

# BNZ KiwiSaver Scheme

## Annual Report

For the year ended 31 March 2022



**bnz** 

## Details of the Scheme

- The name of the scheme is the BNZ KiwiSaver Scheme.
- The Scheme type is a KiwiSaver Scheme.
- The Manager of the Scheme is BNZ Investment Services Limited.
- The Supervisor of the Scheme is The New Zealand Guardian Trust Company Limited.
- The latest Product Disclosure Statement is dated 28 September 2021 and is open for applications.
- The latest Fund Updates for each of the funds in the Scheme are for the period ending 30 June 2022.
- The latest Financial Statements and Auditor's Report have been lodged with the Registrar and cover the financial year from 1 April 2021 to 31 March 2022. These were lodged on 20 July 2022.

## Information on contributions and Scheme participants

### Membership changes

The table below shows how membership numbers have changed throughout the year ended 31 March 2022.

| Start of the year as at 1 April 2021              | Number of members | Member accumulation (\$'000) |
|---|-------------------|------------------------------|
| Contributing members                              | 127,671           |                              |
| Non-contributing members                          | 58,997            |                              |
| <b>Total number of members as at 1 April 2021</b> | <b>186,668</b>    | <b>3,630,600</b>             |
| <b>Plus</b>                                       |                   |                              |
| Transfers from other schemes                      | 43,912*           |                              |
| Other   | 13,170            |                              |
| <b>Total number of new members</b>                | <b>57,082</b>     |                              |
| <b>Less</b>                                       |                   |                              |
| Retirement  | 921               |                              |
| Death   | 146               |                              |
| Transfers to other schemes                        | 10,337            |                              |
| Other   | 966               |                              |
| <b>Total number who ceased to be a member</b>     | <b>12,370</b>     |                              |
| <b>End of the year as at 31 March 2022</b>        |                   |                              |
| Contributing members                              | 145,283           |                              |
| Non-contributing members                          | 86,097            |                              |
| <b>Membership at the end of the year</b>          | <b>231,380</b>    | <b>4,473,763</b>             |

\*Includes non-KiwiSaver transfers.

## Contributions

This table shows the total amount of each type of contribution received by the Scheme during the year ended 31 March 2022, plus the number of members credited with each type of contribution.

|  | Number of members | Total amount \$ |
|--|-------------------|-----------------|
| Member contributions   | 162,764           | \$312,297,552   |
| Member voluntary additional contributions                            | 41,211            | \$138,403,568   |
| Employer contributions   | 162,350           | \$179,702,604   |
| Government contributions   | 140,997           | \$60,659,927    |
| Transfers from other KiwiSaver and registered superannuation schemes | 52,414            | \$568,397,322   |
| Transfers from Australian complying superannuation schemes           | 28                | \$9,771,920     |

## 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 2022 were on arms-length terms.

Following a competitive tender process, the Manager was appointed by the Government as one of six KiwiSaver providers to offer default fund services from 1 December 2021.

The governing document for the Scheme was amended on 3 May 2021 to:

- (a) enable the introduction of buy/sell spreads for each Fund;
- (b) enable assets and liabilities of a Fund to be “side-pocketed” to address any potential liquidity management risks;
- (c) enable the involuntary transfer of existing Scheme default members to the new Default Fund; and
- (d) address amendments as a result of the Trusts Act 2019.

The Default Fund was established effective 1 December 2021, as the default investment fund for the Scheme.

From 1 December 2021, the Conservative Fund was no longer the default investment fund for the Scheme. As a consequence, the allowable investment ranges for total income assets and total growth assets for this Fund were widened from 1 December 2021.

## Changes to the terms of the offer

From 6 September 2021, we introduced buy and sell spreads to all BNZ KiwiSaver Scheme Funds.

From 28 September 2021, the annual fund charges were reduced to 0.45% p.a. for the First Home Buyer Fund, Conservative Fund, Moderate Fund, Balanced Fund and Growth Fund. The annual fund charge for the Cash Fund was unchanged. The Default Fund was established effective 1 December 2021, with an annual fund charge of 0.35% p.a.

The BNZ Responsible Investment Policy was updated on 28 June 2021 and 29 October 2021 to expand the exclusion of investment in fossil fuels. The Policy was also amended to exclude investment in companies involved in the Gambling and Adult Entertainment sectors.

## Investment manager changes

Manager changes to the Scheme during the year were:

- State Street Global Advisors, Australia, Limited replaced Vanguard Investments Australia Limited as the investment manager of international equities in June 2021.
- Columbia Threadneedle Investments and State Street Global Advisors, Australia, Limited replaced Vanguard Investments Australia Limited as the investment manager of international fixed interest in July/August 2021.
- First Sentier Investors Realindex Pty Ltd was appointed as an investment manager of Australasian equities in August 2021.
- Nikko Asset Management New Zealand Limited was removed as an investment manager of Australasian equities in August 2021, and replaced AMP Investment Management (N.Z.) Limited as an investment manager of New Zealand fixed interest in September 2021.

## Other information for particular types of managed funds

### Withdrawals

During the year ending 31 March 2022, the following withdrawals were made from the Scheme.

|  | Number of members | Total amount \$ |
|--|-------------------|-----------------|
| First home                                     | 3,164             | \$82,611,245    |
| Significant financial hardship                 | 1,416             | \$10,076,515    |
| Serious illness                                | 115               | \$2,745,714     |
| Permanent emigration (other than to Australia) | 157               | \$3,232,835     |
| Qualifying age                                 | 2,395             | \$79,910,717    |
| Death  | 146               | \$9,801,560     |
| Transfer to Australian superannuation scheme   | 47                | \$1,388,694     |

### Unit prices

This table shows the unit price for each of the BNZ KiwiSaver Scheme funds on 1 April 2021, as well as at the end of the year on 31 March 2022.

|                       | 1 April 2021 | 31 March 2022 |
|-----------------------|--------------|---------------|
| Cash Fund             | \$1.2085     | \$1.2141      |
| First Home Buyer Fund | \$1.2269     | \$1.2192      |
| Conservative Fund     | \$1.4665     | \$1.4329      |
| Moderate Fund         | \$1.6721     | \$1.6550      |
| Default Fund          | N/A          | \$0.9582      |
| Balanced Fund         | \$1.8587     | \$1.8609      |
| Growth Fund           | \$2.0966     | \$2.1308      |

## Statement by the Manager

The Manager confirms that as at 31 March 2022:

1. All the benefits required to be paid from the Scheme in accordance with the terms of the Governing Document and the KiwiSaver scheme rules have been paid; and
2. The market value of the assets of the Scheme 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

**The directors of the Manager:** BNZ Investment Services Limited

- Richard Morath ceased as a director on 09 July 2021.
- Daniel Huggins ceased as a director on 01 October 2021.
- Emma Dobson joined as a director on 01 October 2021.
- Karna Luke joined as a director on 10 March 2022.

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

- James Douglas ceased as a director on 30 November 2021.

**The Securities Registrar:** MMC Limited

- From 23 August 2021, MMC Limited replaced Trustees Executors Limited as the Registrar of the Scheme.

## 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 become a member of the BNZ KiwiSaver Scheme, 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](https://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

- **Online:** [bnz.co.nz](https://bnz.co.nz)
- **Call:** 0800 269 5494 (from New Zealand) or +64 4 931 8209 (from overseas).
- **Visit:** Any of our branches.

### 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 – MMC Limited

- **Call:** (09) 309 8926
- **Write:** PO Box 106 039, Auckland City, Auckland 1143

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](https://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](https://bankomb.org.nz)
- **Call:** 0800 805 950
- **Email:** [help@bankomb.org.nz](mailto: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](https://fscl.org.nz)
- **Call:** 0800 347 257
- **Email:** [info@fscl.org.nz](mailto: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 BNZ KiwiSaver Scheme 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 BNZ KiwiSaver Scheme or the repayment of capital. National Australia Bank Limited, the ultimate owner of BNZ, is not a registered bank in New Zealand and is not authorised to offer the products and services mentioned in this document to customers in New Zealand.

