

# BNZ KIWISAVER SCHEME

## Cash Fund



## Fund Update

For quarter ending 31 March 2021

This Fund Update was first made publicly available on 29 April 2021.

### What is the purpose of this update?

This document tells you how the Cash Fund (Fund) has performed and what fees were charged. The document will help you to compare the Fund with other funds. BNZ Investment Services 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 Cash Fund invests in income assets, including New Zealand short-term cash securities (on-call bank deposits) and cash equivalent securities (bank term deposits, bonds, bills and floating-rate notes with terms up to 365 days). It aims to achieve stable returns over the short term.

|                                 |                  |
|---------------------------------|------------------|
| Total value of the Fund         | \$235,806,344.23 |
| Number of investors in the Fund | 17,322           |
| Date the Fund started           | 11 February 2013 |

### What are the risks of investing?

#### Risk indicator for the Cash 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 (volatility). 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 [bnz.co.nz/whatfund](https://bnz.co.nz/whatfund)

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 returns data for 31 March 2016 to 31 March 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.

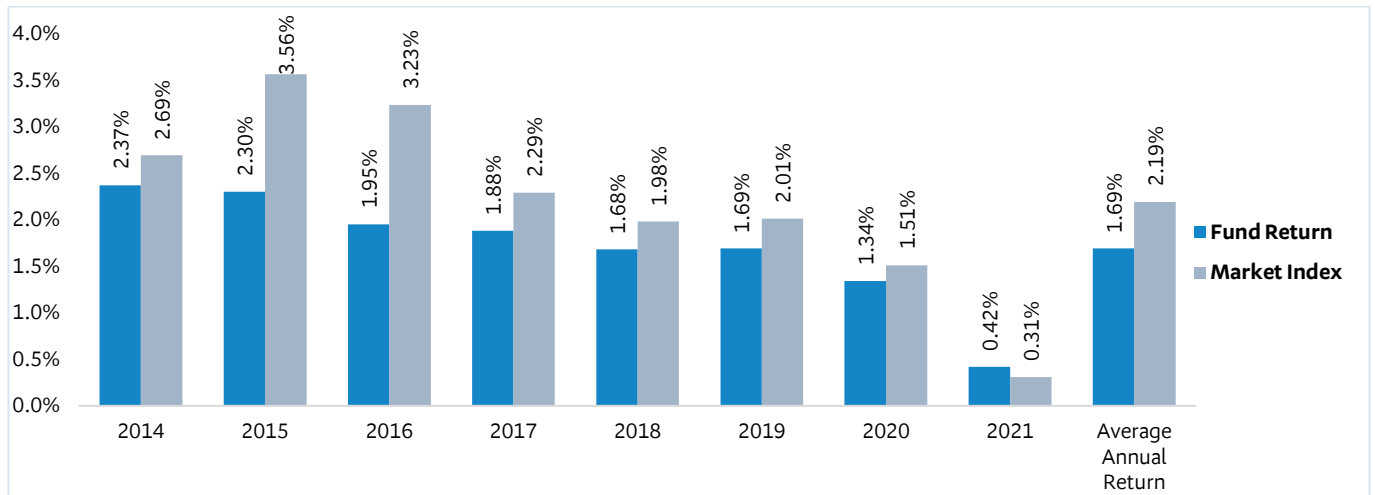
See the BNZ KiwiSaver Scheme Product Disclosure Statement (PDS) for more information about the risks associated with investing in this Fund.

### How has the Fund performed?

|   | Average over past 5 years | Past year |
|---|---------------------------|-----------|
| <b>Annual return</b><br>(after deductions for charges and tax)                    | 1.40%                     | 0.42%     |
| <b>Annual return</b><br>(after deductions for charges but before tax)             | 1.95%                     | 0.57%     |
| <b>Market index annual return</b><br>(reflects no deductions for charges and tax) | 1.62%                     | 0.31%     |

The market index (benchmark) return is based on the Bloomberg NZBond Bank Bill index. Additional information can be located in the 'Statement of Investment Policy and Objectives' document available on the Scheme's Disclose Register entry at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose)

## Annual return graph



The graph shows the return after Fund charges and tax for each year ending 31 March since the Fund started. The last bar shows the average annual return since the Fund started, up to 31 March 2021.

**Important:** This does not tell you how the Fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

Market index returns do not include Fund charges or deductions for tax.

## What fees are investors charged?

Investors in the Cash Fund are charged Fund charges. In the year to 31 March 2020 these were (excluding GST):

|  | % of net asset value              |
|--|-----------------------------------|
| <b>Total fund charges</b>                          | <b>0.30%</b>                      |
| <i>Which are made up of:</i>                       |                                   |
| <b>Total management and administration charges</b> | <b>0.30%</b>                      |
| <i>Including:</i>                                  |                                   |
| Manager's basic fee                                | 0.30%                             |
| Other management and administration charges        | 0.00%                             |
| <b>Total performance-based fees</b>                | <b>0.00%</b>                      |
| <br>   |                                   |
| <b>Other charges</b>                               | <b>Dollar amount per investor</b> |
| Member fees <sup>1</sup>                           | \$1.95 p.a.                       |

No GST is currently payable on BNZ KiwiSaver Scheme charges above.

See the BNZ KiwiSaver Scheme PDS for more information about these fees. This can be accessed from the Disclose Register at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose)

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

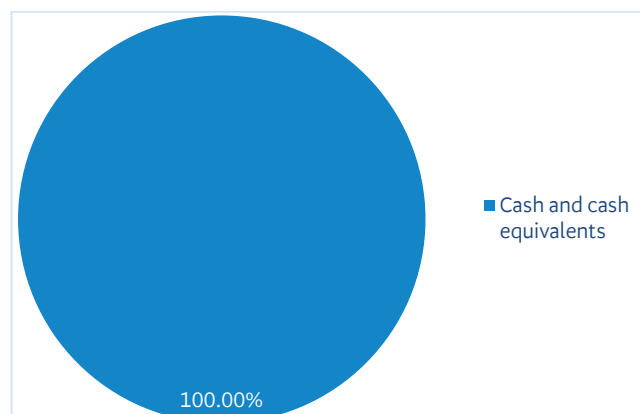
## Example of how this applies to an investor

John had \$10,000 in the Fund at the start of the year and did not make any further contributions. At the end of the year, John received a return after Fund charges were deducted of \$42.00 (that is 0.42% of his initial \$10,000). John also paid \$0.00 in other charges. This gives John a total return of \$42.00 for the year.

## What does the Fund invest in?

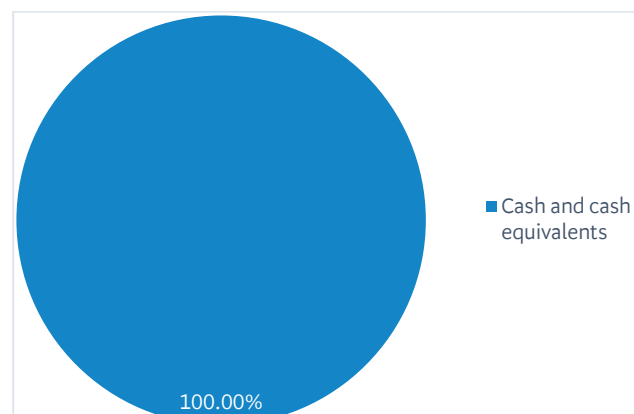
This shows the types of assets the Fund invests in.

### Actual investment mix



This shows the mix of assets the Fund generally intends to invest in.

### Target investment mix



## Top 10 investments<sup>2</sup>

|    | Name  | % of fund net assets | Type                       | Country     | Credit rating (if applicable) |
|----|---|----------------------|----------------------------|-------------|-------------------------------|
| 1  | Bank of New Zealand Registered Certificate of Deposit 05/08/2021                              | 4.93%                | New Zealand fixed interest | New Zealand | AA-                           |
| 2  | Westpac Call Account  | 3.86%                | Cash and cash equivalents  | New Zealand | AA-                           |
| 3  | New Zealand Local Government Funding Agency Ltd. Registered Certificate of Deposit 13/09/2021 | 3.58%                | New Zealand fixed interest | New Zealand | AAA                           |
| 4  | Industrial and Commercial Bank of China Ltd. Registered Certificate of Deposit 25/05/2021     | 2.69%                | New Zealand fixed interest | New Zealand | A                             |
| 5  | China Construction Bank (New Zealand) Limited Registered Certificate of Deposit 09/06/2021    | 2.69%                | New Zealand fixed interest | New Zealand | A                             |
| 6  | Hongkong & Shanghai Banking Co Floating Rate Note 26/11/2021                                  | 2.43%                | New Zealand fixed interest | New Zealand | AA-                           |
| 7  | BNP Paribas Bank Account NZD  | 2.32%                | Cash and cash equivalents  | New Zealand | A+                            |
| 8  | ASB Bank Ltd Registered Certificate of Deposit 13/08/2021                                     | 2.24%                | New Zealand fixed interest | New Zealand | AA-                           |
| 9  | Westpac New Zealand Ltd. Registered Certificate of Deposit 07/04/2021                         | 1.79%                | New Zealand fixed interest | New Zealand | AA-                           |
| 10 | Rabobank New Zealand Ltd. Registered Certificate of Deposit 19/05/2021                        | 1.79%                | New Zealand fixed interest | New Zealand | A+                            |

The top 10 investments make up 28.32% of the net asset value of the Fund.

## Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the Fund.

| Name            | Current position                          | Time in current position | Previous or other position  | Time in previous position |
|-----------------|---|--------------------------|---|---------------------------|
| Richard Morath  | Director, BNZ Investment Services Limited | 7 years, 9 months        | Non-Executive Director, BNZ Life Insurance Limited (current position) | 17 years, 4 months        |
| Richard Ansell  | Director, BNZ Investment Services Limited | 2 years, 1 months        | Member, BNZ Investment Review Committee (current position)            | 2 years, 1 months         |
| Hayley Cassidy  | Director, BNZ Investment Services Limited | 1 year, 11 months        | Executive, Chief General Counsel, BNZ (current position)              | 0 years, 1 month          |
| Paul Richardson | Director, BNZ Investment Services Limited | 1 year, 4 months         | Managing Director, Carina Capital Limited (current position)          | 2 years, 8 months         |
| Daniel Huggins  | Director, BNZ Investment Services Limited | 0 years, 8 months        | Executive - Customer Products & Services, BNZ (current position)      | 1 year, 0 months          |

### Further information

You can also obtain this information, the PDS for the BNZ KiwiSaver Scheme, and some additional information from the offer register at [companiesoffice.govt.nz/disclose](https://companiesoffice.govt.nz/disclose)

### Contact details

If you have any questions about this Fund, call us on 0800 269 5494 or visit our website at [bnz.co.nz/kiwisaver](https://bnz.co.nz/kiwisaver)

### Notes

1. Member fees in the BNZ KiwiSaver Scheme were \$1.95 per member per month and were charged proportionately across funds where a member invests in more than one BNZ KiwiSaver Scheme fund. The member fee was removed effective 1 May 2019.
2. Investor flows not yet unitised, unsettled trades, currency hedging gains (or losses) and any operating accruals are excluded from the Top 10 investments.