

ANZ INVESTMENTS SINGLE-ASSET-CLASS SCHEME

(MARKETED AS THE ONEANSWER
SINGLE-ASSET-CLASS FUNDS)

ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2020

MANAGER:
ANZ NEW ZEALAND
INVESTMENTS LIMITED

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HOW IS YOUR FUND PERFORMING?

Find out how your fund has performed each month at



anz.co.nz/OA-investmentperformance

WHAT'S HAPPENING IN THE MARKETS?

Find out how recent developments have affected your investments at



anz.co.nz/OA-marketreview

WELCOME

I'm pleased to present the annual report for the ANZ Investments Single-Asset-Class Scheme (the scheme) for the year ended 31 March 2020.

It was a volatile year for investors as the COVID-19 (coronavirus) outbreak saw global equity markets fall sharply in March, which weighed on growth and equity-related funds, with some funds ending with negative returns for the year. However, it was a good year for bond investors as a series of interest rate cuts and accommodative monetary policy from central banks to support the global economy saw bonds in strong demand. Against this backdrop, fixed interest funds recorded solid gains.

It is worth remembering that these funds are long-term investments. In recent times we have seen some of the equity funds return sharp ups and downs in value and this may understandably cause concern. We encourage investors to look through this short-term volatility and focus on long-term continued growth.

Your scheme provider

It was an exceptional year on the funds management awards front:

- We're proud to have been awarded Morningstar's Overall New Zealand Fund Manager of the Year award for 2020.

Additionally we won the award for Global Equities Fund Manager of the Year for the OneAnswer International Share Fund.

The New Zealand Fund Manager of the Year represents the New Zealand Fund Manager that, in Morningstar's opinion, has achieved the highest level of fund management excellence.

- Four other funds within the scheme were nominated as finalists in the 2019 Good Returns Fund Manager of the Year awards.

From 1 July 2019, we reduced the annual fund charge for most funds in the scheme by between 1 and 21 basis points.

From 1 April 2020, we may be notified of prescribed investor rate (PIR) changes. If Inland Revenue believes you're on an incorrect PIR, they may provide us with an updated PIR for you. We will update your account with the new PIR. You can subsequently provide us with a different PIR if you believe the PIR Inland Revenue provided is incorrect.

Responsible investment

We have completed our second annual round of reporting requirements for the Principles for Responsible Investment (PRI). In 2019 we scored at or above the peer median across all categories reported on through the PRI.

We've also introduced a climate change framework, which guides our investment approach on managing the risks and opportunities that climate change presents. As part of the framework, we've excluded companies that derive more than 10% of their revenue from the production of thermal coal or from the production of oil and gas from unconventional sources (for example, shale oil extraction).

We've also excluded companies that derive 5% or more of their revenue from adult entertainment and those involved with whaling and whale meat processing.

I always like to remind and encourage you to contact your financial adviser to review your personal financial plan and progress. It's important to discuss any changes in your situation, as well as considerations for the future. If you don't have an adviser, please contact us and we'll be happy to put you in touch with one.

My thanks for choosing to invest with ANZ Investments. We look forward to continuing to help you achieve your investment goals.

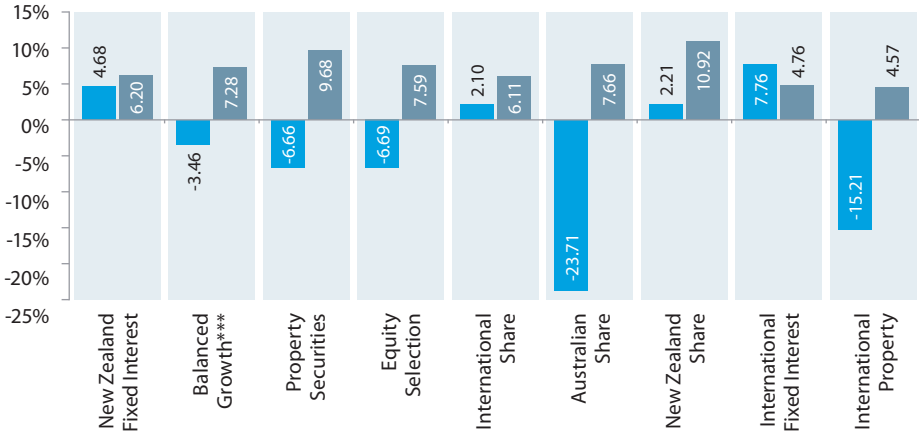
Mark Davies

Mark Davies
General Manager Funds

On behalf of the manager,
ANZ New Zealand Investments Limited

YEAR IN REVIEW

FUND PERFORMANCE*



For the year ended 31 March 2020 Annualised investment performance since launch**

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

** The New Zealand Fixed Interest Fund and the New Zealand Share Fund were launched on 31 March 1991; the Balanced Fund was launched on 28 February 1993; the Property Securities Fund was launched on 30 November 1994; the Australian Share Fund was launched on 29 February 1996; the International Share Fund was launched on 12 May 1997; the Equity Selection Fund was launched on 1 July 2004; and the International Fixed Interest Fund and the International Property Fund were launched on 19 September 2013.

*** Prior to 15 May 2020, the Balanced Growth Fund was called the 'Balanced Fund'. This is a name change only. The target investment mix has not changed.

DETAILS OF SCHEME

NAME OF THE SCHEME

ANZ Investments Single-Asset-Class Scheme (the **scheme**). The scheme is marketed as the OneAnswer Single-Asset-Class Funds (formerly known as the OneAnswer Investment Funds – Single-Asset Class).

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.

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 15 May 2020 and has an ‘open for applications’ status.

FUND UPDATES

The scheme’s latest fund updates for the quarter ended 30 June 2020 were made publicly available on 27 July 2020. These are available on the offer register at disclose-register.companiesoffice.govt.nz and at anz.co.nz/OA-investmentperformance.

FINANCIAL STATEMENTS AND AUDITOR’S REPORT

The scheme’s latest financial statements for the year ended 31 March 2020, and the auditor’s report on those financial statements, were dated 27 July 2020 and were lodged with the Registrar on 29 July 2020. See page 8 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 31 March 2019	At 31 March 2020
New Zealand Fixed Interest Fund	6,557,507	7,284,690
Balanced Growth Fund	16,307,437	14,916,387
Property Securities Fund	37,769,098	34,434,061
Equity Selection Fund	5,609,764	4,654,632
International Share Fund	96,343,117	95,431,398
Australian Share Fund	5,734,420	5,081,650
New Zealand Share Fund	9,585,749	9,435,676
International Fixed Interest Fund	1,135,200	1,088,014
International Property Fund	205,750,621	153,271,601

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 STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO)

The SIPO was updated on 28 June 2019 to reflect:

- For the Balanced Growth Fund, the addition of a new underlying fund, the ANZ Wholesale International Listed Infrastructure Fund under the Other Listed Infrastructure asset class, and the appointment of Maple-Brown Abbott as the external fund manager, and
- non-material changes to the target investment mixes, fund descriptions, investment objectives and some market indices.

The SIPO was updated on 15 May 2020 to reflect:

- the addition of a new underlying fund, the ANZ Wholesale International Aggregate Bond Fund, in the International Fixed Interest asset class within the Balanced Growth Fund and International Fixed Interest Fund. The fund is externally managed by PIMCO Australia Pty Limited, and invests in a broad mix of investment grade fixed interest securities
- the addition of a new underlying fund, the ANZ Wholesale New Zealand Fixed Interest Fund, in the New Zealand Fixed Interest asset class, to invest in a broad mix of New Zealand investment grade fixed interest securities including the potential for a small portion of Australian investment grade fixed interest securities
- the change of name of the 'Balanced Fund' to the 'Balanced Growth Fund'. This is a name change only, and the target investment mix has not changed, and
- non-material changes to some fund descriptions, investment objectives and market indices.

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

UNIT PRICES

Investment fund	Unit price (\$) at 31 March 2019	Unit price (\$) at 31 March 2020
New Zealand Fixed Interest Fund	1.7968	1.8809
Balanced Growth Fund	3.2617	3.1412
Property Securities Fund	3.8057	3.5260
Equity Selection Fund	2.3767	2.2037
International Share Fund	2.3326	2.3753
Australian Share Fund	3.7717	2.8702
New Zealand Share Fund	5.3642	5.4371
International Fixed Interest Fund	1.2552	1.3524
International Property Fund	1.5368	1.2984

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 2020 were:

- Paul Robert Daley
- Benjamin Paul Kelleher
- Craig Andrew Mulholland
- Annis Gail O'Brien

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

- Ronald Bruce Macintyre resigned as a director of the manager on 2 December 2019.
- Antonia Margaret Watson resigned as a director of the manager on 23 March 2020.
- Benjamin Paul Kelleher was appointed as a director of the manager on 23 March 2020.

Key personnel of the manager

The following changes have taken place since 1 April 2019:

- Keren Roberts ceased being the General Manager Wealth Operations on 6 April 2020.
- Grant Hodder was appointed as Acting General Manager Wealth Operations on 6 April 2020.

SUPERVISOR

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

Directors of the supervisor

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

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 Offers and search for 'OneAnswer Single-Asset-Class Funds'

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

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

- Click Search Schemes and search for 'ANZ Investments Single-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 reports are available at:

 **anz.co.nz/oneanswer**

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, Wellesley Street
Auckland 1141

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
Single-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're committed to resolving your complaint as quickly as possible.


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

Level 5, Huddart Parker Building
1 Post Office Square
Wellington 6011
Freepost 218002
PO Box 25327, Featherston Street
Wellington 6146

 0800 805 950

 help@bankomb.org.nz

The supervisor's dispute resolution scheme

Financial Services Complaints Limited

Level 4, 101 Lambton Quay
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.

Morningstar Awards 2020 ©. Morningstar, Inc. All Rights Reserved. Awarded to ANZ Investments for New Zealand Fund Manager of the Year and for OneAnswer International Share Fund, Global Equities. For more information about Morningstar, see our website.

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.

