

AE KiwiSaver Plan



Other Material Information

Offer of units in AE KiwiSaver Plan
Issued by Always-Ethical Limited
Dated 8 May 2026



This replaces the Other Material Information dated 1 April 2025.

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 <https://disclose-register.companiesoffice.govt.nz/>. Always-Ethical 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.

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1. GENERAL

This document provides material information about AE KiwiSaver Plan (“the Scheme”) to help you make an important decision about investing in AE KiwiSaver Plan. It is an important document and it supports the Product Disclosure Statement (“PDS”) and Statement of Investment Policy and Objectives (“SIPO”), which can be found on the Disclose Register:

<https://disclose-register.companiesoffice.govt.nz> and our [website https://always-ethical.com](https://always-ethical.com)

This document has been prepared to meet the requirements of section 57(1)(b)(ii) of the Financial Markets Conduct Act 2013 (“FMC Act”) and clause 52 of Schedule 4 of the Financial Markets Conduct Regulations 2014 (“FMC Regulations”). All legislation referred to in this document can be viewed at: www.legislation.govt.nz.

Defined Terms

In this document:

- the words “you” or “your” refer to you and other persons who apply for membership of the Scheme or who are accepted as members of the Scheme, as the context requires;
- the words “AE KiwiSaver”, “Manager”, “we”, “us” or “our” refer, unless the context requires the words to AE KiwiSaver Limited; and
- where words are defined in the Glossary on pages 22-23, those words have the same meaning wherever they are used in this document.

2. DETAILS OF SCHEME

The Scheme is a registered managed investment scheme under the FMC Act. The Scheme was established on 15 January 2014 and started accepting members on 24 March 2014.

The Manager of the Scheme is AE KiwiSaver Limited. We are supervised in this role by a licensed Supervisor, Trustees Executors Limited (Part of the Perpetual Guardian Group) (“Supervisor”). The terms of agreement in operating the Scheme are outlined in a Trust Deed between us, as the Manager, and the Supervisor. The Supervisor is responsible for ensuring that the scheme assets are held in accordance with Relevant Law.

The purpose of the Scheme is to provide retirement benefits directly to the Scheme Members and to invest contributions received on behalf of members in a method compliant with the Scheme’s Strict Ethical Mandate.

What is KiwiSaver?

KiwiSaver is a savings initiative which is designed to help you save for your retirement. For many people, KiwiSaver is work-based, with KiwiSaver contributions coming out of their salary or wages at their selected contribution rate and invested in their chosen KiwiSaver scheme. If you are not employed, you may choose to make voluntary contributions to your KiwiSaver account. There are a number of KiwiSaver schemes available, including AE KiwiSaver Plan.

Who can join KiwiSaver?

You can join KiwiSaver if you are:

- a New Zealand citizen, or entitled to live in New Zealand indefinitely; and
- living or normally living in New Zealand (with some exceptions); and
- below the age of eligibility for New Zealand Superannuation (currently 65)*.

**From 1 July 2019, you can join the Scheme if you’re over 65, however employer contributions are only discretionary, and the Government Contribution is not available.*

You can’t join KiwiSaver if you are:

- holding a temporary, visitor, work or student permit;
- living overseas, unless you’re a government employee;
- serving outside New Zealand; and
- employed on New Zealand terms and conditions; and
- serving in a jurisdiction where offers of KiwiSaver scheme membership are lawful.

Information on joining the Scheme may be found in the current PDS. If you are already a member of another KiwiSaver scheme, you may transfer your KiwiSaver savings to the Scheme by completing an application form and providing the required supporting identity verification documents. However, you cannot be a member of two different KiwiSaver schemes.

What are the Benefits?

If you are aged 16 or over, you may be eligible to receive contributions from your employer to your KiwiSaver account. From 1st April 2026, the default employer and employee KiwiSaver contribution rates will rise from 3% to 3.5%. A further increase from 3.5% to 4% will occur from 1st April 2028. You will only be eligible if you are contributing to your KiwiSaver.

Persons aged 16 and over who are contributing to their KiwiSaver accounts will also be eligible for the Government Contribution the New Zealand Government will pay 25cents for every dollar of member contribution annually up to a maximum payment of \$260.72. This means that you must contribute \$1,042.86 annually to qualify for the maximum payment of \$260.72. If you join KiwiSaver part-way through a year, your eligibility for the Government Contribution will be based on the number of days you have been a member.

If you have been a member of KiwiSaver for three or more years, you may also be eligible to withdraw some of your KiwiSaver savings to put towards purchasing your first home (not an investment property).

AE KIWISAVER PLAN

The Scheme has one investment fund, AE KiwiSaver Plan, which invests strictly in accordance with its Strict Ethical Mandate. Your contributions to the Scheme are represented by Units in the AE KiwiSaver Plan.

We have appointed Always-Ethical Limited to manage the investments of AE KiwiSaver Plan. Always-Ethical Limited is also the parent company of AE KiwiSaver Limited.

AE KiwiSaver Plan 's primary investment is currently units in AE Investor, a managed investment scheme which applies the same Strict Ethical Mandate as the Scheme and is managed by Always-Ethical Limited. AE KiwiSaver Plan purchases units in AE Investor with funds received from member contributions.

How does it work?

The money you invest into the Scheme buys you Units in the AE KiwiSaver Plan.

Each Unit that you own is a share in the total value of what the AE KiwiSaver Plan is worth. As the value of fund's assets go up and down so too does the value of your Units. Each Unit has an equal interest in a fund as all of the other Units and the same unit price.

Each Unit has an equal interest in all assets of AE KiwiSaver Plan and not in any particular asset. This means you are not able to request that we transfer to you an asset of the AE KiwiSaver Plan. AE KiwiSaver Plan may issue more Units as members invest money into AE KiwiSaver Plan and redeem Units as members withdraw money from the fund. There is no maximum to the number of units in AE KiwiSaver Plan.

Unit prices are calculated each valuation day (business day) and rounded to four decimal places. The unit price equates to the Net Asset Value ("NAV") of AE KiwiSaver Plan at that time divided by the number of units that have been issued by AE KiwiSaver Plan.

No Guarantee

There is no Crown guarantee in respect of any KiwiSaver scheme or any investment product of a KiwiSaver scheme. Neither the Supervisor, Manager, nor any of their Directors, guarantee or promise the return of capital or income from the Scheme.

Strict Ethical Mandate

AE Advisory Board

The AE Advisory Board is consulted when reviewing the Strict Ethical Mandate of AE Investor. The AE Advisory Board does not undertake investment selection.

The current members of the AE Advisory Board are philosophical advisors who ensure we meet Islamic Law as required:

- Sheikh Mohammad Amir
- Dr Ahmed Rufai
- Prof Faruk Balli

Further information, including biographies of the members are available on our website: www.Always-Ethical.com.

Purification

Purification is the method used to cleanse any investment income that may have been generated through non-permissible activities (for example, pork or alcohol). The units of AE Investor in which AE KiwiSaver Plan invest are purified and do not require further purification to be compliant with the Strict Ethical Mandate.

Inland Revenue may pay interest on individual member contributions which is credited to that member's accounts. This interest is non-compliant income. The payment of purification is the member's responsibility and can only be lawfully made when the member is eligible to withdraw their full investment.

If requested, we are able to provide you with a calculation of the amount of purification payment that is required to be donated to charity, however we are unable to make this payment on your behalf. Purification amounts are not intermingled with other investments.

3. WHO IS INVOLVED?

The Manager

The Manager of the Scheme is AE KiwiSaver Limited (Company number: 4674859). The ultimate holding company of AE KiwiSaver Limited is Always-Ethical Limited (Company number: 4570259).

We hold a Licence to act as a Manager of a managed investment scheme under the FMC Act. A copy of the Licence, and its conditions, is available on the FMA's website.

As Manager of the Scheme and AE KiwiSaver Plan, our duties include:

- Offering and issuing Units;
- Managing AE KiwiSaver Plan and its investments; and
- Responsibility for administering the Scheme.

As Manager, we can delegate duties to other parties, but this does not limit our responsibility for the performance of these duties. You can contact us using the following details:

AE KiwiSaver Limited
PO Box 304015
Hauraki Corner
Auckland 0750

As at the date of this document, the Directors of the Manager (who may be contacted at the address of the Manager) are:

Professor Dr Faruk Balli

Prof. Dr. Balli is a Director of Always-Ethical Limited and AE KiwiSaver Limited. He is a Professor at Massey University School of Economics and Finance. Previously he worked as a Senior Economist at the Central Bank of Qatar and at Dubai University as an Assistant Professor. He has more than 100 publications in high ranked international journals and has served on the editorial board of various field journals, including The Management Journal, Tourism Economics and Journal of Economics and Finance. Prof. Dr Balli is currently serving as associate editor for Tourism Analysis journal. Prof. Dr. Balli has a PhD from the University of Houston.

Dennis Gates

Dennis Gates is a Director of Always-Ethical Limited and AE KiwiSaver Limited. He is also the Director/Founder of Real Law, which is a specialist marketing company focusing on the needs of small to medium-sized law firms. Dennis, a lawyer with over 30 years' experience, recognized the lack of marketing services in this sector of the lay profession. Combining marketing and IT specialists, Real Law aims to bring all the modes of marketing to its clients. He has since sold his practice, while no longer in practice as a lawyer, Dennis has and does however bend toward helping the less fortunate in the community. He is still assisting others overcome injustices. Dennis brings very strong electronic marketing, governance and compliance skills to the Board.

Dr Anwar Ghani

Dr Anwar Ghani MNZM, JP, is a Director of Always-Ethical Limited and AE KiwiSaver Limited. He is also a Director of Always-Ethical Limited. Dr Anwar Ghani has held the position of Director for Export, NZ Natural Beef and Lamb Limited, New Zealand Islamic Products & Services Limited. He has also been a Patron of New Zealand Royal College of Police, Ex-President of Federation of Islamic Associations of New Zealand (FIANZ) and holds an excellent track record in Agri-business and Environmental Science.

Brian Henry

Brian is the Founder and Director of Always-Ethical Limited and AE KiwiSaver Limited. He is responsible for all underlying asset management, legal compliance and the corporate structuring of funds. He has been in the fund management business for over 15 years and was formerly the Managing Director of US50 Fund Limited. Brian has worked as a Barrister since 1975 and has extensive commercial litigation experience.

AE KiwiSaver Limited does not manage any other KiwiSaver Scheme as at the date of this document.

Independence Of Supervisor

The Supervisor of AE Investor is Trustees Executors Limited. The contact details for the Supervisor and its Directors are:

Trustees Executors Limited

Physical Address	Postal Address
Level 11	PO Box 4197
51 Shortland Street	Shortland Street
Auckland 1010	Auckland 1140

Trustees Executors Limited was incorporated in New Zealand in 1881 under the Joint Stock Companies Act 1860. The Supervisor's majority shareholder is Perpetual Guardian Group's effective 26 February 2026.

The Supervisor has been granted a full Licence under the Financial Markets Supervisors Act 2011 to act as a managed investment scheme Supervisor. The Licence expires on 16 January 2023 and is subject to reporting conditions. Further information on the Supervisor's Licence is publicly available on the Financial Markets Authority website (www.fma.govt.nz) under "Compliance – Licensed Providers, Supervisors."

The current list of Directors of the Supervisor may be obtained from the Companies Office website at <https://companies-register.companiesoffice.govt.nz/>

Independence of Custodian

The Custodian is Apex Investment Administration (NZ) Limited, who are independent of the Manager and its employees.

All Assets of the Scheme are held by the Custodian. The contact details for the Custodian are:

Apex Investment Administration (NZ) Limited

Physical Address	Postal Address
Level 9, Spark Central	PO Box 10-519
42-52 Willis Street	Wellington 6143
Wellington 6143	

Administration and Investment Management

Administrative functions, including the operation of the unit registry, daily administration of member accounts and unit pricing are outsourced to Appello Services Limited ("ASL"). The contact address for ASL is:

Appello Services Limited

Physical Address	Postal Address
Level 3	PO Box 99029
12 Kent Street	Auckland 1149
Auckland 1023	

Investment management is outsourced to Always-Ethical Limited, the Manager of AE Investor, a registered managed investment scheme. AE KiwiSaver Plan's primary investment is units in AE Investor. The contact address for Always-Ethical Limited is:

PO Box 304015
Hauraki Corner Auckland 0750

Auditor

The Auditor of the Scheme is William Buck Ltd. The Auditor holds the required licenses under the Auditor Regulation Act 2011. The contact address for the Auditor is:

William Buck Limited

Level 4
21 Queen Street
Auckland 1010

Solicitors and Legal Advisors

The legal advisers for the Manager are Brian Henry, Barrister and Dentons, Auckland, New Zealand. The Solicitors to the Supervisor are DLA Piper Minter Ellison Rudd Watts, New Zealand.

4. CONTRIBUTIONS

These rules are set by the KiwiSaver Act and regulations. They apply to all KiwiSaver schemes.

Employees

If you are employed, your KiwiSaver contributions will be deducted from your pay by your employer and sent to Inland Revenue. Contributions are deducted from your gross (before-tax) salary or wages at the rate you choose: 3%, 4%, 6%, 8%, or 10%. If you do not select a contribution rate, your contributions will be deducted at the default rate of 3%. Effective 1st April 2026 the employees currently contributing 3% of their salary and wages will have their contribution rates automatically increased to 3.5% from their first pay event on or after the 1st of April 2026. From 1 April 2028, the default rate for new and existing members will be 4%.

You may change your contribution rate once every three months unless your employer agrees to a shorter period. You may do this by advising your employer in writing, either by completing the Inland Revenue form KS2 or by providing a letter to your employer indicating your new rate.

If you are aged 16 or over and are making contributions to your KiwiSaver account from your pay, your employer will also make contributions to your KiwiSaver account, equal to 3% of your before-tax salary or wages. From 1st April 2026, the default **employer** and employee KiwiSaver contribution rates will rise from 3% to 3.5%. A further increase from 3.5% to 4% will occur from 1st April 2028.

Your employer is not required to make compulsory employer contributions to your KiwiSaver account if:

- they are already paying into another eligible registered superannuation scheme for you (if your existing scheme meets certain criteria)
- you are over 65 years of age
- you are not contributing (i.e. if you are on a savings suspension or unpaid leave).

If you have a total remuneration employment agreement, your employer will not be required to contribute to your KiwiSaver account in excess of your pay. In this situation, your employer's contributions may come out of your total remuneration - please discuss this with your employer if you believe this may apply to you. From 1st April 2026, the default employer and employee KiwiSaver contribution rates will rise from 3% to 3.5%. A further increase from 3.5% to 4% will occur from 1st April 2028.

Not Employed/Self-Employed/Contractors

You may join KiwiSaver and voluntarily contribute to your investment. The size and period (regular or one-off) of a voluntary contribution is set by you. Regular contributions can be set up by automatic payment or any other system your bank offers to facilitate regular payments. Please see below (under the heading “voluntary contributions” for information on how to make voluntary contributions to your KiwiSaver account.

Members under 16

If you are under 16 you will not be eligible for the government or employer contributions until you turn 16. If you are not working you will not be required to make KiwiSaver contributions. If you start working, you will have to start contributing 3%, 4%, 6%, 8%, or 10% of your pay. From 1st April 2026, the default employer and employee KiwiSaver contribution rates will rise from 3% to 3.5%. A further increase from 3.5% to 4% will occur from 1st April 2028.

Voluntary Contributions

You can make voluntary contributions to the Scheme using one of the methods below:

Regularly – Make regular voluntary contributions to the Scheme by setting up an automatic payment with your bank.

Using Internet Banking – Using your name & IRD number as the reference. Please use the following account details:

*Account name: **AE Nominees Limited** Account Number: 12-3198-0066681-02*

Through Inland Revenue – Using the Pay Tax option on your internet banking, and including: your IRD Number; Tax Type “KSS”; and Period “0” (zero)

Government Contributions

Every year from 1 July to the following 30 June, for every dollar that you pay into the Scheme up to \$1,042.86, the Government contributes 25 cents to the Scheme for qualifying members. The maximum amount that the Government will contribute each year to you is \$260.72. This contribution is to encourage you to continue saving regularly.

This payment is called a Government Contribution. If you qualify, the Government Contribution will be paid to your KiwiSaver account each year until you reach the Qualifying Age. To qualify for the contribution:

- you must be at least 16 years old;
- New Zealand must be your principal place of residence. This means that you stay in New Zealand for most of the year. If you are a Government employee working outside of New Zealand, or if you work overseas as a volunteer or for certain charitable organisations, then the residency requirement will not apply.

If you earn over \$180,000 before tax, you will no longer receive a government contribution.

Employer contributions, Government Contributions and amounts transferred under Trans-Tasman Portability do not count towards your eligibility for the Government Contribution.

If you join KiwiSaver part-way through the KiwiSaver year (1 July to 30 June), you will receive a Government Contribution based on the number of days in that KiwiSaver year that you have been a member.

Savings Suspension

You may apply for a savings suspension after 12 months by contacting Inland Revenue (unless you are in financial hardship). The savings suspension can be for up to 1 year. To restart your contributions, you will need to notify your employer. If you take a savings suspension your employer is not required to contribute 3% of your gross “salary or wages”. From 1st April 2026, the default employer and employee KiwiSaver contribution rates will rise from 3% to 3.5%. A further increase from 3.5% to 4% will occur from 1st April 2028.

You may make voluntary contributions whilst on a savings suspension.

Transferring Australian Superannuation Savings

You may transfer eligible Australian superannuation savings into the Scheme; however, the Australian superannuation rules apply to those savings. The amount of your Australian superannuation can be withdrawn at age 60 (this age is fixed by the Australian Government). You may not use the Australian portion of the savings to buy a first home and the annual New Zealand Government Contribution is not paid on the amount of your Australian Superannuation scheme.

5. WITHDRAWALS

The amount you benefit from the Scheme is reflective of the contributions made by you or other parties for your benefit, withdrawal reasons, Government subsidies and returns from relevant investment funds (currently being AE KiwiSaver Plan).

No rate of return is promised or guaranteed for AE KiwiSaver Plan and the unit price will fluctuate as the value of the underlying asset varies.

The following rules apply to all KiwiSaver schemes. You may not withdraw your benefits until you meet the qualifying date, unless you meet the early withdrawal criteria outlined in the Relevant Law and explained further below.

Reaching the Qualification Date

Under the KiwiSaver regime, your savings and benefits are held until you reach your qualification date, unless you meet the criteria for an early withdrawal. Your qualification date for the Scheme is the latter of:

- The date you become eligible for New Zealand Superannuation (at the time of this investment statement age 65); or
- The date you have been a member of any KiwiSaver scheme for five years*.

**This only applies to members who joined before 1 July 2019. From 1 April 2020, KiwiSaver members who are impacted by the above 5-year lock in period (i.e. a member who was aged between 60 and 64 inclusive when they joined) can elect to opt out of the lock in period any time after they qualify for New Zealand superannuation.*

When you reach this date, you are eligible, but not required, to withdraw your savings from the Scheme.

Early Withdrawals

The KiwiSaver regime allows you to withdraw your savings from the Scheme before your qualification date if you meet the limited circumstances below. For more information on any of the early withdrawal circumstances or regarding your eligibility, please contact us on 0800 4 262624 or info@always-ethical.com.

Buying your first home

You may be eligible to withdraw some or all your KiwiSaver savings (excluding Government Contributions) to put towards buying your first home. You need to be a KiwiSaver member or a member of a complying superannuation scheme for three or more years to exercise this option.

Significant financial hardship

If the Supervisor of the Scheme is satisfied that you are suffering from significant financial hardship you may make a withdrawal on this ground. The amount withdrawn on such a claim cannot exceed the accumulated funds in your KiwiSaver account and cannot include your Government Contributions. Under the KiwiSaver Act, "Significant financial hardship" includes:

- An inability to meet minimum living expenses.
- An inability to meet mortgage repayments on your principal family residence, and the mortgagee is seeking to enforce the mortgage.
- The cost of modifying a residence to meet special needs caused by your disability or the disability of your dependent.
- The cost of medical treatment for an illness/injury of you or your dependent.
- The cost of palliative care for you or your dependent.
- The cost of a funeral for your dependent.
- You are suffering a serious illness (as defined below).

The Supervisor must be reasonably satisfied that you have exhausted other reasonable means

of finding money and may limit the amount of money you can withdraw to what it thinks is required. To withdraw your KiwiSaver investment on any of these grounds, you must complete the relevant withdrawal form, which includes a statutory declaration of your assets and liabilities. The Supervisor may also require other evidence or information to support your application.

Serious illness

If you are suffering from serious illness, you may be able to withdraw some or all of your savings on these grounds. If your withdrawal is approved, you may withdraw all of your savings, including Government Contributions. Under the KiwiSaver Act, "serious illness" is defined as an injury, illness or disability that:

- Results in you being totally and permanently unable to engage in work for which you are suited to due to experience, education, or training; or
- Poses a serious and imminent risk of death.

To withdraw your KiwiSaver investment on either of these grounds, you must complete the relevant withdrawal form. You must also include a declaration from your doctor outlining your medical condition. The Supervisor may require other evidence or information to support your application.

Early withdrawal of transferred Australian superannuation savings

If you have transferred savings from a complying Australian superannuation fund, your transferred Australian savings will remain subject to Australian superannuation legislation. If you are retired, you may be able to withdraw your Australian savings at age 60. You will need to meet other Australian superannuation withdrawal criteria to be eligible to withdraw these savings at age 60 and cannot withdraw any New Zealand KiwiSaver savings at this time.

Moving overseas permanently (except to Australia)

If you permanently emigrate from New Zealand to anywhere apart from Australia, after one year you may apply to withdraw your savings from the Scheme or transfer your KiwiSaver savings to an authorised overseas superannuation fund. Your withdrawal may include the Government kick-start benefit (if applicable) but excludes the Government Contributions which will be repaid to Inland Revenue.

To withdraw in these circumstances, you must complete the relevant withdrawal form, which includes the requirements for a statutory declaration and evidence that you have departed New Zealand and have resided at an overseas address.

Moving to Australia permanently

If you permanently emigrate to Australia, you may request to transfer your savings (including Government Contributions) to a complying Australian superannuation fund. You are not required to transfer your KiwiSaver savings to Australia; however, if you wish to transfer your savings you are required to transfer the full amount. Your KiwiSaver savings that are transferred to Australia cannot be withdrawn until you reach the qualification date in New Zealand (currently 65). If you transfer your KiwiSaver savings, your transferred savings will be subject to Australian legislation regarding transfers. For more information on permanent emigration to Australia, contact the Manager.

Death

If you die while a member of the Scheme, we will, upon request, pay your personal representative or a person authorised by section 65 of the Administration Act 1969, the total value of your KiwiSaver account when the application is accepted as part of your estate.

Transfer between KiwiSaver Schemes

You may transfer to the Scheme at any time from another KiwiSaver scheme or complying retirement scheme by completing the application included within the PDS.

You may also transfer from the Scheme to another KiwiSaver scheme at any time by completing an application for that scheme. As you are only able to be a member of one KiwiSaver scheme at a time you must transfer your entire account

No Guarantee

There is no guarantee from the Government or any other person in respect of the Scheme or any investment product of the Scheme. None of us, the Supervisor, any underlying investment Manager or administration Manager, or any director or board member of any of those entities or any other person guarantees the performance of the Scheme or the payment of any money payable from the Scheme.

6. KEY TERMS OF SCHEME

Changing the Trust Deed and SIPO

Subject to the Relevant Law, the Trust Deed may be amended by deed executed by the Manager and the Supervisor if, in the opinion of the Supervisor, the change is made to correct an error or is of a formal or technical nature, or if the change is necessary or desirable or for safeguarding or enhancing the interests of AE Investor or investors and is not likely to be materially prejudicial to investors. We are unable to change the Trust Deed, if we were to do so, it would have a material adverse effect on investors.

Where an amendment to the Trust Deed is proposed which materially affects investors, this must be approved by a special resolution of investors; this means a resolution approved by investors holding Units with a combined value of no less than 75% of the value of Units held by those persons who are entitled to vote and who vote on the question.

Amendments to the SIPO are made by our Board of Directors, either as a result of its own review, or by recommendation. Any amendments to the SIPO are undertaken in consultation with the Supervisor.

Any amended versions of the SIPO must be approved by the Board and uploaded by the Manager.

The Manager - Duties

The Manager is responsible for performing the functions for which responsibility is attributable to it as Manager of the Scheme under the FMC Act. The Manager is responsible for the following functions in respect of the Scheme:

- Offering membership in the Scheme;
- Issuing membership in the Scheme;
- Managing and investing the Assets of the Scheme (subject to compliance with the SIPO); and
- Administering the Scheme.

In exercising its powers and performing its duties as Manager of the Scheme, the Manager must comply at all times with its duties under the FMC Act:

- Act in the best interests of Scheme Members;
- Treat the Scheme Members equitably;
- Exercise the care, skill and diligence that a prudent person engaged as a professional Manager would exercise in the same circumstances;
- Carry out its functions in accordance with the Trust Deed, the SIPO and all other issuer obligations of the Manager; and not make use of information acquired through being the Manager, to gain an improper advantage for itself or any other person or cause detriment to Scheme Members.

Appointment, Retirement and Removal

The Manager will cease to hold office if it is removed by written direction of the Supervisor, after the Supervisor certifies that it is in the best interests of Scheme Members that the Manager be removed or removed by a special resolution of Scheme Members or substituted by the High Court in accordance with its powers under the FMC Act. If the Manager ceases to hold office, the Manager and any delegate of the Manager must immediately desist from all activities related to the Scheme unless the Supervisor agrees to the contrary.

Not make use of information acquired through being the Manager, to gain an improper advantage for itself or any other person or cause detriment to Scheme Members.

The Supervisor - Duties

The Supervisor must comply with and perform the duties and obligations of a Supervisor under the Relevant Law and must not delegate the performance of its duties except as permitted under the Financial Markets Supervisors Act 2011.

The Supervisor must, in carrying out its duties and obligations under the Trust Deed, exercise the care, diligence and skill required of a prudent person engaged in the profession or business of acting as a Supervisor of a managed KiwiSaver scheme and must comply with its duties under the Relevant Law.

Appointment, Retirement and Removal

Subject to the Trust Deed and the FMA's prior consent, the Supervisor may retire as Supervisor of the Scheme upon the expiration of 180 days' written notice given to the Manager (or such shorter written notice period as is agreed between the Supervisor and the Manager).

The Supervisor shall cease to hold office as Supervisor of the scheme if they are removed in accordance with the terms of the Trust Deed and the Relevant Law, either by the Manager (with the FMA's prior consent), by the FMA, or by a special resolution of investors.

The power of appointing a new -Supervisor of AE Investor (in place of a -Supervisor which has retired or been removed from office) is vested in the Manager, provided that no person may be appointed as a new - Supervisor unless qualified for appointment under the Trust Deed.

Indemnities

If the Supervisor or the Manager is held personally liable to any other person in respect of any debt, liability, tax obligation (including for the avoidance of doubt any requirement to pay any refund required or desirable under the Relevant Law or otherwise required or desirable in relation to any portion of any Government Contribution) incurred by or on behalf of the Scheme or AE KiwiSaver Plan or any action taken or omitted in connection with the Scheme or AE KiwiSaver Plan, then the Supervisor or the Manager (as applicable) is entitled to indemnity and reimbursement out of AE KiwiSaver Plan (as appropriate) to the full extent of such debt, liability, tax or obligation and the costs of any litigation or other proceedings in which such debt, liability, tax or obligation has been determined (including, without limitation, legal fees and disbursements).

The Supervisor and the Manager are each entitled to be reimbursed out of AE KiwiSaver Plan (whether from income or capital or both), for all direct and indirect expenses, fees, losses, costs or liabilities incurred by the Supervisor or the Manager respectively in or about acting as Supervisor or Manager (as applicable) under the Trust Deed (including, for the avoidance of doubt and not by way of limitation, any expense, cost or liability which may be incurred by the Supervisor or the Manager (as applicable) in bringing or defending any action or suit in respect of the Scheme).

Except as expressly provided in the Trust Deed, any agent of the Supervisor or the Manager, acting for or on behalf of the Supervisor or the Manager (as the case may be) shall have the benefit of any exclusions or indemnities given to the Supervisor and the Manager (as applicable) in the Trust Deed.

The Supervisor, or the Manager, or any Director or Officer of the Supervisor, or of the Manager, are not exempt from or indemnified against any liability for breach of trust, where it or that Director or Officer fails to show the degree of care, diligence and skill required of it, or that Director or Officer in that capacity, having regard to the provisions of and the powers, authorities and discretions conferred by the Trust Deed and the Relevant Law.

Further information on Fees, Costs and Expenses

Supervisor's Fee

The Supervisor will be paid a reasonable fee consistent with the services it performs as agreed between the Manager and the Supervisor from time to time (subject to the Relevant Law). The fee may be deducted from the Assets of the scheme or paid by cancelling Units in member accounts and reserve accounts.

Management Fee

Subject to the Relevant Law and the terms of any Establishment Deed, the Manager may charge for its services with respect to the Scheme such annual or other administration, management, membership, transaction, or other fees as the Manager determines from time to time. The method of paying such fees shall be determined by the Manager from time to time and notified to the Supervisor in writing. The Manager is entitled to receive, in addition to the fees referred to in the Trust Deed, any goods and services tax or duty or similar tax or duty payable in respect of such fees.

Reimbursement of Costs and Expenses

The Manager and the Supervisor are entitled to reimbursement for reasonable costs and expenses incurred on behalf of AE KiwiSaver Plan. These include the costs of preparation of this document and other documents in relation to the offer of the Units in AE KiwiSaver Plan, professional advisers' fees, taxes/duties and other administration costs.

Fees must be Reasonable

The KiwiSaver Act requires that all fees charged by KiwiSaver schemes must not be unreasonable. If you feel that any fee is unreasonable, you can apply to the Court for an order that it be reduced or cancelled. This application must be made within a year of the day the fee is imposed or deducted.

Borrowing

Borrowing is prohibited under the Trust Deed and by the Strict Ethical Mandate outlined in the SIPO of the Scheme.

Valuation

The Manager shall, in respect of AE KiwiSaver Plan determine the amount expressed in New Zealand currency that represents the value of that fund at the applicable valuation time by taking the aggregate of:

- Assets of AE KiwiSaver Plan valued by the Manager at the current fair market value on such basis that the Manager considers appropriate;
- income accruing from the assets of AE KiwiSaver Plan or a proper part thereof relative to the valuation time on which income is being determined to the extent such income is not already included in the determination; and
- any other amounts which in the opinion of the Manager, should be included in such aggregate for the purpose of making an equitable and reasonable determination of the value of AE KiwiSaver Plan, having regard to generally accepted accounting practice as defined in the Financial Reporting Act 2013,

and by deducting from such aggregate the total of:

- all liabilities of AE KiwiSaver Plan determined on such basis as the Manager considers appropriate;
- any costs, charges, or other amounts incurred or accrued, or which will or may be incurred in holding the Assets in AE KiwiSaver Plan or a part of or provision against payment of any of the foregoing determined by the Manager in a manner which the Manager considers to be suitable and equitable; and
- any amounts which in the opinion of the Manager should be included in such aggregate for the purpose of making an equitable and reasonable determination of the total value of AE KiwiSaver Plan, having regard to generally accepted accounting practice as defined in the Financial Reporting Act 2013.

Every such determination of the value of AE KiwiSaver Plan shall be deemed to take effect at the valuation time in respect of which it is made and shall remain in force until the next valuation time is determined.

Related Transactions

Except as provided in the Trust Deed, the Manager is expressly prohibited from investing the Assets with a related person of the Manager. The Scheme and AE KiwiSaver Plan established in accordance the Trust Deed may be invested in AE Investor, a registered management investment scheme, notwithstanding it may be a related person to the Manager. Any investment of the Scheme or AE KiwiSaver Plan in accordance with the Trust Deed shall not render the Manager or the Supervisor liable to account to the Scheme or AE KiwiSaver Plan or any Scheme Member for any profit or loss arising from any transaction entered in accordance with the Trust Deed.

Material Contracts

The Manager entered into a Scheme Provider Agreement (SPA) with Inland Revenue on 17 October 2013. The SPA records the operational and technical requirements for working together to administer our participation as a Scheme Provider in the KiwiSaver regime.

The Manager entered into a support services agreement with The Kiwi Registry Company Limited (now known as Appello Services Limited (ASL)) on 20 February 2014, under which ASL agreed to provide unit registry and certain administration services for the Manager.

The Manager entered into a support services agreement with Always-Ethical Limited on 20 February 2014, to which Always-Ethical Limited agreed to provide investment management and administration services to the Manager.

AE KiwiSaver Limited agreed with Always-Ethical Limited to issue a special class of unit in AE Investor which reflects the fees and expenses structure set out herein and meets all redemption obligations of the Scheme (set from time to time by the KiwiSaver rules and regulations fixed from time to time by Government) to its investors.

Winding Up

The Scheme shall be wound up if:

- the Manager notifies the Supervisor in writing that the Scheme is to be wound up;
- the Supervisor is of the opinion that the Scheme is or will be unable to fulfil its purpose and resolves that the Scheme should be wound up;
- the Scheme ceases to have any beneficiaries and the Supervisor resolves that the Scheme should be wound up;
- the FMA orders that the Scheme be wound up in any of the circumstances specified under the Relevant Law; or
- the winding-up of the Scheme is otherwise required by any law and the Supervisor accordingly resolves that the Scheme should be wound up.

Immediately after the winding up date, no further persons shall be admitted as members to the Scheme, no further contributions shall be paid by Scheme Members or the employers to the Scheme, except contributions that accrued before the winding up date.

In winding up the Scheme, the Manager and the Supervisor shall comply with the provisions of the Relevant Law relating to the winding up of a KiwiSaver scheme.

If the Scheme or AE KiwiSaver Plan is wound up, the Supervisor must sell its Assets and (after providing for any amount necessary to meet all claims and liabilities (including fees)), will distribute the balance to investors in proportion to their holdings of Units at the time of distribution. The amount distributed to you on winding up may be adjusted to reflect the fund's PIE income tax liability (if any), on income attributed to investors.

Record Keeping

The Manager must keep proper accounting records in respect of the Scheme and AE KiwiSaver Plan. The Supervisor will provide the Manager with any information held by them that the Manager requires to keep those records. The Manager is also required to keep a register of investors for the Scheme and AE KiwiSaver Plan in the form and manner required by the FMC Act. The Register shall be available for inspection in accordance with the FMC Act. The Manager is required to audit the Register annually.

7. TAXATION

The level of taxes will affect the amount of your benefit from the Scheme.

The Manager and the Supervisor do not accept any responsibility for the taxation implications of your investing in the Scheme. Tax legislation and its interpretation are subject to change, and the application of tax laws will depend on your individual circumstances. We recommend that you consult your own independent tax adviser as to tax consequences of investing in the Scheme.

The following is a general summary of our understanding of New Zealand tax legislation as it affects the Scheme at the date of the PDS.

Tax on Investment Income

The Scheme is a Portfolio Investment Entity ("PIE") as defined in the Income Tax. The tax rate for your investment income from a PIE is called your prescribed investor rate ("PIR"). Your PIR is used by the Scheme to calculate tax liability attributable to you and other members for each calculation period (or the date of any movements).

For New Zealand resident individuals who provide their IRD number to the Scheme, there are three PIR available:

Your Prescribed Investor Rate (PIR) is:	If you meet the following criteria:
10.5%	You are a New Zealand tax resident who has earned \$15,600 or less of taxable income (excluding PIE income) and \$53,500 or less in total taxable income (combined with PIE income or loss) in either of the last two income years.
17.5%	You are a New Zealand tax resident who does not qualify for the lowest rate but have earned \$53,500 or less of taxable income (excluding PIE income) and \$78,100 or less in total taxable income (combined with PIE income or loss) in either of the last two income years.
28%	You do not qualify for either of the lower rates. You have earned more than \$53,501 of taxable income (excluding PIE income) and more than \$78,101 in total taxable income (combined with PIE income or loss) in either of the last two income years.

If you do not provide the Manager with your PIR and IRD number, or you are a non-resident of New Zealand, any taxable income allocated to you will be taxed at 28%. If you provide the Manager with the wrong PIR or if your PIR changes, IRD will notify you and the Manager of the correct PIR. In these circumstances, you may have to pay further PIR tax, or may have overpaid, which IRD will factor into your PIR tax assessment. This means you may receive a refund. The PIR you should be on will be displayed in your myIR account.

Tax of Investments

The income earned by AE KiwiSaver Plan will be taxed in accordance with income tax legislation including the PIE rules.

Tax on your Contributions

If you are making employee contributions to the Scheme you will not have to pay additional tax; your contributions are calculated from your before-tax salary or wages, but you still pay full tax on the amount you earn.

Please note – Government Contributions are not income or gifts for tax purposes.

Tax on Employer Contributions

Employer contributions to your KiwiSaver account are subject to tax. Your Employer Superannuation Contribution Tax (ESCT) rate can be calculated using the following table:

ESCT rate for employer

If the total of your taxable earnings and before-tax superannuation contributions made for your benefit was –

ESCT rate for employer contributions	If the total of your taxable earnings and before-tax superannuation contributions made for your benefit was;
10.5%	\$16,800 or less in the previous tax year (1 April – 31 March)
17.5%	\$16,801 - \$57,600 in the previous tax year (1 April – 31 March)
30%	\$57,601 - \$84,000 in the previous tax year (1 April – 31 March)
33%	\$84,001 or more in the previous tax year (1 April – 31 March)

If you haven't worked for a full previous tax year for your current employer, an estimate of your total salary or wages plus gross employer cash contributions you have received or will receive may be used.

For tax purposes, ACC compensation and statutory parental leave payments are excluded from "salary or wages."

8. RISKS

All investment carries a degree of risk and no level of return is promised or guaranteed. The value of your units in AE Investor will go up and down, so it is possible that you could receive less from AE Investor than you invest, particularly if you invest for a short period of time and market conditions have been poor.

The PDS sets out the material risks to your investment in AE Investor. These risks are explained further below, which also describes further risks that may mean you receive less than you invest in AE Investor.

RISK INDICATOR

The PDS has a Risk Indicator which the Directors have set at risk level 7. This is the highest risk-level on the indicator scale. Under the FMC regulations the PDS risk indicator is set by a 5-year average of the fund's volatility, in AE Investor case this is presently 5.5 to 6.

The Directors when assessing the appropriate risk indicator in the PDS considered that:

- i) The fund is for New Zealand investors (those to whom the PDS is addressed) and has a currency risk. The calculation under the FMC regulations does not reflect this risk.
- ii) The fund cannot hedge currency risk.
- iii) The fund is a pure Equities fund and only invests in equities listed on USA stock exchanges.

In the opinion of the Directors a volatility risk indicator for the fund must be set at 7.

Risk Type	Description of Risk	Risk Management Processes
Investment Management	Our investment management approach may lead us to choose investments which underperform, or we may misjudge market movements. We use research and analysis to establish a view on market factors as best we can and attempt to reduce their impact by adjusting the portfolio's exposure to those areas.	We monitor the performance of our investments daily and ensure they abide by the Strict Ethical Mandate and any performance guidelines set. Investment management activities are undertaken "in-house"; we are not dependent on other Managers to perform investment activities or achieve the outcomes we want.

<p>Market</p>	<p>The companies in which AE Investor invests in are subject to economic, business, technological, political, tax, regulatory conditions or market sentiment, which may affect general market movements or individual investments of the Scheme.</p>	<p>Investments are diversified, across both asset classes and industries.</p> <p>We monitor the performance of our investments daily.</p> <p>We use research and analysis to establish a view on market factors as best we can and attempt to reduce their impact by adjusting the portfolio's exposure to those areas</p>
<p>Taxation</p>	<p>The Scheme is a PIE under NZ taxation law.</p> <p>Scheme income attributable to Scheme Members is taxed at individual Scheme Member's PIR. Where an incorrect PIR is provided, a Scheme Member may be overcharged or may owe tax to Inland Revenue.</p> <p>Taxation laws of the New Zealand jurisdiction are subject to change.</p>	<p>The Manager monitors taxation laws, including any proposed changes, to ensure that they are up to date with the current (or any proposed future) taxation position(s) of the Scheme.</p> <p>The Manager requests Scheme Members to provide their PIR on an annual basis.</p>
<p>Strict Ethical Mandate</p>	<p>Investments may, without the Manager's knowledge, breach AE KiwiSaver Plan's Strict Ethical Mandate.</p>	<p>We monitor all investment activities to ensure they are compliant with the SIPO (and the Strict Ethical Mandate), the Relevant Law, the Trust Deed and offer documents.</p> <p>Interest received from Inland Revenue on Scheme Member contributions is on request, notified to the Scheme Member on maturity, which will allow persons of the Abrahamic faith to donate interest amounts on receipt of the withdrawn funds. This is compliant with our Strict Ethical Mandate as this is the first time the Scheme Member has ownership of their asset and is required then to meet the obligations of their faith.</p>
<p>Strict Ethical Mandate (Purification)</p>	<p>The Manager monitors the compliance of the investments daily with the assistance of IdealRatings to ensure they remain compliant. If an investment does not comply with the Strict Ethical Mandate, it is sold on the next trading day. This Strict Ethical Mandate ensures compliance with the AAOIFI standards.</p> <p>Where investments unwittingly breach the Strict Ethical Mandate, the Manager may make a payment to a recognised charity of the sum that resulted from the breach to purify the breach.</p>	<p>Strict Ethical Mandate Compliance and Purification AE Investor provides an investment solution to investors seeking investments in accordance with our ethical values which are set out in writing in our Strict Ethical Mandate.</p> <p>Compliance with the Strict Ethical Mandate specifically identified investments which are forbidden under the Strict Ethical Mandate. For example, the Strict Ethical Mandate forbids interest bearing investments, such as loans and traditional bond products including derivatives.</p> <p>By adhering to the Strict Ethical Mandate, we remove companies that have over 5% revenue generated from alcohol, tobacco, weapons of war, adult entertainment, gold and silver hedging, pork-related products, leverage, fossil fuel exploration.</p> <p>Any investments that have over 5% revenue generated from forbidden products are sold the next trading day.</p> <p>Purification is the method used to cleanse any</p>

investment income that may have been generated by a company from non-permissible activities. The Manager calculates the required purification for each stock, which is then accumulated and “purified” by a donation to charity for the poor. The amount of purification varies between stocks and is based on the portion of the company’s income that is derived from non-permissible sources. Market conditions may result in the fund holding cash with interest being received. The interest is not received into the fund account but is donated to the poor.

We hold cash to increase returns to investors by reducing risk.

What is Dividend Purification

Dividend purification is the process of purging any income a company makes from sources that are not non-permissible under the Strict Ethical Mandate. This non-permissible revenue must be less than 5% of a company’s total revenue for the company to pass the Strict Ethical Mandate screening. If the investment exceeds this, then it is sold the next trading day.

Example:

ACME Luxury Car company sells cars. It also sometimes helps buyers with temporary car finance.

According to the company’s audited financial report, the income breakdown is as follows:

Revenue from sale of cars	\$98.00
Revenue from interest earned from car financing activity	\$ 2.00
Total Revenue	\$100.00

Revenue from car sales: \$98 (98% of revenue) is compliant with the Strict Ethical Mandate.

Revenue from interest earned from car financing: \$2 (2% of revenue) is **NOT** compliant with the Strict Ethical Mandate.

The non-compliant income is 2% of the total income; therefore, investors distribute 2% of the company’s dividend to charity for the poor. This is called dividend purification.

Since the non-compliant revenue is less than the 5% threshold, this company is compliant with the Strict Ethical Mandate (provided it passes the financial ratios).

If the revenue received from interest earned from car financing increased to 6.00%, this company would not qualify as being compliant with the Strict Ethical Mandate and the fund would sell the investment the next trading day.

		<p>As at the date of this OMI, an example of the Purification Donations is noted below:</p> <table border="1"> <thead> <tr> <th colspan="2">AE Purification</th> </tr> </thead> <tbody> <tr> <td>Purification 2019</td> <td>\$ 6,000.00</td> </tr> <tr> <td>Purification 2020</td> <td>\$ 15,000.00</td> </tr> <tr> <td>Purification 2021</td> <td>\$ 8,662.96</td> </tr> <tr> <td>Purification 2022</td> <td>\$ 2,870.27</td> </tr> <tr> <td>Purification 2023</td> <td>\$ 182,644.48</td> </tr> <tr> <td>Purification 2024</td> <td>\$ 499,836.52</td> </tr> </tbody> </table> <p>As the FUM of the fund grows it is expected that the donations to the poor may increase to ensure compliance with the Strict Ethical Mandate.</p>	AE Purification		Purification 2019	\$ 6,000.00	Purification 2020	\$ 15,000.00	Purification 2021	\$ 8,662.96	Purification 2022	\$ 2,870.27	Purification 2023	\$ 182,644.48	Purification 2024	\$ 499,836.52
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Purification 2022	\$ 2,870.27															
Purification 2023	\$ 182,644.48															
Purification 2024	\$ 499,836.52															
Stock Turn	<p>Strict compliance with the Strict Ethical Mandate means the Manager may be required by the Strict Ethical Mandate to sell a stock at the expense of future performance.</p>	<p>The Manager uses a screening service to monitor the compliance of AE Investor with its Strict Ethical Mandate daily. Where the Manager is concerned about the future compliance of the investment, the Manager may prepare to exit the investment in advance.</p>														
Third-party-Brokerage	<p>The Manager outsources the brokerage for the trading of its equity investments to JB Were (NZ) Ltd. The brokerage is instructed sale by sale and if it fails to perform the risk is limited to that instruction. The brokerage can be readily changed.</p> <p>JB Were (NZ) Ltd, has a high reputation as a brokerage house.</p>	<p>The Manager may outsource its administration, investment and management functions to other parties. The terms of any outsourcing agreements are defined in written agreements with the concerned parties. The outsourcing of any duties of the Manager does not limit the Manager's responsibilities for the duties.</p>														
Liquidity (Our ability to sell Investments)	<p>The ability to sell investments may sometimes be constrained.</p>	<p>The risk relating to our ability to sell the Scheme's investments is low as the equities held by AE Investor are listed on the NYSE and Nasdaq.</p> <p>However, the value of the Scheme's investments can change due to conditions beyond our foresight or control. The volatility of the prices of international equities may mean that if investments must be sold immediately, then a lower return may be expected.</p> <p>The Manager will deploy some or all of the below noted Liquidity Management Tools as the Manager deems necessary. This will have a varying impact on the value of the fund. For example in a), below the first circuit breaker comes into effect at the 7% drop point on the US Stock Exchanges.</p> <p><u>Liquidity Management Tools (LMT)</u> The LMTs utilised by the Investment Committee include: Circuit breakers on the US Stock Exchanges. Redemption of greater than 8% of the FUM within a period of a week will trigger a redemption halt. c) Redemption Gates or Deferrals – limiting or</p>														

		<p>deferring withdrawals to manage significant outflows in a fair and orderly manner.</p> <p>d) Suspension of Redemptions – temporarily suspending redemptions in exceptional circumstances were continuing to meet withdrawals would be impracticable or materially prejudicial to remaining investors.</p> <p>e) Notice Periods – requiring prior notice from investors for large redemptions, to provide time for orderly asset sales.</p> <p>f) Other Measures – any other liquidity management mechanisms expressly permitted under the FMC Act, FMA guidance, or the fund’s governing documents.</p> <p>g) All potential liquidity triggers are ranked evenly. All perform the role of Early Warning Indicator. However, the IC will not necessarily action on a single “breach” of an indicator.</p> <p>The Manager will ensure that the application of these tools is:</p> <ul style="list-style-type: none"> • Consistent with law and licence conditions; • Fair, reasonable, and proportionate to the circumstances; and • Clearly communicated to investors in a timely and transparent manner. • Documented in the minutes of the IC meeting highlighting the rationale of either deploying this action or why not.
Exit	<p>There is a risk that the Scheme may not be able to meet its obligations to investors when due.</p>	<p>Under the Trust Deed, the Manager may, if circumstances require, in good faith, suspend the redemption of units. This risk, whilst legally available, is considered to be unlikely to occur and, if invoked, would be to protect the Investors of the Fund.</p> <p>Redemption of greater than 8% of the FUM within a period of a week will trigger a redemption halt.</p> <p>The Strict Ethical Mandate requires investments to be highly liquid to ensure investors may be repaid when required.</p>
Operational	<p>The Scheme and AE KiwiSaver Plan may be exposed to operational risks that result from external events or failure of internal processes, people and systems. These risks include technology risk (including business systems failure), human error or failure, fraud, non-compliance with legal and regulatory obligations, outsourcing arrangements, legal risk,</p>	<p>We have documented structures and systems in place as a method of reducing the impact of operational risks, which we test, review and update (as required) on a regular basis.</p>

	counter-party performance under outsourcing arrangements, legal risk, data integrity risk, security risk and external events.	
Legislative and Regulatory	Your returns may be affected by legislative and regulatory changes related to KiwiSaver and its operation, and changes both in New Zealand and overseas which may affect AE KiwiSaver Plans investments and the environments in which they operate. Such legislation and regulations, as well as government policy, are subject to change a time.	The Manager monitors Relevant Laws, including any proposed changes, to ensure that we can fully analyse the effect of any proposed changes to AE KiwiSaver Plan, and to notify members of how this may affect their investment.

9. CONFLICTS OF INTEREST

All assets of the Scheme are held by the Custodian, Apex Investment Administration (NZ) Limited.

The Manager has a management agreement with Always-Ethical Limited, the parent company of the Manager. All staff are employed by Always-Ethical Limited, and all investment management and administrative services for the Scheme are undertaken by the same, except where these functions are outsourced to external service providers. Always-Ethical Limited receives reimbursement for these duties under the management agreement, which is derived from the management fee for the Scheme outlined in its governing documents.

The Boards of Directors for AE KiwiSaver Limited and Always-Ethical Limited consist of the same people.

All fees are calculated by the Registry and processed by the Custodian. AE KiwiSaver Plan's fees, expenses and reimbursement to the Manager are calculated by the Registry and deducted by the Custodian by redemption of AE KiwiSaver Plan's units in AE Investor.

The Board of Directors and staff are required to disclose any potential conflicts of interest they may have prior to appointment and on an ongoing basis. Where it is deemed that a Director has a conflict of interest with the business, further action may be required, including removal of the person concerned in serious circumstances.

We also maintain an internal compliance framework that addresses identifying, declaring and managing conflicts of interest.

The FMC Act imposes statutory controls on conflicts of interest:

- We must, in exercising any power, or performing any duties, exercise the care, diligence and skill that a prudent person engaged in that profession would exercise in those circumstances; act honestly in acting as Manager; act in the best interests of investors; and treat investors fairly.
- Where we contract out our functions to external parties, we must seek to ensure the persons to whom we contract those functions perform them to the above standards as if we were performing them ourselves. We must also monitor the performance of those functions.
- Where a related party transaction provides a related party benefit as prescribed by the FMC Act, we must notify the Supervisor and provide any certification required by the FMC Act.

10. FINANCIAL STATEMENTS

Financial statements for the Scheme are available on the scheme register on the Disclose website:

<https://disclose-register.companiesoffice.govt.nz/>.

AE Investors financial statements are audited by a qualified auditor, William Buck. The auditors report on the financial statements will accompany the financial statements uploaded to the scheme register each year.

Glossary

AAOIFI Standards: The Accounting and Auditing Organisation for Islamic Financial Institutions standards at the relevant time.	Liabilities: Debts and other obligations of the Supervisor and the Manager payable from the Scheme or any particular investment fund (as applicable) including all tax and duties payable from the Scheme but excluding contingent liabilities and PIE tax except to the extent the Manager decides an allowance should properly be made therefore.
AE KiwiSaver Plan: A managed investment scheme registered under the FMC Act.	Manager: AE KiwiSaver Limited, unless stated otherwise.
AE KiwiSaver Limited: The Manager of AE KiwiSaver Plan.	PDS: A product disclosure statement under the FMC Act. A PDS is a document containing information about fund intended to assist a prudent but non-expert person to decide whether to invest in that Fund. A Scheme Member must be given a copy of the relevant PDS before investing. The PDS for the fund can be obtained from the offer register on the Disclose website www.business.govt.nz/disclose/ .
Always-Ethical Limited: The Manager of AE Investor, a registered managed investment scheme.	PIE: A portfolio investment entity as defined in section YA1 of the Income Tax Act 2007.
Assets: Any money, property or other assets of any kind including: (a) real and personal property; (b) any debt; and (c) any right or interest or other benefit, and any interest in, or return accruing from, any of the foregoing whether in possession or not.	Prescribed Investor Rate (PIR): PIR has the meaning given to that term by section YA1 of the Income Tax Act 2007.
Auditor: William Buck Ltd, Auckland.	Purification: The method used to cleanse any investment income that may have been generated by a corporation from non-permissible activities under the AAOIFI Standards (for example, pork and alcohol).
Authorised Investments: For AE KiwiSaver Plan, this is currently defined as the stocks of up to 50 corporations listed on approved stock exchanges (NYSE, NYSE MKT LLC or NASDAQ), or cash (US dollars). All investments must comply with AE KiwiSaver Plan's Strict Ethical Mandate.	Register: The register of Scheme Members maintained by the Manager under the Trust Deed.
Custodian: Apex Investment Administration (NZ) Limited, Wellington	Registrar: Appello Services Limited.
Directors: The Directors of Always-Ethical Limited, unless otherwise stated.	Relevant Law: All laws applicable to the Manager (including compliance with the terms of its market services licence from the FMA), the Supervisor and/or the Scheme at applicable points in time and which may include, without limitation, the Scheme Provider Agreement, the financial markets legislation and any guideline, ruling, notice or methodologies and frameworks issued by the FMA, the Commissioner or the Registrar.
Employer: Any contributing employer or participating employer.	Scheme: AE KiwiSaver Plan.
Establishment Deed: A deed to establish an investment fund of the Scheme.	Scheme Member: A member of AE KiwiSaver Plan.
Strict Ethical Mandate: The restricted investment Strict Ethical Mandate of the Scheme and AE KiwiSaver Plan, as outlined in the current SIPO.	Trust Deed: The master trust deed for AE KiwiSaver Plan.
FMA: Financial Markets Authority, the government agency responsible for regulating capital markets and financial services in New Zealand.	Unit: A unit in AE KiwiSaver Plan, unless stated otherwise.
FMC Act and FMC Regulations: The Financial Markets Conduct Act 2013 and the Financial Market Conduct Regulations 2014.	Valuation time: Means, in respect of AE KiwiSaver Plan, such time or times, and at such intervals as the Manager may from time to time determine, by reference to which the value of AE KiwiSaver Plan is calculated provided that such intervals shall be no longer than one month or other such period determined by the Manager.
Government Contribution: The Government contribution matching your contributions to AE KiwiSaver Plan at the rate of 25c per dollar (up to a current maximum Government contribution of \$260.72 a year) which under current legislation will be credited to AE KiwiSaver Plan while you are aged 16 or more and below the current superannuation age (currently 65), are contributing and reside mainly in New Zealand.	Withdrawal date: The date when you reach the standard qualifying age for New Zealand superannuation (currently 65) or the date, if later, when; you have been a member of one or more KiwiSaver schemes over a period of five years; or you have been a member of one or more complying superannuation funds and KiwiSaver schemes over a period of 5 years.