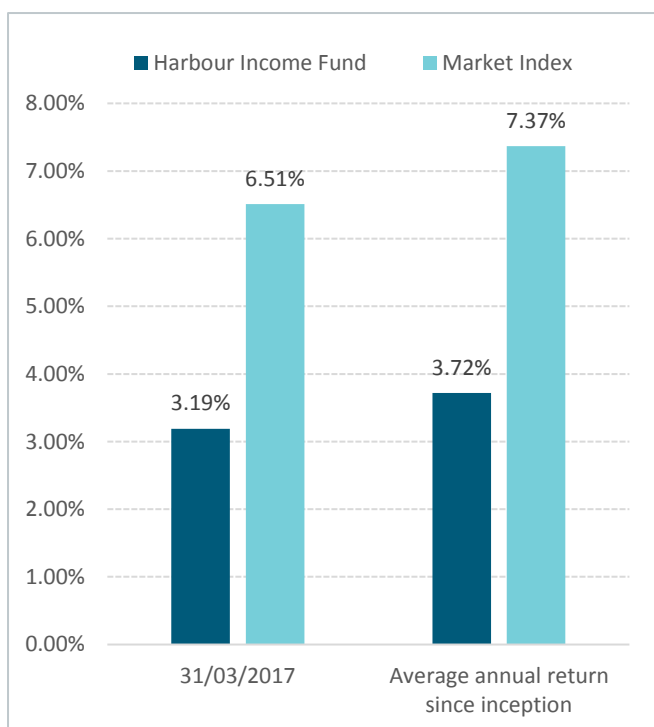
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the return & index data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future 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> (after deductions for charges and tax)	<b>3.19%</b>
<b>Annual Return</b> (after deductions for charges but before tax)	<b>3.95%</b>
<b>Market index annual return</b> (reflects no deduction for charges and tax)	<b>6.51%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying Fund. In this case the Market Index is 70% S&P/NZX A Grade Corporate Bond Index; 18% S&P/ASX 200 Index (90% hedged); and 12% S&P/NZX Portfolio Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the annualised annual return since the

fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

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 Fund are charged fund charges. This Fund has not been open for a year to 30 June 2016. As such, below are estimates of fees to 30 September 2016:

	% of net asset value
<b>Total fund charges*</b>	<b>0.77%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>0.77%</b>
including-	
Manager's basic fee	0.50%
Other management and administration charges <sup>3</sup>	0.27%
<b>Total Performance-based fees</b>	<b>0.00%</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees

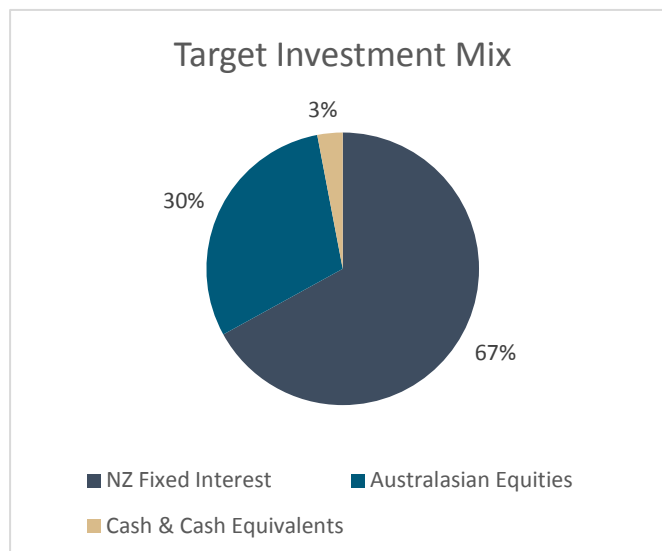
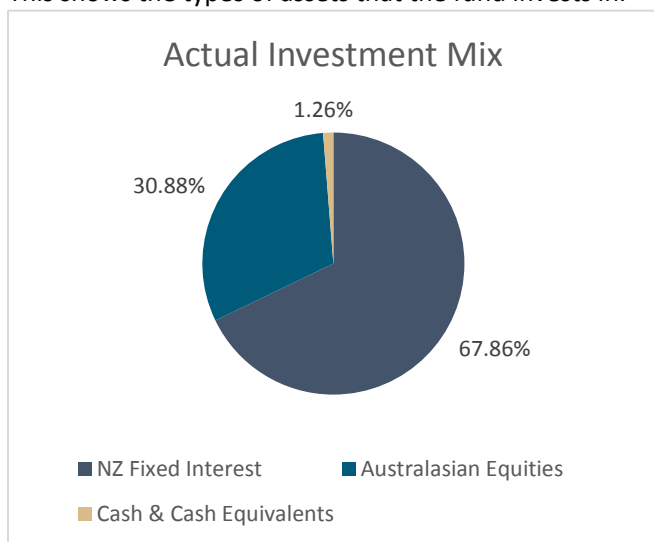
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour Income Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$395 (that is 3.95% of her initial \$10,000). This gives Jenny a total return after tax of \$319 for the year.

## What does the Fund invest in?

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







Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country	Credit rating
Westpac New Zealand Ltd 28/04/21 3.795%	3.18%	NZ Fixed Interest	NZD	AA-
Bank of New Zealand 25/06/2019 5.57%	2.58%	NZ Fixed Interest	NZD	AA-
NZ Local Gov Fund Agency 15/04/27 4.50%	2.37%	NZ Fixed Interest	NZD	AA+
Westpac 20/09/2018 5.545%	2.35%	NZ Fixed Interest	NZD	AA-
NZ Government Stock 15/04/2020 3.00%	2.30%	NZ Fixed Interest	NZD	AA+
NZ Local Govt Fund Agency 15/03/19 5.00%	2.11%	NZ Fixed Interest	NZD	AA+
ANZ 11/05/2020 4.48%	1.75%	NZ Fixed Interest	NZD	AA-
Kiwibank 29/05/2020 4.6475%	1.63%	NZ Fixed Interest	NZD	AA-
Kommunalbanken AS 28/03/2019 5.00%	1.51%	NZ Fixed Interest	NZD	AAA
ASB Bank Limited 26/05/2021 4.245%	1.50%	NZ Fixed Interest	NZD	AA-

The top 10 investments make up 21.28% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
 Simon Pannett	Investment Analyst	3 years & 8 months	Investment Solutions, UK Investment Analyst	1 year & 7 months
 Mark Brown	Portfolio Manager	6 years & 6 months	AXA/Alliance Bernstein, Head of Fixed Interest	16 years & 4 months
 Shane Solly	Director, Portfolio Manager & Research Analyst	2 years & 11 months	Head of Equities, Mint Asset Management	7 years & 2 months
 Craig Stent	Executive Director	7 years & 3 months	Research Analyst, Alliance Bernstein	7 years & 3 month

## Further information

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

### Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on estimates to 30 September 2016 and exclude any GST (if applicable). There are also underlying fund charges included in “other fees” for retail funds holdings unit in other Harbour Funds. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).

# HARBOUR NZ EQUITY ADVANCED BETA FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour NZ Equity Advanced Beta Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour 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 provides exposure to New Zealand equities. The Fund is designed to track the market index with some quantitative tilting to selected companies. 70% of the Fund mirrors the market index with the remaining 30% of the Fund tilted towards those companies in the index that score well on our financial models for value, yield & growth.

**Investment Objective:** The performance objective of the Fund is to outperform the benchmark.

**Benchmark:** S&P/NZX Portfolio Index.

Total value of the Fund (NZD)

\$94,796,556

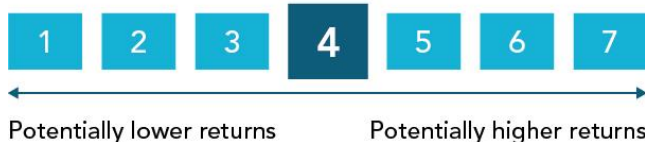
The date the Fund started

3 December 2014

### What are the risks of investing?

LOWER RISK

HIGHER RISK



A combination of actual Fund returns and market index returns have been used to determine the risk indicator for the Harbour NZ Equity Advanced Beta Fund (inception 3 December 2014), as the Fund has not been operational for the required 5 years. The risk indicator may therefore provide a less reliable indicator of potential future volatility of this 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](http://www.sorted.org.nz).

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.

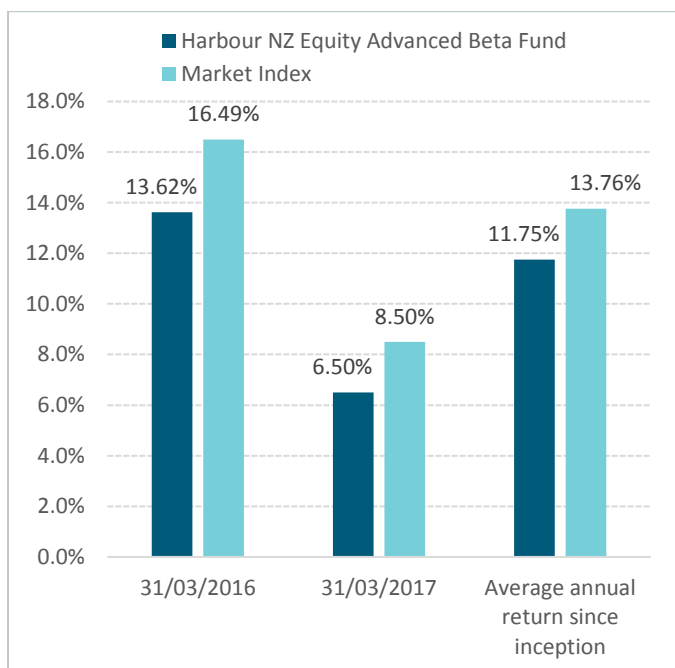
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on return and index data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future 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?<sup>1</sup>

	Past Year
<b>Annual Return</b> (after deductions for charges and tax)	<b>6.50%</b>
<b>Annual Return</b> (after deductions for charges but before tax)	<b>8.04%</b>
<b>Market index annual return</b> (reflects no deduction for charges and tax)	<b>8.50%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying fund. In this case the Market Index is the S&P/NZX portfolio Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The

last bar shows the annualised annual return since the fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

**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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (Inc. GST)</b>	<b>0.55%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>0.55%</b>
Including-	
Manager's basic fee	0.38%
Other management and administration charges <sup>3</sup>	0.17%
<b>Total Performance-based fees</b>	<b>0.00%</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees.

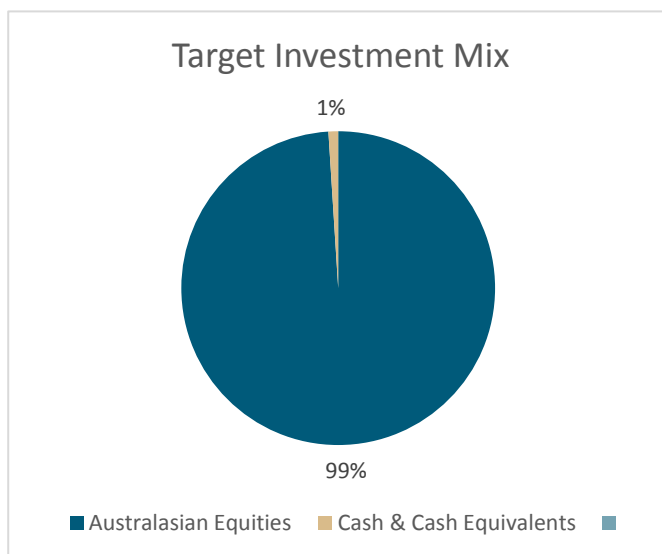
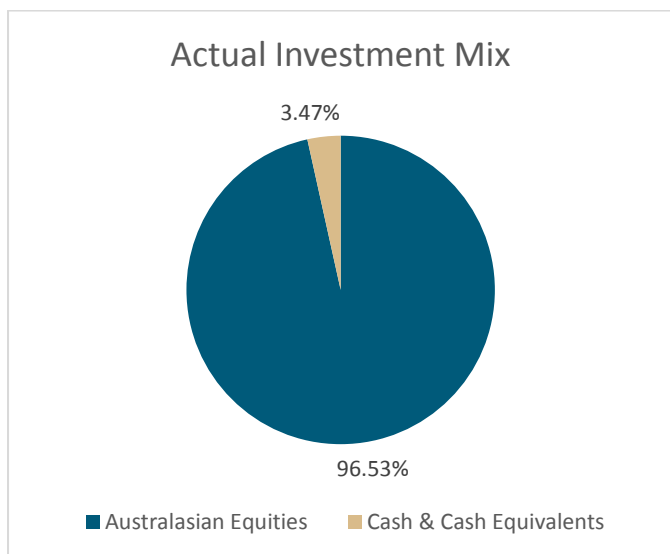
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour NZ Equity Advanced Beta Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$804 (that is 8.04% of her initial \$10,000). This gives Jenny a total return after tax of \$650 for the year.

## What does the Fund invest in?

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







Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country
Contact Energy Ltd	5.05%	Australasian equities	NZ
Ryman Healthcare Ltd	4.09%	Australasian equities	NZ
Z Energy Ltd	4.07%	Australasian equities	NZ
Fletcher Building Ltd	3.91%	Australasian equities	NZ
Spark New Zealand Ltd	3.81%	Australasian equities	NZ
Meridian Energy Ltd	3.78%	Australasian equities	NZ
Fisher & Paykel Healthcare C	3.68%	Australasian equities	NZ
Auckland Intl Airport Ltd	3.32%	Australasian equities	NZ
Kiwi Property Group Ltd	3.15%	Australasian equities	NZ
A2 Milk Co Ltd	3.00%	Australasian equities	NZ

The top 10 investments make up 37.86% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
Susanna Lee 	Portfolio Manager & Quantitative Research Manager.	4 years & 10 months	Quantitative Investment Analyst. AXA Global Investors/AMP Capital	4 years & 2 months
Craig Stent 	Executive Director, Portfolio Manager.	7 years & 3 months	Research Analyst, Alliance Bernstein	7 years & 3 month
Andrew Bascand 	Managing Director, Portfolio Manager.	7 years & 3 months	Senior Vice President & Portfolio Manager, Alliance Bernstein	10 years
Shane Solly 	Director, Portfolio Manager & Research Analyst.	2 years & 11 months	Head of Equities, Mint Asset Management	7 years & 2 months

## Further information

You can also obtain this information, the PDS for the Harbour NZ Equity Advanced Beta Fund, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016 and includes any applicable GST. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).



# HARBOUR AUSTRALASIAN EQUITY INCOME FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour Australasian Equity Income Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour 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 is designed to generate quarterly income from a diversified portfolio of Australasian listed equities that pay sustainable and growing dividend yields (the amount a company pays out in dividends each year relative to its share price) as well as holding cash and fixed interest securities.

**Investment Objective:** The performance objective of the Fund is to generate a higher yield than the New Zealand and Australian markets.

**Benchmark:** 60% S&P/ASX Industrials Index and 40% S&P/NZX Portfolio Index.

Total value of the Fund (NZD)

**\$48,688,497**

The date the Fund started

**1 November 2011**

### What are the risks of investing?

LOWER RISK

HIGHER RISK



Potentially lower returns

Potentially higher returns

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](http://www.sorted.org.nz).

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.

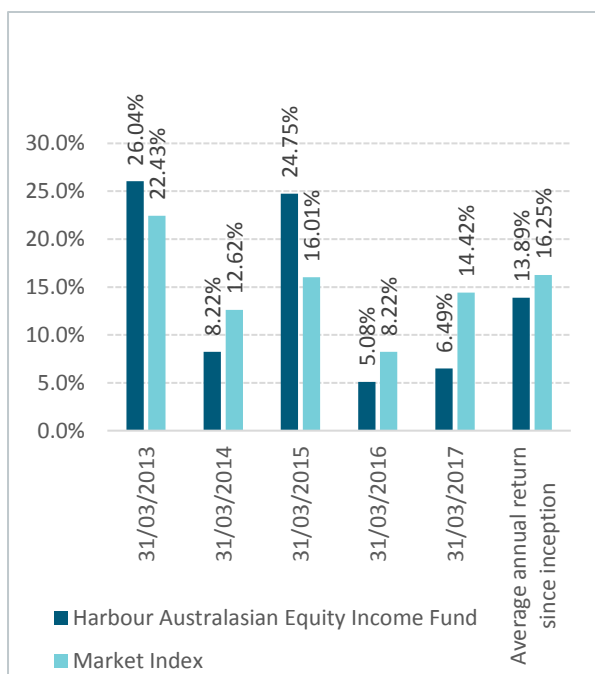
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on returns data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. 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<sup>1</sup></b> (after deductions for charges and tax)	<b>13.75%</b>	<b>6.49%</b>
<b>Annual Return<sup>1</sup></b> (after deductions for charges but before tax)	<b>15.55%</b>	<b>7.45%</b>
<b>Market index annual return<sup>1</sup></b> (reflects no deduction for charges and tax)	<b>14.65%</b>	<b>14.42%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying Fund. In this case the Market Index is 60% S&P/ASX industrials Index and 40% S&P/NZX portfolio Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the annualised annual return since the Fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

**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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (Inc. GST)*</b>	<b>1.11%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.11%</b>
Including-	
Manager's basic fee	0.80%
Other management and administration charges <sup>3</sup>	0.31%
<b>Total Performance-based fees</b>	<b>0.00%</b>

*\* It is expected that fund charges for the year to 30 June 2017 will be different from the fees presented in the table above due to changes that have been made to the fee structure for the Fund. The PDS sets out an estimate of the fund charges based on the new fee structure and we suggest this will provide you with a more accurate indication of the likely fund charges for the year to 30 June 2017, than the actual charges for the year to 30 June 2016 presented above.*

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees.

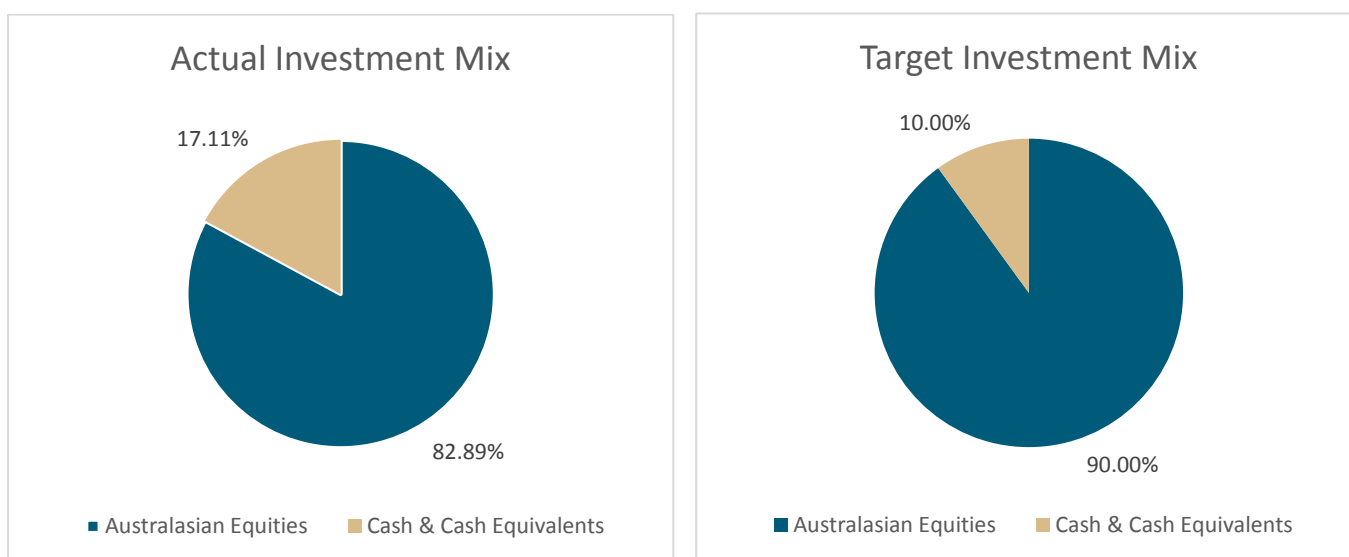
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour Australasian Equity Income Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$745 (that is 7.45% of her initial \$10,000). This gives Jenny a total return after tax of \$649 for the year.

## What does the Fund invest in?

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



Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country
Fisher & Paykel Healthcare	3.21%	Australasian equities	NZ
Agl Energy Ltd	2.89%	Australasian equities	AU
Meridian Energy Ltd	2.85%	Australasian equities	NZ
Restaurant Brands Nz Ltd	2.80%	Australasian equities	NZ
Mirvac Group	2.76%	Australasian equities	AU
Aveo Group	2.68%	Australasian equities	AU
Spark New Zealand Ltd	2.67%	Australasian equities	NZ
Macquarie Atlas Roads Group	2.66%	Australasian equities	AU
Westpac Banking Corp	2.52%	Australasian equities	NZ
ANZ Banking Group	2.48%	Australasian equities	AU

The top 10 investments make up 27.52% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
Craig Stent 	Executive Director, Portfolio Manager.	7 years & 3 months	Research Analyst, Alliance Bernstein	7 years & 3 month
Shane Solly 	Director, Portfolio Manager & Research Analyst.	2 years & 11 months	Head of Equities, Mint Asset Management	7 years & 2 months
Andrew Bascand 	Managing Director, Portfolio Manager.	7 years & 3 months	Senior Vice President & Portfolio Manager, Alliance Bernstein	10 years

## Further information

You can also obtain this information, the PDS for the Harbour Australasian Equity Income Fund, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016 and include any applicable GST. These also include underlying fund charges for retail funds holding units in other Harbour Funds. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).
- The Fund currently has 40.37% of assets invested in Australian equities. Of this exposure, we have a 93.9% hedge on these Australian dollar denominated assets.

# HARBOUR AUSTRALASIAN EQUITY FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour Australasian Equity Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour 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

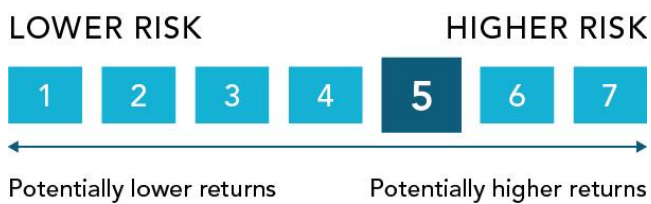
The Fund provides actively managed exposure to New Zealand and Australian listed equities. This Fund has a growth-oriented investment management approach to generate alpha (return over the benchmark) for investors.

**Investment Objective:** To achieve a gross return of 5.0% per annum above the benchmark over the long term.

**Benchmark:** S&P/NZX 50 Index.

Total value of the Fund (NZD)	\$158,082,608
The date the Fund started	11 April 2010

### What are the risks of investing?



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](http://www.sorted.org.nz).

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.

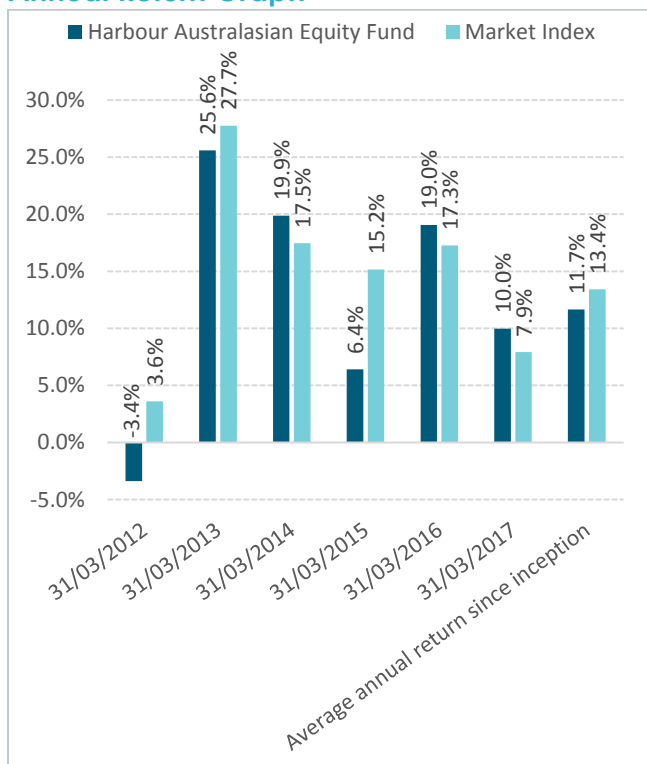
This risk indicator is not a guarantee of a Fund's future performance. The risk indicator is based on the returns data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund 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<sup>1</sup></b> (after deductions for charges and tax)	<b>15.97%</b>	<b>9.98%</b>
<b>Annual Return<sup>1</sup></b> (after deductions for charges but before tax)	<b>17.24%</b>	<b>10.96%</b>
<b>Market index annual return<sup>1</sup></b> (reflects no deduction for charges and tax)	<b>16.94%</b>	<b>7.92%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying fund. In this case the Market Index is the S&P/NZX50 Index to 31 March 2017. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after Fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the annualised annual return since the Fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

**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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (Inc. GST)</b>	<b>1.12%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.12%</b>
Including-	
Manager's basic fee	0.92%
Other management and administration charges <sup>3</sup>	0.20%
<b>Total Performance-based fees</b>	<b>0.00%</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees. Also see the product disclosure statement for more information about the basis on which performance fees are charged.

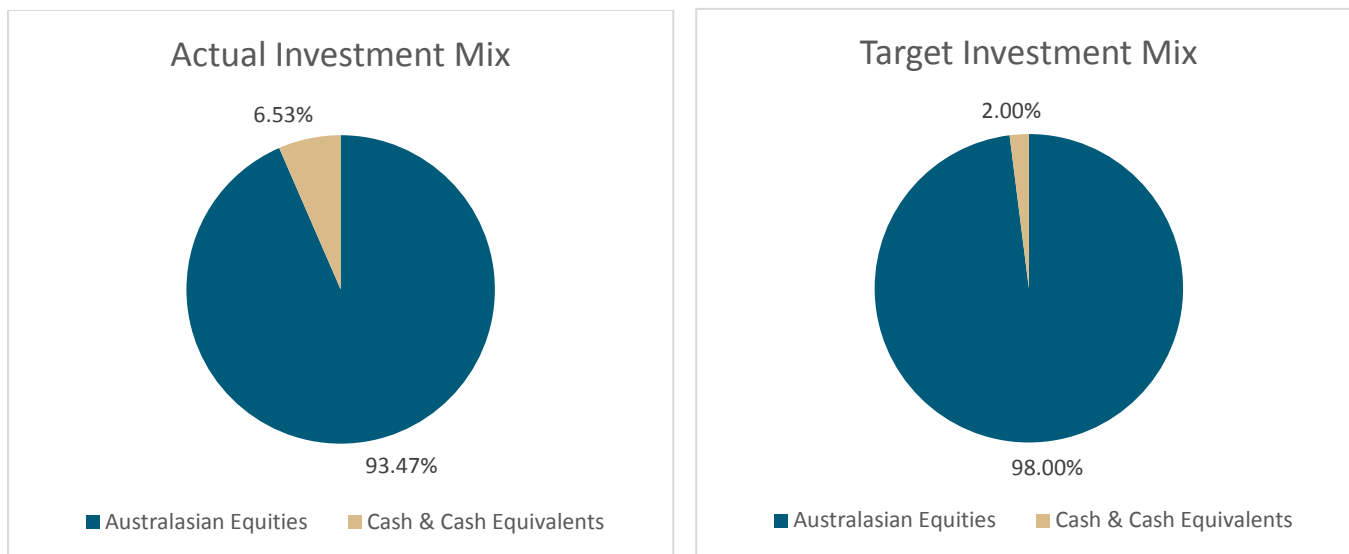
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour Australasian Equity Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$1,096 (that is 10.96% of her initial \$10,000). This gives Jenny a total return after tax of \$998 for the year.

## What does the Fund invest in?

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



Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country
Fisher & Paykel Healthcare	10.48%	Australasian equities	NZ
A2 Milk Co Ltd	6.98%	Australasian equities	NZ
Mainfreight Ltd	6.35%	Australasian equities	NZ
Fletcher Building Ltd	6.21%	Australasian equities	NZ
Spark New Zealand Ltd	5.69%	Australasian equities	NZ
Auckland Intl Airport Ltd	5.67%	Australasian equities	NZ
Summerset Group Holdings Ltd	3.98%	Australasian equities	NZ
Csl Ltd	3.41%	Australasian equities	AU
Contact Energy Ltd	3.41%	Australasian equities	NZ
Oil Search Ltd	2.61%	Australasian equities	AU

The top 10 investments make up 54.78% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
 Andrew Bascand	Managing Director & Portfolio Manager.	7 years & 3 months	Senior Vice President & Portfolio Manager, Alliance Bernstein	10 years
 Shane Solly	Director, Portfolio Manager & Research Analyst.	2 years & 11 months	Head of Equities, Mint Asset Management	7 years & 2 months
 Craig Stent	Executive Director & Portfolio Manager.	7 years & 3 months	Research Analyst, Alliance Bernstein	7 years & 3 month

## Further information

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

### Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016. These also include underlying fund charges for retail funds holding units in other Harbour Funds. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).
- The Fund currently has 23.15% of assets invested in Australian equities. Of this exposure, we have a 44.2% hedge on these Australian dollar denominated assets.



# HARBOUR AUSTRALASIAN EQUITY FOCUS FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 20 April 2017.

### What is the purpose of this update?

This document tells you how the Harbour Australasian Equity Focus Fund has performed and what fees were charged. The document will help you compare the fund with other funds. Harbour 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 is an actively managed fund investing in New Zealand and Australian listed equities. It is a high conviction fund where the portfolio will consist of companies our analysts have researched and have a high belief will perform over the medium to longer-term. A higher rated company will have a higher weighting in the portfolio.

**Investment Objective:** To deliver medium to long term capital growth through investing in quality businesses with strong growth prospects.

**Benchmark:** 50% S&P/NZX 50 and a 50% S&P/ASX 200 Index (which is 50% hedged into NZ dollars).

<b>Total value of the Fund (NZD)</b>	<b>\$9,822,457</b>
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<b>The date the Fund started</b>	<b>10 April 2014</b>
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### What are the risks of investing?

LOWER RISK

HIGHER RISK



← Potentially lower returns      Potentially higher returns →

A combination of actual Fund returns and market index returns have been used to determine the risk indicator for the Harbour Australasian Equity Focus Fund (inception 10 April 2014), as the Fund has not been operational for the required 5 years. The risk indicator may therefore provide a less reliable indicator of potential future volatility of this 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.

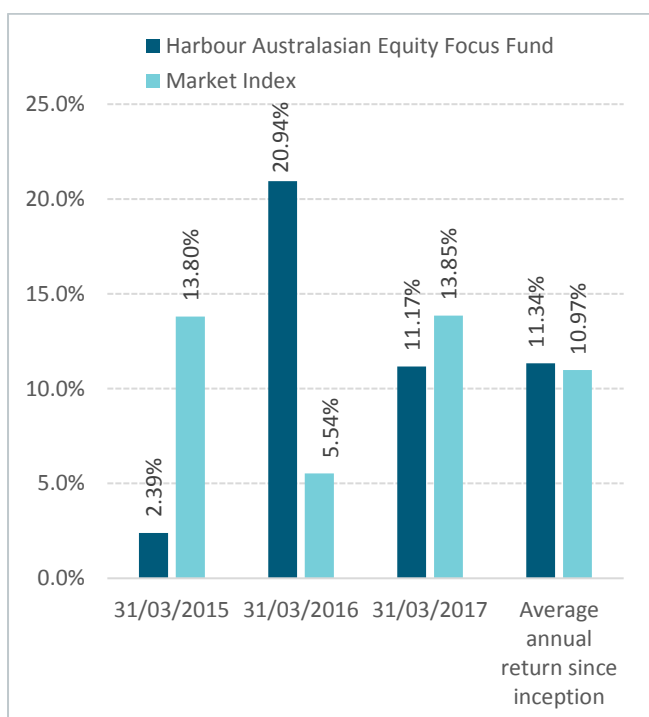
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on a combination of return & market index data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue 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<sup>1</sup></b> (after deductions for charges and tax)	<b>11.17%</b>
<b>Annual Return<sup>1</sup></b> (after deductions for charges but before tax)	<b>11.71%</b>
<b>Market index annual return<sup>1</sup></b> (reflects no deduction for charges and tax)	<b>13.85%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying fund. In this case the Market Index is 50% S&P/NZX 50 and a 50% S&P/ASX 200 Index (which is 50% hedged into NZ dollars). Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Annual Return Graph<sup>2</sup>



This shows the return after Fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the annualised annual return since the Fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

**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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (incl GST)*</b>	<b>1.79%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.32%</b>
Including-	
Manager's basic fee	0.98%
Other management and administration charges <sup>3</sup>	0.34%
<b>Total Performance-based fees</b>	<b>0.47%</b>

*\* It is expected that fund charges for the year to 30 June 2017 will be different from the fees presented in the table above due to changes that have been made to the fee structure for the Fund. The PDS sets out an estimate of the fund charges based on the new fee structure and we suggest this will provide you with a more accurate indication of the likely fund charges for the year to 30 June 2017, than the actual charges for the year to 30 June 2016 presented above.*

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees. Also see the product disclosure statement for more information about the basis on which performance fees are charged.

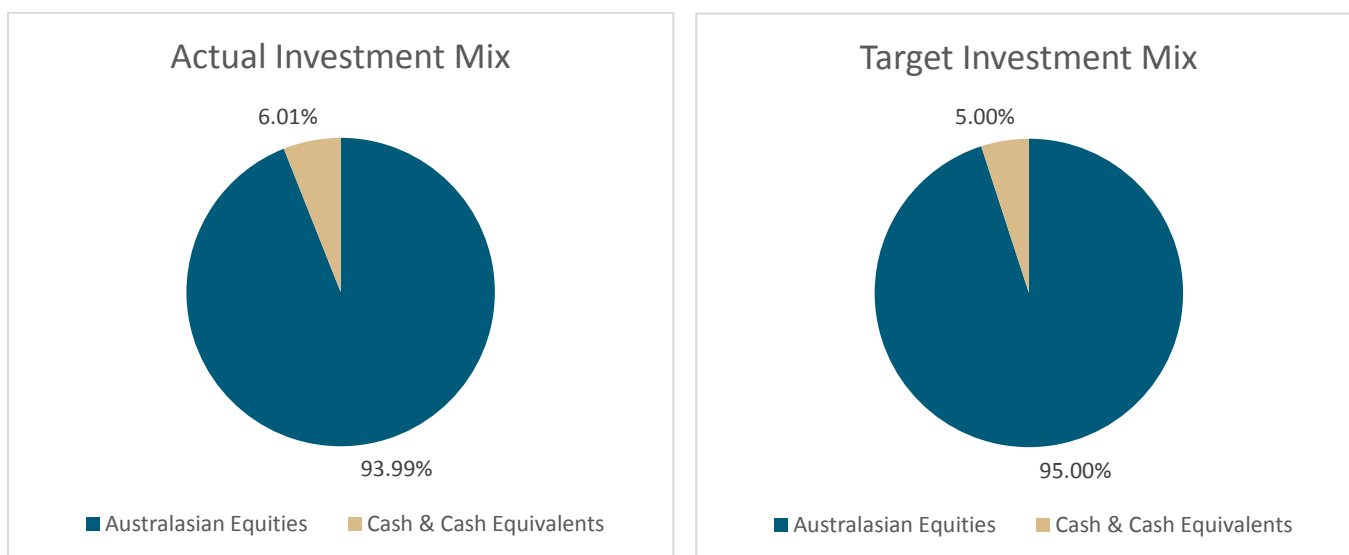
## Example of how this applies to an investor

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

Jenny had \$10,000 in the Harbour Australasian Equity Focus Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$1,171 (that is 11.71% of her initial \$10,000). This gives Jenny a total return after tax of \$1,117 for the year.

## What does the Fund invest in?

This shows the types of assets that the Fund invests in.



Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country
Fisher & Paykel Healthcare	10.14%	Australasian equities	NZ
A2 Milk Co Ltd	9.28%	Australasian equities	NZ
Mainfreight Ltd	7.36%	Australasian equities	NZ
Csl Ltd	6.94%	Australasian equities	AU
Summerset Group Holdings Ltd	6.02%	Australasian equities	NZ
Oil Search Ltd	4.52%	Australasian equities	AU
Apn Outdoor Group Ltd	4.49%	Australasian equities	AU
Vista Group International Lt	4.46%	Australasian equities	NZ
Challenger Ltd	4.06%	Australasian equities	AU
Macquarie Group Ltd	3.82%	Australasian equities	AU

The top 10 investments make up 61.08% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
 Shane Solly	Director, Portfolio Manager & Research Analyst.	2 years & 11 months	Head of Equities, Mint Asset Management	7 years & 2 months
 Craig Stent	Executive Director, Portfolio Manager.	7 years & 3 months	Research Analyst, Alliance Bernstein	7 years & 3 month
 Andrew Bascand	Managing Director, Portfolio Manager.	7 years & 3 months	Senior Vice President & Portfolio Manager, Alliance Bernstein	10 years

## Further information

You can also obtain this information, the PDS for the Harbour Australasian Equity Focus Fund, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### Notes:

- Returns to 31 March 2017.
- The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
- Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016 and include any applicable GST. These also include underlying fund charges for retail funds holding units in other Harbour Funds. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).
- The Fund currently has 43.68% of assets invested in Australian equities. Of this exposure, we have a 44.2% hedge on these Australian dollar denominated assets.

# T. ROWE PRICE GLOBAL EQUITY GROWTH FUND

## Fund Update

for the quarter ended 31 March 2017

Harbour Investment Funds

This fund update was first made publicly available on 30 June 2017.

### Replacement Fund Update

This fund update is a replacement fund update and replaces the previous fund update.

Below is a summary of changes that have been made:

Date the fund update was made publically available	Section of fund update	Description and reason for the change	Original disclosure	Updated disclosure
20 April 2017	Information relating to after fees and tax returns.	A subsequent tax opinion on treatment of management fee rebates received from the underlying fund meant that the taxable income figure was overstated for the Fund. This meant the 28% after fees and tax return has been understated. The tax treatment has been rectified, tax refunds appropriately allocated and understated returns corrected.	Fund return after fees & tax for 1 year: 10.61% Fund return after fees & tax since inception: 4.65%	Fund return after fees & tax for 1 year: 10.97% Fund return after fees & tax since inception: 5.0%

### What is the purpose of this update?

This document tells you how the T. Rowe Price Global Equity Growth Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour 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 primarily in a portfolio of securities of companies which are traded, listed or due to be listed, on recognised exchanges and/or markets throughout the world. It may include securities of companies traded on recognised exchanges of developing countries.

**Investment Objective:** The Fund's objective is to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are traded, listed or due to be listed, on recognized exchanges and/or markets throughout the world.

**Benchmark:** MSCI All Country World Index (unhedged).

**Total value of the Fund (NZD)**

**\$15,114,092**

**The date the Fund started**

**21 October 2015**

### What are the risks of investing?

LOWER RISK

HIGHER RISK



Potentially lower returns

Potentially higher returns

A combination of actual Fund returns and market index returns have been used to determine the risk indicator for the T. Rowe Price Global Equity Growth Fund (inception 21 October 2015), as the Fund has not been operational for the required 5 years. The risk indicator may therefore provide a less reliable indicator of potential future volatility of this 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](http://www.sorted.org.nz).

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.

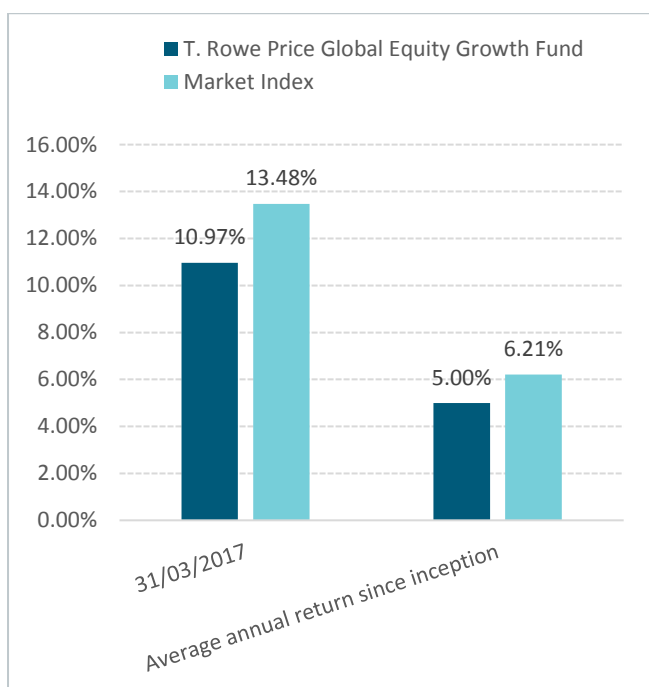
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the return and index data for the five years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in 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<sup>1</sup></b> (after deductions for charges and tax)	<b>10.97%</b>
<b>Annual Return<sup>1</sup></b> (after deductions for charges but before tax)	<b>12.14%</b>
<b>Market index annual return<sup>1</sup></b> (reflects no deduction for charges and tax)	<b>13.48%</b>

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying Fund. In this case the Market Index is MSCI All Country World Index (unhedged). Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### Annual Return Graph<sup>2</sup>



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the annualised annual return since the fund started, up to 31 March 2017. The Market Index Returns do not include any tax, expenses or charges.

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 Fund are charged fund charges. In the year to 30 June 2016 these were as follows:

	% of net asset value
<b>Total fund charges (Incl. GST)*</b>	<b>1.14%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.14%</b>
Including-	
Manager's basic fee	0.96%
Other management and administration charges <sup>3</sup>	0.18%
<b>Total Performance-based fees</b>	<b>0.00%</b>

*\* It is expected that fund charges for the year to 30 June 2017 will be different from the fees presented in the table above due to changes that have been made to the fund type (previously a wholesale fund but changed to a retail fund on 21 October 2015) & fee structure for the Fund. The PDS sets out an estimate of the fund charges based on the new fee structure and we suggest this will provide you with a more accurate indication of the likely fund charges for the year to 30 June 2017, than the actual charges for the year to 30 June 2016 presented above.*

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the [PDS](#) and Other Material Information Document ([OMI](#)) for more information about fees.

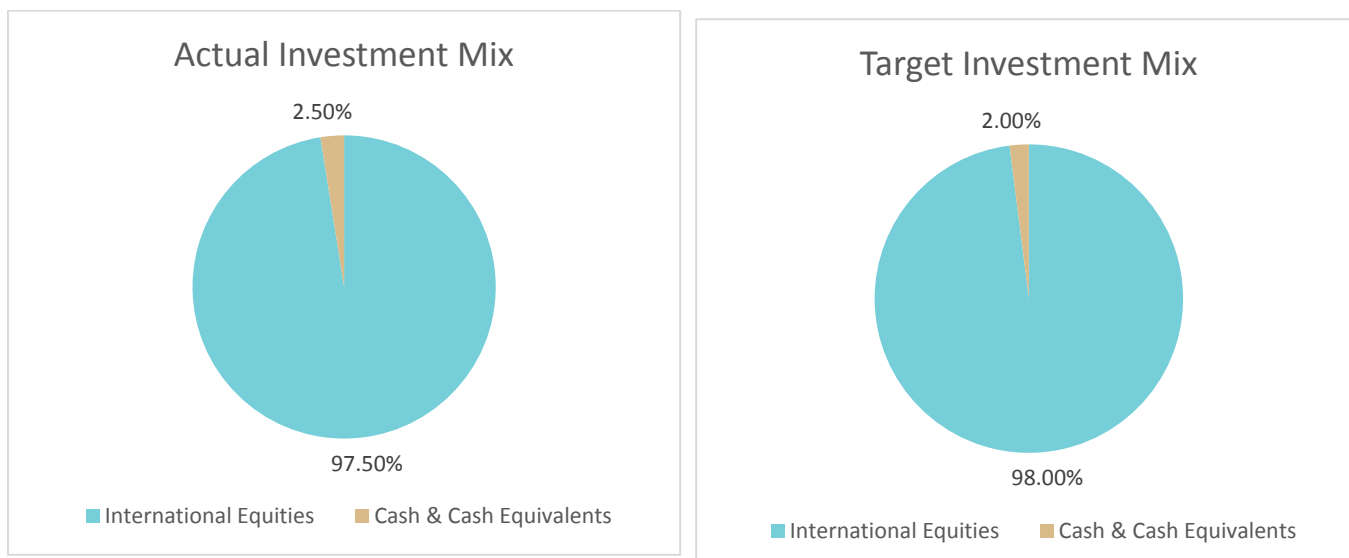
### Example of how this applies to an investor

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

Jenny had \$10,000 in the T. Rowe Price Global Equity Growth Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return after fund charges were deducted of \$1,214 (that is 12.14% of her initial \$10,000). This gives Jenny a total return after tax of \$1,097 for the year.

## What does the Fund invest in?

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



Actual asset allocation to 31 March 2017. Actual asset allocations will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

Name	% of Fund net assets	Type	Country
AMAZON.COM INC	2.95%	International equities	US
ALPHABET INC CL C	2.30%	International equities	US
COLGATE-PALMOLIVE CO	1.94%	International equities	US
TESLA INC	1.84%	International equities	US
UNILEVER PLC	1.78%	International equities	GB
NESTLE SA-REG	1.64%	International equities	CH
SM INVESTMENTS CORP	1.63%	International equities	PH
ROPER TECHNOLOGIES INC	1.49%	International equities	US
BANK CENTRAL ASIA TBK PT	1.48%	International equities	ID
ALIBABA GROUP HOLDING-SP ADR	1.45%	International equities	CN

The top 10 investments make up 18.5% of the net asset value of the Fund.

## Key Personnel

Name	Current Position	Time in current position	Previous position	Time in previous position
Andrew Bascand 	Managing Director.	7 years & 3 months	Senior Vice President & Portfolio Manager, Alliance Bernstein	10 years
Simon Pannett 	Investment Analyst	3 years & 8 months	Investment Solutions, UK Investment Analyst	1 year & 7 months

## Further information

You can also obtain this information, the PDS for the T. Rowe Price Global Equity Growth Fund, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

## Notes:

1. Returns to 31 March 2017.
2. The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
3. Other fees: These charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2016 and includes any applicable GST. More information on these charges can be found in the PDS and the other material information document (OMI) on the [Disclose Register](#).