

ANZ INVESTMENTS MULTI-ASSET-CLASS SCHEME

(MARKETED AS THE ANZ INVESTMENT FUNDS AND
THE ONEANSWER MULTI-ASSET-CLASS FUNDS)

ANNUAL REPORT
FOR THE YEAR ENDED
30 SEPTEMBER 2021

ISSUER AND MANAGER:
ANZ NEW ZEALAND
INVESTMENTS LIMITED

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This annual report is for the ANZ Investments Multi-Asset-Class Scheme (the **scheme**), a registered managed investment scheme on the 'scheme' register of Disclose.

The scheme is marketed under two separate offers:

- ANZ Investment Funds, and
- OneAnswer Multi-Asset-Class Funds.

Information concerning these individual offers is available on the 'offer' register of Disclose. See page 10 for more details.

WELCOME

I'm pleased to present the annual report for the ANZ Investments Multi-Asset-Class Scheme.

It was a strong year for investors in the ANZ Investments Multi-Asset-Class Scheme.

The world's economies gradually reopened following the disruption brought about by COVID-19. Financial markets were supported by significant government spending and low interest rates, as well as news that several vaccines had been granted emergency approval to help fight the global pandemic.

A record-breaking rebound for growth assets

Global equity markets continued their recovery from the early 2020 sell-off as the global economy began to reopen and COVID-19 vaccines were rolled out, raising hopes that the worst of the COVID-19 pandemic, at least from an economic standpoint, had passed.

US equities were some of the strongest performers, thanks in part to better-than-expected corporate earnings, which helped underpin the recovery. This helped push major US equity indices to all-time highs.

Some of these gains in equity markets were offset by bond markets, which had a more challenging 2021, as economic reopening and a pickup in inflation caused bond yields (interest rates) to move higher. Typically, when bond yields rise, bond values fall.

Strong performance from our funds

All of the funds that make up the scheme delivered strong returns over the year.

The strong showing in equity markets meant that our funds with a greater weighting to growth assets delivered higher returns over the year compared to our funds that have a lower weighting to growth assets.

Strength from adversity

During the lockdowns in New Zealand last year, and again this year, I've been really proud of how our team has responded to the needs of investors. We were all required to develop new ways of working to get things done and there were some amazing examples of ingenuity and collaboration to find solutions.

We reduced our fees

We're committed to ensuring fees provide great value for money. In line with this commitment, on 30 September 2021 we reduced the annual fund charge for the Conservative Fund from 0.91% to 0.69% and for the Conservative Balanced Fund from 0.98% to 0.83%.

Changes to international fixed interest

We're constantly looking for opportunities to improve the performance of our funds. Enhancements we made within the international fixed interest asset class during the year included:

- In October 2020, appointing Northern Trust Investments, Inc. to replace Vanguard Investments Australia Limited as one of our external fund managers.
- In June 2021, adding the ability to include a dedicated exposure to the Australian fixed interest market.

Award-winning performance

In December 2020, ANZ Investments received the 2020 Good Returns Fund Manager of the Year Award – Powered by Research IP*.

In the words of Research IP, this achievement “recognises ANZ Investments’ long history of strong governance, industry best practice and performance over the 12-month judging period”.

Thank you for investing with us. We look forward to continue helping you achieve your investment goals.



Grant Hodder

General Manager Product
Funds Management

On behalf of the manager,
ANZ New Zealand Investments Limited

KEEP TRACK ONLINE

You can use ANZ Internet Banking or ANZ goMoney to get up-to-date information on your account balance, transactions and investment performance.

It's easy to get set up:

- If you're an ANZ customer, visit anz.co.nz/registernow
- If you're not an ANZ banking customer, visit your nearest ANZ branch to be set up. You'll need to provide proof of identity. Go to anz.co.nz/myid for the full list of acceptable identity documents.

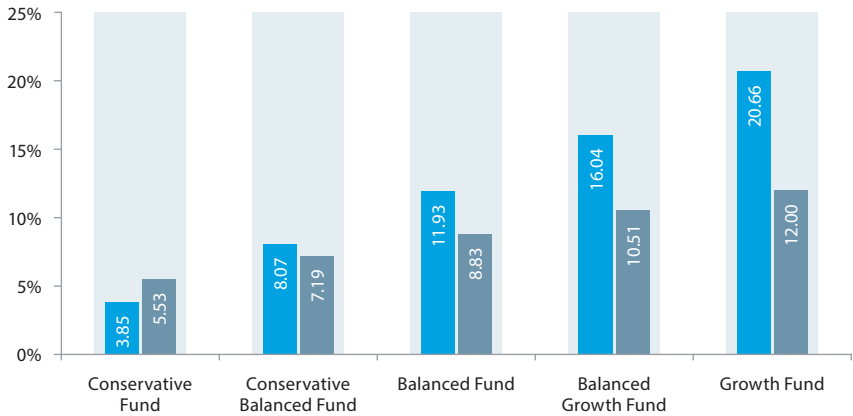
* See inside back cover for awards disclaimers and see anz.co.nz/investmentawards for full awards and ratings history.

FUND PERFORMANCE AS AT 30 SEPTEMBER 2021

In this chart:

- the first bar in each pair shows the percentage return for the year to 30 September 2021.
- the second bar in each pair shows the annualised percentage return earned by the fund over 10 years.

ANZ Investments Multi-Asset-Class Scheme*



- For the year ended 30 September 2021 Annualised investment performance over 10 years

HOW IS YOUR FUND PERFORMING?

Follow the performance of your fund each month at:

ANZ Investment Funds

anz.co.nz/investmentperformance

OneAnswer Multi-Asset-Class Funds

anz.co.nz/OA-investmentperformance

WHAT'S HAPPENING IN THE MARKET?

Find out how recent developments have affected your investments at:

ANZ Investment Funds

anz.co.nz/marketreview

OneAnswer Multi-Asset-Class Funds

anz.co.nz/OA-marketreview

* All performance is after the annual fund charge and before tax. This is represented by changes in the unit price plus any applicable tax credits. Past performance is not indicative of future performance. Performance can be negative as well as positive.

DETAILS OF SCHEME

NAME OF THE SCHEME

ANZ Investments Multi-Asset-Class Scheme (the **scheme**)

The scheme is marketed as the ANZ Investment Funds and the OneAnswer Multi-Asset-Class Funds.

TYPE OF SCHEME

The scheme is a managed investment scheme – ‘other’ managed fund. That is, a managed fund that is not a KiwiSaver scheme, workplace savings scheme or superannuation scheme.

ISSUER AND MANAGER

ANZ New Zealand Investments Limited (the **manager**)

SUPERVISOR AND CUSTODIAN

The New Zealand Guardian Trust Company Limited (the **supervisor**)

PRODUCT DISCLOSURE STATEMENT

The latest ANZ Investment Funds product disclosure statement and OneAnswer Multi-Asset-Class Funds product disclosure statement are each dated 30 September 2021 and have an ‘open for applications’ status.

FUND UPDATES

The scheme’s latest fund updates for the quarter ended 30 September 2021 were made publicly available on 28 October 2021. These are available on the offer register at disclose-register.companiesoffice.govt.nz and at:

ANZ Investment Funds

anz.co.nz/investmentperformance

OneAnswer Multi-Asset-Class Funds

anz.co.nz/OA-investmentperformance

FINANCIAL STATEMENTS AND AUDITOR’S REPORT

The scheme’s financial statements for the year ended 30 September 2021, and the auditor’s report on those financial statements, were dated 30 November 2021 and were lodged with the Registrar on 3 December 2021. See page 10 for more details.

INFORMATION ON CONTRIBUTIONS AND SCHEME PARTICIPANTS

The number of units on issue in each fund at the start and end of the year were:

Investment fund	At 30 September 2020	At 30 September 2021
Conservative Fund	55,218,514	68,500,234
Conservative Balanced Fund	147,385,299	209,824,144
Balanced Fund	245,436,372	386,240,747
Balanced Growth Fund	147,733,377	217,256,260
Growth Fund	82,555,469	121,191,407

CHANGES RELATING TO THE SCHEME

This section describes any material changes to the scheme's nature, investment objectives and strategy, and management during the year.

CHANGES TO THE TERMS OF THE OFFER

On 30 September 2021, we reduced the annual fund charge for the Conservative Fund by 0.22% from 0.91% to 0.69% and for the Conservative Balanced Fund by 0.15% from 0.98% to 0.83%.

CHANGES TO THE STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO)

The SIPO was updated on 15 October 2020 to reflect:

- the appointment of Northern Trust Investments, Inc for the management of a portion of the international fixed interest asset class, replacing Vanguard Investments Australia Limited
- that we maintain a liquidity risk management framework that includes strategies and controls to manage liquidity risk, and
- a change to the market indices for the New Zealand fixed interest and Australasian equity asset classes.

The SIPO was updated on 28 June 2021 to reflect:

- the addition of two new underlying funds in the international fixed interest asset class; the ANZ Wholesale Australian Sovereign Fund and the ANZ Wholesale Australian Credit Fund, and
- non-material changes to some target investment mixes, ranges and market indices.

The SIPO was also updated on 30 September 2021 with a number of other non-material changes.

CHANGES TO THE NATURE OR SCALE OF RELATED PARTY TRANSACTIONS

There were no material changes to the nature or scale of related party transactions entered into for the scheme during the year. All related party transactions were conducted on arm's-length terms.

OTHER INFORMATION FOR PARTICULAR TYPES OF MANAGED FUNDS

UNIT PRICES

Fund	Unit price (\$) at 30 September 2020	Unit price (\$) at 30 September 2021
Conservative Fund	1.7302	1.7957
Conservative Balanced Fund	1.8950	2.0457
Balanced Fund	2.0690	2.3124
Balanced Growth Fund	2.2709	2.6303
Growth Fund	2.4231	2.9172

CHANGES TO PERSONS INVOLVED IN THE SCHEME

MANAGER

ANZ New Zealand Investments Limited was the manager of the scheme throughout the year.

Directors of the manager

The directors of the manager as at 30 September 2021 were:

- Peter Houghton
- Benjamin Paul Kelleher
- Anna Marion Molloy
- Annis Gail O'Brien
- Paul Gavin White

The following changes to the directors of the manager occurred during the year:

- Paul Robert Daley resigned as a director on 6 November 2020.
- Craig Mulholland resigned as a director on 30 June 2021.
- Paul Gavin White was appointed as a director on 12 July 2021.
- Phillipa Jane Dunphy resigned as a director on 24 July 2021.

The following changes have occurred since 30 September 2021:

- Ian Douglas Burns was appointed as a director on 13 October 2021.

Key personnel of the manager

The following changes occurred during the year:

- Mark Davies ceased being General Manager Funds on 16 November 2020.
- Grant Hodder was appointed as Acting General Manager Funds on 16 November 2020.

- Andrew Beattie was appointed as Acting General Manager Wealth Operations on 27 April 2021.
- Craig Mulholland ceased being Managing Director Wealth & Private Bank on 30 June 2021.
- Stewart Taylor was appointed as Acting Managing Director Funds Management on 1 July 2021.
- Grant Hodder was appointed as General Manager Product on 16 September 2021.
- Andrew Beattie was appointed as General Manager Operations on 30 September 2021.

SUPERVISOR

The New Zealand Guardian Trust Company Limited was the supervisor and custodian of the scheme throughout the year.

Directors of the supervisor

The directors of the supervisor as at 30 September 2021 were:

- James Douglas
- Robin Flannagan
- Bryan Connor

There were no changes to the directors of the supervisor during the year.

The following change has occurred since 30 September 2021:

- James Earl Douglas resigned as a director on 30 November 2021.

AUDITOR

KPMG was the auditor of the scheme throughout the year.

HOW TO FIND FURTHER INFORMATION

ON DISCLOSE

Disclose is a website that contains two registers – an offer register and a scheme register.

To find the product disclosure statement and the fund updates, go to:

 **disclose-register.companiesoffice.govt.nz**

- Click 'Search for an offer' and search for 'ANZ Investment Funds' or 'OneAnswer Multi-Asset-Class Funds'

To find the SIPO, governing document and financial statements, go to:

 **disclose-register.companiesoffice.govt.nz**

- Click 'Search for a scheme' and search for 'ANZ Investments Multi-Asset-Class Scheme'

ON OUR WEBSITE

Other valuable information and resources to help you manage your investment, including transaction forms, fund performance, unit prices, a quarterly market review and fund fact sheets – are available at:

 **ANZ Investment Funds**
anz.co.nz/investmentfunds

 **OneAnswer Multi-Asset-Class Funds**
anz.co.nz/OA-investmentfunds

You can also obtain a copy of any of the above information on request and free of charge by contacting us (contact details are on the next page).

CONTACT DETAILS AND COMPLAINTS

MANAGER

ANZ New Zealand Investments Limited

Freepost 324
PO Box 7149, Victoria Street West
Auckland 1142

Attn: KiwiSaver and Investments team

 0800 736 034 or +64 9 356 4000

 service@anzinvestments.co.nz

SUPERVISOR AND CUSTODIAN

The New Zealand Guardian Trust Company Limited

Relationship Manager – ANZ Investments
Multi-Asset-Class Scheme
PO Box 274, Shortland Street
Auckland 1140

 +64 9 909 5100

 ct-auckland@nzgt.co.nz

IF YOU HAVE A COMPLAINT

If you have any problems with the scheme, please contact your financial adviser first.

If you don't have a financial adviser, or your financial adviser has been unable to help you, please let us know using the contact details above. As the manager of the scheme, we'll try to resolve your complaint within five business days. Our complaints process is set out in full at anz.co.nz.


If we're unable to help you, you can contact the supervisor at the contact details on this page.

If you're still not happy, you can get free independent assistance from the following dispute resolution schemes.

The manager's dispute resolution scheme

The Banking Ombudsman Scheme

Freepost 218002
PO Box 25327
Wellington 6146


 0800 805 950

 help@bankomb.org.nz

The supervisor's dispute resolution scheme

Financial Services Complaints Limited

Wellington 6011
PO Box 5967
Wellington 6140

 0800 347 257

 info@fscl.org.nz

You won't be charged a fee for investigating or resolving a complaint.

Fund Manager of the Year Awards were announced by Good Returns Powered by Research IP on 4 December 2020. These awards should not be read as a recommendation by Research IP. For further advice on the relevance of this award to your personal situation, please consult your financial adviser, or visit research-ip.com/awards.

Investments in the scheme are not deposits in ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited or their subsidiaries (together **ANZ Group**), nor are they liabilities of ANZ Group. ANZ Group does not stand behind or guarantee ANZ New Zealand Investments Limited. Investments are subject to investment risk, including possible delays in repayment, and loss of income and principal invested. ANZ Group will not be liable to you for the capital value or performance of your investment. Your investment in the scheme is not guaranteed by ANZ Group, The New Zealand Guardian Trust Company Limited, any of their directors or any other person.

