

# KEY INVESTOR INFORMATION DOCUMENT

## CPF Balanced Fund

A Sub-Fund of CPF Unit Trust Funds

Managed by CPF Asset Managers

This document provides you with key investor information about CPF Balanced Fund. It is not a marketing material. The information is required by law to help you understand the nature and risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

### OBJECTIVE

The investment objective of the Balanced Fund is to maximize total returns for unitholders, by preserving and growing the real value of both capital and income. The fund places equal emphasis on generating income and achieving capital growth.

### INVESTMENT POLICY

The Fund is actively managed and offers a diversified portfolio of equity securities, higher-yielding bonds, and money market instruments. It allocates up to 60% to lower-risk bonds to generate income, up to 60% to equity securities for capital growth, and up to 10% to money market instruments to maintain liquidity and stability.

The value of the Fund's holding of securities relating to any single issuer shall not exceed 25% of the Unit Trust Scheme's properties net asset value.

The Fund's benchmark return shall be S&P Sovereign Bond Index plus 100 basis points.

**Recommendation:** it is possible that the Fund may not be appropriate for investors who plan to withdraw their money within three years.

### KEY BENEFITS

- Competitive returns
- Diversification
- Security
- Professional Fund Management

### RISK REWARD PROFILE

The Risk and Reward indicator table demonstrates where the scheme ranks in terms of its potential risk and reward.

#### Lower Risk

Typical lower Rewards

#### Higher Risk

Typically higher Rewards

1	2	3	4	5	6	7
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- issuer can not fulfil its obligations to repay in due time the principal and/or the interest due;
- Liquidity risk associated with the risk that, under certain conditions, it makes it difficult or impossible to sell financial instruments held by the Fund at an acceptable price, as well as the risk that, under certain conditions, the units of the Fund may not be redeemed.

### WHY THE FUND IS CATEGORY 4

- The Fund is rated category 4 because of its historical volatility of returns due its exposure in equity instrument(risk), debt(low) and money market instruments( risk-free) and reflects the market risk of depreciation of the units.
- Investing in the Fund carries additional risks not covered by the risk and reward indication which includes the following:
- Interest rate risk associated with a decrease in the value of the investment due to a change in the level of interest rates;
- Credit risk associated with the risk that the bond

### WHAT THE NUMBERS MEAN

They are how a fund might behave and how much risk there is to your capital. Generally, the chance to make large gains means a risk of suffering large losses.

A **Category 1** fund is not a risk-free investment- the risk of losing money is small , but the chance of making gains is also limited. With **Category 7** fund, the risk of losing your money is high but there is also a chance of making higher gains.

For a more detailed explanation of risks, please refer to the "Key Investment Risks" section of the Information Memorandum.

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### CHARGES AND ASSOCIATED COSTS

These charges are used to pay the costs of running the fund, including the costs of marketing and selling. Overall, they reduce the growth of your investment

#### ONE OFF CHARGES BEFORE YOU INVEST

<b>Entry Charge</b>	<b>0% Initial Fee</b>
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<b>Exit Charge</b>	<b>0%</b>
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#### CHARGES TAKEN FROM THE FUND OVER A YEAR

<b>Fund Management Fees</b>	<b>3% of AUM per annum in management fees covering various costs including custodian, trustees, administration and fund managers' fees</b>
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#### CHARGES TAKEN FROM THE FUND UNDER CERTAIN SPECIFIC CONDITIONS

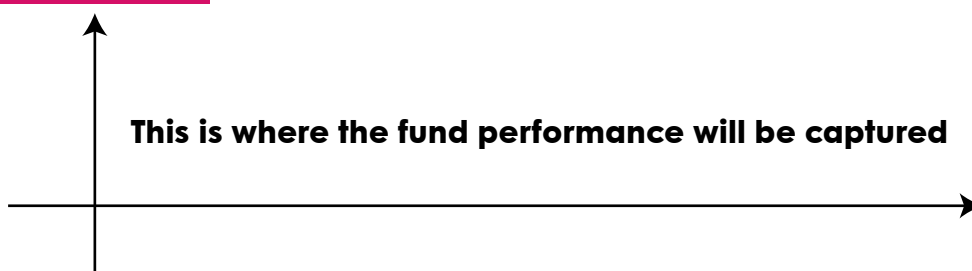
<b>Performance Fees</b>	<b>15% of the return earned above the benchmark</b>
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The entry and exit charges shown are the maximum figures. In some cases, you might pay less – you can find this out from your financial adviser.

The fund management fee is fixed charge and is same year to year unless changed through an amendment of the information memorandum upon the Authority's approval. This figure Excludes portfolio transaction costs, which may vary from year to year based on trading Activity in the portfolio.

You can find out more details about the charges by looking at the "Charges" section of the information memorandum.

### PAST PERFORMANCE



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### PRACTICAL INFORMATION

	<b>Custodian</b>	NCBA BANK KENYA LTD
	<b>Trustee</b>	KCB Bank Kenya Limited
<b>About the Fund</b>	<ul style="list-style-type: none"> <li>CPF Balanced Fund is a CIS product established under the Capital Markets regulations as a unit trust under the provisions of the Capital Markets ( Collective Investment Schemes) Regulations, 2023.</li> <li>The Fund shall operate as an open-ended fund and its units shall therefore be continuously offered through the fund manager and its authorised agents.</li> <li>The unit holders' interest in the Fund will be represented by the units held in the Fund determined by the Net Asset Value of the Fund.</li> <li>This Fund is subject to tax laws and regulations of Kenya. Depending on your home country of residence, this might have an impact on your personal tax position. For further details, please consult your adviser.</li> <li>The currency of the fund is in KES.</li> </ul>	
<b>Find out More</b>	<ul style="list-style-type: none"> <li>The essential elements provided by the Information Memorandum, trust Deed and the Key Investor Information Document shall be comprehensible to the investor without any reference to other documents.</li> <li>Further Information about the scheme, Information Memorandum, annual and half- yearly reports may be obtained free of charge at the Managers Website, <a href="http://www.cpfaminvest.com">www.cpfaminvest.com</a> or at the managers offices, :  <i>CPF Asset Managers Limited 7th Floor, CPF Building, Haile Selassie Avenue.</i></li> <li>In addition, an up-to-date version of the key investor information shall be made available on the website of the fund manager.</li> </ul>	
	<b>Auditor</b>	PricewaterhouseCoopers LLP

- This Fund is authorised in Kenya and regulated by the Kenya Capital Markets Authority.
- The Fund Manager, CPF Asset Managers Limited is regulated by the **Capital Markets Authority** (Kenya) under license number 164 issued on 3<sup>rd</sup> May 2023.

This Key Investor Information is accurate as at 1<sup>st</sup> August 2025.