

Superannuation Master Trust

Annual Report for the year ended 30 September 2022



A little help

AMP 



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Market Overview

The 12-months ending September 2022 proved to be a challenging period for investors, with global sharemarkets and bond markets both producing negative returns. Markets became cautious as concerns grew around geopolitical events (primarily Russia's invasion of Ukraine), rising interest rates to fight rising inflation and a potential recession.

As the 2021 calendar year ended, investors started to grow cautious as the language used by central banks around the world implied that the era of super low interest rates would be coming to an end. As it has turned out, the beginning of 2022 marked the peak of global sharemarkets. From this point, sharemarkets fell, and the seemingly relentless drive higher in share prices since the Covid induced bottom of March 2020, was over.

The positive market sentiment suddenly turned at the beginning of 2021 as geopolitical developments came to the fore. Sentiment shifted and sharemarkets came under selling pressure as Russia invaded Ukraine. Governments from around the world condemned the invasion, imposing strict sanctions targeting Russia's banking system and oligarch elite. Since the invasion, sharemarkets around the world have remained volatile, trending lower.

Sanctions on Russia, on top of the Covid re-start pushed inflation to levels not seen in decades, which resulted in central banks around the world lifting interest rates. Investors also had to grapple with company earnings coming under pressure, as more companies look to cut costs and lay off staff as fears of a recession grew.

Closer to home the New Zealand sharemarket trended lower as the Reserve Bank of New Zealand became one of the first developed central banks to lift interest rates.

Record levels of inflation, the removal of economic support packages and eventual interest rate rises saw bond yields rise over the period, while the New Zealand dollar trended lower. The interest rate rises around the globe resulted in negative returns for bonds over the period.

Outlook

Looking ahead, we remain of the view that markets will be unsettled in the coming months as fears of a recession grow, all while central banks continue in their fight to tame record-high inflation levels.

The year at a glance

The year at a glance as at 30 September 2022:



A sustainable future

Sustainability to us means more than just protecting and maintaining our natural environment, but also helping to address a range of social issues. We're proud to be:

- A carbon neutral business, backed by our Toitu Envirocare carbonzero certification.
- A partner of Voices of Hope, a fantastic mental health charity with a mission to break the stigma surrounding mental illness and decrease suicide rates in New Zealand.
- The first financial services provider to adopt the Living Wage, to ensure everyone working at AMP, direct or contracted, receives the living wage or higher, which reflects the real cost of living in New Zealand.
- A Rainbow Tick accredited employer, in recognition of our genuine focus on being a diverse and inclusive workplace for people of different genders, sexualities, ethnicities, physical capabilities and cultures.
- A partner of Conservation Volunteers New Zealand, through which we're helping to improve the health of our waterways by supporting restoration projects across the country

Visit amp.co.nz/sustainability to discover more ways we're helping to support a sustainable future for New Zealanders and our environment.

Details of Scheme

Name of the Scheme

Superannuation Master Trust (SMT or Scheme).

Type of Scheme

SMT is a legacy superannuation scheme as explained in the 'Status of the Scheme' below.

Manager

AMP Wealth Management New Zealand Limited (Manager or AMP).

Supervisor

The New Zealand Guardian Trust Company Limited (Supervisor).

Status of the Scheme



The Scheme is a legacy superannuation scheme. It is closed to new investor applications and therefore does not have a Product Disclosure Statement (PDS).

Fund Update

The Scheme's latest fund updates for the year ended 30 September 2022 for each of the funds were made publicly available on 16 December 2022. These are available at disclose-register.companiesoffice.govt.nz and at amp.co.nz/forms

Financial Statements and Auditor's Report

The Scheme's latest financial statements for the year ended 30 September 2022 (dated 8 December 2022) and auditor's report (dated 16 December 2022) were lodged with the Registrar on 16 December 2022. For more information please refer to disclose-register.companiesoffice.govt.nz and amp.co.nz/forms

Information on contributions and Scheme participants



Investors

A summary of the changes in investors of the Scheme for the year ended 30 September 2022 (Year):

	Number of investors	Total amount (\$)
Number of contributing investors as at 30 September 2021	1,282	
Number of non-contributing investors as at 30 September 2021	2,700	
Total number of Scheme investors as at 30 September 2021	3,982	\$266,281,249
Total new investors during the Year	0	
Scheme investors who ceased to be investors during the Year by reason of:		
Retirement	201	
Death	16	
Transfers to other schemes	15	
Other reasons	72	
Total number who ceased to be investors during the Year	304	
Total number of Scheme investors as at 30 September 2022	3,678	\$207,571,606
Number of contributing investors as at 30 September 2022	1,144	
Number of non-contributing investors as at 30 September 2022	2,534	

Contributions

The Scheme received the following contributions during the Year:

	Number of investors	Total amount (\$) of contributions
 Investor contributions	1,222	3,941,680
 Investor voluntary additional contributions	11	845,642
Total contributions	1,233	4,787,322

Changes relating to the Scheme

Here's a summary of changes we made to the Scheme during the Year:

In December 2021, ANZ New Zealand Investments Limited (ANZ) took over from AMP Capital Investors (New Zealand) Limited (AMP Capital), now known as Macquarie Asset Management (NZ) Limited (Macquarie), as the underlying fund manager for the AMP Capital Listed Global Property and Australasian Property Funds. The new Fund names are the ANZ Australasian Property and International Property Funds respectively.

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

The SIPO was updated on 6 December 2021 to reflect the re-investment of a number of funds from AMP Capital Investors (New Zealand) Limited (AMP Capital) to AMP Wealth Management New Zealand Limited and ANZ New Zealand Investments Limited (ANZ), as well as to remove wording on the transition to an index-tracking investment approach following its completion.

The SIPO was updated on 1 April 2022 to remove the transition wording following its completion in December 2021.

The SIPO was updated on 30 June 2022 to reflect changes in the strategic asset allocations and/or the benchmark indices for some of the AMP-branded funds.

A copy of the most recent SIPO can be obtained from the scheme register at **disclose-register.companiesoffice.govt.nz** or on the AMP website at **amp.co.nz/forms**

Changes to the Scheme's investment manager

AMP assumed responsibility for the management of all AMP-branded funds, replacing AMP Capital, from 12 July 2021. AMP, with the support of a specialist transition manager, transitioned the funds marked with an asterisk to an index-tracking investment approach within asset classes, with a focus on investing sustainably. BlackRock has been appointed to provide the investment management services in relation to the underlying funds into which those funds invest. AMP will continue to offer access to the ANZ funds and those funds have not been affected by these changes. For more detail about which funds were affected by this transition, please refer to the 'Unit Prices' table.

Related Party Transactions

All related party transactions during the Year were conducted on arms-length terms. There have been no material changes to any of the Scheme's related party transactions during the Year.

Subsequent to the Year, we made the following changes to the Scheme:

Subsequent to the Year and the approval of the financial statements, AMP has agreed to retire as the manager of SMT and appoint Lifetime Asset Management Limited (Lifetime) as the new manager. This change of manager has been subject to the approval of the Supervisor. This change is anticipated to be completed by the end of the first quarter of 2023. When the proposed change takes effect, investments in each fund will be sold and transitioned to Lifetime to invest.

On 17 January 2023, the SIPO was updated to include details of the Funds that Lifetime will transition investments to if the proposed change of manager takes effect.

Other information for particular types of managed funds

Withdrawals

During the Year, the following withdrawals were made from the Scheme:

Withdrawals	Total number of investors
Withdrawals during the Year by reason of:	
Permanent emigration	2
Transfer to another super scheme	15
Financial hardship	3
Retirement	201
Death	16
Terminal Illness	1
Partial withdrawals*	146
Other**	70
Total withdrawals	454

*Partial withdrawals are partial withdrawals from unlocked plans and partial withdrawals from locked plans where the investor has reached their nominated retirement age.

**Other withdrawals are full withdrawals from unlocked plans and early withdrawals from locked plans that are approved by the Manager.

Unit Prices

Fund Name ¹	Unit Price as at 30 September 2021	Unit Price as at 30 September 2022
AMP Conservative Fund*	2.63400	2.38341
AMP Balanced Fund*	2.72097	2.39439
AMP Growth Fund*	2.60646	2.27344
AMP Cash Fund*	2.04666	2.07363
AMP NZ Fixed Interest Fund**	2.76397	2.48071
AMP Global Fixed Interest Fund*	2.71575	2.36581
ANZ International Property Fund**	5.23653	4.19158
ANZ Australasian Property Fund**	5.02094	3.83505
AMP International Shares Fund No.2**	2.47246	2.15009
AMP International Shares Funds No.3**	2.05095	1.65801
AMP International Shares Fund*	2.59701	2.27542
AMP Australasian Shares Fund*	5.27909	4.43591
AMP Australasian Shares Fund No. 2*	6.05043	5.08780
AMP UK Cash Fund	0.74255	0.73726

¹For further information on changes to fund names, refer to our website amp.co.nz/transforming-amp

*The AMP-branded funds have transitioned to an index-tracking investment approach within asset classes, with a focus on investing sustainably. For more information, please refer to the 'Changes to the Scheme's investment manager' section.

**In December 2021, the Manager took over the AMP NZ Fixed Interest Fund, AMP International Shares Fund No.2, AMP International Shares Fund No.3 and ANZ took over the ANZ International Property Fund and ANZ Australasian Property Fund from AMP Capital, now known as Macquarie, as the underlying fund managers, respectively.

Manager's Statement

AMP Wealth Management New Zealand Limited as manager of the Scheme confirms that:

- a. All the benefits required to be paid from the Scheme in accordance with the terms of the governing document have been paid.
- b. The market value of the Scheme property at 30 September 2022 equaled or exceeded the total value of benefits that would have been payable had all investors of the Scheme ceased to be investors at that date and had provision been made for the continued payment of all benefits being paid to investors and other beneficiaries as at 30 September 2022.

Supervisor's Statement

The New Zealand Guardian Trust Company Limited as supervisor of the Scheme confirms that:

All the contributions required to be made to the Scheme in accordance with the terms of the governing document have been made.

Changes to persons involved in the Scheme

Directors of the Manager

The directors of the Manager and AMP Services (NZ) Limited (AMP Services), the Schemes' administration manager, as at 30 September 2022 were:



Jeffery Darren Ruscoe

Jeff started with AMP in 2002 and has held a number of roles including General Manager Customer Service and General Manager Product and Marketing. In April 2019, Jeff was appointed the Chief Client Officer responsible for serving AMP's clients through its marketing, retention and product initiatives. Jeff's career in financial services includes roles in strategy, sales, distribution and product at AMP and marketing and investment roles at the Medical Assurance Society and the Public Trust. Jeff was appointed Managing Director on 29 April 2022.



Mark David Ennis

Mark has over 25 years' senior management experience in financial services, including leadership positions in strategy, marketing, customer services and technology. Mark is responsible for AMP's associated AdviceFirst business, which helps individuals, families and businesses with life and health insurance, KiwiSaver, investments and business advisory. He joined AdviceFirst in November 2013 bringing his specialist skills to help develop the business and its service for customers. Mark holds a First Class Honours Business Studies degree from Massey University, majoring in Marketing.

The following changes to the directors of the Manager and AMP Services have taken place during the Year:

- Blair Vernon resigned as director of both companies on 9 May 2022.
- Timothy Pritchard resigned as director of both companies on 13 July 2022.

Key Personnel of the Manager

The directors of the Manager and AMP Services are also key personnel of those companies during the terms of their appointments.

As at 30 September 2022 the other key personnel of AMP Services were:

- Dhaya Sivakumar, Chief Operating Officer;
- Aaron Klee, General Manager Investment Management & Services;
- Deborah Gyde, General Manager Customer Partnerships;
- Justin Boyes, General Manager Retail Customer;
- Melanie Smith, General Manager Employee Experience; and
- Daniel Hirschi, acting Chief Financial Officer

The following changes to the key personnel of AMP Services have taken place during the Year:

- Jeffery Mitchell resigned as Chief Financial Officer with effect from 12 August 2022. Daniel Hirschi was acting Chief Financial Officer until 1 November 2022.
- Timothy Pritchard ceased to be General Counsel and left the company on 30 September 2022

Subsequent to the Year the following change to the key personnel of AMP Services have taken place:

- Jacky Hollingsworth joined as Chief Financial Officer effective 1 November 2022
- Katie Bhreatnach joined as General Manager Legal & Governance on 28 November 2022
- Dhaya Sivakumar resigned as Chief Operating Officer with effect from 2 December 2022

Information on the directors and key personnel can also be found on the AMP website at amp.co.nz/nz/about/amp-people

Directors of the Supervisor

The directors of the Supervisor as at 30 September 2022 were Bryan David Connor, and Robin Albert Flannagan.

The following changes to the directors of the Supervisor have taken place during the Year:

- James Earl Douglas ceased to be a director of the Supervisor as of 30 November 2021.

How to find further information

The Government maintains a register called Disclose. This register is split into a scheme register and an offer register.


The scheme register contains information relating to various schemes and you can find information such as the Scheme's trust deed, SIPO, financial statements and annual reports.


The offer register contains information on the investment options/funds offered by the Scheme and the Scheme's current fund updates. You can access either of these registers at disclose-register.companiesoffice.govt.nz and search by entering 'AMP Wealth' into the Manager/Issuer search function.

Any of the above information is available on request, by contacting us at our address listed below. There is no charge for requesting this information.

Contact details and complaints

We are happy to help with any queries or complaints you may have. For enquiries, please contact the Manager of the Scheme. If you have a complaint you require help with, please contact the Customer Response Manager. Both can be contacted at:


 AMP Wealth Management New Zealand Limited
Customer Services
PO Box 55
Shortland Street
Auckland 1140

 0800 081 081
+64 4 474 4500 (International)


 investments@amp.co.nz or customerresponse@amp.co.nz


If we are unable to resolve your complaint, you can also contact the Supervisor at:

 Senior Relationship Manager, Corporate Trusts
The New Zealand Guardian Trust Company Limited
PO Box 3845
Wellington 6140


 0800 300 299
+64 9 475 0701 (International)


You can also contact the approved independent dispute resolution schemes for the Manager and the Supervisor respectively, at:

 Insurance & Financial Services Ombudsman Scheme
PO Box 10-845
Wellington 6143

 0800 888 202

 info@ifso.nz

 Financial Services Complaints Limited
PO Box 5967
Wellington 6140

 0800 347 257

 info@fscl.org.nz or complaints@fscl.org.nz

Neither of the above schemes will charge a fee to any complainant to investigate or resolve a complaint. AMP Services (NZ) Limited, as securities registrar, can also be contacted at the Manager's address above.

Want to know more?

Phone 0800 081 081
Email investments@amp.co.nz
Web amp.co.nz

Follow us on   

For more information about the Scheme, please visit our website amp.co.nz or contact us on **0800 081 081** or talk to your Adviser today.

A little help

