



# YOUR FINANCIAL FUTURE

**Annual Report 2021.**

Westpac New Zealand Staff Superannuation Scheme.



# What are people typically spending in retirement?

The latest Retirement Expenditure Guidelines (as at 30 June 2020) produced by the Massey Financial Education and Research Centre reveal that the standard of living most New Zealanders hope to have in retirement cannot be supported by New Zealand Superannuation alone.

This means that the gap between how much money retirees receive from NZ Super and how much they are likely to spend continues to grow. Most retirees today have to top-up their NZ Super to maintain the lifestyle they want, and the report found that many New Zealanders are working beyond the age of 65 to pay for the shortfall.

This report sets out several expenditure guidelines, which each reflect different retiree groups based on their geographical location, household size, and budget.

The full report is available on Massey University's website at [www.massey.ac.nz](http://www.massey.ac.nz) under the 'Fin-Ed Centre'.

## Maximise your savings.

### Investment choice.

In-Tandem has five different investment fund options for you to choose from. There are lower-risk, likely lower-return options and higher-risk, potentially higher-return options.

### Access to free financial advice.

To talk to a Westpac Financial Adviser, call 0800 942 822 for free financial advice.

### Free life insurance.

If you are a permanent employee, you are usually eligible for free life insurance. More information is available in the member booklet, product disclosure statement, other material information and trust deed – all documents are available at [westpacnzstaffsuper.co.nz](http://westpacnzstaffsuper.co.nz).

### You pay no administration fees.

Managed investment accounts generally have administration fees that are charged to your account, reducing the amount of your retirement savings. However, Westpac pays these fees on behalf of all members of In-Tandem.

### Stay in the Scheme after leaving Westpac.

If you leave Westpac you have the option of remaining in the Scheme for up to two years. If you leave Westpac, you will need to complete the Leaving Employment Form which is available in the 'Documents' page at [westpacnzstaffsuper.co.nz](http://westpacnzstaffsuper.co.nz). You can:

- Leave your money in In-Tandem as a continued beneficiary for up to two years while you decide what to do.
- Transfer your balance to your KiwiSaver Scheme.
- Transfer your balance to a managed fund.
- Transfer your balance to your bank account.





# Message from the Chair.

Welcome to your personal annual report and member statement for the Westpac New Zealand Staff Superannuation Scheme. This report includes information about your account and the Scheme.



## Financial markets.

Financial markets made a significant rebound during the year ended 30 June 2021, following the losses experienced during the initial months of the global pandemic last year. Scheme returns for each investment option for both short and long terms are published on page 4. When the COVID-19 lockdowns first hit in March 2020, the primary risk facing companies centred on how to survive the sharpest economic downturn in 90 years. Central banks and governments were quick to respond with supportive monetary policies, including low interest rates and the wage subsidy scheme, which helped support businesses during periods of lockdown. Most essential businesses and technology enablers achieved an acceleration in pre-COVID sales, accompanied by record profitability.

While the year's returns were positive, markets continually moved up and down this year and we expect financial markets will continue to be subject to swings in volatility throughout the course of the year ahead and beyond as investors react to changing conditions. It is important to remember that past performance does not guarantee or indicate future performance. More information on the performance of each investment option, financial markets, and how the Scheme performed compared to KiwiSaver median returns is published on page 4 to 6.

## New website.

As published in our August member newsletter, we are pleased to announce the recent launch of the new Westpac In-Tandem website. Enhanced for mobile devices, the site offers improved functionality and access while you're on the go. The login page has also been upgraded to show a single dashboard with your account balance, account summary, member statement download option, recent activity, and communications preference all in one place. If you've not recently visited the site, I encourage you to visit [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz).

## Your financial future.

It's natural to look closely at your savings and market performance during times of volatility, though it is especially important during these times to recall that investment markets do not necessarily always grow at a steady pace. Sometimes they will surge ahead, sometimes they will stay flat, and at times they dip. The good news is that history shows us markets typically recover. As an In-Tandem member you have exclusive access to the online financial planning tool, MySuper Planner. This tool can be used to forecast what your future retirement balance may be, and you can also apply the 'stress test' to see how different financial market conditions may impact your savings. You can access this tool on [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz), and can download the results to discuss with a financial adviser. Westpac financial advisers are available on 0800 942 822.

We have also published a list of financial advice resources on [westpacnzstaffsuper.co.nz/financial-advice](https://westpacnzstaffsuper.co.nz/financial-advice) that includes free resources, online tools, Westpac financial advisers' contact details, and a link to the Financial Markets Authority website which may help you establish or refine your personal savings goals.

## Thank you.

I would like to extend my thanks to my fellow directors for their ongoing service and commitment to the Scheme, and also Westpac for the continued support of the Scheme and members, along with all the service providers who assist us with the day to day operation of the Scheme.

As always, please give Helpline a call on **0508 468 263** if you have any questions about the Scheme, your annual confirmation, or this annual report.



Bruce Kerr

**Chairman**

Westpac New Zealand Staff Superannuation Scheme Trustee Limited  
(Trustee of the Scheme)

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# Your investment options.

## About your fund choices.

Choosing the right option is important and the Scheme offers In-Tandem members five funds to choose from. You can choose one fund or a mix of funds. Each fund has a different level of risk and return, depending on its mix of growth and income assets.

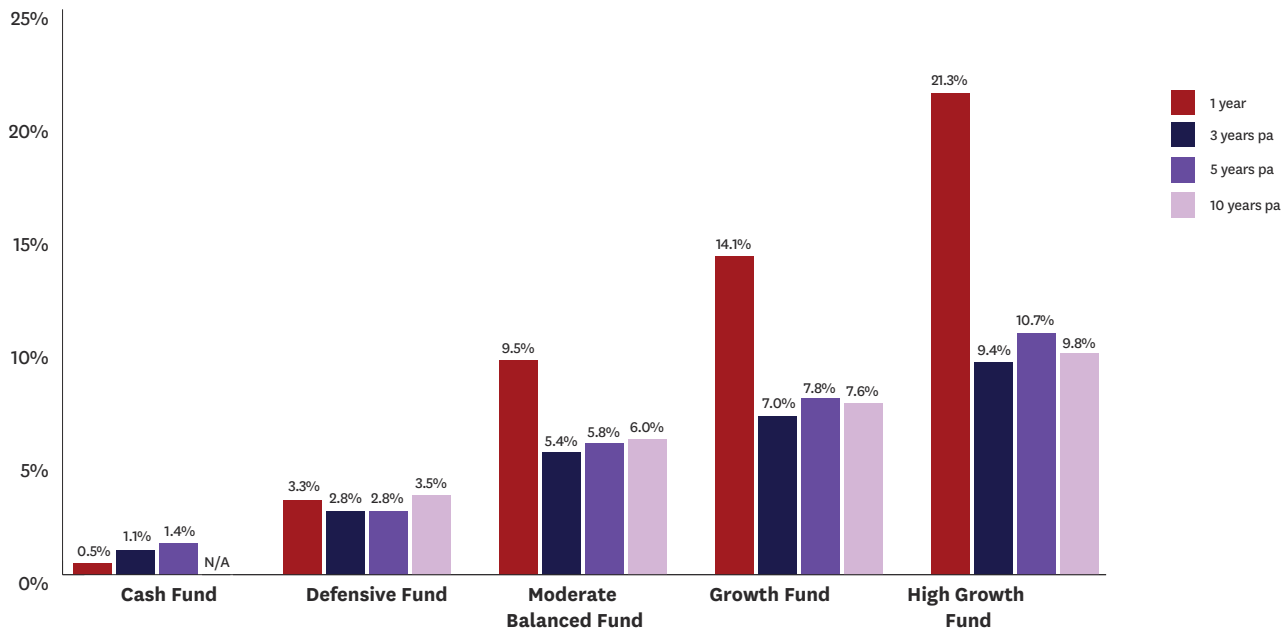
Growth assets are more suited to longer-term savings as their returns fluctuate more in the short term, but tend to be higher over the longer term. Income assets are more suited to shorter-term savings as their returns fluctuate less over the short term, but tend to be lower over the longer term. For the investment risk indicator and long-term return objectives for each of the Scheme’s funds, refer to the product disclosure statement on the ‘Documents’ page at [westpacnzstaffsuper.co.nz](http://westpacnzstaffsuper.co.nz).

Further information about the investment options and their performance is set out in the fund updates for each investment option, which are available from the ‘Documents’ page of [westpacnzstaffsuper.co.nz](http://westpacnzstaffsuper.co.nz) or the offers register on [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

Members of the defined benefit section of the Scheme do not need to select an investment option, as their benefits are not generally reliant on investment returns.

## Fund returns as at 30 June 2021.

The chart below shows how investment funds have performed over the past 10 years. Funds with more growth assets continue to perform better. No level of future returns is promised.



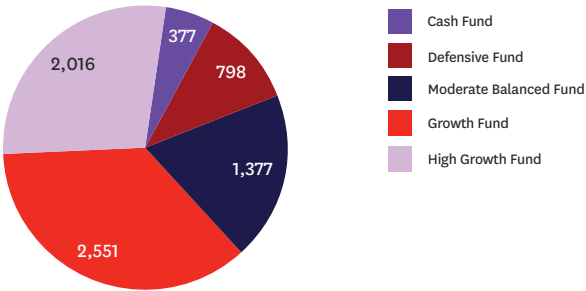
Returns are based on unit prices (after fees and after tax). The Cash fund was established within the last 10 years and therefore no return is shown for this fund for this period.

The returns shown above are indicative of investment returns and may differ from the actual after-fees and tax returns achieved by you. Your individual return within an investment option will depend on the timing of contribution payments and actual investment fees charged. The investment returns shown don’t tell you how the investment options will perform in the future and members are reminded that past performance is not a reliable indicator of future performance.

## Investment fund choices made.

The investment option with the most members is the Growth option with 2,551 investors. How you invest will depend on your investment timeframe and how much risk you are willing to take. If you are unsure about your risk profile, speak to a Westpac financial adviser or use the Sorted investment planner on [sorted.org.nz](http://sorted.org.nz).

Number of members invested in the investment funds as at 30 June 2021



Number of investors in each scheme fund.  
Note that members can invest in one or more funds simultaneously.



# Investment performance review.

## Market commentary.

Global equities have recorded new highs, equity volatility has dropped to levels unseen since the outbreak of the pandemic while inflationary pressures on the back of economic re-openings have led to a rise in interest rates from their pandemic lows.

The 12-month period ending June 2021 saw growth assets (listed equities and listed property) strongly outperforming defensive assets such as bonds and cash. Within growth assets, global equities finished the period on a strong note with a return of just under 36.9% (28.1% in NZD terms – with the NZ dollar having gained 8.5% vs the US dollar over the period), while NZ equities returned 10.5% . NZ listed property returned 20.4% while global listed property returned 30.4% . Defensive assets such as bonds underperformed on the back of a steep rise in global interest rates over the year. For example, the 10 year NZ government bond yield rose from 0.93% to 1.76% over the 12 month period while the 10 year US treasury yield more than doubled from 0.66% to 1.47%. New Zealand bonds fell -3% while global bonds returned 0.9% over the 12 months. Alternative assets, such as hedge funds, underperformed equities but outperformed bonds and delivered a positive return of 12% over the year.

When the COVID lockdowns first hit in March 2020, the primary risk facing companies centred on how to survive the sharpest economic downturn in 90 years. As central banks and governments threw the kitchen sink at the recovery efforts and unleashed unprecedented stimulus, many companies have been able to weather the sharp but short recession while most essential businesses and technology enablers achieved an acceleration in pre-COVID sales, accompanied by record profitability.

As the pace of vaccination roll-out has picked up globally, (notwithstanding the new COVID variants and the risk of recurring lock-downs), economic activity has seen a resurgence over the past few months. News on rising inflation has been strong on both sides of the Atlantic as not only has demand been rising strongly but there have also been some troubling supply side developments behind the rise of selected commodities, semi-conductors, used cars and house prices.

Over the period, key central banks like the US Federal Reserve (the Fed) and the European Central Bank (ECB) have pushed back strongly against expectations of tapering and policy tightening. The highly accommodative stance as well as the economic reopening boom have been at the core of the resilience of risk assets. This boom is also reflected in intense merger and acquisition activity globally.

However, central banks are getting more worried about inflation risks to the upside and are likely to act to retain control of inflation and raise interest rates which will eventually impact the economy. However, there is so much debt in the system that the economy may not withstand much policy normalisation. The Fed surprised markets last month (June 2021) by initiating a tapering discussion earlier than expected but will be keen to avoid a repeat of the 2013 taper tantrum. Policy makers will need to perform a hard balancing act of managing the opposite risks of withdrawing policy support too quickly on one hand and of losing control of inflation on the other.

In New Zealand, economic data releases showed that the economy continues to recover well from the pandemic. The housing market has continued to perform strongly despite a raft of measures implemented by the Reserve Bank of New Zealand (RBNZ) and Government to limit speculative buying in favour of first home buyers. The RBNZ acknowledged the continued strong performance of the economy at its May Monetary Policy meeting, surprising the market by reintroducing the expected OCR path which showed a hike in late 2022, while some local banks started to forecast an OCR rise as early as November 2021.

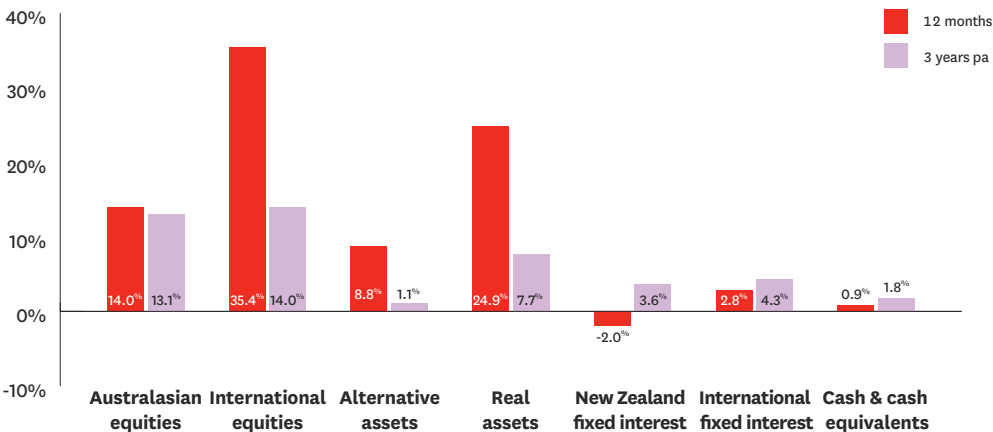
While most asset classes have delivered a strong return for the year, we expect financial markets will continue to be subject to periods of swings in volatility throughout the course of the year ahead and beyond as investors react to changing conditions. Ensuring portfolio diversification across different asset types, securities and investment styles remains important. Westpac has a number of qualified financial advisers who are available to speak to you if you have any concerns.

<sup>1</sup> MSCI World Net Index (local currencies) <sup>2</sup> S&P/NZX50 Index Gross <sup>3</sup> S&P /NZX All Real Estate Gross Index <sup>4</sup> FTSE EPRA/NAREIT Developed (NTR) Index (NZD hedged)  
<sup>5</sup> Bloomberg NZBond Composite 0+ Year Index <sup>6</sup> Bloomberg Barclays Custom Composite Index (NZD hedged) <sup>7</sup> HFRX Global Hedge Fund Index (NZD hedged)

## Asset class performance.

As the following chart shows, this year's returns were positive for most asset classes with top performers being Australasian equities and international equities.

Before tax & expenses return for each asset type over one & three years (pa) to 30 June 2021



### Alternative assets.

It is not one of the conventional investment types, such as stocks, bonds and cash. Alternative assets can include private equity, hedge funds and managed funds.

### Real assets.

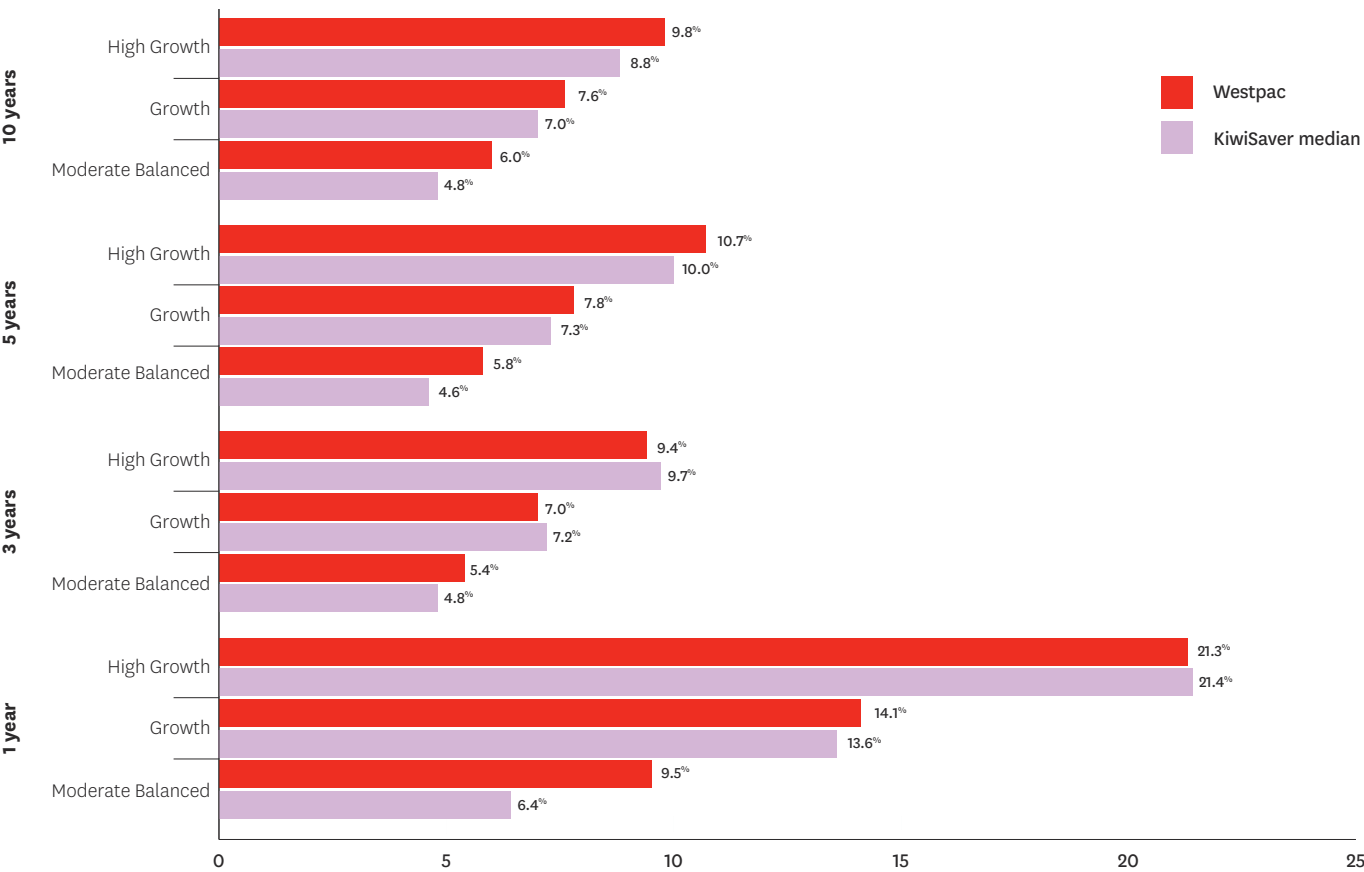
These are physical assets that may have value due to their substance and properties. Real assets may include property, natural resources and infrastructure.

Scheme performance compared with KiwiSaver schemes.

It is important to know how the Scheme’s performance compares with other similar investments that you can access. This chart shows how returns from three of the Scheme’s funds compare to the median (or middle) return for three funds in selected KiwiSaver schemes with a similar mix of assets. The Scheme’s returns continue to perform well in the long term.

Further information about the Scheme’s investment performance is available in the latest fund update for each investment option. Copies of the fund updates are available on [westpacnzstaffsuper.co.nz](http://westpacnzstaffsuper.co.nz) or on the offers register on [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

Fund returns (after tax and after fees) vs comparative KiwiSaver funds' median returns\*



\*Source of KiwiSaver information: Mercer KiwiSaver survey to 30 June 2021 (copy available on request from the Secretary to the Scheme (details are on page 14)).

The periods measured in the graph are each a period ending on 30 June 2021. The data used in the graphs is generated by comparing the named Scheme fund option with the median returns of KiwiSaver funds participating in the Mercer KiwiSaver survey as categorised by Mercer (N.Z.) Limited based on asset allocation styles as follows: Scheme High Growth Fund compared to surveyed growth-style funds; Scheme Growth Fund compared to surveyed moderate-style funds; Scheme Moderate Balanced Fund compared to surveyed conservative-style funds. Returns data is presented after most fees (per-member fees cannot be factored in) and after tax at a rate of 28% (Prescribed Investor Rate) over time to facilitate comparison between funds provided by different managers. The data used is believed to be reliable but has not been verified by Mercer, the Trustee or Westpac, and none of them make any representations or warranties as to the accuracy of the information or take any responsibility or liability (including for indirect, consequential or incidental damages) for any error, omission or inaccuracy in the data.

The information presented in the graph is not investment advice and you should seek your own personal investment advice before making any decision about how to invest or what fund options are right for you. Past performance does not guarantee future results.

# Fees.

By being in the Scheme you may benefit from lower fees than typically apply in retail funds or many KiwiSaver schemes with active investment management. This is because the Scheme is a wholesale investor and therefore gets better rates. Westpac also pays all direct administration fees and other expenses associated with operating the Scheme.

The only fees In-Tandem members pay are investment management fees, which cover the costs associated with managing your portion of your investments in the fund(s) you have chosen to invest in. These are considered indirect costs, as they are not deducted directly from your account balance but are deducted from investment earnings before they are applied to your account. Below is a summary of the expenses paid during the year, both by In-Tandem members and Westpac (or from the Scheme’s surplus).

## Fees the Bank paid.

All direct administration fees, operating expenses and insurance premiums are paid by Westpac. For the year ended 30 June 2021, this amounted to \$1,932,276 or 0.43% of the Scheme’s total assets.

## Fees you pay.

For In-Tandem members, fund fees are charged as a percentage of your overall investment according to the investment option(s) you are invested in. Fees as at 30 June 2021 are listed below and remain unchanged from those published in the latest product disclosure statement dated 3 September 2021.

Investment option	Annual fund charges (estimated) (% net asset value of relevant fund*)	
	Charges from 2 March 2020 until 2 September 2021	Charges from 3 September 2021
Cash Fund	0.14%	0.14%
Defensive Fund	0.30%	0.30%
Moderate Balanced Fund	0.49%	0.52%
Growth Fund	0.59%	0.63%
High Growth Fund	0.70%	0.75%

\*Based on the relevant investment fund’s strategic asset allocation and size.

Members of the defined benefit section of the Scheme do not pay these fees. There is a one-off withdrawal fee for first home withdrawals, and an investment fund switch fee for each investment switch beyond the two free switches per Scheme year.

### What is the Scheme’s surplus?

The Scheme’s surplus comes from any money not paid to a member who leaves the Scheme before they are entitled to their full Company Account balance, or from funds in the Scheme that exceed what the actuary advises is required to cover vested benefits of defined benefit members.

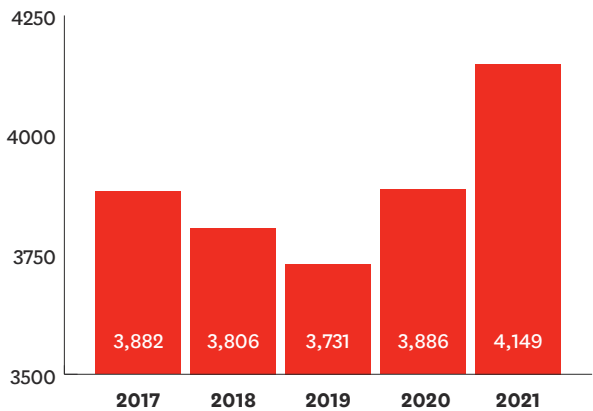




### Membership.

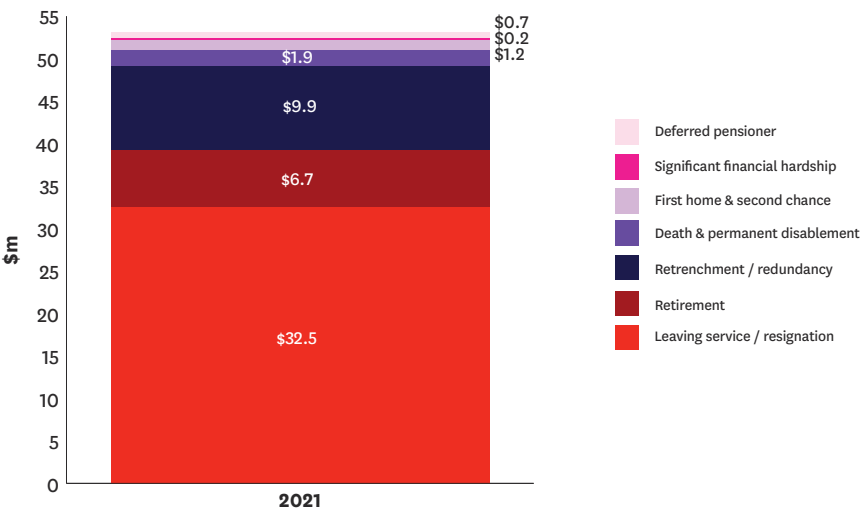
Membership increased this year as the Scheme welcomed 865 new members for the year ended 30 June 2021. As the Bank continues to be committed to the success of the Scheme it is pleasing to see that the number of members now considerably exceeds the total membership in recent years. A summary of membership changes is published below.

### Changes in membership over the last five years.



## This year the Scheme paid \$53.1 million in benefits.

The chart below shows a breakdown of the different benefits paid from the Scheme in 2021. This year, benefits paid to members totalled \$53.1 million (2020: \$26.7 million). The Scheme continues to help members retire and buy their first homes.



### Finding documents on the Disclose website.

Go to [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz)  
Select **'Search for an offer'** for documents such as the product disclosure statement and fund updates;  
and  
**'Search for the scheme'** for documents including the annual report, financial statements, trust deed and statement of investment policy and objectives.

Search for **Westpac New Zealand Staff Superannuation Scheme.**



A financial summary is no longer required in the annual report. Copies of the full audited financial statements are available from 'Documents' on the Scheme website, on the Companies Office Disclose website or by calling the helpline.

# Scheme news.

## Member booklet.

We have published a guide to introduce you to, or revisit, the benefits of being a member of the Scheme. Joining In-Tandem could play a big role in your financial future, and even small decisions now could make a big difference later. The member booklet is available for download from [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz).

## Leaving Westpac? Don't forget to complete the form.

All members who leave the Scheme must complete a leaving service form to indicate where their funds are to be paid. Members have the option to leave funds in the Scheme for up to two years, transfer your funds to a KiwiSaver arrangement or another superannuation scheme, or arrange for your funds to be paid into your personal bank account.

Your money from the Scheme cannot be paid until this form is completed, and is returned to the Scheme's administrator (Mercer).

You can find the 'Leaving Employment Form' on [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz) on the 'Documents' page, and the 'Member forms' tab.

## Investment switches.

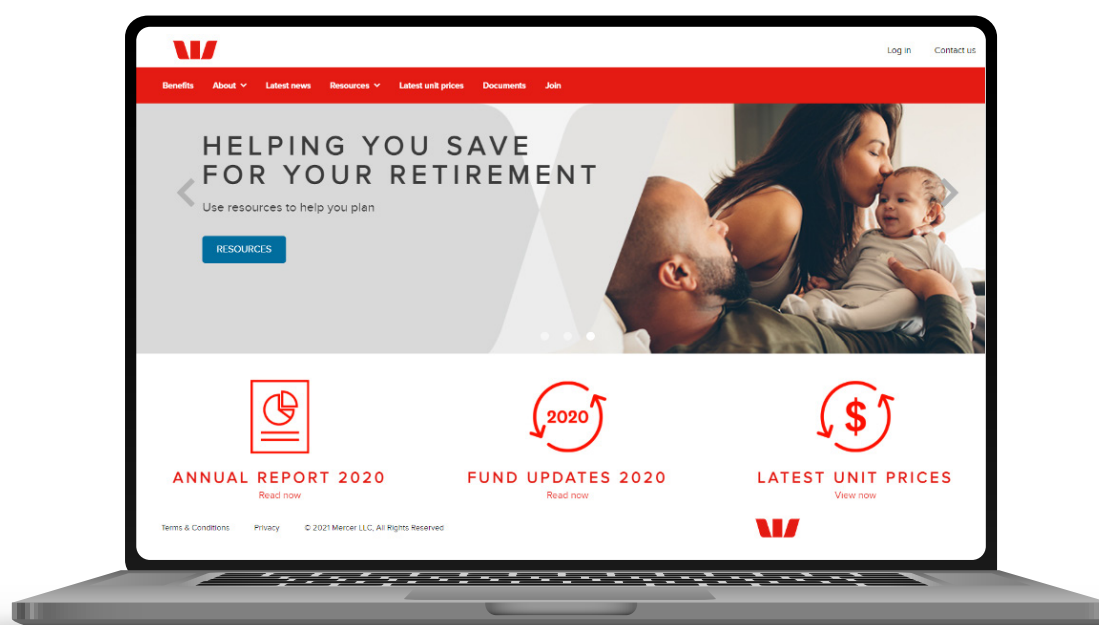
The first two investment switches during the Scheme year (1 July – 30 June) will be free, and any subsequent change will be subject to an administration charge of \$81.22. You can make an investment switch online at [westpacintandem.co.nz](https://westpacintandem.co.nz). More information about investment switching is available in the product disclosure statement on the Scheme website.

## Your insurance cover.

If you are a permanent employee (Category E and F members), you're usually eligible for free life insurance (referred to in the Product Disclosure Statement and Trust Deed as the "Additional Benefit"). This covers your death and total and permanent disablement while in service for claims accepted by the insurer. The value of this life insurance is additional to the balance of your Member and Company Accounts in In-Tandem. You can obtain more information on the Additional Benefit and how it is calculated (including an example) in the Additional Benefit document available from [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz) or [www.disclose-register.companiesoffice.govt.nz](https://www.disclose-register.companiesoffice.govt.nz).

## New Scheme website.

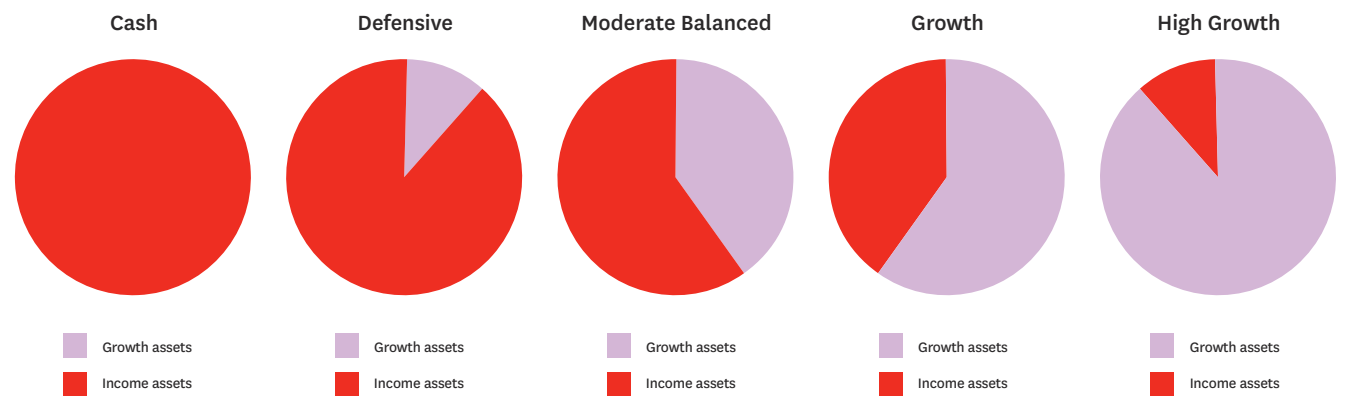
We are pleased to announce the recent launch of the new Westpac In-Tandem website. Enhanced for mobile devices, the site offers improved functionality and access while you're on the go. The login page has also been upgraded to show a single dashboard with your account balance, account summary, member statement download option, recent activity, and communications preference all in one place. If you've not recently visited the site I encourage you to visit [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz).



Understanding investment horizons.

Do you know the asset allocation for the investment option you are invested in? The charts below show what asset classes combine to make each investment option and the difference between growth assets and income assets.

Your choice of an investment option, or combination of options, should reflect your own investment objectives, risk tolerance and investment time frame. The Product Disclosure Statement includes the recommended investment timeframe for each investment option, ranging from short term to long term. Generally, the greater the growth asset allocation, the longer the suggested investment minimum timeframe.



Information about the Scheme.

Details of the scheme.

This is the annual report for the Westpac New Zealand Staff Superannuation Scheme for the year ended 30 June 2021.

The Scheme is a restricted workplace savings scheme. The manager and Trustee of the Scheme is Westpac New Zealand Staff Superannuation Scheme Trustee Limited.

The Scheme’s most recent product disclosure statement is dated 3 September 2021 and is open for applications.

Fund updates for each of the five investment options for the year ended 30 June 2021 were made publicly available on 28 September 2021. The Scheme’s latest financial statements are for the year ended 30 June 2021. They were authorised for issue on 01 October 2021, and were lodged (along with the auditor’s report on those financial statements) with the Registrar of Financial Service Providers on 04 October 2021.

Copies of the fund updates and the financial statements (including the auditor’s report) are available on [westpacnzstaffsuper.co.nz](https://westpacnzstaffsuper.co.nz) or [www.disclose-register.companiesoffice.govt.nz](https://www.disclose-register.companiesoffice.govt.nz).

Information on contributions and scheme participants.

This section provides a summary of changes in the membership of the Scheme over the year ended 30 June 2021.

- At 1 July 2020, the total amount of members’ accumulation relating to 3,886 members was \$414,872,962.
- At 30 June 2021, the total amount of members’ accumulation relating 4,149 members was \$450,187,847.



MEMBERSHIP DETAILS	TOTAL CONTRIBUTING MEMBERS	NON-CONTRIBUTING MEMBERS				TOTAL
		INDIVIDUAL MEMBERS	DEFERRED MEMBERS	PENSIONERS	TOTAL NON-CONTRIBUTORY MEMBERS	
<b>At 1 July 2020</b>	<b>3,577</b>	<b>138</b>	<b>34</b>	<b>137</b>	<b>309</b>	<b>3,886</b>
<b>Status changes</b>						
Contributory status change	33	(33)	-	-	(33)	-
Transfers from other sections	2	-	(2)	-	(2)	-
<b>Total status change</b>	<b>35</b>	<b>(33)</b>	<b>(2)</b>	<b>-</b>	<b>(35)</b>	<b>-</b>
<b>New members</b>						
New members	802	-	58	5	63	865
Transfers in from other schemes	-	-	-	-	-	-
<b>Total new members</b>	<b>802</b>	<b>-</b>	<b>58</b>	<b>5</b>	<b>63</b>	<b>865</b>
<b>Ceased members</b>						
Retirements	(45)	-	-	-	-	(45)
Deaths	(3)	-	-	(12)	(12)	(15)
Transfers to other schemes	-	-	-	-	-	-
Other reasons:						
Retrenchment / redundancy	(95)	-	-	-	-	(95)
Total & permanent disablement	(3)	-	-	-	-	(3)
Leaving service / resignation	(422)	-	-	-	-	(422)
Other	-	-	(20)	(2)	(22)	(22)
<b>Total ceased members</b>	<b>(568)</b>	<b>-</b>	<b>(20)</b>	<b>(14)</b>	<b>(34)</b>	<b>(602)</b>
<b>At 30 June 2021</b>	<b>3,846</b>	<b>105</b>	<b>70</b>	<b>128</b>	<b>303</b>	<b>4,149</b>

#### Contributions received during the year ended 30 June 2021.

Type	Number of scheme participants	Total amount
Member contributions	4,407	\$14,571,293
Voluntary member contributions	-	-
Employer contributions	4,294	\$22,807,402
		<b>\$37,378,695</b>

## Changes relating to the scheme.

### Trust deed.

There were no amendments to the trust deed during the year.

### Terms of offer of interests in the Scheme.

There were no changes to the Scheme's Product Disclosure Statement (PDS) during the year ended 30 June 2021. Following the year end, the Scheme's PDS was updated with effect from 3 September 2021 to reflect changes in annual fund charges.

### Statement of investment policy and objectives.

The Scheme's statement of investment policy and objectives (SIPO) was amended with effect from 1 December 2020 to reflect changes in the Scheme's currency hedging policy, and the transition of the pooled investment vehicle used by the Scheme for its investments in International Equities to the Westpac Wholesale Multi Manager International Share Trust, and termination of AMP Capital Investors for the Scheme's Emerging Markets.

The SIPO was again amended with effect from 24 February 2021 to:

- clarify that the Investment Implementation Manager (IIM) may also utilise the Westpac Wholesale Enhanced Cash Trust to invest excess liquidity held in the pooled investment vehicles used by the Scheme;

- clarify that the IIM also uses the Westpac Wholesale Corporate Bond Trust to manage corporate bonds exposure held in the pooled investment vehicle used by the Scheme for its New Zealand fixed interest investments; and
- clarify that the investment mandates may use derivatives consistent with the derivative policy already stated in the SIPO.

### Related party transactions.

The Scheme holds no direct investments in any of the employer companies or any of its related parties. The Scheme received company contributions of \$22,807,402 (after deduction of ESCT).

Mercer (N.Z.) Limited as administrator of the Scheme is regarded as a related party in terms of the Financial Markets Conduct Act 2013 (FMCA). Mercer provides the Scheme with a range of services including administration and secretarial services. BT Funds Management (NZ) Limited as fund manager of the Scheme is regarded as a related party in terms of the FMCA. Willis Towers Watson Australia Pty Ltd as investment consultant of the Scheme is regarded as a related party in terms of the FMCA.

All related party transactions were conducted on normal commercial terms and conditions during the year and were on an arm's-length basis.

## Other information for particular types of managed funds.

Withdrawals made during the year to 30 June 2021

Full withdrawals		Partial withdrawals	
Retirements	45	First home	40
Retrenchment / redundancy	95	Significant financial hardship	10
Deaths	15*	<b>Total partial withdrawals</b>	<b>50</b>
Total & permanent disablement	3		
Leaving service / resignation	442**		
<b>Total full withdrawals</b>	<b>600</b>		

\*Pensioners are included in this withdrawal amount.

\*\*Leaving service / resignation includes 20 retained members.

	Units on issue (Relates to In-Tandem sections only)		Unit price (\$)	
	1 July 2020	30 June 2021	1 July 2020	30 June 2021
<b>High Growth</b>	28,228,217.04	29,215,169.97	3.3346	4.0440
<b>Growth</b>	42,233,916.13	43,175,066.05	3.1173	3.5568
<b>Moderate Balanced</b>	30,936,873.47	30,603,942.07	1.6523	1.8090
<b>Defensive</b>	23,282,603.27	19,128,080.10	2.5350	2.6178
<b>Cash</b>	16,584,605.67	12,802,780.44	1.1639	1.1700
<b>Defined Benefit</b>	-	-	2.5077	2.8514

### How investment earnings are worked out.

Contributions made to the Scheme are used to purchase what are known as 'units' in your chosen investment option(s). The number of units that your contributions purchase depends on the unit price at the time of purchase. For example, if \$1,000 is contributed and the unit price is \$1.00 at that time, then 1,000 units would be purchased on your behalf.

Unit prices are calculated weekly and fluctuate according to the investment performance of each investment option. The value of your investment at any time is simply the number of units you own multiplied by their price at that time.

### Actuarial report.

The last triennial actuarial valuation was prepared as at 30 June 2020. The purpose of the valuation is to assess the latest funding position of the Defined Benefit section of the Scheme and the level of contributions required from the Bank in accordance with the Trustee's funding policy.

The Actuary reported that the value of the Scheme's accrued benefit liabilities exceeded the value of its assets and recommended that the Bank, in line with the current funding policy, contribute shortfall contributions of \$1,200,000 p.a. which would be expected to eliminate the shortfall over the next four years.

The interim valuation carried out at 30 June 2021 showed that the funding position has improved since the last actuarial valuation at 30 June 2020. As the defined benefit funding ratio of 101.7% is over 100%, the Company can cease shortfall contributions and pay basic contributions in line with the Funding Policy.

### Pension increases.

After seeking advice from the Actuary, the Trustee, with the consent of the Bank where appropriate, approved an increase in pensions to help offset the cost of inflation and in line with the provisions of the trust deed.

There were two rates of increases last year that applied from 1 October 2020. Pension payments were increased by 1.5% for Category 2&3 pensioners, and were increased by 1.45% for Category 1&4 and deferred pensioners.

### Trustee statement.

The Trustee as manager of the Scheme states that:

- The rate or amounts of contributions paid have been in accordance with the recommendations contained in the most recent report of an actuary required under section 169 of the FMCA (and previous equivalent legislation) (a summary of the most recent actuarial report is above).
- All the contributions required to be made to the Scheme in accordance with the terms of the Scheme's trust deed have been made.
- All the benefits required to be paid from the Scheme in accordance with the terms of the Scheme's trust deed have been paid.
- The market value of the Scheme's assets at 30 June 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 30 June 2021.

On behalf of the Trustee



Bruce Kerr  
Chairman of Trustee  
11 October 2021

## Changes to persons involved in the scheme.

The directors of the Trustee as at 30 June 2021 were:



**Bruce Kerr**  
Chairman of Trustee



**Marc Figgins**  
General Manager, Human Resources  
& Corporate Affairs



**Ian New**  
Chief Actuary



**Liam Cleary**  
Head of Funding, Treasury



**Mark Weenink**  
General Counsel and  
General Manager, Regulatory Affairs  
and Corporate Legal Services



**Tim McGuinness**  
Licensed Independent Trustee

During the year ending 30 June 2021:

- Gina Dellabarca resigned as a director effective 5 June 2020.
- Marc Figgins joined as a Bank appointed director from 8 September 2020.
- Jo McGregor resigned as a member-elected director effective 31 March 2021.

Who else is involved?	Company name	Role
Administration Manager; Actuary; Scheme Secretary; and Securities Registrar.	Mercer (N.Z.) Limited	<ul style="list-style-type: none"> <li>– Looks after the day-to-day running of the Scheme</li> <li>– Advises the Trustee about the Scheme's funding position</li> <li>– Supports and assists the Trustee directors, and</li> <li>– Holds the Scheme's member register</li> </ul>
Auditor	PricewaterhouseCoopers	Audits the Scheme's financial statements and the member register and provides custodian assurance reports
Custodian	Westpac New Zealand Staff Superannuation Scheme Trustee Limited	Holds the assets of the Scheme
Insurer	Westpac Life-NZ Limited	Insures the insured portion of the death and total and permanent disability benefits of In-Tandem members
Investment Implementation Manager	BT Funds Management (NZ) Limited	Responsible for investing the Scheme's assets in accordance with the statement of investment policy and objectives adopted by the Trustee
Investment Consultant	Willis Towers Watson Australia Pty Limited	Provides strategic oversight of the Scheme's investments including asset allocation advice, governance and the setting of long-term objectives. It also makes dynamic asset allocation decisions.



## How to find further information.

You can find further information relating to the Scheme, including financial statements, annual reports, annual fund updates, the Scheme's trust deed and statement of investment policy and objectives, in the offers register and the schemes register at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) (search Westpac New Zealand Staff Superannuation Scheme).

The above information is also available at no cost on [www.westpacnzstaffsuper.co.nz](http://www.westpacnzstaffsuper.co.nz) or by contacting the Scheme Secretary whose contact details are set out below.

## Contact details and complaints.

If you have any questions about your Scheme or would like more information, you can contact the Trustee by calling the In-Tandem helpline, or by contacting the Scheme Secretary.

### In-Tandem helpline.

Freephone: 0508 INTANDEM (0508 468 263)

Helpline hours: 9am to 7pm Monday to Friday

### Secretary to the Scheme.

Philippa Kalasih  
Mercer (N.Z.) Limited  
Level 2, 20 Customhouse Quay  
Wellington 6011.

Phone: 04 819 2641

Email: [philippa.kalasih@mercer.com](mailto:philippa.kalasih@mercer.com)

### How to complain.

We will do everything we can to resolve your complaint. Below are the options you have for making a complaint.

1. Call the helpline 0508 INTANDEM (0508 468 263) to discuss your concerns. Depending on the nature of your complaint, the helpline may direct you to the Complaints Officer.
2. Email the Complaints Officer at [complaints@westpacnzstaffsuper.co.nz](mailto:complaints@westpacnzstaffsuper.co.nz).

### Complaints Officer.

Philippa Kalasih  
Mercer (N.Z.) Limited  
Level 2, 20 Customhouse Quay  
Wellington 6011.

Phone: 04 819 2641

Email: [philippa.kalasih@mercer.com](mailto:philippa.kalasih@mercer.com)

If you are not satisfied by the response, you may refer the matter to Financial Services Complaints Limited (FSCL) by emailing [info@fscl.org.nz](mailto:info@fscl.org.nz) or calling FSCL on 0800 347 257.

### Alternatively, you may write to FSCL at:

Financial Services Complaints Limited  
PO Box 5967, Lambton Quay  
Wellington 6140.

Full details of how to access the FSCL scheme can be obtained from their website [www.fscl.org.nz](http://www.fscl.org.nz). FSCL will not charge a fee to a complainant to investigate or resolve a complaint.

# Scheme snapshot.

As at 30 June 2021



**\$450.2 million**

in retirement savings accumulated.



**4,149**

active members and pensioners.

# Member snapshot.



**\$96,766**

average member balance.



**7.5**

average number of years in the Scheme.