

# SuperLife UK pension transfer scheme

## NZ Dividend Fund

### Fund update for the quarter ended 30 September 2019

This fund update was first made publicly available on 25 October 2019.

### What is the purpose of this update?

This document tells you how the NZ Dividend Fund has performed and what fees were charged. The document will help you to compare the fund with other 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 fund

The NZ Dividend Fund invests in the Smartshares Exchange Traded Funds' NZ Dividend ETF.

Total value of the fund:	\$259,724
Number of investors in the fund:	11
The date the fund started:	21 September 2015

### What are the risks of investing?

#### Risk indicator for the NZ Dividend Fund<sup>1</sup>



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund'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](http://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 fund's future performance. The risk indicator is based on the returns data for 5 years to 30 September 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

#### Other specific risks

There are other risks that may increase the risk to returns for investors, which are not reflected in the risk indicator. These risks include the risk that changes to the UK's rules for recognised overseas pension schemes (ROPS) limit your ability to withdraw your investments or affect

the UK tax you pay on your investment. We will not be liable for any loss you may suffer if this happens.

There is also underlying fund tracking risk. In particular, the fund invests in an exchange traded fund, which is designed to track the return on a specific index. Tracking difference may occur when the weighting of each of the financial products included in the index changes, and the fund that tracks the index is not able to exactly match that change. There is a risk that this may result in the fund achieving a return that is lower than the index being tracked by the fund.

See the 'Other Material Information' document on the offer register at

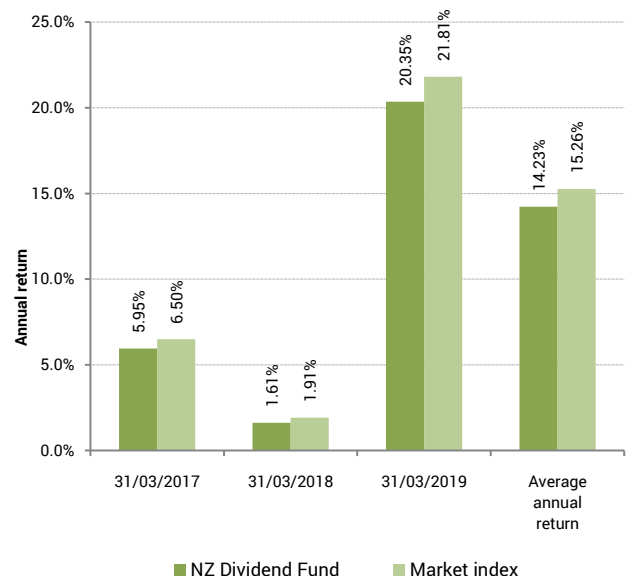
[www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) for further information about the risks of investing in the SuperLife UK pension transfer scheme.

### How has the fund performed?

	Past year
<b>Annual return</b> (after deductions for charges and tax)	22.02%
<b>Annual return</b> (after deductions for charges but before tax)	23.90%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	23.56%

The market index annual return is based on the annual return of the S&P/NZX 50 High Dividend Index. Additional information about the market index is available in the 'Other Material Information' document on the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

#### Annual return graph





This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 September 2019.

**Important:** This does not tell you how the fund will perform in the future.

### What fees are investors charged?

Investors in the NZ Dividend Fund are charged fund charges. In the year to 31 March 2019 these were:

	% per annum of fund's net asset value
<b>Total fund charges</b>	0.60%
Which are made up of:	
<b>Total management and administration charges</b>	0.60%
Including:	
Manager's basic fee	0.50%
Other management and administration charges	0.10%
<b>Other charges</b>	<b>Dollar amount per investor</b>
Administration fee	\$60 per annum

Investors may also be charged individual action fees for specific actions or decisions (for example, for transferring money into the scheme from a UK pension scheme). See the Product Disclosure Statement for the SuperLife UK pension transfer scheme for more information about those fees.

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

GST is included in the fund charges set out above.

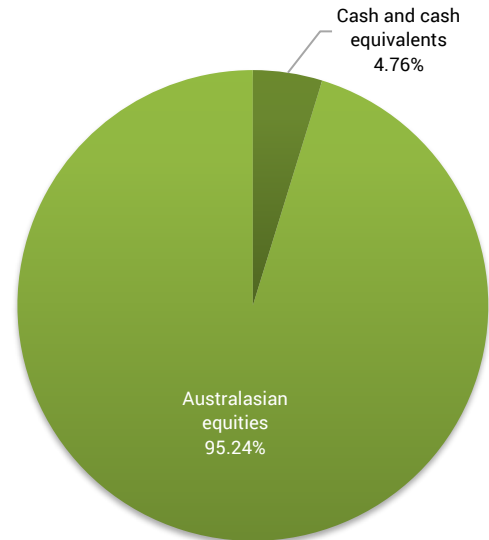
### Example of how this applies to an investor

Jess had \$10,000 in the fund and did not make any further contributions. At the end of the year, Jess received a return after fund charges were deducted of \$2,202 (that is 22.02% of her initial \$10,000). Jess paid other charges of \$60. This gives Jess a total return after tax of \$2,142 for the year.

### What does the fund invest in?

#### Actual investment mix

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



#### Target investment mix

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

Asset Category	Target asset mix
Cash and cash equivalents	1.00%
New Zealand fixed interest	-
International fixed interest	-
Australasian equities	99.00%
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-



## Top 10 investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
Spark New Zealand Ltd	10.89%	Australasian equities	New Zealand	
Contact Energy Ltd	10.82%	Australasian equities	New Zealand	
Auckland International Airport Ltd	8.66%	Australasian equities	New Zealand	
Meridian Energy Ltd	8.15%	Australasian equities	New Zealand	
Z Energy Ltd	6.75%	Australasian equities	New Zealand	
SKYCITY Entertainment Group Ltd	5.95%	Australasian equities	New Zealand	
Air New Zealand Ltd	5.33%	Australasian equities	New Zealand	
Westpac Current Account	4.73%	Cash and cash equivalents	New Zealand	AA-
Mercury NZ Ltd	4.50%	Australasian equities	New Zealand	
Infratil Ltd	4.28%	Australasian equities	New Zealand	

The top 10 investments make up 70.06% of the fund's net asset value.

## Currency hedging

The fund does not invest in non-New Zealand dollar denominated assets and as a result does not undertake currency hedging.

## Key personnel

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

Name	Current position	Time in current position	Previous or other positions	Time in previous / other position
Guy Roulston Elliffe	Director	3 years and 10 months	Corporate Governance Manager - ACC	4 years and 5 months
Hugh Duncan Stevens	Chief Executive Officer - Smartshares	1 year and 7 months	Chief Operating Officer - Implemented Investment Solutions Ltd	2 years and 6 months
Alister John Williams	Director	3 years and 10 months	Investment Manager - Trust Management	4 years and 8 months
Stuart Kenneth Reginald Millar (new)	Chief Investment Office - Smartshares	4 months	Head of Portfolio Management - ANZ Investments	6 years and 4 months

## Further information

You can also obtain this information, the Product Disclosure Statement for the SuperLife UK pension transfer scheme, and some additional information, from the offer register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## Material changes

There have been no material changes to the nature of the scheme, the investment objectives and strategy of the fund, or the management of the scheme over the quarter ended 30 September 2019.

## Notes

- Market index returns (as well as actual returns) have been used to complete the risk indicator, as the fund has 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 the fund. The risk indicator for the fund uses 1 year of market index returns.