



Fund Update for the year ended 30 June 2022

SIL MUTUAL FUND EMPLOYER LUMP SUM SCHEME

SIL New Zealand Fixed Interest Fund

This fund update was first made publicly available on: 28 September 2022

What is the purpose of this update?

This document tells you how the SIL New Zealand Fixed Interest Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Superannuation Investments 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 SIL New Zealand Fixed Interest Fund invests mainly in New Zealand fixed interest assets. Investments may include:

- fixed interest assets issued in New Zealand dollars, or issued by New Zealand located or incorporated entities and hedged back to New Zealand dollars, and
- cash and cash equivalents.

The fund aims to achieve a return (after the fund charge and before tax) on average over rolling three year periods that is in line with the relevant market index.

| | |
|---------------------------------|-----------------|
| Total value of the fund (\$) | 96,433 |
| Number of investors in the fund | 8 |
| The date the fund started | 1 February 1986 |

What are the risks of investing?

Risk indicator for the SIL New Zealand Fixed Interest 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 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-profiler/.

Note that even the lowest category does not mean a risk-free investment, and there may be 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 the five years ended 30 June 2022. 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.

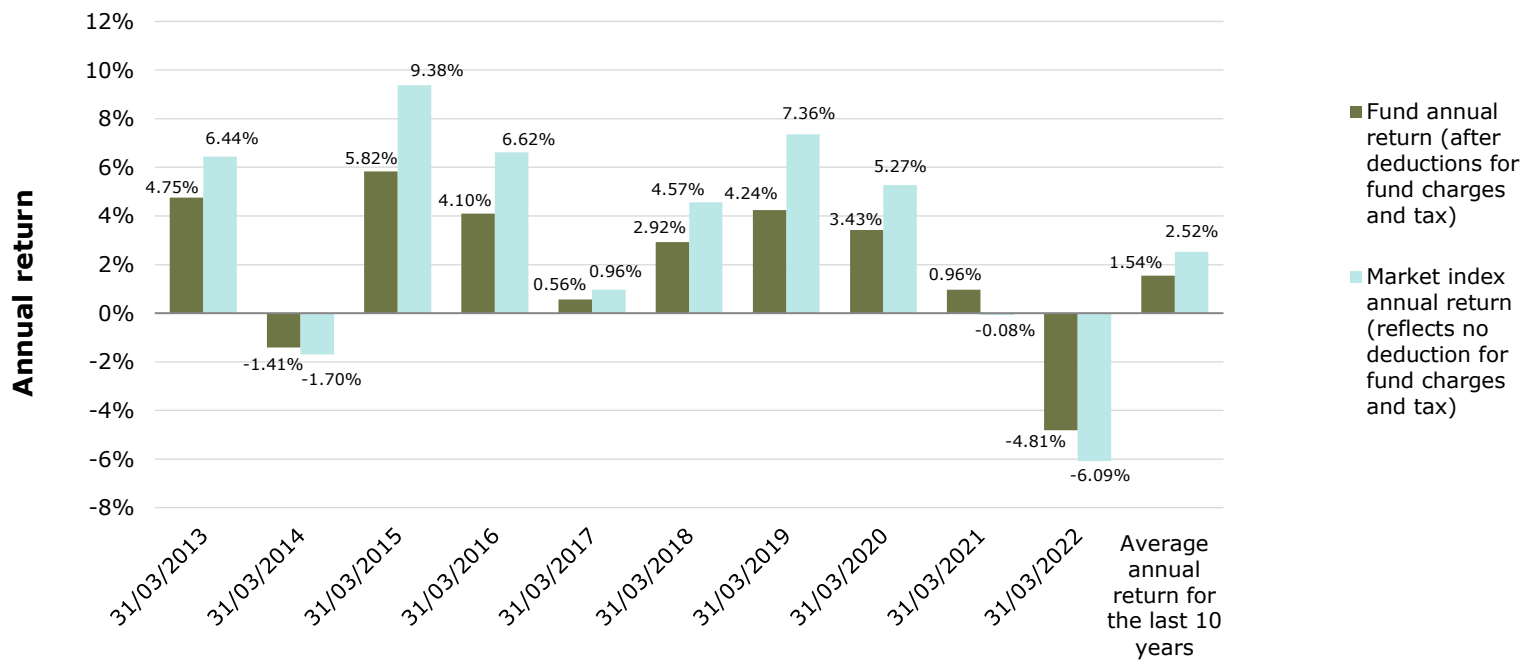
How has the fund performed?

| | Average over past five years | Past year |
|--|------------------------------|-----------|
| Annual return (after deductions for charges and tax) | 0.76% | -6.46% |
| Annual return (after deductions for charges but before tax) | 1.04% | -8.88% |
| Market index annual return (reflects no deduction for charges and tax) | 1.34% | -8.52% |

The market index annual return is calculated using a composite index made up of 50% S&P/NZX Government Bond Index and 50% S&P/NZX Investment Grade Corporate Bond Index.

Additional information about the market index is available in the statement of investment policy and objectives on the scheme register at www.disclose-register.companiesoffice.govt.nz.

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 June 2022.

Important: This does not tell you how the fund 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 the SIL New Zealand Fixed Interest Fund are charged fund charges. In the year to 30 June 2022 these were:

| | % of net asset value |
|--|-----------------------------------|
| Total fund charges¹ | 0.66% |
| <i>Which are made up of:</i> | |
| Total management and administration charges | 0.66% |
| <i>Including:</i> | |
| Manager's basic fee | 0.56% |
| Other management and administration charges | 0.10% |
| Total performance based fees | 0.00% |
| | Dollar amount per investor |
| Other charges | |
| Other charges | \$0 |

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds).

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

Sarah had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Sarah incurred a loss after fund charges were deducted of \$646 (that is -6.46% of her initial \$10,000). Sarah did not pay any other charges. This gives Sarah a total loss after tax of \$646 for the year.

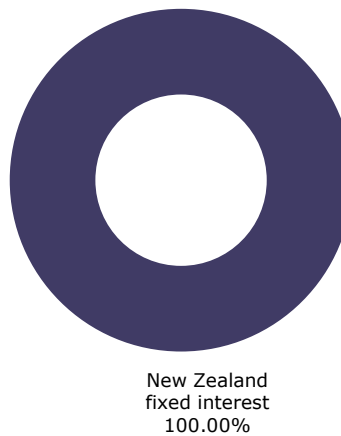
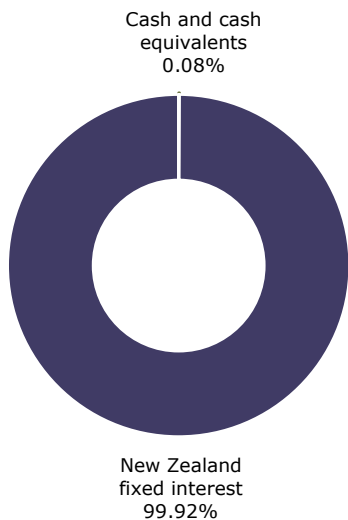
What does the fund invest in?

Actual investment mix²

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

Target investment mix²

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



Top 10 investments

| Name | Percentage of fund net assets | Type | Country | Credit rating (if applicable) |
|---------------------------------|-------------------------------|----------------------------|-------------|-------------------------------|
| 1 NZ Govt Stock 15/05/24 0.5% | 8.06% | New Zealand fixed interest | New Zealand | AAA |
| 2 NZ Govt Stock 20/04/29 3% | 4.91% | New Zealand fixed interest | New Zealand | AAA |
| 3 NZ Govt Stock 15/04/25 2.75% | 4.75% | New Zealand fixed interest | New Zealand | AAA |
| 4 NZ Govt Stock 15/04/27 4.5% | 4.32% | New Zealand fixed interest | New Zealand | AAA |
| 5 NZ Govt Stock 15/05/31 1.50% | 4.03% | New Zealand fixed interest | New Zealand | AAA |
| 6 NZ Govt Stock 15/04/37 2.75% | 3.58% | New Zealand fixed interest | New Zealand | AAA |
| 7 NZ Govt Stock 15/04/23 5.50% | 3.57% | New Zealand fixed interest | New Zealand | AAA |
| 8 NZ Govt Stock 14/04/33 3.50% | 2.96% | New Zealand fixed interest | New Zealand | AAA |
| 9 NZ Govt Stock 15/05/26 0.50% | 2.81% | New Zealand fixed interest | New Zealand | AAA |
| 10 NZ Govt Stock 15/05/28 0.25% | 2.78% | New Zealand fixed interest | New Zealand | AAA |

The top 10 investments make up 41.77% of the net asset value of the fund.

Key personnel

This shows the directors and employees who have the most influence on investment decisions in relation to the fund.

| Name | Current position | Time in current position | Previous or other current position | Time in previous or other current position |
|------------------|--|--------------------------|---|--|
| Paul Huxford | Chief Investment Officer, New Zealand | 4 years and 0 months | Acting Chief Investment Officer, ANZ Bank New Zealand Limited | 0 years and 3 months |
| Iain Cox | Head of Australasian Fixed Interest and Cash | 8 years and 4 months | Senior Fixed Interest Analyst, ANZ Bank New Zealand Limited | 2 years and 10 months |
| Mia Prkusic | Fund Manager Fixed Interest | 2 years and 10 months | Assistant Portfolio Manager, ANZ Bank New Zealand Limited | 1 year and 5 months |
| Ray Jack | Senior Research Analyst | 1 year and 5 months | Credit Analyst, ANZ Bank New Zealand Limited | 5 years and 5 months |
| Juliette Varuhas | Fixed Interest Analyst | 1 year and 10 months | Implementation Analyst, ANZ Bank New Zealand Limited | 3 years and 0 months |

Further information

You can also obtain this information and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

- Our fund charges are inclusive of GST, where applicable.
- The target and actual investment mix of this fund are based on:
 - the cash and cash equivalents held by the fund, and
 - the asset class of the underlying fund in which the fund invests.
 They are not based on the cash and cash equivalents or any other assets held by the underlying fund.



0800 736 034



service@anzinvestments.co.nz



silfunds.co.nz