



Fund Update for the year ended 30 June 2023

SIL MUTUAL FUND EMPLOYER LUMP SUM SCHEME

# SIL Employer Conservative Fund

This fund update was first made publicly available on: 29 September 2023

## What is the purpose of this update?

This document tells you how the SIL Employer Conservative 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 Employer Conservative Fund invests mainly in income assets (cash and cash equivalents and fixed interest), with a smaller exposure to growth assets (equities, listed property and listed infrastructure). The fund may also invest in alternative assets.

The fund aims to achieve a return (after the fund charge and before tax) on average over rolling three year periods that outperforms the composite index.

Total value of the fund (\$)	2,691,579
Number of investors in the fund	30
The date the fund started	11 June 2008

## What are the risks of investing?

Risk indicator for the SIL Employer Conservative 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/](http://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 2023. 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.

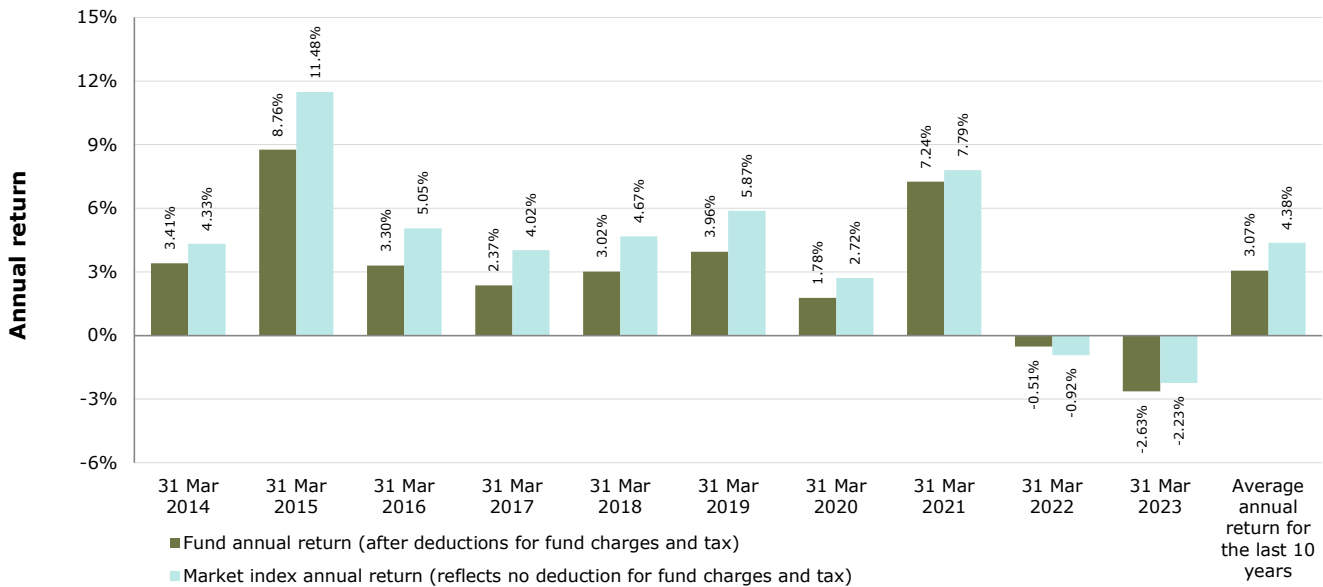
How has the fund performed?

	Average over past five years	Past year
<b>Annual return</b> (after deductions for fund charges and tax)	1.68%	2.28%
<b>Annual return</b> (after deductions for fund charges but before tax)	2.00%	2.58%
<b>Market index annual return</b> (reflects no deduction for fund charges and tax)	2.50%	3.62%

The market index annual return is calculated using the target investment mix and the indices of each asset class.

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](http://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 2023.

**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 Employer Conservative Fund are charged fund charges. In the year to 30 June 2023 these were:

	<b>% of net asset value</b>
<b>Total fund charges<sup>1</sup></b>	<b>0.91%</b>
<i>Which are made up of:</i>	
<b>Total management and administration charges</b>	<b>0.91%</b>
<i>Including:</i>	
Manager's basic fee	0.80%
Other management and administration charges	0.11%
<b>Total performance based fees</b>	<b>0.00%</b>

	<b>Dollar amount per investor</b>
<b>Other charges</b>	
Membership fee	\$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 received a return after fund charges were deducted of \$228 (that is 2.28% of her initial \$10,000). Sarah did not pay any other charges. This gives Sarah a total return after tax of \$228 for the year.

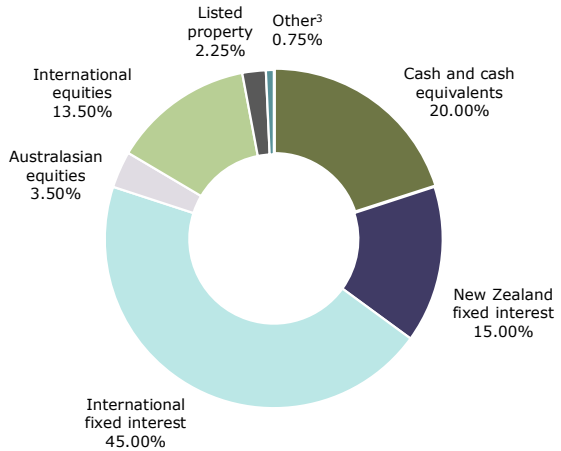
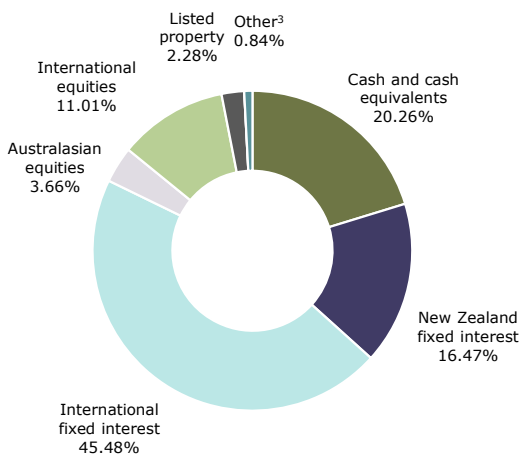
**What does the fund invest in?**

**Actual investment mix<sup>2</sup>**

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

**Target investment mix<sup>2</sup>**

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 United States Notes Fixed 3% - Repurchase Agreement	2.44%	Cash and cash equivalents	United States	
2 United States Notes Fixed 3.875% - Repurchase Agreement	2.40%	Cash and cash equivalents	United States	
3 ASB Registered Certificate of Deposit 19/12/2023	0.93%	Cash and cash equivalents	New Zealand	A-1+
4 New Zealand Government 15/04/2027 4.5%	0.93%	New Zealand fixed interest	New Zealand	AAA
5 Cash Deposit (J.P. Morgan USD)	0.91%	Cash and cash equivalents	United States	A-1
6 New Zealand Government 20/04/2029 3%	0.78%	New Zealand fixed interest	New Zealand	AAA
7 New Zealand Government 14/04/2033 3.50%	0.77%	New Zealand fixed interest	New Zealand	AAA
8 New Zealand Government 15/05/2032 2%	0.72%	New Zealand fixed interest	New Zealand	AAA
9 New Zealand Government 15/04/2025 2.75%	0.71%	New Zealand fixed interest	New Zealand	AAA
10 New Zealand Government 15/05/2028 0.25%	0.71%	New Zealand fixed interest	New Zealand	AAA

The top 10 investments make up 11.30% of the net asset value of the fund.

### Currency hedging

Asset class	Benchmark hedging rate	Current hedging level
Cash and cash equivalents	No foreign exchange exposure	-
New Zealand fixed interest	No foreign exchange exposure	-
International fixed interest	Benchmark 100% hedged	100%
Australasian listed property	Benchmark 100% hedged	99%
International listed property	Benchmark 100% hedged	99%
Australasian equities	Benchmark 50% AUD hedged (range of 0% -100%)	45%
International equities	Benchmark 65% hedged (range of 0% -100%)	66%
Listed infrastructure	Benchmark 100% hedged	100%

### 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	5 years and 0 months	Acting Chief Investment Officer, ANZ Bank New Zealand Limited	0 years and 3 months
Maaiké van Tol	Head of Asset Allocation	4 years and 4 months	Senior Asset Allocation Manager, ANZ Bank New Zealand Limited	1 year and 8 months
Mathew Young	Head of FX Strategy and Implementation	4 years and 4 months	Head of Investment Implementation, ANZ Bank New Zealand Limited	2 years and 2 months
Helen Skinner	Head of Responsible Investing	1 year and 1 month	Head of Emerging Wealth, Craigs Investment Partners	1 year and 2 months

### Further information

You can also obtain this information and some additional information from the offer register at [www.disclose-register.companiesoffice.govt.nz](http://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.
- This is an allocation to listed infrastructure.



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