

## Fund Update

### SuperLife Invest

### NZ Top 50 ETF Fund

For the quarter ended 30 June 2017.

This fund update was first made publicly available on 25 July 2017.

### What is the purpose of this update?

This document tells you how the NZ Top 50 ETF 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 Top 50 ETF Fund invests in the Smartshares Exchange Traded Funds' NZ Top 50 Fund.

|                                  |                 |
|----------------------------------|-----------------|
| Total value of the fund:         | \$33,569,971    |
| Number of investors in the fund: | 89              |
| The date the fund started:       | 28 October 2016 |

### What are the risks of investing?

#### Risk indicator for the NZ Top 50 ETF 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 June 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 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 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 Information – Risks” document on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) for further information about the risks of investing in SuperLife Invest.

### How has the fund performed?

|  | Past year      |
|--|----------------|
| <b>Annual return</b><br>(after deductions for charges and tax)                   | Not applicable |
| <b>Annual return</b><br>(after deductions for charges but before tax)            | Not applicable |
| <b>Market index annual return</b><br>(reflects no deduction for charges and tax) | 10.99%         |

The market index annual return is based on the annual return of the S&P/NZX 50 Portfolio Index. Additional information about the market index is available on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

### What fees are investors charged?

Investors in the NZ Top 50 ETF Fund are charged fund charges. These are as follows:

|   | % per annum of fund’s net asset value |
|---|---------------------------------------|
| <b>Total fund charges (estimate)</b>                          | 0.49% <sup>2</sup>                    |
| Which are made up of:   |                                       |
| <b>Total management and administration charges (estimate)</b> | 0.49% <sup>2</sup>                    |
| Including:  |                                       |
| Manager’s basic fee   | 0.25%                                 |
| Other management and administration charges (estimate)        | 0.24% <sup>2</sup>                    |
| <b>Total performance-based fees</b>                           | 0.00%                                 |
| <b>Other charges</b>  | <b>Dollar amount per investor</b>     |
| Administration fee  | \$12 per annum                        |
| Paper statements fee  | \$18 per annum <sup>3</sup>           |

Investors will not be charged individual action fees for specific actions or decisions. See the “Other Information – Fees” document on the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose) 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.

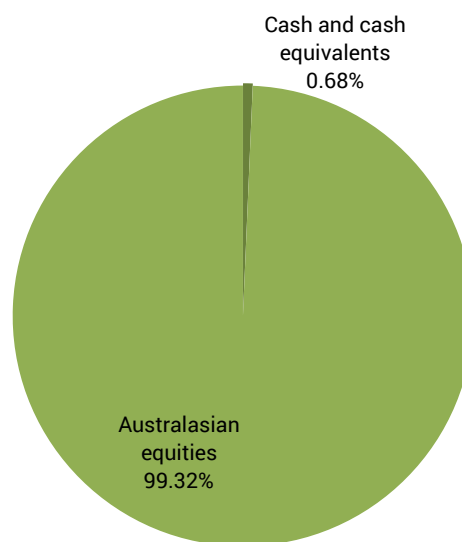
### Example of how this applies to an investor

Jess had \$10,000 in the fund on 28 October 2016 and did not make any further contributions. On 30 June 2017, Jess received a return after fund charges were deducted of \$1,190 (that is 11.90% of her initial \$10,000). Jess paid other charges of \$8 (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 \$1,182 for the 8 months and 3 days.

### 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    | -                |
| New Zealand fixed interest   | -                |
| International fixed interest | -                |
| Australasian equities        | 100.00%          |
| International equities       | -                |
| Listed property              | -                |
| Unlisted property            | -                |
| Commodities                  | -                |
| Other                        | -                |

## Top ten investments

| Name                                | % of fund's net asset value | Type                  | Country     | Credit rating (if applicable) |
|-------------------------------------|-----------------------------|-----------------------|-------------|-------------------------------|
| Fletcher Building Ltd               | 5.18%                       | Australasian equities | New Zealand |                               |
| Fisher & Paykel Healthcare Corp Ltd | 5.12%                       | Australasian equities | New Zealand |                               |
| Spark New Zealand Ltd               | 5.03%                       | Australasian equities | New Zealand |                               |
| Contact Energy Ltd                  | 4.97%                       | Australasian equities | New Zealand |                               |
| Auckland International Airport Ltd  | 4.77%                       | Australasian equities | New Zealand |                               |
| Meridian Energy Ltd                 | 4.76%                       | Australasian equities | New Zealand |                               |
| Ryman Healthcare Ltd                | 4.71%                       | Australasian equities | New Zealand |                               |
| Z Energy Ltd                        | 4.29%                       | Australasian equities | New Zealand |                               |
| A2 Milk Company Ltd                 | 3.95%                       | Australasian equities | New Zealand |                               |
| SKYCITY Entertainment Group Ltd     | 3.70%                       | Australasian equities | New Zealand |                               |

The top 10 investments make up 46.48% of the fund's net asset value.

## Currency hedging

Not applicable.

## 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 |
|--------------------------|--|--------------------------|---------------------------------------|-----------------------------------|
| Paul James Baldwin       | Director                                 | 6 months                 | Head of NZX Wealth Technologies - NZX | 11 months                         |
| Michael John Chamberlain | Head of SuperLife Funds Management - NZX | 2 years and 5 months     | Director - SuperLife                  | 18 years and 6 months             |
| Guy Roulston Elliffe     | Director                                 | 1 year and 7 months      | Corporate Governance Manager - ACC    | 2 years and 2 months              |
| Bevan Keith Miller       | Director                                 | 3 years and 10 months    | Chief Financial Officer - NZX         | 4 years and 6 months              |
| Alister John Williams    | Director                                 | 1 year and 7 months      | Investment Manager - Trust Management | 2 years and 5 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](http://www.business.govt.nz/disclose).

### Notes

- 1 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 4 years and 4 months of market index returns.
- 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.