

ONEANSWER KIWISAVER SCHEME

ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2023

MANAGER:
ANZ NEW ZEALAND
INVESTMENTS LIMITED

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WELCOME

I'm pleased to present the annual report for the OneAnswer KiwiSaver Scheme (the scheme).

Financial markets had a challenging 2022 as worries about high inflation and rising interest rates saw both bonds and shares fall making it a particularly tough year for investors.

In 2022, as the world's economies rebounded following COVID-related lockdowns, a combination of excess demand and supply constraints saw inflation rates in many countries reach multi-decade highs. The war in Ukraine added to the inflationary pressures, as the price of oil and other commodities rose sharply.

This prompted central banks in most major economies to raise interest rates in an attempt to bring inflation down. Share markets fell given the likelihood that rising interest rates could tip the world's economies into recession. Bond markets also lost ground, as these investments are particularly sensitive to higher interest rates.

The start of 2023 saw financial markets claw back some of their losses as it appeared the end of the global interest rate hiking cycle was close. Nevertheless, most investment markets finished the year in negative territory.

Bonds had one of their worst years on record

Our multi-asset-class funds with a significant investment in bonds likely saw returns worse than investors might have expected, especially given the steady returns they have provided over prior years.

Meanwhile, most single-asset-class funds also struggled, especially those with large exposure to property investments, which are particularly sensitive to rising interest rates as their rental income becomes less attractive compared to returns offered by government bonds.

However, many central banks have communicated that the end to interest rate rises may be near, meaning the outlook for bonds is brighter than it was 12 months ago.

More volatility ahead

Although financial markets finished the year on a positive note, we can expect further periods of volatility. Uncertainty around regional banks in the US, the ongoing war in Ukraine and the impact higher interest rates will have on the global economy are just some concerns facing investors.

As hard as it is, we remind our investors that market falls are part and parcel of investing, and that it pays to take a long-term approach. It's also worth remembering that markets move in cycles and this year's losses come on the back of some strong gains in previous years.

The year in brief

Responsible Investing

We recognise the importance of sound environmental, social and governance (ESG) practices and the positive impact these factors can have on long-term investment risks and returns. That's why it's integrated into our investment process.

As part of improving our transparency around our responsible investment activities, we have published the following:

- our Responsible Investment Framework that formalises our approach to responsible investing
- our first Stewardship Update demonstrating our engagement with the companies we invest in, and
- a dashboard showing records of proxy voting done on behalf of investors.

Find out more at:
anz.co.nz/responsibleinvesting

During the year, we were proud to have the following funds in the scheme certified by the RIAA¹ Responsible Investing Certification Program according to strict operational and disclosure practices.

- Conservative Fund
- Conservative Balanced Fund
- Balanced Fund
- Balanced Growth Fund
- Growth Fund.

The following are other events or changes that occurred:

- We added the ability for members to update their contribution rate in the ANZ goMoney app and Internet Banking as of 21 November 2022.
- We added the ability for members to switch the fund they are invested in through the ANZ goMoney app as of 28 November 2022.

Thank you for investing in the OneAnswer KiwiSaver Scheme.



Rachel Whitelaw

General Manager Products,
Funds Management

On behalf of the manager,
ANZ New Zealand Investments Limited

¹ The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold a Financial Advice Provider Licence. See www.responsibleinvestments.com.au for details.



RIAA certified

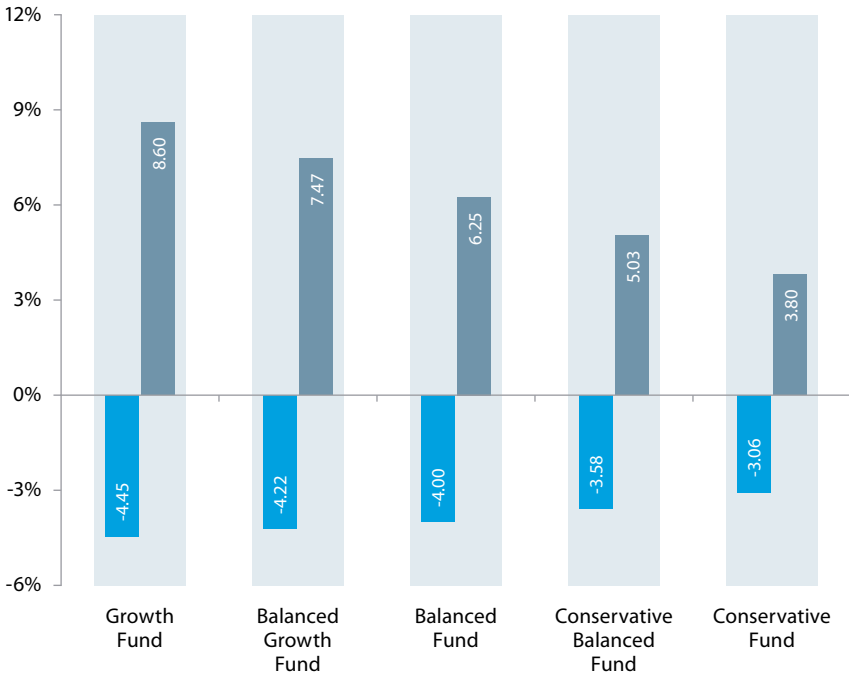
RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that the OneAnswer KiwiSaver Scheme Growth Fund, Balanced Growth Fund, Balanced Fund, Conservative Balanced Fund, and Conservative Fund adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and the OneAnswer KiwiSaver Scheme Growth Fund, Balanced Growth Fund, Balanced Fund, Conservative Balanced Fund, and Conservative Fund's methodology, performance and stock holdings can be found at www.responsiblereturns.com.au, together with details about other responsible investment products certified by RIAA.

FUND PERFORMANCE AS AT 31 MARCH 2023

In the following charts:

- the first bar in each pair shows the percentage return for the year to 31 March 2023
- the second bar in each pair shows the annualised percentage return earned by the fund over 10 years.

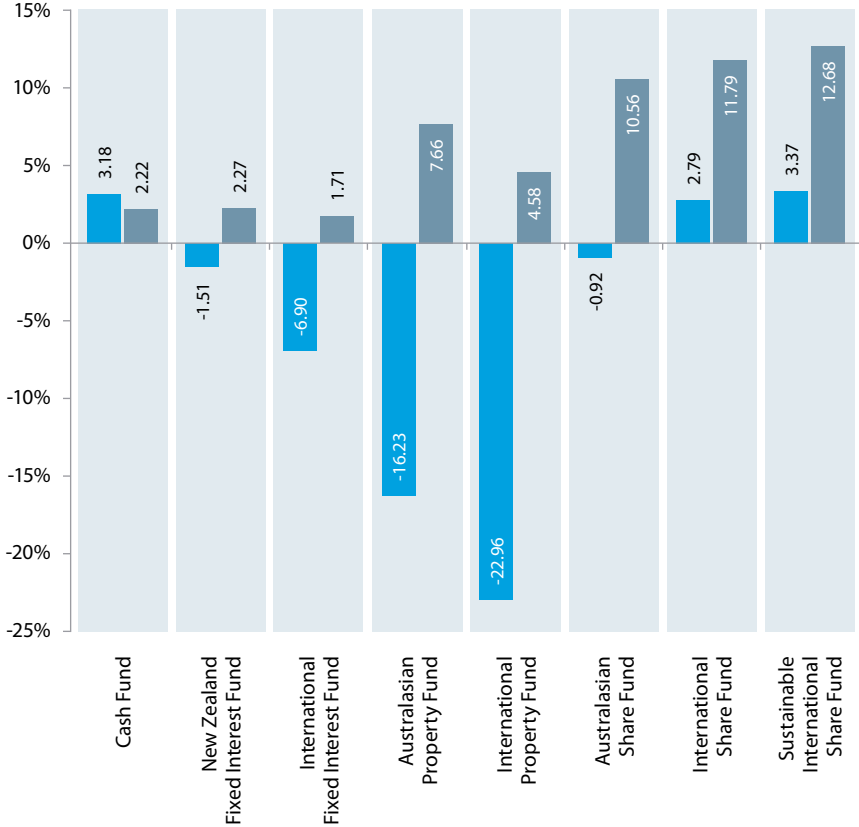
OneAnswer KiwiSaver Scheme – Multi-Asset-Class Funds*



For the year ended 31 March 2023
 Annualised investment performance over 10 years

* 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.

OneAnswer KiwiSaver Scheme – Single-Asset-Class Funds*



- For the year ended 31 March 2023
 Annualised investment performance over 10 years

* 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

OneAnswer KiwiSaver Scheme
(the **scheme**)

TYPE OF SCHEME

KiwiSaver scheme

MANAGER

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

SUPERVISOR

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

PRODUCT DISCLOSURE STATEMENT

The scheme's latest product disclosure
statement is dated 9 February 2023 and
has an 'open for applications' status.

FUND UPDATES

The scheme's latest fund updates for the
quarter ended 30 June 2023 were made
publicly available on 31 July 2023.

These are available on the offer register at
disclose-register.companiesoffice.govt.nz
and at anz.co.nz/OA-kiwisaverperformance.

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The scheme's latest financial statements
for the year ended 31 March 2023, and
the auditor's report on those financial
statements, were dated 26 July 2023
and were lodged with the Registrar on
31 July 2023. See page 15 for more details.

INFORMATION ON CONTRIBUTIONS AND SCHEME PARTICIPANTS

The information in this document relates to the year from 1 April 2022 to 31 March 2023 (the year).

MEMBERSHIP

The table below provides a summary of the numerical changes in the membership of the scheme during the year.

Membership movements	Number of members	Total amount (\$000)
Members at the start of the year		
– Contributing members	34,830	
– Non-contributing members	23,775	
Total scheme members at 1 April 2022	58,605	
Total members' savings at 1 April 2022		2,830,221
Plus new members		
– Transfers from other schemes	234	
– Other new members	1,744	
Total new members during the year	1,978	
Less exited members		
– Retirement	1,000	
– Death	97	
– Transfers to other schemes	1,945	
– Other reasons	162	
Total members exited during the year	3,204	
Scheme members at 31 March 2023		
– Contributing members	33,528	
– Non-contributing members	23,851	
Total scheme members at 31 March 2023	57,379	
Total members' savings at 31 March 2023		2,739,467

(CONTINUED)

CONTRIBUTIONS

The table below provides a summary of the contributions received during the year.

Contribution type	Number of members	Total amount (\$000)
Member employee contributions	36,353	115,631
Employer contributions	36,154	58,232
Government contributions	37,735	17,635
Transfers from other KiwiSaver schemes	245	10,799
Transfers from Australian superannuation schemes	36	2,380
Member voluntary contributions	10,162	24,143
Total contributions		228,820

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

There were no material changes to the terms of the offer for the scheme during the year.

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

The SIPO was updated on 9 February 2023 to refer to our Responsible Investment Framework.

CHANGES TO THE NATURE OR SCALE OF THE RELATED PARTY TRANSACTIONS

There were no material changes to the nature or scale of the 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

WITHDRAWALS

The table below sets out the withdrawals made from the scheme during the year.

Withdrawal reason	Number of members	Total amount (\$000)
Retirement withdrawals	2,341	94,264
Transfers to other KiwiSaver schemes	1,920	90,797
First home withdrawals*	331	11,535
Death	97	4,493
Serious illness	42	2,174
Significant financial hardship	189	1,570
Transfers to Australian superannuation schemes	25	882
Permanent emigration	26	852
Release required under other enactments	7	413
Invalid enrolment withdrawals and late opt-outs	87	70
Life-shortening congenital conditions withdrawals	2	47
Mortgage diversion withdrawals	0	0
Total withdrawals		207,097

* includes second chance home withdrawals

UNIT PRICES

Investment fund	Unit price (\$) at 31 March 2022	Unit price (\$) at 31 March 2023
Growth Fund	2.7200	2.5922
Balanced Growth Fund	2.5584	2.4452
Balanced Fund	2.3625	2.2642
Conservative Balanced Fund	2.1591	2.0792
Conservative Fund	1.9487	1.8877
Cash Fund	1.4553	1.5016
New Zealand Fixed Interest Fund	1.7883	1.7613
International Fixed Interest Fund	1.7897	1.6662
Australasian Property Fund	2.6536	2.2067
International Property Fund	1.9074	1.4623
Australasian Share Fund	2.6764	2.6318
International Share Fund	2.8993	2.9735
Sustainable International Share Fund	3.3677	3.4707

(CONTINUED)

MANAGER'S STATEMENT

ANZ New Zealand Investments Limited, as manager of the scheme, confirms that:

- all benefits required to be paid from the scheme in accordance with the terms of the governing document and the KiwiSaver scheme rules have been paid, and
- the market value of the scheme property at 31 March 2023 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 2023.

CHANGES TO PERSONS INVOLVED IN THE SCHEME

MANAGER

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

Directors of the manager

The directors of the manager as at 31 March 2023 were:

- Ian Douglas Burns
- Peter Houghton
- Benjamin Paul Kelleher
- Fiona Nicole Mackenzie
- Anna Marion Molloy
- Annis Gail O'Brien
- Paul Gavin White

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

Key personnel of the manager

The following changes have taken place since 1 April 2022:

- Grant Hodder ceased being General Manager Product on 1 February 2023 and Sarah Beauchamp was appointed as Acting General Manager Product on 3 February 2023 in the interim. On 6 June 2023, Rachel Whitelaw was appointed as General Manager Product.
- Sian August was appointed as General Manager, Strategy & Execution on 3 February 2023.
- Matt Mouat ceased being Head of Business Governance & Controls, Funds Management on 1 April 2023.
- Amanda Kells, as Head of Business Governance & Controls Centre of Excellence NZ, became a key person on 6 April 2023.
- Due to a change in responsibilities, Anna Livesey, General Manager of Customer Experience ceased to be a key person on 21 June 2023.

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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 31 March 2023 were:

- Robin Albert Flannagan
- Bryan David Connor
- Sarah Louise Graydon

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

- Sarah Louise Graydon was appointed as director on 20 March 2023.

AUDITOR

KPMG was the auditor of the scheme throughout the year.

CHANGE IN CONTROL OF THE MANAGER

In January 2023, a restructure was implemented that resulted in ANZ Group Holdings Limited (ANZGHL) becoming the new parent company of the ANZ Group. As a result, the manager's ultimate parent company changed from Australia and New Zealand Banking Group Limited to ANZGHL. The manager remains a wholly owned subsidiary of ANZ Bank New Zealand Limited following the restructure.

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 'OneAnswer KiwiSaver Scheme'


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

 disclose-register.companiesoffice.govt.nz

- Click 'Search for a scheme' and search for 'OneAnswer KiwiSaver 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 reports – are available at:

 anz.co.nz/OA-kiwisaver

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

The New Zealand Guardian Trust Company Limited

Relationship Manager – OneAnswer
KiwiSaver 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

PO Box 5967
Wellington 6140

 0800 347 257

 info@fsc.org.nz

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

ANZ New Zealand Investments Limited is not an authorised deposit-taking institution (ADI) under Australian law and investments in the scheme aren't deposits in or liabilities of ANZ Bank New Zealand Limited, Australia and New Zealand Banking Group Limited, or their subsidiaries (together **ANZ Group**). ANZ Group doesn't stand behind or guarantee ANZ New Zealand Investments Limited. Investments in the scheme are subject to investment risk, including possible delays in repayment, and loss of income and principal invested. ANZ Group won't be liable to you for the capital value or performance of your investment.

