

FUND UPDATE

FOR THE QUARTER ENDED 30 JUNE 2022



MACQUARIE

Macquarie Investment Funds

Macquarie Ethical Leaders Conservative Fund¹

This fund update was first made publicly available on: 28 July 2022

What is the purpose of this update?

This document tells you how the Macquarie Ethical Leaders Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Macquarie Asset Management Public Investments (NZ) 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 a diversified portfolio that is primarily invested in a mix of income assets (e.g. cash and fixed income), with a moderate exposure to growth assets (e.g. shares and listed property). The fund takes a responsible investment approach and is managed to specific 'responsible investment' criteria which prohibit investments in certain companies or activities, and encourage investment in companies with strong environmental, social and governance characteristics.

This fund is governed by the Ethical Leaders Charter and has been certified by the Responsible Investment Association of Australasia (RIAA).

Asset allocations are actively managed in line with changing investment environments and conditions.

The fund targets an exposure to foreign currency shares (excluding Australian dollar shares) of 69% gross hedged back to the New Zealand dollar. For Australian dollar shares, the fund targets an exposure of 50% hedged back to the New Zealand dollar. For all other asset classes, the fund targets 100% hedging of foreign currency exposures back to the New Zealand dollar. Macquarie Asset Management has the discretion to alter these target positions.

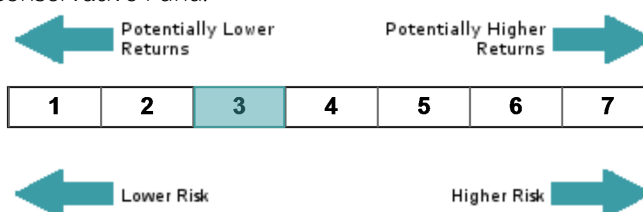
The performance objective of the fund is to provide moderate returns, to protect capital, and to outperform, over the medium term, the weighted average return of the market indices used to measure performance of the underlying funds/assets in which the fund invests.

Total value of the fund	NZ\$5,921,917
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The date the fund started	06 June 1995
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What are the risks of investing?

Risk indicator for the Macquarie Ethical Leaders Conservative 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.

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

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the 5 year period to 30 June 2022. 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.

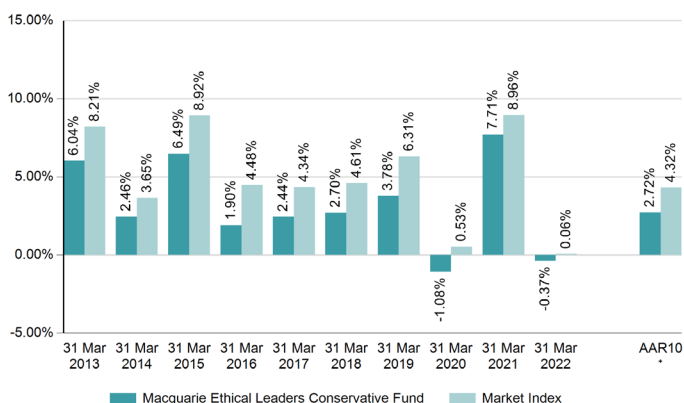
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

	Average over past 5 years	Past year
Annual return² (after deductions for charges and tax)	1.51%	-6.25%
Annual return² (after deductions for charges but before tax)	1.69%	-7.59%
Market index annual return² (reflects no deduction for charges and tax)	2.75%	-6.71%

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying funds/assets. Additional information about the market index is available on the offer register at www.companiesoffice.govt.nz/disclose.

Annual Return Graph³



* Average Annual Return for the last 10 years to 30 June 2022

This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 June 2022.

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 Macquarie Ethical Leaders Conservative Fund are charged fund charges. In the year to 31 March 2022 these were:

	% of net asset value
Total fund charges	1.25%
Which are made up of:	
Total management and administration charges	1.25%
Including:	
Manager's basic fee (excluding GST)	1.00%
Other management and administration charges (including GST)	0.25%

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the Macquarie Investment Funds Ethical Leaders Diversified Funds on the offer register at www.companiesoffice.govt.nz/disclose for more information about those fees.

Example of how this applies to an investor⁴

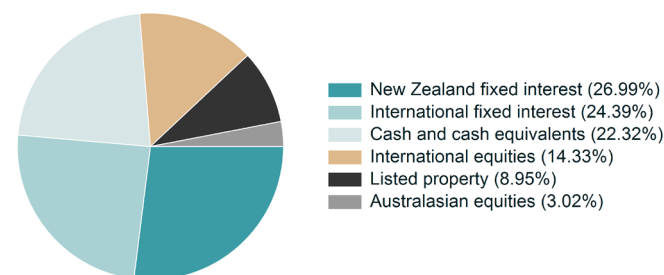
Small differences in fees and charges can have a big impact on your investment over the long term.

Jeff had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Jeff incurred a loss after fund charges were deducted of -\$92 (that is -0.92% of his initial \$10,000). This gives Jeff a total loss after tax of -\$37 for the year.

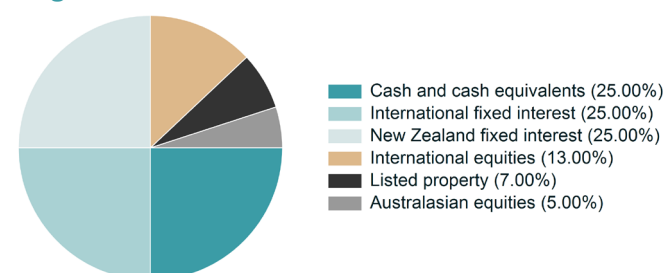
What does the fund invest in?

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

Actual investment mix



Target investment mix



Top 10 investments

	Name	% of Fund net assets	Type	Country	Credit Rating (if applicable)
1	AMP Ethical Leaders International Share Fund	14.39%	International equities	Australia	N/A
2	iShares MBS ETF	3.44%	International fixed interest	United States	N/A
3	Ausbil ESG Focus Fund	2.49%	Australasian equities	Antigua and Barbuda	N/A
4	New Zealand Government Bond - maturing 20 Apr 29	1.96%	New Zealand fixed interest	New Zealand	AA+
5	New Zealand Government Bond - maturing 15 Apr 27	1.85%	New Zealand fixed interest	New Zealand	AA+
6	New Zealand Government Bond - maturing 15 May 31	1.59%	New Zealand fixed interest	New Zealand	AA+
7	New Zealand Government Bond - maturing 14 Apr 33	1.34%	New Zealand fixed interest	New Zealand	AA+
8	New Zealand Government Bond - maturing 15 Apr 37	1.28%	New Zealand fixed interest	New Zealand	AA+
9	Westpac New Zealand Ltd - maturing 03 Aug 22	1.24%	New Zealand fixed interest	New Zealand	A
10	Westpac New Zealand Ltd - maturing 12 Oct 22	1.17%	New Zealand fixed interest	New Zealand	A

The top 10 investments make up 30.75% of the fund.

Key personnel

	Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
1	Rebekah Swan	Head of New Zealand Public Investments, Macquarie Asset Management (NZ) Limited	4 months	Managing Director and Head of Client Services, AMP Capital Investors (New Zealand) Limited	1 year 5 months
2	Vicky Hyde-Smith	Associate Director, Macquarie Asset Management (NZ) Limited	4 months	Head of Fixed Income, AMP Capital Investors (New Zealand) Limited	5 years 1 month
3	Grant Hassell	Division Director, Macquarie Asset Management (NZ) Limited	4 months	Global Head of Fixed Income, AMP Capital Investors Limited	3 years 4 months
4	Michael Gray	Head of Investment Strategy (NZ), Macquarie Asset Management (NZ) Limited	4 months	Head of Investments NZ, AMP Capital Investors (New Zealand) Limited	1 year
5	Supriya Edwards	Investment Specialist, Macquarie Asset Management (NZ) Limited	4 months	Fixed Income Analyst, AMP Capital Investors (New Zealand) Limited	1 year 7 months

Further information

You can also obtain this information, the PDS for the Macquarie Investment Funds Ethical Leaders Diversified Funds, and some additional information from the offer register at www.companiesoffice.govt.nz/disclose.

Notes

- In March 2022, Macquarie Asset Management Holdings Pty Limited completed the acquisition of the AMP Capital Global Equities and Fixed Income business from AMP Group Holdings Limited. Prior to that acquisition, Macquarie Asset Management Public Investments (NZ) Limited was known as AMP Investment Management (N.Z.) Limited and the Macquarie Ethical Leaders Conservative Fund was known as the AMP Capital Ethical Leaders Conservative Fund.
- These returns are for the periods ending 30 June 2022.
- The bar graph shows fund returns after the deduction of fees and tax, however, the market index returns are shown before any fees or tax are deducted.
- The returns and tax calculations used in this example are the actual fund returns and tax charges (or rebates) for the year ended 31 March 2022. Net of tax returns can be more than gross of tax returns where, due to the fund's tax position, it receives a tax rebate rather than paying tax.

CONTACT US

If you have any enquiries about your investment or any of Macquarie's products or services please call us on 0800 400 499.

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