

# Medical Assurance Society Retirement Savings Plan

FUND UPDATE BOOKLET

For the year ended 31 March 2019



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The Trustees of the Medical Assurance Society Retirement Savings Plan are the issuer and manager of the Plan. This document gives you important information about this investment to help you decide whether you want to invest. It should be read together with the Medical Assurance Society Retirement Savings Plan Product Disclosure Statement (PDS). You can obtain a copy of the PDS from [mas.co.nz/investment/retirement-savings](https://mas.co.nz/investment/retirement-savings). There is other useful information on [business.govt.nz/disclose](https://business.govt.nz/disclose).

# Medical Assurance Society Retirement Savings Plan

## Cash Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan Cash Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The trustees of the Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

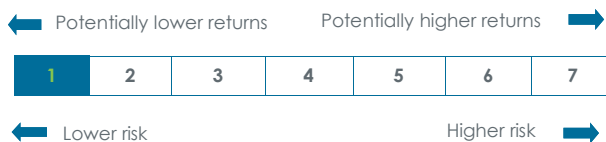
### Description of this fund

The Cash Fund invests in a range of cash assets. The Fund has a very low level of volatility.

Total value of the Fund	\$15,892,167
Number of Members in the Fund	301
The date the Fund started	22 Dec 2008

### What are the risks of investing?

Risk indicator for the Cash 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 [mas.co.nz/savings-and-investment/risk-profiler](http://mas.co.nz/savings-and-investment/risk-profiler)

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.

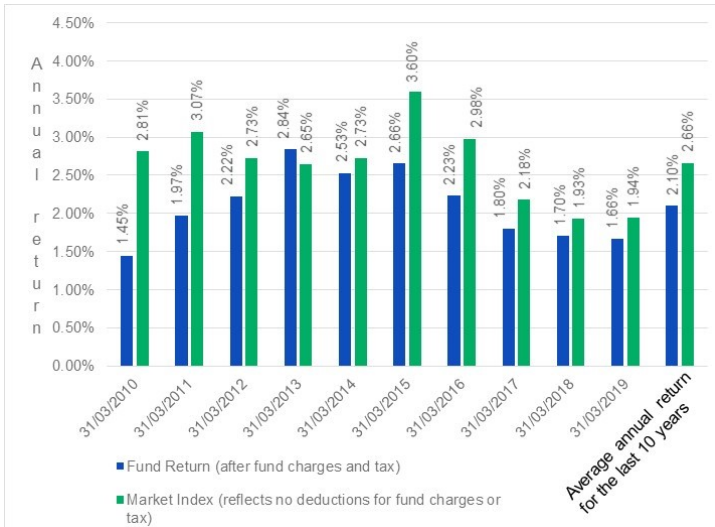
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	2.01%	1.66%
<b>Annual return</b> (after deductions for charges but before tax)	2.80%	2.33%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	2.52%	1.94%

The market index is the S&P/NZX Bank Bills 90-Day Index. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](http://business.govt.nz/disclose).

## Returns for 10 years of the Cash Fund



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 2019. **Important:** this does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

## What fees are investors charged?

Investors in the Cash Fund are charged fund charges. In the year to 31 March 2019 these were:

	% of net asset value
<b>Total fund charges:</b>	<b>0.53%</b>

Which are made up of:

<b>Total management and administration charges</b>	<b>0.53%</b>
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Including:

Manager's basic fee	0.52%
Other management and administration charges	0.01%
<b>Total performance-based fees</b>	<b>0.00%</b>

### Dollar amount per investor

<b>Other charges</b>	<b>\$0</b>
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Small differences in fees can have a big impact on your investment.

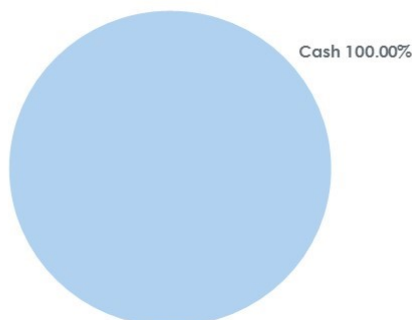
## Example of how this applies to an investor

Alex 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, Alex received a return, after fund charges were deducted, of \$166 (that is 1.66% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$166 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX

This shows the type of assets the Fund invests in.



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	100.00%
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## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	JBWere Premium Custody Call Account	61.88%	Cash and Cash Equivalents	New Zealand	
2	Bank of China Term deposit	4.81%	Cash and Cash Equivalents	New Zealand	A1
3	Bank of China Term deposit	4.81%	Cash and Cash Equivalents	New Zealand	A1
4	BNZ Term deposit	4.79%	Cash and Cash Equivalents	New Zealand	A1
5	Kiwibank Term deposit	4.77%	Cash and Cash Equivalents	New Zealand	A1
6	BNZ Term deposit	4.76%	Cash and Cash Equivalents	New Zealand	A1
7	Bank of China Term deposit	4.75%	Cash and Cash Equivalents	New Zealand	A1
8	BNZ Term deposit	4.72%	Cash and Cash Equivalents	New Zealand	A1
9	BNZ Term deposit	4.71%	Cash and Cash Equivalents	New Zealand	A1

The total value of the above investments as a percentage of the net asset value of the Cash Fund is 100.00%.

## 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
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months

## Further information

You can also obtain this information, the PDS for Medical Assurance Society Retirement Savings Plan, and some additional information from the offer register at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

# Medical Assurance Society Retirement Savings Plan

## Conservative Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The trustees of the Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

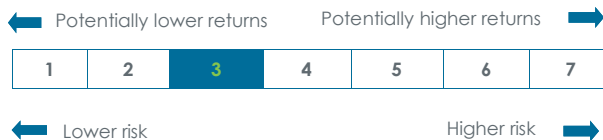
### Description of this fund

The Conservative Fund (formerly called the Defensive Portfolio) invests mostly in assets with lower risks and returns, with some investment in growth assets that may give higher returns. The Fund has a low level of volatility.

Total value of the Fund	\$26,629,516
Number of Members in the Fund	448
The date the Fund started	01 Oct 2007

### What are the risks of investing?

Risk indicator for the Conservative 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 [mas.co.nz/savings-and-investment/risk-profiler](https://mas.co.nz/savings-and-investment/risk-profiler)

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.

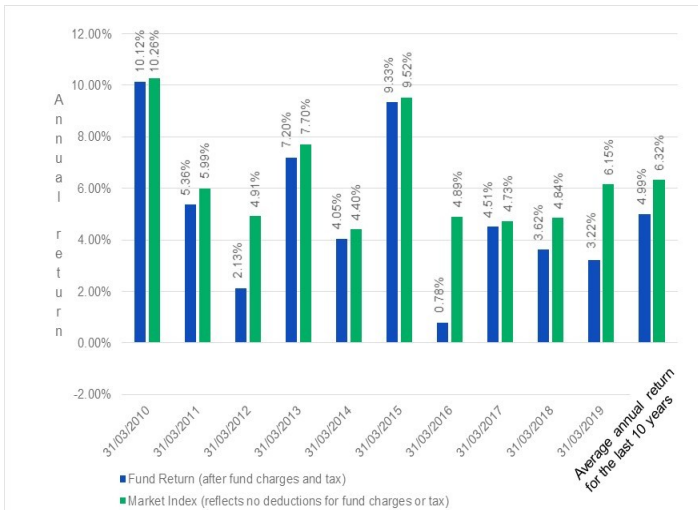
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	4.25%	3.22%
<b>Annual return</b> (after deductions for charges but before tax)	5.34%	4.10%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	6.01%	6.15%

The market index comprises the benchmark index returns of each of the asset classes weighted by their benchmark asset allocations. The market index changed since the last fund update to be more consistent with market convention. See Notes at the end of this fund update. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

## Returns for 10 years of the Conservative Fund (formerly the Defensive Portfolio)



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 2019. **Important:** this does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

See the Notes at the end of this fund update for changes to the market index during the year.

## What fees are investors charged?

Investors in the Conservative Fund are charged fund charges. Over the year to 31 March 2019 these were:

	% of net asset value
<b>Total fund charges:</b>	<b>1.19%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.19%</b>
Including:	
Manager's basic fee	1.01%
Other management and administration charges	0.18%
<b>Total performance-based fees</b>	<b>0.00%</b>
<b>Dollar amount per investor</b>	
<b>Other charges</b>	<b>\$0</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for switching funds). See the product disclosure statement for more information about those fees.

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

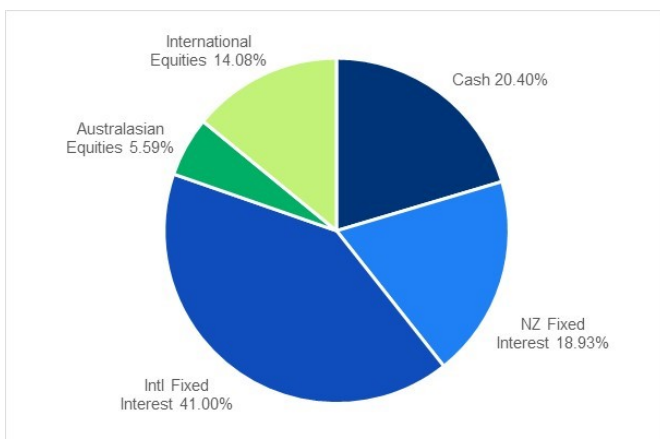
## Example of how this applies to an investor

Alex 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, Alex received a return, after fund charges were deducted, of \$322 (that is 3.22% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$322 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX

This shows the type of assets the Fund invests in.



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	10.00%
New Zealand Fixed Interest	25.00%
International Fixed Interest	45.00%
Australasian Equities	6.00%
International Equities	14.00%

See notes at the end of the fund update for changes to the target investment mix during the year.

## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	Hunter Global Fixed Interest Fund	41.01%	International Fixed Interest	New Zealand	
2	JBWere NZD Premium Custody Call Account	17.80%	Cash and Cash Equivalents	New Zealand	
3	Vector Bond 14/03/2024	4.00%	New Zealand Fixed Interest	New Zealand	BBB
4	ASB Bank Bond 15/06/2024	3.76%	New Zealand Fixed Interest	New Zealand	BBB
5	IAG Notes 15/06/2043	2.32%	New Zealand Fixed Interest	New Zealand	BBB
6	Mercury NZ FRN 7/09/2021	1.83%	New Zealand Fixed Interest	New Zealand	BBB+
7	Bank of China Bond 17/10/2022	1.64%	New Zealand Fixed Interest	New Zealand	A
8	Chorus Bond 6/12/2028	1.54%	New Zealand Fixed Interest	New Zealand	BBB
9	Quayside Holdings 10% Series	1.51%	New Zealand Fixed Interest	New Zealand	Not rated
10	Infracore Bond 15/11/2019	1.15%	New Zealand Fixed Interest	New Zealand	Not rated

The total value of the above investments as a percentage of the net asset value of the Conservative Fund is 76.56%.

### Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. International fixed interest investments are fully hedged. The level of hedging for Australian equities can be actively managed between 0%-138%. International equities are normally 69% hedged but this can be actively managed between 0%-138%. Please refer to the Statement of Investment Policy and Objectives on the scheme register at [business.govt.nz/disclose](https://business.govt.nz/disclose) for more information.

### 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
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months

### Further information

You can also obtain this information, the PDS for Medical Assurance Society Retirement Savings Plan, and some additional information from the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).



## Notes

Additional information on fees is available from the offer register under Fund Information at [business.govt.nz/disclose](https://business.govt.nz/disclose).

The Fund name was changed from "Defensive Portfolio" effective 1 December 2018.

### Target investment mix changes

Asset class	Target mix – from 1 December 2018	Target mix – to 30 November 2018
Cash	10.00%	10.00%
Fixed Interest	-	75.00%
New Zealand Fixed Interest	25.00%	-
International Fixed Interest	45.00%	-
<b>Income assets</b>	<b>80.00%</b>	<b>85.00%</b>
Australasian Equities	6.00%	5.50%
International Equities	14.00%	9.50%
<b>Growth assets</b>	<b>20.00%</b>	<b>15.00%</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

The changes were made to improve returns over the long-term.

### Market Index changes

Asset class	Benchmark - from 1 December 2018	Benchmark - to 30 November 2018
New Zealand Fixed Interest	S&P/NZX NZ Government Bond Index	S&P/NZX A-Grade Corporate Bond Index
Australian Equities	S&P/NZX 50 Gross Index	S&P/ASX 200 Accumulation Index (NZD)
International Equities	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)

The changes were made to be more consistent with market convention, and to reflect a change in international equity hedging benchmark to achieve a 50% after-tax hedge position.

# Medical Assurance Society Retirement Savings Plan

## Moderate Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan Moderate Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The trustees of the Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

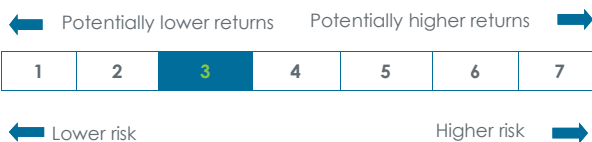
### Description of this fund

The Moderate Fund (formerly called the Conservative Portfolio) invests mostly in assets with lower risks and returns, with moderate investment in growth assets that may give higher returns. The Fund has a low level of volatility.

Total value of the Fund	\$149,954,099
Number of Members in the Fund	1,754
The date the Fund started	01 April 1994

### What are the risks of investing?

Risk indicator for the Moderate 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 [mas.co.nz/savings-and-investment/risk-profiler](https://mas.co.nz/savings-and-investment/risk-profiler)

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.

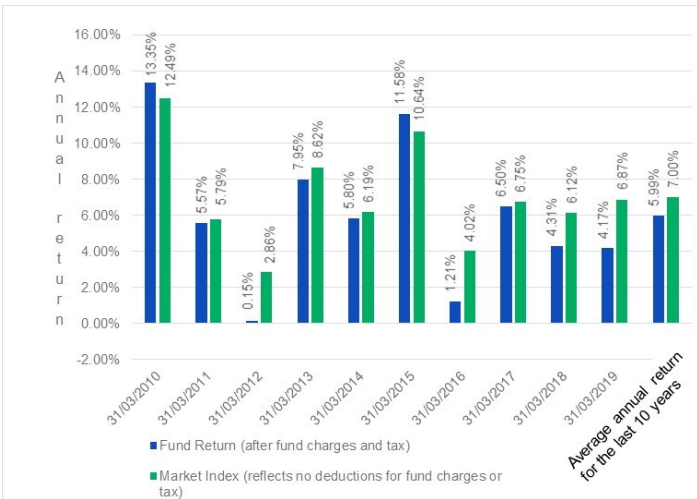
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

RETURN TYPE	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	5.50%	4.17%
<b>Annual return</b> (after deductions for charges but before tax)	6.61%	5.06%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	6.86%	6.87%

The market index comprises the benchmark index returns of each of the asset classes weighted by their benchmark asset allocations. The market index changed since the last fund update to be more consistent with market convention. See Notes at the end of this fund update. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

## Returns for 10 years of the Moderate Fund (formerly the Conservative Portfolio)



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 2019. **Important:** this does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

See the Notes at the end of this fund update for changes to the market index during the year.

## What fees are investors charged?

Investors in the Moderate Fund are charged fund charges. Over the year to 31 March 2019 these were:

	% of net asset value
<b>Total fund charges:</b>	<b>1.19%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.19%</b>
Including:	
Manager's basic fee	1.01%
Other management and administration charges	0.18%
<b>Total performance-based fees</b>	<b>0.00%</b>
<b>Dollar amount per investor</b>	
<b>Other charges</b>	<b>\$0</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for switching funds). See the product disclosure statement for more information about those fees.

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

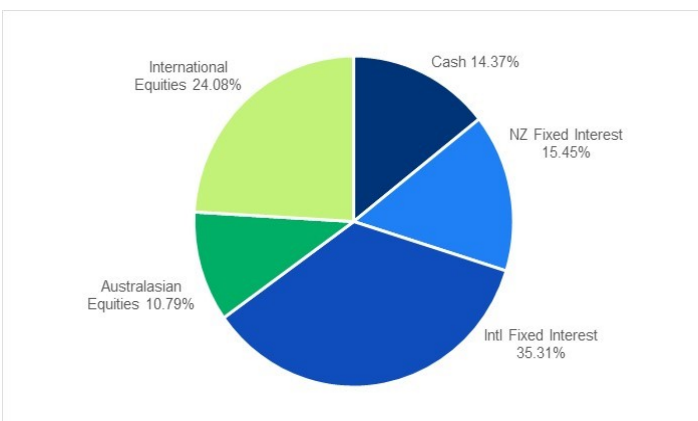
## Example of how this applies to an investor

Alex 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, Alex received a return, after fund charges were deducted, of \$417 (that is 4.17% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$417 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX

This shows the type of assets the Fund invests in.



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	6.00%
New Zealand Fixed Interest	21.00%
International Fixed Interest	38.00%
Australasian Equities	11.00%
International Equities	24.00%

See notes at the end of the fund update for changes to the target investment mix during the year.

## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	Hunter Global Fixed Interest Fund	35.31%	International Fixed Interest	New Zealand	
2	JBWere NZD Premium Custody Call Account	9.57%	Cash and Cash Equivalents	New Zealand	
3	Vector Bond 14/03/2024	3.06%	New Zealand Fixed Interest	New Zealand	BBB
4	IAG Notes 15/06/2043	1.92%	New Zealand Fixed Interest	New Zealand	BBB
5	SPDR Tech Select Exchange Traded Fund	1.74%	International Equities	United States	
6	Bank of China Bond 17/10/2022	1.71%	New Zealand Fixed Interest	New Zealand	A
7	JBWere NZD Premium Custody Call Account	1.69%	Cash and Cash Equivalents	Australia	
8	Chorus Bond 6/12/2028	1.51%	New Zealand Fixed Interest	New Zealand	BBB
9	SPDR S&P Bank Exchange Traded Fund	1.44%	International Equities	United States	
10	ANZ Bank Bond 20/03/2024	1.34%	New Zealand Fixed Interest	New Zealand	AA-

The total value of the above investments as a percentage of the net asset value of the Moderate Fund is 59.29%.

### Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. International fixed interest investments are fully hedged. The level of hedging for Australian equities can be actively managed between 0%-138%. International equities are normally 69% hedged but this can be actively managed between 0%-138%. Please refer to the Statement of Investment Policy and Objectives on the scheme register at [business.govt.nz/disclose](https://business.govt.nz/disclose) for more information.

### 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
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months

### Further information

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## Notes

Additional information on fees is available from the offer register under Fund Information at [www.business.govt.nz/disclose](http://www.business.govt.nz/disclose).

The Fund name was changed from "Conservative Portfolio" effective 1 December 2018.

### Target investment mix changes

Asset class	Target mix – from 1 December 2018	Target mix – to 30 November 2018
Cash	6.00%	6.00%
Fixed Interest	-	64.00%
New Zealand Fixed Interest	21.00%	-
International Fixed Interest	38.00%	-
<b>Income assets</b>	<b>65.00%</b>	<b>70.00%</b>
Australasian Equities	11.00%	11.00%
International Equities	24.00%	19.00%
<b>Growth assets</b>	<b>35.00%</b>	<b>30.00%</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

The changes were made to improve returns over the long-term.

### Market Index changes

Asset class	Benchmark - from 1 December 2018	Benchmark - to 30 November 2018
New Zealand Fixed Interest	S&P/NZX NZ Government Bond Index	S&P/NZX A-Grade Corporate Bond Index
Australian Equities	S&P/NZX 50 Gross Index	S&P/ASX 200 Accumulation Index (NZD)
International Equities	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)

The changes were made to be more consistent with market convention, and to reflect a change in international equity hedging benchmark to achieve a 50% after-tax hedge position.

# Medical Assurance Society Retirement Savings Plan

## Balanced Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan Balanced Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The trustees of the Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

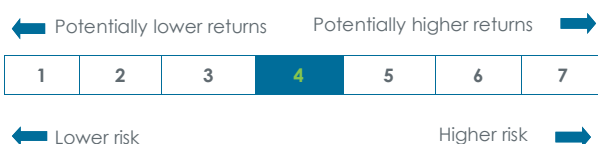
### Description of this fund

The Balanced Fund invests in a mix of around 45% in income assets and around 55% in growth assets that may give higher returns. The Fund has a moderate level of volatility.

Total value of the Fund	\$155,514,298
Number of Members in the Fund	2,121
The date the Fund started	01 Oct 2007

### What are the risks of investing?

Risk indicator for the Balanced 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 [mas.co.nz/savings-and-investment/risk-profiler](http://mas.co.nz/savings-and-investment/risk-profiler)

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 5 years to 31 March 2019. 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. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	6.42%	5.19%
<b>Annual return</b> (after deductions for charges but before tax)	7.41%	6.00%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	7.73%	7.60%

The market index comprises the benchmark index returns of each of the asset classes weighted by their benchmark asset allocations. The market index changed since the last fund update to be more consistent with market convention. See Notes at the end of this fund update. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](http://business.govt.nz/disclose).

## Returns for 10 years of the Balanced Fund



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 2019. **Important:** this does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

See the Notes at the end of this fund update for changes to the market index during the year.

## What fees are investors charged?

Investors in the Balanced Fund are charged fund charges. Over the past year these were:

	% of net asset value
<b>Total fund charges:</b>	<b>1.19%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.19%</b>
Including:	
Manager's basic fee	1.02%
Other management and administration charges	0.17%
<b>Total performance-based fees</b>	<b>0.00%</b>
<b>Dollar amount per investor</b>	
<b>Other charges</b>	<b>\$0</b>

Investors may also be charged individual action fees for specific actions or decisions (for example, for switching funds). See the product disclosure statement for more information about those fees.

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

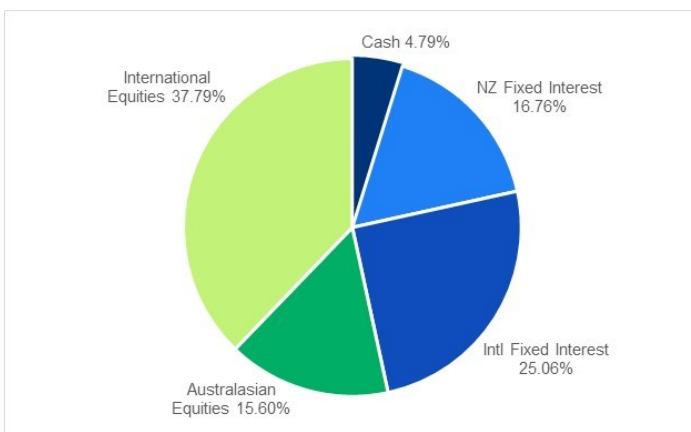
## Example of how this applies to an investor

Alex 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, Alex received a return, after fund charges were deducted, of \$519 (that is 5.19% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$519 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX

This shows the type of assets the Fund invests in.



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	4.00%
New Zealand Fixed Interest	16.00%
International Fixed Interest	25.00%
Australasian Equities	17.00%
International Equities	38.00%

See notes at the end of the fund update for changes to the target investment mix during the year.

## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	Hunter Global Fixed Interest Fund	25.06%	International Fixed Interest	New Zealand	
2	Vector Bond 14/03/2024	5.90%	New Zealand Fixed Interest	New Zealand	BBB
3	Chorus Bond 06/12/2028	2.98%	New Zealand Fixed Interest	New Zealand	BBB
4	JBWere NZD Premium Custody Call Account	2.84%	Cash and cash equivalents	New Zealand	
5	SPDR Tech Select Exchange Traded Fund	2.73%	International Equities	United States	
6	SPDR S&P Bank Exchange Traded Fund	2.26%	International Equities	United States	
7	JBWere NZD Premium Custody Call Account	2.25%	Cash and cash equivalents	Australia	
8	US Health Care Select Exchange Traded Fund	1.65%	International Equities	United States	
9	A2 Milk Company Limited	1.51%	New Zealand Equities	New Zealand	
10	ASB Bank Bond 15/06/2024	1.29%	New Zealand Fixed Interest	New Zealand	BBB

The total value of the above investments as a percentage of the net asset value of the Balanced Fund is 48.47%.

### Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. International fixed interest investments are fully hedged. The level of hedging for Australian equities can be actively managed between 0%-138%. International equities are normally 69% hedged but this can be actively managed between 0%-138%. Please refer to the Statement of Investment Policy and Objectives on the scheme register at [business.govt.nz/disclose](https://business.govt.nz/disclose) for more information.

### 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
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months

### Further information

You can also obtain this information, the PDS for Medical Assurance Society Retirement Savings Plan, and some additional information from the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).



## Notes

Additional information on fees is available from the offer register under Fund Information at [business.govt.nz/disclose](https://business.govt.nz/disclose).

### Target investment mix changes

Asset class	Target mix – from 1 December 2018	Target mix – to 30 November 2018
Cash	4.00%	4.00%
Fixed Interest	-	46.00%
New Zealand Fixed Interest	16.00%	-
International Fixed Interest	25.00%	-
<b>Income assets</b>	<b>45.00%</b>	<b>50.00%</b>
Australasian Equities	17.00%	17.50%
International Equities	38.00%	32.50%
<b>Growth assets</b>	<b>55.00%</b>	<b>50.00%</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

The changes were made to improve returns over the long-term.

### Market Index changes

Asset class	Benchmark - from 1 December 2018	Benchmark - to 30 November 2018
New Zealand Fixed Interest	S&P/NZX NZ Government Bond Index	S&P/NZX A-Grade Corporate Bond Index
Australian Equities	S&P/NZX 50 Gross Index	S&P/ASX 200 Accumulation Index (NZD)
International Equities	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)

The changes were made to be more consistent with market convention, and to reflect a change in international equity hedging benchmark to achieve a 50% after-tax hedge position.

# Medical Assurance Society Retirement Savings Plan

## Growth Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan 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 Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

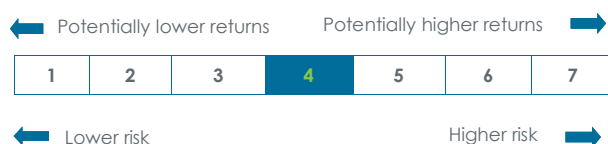
### Description of this fund

The Growth Fund invests mostly in growth assets with a higher level of risk and returns, and with some investment in income assets that provide a degree of stability. The Fund has a moderate to high level of volatility.

Total value of the Fund	\$384,984,399
Number of Members in the Fund	3,883
The date the Fund started	1 April 1994

### What are the risks of investing?

Risk indicator for the Growth 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 [mas.co.nz/savings-and-investment/risk-profiler](https://mas.co.nz/savings-and-investment/risk-profiler)

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.

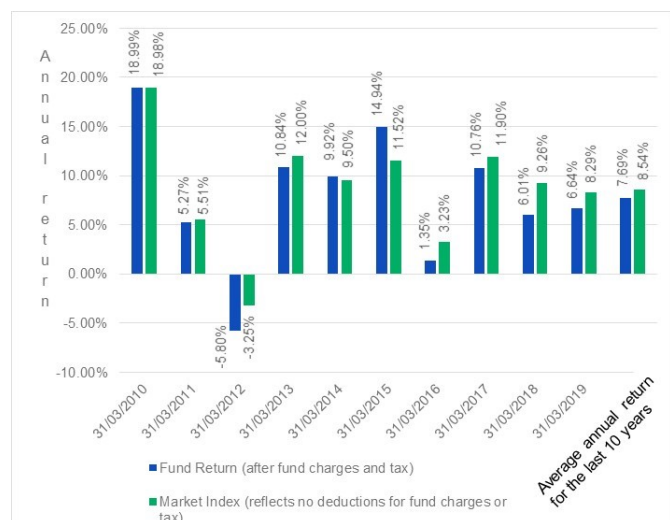
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	7.84%	6.64%
<b>Annual return</b> (after deductions for charges but before tax)	8.77%	7.32%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	8.80%	8.29%

The market index comprises the benchmark index returns of each of the asset classes weighted by their benchmark asset allocations. The market index changed since the last fund update to be more consistent with market convention. See Notes at the end of this fund update. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

## Returns for 10 years of the Growth Fund



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 2019. **Important:** this does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

See the Notes at the end of this fund update for changes to the market index during the year.

## What fees are investors charged?

Investors in the Growth Fund are charged fund charges. Over the year to 31 March 2019 these were:

	% of net asset value
<b>Total fund charges:</b>	<b>1.20%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.20%</b>
Including:	
Manager's basic fee	1.01%
Other management and administration charges *	0.19%
<b>Total performance-based fees</b>	<b>0.00%</b>
Dollar amount per investor	
<b>Other charges</b>	<b>\$0</b>

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

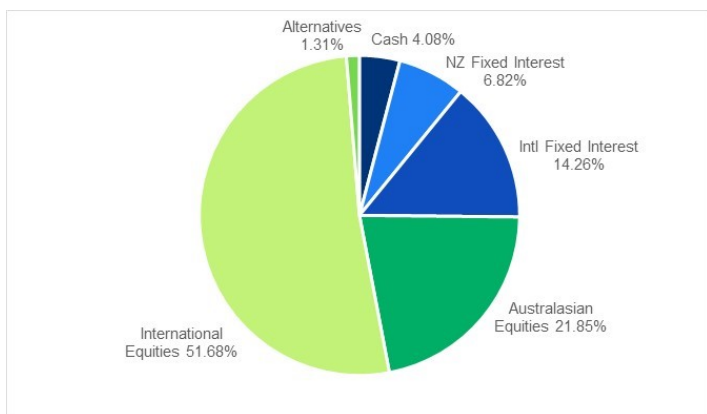
## Example of how this applies to an investor

Alex 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, Alex received a return, after fund charges were deducted, of \$664 (that is 6.64% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$664 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX

This shows the type of assets the Fund invests in.



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	2.00%
New Zealand Fixed Interest	8.00%
International Fixed Interest	15.00%
Australasian Equities	23.00%
International Equities	52.00%
Other **	0.00%

\*\*Please see the note at the end of the fund update.

See notes at the end of the fund update for changes to the target investment mix during the year.

## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	Hunter Global Fixed Interest Fund	14.26%	International Fixed Interest	New Zealand	
2	Vector Bond 14/03/2024	4.05%	New Zealand Fixed Interest	New Zealand	BBB
3	SPDR Tech Select Exchange Traded Fund	3.73%	International Equities	United States	
4	SPDR S&P Bank Exchange Traded Fund	3.08%	International Equities	United States	
5	Health Care Select Exchange Traded Fund	2.25%	International Equities	United States	
6	A2 Milk Company Limited	2.08%	Australasian Equities	New Zealand	
7	JBWere NZD Premium Custody Call Account	2.03%	Cash and cash equivalents	New Zealand	
8	Meridian Energy Limited	1.67%	Australasian Equities	New Zealand	
9	Infratil Limited	1.67%	Australasian Equities	New Zealand	
10	Fisher & Paykel Healthcare Limited	1.48%	Australasian Equities	New Zealand	

The total value of the above investments as a percentage of the net asset value of the Growth Fund is 36.30%.

### Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. International fixed interest investments are fully hedged. The level of hedging for Australian equities can be actively managed between 0%-138%. International equities are normally 69% hedged but this can be actively managed between 0%-138%. Please refer to the Statement of Investment Policy and Objectives on the scheme register at [business.govt.nz/disclose](https://business.govt.nz/disclose) for more information.

### 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
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months

### Further information

You can also obtain this information, the PDS for Medical Assurance Society Retirement Savings Plan, and some additional information from the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose)

## Notes

\* An estimate has been used to calculate the underlying fund performance fees which are included in 'Other management and administration charges'. With respect to private equity we have assumed the total expense ratio (including any performance fees) is the same as the previous year.

Additional information on fees is available from the offer register under Fund Information at [business.govt.nz/disclose](https://business.govt.nz/disclose).

\*\* 'Other' is comprised of Alternative Investments. These are private equity investments.

### Target investment mix changes

Asset class	Target mix – from 1 December 2018	Target mix – to 30 November 2018
Cash	2.00%	2.00%
Fixed Interest	-	28.00%
New Zealand Fixed Interest	8.00%	-
International Fixed Interest	15.00%	-
<b>Income assets</b>	<b>25.00%</b>	<b>30.00%</b>
Australasian Equities	23.00%	24.00%
International Equities	52.00%	46.00%
<b>Growth assets</b>	<b>75.00%</b>	<b>70.00%</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

The changes were made to improve returns over the long-term.

### Market Index changes

Asset class	Benchmark - from 1 December 2018	Benchmark - to 30 November 2018
New Zealand Fixed Interest	S&P/NZX NZ Government Bond Index	S&P/NZX A-Grade Corporate Bond Index
Australian Equities	S&P/NZX 50 Gross Index	S&P/ASX 200 Accumulation Index (NZD)
International Equities	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)
Alternatives	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)

The changes were made to be more consistent with market convention and to reflect a change in international equity hedging benchmark to achieve a 50% after-tax hedge position.

# Medical Assurance Society Retirement Savings Plan

## Aggressive Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan Aggressive Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The trustees of the Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

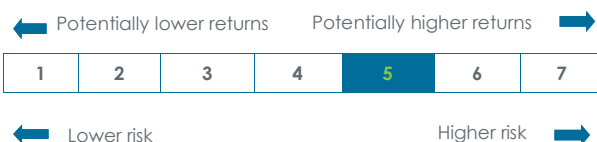
### Description of this fund

The Aggressive Fund invests mostly in growth assets with a higher level of risks and returns, and with a small investment in income assets that provide a degree of stability. The Fund has a potentially high level of volatility.

Total value of the Fund	\$44,031,721
Number of Members in the Fund	1,165
The date the Fund started	01 Oct 2007

### What are the risks of investing?

Risk indicator for the Aggressive 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 [mas.co.nz/savings-and-investment/risk-profiler](https://mas.co.nz/savings-and-investment/risk-profiler)

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.

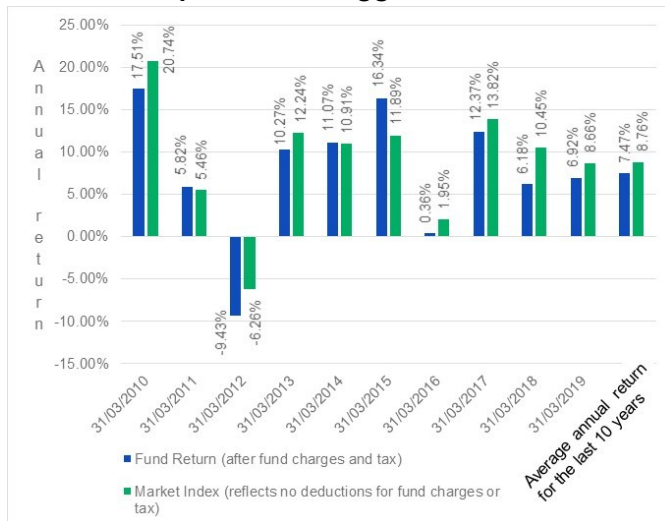
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	8.29%	6.92%
<b>Annual return</b> (after deductions for charges but before tax)	9.13%	7.53%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	9.26%	8.66%

The market index comprises the benchmark index returns of each of the asset classes weighted by their benchmark asset allocations. The market index changed since the last fund update to be more consistent with market convention. See Notes at the end of this fund update. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

## Returns for 10 years of the Aggressive Fund



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 2019. **Important:** this doesn't tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

See the Notes at the end of this fund update for changes to the market index during the year.

## What fees are investors charged?

Investors in the Aggressive Fund are charged fund charges. Over the year to 31 March 2019 these were:

	% of net asset value
<b>Total fund charges:</b>	<b>1.18%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.18%</b>
Including:	
Manager's basic fee	1.02%
Other management and administration charges *	0.16%
<b>Total performance-based fees</b>	<b>0.00%</b>
<b>Dollar amount per investor</b>	
<b>Other charges</b>	<b>\$0</b>

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

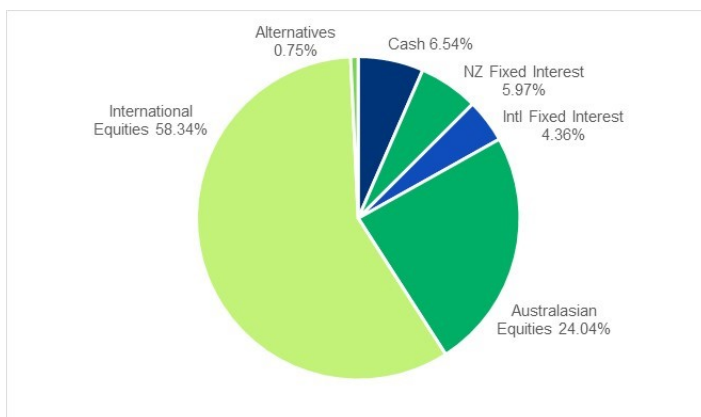
## Example of how this applies to an investor

Alex 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, Alex received a return, after fund charges were deducted, of \$692 (that is 6.92% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$692 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX

This shows the type of assets the Fund invests in.



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	0.00%
New Zealand Fixed Interest	5.00%
International Fixed Interest	10.00%
Australasian Equities	26.00%
International Equities	59.00%
Other **	0.00%

\*\*Please see the note at the end of the fund update.

See notes at the end of the fund update for changes to the target investment mix during the year.

## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	Hunter Global Fixed Interest Fund	4.36%	International Fixed Interest	New Zealand	
2	SPDR Tech Select Exchange Traded Fund	4.21%	International Equities	United States	
3	SPDR S&P Bank Exchange Traded Fund	3.48%	International Equities	United States	
4	Chorus Bond 6/12/2028	3.28%	New Zealand Fixed Interest	New Zealand	BBB
5	JBWere NZD Premium Custody Call Account	3.08%	Cash and Cash equivalents	New Zealand	
6	JBWere NZD Premium Custody Call Account	3.06%	Cash and Cash equivalents	Australia	
7	Health Care Select Exchange Traded Fund	2.54%	International Equities	United States	
8	A2 Milk Company Limited	2.30%	Australasian Equities	New Zealand	
9	Infratil limited	1.84%	Australasian Equities	New Zealand	
10	Meridian Energy Limited	1.83%	Australasian Equities	New Zealand	

The total value of the above investments as a percentage of the net asset value of the Aggressive Fund is 29.98%.

### Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. International fixed interest investments are fully hedged. The level of hedging for Australian equities can be actively managed between 0%-138%. International equities are normally 69% hedged but this can be actively managed between 0%-138%. Please refer to the Statement of Investment Policy and Objectives on the scheme register at [business.govt.nz/disclose](https://business.govt.nz/disclose) for more information.

### 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
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months

### Further information

You can also obtain this information, the PDS for Medical Assurance Society Retirement Savings Plan, and some additional information from the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).



## Notes

\* An estimate has been used to calculate the underlying fund performance fees which are included in 'Other management and administration charges'. With respect to private equity we have assumed the total expense ratio (including any performance fees) is the same as the previous year.

Additional information on fees is available from the offer register under Fund Information at [business.govt.nz/disclose](https://business.govt.nz/disclose).

\*\*\*'Other' is comprised of Alternative Investments. These are private equity investments.

### Target investment mix changes

Asset class	Target mix – from 1 December 2018	Target mix – to 30 November 2018
Cash	0.00%	0.00%
Fixed Interest	-	15.00%
New Zealand Fixed Interest	5.00%	-
International Fixed Interest	10.00%	-
<b>Income assets</b>	<b>15.00%</b>	<b>15.00%</b>
Australasian Equities	26.00%	29.00%
International Equities	59.00%	56.00%
<b>Growth assets</b>	<b>85.00%</b>	<b>85.00%</b>
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

The changes were made to improve returns over the long-term.

### Market Index changes

Asset class	Benchmark - from 1 December 2018	Benchmark - to 30 November 2018
New Zealand Fixed Interest	S&P/NZX NZ Government Bond Index	S&P/NZX A-Grade Corporate Bond Index
Australian Equities	S&P/NZX 50 Gross Index	S&P/ASX 200 Accumulation Index (NZD)
International Equities	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)
Alternatives	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)

The changes were made to be more consistent with market convention, and to reflect a change in international equity hedging benchmark to achieve a 50% after-tax hedge position.

# Medical Assurance Society Retirement Savings Plan

## Global Equities Fund



Fund update for the year ending 31 March 2019

This fund update was first made publicly available on 28 June 2019

### What is the purpose of this update?

This document tells you how the Medical Assurance Society Retirement Savings Plan Global Equities Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. The trustees of the Medical Assurance Society Retirement Savings Plan prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

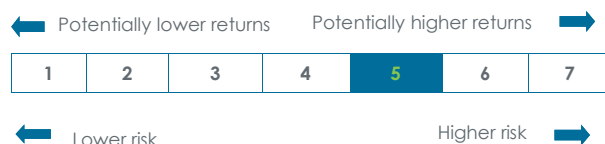
### Description of this fund

The Global Equities Fund invests entirely in growth assets with the potential for very high growth over the long term. The Fund has a potentially high level of volatility.

Total value of the Fund	\$27,050,141
Number of Members in the Fund	636
The date the Fund started	01 Oct 2007

### What are the risks of investing?

Risk indicator for the Global Equities 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 [mas.co.nz/savings-and-investment/risk-profiler](https://mas.co.nz/savings-and-investment/risk-profiler)

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.

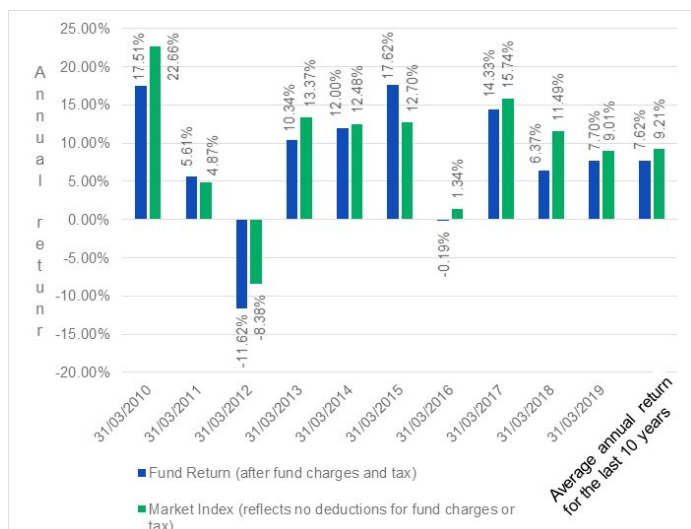
This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2019. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates. See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

### How has the fund performed?

	AVERAGE OVER PAST 5 YEARS	PAST YEAR
<b>Annual return</b> (after deductions for charges and tax)	8.99%	7.70%
<b>Annual return</b> (after deductions for charges but before tax)	9.77%	8.24%
<b>Market index annual return</b> (reflects no deduction for charges and tax)	9.95%	9.01%

The market index comprises the benchmark index returns of each of the asset classes weighted by their benchmark asset allocations. The market index changed since the last fund update to be more consistent with market convention. See Notes at the end of this fund update. Additional information about the market index is available on the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

## Returns for 10 years of the Global Equities Fund



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 2019. **Important:** this doesn't tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

See the Notes at the end of this fund update for changes to the market index during the year.

## What fees are investors charged?

Investors in the Global Equities Fund are charged fund charges. Over the year to 31 March 2019 these were:

	% of new asset value
<b>Total fund charges: % of net asset value</b>	<b>1.18%</b>
Which are made up of:	
<b>Total management and administration charges</b>	<b>1.18%</b>
Including:	
Manager's basic fee	1.02%
Other management and administration charges *	0.16%
<b>Total performance-based fees</b>	<b>0.00%</b>
<b>Dollar amount per investor</b>	
<b>Other charges</b>	<b>\$0</b>

\* An estimate has been used to calculate certain underlying fund fees which are included in 'Other management and administration charges'. Please see the note at the end of the fund update.

Investors may also be charged individual action fees for specific actions or decisions (for example, for switching funds). See the product disclosure statement for more information about those fees.

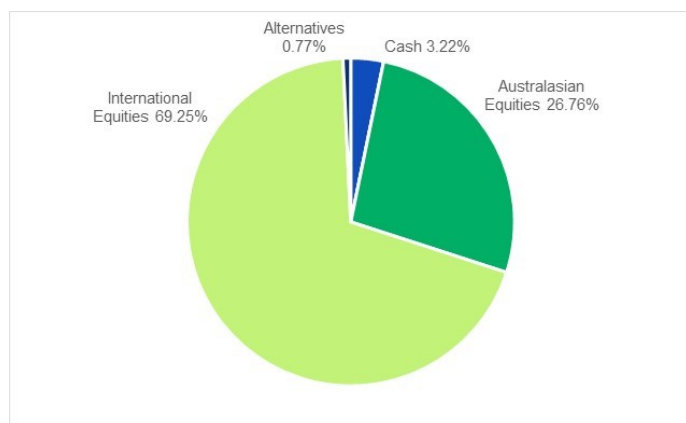
Small differences in fees can have a big impact on your investment over the long term.

## Example of how this applies to an investor

Alex 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, Alex received a return after fund charges were deducted of \$770 (that is 7.70% of his initial \$10,000). Alex also paid \$0 in other charges. This gives Alex a total return after tax of \$770 for the year.

## What does the fund invest in?

### ACTUAL INVESTMENT MIX



### TARGET INVESTMENT MIX

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

Cash and Cash Equivalents	0.00%
New Zealand Fixed Interest	0.00%
International Fixed Interest	0.00%
Australasian Equities	30.00%
International Equities	70.00%
Other **	0.00%

\*\*Please see the note at the end of the fund update.

See notes at the end of the fund update for changes to the target investment mix during the year.

## TOP 10 INVESTMENTS

NO	NAME	% OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
1	SPDR Tech Select Exchange Traded Fund	5.00%	International Equities	United States	
2	SPDR S&P Bank Exchange Traded Fund	4.13%	International Equities	United States	
3	Health Care Select Exchange Traded Fund	3.02%	International Equities	United States	
4	A2 Milk Company Limited	2.67%	Australasian Equities	New Zealand	
5	JBWere NZD Premium Custody Call Account	2.24%	Cash and cash equivalents	New Zealand	
6	Infratil limited	2.13%	Australasian Equities	New Zealand	
7	Meridian Energy Limited	2.13%	Australasian Equities	New Zealand	
8	Fisher & Paykel Healthcare Limited	1.88%	Australasian Equities	New Zealand	
9	iShares US Medical Devices Exchange Traded Fund	1.75%	International Equities	United States	
10	iShares European Telecoms Exchange Traded Fund	1.69%	International Equities	Germany	

The total value of the above investments as a percentage of the net asset value of the Global Equities Fund is 26.64%.

### Currency hedging

Currency hedging can apply to some of the asset classes the Fund invests in. The level of hedging for Australian equities can be actively managed between 0%-138%. International equities are normally 69% hedged but this can be actively managed between 0%-138%. Please refer to the Statement of Investment Policy and Objectives on the scheme register at [business.govt.nz/disclose](https://business.govt.nz/disclose) for more information.

### 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
Bruce Robertson (JBWere)	Portfolio Manager	22 years and 0 months	Partner - Goldman Sachs JBWere	7 years and 1 month
Tom Phillips (JBWere)	Portfolio Manager	14 years and 7 months	Corporate & Commercial Lawyer – Bell Gully	7 years and 8 months
Phil Borkin (Not previously named) (JBWere)	Senior Strategist	0 years and 3 months	Senior Macro Strategist, ANZ	4 years and 0 months
Hayden Griffiths (JBWere)	Asset Allocation	22 years and 11 months	Analyst - BZW	2 years and 5 months
Earl White (Bancorp Treasury)	Executive Advisor	16 years and 2 months	Treasurer - BNP Paribas	8 years and 7 months

### Further information

You can also obtain this information, the PDS for Medical Assurance Society Retirement Savings Plan, and some additional information from the offer register at [business.govt.nz/disclose](https://business.govt.nz/disclose).

## Notes

\* An estimate has been used to calculate the underlying fund performance fees which are included in 'Other management and administration charges'. With respect to private equity we have assumed the total expense ratio (including any performance fees) is the same as the previous year.

Additional information on fees is available from the offer register under Fund Information at [business.govt.nz/disclose](https://business.govt.nz/disclose).

\*\* 'Other' is comprised of Alternative Investments. These are private equity investments.

### Target investment mix changes

Asset class	Target mix – from 1 December 2018	Target mix – to 30 November 2018
Australasian Equities	30.00%	35.00%
International Equities	70.00%	65.00%
<b>TOTAL</b>	<b>100.00%</b>	<b>100.00%</b>

The changes were made to improve returns over the long-term.

### Market Index changes

Asset class	Benchmark - from 1 December 2018	Benchmark - to 30 November 2018
Australian Equities	S&P/NZX 50 Gross Index	S&P/ASX 200 Accumulation Index (NZD)
International Equities	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)
Alternatives	MSCI All Country World Total Return Index (69% hedged to NZD)	MSCI All Country World Total Return Index (50% hedged to NZD)

The changes were made to be more consistent with market convention, and to reflect a change in international equity hedging benchmark to achieve a 50% after-tax hedge position.