



Annual Report 2020.

Saving for the long-term.

Westpac New Zealand Staff Superannuation Scheme.



How much money do you need in retirement?

The gap between how much money retirees receive from NZ Super and how much they spend is growing. Many retirees today top-up their NZ Super to maintain the lifestyle they want. The latest Retirement Expenditure Guidelines (as at 30 June 2019) produced by the Westpac Massey Financial Education and Research Centre found that many New Zealanders are working beyond the age of 65 to pay for the shortfall. This report splits the level of expenditure into 'No Frills' and 'Choices'. The 'No Frills' guidelines offer a basic standard of living that includes few, if any, luxuries. The 'Choices' guidelines represent a more comfortable standard of living, which includes some luxuries or treats.

It also takes into account and splits the expenditure depending on whether you are a city dweller, or are living in a rural location.

The full report is available on Massey University's website at www.massey.ac.nz, and a summary of the report is below:

	One-person households		Two-person households	
Weekly NZ super rates (after tax)	\$411.15		\$632.54	
Total Weekly Expenditure	Metro	Provincial	Metro	Provincial
No Frills budget	\$602.11	\$574.35	\$898.73	\$639.90
Choices budget	\$1,190.37	\$830.54	\$1,436.00	\$1,135.70

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 westpacintandem.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 and forms' section of westpacintandem.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 annual report for the Westpac New Zealand Staff Superannuation Scheme. This report includes information about the Scheme.

Despite heightened financial market volatility experienced over the 12 months ended 30 June 2020, it is good to see each fund option deliver positive returns for the year.



Financial markets.

Following an overly positive 2019 and strong start to 2020, share markets around the world fell from mid-February as COVID-19 spread across the globe. At one point in March, panic selling of shares saw the VIX index (a widely followed measure of market volatility) reach an all-time high, surpassing the level reached at the height of the global financial crisis in 2008. Economic activity was stopped, and countries placed into mandatory lockdown in efforts to stop the spread of the virus.

Fiscal and monetary policy announcements from governments and central banks helped stabilise economies to lessen the economic impact from the pandemic. Financial markets picked up in the final three months of the financial year, as restrictions lessened and New Zealanders could burst their 'lockdown bubbles'.

While financial markets have bounced back in recent months, the outlook remains unclear as the COVID-19 pandemic is a global health crisis and no one can predict precisely how long it will last. Other uncertainties this year include the US/China trade negotiations, future path of interest rates, November's US presidential elections, and economic implications for when our Government's wage-subsidy scheme concludes. Our Investment Manager, BT Funds, and Trustee Directors will continue to monitor financial markets and keep members updated on developments.

You can read more about the performance of each investment option, financial markets, and how the Scheme performed compared to KiwiSaver median returns on pages 3 to 7.

Planning for retirement.

It's a fact that investment markets are volatile as they do not necessarily always grow at a steady rate. Sometimes they'll surge ahead, sometimes they'll stay flat, and at times they'll dip. The good news is that over the long term markets typically recover. Saving for retirement is a long term undertaking and our Scheme's returns over the last 3, 5, and 10 years remain positive.

MySuper planner.

As an In-Tandem member, you have exclusive access to the online financial planning tool, MySuper. 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. Access this tool on westpacintandem.co.nz or on Westpac Connect, and you can download the results to discuss with a financial adviser. Westpac financial advisors are available on 0800 942 822.

Understanding market volatility videos.

Earlier this year we published two videos on westpacintandem.co.nz that provide a basic overview of how share market cycles work, the types of asset classes there are, and how these are affected by market fluctuations. You can view these videos online under the 'Article library'.

Investment switches change.

From 1 July 2020, 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 \$80. You can make an investment switch online at westpacintandem.co.nz. More information about investment switching is available in the product disclosure statement on the Scheme website.

Thank you.

I wish to thank my fellow directors for their service and commitment to the Scheme. I would also like to thank Westpac for the continued support of the Scheme and members, along with all the service providers who deliver outstanding results and services to members of the Scheme.

If you have any questions about the Scheme or your account, please give Helpline a call on 0508 468 263. As Trustee Directors, we are proud to support you in saving for your retirement.



Bruce Kerr

Chairman

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

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.

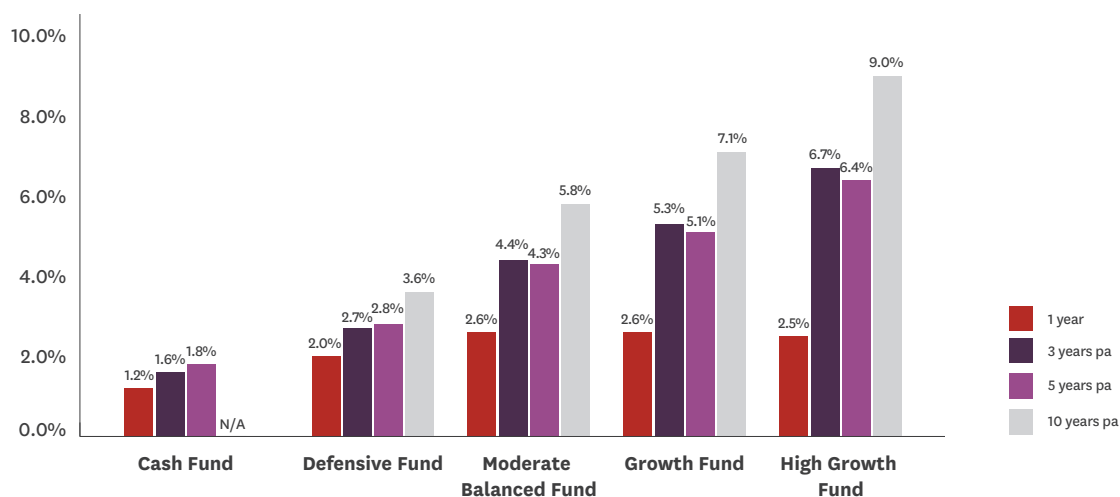
Growth assets are more suited to longer-term savings as their returns fluctuate more in the short term, but tend to be higher over the longer term. Income assets are more suited to shorter-term savings as their returns fluctuate less over the short term, but tend to be lower over the longer term. For the investment risk indicator and long-term return objectives for each of the Scheme's funds, refer to the product disclosure statement on 'Documents & forms' at westpacintandem.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 and forms' page of westpacintandem.co.nz or the offers register on 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 2020.

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.



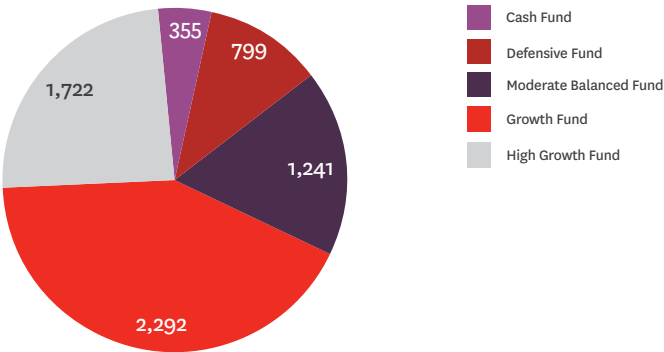
Returns are based on unit prices (after fees and after tax). The Cash fund was established within the last 10 years and therefore no return is shown for this fund for this period.

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 2,292 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.

Number of members invested in the investment funds as at 30 June 2020



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



Investment performance review.

Market commentary.

Despite an incredibly volatile first half of 2020, the 12-month period ending June 2020 saw a reasonably strong performance across most asset classes.

Within growth assets, NZ equity markets finished the period on a strong note with a return of 9.0%¹, and the global equity market up 3.3%². Global listed property experienced a negative 17.3%³ return while NZ listed property experienced a negative 8.3%⁴ return. Defensive assets such as New Zealand bonds and global bonds delivered strong performance of 5.4%⁵ and 4.3%⁶ respectively, on the back of lower interest rates. Alternative assets such as hedge funds also delivered a positive return of 2.3%⁷ over the period. Overall, domestic assets (NZ equities, NZ bonds and NZ listed property) outperformed their global counterparts.

Towards the end of the calendar year 2019, uncertainty around US-China trade negotiations dissipated after the US and China came to an agreement over “phase 1” of their trade deal. Additionally, UK Prime Minister Johnson’s Conservative party won the general election which provided the required support to reach a Brexit deal in 2020. Investors in growth assets viewed these developments favourably and began calendar year 2020 on a highly optimistic note.

However, the bull market was dealt a major shock in February 2020 as the World Health organisation declared the coronavirus a global health emergency and geopolitical tensions rose after a US drone strike killed a key Iranian military commander. As the number of COVID-19 cases started to grow outside China, risk aversion escalated dramatically in the March quarter. Also thrown in the mix was a prolonged oil price war between Russia and Saudi Arabia. As regions across the world experienced various lock-down measures to slow the spread of the virus, Central Banks and Governments rolled out unprecedented levels of monetary and fiscal stimulus measures to cushion the impact of reduced economic activity and to restore smooth functioning of financial markets. After the turmoil in the first quarter, risk assets staged a remarkable rebound over the last three months to 30 June 2020.

While the global economy is in the early stages of recovery, a faster than anticipated reopening of economies has given way to a resurgence of the coronavirus infections in certain parts of the US, Latin America and South Asia. On the geo-political front, escalating US-China tensions and uncertainty over the outcome of the upcoming US elections are beginning to come to the forefront. While New Zealand has done better than most countries on the virus front, the path ahead to economic recovery is likely to be challenging.

Looking ahead, the major risks to asset prices are: a more virulent second wave of the virus and/or disappointment on the vaccine/therapeutic front; an escalation of the US-China trade war into a potential military conflict; indicators that policy makers are prematurely removing current accommodative policies; and a sudden and sharp spike in interest rates.

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 investing styles remains important. Westpac has a number of qualified financial advisers who are available to speak to you if you have any concerns. Please call them on **0800 942 822** for free financial advice.

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 2020



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.

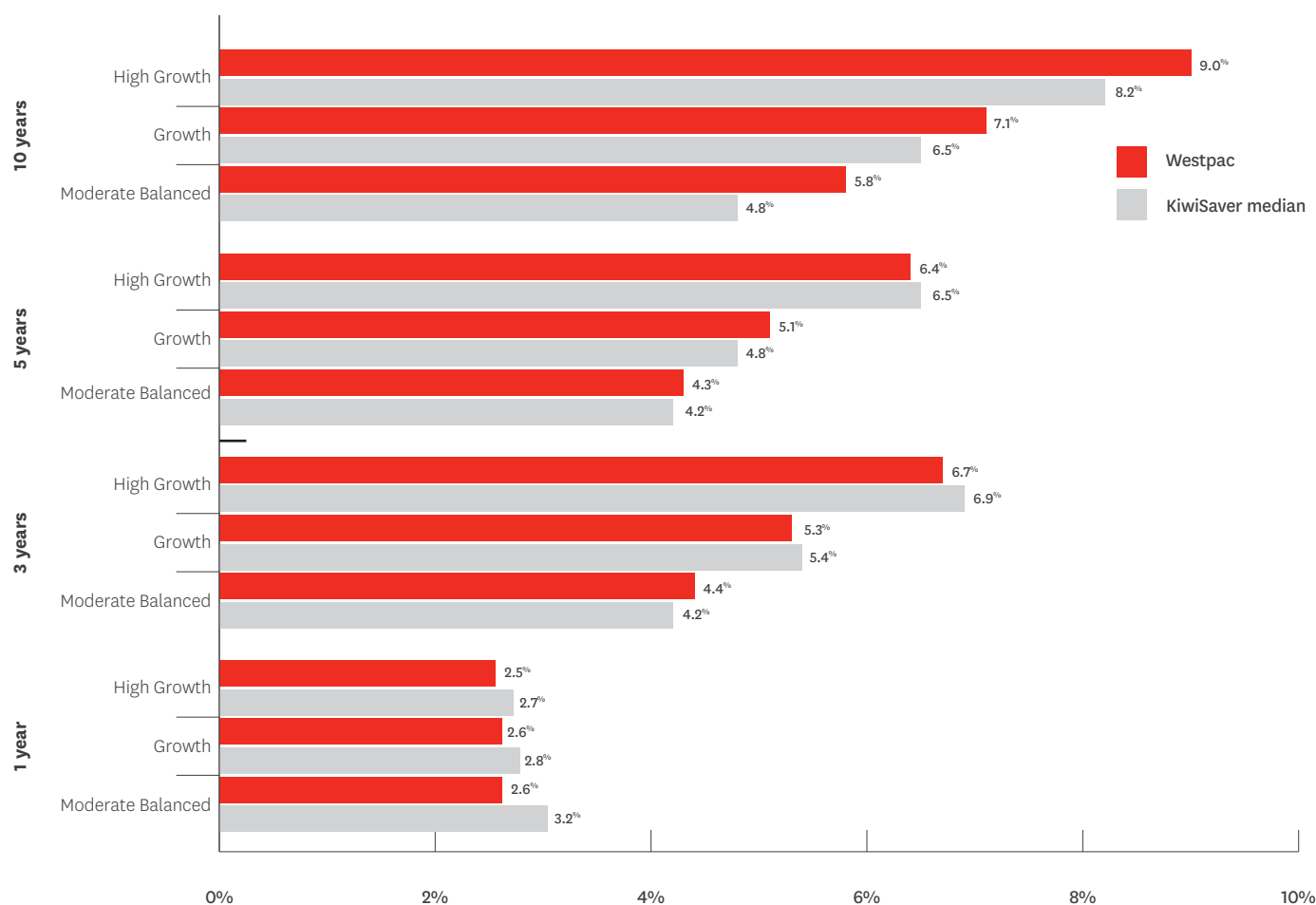
¹ S&P/NZX50 Index Gross, ² MSCI All Country World ex AU (local currencies), ³ FTSE EPRA/NAREIT Developed (NTR) Index (NZD hedged), ⁴ S&P/NZX All Real Estate Gross Index, ⁵ Bloomberg NZBond Composite O+ Year Index, ⁶ Bloomberg Barclays Custom Composite Index (NZD hedged), ⁷ HFRX Global Hedge Fund Index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

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 westpacintandem.co.nz or on the offers register on 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 2020 (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 2020. The data used in the graph 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 2020, this amounted to \$1,784,804 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 2020 are listed below and remain unchanged from those published in the latest product disclosure statement dated 30 June 2020.

Investment option	Annual fund charges (% net asset value of relevant fund*)	
	Charges from 20 September 2019 until 2 March 2020	Charges from 2 March 2020
Cash Fund	0.14%	0.14%
Defensive Fund	0.30%	0.30%
Moderate Balanced Fund	0.50%	0.49%
Growth Fund	0.61%	0.59%
High Growth Fund	0.73%	0.70%

*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.

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.

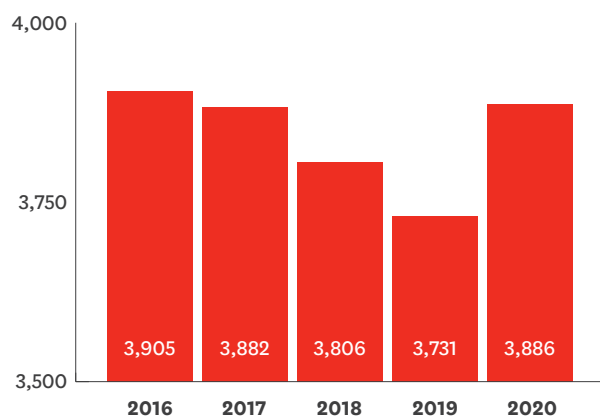


This year the Scheme paid \$26.7 million in benefits.

Membership.

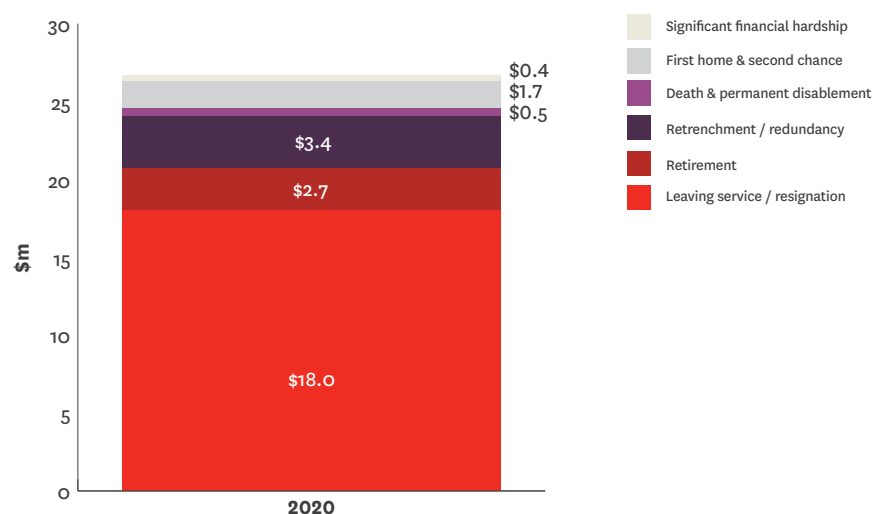
Membership has increased in 2020 as the Scheme welcomed 513 new members during the year. As the bank continues to be committed to the success of the Scheme it is pleasing to see that the number of members has almost reached the same number as in 2016. A summary of membership changes is published below.

Changes in membership over the last five years.



Benefits.

The chart below shows a breakdown of the different benefits paid from the Scheme in 2020. This year, benefits paid to members totalled \$26.7 million (2019: \$39.7 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

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

'Search schemes' 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 & forms' on the Scheme website, on the Companies Office Disclose website or by calling the helpline.

Long-term saving provides retirement options.

Six years ago, I transferred from the Westpac defined benefit Scheme that I joined in 1986, to In-Tandem after seeing the benefits that In-Tandem had to offer.

I've always viewed savings as a long-term benefit, having opened expense accounts when I was young, ensuring I saved certain amounts and lived off the rest.

When the global financial crisis hit in 2008, it negatively affected my savings, however underlined the importance of frequently reviewing what investment option you're in, and match that investment option to suit your life stage. I also learnt that it's important to keep a long-term view when saving and not drop out when the market drops – ride it out.

When I joined In-Tandem six years ago, I wanted to be in the cash option which is a conservative choice, so there wouldn't be much risk of losing what I had saved over the years as I near retirement. This especially helped when COVID-19 impacted the financial markets earlier this year.

In-Tandem make it easy to check on your investments too. I use the website platform which has a section where you can swap around percentages per options which is easy to use and navigate. It's a no-brainer to be a part of the Scheme, and something I highly recommend for new starters at Westpac to join. It's not enough to only get the government handout; having some extra money in retirement savings may help you have the retirement lifestyle you want.

Thanks to the help of In-Tandem, I'm looking forward to retirement and still being able to have the same income as what I'm on now; with the added bonus of having free time to be with the grandkids and family, as well as hobbies like playing music and my classic car – a 1950's English sports car, the 1951 Jowett Jupiter.



Greg D'Anvers, Relationship Manager – Business Bank

Greg's story reflects his opinion and experiences only. Before making any investment decisions, the Trustee recommends you seek financial advice on what is right for your circumstances. If you'd like financial advice that is specific to your personal situation and financial goals, Westpac offers financial advice free of charge for In-Tandem members and for individuals who are looking to join In-Tandem. To speak with a Westpac Financial Adviser, call **0800 942 822**.

Scheme news.

Enhancing online security.

To enhance our website security, we recently implemented new password requirements that require members to have a more secure alphanumeric password (consisting of using both letters and numbers). If you have not logged in for a while, you may be asked to update your password.

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

All members who leave the Scheme must complete a newly developed 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 westpacintandem.co.nz in the 'Documents & forms' section, and the 'Member forms' tab.

Investment switches change.

From 1 July 2020, 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 \$80. You can make an investment switch online at westpacintandem.co.nz. More information about investment switching is available in the product disclosure statement on the Scheme website.

Member booklet.

Last year we 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 westpacintandem.co.nz.

Information about the Scheme.

Details of scheme.

This is the annual report for the Westpac New Zealand Staff Superannuation Scheme for the year ended 30 June 2020.

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 30 June 2020 and is open for applications.

A fund update for each of the five investment options for the year ended 30 June 2020 was made publicly available on 24 September 2020.

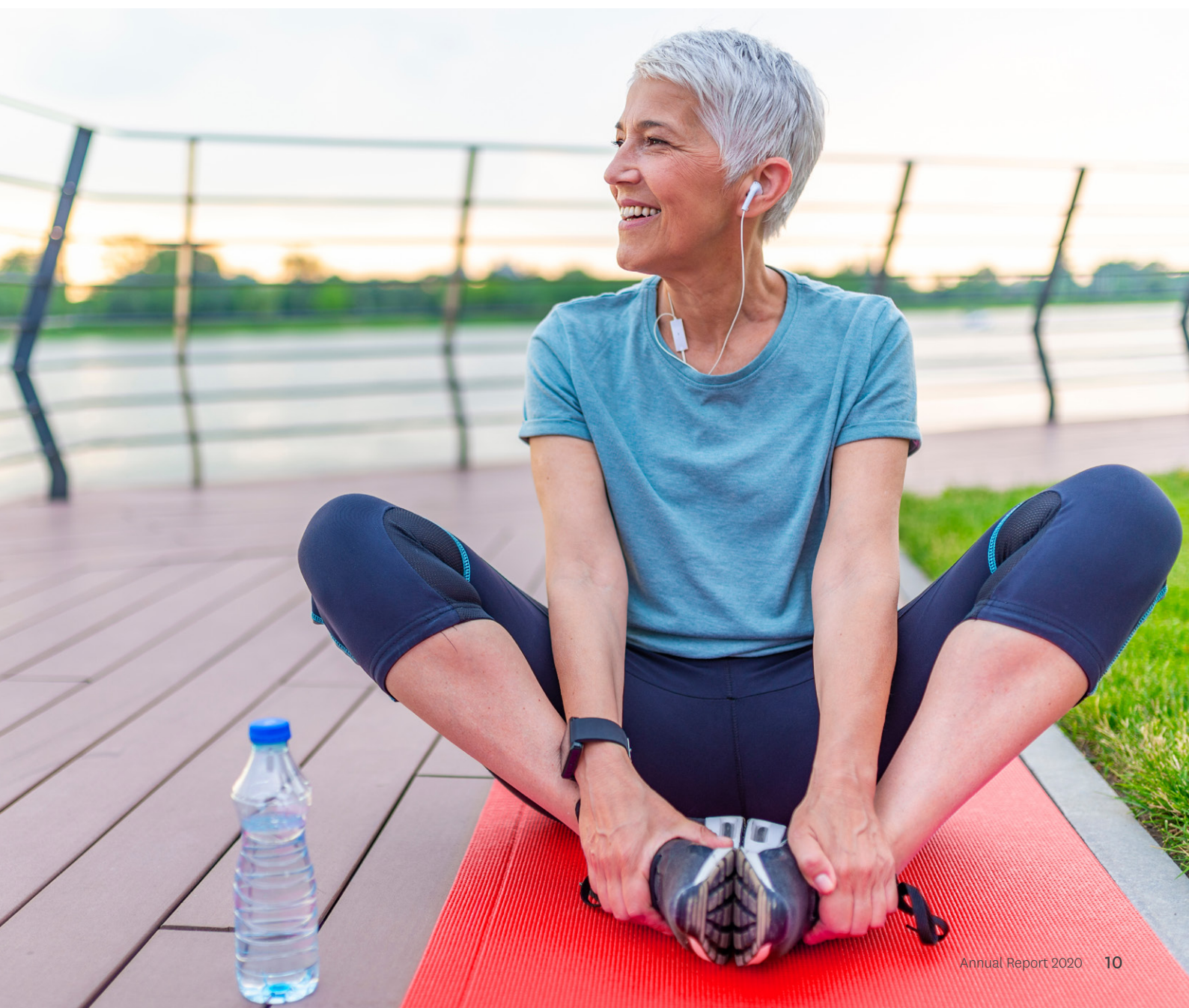
The Scheme's latest financial statements are for the year ended 30 June 2020. They were authorised for issue on 15 September 2020, and were lodged with the Registrar of Financial Service Providers on 17 September 2020.

Copies of the fund updates and the financial statements (including the auditor's report) are available on westpacintandem.co.nz or 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 2020.

- At 1 July 2019, the total amount of members' accumulation relating to 3,731 members was \$404,521,736.
- At 30 June 2020, the total amount of members' accumulation relating to 3,886 members was \$414,872,962.



MEMBERSHIP DETAILS	NON-CONTRIBUTING MEMBERS					TOTAL
	TOTAL CONTRIBUTING MEMBERS	INDIVIDUAL MEMBERS	DEFERRED MEMBERS	PENSIONERS	TOTAL NON-CONTRIBUTORY MEMBERS	
At 1 July 2019	3,433	134	21	143	298	3,731
Status changes						
Contributory status change	(32)	32	-	-	32	-
Transfers from other sections	(2)	-	2	-	2	-
Total status change	(34)	32	2	-	34	-
New members						
New members	491	-	24	5	29	520
Transfers in from other schemes	-	-	-	-	-	-
Total new members	491	-	24	5	29	520
Ceased members						
Retirements	(20)	-	-	-	-	(20)
Deaths	(1)	(2)	-	(11)	(13)	(14)
Transfers to other schemes	-	-	-	-	-	-
Other reasons:						
Retrenchment / redundancy	(24)	(1)	-	-	(1)	(25)
Total & permanent disablement	-	-	-	-	-	-
Leaving service / resignation	(268)	(25)	-	-	(25)	(293)
Other	-	-	(13)	-	(13)	(13)
Total ceased members	(313)	(28)	(13)	(11)	(52)	(365)
At 30 June 2020	3,577	138	34	137	309	3,886

Contributions received during the year ended 30 June 2020.

Type	Number of scheme participants	Total amount
Member contributions	3,926	\$13,491,802
Voluntary member contributions	0	\$0
Employer contributions	3,790	\$19,523,135
		\$33,014,937

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.

The Scheme's PDS was updated with effect from 20 September 2019 to reflect changes in annual fund charges, to update the description of the general investment risks, and to update the application form to reflect relevant KiwiSaver changes. The Scheme's PDS was updated with effect from 2 March 2020 to reflect changes in annual fund charges. The Scheme's PDS was updated with effect from 30 June 2020 to introduce the facility for members to make more than two investment switches in a Scheme year (1 July to 30 June). An administration fee of \$80 applies for each switch made beyond the two free switches in each Scheme year.

Statement of investment policy and objectives.

The Scheme's statement of investment policy and objectives (SIPO) had minor amendments with effect from 20 September 2019 to reflect a change in market indices. The SIPO was also amended with effect from 2 March 2020 to reflect the transition of the Scheme's Real Assets

investments from Mercer Real Assets to BT Funds Management (NZ) Limited Property Trusts and First Sentier Investors (Australia) IM Limited Global Listed Infrastructure Fund, along with updating the performance objectives for Real Assets and relevant benchmark indices.

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 \$19,523,135 (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 2020

Full withdrawals		Partial withdrawals	
Retirements	20	First home	34
Retrenchment / redundancy	25	Significant financial hardship	19
Deaths	3*	Total partial withdrawals	53
Total & permanent disablement	-		
Leaving service / resignation	306**		
Total full withdrawals	354		

*Pensioners are not included in this withdrawal amount.

**Leaving service / resignation includes 13 retained members.

	Units on issue (Relates to In-Tandem sections only)		Unit price (\$)	
	1 July 2019	30 June 2020	1 July 2019	30 June 2020
High Growth	29,845,233.41	28,228,217.04	3.2528	3.3346
Growth	45,024,741.58	42,233,916.13	3.0387	3.1173
Moderate Balanced	30,369,912.55	30,936,873.47	1.6107	1.6523
Defensive	19,690,359.29	23,282,603.27	2.4850	2.5350
Cash	11,058,995.86	16,584,605.67	1.1500	1.1639
Defined Benefit	-	-	2.4444	2.5077

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 held for you multiplied by their price at that time.

Actuarial report.

The last triennial actuarial valuation was prepared as at 30 June 2017 and the latest interim valuation update of the Defined Benefit Section of the Scheme was recently carried out as at 30 June 2019. The purpose of the valuations 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 next triennial actuarial valuation (as at 30 June 2020) is still ongoing and the final results will be included in the 2021 annual report.

The last interim valuation update reported that there was a surplus as at 30 June 2019, with the value of net assets exceeding the value of the accrued benefit liabilities by \$1.6m. In the funding update, the actuary also recommended that in line with the current funding policy that the Bank increase its contribution from 12% to 17% of salaries of Defined Benefit members***.

***before Employer Superannuation Contribution Tax (ESCT).

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. Effective 1 October 2019, pension payments were increased by 1.67% for all pensioners, although if a pension had not been a payment for a full year, there was a pro-rata increase.

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 2020 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 2020.

On behalf of the Trustee



Bruce Kerr
Chairman of Trustee
15 September 2020

Changes to persons involved in the scheme.

The directors of the Trustee as at 30 June 2020 were



Bruce Kerr
Chairman of Trustee



Gina Dellabarca
General Manager, Human
Resources & Corporate Affairs



Ian New
Chief Actuary



Jo McGregor
Head of Operational Excellence



Liam Cleary
Head of Funding, Treasury



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



Tim McGuinness
Licensed Independent Trustee

There were no changes to the directors of the Trustee during the year ending 30 June 2020.

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"> 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	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 (search Westpac New Zealand Staff Superannuation Scheme).

The above information is also available at no cost on westpacintandem.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: 9.00am to 7.00pm 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

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@westpacintandem.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

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 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. FSCL will not charge a fee to a complainant to investigate or resolve a complaint.

Scheme snapshot.

As at 30 June 2020



\$414.9 million

in retirement savings accumulated.



3,886

active members and pensioners.

In-Tandem member snapshot.



\$106,760

average member balance.



8.3

average number of years in the Scheme.