

SHARESIES FUNDS SCHEME

Statement of Investment Policy and Objectives (SIPO)

5 December 2024

Issuer: Sharesies Investment Management Limited



This document gives you important information about this investment to help you decide whether you want to invest. The most current version of the SIPO is available on disclose-register.companiesoffice.govt.nz. There is other useful information about this offer on disclose-register.companiesoffice.govt.nz. Sharesies Investment Management 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 make an investment decision.

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01. Purpose

The purpose of this Statement of Investment Policy and Objectives (**SIPO**) is to document the investment policies, and internal guidelines in relation to, the Investment Policy & Objectives for the Sharesies Funds Scheme (**Scheme**).

02. Description of the Fund

At the date of this SIPO, the Sharesies PIE Save (Fund) is the only managed investment product under the Scheme. The Scheme is a registered managed investment scheme for the purposes of the Financial Markets Conduct Act 2013 (**Act**).

03. Ownership, Management & Services

The manager of the Scheme is Sharesies Investment Management Limited (**Sharesies Investments, Manager, our**). Sharesies Investments is a wholly-owned subsidiary of Sharesies Group Limited.

The Manager has appointed Sharesies Limited to assist in managing the Scheme as a provider of operational support.

The Scheme supervisor is Trustees Executors Limited (**Supervisor**), and the custodian is Apex Investment Administration (NZ) Limited.

04. Investment Objective

The investment objective of the Fund is to provide investors with a return that is competitive relative to on-call transactional accounts, while ensuring ready access to funds and the tax benefits associated with a portfolio investment entity (PIE). The Fund

is designed for investors that want a conservative investment option that aims to provide a stable return (before deductions for Fund charges and tax) over the short term, with easy access to their money.

05. Investment Philosophy & Strategy

Our core belief is that, when it comes to money, New Zealanders should have access to options to grow their wealth. As Manager of the Sharesies PIE Save, Sharesies Investments is looking to help provide investors with more choice and control over their savings through offering a low-cost, digital-first savings experience.

The Fund’s investment strategy will be to invest wholly in dollar deposits (cash) at AA- rated

registered NZ-based banks. The Fund will target a rate of return (before deductions for Fund charges and tax) of the New Zealand Official Cash Rate, paid monthly via distribution of units.

The Manager reviews the investment philosophy and strategy at least once every year. The Manager can make changes to the investment philosophy and strategy in accordance with the Governing Document and the FMCA.

Asset class	Benchmark index	Benchmark asset allocation
Cash ¹	NZFBF OCR Compound Index	100%

¹ Permitted assets limited to dollar deposits at AA- rated (Standard & Poor’s) registered NZ-based banks.

06. Investment Policies

Taxation

The Scheme is a PIE. The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (PIR). To determine your PIR, go to ird.govt.nz/pir.

Liquidity management

The Fund's investments will be managed to support the on-call availability of funds to investors. All of the assets of the Fund will be held in on-call dollar deposits (cash) at a bank.

Credit Risk Management

The Fund's underlying credit exposures, that is the credit exposure of the bank(s) to be used, will have a minimum credit rating of Standard & Poor's AA-. Any bank that has its credit rating fall below this minimum once already being used for investment by the Fund will not be automatically sold, but will be reviewed for appropriateness.

Distributions

The Manager will set a rate of return for the Fund (before fees and tax) that is paid (distributed) by issuing additional units to investors each month. Refer to the Product Disclosure Statement for further information.

Leverage

The Fund will not actively enter into any leveraged investment position (where the Fund actively borrows as part of its investment strategy).

Conflicts of Interest

The Manager operates a Conflicts of Interest, Insider Trading and Related Party Transactions Policy. It is designed to identify potential conflicts that may exist and then ensure any perceived or actual conflict is managed in an appropriate manner.

The policy is constructed to ensure at all times that directors, senior managers, secondees, and staff (together, Staff) must act honestly and in the best interests of scheme participants. Sharesies Investments recognises that to satisfy this duty, it and its Staff must put the interests of investors ahead of its own interests and/or the personal interests of Staff. Sharesies Investments must also not enter into transactions that provide for a related party benefit to be given (unless certain requirements are met).

Sharesies Investments, as Manager of the Scheme, must comply with a professional standard of care, and must exercise the care, diligence and skill that a prudent person engaged in the profession would exercise in the same circumstances.

07. Investment Performance Monitoring & Reporting

The Manager's Investment and Disclosure Committee monitors the Fund's investment performance monthly. Both risk (volatility of return) and return are reviewed. Various time periods are considered, for example 1, 3 and 5 years. Risk and return results are assessed relative to Fund

benchmarks and objectives. Risk and return metrics are measured and assessed gross of tax and net of fees. The Investment and Disclosure Committee reports performance to the Supervisor on a quarterly basis.

08. SIPO Compliance & Review

The Manager's Investment and Disclosure Committee monitors and ensures adherence to this SIPO and reports any breaches to the Sharesies Investments Board and the Supervisor. This SIPO is reviewed annually by the Manager with the outcomes of the review reported to the Sharesies Investments Board. In addition, Sharesies Investments' management team may initiate an ad hoc review, with examples of events that could lead to this being:

- a change in roles and responsibilities
- a permanent change in risk and return characteristics of the relevant market

SIPO reviews take into account the views of Sharesies Investments and if required, the views of external experts.

The Manager can make changes to the SIPO in accordance with the Governing Document and the FMCA. Before making changes to the SIPO, the Manager will consider if the changes are in the best interests of investors and consult with the Supervisor. Any changes to the SIPO require Sharesies Investments Board approval, as well as written approval of the Supervisor.

The most current version of the SIPO is available from sharesies.nz/investments/documents or from the offer register at disclose-register.companiesoffice.govt.nz.

This SIPO was approved by the Sharesies Investments Board on 15 November 2024 and took effect on 15 November 2024.