

Investment Update

SuperLife Invest

SuperLife^{Age Steps} - Age 50

For the quarter ended 31 March 2017.

This investment update was first made publicly available on 28 April 2017.

What is the purpose of this update?

This document tells you how SuperLife^{Age Steps} - Age 50 has performed and what fees were charged. The document will help you to compare the stage with funds. Smartshares Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this stage

SuperLife^{Age Steps} automatically adjusts the proportion of your investment in income and growth assets depending on your age. As you get older, the proportion of your investment in more volatile growth assets will be reduced, lowering the expected size of the ups and downs in the value of your investment. This option may be suitable if you are saving for retirement (assumed to be age 65), and assumes you will continue to invest your savings and spend them over your retirement period.

Your SuperLife^{Age Steps} - Age 50 investment will be allocated 25% to SuperLife^{Income} and 75% to SuperLife¹⁰⁰ (which are managed funds the stage invests in).

Total value of SuperLife ^{Age Steps} :	\$ Nil
Number of investors in SuperLife ^{Age Steps} :	Nil
The date SuperLife ^{Age Steps} started:	28 October 2016

What are the risks of investing?

Risk indicator for SuperLife^{Age Steps} - Age 50 ¹



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the stage's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a stage's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2017. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future stage updates.

See the Product Disclosure Statement for SuperLife Invest for more information about the risks associated with investing in this stage.

How has the stage performed?

	Past year
Annual return (after deductions for charges and tax)	Not applicable
Annual return (after deductions for charges but before tax)	Not applicable
Market index annual return (reflects no deduction for charges and tax)	9.67%

The market index annual return is based on the weighted average return of the market indices used to assess the performance of the assets that the stage invests in. Additional information about the market index is available on the offer register at www.business.govt.nz/disclose.

What fees are investors charged?

Investors in SuperLife^{Age Steps} - Age 50 are charged fund charges. These are as follows:

	% per annum of stage's net asset value
Total fund charges (estimate)	0.50% ²
Which are made up of:	
Total management and administration charges (estimate)	0.50% ²
Including:	
Manager's basic fee	0.27%
Other management and administration charges (estimate)	0.23% ²
Total performance-based fees	0.00%
Other charges	Dollar amount per investor
Administration fee	\$12 per annum
Paper statements fee	\$18 per annum ³

Investors will not be charged individual action fees for specific actions or decisions. See the Product Disclosure Statement for SuperLife Invest for more information about the fees investors are charged.

Small differences in fees and charges can have a big impact on your investment over the long term.

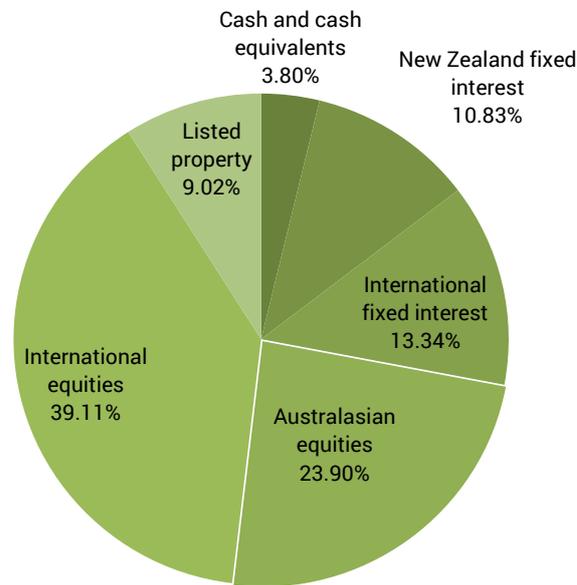
Example of how this applies to an investor

Jess had \$10,000 in the stage on 28 October 2016 and did not make any further contributions. On 31 March 2017, Jess received a return after fund charges were deducted of \$756 (that is 7.56% of her initial \$10,000). Jess paid other charges of \$5 (Jess received statements and other SuperLife communications electronically and was not charged the paper statements fee). This gives Jess a total return after tax of \$751 for the 5 months and 4 days.

What does the stage invest in?

Actual investment mix

This shows the types of assets that the stage invests in.



Target investment mix

This shows the mix of assets that the stage generally intends to invest in.

Asset Category	Target asset mix
Cash and cash equivalents	-
New Zealand fixed interest	12.50%
International fixed interest	12.50%
Australasian equities	25.50%
International equities	40.50%
Listed property	9.00%
Unlisted property	-
Commodities	-
Other	-

Top ten investments

Name	% of stage's net assets	Type	Country	Credit rating (if applicable)
Vanguard FTSE Europe ETF	10.75%	International equities	United States	
Vanguard S&P 500 ETF	6.40%	International equities	United States	
Vanguard International Credit Securities Index Fund (Hedged)	6.20%	International fixed interest	Australia	
Vanguard FTSE Emerging Markets ETF	5.06%	International equities	United States	
Vanguard FTSE Pacific ETF	3.94%	International equities	United States	
MI Somerset EM Dividend Growth Fund A Accumulation	2.44%	International equities	United Kingdom	
Vanguard Value ETF	2.41%	International equities	United States	
Vanguard Growth ETF	2.36%	International equities	United States	
ASB NZD Current Account	1.91%	Cash and cash equivalents	New Zealand	AA-
Nikko AM Wholesale NZ Bond Fund	1.89%	New Zealand fixed interest	New Zealand	

The top 10 investments make up 43.36% of the stage.

Currency hedging

SuperLife^{Income} and SuperLife¹⁰⁰ (which are managed funds this stage invests in) do not hedge their foreign currency exposure, but may invest in funds which do.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the stage:

Name	Current position	Time in current position	Previous or other positions	Time in previous / other position
Paul James Baldwin	Director	3 months	Head of NZX Wealth Technologies - NZX	8 months
Michael John Chamberlain	Head of SuperLife Funds Management - NZX	2 years and 2 months	Director - SuperLife	18 years and 6 months
Guy Roulston Elliffe	Director	1 year and 4 months	Corporate Governance Manager - ACC	1 year and 11 months
Bevan Keith Miller	Director	3 years and 7 months	Chief Financial Officer - NZX	4 years and 3 months
Alister John Williams	Director	1 year and 4 months	Investment Manager - Trust Management	2 years and 2 months

Further information

You can also obtain this information, the Product Disclosure Statement for SuperLife Invest, and some additional information, from the offer register at www.business.govt.nz/disclose.

Notes

- 1 Market index returns (as well as actual returns) have been used to complete the risk indicator as SuperLife^{Age Steps – Age 50} invests in SuperLife^{Income} and SuperLife¹⁰⁰ (together with the NZ Cash Fund), which have not been in existence for 5 years. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of SuperLife^{Age Steps – Age 50}. The risk indicator for SuperLife^{Age Steps – Age 50} uses 4 years and 7 months of market index returns for SuperLife^{Income} and SuperLife¹⁰⁰.
- 2 Estimates have been used to calculate the other management and administration charges. These estimates are based on our experience in respect of the other SuperLife managed investment schemes we manage and assume that the fund's actual investment mix will be consistent with the target investment mix set out in this fund update.
- 3 You will only be charged this fee if you choose to receive statements and other SuperLife communications in paper form.