Fund Update

For the quarter ended 31 December 2023

- **ACI Funds**
- **ACI Growth Fund**

This fund update was first made publicly available on: 13 February 2024

What is the purpose of this update?

This document tells you how the ACI Growth Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. FundRock 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

Objective: To achieve a rate of return (net of fees but before tax) of at least 4.5% per annum above inflation (as measured by Statistics New Zealand's Consumer Price Index) over the longer term.

Strategy: The fund invests predominantly in growth assets such as New Zealand, Australian, international shares and property but includes some income assets. The allocations include a bias towards international diversification, and exposure to these asset classes is achieved by primarily investing in DFA Australia Limited (Dimensional) funds, utilising their Sustainability Trusts where available. Dimensional funds have an increased exposure to shares in small companies, value companies and companies with higher profitability with the objective of benefitting from a premium return from these companies over time. Such premiums are not always present year on year, which can drive shorter term differences in returns.

Total value of the fund	$NZ 1,417,251
The date the fund started	4 April 2023

What are the risks of investing?[1]

Risk indicator for the ACI Growth Fund.

Potentially lower returns						Potentially higher returns
1	2	3	4	**5**	6	7
Lower risk						Higher risk

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 5 years to 31 December 2023. 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
Annual return (after deductions for charges and tax)	Not Applicable
Annual return (after deductions for charges but before tax)	Not Applicable
Market index annual return (reflects no deduction for charges and tax)	16.22%

The market index return is the ACI Growth - Composite Index. The benchmark indices used for each asset class are defined in the Statement of Investment Policy and Objectives (SIPO). This has been the market index since the inception of the fund. Additional information about the market index is available on the offer register at www.disclose-register.companiesoffice.govt.nz.

What fees are investors charged?

Investors in the ACI Growth Fund are charged fund charges which are:

	% of net asset value (including GST)
Total fund charges[2]	1.30%
Which are made up of:	
Total manager and administration charges	1.30%
Including:	
Manager's basic fee (including GST)	1.30%
Other management and administration charges	0.00%

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 ACI Growth Fund on the offer register at www.disclose-register.companiesoffice.govt.nz for more information about those fees.

Example of how this applies to an investor[3]

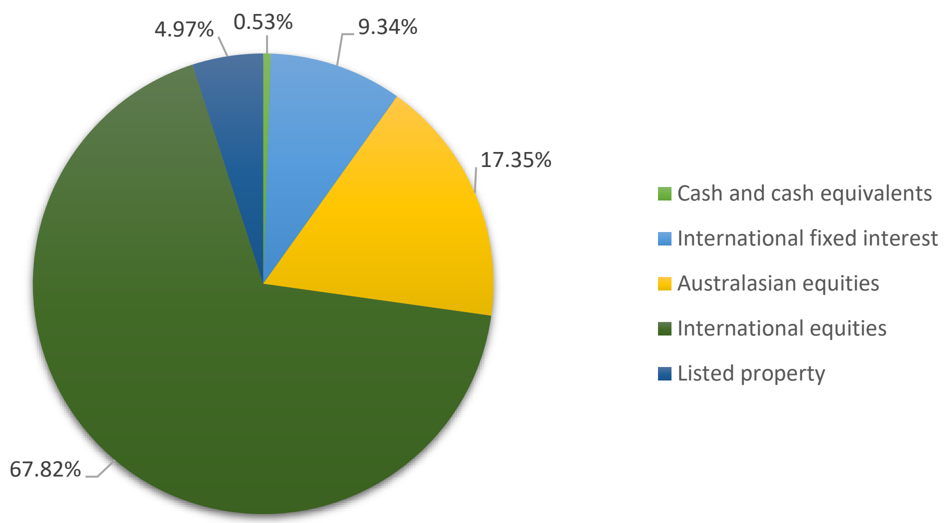
Small differences in fees and charges can have a big impact on your investment over the long term.

Anthony had $10,000 in the fund when the fund received its first contribution, 04 April 2023 and did not make any further contributions. At the end of the period to 31 December 2023, Anthony received a return after fund charges were deducted of $932 (that is 9.32% of his initial $10,000). This gives Anthony a total return after tax of $845 for the period.

What does the fund invest in?

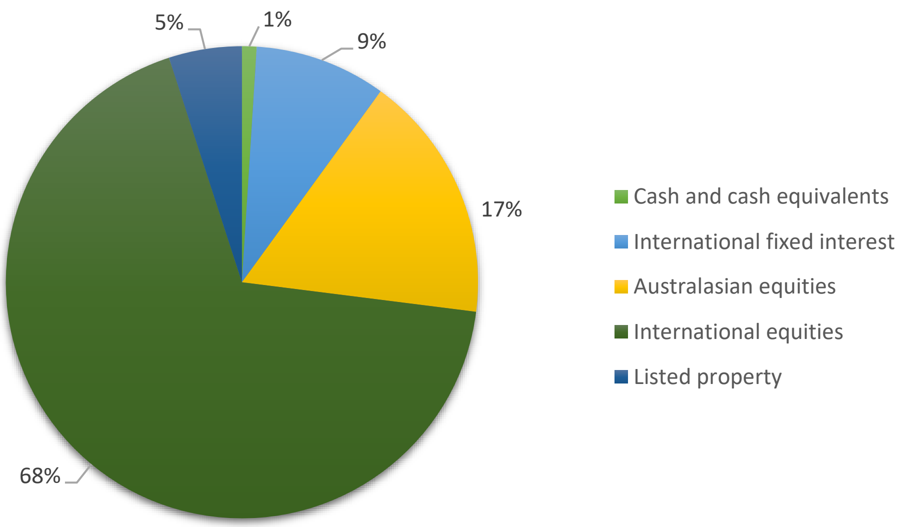
This shows the types of assets that the fund invests in.

Actual investment mix



The fund aims to hedge 100% of foreign currency exposures in the underlying international fixed-interest assets, 100% of property exposure and 50% of the underlying international equity assets. Currency exposure in Australian equities and Emerging Markets equities is unhedged. The overall target hedging ratio of the portfolio is 42%.

Target investment mix



Top 10 investments

	Name	% of Fund net assets	Type	Country	Credit rating (if applicable)
1	Dimensional Global Sustainability PIE Fund (NZD Hedged)	27.30%	International equities	NZ	N/A
2	Dimensional Global Sustainability PIE Fund	26.95%	International equities	NZ	N/A
3	Dimensional Emerging Markets Sustainability Trust AUD	13.57%	International equities	AU	N/A
4	Smartshares NZ Core Equity Trust	13.07%	Australasian equities	NZ	N/A
5	Dimensional Global Bond Sustainability Trust NZD Class	7.87%	International fixed interest	NZ	N/A
6	Dimensional Global Real Estate Trust NZD Hedged Class	4.97%	Listed property	NZ	N/A
7	Dimensional Australian Sustainability PIE Fund	4.28%	Australasian equities	NZ	N/A
8	Dimensional 2 Year Sustainability Fixed Int NZD Class	1.47%	International fixed interest	NZ	N/A
9	Cash at Bank (BNZ)	0.53%	Cash and cash equivalents	NZ	AA-

The top 10 investments make up 100.00% of the net asset value 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 current position	Time in previous or other current position
Nicholas Stewart	Director, Stewart Group Asset Management Limited	11 years 5 months	Chief Executive Officer, Stewart Financial Group Limited	22 years 9 months
Rory O’Neill	Director, Stewart Group Asset Management Limited	1 years 2 months	General Manager, Stewart Financial Group Limited	7 years 4 months

Further information

You can also obtain this information, the PDS for the ACI Funds, and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

1 A combination of actual fund returns and market index returns have been used to determine the risk indicator as the fund has not been operating for the required five years. The risk indicator may therefore provide a less reliable indicator of the fund’s future volatility. Market index returns have been used until 30 April 2023 and fund returns thereafter.

2 As the fund only started accepting contributions on 4 April 2023, historical fee information is not available.

3 As the fund has not existed for a full year, figures in this example are based on returns from the date of the first fund contribution (4 April 2023).