

# Sovereign Staff Retirement Fund

## Growth Fund

### Fund Update for the year ended 31 March 2023

This fund update was first made publicly available on: 28 June 2023

#### What is the purpose of this update?

This document tells you how the Growth Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The Trustees of the Sovereign Staff Retirement Fund 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 Growth Fund gives members the opportunity to gain exposure to a diversified, medium/high risk portfolio of investments. The fund invests in International and Australasian equities and quality New Zealand and offshore fixed interest securities and cash. The fund would suit members wishing to obtain exposure to an investment fund comprising mainly growth assets.

The investment objective of the fund is to provide a long term real return of inflation plus 3.25% p.a. where inflation is measured by the Consumer Price Index. The Growth Fund invests in the ANZ Investments Multi-Asset-Class Scheme Growth Fund.

Total value of the fund	\$0
Number of investors in the fund	0
The date the fund started	01 June 2000

#### What are the risks of investing?

Risk Indicator for the Growth Fund

Lower risk	1	2	3	4	5	6	7	Higher risk
Potentially lower returns								Potentially higher returns

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 <http://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.

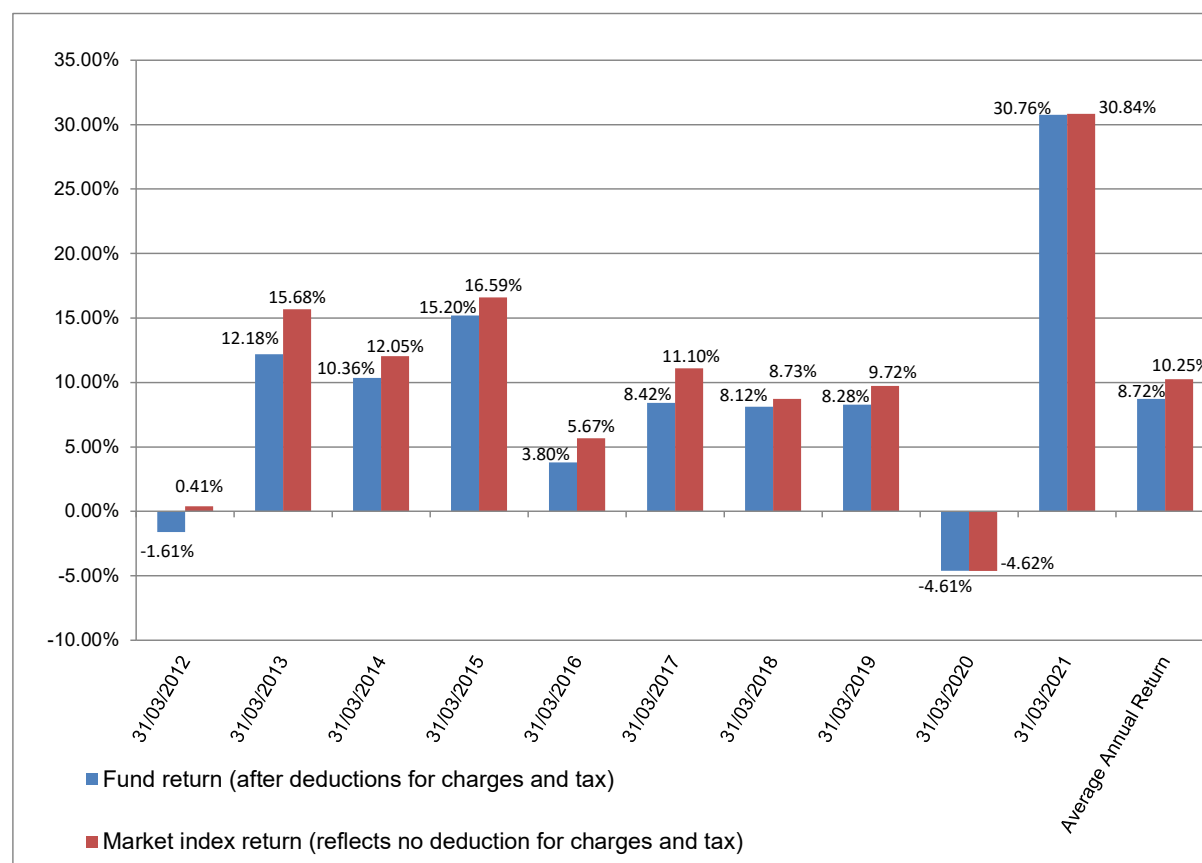
The risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for a 5 year period to 31 March 2021\*. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

## How has the fund performed?

	Average over past 5 years <sup>#</sup>	Past year <sup>#</sup>
<b>Annual return</b> (after deductions for charges and tax)	Not Applicable	Not Applicable
<b>Annual return</b> (after deductions for charges but before tax)	Not Applicable	Not Applicable
Market index annual return (reflects no deductions for charges and tax)	6.77%	-4.47%

The market index return is based on the target investment mix asset allocation weighted sum of the asset class market index return over the period. The current target investment mix and asset class market indices are each as described in the Statement of Investment Policy and Objectives (SIPO). Additional information about the market index is available on the offer register at <http://www.business.govt.nz/disclose/> (search for Sovereign Staff Retirement Fund).

### 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\*.

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

## What fees are investors charged?

Investors in the Growth Fund are charged fund charges. In the year to 31 March 2023 these were:

	% of net asset value
<b>Total fund charges</b> <sup>1</sup>	0.00%
<i>Which are made up of:</i>	
<b>Total management and administration charges</b>	0.00%
Including:	
Manager's basic fee	0.00%
Other management and administration charges	0.00%
<b>Total performance-based fees</b>	0.00%
<b>Other charges</b>	<b>Dollar amount per investor</b>
	\$0.00

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). Such fees are not currently charged for the Growth Fund.

Small differences in fees and charges can have a big impact on your investment over the long term.

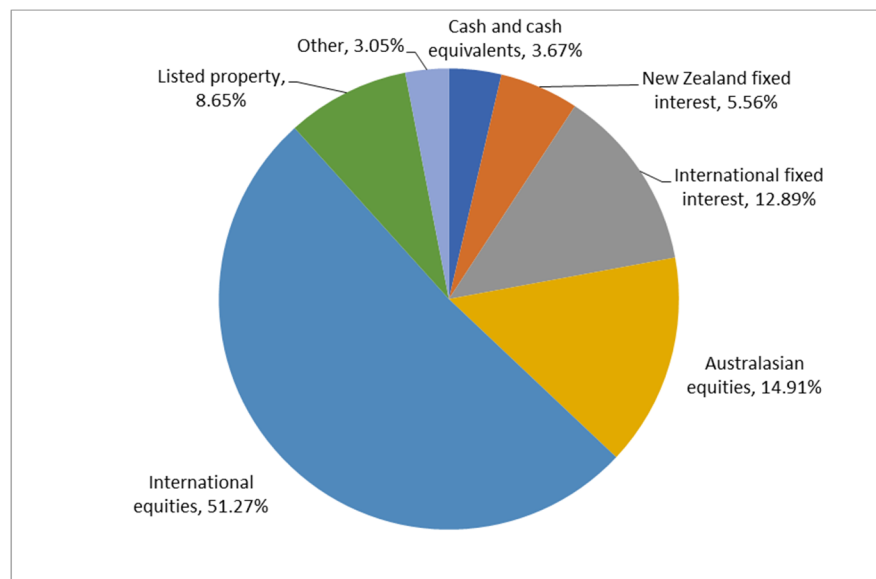
## Example of how this applies to an investor\*

John 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 to 31 March 2021, John received a return after fund charges were deducted of \$3,076 (that is 30.76% of his initial \$10,000). John did not pay any other charges. This gives John a total return after tax of \$3,076 for the year.

## What does the fund invest in?

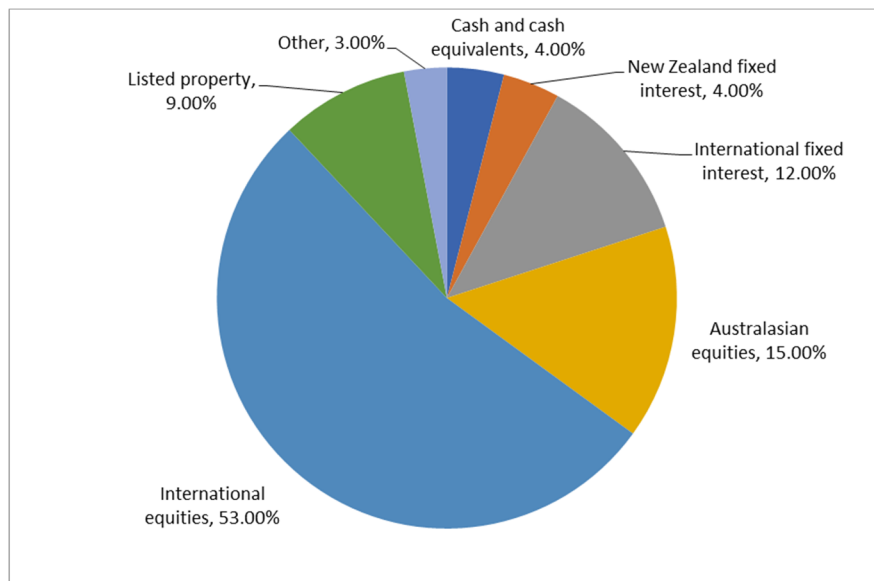
### **Actual investment mix**<sup>2</sup>

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 net asset value of the fund	Type	Country	Credit rating (if applicable)
1	ANZ Investments Multi-Asset-Class Scheme Growth Fund	0.00%	Diversified fund	New Zealand	

The top 10 investments make up 0% of the net asset value of the fund\*\*.

### Currency hedging

As noted, if there were investors in the fund, the Growth Fund would invest in the ANZ Investments Multi-Asset-Class Scheme Growth Fund, which uses currency hedging. Currency hedging information for that fund can be found [here](#).

### Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

Name	Current position	Time in current position	Previous or other position	Time in previous or other position
Linda Page	Investment Committee member	4 years and 1 month	Chief Financial Officer, AIA (current position) and Acting Chief Financial Officer (previous position)	4 years and 9 months 1 year and 11 months

Name	Current position	Time in current position	Previous or other position	Time in previous or other position
Doune Connett	Investment Committee member	4 years and 1 month	Chief Risk Officer, AIA (current position) and Asset & Liability Committee Member (previous position)	5 years and 1 month  22 years and 5 months
Marco Welgemoed	Investment Committee member	4 years and 1 month	Appointed Actuary, AIA (current position)	4 years and 5 months
Nicholas Stanhope	Investment Committee member	4 years and 1 month	Chief Executive Officer, AIA (current position) and Asset & Liability Committee Member (previous position)	7 years and 2 months  4 years and 2 months

### Further information

You can also obtain this information and some additional information from the offer register at <http://www.business.govt.nz/disclose/> (search for Sovereign Staff Retirement Fund). As noted, the Growth Fund (when it has investors) invests in the ANZ Investments Multi-Asset-Class Scheme Growth Fund. You can obtain Fund Update and other information on that fund [here](#).

### Notes

- # There have been no investors or assets held in the Fund since March 2021, so only the market index returns can be shown.
- \* The information shown is based on the returns to 31 March 2021, being the last complete disclosure year where the Growth Fund had investors and funds invested in it.
- \*\* There are no assets currently held in the Growth Fund.
- 1. Fund charges are nil as they are paid from the Scheme's unallocated balance and therefore not charged to investors, notwithstanding that there were no investors in the Fund during the 12 months to 31 March 2023.
- 2. At the reporting date there are no investors or assets held in the fund to provide details of an actual investment mix. The pie graph shows the target investment mix of the underlying fund that the Growth Fund would invest in if it had investors.