

2018 UNISAVER NEW ZEALAND INVESTMENT UPDATE UNISTEPS (AGE 49)

For the year ended 31 December 2018



This update was first made publicly available on 22 October 2020.

This is a replacement investment update. It replaces the 31 December 2018 UniSteps (Age 49) investment update first made publicly available on 29 March 2019. The total fund charges for the scheme year set out under the heading 'What fees are investors charged?' have been corrected. The correct total fund charge is 0.74%, which replaced the previously disclosed total fund charge of 0.66%. As a consequence of that correction, the annual returns (after deductions for charges but before tax) stated in the table under the heading 'How has the fund performed' have been recalculated and the fees example under the heading 'Example of how this applies to an investor' has been adjusted to reflect the correct annual returns that applied to an investor for the scheme year ended 31 December 2018.

What is the purpose of this update?

This document tells you how UniSteps (age 49) has performed and what fees were charged. The document will help you to compare the investment option with other investment options. UniSaver 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 investment option

With UniSteps, the mix of growth and income assets changes automatically as you get older. UniSteps uses three investment options – Growth, Balanced and Conservative – to transition your savings from predominantly growth assets to predominantly income assets over time. Up until age 45, all of your savings are invested in Growth. From then, the percentage of growth assets is reduced gradually on 1 November each year, depending on your age at that date. At age 49, your savings are invested as follows: 52% Growth and 48% Balanced.

Total value of the investment option	\$335,666
Number of investors in the investment option	9
The date the investment option started	1 November 2017

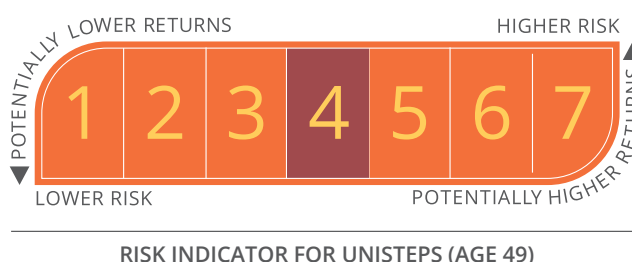
What are the risks of investing?

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the investment option'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 an investment option's future performance. The risk indicator is based on the returns data for the past five years. 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 (PDS) for more information about the risks associated with investing in this investment option.



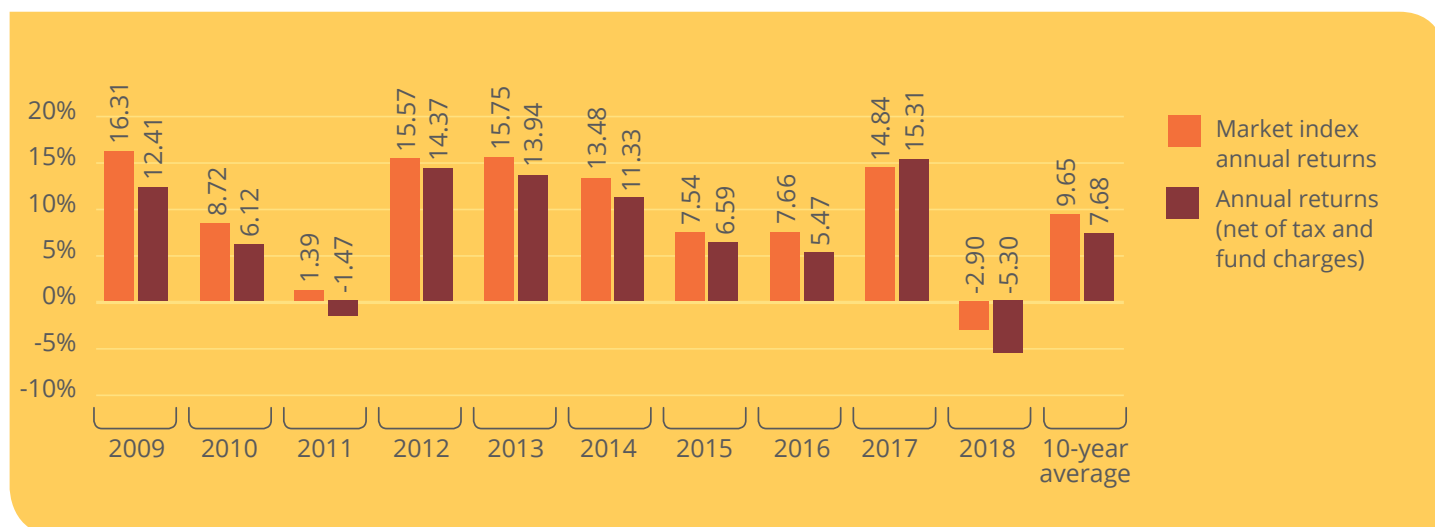
How has the investment option performed?¹

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	6.45%	(5.30%)
Annual return (after deductions for charges but before tax)	7.63%	(4.56%)
Market index annual return (reflects no deduction for charges and tax)	7.94%	(2.90%)

The market index annual return is based on the returns of a composite index. The composite index is made up of the individual asset class benchmark indices used to measure the performance of each underlying fund/asset class into which the investment option invests. Accordingly, the market index annual return for the investment option is a composite return, calculated using the weighted average return of the benchmark indices used to measure the performance of the underlying funds/assets into which the investment option invests. The weighting for each benchmark within the composite is equal to the strategic asset allocation weighting for that asset class. This market index return provides a relative measure of the investment option's performance.

Further information about the market index is available 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 December for each of the last 10 years ending 31 December. The last bar shows the average annual return for the last 10 years, up to 31 December 2018.

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

What fees are investors charged?

Investors in UniSteps (age 49) are charged fund charges. In the year to 31 December 2018, these were:

	% of net asset value
Total fund charges	0.74%
Which are made up of:	
Total management and administration charges	0.74%
Including:	
Manager's basic fee	0.00%
Other management and administration charges	0.74%
Total performance-based fees	0.00%
Dollar amount per investor or description of how charge is calculated	
Other charges	
Administration fee	\$52.32 per annum (deferred members only)

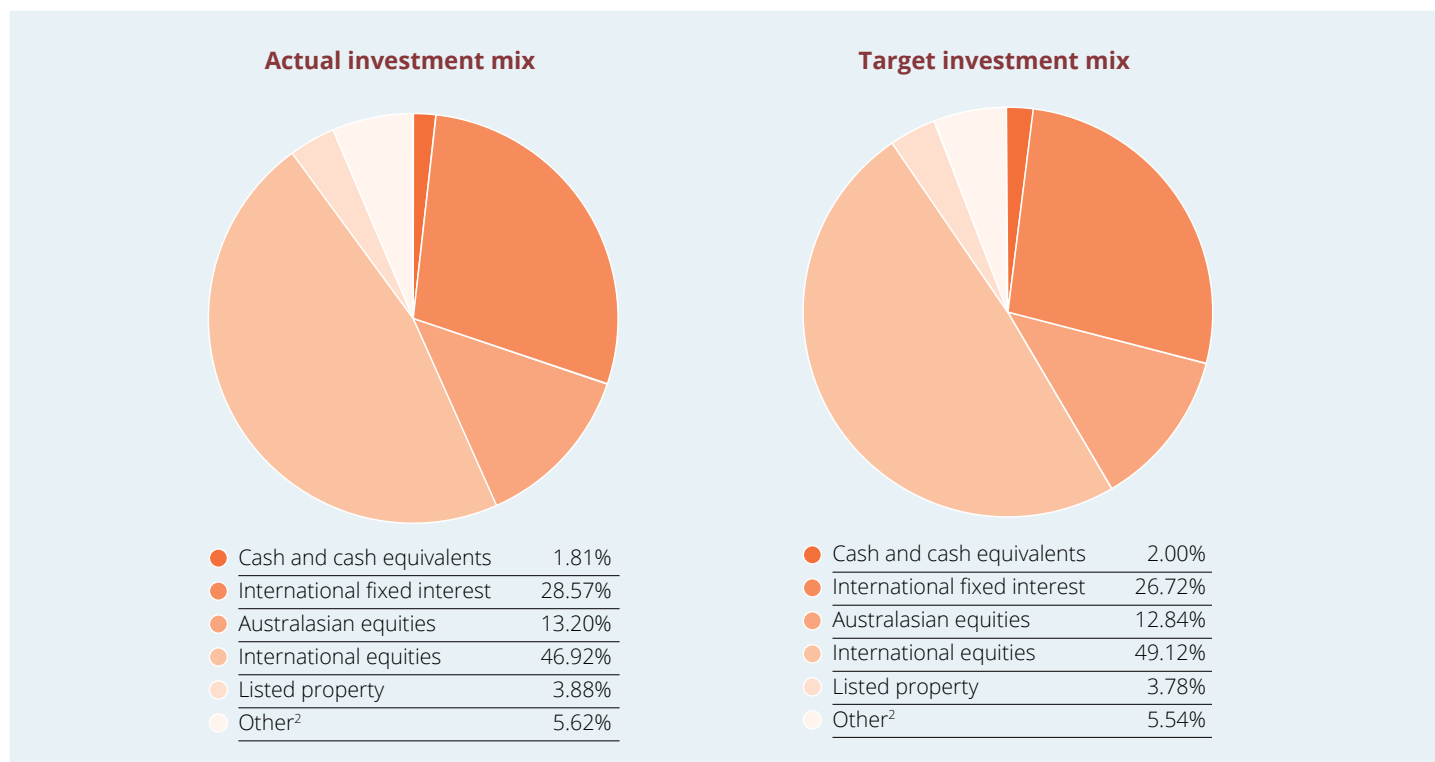
Investors may also be charged individual action fees for specific actions or decisions (for example, withdrawing from or switching funds). See the 'Fees' document on the offer register at www.disclose-register.companiesoffice.govt.nz for more information about those fees. Small differences in fees and charges can have a big impact on your investment over the long term.

Example of how this applies to an investor

Mary had \$10,000 in the investment option at the start of the year and did not make any further contributions. At the end of the year, Mary incurred a loss after fund charges were deducted of \$456 (that is -4.56% of her initial \$10,000). This gives Mary a total loss after tax of \$530 for the year.

What does the investment option invest in?

This shows the types of assets that the investment option invests in.



Top 10 investments

Asset name	% of fund net assets	Type	Country	Credit rating
ANZ Wholesale Cash Fund	1.81%	Cash and cash equivalents	New Zealand	
A2 Milk Company Ltd	1.40%	Australasian equities	New Zealand	
Australian Dollar Cash Deposit (State Street Bank & Trust)	0.92%	Cash and cash equivalents	Australia	AAA
Spark New Zealand Ltd	0.90%	Australasian equities	New Zealand	
New Zealand Dollar Cash Deposit (State Street Bank & Trust)	0.85%	Cash and cash equivalents	New Zealand	AAA
Contact Energy Ltd	0.83%	Australasian equities	New Zealand	
Fisher & Paykel Healthcare Ltd	0.81%	Australasian equities	New Zealand	
Johnson & Johnson	0.77%	International equities	United States	
Auckland International Airport Ltd	0.76%	Australasian equities	New Zealand	
Federal National Mortgage Association 3.50% 14/01/2019	0.69%	International fixed interest	United States	AAA

The total value of the above 10 individual assets is 9.75% of the net asset value of the investment option.

The investment option's exposure to international fixed interest, international listed property and international equities is 100% hedged to the NZ dollar.

Key personnel

Name	Current position	Time in current position
Adrienne Cleland	Board member of UniSaver Limited	10 years and 0 months
Carolyn Dimond	Board member of UniSaver Limited	3 years and 6 months
Michael McAlpine ³	Board member of UniSaver Limited	6 months
Wayne Morgan	Board member of UniSaver Limited	13 years and 0 months
Ian Russon	Board member of UniSaver Limited (and licensed independent trustee)	2 years and 0 months (and 1 year and 2 months as licensed independent trustee)

Further information

You can also obtain this information, the PDS for UniSaver New Zealand and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

¹ The returns information for UniSteps (age 49) is based on the returns of Growth and Balanced, which are the base investment options for UniSteps (age 49).

² 'Other' consists of global high-yield bonds.

³ Michael McAlpine has not been named in a previous investment update for UniSteps (age 49).