

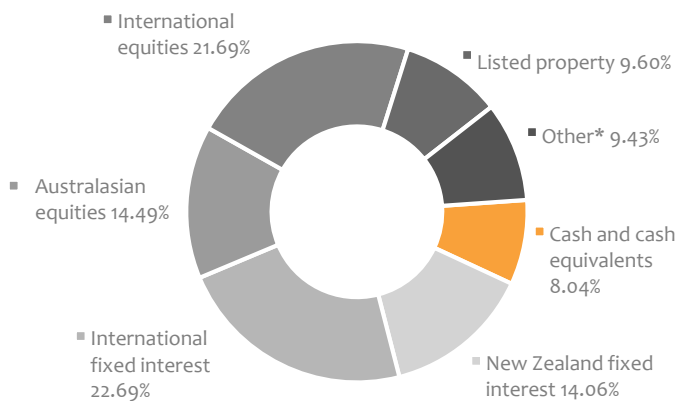
Example of how this applies to an investor

Hayley 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, Hayley received a return after fund charges were deducted of \$587 (that is 5.87% of her initial \$10,000). Hayley also paid \$24.00 in other charges. This gives Hayley a total return after tax of \$464.00 for the year.

What does the investment option invest in?³

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

Actual investment mix



Target investment mix

Asset type	Allocation
Cash and cash equivalents	8.50%
New Zealand fixed interest	12.50%
International fixed interest	20.00%
Australasian equities	16.50%
International equities	25.00%
Listed property	8.75%
Other*	8.75%

Top 10 investments

Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1 Dimensional Global Bond Trust NZD Class	22.74%	International fixed interest	AU	
2 Harbour NZ Core Fixed Interest Fund	14.09%	New Zealand fixed interest	NZ	
3 Dimensional Global Sustainability Trust – NZD Hedged Class Units	11.26%	International equities	AU	
4 BlackRock Wholesale Indexed International Equity Fund	10.46%	International equities	AU	
5 Vanguard International Property Securities Index Fund	9.62%	Listed property	AU	
6 Vanguard Global Infrastructure Index Fund	9.45%	Other*	AU	
7 Harbour NZ Equity Advanced Beta Fund	7.33%	Australasian equities	NZ	
8 Southland Building Society term deposit- series 34	6.02%	Cash and cash equivalents	NZ	BBB
9 Dimensional Australian Core Equity Trust	3.64%	Australasian equities	AU	
10 BlackRock Wholesale Indexed Australian Equity Fund	3.56%	Australasian equities	AU	

The top 10 investments make up 98.17% of the net asset value of the Lifestages funds invested in.

*Other includes infrastructure assets.

Currency hedging

Currency hedging can apply to some of the asset classes this investment option invests in. The level of currency hedging for foreign assets is managed to a target of 100% for international fixed interest, 50% for international equities and 0% for the other foreign assets. This may change over time depending on the Manager's view of the relative strength (or weakness) of the New Zealand dollar.

Additional information about the hedging policy can be found in the SIPO which is available on the Disclose offer register at www.companiesoffice.govt.nz/disclose.

Key personnel

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

Name	Current position	Time in current position	Previous or other position	Time in previous or other position
Graham Duston	Investment Committee member	15 years and 3 months	Chief Executive Officer, Funds Administration New Zealand Ltd (current)	15 years and 3 months
Martin Pike	Investment Strategist	1 years and 4 months	National Manager, Investment Product & Services, AMP Financial Services	2 years and 4 months
Mike Skilling	Independent Director / Investment Committee chairperson	0 years and 7 months	GM Business Financial Services & Private Banking, BNZ	8 years and 0 months
Jeffrey Walker	FANZ Chairman	15 years and 3 months	Managing Partner, Jeff Walker & Cleland Murdoch Lawyers (current)	17 years and 6 months
Derek Young	Investment Committee member	12 years and 6 months	Executive Director, Funds Administration New Zealand Ltd (current)	12 years and 6 months

Further information

You can also obtain this information, the PDS for Lifestages KiwiSaver Scheme, and some additional information from the offer register at www.companiesoffice.govt.nz/disclose.

Notes

- ¹ As the investment option started on 14 October 2015, annual fund charges of the investment option for the year to 31 March 2016 are not available. The charges reflect the fees disclosed in the PDS instead.
- ² This covers expenses incurred in running the funds invested in (e.g. accounting, audit, and regulatory compliance costs). This also covers the Supervisor's annual fee (for the services it provides) and an estimate of fees and expenses incurred by the underlying funds. Our estimates are made on the basis of reasonable assumptions about the ongoing level of fees and costs expected to be charged (taking into account the actual fees and costs as a percentage of average net asset value that were charged for the most recent scheme year). These fees are deducted from, and reflected in the unit price of the Lifestages funds invested in.
- ³ The investment option invests 50% in the Lifestages Income Fund and 50% in the Lifestages High Growth Fund. The actual investment mix, target investment mix, top 10 investments and currency hedging all reflect the assets invested proportionally in these Lifestages Funds.

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