

CLARITY FUNDS

Details of the scheme

The name of the Scheme is Clarity Funds Scheme, comprising nine retail funds:

- Clarity Trans-Tasman Value Fund
- Clarity Dividend Yield Fund
- Clarity Fixed Income Fund
- Clarity Global Shares Fund
- Clarity Diversified Income Fund
- Clarity Diversified Growth Fund
- Clarity - Capital Group New Perspective Fund
- Clarity New Zealand Equity Fund
- TAHITO Te Tai o Rehua Fund

The Scheme is a registered Managed Investment Scheme which is an "other" managed fund, that is, a managed fund that is not a KiwiSaver scheme, workplace savings scheme or superannuation scheme.

The Manager of the Scheme is Clarity Funds Management Limited (**Clarity**).

The Supervisor of the Scheme is New Zealand Guardian Trust Company Limited (**Guardian Trust**).

The latest Product Disclosure Statements are dated 30 September 2022 for the Clarity Funds and 27 July 2023 for the TAHITO Te Tai o Rehua Fund, both are open for applications.

The latest Fund Updates for each of the funds in the Scheme are for the quarter ended 30 June 2023 and were made publicly available on 31 July 2023. Copies of these can be found at www.clarityfunds.co.nz or on the offer register www.business.govt.nz/disclose.

The latest financial statements and auditor's reports for the Scheme for the period ended 31 March 2023 (the **Accounting Period**) have been lodged with the Registrar. The auditor's report did not contain any materially adverse findings nor was it qualified or modified in any respect.

A copy of these can be accessed on the scheme register www.business.govt.nz/disclose.

Information on contributions and Scheme participants

There were nine retail managed investment products on issue during the Accounting Period. The table below sets out the number of units on issue in each Fund at the start and at the end of the Accounting Period.

| Fund | Units on issue 31 March 2022 | Units on issue 31 March 2023 |
|--|---------------------------------|---------------------------------|
| Clarity Trans-Tasman Value Fund | 44,164,632 | 42,768,453 |
| Clarity Dividend Yield Fund | 85,568,918 | 84,356,017 |
| Clarity Fixed Income Fund | 153,023,941 | 163,207,669 |
| Clarity Global Shares Fund | 43,475,125 | 36,834,271 |
| Clarity Diversified Income Fund | 2,505,961 | 1,927,980 |
| Clarity Diversified Growth Fund | 1,477,464 | 1,334,620 |
| Clarity - Capital Group New Perspective Fund | 31,535,981 | 31,179,032 |
| Clarity New Zealand Equity Fund | 3,742,962 | 5,825,114 |
| TAHITO Te Tai o Rehua Fund | 3,498,788 | 6,083,950 |

Changes relating to the Scheme

There have been no material changes to the Scheme during the Accounting Period. The following is a list of non-material changes made to the Product Disclosure Statements (PDS) and Other Material Information (OMI):

- PDS:
 - Capital New Perspective Fund and Clarity Global Shares Fund risk indicators changed from 5 to 6 in September 2022.
 - Clarity Capital New Perspective Fund management fee reduced from 1.25% to 1.15% in September 2022.
 - Clarity Diversified Growth Fund Strategic Asset Allocation changed from 47.5%/47.5% Australasian/International Equities split to 37.5%/57.5% in September 2022.
 - Clarity Fixed Income Fund risk indicator changed from 2 to 3 in March 2023.
- PDS & OMI: Clarity has implemented Swing Pricing triggered by a threshold to ensure any impacts on non-transacting investors from large transactions are borne by the transacting investors, and to manage significant market volatility.
- PDS: TAHITO Te Tai o Rehua obtained Responsible Investment Association of Australasia (RIAA) Certification, disclosures have been updated to reflect this.

No related party transactions were entered into during the Accounting Period that were not at arm's-length and enacted on normal commercial terms.

To see the updated details, please refer to the current Clarity Funds and TAHITO Te Tai o Rehua Fund PDS's, SIPO's and the Clarity Funds Scheme OMI. These are available from our websites, www.clarityfunds.co.nz, www.tahito.co.nz or on the scheme register (SCH10600) at www.business.govt.nz/disclose.

Other information for particular types of managed funds

The table below sets out the unit prices for the Funds at the start and at the end of the Accounting Period.

| Fund | Unit price (\$) as at 1 April 2022 | Unit price (\$) as at 31 March 2023 |
|--|------------------------------------|-------------------------------------|
| Clarity Trans-Tasman Value Fund | 2.9911 | 2.7885 |
| Clarity Dividend Yield Fund | 1.5477 | 1.4089 |
| Clarity Fixed Income Fund | 1.0961 | 1.0728 |
| Clarity Global Shares Fund | 3.9749 | 4.0291 |
| Clarity Diversified Income Fund | 2.6491 | 2.5423 |
| Clarity Diversified Growth Fund | 3.6099 | 3.5337 |
| Clarity - Capital Group New Perspective Fund | 3.4506 | 3.2682 |
| Clarity New Zealand Equity Fund | 2.7128 | 2.5605 |
| TAHITO Te Tai o Rehua Fund | 3.1687 | 3.0393 |

Changes to persons involved in the scheme

There have been no material changes to the Scheme during the Accounting Period.

Supervisor

The Board of Guardian Trust had one change during the Accounting Period, Sarah Graydon was appointed to the Board of Directors in March 2023. As at 31 March 2023 the Board comprised:

- Robin Flannagan
- Bryan Connor
- Sarah Graydon (appointed 20 March 2023)

Investment Manager

There have been no changes to investment managers during the period.

MFS International Australia Pty Limited was the sub investment manager for the Clarity Global Shares Fund, and Capital International Management Company Sarl was the sub investment manager for the Clarity - Capital Group New Perspective Fund and TAHITO Limited was the Investment Advisor for the TAHITO Te Tai o Rehua Fund throughout the Accounting Period.

How to find further information

Further information relating to the Scheme and the Funds including the Trust Deed, SIPO and financial statements is available on the offer register and the scheme register at www.business.govt.nz/disclose. A copy of information on the offer register or scheme register is available on request to the Registrar. Information about the Funds and Clarity such as Fund Updates, annual reports and the latest unit prices can be found on the Clarity website www.clarityfunds.co.nz and the TAHITO website www.tahito.co.nz. You can obtain a copy of these documents from us free of charge using the contact details provided below.

See below for details on how to obtain the latest information on the Funds.

| Information | How to obtain |
|--|--|
| Fund Updates | Copies of the latest Fund Updates are available on www.clarityfunds.co.nz , www.tahito.co.nz and the offer register (OFR10601) at www.business.govt.nz/disclose or on request from us. |
| Product Disclose Statements (PDS) | A copy of the latest PDSs for the Clarity Funds and the TAHITO Te Tai o Rehua Fund are available on www.clarityfunds.co.nz , www.tahito.co.nz and the offer register (OFR10601) at www.business.govt.nz/disclose or on request from us. |
| Statement of Investment Policy and Objectives (SIPO) | A copy of the latest SIPOs for the Clarity Funds and the TAHITO Te Tai o Rehua Fund are available on www.clarityfunds.co.nz , www.tahito.co.nz and the scheme register (SCH10600) at www.business.govt.nz/disclose or on request from us. |
| Other Material Information (OMI) | A copy of the latest Clarity Funds OMI is available on www.clarityfunds.co.nz and the offer register (OFR10601) at www.business.govt.nz/disclose or on request from us. |
| Unit Price | The latest unit prices are available on the Clarity website www.clarityfunds.co.nz , the TAHITO website www.tahito.co.nz or on request from us. |
| Trust Deed | A copy of the Trust Deed is available on the scheme register (SCH10600) at www.business.govt.nz/disclose . |
| Financial Statements | The latest financial statements are available on the scheme register (SCH10600) at www.business.govt.nz/disclose . |

Contact details and complaints

If you have any queries or complaints about the Scheme, you can contact Clarity, in the first instance, or Guardian Trust using the details provided below.

Manager

Clarity Funds Management Limited

Level 1, 87 Hurstmere Road
Takapuna, Auckland 0622
PO Box 33-1106
Takapuna, Auckland 0740
Telephone: 09 308 1450
Email: info@clarityfunds.co.nz
Please direct queries or complaints
to Samantha Rowe, Compliance Manager

Supervisor

The New Zealand Guardian Trust Company Limited

Level 6, 191 Queen Street
Auckland 1010
PO Box 274, Shortland Street
Auckland 1140
Telephone: 0800 683 909
Email: ct-auckland@nzgt.co.nz
Attention: Clarity Funds Relationship Manager

You may also contact the securities registrar, APEX Group Limited using the following details:

APEX Group Limited

Level 25, QBE Centre, 125 Queen Street, Auckland 1010
PO Box 106 039, Auckland City, Auckland 1143
Telephone: 09 309 8926

If, having exhausted these alternatives, you wish to pursue your complaint further, you may contact:

Insurance and Financial Services Ombudsman Scheme

Level 2, Solnet House, 70 The Terrace, Wellington 6143
PO Box 10-845, Wellington 6143
Telephone: 0800 888 202
Email: info@ifso.nz

Clarity is a member of the Insurance and Financial Services Ombudsman Scheme (IFSO), an independent dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

Further information about referring a complaint to IFSO can be found at www.ifso.nz. There is no cost to you in referring a complaint to the IFSO.

Or:

Financial Services Complaints Limited

Level 4, 101 Lambton Quay, Wellington 6011
PO Box 5967, Wellington 6140
Telephone: 0800 347 257
Email: info@fscl.org.nz or complaints@fscl.org.nz

Guardian Trust is a member of the Financial Services Complaints Limited (FSCL), an independent dispute resolution scheme approved under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

Further information about referring a complaint to FSCL can be found at www.fscl.org.nz. There is no cost to you in referring a complaint to FSCL.

If you have any questions, please contact us on +64 09 308 1450
or visit our website www.clarityfunds.co.nz