



# CarbonFund

**Salt Listed Funds**  
**Product Disclosure Statement**  
Offer of units in the Carbon Fund  
Dated 9 June 2025

**Issued by Salt Investment Funds Limited**

**This is a replacement product disclosure statement and replaces the Salt Listed Funds product disclosure statement dated 7 May 2024**

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). Salt Investment Funds Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.

# 1. Key information summary

## What is this?

This is a managed investment scheme. Your money will be pooled with other investors' money and invested in various investments. Salt Investment Funds Limited will invest your money and charge you a fee for its services. The returns you receive are dependent on the investment decisions of Salt Investment Funds Limited and of its investment manager and the performance of the investments. The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

## What will your money be invested in?

Units in the Carbon Fund (referred to as the **Fund**), which are quoted on the NZX Main Board under the ticker 'CO2', are offered under this Product Disclosure Statement (**PDS**).

Set out in the table below is a summary of the Fund. More information about the Fund's investment target and strategy is provided at Section 3, 'Description of your investment option'.

Brief description of the Carbon Fund and its investment objective	Risk indicator	Estimated total annual fund charges (of net asset value)
<p>The Fund's primary investment objective is to provide investors with a total return exposure to movements in the price of carbon credits. The Fund has the ability to buy carbon credits in emissions trading schemes in New Zealand and offshore. As a result, the Fund may also provide exposure to the price of carbon offshore.</p> <p>The Fund can also invest a small proportion of its assets in investments in certain carbon-related businesses.</p> <p><b>The unique features of the Fund means that it will not be appropriate for all investors. See Section 2, 'How does this investment work?' for more information.</b></p>	 <p>The diagram shows a horizontal scale from 1 to 7. Above the scale, 'Potentially Lower Returns' is written above boxes 1-4, and 'Potentially Higher Returns' is written above boxes 5-7. Below the scale, 'Lower Risk' is written below boxes 1-4, and 'Higher Risk' is written below boxes 5-7.</p>	0.96%

See Section 4, 'What are the risks of investing?' for an explanation of the risk indicator and for information about other risks that are not included in the risk indicator. 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/tools/investor-profiler](http://www.sorted.org.nz/tools/investor-profiler).

## Who manages the Carbon Fund?

Salt Investment Funds Limited (**we, our, or us**) is the manager of the Carbon Fund. See Section 7, 'Who is involved?' for more information.

## How can you get your money out?

Units are quoted on the NZX Main Board so you can sell your investment if there are interested buyers. The amount you get may be less than the amount that you invested.

Investments in the Fund are not generally redeemable for cash. If redemptions are permitted, conditions will apply (including minimum amounts), and we will be able to suspend, defer, or partially restrict withdrawals in certain circumstances.

See Section 2, 'How does this investment work?' for more information about how you can get your money out.

## How will your investment be taxed?

The Fund is a listed portfolio investment entity (**PIE**). As a listed PIE, the Fund will pay tax at the rate of 28%. See Section 6 of the PDS, 'What taxes will you pay?' on page 8 for more information.

## Where can you find more key information?

We are required to publish quarterly updates for the Fund. The updates show the returns, and the total fees actually charged to investors, during the previous year. The latest fund updates are available at [www.carbonfund.co.nz](http://www.carbonfund.co.nz). The manager will also give you copies of those documents on request.

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## 2. How does this investment work?

This PDS contains an offer of units in the Fund. The Fund has been established within the registered managed investment scheme known as the Salt Listed Funds (**Scheme**). The units in the Fund are quoted on the NZX Main Board (under ticker code 'CO2'). We, Salt Investment Funds Limited, are the manager of the Fund. We are a wholly-owned subsidiary of Salt Funds Management Limited (**Salt**), a boutique investment management firm.

The New Zealand Guardian Trust Company Limited is the supervisor of the Fund (**Supervisor**). We have appointed MFUG Pension & Market Services (NZ) Limited (formerly Link Market Services Limited) to provide registry services, and Apex Investment Administration (NZ) Limited to provide other administration services, for the Fund. Salt is the investment manager for the Fund.

### Structure of the Salt Listed Funds

The Scheme is structured as a master trust with one Fund established within it. The Scheme is governed by a master trust deed, and an establishment deed for the Fund, entered into between us and the Supervisor. The Fund is a separate trust fund – which means that the assets of the Fund cannot be used to satisfy the liabilities of any other fund established within the Scheme.

Any investment directly into the Fund is converted into units in the Fund. By purchasing units in the Fund, you are pooling your money with other investors, which Salt then invests in underlying investments.

Your units represent your proportionate holding of the Fund's net assets (its assets less fees and expenses), although they do not give you legal ownership of, or any direct right to, those underlying assets. Because the per-unit value determined in accordance with the Fund's governing documents (**unit price**) is based on the Fund's net asset value (**net asset value**), those unit prices will fluctuate in line with the changing value of the Fund's underlying investments. The price at which units trade on the NZX Main Board will also fluctuate, based on a number of factors.

Returns from investing in the Fund are reflected in changes in the unit price, and the price you receive when you sell your units (or redeem them, if we permit). Although we do not currently intend to make distributions, we may do so in the future, from the income or capital of the Fund. In that case, part of your return would be reflected in those distributions.

### Significant benefits

Investing in the Fund offers a range of benefits, including:

- **Market access:** The Fund provides access to investments that might otherwise be difficult to achieve on your own.
- **Transparency and ability to trade on-market:** Units in the Fund can be bought and sold on the NZX Main Board like shares in a publicly listed company.
- **Experienced investment managers:** The Fund utilises the investment expertise of highly experienced managers who have a multi-decade perspective on investment opportunities and investment risk.

### Investment strategy of the Fund

The Fund is primarily intended to provide investors with a total return exposure to movements in the price of carbon credits. The Fund has the ability to buy carbon credits in emissions trading schemes in New Zealand and offshore.

<p><b>What is the New Zealand Emissions Trading Scheme (NZ ETS)?</b></p>	<p>The NZ ETS is the primary tool that New Zealand has developed to facilitate efforts to reduce greenhouse gas emissions.</p> <p>The price of carbon in New Zealand is standardised by New Zealand Units (<b>NZU</b>). An NZU represents one metric tonne of carbon dioxide equivalent. Emitters in the NZ ETS are obligated to surrender to the government a tradable emission unit (one NZU) for each tonne of emissions for which they are liable.</p> <p>NZUs are created by the Government, and can be earned by greenhouse gas absorbers, such as forestry.</p>
<p><b>How does the NZ ETS market work?</b></p>	<p>The NZ ETS commenced operating in 2008. The market works by having a tradable price on a NZU. Having a price on carbon sends price signals to producers, consumers, and investors which enables and encourages a change in behaviour with respect to greenhouse gasses.</p> <p>In general, participants can acquire emission units by:</p> <ol style="list-style-type: none"> <li>1) Receiving them for free.</li> <li>2) Buying them from other participants.</li> <li>3) Buying them at auction.</li> <li>4) Earning them by ETS removal activities.</li> </ol> <p>For more information on the NZ ETS, search for "NZ ETS" at <a href="http://www.environment.govt.nz">www.environment.govt.nz</a></p>
<p><b>How does emissions trading work within the NZ ETS?</b></p>	<p>The Government sells NZUs directly to the market through auctioning. The number of NZUs to be auctioned are published prior to auctions, and is a sub-limit of the annual overall limit in the NZ ETS. More information about NZU auctions can be found at <a href="http://www.etsauctions.govt.nz">www.etsauctions.govt.nz</a></p> <p>NZUs are also available from the secondary market- either through trading platforms or people directly trading with each other over-the-counter (OTC). Participants in the market (such as Jarden or Westpac) can act as intermediaries between parties to the transaction. There is no limit on the price that NZUs can trade at on the open market.</p> <p>Prices for NZUs may be found on financial service platforms such as; Bloomberg, CommTrade Carbon, and Carbon Match.</p>
<p><b>Recent changes to the NZ ETS</b></p>	<p>The Climate Change Response (Emissions Trading Reform) Amendment Act 2020 aimed to improve certainty for businesses, make the NZ ETS more accessible, and improve its administration. The key changes it made were:</p> <ul style="list-style-type: none"> <li>• introducing NZ ETS auctions,</li> <li>• transitioning from the fixed price option to the cost containment reserve,</li> <li>• enabling a price floor for NZUs sold at auction,</li> <li>• improving rates of compliance within the NZ ETS,</li> <li>• making the scheme more transparent to participants and the public,</li> <li>• establishing a separate market governance work programme, and</li> <li>• phasing-down industrial allocation from 2021.</li> </ul> <p>For more information on the NZ ETS, search for "NZ ETS" at <a href="http://www.environment.govt.nz">www.environment.govt.nz</a></p>

Historically, the value of carbon credits has fluctuated significantly, and has been affected by regulatory and political changes to a greater extent than other asset classes. These unique features mean that the Fund will not be appropriate for all investors.

The Fund may also:

- invest a small proportion of its assets in financial products issued by businesses that in our and Salt’s opinion earn carbon credits through their core operations (**Carbon-Related Investments**), and
- buy, hold, and deal with its own units (**Treasury Units**) from time to time. We will typically buy Treasury Units for the Fund through the NZX where they are trading on the NZX Main Board at a discount to the Fund’s net tangible assets.

Further information is set out in Section 3, ‘Description of your investment option’ and Section 4, ‘What are the risks of investing?’.

To find out more about the Fund (including Treasury Units) and the NZ ETS please see the Other Material Information (**OMI**) document on [www.carbonfund.co.nz/documents](http://www.carbonfund.co.nz/documents) or the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## Making investments

You can invest in the Fund directly or through an administration service or financial advice provider, or by purchasing units on market through an NZX Participant.

Purchase of units in the Fund							
<b>Investing directly</b>	<p>You can invest in the Fund via <a href="http://www.carbonfund.co.nz">www.carbonfund.co.nz</a> by making lump sum investments by direct debit. We can reject an application at our discretion, and are not required to give reasons. We may stop accepting direct investments at any time and only permit investments via an administration service, financial advice provider or NZX Participant.</p> <p>Once you have made an initial investment, there is no obligation to make further payments. If permitted, investments of any amount can usually be made, provided the following minimums are met:</p> <table border="1"><thead><tr><th>Type of contribution</th><th>Minimum</th></tr></thead><tbody><tr><td>Initial investment</td><td>\$5,000</td></tr><tr><td>Additional lump sum investment</td><td>\$1,000</td></tr></tbody></table> <p>We can waive these minimums generally or in a particular case. We can also change these minimums from time to time. We can, at our discretion, accept consideration for units in a form other than cash, including existing investments. Please contact us if you would like to discuss this option.</p>	Type of contribution	Minimum	Initial investment	\$5,000	Additional lump sum investment	\$1,000
Type of contribution	Minimum						
Initial investment	\$5,000						
Additional lump sum investment	\$1,000						
<b>Investing through an administration service or financial advice provider</b>	<p>Certain administration services and financial advice providers have arrangements for investing in the Fund through us or through an NZX Participant. Any investment made through an administration service will be held by the administration service's custodian on your behalf and different minimum investment levels may apply to the particular service that you use. You will need to make payments to the provider of that service by following the process it has. The provider will be able to provide you with details.</p>						
<b>Issue of units</b>	<p>If you purchase units in the Fund they will be issued at the unit price. The unit price is calculated by dividing the Fund's net asset value by the number of units on issue on the applicable valuation day (<b>Valuation Day</b>). Valuation Days currently occur every Friday. When a Wednesday or a Friday fall on a public holiday processing of applications and Valuation Days will defer to the next business day. Generally, if we receive a valid application (and accept that application) before 1.00pm on the Wednesday immediately before a Valuation Day, we will issue units at the price set using the Fund's net asset value for that Valuation Day. If we receive the application on or after 1.00pm, we will issue units at the price set using the next Valuation Day's values. You can access the net asset value of the Fund on the website <a href="http://www.carbonfund.co.nz">www.carbonfund.co.nz</a>. We also may defer processing applications if we consider it necessary or desirable.</p>						
Purchasing units on market							
<b>Investing through an NZX Participant</b>	<p>Units can be purchased on the NZX Main Board at the quoted price through an NZX Participant (such as a broker). See <a href="http://www.nzx.com/services/market-participants">www.nzx.com/services/market-participants</a> for a list of current NZX Participants. The quoted price on the NZX Main Board may differ from the unit price provided by the Fund and may be traded at a discount or premium to the unit price. The quoted price is published on the NZX Main Board. You can elect whether to purchase on market and at what price. You may use the published net asset value of the Fund (on the website at <a href="http://www.carbonfund.co.nz">www.carbonfund.co.nz</a>) used to set the unit price as a reference.</p>						

If you invest through an administration service, financial advice provider or NZX Participant, they may charge you a fee for their services. See the OMI document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about making investments.

## Withdrawing your investments

The units in the Fund are quoted on the NZX Main Board, so you can sell your investment through an NZX Participant (such as a broker) or financial advice provider if there are interested buyers. In very limited circumstances, we can restrict transfers of units. For example, where the transfer would result in an investor holding less than the required minimum holding or could result in the Fund losing PIE status. In order to trade quoted units, you will need to have a Common Shareholder Number (CSN), an Authorisation Code (FIN) and a relationship with an NZX Participant. Opening an account with an NZX Participant can take a number of days depending on the Participant's new client procedures.

Investments in the Fund are generally not redeemable for cash. If we allow redemptions, conditions will apply (including minimum amounts) and we will be able to suspend, defer or partially restrict withdrawals in certain circumstances.

See the OMI document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about withdrawals.

### 3. Description of your investment option

The table below shows details of the Fund:

Carbon Fund				
Summary of investment objectives and strategy	Target investment mix	Risk category	Minimum suggested investment time frame	Suitability
<p>The Fund’s primary investment objective is to provide investors with a total return exposure to movements in the price of carbon credits. The Fund has the ability to buy carbon credits in emissions trading schemes in New Zealand and offshore.</p> <p>The Fund generally gains its exposure to the price of NZUs through purchasing and holding carbon credits on the NZ ETS. We may also use swaps or other derivatives to gain exposure to the NZ ETS.</p> <p>The Fund has the ability to buy carbon credits in international emission trading schemes, as well as futures, swaps or other derivatives that provide exposure to international schemes. As a result, the Fund may also provide exposure to the price of carbon offshore. The Fund can also invest in Carbon-Related Businesses and buy, hold, and deal with Treasury Units.</p> <p><b>See Section 2, ‘How does this investment work?’ for more information.</b></p>	<p>Cash and cash equivalents 2%</p> <p>Commodities (carbon) 98%</p>	6	5 years	<p>The historical carbon price has been quite volatile relative to traditional asset classes such as shares and bonds. Price fluctuation plays a significant role in the carbon market and carbon dioxide emissions reduction. Many factors influence the price of carbon credits including political decisions, regulation, fuel prices, and even global weather and climate change.</p> <p><b>These unique features mean that the Fund will not be appropriate for all investors. Please read the next section ‘What are the risks of investing?’ before considering an investment in the Fund. Please obtain advice from a financial advice provider before investing in the Fund.</b></p>

We can change the statement of investment policy and objectives (SIPO) for the Fund, which outlines how the Fund invests, after giving notice to the Supervisor. We will give you at least one month’s prior notice of any material changes to the SIPO. The most current version of the SIPO is available on the schemes register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). A description of any material changes to the SIPO will be included in the Fund’s annual report.

Further information about the assets in the Fund can be found in the fund updates at [www.carbonfund.co.nz](http://www.carbonfund.co.nz).

### 4. What are the risks of investing?

#### Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment. You can compare funds using the risk indicator.

Set out on the right is an example (blank) risk indicator. See the table on page 1 for the filled-in risk indicator for the Fund.



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 (volatility). 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/tools/investor-profiler](http://www.sorted.org.nz/tools/investor-profiler).

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading ‘Other specific 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 the five years to 31 March 2025. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest fund update for the Fund.

## General investment risks

Some of the things that may cause the Fund's value to move up and down, which affect the risk indicator, are investment return risk, asset-specific risk, market risk, credit risk, liquidity risk, derivative risk, and currency risk.

Risk	Description
<b>Investment return risk</b>	Investment risk is the risk that returns from the Fund's investments will be negative or lower than expected, affecting the value of your investment in the Fund. Different asset classes have different levels of risk. For example, the carbon asset class is generally considered higher risk and potentially more volatile than equity and property investments. The price of carbon credits is affected by many factors including weather conditions, development of fuel switching and storage possibilities and public sentiment.
<b>Asset-specific risk</b>	Asset-specific risk is the risk associated with exposure to a single asset class. Risk associated with investing in one specific asset can be reduced by diversification of your investment across more asset classes, especially those that behave differently in similar market conditions.
<b>Market risk</b>	Investments generally are affected by movements in market demand and supply, economic conditions, market sentiment, political events, natural disasters, and consumer demand. For example, the demand and supply for carbon credits on the NZ ETS affects the Fund's value.
<b>Credit risk</b>	Credit risk is the risk that a party to a contract with the Fund defaults, fails to complete a transaction, or otherwise becomes unable to meet its financial obligations. If the Fund enters into a contract with a third party that defaults, this could affect the unit price.
<b>Liquidity risk</b>	Liquidity risk is the risk that investments cannot be sold without loss of capital and minimum delay, due to either limited market depth for the trading of the investment in the secondary market or disruptions in the market place for the investment. If the demand for carbon credits on the emissions trading scheme in which the Fund trades diminishes, this could have an impact on the unit price. For example, if there are fewer buyers than sellers on the emissions trading scheme the unit price may drop.
<b>Derivative risk</b>	As the Fund may use a range of derivatives including forwards, futures and options, its investment movements may be more volatile than a fund with no derivative exposure. The Fund is permitted to hold derivatives that provide exposure to the price of carbon. The performance of derivatives can be more volatile than holding carbon credits directly and this could affect the unit price.
<b>Currency risk</b>	The Fund is permitted to hold carbon credits on overseas emissions trading schemes. Currency fluctuations in the exchange rate between the overseas market currency and the New Zealand dollar may impact the unit price. However, the Fund will generally be 100% hedged to any overseas currency exposure.

## Other specific risks

The other specific risks set out below also apply to the Fund but are not reflected in the risk indicator. We have processes in place to mitigate, to the extent practicable, these risks.

Risk	Description
<b>Key person risk</b>	As we and Salt are boutique fund managers, the Fund is dependent on the continued involvement and commitment of key investment personnel. The loss of any of them could have an adverse effect on our and Salt's ability to make investment decisions in respect of the Fund, and therefore on the Fund's returns.
<b>Regulatory and political risk</b>	Your investment could be affected by changes in the laws, regulations or rules regulating the NZETS or any international emission trading scheme where the Fund is invested. For example, the Government introduced auctioning of NZUs and a cost containment reserve in 2021 to replace the fixed price option. A change in current political settings towards the NZETS may also affect the price of NZUs. For example, the Government may include other gas emissions like methane or nitrous oxide into the NZETS. The government may also limit the types of NZUs that can be traded on the NZ ETS. This could have an impact on the unit price.
<b>Economic risk</b>	A slowing in economic growth may reduce an emissions-intensive operator's output. This may in turn lower the demand for offsetting carbon credits. Conversely, accelerating economic growth may increase emissions and increase demand for carbon credits by emitters. This will have an impact on the unit price. For example, greater consumption of goods by a growing population may lead to more trucks on the roads which leads to greater greenhouse gas emissions and higher demand from trucking companies to acquire carbon credits to offset their higher emissions.
<b>Trading risk</b>	There is a risk that you may become unable to buy or sell units in the Fund on the NZX Main Board, or that the quoted price for your units is less than the unit price. This could occur if there is an imbalance of supply and demand for units in the Fund.  In addition, there is a risk that, in certain circumstances, trading of the Fund's units may be suspended, or the Fund's units removed from quotation, on the NZX Main Board.  The Fund's underlying carbon credits may also cease to be able to be traded on the emissions trading schemes currently used for buying and selling those assets. For example, the relevant government may change its priorities and decide to terminate the emissions trading scheme on which carbon credits are traded. This would have an impact on the unit price.

See the OMI document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about risks.

## 5. What are the fees?

You will be charged fees for investing in the Carbon Fund. Fees are deducted from your investment and will reduce your returns. The fees you pay will be charged in two ways:

- regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term
- one-off fees (although none are currently charged).

### Annual fund charges

The Fund's annual fund charges are as follows:

<b>Estimated total annual fund charges (of net asset value)</b>	<b>0.96%</b>
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### What the fund charges cover

The annual fund charges are made up of our management fee, which we are paid for acting as manager of the Fund. Out of this fee we pay the fees and costs charged by the Supervisor, custodians, investment manager, administration manager, and unit registrar, as well as other expenses incurred in operating the Fund (other than transaction costs).

The management fee is deducted from, and reflected in, the value of the Fund. It is calculated and accrued daily as a percentage of the daily gross asset value of the Fund (which essentially means its net asset value but ignoring any accruals for fees and expenses). As a result, the fund charges have been estimated as a percentage of net asset value in the above table. The management fee is paid monthly in arrears from the Fund.

The fund charges are disclosed on a before-tax basis. GST will be added to the fund charges, where relevant. In addition, transaction costs are reflected in the Fund's unit price and could therefore affect returns.

If you invest through an administration service, financial advice provider or NZX Participant, they may charge you a fee for their services.

### Individual action fees

There are currently no individual action fees charged. However, if you buy or sell units in the Fund through an NZX Participant (such as a broker) they may charge you a fee for their services.

You may be charged other fees on an individual basis for investor-specific decisions or actions in the future. See the OMI document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

#### Example of how fees apply to an investor

Julia invests \$10,000 in the Fund.

She is charged management and administration fees, which work out to about \$96 (0.96% of \$10,000). These fees might be more or less if her account balance has increased or decreased over the year.

#### Estimated total fees for the first year

Fund charges: \$96.

See the latest fund update for an example of the actual returns and fees investors were charged over the past year.

### The fees can be changed

We can change the fees set out above or introduce new fees in the future, subject to the maximum fees set out in the master trust deed for the Scheme. The maximum management fee that can be charged to the Fund is 2% of the Fund's gross asset value plus any GST, and the maximum Supervisor's fee that can be charged to the Fund is 0.075% of the Fund's gross asset value plus any GST (subject to a minimum Supervisor fee of \$20,000 plus any GST per annum). We are also entitled to be reimbursed from the Fund for expenses we incur.

Where fees are increased we will give affected investors one month's prior notice. We will also give affected investors one month's prior notice if we decide to recover expenses from the Fund or if we cease to pay the Supervisor's fee from our fee. Although we do not currently intend to do so, we can introduce contribution, withdrawal, or switching fees by two months' prior notice. We can also waive our fees, and begin incorporating buy / sell spreads into the Fund's unit price.

We must publish a fund update for the Fund showing the fees actually charged during the most recent year. Fund updates, including past updates, are available at [www.carbonfund.co.nz](http://www.carbonfund.co.nz).

## 6. What taxes will you pay?

The Fund is a listed portfolio investment entity. The amount of tax that the Fund pays is calculated at the rate of 28%. As a result, even if the rate of tax payable by the Fund is higher than your marginal rate, you will not get a refund of any of the tax paid by the Fund.

See the OMI document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for more information about the tax consequences of an investment in the Fund.

## 7. Who is involved?

### About Salt Investment Funds Limited

The manager of the Fund is Salt Investment Funds Limited. We are responsible for managing and administering the Fund and the Scheme. We are a wholly-owned subsidiary of Salt (the Fund's investment manager), a boutique investment management firm. You can contact us by calling 09 967 7276, emailing [info@saltfunds.co.nz](mailto:info@saltfunds.co.nz), or writing to PO Box 106-587, Auckland, 1143.

### Who else is involved?

Title	Name	Role
Supervisor	The New Zealand Guardian Trust Company Limited	Supervisor of the Fund and the Scheme under the Financial Markets Conduct Act and responsible for supervising us as manager.
Custodian	Apex Investment Administration (NZ) Limited	Appointed by the supervisor to hold the assets of the Fund.
Administration manager	Apex Investment Administration (NZ) Limited	Provides unit pricing and other administration services.
Unit registrar	MUFG Pension & Market Services (NZ) Limited (formerly Link Market Services Limited)	Provides registry services.
Investment manager	Salt Funds Management Limited	Decides which assets the Fund will invest in.

## 8. How to complain

### You can lodge a complaint with us:

**Call:** 09 967 7276 during normal business hours

**Email:** [info@saltfunds.co.nz](mailto:info@saltfunds.co.nz)

**Write to:** Salt Investment Funds Limited, PO Box 106-587, Auckland, 1143

### You can lodge a complaint with the Supervisor:

**Call:** 09 909 5100 or 0800 87 87 82 during normal business hours

**Write to:** The New Zealand Guardian Trust Company Limited, PO Box 274, Shortland Street, Auckland 1140

### You can lodge a complaint with our independent dispute resolution scheme:

We and the Supervisor are each a member of an approved dispute resolution scheme operated by Financial Services Complaints Limited (FSCL). If you have complained to us and you have reached the end of our internal complaints process without your complaint being resolved to your satisfaction, FSCL may be able to consider your complaint. FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

**Call:** 0800 347 257 during normal business hours

**Email:** [complaints@fscl.org.nz](mailto:complaints@fscl.org.nz)

**Write to:** Financial Services Complaints Limited, PO Box 5967, Wellington 6140

If you are an Australian resident, instead of complaining to FSCL, you may lodge a complaint with:

### The Australian Financial Complaints Authority (AFCA)

GPO Box 3, Melbourne VIC 3001

**Call:** 1800 931 678 (free call)  
**Email:** [info@afca.org.au](mailto:info@afca.org.au)  
**Online:** [www.afca.org.au](http://www.afca.org.au)

AFCA will not charge a fee to any complainant to investigate or resolve a complaint. Time limits may apply to complaints to FSCL or AFCA and so you should act promptly or otherwise consult the FSCL and AFCA websites to find out if or when the time limit relevant to your circumstances expires.

## 9. Where you can find more information

### On the Disclose website and from us

Further information relating to the Scheme and the Fund, including financial statements, annual reports, quarterly fund updates, the master trust deed, the establishment deed, and the SIPO, is available on the offer register and the scheme register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz). A copy of the information on the offer register or scheme register is available on request from the Registrar of Financial Service Providers.

This information is also available at [www.carbonfund.co.nz](http://www.carbonfund.co.nz) or on request from us (see page 8 for our contact details).

You can also obtain:

Type of information	How to obtain
Fund updates	Fund updates will be available from our website and on request from us.
Fund information relevant to you	You can inspect documents we hold that are relevant to you, and other documents legally required to be provided to you, at our offices during normal business hours, or request an extract of those documents, by written request to us. Direct investors in the Fund can also obtain details of your investment in the same way and on our website.

You can find general information about us, Salt, the Fund, and the investment management team on our website: [www.carbonfund.co.nz](http://www.carbonfund.co.nz).

### Information available through NZX

As the units are quoted on the NZX Main Board, we are subject to disclosure obligations in relation to the Fund and the units. That obligation requires us to notify certain material information relating to the Fund to NZX so that information can be made available to the market. These notifications can be found on the Fund's Announcements page on the NZX website at [www.nzx.com](http://www.nzx.com) (search the ticker code 'CO2'). These announcements include: daily net tangible assets (NTA) updates, the allotment of new securities, the Fund acquiring Treasury Units, and the release of annual reports and fund updates. In addition, notices to investors can be given by making an announcement on NZX.

All of the above information is available free of charge.

## 10. How to apply

### Investing directly

To invest directly in the Fund, please complete, and follow the steps set out in, the online application form, which is available at [www.carbonfund.co.nz](http://www.carbonfund.co.nz).

### Investing through an NZX Participant

You can buy units in the Fund through an NZX Participant (such as a broker). Go to [www.nzx.com/services/market-participants](http://www.nzx.com/services/market-participants) for a list of NZX Participants.

### Investing through an administration service or financial advice provider

Certain administration services and financial advice providers have arrangements for investing through us or through an NZX Participant. Ask your financial advice provider whether they offer access to the Fund. You can contact us for a list of eligible administration services at any time.

## 11. Offers to Australian residents under the mutual recognition scheme

The manager has registered the scheme with the Australian Securities and Investments Commission (ASIC) under the mutual recognition scheme related to the offering of financial products in both countries. The manager is obliged to provide the following warning to Australian residents who invest in this scheme:

### Warning Statement

- This offer to Australian investors is a recognised offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is Subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 of New Zealand and the Financial Markets Conduct Regulations 2014 of New Zealand;
- This offer and the content of the offer document are principally governed by New Zealand, rather than Australian, law. In the main, the Financial Markets Conduct Act 2013 of New Zealand and the Financial Markets Conduct Regulations 2014 of New Zealand set out how the offer must be made;
- There are differences in how securities and financial products are regulated under New Zealand, as opposed to Australian, law. For example, the disclosure of fees for managed investment schemes is different under New Zealand law;
- The rights, remedies and compensation arrangements available to Australian investors in New Zealand securities and financial products may differ from the rights, remedies and compensation arrangements for Australian securities and financial products;
- Both the Australian and New Zealand securities regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Australian Securities and Investments Commission (ASIC). The Australian and New Zealand regulators will work together to settle your complaint;
- The taxation treatment of New Zealand securities and financial products is not the same as that for Australian securities and products;
- If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial advisor;
- The offer may involve a currency exchange risk. The currency for the security or financial product is in dollars that are not Australian dollars. The value of the security or financial product will go up and down according to changes in the exchange rate between those dollars and Australian dollars. These changes may be significant;
- If you receive any payments in relation to the security or financial product that are not in Australian dollars, you may incur significant fees in having the funds credited to a bank account in Australia in Australian dollars; and
- If the security or financial product is able to be traded on a financial market and you wish to trade the security or financial product through that market, you will have to make arrangements for a participant in that market to sell the security or financial product on your behalf. If the financial market is a foreign market that is not licensed in Australia (such as a securities market operated by the New Zealand Exchange Limited (NZX)) the way in which the market operates, the regulation of participants in that market and the information available to you about the security or financial product and trading may differ from Australian licensed markets.

### Continuous disclosure

The manager will need to comply with both the continuous disclosure rules of the NZX Listing Rules (including as modified by waivers, rulings or exemptions applicable to the Fund) and the regular reporting and disclosure obligations under the Corporations Act as a 'disclosing entity'. All information provided to NZX in accordance with the NZX Listing Rules will be available on the NZX website. For more information in relation to the Fund's continuous disclosure guidelines, refer to the NZX Listing Rules on the NZX website.

The manager will also need to comply with ASIC's good practice guidance for website disclosure of material information. The manager will publish all information that it deems material for investors at [www.carbonfund.co.nz/documents](http://www.carbonfund.co.nz/documents). Where the manager is required to lodge documents with ASIC, copies of these documents lodged with ASIC in relation to the Fund may be obtained from ASIC through ASIC's website. In addition, investors have the right to obtain a copy of the most recent annual financial report lodged with ASIC and/or any subsequent half yearly financial reports lodged with ASIC (Reports). The Reports can also be found at <https://www.carbonfund.co.nz/documents>.

### Stock Exchange Listings

The Fund is listed on the NZX Main Board. The NZX Main Board is a registered market operated by NZX Limited, which is a registered exchange, regulated under the Financial Markets Conduct Act 2013. The Fund's NZX code is "CO2".

SALT

Funds Management

Salt Listed Funds Product Disclosure Statement