
Westpac KiwiSaver Scheme

Other Material Information

Underlying Investment Managers

25 July 2016



Specialist funds and underlying investment managers

Investments may be held directly or via investment in other funds that BT Funds Management (NZ) Limited (**BTNZ**) selects (**Specialist Funds**). The underlying investment managers we currently use through Specialist Funds are shown in the table below.

Asset Class	Underlying Managers
Cash	<p>BT Funds Management (NZ) Limited Accessed through an investment in the Westpac Wholesale Enhanced Cash Trust, a fund issued by BTNZ.</p>
New Zealand Fixed Interest	<p>BT Funds Management (NZ) Limited Accessed through an investment in the Westpac Wholesale New Zealand Bond No. 1 Trust, a fund issued by BTNZ.</p>
Australasian Equities	<p>Harbour Asset Management Limited Accessed through an investment in the Westpac Wholesale Australasian Share No. 2 Trust (via an investment in the Westpac Wholesale Strategy Share Trust). Both funds are issued by BTNZ.</p>
	<p>Salt Funds Management Limited Accessed through an investment in the Westpac Wholesale Australasian Share No. 1 Trust (via an investment in the Westpac Wholesale Strategy Share Trust). The Westpac Wholesale Australasian Share No. 1 Trust also invests in the Westpac Wholesale Property Trust. All of these funds are issued by BTNZ.</p>
International Fixed Interest (all funds)	<p>Franklin Templeton Investments Australia Limited</p>
	<p>Standish Mellon Asset Management</p>
	<p>Wellington Management Company LLP All accessed through an investment in the Advance International Fixed Interest Multi-Blend Fund, a fund established in Australia and issued by Advance Asset Management Limited, a related company of BTNZ (via an investment in the Westpac Wholesale International Fixed Interest Trust, a fund issued by BTNZ).</p>
International Fixed Interest (all funds except Default Fund*)	<p>BT Investment Management Limited (a related company to BTNZ)</p>
	<p>Kapstream Capital Pty Limited</p>
	<p>Standish Mellon Asset Management All accessed through an investment in the Advance Defensive Yield Multi-Blend Fund, a fund established in Australia and issued by Advance Asset Management Limited, a related company of BTNZ (via an investment in the Westpac Wholesale Defensive Yield Trust, a fund issued by BTNZ).</p>
International Equities (all funds except Default Fund*)	<p>AQR Capital Management LLC</p>
	<p>Ardevora Asset Management LLP</p>
	<p>Lansdowne Partners Limited</p>
	<p>MFS Investment Management</p>
	<p>Ramius Alternative Solutions LLC</p>
	<p>River and Mercantile Asset Management LLP</p>
	<p>T. Rowe Price Group Inc All accessed through an investment in the BT Wholesale Multi-Manager International Share Fund, a fund established in Australia and issued by BT Funds Management Limited, a related company of BTNZ (via an investment in the Westpac Wholesale Multi Manager International Share Trust, a fund issued by BTNZ).</p>

Asset Class	Underlying Managers
International Equities (Default Fund*)	Vanguard Investments Australia Limited Accessed through investments in the Vanguard International Shares Index Fund and the Vanguard International Shares Index Fund (Hedged) NZD Class, both funds issued by Vanguard Investments Australia Limited.
Listed Property	Salt Funds Management Limited Accessed through an investment in the Westpac Wholesale Property Trust, a fund issued by BTNZ
Other (Alternative Investments)**	Ramius Alternative Solutions LLC Accessed through an investment in the Advance Alternative Strategies Multi-Blend Fund, a fund established in Australia and issued by Advance Asset Management Limited (via an investment in the Westpac Wholesale Alternative Investment Trust, a fund issued by BTNZ).






* The Default Fund was formerly known as the Defensive Fund.








** The underlying investment for the asset class is currently under review following the announcement by Advance Asset Management Limited to wind up the Advance Alternative Strategies Multi-Blend Fund.

Changes to underlying investment managers

Underlying investment managers are regularly monitored and reviewed. These managers may be added to or removed without us notifying you. This means the identity and number of underlying investment managers for the funds may vary from time to time.

Underlying Investment Managers (in alphabetical order)

AQR Capital Management LLC	AQR is an investment management firm employing a disciplined multi-asset, global research process. AQR is based in Greenwich, Connecticut and manages assets for institutional investors from the United States, Europe, Asia and Australia. AQR's investment philosophy is based on the fundamental concepts of value and momentum.	
Ardevora Asset Management LLP	Ardevora is an employee-owned investment management partnership established in 2010. The London-based firm manages global and UK equity portfolios with an objective of generating returns over the long term with an intense risk focus. The investment process is grounded in cognitive psychology and uses traditional investment techniques to identify situations where market participants may be demonstrating some kind of bias.	
BT Funds Management (NZ) Limited	BTNZ is the funds management arm of Westpac in New Zealand, and is wholly owned by Westpac Banking Corporation. The specialist investment team adopts a valuation-driven approach to managing fixed interest and cash, aiming to add value via multiple sources of active management: duration, yield curve positioning and sector and security selection.	
BT Investment Management Limited (BTIM)	BTIM, part of the Westpac Group, is one of Australia's largest funds management companies, and provides a diverse range of investment choices for both individual and institutional investors. BTIM is listed on the Australian Stock Exchange. To ensure performance consistency, BTIM adopts a top-down and bottom-up research approach across its suite of fixed income products.	
Franklin Templeton Investments	Franklin Resources, Inc. is a global investment management organisation which operates under the name of Franklin Templeton Investments. Franklin Templeton is headquartered in San Mateo, California. The Franklin Templeton strategy invests in multi-fixed income assets and multi-currencies around the world. The geographic and asset flexibility allows this strategy to take advantage of different interest rate cycles, and undervalued currencies, as well as macro-economic environments that support the relative outperformance of one sub-sector of fixed income.	

Harbour Asset Management Limited	<p>Harbour is a New Zealand based investment manager which manages funds for large government institutions, workplace savings schemes, charities, KiwiSaver schemes and retail investors through mezzanine platforms. Harbour offers both equity and fixed interest investment solutions for clients. Within New Zealand fixed interest, structural and macroeconomic research forms the cornerstone of the investment process, and is complemented by valuation indicators and market intelligence.</p>	
Kapstream Capital Pty Limited	<p>Kapstream is a global fixed income specialist, founded in 2006. The firm is majority owned by New York Stock Exchange listed Janus Capital Group Inc. Kapstream offers an alternative approach to fixed income, with the goal of generating absolute returns. Through active diversification across sectors and geographies, it aims to consistently deliver capital protection and a reliable income stream.</p>	
Lansdowne Partners Limited	<p>Lansdowne is one of the world's leading alternative investment management organisations. Founded in 1988, Lansdowne manages assets for a diversified client base that includes some of the world's largest and most sophisticated investors. Central to Lansdowne's investment philosophy is a rigorous process of fundamental research. The research process includes meeting with company management, as well as analysis of publicly available information, and proprietary and independent research.</p>	
MFS Investment Management	<p>Established as a partnership in Massachusetts in 1924, Massachusetts Financial Services (MFS) is America's oldest mutual fund company. In 1932 MFS established an internal equity research department and proprietary research approach. MFS' investment philosophy is based upon active management – identifying inefficiencies in global markets and investing in high quality companies which have above average sustainable earnings growth and are trading at attractive valuations.</p>	
Ramius Alternative Solutions LLC	<p>Ramius is part of Ramius LLC, an experienced global alternative asset management business. Ramius LLC has a 17 year history as a global alternative investment management firm. The areas of expertise include multi and single strategy hedge funds, fund of hedge funds and private real estate funds. Ramius has a capital market-based investment philosophy. This has a strong influence on its forward looking views on the opportunity set, manager selection and portfolio construction.</p>	
River and Mercantile Asset Management LLP	<p>River and Mercantile is a UK-based, long-only investment management firm, established in 2006. It specialises in managing UK and global equity portfolios, primarily on behalf of institutional clients. River and Mercantile centres its investment philosophy on Potential, Valuation and Timing (PVT) and uses these factors to assess securities.</p>	
Salt Funds Management Limited	<p>Salt is a specialist investment manager firm founded in May 2013 and is wholly owned by its investment personnel. Salt specialises solely in managing NZ/ Australian listed equity and property mandates and uses the time-tested active investment philosophy of seeking to invest in companies with strong management, which operate within sound industry structures and which generate superior shareholder returns.</p>	
Standish Mellon Asset Management	<p>Standish traces its roots back to 1933, when its predecessor firm, Standish Ayer & Wood Inc. began managing fixed income portfolios for US financial institutions, banks and insurance companies. Standish is a wholly-owned subsidiary of The Bank of New York Mellon Corporation. Standish's search for value utilises a blend of top-down, macro-economic analysis and bottom-up fundamental securities research.</p>	

**T. Rowe Price
Group Inc.**

T. Rowe Price is a US-based investment management firm founded in 1937 with offices in 16 countries worldwide. It offers a range of investment services backed by a global research program based across London, Singapore, Hong Kong, Sydney and Tokyo, and focuses on offering global equity and fixed interest investment strategies for institutions. T. Rowe Price's investment process seeks to identify companies with stable-to-improving business fundamentals and prospects for accelerating returns on capital over a 12 to 24 month time horizon.



**Wellington
Management
Company LLP**

Wellington Management is a private partnership which traces its roots back to the founding of the Wellington Fund in 1928. Wellington Management is based in Boston and has offices located across the US, and in Beijing, Frankfurt, Hong Kong, London, Singapore, Tokyo and Sydney. The objective of Wellington Management's Global Aggregate investment process is to identify a diversified set of independent investment ideas, efficiently allocate capital to those investment ideas, and transparently manage portfolio risk.



