

# BNZ KIWISAVER SCHEME

## Valuation and Pricing Methodology



28 March 2018

This document provides information on the valuation and unit pricing methodology applied to the BNZ KiwiSaver Scheme (Scheme). It should be read with the current Scheme Product Disclosure Statement (PDS), the Statement of Investment Policy and Objectives (SIPO) and any other information available at [bnz.co.nz/kiwisaver](http://bnz.co.nz/kiwisaver) or held on the Scheme's Disclose Register entry at [disclose-register.companiesoffice.govt.nz/disclose](http://disclose-register.companiesoffice.govt.nz/disclose).

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### Net asset value

The market value of each investment and the Net Asset Value (NAV) of each fund in the Scheme (Fund) will be determined in accordance with the Scheme Governing Document and on a consistently applied basis.

### Asset valuation

The assets held by the Funds are valued in order to determine the unit price for each Fund. Asset valuations for the Funds are typically performed each valuation day based on the last market prices (or unit prices) available at that time. BNZ Investment Services Limited's (BNZISL) Unit Pricing and Valuation policy permits the use of alternative valuation methods, including asset valuation estimates, where the valuation of an investment asset is not available or not deemed appropriate.

Alternative valuation methods used will be discussed with the Supervisor before being used.

### Unit price calculation

The unit prices for the Funds are calculated by dividing the NAV of the relevant Fund by the number of units then on issue in that Fund. The basic formulae for the calculation of unit prices are set out in the Scheme Governing Document. Unit prices are generally calculated each valuation day.

The current policy is to calculate unit prices using the forward pricing method, which is considered good market practice as it aims to remove the arbitrage opportunities associated with alternative pricing methods.

Unit prices are rounded up to four decimal places for applications and rounded down to four decimal places for redemptions.

The unit price applicable to any valuation day is available on [bnz.co.nz/kiwisaverunitprices](http://bnz.co.nz/kiwisaverunitprices) or by contacting us.

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This document has been prepared to meet the requirements of clause 53(1)(l) of Schedule 4 of the Financial Markets Conduct Regulations 2014. Investments made in the BNZ KiwiSaver Scheme do not represent deposits or other liabilities of Bank of New Zealand ("BNZ") or any other member of the National Australia Bank Limited group, and are subject to investment risk, including possible delays in repayment and loss of income and principal invested. None of BNZ or any other member of the National Australia Bank Limited group, the Supervisor, any director of any of them, the Crown or any other person guarantees (either fully or in part) the performance or returns of BNZ KiwiSaver Scheme or the repayment of capital. National Australia Bank Limited, the ultimate parent of BNZ, is not a registered bank in New Zealand, but is a licensed bank in Australia and is therefore subject to the supervision of the Australian Prudential Regulation Authority. BNZ Authorised Financial Advisers' Disclosure Statements are available on request and free of charge.