

Quarterly Disclosure Statement for 1 July 2015 to 30 June 2016

Grosvenor KiwiSaver Scheme Asset Class Growth Fund

What is the purpose of this statement?

This statement provides key information about the **Grosvenor KiwiSaver Scheme Asset Class Growth 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 Asset Class Growth Fund aims to provide savers mainly with the opportunity of long-term capital growth, but to partially offset some short-term return volatility with income assets. It aims to achieve a rate of return (net of fees but before tax) of at least 4% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over rolling eight year periods.

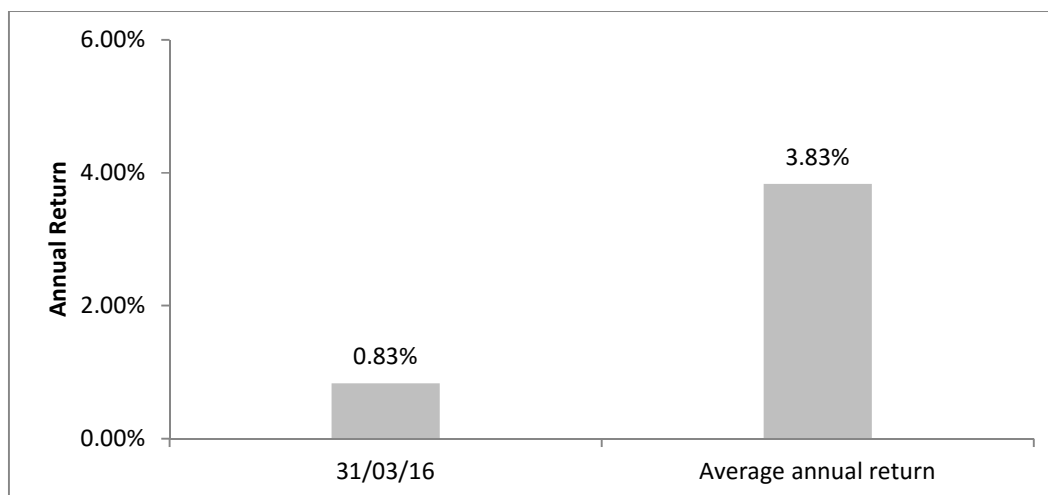
| | |
|-------------------------------|--------------|
| Total value of the fund | \$31,682,252 |
| Number of members in the fund | 2,161 |
| Date the fund started | 1 July 2014 |

How has the fund performed?

| | Past year |
|---|-----------|
| Return (after deductions for fund fees and tax ¹) | -3.24% |

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 2016 and were:

| Total fund fees | 1.28% of members' investments |
|------------------------|-------------------------------|
| Which are made up of: | |
| Annual management fee | 1.16% |
| Performance-based fees | 0.00% |
| Other fees and costs | 0.12% |

Members were also charged **membership fees**³ of \$36.00 over the year to 31 March 2016.

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.

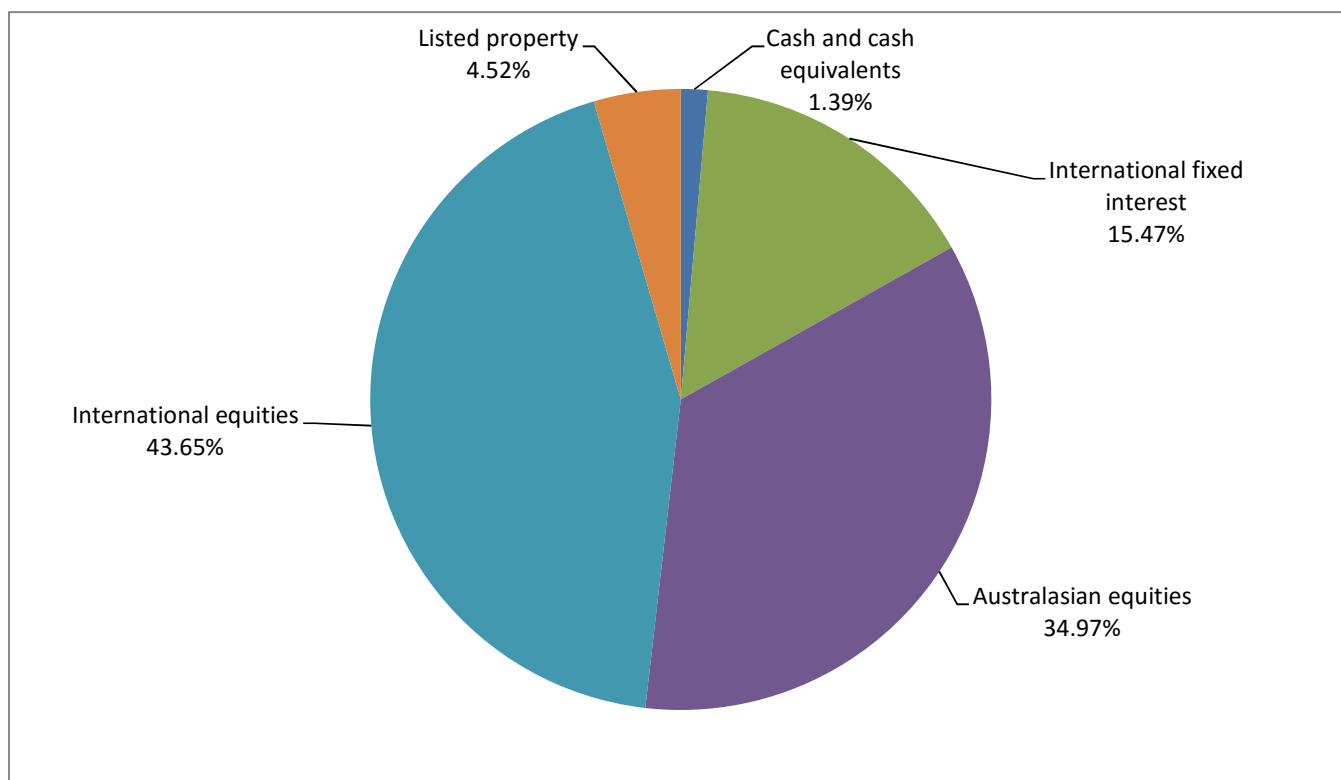
Example of how this applies to a member

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 -\$324.00 (that's -3.24% of his initial \$10,000). Mr Smith also paid \$36.00 in membership fees. This gives Mr Smith a total return of -\$360.00 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.

| | |
|------------------------------|--------|
| Cash and cash equivalents | 5.00% |
| New Zealand fixed interest | 10.00% |
| International fixed interest | 10.00% |
| Australasian equities | 30.00% |
| International equities | 40.00% |
| Listed Property | 5.00% |

Top 10 investments

| | Name | Percentage of fund net assets | Type | Country | Credit rating (if applicable) |
|----|---|-------------------------------|---------------------------|-------------|-------------------------------|
| 1 | Dimensional Australian Core Equity Trust | 22.11% | Fund | Australia | |
| 2 | Dimensional Global Core Equity Trust NZD Hedged Class | 21.96% | Fund | Australia | |
| 3 | Dimensional Global Core Equity Trust | 12.91% | Fund | Australia | |
| 4 | NZ Core Equity Trust | 12.86% | Fund | New Zealand | |
| 5 | Dimensional Five Year Diversified Fixed Interest Trust NZD Hedged Class | 9.65% | Fund | Australia | |
| 6 | Dimensional Emerging Markets Trust | 8.78% | Fund | Australia | |
| 7 | Dimensional Global Bond Trust NZD Hedged Class | 5.82% | Fund | Australia | |
| 8 | Dimensional Global Real Estate Trust | 4.52% | Fund | Australia | |
| 9 | Cash deposit (ANZ) | 1.19% | Cash and cash equivalents | New Zealand | AA- |
| 10 | Cash deposit (ASB) | 0.20% | Cash and cash equivalents | New Zealand | AA- |

The top 10 investments make up 100% 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 |
|------------------|---|--------------------------|---|------------------------------------|
| Bhanu Singh | Director and Head of Asia Pacific Portfolio Management, DFA Australia Limited | 1 year, 1 month | Portfolio Manager, Dimensional Fund Advisors | 4 years, 9 months |
| Jed Fogdall | Co-Head of Portfolio Management and Vice President, Dimensional Fund Advisors | 4 years, 5 months | Portfolio Manager, Dimensional Fund Advisors | 7 years, 5 months |
| Joseph Chi | Co-Head of Portfolio Management and Vice President, Dimensional Fund Advisors | 4 years, 5 months | Portfolio Manager, Dimensional Fund Advisors | 6 years, 5 months |
| Nicholas Stewart | Executive Director, Stewart Financial Group Limited | 14 years, 1 month | Wealth Manager, Stewart Financial Group Limited | 1 year, 9 months |
| Don Stewart | Executive Director, Stewart Financial Group Limited | 29 years, 6 months | Financial Adviser, National Mutual Limited | 13 years, 8 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 over the past three months. 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 not 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 policies.

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/14603/kss10026-014-qdsjun2016-acgf.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. From 18 September 2015, this fee will not be charged unless the balance of the member's account is greater than \$500.

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

20 July 2016