

Generate Unit Trust Scheme (Managed Funds)

Annual Report

FOR THE PERIOD ENDED
31 MARCH 2024



Your Generate Unit Trust Scheme (Managed Funds) Year in review

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Highlights

We launched new funds

We launched two new specialist funds in July 2023, introducing our Thematic and Australasian Managed Funds' to the scheme.

These specialist funds give Generate investors with access to a wider selection of funds so they can better tailor their investment towards their specific savings goals and objectives.



Recognition for responsible investing

We continue to work actively with partners for a more sustainable future and are proud of the industry recognition we've received for our community and environmental impact investments.

We were pleased to be named as finalists for Responsible Investment Manager of the Year at the Research IP Fund Manager of the Year Awards 2023.

And it was great to have all of Generate's funds recognised as 'Mindful Funds' by Mindful Money for another year.

The Mindful Fund badge is awarded to responsible investment funds that meet Mindful Money's criteria for avoiding harm, practicing stewardship, and supporting sustainable companies.

See mindfulmoney.nz for more details.

For further details on our approach to responsible investment download our Responsible Investing Policy at generatewealth.co.nz/responsible-investing



Award winning funds

In November, Generate won two awards at the Research IP Fund Manager of the Year Awards 2023. As well as taking home a KiwiSaver Award, our Focused Growth Managed Fund won the Diversified Fund of the Year Award for its proven success in the year to date.

Celebrating our charity partners

Generate's parent company continued to work with the Live Ocean Foundation, and has committed to a minimum \$150,000 donation over three years, to support the incredible work they do to protect and restore our significant ocean spaces.

We also announced a new charity partnership with the Spirit of Adventure Trust. This collaboration aims to support the development and growth of young people in New Zealand, empowering them to develop the skills and resilience they need to achieve their goals in life – just as we are committed to helping our investors reach their investment goals.

As part of this partnership, we have sponsored four young Kiwis to join one of these voyages. We eagerly anticipate hearing about their experiences.

Kiwis taking care of Kiwis

As a proud Kiwi owned and operated fund manager we're passionate about empowering Kiwis to make smart savings decisions that will help them be better off in the future.

It's been fantastic to have more Kiwis than ever before invest with us this year. We take this responsibility seriously and strive to exceed expectations over the long-term.

Details of the Scheme

The Generate Unit Trust Scheme (Managed Funds) (the “Scheme”)

This annual report for the Scheme covers the period 1 April 2023 - 31 March 2024.

The Scheme is a registered Unit Trust scheme.

The Manager of the Scheme is Generate Investment Management Limited (“Generate”), who is also the investment manager of the Scheme.

For more information about our investment team, investment philosophy and historical investment returns please refer to our website generatewealth.co.nz

The Supervisor of the Scheme is Public Trust (the “Supervisor”).

The current product disclosure statement for the Scheme is dated 17 May 2024 and is open for applications and available at generatewealth.co.nz

The 30 June 2024 quarterly fund updates are available at generatewealth.co.nz

The latest financial statements and auditor’s report for the scheme for the financial year 1 April 2023 - 31 March 2024 were registered under the Financial Markets Conduct Act 2013 on 25 July 2024.

Information on contributions and Scheme participants

As at 1 April 2023 the scheme had three managed investment product on issue.

As at March 2024 the scheme had five managed investment products on issue.

INVESTMENT OPTION	Units on issue at 1 April 2023	Units on issue at 31 March 2024
Conservative Managed Fund	147,741	538,946
Balanced Managed Fund	758,210	1,586,451
Focused Growth Managed Fund	18,282,561	21,856,522
Australasian Managed Fund*	–	165,288
Thematic Managed fund*	–	2,105,145

* Launched 3 July 2023

Changes relating to the Scheme

The following is a summary of material changes relating to the Scheme made during the year ended 31 March 2024.

Governing Document

Over the accounting period:

- amendments to the Trust Deed were made to facilitate the manager's ability to implement additional liquidity management tools, permit the direct payment of adviser fees and allow for the potential introduction of performance fees (noting that no performance fees with respect to the Manager have been implemented) dated 10 May 2023;
- the Australasian and Thematic Managed Funds were established via a Deed of Establishment dated 27 June 2023.

Terms of the offer of interests in the Scheme

We updated the Product Disclosure Statement in June 2023, changes included:

- amendments to facilitate the offering of two new Generate Managed Funds, being the Australasian Managed Fund and the Thematic Managed Fund and incorporate references to these new Funds;
- reducing the fees for the Balanced and Focused Growth Managed Funds.

Statement of Investment Policy and Objectives

During the accounting period the SIPO was amended:

- in June 2023 for the addition of the Australasian and Thematic Managed Funds;
- in October 2023 to increase the investment concentration limit for international equities and adjustments for cash and cash equivalents and income assets.

Related Party Transactions

There was one change to the nature and scale of the Scheme's related party transactions. During this accounting period, a related party of the Manager, Generate Investment Holdings Limited, introduced new services that may be offered to Scheme members. Scheme members may authorise the Manager to pay Generate Investment Holdings Limited's fees for such services directly from the member's account. The Manager provided a Related Party Certificate to its Supervisor, Public Trust, notifying Public Trust of this potential arrangement and the associated related party transactions. All related party transactions with the Scheme were on arm's length terms.

Other information for particular types of managed funds

Investment Performance

The investment performance of each of the Funds for the year ended 31 March 2024 was:

FUND	\$ Unit price on 31/03/23	\$ Unit price on 31/03/24
Focused Growth Managed Fund	1.1178	1.3953
Balanced Managed Fund	1.0304	1.1811
Conservative Managed Fund	1.0125	1.0934
Australasian Managed Fund*	n/a	1.0434
Thematic Managed Fund*	n/a	1.2462

* Unit prices for these funds are not available as they were launched in July 2023

Past performance is not necessarily an indicator of future performance. No returns are guaranteed or assured by any person.

Returns since inception and the current unit prices are available at generatewealth.co.nz

Changes to persons involved in the Scheme

There were no changes to the manager, key personnel, administration manager, investment manager, custodian, securities registrar, Supervisor or auditor of the scheme.

Changes to the Board of members of Generate Investment Management Limited

1. Nicholas Kynoch was appointed as an Executive Director on 18 April 2023.
2. Scott Weenink resigned as a member on 14 September 2023.
3. Helen Robinson was appointed as a Director on 12 October 2023.

How to find further information

Further information about the Scheme is available on the Disclose Register at: www.companiesoffice.govt.nz/disclose

The information on the Disclose Register is provided in two sections, under 'Schemes' and 'Offers'.

1. The 'Schemes' section includes information such as the Governing Document (Trust Deed), the financial statements, annual report and the SIPO.
2. The 'Offers' section includes information such as the product disclosure statement, quarterly fund updates, historic fund returns and other material information.

This information is also available on our website generatewealth.co.nz or you can request it via email at info@generatewealth.co.nz or Freephone on 0800 855 322. This information is provided at no charge to you.

Contact details and complaints

If you have any questions or complaints about your investment please contact us:

Compliance Officer
Generate Investment Management Limited
Level 9, Jarden House
21 Queen Street
Auckland Central
Auckland 1010

PO Box 91609
Victoria Street West
Auckland 1142

Freephone: **0800 855 322**
Email: **info@generatewealth.co.nz**
Website: **generatewealth.co.nz**

You may also contact the Supervisor at:

Client Services Manager
Corporate Trustee Services
Public Trust
SAP Tower, Level 16
151 Queen Street
Auckland 1010

Private Bag 5902
Wellington 6140

Freephone: 0800 371 471

If we or the Supervisor are unable to resolve your complaint, you may contact our external dispute resolution scheme. We are members of Financial Services Complaints Limited (FSCL). You can contact FSCL at:

Financial Services Complaints Limited
Level 4
101 Lambton Quay
Wellington 6011

PO Box 5967
Wellington 6140

Freephone: 0800 347 257
Email: complaints@fscl.org.nz

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.

Full details of how to access the FSCL scheme can be obtained from its website fscl.org.nz.

You may contact the securities registrar at:

APEX Investment Administration Limited
Level 25, QBE Centre
125 Queen Street
Auckland 1010

Telephone: 09 309 8926

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