

Asteron Retirement Savings Plan Deposit Fund

Asteron Retirement Savings Plan



This fund update was first made publicly available on 30 June 2021.

What is the purpose of this update?

This document tells you how the Asteron Retirement Savings Plan Deposit Fund (Fund) has performed and what fees were charged. The document will help you to compare the fund with other funds. Asteron Retirement Investment Limited (ARIL), the Manager and Trustee of Asteron Retirement Savings Plan (Scheme), prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

The scheme was wound up on 31 March 2021.

Description of this fund

This Fund aims to achieve a stable return, focusing on capital preservation. The Fund invests only in high quality short term fixed interest securities and cash. Asteron Life Limited has agreed that the sell unit price in the Capital Fund will never fall. This undertaking is not secured. As a result, the unit price may not directly reflect the underlying value of the assets or income generated by those assets.

Total value of the fund	\$1,245,390.80
Number of investors	66
The date the fund started	November 1994

What are the risks of investing?

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 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 the 5 year period to 31 March 2021. 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.

Risk indicator for Asteron Retirement Savings Plan Deposit Fund

Lower risk							Higher risk
1	2	3	4	5	6	7	

Potentially lower returns Potentially higher returns

Specific investment risks

Fund of funds risk

The Fund currently invests in Nikko Asset Management New Zealand (Nikko) managed funds. The performance of the Fund's investment in a Nikko managed fund may be affected by unexpected changes in

market conditions. This may impact on investors' returns or ability to withdraw from the Fund. To reduce this risk, the Fund's Investment Manager, Suncorp Corporate Services Pty Ltd (SCS), monitors and reviews the investment performance of the Nikko managed funds against targets and benchmarks on a monthly basis.

Underlying fund investment manager selection risk

The Fund's investment in a Nikko managed fund may be subject to the risk that a fund manager selected by Nikko underperforms, resulting in lower returns than the relevant market indices or investment objectives. To reduce this risk, Nikko have a thorough manager research and monitoring process and diversify across a number of managers. From a strategic perspective SCS reviews the performance of Nikko at least every 2 years. Also, SCS have quarterly meetings with Nikko or more frequently where changes in the business or market environment necessitates.

Service provider risk

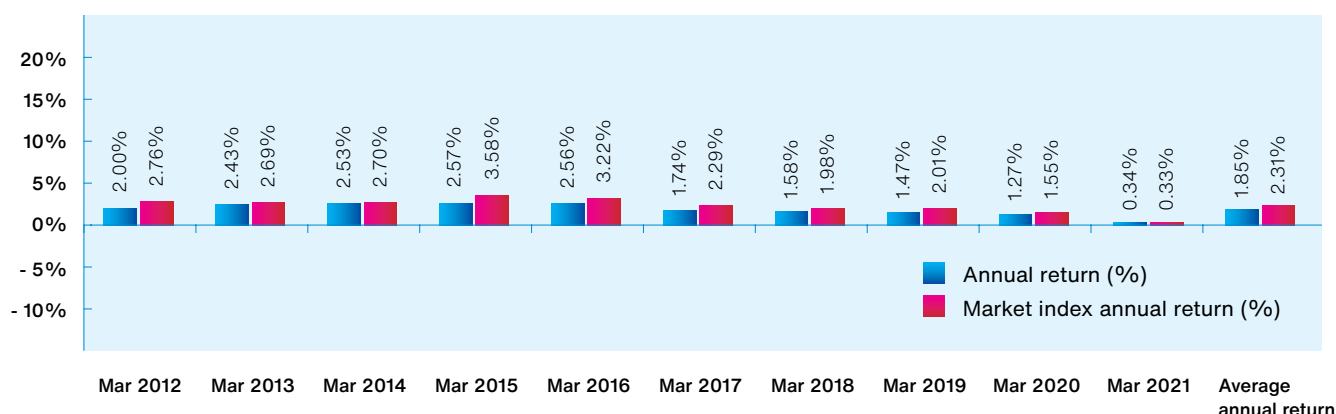
There is a risk that a service provider involved in the investment management and administration of the Fund may breach or fail to perform its obligations. This could impact the operations of the Scheme including the ability to process withdrawals or adversely affect investors' return on investment. From a strategic perspective to reduce this risk, SCS and the Suncorp New Zealand (SNZ) Asset & Liability Committee actively monitor and review the performance of all service providers to ensure compliance with contractual arrangements at a minimum every 2 years. SCS and the SNZ Capital & Investments team have monthly and/or quarterly meetings with service providers or more frequently where changes in the business or market environment necessitates.

How has the fund performed?

Fund Performance	Average over past five years	Past year (to 31 March 2021)
Annual return (after deductions for charges and tax)	1.28%	0.34%
Annual return (after deductions for charges but before tax)	1.77%	0.63%
Market index annual return (reflects no deduction for charges and tax)	1.63%	0.33%

Market index is the Bloomberg NZBond Bank Bill Index¹. Additional information about the market index is available in the Statement of Investment Policy and Objectives (SIPO) on the offer register at companiesoffice.govt.nz/disclose.

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 31 March 2021.

The graph shows fund returns after the deduction of fees and tax, however, the market index returns are shown before any fees or taxes are deducted.

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.

The last 1-year period shows strong returns for many funds. This is because it excludes the February/March 2020 COVID-19 sell-off in the market but includes the subsequent recovery.

What fees are investors charged?

Investors in the Asteron Retirement Savings Plan Deposit Fund are charged fund charges. In the year to 31 March 2021, these were:

	% of net asset value
Total fund charges	0.37%
Which are made up of:	
Total management and administration charges	0.37%
Including:	
Manager's basic fee	0.37% ²
Other management and administration charges	0.00% ³
Total performance-based fees	0.00%

Other charges	Dollar amount per investor
Member fees	\$30.00

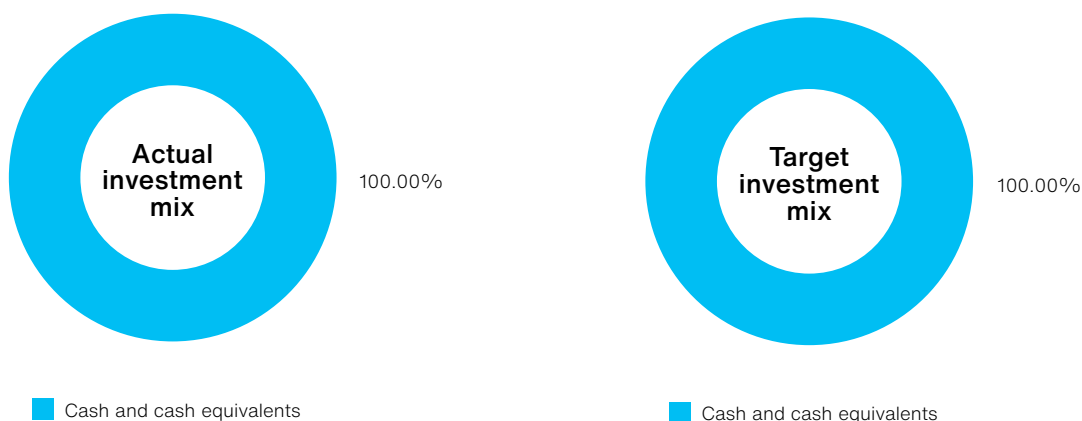
Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the Summary of Individual Action Fees document on the Scheme's register entry at companiesoffice.govt.nz/disclose for more information about those fees.

Example of how this applies to an investor

David 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, David received a return after fund charges were deducted of \$34 (that is 0.34% of his initial \$10,000). David also paid other charges of \$30. This gives David a total return after tax of \$4 for the year.

What does the fund invest in?⁴

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



Top 10 investments

Asset name	% of fund net assets	Type	Country	Credit rating (if applicable)
Nikko AM Wholesale NZ Cash Fund	102.48%	Cash and cash equivalents	New Zealand	N/A

The above investments make up 102.48% of the net asset value of the Fund.⁵

Key personnel

ARIL has delegated responsibility for management oversight of the Scheme to Suncorp New Zealand's Chief Executive Officer (CEO). The Suncorp New Zealand CEO is supported to execute this responsibility by the Suncorp New Zealand Asset and Liability Committee. The key personnel who have the most impact on investment decisions in relation to the Fund are the following:

Name	Position	Time in position	Previous position	Time in previous position
James Joseph Higgins ⁶	CEO and Head of the Asset and Liability Committee, Suncorp NZ	5 months	CFO and Chair of the Investment Sub-Committee, Suncorp NZ	1 year, 5 months
Dean Alan McDougall ⁷	Acting CFO of Suncorp NZ	8 months	Executive Manager, Financial Performance	1 year, 8 months
Jill Christine Monaghan	Head of Investments of Suncorp Group	1 Year, 8 months	Executive Director, New South Wales Treasury	4 years

Further information

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

Notes

1. This was changed from the S&P/NZX Bank Bills 90-Day Index on 1st June 2020 to align with Nikko's benchmark for consistency.
2. The Manager's basic fee is net of investment fee rebates and management fee discounts paid to investors through an increase in their individual unit holdings.
3. Other management and administration charges includes allocation of fees to the fund and an estimate of the total expense ratio of the Fund's investment in an underlying managed fund.
4. The portfolio was wound up effective 31 March 2021 and Nikko did not rebalance the portfolio at the end of March to ensure transaction costs were not incurred by members. Therefore the actual investment mix may not align with the strategic asset allocation as at 31 March 2021.
5. The top ten investments have been calculated excluding cash and cash equivalents held for operational purposes.
6. James Joseph Higgins was appointed CEO, Suncorp NZ effective 15 October 2020.
7. Dean Alan McDougall was appointed Acting CFO, Suncorp NZ effective 20 July 2020.

Asteron Retirement Investment Limited

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