

Westpac KiwiSaver Scheme

Annual Report
for the year ended 31 March 2022.



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 23 May 2022 and is open for applications.
- The latest fund updates for the quarter ended 30 June 2022 were made publicly available on 28 July 2022.
- The latest financial statements and auditor's report were dated 28 July 2022 and were lodged with the Registrar on 29 July 2022.

Information on contributions and Scheme participants.

Membership changes

For the year ended 31 March 2022 (year), the numerical changes in the membership of the Scheme were:

Total number of members at 1 April 2021	387,555
Total number of members at 31 March 2022	423,111
Total number of contributing members at 1 April 2021	284,841
Total number of contributing members at 31 March 2022	309,617
Total number of non-contributing members at 1 April 2021	102,714
Total number of non-contributing members at 31 March 2022	113,494
Total number of persons who became members during the year, consisting of:	56,951
Transfers in from other schemes	45,416
Other new members	11,535
Total number of persons who ceased to be members during the year, consisting of:	21,395
Retirement	3,075
Death	527
Transfers to other schemes	16,377
Other reasons	1,416

Accumulations	Number of members	Amount of accumulations
Members' accumulations at 1 April 2021	387,555	\$8,609,964,928
Members' accumulations at 31 March 2022	423,111	\$9,350,364,835

Contributions	Number of members	Amount of contributions
Members' contributions	290,565	\$740,263,594
Employer or other sponsor contributions	253,252	\$282,780,580
Member voluntary additional contributions	15,932	\$80,219,550
Total contributions received during the year		\$1,103,263,724

Changes relating to the Scheme.

The following material changes occurred during the year:

We were reappointed as a default KiwiSaver Scheme provider under a new Instrument of Appointment, requiring the default fund to hold more growth assets. The Default Balanced Fund was established by Establishment Deed under the Trust Deed, and investments of the default members were transferred from the previous default fund to the Default Balanced Fund on 1 December 2021. The previous default fund was renamed the Defensive Conservative Fund. The PDS, Other Material Information (OMI) and Statement of Investment Policy and Objectives (SIPO) were updated on 28 September 2021 to reflect these changes.

The PDS and OMI update also included changes to:

1. The way annual fund charges are calculated. Previously the charges included some estimated costs, however, the annual fund charges no longer contain estimates, and are instead the actual charge an investor pays. These charges were also reduced as per the table below:

Fund	Previous estimated annual fund charges ¹	New annual fund charges ¹
Cash Fund	0.29%	0.25%
Defensive Conservative Fund ²	0.40%	0.40%
Conservative Fund	0.59%	0.40%
Moderate Fund	0.66%	0.40%
Default Balanced Fund	n/a	0.40%
Balanced Fund	0.73%	0.50%
Growth Fund	0.80%	0.55%

¹ As a percentage of net asset value.

² Prior to 28 September 2021 this fund was known as the Default Fund.

2. The annual administration fee of \$12 was removed.

The PDS and SIPO were updated for the following changes:

1. The strategic asset allocation for funds that invest in a mix of different asset classes was changed after we divested from the Other (alternative investments) asset class and invested that allocation within international equities.
2. The investment philosophy, which has changed from active management to mainly active management, as it now includes the use of an index tracking investment strategy in one asset class.

On 28 September 2021, the Other Material Information – Underlying Investment Managers (OMI-UIM) was updated to remove K2 (the underlying manager for the Other (alternative investments) asset class). It was again updated on 8 November 2021 to include a new underlying manager of international equities, Legal & General Investment Management Limited.

On 31 March 2022, the OMI was again updated to:

- remove content that applied in the period 28 September 2021 to 1 December 2021 in relation to the Default Balanced Fund and the Defensive Conservative Fund;
- advise of changes about how to update contribution rates; and
- provide further clarification on the potential inflation risks and interest rate risks associated with investing in the Scheme.

In December 2021, we introduced a new Sustainable Investment policy, which applies to the Scheme and replaces the previous Responsible Investment policy.

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	7,945*
Death	527
Transfers to other Schemes	16,379
Significant Financial Hardship	1,784
Serious Illness	254
First Home	5,350
Permanent Emigration (other than to Australia)	163
Life shortening congenital conditions	6
Other	626
Total	33,034

*Includes initial and subsequent withdrawals.

Unit prices.

Fund Name	Unit Price as at:	
	1 April 2021	31 March 2022
Cash Fund	\$1.4565	\$1.4661
Defensive Conservative Fund ¹	\$1.3980	\$1.3681
Conservative Fund	\$1.9439	\$1.9059
Moderate Fund	\$1.5180	\$1.4957
Default Balanced Fund ²	–	\$0.9694
Balanced Fund	\$2.2643	\$2.2481
Growth Fund	\$2.4270	\$2.4373
CPP Fund No. 4	\$3.1427	Matured ³
CPP Fund No. 5	\$2.7334	\$2.7110

¹ Prior to 28 September 2021 this fund was known as the Default Fund.

² The fund was created as the new default investment fund and was made available for investment on 1 December 2021.

³ The fund matured on 30 September 2021 and members' investments were transferred to the Westpac KiwiSaver Scheme Conservative Fund on 30 September 2021. The unit price on 30 September 2021 was \$3.3133.

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, the appropriate compensation and/or communication is determined by Westpac's customer remediation policies and procedures.

The market value of the Scheme property at 31 March 2022 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 2022.

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 was unchanged. However, the following changes were made to the Manager's directors:

- On 25 June 2021 David McLean resigned as director and Simon Power was appointed.
- On 15 November 2021 Simon Power resigned as director and Catherine McGrath was appointed.

There were no changes to the Manager's key personnel for the year ended 31 March 2022.

Supervisor and its directors.

The Supervisor was unchanged. However, James Douglas resigned as a director on 30 November 2021.

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 Sustainable 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:

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

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

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

 **Relationship Manager, Corporate Trust, The New Zealand Guardian Trust Company Limited, Level 6, 191 Queen Street, Auckland 1010, PO Box 274, Auckland 1140.**




 **ct-auckland@nzgt.co.nz**
 **(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.

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

 **help@bankomb.org.nz**
 **bankomb.org.nz**
 **0800 805 950**


 **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:

 **PO Box 5967, Wellington 6140.**

 **info@fscl.org.nz**
 **fscl.org.nz**
 **0800 347 257**

 **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.

