



MAS Retirement Savings Scheme Annual Report

For the year ended 31 March 2022

Report prepared
29 July 2022

Signatory of:



CERTIFIED BY RIAA

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At a glance

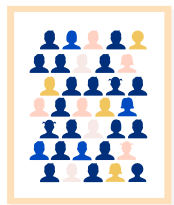
For the year ended 31 March 2022



Funds Under Management

\$1,145,003,890

UP 7.3%
from last year



Number of current members

7,187

UP 1.9% from last year



Average member balance

\$161,577

UP from \$151,235 last year



Contributions

\$107,346,592

UP 20.3%
from last year



Highlights

The Scheme has transitioned from restricted to open 'retail' status

The status of the MAS Retirement Savings Scheme changed from restricted to open on 23 June 2021, following approval granted by the Financial Markets Authority.

Previously, membership of the Scheme was limited to specific occupations, whereas now it is open to all. MAS is the first manager to transition its investment schemes from restricted to open 'retail' status.

As a result, Medical Funds Management Limited (MFM), a wholly owned subsidiary of Medical Assurance Society New Zealand Limited (MAS), became the Manager of the Scheme, replacing the previous Trustees. We've also appointed an independent supervisor, Public Trust, to monitor MFM and investments in the Scheme.

For further information visit mas.co.nz/investmentchanges

We lowered our management fees

As a mutual, it's important we deliver value to Members and in June 2021 we lowered the management fees for the Conservative Fund, the Moderate Fund and the Balanced Fund.

For further information visit mas.co.nz/investmentchanges

Advice when you need it most

It has been a challenging year for investors. COVID-19 has continued to have far-reaching effects on individuals, communities and businesses. As the world responded to COVID-19 in 2021, share markets were buoyant and economies started to grow. Now in 2022, we have seen the impact of inflationary pressures driving up interest rates, and the war in Ukraine all contributing to weakness and volatility in global share markets.

Members of the Scheme are able to get free personal financial advice to help them navigate this challenging period.

More frequent information on your funds

We now provide more ways for Members to understand their investments and how they are performing. Our Fund Updates are now provided quarterly and provide detailed information about each fund, how it has performed and what fees it charged. They also provide information on the types of assets the fund invested in.

For further information visit mas.co.nz/retirement-savings-documents

Details of Scheme

As at 31 March 2022

Name of the Scheme

The name of the Scheme is the MAS Retirement Savings Scheme ("Scheme").

Type of scheme

The Scheme is a superannuation scheme and a workplace savings scheme.

Manager

Medical Funds Management Limited ("MFM" or "Manager").

Supervisor

Public Trust

Product Disclosure Statement

The Scheme's Product Disclosure Statement is dated 23 June 2021 and the Scheme is open for applications.

Fund Updates

A Fund Update for each of the funds in the Scheme as at 30 June 2022 can be found at mas.co.nz/retirement-savings-documents and on the offer register at disclose-register.companiesoffice.govt.nz

Financial Statements and Auditor's report

The latest financial statements for the Scheme are for the year ended 31 March 2022. They have been prepared by the Manager in accordance with generally accepted accounting practice in New Zealand and the Financial Markets Conduct Act 2013 ('FMCA'). The latest financial statements, and the auditor's report on those financial statements, dated 29 June 2022, were lodged with the Registrar on 21 July 2022. They can be found on the scheme register at disclose-register.companiesoffice.govt.nz

Information on contributions and Scheme participants

The table below provides a breakdown of how the Scheme membership changed during the year.

	1 April 2021	31 March 2022
Members	7,054	7,187
Number of contributing members	4,738	4,835
Number of non-contributing members	2,316	2,352
Number of members who became Scheme participants over the year		443
Transfers from other schemes		19
New members		424
Number of members who ceased to be Scheme participants over the year		310
Retirement		18
Death		4
Transfer to other schemes		107
Other reasons		205
	1 April 2021	31 March 2022
Scheme members' accumulations	\$1,066,810,886	\$1,145,003,890
Scheme member numbers	7,054	7,187

Information on contributions and Scheme participants

The following contributions were received in respect of members of the Scheme over the year:

Contribution Source	Amount (\$)	Number of Members
Member	\$32,088,271	3,954
Employer	\$17,615,191	3,942
Member voluntary contributions	\$53,585,654	1,093

Changes relating to the Scheme

Changes to the governing document

In June 2021, the Scheme changed the type of scheme it was by having its “restricted” status removed and opening a new superannuation scheme section for investment to the wider public.

The Trust Deed as amended on 18 June 2021 to facilitate the above changes. The material changes made to the Trust Deed included changing the name of the Scheme, retiring the individual Trustees and appointing a manager, introducing a Supervisor, and establishing a new superannuation scheme section.

Changes to the terms of offer of the Scheme

The Scheme’s Product Disclosure Statement was updated on 23 June 2021 to reflect the changes made to the trust deed above and a change to target asset mixes for the Conservative, Moderate, and Balanced Funds.

Changes to the Plan’s Statement of Investment Policy and Objectives (SIPO)

The Scheme’s SIPO was updated on 23 June 2021, primarily to reflect a change in target asset mix for some funds, primarily being an increase in the growth asset allocation by 5% for the Moderate, Balanced, Growth and Aggressive Funds.

Changes to the nature or scale of related party transactions

There was no change to the nature or scale of related party transactions during the year. No related party transactions were entered into during the year that were not on arm’s length terms.

Other information for particular types of managed funds

Withdrawals

The following number of members of the Scheme made a withdrawal permitted under the FMCA and the Trust Deed during the period 1 April 2021 to 31 March 2022:

Withdrawal type	Number of members
Financial hardship	7
Serious illness	1
Permanent emigration	95
Withdrawal on death	4
Retirement withdrawal	240
Transfers	180
Court order	6
Below minimum account balance	60

Investment Performance

Fund:	Unit prices at 31 March 2021	Unit prices at 31 March 2022	Unit price Return*
Cash	1.2212	1.2305	0.76%
Conservative	1.5257	1.4922	-2.20%
Moderate	1.7222	1.7139	-0.48%
Balanced	1.9068	1.9331	1.38%
Growth	2.1725	2.2444	3.31%
Aggressive	2.2798	2.3784	4.32%
Global Equities	2.4409	2.5721	5.38%

*Returns are before tax and after fees. Returns indicated may bear no relation to future performance. The value of investments will fluctuate as the values of underlying assets rise or fall. Returns and unit prices are available at mas.co.nz/retirement-savings

Other information for particular types of managed funds

Supervisor's statement

- All contributions required to be made to the Scheme in accordance with the terms of the Trust Deed have been made.

Manager's statement

Medical Funds Management Limited, as a manager of the Scheme, confirms that:

- All benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed and superannuation scheme rules have been paid.
- The market value of Scheme assets at the close of the financial year equalled 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 the balance date.

Changes to persons involved in the Scheme

There were the following changes to the parties involved in the Scheme during the year ended 31 March 2022.

On 18 June 2021:

- All of the Trustees were retired and Medical Funds Management Limited was appointed as Manager of the Scheme.
- A supervisor, Public Trust, was appointed to the Scheme.

Since Medical Funds Management Limited was appointed as Manager of the Scheme, there have been the following changes to directors:

- Stephen Merchant was appointed as a director on 26 November 2021.
- Brendan O'Donovan was appointed as a director on 1 July 2021.
- Danelle Dinsdale resigned as a director on 30 June 2021.

How to find further information

Further information about the Scheme is publicly available free of charge on the Disclose “Offer” and “Scheme” registers:

Offer register

- Product Disclosure Statement and related Other Material Information
- Fund updates

See disclose-register.companiesoffice.govt.nz

Scheme register

- Statement of Investment Policy and Objectives (SIPO)
- Trust Deed
- Financial statements
- Annual reports

See disclose-register.companiesoffice.govt.nz

On request from the Manager

You can also obtain a copy of the information, free of charge, on the Disclose Offer or Scheme registers, on our website mas.co.nz/retirement-savings, or by contacting us as indicated overleaf.

Contact details and complaints

Manager

Attn: Head of Investments
Medical Funds Management Limited
19–21 Broderick Road
Johnsonville Wellington 6037
PO Box 13042 Johnsonville 6440

Phone: 0800 800 627
Email: info@mas.co.nz

Supervisor

Attn: General Manager, Corporate Trustee Services
Level 8, Public Trust Building
22-28 Willeston Street, Wellington 6011
Private Bag 5902, Wellington 6140

Phone: 0800 371 471
Email: CTS.Enquiry@PublicTrust.co.nz

Securities Registrar

Link Market Services Limited
Level 30
PwC Tower
15 Customs Street West
Auckland 1010

Phone: 0800 627 738
Email: masinvest@linkmarketservices.com

If you have a complaint

Complaints may be made to the Manager or Supervisor at the same address shown on the left.

If you have followed the Manager's or Supervisor's internal complaints procedure and you are dissatisfied with the outcome. You can get free independent advice from the dispute resolution scheme that the Manager belongs to:

Insurance & Financial Services Ombudsman

Level 2, Solnet House
70 The Terrace
Wellington 6143
PO Box 10845 Wellington 6143

Phone: 0800 888 202
Email: info@ifso.nz

You won't be charged a fee for any investigation into or resolution of a complaint by the Insurance & Financial Services Ombudsman.

Helping you be well informed

The MAS Investor Portal allows you to check your balance, transaction history and fund settings. To access the portal, go to masinvest.co.nz

For questions relating to the MAS Investor Portal, please call our administrator, Link Market Services, on **0800 627 738** or email masinvest@linkmarketservices.com

Further information on the Scheme can be found at mas.co.nz/retirement-savings

The RIAA Certification Symbol signifies that a product or service offers an investment style that takes into account certain environmental, social, governance or ethical considerations. The Symbol also signifies that the MAS Retirement Savings Scheme adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Superfund Option. The Certification Symbol is a Registered Trade Mark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and the MAS Retirement Savings Scheme's methodology and performance can be found at www.responsiblereturns.com.au, together with details about other responsible investment products certified by RIAA¹.

¹The 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 an Australian Financial Services Licence.



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