

SuperLife UK pension transfer scheme

NZ Cash Fund

Fund update for the quarter ended 30 June 2020

This fund update was first made publicly available on 28 July 2020.

What is the purpose of this update?

This document tells you how the NZ Cash 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

Invests in New Zealand cash (including term deposits) and designed for investors that want a defensive investment option that reflects the return (before tax, fees and other expenses) on the New Zealand cash market.

Total value of the fund:	\$3,947,390
Number of investors in the fund:	69
The date the fund started:	24 July 2012

What are the risks of investing?

Risk indicator for the NZ Cash Fund



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

How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	1.76%	1.19%
Annual return (after deductions for charges but before tax)	2.45%	1.88%
Market index annual return (reflects no deduction for charges and tax)	2.04%	1.20%

The market index annual return is based on the annual return of the S&P/NZX Bank Bills 90-Day 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.

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 fund's future performance. The risk indicator is based on the returns data for 5 years to 30 June 2020. 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.

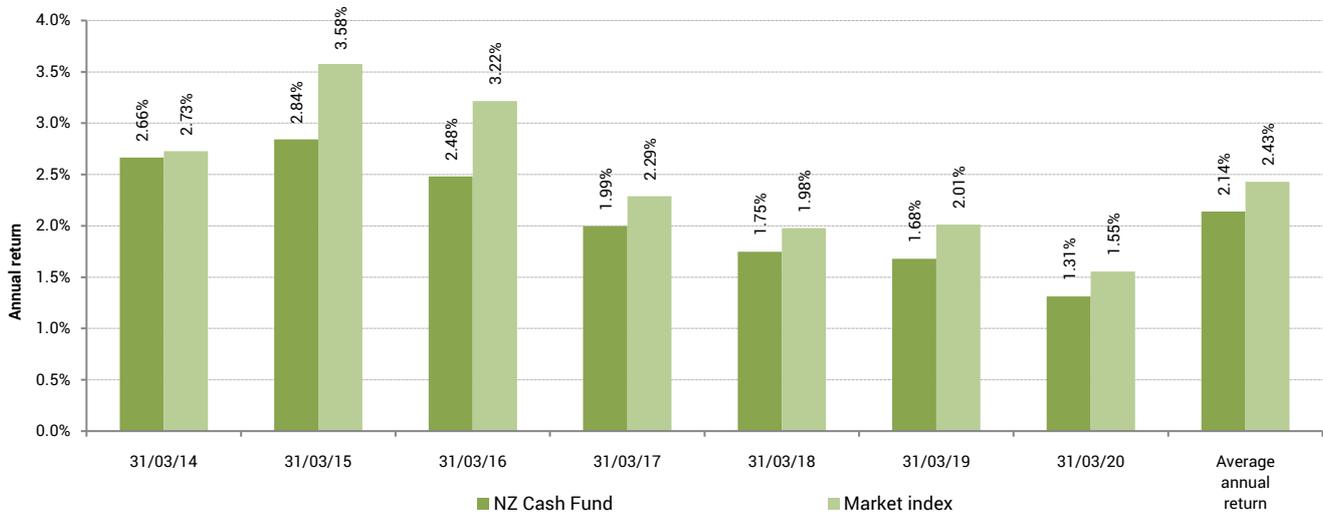
Other specific risks

There are other risks that may increase the risk to returns for investors, which are not reflected in the risk indicator. These risks include ROPS risk, which is 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.

See the 'Other Material Information' document on the offer register at www.disclose-register.companiesoffice.govt.nz for further information about the risks of investing in the SuperLife UK pension transfer scheme.



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 June 2020.

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

What fees are investors charged?

Investors in the NZ Cash Fund are charged fund charges. In the year to 31 March 2020 these were:

	% per annum of fund's net asset value
Total fund charges	0.53%
Which are made up of:	
Total management and administration charges	0.53%
Including:	
Manager's basic fee	0.53%
Other management and administration charges	-
Other charges	Dollar amount per investor
Administration fee	\$60 per annum ¹

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.

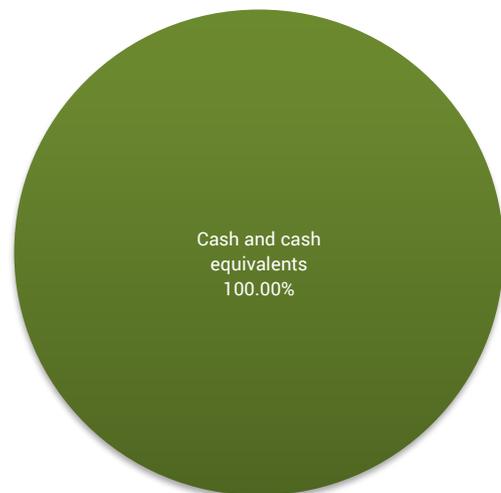
Example of how this applies to an investor

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 \$119 (that is 1.19% of her initial \$10,000). Jess paid other charges of \$60. This gives Jess a total return after tax of \$59 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	100.00%
New Zealand fixed interest	-
International fixed interest	-
Australasian equities	-
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-

Top 10 investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
Westpac Constant Maturity Deposit	10.18%	Cash and cash equivalents	New Zealand	
Bank of China Ltd 03/10/23 4.34% TD	5.97%	Cash and cash equivalents	New Zealand	A1
Westpac Current Account	3.78%	Cash and cash equivalents	New Zealand	AA-
ANZ Bank New Zealand Ltd 25/09/20 4.03% CB	2.32%	Cash and cash equivalents	New Zealand	AA-
Mercury NZ Ltd 22/09/20 PNOTE	2.27%	Cash and cash equivalents	New Zealand	A2
Rabobank New Zealand 140121 RCD	2.27%	Cash and cash equivalents	New Zealand	A1
Dunedin City Treasury Ltd 16/11/20 5.56% CB	2.16%	Cash and cash equivalents	New Zealand	AA
Fonterra Cooperative Group Ltd 08/10/21 FRN	2.14%	Cash and cash equivalents	New Zealand	A-
ANZ Bank New Zealand 07/08/20 2.32% TD	2.12%	Cash and cash equivalents	New Zealand	A1+
Westpac New Zealand 04/02/21 2.10% TD	2.12%	Cash and cash equivalents	New Zealand	A1+

The top 10 investments make up 35.33% of the fund's net asset value.

Currency hedging

The fund does not invest in non-New Zealand dollar denominated assets.



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	4 years and 7 months	Corporate Governance Manager - ACC (current position)	5 years and 2 months
Stuart Kenneth Reginald Millar	Chief Investment Officer - Smartshares	1 year and 1 month	Head of Portfolio Management - ANZ Investments	6 years and 4 months
Hugh Duncan Stevens	Chief Executive Officer - Smartshares	2 years and 4 months	Chief Operating Officer - Implemented Investment Solutions Ltd	2 years and 6 months
Alister John Williams	Director	4 years and 7 months	Investment Manager - Trust Management	5 years and 5 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.

Material changes

There have been no material changes to the nature of the SuperLife UK pension transfer scheme, the investment objectives and strategy of the fund, or the management of the scheme over the quarter ended 30 June 2020.

Notes

- 1 The administration fee is stated net of an income tax deduction applied in calculating your PIE tax payable (the deduction is paid to us). The relevant gross fee is calculated using a 28% tax rate.