

SuperLife KiwiSaver scheme

SuperLife Age Steps - Age 80 ¹

Investment update for the quarter ended 30 June 2019

This investment update was first made publicly available on 26 July 2019.

What is the purpose of this update?

This document tells you how SuperLife Age Steps - Age 80 (the **stage**) has performed and what fees were charged. The document will help you to compare the stage 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 stage

SuperLife Age Steps automatically sets the proportion of your investment in income and growth assets based 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 80 investment will be allocated 90% to income assets and 10% to growth assets.

Total value of the stage: -
 Number of investors in the stage: -
 The date the stage started: 15 September 2013

What are the risks of investing?

Risk indicator for SuperLife Age Steps - Age 80



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 30 June 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 investment updates.

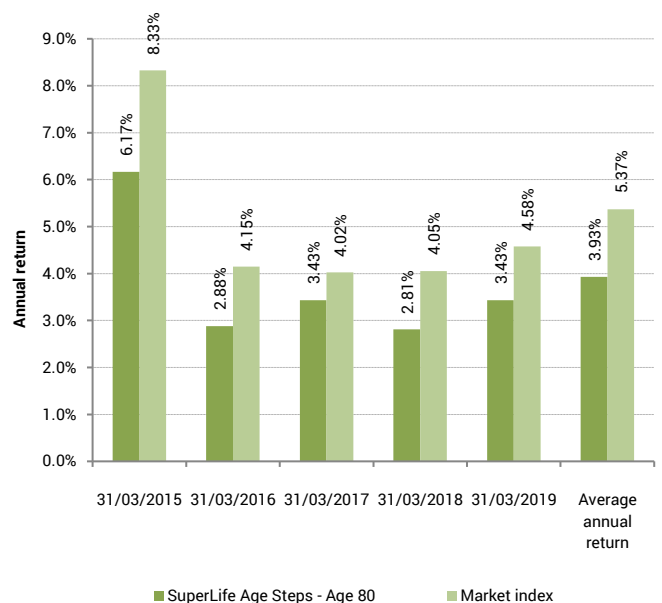
See the Product Disclosure Statement for the SuperLife KiwiSaver scheme for more information about the risks associated with investing in this stage.

How has the stage performed?

| | Average over past 5 years | Past year |
|--|---------------------------|-----------|
| Annual return (after deductions for charges and tax) | 3.76% | 4.19% |
| Annual return (after deductions for charges but before tax) | 4.77% | 5.33% |
| Market index annual return (reflects no deduction for charges and tax) | 5.02% | 5.98% |

The market index annual return is based on the weighted average annual return of the market indices used to measure the performance of the assets that the stage invests in. 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.

Annual return graph





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

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

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in SuperLife Age Steps - Age 80 are charged fund charges. In the year to 31 March 2019 these were:

| | % per annum of stage's net asset value |
|--|--|
| Total fund charges | 0.56% |
| Which are made up of: | |
| Total management and administration charges | 0.56% |
| Including: | |
| Manager's basic fee | 0.46% |
| Other management and administration charges | 0.10% |
| Other charges | Dollar amount per investor |
| Administration fee | \$30 per annum |

Investors may also be charged individual action fees for specific actions or decisions (for example, if an investor has a financial adviser and has agreed to pay a fee to the adviser for providing financial advice). See the Product Disclosure Statement for the SuperLife KiwiSaver 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.

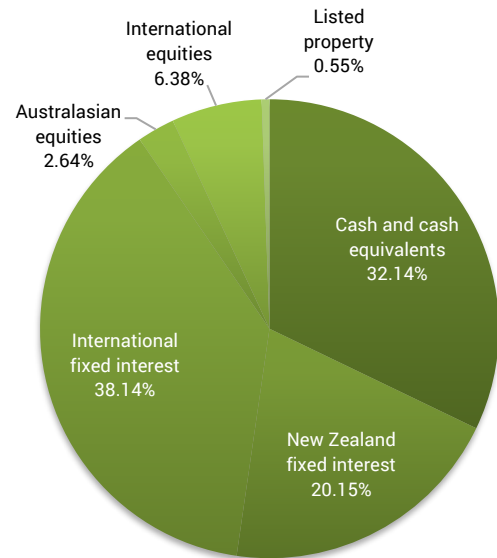
Example of how this applies to an investor

Jess had \$10,000 in the stage and did not make any further contributions. At the end of the year, Jess received a return after fund charges were deducted of \$419 (that is 4.19% of her initial \$10,000). Jess paid other charges of \$30. This gives Jess a total return after tax of \$389 for the year.

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 | 31.00% |
| New Zealand fixed interest | 20.00% |
| International fixed interest | 38.00% |
| Australasian equities | 3.00% |
| International equities | 7.00% |
| Listed property | 1.00% |
| Unlisted property | - |
| Commodities | - |
| Other | - |



Top 10 investments

| Name | % of stage's net asset value | Type | Country | Credit rating (if applicable) |
|--|------------------------------|------------------------------|---------------|-------------------------------|
| Vanguard International Credit Securities Index Fund Hedged | 19.23% | International fixed interest | Australia | |
| Nikko AM Wholesale NZ Cash Fund | 13.39% | Cash and cash equivalents | New Zealand | |
| Bank of China Ltd 03/10/23 4.34% TD | 3.40% | Cash and cash equivalents | New Zealand | A |
| Westpac Current Account | 2.35% | Cash and cash equivalents | New Zealand | AA- |
| SBS Bank 01/08/19 3.75% TD | 1.63% | Cash and cash equivalents | New Zealand | |
| Vanguard S&P 500 ETF | 1.39% | International equities | United States | |
| Vanguard FTSE Europe ETF | 1.22% | International equities | United States | |
| New Zealand Government 20/09/25 2.0% IB | 1.22% | New Zealand fixed interest | New Zealand | AA+ |
| Vanguard FTSE Emerging Markets ETF | 1.00% | International equities | United States | |
| Meridian Energy Ltd 29/10/19 FRN | 0.95% | Cash and cash equivalents | New Zealand | BBB+ |

The top 10 investments make up 45.78% of the stage's net asset value.

Currency hedging

The stage invests into funds which hedge their foreign currency exposure.

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 |
|-----------------------|---------------------------------------|--------------------------|--|-----------------------------------|
| Guy Roulston Elliffe | Director | 3 years and 7 months | Corporate Governance Manager - ACC | 4 years and 2 months |
| Mark John Peterson | Director | 1 year and 8 months | Chief Executive Officer - NZX | 2 years and 5 months |
| Hugh Duncan Stevens | Chief Executive Officer - Smartshares | 1 year and 4 months | Chief Operating Officer - Implemented Investment Solutions Ltd | 2 years and 6 months |
| Alister John Williams | Director | 3 years and 7 months | Investment Manager - Trust Management | 4 years and 5 months |
| Lindsay Megan Wright | Director | 1 year | Director - NZX | 1 year and 4 months |

Further information

You can also obtain this information, the Product Disclosure Statement for the SuperLife KiwiSaver scheme, and some additional information, from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

- 1 SuperLife Age Steps - Age 80 does not currently have any investors. The information in this document sets out our estimates as to how SuperLife Age Steps - Age 80 would have performed and what fees would have been charged if it had investors. These estimates are based on our experience in respect of SuperLife Age Steps - Age 80 in the other SuperLife managed investment schemes.