

# KiwiSaver Market Review

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# 1 Executive Summary

## 1.1 Introduction

We are pleased to present our report into the KiwiSaver market as it stands in 2021. This year is a pivotal year for KiwiSaver, with significant changes to the default providers due to take place in December. Using our quantitative expertise and independent vantage point, we hope to highlight key trends and provide a valuable resource for those surveying the KiwiSaver market.

## 1.2 Contents

Our report begins with an assessment of the **KiwiSaver Universe**. In this section, we look at the overall statistics of the market and draw conclusions on the direction KiwiSaver as a whole is taking. We examine the upcoming change to the default providers and what this means.

We then move to considering **Assets** and **Membership** uncovering the largest providers and those which are growing the fastest. We see which providers have the highest member balances on average and which have the highest contribution ratios.

In our section on **Fees**, we reveal which providers have generated the highest fees, both in absolute terms and in terms of their member base. **Performance** is examined on an after-fee basis, since it is the end result that is most important to members. Finally, we analyse **Competitiveness**. Is KiwiSaver an oligopoly or is it relatively competitive? How does this change when considering assets, membership, and fees?

In the appendices, we include individual **KiwiSaver Provider Profiles** and further information on **Investment Returns and Asset Allocation**.

## 1.3 Conclusions

Volatility in financial markets and a more competitive landscape made for interesting dynamics this year. While membership growth slowed in aggregate, assets in the system rose by \$20 billion dollars to \$82 billion. Member engagement appears to be improving too, with the contribution ratio rising and the proportion of default members continuing to trend downwards.

While KiwiSaver remains dominated by several large providers, some smaller providers have shown that they are able to carve out success stories by focusing on particular niches, be it socially responsible investing, lower fees, member engagement/advice, or strong investment performance.

Using market share metrics, we find little evidence for a concentrated market; indeed, current trends point to a more diverse and competitive landscape within KiwiSaver in the near future. Three new providers launched in the year to 31 March 2021, meaning the number of options available to consumers is the most it has been since 2013.

With fees of over \$650 million charged in the last financial year, KiwiSaver is a lucrative market. However, the clear trend in fee rates is downwards and consumers today are paying on average just 0.93% per annum in fees.

We are optimistic for KiwiSaver's future.

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The authors wish to acknowledge the work of David Chaplin, of Investment News NZ, who has for many years maintained a database on the KiwiSaver marketplace. This was instrumental in backfilling prior years for this analysis.

## 1.5 Use of this report

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Melville Jessup Weaver has taken every care in preparing this report. However, we are not able to guarantee the accuracy of the information contained within and strongly recommend that appropriate professional advice be obtained before any investment activity is undertaken.

Data has been sourced from KiwiSaver providers' annual reports, financial statements, and other public sources. Investment News NZ's database has been used for historical figures. Some figures have been rounded. Data has been aggregated at the provider level and in some cases does not match industry statistics. However, the differences are not significant. While quality control checks have been performed, Melville Jessup Weaver is unable to certify the accuracy of the analysis presented in this report. Melville Jessup Weaver is not liable for any action taken as a result of this report.

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## 1.6 About Melville Jessup Weaver

Melville Jessup Weaver is a New Zealand firm of consulting actuaries. The areas in which we provide advice include investments, superannuation, employee benefits, life insurance, general insurance, health insurance, accident insurance and information technology. The firm, established in 1992, has offices in Auckland and Wellington.

The firm is an alliance partner of Willis Towers Watson, a leading global professional services company that helps organisations improve performance through effective people, risk, and financial management.

Our investment consulting services include:

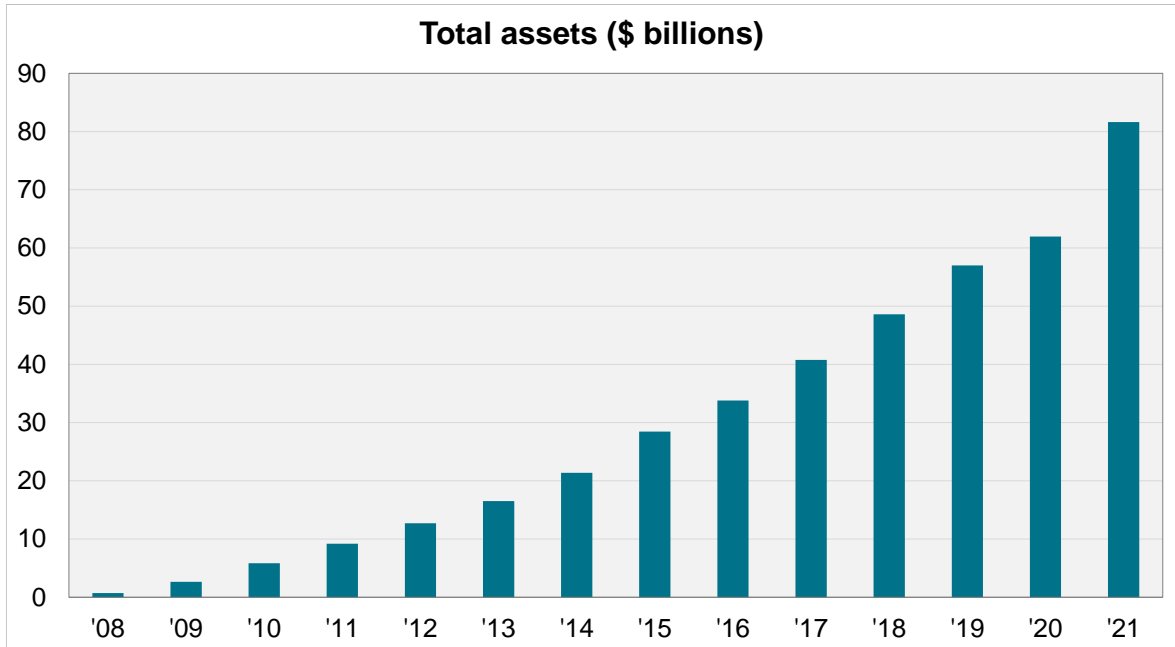
- Establishing robust investment governance structures.
- Setting investment objectives and determining long-term investment strategies.
- Providing quantitative and qualitative analysis of investment performance.
- Asset/liability modelling.
- Performance monitoring against investment objectives and competitors.
- Investment manager research and selection.

As independent advisors, we consult with institutional investors, helping them achieve superior investment results, manage risk, and demonstrate value for money for their clients.

## 2 KiwiSaver Universe

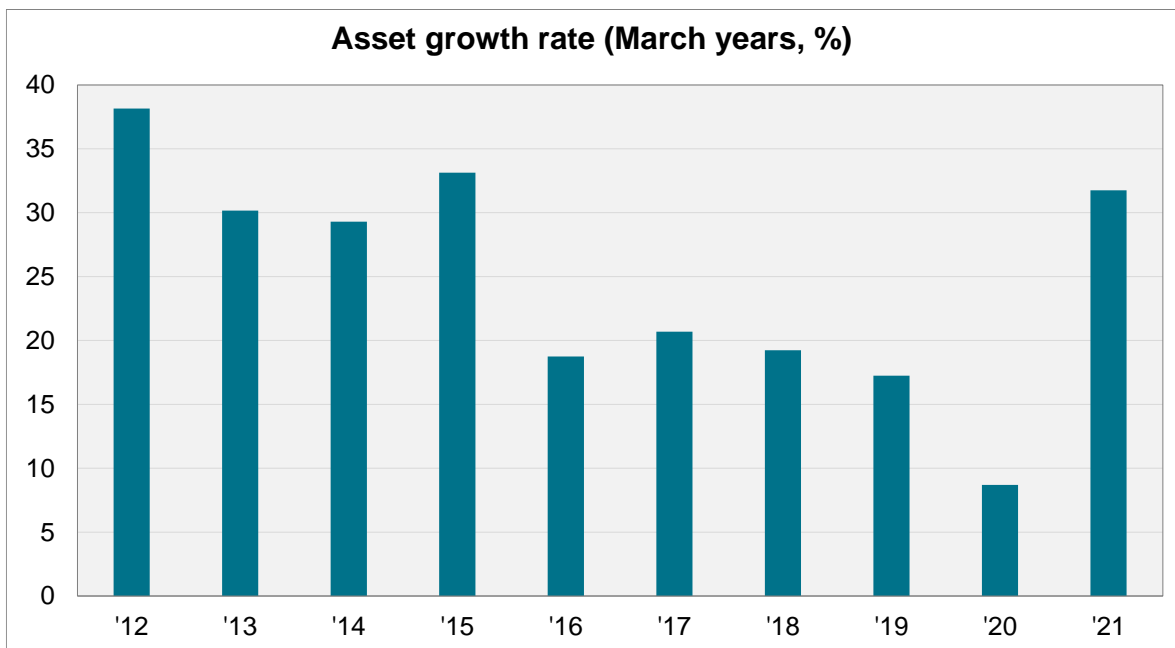
### 2.1 Assets

We begin with analysis of the entire KiwiSaver universe. This “top-down” section looks at the KiwiSaver system as a whole and the trends over time. The following chart shows the total assets under management as at 31 March in each of the last 14 years.



Assets in KiwiSaver have grown to \$82 billion as at 31 March 2021. The increase of \$20 billion since March 2020 is the biggest annual increase on record, and is partly due to the strong performance from investment markets following the outbreak of Covid-19.

In the following chart, we look at the rate of growth in recent years in percentage terms.



In general, KiwiSaver’s growth rate has slowed over time. In recent years, typical growth was roughly 15-20% per annum. However, as financial markets collapsed in the wake of Covid-19, the rate of growth slowed dramatically. March 2020 was the first year to not see percentage growth in the double-digits.

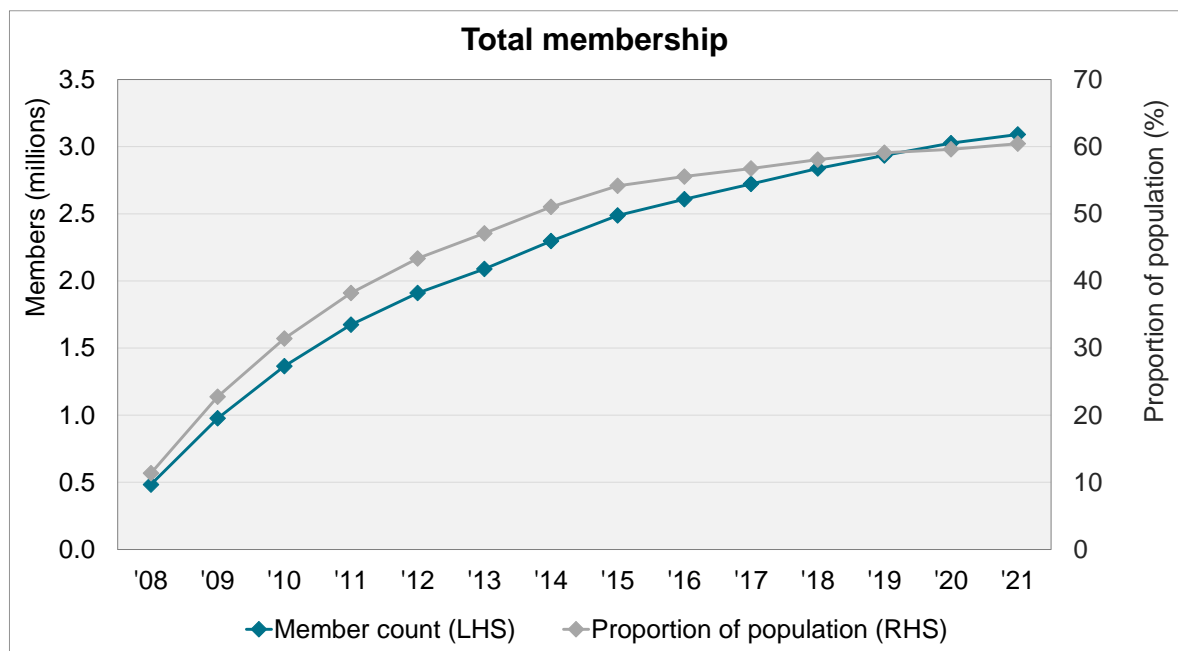
While market volatility was dramatic in the month of March 2020, it had been a positive period up until then. Thus, over the year to March 2020, global share markets were “only” down around 10%. The New Zealand share market ended the year more or less unchanged and fixed interest markets were up in the order of 5-6%. Therefore, once we allow for contributions, it is unsurprising that the KiwiSaver market, on the whole, grew in size in the order of 9%.

Since then, of course, financial markets have staged a dramatic recovery. In the 12 months ending March 2021, global share markets rose 50% and the New Zealand share market rose close to 30%. Even allowing for fixed interest and cash returns being around zero, the KiwiSaver system grew over 32%.

If we consider both 2020 and 2021 together, the growth rate was 20% per annum – slightly better than the average from 2016 to 2019.

**2.2 Members**

Turning to membership, this has followed a similar pattern. The following chart shows members in KiwiSaver (left hand side) and how this translates as a proportion of the New Zealand population (right hand side).

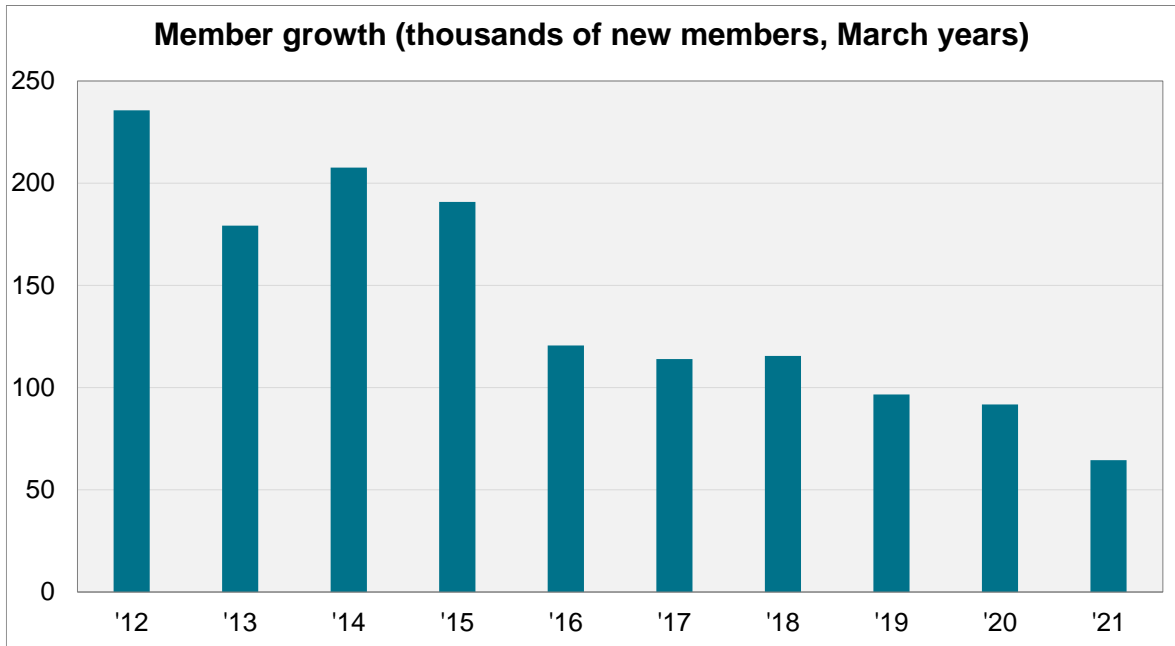


Membership doubled from March 2008 to March 2009, but since then the rate of growth has generally slowed each year.

Despite some of the “sweeteners” being removed over time (e.g. mortgage diversion in 2009, the member tax credit halving in 2011, the removal of the \$1,000 kickstart in 2015), KiwiSaver has continued to grow.

KiwiSaver now comprises 3.1 million kiwis (blue diamonds above) or some 60% of the population (grey diamonds). The scheme’s architect, Sir Michael Cullen, who sadly left us this year, would have been proud of this success.

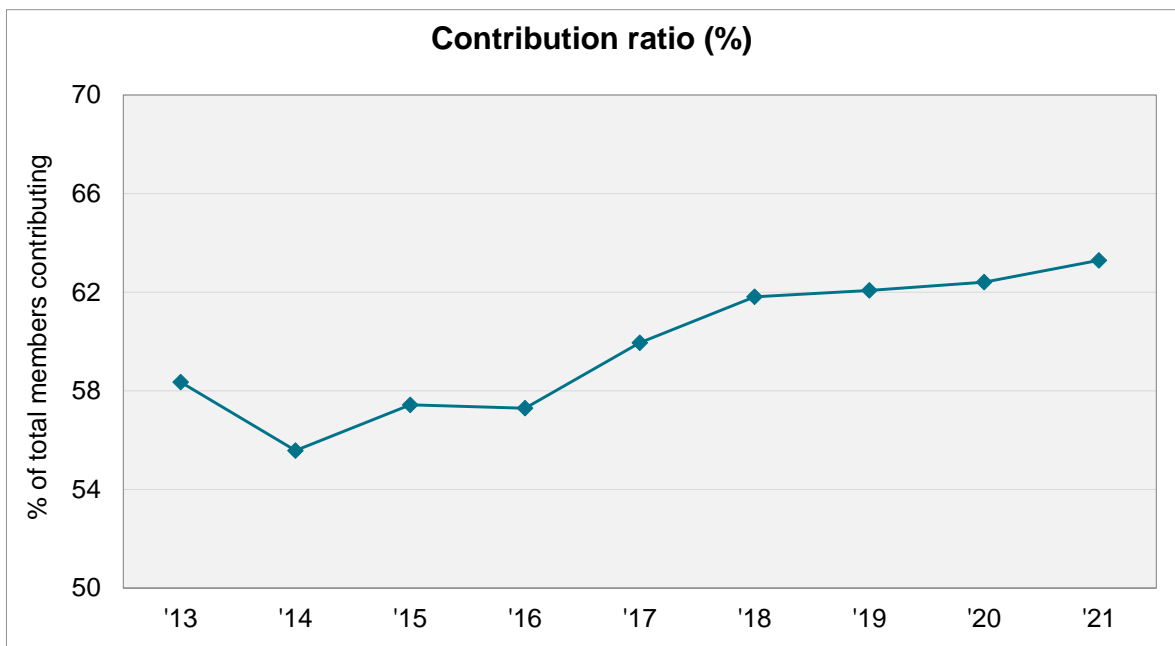
The following chart shows the growth in membership each year.



Unlike the similar asset growth chart, this chart is unaffected by changes in financial market valuations, instead correlating more closely with people entering the workforce for the first time. Hence, unsurprisingly, the change in membership in the year to March 2020 was similar to previous years (around 92,000 more members). However, interestingly, the year to March 2021 saw a net gain of only 65,000 members. This could be a function of New Zealand’s (relatively) closed borders.

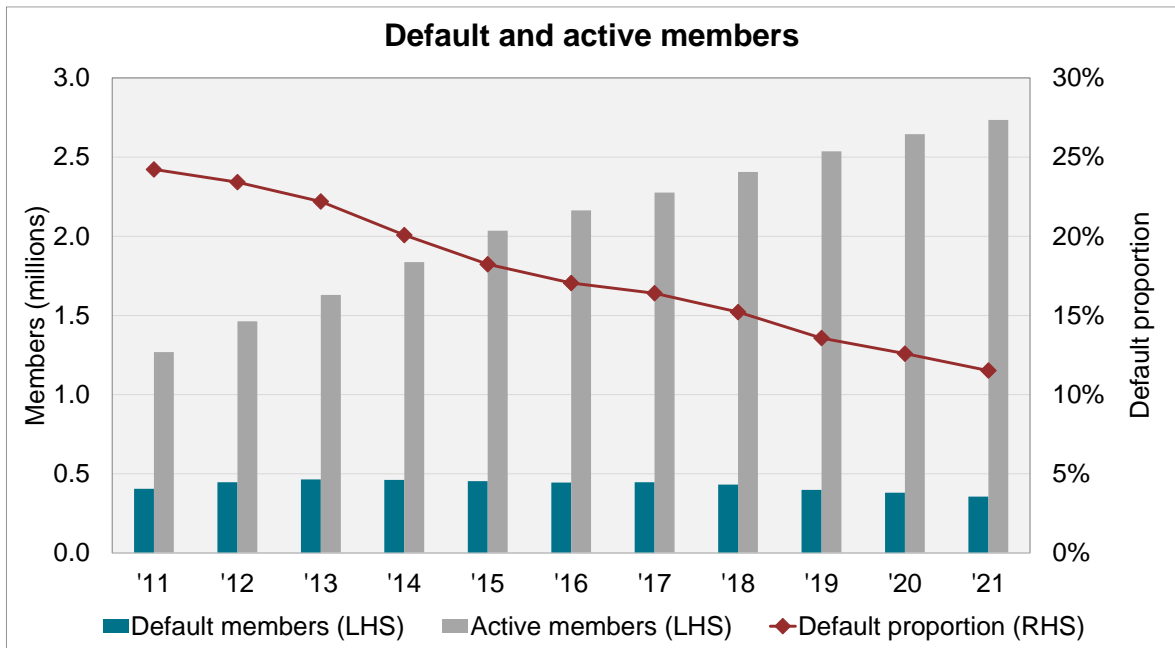
### 2.3 Member activeness

The following chart shows the contribution ratio. That is, the proportion of members who made some contribution over the financial year.



While small, there has been a marginal increase in the proportion of contributing members in recent years. This perhaps signals fairly healthy financial conditions within the overall membership base.

The next chart shows the breakdown of membership between “default” members and “active” members. The former group has not made any active decision and are therefore invested in a default fund through a default provider.<sup>1</sup>



This chart rather starkly shows that the number of default members had remained fairly stable – in fact, in recent years this cohort has declined. On the other hand, there has been significant growth in active membership.

The default fund was originally designed as a “parking space” for new members joining KiwiSaver. It was expected that, over time, members would make an active choice to choose a fund that better matched their investment needs.

Therefore, this trend is pleasing to see because it means that members on the whole are taking more interest in their savings and engaging with their providers. Today, only one in nine KiwiSaver members is considered a default member; down from one in four in 2011.

<sup>1</sup> Default providers will also have active members, of course. These are members which have made an active choice about the fund and/or scheme they are invested in.



## 2.4 Default providers

Finally in this section, we turn to the Government’s recent default provider review. As shown above, default provider status has become proportionately less important, as more and more members make active choice. However, the prestige afforded by the implicit Government endorsement is still sought-after.

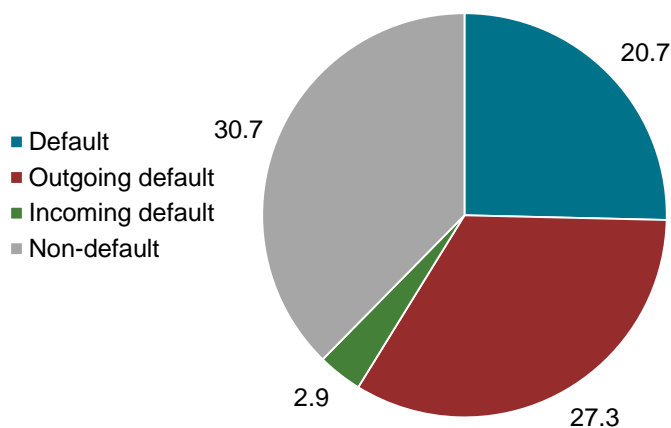
The following table shows the evolution of the default provider cohort, from the original six appointed at the outset, to the new six which start their seven year term on 1 December 2021.

2007 original	2014 review	2021 review
AMP	AMP	BNZ
ASB	ANZ Default	Booster
AXA <sup>1</sup>	ASB	Kiwi Wealth
ING <sup>2</sup>	BNZ	Simplicity
Mercer	Fisher Two	SuperLife
Tower <sup>3</sup>	Grosvenor <sup>4</sup>	Westpac
	Kiwi Wealth	
	Mercer	
	Westpac	

None of the original six have survived to be default providers following the 2021 review.

As the following chart shows, several large providers are losing default status, while the incoming default providers (Simplicity and SuperLife) currently only account for \$2.9 billion of assets.

**31 March 2021 assets (\$ billions)**



Another interesting observation is that a reasonably large portion of the market (some 38%) is serviced by providers which are not, and never have been, default providers (the grey sector).

NB: Not all of a default provider’s assets relate to default members.

<sup>1</sup> AMP and AXA merged in 2011. The AXA KiwiSaver Scheme was merged into the AMP KiwiSaver Scheme in 2013.

<sup>2</sup> ING became OnePath, which was renamed ANZ Default in 2014.

<sup>3</sup> Tower was purchased by Fisher in 2013. It was subsequently renamed Fisher Funds Two.

<sup>4</sup> Grosvenor was renamed Booster in 2016.

### 3 Assets

#### 3.1 Provider league table

The following table shows each provider's assets and asset growth over the last year, ranked. The top five in each category are shown as bold text, the top two are shaded.

	31 March 2021		31 March 2020		Change			
	\$m	Rank	\$m	Rank	\$m	Rank	%	Rank
<i>Aggregated owners</i>								
ANZ	17,929		13,981		3,948		28	
Fisher Funds	6,684		5,056		1,627		32	
Craigs	655		484		171		35	
<i>Individual providers</i>								
ASB	<b>13,563</b>	<b>(1)</b>	<b>10,809</b>	<b>(1)</b>	<b>2,754</b>	<b>(2)</b>	25	(27)
ANZ	<b>13,182</b>	<b>(2)</b>	<b>10,075</b>	<b>(2)</b>	<b>3,107</b>	<b>(1)</b>	31	(18)
Westpac	<b>8,610</b>	<b>(3)</b>	<b>6,836</b>	<b>(3)</b>	<b>1,774</b>	<b>(3)</b>	26	(26)
AMP	<b>6,473</b>	<b>(4)</b>	<b>5,416</b>	<b>(4)</b>	1,056	(6)	20	(31)
Kiwi Wealth	<b>5,776</b>	<b>(5)</b>	<b>4,472</b>	<b>(5)</b>	<b>1,304</b>	<b>(5)</b>	29	(21)
Fisher Funds	3,754	(6)	2,767	(6)	987	(7)	36	(15)
BNZ	3,631	(7)	2,748	(7)	883	(9)	32	(16)
Milford	3,310	(8)	1,961	(10)	<b>1,349</b>	<b>(4)</b>	69	(7)
Fisher Two	2,929	(9)	2,289	(8)	640	(12)	28	(23)
OneAnswer	2,776	(10)	2,252	(9)	524	(13)	23	(28)
Generate	2,694	(11)	1,711	(13)	983	(8)	57	(8)
Booster	2,693	(12)	1,847	(12)	845	(10)	46	(10)
Mercer	2,351	(13)	1,957	(11)	394	(14)	20	(30)
ANZ Default	1,972	(14)	1,654	(14)	318	(17)	19	(32)
Simplicity	1,670	(15)	980	(15)	690	(11)	70	(6)
SuperLife	1,236	(16)	892	(16)	344	(16)	39	(14)
MAS	1,015	(17)	769	(17)	246	(19)	32	(17)
Aon	734	(18)	567	(18)	167	(20)	30	(19)
NZ Funds	647	(19)	274	(22)	373	(15)	<b>136</b>	<b>(5)</b>
LifeStages	463	(20)	367	(19)	96	(22)	26	(25)
Craigs	417	(21)	297	(21)	120	(21)	40	(13)
Supereasy	380	(22)	297	(20)	83	(24)	28	(22)
Juno	380	(23)	107	(26)	272	(18)	<b>254</b>	<b>(3)</b>
Summer	252	(24)	166	(24)	86	(23)	52	(9)
QuayStreet	238	(25)	187	(23)	51	(27)	27	(24)
NZDF	186	(26)	128	(25)	58	(25)	45	(11)
Pathfinder	74	(27)	18	(29)	55	(26)	<b>303</b>	<b>(2)</b>
Christian	71	(28)	55	(27)	16	(30)	29	(20)
Nikko	52	(29)	7	(32)	45	(28)	<b>614</b>	<b>(1)</b>
Amanah	30	(30)	21	(28)	9	(32)	43	(12)
InvestNow	20	(31)			20	(29)		
Maritime	16	(32)	13	(30)	3	(34)	23	(29)
Kōura	15	(33)	5	(33)	11	(31)	<b>233</b>	<b>(4)</b>
BCF	11	(34)	10	(31)	1	(35)	13	(33)
Select	3	(35)			3	(33)		
KiwiWRAP	1	(36)			1	(36)		
Total	81,622		61,953		19,669		32	

The ASB KiwiSaver Scheme is the single largest, with \$13.6 billion in assets under management. However, aggregating the three schemes owned by ANZ (ANZ, ANZ Default and OneAnswer) sees it total \$17.9 billion (or 22% of the total market).

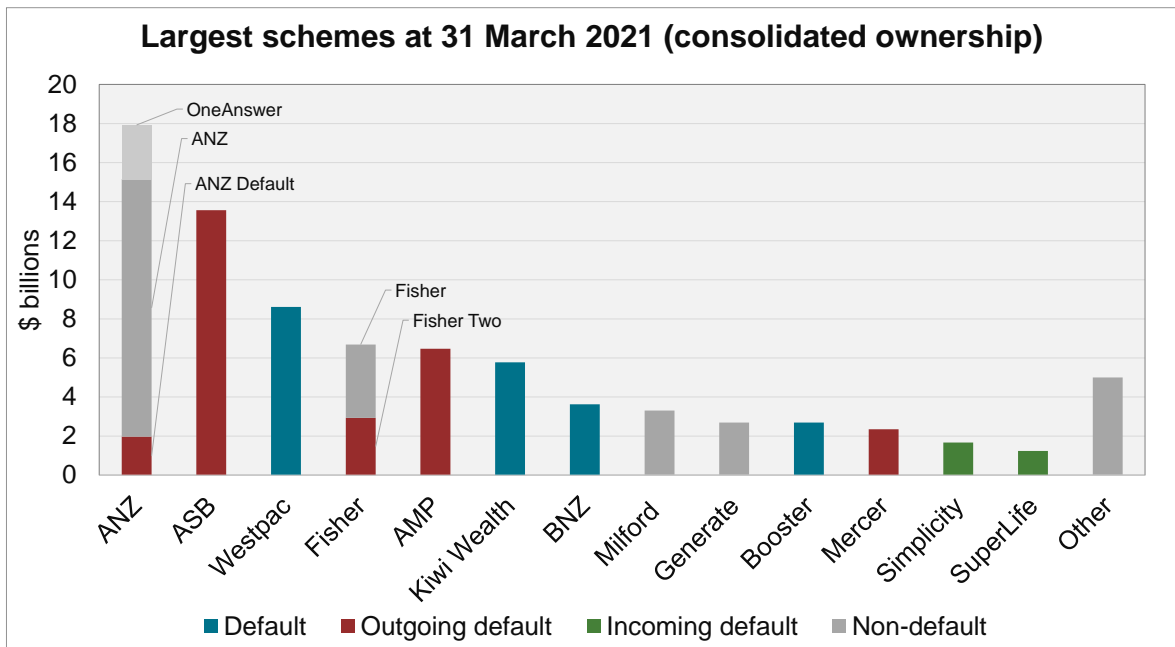
There has been no change in rankings for the top seven providers over the year. However, Milford has moved up from 10<sup>th</sup> place to 8<sup>th</sup> and Generate has risen two places to 11<sup>th</sup>. Other notable ranking changes are NZ Funds (up three to 19<sup>th</sup>), Juno (up three to 23<sup>rd</sup>) and Nikko (up three to 29<sup>th</sup>).

Three providers have joined the “Billion Dollar Club”, which now has 17 members.

### 3.2 Largest providers

Like many markets, the KiwiSaver market follows a roughly exponential distribution. That is, when sorting by size, there are a few very large providers, quickly dropping away to many smaller providers.

The follow chart shows the distribution of 16 largest providers by their assets under management. We have grouped schemes with common ownership, and colour-coded by default provider status.



After the two behemoths (ANZ and ASB), the distribution quickly tails away. An additional four providers have over \$5 billion, and a further five have over \$2 billion.

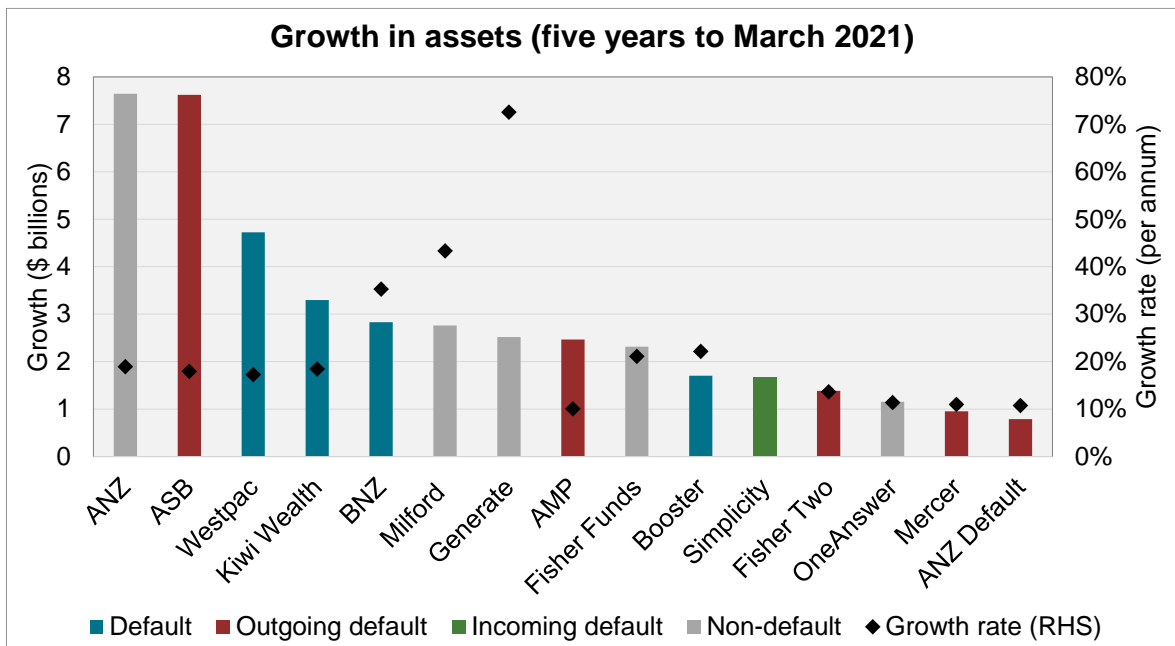
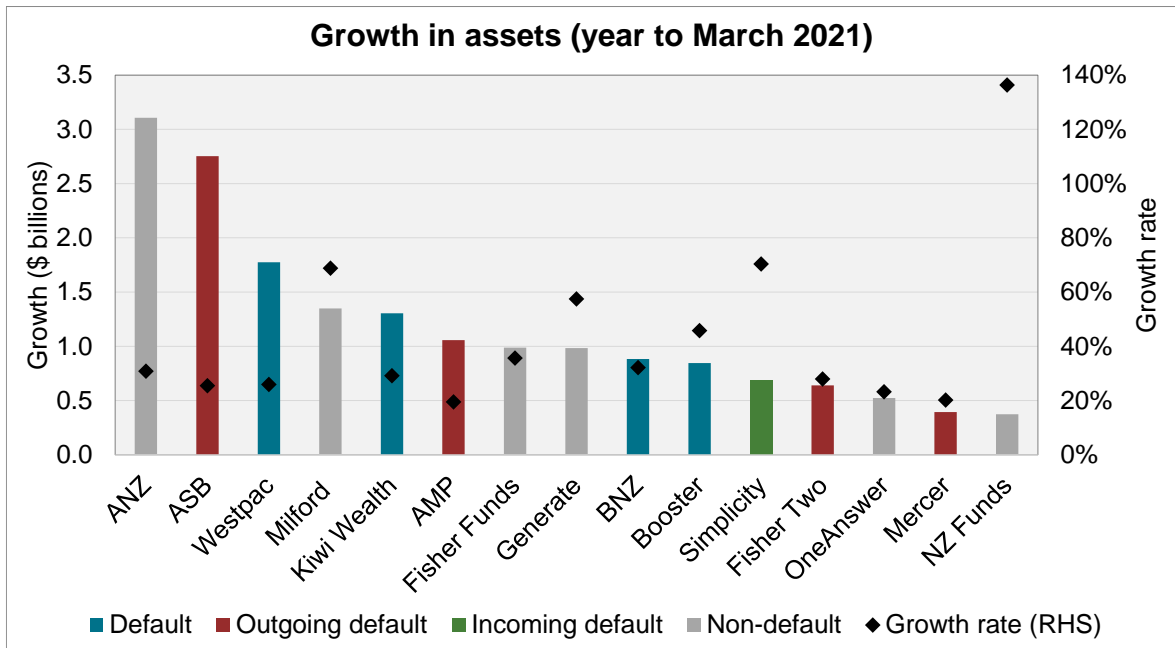
The two incoming default providers (Simplicity and SuperLife) are relative minnows at roughly \$1.5 billion apiece. However, they are each larger than any of the remaining 17 providers collected in the “other” column.

It is worth highlighting Milford and Generate have been relatively successful in growing assets despite not having default provider status or any link to a default provider.

We next turn to growth rates.

### 3.3 Fastest growing providers

The following chart shows the growth in assets over the last year. The bars show the growth in billions of dollars (left hand side), while the black diamonds show the growth rates as a percentage (right hand side). We show two periods, the last year and the most recent five years.



The growth in dollar terms follows a similar order to the previous size-ordered charts. This is unsurprising, given that a big driver of growth will be financial market returns which are proportional to the size of the investment.

However, the growth rates (black diamonds) reveal some notable success stories. Simplicity<sup>3</sup>, Generate and Milford have grown at fast clips over the last few years. In the most recent 12 months, NZ Funds stands out having more than doubled its asset base.

<sup>3</sup> Simplicity launched in September 2016 and hence has no growth rate in the five year chart.

## 4 Membership

### 4.1 Provider league table

We begin with a similar table showing the membership as at year end for each provider.

	31 March 2021		31 March 2020		Net change <sup>1</sup>			
	Members	Rank	Members	Rank	Members	Rank	%	Rank
<i>Aggregated owners</i>								
ANZ	734,920		742,682		-7,762		-1	
Fisher Funds	247,135		243,922		3,213		1	
Craigs	12,852		11,988		864		7	
<i>Individual providers</i>								
ANZ	<b>587,056</b>	<b>(1)</b>	<b>592,230</b>	<b>(1)</b>	-5,174	(36)	-1	(28)
ASB	<b>534,262</b>	<b>(2)</b>	<b>534,583</b>	<b>(2)</b>	-321	(31)	0	(25)
Westpac	<b>387,555</b>	<b>(3)</b>	<b>391,533</b>	<b>(3)</b>	-3,978	(35)	-1	(29)
Kiwi Wealth	<b>219,706</b>	<b>(4)</b>	<b>216,616</b>	<b>(5)</b>	3,090	(8)	1	(20)
AMP	<b>216,320</b>	<b>(5)</b>	<b>220,257</b>	<b>(4)</b>	-3,937	(34)	-2	(31)
BNZ	186,668	(6)	178,146	(6)	<b>8,522</b>	<b>(4)</b>	5	(14)
Fisher Funds	142,954	(7)	140,667	(7)	2,287	(9)	2	(17)
Booster	123,817	(8)	115,839	(8)	<b>7,978</b>	<b>(5)</b>	7	(13)
Fisher Two	104,181	(9)	103,255	(9)	926	(12)	1	(22)
Generate	97,984	(10)	83,213	(12)	<b>14,771</b>	<b>(1)</b>	18	(9)
Mercer	92,889	(11)	92,863	(10)	26	(25)	0	(24)
ANZ Default	87,094	(12)	87,452	(11)	-358	(32)	0	(27)
OneAnswer	60,770	(13)	63,000	(13)	-2,230	(33)	-4	(33)
Milford	47,830	(14)	36,865	(14)	<b>10,965</b>	<b>(3)</b>	30	(7)
Simplicity	46,419	(15)	34,062	(15)	<b>12,357</b>	<b>(2)</b>	36	(6)
SuperLife	31,018	(16)	30,561	(16)	457	(16)	1	(19)
Aon	19,247	(17)	19,304	(17)	-57	(29)	0	(26)
LifeStages	19,200	(18)	19,152	(18)	48	(23)	0	(23)
NZ Funds	15,506	(19)	9,606	(20)	5,900	(7)	<b>61</b>	<b>(5)</b>
MAS	14,859	(20)	15,117	(19)	-258	(30)	-2	(30)
Juno	13,749	(21)	6,480	(22)	7,269	(6)	<b>112</b>	<b>(4)</b>
Supereasy	9,040	(22)	8,942	(21)	98	(21)	1	(21)
Craigs	6,542	(23)	5,777	(24)	765	(13)	13	(11)
QuayStreet	6,310	(24)	6,211	(23)	99	(20)	2	(18)
NZDF	5,259	(25)	4,858	(25)	401	(17)	8	(12)
Summer	4,941	(26)	4,356	(26)	585	(15)	13	(10)
Pathfinder	2,297	(27)	750	(29)	1,547	(10)	<b>206</b>	<b>(2)</b>
Christian	2,011	(28)	1,941	(27)	70	(22)	4	(15)
Amanah	1,640	(29)	1,291	(28)	349	(18)	27	(8)
Nikko	1,412	(30)	77	(33)	1,335	(11)	<b>1,734</b>	<b>(1)</b>
InvestNow	691	(31)			691	(14)		
BCF	666	(32)	643	(30)	23	(26)	4	(16)
Kōura	356	(33)	127	(32)	229	(19)	<b>180</b>	<b>(3)</b>
Maritime	282	(34)	289	(31)	-7	(28)	-2	(32)
Select	43	(35)			43	(24)		
KiwiWRAP	9	(36)			9	(27)		
Total	3,090,583		3,026,063		64,520		2	

<sup>1</sup> Net change is the change in the total membership figure year on year. That is, it comprises joining members, less exiting members.

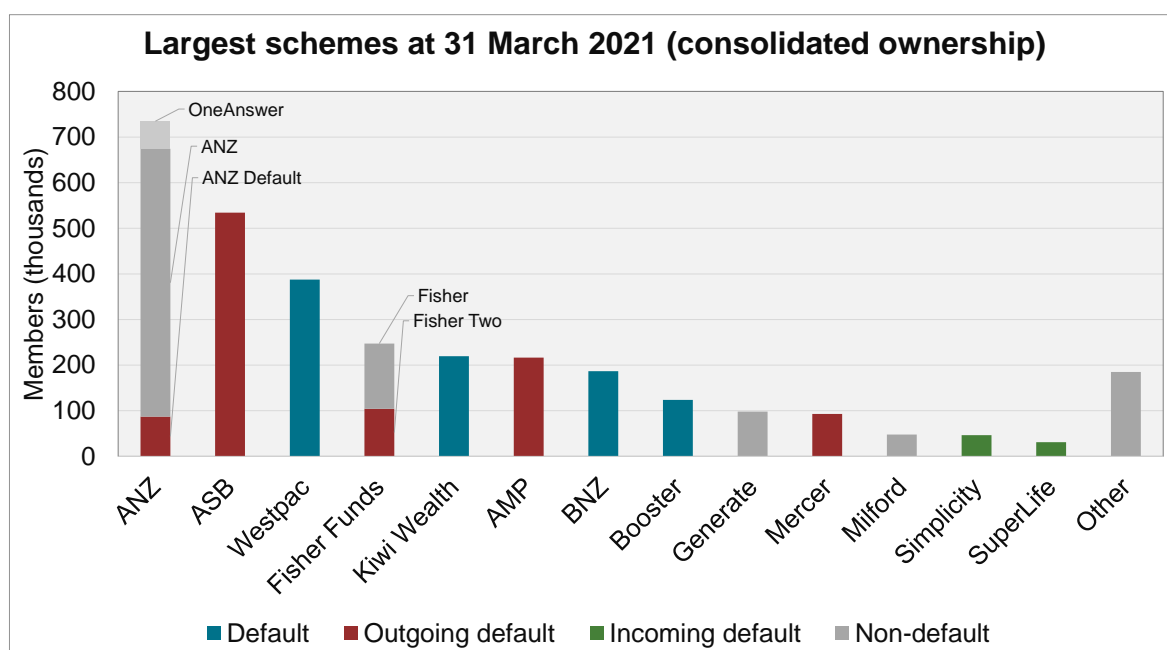
This table tells an interesting story in the war for members. Four of the five top providers ended 2021 with fewer members than they started (except for Kiwi Wealth which added over 3,000 members and jumped AMP for fourth place). On the other hand, Generate, Milford and Simplicity each added more than 10,000 members. In Generate’s case, this was enough to see it move up two places on the table. BNZ and Booster are the other large providers which continue to see strong growth.

At the smaller end of town Nikko and Pathfinder saw their membership bases balloon over the March 2021 year. Similarly, Juno and NZ Funds gained over 5,000 new members apiece.

Kōura almost tripled its membership but still sits relatively low in the table. It was passed by InvestNow which attracted nearly 700 members in its debut year.

## 4.2 Size

Along the same lines of the analysis above, we now consider provider size by member numbers. The following chart presents the largest 16 providers by member size, colour-coded by default provider status. Note that not all members within a default provider are default members.



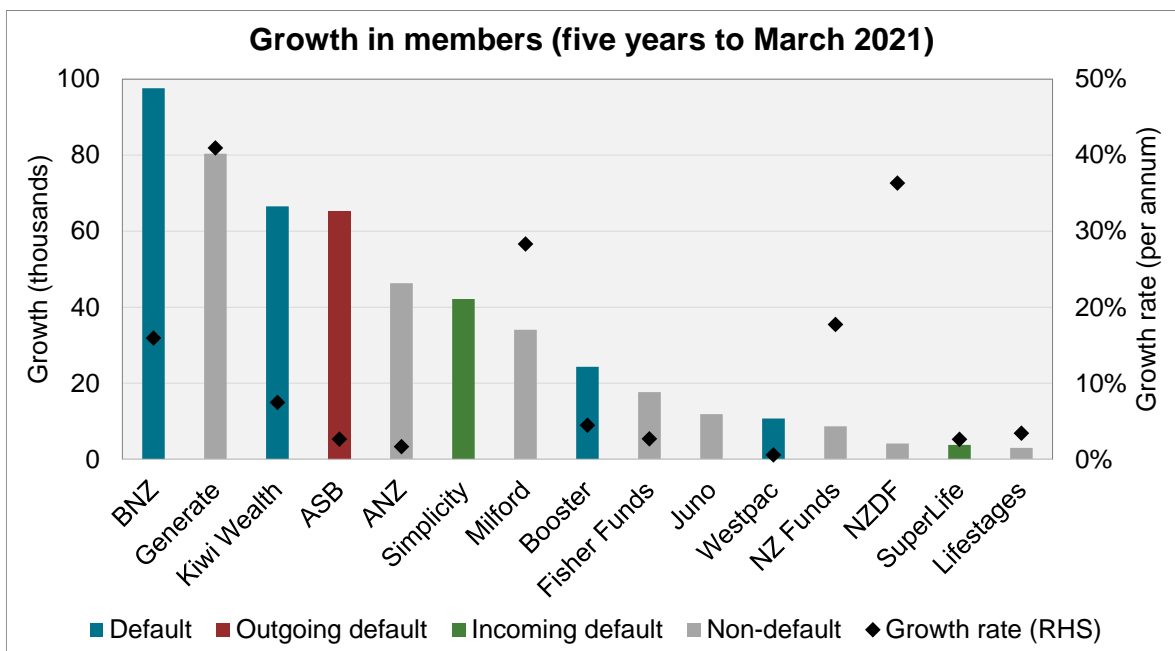
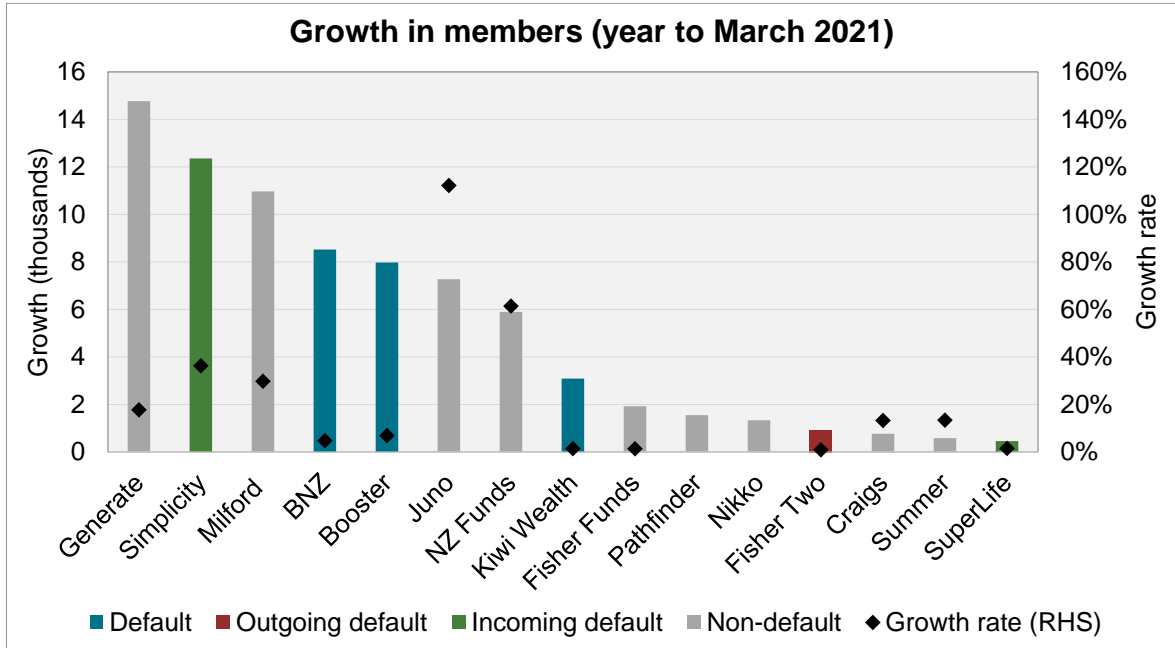
Between them, ASB and ANZ (across its three schemes) account for 1.27 million members – 41% of the total.

At the other end of the scale, Simplicity and SuperLife count just 77,000 members between the two of them. This will change dramatically following the reallocation of default members, where the Government expects roughly 300,000 members to change provider.<sup>5</sup>

<sup>5</sup> <https://investmentnews.co.nz/investment-news/default-docs-show-govt-relaxed-on-3-6bn-asset-shift/>

### 4.3 Growth

The following charts show the providers which have seen the greatest growth in members: firstly, over the last year and then cumulatively over the last five years. Again, the growth in absolute terms (thousands of members) is shown on the left hand side, and the growth rate (in percentage terms per annum) is shown on the right hand side.<sup>6</sup>



These tell a markedly different story to the asset growth charts, which were dominated by the largest providers. Over the last year, Generate, Simplicity and Milford have been the most successful in attracting new members. Each of these providers attracted more members than the fastest growing default provider (BNZ).

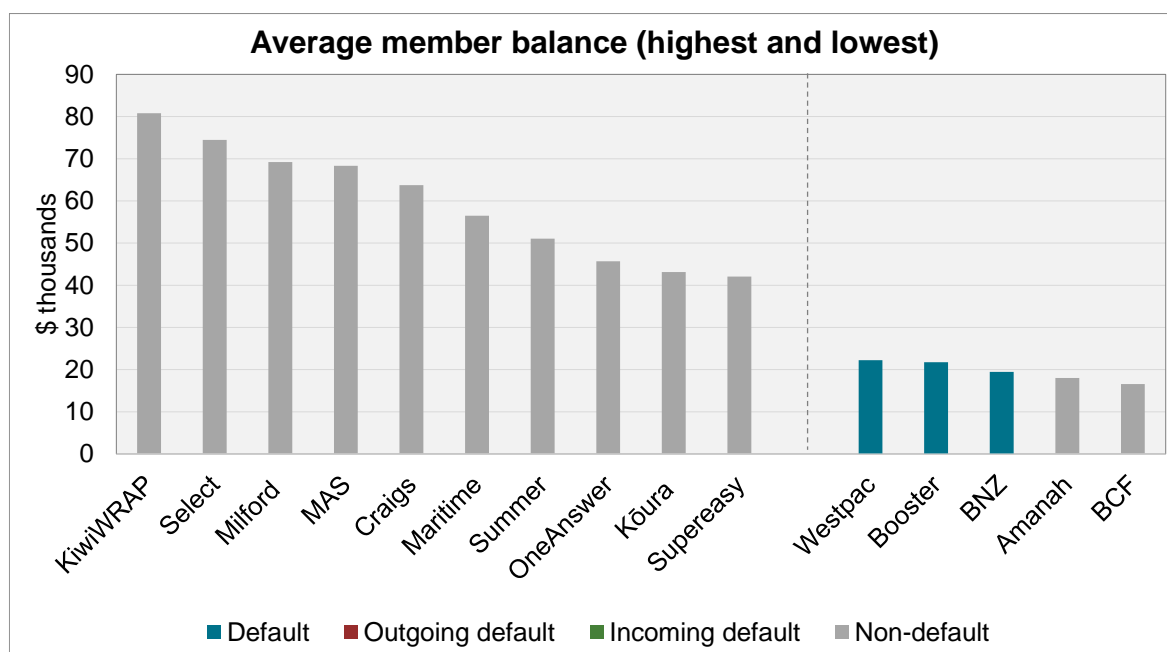
<sup>6</sup> In the first chart, Nikko and Pathfinder’s growth rates are not shown. These are off low bases and are therefore very high (1,734% and 206% respectively). In the second chart, Juno and Simplicity have no growth rate because they launched within the five year period ending 31 March 2021.

Over the last year, notably strong growth rates come from Juno (more than doubling by adding 7,200 members) and NZ Funds (5,900 new members).

Over the five year period, BNZ leads with growth of almost 100,000 members. However, again Generate features strongly (80,000 more members), growing at a rate of over 40% per annum.

#### 4.4 Membership profile

We next turn to analysing membership. The following chart shows the size of the average member’s account. We show the top ten and bottom five.<sup>7</sup>



Perhaps unsurprisingly, none of the default providers feature with large member balances. This is perhaps because members with larger balances have been more active in selecting their provider.

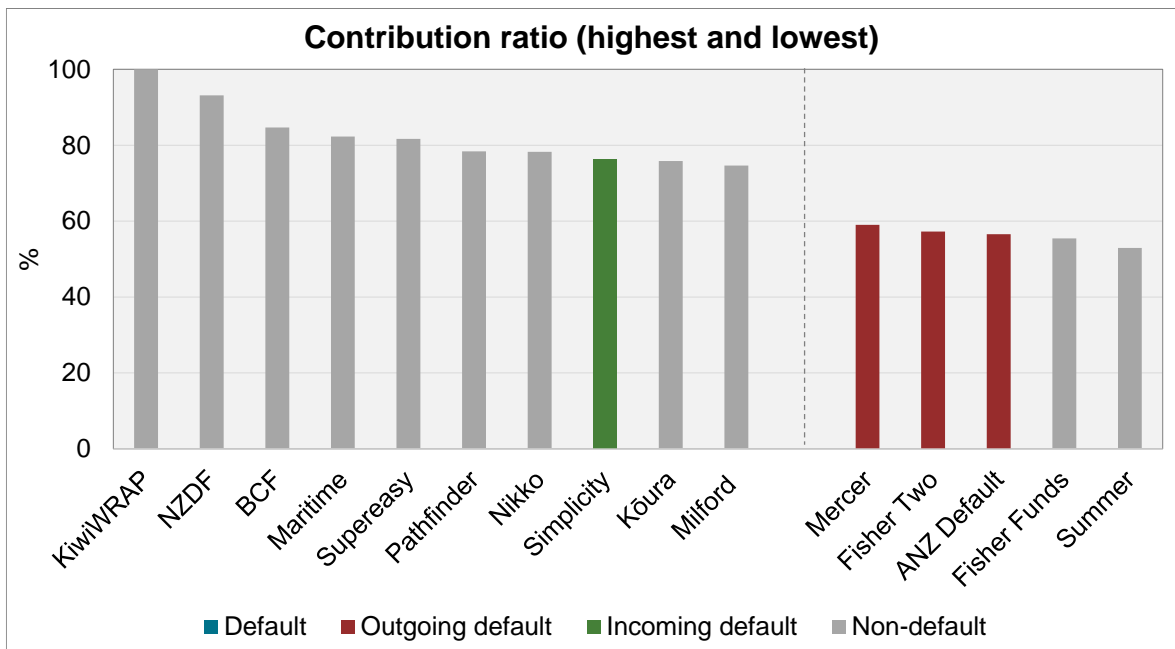
The other feature of the top ten is the cohort of membership. Providers such as Medical Assurance (MAS), Maritime and Supereasy are typically geared towards members with above average incomes.

At the other end of the spectrum, the lowest member balances feature several default providers. Default members will be invested in conservative investment strategies which will not have produced as strong investment results in recent years. Anecdotally, default members are also less likely to be engaged and be making big contributions to their funds. This perhaps explains the average member balances of around \$20,000 for Westpac, Booster and BNZ.

<sup>7</sup> Note that several schemes have a very low number of members, making these comparisons less useful. For instance, KiwiWRAP and Select (which both launched in the year to March 2021) had 9 and 43 members respectively as at 31 March 2021.



The following chart shows the contribution ratio; again for the ten highest and five lowest.



There is reasonable overlap of the providers with high contribution ratios and those with the high average member balances – especially for restricted schemes (e.g. Maritime, Supereasy). This perhaps reflects good engagement with the segment of the population these providers target.

It is perhaps unsurprising that three of the outgoing default providers feature amongst the lowest contribution ratio providers. The Government has had a drive to increase member engagement and may have factored in these providers' low contribution ratios in its deliberations on default providers.

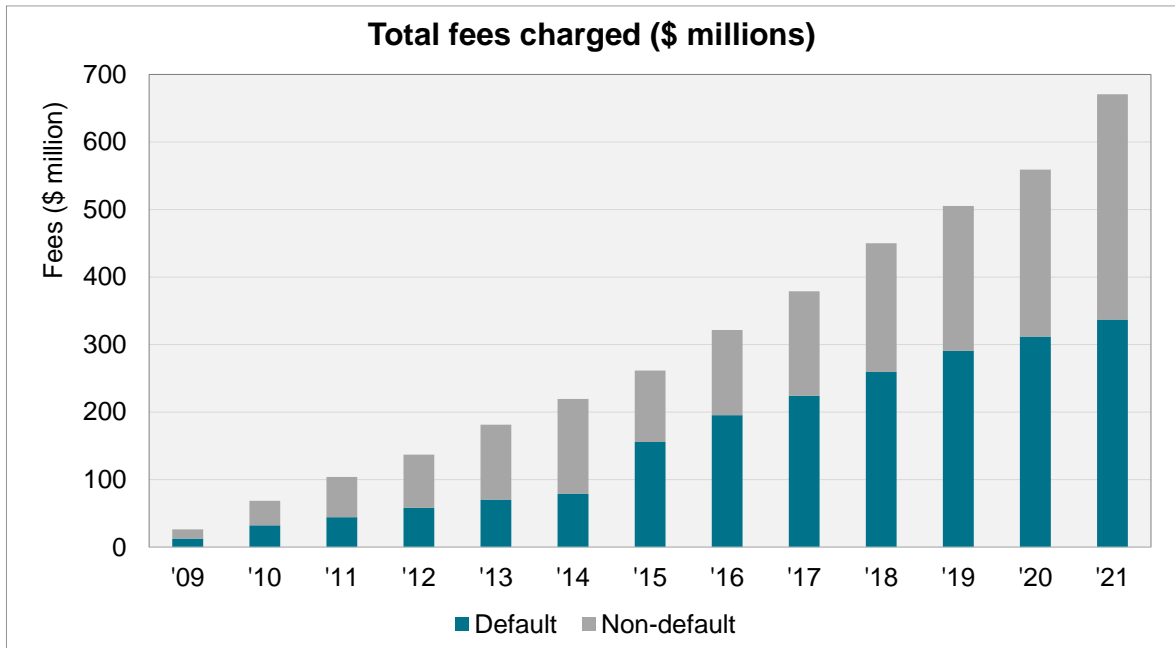
Similarly, Simplicity's relatively high contribution ratio may have helped its case for default appointment.

## 5 Fees

### 5.1 Introduction

In this section we examine fees. Caution needs to be applied here because the fees disclosed in the financial statements may not tell the full story. For example, there may be fees implicit within the investment products in use. There may also be commission or fee-rebating arrangements. Nevertheless, this analysis tells an interesting story.

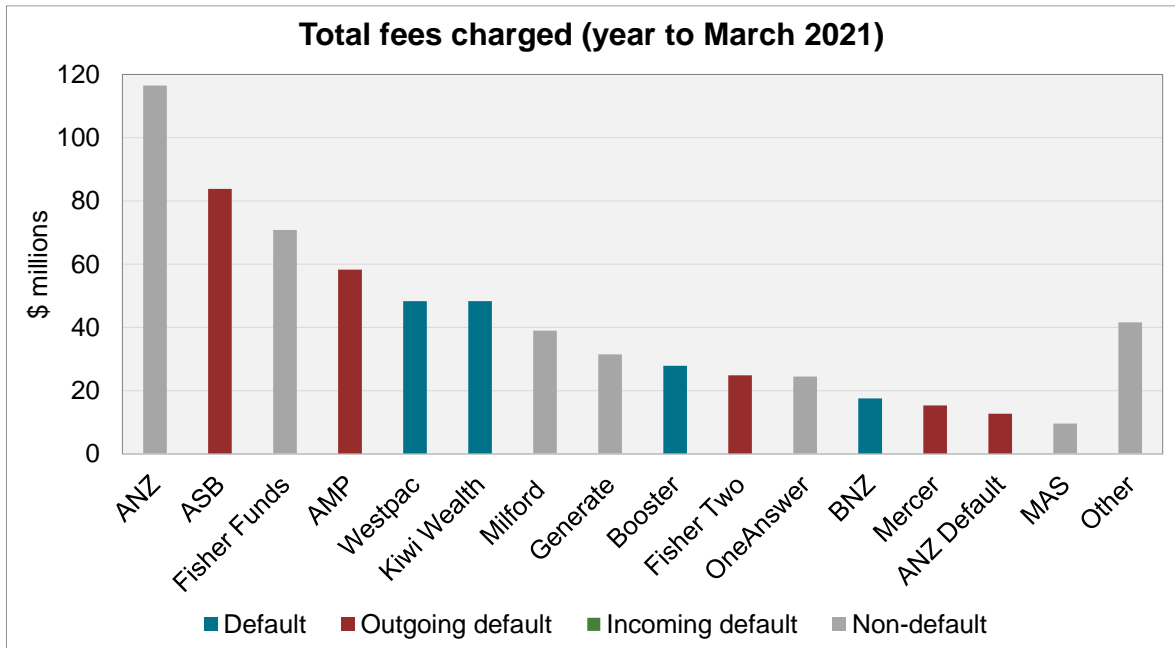
### 5.2 Total fees



We begin with the total fees charged each year. Since a large component of fees is usually determined as a rate, the total fees charged rise over time in line with the assets in the system.

In the year to March 2021, the fees charged by default and non-default providers in aggregate were roughly equal.

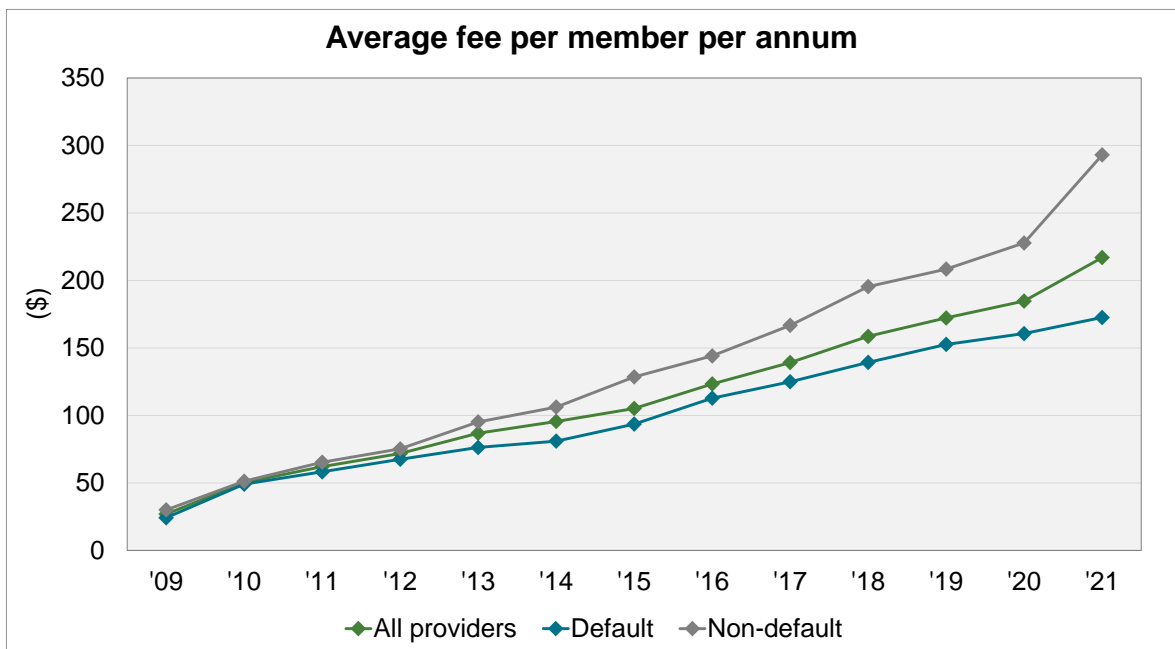
The next chart shows the fifteen providers with the highest total fees in the March 2021 year.



Unsurprisingly, this correlates strongly with the largest providers, with ANZ (\$13.2 billion under management) and ASB (\$13.6 billion) having the biggest fee take.

### 5.3 Fees per member

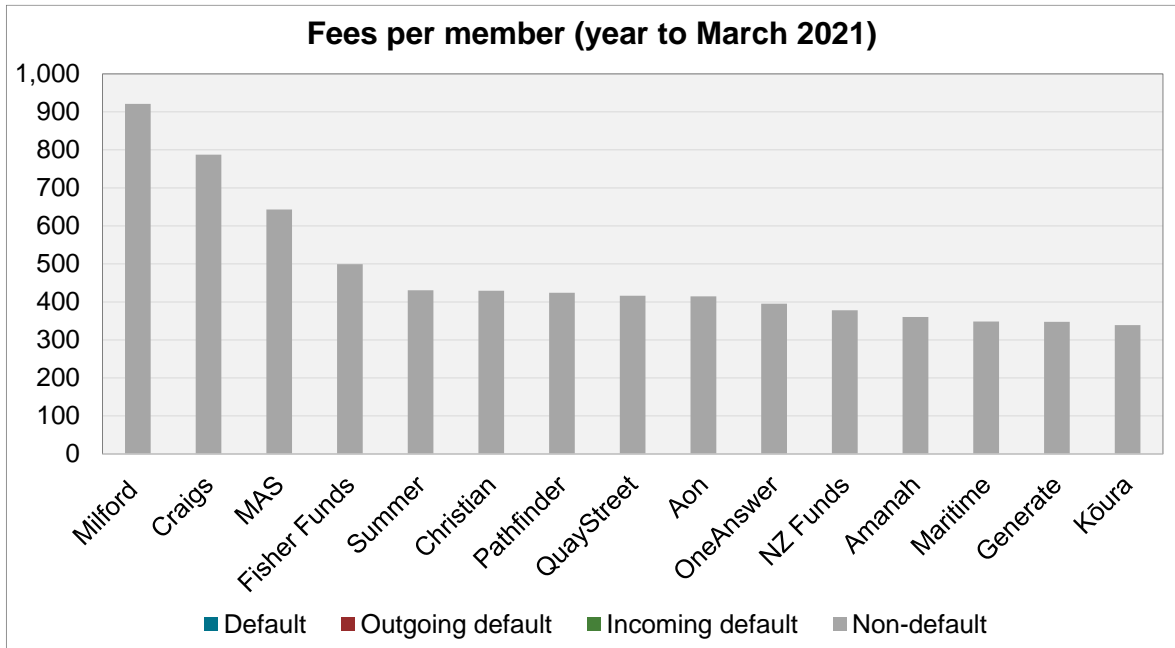
Dividing the total fees charged by the number of members gives the average fee per member.



This tracks upward over time as members' balances have grown. In 2021, the average member paid \$217 in fees to their provider.

However, there is a wide disparity across different providers. The default providers took, on average, \$173 in fees per member, while non-default providers saw a big jump to \$293 in fees per member. (Note that not all members within a default provider's scheme will be default members.)

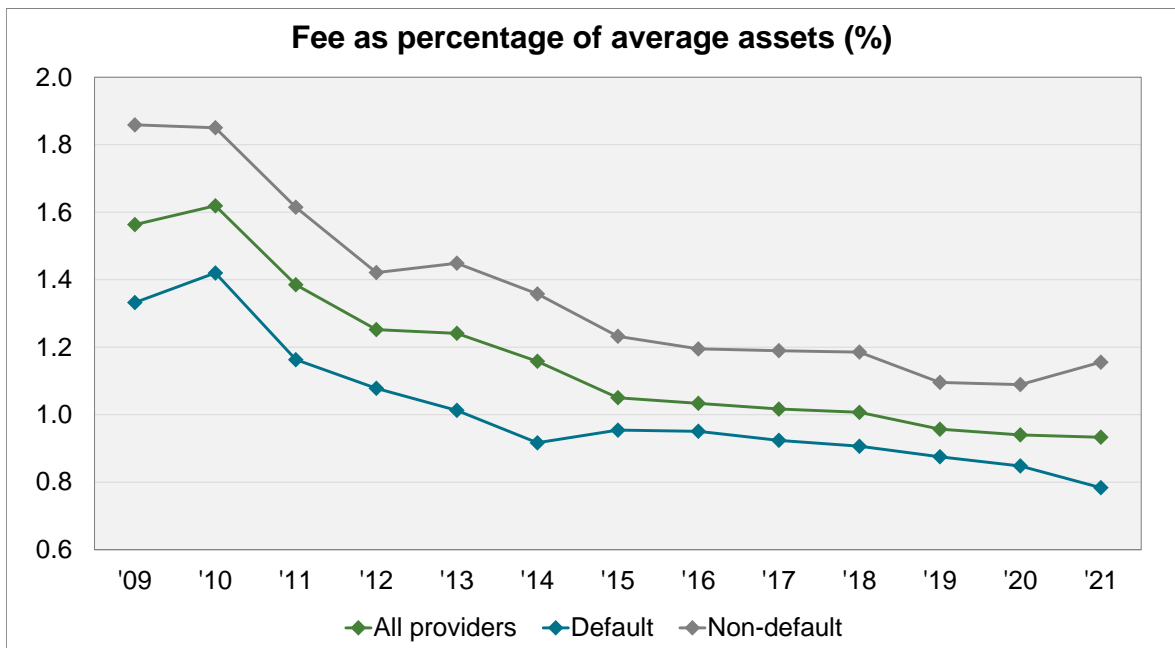
The following chart, which shows the fifteen providers which took the most in fees per member, emphasises this point. All are non-default providers.



While most providers charged less than \$500 per member, three were significantly higher than this. Notably, Milford pocketed on average \$921 from each member. This was no doubt helped by its strong performance and the presence of performance-based fees in some of its funds.

#### 5.4 Fee rates

We next move to considering fees as a percentage of assets. This is the typical way that most fees are expressed. The following chart shows how this has trended over time.

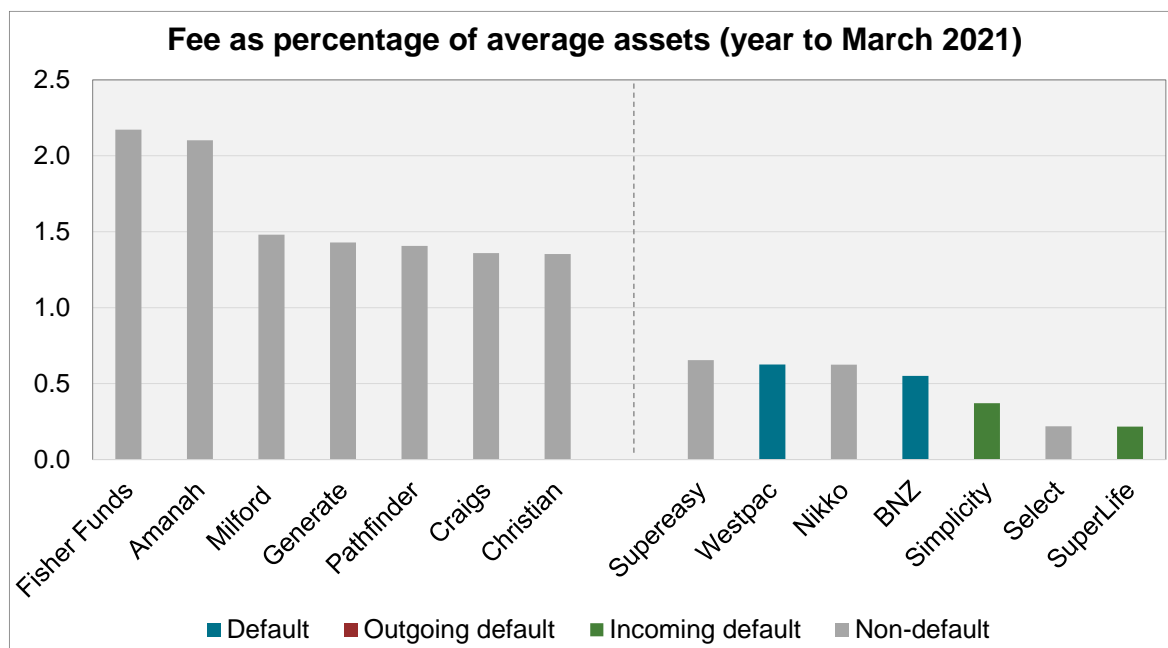


When we consider all providers in aggregate, there has been a significant downward trend over time. In 2009, the average fee rate was 1.56%. Today it is 0.93%.

However, interestingly, non-default providers moved in the other direction this year. The average fee rate rose slightly to 1.16%.

Default providers are even cheaper on average – just 0.78% in 2021. Following the 2021 default provider review, this can be expected to fall further. Fees for the new default funds will be just 0.20% to 0.40% per annum.<sup>8</sup>

The following chart shows the top and bottom seven providers when considering fee rate.<sup>9</sup>



The top seven are all non-default providers. Fisher Funds and Amanah charged over 2% in fees on average. Expensive providers have investments which are generally actively managed.

On the other hand, the providers with the lowest average fees feature a lot of passive management. Notably, the two incoming default providers are present in this grouping.

## 5.5 Value for money

The FMA has an ongoing focus on whether KiwiSaver schemes are providing good value for money. In recent guidance<sup>10</sup> it strongly encouraged providers to report to their members on their reviews into value for money and the reasonableness of their fees.

Clearly there exists a wide range of fees across KiwiSaver providers. However, even the highest fees may be reasonable if these schemes are providing good value for money. Better performance and greater member engagement are two factors that could provide this evidence.

<sup>8</sup> Fees expressed as a percentage of assets for a default provider will be higher because default funds are just one of the fund offerings from each default provider (and usually the cheapest offering).  
<https://www.scoop.co.nz/stories/PA2105/S00122/kiwisaver-default-provider-scheme-improvements-slash-fees-boosts-savings.htm>

<sup>9</sup> We have ignored KiwiWRAP which had only 9 members, and InvestNow which does not show any fees.

<sup>10</sup> <https://www.fma.govt.nz/compliance/guidance-library/managed-fund-fees-value-for-money/>

## 6 Performance

### 6.1 Introduction

Due to the large amount of different investment funds across many providers, the analysis has been limited to largest sixteen providers. Between them, these providers accounted for \$76.8 billion of assets, or 94% of the entire system.

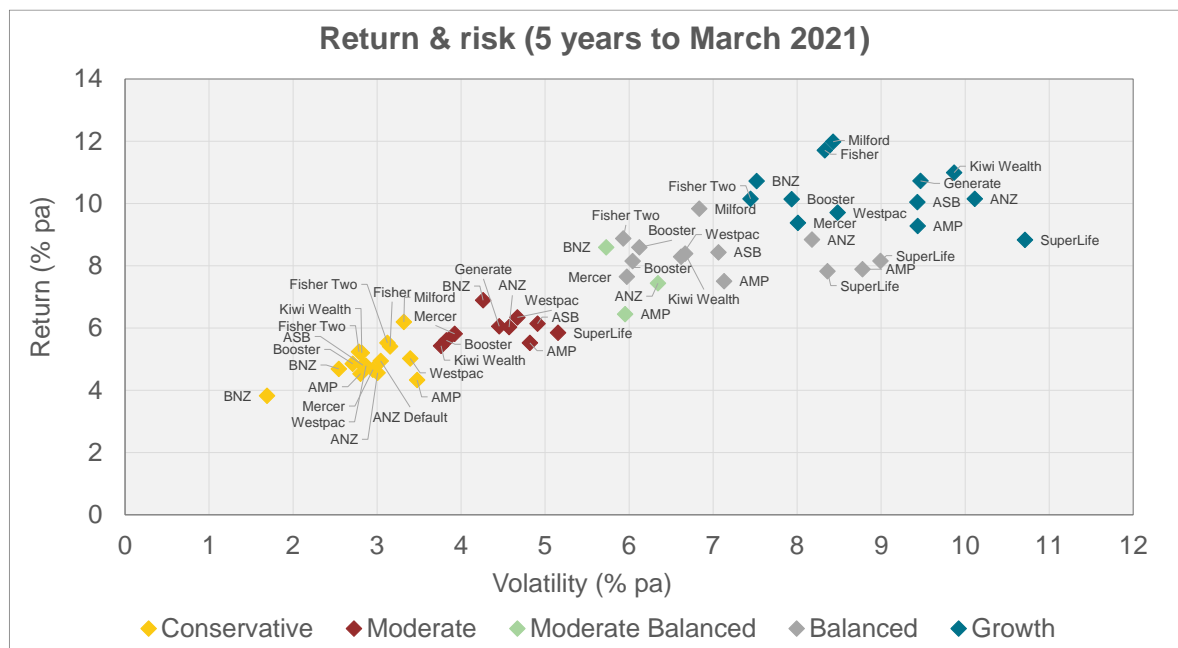
We have not shown all the funds every provider. Instead, we show the flagship diversified funds, categorised based on the funds’ strategic weighting to growth assets.<sup>11</sup>

- Growth: 70-85% growth assets.
- Balanced: 55-69% growth assets.
- Moderate Balanced: 45-54% growth assets.
- Moderate: 30-44% growth assets.
- Conservative: 15-29% growth assets.

Performance is shown after deductions for fund charges but before tax. Full details of this survey universe are included in Appendix B.

### 6.2 Performance

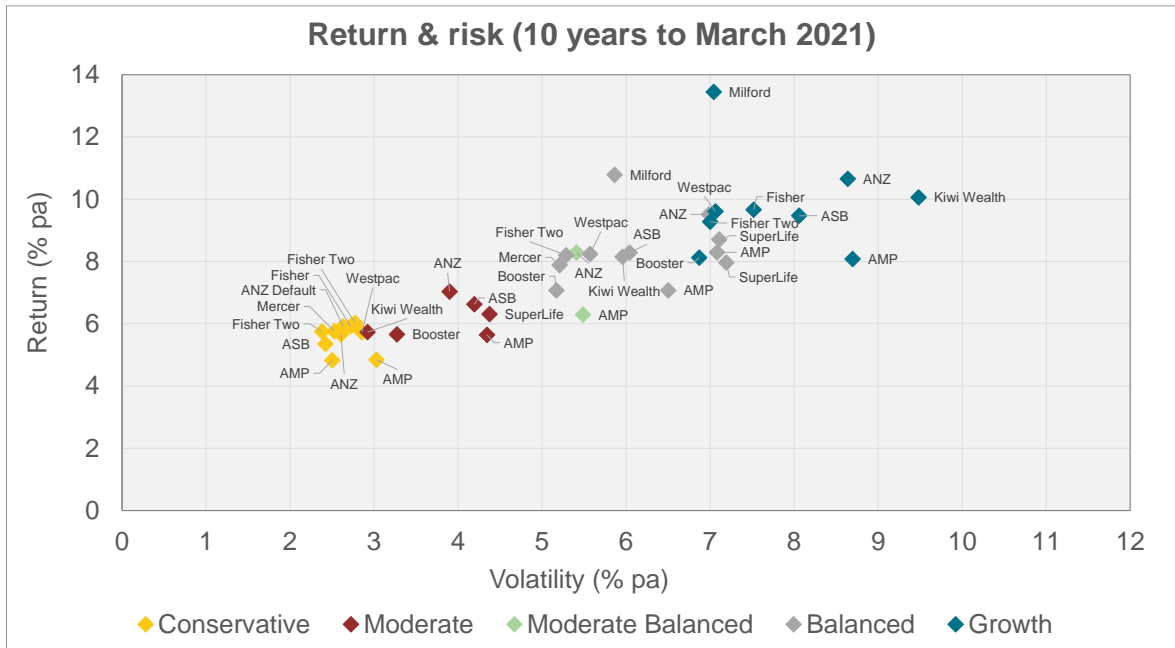
We begin with the “risk return” chart for the five year period ended 31 March 2021. This chart shows the trade-off between return (vertical axis) and volatility (horizontal axis). Volatility is a measure of how much the value of the investments fluctuate.



As one would expect, there is a positive relationship between risk and return. The best returning funds have been the growth funds lead by Milford and Fisher. At the other end of the spectrum, BNZ’s First Home Buyer Fund has had the lowest return, but it has also been the least volatile.

The next chart shows the ten year period.

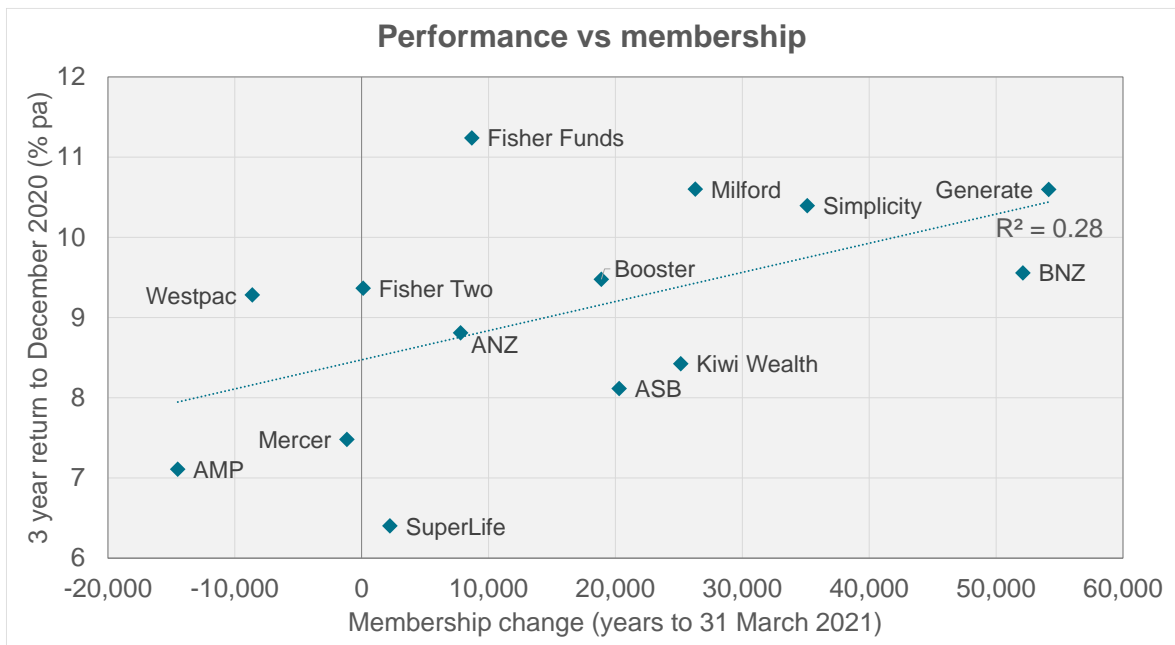
<sup>11</sup> These groupings differ somewhat from the FMA’s guidance on this matter, with the most significant difference coming with the division of the Balanced label into Balanced, Moderate Balanced and Moderate categories.  
<https://www.fma.govt.nz/assets/Guidance/Guidance-note-on-risk-indicators-and-description-of-managed-funds.pdf>



The standout performer over this period is Milford, with its growth fund returning 13.5% per annum after fees. In fact, Milford’s balanced fund has outperformed other large providers’ growth funds.

### 6.3 Performance versus membership

It is no secret that good performance tends to attract members. To test this, we have considered the change in membership over the three years to March 2021 – this is charted on the horizontal axis below. We compare this to performance for the three year period to December 2020 (to allow for a lag between performance being observed and membership changes occurring).



This does show a weak positive trend ( $R^2$  of 28%),<sup>12</sup> although there are notable outliers. For example, Fisher Funds has not seen its good performance translate into as much member growth as would be expected, while SuperLife has marginally positive member growth despite the weakest performance.

<sup>12</sup> While weak, the regression relationship is statistically significant (p-value of 2.5%).

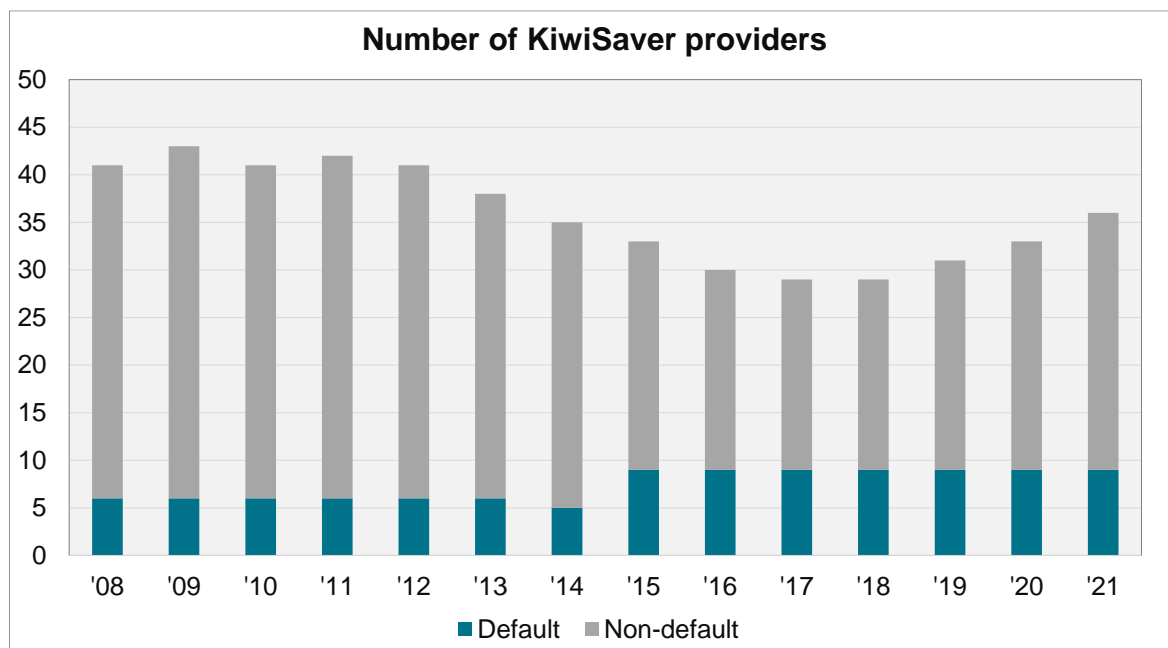
## 7 Competitiveness

### 7.1 Introduction

With the default provider reallocation looming and several new schemes launching, now is an opportune time to consider the state of the KiwiSaver market. In this section, we consider high level analysis of the market structure, looking mainly at market share measures.

### 7.2 Number of providers

We begin by simply charting the number of KiwiSaver providers.



This shows that, following a period of consolidation from 2012 to 2017, the number of options available to consumers has expanded rapidly. As of 31 March 2021, the number of individual schemes sat at 36.<sup>13</sup>

### 7.3 Herfindahl-Hirschman Index

A formal measure of competitiveness is the Herfindahl-Hirschman Index (HHI). The HHI is a score which ranges up to a maximum of 10,000, which would indicate a monopoly. It is defined as the sum of the squares of market shares. For example, a market with two participants, each with 50% market share, would have a HHI of 5,000 (being  $50^2 + 50^2$ ). If the second participant split into two, the HHI would drop to 3,750 (being  $50^2 + 25^2 + 25^2$ ).

The US Department of Justice and the Federal Trade Commission have given the following descriptors in general:<sup>14</sup>

- Unconcentrated markets: HHI below 1,000.
- Moderately concentrated markets: HHI between 1,000 and 1,800.
- Highly concentrated markets: HHI above 1,800.

<sup>13</sup> Since 31 March 2021 there has been some change. A new scheme (the Aurora KiwiSaver Scheme) has launched and it has been announced that Fisher Funds will buy the Aon KiwiSaver Scheme.

<sup>14</sup> <https://www.justice.gov/atr/horizontal-merger-guidelines-0>

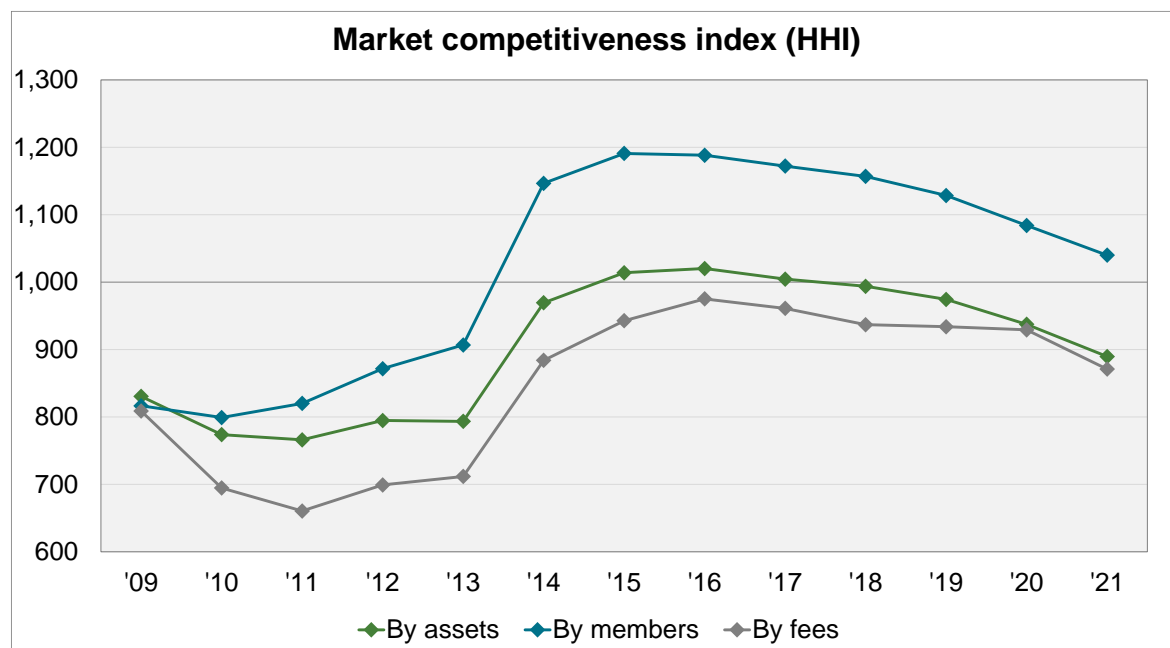


Thus, in the eyes of the US DOJ and FTC, 1,000 is a critical HHI figure. Above this, a market moves from “unconcentrated” to “moderately concentrated”.

To relate this to New Zealand, Productivity Commission data showed that as at 2016:<sup>15</sup>

- “Rail, Water, Air and Other Transport” had a HHI of 2,169 (a highly concentrated market).
- “Telecommunications, Internet and Library Services” had a HHI 1,612 (a moderately concentrated market).
- “Financial and Insurance Services” had a HHI of 713 (an unconcentrated market).

We have calculated the HHI for KiwiSaver on three different metrics: the proportion of assets, members and fees. This is shown, over time, in the following chart.



When considered on the basis of membership, KiwiSaver is above the critical 1,000 level and thus could be considered “moderately concentrated”.

This has been the case since 2014 where we saw a big upwards movement in the HHI. This movement is explained by significant consolidation in the industry between 2013 and 2014. Specifically:

- AXA was incorporated into AMP;
- National Bank and SIL were incorporated into ANZ; and
- AonSaver, Brook, and LawSaver closed.

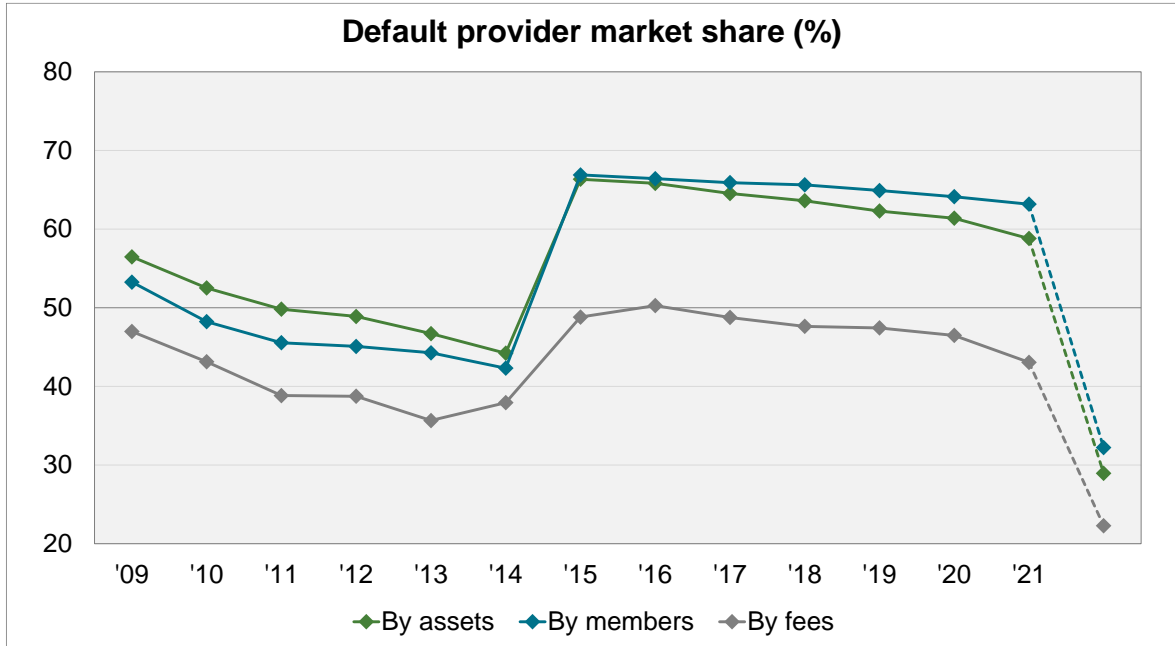
However, since 2015 the HHI calculated on membership has trended downwards and looks to be set to cross back below 1,000 soon.

On the basis of assets and fees the industry looks “unconcentrated”; both HHI scores are below 1,000. Moreover, both measures are also trending down. These are encouraging signs for consumers.

<sup>15</sup> [https://www.productivity.govt.nz/competition\\_explorer/](https://www.productivity.govt.nz/competition_explorer/)

### 7.4 Default provider share

We next turn to consider default providers' market share.



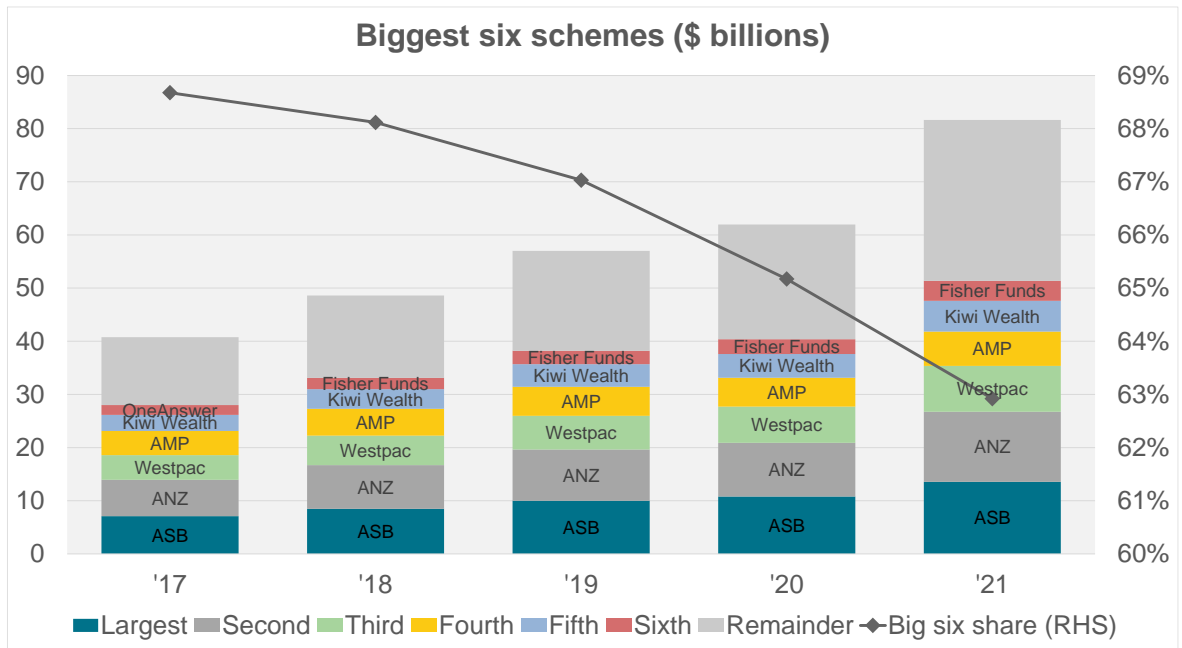
Default providers have had the majority of assets and members since 2015. However, this is not true for fees (indicating how default providers tend to be cheaper).

We have shown how these figures might look if we reclassified providers following the 2021 review. Unsurprisingly, given the appointment of two relatively small providers, all three lines fall significantly.

Of course, these hypothetical figures will be higher once the reallocation of default members takes place. Nevertheless, this shows that we expect default providers to become less dominant in the market – perhaps to the same extent which they were in 2013-2014.

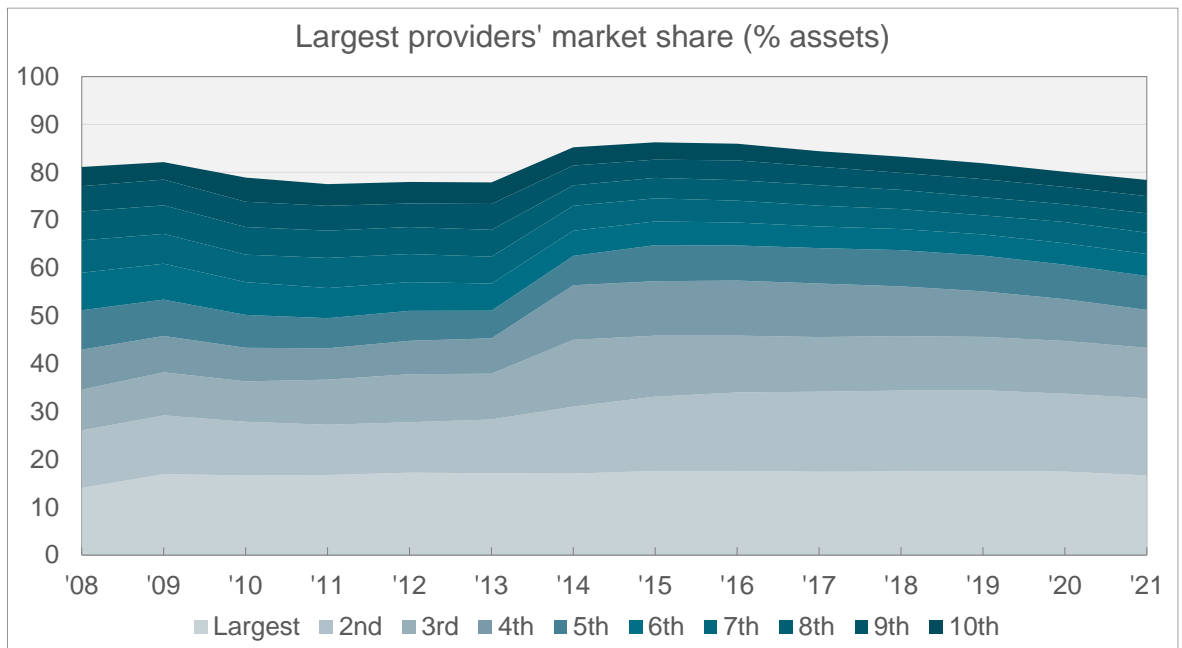
### 7.5 Largest providers

Finally, we look at how the largest providers' share of assets has changed over time. We start with the biggest six schemes in the last five years.



There has been little change in the top six providers over the last five years (only OneAnswer dropped out, to be replaced by Fisher Funds). However, while these six have grown, their share of assets has dropped from 69% to 63%. This, too, points to lessening dominance by the largest providers.

We can generalise this analysis by looking at the largest ten providers over the full history of KiwiSaver.



The following table shows the detail behind the chart. Darker background shading indicates larger market shares.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Largest	14.0	16.9	16.6	16.7	17.2	17.1	17.0	17.6	17.6	17.4	17.5	17.6	17.4	16.6
2nd	12.0	12.2	11.2	10.5	10.5	11.3	14.0	15.5	16.4	16.8	16.9	16.9	16.3	16.1
3rd	8.5	9.0	8.4	9.4	10.1	9.5	14.0	12.7	11.9	11.4	11.4	11.1	11.0	10.5
4th	8.3	7.6	7.0	6.5	7.0	7.4	11.4	11.4	11.5	11.2	10.4	9.5	8.7	7.9
5th	8.2	7.6	6.9	6.3	6.2	5.8	6.1	7.5	7.3	7.4	7.6	7.5	7.2	7.1
6th	7.9	7.5	6.8	6.3	6.0	5.7	5.3	5.0	4.8	4.5	4.4	4.4	4.5	4.6
7th	6.8	6.2	5.8	6.3	5.9	5.6	5.2	4.8	4.6	4.3	4.2	4.0	4.4	4.4
8th	6.0	5.9	5.7	5.7	5.6	5.6	4.3	4.3	4.3	4.3	4.0	3.8	3.7	4.1
9th	5.3	5.4	5.3	5.2	4.9	5.4	4.1	3.8	4.1	3.9	3.6	3.8	3.6	3.6
10th	4.0	3.7	5.1	4.6	4.5	4.5	3.8	3.6	3.5	3.2	3.4	3.3	3.2	3.4
Others	18.9	17.9	21.1	22.5	22.0	22.1	14.8	13.7	14.0	15.6	16.7	18.1	19.9	21.6

This emphasises the point that the trend in the largest providers' market share has been downwards in recent years. Those outside of the top ten have risen from 14.8% market share in 2014 to 21.6% in 2021.

The 6.8 percentage point gain has come from both the largest (the top five have gone from 62.5% to 58.3%) and the mid-tier providers (numbers six through ten have gone from 22.7% to 20.1%).

## 7.6 Conclusion

This is only a high-level review of competitiveness, and does not take into account issues such as profitability and price elasticity. Nevertheless, on the measures of market share examined here there is little evidence for an overly-concentrated market. Indeed, current trends point to a more diverse and competitive landscape within KiwiSaver in the near future.

## A KiwiSaver Provider Profiles

### A.1 Amanah

Amanah	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	1,640	1,291	759	349	881
Assets (\$m's)	30	21	5	9	25
Fees charged (\$m's)	0.5	0.4	0.1	0.2	0.5
Market share (% of members)	0.1	0.0	0.0	0.0	0.0
Market share (% of assets)	0.0	0.0	0.0	0.0	0.0
Average member balance (\$000's)	18.0	16.0	6.5	2.0	11.5
Contribution ratio (%)	67	59	79	8	-12
Fees charged per average member (\$)	360	302	143	58	217
Fees as percentage of average assets (%)	2.10	2.14	2.51	-0.04	-0.41

Launched March 2014.

In September 2021, Amanah was renamed Always Ethical (AE). AE is a specialist fund manager with a strict written ethical mandate which includes provisions prohibiting investments that deal with interest, are excessively uncertain/speculative and have high levels of debt. AE applies the AAOIFI Shari'ah standards in its process. AE ensures the returns do not require investors from the Islamic faith to make charitable payments upon receipt of a withdrawal.

<https://www.amanahnz.com/>

### A.2 AMP

AMP	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	216,320	220,257	244,505	-3,937	-28,185
Assets (\$m's)	6,473	5,416	4,007	1,056	2,466
Fees charged (\$m's)	58.3	55.0	37.4	3.3	20.9
Market share (% of members)	7.0	7.3	9.4	-0.3	-2.4
Market share (% of assets)	7.9	8.7	11.9	-0.8	-3.9
Average member balance (\$000's)	29.9	24.6	16.4	5.3	13.5
Contribution ratio (%)	60	58	59	1	0
Fees charged per average member (\$)	267	247	151	20	116
Fees as percentage of average assets (%)	0.98	1.01	0.98	-0.03	0.00

Launched October 2007.

AMP is a longstanding scheme, having launched at the start of KiwiSaver. It absorbed the AXA KiwiSaver Scheme in late 2013. AMP recently changed its underlying investment manager to BlackRock and adopted a sustainable investment approach across all portfolios.

<https://www.amp.co.nz/>

### A.3 ANZ

ANZ	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	587,056	592,230	540,760	-5,174	46,296
Assets (\$m's)	13,182	10,075	5,538	3,107	7,644
Fees charged (\$m's)	116.5	105.9	60.9	10.6	55.6
Market share (% of members)	19.0	19.6	20.7	-0.6	-1.7
Market share (% of assets)	16.1	16.3	16.4	-0.1	-0.3
Average member balance (\$000's)	22.5	17.0	10.2	5.4	12.2
Contribution ratio (%)	61	59	55	1	6
Fees charged per average member (\$)	198	179	117	19	81
Fees as percentage of average assets (%)	1.00	1.08	1.22	-0.07	-0.22

Launched October 2007.

The ANZ KiwiSaver Scheme is ANZ's mass-market offering, which is distributed through the ANZ New Zealand network as well as through employers (via preferred provider agreements). The ANZ KiwiSaver Scheme offers six funds. ANZ Investments takes an active management approach to investing and aims to select high quality investments that it believes can outperform a particular index or market over the long term. Aggregating ownership of all three ANZ Schemes, ANZ Investments is the largest KiwiSaver scheme provider by both members and assets.

<https://www.anz.co.nz/personal/investing-kiwisaver/>

### A.4 ANZ Default

ANZ Default	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	87,094	87,452	92,151	-358	-5,057
Assets (\$m's)	1,972	1,654	1,184	318	788
Fees charged (\$m's)	12.7	11.8	9.1	0.9	3.7
Market share (% of members)	2.8	2.9	3.5	-0.1	-0.7
Market share (% of assets)	2.4	2.7	3.5	-0.3	-1.1
Average member balance (\$000's)	22.6	18.9	12.9	3.7	9.8
Contribution ratio (%)	55	55	55	0	1
Fees charged per average member (\$)	146	135	98	11	48
Fees as percentage of average assets (%)	0.70	0.73	0.82	-0.03	-0.12

Launched October 2007.

The ANZ Default KiwiSaver Scheme offers six funds which are similar to the ANZ KiwiSaver Scheme funds, with the exception of the Conservative (Default) Fund, which has an exposure to passive investments for the international equities component. This is reflected in the lower-cost fee for this fund. From 1 December 2021, ANZ Investments will no longer be a default scheme provider, and the ANZ Default KiwiSaver Scheme will be closed to new members.

<https://www.anz.co.nz/personal/investing-kiwisaver/>

## A.5 Aon

Aon	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	19,247	19,304	20,066	-57	-819
Assets (\$m's)	734	567	370	167	365
Fees charged (\$m's)	8.0	7.2	5.0	0.8	3.0
Market share (% of members)	0.6	0.6	0.8	0.0	-0.1
Market share (% of assets)	0.9	0.9	1.1	0.0	-0.2
Average member balance (\$000's)	38.2	29.4	18.4	8.8	19.7
Contribution ratio (%)	62	62	59	1	4
Fees charged per average member (\$)	414	371	247	44	168
Fees as percentage of average assets (%)	1.23	1.28	1.44	-0.06	-0.21

Launched October 2007.

The Aon KiwiSaver Scheme operates mainly as a KiwiSaver platform where members can access diversified funds managed by underlying investment managers Russell, Milford, ANZ and Nikko. It includes "Target Date" funds managed by Russell. It has been announced that the Scheme will be sold to Fisher Funds, with the sale due to complete in November 2021.

<https://www.aonkiwisaver.co.nz/>

## A.6 ASB

ASB	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	534,262	534,583	468,979	-321	65,283
Assets (\$m's)	13,563	10,809	5,942	2,754	7,621
Fees charged (\$m's)	83.8	76.3	40.2	7.6	43.7
Market share (% of members)	17.3	17.7	18.0	-0.4	-0.7
Market share (% of assets)	16.6	17.4	17.6	-0.9	-1.0
Average member balance (\$000's)	25.4	20.2	12.7	5.2	12.7
Contribution ratio (%)	61	60	57	1	4
Fees charged per average member (\$)	157	144	87	13	70
Fees as percentage of average assets (%)	0.69	0.73	0.73	-0.05	-0.05

Launched October 2007.

The bank-owned ASB KiwiSaver Scheme is the single largest scheme, with over \$13.5 billion in assets under management. Known for its passive approach and low fees, in 2021 ASB expanded its relationship with BlackRock by outsourcing its asset allocation and currency management to the global company.

<https://www.asb.co.nz/kiwisaver>

## A.7 BCF

BCF	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	666	643	552	23	114
Assets (\$m's)	11	10	5	1	6
Fees charged (\$m's)	0.1	0.1	0.1	0.0	0.0
Market share (% of members)	0.0	0.0	0.0	0.0	0.0
Market share (% of assets)	0.0	0.0	0.0	0.0	0.0
Average member balance (\$000's)	16.6	15.2	8.6	1.4	8.0
Contribution ratio (%)	85	87	71	-2	14
Fees charged per average member (\$)	208	204	175	4	33
Fees as percentage of average assets (%)	1.31	1.39	2.18	-0.08	-0.87

Launched April 2011.

The BCF KiwiSaver Scheme is open to members the Plymouth Brethren Christian Church. The Scheme invests in term deposits with New Zealand registered banks and in loans made on arm's length terms to organisations within the Plymouth Brethren Christian Church.

<https://bcfkiwisaver.co.nz/>

## A.8 BNZ

BNZ	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	186,668	178,146	89,064	8,522	97,604
Assets (\$m's)	3,631	2,748	802	883	2,829
Fees charged (\$m's)	17.5	14.5	6.9	3.1	10.6
Market share (% of members)	6.0	5.9	3.4	0.2	2.6
Market share (% of assets)	4.4	4.4	2.4	0.0	2.1
Average member balance (\$000's)	19.4	15.4	9.0	4.0	10.5
Contribution ratio (%)	68	70	68	-1	1
Fees charged per average member (\$)	96	87	88	9	8
Fees as percentage of average assets (%)	0.55	0.59	1.04	-0.04	-0.49

Launched February 2013.

BNZ was the only one of the four big banks not to launch a KiwiSaver scheme at the outset in 2007. BNZ gained default provider status in 2015 and has grown rapidly since then. BNZ retained its default status in the 2021 review, partly due to its continued lowering of fees. The Scheme offers a unique feature: the ability to convert Flybuys to KiwiSaver contributions.

<https://www.bnz.co.nz/personal-banking/kiwisaver>



## A.9 Booster

Booster	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	123,817	115,839	99,509	7,978	24,308
Assets (\$m's)	2,693	1,847	990	845	1,703
Fees charged (\$m's)	27.9	25.4	14.4	2.4	13.4
Market share (% of members)	4.0	3.8	3.8	0.2	0.2
Market share (% of assets)	3.3	3.0	2.9	0.3	0.4
Average member balance (\$000's)	21.7	15.9	9.9	5.8	11.8
Contribution ratio (%)	59	56	47	3	12
Fees charged per average member (\$)	233	226	147	6	85
Fees as percentage of average assets (%)	1.23	1.46	1.56	-0.23	-0.34

Launched October 2007.

Originally named Grosvenor, after the Wellington-based financial services company which launched it, the scheme adopted the Booster moniker in 2016. Booster is one of the bigger proponents of unlisted assets and some of its funds invest in private equity and direct property ventures. Booster KiwiSaver members receive free accidental death cover.

<https://www.booster.co.nz/booster-kiwisaver-scheme>

## A.10 Christian

Christian	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	2,011	1,941	1,576	70	435
Assets (\$m's)	71	55	30	16	40
Fees charged (\$m's)	0.8	0.8	0.5	0.1	0.4
Market share (% of members)	0.1	0.1	0.1	0.0	0.0
Market share (% of assets)	0.1	0.1	0.1	0.0	0.0
Average member balance (\$000's)	35.2	28.2	19.3	7.0	15.9
Contribution ratio (%)	65	64	69	1	-4
Fees charged per average member (\$)	429	414	311	16	118
Fees as percentage of average assets (%)	1.35	1.50	1.70	-0.14	-0.35

Launched October 2007.

Christian KiwiSaver Scheme intentionally aligns its investment activity with Christian values and invests with a strong ethical mandate to reflect these values. The Scheme is open to people who are employed by a Christian organisation, or individuals of Christian faith and their immediate family members. Run by Anglican Financial Care, the Scheme changed its name from Koinonia in 2018.

<https://christiankiwisaver.nz/>

## A.11 Craigs

Craigs	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	6,542	5,777	4,474	765	2,068
Assets (\$m's)	417	297	148	120	269
Fees charged (\$m's)	4.9	3.9	2.0	1.0	2.8
Market share (% of members)	0.2	0.2	0.2	0.0	0.0
Market share (% of assets)	0.5	0.5	0.4	0.0	0.1
Average member balance (\$000's)	63.7	51.4	33.1	12.3	30.7
Contribution ratio (%)	71	67	72	4	-2
Fees charged per average member (\$)	788	721	453	67	335
Fees as percentage of average assets (%)	1.36	1.43	1.46	-0.07	-0.10

Launched October 2007.

Craigs Investment Partners is one of New Zealand's largest investment advisory firms, mainly servicing high net worth individuals. The Craigs KiwiSaver Scheme lets members select their own customised portfolio from Australasian and international equities, funds, and other securities. The services of a Craigs investment advisor are included in the costs of the Scheme.

<https://craigsip.com/personal-wealth/craigs-kiwisaver>

## A.12 Fisher Funds

Fisher Funds	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	142,954	140,667	124,917	2,287	18,037
Assets (\$m's)	3,754	2,767	1,441	987	2,314
Fees charged (\$m's)	70.8	36.0	19.6	34.9	51.2
Market share (% of members)	4.6	4.6	4.8	0.0	-0.2
Market share (% of assets)	4.6	4.5	4.3	0.1	0.3
Average member balance (\$000's)	26.3	19.7	11.5	6.6	14.7
Contribution ratio (%)	53	52	42	1	10
Fees charged per average member (\$)	499	258	160	241	340
Fees as percentage of average assets (%)	2.17	1.36	1.48	0.81	0.69

Launched October 2007.

Originally founded as an investment boutique focusing on New Zealand equities, today Fisher Funds is one of New Zealand's largest fund managers, expanding into fixed interest, diversified funds and KiwiSaver over the years. The company is now majority owned by the Toi Foundation (previously known as TSB Community Trust) with TA Associates (an overseas private equity fund) a smaller shareholder.

<https://fisherfunds.co.nz/investment/kiwisaver>

### A.13 Fisher Funds Two

Fisher Two	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	104,181	103,255	108,887	926	-4,706
Assets (\$m's)	2,929	2,289	1,546	640	1,383
Fees charged (\$m's)	24.9	19.7	14.8	5.2	10.0
Market share (% of members)	3.4	3.4	4.2	0.0	-0.8
Market share (% of assets)	3.6	3.7	4.6	-0.1	-1.0
Average member balance (\$000's)	28.1	22.2	14.2	5.9	13.9
Contribution ratio (%)	57	54	58	3	-2
Fees charged per average member (\$)	240	191	135	49	105
Fees as percentage of average assets (%)	0.95	0.88	1.02	0.07	-0.06

Launched October 2007.

Originally run by Tower Investments, the scheme was purchased by Fisher Funds in 2013, then rebranded as Fisher Funds Two and integrated into the Fisher Funds business.

<https://ff2kiwisaver.co.nz/>

### A.14 Generate

Generate	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	97,984	83,213	17,609	14,771	80,375
Assets (\$m's)	2,694	1,711	176	983	2,518
Fees charged (\$m's)	31.5	23.7	2.1	7.8	29.4
Market share (% of members)	3.2	2.7	0.7	0.4	2.5
Market share (% of assets)	3.3	2.8	0.5	0.5	2.8
Average member balance (\$000's)	27.5	20.6	10.0	6.9	17.5
Contribution ratio (%)	74	70	55	3	19
Fees charged per average member (\$)	348	325	172	22	175
Fees as percentage of average assets (%)	1.43	1.63	1.85	-0.20	-0.42

Launched April 2013.

Generate is a New Zealand owned KiwiSaver specialist which has developed a strong long-term performance track record through responsible investment. Generate's purpose is to educate, empower and advise kiwis to help them achieve materially better financial outcomes. Since 31 March 2021, the Scheme has continued to see strong growth and is now over \$3.2 billion and 107,000 members. Generate is proud of the fact that over 94% of its KiwiSaver members joined after talking to a financial advisor and 84% of funds under management are invested in growth funds.

<https://www.generatewealth.co.nz/>

### A.15 InvestNow

InvestNow	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	691			691	691
Assets (\$m's)	20			20	20
Fees charged (\$m's)	0.0			0.0	0.0
Market share (% of members)	0.0			0.0	0.0
Market share (% of assets)	0.0			0.0	0.0
Average member balance (\$000's)	28.2			28.2	28.2
Contribution ratio (%)	70			70	70
Fees charged per average member (\$)	0				
Fees as percentage of average assets (%)	0.00				

Launched September 2020.

The InvestNow KiwiSaver Scheme is a platform allowing access to 12 specialist fund managers. Investment choices include diversified funds and single sector funds managed on an active, indexed and socially responsible basis from specialist managers like Fisher Funds, Milford, and AMP Capital. As such, the Scheme shows no additional fees, since these are wrapped within the products individual members choose.

<https://investnow.co.nz/kiwisaver/>

### A.16 Juno

Juno	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	13,749	6,480		7,269	13,749
Assets (\$m's)	380	107		272	380
Fees charged (\$m's)	2.2	0.6		1.6	2.2
Market share (% of members)	0.4	0.2		0.2	0.4
Market share (% of assets)	0.5	0.2		0.3	0.5
Average member balance (\$000's)	27.6	16.5		11.1	27.6
Contribution ratio (%)	67	56		11	67
Fees charged per average member (\$)	214	146		68	
Fees as percentage of average assets (%)	0.89	0.87		0.02	

Launched August 2018.

The Juno KiwiSaver Scheme is provided by Pie Funds – a successful Australasian and global equity manager. Juno's fee structure is somewhat unusual in that it is defined as a dollar amount which scales with member balances (rather than the more typical percentage based charges).

<https://www.junokiwisaver.co.nz/>

## A.17 Kiwi Wealth

Kiwi Wealth	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	219,706	216,616	153,179	3,090	66,527
Assets (\$m's)	5,776	4,472	2,479	1,304	3,297
Fees charged (\$m's)	48.3	42.4	28.6	5.9	19.7
Market share (% of members)	7.1	7.2	5.9	0.0	1.2
Market share (% of assets)	7.1	7.2	7.3	-0.1	-0.3
Average member balance (\$000's)	26.3	20.6	16.2	5.6	10.1
Contribution ratio (%)	62	64	67	-2	-5
Fees charged per average member (\$)	221	199	200	23	22
Fees as percentage of average assets (%)	0.94	0.97	1.24	-0.03	-0.30

Launched October 2007.

This Kiwi Wealth Scheme is the result of Kiwi Group Limited's purchase of Gareth Morgan Investments in 2012. The Scheme is effectively Government-owned given its ownership by Kiwi Group Limited, which is owned by New Zealand Post (53%), the New Zealand Superannuation Fund (25%) and ACC (22%).

<https://www.kiwiwealth.co.nz/kiwisaver>

## A.18 KiwiWRAP

KiwiWrap	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	9			9	9
Assets (\$m's)	1			1	1
Fees charged (\$m's)	0.0			0.0	0.0
Market share (% of members)	0.0			0.0	0.0
Market share (% of assets)	0.0			0.0	0.0
Average member balance (\$000's)	80.8			80.8	80.8
Contribution ratio (%)	100			100	100
Fees charged per average member (\$)	65				
Fees as percentage of average assets (%)	0.04				

Launched January 2021.

The Consilium KiwiWRAP KiwiSaver Scheme is a self-select KiwiSaver scheme designed for investors who want customisable investment choices. Advisors and investors have access to over 400 investment options, including international shares, ETFs and bonds. The Scheme has a focus on making sure its members benefit from financial advice through advisors. Advisors are able to monitor and report on their clients' portfolios through Consilium Wrap (FNZ).

<https://www.kiwiwrap.co.nz/>

## A.19 Kōura

Kōura	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	356	127		229	356
Assets (\$m's)	15	5		11	15
Fees charged (\$m's)	0.1	0.0		0.1	0.1
Market share (% of members)	0.0	0.0		0.0	0.0
Market share (% of assets)	0.0	0.0		0.0	0.0
Average member balance (\$000's)	43.1	36.3		6.8	43.1
Contribution ratio (%)	76	55		21	76
Fees charged per average member (\$)	339	259		80	
Fees as percentage of average assets (%)	0.82	0.36		0.46	

Launched October 2019.

Kiwi-owned Kōura has a selection of single sector funds which are combined to form a bespoke portfolio for each member based on their answers to a series of questions within a “robo-advice” tool. Kōura is partly-owned by sharebroker Hobson Wealth.

<https://www.kourawealth.co.nz/>

## A.20 LifeStages

LifeStages	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	19,200	19,152	16,223	48	2,977
Assets (\$m's)	463	367	217	96	245
Fees charged (\$m's)	3.9	3.7	2.0	0.2	1.9
Market share (% of members)	0.6	0.6	0.6	0.0	0.0
Market share (% of assets)	0.6	0.6	0.6	0.0	-0.1
Average member balance (\$000's)	24.1	19.1	13.4	5.0	10.7
Contribution ratio (%)	65	66	68	-2	-4
Fees charged per average member (\$)	204	197	146	7	58
Fees as percentage of average assets (%)	0.94	1.05	1.18	-0.10	-0.23

Launched October 2007.

Lifestages is an operating division of Funds Administration New Zealand Limited ("FANZ"), a subsidiary of SBS Bank. The branding aligns with the focus on the Scheme's glidepath solution which moves members from aggressive investment funds to more conservative investment funds as they age.

<https://www.lifestages.co.nz/>

## A.21 Maritime

Maritime	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	282	289	321	-7	-39
Assets (\$m's)	16	13	10	3	5
Fees charged (\$m's)	0.1	0.1	0.1	0.0	0.0
Market share (% of members)	0.0	0.0	0.0	0.0	0.0
Market share (% of assets)	0.0	0.0	0.0	0.0	0.0
Average member balance (\$000's)	56.5	44.8	32.6	11.7	23.9
Contribution ratio (%)	82	85	77	-3	5
Fees charged per average member (\$)	349	332	308	16	40
Fees as percentage of average assets (%)	0.69	0.72	1.03	-0.03	-0.34

Launched April 2016.

The Maritime KiwiSaver Scheme is open to employees in the Waterfront or Seafarer industries and their immediate family members. The Scheme was formed as a merger of the Waterfront KiwiSaver Scheme and the Seafarer KiwiSaver Scheme on 1 April 2016. In the table above, we have combined the Schemes in the column headed 31 March 2016 to give a more meaningful comparison.

<https://maritimeretirementscheme.nz/>

## A.22 Medical Assurance Society

MAS	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	14,859	15,117	14,287	-258	572
Assets (\$m's)	1,015	769	445	246	571
Fees charged (\$m's)	9.6	8.2	4.4	1.4	5.2
Market share (% of members)	0.5	0.5	0.5	0.0	-0.1
Market share (% of assets)	1.2	1.2	1.3	0.0	-0.1
Average member balance (\$000's)	68.3	50.9	31.1	17.5	37.2
Contribution ratio (%)	73	72	71	1	1
Fees charged per average member (\$)	643	543	314	100	329
Fees as percentage of average assets (%)	1.08	1.10	1.06	-0.02	0.02

Launched October 2007.

Medical Funds Management (a 100% owned subsidiary of Medical Assurance Society New Zealand Limited – MAS) is the manager of the Scheme, which recently transitioned from being a restricted scheme to a retail scheme. MAS is a registered charity and funds the MAS Foundation which aims to reduce health inequity in New Zealand.

<https://www.mas.co.nz/investments/kiwisaver/>

### A.23 Mercer

Mercer	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	92,889	92,863	99,303	26	-6,414
Assets (\$m's)	2,351	1,957	1,398	394	953
Fees charged (\$m's)	15.3	14.8	10.2	0.5	5.1
Market share (% of members)	3.0	3.1	3.8	-0.1	-0.8
Market share (% of assets)	2.9	3.2	4.1	-0.3	-1.3
Average member balance (\$000's)	25.3	21.1	14.1	4.2	11.2
Contribution ratio (%)	57	57	59	1	-2
Fees charged per average member (\$)	165	159	106	6	59
Fees as percentage of average assets (%)	0.71	0.77	0.82	-0.06	-0.11

Launched October 2007.

Run by Mercer, a subsidiary of Marsh McLennan – a global professional services firm, the Mercer KiwiSaver Scheme gives access to a wide range of outsourced managers, typically through multi-manager funds.

<https://www.mercerfinancialservices.co.nz/>

### A.24 Milford

Milford	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	47,830	36,865	13,748	10,965	34,082
Assets (\$m's)	3,310	1,961	547	1,349	2,763
Fees charged (\$m's)	39.0	17.9	5.2	21.1	33.8
Market share (% of members)	1.5	1.2	0.5	0.3	1.0
Market share (% of assets)	4.1	3.2	1.6	0.9	2.4
Average member balance (\$000's)	69.2	53.2	39.8	16.0	29.4
Contribution ratio (%)	75	72	75	2	0
Fees charged per average member (\$)	921	555	397	366	524
Fees as percentage of average assets (%)	1.48	1.03	1.07	0.45	0.41

Launched October 2010.

Having built a reputation for active management, strong performance and investing alongside their clients, Milford launched its KiwiSaver Scheme in 2010.

<https://milfordasset.com/>



## A.25 Nikko

Nikko	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	1,412	77		1,335	1,412
Assets (\$m's)	52	7		45	52
Fees charged (\$m's)	0.2	0.0		0.1	0.2
Market share (% of members)	0.0	0.0		0.0	0.0
Market share (% of assets)	0.1	0.0		0.1	0.1
Average member balance (\$000's)	37.0	95.0		-58.0	37.0
Contribution ratio (%)	78	65		13	78
Fees charged per average member (\$)	250	551		-301	
Fees as percentage of average assets (%)	0.62	0.57		0.06	

Launched April 2018.

The Nikko AM KiwiSaver Scheme is relatively new. However, Nikko (formerly Tyndall) has been providing funds management to the institutional market for many years. After a slow start, the Scheme saw an explosion in members this year due to its offering of the ARK Disruptive Innovation Fund. This fund, which launched in November 2020, accounts for the majority of Nikko's KiwiSaver membership (1,221 members as at 31 March 2021).

<https://www.nikkoam.co.nz/invest/kiwisaver>

## A.26 NZ Funds

NZ Funds	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	15,506	9,606	6,857	5,900	8,649
Assets (\$m's)	647	274	130	373	516
Fees charged (\$m's)	4.7	3.3	2.7	1.5	2.0
Market share (% of members)	0.5	0.3	0.3	0.2	0.2
Market share (% of assets)	0.8	0.4	0.4	0.4	0.4
Average member balance (\$000's)	41.7	28.5	19.0	13.2	22.7
Contribution ratio (%)	72	74	72	-2	0
Fees charged per average member (\$)	378	370	434	8	-56
Fees as percentage of average assets (%)	1.03	1.27	2.33	-0.24	-1.30

Launched November 2010.

Fully New Zealand-owned, NZ Funds has managed New Zealand investment funds for over 30 years and uses both active and passive investment management styles. In the year to 31 March 2021, the Scheme's Growth Strategy returned 107% after fees, having mitigated the downside during the Covid-19 sell-off. NZ Funds has recently made headlines for being the first investment manager to own cryptocurrency assets as part of a diversified strategy in KiwiSaver and for offering New Zealand's first passive "zero management fee" balanced fund.

<https://www.nzfunds.co.nz/InvestmentSolutions/Kiwisaver/>

**A.27 NZDF**

NZDF	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	5,259	4,858	1,117	401	4,142
Assets (\$m's)	186	128	19	58	167
Fees charged (\$m's)	1.4	1.1	0.1	0.3	1.3
Market share (% of members)	0.2	0.2	0.0	0.0	0.1
Market share (% of assets)	0.2	0.2	0.1	0.0	0.2
Average member balance (\$000's)	35.4	26.4	16.9	9.0	18.5
Contribution ratio (%)	93	91	88	2	5
Fees charged per average member (\$)	273	249	117	24	156
Fees as percentage of average assets (%)	0.88	0.95	0.35	-0.07	0.53

Launched October 2015.

Entry into the scheme is restricted to current members of the New Zealand Defence Force, or members of the NZDF Community. The Scheme is managed by Mercer, which provides access to a wide range of outsourced managers, typically through multi-manager funds.

<https://www.nzdfsavings.mil.nz/>

**A.28 OneAnswer**

OneAnswer	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	60,770	63,000	69,462	-2,230	-8,692
Assets (\$m's)	2,776	2,252	1,621	524	1,154
Fees charged (\$m's)	24.5	23.0	15.9	1.5	8.5
Market share (% of members)	2.0	2.1	2.7	-0.1	-0.7
Market share (% of assets)	3.4	3.6	4.8	-0.2	-1.4
Average member balance (\$000's)	45.7	35.7	23.3	9.9	22.3
Contribution ratio (%)	62	62	63	-1	-1
Fees charged per average member (\$)	395	358	231	37	164
Fees as percentage of average assets (%)	0.97	1.02	1.05	-0.05	-0.08

Launched October 2007.

The OneAnswer KiwiSaver Scheme is distributed through external advisors as well as employers (via preferred provider agreements), and is generally targeted at more sophisticated investors. The OneAnswer KiwiSaver Scheme offers 13 funds; 5 multi-asset-class funds and 8 single-asset-class funds. ANZ Investments is the manager of the Scheme and it takes an active management approach to investing.

<https://www.anz.co.nz/comms/investments/oa-kiwisaver/>

## A.29 Pathfinder

Pathfinder	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	2,297	750		1,547	2,297
Assets (\$m's)	74	18		55	74
Fees charged (\$m's)	0.6	0.1		0.5	0.6
Market share (% of members)	0.1	0.0		0.0	0.1
Market share (% of assets)	0.1	0.0		0.1	0.1
Average member balance (\$000's)	32.1	24.3		7.7	32.1
Contribution ratio (%)	78	68		10	78
Fees charged per average member (\$)	424	312		112	
Fees as percentage of average assets (%)	1.41	0.64		0.77	

Launched July 2019.

The Scheme has a strong focus on ethical investing and donates 20% of its management fee revenue to its charity partners. It has purchased and cancelled carbon credits so that its KiwiSaver funds are carbon negative (i.e. removing more CO<sub>2</sub> from the atmosphere than their share of emissions for companies they invest in). The Scheme was initially launched as CareSaver, but rebranded in March 2021 to align with Pathfinder managed funds. Pathfinder is the first B Corp certified fund manager in New Zealand.

<https://www.path.co.nz/kiwisaver/>

## A.30 QuayStreet

QuayStreet	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	6,310	6,211	5,317	99	993
Assets (\$m's)	238	187	100	51	138
Fees charged (\$m's)	2.6	2.3	1.3	0.3	1.3
Market share (% of members)	0.2	0.2	0.2	0.0	0.0
Market share (% of assets)	0.3	0.3	0.3	0.0	0.0
Average member balance (\$000's)	37.7	30.2	18.8	7.5	19.0
Contribution ratio (%)	64	59	67	5	-3
Fees charged per average member (\$)	416	382	241	34	176
Fees as percentage of average assets (%)	1.23	1.30	1.38	-0.07	-0.15

Launched October 2007.

QuayStreet is a specialist funds management business which operates independently from Craigs Investment Partners, its parent company. QuayStreet directly manages a suite of sector-specific and diversified funds, covering most major asset classes. QuayStreet is also a KiwiSaver provider with all of its funds available through the QuayStreet KiwiSaver Scheme.

<https://quaystreet.com/kiwisaver/>

### A.31 Select

Select	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	43			43	43
Assets (\$m's)	3			3	3
Fees charged (\$m's)	0.0			0.0	0.0
Market share (% of members)	0.0			0.0	0.0
Market share (% of assets)	0.0			0.0	0.0
Average member balance (\$000's)	74.5			74.5	74.5
Contribution ratio (%)	70			70	70
Fees charged per average member (\$)	326				
Fees as percentage of average assets (%)	0.22				

Launched November 2020.

The Select KiwiSaver Scheme allows access to JMI Wealth, which has been successfully managing the assets of high net worth clients for many years. JMI Wealth employs a multi-manager approach and is focused on embedding responsible investment considerations within the Scheme. The Scheme is also designed to support the provision of financial advice. Smartshares is the issuer of the Scheme.

<https://selectkiwisaver.co.nz/>

### A.32 Simplicity

Simplicity	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	46,419	34,062		12,357	46,419
Assets (\$m's)	1,670	980		690	1,670
Fees charged (\$m's)	4.9	3.3		1.6	4.9
Market share (% of members)	1.5	1.1		0.4	1.5
Market share (% of assets)	2.0	1.6		0.5	2.0
Average member balance (\$000's)	36.0	28.8		7.2	36.0
Contribution ratio (%)	76	74		2	76
Fees charged per average member (\$)	122	124		-2	
Fees as percentage of average assets (%)	0.37	0.43		-0.06	

Launched September 2016.

Simplicity has been a vocal disrupter of the KiwiSaver industry since its launch in 2016. Its focus on reducing fees has seen it attract over 45,000 members in less than five years. The scheme is structured as a non-profit organisation and donates 15% of its fees to charity. Simplicity has moved somewhat away from a pure passive approach, with exposure to private equity and home loans (which are made to members of the scheme buying their first home).

<https://simplicity.kiwi/kiwisaver/>

### A.33 Summer

Summer	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	4,941	4,356	2,466	585	2,475
Assets (\$m's)	252	166	49	86	203
Fees charged (\$m's)	2.0	1.5	0.6	0.5	1.4
Market share (% of members)	0.2	0.1	0.1	0.0	0.1
Market share (% of assets)	0.3	0.3	0.1	0.0	0.2
Average member balance (\$000's)	51.0	38.1	19.8	12.9	31.2
Contribution ratio (%)	52	70	63	-17	-11
Fees charged per average member (\$)	430	370	254	61	176
Fees as percentage of average assets (%)	0.96	1.01	1.40	-0.06	-0.45

Launched September 2016.

The Summer KiwiSaver Scheme is part of Forsyth Barr. The scheme is actively managed and offers both single sector and multi asset class funds

<https://www.summer.co.nz/>

### A.34 Supereasy

Supereasy	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	9,040	8,942	7,804	98	1,236
Assets (\$m's)	380	297	175	83	205
Fees charged (\$m's)	2.2	2.1	0.8	0.1	1.4
Market share (% of members)	0.3	0.3	0.3	0.0	0.0
Market share (% of assets)	0.5	0.5	0.5	0.0	-0.1
Average member balance (\$000's)	42.1	33.2	22.4	8.8	19.7
Contribution ratio (%)	82	83	84	-1	-3
Fees charged per average member (\$)	246	245	102	2	145
Fees as percentage of average assets (%)	0.65	0.74	0.48	-0.09	0.18

Launched July 2007.

The Supereasy Scheme, run by Civic Financial Services (a local-government owned company), is restricted to employees of local authorities or council controlled organisations, and their immediate family members. The Scheme has a focus on low cost management. Its flagship offering is its automatic fund, which on a monthly basis moves members from more aggressive investment portfolios to more conservative investment portfolios as they age from 20 through to age 80.

<https://www.supereasy.co.nz/>

### A.35 SuperLife

SuperLife	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	31,018	30,561	27,239	457	3,779
Assets (\$m's)	1,236	892	518	344	718
Fees charged (\$m's)	2.3	2.1	2.6	0.2	-0.3
Market share (% of members)	1.0	1.0	1.0	0.0	0.0
Market share (% of assets)	1.5	1.4	1.5	0.1	0.0
Average member balance (\$000's)	39.8	29.2	19.0	10.7	20.8
Contribution ratio (%)	72	67	63	5	10
Fees charged per average member (\$)	75	71	99	4	-24
Fees as percentage of average assets (%)	0.22	0.24	0.57	-0.02	-0.35

Launched February 2009.

Specialist superannuation firm SuperLife was bought by the NZX in 2014. The SuperLife Scheme offers a wide range of low cost funds, which are typically managed passively to track market indices. The offering includes 35 single sector funds and an "Age Steps" option from which the investment strategy is set based on a member's age to estimate the investment horizon. Smartshares Limited is the manager of the Scheme.

<https://www.superlife.co.nz/kiwisaver-home>

### A.36 Westpac

Westpac	Current 31 March 2021	1 year ago 31 March 2020	5 years ago 31 March 2016	Change (1 year)	Change (5 year)
Members	387,555	391,533	376,825	-3,978	10,730
Assets (\$m's)	8,610	6,836	3,887	1,774	4,723
Fees charged (\$m's)	48.3	51.9	33.7	-3.6	14.6
Market share (% of members)	12.5	12.9	14.4	-0.4	-1.9
Market share (% of assets)	10.5	11.0	11.5	-0.5	-1.0
Average member balance (\$000's)	22.2	17.5	10.3	4.8	11.9
Contribution ratio (%)	73	73	57	0	17
Fees charged per average member (\$)	124	132	91	-8	33
Fees as percentage of average assets (%)	0.63	0.79	0.95	-0.16	-0.32

Launched October 2007.

The Westpac KiwiSaver Scheme is managed by BT Funds Management (NZ) Limited (BTNZ) the investment management arm of Westpac in New Zealand. BTNZ became a default provider in 2014 and retained this status in the 2021 review.

<https://www.westpac.co.nz/kiwisaver-investments/>

## B Investment Returns and Asset Allocation

### B.1 Returns to 31 March 2021 (after fund charges but before tax)

Returns and Risk		FUM	Growth BM	1 year		3 years		5 years		10 years		Risk pa	
Manager	Fund	\$m	%	%	Rank	% pa	Rank	% pa	Rank	% pa	Rank	5 year	10 year
<b>Growth (70%-85% growth assets)</b>													
AMP	Grow th	873	77.0	27.8	(10)	9.2	(12)	9.3	(12)	8.1	(9)	9.4	8.7
ANZ	Grow th	3,951	80.0	33.3	(2)	10.9	(6)	10.2	(7)	10.7	(2)	10.1	8.6
ASB	Grow th	4,048	80.0	29.1	(7)	9.6	(11)	10.0	(9)	9.5	(6)	9.4	8.1
BNZ	Grow th	983	70.0	25.0	(14)	10.6	(9)	10.7	(5)	-	-	7.5	-
Booster	Balanced Grow th	439	80.0	26.8	(13)	11.0	(5)	10.1	(8)	8.1	(8)	7.9	6.9
Fisher	Grow th	2,769	80.0	30.8	(5)	<b>12.4</b>	<b>(1)</b>	11.7	(2)	9.7	(4)	8.3	7.5
Fisher Tw o	Grow th	703	75.0	26.8	(12)	10.7	(7)	10.2	(6)	9.3	(7)	7.4	7.0
Generate	Grow th	962	82.5	27.4	(11)	11.6	(3)	10.7	(4)	-	-	9.5	-
Kiwi Wealth	Grow th	2,016	80.0	32.2	(4)	10.6	(8)	11.0	(3)	10.1	(3)	9.9	9.5
Mercer	Grow th	161	80.0	28.1	(9)	8.9	(14)	9.4	(11)	-	-	8.0	-
Milford	Active Grow th	2,223	78.0	<b>34.8</b>	<b>(1)</b>	12.3	(2)	<b>12.0</b>	<b>(1)</b>	<b>13.5</b>	<b>(1)</b>	8.4	7.0
Simplicity	Grow th	1,220	78.0	28.6	(8)	11.5	(4)	-	-	-	-	-	-
SuperLife	Grow th	33	80.0	32.7	(3)	9.0	(13)	8.8	(13)	-	-	10.7	-
Westpac	Grow th	2,072	80.0	29.4	(6)	10.0	(10)	9.7	(10)	9.6	(5)	8.5	7.1
<b>Median</b>			<b>80.0</b>	<b>28.9</b>		<b>10.7</b>		<b>10.2</b>		<b>9.6</b>		<b>8.5</b>	<b>7.5</b>
<b>Balanced (55%-69% growth assets)</b>													
AMP	Balanced	1,079	57.0	20.1	(13)	7.6	(14)	7.5	(13)	7.1	(11)	7.1	6.5
AMP	Ethical Balanced	21	65.0	23.8	(6)	8.0	(12)	-	-	-	-	-	-
AMP	Nikko Balanced	100	65.0	25.1	(5)	7.6	(13)	7.9	(10)	8.3	(4)	8.8	7.1
ANZ	Balanced Grow th	2,704	65.0	26.5	(2)	9.6	(5)	8.8	(3)	9.5	(2)	8.2	7.0
ASB	Balanced	2,475	60.0	21.4	(10)	8.3	(10)	8.4	(5)	8.3	(5)	7.1	6.0
Booster	Balanced	624	60.0	19.7	(14)	8.8	(7)	8.2	(9)	7.1	(12)	6.0	5.2
Booster	SRI Balanced	153	55.0	19.2	(15)	9.9	(3)	8.6	(4)	-	-	6.1	-
Fisher Tw o	Balanced	1,096	57.0	21.9	(9)	9.8	(4)	8.9	(2)	8.2	(7)	5.9	5.3
Kiwi Wealth	Balanced	2,059	55.0	22.5	(8)	8.6	(8)	8.4	(6)	8.2	(8)	6.7	6.0
Mercer	Balanced	501	60.0	20.5	(11)	7.4	(15)	7.6	(12)	7.9	(10)	6.0	5.2
Milford	Balanced	591	61.0	25.2	(4)	10.1	(2)	<b>9.8</b>	<b>(1)</b>	<b>10.8</b>	<b>(1)</b>	6.8	5.9
Simplicity	Balanced	319	56.0	20.2	(12)	9.4	(6)	-	-	-	-	-	-
SuperLife	Balanced	54	60.0	25.5	(3)	8.2	(11)	7.8	(11)	8.0	(9)	8.4	7.2
SuperLife	Ethica	50	60.0	<b>29.2</b>	<b>(1)</b>	<b>10.6</b>	<b>(1)</b>	8.2	(8)	8.7	(3)	9.0	7.1
Westpac	Balanced	1,956	60.0	22.8	(7)	8.5	(9)	8.3	(7)	8.2	(6)	6.6	5.6
<b>Median</b>			<b>60.0</b>	<b>22.5</b>		<b>8.6</b>		<b>8.3</b>		<b>8.2</b>		<b>6.8</b>	<b>6.0</b>
<b>Moderate Balanced (45%-54% growth assets)</b>													
AMP	Mod. Balanced	810	47.0	16.1	(3)	6.6	(3)	6.4	(3)	6.3	(2)	6.0	5.5
ANZ	Balanced	3,039	50.0	<b>20.3</b>	<b>(1)</b>	8.3	(2)	7.4	(2)	<b>8.3</b>	<b>(1)</b>	6.3	5.4
BNZ	Balanced	622	50.0	18.2	(2)	<b>8.5</b>	<b>(1)</b>	<b>8.6</b>	<b>(1)</b>	-	-	5.7	-
<b>Median</b>			<b>50.0</b>	<b>18.2</b>		<b>8.3</b>		<b>7.4</b>		<b>7.3</b>		<b>6.0</b>	<b>5.4</b>
<b>Moderate (30%-44% growth assets)</b>													
AMP	Income Generator	5	40.0	<b>17.4</b>	<b>(1)</b>	6.9	(2)	-	-	-	-	-	-
AMP	Moderate	621	37.0	12.4	(10)	5.7	(11)	5.5	(9)	5.6	(6)	4.8	4.3
ANZ	Cons. Bal.	1,483	35.0	14.3	(3)	6.9	(3)	6.0	(5)	<b>7.0</b>	<b>(1)</b>	4.6	3.9
ASB	Moderate	2,247	40.0	12.7	(6)	6.1	(9)	6.1	(3)	6.6	(2)	4.9	4.2
BNZ	Moderate	673	35.0	12.4	(8)	6.6	(5)	<b>6.9</b>	<b>(1)</b>	-	-	4.3	-
Booster	Moderate	15	35.0	10.6	(11)	6.2	(6)	5.6	(8)	5.7	(5)	3.8	3.3
Generate	Conservative	471	32.5	12.6	(7)	<b>7.5</b>	<b>(1)</b>	6.1	(4)	-	-	4.5	-
Kiwi Wealth	Conservative	959	30.0	12.4	(9)	6.1	(8)	5.4	(10)	5.7	(4)	3.8	2.9
Mercer	Moderate	179	40.0	13.0	(5)	5.7	(10)	5.8	(7)	-	-	3.9	-
SuperLife	Conservative	25	30.0	14.2	(4)	6.1	(7)	5.9	(6)	6.3	(3)	5.2	4.4
Westpac	Moderate	756	40.0	15.3	(2)	6.7	(4)	6.3	(2)	-	-	4.7	-
<b>Median</b>			<b>35.0</b>	<b>12.7</b>		<b>6.2</b>		<b>5.9</b>		<b>6.0</b>		<b>4.5</b>	<b>4.0</b>
<b>Conservative (15%-29% growth assets)</b>													
AMP	Conservative	437	24.0	8.1	(10)	4.6	(13)	4.3	(15)	4.8	(9)	3.5	3.0
AMP	Default	1,338	20.0	7.6	(12)	4.5	(15)	4.5	(14)	4.8	(10)	2.8	2.5
ANZ Default	Conservative	1,213	20.0	8.4	(8)	5.8	(5)	4.9	(7)	5.9	(3)	3.0	2.6
ANZ	Conservative	1,244	20.0	8.3	(9)	5.4	(7)	4.6	(13)	5.7	(7)	3.0	2.6
ASB	Conservative	4,118	20.0	6.9	(15)	4.9	(12)	4.8	(9)	5.4	(8)	2.8	2.4
BNZ	Conservative	914	20.0	6.0	(16)	4.2	(16)	4.7	(11)	-	-	2.5	-
BNZ	First Home Buyer	219	15.0	4.7	(17)	3.4	(17)	3.8	(16)	-	-	1.7	-
Booster	Default	120	20.0	7.4	(14)	5.2	(9)	4.9	(8)	-	-	2.7	-
Fisher	Conservative	1,039	27.5	9.6	(4)	6.0	(2)	5.4	(3)	5.9	(2)	3.2	2.7
Fisher Tw o	Conservative	178	27.5	10.1	(3)	5.9	(3)	5.5	(2)	<b>6.0</b>	<b>(1)</b>	3.1	2.8
Fisher Tw o	Default	722	22.5	9.4	(5)	5.7	(6)	5.2	(4)	5.8	(5)	2.8	2.4
Kiwi Wealth	Default	341	20.0	8.5	(7)	5.1	(10)	5.2	(5)	-	-	2.8	-
Mercer	Conservative	1,186	20.0	7.6	(11)	4.6	(14)	4.7	(12)	5.8	(4)	3.0	2.5
Milford	Conservative	172	18.0	<b>10.6</b>	<b>(1)</b>	5.9	(4)	<b>6.2</b>	<b>(1)</b>	-	-	3.3	-
Simplicity	Conservative	134	22.0	7.4	(13)	<b>6.0</b>	<b>(1)</b>	-	-	-	-	-	-
Westpac	Conservative	2,992	25.0	10.2	(2)	5.3	(8)	5.0	(6)	5.7	(6)	3.4	2.9
Westpac	Default	349	20.0	8.9	(6)	5.1	(11)	4.8	(10)	-	-	2.9	-
<b>Median</b>			<b>20.0</b>	<b>8.3</b>		<b>5.2</b>		<b>4.8</b>		<b>5.7</b>		<b>2.9</b>	<b>2.6</b>

## B.2 Asset allocation (as at 31 March 2021)

Asset Allocation		NZ/Aus	Global	Property/ Infra	Alt.	Growth	NZ	Global	Alt.	Cash	Income
Manager	Fund	Shares	Shares	%	Assets	Assets	Bonds	Bonds	Assets	%	Assets
		%	%	%	%	%	%	%	%	%	%
<b>Growth</b>											
AMP	Grow th	23.2	52.9	5.0	1.9	<b>83.0</b>	6.7	5.3		4.9	<b>17.0</b>
ANZ	Grow th	18.9	55.9	13.8		<b>88.7</b>	4.4	5.7		1.2	<b>11.3</b>
ASB	Grow th	34.6	39.7	4.3		<b>78.6</b>	10.2	7.0		4.2	<b>21.4</b>
BNZ	Grow th	25.8	51.7			<b>77.5</b>	3.0	13.9		5.7	<b>22.5</b>
Booster	Balanced Grow th	24.6	46.7	6.1		<b>77.4</b>	7.6	5.3		9.7	<b>22.6</b>
Fisher	Grow th	31.0	42.6	4.1		<b>77.6</b>	10.0	4.8		7.6	<b>22.4</b>
Fisher Tw o	Grow th	27.5	37.5	7.3		<b>72.2</b>	12.0	4.9		10.8	<b>27.8</b>
Generate	Grow th	23.1	46.7	12.8		<b>82.6</b>	9.6			7.8	<b>17.4</b>
Kiw i Wealth	Grow th	3.6	74.9	0.9	4.8	<b>84.1</b>	5.3	6.0		4.6	<b>15.9</b>
Mercer	Grow th	14.3	50.4	13.9	1.8	<b>80.5</b>	4.8	12.6		2.0	<b>19.5</b>
Milford	Active Grow th	37.7	39.9	5.6		<b>83.2</b>	0.7	7.5		8.6	<b>16.8</b>
Simplicity	Grow th	29.0	48.3			<b>77.3</b>	7.5	12.3		2.9	<b>22.7</b>
SuperLife	Grow th	21.0	52.5	6.1		<b>79.6</b>	5.8	12.2		2.3	<b>20.4</b>
Westpac	Grow th	27.5	41.3	8.6	4.6	<b>82.0</b>	6.7	7.7		3.6	<b>18.0</b>
<b>Average</b>		<b>24.4</b>	<b>48.6</b>	<b>6.3</b>	<b>0.9</b>	<b>80.3</b>	<b>6.7</b>	<b>7.5</b>		<b>5.4</b>	<b>19.7</b>
<b>Balanced</b>											
AMP	Balanced	16.3	42.1	4.1	1.7	<b>64.2</b>	13.9	13.3		8.6	<b>35.8</b>
AMP	Ethical Balanced	17.3	38.0	11.1		<b>66.4</b>	12.0	10.9		10.8	<b>33.6</b>
AMP	Nikko Balanced	21.3	29.2	5.0	9.7	<b>65.3</b>	19.9	9.8	5.0		<b>34.7</b>
ANZ	Balanced Grow th	14.7	45.5	11.7		<b>72.0</b>	8.0	15.0		5.0	<b>28.0</b>
ASB	Balanced	31.3	27.0	1.0		<b>59.3</b>	9.8	22.4		8.6	<b>40.7</b>
Booster	Balanced	18.6	35.4	5.4		<b>59.4</b>	11.4	13.2		16.0	<b>40.6</b>
Booster	SRI Balanced	18.9	35.2	4.7		<b>58.8</b>	10.8	15.1		15.3	<b>41.2</b>
Fisher Tw o	Balanced	18.9	31.6	5.9		<b>56.4</b>	17.7	18.0		7.8	<b>43.6</b>
Kiw i Wealth	Balanced	2.6	53.5	0.6	3.4	<b>60.2</b>	15.1	17.1		7.7	<b>39.8</b>
Mercer	Balanced	11.2	36.5	12.1	1.9	<b>61.7</b>	9.6	24.8		3.9	<b>38.3</b>
Milford	Balanced	28.8	29.6	5.3		<b>63.8</b>	4.2	21.3		10.7	<b>36.2</b>
Simplicity	Balanced	20.4	35.0			<b>55.4</b>	16.1	25.3		3.2	<b>44.6</b>
SuperLife	Balanced	16.2	38.4	6.1		<b>60.7</b>	11.1	25.3		2.9	<b>39.3</b>
SuperLife	Ethica	16.3	38.2	5.8		<b>60.3</b>	11.5	25.6		2.6	<b>39.7</b>
Westpac	Balanced	20.5	32.7	4.7	3.8	<b>61.7</b>	13.6	20.1		4.6	<b>38.3</b>
<b>Average</b>		<b>18.2</b>	<b>36.5</b>	<b>5.6</b>	<b>1.4</b>	<b>61.7</b>	<b>12.3</b>	<b>18.5</b>	<b>0.3</b>	<b>7.2</b>	<b>38.3</b>
<b>Moderate Balanced</b>											
AMP	Mod. Balanced	14.9	33.5	3.7	1.5	<b>53.6</b>	17.2	16.1		13.1	<b>46.4</b>
ANZ	Balanced	12.2	35.1	9.6		<b>56.9</b>	10.7	23.0		9.4	<b>43.1</b>
BNZ	Balanced	18.6	39.9			<b>58.5</b>	7.8	25.3		8.4	<b>41.5</b>
<b>Average</b>		<b>15.2</b>	<b>36.2</b>	<b>4.4</b>	<b>0.5</b>	<b>56.3</b>	<b>11.9</b>	<b>21.5</b>		<b>10.3</b>	<b>43.7</b>
<b>Moderate</b>											
AMP	Income Generator	34.2	9.9	9.2		<b>53.3</b>	21.5	22.9		2.3	<b>46.7</b>
AMP	Moderate	11.3	27.9	3.1	1.4	<b>43.8</b>	20.7	19.1		16.5	<b>56.2</b>
ANZ	Cons. Bal.	8.8	25.6	7.5		<b>42.0</b>	13.4	29.9		14.7	<b>58.0</b>
ASB	Moderate	28.5	7.4	3.8		<b>39.7</b>	26.0	20.2		14.1	<b>60.3</b>
BNZ	Moderate	11.9	27.0			<b>38.9</b>	9.8	33.2		18.1	<b>61.1</b>
Booster	Moderate	12.4	18.9	4.0		<b>35.3</b>	21.6	20.9		22.2	<b>64.7</b>
Generate	Conservative	12.3	15.7	7.0		<b>35.0</b>	52.1			12.9	<b>65.0</b>
Kiw i Wealth	Conservative	1.4	28.3	0.3	1.8	<b>31.8</b>	26.6	30.2		11.3	<b>68.2</b>
Mercer	Moderate	8.3	23.6	8.1	1.9	<b>41.8</b>	12.6	27.6		17.9	<b>58.2</b>
SuperLife	Conservative	8.1	15.8	5.7		<b>29.7</b>	21.5	44.2		4.5	<b>70.3</b>
Westpac	Moderate	13.5	20.5	4.7	2.7	<b>41.4</b>	22.1	27.1		9.4	<b>58.6</b>
<b>Average</b>		<b>13.7</b>	<b>20.1</b>	<b>4.9</b>	<b>0.7</b>	<b>39.3</b>	<b>22.5</b>	<b>25.0</b>		<b>13.1</b>	<b>60.7</b>
<b>Conservative</b>											
AMP	Conservative	6.1	20.1	2.6	1.3	<b>30.2</b>	24.8	23.5		21.5	<b>69.8</b>
AMP	Default	7.2	15.3			<b>22.5</b>	17.5	15.6		44.4	<b>77.5</b>
ANZ Default	Conservative	5.1	15.5	4.2		<b>24.8</b>	16.9	38.7		19.5	<b>75.2</b>
ANZ	Conservative	5.1	15.6	4.2		<b>24.9</b>	16.9	38.4		19.7	<b>75.1</b>
ASB	Conservative	16.0	4.0			<b>19.9</b>	22.1	35.3		22.7	<b>80.1</b>
BNZ	Conservative	5.9	12.6			<b>18.5</b>	12.8	40.4		28.2	<b>81.5</b>
BNZ	First Home Buyer	4.0	9.0			<b>13.0</b>	5.0	18.9		63.1	<b>87.0</b>
Booster	Default	6.8	14.0	0.7		<b>21.5</b>	19.3	24.0		35.2	<b>78.5</b>
Fisher	Conservative	7.9	14.8	4.8		<b>27.5</b>	29.7	26.1		16.7	<b>72.5</b>
Fisher Tw o	Conservative	7.9	14.7	4.7		<b>27.3</b>	29.5	25.8		17.3	<b>72.7</b>
Fisher Tw o	Default	8.0	13.3	1.3		<b>22.6</b>	36.0	18.0		23.4	<b>77.4</b>
Kiw i Wealth	Default	0.3	18.8	0.3		<b>19.4</b>	18.4	21.7		40.5	<b>80.6</b>
Mercer	Conservative	4.4	16.2			<b>20.6</b>	14.5	33.0		31.9	<b>79.4</b>
Milford	Conservative	6.8	8.3	2.7		<b>17.8</b>	21.8	52.3		8.1	<b>82.2</b>
Simplicity	Conservative	9.6	12.6			<b>22.2</b>	35.9	39.6		2.3	<b>77.8</b>
Westpac	Conservative	9.4	11.0	3.9	2.0	<b>26.3</b>	28.2	30.3		15.2	<b>73.7</b>
Westpac	Default	7.1	11.8	1.9		<b>20.8</b>	31.7	27.7		19.8	<b>79.2</b>
<b>Average</b>		<b>6.9</b>	<b>13.4</b>	<b>1.8</b>	<b>0.2</b>	<b>22.4</b>	<b>22.4</b>	<b>30.0</b>		<b>25.3</b>	<b>77.6</b>

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