

MESTPAC KINISAVER SCHEME

Annual Report for the year ended 31 March 2024.

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1. Market commentary for the year ended 31 March 2024

Financial markets recovered this year and delivered positive returns across all of our funds.

New Zealand, alongside most major countries, is approaching the start of interest rate reductions, after the sharp rate increases seen over the last two years. Bonds and listed property assets recovered from losses from earlier in the year and ended the year with positive returns on the possibility of lower interest rates.

New Zealand shares delivered a positive return and international shares delivered especially strong returns, mostly in the second half of the year. Some of the largest US technology companies got a boost from investors' interest in artificial intelligence (AI).

Westpac KiwiSaver fund returns benefited from both strong markets and active management over the year. However, members will continue to see their balance move up and down as the market changes. So, it's important to remember:

- Your KiwiSaver account is an investment not a savings account so your balance will move with the financial markets
- When the market dips, your new contributions will buy assets at a cheaper value and benefit from any potential market recovery
- · Check you're in the right fund for your circumstances and for when you plan to use your money.



Nigel JacksonChief Executive Officer
BT Funds Management (NZ) Limited

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2. Highlights at a glance



Total funds under management for the Scheme was \$10,912,530,082 at 31 March 2024



Finalist in the Financial
Services Council's
Excellence in Sustainability
Practices 2023 award category

Financial Services Council NZ



4,175 of our members made a first home withdrawal from the Westpac KiwiSaver Scheme



Named as a New Zealand
Responsible Investment leader
2023 for the second year running
by the Responsible Investment
Association of Australasia





422,998 Scheme members at 31 March 2024



Became a **founding member** of the Aotearoa New Zealand Stewardship Code



3. Details of Scheme

- The Westpac KiwiSaver Scheme (Scheme) is a registered KiwiSaver Scheme.
- BT Funds Management (NZ) Limited (BTNZ, us, we or the Manager) is the Manager of the Scheme.
- The New Zealand Guardian Trust Company Limited (Supervisor) is the Supervisor of the Scheme.
- The latest Product Disclosure Statement (PDS) is dated 27 June 2024 and is open for applications.
- The latest fund updates for the quarter ended 30 June 2024 were made publicly available on 26 July 2024.
- The latest financial statements were dated 12 July 2024 and lodged with the Registrar on 29 July 2024.
- The latest independent auditor's report was dated 16 July 2024 and lodged with the Registrar on 29 July 2024.

4. Information on contributions and Scheme participants

Membership changes.

For the year ended 31 March 2024 (year), the numerical changes in the membership of the Scheme were:

Total members at 1 April 2023¹	424,600
Total members at 31 March 2024	422,998
Contributing members at 1 April 2023	284,595
Contributing members at 31 March 2024	277,086
Non-contributing members at 1 April 2023	140,005
Non-contributing members at 31 March 2024	145,912
Total new members	23,479
New members transferred from other schemes	7,993
Other new members	15,486
Total number of members who left the Scheme during the year	26,740
Retirement	4,959
Death	694
Transferred to other schemes	19,646
Other reasons	1,441

¹This has been revised so differs from the 31 March 2023 figure included in last year's Annual Report. The total number of members was previously recorded as 424,535.

Accumulations	Members	Total amount
Member accumulations at 1 April 2023	424,535	\$9,621,843,405
Member accumulations at 31 March 2024	422,998	\$10,912,530,082

Contributions	Members	Total amount
Member contributions	270,700	\$628,905,711
Employer contributions	261,561	\$342,271,102
Member voluntary contributions	40,533	\$97,928,289
Total contributions		\$1,069,105,102

5. Changes relating to the Scheme

This section outlines material changes to the Scheme for the year ended 31 March 2024.

The PDS was updated on 14 June 2023 to include:

- · A change to the risk indicator from 3 to 4 for the Westpac KiwiSaver Scheme Moderate Fund
- · A change to the risk indicator from 4 to 5 for the Westpac KiwiSaver Scheme Growth Fund
- A description of the sustainable investment risk within the 'general investment risks' to reflect a reduced investment universe as a result of BTNZ's sustainable investment policy and approach
- Further explanation of the RIAA certification provided to each open fund under their Responsible Investment Certification Program (with the exception of the Westpac KiwiSaver Scheme Cash Fund).

The Statement of Investment Policy and (SIPO) was updated to reflect changes made to the benchmark for two asset classes – international equities on 2 October 2023 and international fixed interest on 1 November 2023.

The Other Material Information – Underlying Investment Managers (**OMI-UIM**) was updated on 25 September 2023 to reflect the change of two international equity managers and on 13 November 2023 to reflect the change of one international fixed interest manager.

All related party transactions were conducted on arm's length terms and enacted on standard commercial terms.

ESG Update.

In August 2023 we released our first Sustainable Investment customer report highlighting progress against our Sustainable Investment Policy. A copy of the report can be found here:

BT-Funds-Management-NZ-Limited-Sustainable-Investment-Report.pdf (westpac.co.nz)

Our investment team has continued to develop its approach to integrate climate risks and opportunities into our investment process and to support BTNZ in meeting its long-term climate commitment. This included climate scenario testing, expanding climate related metrics and agreeing on climate targets for underlying equity and listed property managers.

6. Other information for particular types of managed funds

Member withdrawals.

During the year, the following withdrawals were made from the Scheme:

Withdrawal Type	Number of members
Retirement*	11,043
Death	694
Transfers to other Schemes**	19,646
Significant Financial Hardship	3,906
Serious Illness	322
First Home	4,175
Permanent Emigration (other than to Australia)	256
Life shortening congenital conditions	1
Other	656
Total	40,699

^{*}Includes initial and subsequent withdrawals. **Includes transfers to complying Australian superannuation schemes.

Unit prices.

	Unit Price as at:	
Fund Name	1 April 2023	31 March 2024
Cash Fund	\$1.5124	\$1.6009
Defensive Conservative Fund	\$1.3546	\$1.4538
Conservative Fund	\$1.8741	\$2.0183
Moderate Fund	\$1.4622	\$1.6015
Default Balanced Fund	\$0.9457	\$1.0491
Balanced Fund	\$2.1777	\$2.4337
Growth Fund	\$2.3418	\$2.6670

Manager Statement.

All benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed and KiwiSaver Scheme rules have been paid.

The market value of the Scheme property at 31 March 2024 equalled or exceeded the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 31 March 2024.

7. Changes to persons involved in the Scheme

During the year the following changes were made to the people involved in the Scheme:

Manager, directors of the Manager and key personnel of the Manager.

There were no changes to the Manager or key personnel.

Andrew Bashford resigned as Director on 2 February 2024.

Supervisor and its directors.

There were no changes to the Supervisor and its directors.

Administration manager, investment manager, securities registrar, custodian, and auditor of the Scheme.

There were no changes to the administration manager, investment manager, securities registrar, custodian or auditor of the Scheme.

For details of the underlying investment managers, see the offers register at **disclose-register.companiesoffice.govt.nz** (Disclose) and search for the 'Westpac KiwiSaver Scheme'.

8. How to find further information

Further information about the Scheme and each fund within the Scheme can be found on both the offers and schemes register on the **Disclose** website, by searching for the 'Westpac KiwiSaver Scheme' on each register. The information includes:

On the offers register:

- the PDS, OMI and other information material to the offer of units in the Scheme (including the Sustainable Investment Policy); and
- · the fund updates.

On the schemes register:

- the governing documents (including the Trust Deed and any establishment deeds);
- · the SIPO; and
- · the most recent financial statements.

A copy of this information is also available on request from the Manager free of charge. The PDS, this annual report and fund updates are also available on our website at **westpac.co.nz**.

9. Contact details and complaints

We are here to help, so if you would like to get in touch, including where you have a complaint you would like to raise, you can:





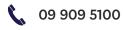


A Westpac branch

If for any reason we can't resolve things, you can contact the Supervisor of the Scheme as follows:





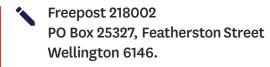


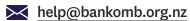
0800 300 299

If neither we nor the Supervisor can resolve your complaint you can also contact the following independent dispute resolution schemes:

The Manager's dispute resolution scheme.

The Banking Ombudsman.





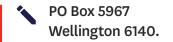




Level 5, Huddart Parker Building
 1 Post Office Square
 Wellington 6011.

The Supervisor's dispute resolution scheme.

Financial Services Complaints Limited.



complaints@fscl.org.nz



0800 347 257

Level 4, 101 Lambton Quay Wellington 6011.

Neither of the above dispute resolution schemes will charge you a fee to investigate or resolve a complaint.

