

INVESTMENT PRODUCT SUMMARY

Date of summary	1 st March 2023
Product Name	Harbour Asset Management Sustainable Impact Fund (HARSIM)
Issuer	Harbour Asset Management Ltd
Date of launch/issue	1 st December 2021
Product Disclosure Statement	Dated: 22 nd November 2022
Statement of Investment Policy and Objectives (SIPO)	Dated: 29 th August 2022 available at business.govt.nz/disclose or www.harbourasset.co.nz
Supervisor	The New Zealand Guardian Trust Company Ltd
Custodian	The New Zealand Guardian Trust Company Ltd
Administration Manager	Trustees Executors Limited
PIE	Yes
Foreign Investment Fund	No
Currency invested in	NZ dollars
Description of investment philosophy	<p>The Fund is designed to provide investors with exposure to a diversified range of global and domestic investments which make a positive environmental or social impact while aiming to exceed the return benchmark. All investments assessed against the United Nations Sustainable Development Goals (SDGs).</p> <p>The Fund invests approximately 60% invested in growth assets such as impact global and domestic public and private equities and approximately 40% into more defensive assets, predominantly impact and green bonds that meet our research criteria. The Manager will use active management to enhance returns and manage downside risks.</p>
Manager of fund	Harbour Asset Management Limited
Retail or Wholesale fund	Retail/Wholesale
Estimated Yield (interest or dividends) per annum	Quarterly distributions
Asset class	Multi Sector
Features of this fund	<p>Objective: To exceed the Official Cash Rate (OCR) plus 4% over rolling 5-year periods. The impact objectives are to make measurable positive influence on UN Sustainable Development Goals which could include climate, natural capital, resource sustainability, wellness, social inclusion and thriving communities and infrastructure. More information on the goals is contained at sdgs.un.org.</p> <p>Benchmark: A composite benchmark which reflects the asset allocation of the Fund as follows: 5% S&P/NZX Bank Bills 90-day Index, 35% S&P/NZX A-Grade Corporate Bond Total Return Index, 15% S&P/NZX 50 Portfolio Index, 10% S&P/ASX 200 Index (50% hedged to NZD), 17.5% MSCI All Country World Index (unhedged), 17.5% MSCI All Country World Index (100% hedged to NZD).</p> <p>Strategy: The Fund is designed to provide investors with exposure to a diversified range of global and domestic investments which make a positive environmental or social impact while aiming to exceed the return benchmark.</p> <p>All investments are assessed against the United Nations Sustainable Development Goals (SDGs). The Fund invests approximately 60% invested in growth assets such as impact global and domestic public and private equities and approximately 40% into more defensive assets, predominantly</p>

	impact and green bonds that meet our research criteria. The Manager will use active management to enhance returns and manage downside risks.
Minimum investment	Not applicable only available through a wrap platform or other custodial platform.
Management Fees	Estimated total annual charges 1.20% Less rebate available to Moneyworks clients 0.30% (as foundation investors) Estimated total annual fund charges 0.90%
Entry/Exit Fees	Nil
Commission payable	Nil
Income or Growth	Capital Growth
Credit Rating	Not applicable
Fund size	\$5.61 million as at 24/02/23
Capital Guarantee	No
Locked in	No
Other relevant information	The fund uses a unit trust structure to take advantage of the PIE tax regime so particularly relevant for investors on the top tax rates.
Risks Please also refer to the section on Risks from pages 7 in the Product Disclosure Statement.	As the funds are invested into a range of shares across Australasian and International markets the value of the fund will reflect the movement in valuation of the underlying markets. Market risk - The value of investments in the funds may rise or fall as a result of developments in economies, financial markets, regulatory and political conditions. These factors can impact on overall markets as well as individual assets, securities or issuers. Currency risk - is the risk of the exchange rate fluctuations between the New Zealand dollar and the Australian dollar. Liquidity risk - is the risk that the underlying securities may not be able to be bought or sold on the relevant markets, this can affect the value of the fund and the ability of the fund to handle withdrawals.
Risk Score Indicator	Score 4
Why we recommend this fund to our clients	This fund provides a New Zealand based diversified exposure to sustainable and impact investments, incorporating New Zealand Fixed Interest, Australasian and International Equities (including property exposure) and a 5% allocation of sustainable and impact venture capital. At this stage, no allocation to International Fixed Interest because of the lack of available of suitable funds. Harbour have operated as an ethical fund manager for many years and are well suited to run such a fund. This fund complements the other funds in the portfolio, which strengthen exposures to particular core and satellite asset allocations. The portfolio will be carbon neutral with carbon offsets purchased. These are paid for out of the Harbour management fee, and is not a cost to investors.
Liquidity	Manager repurchase, any time. Minimum 7 up to 10 days from notice plus Wrap administration.
Recommendations (for advice clients only)	This fund is a core fund of all our portfolios, with an allocation of 5.00% - 7.50% in our base portfolio, 10.00% in Hybrid and Ethical Balanced and Growth portfolios and 15.00% in our Hybrid and Ethical Conservative portfolio.
Independent Research	Not applicable, new fund
Reviewed by	Carey Church FSP 86101

This document and its contents are general in nature and do not constitute or convey personal advice. It has been prepared without consideration of anyone's financial situation, needs or financial objectives. Formal advice should be sought before acting on the areas discussed. Features of this product summary may change over time.

Please note that if there is a PDS (and SIPO for NZ funds) available for this fund, you need to receive a copy of these prior to investment. You should read these documents.

This document is a private communication and is not intended for public circulation other than to clients of Moneyworks NZ Ltd. The authors and distributors of this document accept no liability for any loss or damage suffered by any person as a result of that person, or any other person, placing any reliance on the contents of this document.