



SUPERLIFE

a Member of the NZX Group

STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO)

SuperLife Superannuation Master Trust

28 August 2023



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1. Description of the Scheme

The SuperLife Superannuation Master Trust (**Scheme**) is a workplace savings scheme under the Financial Markets Conduct Act 2013.

Smartshares Limited is the manager of the Scheme (**Smartshares, we, our or us**).

The supervisor of the Scheme is Public Trust (**Supervisor**).

This Statement of Investment Policy and Objective (**SIPO**) sets out the investment policies and objectives for the Scheme and the funds offered in the Scheme (**Funds or Investment options**).

The SIPO describes how:

- we manage the Scheme's investments;
- the performance of the Scheme's investments are measured and monitored; and
- changes are made to the SIPO.

The SIPO, Product Disclosure Statement (**PDS**), other material information document and other documentation relating to the Scheme can be found in the Disclose Register at disclose-register.companiesoffice.govt.nz (search for SuperLife Superannuation Master Trust).

2. Investment philosophy

Smartshares' investment philosophy for the Scheme is based on the following key beliefs:

- Most markets and asset classes are efficient, meaning there is limited opportunity for fund managers to provide above market returns after fees and other expenses.
- Based on academic evidence, asset allocation is the single most important factor in determining long-term investment returns.
- Diversification is the best way to manage the risk that a combination of assets within a portfolio fails to meet its investment objectives.

3. Investment options

The Scheme has a range of investment options, including Diversified Funds and Single Sector Funds.

A. Diversified Funds

The Diversified Funds provide a range of risk-return profiles. These Funds may invest in a mix of the main investment asset classes of cash, fixed interest, shares and property, as well as listed infrastructure and gold. If an investor invests in a Diversified Fund, it's up to the investor to change Funds if the investor's risk-return profile changes.

B. Single Sector Funds

The Single Sector Funds invest in New Zealand, Australian and international markets that an investor can use to set their own investment strategy. Each Single Sector Fund invests in one of the main investment asset classes of cash, fixed interest, shares and property. If an investor invests in the Single Sector Funds, it's up to the investor to change Funds if the investor's risk-return profile changes.



Diversified Funds	Single Sector Funds
SuperLife Superannuation Master Trust Moderate Fund (SuperLife SMT Moderate Fund)	SuperLife Superannuation Master Trust NZ Cash Fund (SuperLife SMT NZ Cash Fund)
SuperLife Superannuation Master Trust Balanced Fund (SuperLife SMT Balanced Fund)	SuperLife Superannuation Master Trust NZ Fixed Interest Fund (SuperLife SMT NZ Fixed Interest Fund)
SuperLife Superannuation Master Trust Growth Fund (SuperLife SMT Growth Fund)	SuperLife Superannuation Master Trust World Fixed Interest Fund (SuperLife SMT World Fixed Interest Fund)
	SuperLife Superannuation Master Trust Australasian Shares Fund (SuperLife SMT Australasian Shares Fund)
	SuperLife Superannuation Master Trust World Shares Fund (SuperLife SMT World Shares Fund)
	SuperLife Superannuation Master Trust Global Property Shares Fund (SuperLife SMT Global Property Shares Fund)

4. Investment objective

Each Fund has an investment objective. These are set out in the schedules to this SIPO.

5. Investment policies

A. Derivatives

A derivative is a financial product with a value that is reliant upon or derived from an underlying asset or group of assets.

Each Fund that uses derivatives has a derivatives policy. These are set out in the schedules one through nine within section 8 of this SIPO.

B. Hedging

Purpose of currency hedging

When we buy foreign assets for a Fund, the Fund also gains foreign currency exposure. The risk that the foreign currency moves up or down relative to the NZ dollar is referred to as currency risk. This risk can be mitigated by offsetting or hedging part or all of the underlying currency exposure within a portfolio.



Our currency hedging is managed using the following methods:

1. **In-house** managed currency overlay using forward foreign exchange contracts.
2. **Outsourced** currency management by a third-party manager.
3. **Investment into** a mix of funds that are New Zealand dollar hedged and unhedged.

Hedging strategy

Diversified Funds

Smartshares implements a dynamic hedging strategy for the Diversified Funds. This means that each Fund has a target hedging level, but we may choose to adopt a different level where we consider there are opportunities to add value based on prevailing market conditions and currency valuations. The allowable currency hedging level for the Diversified Funds is between 0% and 120%.

Single Sector Funds

Target hedging levels are adopted in respect of each of the Single Sector Funds. The actual hedging level may vary from the target over time due to cashflows and market movements. Adjustments are subsequently made to bring the currency hedging back to the target level.

The table below outlines the benchmark hedging level for each asset class within our Diversified Funds.

Diversified Funds currency hedging

Asset Class	Benchmark Hedging Level
Cash and cash equivalents	No foreign currency exposure
New Zealand fixed interest	No foreign currency exposure
International fixed interest	100%
Australasian equities*	50%
International equities	50% Developed Markets 0% Emerging Markets
Listed property	100%
Other (Listed Infrastructure)	100%
Commodities	0%

*The currency hedging only applies to Australian equities.

For further details of each Fund's hedging strategy, please refer to the relevant schedules one through nine within section 8 of this SIPO.



C. Responsible Investment Policy

In accordance with Smartshares' Responsible Investment Policy certain securities are not permitted to be held in the Funds in relation to the following asset classes:

- International equities;
- Australian equities; and
- Emerging Market equities.

Funds that invest in these asset classes will not hold investment in companies:

- associated with the production of controversial weapons (for example cluster munitions, landmines, nuclear and biological/chemical weapons)
- that derive 10% or more of their revenue from the production of conventional weapons, or 5% or more of their revenue from the sale and distribution of firearms or small weapons for civilian use
- that manufacture tobacco products, or generate 5% or more of their revenue from the distribution or retail sale of tobacco products
- that own proved or probable reserves and derive 5% or more of their revenue from thermal coal and oil sand extraction
- that are not in compliance with the United Nations Global Compact (UNGC) principles.

For full details of Smartshares' Responsible Investment Policy, please refer to the SuperLife website at superlife.co.nz.

6. Investment performance monitoring and reporting

The Scheme's investment performance is monitored every month (by Smartshares' Chief Investment Officer) and every three months (by Smartshares' Investment Oversight Committee and Smartshares' Board). In particular:

- every month, Smartshares prepares investment performance reports and provides them to the Chief Investment Officer;
- every three months, Smartshares prepares investment performance reports and provides them to Smartshares' Investment Oversight Committee; and
- every three months, the Smartshares' Investment Oversight Committee reports to Smartshares' Board. The investment performance reports are also provided to Smartshares' Board

Investment performance is monitored on a daily basis, and also over one-month, three-month, one-year, three-year and five-year periods.

Absolute performance, performance relative to a Fund's benchmark and performance relative to peer averages is monitored.



7. Investment strategy review

Smartshares' Investment Oversight Committee reviews the Scheme's investment strategy annually and will undertake an ad hoc review of the Scheme's investment strategy if:

- changes to market conditions necessitate changes to either: (1) the nature or types of investments that can be made and any limits on those; and/or (2) any limits on the proportions of each type of asset invested in; or
- Smartshares' Board instructs Smartshares' Investment Oversight Committee to review the Scheme's investment strategy.

Smartshares' Investment Oversight Committee considers management's recommendations in respect of any proposed changes to the Scheme's investment strategy.

Smartshares' Investment Oversight Committee reports to Smartshares' Board as to the outcome of its review, together with any proposed changes to the Scheme's investment strategy.

Smartshares' Board considers Smartshares' Investment Oversight Committee's report and may approve any changes to the Scheme's investment strategy.

8. SIPO review

Smartshares' Investment Oversight Committee reviews this SIPO annually and will undertake an ad hoc review of this SIPO if:

- changes to the law or the Financial Markets Authority's guidance necessitate changes to this SIPO;
- Smartshares' Board instructs Smartshares' Investment Oversight Committee to review this SIPO; or
- changes to the Scheme's investment strategy (made as part of an ad hoc review of investment strategy) necessitate changes to this SIPO.

Smartshares' Investment Oversight Committee considers management's recommendations in respect of any proposed changes to this SIPO.

Smartshares' Investment Oversight Committee reports to Smartshares' Board as to the outcome of its review, together with any proposed changes to this SIPO.

Smartshares' Board considers Smartshares' Investment Oversight Committee's report and may approve any changes to this SIPO.

Changes to the SIPO can only be made following consultation with the supervisor. Any material changes to this SIPO will be reported in the Scheme's next annual report.



Schedule 1 – SuperLife SMT Moderate Fund

Investment objective

To provide moderate total returns allowing for moderate movements of value up and down. The number of years with negative returns are generally expected to be higher than the NZ Cash Fund but lower than the Balanced Fund.

Investment strategy

Purpose	Asset Class	Target	Range	Market Index
Income	Cash and cash equivalents	8%	0% - 30%	S&P/NZX Bank Bills 90-Day Index
	New Zealand fixed interest	26%	5% - 45%	50% S&P/NZX A-Grade Corporate Bond Index 50% S&P/NZX NZ Government Bond Index
	International fixed interest	26%	5% - 45%	Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index (100% hedged to the New Zealand dollar)
	Total	60%	50% - 70%	
Growth	Australasian equities	16%	0% - 30%	70% S&P/NZX 50 Index 30% S&P/ASX 200 Fossil Fuel Screened (AUD) Index (50% hedged to the New Zealand dollar)
	International equities	22%	0% - 40%	90% MSCI World Ex Australia Custom ESG Leaders Index (50% hedged to the New Zealand dollar) 10% MSCI EM IMI ESG Screened Index
	Listed property	0%	0% - 10%	FTSE EPRA/NAREIT Developed ex Australia Rental Index (100% hedged to the New Zealand dollar)
	Other (Listed Infrastructure)	2%	0% - 10%	FTSE Developed Core Infrastructure 50/50 Index (100% hedged to the New Zealand dollar)
	Commodities (Gold)	0%	0% - 7%	Refinitiv Gold Price in NZD
	Total	40%	30% - 50%	

Smartshares may from time to time rebalance the fund so that its actual asset allocation is consistent with its target asset allocation.



Permitted investments

The fund may invest in the following assets:

- listed financial products;
- tradeable debt securities;
- any fund in the Smartshares Exchange Traded Funds scheme or in any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above or to manage foreign currency exposures. The fund may not use derivatives to lever the fund.

The minimum over-the-counter derivative counterparty rating is A- issued by Standard & Poor's, or its equivalent issued by Moody's or Fitch.

If a counterparty has multiple credit ratings, Smartshares will use the highest credit rating of Standard & Poor's, Moody's or Fitch. If a counterparty is not rated by any of these rating agencies, Smartshares will decide a credit rating. If a counterparty is downgraded below the minimums set out above, Smartshares will decide the appropriate action.

Hedging

Smartshares adopts a dynamic hedging strategy that is described in section 5. Based off the target investment mix, the Fund's exposure to foreign currency denominated assets is 54.8% which has a target hedging level of 73.5%. The actual hedging level can be anywhere between 0% and 120%.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 2 – SuperLife SMT Balanced Fund

Investment objective

To provide moderate to high total returns allowing for moderate to high movements of value up and down. The number of years with negative returns are generally expected to be higher than the Moderate Fund but lower than the Growth Fund.

Investment strategy

Purpose	Asset class	Target	Range	Market index	
Income	Cash and cash equivalents	3%	0% - 25%	S&P/NZX Bank Bills 90-Day Index	
	New Zealand fixed interest	19%	5% - 30%	50% S&P/NZX A-Grade Corporate Bond Index 50% S&P/NZX NZ Government Bond Index	
	International fixed interest	18%	5% - 37%	Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index (100% hedged to the New Zealand dollar)	
	Total	40%	30% - 50%		
Growth	Australasian equities	25%	5% - 40%	70% S&P/NZX 50 Index 30% S&P/ASX 200 Fossil Fuel Screened (AUD) Index (50% hedged to the New Zealand dollar)	
	International equities	29%	10% - 52%	90% MSCI World Ex Australia Custom ESG Leaders Index (50% hedged to the New Zealand dollar) 10% MSCI EM IMI ESG Screened Index	
	Listed property	2.5%	0% - 12%	FTSE EPRA/NAREIT Developed ex Australia Rental Index (100% hedged to the New Zealand dollar)	
	Other (Listed Infrastructure)	3.5%	0% - 12%	FTSE Developed Core Infrastructure 50/50 Index (100% hedged to the New Zealand dollar)	
	Commodities (Gold)	0%	0% - 7%	Refinitiv Gold Price in NZD	
		Total	60%	50% - 70%	

Smartshares may from time to time rebalance the fund so that its actual asset allocation is consistent with its target asset allocation.



Permitted investments

The fund may invest in the following assets:

- listed financial products;
- tradeable debt securities;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above or to manage foreign currency exposures. The fund may not use derivatives to lever the fund.

The minimum over-the-counter derivative counterparty rating is A- issued by Standard & Poor's, or its equivalent issued by Moody's or Fitch.

If a counterparty has multiple credit ratings, Smartshares will use the highest credit rating of Standard & Poor's, Moody's or Fitch. If a counterparty is not rated by any of these rating agencies, Smartshares will decide a credit rating. If a counterparty is downgraded below the minimums set out above, Smartshares will decide the appropriate action.

Hedging

Smartshares adopts a dynamic hedging strategy that is described in section 5. Based off the target investment mix, the Fund's exposure to foreign currency denominated assets is 60.5% which has a target hedging level of 67.4%. The actual hedging level can be anywhere between 0% and 120%.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 3 – SuperLife SMT Growth Fund

Investment objective

To provide high total returns allowing for large movements of value up and down. The number of years with negative returns are generally expected to be the highest of the Diversified Funds.

Investment strategy

Purpose	Asset class	Target	Range	Market index
Income	Cash and cash equivalents	1%	0% - 20%	S&P/NZX Bank Bills 90-Day Index
	New Zealand fixed interest	11.5%	5% - 23%	50% S&P/NZX A-Grade Corporate Bond Index 50% S&P/NZX NZ Government Bond Index
	International fixed interest	7.5%	5% - 30%	Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index (100% hedged to the New Zealand dollar)
	Total	20%	10% - 30%	
Growth	Australasian equities	33%	5% - 50%	70% S&P/NZX 50 Index 30% S&P/ASX 200 Fossil Fuel Screened (AUD) Index (50% hedged to the New Zealand dollar)
	International equities	37.5%	10% - 55%	90% MSCI World Ex Australia Custom ESG Leaders Index (50% hedged to the New Zealand dollar) 10% MSCI EM IMI ESG Screened Index
	Listed property	3.5%	0% - 15%	FTSE EPRA/NAREIT Developed ex Australia Rental Index (100% hedged to the New Zealand dollar)
	Other (Listed Infrastructure)	6%	0% - 15%	FTSE Developed Core Infrastructure 50/50 Index (100% hedged to the New Zealand dollar)
	Commodities (Gold)	0%	0% - 7%	Refinitiv Gold Price in NZD
	Total	80%	70% - 90%	

Smartshares may from time to time rebalance the fund so that its actual asset allocation is consistent with its target asset allocation.



Permitted investments

The fund may invest in the following assets:

- listed financial products;
- tradeable debt securities;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above or to manage foreign currency exposures. The fund may not use derivatives to lever the fund.

The minimum over-the-counter derivative counterparty rating is A- issued by Standard & Poor's, or its equivalent issued by Moody's or Fitch.

If a counterparty has multiple credit ratings, Smartshares will use the highest credit rating of Standard & Poor's, Moody's or Fitch. If a counterparty is not rated by any of these rating agencies, Smartshares will decide a credit rating. If a counterparty is downgraded below the minimums set out above, Smartshares will decide the appropriate action.

Hedging

Smartshares adopts a dynamic hedging strategy that is described in section 5. Based off the target investment mix, the Fund's exposure to foreign currency denominated assets is 64.4% which has a target hedging level of 60.3%. The actual hedging level can be anywhere between 0% and 120%.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 4 – SuperLife SMT NZ Cash Fund

Investment objective

The investment objective is to provide a gross return (before tax, fees and other expenses) that outperforms the S&P/NZX Bank Bills 90-Day Index over rolling one-year periods. The number of years of negative returns are generally expected to be less than the other funds.

Investment strategy

Asset class	Target	Market index
Cash and cash equivalents	100%	S&P/NZX Bank Bills 90-Day Index
Total	100%	

Permitted investments

The fund may invest directly in cash and cash equivalents or indirectly through other funds that primarily invest in cash and cash equivalents, including the Smartshares NZ Cash ETF or funds in other wholesale or retail managed investment schemes managed by Smartshares.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments.

The fund may also invest in other assets (which are not set out above) that Smartshares considers are consistent with the permitted investments set out above and that appropriately reflect the risk profile of the fund and will contribute to the investment objective of the fund.

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the fund.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 5 – SuperLife SMT NZ Fixed Interest Fund

Investment objective

To provide exposure to a portfolio of investment grade New Zealand fixed interest investments with the aim of providing a gross return (before tax, fees, and other expenses) consistent with the return of the weighted average of the market indices.

Investment strategy

Asset class	Target	Range	Market index
Cash and cash equivalents	0%	0% - 10%	50% S&P/NZX A-Grade Corporate Bond Index
New Zealand fixed interest	100%	90% - 100%	50% S&P/NZX NZ Government Bond Index
Total	100%	100%	

Permitted investments

The fund may invest in the following assets:

- tradeable debt securities;
- listed financial products;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

The fund may also invest in other assets (which are not set out above) that Smartshares considers are consistent with the permitted investments set out above and that appropriately reflect the risk profile of the fund and will contribute to the investment objective of the fund.

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the fund.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 6 – SuperLife SMT World Fixed Interest Fund

Investment objective

To provide exposure to a portfolio of investment grade international fixed interest investments with the aim of providing a gross return (before tax, fees, and other expenses) consistent with the return of the market index.

Investment strategy

Asset class	Target	Range	Market index
Cash and cash equivalents	0%	0% - 10%	Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index (100% hedged to the New Zealand dollar)
International fixed interest	100%	90% - 100%	
Total	100%	100%	

Permitted investments

The fund may invest in the following assets:

- listed financial products;
- tradeable debt securities;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the fund.

Hedging

The target hedging level for the SuperLife SMT World Fixed Interest Fund is 100%. The actual hedging level may vary from the target over time due to cashflows and market movements as described in section 5 of this SIPO.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 7 – SuperLife SMT Australasian Shares Fund

Investment objective

To provide exposure to a portfolio of Australasian equities with the aim of providing a gross return (before tax, fees, and other expenses) that is consistent with the return of the weighted average of the market indices.

Investment strategy

Asset class	Target	Range	Market index
Cash and cash equivalents	0%	0% - 10%	70% S&P/NZX 50 Index
Australasian equities	100%	90% - 100%	30% S&P/ASX 200 Fossil Fuel Screened (AUD) Index (50% hedged to the New Zealand dollar)
Total	100%	100%	

Permitted investments

The fund may invest in the following assets:

- listed financial products;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the fund.

Hedging

Based off the target investment mix, the Fund's exposure to foreign currency denominated assets is 30% which has a target hedging level of 50%. The actual hedging level may vary from the target over time due to cashflows and market movements as described in section 5 of this SIPO.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 8 – SuperLife SMT World Shares Fund

Investment objective

To provide exposure to a portfolio of international equities with the aim of providing a gross return (before tax, fees and other expenses) that is consistent with the return of the market index.

Investment strategy

Asset class	Target	Range	Market index
Cash and cash equivalents	0%	0% - 10%	MSCI World Ex Australia Custom ESG Leaders Index (50% hedged to the New Zealand dollar)
International equities	100%	90% - 100%	
Total	100%	100%	

Permitted investments

- The fund may invest in the following assets:
- listed financial products;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the fund.

Hedging

Based off the target investment mix, the Fund's exposure to foreign currency denominated assets is 100% which has a target hedging level of 50%. The actual hedging level may vary from the target over time due to cashflows and market movements as described in section 5 of this SIPO.

Investment restrictions

The fund may not borrow to enhance investment returns but the fund may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).



Schedule 9 – SuperLife SMT Global Property Shares Fund

Investment objective

To provide exposure to a portfolio of international listed property investments with the aim of providing a gross return (before tax, fees, and other expenses) that is consistent with the return of the market index.

Investment strategy

Asset class	Target	Range	Market index
Cash and cash equivalents	0%	0% - 10%	FTSE EPRA/NAREIT Developed ex Australia Rental Index (100% hedged to the New Zealand dollar)
Listed Property	100%	90% - 100%	
Total	100%	100%	

Permitted investments

The fund may invest in the following assets:

- listed financial products;
- any fund in the Smartshares Exchange Traded Funds scheme or any other wholesale or retail managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian, and other short-term investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The fund may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the fund.

Hedging

Based off the target investment mix, the Fund's exposure to foreign currency denominated assets is 100% which has a target hedging level of 100%. The actual hedging level may vary from the target over time due to cashflows and market movements as described in section 5 of this SIPO.

Investment restrictions

The fund may not borrow to enhance investment returns but may borrow up to 10% of the fund's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).