

YouWealth

Annual Report

For the year ended 31 March 2021



Details of the Scheme

- The name of the Scheme is YouWealth.
- The Scheme type is a Managed Investment Scheme.
- The Manager of the Scheme is BNZ Investment Services Limited.
- The Supervisor of the Scheme is The New Zealand Guardian Trust Company Limited (Guardian Trust).
- The latest Product Disclosure Statement is dated 29 September 2020 and is open for applications.
- The latest Fund Update for each of the funds in the Scheme are for the period ending 30 June 2021.
- The latest Financial Statements and Auditor's Report have been lodged with the Registrar and cover the financial period from 1 April 2020 to 31 March 2021. These were lodged on 15 July 2021.

Information on contributions and Scheme participants

The number of units on issue for each fund in the Scheme is listed below.

Fund	Number of units on issue ('000)	
	1-April-20	31-March-21
Conservative ¹ Fund	24,510	37,522
Moderate Fund	99,215	179,149
Balanced Fund	70,989	125,603
Balanced Growth Fund	30,191	45,164
Growth Fund	15,220	23,201

¹ On 29 September 2020 the Income Fund's name was changed to the Conservative Fund

Changes relating to the Scheme

Other than as noted below, there have been no material changes to the Scheme.

There have been no changes to the nature or scale of related party transactions. All related party transactions for the year to 31 March 2021 were on arms-length terms.

The BNZ Responsible Investment Policy was updated on 2 April 2020. The changes include:

- Explicitly separating out three areas of responsible investment (active ownership, ESG integration and legal/social responsibility);
- Including a specific reference to climate change;
- Incorporating additional excluded sectors (assault weapons and whaling);
- Incorporating a 20% revenue threshold for oil and gas and thermal coal; and
- Introducing a list of sensitive sectors, that are not excluded from consideration but are given explicit attention to ensure ESG risks are being managed

The name of the International Equities benchmark was changed from FTSE Custom All-World ex AU ex NZ ex Controversial Weapons ex Tobacco Partially Hedged (Developed) to NZD Index to FTSE Custom (BNZ Exclusions) All-World ex AU ex NZ Partially Hedged (Developed) into NZD Index.

We have made the following changes to the target investment mix of our YouWealth Funds:

- From 30 October 2020 the allocation to growth assets of the Balanced and Moderate funds was increased. The Balanced Fund is now composed of 60% growth assets and 40% income assets. The Moderate Fund is now composed of 40% growth assets and 60% income assets.
- The exposure to cash and cash equivalents within the Conservative Fund was increased from 10% to 25%.
- The allowable investment range for cash and cash equivalents was widened.
- The allowable investment ranges for total income assets and total growth assets was widened.

Changes to the terms of the offer

On 29 September 2020 the Income Fund's name was changed to the Conservative Fund.

Investment manager changes

Castle Point was appointed as a new investment manager of Australasian equity assets on 29 September 2020.

Other information for particular types of managed funds

Unit prices for each of the Funds are displayed below.

Fund	Unit Price	
	1-April-20	31-March-21
Conservative Fund ¹	\$1.0703	\$1.1419
Moderate Fund	\$1.0615	\$1.1896
Balanced Fund	\$1.0480	\$1.2307
Balanced Growth Fund	\$1.0579	\$1.2782
Growth Fund	\$1.0335	\$1.2994

¹ On 29 September 2020 the Income Fund's name was changed to the Conservative Fund

Changes to persons involved in the Scheme

The directors of the Manager: BNZ Investment Services Limited

- Christine Yates ceased as a director on 22 July 2020.
- Daniel Huggins joined as a director on 22 July 2020.

The directors of the Supervisor: The New Zealand Guardian Trust Company Limited

- Bryan Connor joined as a director on 31 August 2020.



How to find further information

Information about the following is available for free on request:

- The governance of the Scheme, including the Governing Document and Statement of Investment Policy and Objectives.
- The performance of the Scheme, including the financial statements and Fund Updates.
- Key information an investor should be aware of before they invest in YouWealth, including the Product Disclosure Statement and other material information.
- To view this information, feel free to go to the Disclose Register at companiesoffice.govt.nz/disclose (by clicking on 'Search for an offer' or 'Search for a scheme' and entering 'BNZ' in the 'Issuer or Manager name, Issuer or Manager number, or NZBN' field). Or you can contact us using the contact information over the page.

Contact details and complaints

If you have enquiries, please contact one of the organisations listed below.

The Manager – BNZ Investment Services Limited

- **Call:** 0800 275 269 (from New Zealand) or +64 4 931 8209 (from overseas)
- **Email:** bnz_investment_services@bnz.co.nz
- **Write:** BNZ Investment Team
Private Bag 92208, Auckland 1142

The Supervisor – Guardian Trust

- **Call:** +64 9 909 5100
- **Write:** The New Zealand Guardian Trust Company Limited
PO Box 274, Auckland 1140

The Securities Registrar – Trustees Executors Limited

- **Call:** 0800 878 783
- **Write:** Trustees Executors Limited
PO Box 10-519, Wellington 6143

Complaints about the Scheme can be directed to the Manager or the Supervisor. You may also use the BNZ complaints channels.

BNZ complaints

- **Online:** bnz.co.nz/complaints
- **Call:** 0800 275 269 (from New Zealand) or +64 4 931 8209 (from overseas).
- **Visit:** Any of our branches (please ask to speak to a manager if you would like to make a complaint).
- **Write:** BNZ Resolve
PO Box 995, Shortland Street, Auckland 1140

If you are not satisfied, you may refer the matter to the Banking Ombudsman, an independent dispute resolution scheme.

Banking Ombudsman

- **Online:** bankomb.org.nz
- **Call:** 0800 805 950
- **Email:** help@bankomb.org.nz
- **Write:** Freepost 218002, PO Box 25327, Featherston Street, Wellington 6146
- **Location:** Level 5, Huddart Parker Building, 1 Post Office Square, Wellington 6011

You can also contact the Supervisor's independent dispute resolution scheme operated by Financial Services Complaints Limited (FSCL) if the Supervisor hasn't been able to resolve your complaint to your satisfaction within 40 business days.

- **Online:** fscl.org.nz
- **Call:** 0800 347 257
- **Email:** info@fscl.org.nz
- **Write:** Financial Services Complaints Limited
PO Box 5967, Wellington 6145

You won't be charged a fee by us, the Supervisor, or either of the dispute resolution schemes to investigate or resolve your complaint.

Investments in YouWealth are not bank deposits or other liabilities of Bank of New Zealand (BNZ) or any other member of the National Australia Bank Limited group. They are subject to investment risk, possible delays in repayment, possible loss of income and possible loss of principal invested. No person (including the New Zealand Government) guarantees (either fully or in part) the performance or returns of YouWealth or the repayment of capital. National Australia Bank Limited, the ultimate owner of BNZ, is not a registered bank in New Zealand but a licensed bank in Australia and is subject to the supervision of the Australian Prudential Regulation Authority.

