



Craigs KiwiSaver Scheme

2023 Annual Report

For the Year Ended 31 March 2023

Craigs Investment Partners
Superannuation Management Limited





CEO's message

Kia ora

There is no denying the past 12 months have been challenging for investors. The economy is feeling the pinch of increases in the Official Cash Rate, and mortgage rates have risen at a pace not seen in decades. Against this backdrop, a disciplined approach to achieving your financial goals is important. If your goals haven't changed, neither should your strategy.

Investing for the long-term, and in regular increments, is a tried-and-true approach to achieving your objectives through the inevitable cycles of the market. It can be helpful to gain the perspective of your investment adviser and we encourage you to get in touch if you have any concerns.

With pandemic restrictions behind us, we are again able to run our full calendar of investor events. Branches host a range of workshops and presentations providing insights and answers to your questions. We continue to bolster online resources too, with interviews from analysts and international experts for you to access.

You can now choose investments based on environmental, social and governance factors as well as financial performance. We have expanded our Private Wealth Research to include in-depth sustainability reviews for 79 of our most widely held investment options and are continuously working to extend this coverage. You can access these reports through the client portal craigsip.com/login.

We have also progressed initiatives to advocate for sustainable practices in our industry and across New Zealand businesses. Over the past 12 months we joined the Responsible Investment Association Australasia (RIAA), championing responsible investment and a sustainable financial system, and announced our plan to migrate our operations to a Microsoft datacentre powered entirely by renewable energy. We became a partner of Global Women, driving diversity in leadership in New Zealand, and launched a Women in Business Scholarship to support future female business leaders.

It is expected that there will still be some economic uncertainty in 2023. As we navigate the remainder of the year, we will continue working hard to deliver the best service and outcomes we can for you. To keep updated with the latest market insights, you can find out more craigsip.com/insights.

Thank you for being a valued investor of the Craigs KiwiSaver Scheme.

Warm Regards,



Chief Executive Officer - Craigs Investment Partners*

Simon Tong

* Craigs Investment Partners Superannuation Management Limited is the manager of the Scheme and is a wholly owned subsidiary of Craigs Investment Partners Limited.



Contents

Details of Scheme.....	3
Information on contributions and Scheme participants.....	4
Changes relating to the Scheme.....	6
Other information for particular types of managed funds.....	8
Changes to persons involved in the Scheme.....	10
How to find further information.....	11
Contact details and complaints.....	12

Details of Scheme

As Manager of the Craigs KiwiSaver Scheme (the “Scheme”), Craigs Investment Partners Superannuation Management Limited (“CIPSML”, “the Manager”, “we” or “us”) presents to members the annual report for the year ended 31 March 2023.

Name of the Scheme	Craigs KiwiSaver Scheme
Type of scheme	KiwiSaver scheme
Manager	Craigs Investment Partners Superannuation Management Limited
Supervisor	The New Zealand Guardian Trust Company Limited
Product Disclosure Statement	The Product Disclosure Statement (“PDS”) as at 31 March 2023 was dated 23 February 2023. The latest Product Disclosure Statement is dated 13 July 2023, and is open for applications.
Latest Fund Update	<p>CIPSML is not required to publish quarterly fund updates due to the nature of the Scheme.</p> <p>Instead, CIPSML produces personalised quarterly reports tailored to each member. The reports as at the balance date (31 March 2023) were for the quarter ended 31 March 2023.</p> <p>For a copy of your reports, please sign into your account on the client portal or contact the Client Services Team on 0800 878 278 or via email clientservices@craigsip.com.</p>
Financial Statements	<p>The Scheme’s latest financial statements and the auditor’s report for the period ending 31 March 2023, are dated 30 June 2023.</p> <p>They were lodged with the Registrar on 12 July 2023 and are available from the Disclose Register disclose-register.companiesoffice.govt.nz (search the scheme register) or from craigsip.com/document-library.</p>

Information on contributions and Scheme participants

Membership details

The table below provides a summary of the numerical changes in the Scheme participants during the year ended 31 March 2023.

Total Scheme Participants	Contributing	Non Contributing*	Total Membership	Total Accumulation
Members as at 1 April 2022	4,795	2,207	7,002	\$477,087,234
New Scheme Members				
Transfers				
• Transfers from other KiwiSaver schemes			379	
• Transfers from other registered superannuation schemes			0	
• Transfers from Australian superannuation schemes			13	
Other New Members			180	
Total New Members			572	
Exiting Scheme Members				
Retirement			139	
Death			1	
Transfers				
• Transfers to other KiwiSaver schemes			128	
• Transfers to Australian superannuation schemes			0	
Other Reasons				
• Invalid enrolment			3	
• Permanent emigration			6	
• Other permanent exits			17	
Total Exiting Members			294	
Members as at 31 March 2023	4,975	2,305	7,280	\$505,642,505

* In this annual report, non-contributing members are defined as those who have not made a contribution in the two months prior to the end of the financial year (31 March 2023), those who have failed to make contracted payments or those on a savings suspension.

Contribution details

Total contributions for the Year Ended 31 March 2023	Number of Members	Total Amount
Member contributions	5,147	\$23,918,358
Member voluntary additional contributions	771	\$2,242,147
Transfers from other schemes	556	\$24,901,210
Employer or other sponsor contributions	4,794	\$11,325,264
Government contributions	5,451	\$2,653,187
Total contributions		\$65,040,166



Changes relating to the Scheme

Governing Document

There were no changes to the Scheme's governing document, the trust deed (the "Trust Deed") during the year ended 31 March 2023. The Scheme is governed by an amended and restated Trust Deed dated 15 November 2016 and was last amended on 1 April 2020.

A copy of the Trust Deed is available on the offer register at disclose-register.companiesoffice.govt.nz.

Terms of the Offer

The Scheme is governed by the Trust Deed, the KiwiSaver Act 2006, FMCA, and the offer documents, including the PDS, Investment Options Supplement and the Other Material Information document ("OMI").

The Investment Options Supplement provides details to members about each individual security available for investment ("Investment Options"). This document is reviewed on a regular basis in line with the Craigs Investment Partners (CIP) Product Committee decisions around inclusions to this list of Investment Options.

The Investment Options Supplement and Statement of Investment Policy and Objectives ("SIPO") were updated during the year ended 31 March 2023 to reflect the following material changes to the terms of the offer:

1 April 2022

- The introduction of a management fee rebate for members who invest in a QuayStreet Fund through the Scheme; and

23 November 2022

- QuayStreet Asset Management Limited (now known as CIP Investment Management Limited ("CIPIML")) entered into an unconditional agreement with Smartshares Limited ("Smartshares") under which it would retire as the manager of the QuayStreet Funds and the QuayStreet KiwiSaver Scheme and be replaced as manager by Smartshares; and

23 February 2023

- The completion of the acquisition of the management rights of the QuayStreet Funds and the QuayStreet KiwiSaver Scheme by Smartshares from CIPIML (formerly QuayStreet Asset Management Limited).

Copies of the latest offer documents can be obtained on the offer register at disclose-register.companiesoffice.govt.nz or by visiting the CIP website craigsip.com/document-library.

Investment Options Supplement

The Investment Options Supplement is reviewed quarterly, or more regularly where appropriate, and updated as and when required. Throughout the course of the year, Investment Options can be removed or added. Where an Investment Option is removed, we will contact you to either change your investment or reconfirm that you would like to continue to hold and/or invest in the removed security. If the latter, we will continue to remind you that the security has been removed via the Holdings Statement within your personalised quarterly reports pack.

A copy of the latest Investment Options Supplement can be obtained on the offer register at disclose-register.companiesoffice.govt.nz or by visiting the CIP website craigsip.com/document-library.

Statement of Investment Policy and Objectives

A copy of the latest SIPO can be obtained on the scheme register at disclose-register.companiesoffice.govt.nz or by visiting the CIP website craigsip.com/document-library.

Related Party Changes

Susan Peterson, a director of Craigs Investment Partners Limited ("CIP", the parent company of the Manager) and CIP Holdings Limited (the ultimate holding company of the Manager) was appointed a director of Mercury NZ Limited on 1 September 2022. Mercury NZ Limited is considered a related party of CIPSML.

Effective 1 April 2022 until 23 February 2023, for members who invested in a QuayStreet Fund through the Scheme, QuayStreet Asset Management Limited (now known as CIPIML), a related party of CIPSML, refunded the management fee charged in the form of a rebate.

Further information on the fees charged on each asset class is available within the Investment Options Supplement which can be obtained by visiting the CIP website craigsip.com/document-library.

All related party transactions are conducted on arms-length terms.

There were no other material changes to the nature or scale of the Scheme's related party transactions during the year ended 31 March 2023.

Other information for particular types of managed funds

Withdrawals

During the year ended 31 March 2023 the following withdrawals were made from the Scheme.

Permitted Member Withdrawals*	Number
Retirement	309
Transfers to other KiwiSaver schemes	128
Death	1
Permanent emigration	6
Invalid enrolment	3
Significant financial hardship	18
Serious illness	10
First home purchase**	49

* Includes partial withdrawals.

** Includes second chance home withdrawals.

Portfolio Returns

The Scheme provides members with the flexibility to build a portfolio of investments from the extensive list of Investment Options to suit their risk profile and investment objectives. The Investment Options included within the Investment Options Supplement are the list of securities that the CIP Investment Committee and CIP Product Committee have selected based on some key principles. Therefore, each member's rate of return is different due to the nature of the Scheme.

As a member of the Scheme your return is specific to your portfolio and set out in your personalised quarterly report.

Manager's Statement

Craigs Investment Partners Superannuation Management Limited

Craigs Investment Partners Superannuation Management Limited as Manager of the Scheme confirms the following:

All benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed and the KiwiSaver Scheme rules have been paid.

The market value of the Scheme property at the balance date (31 March 2023) equaled or exceeded the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at the balance date.



Changes to persons involved in the Scheme

Manager

Craigs Investment Partners Superannuation Management Limited

There have been no changes to the Manager, including its directors and key personnel, during the year ended 31 March 2023.

The current directors of the Manager at the date of this annual report are:

- Kylie Boyd
- Kenneth Phillip
- Michael Smith (Chairman)

Supervisor

The New Zealand Guardian Trust Company Limited

The following change to the Supervisor, including its directors, was made during the year ended 31 March 2023:

- Sarah Graydon was appointed director on 20 March 2023.

The current directors of the Supervisor at the date of this annual report are:

- Robin Flannagan
- Bryan Connor
- Sarah Graydon

Administration Manager, Investment Manager & Registrar

Craigs Investment Partners Limited

There have been no changes to the directors of the administration manager, investment manager and securities registrar during the year ended 31 March 2023.

The following changes to key personnel of the administration manager, investment manager and

securities registrar occurred during the year ended 31 March 2023:

- Helen Skinner resigned as Head of Emerging Wealth on 25 May 2022.
- Julian Braithwaite was appointed as Head of Product on 7 March 2022.

The following changes to the CIP Investment Committee were made during the year ended 31 March 2023:

- Hamish Don and Rousseau Lötter were appointed Co-Chair effective 1 January 2023, following the resignation of Mark Lister from the role as Chair.
- Michelle Perkins was appointed a member effective 26 July 2022.
- David Cassidy was appointed a member effective 30 August 2022.

The CIP Investment Committee members at the date of this annual report are:

- Deidre Copley
- Reg Montgomery
- Mohandeep Singh
- Roger Garrett
- Mark Lister
- Hamish Don
- Rousseau Lötter
- Grant Cotty
- Michelle Perkins
- David Cassidy

Further information is available at craigsip.com/people/investment-committee.

The CIP Product Committee is responsible for approving and removing the Investment Options. To be included as an Investment Option, a security must be either covered by CIP Private Wealth Research or subject to a due diligence process.

The following changes to the CIP Product Committee were made during the year ended 31 March 2023:

- Julian Braithwaite was appointed Chair on 30 May 2022, following the resignation of Helen Skinner from Craigs Investment Partners Limited.
- Hamish Don was appointed a member effective 1 January 2023, following the resignation of Mark Lister from the CIP Product Committee role.

The CIP Product Committee members at 31 March 2023 are:

- Julian Braithwaite
- Hamish Don
- Regan Carey
- Jude Williams

Further information is available at craigsip.com/people/product-committee.

Custodian and Auditor

The New Zealand Guardian Trust Company Limited was the custodian of the Scheme for the year ended 31 March 2023 and has appointed Citibank N.A. as custodian for certain assets during that period.

KPMG was the auditor of the Scheme for the year ended 31 March 2023.

How to find further information

Further information relating to the Scheme is available on the offer register and the scheme register at disclose-register.companiesoffice.govt.nz.

The Scheme's Trust Deed, SIPO, annual report and financial statements and auditor's report are available on the scheme register at disclose-register.companiesoffice.govt.nz.

The current PDS, OMI and Investment Options Supplement for the Scheme are available on the offer register at disclose-register.companiesoffice.govt.nz.

A copy of the documents relating to the Scheme referred to above can be obtained, on request and free of charge, by contacting our Client Services Team on 0800 878 278 or emailing clientservices@craigsip.com.

You can request an updated member's statement (showing an estimate of your benefit) free of charge from our Client Services Team on 0800 878 278 or by emailing clientservices@craigsip.com.

Contact details and complaints

Manager

For enquiries or to obtain a copy of the Trust Deed, the most recent financial statements, auditor's report, a copy of the most recent registered PDS, OMI, Investment Options Supplement, SIPO, or any queries relating to your benefit entitlements or the Scheme, please contact the Manager. If you have a complaint, please contact the Head of Compliance. You can contact both at:

Craigs Investment Partners Superannuation Management Limited

158 Cameron Road
PO Box 13155
Tauranga 3141

Phone: 0800 878 278

Email: clientservices@craigsip.com

Craigs Investment Partners Limited, as securities registrar, can also be contacted at the Manager's address above.

If we cannot resolve your problem, you may contact the Supervisor:

Relationship Manager Corporate Client Services The New Zealand Guardian Trust Company Limited

Level 6
191 Queen Street
PO Box 274, Shortland Street
AUCKLAND 1140

Phone: 09 909 5100

Email: ct-auckland@nzgt.co.nz

You may refer your complaint to Financial Services Complaints Ltd ("FSCL") - A financial ombudsman service. FSCL is our independent external ombudsman and dispute resolution service that has been approved by the Minister of Consumer Affairs under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. FSCL will not charge you a fee to investigate or resolve a complaint.

If you have a problem that neither we nor the Supervisor can resolve, you can contact:

Financial Services Complaints Ltd (FSCL) – A Financial Ombudsman Service

PO Box 5967
Lambton Quay
Wellington, 6140

Level 4, 101 Lambton Quay
Wellington 6011

Phone: 0800 347 257

Email: complaints@fscl.org.nz



Find us at 19 locations nationwide.

SPEAK WITH US TODAY

0800 272 442

CRAIGSIP.COM

Investments are subject to risk and not guaranteed. For more information on Craigs Financial adviser service, please see craigsip.com/terms-and-conditions.

Craigs KiwiSaver Scheme – 2023 Annual Report – 7.23