

Employee Retirement Plan

Cash Fund

Fund update for the year ended 30 June 2021

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

What is the purpose of this update?

This document tells you how the Cash Fund (Fund) has performed and what fees were charged. The document will help you to compare the Fund with other funds. As Trustee of the Employee Retirement Plan, Public Trust 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 Fund has a target asset allocation of 100% to cash. The Fund's investment objective is to outperform the NZX/S&P Bank Bills 90-day Index over one year or longer. The Fund may be suitable for investors who want to decrease their possibility of losing capital. Investors need to be comfortable with the possibility of small fluctuations in returns.

Total value of the fund	\$45,278,910
Number of investors in the fund	1744
The date the fund started	30 August 2002

What are the risks of investing?

Risk indicator for the 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 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 five-year period to 30 June 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.

General risks associated with investing in the Fund include:

Investment portfolio and asset class risk: The Fund will be subject to the particular risks applying to the types of assets in which it invests.

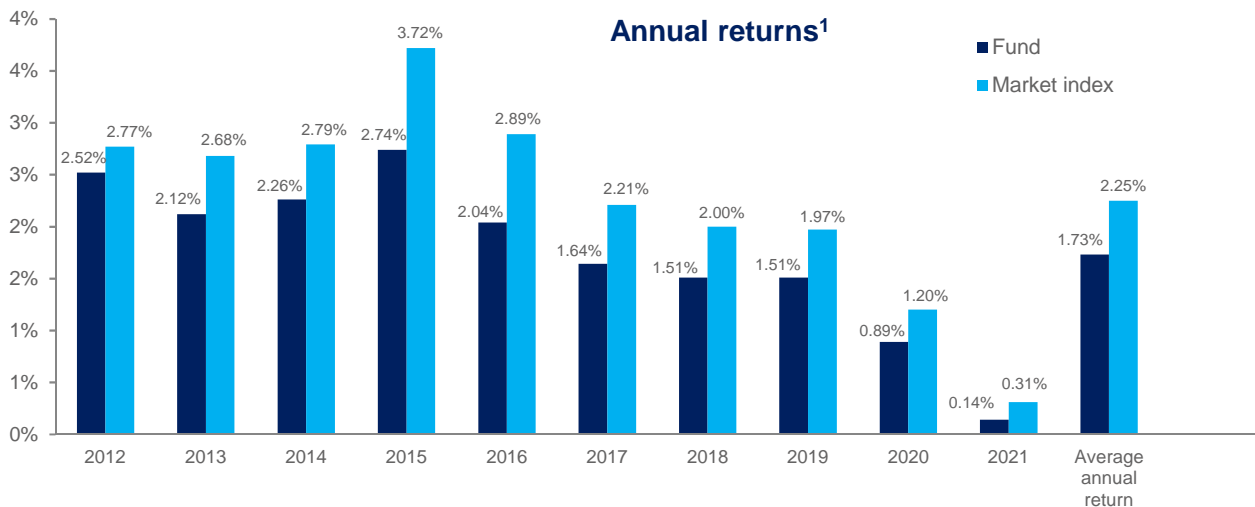
Market risk: The Fund's investment returns will be affected by the performance of investment markets generally. Market performance is affected by demand and supply, economic, technological, political, tax and regulatory conditions as well as market sentiment.

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)	1.14%	0.14%
Annual return (after deductions for charges but before tax)	1.63%	0.27%
Market index annual return (reflects no deduction for charges and tax)	1.37%	0.31%

The market index on which the market index annual return is based is the short-term government bank bill index (NZX/S&P Bank Bills 90-Day Index).



This shows the return after fund charges and tax 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 2021. The Fund's returns are shown after 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 2021 these were:

	% of net asset value
Total fund charges	0.38%
Which are made up of-	
Total management and administration charges	0.38%
Including -	
Manager's basic fee	0.03%
Other management and administration charges	0.35%
Total performance-based fees	0%
Other charges	
Standard administration fee ²	\$24.40

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 Employee Retirement Plan Member Booklet, available at <https://www.teachersretire.org.nz/documents.html>

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

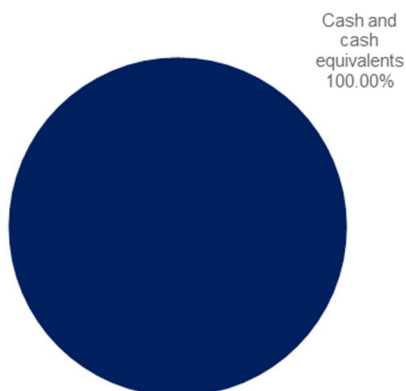
Example of how this applies to an investor

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 \$27.00 (that is 0.27% of her initial \$10,000). Mary also paid \$24.40 in other charges. This gives Mary a total loss after tax of \$10.40 for the year.

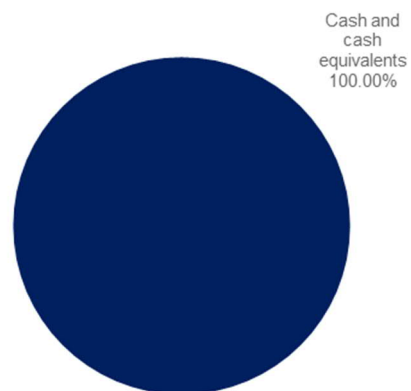
What does the fund invest in?

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

Actual investment mix



Target investment mix



Top 10 investments

	Asset name	% of fund net assets	Type	Country	Credit rating (if applicable)
1	Bank of New Zealand Rcd Maturing 15/09/2021	6.77%	Cash and cash equivalents	NZ	AA-
2	ASB Bank Ltd Rcd Maturing 27/09/2021	5.73%	Cash and cash equivalents	NZ	AA-
3	New Zealand ANZ Bank Rcd Maturing 04/11/2021	4.16%	Cash and cash equivalents	NZ	AA-
4	Bank of New Zealand Rcd Maturing 08/07/2021	3.65%	Cash and cash equivalents	NZ	AA-
5	Bank of New Zealand Rcd Maturing 15/07/2021	3.65%	Cash and cash equivalents	NZ	AA-
6	New Zealand Westpac Bank Ltd Rcd Maturing 02/09/2021	3.65%	Cash and cash equivalents	NZ	AA-
7	New Zealand Westpac Bank Ltd Rcd Maturing 24/09/2021	3.65%	Cash and cash equivalents	NZ	AA-
8	Bank of New Zealand Rcd Maturing 04/10/2021	3.65%	Cash and cash equivalents	NZ	AA-
9	New Zealand ANZ Bank Term Deposit 0.60% Maturing 24/09/2021	3.13%	Cash and cash equivalents	NZ	AA-
10	Industrial and Commercial Bank Of China Rcd Maturing 12/07/2021	3.13%	Cash and cash equivalents	NZ	A

The total value of the above asset is 41.16% of the net asset value of the Fund.

Key personnel

Name	Current position	Time in current position	Previous position	Time in previous position
Adam McKenzie	Head of Wealth, Mercer (N.Z.) Ltd	2 years and 3 months	Sales Leader, Institutional Wealth, Mercer Australia	9 years and 0 months
Ronan McCabe	Chief Investment Officer New Zealand & Head of Portfolio Management, Delegated Solutions Pacific, Mercer (N.Z.) Ltd	0 years and 7 months	Head of Portfolio Management, Delegated Solutions Pacific, Mercer Australia (Pty) Ltd	2 years and 0 months
Andrew Hughes	General Manager, Corporate Trustee Services, Public Trust	2 years and 2 months	Managing Director, Capital Servicing Co. Ltd.	10 years and 0 months
Ireen Muir ³	Head of Client Services, Corporate Trustee Services, Public Trust	3 years 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	2 years and 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 market index returns are before any deductions for fund charges and tax.
2. The standard administration fee is deducted monthly per member. It is calculated on a sliding scale and averaged across the entire membership.
3. Subsequent to 30 June 2021, Ireen Muir resigned from her position at Public Trust.