



SAVING TOGETHER

Westpac New Zealand
Staff Superannuation Scheme.

Annual Report 2024.



Year snapshot

for year ended 30 June 2024

Money facts.

\$444.5m

in net assets at year end

\$18.9m

member contributions

\$29.4m

employer contributions

\$49.6m

in benefits paid

Long-term savers (15+ years) in the Scheme have an average account balance of **\$284,684**.

The average for all members who have been in the Scheme for 10 years is **\$86,400**.

Member facts.

633

new members joined during the year

71

net member growth for the year

4,448

contributing members at year end

322

non-contributing members at year end

30

members retired

111

pensioners at year end

Communication facts.

1,143

total calls to the Helpline

1,496

members on average logged in to the website per month

The Trustee's preferred communication channel with members is to use your email address, and our Scheme administrator holds email addresses for the majority of members. We would like to get this number to 100%. If you are one of the 1.4% of members for whom we don't have an email address, please take a moment to check/update your email address at westpacnzstaffsuper.co.nz.

On average each month, 32.1% of the Scheme's membership self-serve by logging in to the Scheme's website.

Returns for year ended 30 June 2024 (after tax and expenses).

High Growth Fund	Growth Fund	Moderate Balanced Fund	Defensive Fund	Cash Fund
11.0%	8.7%	7.2%	4.9%	4.4%

Returns are based on unit prices (determined by Mercer) for the respective funds and returns experienced by individual members will depend on their own investment factors. Fund performance may vary over recommended minimum investment time frames (and longer) for each relevant fund and past performance is not a reliable indicator of future performance.

Message from the Chair

Welcome to the annual report for the Westpac New Zealand Staff Superannuation Scheme (the Scheme), covering the period from 1 July 2023 to 30 June 2024.



Investment markets update.

All the Scheme options delivered positive returns, benefiting from both strong markets and active management over the year ended 30 June 2024. Investment options with a higher allocation to growth assets (the High Growth and Growth funds) performed better than options with higher allocations to defensive assets, such as cash, bonds and fixed interest investments.

All the major asset classes – shares, bonds and cash – delivered positive returns. Globally, as inflation rates eased further over the year and most central banks were no longer raising interest rates, bond yields fell sharply in November and December. Global equities soared to record highs over the second half of the year, driven by enthusiasm for artificial intelligence (AI), robust earnings from mega-cap technology companies, and an improved economic outlook.

For the remainder of 2024, potential headwinds may arise if economic growth, corporate investment and consumer spending see a sharp slowdown. Additionally, the upcoming US presidential election and other geopolitical events may give rise to some volatility over the short-term. These factors highlight the importance of considering a diversified approach when it comes to your retirement investments and for members to review their goals on a regular basis.

For a detailed market overview and further information on the performance of each fund and the different asset classes throughout the year, please see pages 8 to 11.

Scheme news.

I am pleased to share that the Scheme has continued to grow, with 633 new members joining us during the year. Our membership now stands at 4,770, with net assets totalling \$444.5 million. This consistent growth over the past year is a testament to the benefits offered by the Scheme.

Congratulations to the 30 members who are now enjoying their retirement, and to the 27 members who collectively withdrew over \$800,000 to purchase their first homes.

You can read more about the benefits offered in the Scheme on page 6 of this annual report.

Transition to email communications.

To enhance communication efficiency, we are moving towards email communications. This will allow us to provide timely updates and important information directly to your inbox. Please ensure that your contact details are up to date to receive these communications.

Tools and advice.

As part of our commitment to supporting our members, the Scheme provides access to a range of tools and resources to help you make informed decisions. I encourage you to take advantage of the free Westpac financial advice, resources and tools available to you. Visit westpacnzstaffsuper.co.nz/financial-advice to access these resources, including contact details for Westpac's Financial Advisers. Additionally, MySuper Planner is a valuable tool that can help you estimate your projected retirement savings and gain insights into your future finances. You can access this tool by signing in to westpacnzstaffsuper.co.nz.

Thank you.

I would like to express my heartfelt gratitude to my fellow Trustee Directors for their unwavering support and dedication to our members. I would also like to acknowledge and thank Westpac for its continued commitment to our Scheme. Lastly, I want to thank each and every one of you, our valued members, for your continued trust and participation in the Scheme.

If you have any questions about the Scheme or your account, please reach out to our Helpline at **0508 IN TANDEM (0508 468 263)** or **+61 3 8306 0969** if calling from outside of New Zealand. You can also visit westpacnzstaffsuper.co.nz for more information.



Bruce Kerr
Chairman

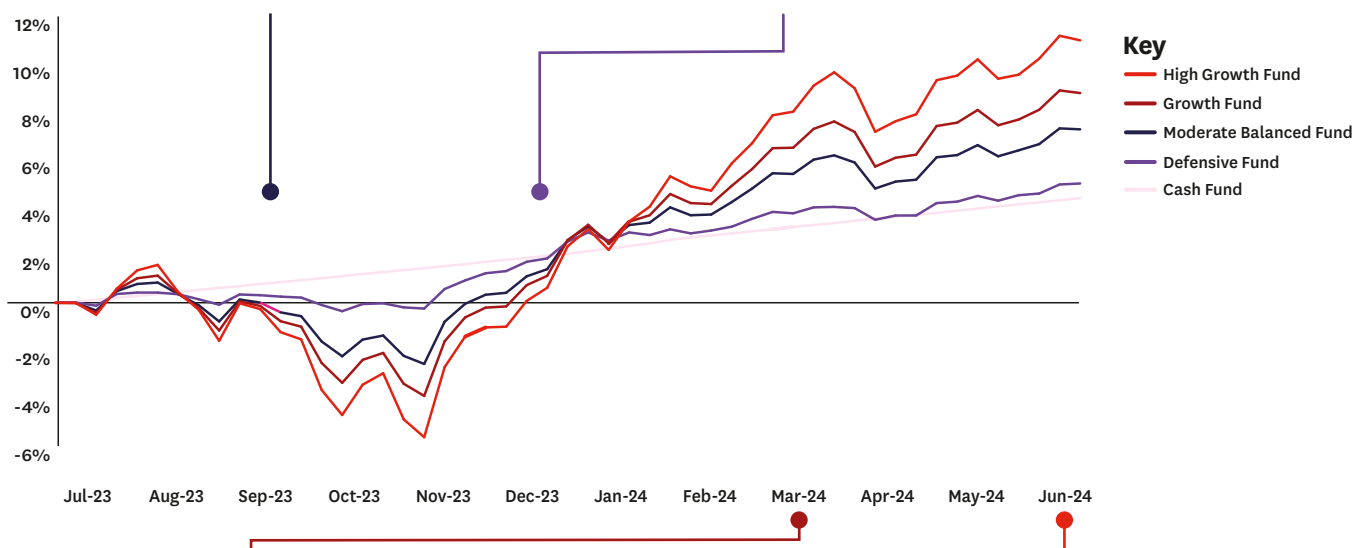
Westpac New Zealand Staff Superannuation Scheme
Trustee Limited
(Trustee of the Scheme)

Key factors

Cumulative declared returns for the year to 30 June 2024.

The key themes of the September 2023 quarter were a resilient US economy despite aggressive interest rate tightening by the US Federal Reserve (US Fed), a "higher-for-longer" interest rate policy stance by developed market central banks leading to higher bond yields, and a weaker outlook on Chinese economic growth. These factors negatively impacted global equity markets. Domestically, business and consumer confidence surveys indicated recession-like economic conditions. The Reserve Bank of New Zealand (RBNZ) maintained the official cash rate (OCR) at 5.5% in July and August, signalling a restrictive monetary policy stance. Dairy prices experienced volatility, with a decline in July and August followed by a rise in September due to the anticipation of El Nino weather conditions. The New Zealand government's Pre-election Economic and Fiscal Update in September revealed a deterioration in fiscal accounts, primarily due to a shortfall in tax revenue compared to previous budget estimates.

The December 2023 quarter witnessed strong returns in major asset classes, driven by a notable easing of financial conditions. Market sentiment shifted as expectations grew for interest rate cuts in 2024, starting with the US Fed. This led to rising equity markets, falling US treasury yields, lower oil prices, and a weaker US dollar. The Goldman Sachs US financial conditions index experienced its largest easing in four decades, dropping nearly a percentage point in November. Additionally, geopolitical tensions escalated in the Middle East between Israel and Hamas, and disruptions in maritime trade through the Suez Canal added complexity to global commodity trade. In New Zealand, record net migration of 129,000 inflows was observed, while core inflation measures indicated weakening underlying inflation pressures. The RBNZ maintained the OCR at 5.5% but released economic forecasts suggesting potential future tightening. However, third quarter GDP contracted by 0.3%, signalling a weakening economy, and the tight labour market showed signs of easing with expectations of weaker private sector wage inflation.



The narrative of the March 2024 quarter focused on the stock market's resilience despite reduced expectations for interest rate cuts by major central banks. US equities experienced a second consecutive quarter of rallying, with the S&P 500 delivering its strongest performance at the start of a year since 2019. In New Zealand, the RBNZ softened its stance on further rate hikes to address inflation, indicating the possibility of rate cuts in 2025. However, financial markets speculated on potential rate cuts as early as August this year. Analysts anticipate continued economic resilience, but downside risks include persistent core services inflation in the US and weaker consumer spending data, which could limit interest rate cuts and impact earnings growth. Commercial real estate exposure in regional banks remains a concern, although contagion risk is deemed limited by policy officials and industry leaders.

In the June 2024 quarter, the US job market continued to defy expectations for weakening, as the June jobs report revealed stronger-than-expected growth. The quarter saw some repricing of US Fed rate-cut expectations as US Fed policymakers updated their economic forecasts and indicated a reduction in the number of rate cuts for 2024 from three to one, reflecting the continued robustness of job growth. The S&P 500 and Nasdaq reached new record highs, driven by the impressive performance of mega-cap technology companies such as Nvidia (+36.7%), Apple (+22.8%), and Alphabet (+20.7%). However, New Zealand equities continued to underperform over the quarter. While corporate earnings in the US remained resilient overall, there were signs of a gradual economic slowdown, highlighted by weaker-than-expected retail sales reports. The European Central Bank cut rates for the first time since September 2019 but maintained a data-dependent approach without committing to a future rate path. Fixed interest returns were relatively muted but positive (as market expectations for multiple rate cuts in 2024 eased).

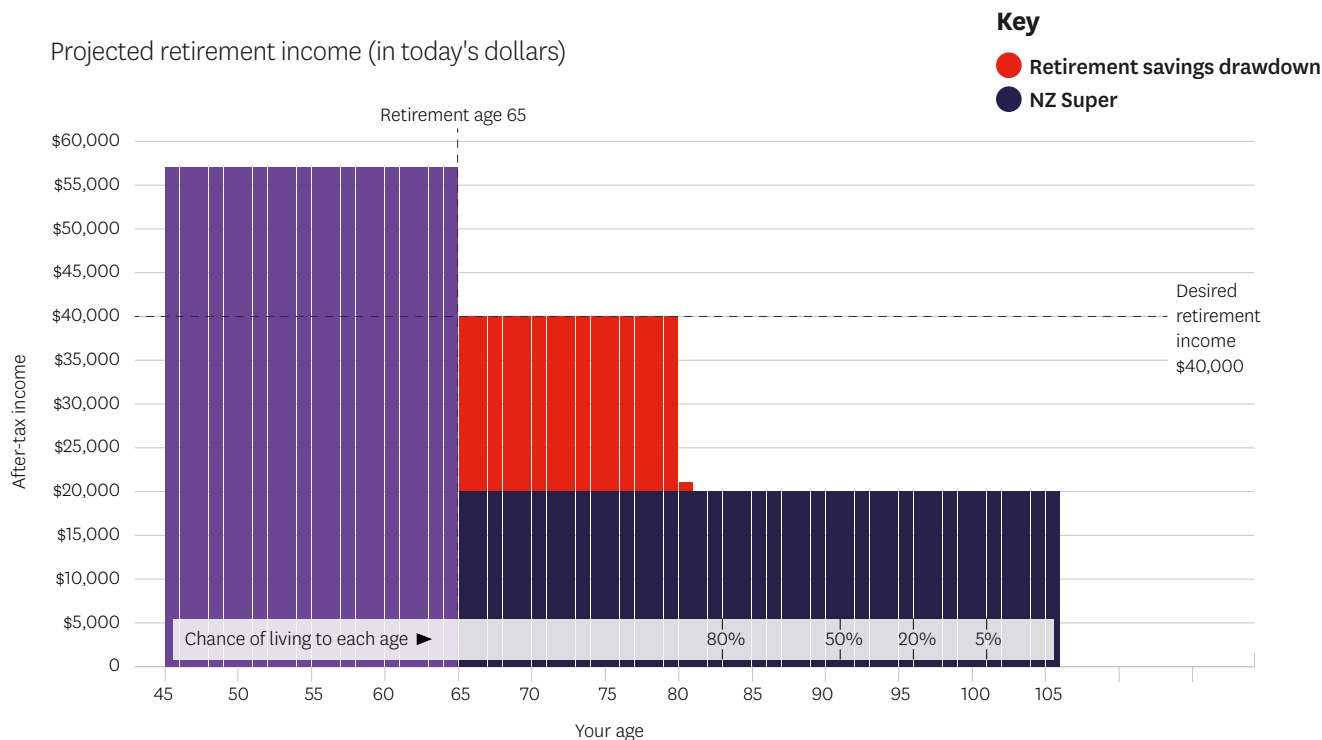
Past performance is not a guide to future performance.

Market conditions can change

Did you know that you can use **MySuper Planner** (an online financial planning tool) to see how various market conditions could impact your future savings – up or down? This tool is exclusively available to In-Tandem members. After you adjust details such as how much you contribute, your ideal retirement age and investment option, you can enable the ‘stress test’ feature and see how different market conditions may impact on your projected balance at retirement age.

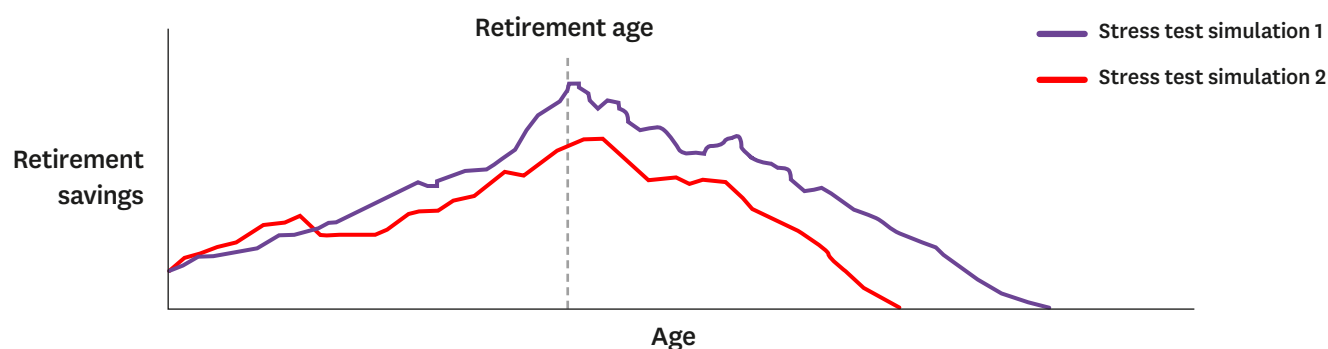
The MySuper Planner can be accessed by signing in to westpacnzstaffsuper.co.nz.

Your retirement balance and income may look like this.



The amounts shown above, are for illustrative purposes only. No level of future returns is promised.

Use MySuper Planner to get a ‘stress test’ with altering scenarios, to show what your balance might change to in different market conditions:



***The stress test shown above is not personalised to you** and is provided for illustrative purposes only, to demonstrate how different investment returns can affect investments in the Scheme generally. You can obtain a personalised investment stress test, and obtain a full description of assumptions and allowances relating to the stress test tool, in the MySuper Planner tool. This can be accessed by signing in to westpacnzstaffsuper.co.nz and selecting the link to the tool. Your investment outcomes may be better or worse than illustrated by the stress test tool, depending on the actual investment options you choose and actual market conditions. **No level of future returns is promised.**

Contents

Maximise your savings.....	6
Member story.....	7
Your investment options.....	8
Investment performance review.....	9
Fees.....	12
Benefits paid.....	13
Statutory information	
Details of scheme.....	14
Information on contributions and scheme participants.....	15
Changes relating to the scheme.....	17
Other information for particular types of managed funds...	18
Trustee statement.....	20
Changes to persons involved in the scheme.....	21
How to find further information.....	22
Contact details and complaints.....	22

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, Combined Other Material Information and trust deed – all documents are available at 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 on the 'Documents' page at 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.



Set up your own password.

If you've forgotten your password and your email address is already registered, you can reset your password online at any time by visiting westpacnzstaffsuper.co.nz. To reset your password, you will need a valid email address (registered in our system) and your date of birth.

- If you don't have all the above information, or if you are having trouble using the service, please call the Helpline on **0508 IN TANDEM (0508 468 263)**.





Member story

Shona Milne is a Christchurch-based member of the Scheme, working in the Migrant Banking Team at Westpac New Zealand. She has been an In-Tandem member since 1997 and shares her experience of long-term investing with the Scheme.



In my role as part of the Migrant Banking team and Consumer Network Support, my average day involves working on term deposit exceptions and opening migrant bank accounts. Outside of work, I like to go cycling on my e-bike and catch up with my friends on weekends. I also enjoy going on holidays to warm destinations where I can snorkel and explore.

Joining the Scheme has been instrumental in helping me achieve my savings goals. By being a part of In-Tandem, I have been able to consistently contribute to my savings over the years.

As I am nearing retirement, having financial security is very important to me. While the government superannuation provides some support, it may not be enough to lead a fulfilling retirement. That's why I actively plan for my retirement, and I am depending on my Scheme savings to ensure that I have a retirement I can enjoy. It should make a significant difference and provide me with the financial means to have experiences that go beyond just paying the bills.

Several factors have affected the way I save for retirement. The rising cost of living has made it challenging to save as much as I would like. However, I am grateful that my In-Tandem savings continue to provide me with a good foundation for my retirement plans. While I do keep track of my investments, I don't actively stay in touch with market trends. I access information about my account, including my current balance, through the app provided by Westpac.

The compulsory savings feature deducts directly from my wages, which has made it easier to save for retirement. This automatic deduction ensures that I consistently contribute to my savings without having to actively think about it, giving me peace of mind.

Looking ahead to life after retirement, I want to get out and about on my bike and potentially take up another sport if possible. Most importantly, I plan to cherish the company of my friends and make the most of my well-deserved retirement.

Disclaimer: The information in this post reflects the member's personal experience and your experience may differ. The description is of a general nature, and is not a recommendation or opinion on whether a particular investment or investment option is right for you. Past performance does not guarantee future results. Members are encouraged to seek free financial advice from Westpac before making any investment decisions.

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 and recommended investment timeframe, 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.

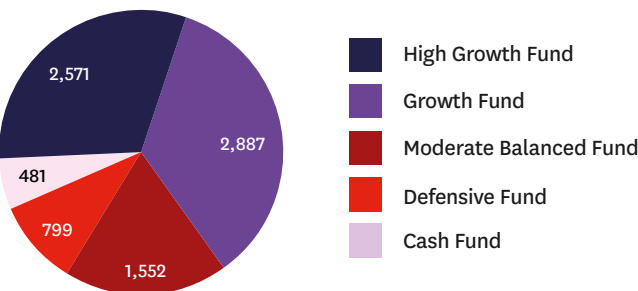
Further information about the investment options and their performance is set out in the fund updates for each investment option, which are available from the 'Documents' page of westpacnzstaffsuper.co.nz or the offers register on disclose-register.companiesoffice.govt.nz.

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.

Investment fund choices made.

The investment option with the most members is the Growth option with 2,887 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, please use the Sorted investment planner on sorted.org.nz.

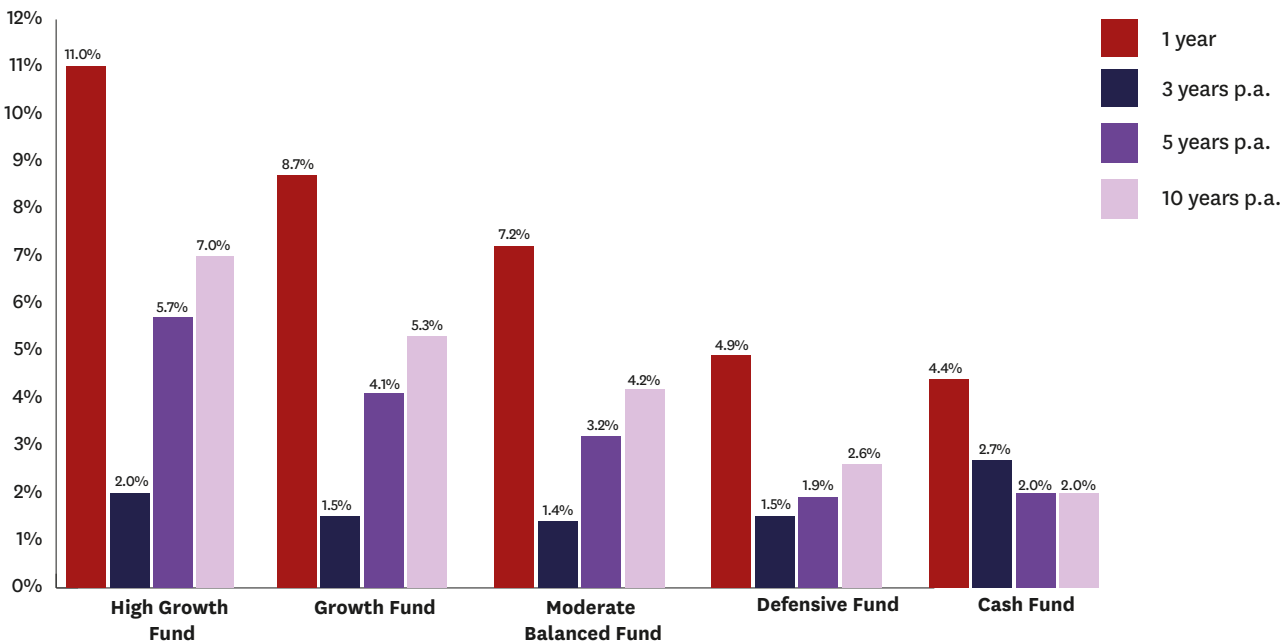
Number of members invested in the investment funds as at 30 June 2024



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

Fund returns as at 30 June 2024.

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 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 performance review

Market commentary.

The year to 30 June 2024 saw strong returns for growth assets (such as equities) and positive returns for the Scheme's investment options overall. Several key themes influenced financial markets during this period.

Global supply chains continued to return to normal following the disruptions caused by the COVID-19 pandemic and the Russian invasion of Ukraine. This, along with higher interest rates globally, contributed to lower inflation worldwide and a slowdown in economic growth. As a result, most major central banks signalled the end of the aggressive pace of interest rate increases seen over the past two years. Since July 2023, the US Fed has held its target federal funds rate steady in the 5.25%-5.50% range, while the Reserve Bank of New Zealand (RBNZ) has held the OCR steady at 5.5% since May 2023. Most recently, in June 2024, the European Central Bank cut its main lending rate.

After a tepid first quarter, international shares surged over the rest of the year. The shift in the US Fed policy from interest rate increases to potential interest rate cuts in 2024, along with investor interest in artificial intelligence (AI) and the strong performance of major US technology companies, helped fuel this surge. However, New Zealand shares lagged international markets due to their higher interest rate sensitivity, cost pressures from inflation, and some company-specific challenges. Bonds and listed property assets recovered from losses earlier in the period and ended the year with positive returns, driven by the possibility of lower interest rates.

Looking ahead, interest rate cuts are expected to broaden to the US. At the time of writing this, the RBNZ cut the OCR by 25bp to 5.25% at its August monetary policy meeting and has indicated further cuts over the coming months. Both businesses and households should benefit from an eventual lowering in interest rates. This should, in turn, also help alleviate some of the challenges recently faced by the New Zealand share market in a high interest rate environment. Additionally, the ability of large US technology companies to maintain their strong profit growth will be a key driver for international share markets.

The upcoming US presidential election in November and other geopolitical events may introduce some volatility as investors attempt to gauge the potential economic impacts. If inflation continues to fall, both in New Zealand and overseas, we should expect interest rates to follow suit. However, if the fall in inflation takes longer than expected, interest rates may remain higher for longer, which may further slow economic growth and may negatively influence returns.

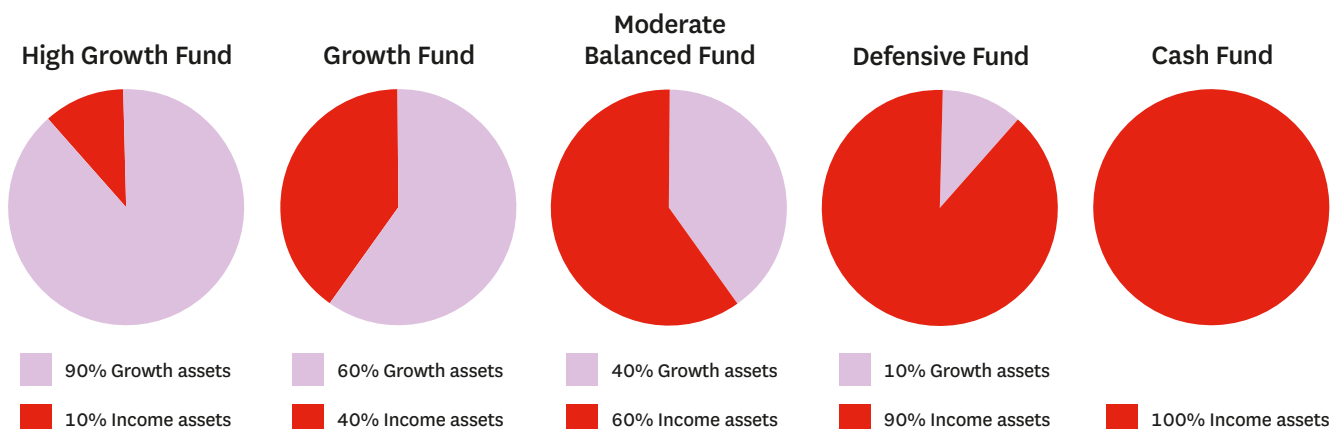
Overall, while we expect growth to continue in the year ahead, investors should prepare for more modest gains and increased volatility compared to the previous year. It is important to remember that your balances will fluctuate as financial markets change. During market downturns, your new contributions will have the opportunity to purchase assets at lower values and potentially benefit from market recoveries. We encourage you to regularly review your investment options to ensure they align with your individual circumstances.

Disclaimer: Any opinions expressed above are general in nature and should not be taken as financial advice. They are also current only as at the date of this annual report and may change at any time. For free financial advice, speak to a Westpac Financial Adviser at **0800 942 822**.

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.

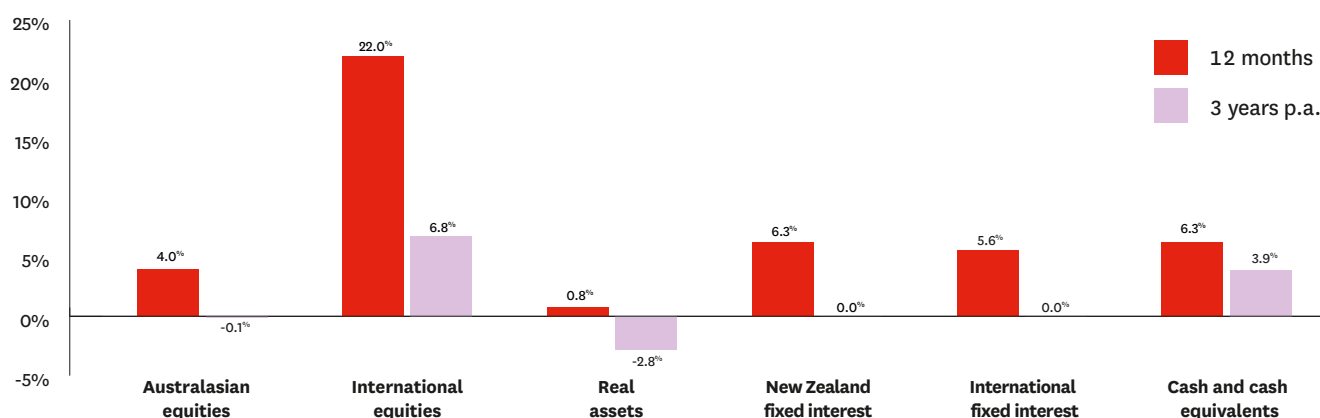
Your choice of an investment option, or combination of options, should reflect your own investment objectives, risk tolerance and investment timeframe. The product disclosure statement includes the recommended investment timeframe for each investment option, ranging from short-term to long-term. Generally,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



Asset class performance.

As the following chart shows, this year's returns were positive for all asset classes.

Before tax and expenses return for each asset type over one and three years (p.a.) to 30 June 2024

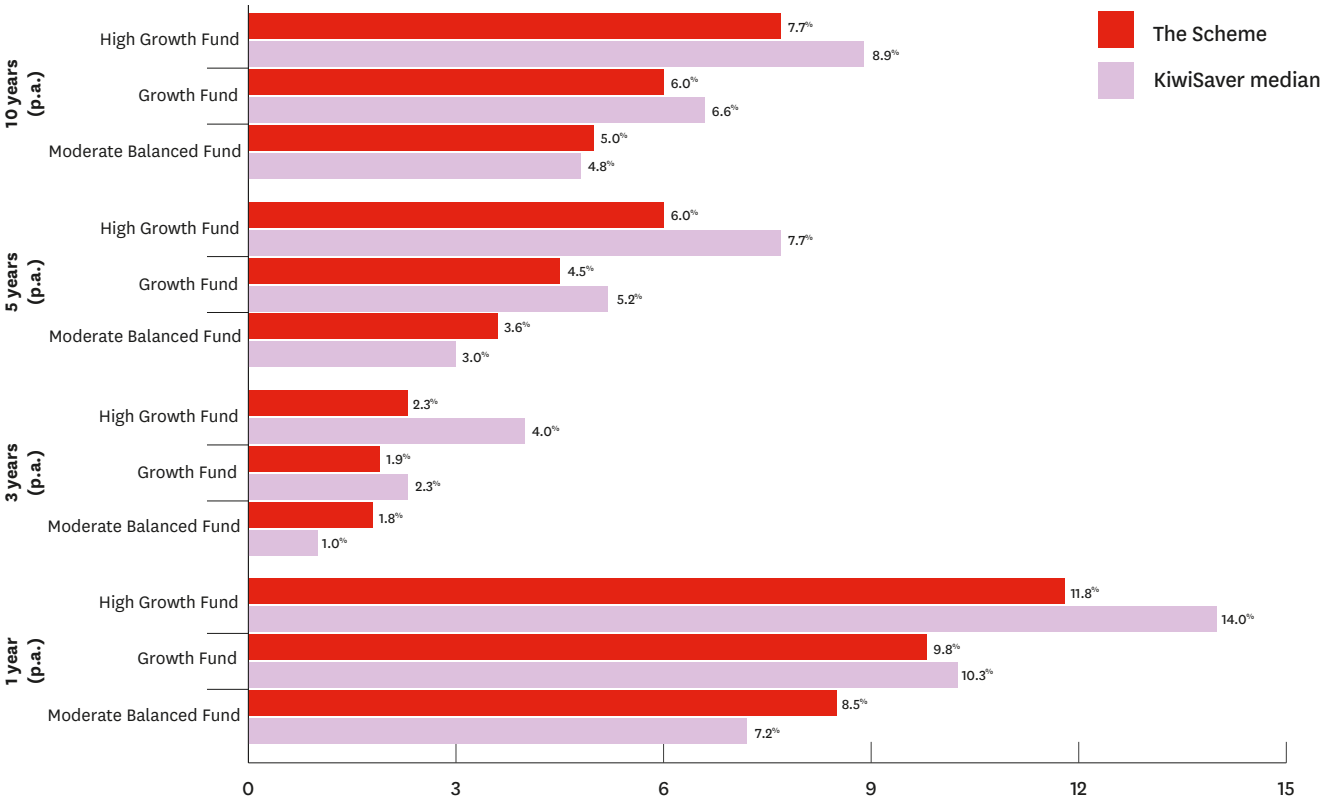


Scheme performance compared with KiwiSaver schemes.

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.

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 or on the offers register on disclose-register.companiesoffice.govt.nz.

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



*Source of KiwiSaver information: Morningstar KiwiSaver survey to 30 June 2024.

The periods measured in the graph are each a period ending on 30 June. 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 balanced-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 before tax. 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 (apart from one-off fees described below) 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 2024, this amounted to \$3,105,926 (\$667 per In-Tandem member) or 0.70% of the Scheme's net 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 2024 are listed below (as set out in the latest product disclosure statement dated 29 July 2024).

Investment option	Annual fund charges (estimated) (% net asset value of relevant fund*)		
	Charges from 30 June 2023 to 28 September 2023	Charges from 29 September 2023 to 19 December 2023	Charges from 20 December 2023 to 30 June 2024
High Growth Fund	0.55%	0.47%	0.46%
Growth Fund	0.48%	0.41%	0.40%
Moderate Balanced Fund	0.42%	0.36%	0.35%
Defensive Fund	0.29%	0.26%	0.24%
Cash Fund	0.15%	0.14%	0.14%

*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. For In-Tandem members, 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.



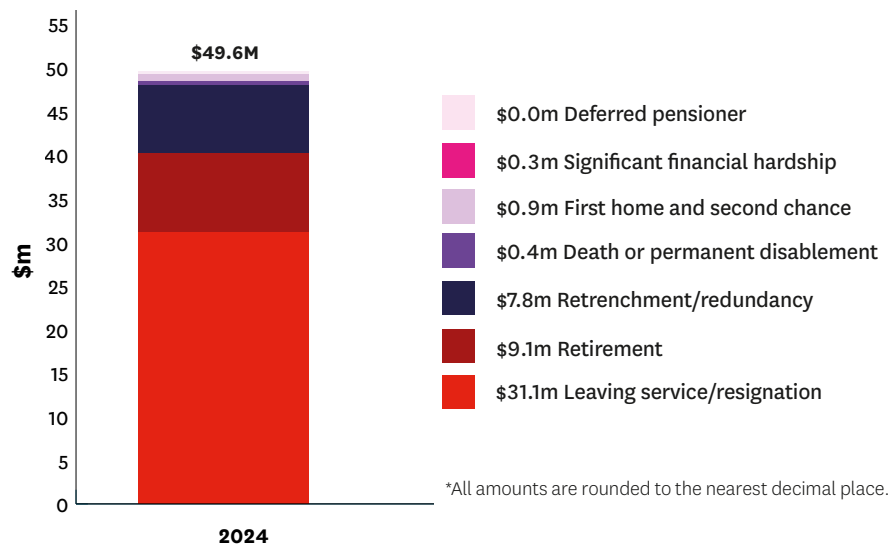
What is the Scheme's surplus?

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.



The Scheme paid \$49.6 million in benefits during the year ended 30 June 2024

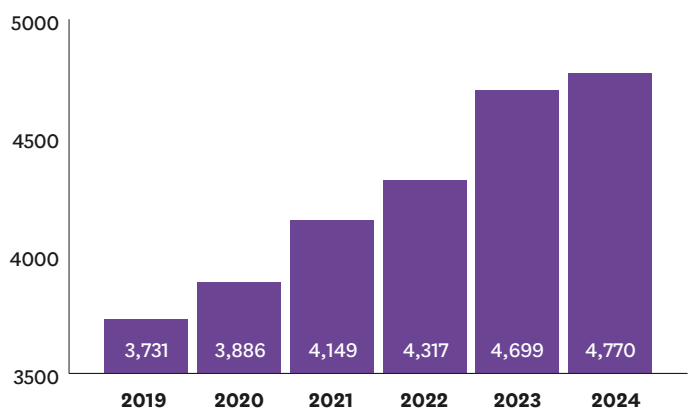
The chart below shows a breakdown of the different benefits paid from the Scheme during the year ended 30 June 2024. During the year ended 30 June 2024, benefits paid to members totalled \$49.6 million (during the year ended 30 June 2023: \$37.9 million). The Scheme continues to help members retire and buy their first homes.



Membership.

Membership increased this year as the Scheme welcomed 633 new members for the year ended 30 June 2024. As the Bank continues to be committed to the success of the Scheme, it is pleasing to see that the number of members has continued to grow in recent years. A summary of membership changes is published below.

Changes in membership over the last six years.



Finding documents on the Disclose website.

Go to disclose-register.companiesoffice.govt.nz

Select 'Search for an offer' for documents such as the product disclosure statement and fund updates; and

'Search for a 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 the 'Documents' page on the Scheme website, on the Companies Office Disclose website, or by calling the Helpline.



Statutory information

Details of scheme.

This is the annual report for the Westpac New Zealand Staff Superannuation Scheme for the year ended 30 June 2024.

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 29 July 2024 and is open for applications.

Fund updates for each of the five investment options for the year ended 30 June 2024 were made publicly available on 23 September 2024. The Scheme's latest financial statements are for the year ended 30 June 2024. They were authorised for issue on 13 September 2024, and were lodged (along with the auditor's report on those financial statements) with the Registrar of Financial Service Providers on 16 September 2024.

Copies of the fund updates and the financial statements (including the auditor's report) are available on westpacnzstaffsuper.co.nz or 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 2024.

- At 1 July 2023, the total amount of members' accumulation relating to 4,699 members was \$415,457,717.
- At 30 June 2024, the total amount of members' accumulation relating to 4,770 members was \$444,496,485.

Membership details.

	Total contributing members	Non-contributing members			Total non-contributory members	Total
		Individual members	Deferred members	Pensioners		
At 1 July 2023	4,342	155	86	116	357	4,699
Status changes						
Contributory status change	(11)	11	-	-	11	-
Transfers from other sections	-	-	-	-	-	-
Total status change	(11)	11	-	-	11	-
New members						
New members	633	-	33	5	38	671
Transfers in from other schemes	-	-	-	-	-	-
Total new members	633	-	33	5	38	671
Ceased members						
Retirements	(30)	-	-	-	-	(30)
Deaths	(1)	-	-	(8)	(8)	(9)
Redundancy	(98)	-	-	-	-	(98)
Other reasons:						
Retrenchment/redundancy	-	-	-	-	-	-
Total and permanent disablement	-	-	-	-	-	-
Leaving service/resignation	(387)	-	-	-	-	(387)
Other	-	-	(74)	(2)	(76)	(76)
Total ceased members	(516)	-	(74)	(10)	(84)	(600)
At 30 June 2024	4,448	166	45	111	322	4,770

Contributions received during the year ended 30 June 2024.

Type	Number of Scheme participants	Total amount
Member contributions	4,936	\$18,902,607
Voluntary member contributions	-	-
Employer contributions	4,729	\$29,392,969
		\$48,295,576



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 changes to the Scheme's product disclosure statement during the year ended 30 June 2024. The product disclosure statement was amended on 29 September 2023 to update the annual fund charges effective from 1 October 2023.

The Scheme's product disclosure statement was further updated with effect from 20 December 2023 to incorporate updated annual fund charges for all investment options (except the Cash fund), clarify the rules that apply on joining the Combo Option if a member later decides to join a KiwiSaver scheme, and other minor updates.

Subsequent to year end, the product disclosure statement was further amended with effect from 29 July 2024 to incorporate several changes. These changes include adjusting the risk indicator for the Cash fund from 1 to 2, providing clarification on the continuation benefit and first home withdrawal fee, and other minor updates.

Statement of investment policy and objectives.

There were changes to the statement of investment policy and objectives during the year ended 30 June 2024. The statement of investment policy and objectives was amended with effect from 1 October 2023 to reflect the Scheme's Sustainable Investment Guideline, to update for changes made to the underlying investment managers and benchmark indices used in various asset classes, and clarificatory updates to currency hedging.

The Scheme's statement of investment policy and objectives was further updated with effect from 20 December 2023 to reflect changes to the underlying investment managers and benchmark indices used for the international fixed interest asset class.

The statement of investment policy and objectives was further updated with effect from 18 March 2024 to reflect the transition of the Scheme's investment in the Westpac Wholesale Australasian Diversified Trust to the Westpac Wholesale Strategy Share Trust, for the Australasian equities asset class.

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 \$29,392,969 (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 Limited 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.

The manner in which the administration manager fees payable to Mercer are set and adjusted each year changed from 1 July 2023, after a review of the services being provided by Mercer. Fees payable to Mercer increased to reflect a broader scope of services and increased costs for delivering those services, both of which had developed over a number of years. From time to time, Mercer also provides one-off separate engagements as administration manager. The nature and scale of such separate engagements during the year was not materially different to previous years.



Other information for particular types of managed funds.

Withdrawals made during the year to 30 June 2024:

Full withdrawals		Partial withdrawals	
Retirements	30	First home	27
Retrenchment/redundancy	98	Significant financial hardship	14
Deaths	9*	Total partial withdrawals	41
Total and permanent disablement	-		
Leaving service/resignation	463**		
Total full withdrawals	600		

*Pensioners are included in this withdrawal amount.

**Leaving service/resignation includes 74 retained members.

Deaths.

Sympathy is extended to the families of members and pensioners who have passed away.



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. For In-Tandem members, the value of your investment at any time is simply the number of units you own multiplied by their price at that time. For Defined Benefit members, you are entitled to your benefit as calculated under the trust deed, regardless of the value of unit prices.

	Units on issue (Relates to In-Tandem sections only)		Unit price (\$)	
	1 July 2023	30 June 2024	1 July 2023	30 June 2024
High Growth Fund	27,743,714.68	29,575,120.96	3.8632	4.2886
Growth Fund	42,421,722.81	43,558,621.25	3.4240	3.7228
Moderate Balanced Fund	29,983,363.95	29,036,704.62	1.7600	1.8865
Defensive Fund	14,032,366.96	12,736,422.67	2.6085	2.7369
Cash Fund	15,957,583.25	13,304,835.19	1.2154	1.2689
Defined Benefit Fund	-	-	2.7421	2.9793

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. In-Tandem members have the option to leave funds in the Scheme for up to two years, transfer funds to a KiwiSaver arrangement or another superannuation scheme, or arrange for funds to be paid into your personal bank account.

Your money from the Scheme cannot be paid until this form is completed and returned to the Scheme's administrator (Mercer). You can find the 'Leaving Employment Form' on westpacnzstaffsuper.co.nz on the 'Documents' page, under 'Member forms'.

Actuarial report.

The last triennial actuarial valuation was prepared as at 30 June 2023. 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 net assets at that time were less than the total value of the accrued benefit liabilities by \$1,902,000, and that the Defined Benefit funding ratio was 96.4%. As this was between 95% and 105%, under the Scheme funding policy, no shortfall contributions are required and only basic contributions are payable.

The next formal valuation is due as at 30 June 2026. The results of the most recent interim valuation as at 30 June 2024 will be reported next year.

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.

The increase that applied from 1 October 2023 was 5.00%.





Trustee statement

The Trustee as manager of the Scheme states that:

- The rate or amounts of contributions paid have been materially 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 on page 19).
- All the contributions required to be made to the Scheme in accordance with the terms of the Scheme's trust deed have been made or are to be credited.
- 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 2024 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 2024.

On behalf of the Trustee

A handwritten signature in black ink, appearing to be 'Bruce Kerr', is written over a light blue horizontal line.

Bruce Kerr,
Chairman of Trustee
16 September 2024

Changes to persons involved in the scheme.

The Trustee Directors as at 30 June 2024 were:



Brendon Johnston
Director of NZ Derivatives
in Financial Markets



Bruce Kerr
Chairman of Trustee



Ian New
Former Chief Actuary



Marc Figgins
General Manager,
HR & Corporate Affairs



Shelley Powell
Merchant Payments Lead



Tania O'Brien
Chief Financial Officer



Grant Hassell
Licensed Independent
Trustee

During the year ended 30 June 2024:

- Tim McGuinness resigned as a Trustee Director effective 13 December 2023.
- Grant Hassell joined as a Westpac-appointed Trustee Director from 1 November 2023 and became Licensed Independent Trustee from 13 December 2023.

Further information about the Trustee Directors is available from the Scheme website at westpacnzstaffsuper.co.nz.

Who else is involved?	Company name	Role
Administration Manager; Actuary; Scheme Secretary; Mercer (N.Z.) Limited and Member Registrar		<ul style="list-style-type: none"> – Looks after the day-to-day running of the Scheme – Advises the Trustee about the Scheme's funding position – Supports and assists the Trustee Directors, and – Holds the Scheme's member register
Auditor	PricewaterhouseCoopers New Zealand	Audits the Scheme's financial statements
Custodian	Westpac New Zealand Staff Superannuation Scheme Trustee Limited	Holds the assets of the Scheme
Insurer	Fidelity Life Assurance Company Limited	Insures the insured portion of the death or 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 **disclose-register.companiesoffice.govt.nz** (search Westpac New Zealand Staff Superannuation Scheme).

The above information is also available at no cost on **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 the 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

Scheme Secretary and Securities Registrar.

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

Phone: **04 819 2641**

Email: **philippa.kalasih@mercerc.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 on **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 **philippa.kalasih@mercerc.com**.

You can view our Complaints Policy on the 'Documents' page at **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@mercerc.com**

If you are not satisfied by the response, you may refer the matter to Financial Services Complaints Limited (FSCL) - A Financial Ombudsman Service by emailing **info@fscl.org.nz** or calling FSCL on **0800 347 257**.

Alternatively, you may write to FSCL at:

Financial Services Complaints Limited (FSCL) - A Financial Ombudsman Service
PO Box 5967, Lambton Quay
Wellington 6140.

Full details of how to access the FSCL scheme can be obtained from their website at **fscl.org.nz**. FSCL will not charge a fee to a complainant to investigate or resolve a complaint.



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