

Quarterly Disclosure Statement for 1 January 2015 to 31 December 2015

Grosvenor KiwiSaver Scheme Trans-Tasman Share Fund

What is the purpose of this statement?

This statement provides key information about the **Grosvenor KiwiSaver Scheme Trans-Tasman Share Fund**. It tells you how the fund has performed and what fees it charged, and will help you to compare it with other funds. We prepared this statement in accordance with the KiwiSaver (Periodic Disclosure) Regulations 2013. This information is not audited and may be updated.

Description of the fund

The Trans-Tasman Share Fund provides savers with the opportunity to achieve long-term capital growth through a diversified selection of shares in Australian and New Zealand companies. For the Australian shares, the Fund will normally be 0% hedged back to New Zealand dollars, but this will be actively managed between 0% and 50%. This range may be changed from time to time. It aims to achieve a rate of return (net of fees but before tax) of at least 5% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over rolling ten year periods.

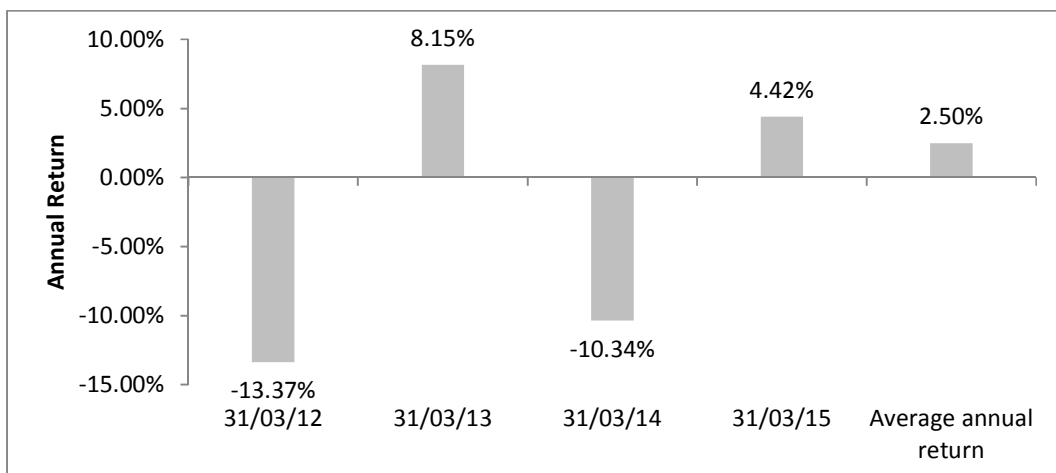
| | |
|-------------------------------|-------------|
| Total value of the fund | \$4,779,222 |
| Number of members in the fund | 789 |
| Date the fund started | 21 May 2010 |

How has the fund performed?

| | Past year |
|--|-----------|
| Annual return (after deductions for fund fees and tax ¹) | 7.30% |

How has the fund performed in the past?

This shows the return after fund fees and tax for each tax year since the fund started and the average annual return since the fund started. It's important to note that this doesn't tell you how the fund will perform in the future.



What fees were members charged?

The returns above are after deductions for **fund fees**². These fees were last totalled up for the year to 31 March 2015 and were:

| Total fund fees | 1.22% of members' investments |
|------------------------|-------------------------------|
| Which are made up of: | |
| Annual management fee | 1.02% |
| Performance-based fees | 0.00% |
| Other fees and costs | 0.20% |

Members were also charged **membership fees**³ of \$36.99 over the year to 31 March 2015.

Members may also be charged fees for specific actions or decisions (e.g. account closure fee). See <http://grosvenorkiwisaver.co.nz/media/12353/gks-investment-statement-sept-2015.pdf> for more information about these fees.

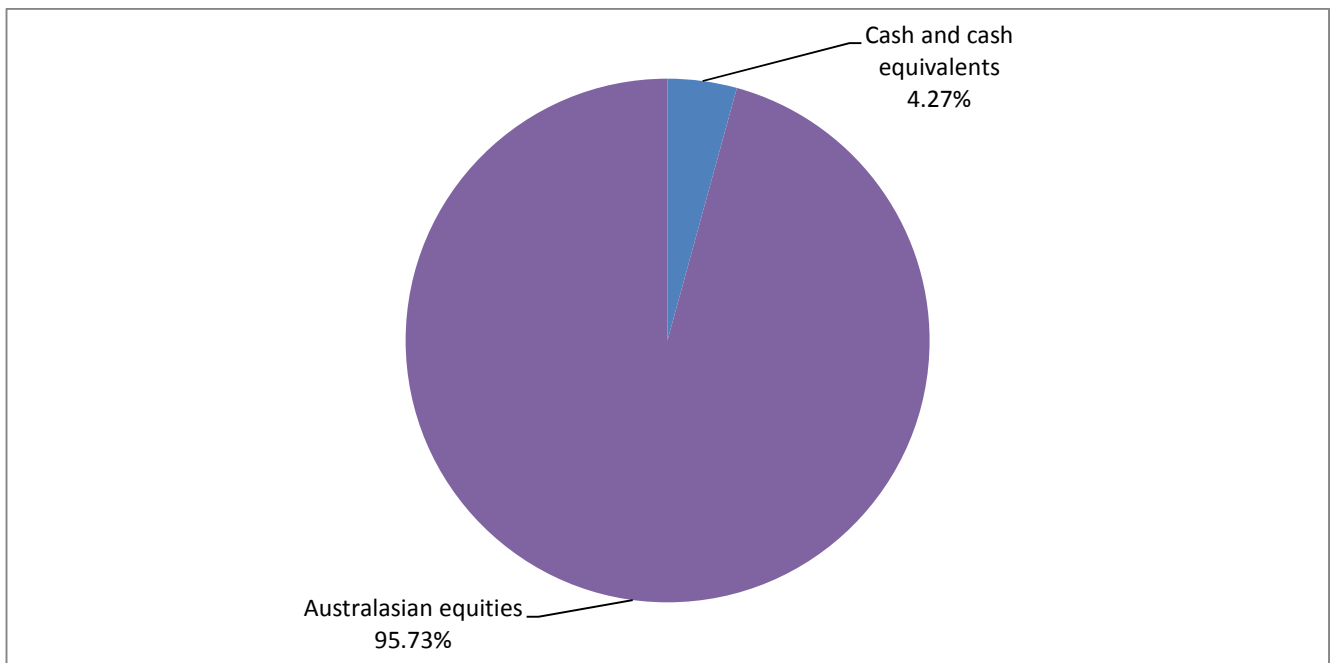
Example of how this applies to a member

Mr Smith had \$10,000 in the fund at the start of the year and didn't make any further contributions. At the end of the year, Mr Smith received a return after fund fees and tax were deducted of \$730.00 (that's 7.30% of his initial \$10,000). Mr Smith also paid \$36.99 in membership fees. This gives Mr Smith a total return of \$693.01 for the year.

What does the fund invest in?

Actual investment mix

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



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

| | |
|-----------------------|---------|
| Australasian equities | 100.00% |
|-----------------------|---------|

Top 10 investments

| | Name | Percentage of fund net assets | Type | Country | Credit rating (if applicable) |
|----|--|-------------------------------|-----------------------|-------------|-------------------------------|
| 1 | Commonwealth Bank of Australia | 6.01% | Australasian equities | Australia | |
| 2 | Westpac Banking Corporation | 4.99% | Australasian equities | Australia | |
| 3 | Spark New Zealand Limited | 4.60% | Australasian equities | New Zealand | |
| 4 | ANZ Banking Group Limited | 4.37% | Australasian equities | Australia | |
| 5 | National Australia Bank Limited | 3.97% | Australasian equities | Australia | |
| 6 | Fletcher Building Limited | 3.95% | Australasian equities | New Zealand | |
| 7 | Auckland International Airport Limited | 3.65% | Australasian equities | New Zealand | |
| 8 | Fisher & Paykel Healthcare Corporation Limited | 3.37% | Australasian equities | New Zealand | |
| 9 | Ryman Healthcare Limited | 2.92% | Australasian equities | New Zealand | |
| 10 | Contact Energy Limited | 2.90% | Australasian equities | New Zealand | |

The top 10 investments make up 40.73% of the fund.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

| Name | Current position | Time in current position | Previous or other position | Time in previous or other position |
|---------------|--|--------------------------|--|------------------------------------|
| David Beattie | CIO and Joint CEO, Grosvenor Financial Services Group | 15 years, 1 month | CIO, Westpac Financial Services | 10 years, 2 months |
| Nic Craven | Research Manager, Grosvenor Financial Services Group | 1 year, 8 months | Senior Advisor, MBMG Capital Partners | 8 months |
| Allan Yeo | Managing Director, Grosvenor Financial Services Group | 17 years, 6 months | Associate Director, Barclays Bank plc | 2 years |
| Rowan Calvert | Senior Equity Analyst, Grosvenor Financial Services Group | 5 years, 5 months | Surveillance Analyst, New Zealand Exchange | 4 years, 10 months |
| Conrad Wong | Fixed Interest Analyst, Grosvenor Financial Services Group | 4 years, 10 months | | |

Further information:

Information about conflicts of interest

There have not been changes to the nature, or increases in the scale of, the fund's related-party transactions compared with the last quarter. See the Grosvenor KiwiSaver Scheme's annual financial statements for more information about the scheme's related-party transactions.

Changes to trade allocation, execution and proxy voting policies

There have been changes to the fund's trade allocation, execution and proxy voting policies in the past three months. See www.grosvenorkiwisaver.co.nz/media/13221/proxy-vote-philosophy.pdf for more information about these policies⁴.

Changes to valuation methods

There have not been changes to the fund's valuation methods in the past three months.

Electronic disclosure of this information

Most of the information contained in this statement, including some additional information, is available in a spreadsheet at <http://www.grosvenorkiwisaver.co.nz/media/13288/kss10026-007-qdsdec2015-ttf.csv>

Notes

1. Returns in this statement are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax rate may be lower.
2. Fund fees are fees charged as a percentage of a member's interest in the fund (i.e. as a percentage of their KiwiSaver account balance).
3. Membership fees are the fixed dollar charges for membership in the KiwiSaver scheme. The Membership fee was reduced from \$3.33 per month to \$3.00 per month from 1 July 2014. From 18 September 2015, this fee will not be charged unless the balance of the member's account is greater than \$500.
4. Up to 30 September 2015 there were no trade allocation and execution policies for the fund. These policies are now available to the fund.

Manager's certificate

In accordance with Regulation 41 of the KiwiSaver (Periodic Disclosure) Regulations 2013, Grosvenor Investment Management Limited certifies that:

1. the disclosure statement has been prepared for the purposes of the regulations;
2. to the best of its knowledge after making reasonable inquiry, all information required by the regulations has been disclosed in accordance with the regulations and the information presented is accurate; and
3. the disclosure statement does not contain any matter that is likely to deceive or mislead with regard to any particular that would be material to an offer of an interest in the Grosvenor KiwiSaver Scheme.

On behalf of Grosvenor Investment Management Limited



David Beattie
Authorised Signatory

3 February 2016