

SIL Mutual Fund Employer Lump Sum Scheme

For the year ended 30 June 2024



SIL Mutual Fund ('SIL') is New Zealand's longest-established personal superannuation fund. It was established in 1959 to provide New Zealanders with an opportunity to plan and save for retirement.

SIL comprises two registered superannuation schemes, the SIL Mutual Fund Personal Lump Sum Scheme and the SIL Mutual Fund Employer Lump Sum Scheme.

This annual report is for the SIL Mutual Fund Employer Lump Sum Scheme (**the scheme**). The scheme was established as a registered superannuation scheme in June 2008.

The scheme closed to new members on 16 September 2016. The scheme continues to accept contributions from existing members.

The trustee and manager of the scheme (**the trustee**) is Superannuation Investments Limited. The trustee is governed by a board of directors, which meets regularly throughout the year to oversee the administration and management of the scheme and that members' investments are managed in accordance with the trust deed. Further information about the directors of the trustee is available at silfunds.co.nz.

ANZ New Zealand Investments Limited (**ANZ Investments**) is the investment and administration manager of the scheme.

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Message from the Chairman

I'm pleased to present the SIL Mutual Fund Employer Lump Sum Scheme annual report for the year ended 30 June 2024.

It was a good year for investors, with many financial markets reacting favourably to signs that the world's central banks were winning in their fight against inflation – and to the idea that interest rates may have peaked.

All of the funds in the Scheme delivered strong returns, with the exception of the New Zealand Share Fund, which delivered a small loss. Meanwhile, returns for the 10-year period were positive across all funds.

Share markets in the US, Europe, the UK, Japan and Australia hit record highs during the year, as inflation headed lower. Their performance was bolstered by euphoria around artificial intelligence (AI), which saw some high-profile companies deliver exceptionally strong gains.

Late in the reporting period, interest rates in two key regions were lowered, signalling other central banks were likely to follow suit. It meant this asset class delivered strong gains, with the International Share Fund returning 8.80%* for the year.

It was a different story here in New Zealand. Business activity slowed and the high cost of living saw many households rein in their spending, tipping the local economy into recession.

At the same time, inflation stayed high, meaning the Reserve Bank of New Zealand (RBNZ) was reluctant to bring interest rates down from their 16-year highs. This caused

the local share market to lose ground, and the New Zealand Share Fund fell 1.53%*.

International and New Zealand bond markets also finished higher, although they lagged behind international share markets. Bond markets tend to do well when interest rates head lower or are expected to fall. This was the case during the year as inflation moved ever closer towards central bank target levels, including here in New Zealand.

As a result, the New Zealand Fixed Interest Fund returned 4.93%*. Meanwhile, cash continued to deliver steady returns with low investment risk, allowing the Cash Plus Fund to return 5.70%*.

Finally, the Balanced Plus Fund returned 6.42%*, benefiting from its exposure to growth investments, such as international shares.

Uncertainty in financial markets remains

Since the end of the period covered by this report, many more of the world's central banks have started cutting interest rates, including here in New Zealand. The RBNZ brought some relief to investors and homeowners, with a quarter per cent cut to the Official Cash Rate in August.

Going forward, lower interest rates should be supportive of many financial markets and, while global economic growth is slowing, data to date suggests the world's major economies should be able to avoid a severe downturn. Of course, uncertainties remain, such as ongoing geopolitical unrest and the upcoming elections in the US.

* Performance is after deduction for fund charges and before tax.

Whatever happens in financial markets, we remind you to stay mindful of your investment timeframe and your appetite for risk.

To ensure your financial plan is on track, I encourage you to contact your financial adviser to review your financial position.

It's especially important to discuss any changes in your financial situation. ANZ Investments will be happy to put you in touch with an adviser in your area if you need one.

Thank you for your continued support. We appreciate having you in the scheme and being able to help you achieve your retirement goals.



Dr Edward Schuck

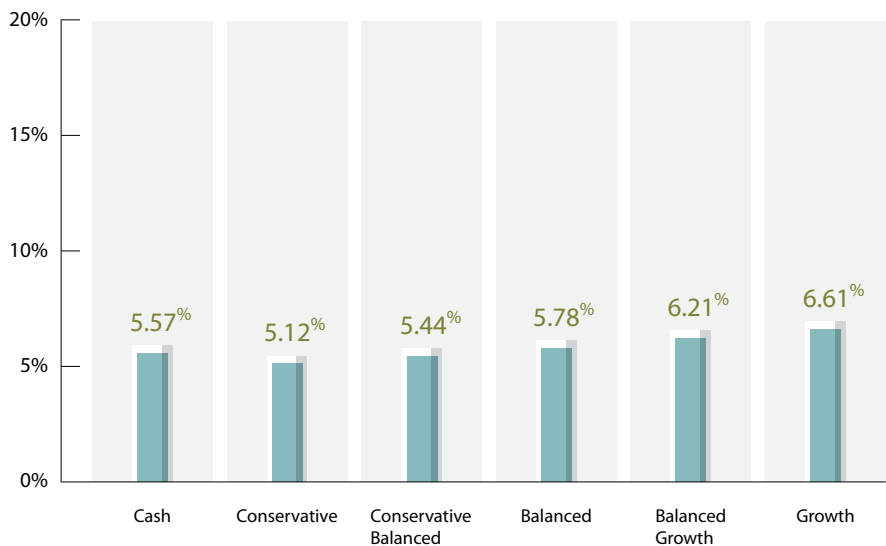
Chairman,
Superannuation Investments Limited

"All [but one] of the funds in the
Scheme delivered strong returns...
Meanwhile, returns for the
10-year period were positive
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Performance summary

Fund performance

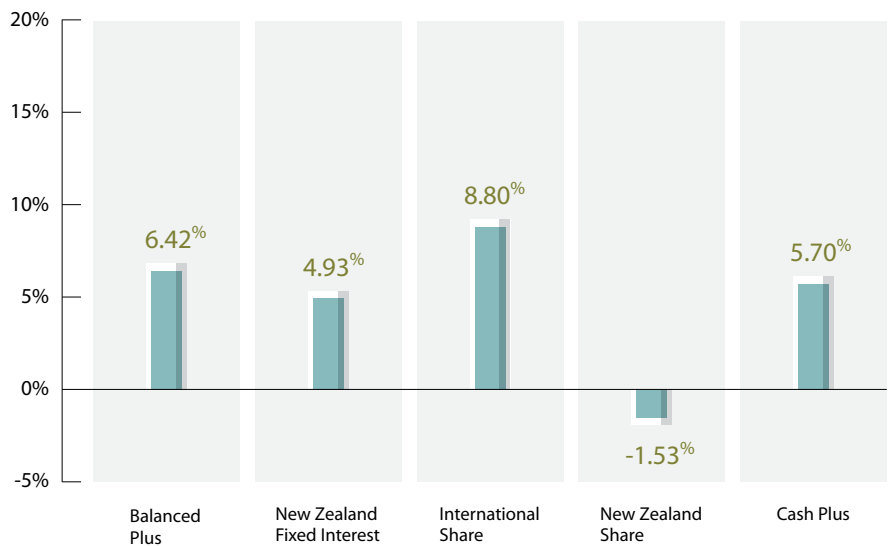
for the 12 months to 30 June 2024



Historical performance at 30 June 2024	1 year (%)	5 years (% p.a.)	10 years (% p.a.)
SIL Employer Cash Fund	5.57	2.26	2.03
SIL Employer Conservative Fund	5.12	1.89	3.59
SIL Employer Conservative Balanced Fund	5.44	2.97	4.70
SIL Employer Balanced Fund	5.78	3.93	5.79
SIL Employer Balanced Growth Fund	6.21	4.96	6.86
SIL Employer Growth Fund	6.61	5.95	7.86

Fund performance

for the 12 months to 30 June 2024



Historical performance at 30 June 2024	1 year (%)	5 years (% p.a)	10 years (% p.a)
SIL Balanced Plus Fund	6.42	5.15	6.87
SIL New Zealand Fixed Interest Fund	4.93	-0.14	2.44
SIL International Share Fund	8.80	9.99	11.60
SIL New Zealand Share Fund	-1.53	2.43	7.90
SIL Cash Plus Fund	5.70	2.39	2.38

Performance is after deduction for fund charges and before tax. This is represented by changes in unit prices plus any applicable tax credits. Past performance is not indicative of future performance. Performance can be negative as well as positive.



Details of scheme

Name of the scheme

SIL Mutual Fund Employer Lump Sum Scheme.

Type of scheme

Restricted superannuation scheme.
The scheme is closed to new investors.

Trustee and manager

Superannuation Investments Limited
(trustee).

Investment and administration manager

ANZ New Zealand Investments Limited.

Product disclosure statement

As the scheme is closed to new investors, there is no product disclosure statement.

Fund updates

The scheme's latest fund updates for the year ended 30 June 2024 were made publicly available on 27 September 2024. These are available on the offer register at disclose-register.companiesoffice.govt.nz.

Financial statements and auditor's report

The scheme's latest financial statements for the 12 months ended 30 June 2024, and the auditor's report on those financial statements, were dated 25 October 2024 and lodged with the Registrar of Financial Service Providers on 29 October 2024.

See page 16 for more details.

Information on contributions and scheme participants

The information in this document relates to the 12 months from 1 July 2023 to 30 June 2024 (the year).

Membership

The table below provides a summary of the numerical changes in the membership of the scheme during the year.

Membership movements	Number of members	Total amount (\$'000)
Scheme members at 1 July 2023		
Contributing members	203	
Non-contributing members*	137	
Total members at 1 July 2023	340	
Total members' accumulation at 1 July 2023		42,560
Plus new members		
Transfers from other schemes	–	
Other new members	–	
Total new members during the year	–	
Less exited members		
Retirement	24	
Death	–	
Transfers to other schemes	–	
Other reasons	13	
Total members exited during the year	37	
Scheme members at 30 June 2024		
Contributing members	173	
Non-contributing members*	130	
Total scheme members at 30 June 2024	303	
Total members' accumulation at 30 June 2024		39,595

* Non-contributing member means a member for whom no contributions have been received in the last two months of the reporting period.

Contributions

The table below provides a summary of the contributions received during the year by way of:

Contribution type	Number of members	Total amount (\$000)
Member contributions	182	849
Employer contributions	186	463
Total contributions		1,312

Changes relating to the scheme

This section describes any material changes to the scheme's nature, investment objectives and strategy, and management during the year.

Changes to the statement of investment policy and objectives (SIPO)

The SIPO was updated on 15 July 2024 to reflect the external manager change from MFS Institutional Advisors Inc to BlackRock Investment Management.

The SIPO was updated on 16 August 2023 to refer to ANZ Investments' responsible investment framework and to reflect the removal of the Lifetimes investment option from the scheme.

Changes to the nature or scale of related party transactions

There were no material changes to the nature or scale of related party transactions entered into for the scheme during the year. All related party transactions were conducted on arm's-length terms.



Other information for particular types of managed funds

Withdrawals

The table below sets out the withdrawals made from the scheme during the year.

Withdrawal reason	Number of members	Total amount (\$000)
Partial withdrawals*	1	35
Full withdrawals*	12	1,987
Death	–	–
Retirement**	32	4,301
Transfers to other registered schemes	–	–
Total withdrawals	45	6,323

* Includes other voluntary member withdrawals.

** Includes full and partial withdrawals.

Unit prices

The table below sets out the unit prices for the funds at the start and end of the year.

Fund	At 30 June 2023	At 30 June 2024
SIL Employer Cash Fund	1.3186	1.3921
SIL Employer Conservative Fund	1.8623	1.9565
SIL Employer Conservative Balanced Fund	2.1264	2.2398
SIL Employer Balanced Fund	2.3982	2.5331
SIL Employer Balanced Growth Fund	2.6656	2.8259
SIL Employer Growth Fund	2.9227	3.1086
SIL Balanced Plus Fund	5.7392	6.0959
SIL New Zealand Fixed Interest Fund	3.0516	3.2020
SIL New Zealand Share Fund	8.0777	7.8873
SIL International Share Fund	6.0662	6.5872
SIL Cash Plus Fund	2.4089	2.5461

Trustee's statement

Superannuation Investments Limited, as trustee of the scheme, confirms that:

- all the contributions required to be made to the scheme in accordance with the terms of the trust deed have been made
- all the benefits required to be paid from the scheme in accordance with the terms of the trust deed have been paid, and
- the market value of the scheme property at 30 June 2024 equalled or exceeded the total value of benefits that would have been payable had all members of the scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 30 June 2024.

Changes to persons involved in the scheme

Trustee and manager

Superannuation Investments Limited was the trustee and manager of the scheme throughout the year.

There were no changes to the directors of the trustee and manager during the year.

Auditor

KPMG was the auditor of the scheme throughout the year.



How to find further information

On disclose

Disclose is a website that contains two registers – an offer register and a scheme register.

To find the fund updates, go to:



disclose-register.companiesoffice.govt.nz

Click 'Search for an offer' and search for 'SIL Mutual Fund Employer'

To find the SIPO, trust deed and financial statements, go to:



disclose-register.companiesoffice.govt.nz

Click 'Search for a scheme' and search for 'SIL Mutual Fund Employer'

On our website

Other valuable information and resources to help you manage your investment, including transaction forms, fund performance, unit prices, and annual fund updates are available on the SIL website:



silfunds.co.nz

You can also obtain a copy of any of the above information on request and free of charge by contacting ANZ Investments (contact details are on the next page).

Contact details and complaints

Trustee and manager:

Superannuation Investments Limited

Registered office:
c/- Dunne Consulting Group Limited
Level 1, 41 Taharoto Road
Takapuna
Auckland 0622
Attn: Secretary – Superannuation
Investments Limited

 09 415 7530

Investment manager, administration manager and scheme registrar:

ANZ New Zealand Investments Limited

ANZ Centre, 23-29 Albert Street
Auckland
Freepost 324
PO Box 7149, Victoria Street West
Auckland 1142
Attn: Investments team

 0800 736 034 or +64 9 356 4000

 service@anzinvestments.co.nz

If you have a complaint

For any problems with or complaints about the scheme, contact your financial adviser first. If you don't have a financial adviser, or your financial adviser has been unable to help you, please let ANZ Investments know using the contact details on this page. As the administration manager of the scheme, they will try to resolve your concerns within five business days. The complaints process is set out in full at anz.co.nz.

If ANZ Investments is unable to resolve your complaint, you may choose to contact the trustee at the contact details on this page.

If you're still not happy, you can get free independent assistance from the following dispute resolution scheme.

Dispute resolution scheme:

The Banking Ombudsman Scheme

Freepost 218002
PO Box 25327, Wellington 6140

 0800 805 950

 help@bankomb.org.nz

You won't be charged a fee by ANZ Investments, the trustee or the dispute resolution scheme for investigating or resolving a complaint.

ANZ Investments is not an authorised deposit-taking institution (ADI) under Australian law and investments in the scheme are not deposits in or liabilities of ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited or their subsidiaries (together **ANZ Group**).

ANZ Group does not stand behind or guarantee the obligations of ANZ New Zealand Investments Limited or Superannuation Investments Limited. Investments are subject to investment risk, including possible delays in repayment, and loss of income and principal invested. ANZ Group will not be liable to you for the capital value or performance of your investment. Your investment in the scheme is not guaranteed by ANZ Group, Superannuation Investments Limited, any of their directors or any other person.

