

SALT

Quarterly Fund Update: Salt Sustainable Income Fund - 30 June 2021

This fund update was first made publicly available on 28 July 2021.

What is the purpose of this update?

This document tells you how the Salt Sustainable Income Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Salt Investment Funds Limited 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

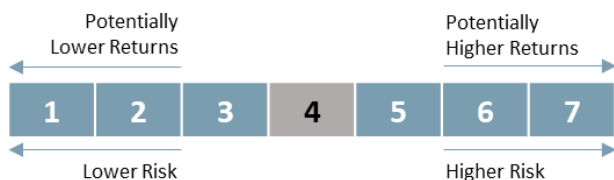
The Fund's investment objective is to provide a gross fixed quarterly income in excess of bank deposit rates, along with a positive return on capital on a rolling three year basis.

The Fund targets a diversified mix of growth and defensive assets, with a focus on securities with strong ESG credentials and reliable income generation.

Total value of the fund	\$11,139,579
The date the fund started	19 May 2021
Number of investors in the fund	4

What are the risks of investing?

Risk indicator for the Salt Sustainable Income 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 www.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 benchmark index returns data for a 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.

See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

Annual return (after deductions for charges and tax)	Not applicable
Annual return (after deductions for charges but before tax)	Not applicable
Market index annual return (reflects no deduction for charges and tax)	Not applicable

The market index return is the target investment mix asset allocation weighted sum of the asset class market index return, where the target investment mix and asset class market indices are each as described in the Statement of Investment Policy and Objectives (SIPO). For more information about the market indices see the offer register at www.business.govt.nz/disclose.

What fees are investors charged

Investors in the Salt Sustainable Income Fund are charged fund charges. Estimates of these that will be paid by an investor in a year are:

	% of net asset value
Total fund charges	0.85%
Which are made up of:	
Total management and administration charges	0.85%
Including:	
Manager's basic fee	0.70%
Other management and administration charges	0.15%
Total performance-based fees	0.00%

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS on the offer register at www.business.govt.nz/disclose for more information about those fees.

Example of how this applies to an investor

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

Sam had \$10,000 in the fund at the date the fund started and did not make any further contributions. At the end of the quarter, Sam received a return after fund charges were deducted of \$176 (that is 1.76% of his initial \$10,000). Sam didn't pay any other charges. This gives Sam a total return after tax of \$170 for the year.

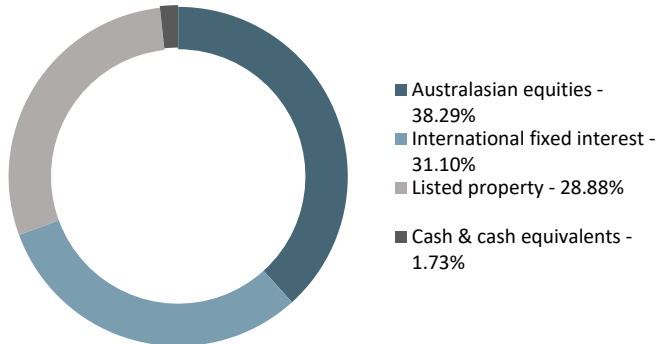
SALT FUNDS MANAGEMENT

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What does this fund invest in?

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

Actual investment mix



Target investment mix

Australasian equities	30%
International equities	15%
New Zealand fixed interest	20%
International fixed interest	15%
Listed property	15%
Cash and cash equivalents	5%

Top 10 investments

Name	% of Fund Net Assets	Type	Country
Hunter Global Fixed Interest Fund	31.10%	International fixed interest	NZ
Goodman Property Trust	4.73%	Listed property	NZ
Fisher & Paykel Healthcare	4.69%	Australasian equities	NZ
Precinct Properties NZ	4.63%	Listed property	NZ
Kiwi Property Group	4.34%	Listed property	NZ
Spark New Zealand	3.65%	Australasian equities	NZ
Argosy Property Trust	2.85%	Listed property	NZ
Property for Industry	2.76%	Listed property	NZ
Vital Healthcare Property Trust	2.09%	Listed property	NZ
Auckland International Airport	2.04%	Australasian equities	NZ

The top 10 investments make up 62.90% of the net asset value of the fund.

Key personnel

Matthew Goodson	
Current position	Managing Director
Time in position	8 years & 1 month
Previous position	Portfolio Manager at BT Funds Management (NZ) Limited
Time in position	4 years & 5 months

Paul Harrison	
Current position	Managing Director
Time in position	8 years & 1 month
Previous position	Portfolio Manager at BT Funds Management (NZ) Limited
Time in position	5 years

Paul Turnbull	
Current position	Chief Investment Officer
Time in position	2 years & 1 month
Previous position	Research Analyst at Jarden
Time in position	6 Years

Greg Fleming	
Current position	Head of Global Diversified Funds
Time in position	3 months
Previous position	Head of Investment Strategy (NZ)
Time in position	4 years & 8 months

Michael Kenealy	
Current position	Investment Analyst
Time in position	7 years
Previous position	Investment Analyst at Solid Investments
Time in position	2 years & 2 months

Further information

You can also obtain this information, the PDS for the Salt Sustainable Income Fund, and some additional information from the offer register at www.business.govt.nz/disclose.