

Westpac KiwiSaver Scheme.

Annual Report

for the year ended 31 March 2021.

Details of Scheme.

- The Westpac KiwiSaver Scheme (Scheme) is a registered KiwiSaver Scheme.
- BT Funds Management (NZ) Limited (BTNZ, us, we or the Manager) is the Manager of the Scheme.
- The New Zealand Guardian Trust Company Limited (Supervisor) is the Supervisor of the Scheme.
- The latest Product Disclosure Statement (PDS) is dated 29 May 2020 and is open for applications.
- The latest fund updates for the quarter ended 30 June 2021 were made publicly available on 28 July 2021.
- The latest financial statements and auditor's report were dated 28 July 2021 and were lodged with the Registrar on 30 July 2021.

Information on contributions and Scheme participants.

Membership changes

For the year ended 31 March 2021, the numerical changes in the membership of the Scheme were:

Total number of members at 1 April 2020	391,533
Total number of members at 31 March 2021	387,555
Total number of contributing members at 1 April 2020	287,450
Total number of members at 31 March 2021	284,841
Total number of non-contributing members at 1 April 2020	104,083
Total number of non-contributing members at 31 March 2021	102,714

Total number of persons who became members during the year, consisting of:	14,916
Transfers in from other schemes	5,972
Other new members	8,944

Total number of persons who ceased to be members during the year, consisting of:	18,894
Retirement	2,623
Death	453
Transfers to other schemes	14,266
Other reasons	1,552

Accumulations	Number of members	Amount of accumulations
Members' accumulations at 1 April 2020	391,533	\$6,835,860,894
Members' accumulations at 31 March 2021	387,555	\$8,609,964,928

Contributions	Number of members	Amount of contributions
Members' contributions	264,497	\$697,065,879
Employer or other sponsor contributions	237,481	\$288,173,548
Member voluntary additional contributions	80,750	\$148,500,948
Total contributions received during the year		\$1,133,740,375

Changes relating to the Scheme.

The following material changes occurred during the year ended 31 March 2021: From 1 April 2020, members who joined before 1 July 2019 can choose to access their funds at age 65, even if they haven't been a member for 5 years.

The PDS and Other Material Information (OMI) for the Scheme were replaced on 29 May 2020, to reflect legislative changes which took effect on 1 April 2020:

- A new withdrawal type for individuals with a life-shortening congenital condition;
- The ability for a manager of a KiwiSaver scheme to change a member's prescribed investor rate (PIR) when advised to do so by the Inland Revenue;
- The ability for members to receive a refund for any overpaid tax;
- A reduction in the number of days to transfer a member between KiwiSaver providers from 35 days to 10 days.

The PDS also included a change to the risk indicator from 2 to 3 for the Westpac KiwiSaver Scheme Default Fund and from 3 to 4 for the Westpac KiwiSaver Scheme Balanced Fund.

The Statement of Investment Policy and Objectives (SIPO) for the Scheme was also replaced on 29 May 2020 following changes to the benchmark index for the New Zealand fixed interest and the international equity asset classes.

Changes were also made to the strategic asset allocation for the diversified funds. More information about these changes can be found in the Appendix.

The Responsible Investment Policy was updated in December 2020 to exclude direct investments in companies that derive more than 10% of their revenue from extracting, mining or processing fossil fuels, as well as companies that are involved in predatory lending as defined by our Environmental, Social and Governance research provider.

There are a series of Capital Protection Plan Funds (CPP Funds) in the Scheme, which are closed to new investment. The CPP Fund No 3 matured on 30 September 2020 and members' investments were transferred to the Conservative Fund on that date. The SIPO was replaced on 2 March 2021 to reflect that the CPP Fund No.3 had matured and a minor amendment to the Westpac KiwiSaver Scheme Balanced Fund benchmark asset allocation range.

From 26 March 2021, members with the following listed life-shortening congenital conditions may be eligible to withdraw from their KiwiSaver account before age 65. These conditions are:

- Down syndrome (Down's syndrome);
- Cerebral palsy;
- Huntington's disease (Huntington's chorea);and
- Fetal alcohol spectrum disorder.

There were no other material changes to the Scheme during the year.

All related party transactions were conducted on arm's-length terms and enacted on standard commercial terms.

Other information for particular types of managed funds.

Member withdrawals.

During the year, the following withdrawals were made from the Scheme:

Withdrawal Type	Number of members
Retirement	6,823*
Death	453
Transfers to other Schemes	14,278
Significant Financial Hardship	3,305
Serious Illness	276
First Home	6,322
Permanent Emigration (other than to Australia)	200
Life shortening congenital conditions	6
Other	636
Total	32,299

*Includes initial and subsequent withdrawals.

Unit prices.

Fund Name	Unit Price as at	
	1 April 2020	31 March 2021
Cash Fund	\$1.4441	\$1.4565
Default Fund	\$1.2846	\$1.3980
Conservative Fund	\$1.7662	\$1.9439
Moderate Fund	\$1.3177	\$1.5180
Balanced Fund	\$1.8474	\$2.2643
Growth Fund	\$1.8803	\$2.4270
CPP Fund No. 3	\$2.1700	Matured ¹
CPP Fund No. 4	\$2.2420	\$3.1427
CPP Fund No. 5	\$1.9493	\$2.7334

¹ The fund matured on 30 September 2020 and members' investments were transferred to the Westpac KiwiSaver Scheme Conservative Fund on 30 September 2020. The unit price on 30 September 2020 was \$2.6665.

Manager Statement.

All benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed and KiwiSaver Scheme rules have been paid, except where some individuals received less than their full benefit entitlement due to errors relating to the administration of the Scheme. In such cases, they will be or have been compensated in accordance with the appropriate Westpac New Zealand customer remediation policy.

The market value of the Scheme property at 31 March 2021 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 31 March 2021.

Changes to persons involved in the Scheme.

During the year the following changes were made to the people involved in the Scheme:

Manager, directors of the Manager and key personnel of the Manager.

The Manager and the directors of the Manager were unchanged, but the following change was made to the Manager's key personnel:

Philip Houghton-Brown was appointed as Head of Investment Solutions with effect from 28 September 2020.

Supervisor and its directors.

The Supervisor was unchanged. Bryan David Connor was appointed as a director of the Supervisor on 31 August 2020.

Administration manager, investment manager, securities registrar, custodian, and auditor of the Scheme.

There were no changes to the administration manager, investment manager, securities registrar, custodian or auditor of the Scheme during the year. For details of the underlying investment managers, see the offers register at disclose-register.companiesoffice.govt.nz (Disclose) and search for the 'Westpac KiwiSaver Scheme'.

How to find further information.

Further information about the Scheme and each fund within the Scheme can be found on both the offers and schemes register on the **Disclose** website, by searching for the 'Westpac KiwiSaver Scheme' on each register. The information includes:

On the offers register:

- the PDS, OMI and other information material to the offer of units in the Scheme (including the responsible investment policy); and
- the fund updates.

On the schemes register:

- the governing documents (including the Trust Deed and any establishment deeds);
- the SIPO; and
- the most recent financial statements.

A copy of this information is also available on request from the Manager free of charge. The PDS, this annual report and fund updates are also available on our website at westpac.co.nz.

Contact details and complaints.

We are here to help, so if you would like to get in touch, including where you have a complaint you would like to raise, you can:

Write to **Senior Investment Operations Manager, Westpac KiwiSaver Scheme, PO Box 695, Wellington 6140.**

Email **kiwisaverhelp@westpac.co.nz**
Call **0508 972 254**
Visit **a Westpac branch**

If for any reason we can't resolve things, you can contact the Supervisor of the Scheme as follows:

Write to **Relationship Manager, Corporate Trust, The New Zealand Guardian Trust Company Limited, Level 8, 191 Queen Street, Auckland 1010, PO Box 274, Auckland 1140.**

Email **ct-auckland@nzgt.co.nz**
Call **(09) 909 5100**
0800 683 909

If neither we nor the Supervisor can resolve your complaint you can also contact the following independent dispute resolution schemes:

The Manager's dispute resolution scheme.

The Banking Ombudsman.

Write to **Freepost 218002, PO Box 25327, Featherston Street, Wellington 6146.**

Email **help@bankomb.org.nz**
Web **bankomb.org.nz**
Call **0800 805 950**

Visit **Level 5, Huddart Parker Building, 1 Post Office Square, Wellington 6011.**

The Supervisor's dispute resolution scheme.

Financial Services Complaints Limited.

If the Supervisor hasn't been able to resolve your complaint in a way that you think is satisfactory within 40 business days you can contact Financial Services Complaints Limited by:

Write to **PO Box 5967, Lambton Quay, Wellington 6140.**

Email **info@fscl.org.nz**
Web **fscl.org.nz**
Call **0800 347 257**

Visit **4th Floor, 101 Lambton Quay, Wellington 6011.**

Neither of the above dispute resolution schemes will charge you a fee to investigate or resolve a complaint.

Appendix.

Fund	Asset Class	Benchmark Asset Allocation 29 May 2020	Benchmark Asset Allocation Range 29 May 2020	Benchmark Asset Allocation 2 December 2019	Benchmark Asset Allocation Range 2 December 2019
Cash Fund	Cash and cash equivalents	100%	100%	100%	100%
	Total Income	100%	100%	100%	100%
Default Fund	Cash and cash equivalents	18%	10-40%	33%	20-45%
	New Zealand fixed interest	33%	15-45%	23%	15-30%
	International fixed interest	29%	15-40%	24%	15-30%
	Total Income	80%	75-85%	80%	75-85%
	Australasian equities	7%	5-11%	8%	5-11%
	International equities	11%	6-14%	9%	6-12%
	Listed property	2%	0-6%	3%	0-6%
	Total Growth	20%	15-25%	20%	15-25%
Conservative Fund	Cash and cash equivalents	13%	5-40%	20%	10-40%
	New Zealand fixed interest	30%	10-40%	24%	10-40%
	International fixed interest	32%	10-55%	31%	10-55%
	Total Income	75%	60-100%	75%	60-100%
	Australasian equities	9%	0-20%	9%	0-20%
	International equities	10%	0-20%	10%	0-20%
	Listed property	4%	0-10%	4%	0-10%
	Other (alternative investments)	2%	0-10%	2%	0-10%
Total Growth	25%	0-40%	25%	0-40%	
Moderate Fund	Cash and cash equivalents	7%	0-30%	10%	5-30%
	New Zealand fixed interest	24%	10-35%	22%	10-35%
	International fixed interest	29%	10-50%	28%	10-50%
	Total Income	60%	40-80%	60%	40-80%
	Australasian equities	13%	5-25%	13%	5-25%
	International equities	19%	5-30%	17%	5-30%
	Listed property	5%	0-10%	5%	0-10%
	Other (alternative investments)	3%	0-10%	5%	0-10%
Total Growth	40%	20-60%	40%	20-60%	
Balanced Fund	Cash and cash equivalents	3%	0-25%	5%	0-25%
	New Zealand fixed interest	15%	5-25%	15%	5-25%
	International fixed interest	22%	5-45%	20%	5-45%
	Total Income	40%	20-60%	40%	20-60%
	Australasian equities	20%	10-30%	20%	10-30%
	International equities	31%	15-45%	29%	15-45%
	Listed property	5%	0-10%	5%	0-10%
	Other (alternative investments)	4%	0-10%	6%	0-10%
Total Growth	60%	40-80%	60%	40-80%	
Growth Fund	Cash and cash equivalents	3%	0-20%	4%	0-20%
	New Zealand fixed interest	8%	0-15%	7%	0-15%
	International fixed interest	9%	0-25%	9%	0-25%
	Total Income	20%	5-35%	20%	5-35%
	Australasian equities	27%	15-35%	25%	15-35%
	International equities	39%	20-55%	37%	20-55%
	Listed property	9%	5-15%	10%	5-15%
	Other (alternative investments)	5%	0-12%	8%	0-12%
Total Growth	80%	65-95%	80%	65-95%	

