

Interest rate risk: The Fund’s market value includes fixed income securities which can change due to changes in interest rates. Relatively small changes in interest rates can significantly impact the market value of fixed income assets.

How has the fund performed?

	Average over past 5 years	Past year
Annual return (after deductions for charges and tax)	4.65%	4.49%
Annual return (after deductions for charges but before tax)	5.74%	5.77%
Market index annual return (reflects no deduction for charges and tax)	5.85%	6.70%

The market index return is the strategic asset allocation weighted benchmark index return, where the benchmark indices are defined in the statement of investment policy and objectives (SIPO), which can be viewed on the schemes register at disclose-register.companiesoffice.govt.nz.



This shows the return for each of the last 10 years ending 30 June. The last bar shows the average annual return for the past 10 years, up to 30 June 2019. The Fund’s returns are shown after deductions for fund charges and tax. The market index returns are before any deductions for fund charges and tax.

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

What fees are investors charged?

Investors in the Fund are charged fund charges. In the year to 30 June 2019 these were:

	% of net asset value
Total fund charges	0.57%
Which are made up of-	
Total management and administration charges	0.57%
Including -	
Manager's basic fee	0.03%
Other management and administration charges	0.54%
Total performance-based fees	0.00%
Other charges	
Standard administration fee ¹	\$24.24

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). For more information, see the 'Charges' section in the Plan's Member Booklet, available at secure.superfacts.com/public/trss/documents.tpz.

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

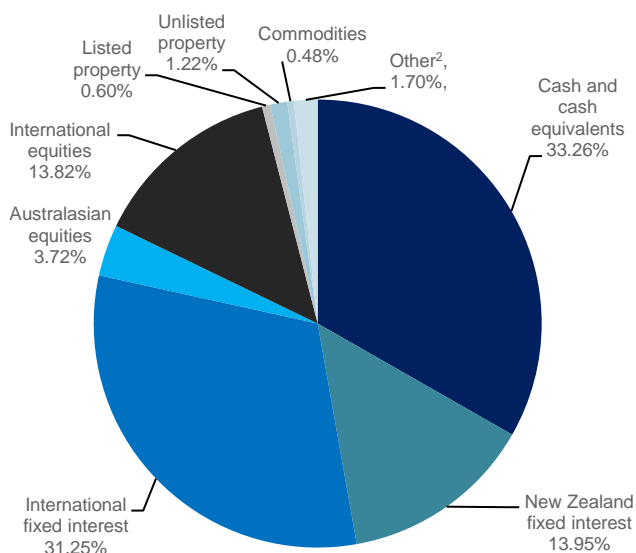
Example of how this applies to an investor

Mary had \$10,000 in the Fund at the start of the year and did not make any further contributions. At the end of the year, Mary received a return after fund charges were deducted of \$577 (that is 5.77% of her initial \$10,000). Mary also paid \$24.24 in other charges. This gives Mary a total return after tax of \$424.76 for the year.

What does the fund invest in?

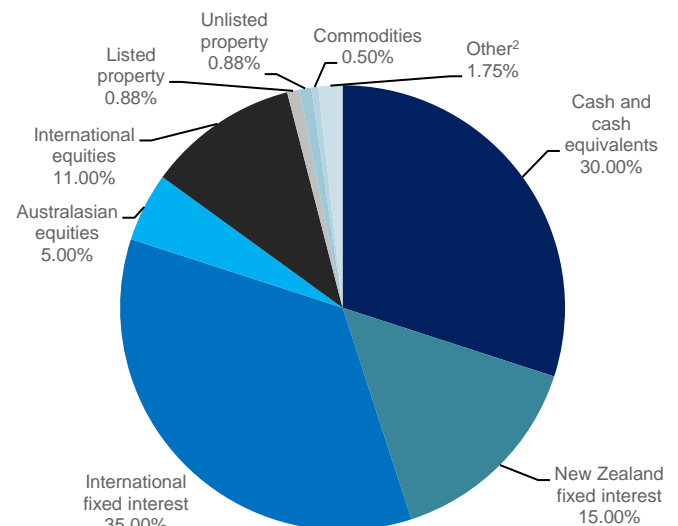
Actual investment mix

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



Target investment mix

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



Top 10 investments

	Asset name	% of fund net assets	Type	Country	Credit rating (if applicable)
1	AMP Capital Investors NZ Cash Fund	32.48%	Cash and cash equivalents	New Zealand	
2	Robeco Global Credit Fund	3.48%	International fixed interest	Australia	
3	New Zealand Government 5.5% 15/04/2023	2.28%	New Zealand fixed interest	New Zealand	AA+
4	New Zealand Government 6% 15/05/2021	2.25%	New Zealand fixed interest	New Zealand	AA+
5	New Zealand Government Indexed Bond 2% 20/09/2025	1.48%	New Zealand fixed interest	New Zealand	AA+
6	Housing New Zealand Ltd 18/10/28 3.42% CB	1.23%	New Zealand fixed interest	New Zealand	AA+
7	New Zealand Local Government Funding Agency 3.5% 14/04/2033	1.23%	New Zealand fixed interest	New Zealand	AA+
8	New Zealand Government 3% 15/04/2020	1.09%	New Zealand fixed interest	New Zealand	AA+
9	New Zealand Government 3.5% 14/04/2033	0.97%	New Zealand fixed interest	New Zealand	AA+
10	Netherlands King 0% T-Bill 31/07/2019 Eur1	0.85%	International fixed interest	Netherlands	AAA

The total value of the above asset is 47.34% of the net asset value of the Fund.

Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. The level of currency hedging for global shares is managed between 0% and 100%, and may change over time depending on the investment manager's view of the relative strength or weakness of the New Zealand dollar. Other global assets classes (global fixed interest and real assets) target a 100% net-of-tax hedge to the New Zealand dollar. For more information, refer to the Plan's SIPO available on the schemes register at disclose-register.companiesoffice.govt.nz.

Key personnel

Name	Current position	Time in current position	Previous position	Time in previous position
Adam McKenzie ³	Head of Wealth, Mercer (N.Z.) Ltd	3 months	Sales Leader, Institutional Wealth, Mercer Australia	9 years
Philip Houghton-Brown	Chief Investment Officer, New Zealand, Mercer (N.Z.) Ltd	6 years and 11 months	Chief Investment Officer – OnePath (NZ) Ltd	5 years and 3 months
John Ross	General Manager, Corporate Trustee Services, Public Trust	2 year and 5 months	Head of Public Sector ANZ Bank New Zealand Ltd	3 years and 6 months
Ireen Muir	Head of Client Services, Corporate Trustee Services, Public Trust	1 year and 5 months	Senior Manager Client Services, Corporate Trustee Services, Public Trust	6 years and 5 months
Martyn Ogilvie	Manager Client Services, Corporate Trustee Services, Public Trust	7 months	Senior Trust Officer, Corporate Trustee Services, Public Trust	18 years and 8 months

Further information

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

Notes

1. The standard administration fee is deducted monthly per member. It is calculated on a sliding scale and averaged over the entire membership.
2. Other includes investments in global infrastructure assets (listed and unlisted).
3. Adam McKenzie has not been named in a previous fund update for the fund.