



Investing in global equities

Why global equities?

Global equities provide investment diversification, which typically reduces risk. This is important because New Zealand's stock market makes up a very small proportion of global shares.

| Feature | Description |
|-------------------------|--|
| Research based approach | Pathfinder's macro research approach involves a mix of relative value measures, long term fundamental metrics and technical indicators. |
| Broad market access | The Fund can invest in both developed and emerging markets giving greater allocation flexibility. This also means the Fund will have exposure to countries with different growth cycles. |
| Factors and sectors | The Fund can focus on sector and factor ETFs within the US and broader market ETFs outside of the US. Sector allocations can include Financials, Healthcare, Industrials, Energy and Utilities. Factor allocations can include dividend, small cap or growth stocks. |
| PIE entity | The Fund was established in 2011 and has PIE status for tax purposes (<i>Portfolio Investment Entity</i>). |
| Aligning interests | To align interests the principals of Pathfinder invest alongside other investors in the Fund. |
| Investment Efficiency | The Fund invests in Exchange Traded Funds (ETFs) providing cost effective and diversified investment in global shares. Pathfinder only invests in ETFs that hold physical stocks (and avoids those that obtain stock exposures through derivatives). |

Responsible Investment filter

The Fund does not hold any companies that are on the NZ Super Fund exclusions list. Companies can be excluded where their activities are contrary to New Zealand law, international conventions and significant governance policy positions. The exclusions include tobacco and controversial munitions companies.





The World Equity Fund

World Equity Fund building blocks

Geographic and sector selection

Identify countries and sectors favoured for investment.



Responsible Investment Filter

Apply the NZ Super Fund exclusions list.



ETF selection

Determine mix of ETFs to deliver desired exposure, including responsible investment exclusions.



Currency and portfolio protection

Implement currency hedging ratio and any portfolio protection strategies.

Key World Equity Fund features

| Feature | Description |
|----------------------|---|
| Investment exposures | The Fund provides cost efficient and diversified access to global equities (across both developed and emerging markets) with flexible currency hedging. |
| Currency hedging | Foreign currency exposures are at least partly hedged – typically between 50% and 100%. |
| Fees | Base management fee plus all other costs is 1.10% (plus GST). No performance fees. |
| Downside protection | A range of strategies may be used in certain circumstances. These can include allocating to more defensive industries such as utilities, reweighting to cash or buying options. |
| Liquidity | Fund units are issued and redeemed daily. |

IMPORTANT DISCLAIMER – PLEASE READ

Before making a decision to invest you should consult an authorised financial advisor.

This information sheet provides a general overview of key points of the World Equity Fund. Full details are contained in the Product Disclosure Statement (available at www.path.co.nz). Pathfinder does not guarantee the performance of the World Equity Fund or any return from an investment in the Fund. Past returns are not a reliable indicator of future results. Seek independent investment and tax advice before committing to any investment.



Pathfinder Asset Management Limited is the issuer of units in the World Equity Fund.
Call us on 0800 PATHFINDER (0800 728434) or visit www.path.co.nz