



kōura KiwiSaver Scheme
Replacement PDS

Product Disclosure Statement (PDS)

Issued by kōura Wealth Limited
10 October 2022

This document replaces the
product disclosure statement
dated 28 April 2022



This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on www.business.govt.nz/disclose. kōura Wealth Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.

1. Key Information Summary

What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Kōura Wealth Limited (**we, our or us**) will invest your money and charge you a fee for its services. The returns you receive are dependent on our investment decisions and the performance of the investments. The value of these investments may go up or down. The types of investments and the fees you will be charged are described in this document.

What will your money be invested in?

The Kōura KiwiSaver Scheme (**Scheme**) has 9 investment options representing exposure to different types of assets (**Funds**). These Funds are summarised below. More information about the investment targets and strategy for each of these Funds is provided in Section 3 (Description of your investment options).

Who manages the Scheme?

Kōura Wealth Limited is the manager of the Scheme. See section 7 of this document (Who is involved?) for more information.

How can you get your money out?

KiwiSaver is designed to help you save for your future, therefore under most circumstances you will not be able to withdraw your investment until you reach age 65. If you joined KiwiSaver or a complying fund before 1 July 2019 and were aged 60 or over when you joined, a 5-year minimum membership requirement applies. You can transfer your investment to another KiwiSaver scheme at any time.

In certain circumstances, like if you buy your first home, suffer a serious illness, have a life shortening congenital condition or significant financial hardship, you may be able to make an early withdrawal. See section 2 (How Does this Investment Work?) for further information.


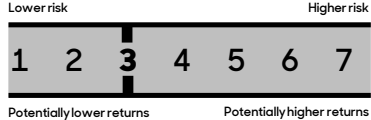
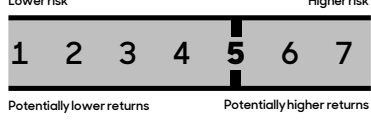
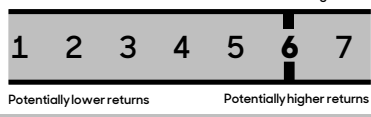
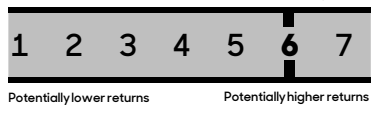
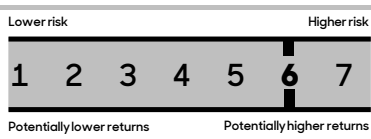
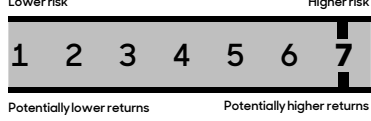
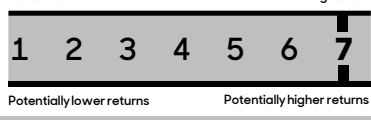
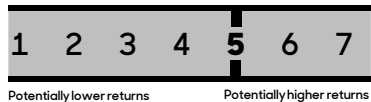
How will your investment be taxed?

The Scheme is a portfolio investment entity (**PIE**). The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (**PIR**). This can be 10.5%, 17.5% or 28%. See section 6 of the PDS (What taxes will you pay?) on page 17 for more information.

Where can you find more key information?

We are required to publish quarterly updates for each Fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at www.kourawealth.co.nz. We will also give you copies of these documents on request.

Our Funds

	Fund	Description and Objective	Risk Indicator ¹	Annual fund charges (% of net asset value ²)
Core Income Funds	Cash Fund	Invests in bank products, term deposits and short dated money market instruments to provide a high degree of liquidity to investors		0.63%
	Fixed Interest Fund	Provide investors exposure to the New Zealand corporate and government bond markets.		0.63%
Core Growth Funds	NZ Equities Fund	Provide investors exposure to the New Zealand share market.		0.63%
	US Equities Fund	Provide investors exposure to the US stock market.		0.63%
	Rest of World Equities Fund	Provide investors exposure to share markets excluding the US, including those of Europe, Australasia, Singapore, Hong Kong, Japan and Israel.		0.63%
	Emerging Markets Equities Fund	Provide investors exposure to emerging markets including Eastern Europe, the Middle East, South America, Africa and Asia including China.		0.63%
Specialty funds	Carbon Neutral Cryptocurrency Fund	Provides investors exposure to cryptocurrency		1.10%
	Clean Energy Fund	Provides investors exposure to companies exposed to the transition to clean energy		1.10%
	New Zealand Property Fund	Provides investors exposure to the New Zealand property market		1.10%

1. The Funds have been in existence for less than 5 years. Accordingly the risk indicators have been prepared using a combination of actual returns and market index data. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the Funds. The Core Income and Core Growth Funds started on 23 October 2019 and the Specialty Funds were launched on 6 May 2022. To calculate the risk indicator for the five-year period ending 30 June 2022, market index returns have been used up to the month end of the fund launch with actual fund returns used for the balance of the period. The Carbon Neutral cryptocurrency fund uses the Bitcoin reference price sourced from Factset for the period prior to 30 May 2022.
2. In addition to the annual fund charges above, you will also be charged an administration fee of \$30 per annum per member if you are over the age of 18

Fund portfolios will be rebalanced semi annually – see section 2 (How does this investment work?) for more information.

See section 4 (What are the risks of investing?) for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek independent financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

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2. How does this investment work?

The Scheme

The Scheme is a KiwiSaver Scheme established under the Financial Markets Conduct Act 2013. The Scheme is designed to help you save for purchasing your first home or saving for your retirement.

The Scheme is designed to ensure that investors are able to invest in a portfolio of funds that meets their personal objectives, risk appetite and investment preferences.

Situated on the kōura website is a digital advice tool that will help you select an appropriate portfolio of Funds. The tool requires you to fill in a short questionnaire, following which the tool will build a portfolio of Funds to match your personal objectives, risk appetite and investment preferences. Alternatively, you may create your own portfolio of Funds and invest in a mix of any number of the Funds as you wish. To invest in a Specialty Fund you will need to request to do so using kōura's digital tools, the digital advice tool will never recommend a Specialty fund for you and you will only be allocated to a Specialty Fund if you have specifically requested to be.

You will be asked annually, using the digital advice tool, to reassess the mix of Funds in your portfolio to ensure your portfolio remains appropriate for your investment needs.

Facilitator assistance

If you would like a dedicated person to assist you with the management of your KiwiSaver you have the ability to use a facilitator. Amongst other things, the role of the facilitator is:

- to assist you as you progress through the digital advice tool to choose your portfolio;
- to be a point of contact for you if you have any questions on your KiwiSaver; and
- to encourage you to undertake your annual KiwiSaver reviews, maximise your Government contributions and provide other forms of assistance as required to ensure you maximise your KiwiSaver.

To receive this higher level of service, you will agree to pay your facilitator an ongoing fee of up to 0.30% per annum of your KiwiSaver balance. This fee will be deducted from your KiwiSaver balance monthly and paid directly to your facilitator.

If at any point in time after the first 12 months of having used a facilitator, you feel you no longer need the services of your facilitator, you are able to inform the facilitator or kōura directly and this charge will be stopped.

Rebalancing

Your portfolio of Funds will be rebalanced semi-annually. If you are invested in the Carbon Neutral Cryptocurrency fund you will be rebalanced at the earlier of semi-annually or if the value of the Carbon Neutral Cryptocurrency Fund becomes greater than 15% of your portfolio. At the time of rebalancing, your portfolio will be rebalanced to the proportion of each fund that you chose when you selected your portfolio.

How does this investment work?

The Scheme enables you to pool your money with other members in your chosen Funds. The pool is used to buy investments that are managed on behalf of all investors in the Scheme. You will purchase units in the Fund using the contributions made by you, or on your behalf by your employer.

Each unit you buy will have a price calculated each business day based on the value of the Fund's assets at the time (the **Unit Price**). Your investment return is represented by a change (an increase or decrease) in the unit price of the Fund(s) that you invest in. The Unit Price will go up and down every day reflecting the movement in the value of the underlying assets held by the Fund.

The value of your holdings in each Fund on any given business day represents your interest in the Scheme. This interest is held in an account in your name. It is important to understand that this interest will not give you any right to any particular assets of a Fund in which you are invested.

KiwiSaver is a long term investment and you will only be able to withdraw your investment in the Scheme in certain circumstances set out below. When you become eligible to withdraw, your interest in the Scheme will be redeemed for cash. There are no regular distributions from the Scheme.

The Scheme is a trust governed by a trust deed between us as the Manager and Public Trust as the Supervisor. Fund assets are held by an independent custodian appointed by the Supervisor. The Fund assets are held independently of the manager and the other Funds. The assets of a Fund can only be used to meet the liabilities of that Fund.

There is no Crown guarantee in respect of any KiwiSaver scheme or investment product of a KiwiSaver scheme.

Responsible investment, including environmental, social and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this product disclosure statement. You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures at the issuer's website at www.kourawealth.co.nz/documents.

What are the benefits?

There are a number of benefits to the Scheme:

- **Personalised Portfolio:** you have access to 9 different Funds to allow you to build a Portfolio that matches your risk appetite, objectives and personal investment preferences;
- **Access to Specialty Funds:** you will have the ability to invest Specialty Funds to diversify your KiwiSaver portfolio and provide you with exposure to non-traditional financial assets and themes. These assets are potentially higher risk than traditional financial assets though can provide diversification benefits in a broader KiwiSaver portfolio;
- **Digital advice platform:** you have access to the Kōura digital advice platform to help you make better decisions about your investment; and
- **Socially responsible investing:** a set of Environmental, Social and Governance criteria are used by all of our Funds.

Joining the Scheme

You may join the Scheme if you are:

- a New Zealand citizen, or entitled to live in New Zealand indefinitely, and
- living or normally living in New Zealand (with some exceptions).

In order to join the Scheme you will need to either visit the Kōura website and sign up via the online form or talk to an accredited kōura facilitator.

Making investments

There are three ways to contribute to the Scheme.

1. You contribute

If you are a salary or wage earner you can choose to contribute either 3%, 4%, 6%, 8% or 10% of your before-tax salary or wages. If you don't choose an amount, the default rate of 3% will apply.

Your employer will automatically deduct these contributions and send them to us via Inland Revenue. You can change your contribution rate at any time, or, if you've been a KiwiSaver member for 12 months, you are able to take a break from making KiwiSaver contributions from your pay – this is called a savings suspension. A savings suspension can be a period of between 3 months and 1 year and there is no limit to the number of times you can take a savings suspension. You may also renew it at any time.

If you are self-employed you can set up regular payments with us.

Any member can also make voluntary payments (or lump sum payments) at any time.

2. Your employer contributes

If you are contributing through your before-tax salary or wages, your employer is also required to make regular contributions to your KiwiSaver provided that:

- they are not already paying into another eligible registered superannuation scheme for you;
- you are between the ages of 18 and 65¹; and
- you are not on a savings suspension.

The minimum your employer must contribute is equal to 3% of your before-tax salary or wages.

Employer Superannuation Contribution Tax is deducted from your employer contributions before they are applied to your KiwiSaver account.

3. The Government contributes.

If you are a contributing member aged 18 and over and mainly live in New Zealand, the Government will make an annual contribution to your KiwiSaver account. This is known as the Government contribution. The maximum annual Government contribution you are entitled to is \$521.43. To get this you will have to contribute at least \$1042.86 a year. The Government contribution ceases when you reach age 65¹.

1 If you joined KiwiSaver or a complying fund before 1 July 2019 and were aged 60 or over when you joined, a 5-year minimum membership requirement applies. During this 5-year period you are entitled to Government and compulsory employer contributions. You can opt out of this 5-year period, however you will no longer be eligible to receive Government and compulsory employer contributions.

Withdrawing your Investments

Because KiwiSaver is designed to be a long term investment to help you save for retirement, generally you cannot withdraw your investment until you have reached the age of 65. However there are limited circumstances where you can withdraw all, or some of your investment early.

We set out what you can withdraw, and when in further detail in the table below:

Reason for withdrawal	What you can withdraw					Further conditions
	Your Contributions	Employer Contributions	Government Contributions	Transferred Superannuation Savings from Australia	Kickstart Contribution ¹	
You've reached the age of 65 ²	✓	✓	✓	✓	✓	
You want to buy your first home	✓	✓	✓			You must leave a minimum balance of \$1,000 in your account
You want to withdraw for financial hardship	✓	✓		✓		You will need to provide a statutory declaration that includes your assets and liabilities
You have a serious illness	✓	✓	✓	✓	✓	You will need to provide medical evidence to support your withdrawal request.
You move overseas	✓	✓			✓	
You move to Australia	✓	✓	✓	✓	✓	You can transfer your balance to an Australian complying scheme
Death	✓	✓	✓	✓	✓	
Congenital life-shortening illness	✓	✓	✓	✓	✓	You will require medical evidence to support your withdrawal request.
You want to withdraw your Australian Savings from age 60				✓		You will need to sign a statutory declaration that you do not intend to work again

There are further conditions for these withdrawal options. Please see the OMI document on the offer register for the Scheme at <https://disclose-register.companiesoffice.govt.nz/> for more information.

When you reach age 65 and are eligible to withdraw your investments, there are a number of ways you can receive your investment. You may withdraw a lump sum, make regular withdrawals or stay in the Scheme.

¹ The kickstart contribution was a \$1,000 tax free Government contribution made to all KiwiSaver members who joined before 21 May 2015.

² If you joined KiwiSaver or a complying fund before 1 July 2019 and were aged 60 or over when you joined, a 5-year minimum membership requirement applies. You can opt out of this 5-year period, however you will no longer be eligible to receive the Government and compulsory employer contributions.

If you die, we will pay the balance of your investment to your estate.

For a first home withdrawal, you are required to have at least \$1,000 in your account after the withdrawal, plus any money transferred from an Australian superannuation scheme.

If you emigrate to Australia your investment may at your request be transferred to an Australian superannuation scheme that has membership criteria similar to KiwiSaver. Other conditions may apply when withdrawing your investment in the circumstances set out above.

For a life-shortening congenital illness withdrawal, in addition to providing medical evidence, you will need to complete a statutory declaration to acknowledge you understand your KiwiSaver funds are to be released to you as if you had reached age 65, and after the withdrawal of the funds, you will no longer eligible to receive Government contributions or compulsory employer contributions.

How to switch between Funds

You may switch between Funds at any time through the online portal which can be found at portal.kourawealth.co.nz. You will be provided with a login and password once you have signed up. You will not be charged to switch between Funds.

3. Description of your investment options

The kōura KiwiSaver scheme offers 9 Funds into which you can invest; these funds fall into 3 separate categories:

- **Core Income Funds:** a lower risk investment fund that is appropriate for investors who are close to retirement or purchasing their first home or alternatively used as a diversification tool to reduce the volatility of a broader portfolio. Income funds typically deliver lower returns, though will have lower likelihood (though it can still happen) of incurring a loss.
- **Core Growth Funds:** a growth fund is a higher risk, higher return fund invested in shares and other equities. These funds are intended to provide good long term growth, but may experience periods of significant volatility.
- **Specialty Funds:** are funds that have the potential for high returns though can also be very high risk. Given the very high risk profile, a Specialty Fund is typically given a small allocation in a broader portfolio. You will be limited to investing a maximum of 10% of your contributions in a single Specialty Fund.

Each fund has a **Maximum Permitted Investment**. This is the maximum amount that you will be able to allocate your investment to in that specific fund. That maximum permitted investment has been determined by the kōura Investment Committee taking into consideration the risk characteristics of the underlying funds. The Maximum Permitted Investment relates only to the contributions and rebalancing. Due to market movements, it is likely that your holding in the fund will exceed the Maximum Permitted Investment from time to time.

On the kōura website there is a digital advice tool which will help you build an appropriate selection of funds to match your objectives and risk tolerance. An allocation to one or all of Specialty Funds will only be suggested for you if you request to invest in one of those Specialty Funds. If you do not specifically request to invest in a Specialty Fund, the digital advice tool will not include any allocation to a Specialty Fund in your recommended portfolio. If you do request to invest in a Specialty Fund, the digital advice tool will generate a recommended allocation. The Funds

Fund	Summary of the investment objectives and strategy (including target investment mix)	Target investment mix	Risk Category	Minimum suggested investment timeframe	Maximum permitted investment
Core Income funds					
Cash Fund	The Fund provides a high degree of liquidity to investors seeking short term security or are close to buying their first home. The Fund invests in New Zealand dollar bank deposits, term deposits and short dated money market securities.	100% Cash and cash equivalents	1	n/a	100%
Fixed Interest Fund	The fund will attempt to replicate the performance of the New Zealand Investment Grade Fixed Income market by investing in a range of New Zealand fixed income products.	100% New Zealand Fixed Interest	3	3 years	100%
Core growth funds					
NZ Equities Fund	The fund will attempt to replicate the performance of the New Zealand Stock market by investing in a range of New Zealand shares.	100% New Zealand Equities	5	9 years	100%
US Equities Fund	Invests in underlying funds that will attempt to replicate the performance of the US Stock market.	100% International Equities	6	9 years	100%
Rest of World Equities Fund	Invests in underlying funds that will attempt to replicate the performance of the developed worlds stock markets excluding the USA. Specific markets include Europe, Australasia, Singapore, Hong Kong, Japan and Israel.	100% International Equities	6	9 years	100%
Emerging Markets Equities Fund	Invests in underlying funds that will attempt to replicate the performance of Emerging Markets. Specific markets that the fund will invest in include the Eastern Europe, Middle East, South America, Africa and Asia including China.	100% International Equities	6	9 years	50%
Specialty funds					
Carbon Neutral Cryptocurrency Fund	<p>The Fund provides investors with exposure to cryptocurrencies.</p> <p>The carbon used by the cryptocurrency assets that the Fund has indirectly invested in will be offset annually through a carbon offset program.</p> <p>The Fund is only appropriate for investors that have a very long investment horizon and who are willing and able to withstand significant volatility. The Fund is expected to deliver a 50% loss every 1-2 years</p>	100% Cryptocurrencies	7	10+ years	10%
Clean Energy Fund	The Fund provides investors with exposure to companies involved in clean energy and the global transition away from fossil fuels.	100% International Equities	7	10 years	10%

Fund	Summary of the investment objectives and strategy (including target investment mix)	Target investment mix	Risk Category	Minimum suggested investment timeframe	Maximum permitted investment
New Zealand Property Fund	The Fund provides investors with exposure to the New Zealand property market. The exposure will be achieved through the creation of and investment into a bespoke index combining the New Zealand listed Real Estate Investment Trusts, Retirement Villages and any other companies that are deemed to have a high exposure to the New Zealand property market.	100% New Zealand Equities (all exposed to the property sector)	5	7 years	10%

1. The Funds have been in existence for less than 5 years. Accordingly the risk indicators have been prepared using a combination of actual returns and market index data. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the Funds. The Core Income and Core Growth Funds started on 23 October 2019 and the Specialty Funds were launched on 6 May 2022. To calculate the risk indicator for the five-year period ending 30 June 2022, market index returns have been used up to the month end of the fund launch with actual fund returns used for the balance of the period. The Carbon Neutral cryptocurrency fund uses the Bitcoin reference price sourced from Factset for the period prior to 30 May 2022.

The Statement of Investment Policy and Objectives (**SIPO**) sets out the investment policies and objectives for the Scheme and each of the Funds. This is reviewed at least annually. Given the passive nature of the Scheme, we do not expect the reviews to lead to material changes to the SIPO unless there are product changes or significant market developments. We may change the SIPO at any time by giving prior written notice to the Supervisor. Any material change will be notified to investors and mentioned in the Kōura KiwiSaver Scheme annual report.

The carbon neutral cryptocurrency fund will offset the share of carbon related to its holdings of the cryptocurrency networks that it invests in. This will be completed annually and kōura will report to investors at the end of each financial year what carbon has been offset and how the offsets have been achieved. More detail on the carbon offset process is included in the kōura Responsible Investing Policy (available at www.kourawealth.co.nz/documents).

The kōura Investment Committee has the ability to close and liquidate an individual fund if it believes that it is no longer an appropriate investment for KiwiSaver investors in a diversified investment portfolio. If this happens, you will be notified of this, the underlying assets of the funds will be sold and your funds will be reinvested into Core Growth/Income Funds in line with your investment allocation at the time.

The SIPO is available at <https://disclose-register.companiesoffice.govt.nz/> on the Scheme register.

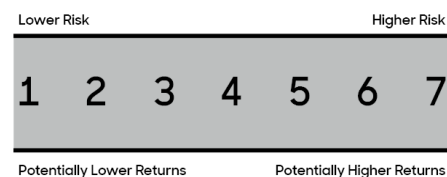
Further information about the assets in the Funds can be found in the fund updates at www.kourawealth.co.nz.

4. What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.

Risk indicators for each Fund can be found in Section 3 (Description of your investment options).



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 (volatility). 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 independent financial advice or work out your risk profile at 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 (described under the heading 'Other specific 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 to 31 December 2021. While risk indicators are usually relatively stable, they do shift from time to time.

You can see the most recent risk indicator in the latest fund update for each Fund.

General investment risks

Some of the things that cause the Funds' value to move up and down, which impact on the risk indicator, are:

- Market risk**
 Financial markets can fluctuate in value for a multitude of different reasons. You should be prepared for declines in the value of your investments as a result of market movements.
- Currency risk**
 Our foreign equity investments will not be fully hedged. The value of the foreign assets and currency can change (up or down) when there are movements in the exchange rate between the New Zealand Dollar and the currency of the underlying assets.
- Liquidity risk**
 Low liquidity can mean a fund may be unable to sell its assets, which would affect the ability of the fund to make payments when needed (such as meeting withdrawal requests), or you may receive a lesser amount than expected if the assets have to be sold quickly and there are few buyers.
- Interest rate risk**
 Fixed interest investments may become more or less valuable depending upon changes in interest rates. If market interest rates rise, existing fixed rate investments become less valuable because new fixed interest investments will pay the current, higher rate of interest, and vice versa when market interest rates fall. Interest rate risk is more applicable to the Fixed Interest Fund and Cash Fund..
- Credit risk**
 A party to an investment contract may not honour their obligations or fail to complete transactions, or may become insolvent. If this occurs in any of the investment contracts held by a fund, you may not recover the full amount of your investment in that fund.

Other Specific Risks

These are other specific risks that may impact investors returns that are not reflected in the risk indicator

- **Passive Investment risk**

We employ a passive investment philosophy, this means that our Funds will all perform in line with the markets. If there is a market downturn, Kōura, as manager of the Funds will not take proactive action to change asset exposures.

- **Investment option risk**

Kōura offers a digital advice tool that provides you with advice and guidance to assist you in achieving your investment objectives. If your circumstances or risk appetite changes and you do not re-take your risk assessment, there is a risk that your funds will not be invested in the most appropriate Funds to suit your objectives.

- **Financial product risk**

We are a passive investor and invest in or build financial products that track an index or provide a specific market exposure. There is a risk that our financial products do not perform as we expect which will impact returns.

- **Cryptocurrency risk**

The Carbon Neutral Cryptocurrency Fund will invest exclusively in assets that give it an exposure to the cryptocurrency. This is a new asset class and there are a number of risks with this asset class which could result in it losing its value in its entirety. Some of the specific risks include:

- *Regulatory* – Regulatory changes may make it difficult to invest in or monetise cryptocurrency;
- *Cyber security* – Hacking or cyber security breaches which may result in disruption to the network, corruption of the blockchain or the loss of individual cryptocurrency holdings by the fund, if lost it may be impossible to recover the assets;
- *Network risk* – The blockchains upon which cryptocurrencies rely upon are no longer able to be maintained economically which will cause the currencies to fall in value;
- *Product displacement* – The cryptocurrencies that we choose to invest in may be displaced by newer Cryptocurrencies resulting in a fall in value of the assets we hold;
- *Market adoption risk* – Cryptocurrencies do not achieve the level of market adoption expected and demand for crypto currencies is reduced;
- *Carbon offset risk* – We will offset the kōura share of any carbon emissions generated by the cryptocurrency networks that we invest in. The estimates we have made of the carbon emitted prove to be incorrect or the cost of the carbon offsets becomes too great so that we need to change the investment strategy or raise the costs of the fund

Other fund specific risks are included in the Other Material Information document which can be found on the disclose register. The risks described in further detail in this document relate to the following:

- **Clean Energy Fund**

- Interest in the theme relative to the size of the investable universe;
- Clean energy loses popularity as an investment theme;
- Valuations of clean energy companies;
- Regulatory risk; or
- Risk that the investment products we invest in do not track the clean energy market

- **New Zealand Property Fund**

- Interest rate risk;
- Broader property market risk or;
- Retirement village operating mode

5. What are the fees?

You will be charged fees for investing in the Funds. Fees are deducted from your investment, and will reduce your returns. If we invest in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- Regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term.
- One-off fees. There are currently no one-off fees charged in relation to the Funds.

Fund	Annual Fund Charges (% of net asset value) ¹	Other Charges ¹
Cash Fund	0.63	Administration fee of \$30 per annum for all members over the age of 18.
Fixed Interest Fund	0.63	
NZ Equities Fund	0.63	
US Equities Fund	0.63	
Rest of World Equities Fund	0.63	
Emerging Markets Equities Fund	0.63	
Clean Energy Fund	1.10	
New Zealand Property Fund	1.10	
Carbon Neutral Cryptocurrency Fund	1.10	

Annual fund charges

The annual fund charges comprise an annual investment management fee of 0.63% per annum charged on the total funds under management (calculated as net asset value). These charges cover the fees of Kōura, any external fund managers, the Supervisor, the custodian and the administration manager. They also pay for other charges and expenses such as accounting and audit fees.

The annual fund charges exclude transaction costs incurred by the funds in which the Scheme invests and any hedging costs. Kōura has imposed a cap on its annual fund charges. The annual fund charge set out in the table above is the most you will pay. Kōura will bear the cost of any charges to the extent the cap is exceeded.

Other charges

- **Administration fee**
We have delegated the performance of certain administration management functions for the Scheme (including registry) to MMC Limited (MMC). We and MMC are reimbursed from the Scheme's assets for the day-to-day administration of members' balances and for maintaining the member register for the Scheme. Currently the fee is \$30 per member per year paid monthly in arrears (\$2.50 per member per month). This is a Scheme fee and not a per Fund fee, therefore you will pay the same fee no matter how many Funds you are invested into.
- **Individual action fees**
We do not currently charge contribution, establishment, termination, or withdrawal fees, and we intend that, for the foreseeable future, we will not introduce any such fees.

1. All Fund Charges are exclusive of GST
www.kourawealth.co.nz

However, we could charge individual action fees or other fees in the future. If this happens, you may be charged other fees on an individual basis for investor-specific decisions or actions. See 'The fees can be changed' below for more information.

- **Facilitator fees**

If you have agreed to use the services of a facilitator to assist you with your investment you may also be charged a facilitator fee. This fee will be 0.30% per annum of your account balance. You may stop this service at any time by contacting your facilitator.

Example of how fees apply to an investor

Lily invests \$10,000 in the NZ Equities Fund. This brings the starting value of her investment to \$10,000.

She is also charged management and administration fees, which work out to about \$63 (0.63% of \$10,000). These fees might be more or less if her account balance has increased or decreased over the year.

Over the next year, Lily pays other charges of \$30.

Estimated total fees for the first year:

Fund charges:	\$63 (0.63% of \$10,000)
Other charges (administration fee):	\$30 (\$2.50 per month)
Individual action fee:	Nil
Total fees:	\$93 per year

See the latest fund update for an example of the actual returns and fees investors were charged over the past year.

This example applies only to the NZ Equities Fund. If you are considering investing in other funds or investment options in the scheme, this example may not be representative of the actual fees you may be charged.

The fees can be changed

We are entitled to alter charges (including increasing fees or introducing new fees) at any time with the prior approval of the Supervisor, subject to us providing members and the Supervisor with 30 days' prior written notice of each such fee increase or new fee. There are no limits on the charges that may be set, subject to the requirement under the KiwiSaver Act 2006 to not charge unreasonable fees. Details of the current charges are set out above and in the annual financial statements of the Scheme.

We must publish a fund update for each Fund showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at www.kourawealth.co.nz

6. What taxes will you pay?

The Scheme is a portfolio investment entity. The amount of tax you pay is based on your prescribed investor rate (PIR). To determine your PIR, go to <https://www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates>. If you are unsure of your PIR, we recommend you seek professional advice or contact the Inland Revenue Department.

It is your responsibility to tell us your PIR when you invest or if your PIR changes. If you do not tell us, a default rate may be applied.

- If the default rate, or the advised PIR, is lower than the correct PIR, you will need to complete a personal tax return, and pay any tax shortfall, interest, and penalties.
- If the rate applied to your PIE income is higher than your PIR any tax overpaid will be used to reduce any income tax liability you may have for the tax year and any remaining amount will be refunded to you.

7. Who is involved?

About Kōura Wealth Limited

Kōura Wealth Limited is the manager of the Scheme.

Our registered office is:

Level 4
Australis Nathan Building
37 Galway Street
Britomart
AUCKLAND, 1010

You can contact us by:

Calling us on 0800 527 547
Emailing us at info@kourawealth.co.nz
Mailing us at PO Box 4349, Shortland Street,
Auckland, 1140

Role	Name	Description
Supervisor	Public Trust	Supervises our management of the Scheme. The Supervisor is independent.
Custodian	MMC Limited	Holds Scheme assets on behalf of investors.
Fund Administrator	MMC Limited	Provides fund administration services

8. How to complain

The Manager

Complaints about your investment or the Scheme can be made to us at:

Complaints Manager – Kōura Wealth
PO Box 4349
Shortland Street
AUCKLAND 1140

Telephone: 0800 527 547
Email: info@kourawealth.co.nz

The Supervisor

If you make a complaint to us, and the complaint cannot be resolved you may refer it to the supervisor at:

Public Trust
Level 16, 151 Queen Street
Private Bag 5902
Wellington

Telephone: 0800 371 471
Email: cts.enquiry@publictrust.co.nz

Independent Dispute Resolution Scheme

We are a member of the Financial Services Complaints Limited Scheme which is an independent dispute resolution scheme. If you make a complaint to us (or the supervisor), and the complaint cannot be resolved you may refer it to Financial Services Complaints Limited at:

Financial Services Complaints Limited
PO Box 5967
WELLINGTON 6140

Telephone: 0800 347 257
Email: complaints@fscl.org.nz

The Scheme will not charge a fee to any complainant to investigate or resolve a complaint.

9. Where you can find more information

Further information on the Scheme such as the trust deed for the Scheme, the SIPO, fund updates and other material information, is available on the offer register and scheme register at

www.companiesoffice.govt.nz/disclose by searching 'Kōura KiwiSaver Scheme'.

A copy of information on the offer register or scheme register is available on request to the Registrar of Financial Service Providers.

Information regarding your investment will be available at the investor portal which is available at

www.kourawealth.co.nz.

This information is available free of charge.

10. How to apply

You can sign up on the Kōura website www.kourawealth.co.nz. We will make it easy for you.



www.kourawealth.co.nz