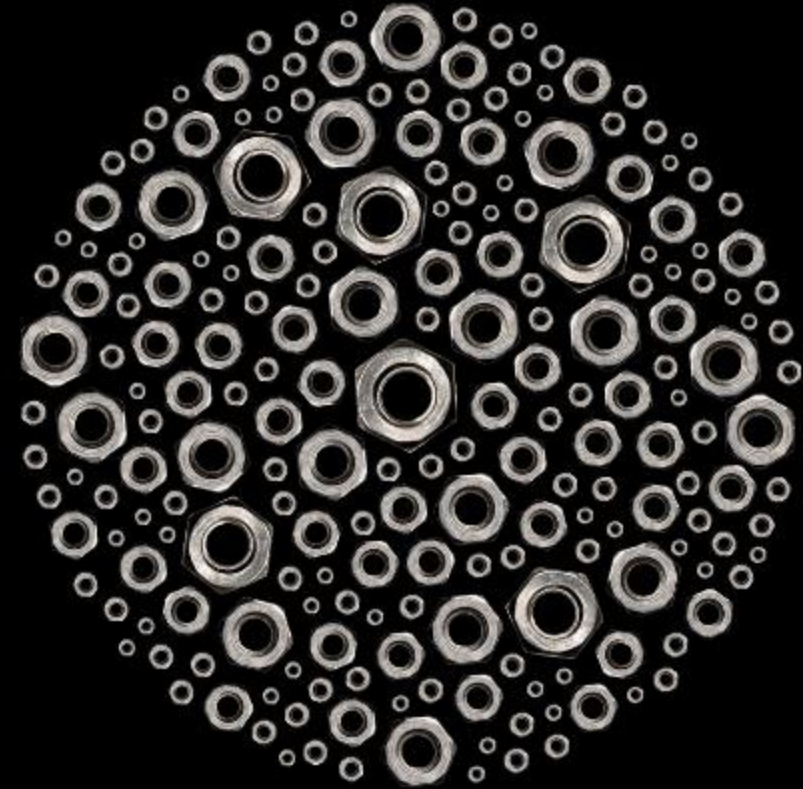




Generate Invest
Pension System Fees Benchmarking

3 August 2022



Disclaimer

This Report has been prepared at the request of Generate Kiwisaver in accordance with the terms of our engagement letter accepted on date 5 October 2021.

Third parties who use this Report acknowledge that they are not a party to the engagement letter dated 5 October 2021. This Report may not be relied upon by any other party for any purpose whatsoever. Neither I nor Deloitte, its Partners and staff owe or accept any duty to any other party and shall not be liable for any loss, damage or expense of whatever nature which is caused by any other party's reliance on representations in this Report.

Our Report should be considered in its entirety, members of Deloitte staff are available to answer any queries, and the reader should seek that advice before drawing conclusions on any issue in doubt.

We have relied on the accuracy and completeness of publicly available information (qualitative, quantitative, written and verbal) for the preparation of the Report, and have not audited nor otherwise verified it.

We reserve the right to review and alter the conclusions reached in this Report, should information that is relevant to our conclusions come to our attention after the date of this Report.

It is important to note:

- The data collected may change as funds release new PDS's, investment guides, investment options etc as fees are updated frequently.
- Certain information collected is described qualitatively by funds, for categories such as management style we have relied upon the descriptions within publicly available documents for each investment option.
- The Peer Group is not total and is not weighting by accounts or FUM, however does capture the largest providers and each key sector of providers within each system.

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Executive Summary



Executive Summary

Generate KiwiSaver engaged Deloitte Consulting Australia to conduct comparative research and analysis on superannuation fees in New Zealand, Australia, and the United Kingdom (UK). The purpose of the research was to assess how fees charged on KiwiSaver products compare to fees charged for similar retirement savings products in Australia and the UK.

The methodology used for this research was to focus on the total fees charged to members with account balances of \$30,000 (the current average KiwiSaver account balance) and \$50,000 (a potential future state average account balance) across a representative peer group of funds from each system.

Key Findings

Within the selected peer group, total fees paid by members across the Australian, New Zealand and UK markets showed the following observations:

- Fees charged to members of KiwiSaver Default products are on average lower than fees charged to members in similar default funds in Australia and in the UK.
- Choice products show a wide range of fees, with this variation primarily caused by a corresponding variation in the identified asset allocation, management style and relative scale.
- Choice products show approximately equivalent fees when accounting for asset allocation and management style, with median fees for KiwiSaver Choice products observed to be slightly lower than median fees for Australian Choice products.

Further Findings

Fees for both Default and Choice products vary across and within the peer group for each retirement savings system. We consider that this variation is primarily due to product design and impacts from system complexity. However, common key drivers of total fees paid by members are observed to be:

- Asset allocation: A higher allocation to growth assets was observed to correlate with an increase in average total fees paid by the member.
- Management style: Active management styles were observed to correlate with higher average fees paid by the member relative to passive management styles.
- Scale: Increased scale as defined by Funds Under Management (FUM) was observed to have a weak relationship with a reduction in total fees paid by the member within the Australian and New Zealand peer groups. Due to the lower average fees and significantly lower FUM that characterises the New Zealand peer group, this relationship is not apparent when combining the peer groups.
- Default product legislation: New Zealand and the UK have comparatively prescriptive legislation for Default products, mandating asset allocation and maximum total fees for Default products respectively. Australian Default products do not have prescribed maximum fees or asset allocations, and typically have a higher allocation to growth assets, including exposure to illiquid assets with a higher cost of management and with a greater likelihood of being actively managed.

Implications

The fees paid for Default products are on average lower within the New Zealand KiwiSaver system than in the Australian or UK retirement systems for the selected providers within the Peer Group. When comparing options with similar management styles and growth asset allocations, total fees are similar between the Australian and New Zealand peer groups, with New Zealand showing a lower median for total fees across the board.

We consider this to indicate that variations in fees across the systems considered are primarily due to product design, with further secondary impacts from system complexity. This shows KiwiSaver fees to be highly competitive in relation to their much larger scale Australian and UK peers.

Background and scope of work

Background

Fees paid by members remain an area of focus for pension and retirement systems around the world. This is due, in part, to the material impact that fees have on the outcomes realised by consumers during retirement. This pressure has been heightened in recent years through legislation which has aimed to reduce fees that are charged to members. Among other effects, this has necessitated the development of fact bases of information to help inform the public debate.

However, clear comparison to alternative systems is not always available or simple considering the differences in scale, system design, legislation, and maturity of the various global retirement systems. The complex interaction of factors that affect the costs which are paid by members who are not receiving identical products in identical retirement systems means direct comparison of percentage fees paid is unlikely to provide useful information in a vacuum.

Scope of work

In light of this need for a fact base, Generate KiwiSaver has engaged Deloitte Consulting Australia to conduct research and analysis on superannuation fees. This research aims to compare the fees that are charged within the superannuation system in New Zealand and compare these fees to those that are charged in the Australian system and the system used in the United Kingdom.

Through completing this research we have considered the:

- Design of the retirement income system (for instance, whether the system is a defined contribution, public sector funded defined contribution, or a hybrid system);
- Product structures and service levels within the system; and
- Fee structures within the system.

Based on these factors we have performed a fee benchmarking exercise focusing on the total fees charged to members. In developing this analysis, we focused on two reference members with account balances of:

- NZD \$30,000, to capture the current average KiwiSaver account balance; and
- NZD \$50,000, to capture a potential 'future state' average account balance.

Methodology



Peer Group

To facilitate data collection, we have identified funds to form a representative peer group for each countries retirement system. In this context, the three tables below shows the funds selected within the Peer Group. In constructing this peer group we have captured the largest providers within each system and representative funds from each of the major sectors within each system. Within this we note that the:

- Australian peer group includes the five largest funds by Funds Under Management as of 1 July 2021, larger retail funds, and selected smaller funds to capture the range of products on offer within the Australian Superannuation system.
- New Zealand peer group includes the default funds within the KiwiSaver system, and the largest choice providers to capture the range of products provided within the system.
- United Kingdom peer group includes the largest pension providers and Authorised Master Trusts within the United Kingdom pension system.

| Australia |
|--------------------------------------|
| Alcoa of Australia |
| AMP: Signature Super |
| Australia Post Superannuation Scheme |
| Australian Ethical |
| Australian Super |
| Aware |
| Commonwealth Group Super |
| HOSTPLUS Superannuation Fund |
| IOOF |
| LGIA |
| Mercer |
| MLC |
| QSuper |
| REST |
| Sunsuper |
| Telstra Superannuation Scheme |
| UniSuper |

| New Zealand (KiwiSaver) |
|-------------------------------|
| ANZ |
| ANZ OneAnswer |
| ASB |
| AMP |
| BNZ |
| Booster |
| BT Funds (Westpac) |
| Fisher Funds |
| Fisher Funds Two |
| Generate |
| Kiwi Wealth |
| Milford |
| Simplicity |
| SuperLife - SmartShares (NZX) |

| United Kingdom |
|--|
| Common workplace pension providers (may include authorised master trusts) |
| Aviva |
| Blackrock / Aegon |
| Fidelity |
| Legal & General |
| Scottish Widows |
| Standard Life |
| Authorised Master Trusts |
| NEST |
| Lewis Workplace Pension Trust |
| Now Pensions |
| Peoples Pensions |
| True Potential |

Collection of Data

For each provider within the peer group, product PDSs, investment guides, websites, and other publicly available documents were utilised to collect the following information from each fund:

Product details including investment management style and options available

For the Australian and New Zealand systems, we have collected data for the multi-asset investment options (sometimes called Diversified, 'Pre-mixed', or 'Ready Made' Options depending on provider) from the funds PDS or investment guide, excluding components of life cycle products as their fees vary by the members age, to capture options across the spectrum of asset allocations¹.

Funds Under Management (FUM)².

We collected Total FUM from APRA Fund Level Statistics for Australian funds and from fund annual reports for the New Zealand funds. The exchange rate to Australian Dollars was collected on the 21st of January 2022 (0.94 NZD per AUD).

Growth and defensive asset allocations

We assigned each of the investment options an option category dependant on their allocation to growth assets, as shown in the table below. In classifying asset classes we have taken the mid-point of the provided range where a target range of growth assets was provided.

Dollar-based- and percentage-based fees paid by members

We collected dollar based and percentage based for both Default and member selected Choice investment options for each provider. In classifying these options, Default products were defined as the option that the member would receive if no investment choice was made. Where a Default product altered the investment strategy and fees by age, the median superannuation member age³ of 44 was assumed for the purpose of collecting fees. Within the UK system, where a fund provided varied fees for their auto-enrolment qualifying schemes, the typical or average charge from the most recent annual statements were utilised.

In light of the dual percentage-based and dollar fees charged to members we have used a set of two sample 'reference members' to capture the actual dollar fees charged to members. For the purposes of this analysis, our analysis has been focused on two reference members with account balances of:

- \$30,000, to capture the current average KiwiSaver account balance; and
- \$50,000, to capture a potential 'future state' average account balance (consistent with the expectation that average balances will rise as the system matures, and the representative member account utilised for fee comparisons by the Australian regulator).

| Option Category | Growth Asset Allocation (%) |
|-----------------|-----------------------------|
| Conservative | <30% |
| Moderate | 30% - 60% |
| Growth | 60% - 80% |
| High Growth | >80% |

¹Where diversified options did not cover a high growth option, an International Shares option was collected to capture a >80% growth allocation.

²FUM was not used for analysis of UK funds due to the unclear nature of assets under management within different products within the pension system. Complications arise as providers often report their combined assets under management, including the pension system and their other investment products.

³Deloitte Superannuation Market Projections

Limitations

When considering the information within this Report, it is important to note:

Fees change (albeit at a relatively slow pace) over time

We note that this data is time-variant and may change as funds release new PDSs, investment guides, investment options as fees change due to competitive market pressures. As a result, the information presented in this report is valid to the point of publishing.

We have relied on a mix of quantitative and qualitative information to classify fees.

Due to its nature, certain information is described qualitatively (for instance, categories such as management style). This introduces a level of subjectivity in classification which has required us to rely on the descriptions provided within publicly available documents for each investment option.

Our analysis considers a representative but not complete sample of the market.

Our Peer Group is not total and is not weighting by accounts or FUM, however does capture the largest providers and each key sector of providers within each system. We are comfortable that this provides a representative sample from which insights can be drawn.



System Design



Differences by System

Default product design

Default products are used when a member does not make an investment choice. Each system has a delineation between a Default investment option (referred to as MySuper within the Australian system and as auto enrolment products within the United Kingdom system) and Choice options consumers may opt into. Between systems there are variations in design and legislation applied to Default options.

The table below compares the product design of Default products across each system. We note that the systems in New Zealand and the United Kingdom have comparatively prescriptive legislation for Default products, mandating asset allocation and maximum total fees for default products respectively. Australian Default products do not have prescribed maximum fees or asset allocations, and typically have a higher allocation to growth assets, with a greater likelihood of currently being actively managed.

| System | Management Style | Asset Allocation | Caps and legislation |
|-------------------------|---|---|--|
| Australia [^] | Active management across all default options in the peer group, with some hybrid managed options appearing in the market recently.* | Growth asset allocation of 70% or greater, including allocation to higher management cost assets such as infrastructure and direct property. | Accounts below \$6,000 subject to a legislated total fee cap of 3%. Asset based administration fees often have a fee cap, however this is not at a level where the account balances used in this analysis are impacted. |
| New Zealand (KiwiSaver) | Passive or hybrid management for default options. | Growth asset allocation is between 50% and 60%, with growth assets typically utilising equities with some funds also showing lower allocation to illiquid assets. | Default asset allocation is mandated by legislation. |
| United Kingdom | Management varies from passive, active, and hybrid management styles across default options. | Asset allocations not readily available. ⁺ | Investment fees for auto enrolment default products are capped at 0.75%. |

[^]Many Australian funds have shown a marked increase in investment fees recently due to an increase in performance fees following the recent period of strong returns.

*The Australian Prudential Regulation Authority (APRA) has begun benchmarking default products against a passive index, which may encourage funds to increasingly adopt a passive management style.

⁺While fact sheets do exist for each fund, the disclosure system is not equivalent to Australia or New Zealand, with the focus being on employer specific comms.

Differences by System

Fee structuring

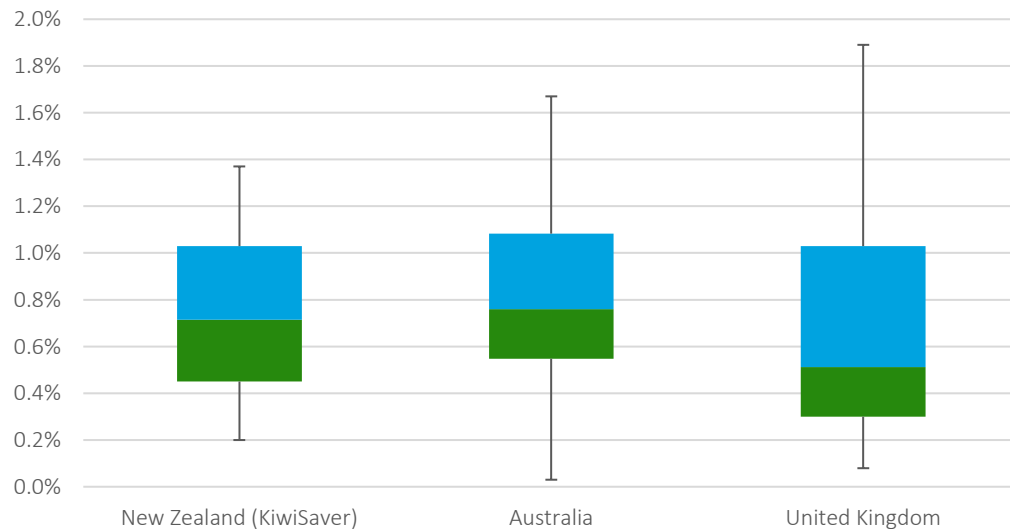
While all systems included asset-based fees (charged as a percentage of members assets) to cover investment and administration costs, the use of dollar-based fees varies significantly between the three systems. Funds within the New Zealand and United Kingdom peer groups did not separate their asset based fees by investment fees and administration fees. Across all systems asset based fees show a wide range across investment options due to varying investment and administration costs.

Dollar-based fees are common in New Zealand, with 57% of funds charging such fees for Choice options, the median fee is less than \$10 AUD per annum. This position is similar to the Australian system where they are also common, with a median fee of \$78 AUD per annum applied to all products. Conversely, dollar-based fees are rarely utilised within the UK system, and are less than \$10 AUD per annum where they are present. The higher dollar-based fees may indicate relatively higher administration costs per member in the Australian system irrespective of assets and investment management.

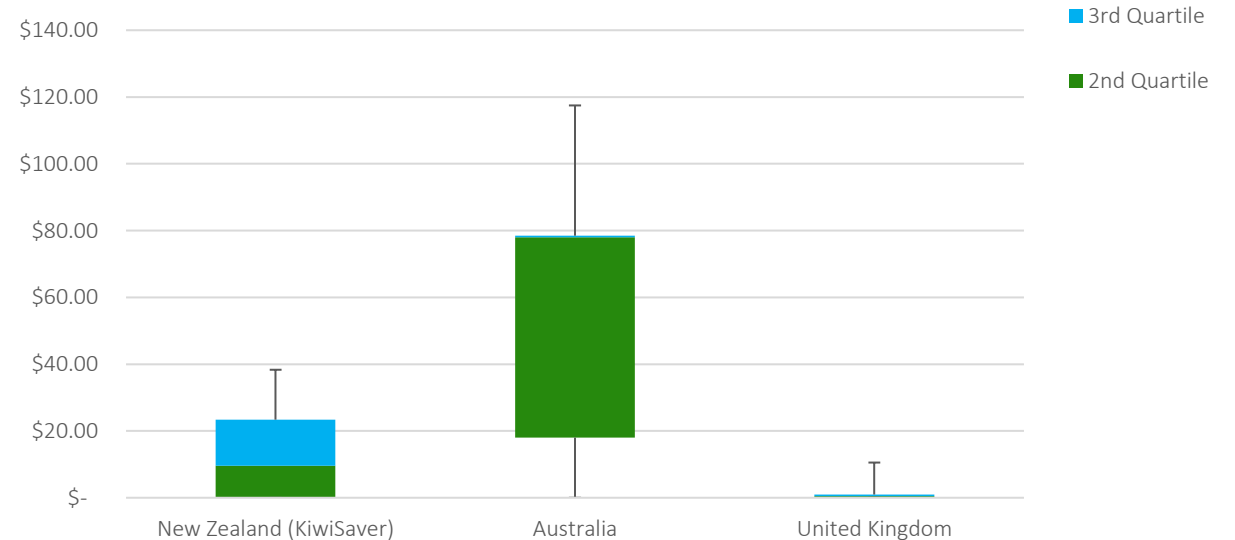
We note that this variance in fee structure has significant impact on the lower account balances utilised in this analysis where flat fees contribute a relatively higher proportion of the total cost compared to asset-based fees. This is particularly so for members within the Australian superannuation system who have higher average balances than those examined in this Report.

We note that these balances are common within the current New Zealand system and lower balance members are likely to be those most affected by fees, with Australia also benchmarking MySuper products against these balances. The accounts with balances of \$30,000 and \$50,000 therefore remain the focus of our analysis.

Percent Fees p.a. By System



Flat Fees p.a. By System



Drivers of Cost

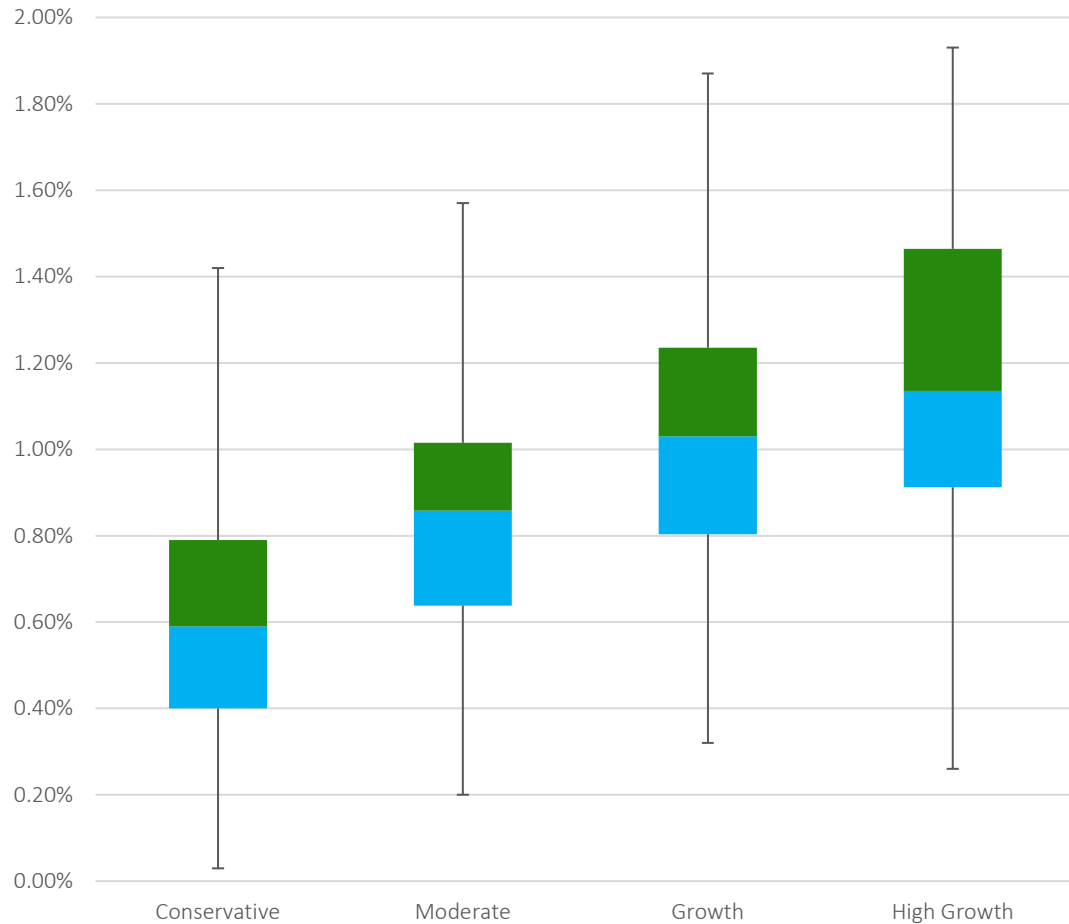


Fees by Investment Options

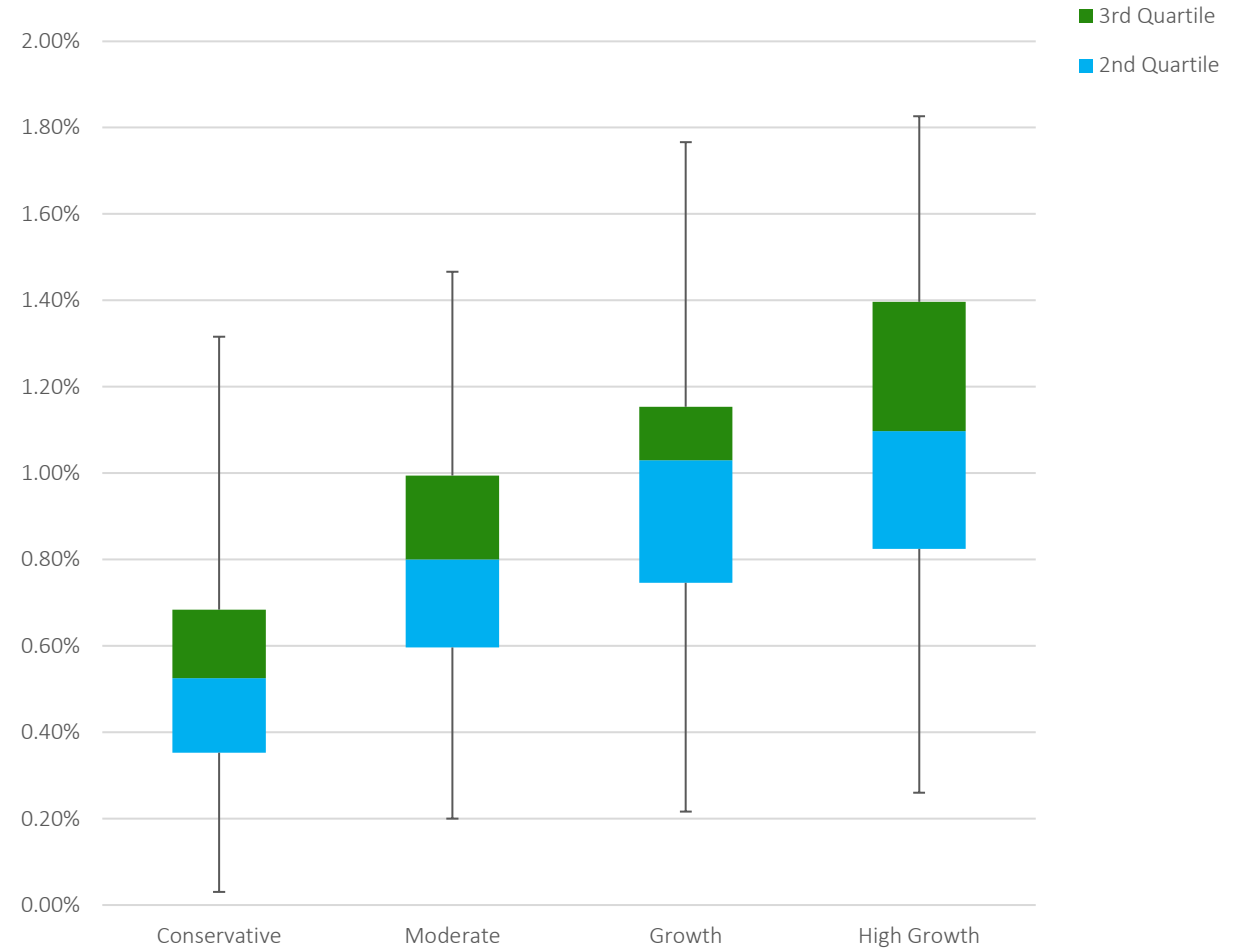
Growth asset allocation across all systems

Investment options within the peer groups with higher allocations to growth assets are subject to higher median fees. This is a function of the higher costs which are incurred in managing investment portfolios which have higher allocations to growth and / or illiquid assets. We note that the range across options with similar growth asset allocation is high, with significant overlap with investment options with differing growth asset allocations. This is partially due to the varying impact of dollar-based fees on each investment option and the varying management styles within each product.

Total Fees p.a. By Investment Option - \$30,000 Balance



Total Fees p.a. By Investment Option - \$50,000 Balance

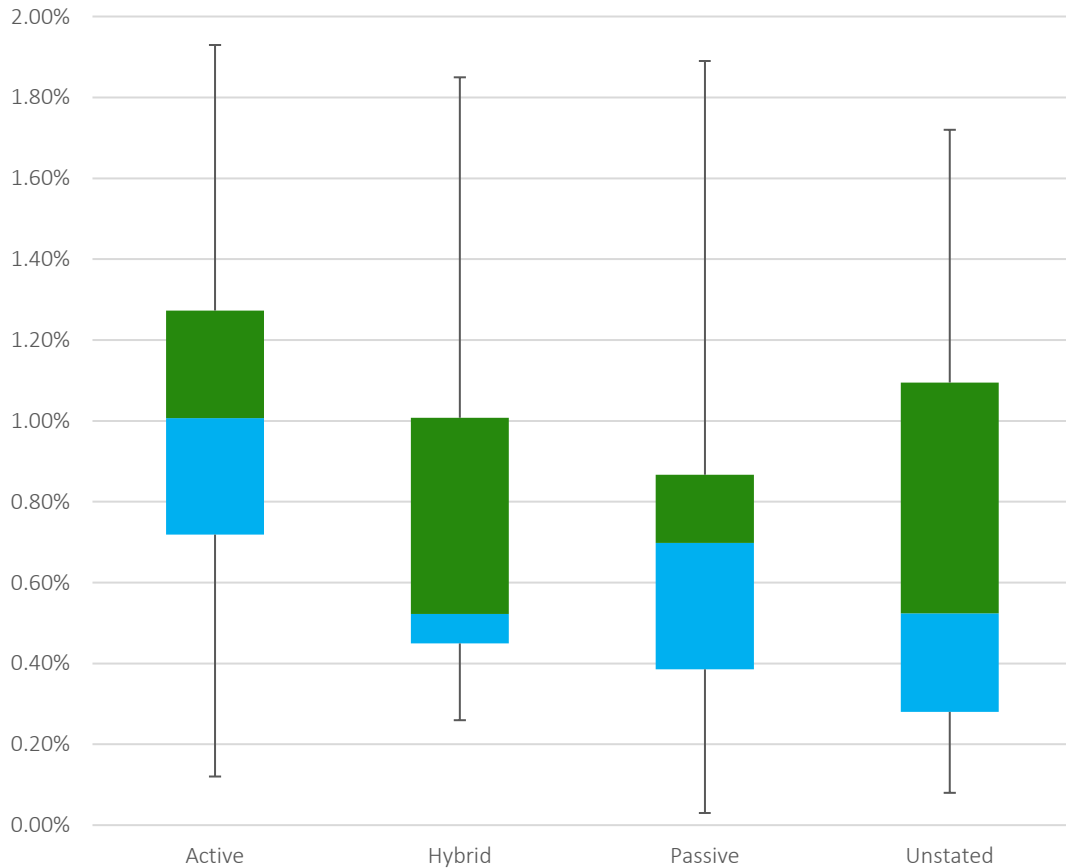


Fees by Investment Options

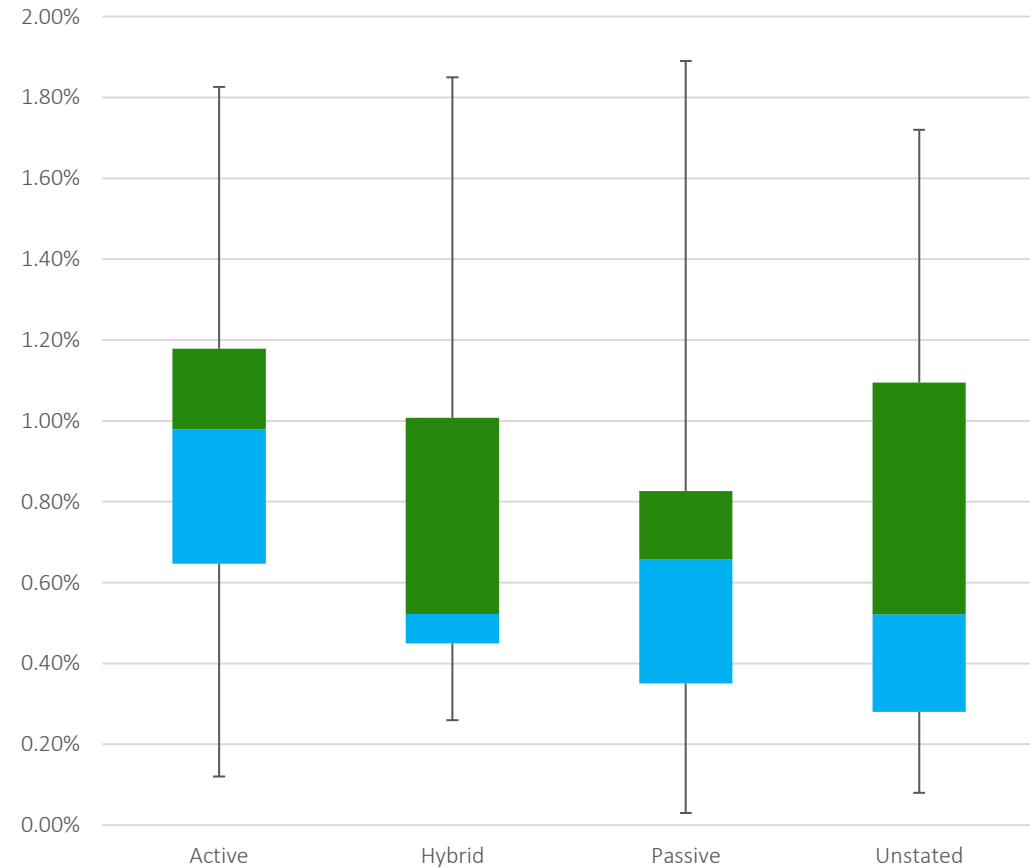
Management Style across all systems

Investment options with increased active management show higher median fees, however with a weaker relationship than asset allocation. This is a function of the higher levels of work involved in constructing and managing these options. We note that the range of fees within options with similar management styles is high, with significant overlap with options with differing management styles. This is partially due to the varying impact of dollar-based fees and allocation to growth assets within each investment option. Further, administration costs covered by total fees would be relatively independent of management style.

Total Fees p.a. By Management Style - \$30,000 Balance



Total Fees p.a. By Management Style - \$50,000 Balance



■ 3rd Quartile
■ 2nd Quartile

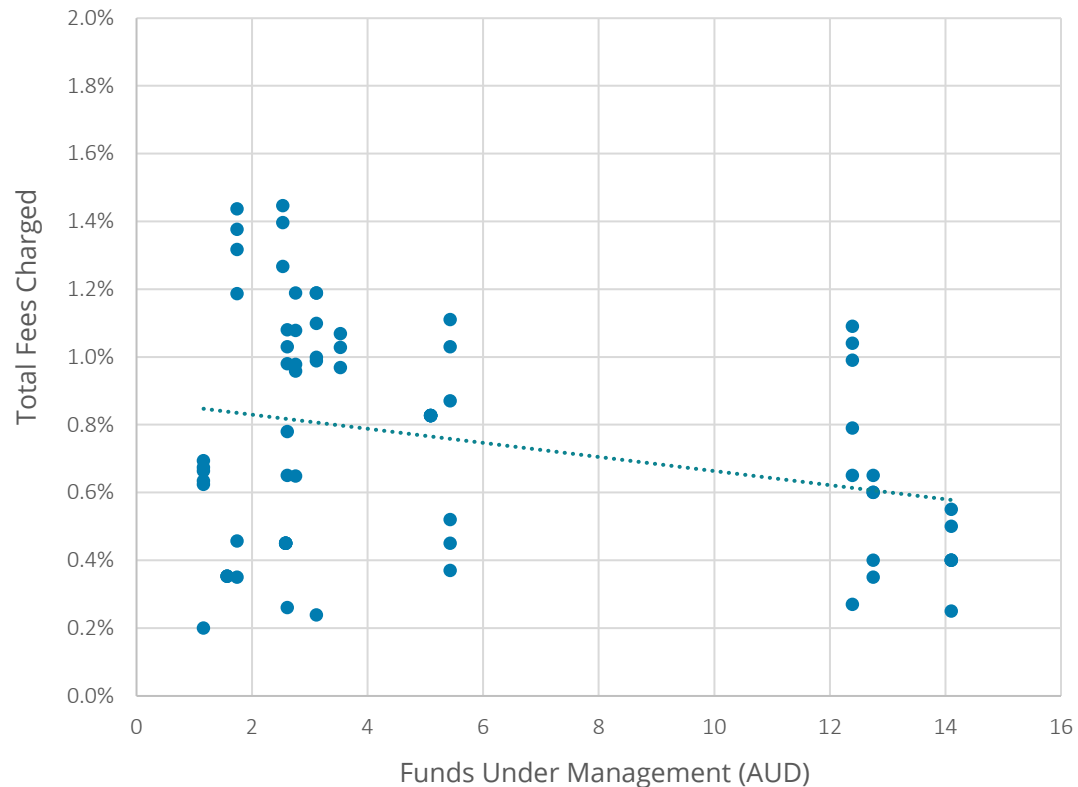
Fees by Size of Provider

Investment Options by FUM

In examining the impact of scale providers were classified separately by system. This is as the variation between fees charged, system design, and comparative scale lead to comparison across both systems which distorted the results produced. As all funds in the New Zealand peer group exhibit a FUM lower than all but the smallest funds in the Australian peer group, the differences in average fees across systems outweighs any relationships due to scale within each system.

Increased FUM shows a weak relationship with reduced total fees paid by the member. This relationship appears slightly stronger for members with a balance of \$50,000 than of \$30,000, suggesting FUM correlates with asset based fees more so than dollar-based fees within the Australian system.

Total fees p.a. by FUM - New Zealand Peer Group - \$50,000 balance



Total fees p.a. by FUM - Australian Peer Group - \$50,000 balance



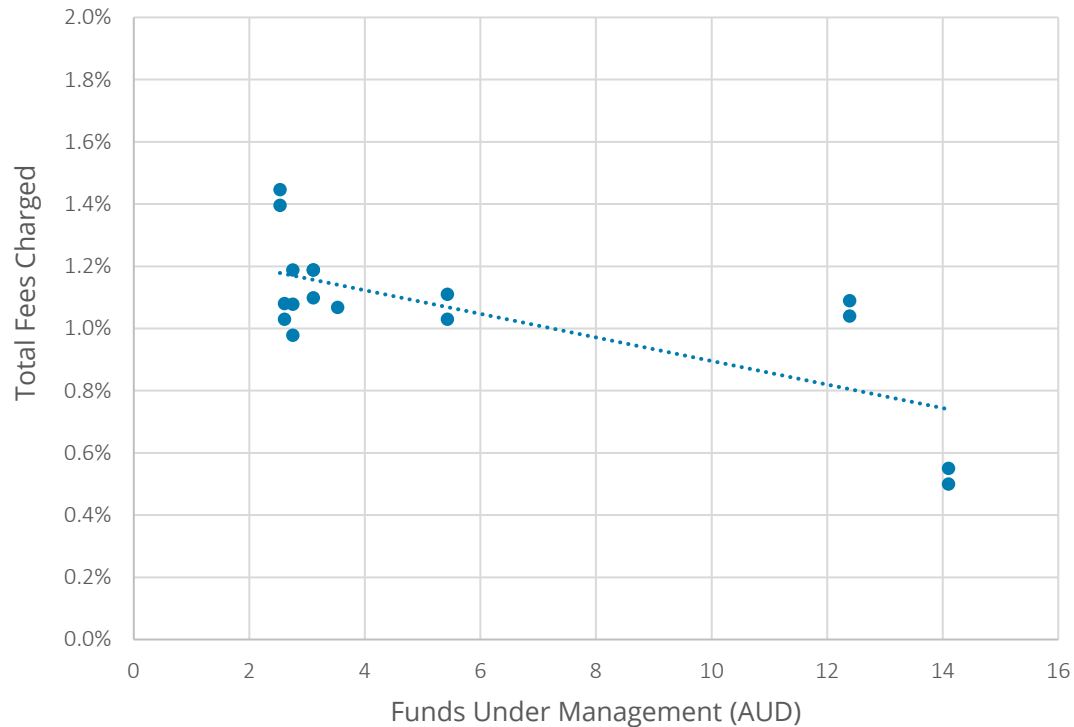
Fees by Size of Provider

Investment Options by FUM and Drivers of Cost

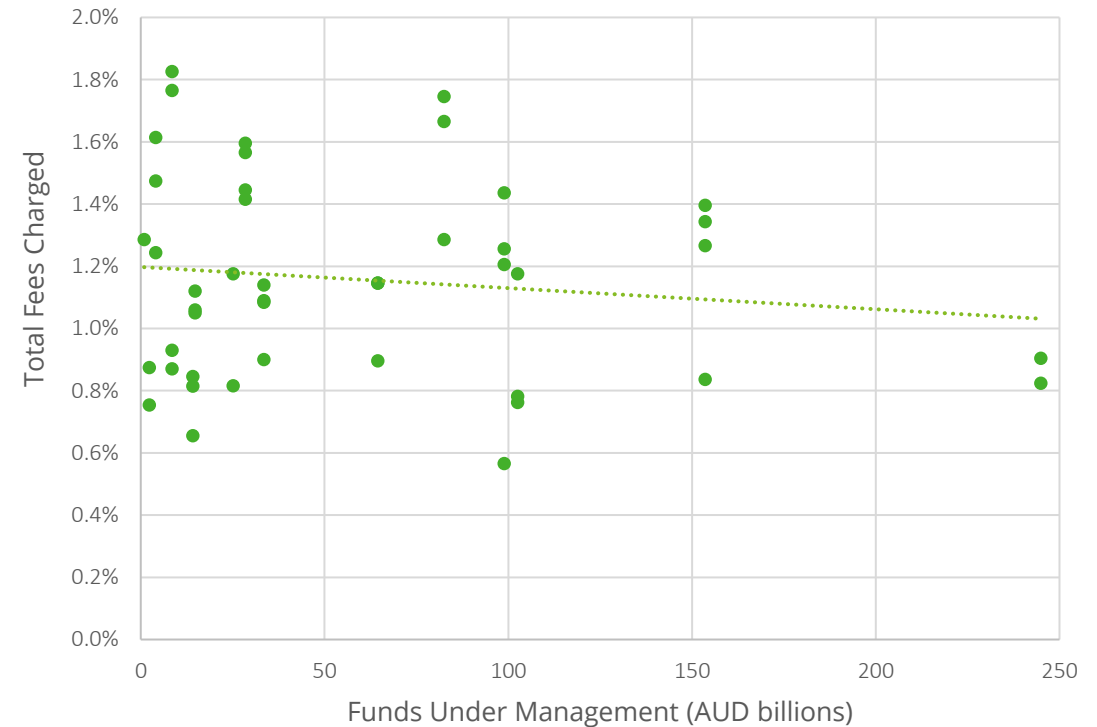
The charts below show the same data, focusing on investment options with a growth asset allocation above 60% which adopt an active approach to management. Both charts exhibit the same relationships with a slightly higher average fee. This indicates that scale remains a relatively weak (though positive) predictor of fees, even once differences in portfolio management are taken into account.

We note that if the peer groups are combined the inverse relationship is observed. This is due to the overall lower fees present in the New Zealand peer group, which exclusively includes funds that are within the lowest quartile of the combined Australian – New Zealand peer group by FUM. We consider this as representative of differing prices across systems due to product design rather than implying a relationship regarding FUM.

Total fees p.a. by FUM – New Zealand Peer Group - Active management and >60% growth asset allocation - \$50,000 balance



Total fees p.a. by FUM – Australian Peer Group - Active management and >60% growth asset allocation - \$50,000 balance



Market Level Fees



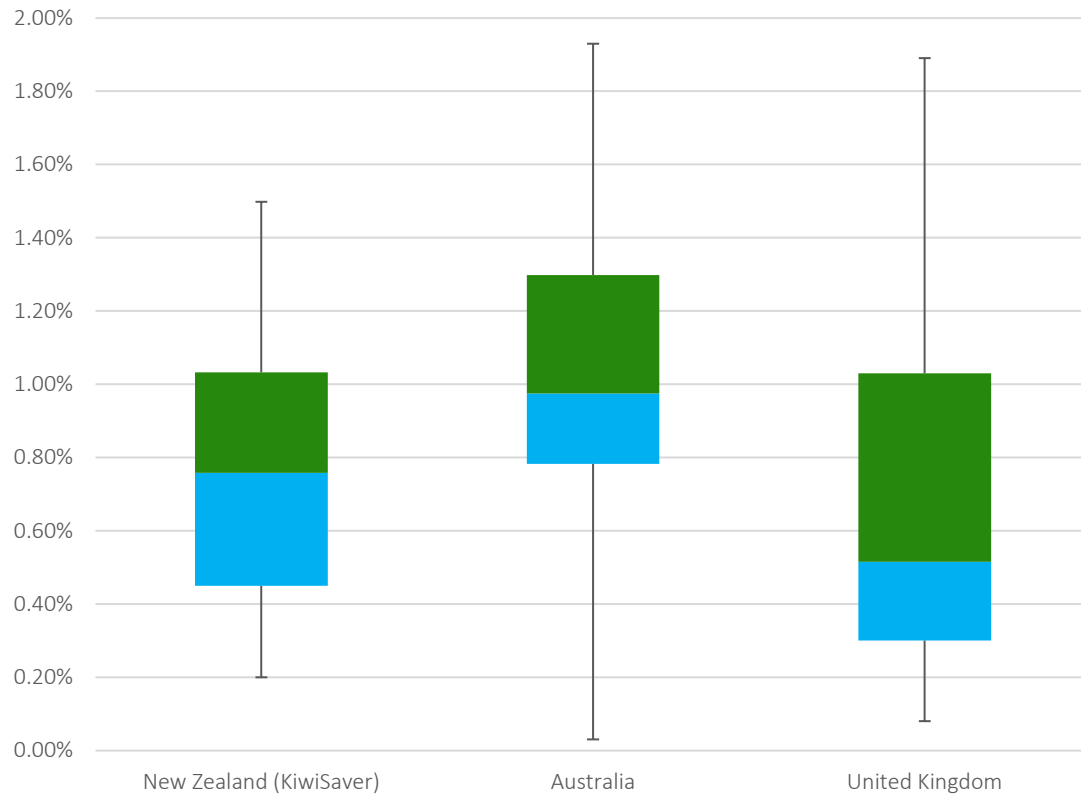
Fees by System

Overall fee levels by system

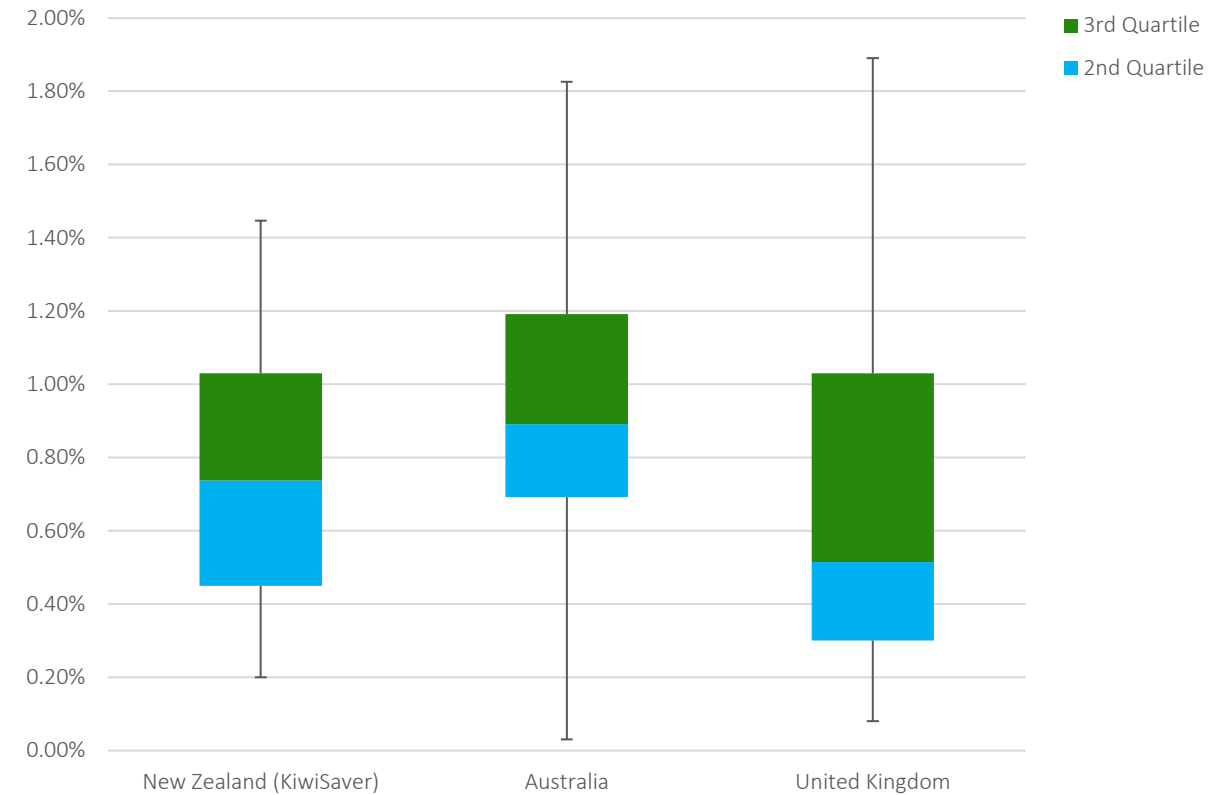
Each of the markets considered exhibited a wide range of fees across funds, default and choice plans, and investment options, with the Australian system showing both the highest range and highest median fees. Across our analysis the Australian system shows fees which are slightly lower for a \$50,000 account balance due to the reduced impact of dollar-based fees. Total fees within the New Zealand and United Kingdom peer groups are not materially different between \$30,000 and \$50,000 accounts due to the absence of significant dollar based fees.

The United Kingdom shows the lowest median fees, with a median total fee of 0.52% regardless of account size, partially due to the prevalence of passive management styles and the prescribed fee cap for default products. The New Zealand system shows both the lowest range of total fees charged and the lowest maximum total fee charged amongst the peer group.

Total Fees p.a. By System - \$30,000 Balance



Total Fees p.a. By System - \$50,000 Balance



Fees by System

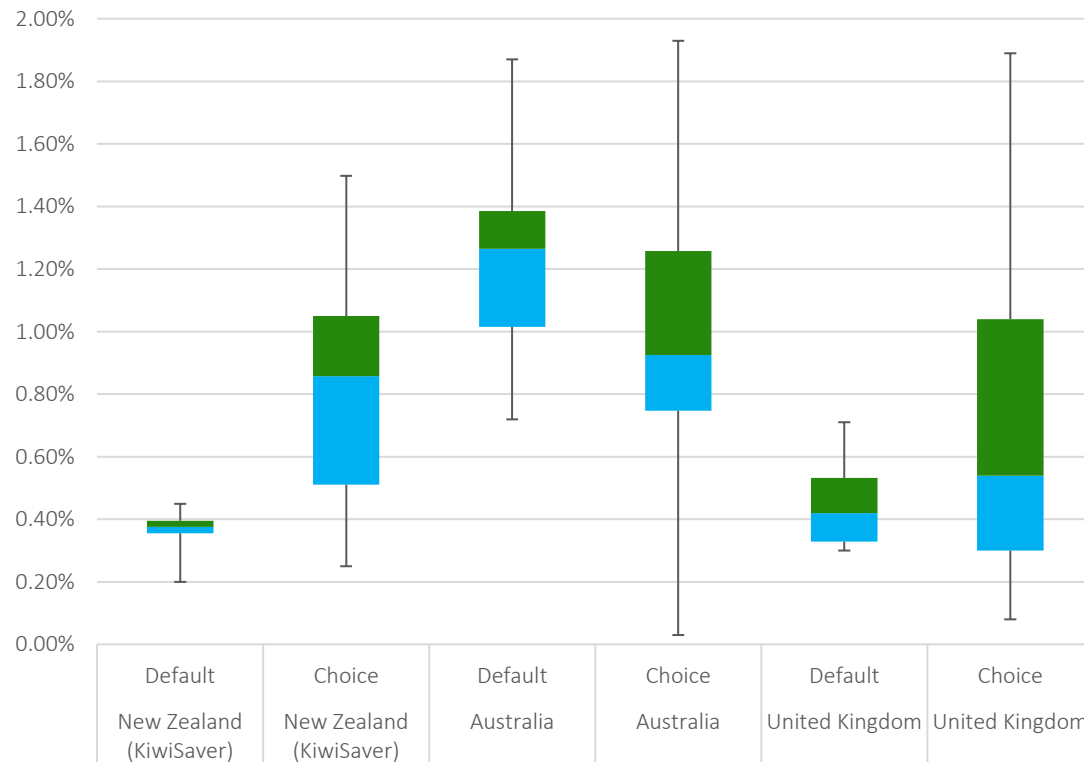
Default and Choice

After accounting for product default status, each of the three systems show a significant difference between fees paid for Default and Choice options, with Default options being more homogenous in product design within each system.

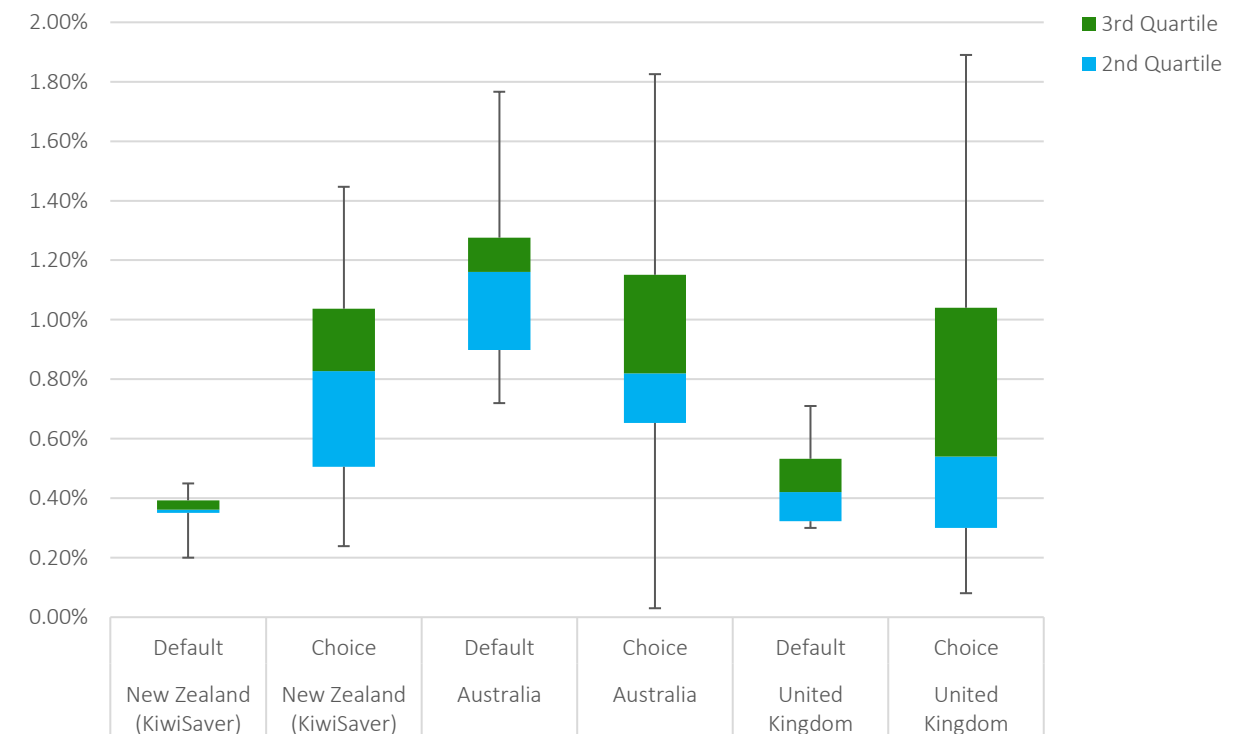
For each of the countries considered, total fees in Choice products show a range of over 1.5% and a median between 0.5% and 1% for all three systems. UK and New Zealand Default fees show lower range and median than the Choice options within the system, while fees in the Australian system show a lower range but a higher median due to the high growth asset allocation and active management style utilised in these Default options. The Australian peer group shows slightly higher fees for members with a \$30,000 balance than those with a \$50,000 balance due to the high prevalence of dollar-based fees for both Default and Choice products. Total fees within the New Zealand and United Kingdom peer groups are not materially different between \$30,000 and \$50,000 accounts due to the absence of significant dollar based fees.

The high allocation of growth assets, including exposure to illiquid assets with a higher cost of management, and common active management style within MySuper Products results in the Australian peer group showing higher median fees for Default products than Choice products.

Total Default and Choice Fees p.a. By System - \$30,000 Balance



Total Default and Choice Fees p.a. By System - \$50,000 Balance

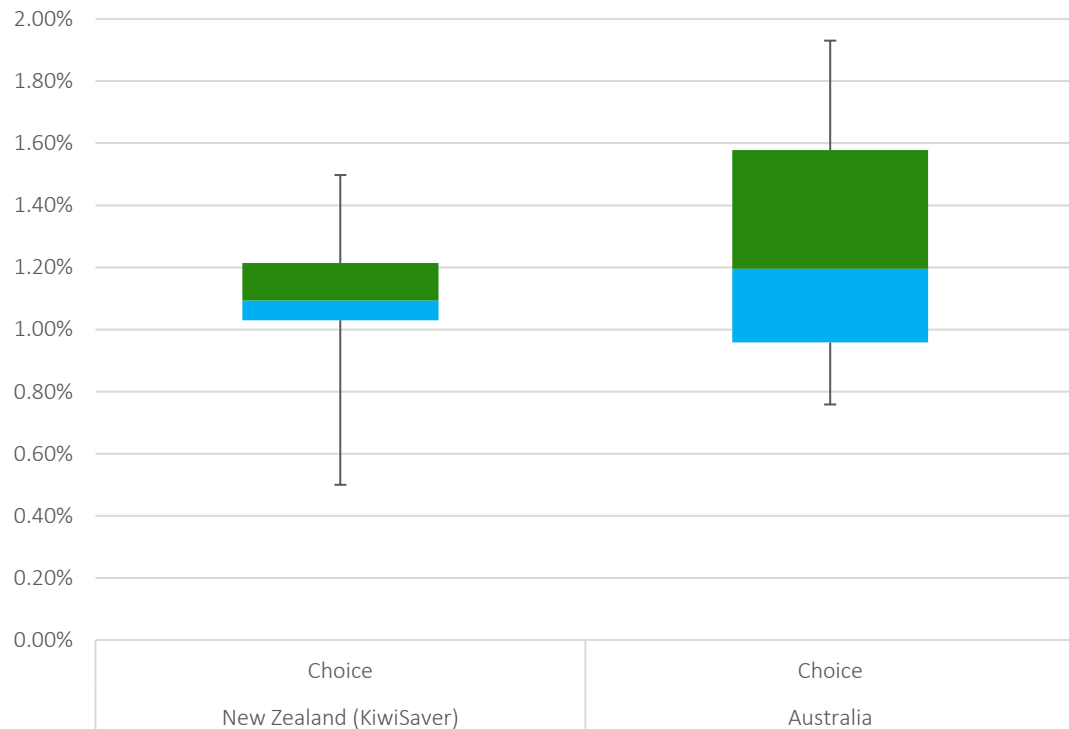


Fees by System

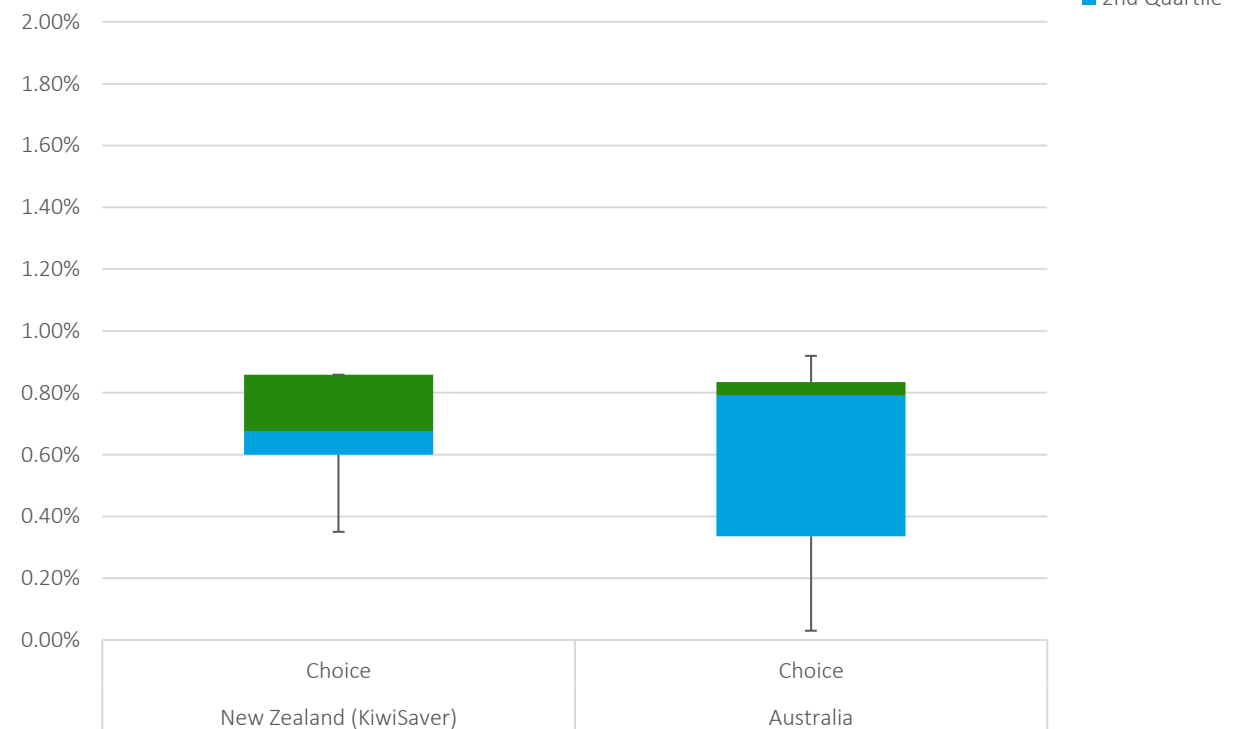
Fees in Choice products after accounting for Management Style and Asset Allocation

Comparing fees for investment options with similar growth asset allocations and management styles significantly lowers the variation observed between systems. For both higher growth allocation with active management and lower growth allocation with passive management, total fees across the two peer groups show similar medians with the median being slightly lower in the New Zealand peer group. The range of fees paid for products with similar management styles and growth asset allocation is greater within the Australian peer group than the New Zealand peer group.

Total Choice fees p.a. By System - Active Management and >60% Growth Asset Allocation - \$30,000 Balance



Total Choice fees p.a. by System - Passive management and <60% Growth Asset Allocation - \$30,000 balance



Conclusion

Implications

Within the selected peer group, the total fees paid by members across the Australian, New Zealand, and United Kingdom were observed to:

- Show a high variation within each system for Choice products, impacted primarily by the construction of the option (for instance, the options allocation and whether the product was actively managed).
- Show significant difference across systems for Default products, due to the variations in Default product legislation, asset allocation, and management style, with the Australian system charging significantly higher fees for Default products that are more actively managed with comparatively more aggressive asset allocation.
- Show similar fees when accounting for drivers of cost within Choice products. For instance, when comparing options with equivalent management styles and growth asset allocation, New Zealand and Australia showed similar median fees for members with both \$30,000 and \$50,000 balances.

On balance we consider this to indicate that while there are variations in fees across the systems considered, these differences in fees are primarily due to product design. Within this we note that total fees for both Default and Choice products vary across and within the peer group for each retirement system. Asset allocation, management style, and Default product legislation are key drivers of total fees paid by members.

For members with balances of \$30,000 or \$50,000, the total fees paid for Default products are on average lower within the New Zealand system than the Australian or United Kingdom retirement systems given the providers within the peer group. When comparing options with similar management styles and growth asset allocations total fees are similar for providers within the Australian and New Zealand Peer Group.

Appendix: Sources of Information



Sources of Fees Information

Default Australian Products

The table below show the sources of information utilised for the collection of member fees and asset allocations for Default products in the Australian Peer Group.

| Fund | Source | Accessed via |
|--------------------------------------|--|---|
| Alcoa of Australia | 1 July 2021 PDS | https://secure.superfacts.com/web/IWfiles/attachments/Form/Alcoa_PDS_AccumulationSection.pdf |
| AMP: Signature Super | 1 October 2021 PDS | https://www.amp.com.au/content/dam/amp/digitalhub/common/Documents/Super/ProductInfo/sgp_pds.pdf |
| Australian Ethical | 1 October 2021 PDS | https://www.australianethical.com.au/globalassets/pdf-files/forms--pds/superpension/01102021/super/ae_superannuation-product-disclosure-statement-v3.pdf |
| Australia Post Superannuation Scheme | 1 July 2021 Employee Members PDS and 1 December 2021 Spouse and Rollover Members. Fees vary dependant on whether members are Employee Members (current employees of Australia Post) or Rollover Members (all other eligible members) | https://www.apss.com.au/public/?page=product-disclosure |
| AustralianSuper | 3 September 2021 PDS | https://www.australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/product-disclosure-statements/pds.pdf |
| Aware | 1 November 2021 PDS | https://aware.com.au/content/dam/ftc/digital/pdfs/member/pds/PDS_Personal.pdf |
| Commonwealth Group Super | 1 July 2021 PDS | https://www.oursuperfund.com.au/content/dam/groupsuper/Docs/PDS-AccumPlus-EmployeeSpouse.pdf |
| HOSTPLUS Superannuation Fund | 20 October 2021 PDS | https://hostplus.com.au/content/dam/hostplus/files/hostplus-member-guide/documents/PDS-Core.pdf |
| IOOF | 1 July 2021 PDS | https://www.portfolioonline.com.au/files/docsForms/IOOF_PSPDS.pdf |
| LGIA | 20 December 2021 PDS | https://www.lgiasuper.com.au/-/media/public/files/pds-and-guides/accumulation-account-pds.pdf |
| MLC | MLC Website - MySuper Product | https://www.mlc.com.au/personal/superannuation/products/mysuper#/anchor_msMcCWbH |
| Mercer | How Your Super Works 1 December 2021 | https://secure.superfacts.com/web/IWfiles/attachments/Form/IndividualSectionHYSWbooklet.pdf |
| Qsuper | Investment Guide 28 February 2022 | https://qsuper.qld.gov.au/-/media/pdfs/qsuper-public/publications/pds8.pdf |
| REST | Fees section of website accessed 22 January 2022 | https://rest.com.au/super/understanding-fees |
| SunSuper | PDS 28 February 2022 | https://cdn.australianretirementtrust.com.au/library/media/pdfs/pds/super-savings-product-disclosure-statement-and-membership-form.pdf?rev=6b25ae7e8d384dcd9b4ae55c1cff2d2a |
| Telstra Superannuation Scheme | 1 July 2021 PDS | https://www.telstrasuper.com.au/-/media/telstrasuper/files/pds-and-guides/pds-personal-plus.ashx?rev=bf208dd6e65d44b19f1a39ecdf289ac3 |
| UniSuper | PDS 1 November 2021 | https://www.unisuper.com.au/-/media/files/pds/personal-account/pds.pdf?rev=3c8e03068f9c493087ff2f44aa102662&hash=2923B7415186F7487071F0A2923A69CC |

Sources of Fees Information

Default New Zealand Products

The table below show the sources of information utilised for the collection of member fees and asset allocations for Default products in the New Zealand Peer Group.

| Fund | Source | Accessed via |
|-------------------------------|-----------------------|---|
| BNZ | 28 September 2021 PDS | https://www.bnz.co.nz/assets/personal-banking-help-support/kiwisaver/pdf/kiwisaver-product-disclosure-statement.pdf |
| Booster | 28 September 2021 PDS | https://www.booster.co.nz/media/1011257/default-saver-fund-pds-dec-2021-booster-kiwisaver-scheme.pdf |
| BT Funds (Westpac) | 28 September PDS | https://www.westpac.co.nz/assets/Personal/kiwisaver/documents/Product-disclosure-statements/Westpac-KiwiSaver-Scheme-Product-Disclosure-Statement-2021.pdf |
| Kiwi Wealth | 28 September 2021 PDS | https://content.kiwiwealth.co.nz/pdf/view/kiwisaver-pds |
| Simplicity | 15 September 2021 PDS | https://simplicity.kiwi/kiwisaver/pds |
| SuperLife - SmartShares (NZX) | 1 December 2021 PDS | https://www.superlife.co.nz/files/LegalDocs/PDS/SuperLife%20KiwiSaver%20scheme%20-%20Product%20Disclosure%20Statement.pdf |

Sources of Fees Information

Default United Kingdom Products

The table below show the sources of information utilised for the collection of member fees and asset allocations for Default products in the United Kingdom Peer Group.

| Fund | Source | Accessed via |
|-------------------------------|---|---|
| Aviva | My Future Default Investment Strategy: Typical Charge | https://www.aviva.co.uk/content/dam/aviva-business/gb/PDFs/workplace-pensions/trust-pensions/aviva-master-trust/chairs-annual-statement-SP99505.pdf Pg 121 and https://library.aviva.com/tridion/documents/view/in90131.pdf |
| Blackrock / Aegon | Chair statement: average annual fee | https://www.aegon.co.uk/content/dam/ukpaw/documents/IGC-full-report-2020.pdf pg09 https://documents.feprecisionplus.com/factsheet/AEGON/FS/OTBU_en-GB.pdf https://www.aegon.co.uk/content/dam/ukpaw/workplace/master-trust-board/master-trust-chair-statement.pdf pg48 |
| Fidelity | Fidelity Diversified Growth Fund Key Investor Information 27 January 2022 | https://www.fidelityinternational.com/FDS/KIID/FIFIII/en-gb/FIFIII-Fidelity%20Diversified%20Growth%20Fund%20Accumulation%20Shares_strd_en-gb_GB00B2R8Z055.pdf |
| Legal & General | Median charge for Legal & General Multi-Asset fund 3 | https://fundcentres.lgim.com/uk/workplace-adviser/fund-centre/Multi-Asset-Fund/?isin_code=GB00B5W2CB33 https://legalandgeneral.blob.core.windows.net/live-bc-publicdata/assets/120340/ORIGINAL.pdf |
| Scottish Widows | Median fee for Scottish Widows Pension Portfolio Default Products | https://adviser.scottishwidows.co.uk/assets/literature/docs/60363.pdf https://adviser.scottishwidows.co.uk/assets/literature/docs/16981.pdf https://adviser.scottishwidows.co.uk/assets/literature/docs/800348.pdf |
| Standard Life | Median annual management charge for default products from December 2021 Chair Statement | https://lib.standardlife.com/library/uk/ampp5a.pdf https://lib.standardlife.com/library/uk/gen2791.pdf |
| NEST | Fees section of website accessed 22 January 2022 | https://www.nestpensions.org.uk/schemeweb/nest/aboutnest/nest-charges.html#:~:text=A%20contribution%20charge%20of%201.8,a%20member's%20fund%20each%20year. |
| Lewis Workplace Pension Trust | Fees section of website accessed 22 January 2023 | https://lewismastertrust.co.uk/the-lewis-workplace-pension-trust/employers/employer-fees/ |
| Now Pensions | Default product December 2021 Fact Sheet | https://www.nowpensions.com/app/uploads/2021/11/Diversified-Growth-Fund-Factsheet_Q2_2021_FINAL.pdf |
| Peoples Pensions | Fees section of website accessed 22 January 2023 and Product Fact Sheet | https://thepeoplespension.co.uk/costs-and-charges/ https://thepeoplespension.co.uk/investments/global-investments-up-to-85-percent-fund-factsheet/ |
| True Potential | Fees section of website accessed 22 January 2023 and Product Fact Sheet | https://www.tpinvestor.com/autoenrolment/nest |

Sources of Fees Information

Choice Australian Products

The table below show the sources of information utilised for the collection of member fees and asset allocations for Choice products in the Australian Peer Group.

| Fund | Source | Accessed via |
|--------------------------------------|--|--|
| Alcoa of Australia | 1 July 2021 PDS and Investment Guide | https://www.oursuperfund.com.au/content/dam/groupsuper/Docs/PDS-AccumPlus-EmployeeSpouse.pdf https://www.oursuperfund.com.au/content/dam/groupsuper/Docs/RG-Invest.pdf |
| AMP: Signature Super | 1 October 2021 Investment Guide | https://www.amp.com.au/content/dam/amp/digitalhub/common/Documents/Super/ProductInfo/sg_invguide.pdf |
| Australian Ethical | Fees section of fund website accessed January 2022 | https://australianethical.com.au/super/fees |
| Australia Post Superannuation Scheme | 1 July 2021 Employee Members PDS and 1 December 2021 Spouse and Rollover Members PDS | https://www.apss.com.au/public/?page=product-disclosure |
| Australian Super: | 3 September 2021 PDS and Investment Guide | https://www.australiansuper.com/-/media/australian-super/files/tools-and-advice/forms-and-fact-sheets/superannuation/product-disclosure-statements/pds.pdf https://www.australiansuper.com/InvestmentGuide |
| Aware | 10 June 2021 PDS and Investment Guide | https://aware.com.au/content/dam/ftc/digital/pdfs/member/pds/PDS_Personal.pdf https://aware.com.au/content/dam/ftc/digital/pdfs/member/pds/mbs/MBS_Investments.pdf https://aware.com.au/member/investments-and-performance/investment-options/fees-and-costs |
| Commonwealth Group Super | 1 July 2021 PDS and Investment Guide | https://www.oursuperfund.com.au/content/dam/groupsuper/Docs/PDS-AccumPlus-EmployeeSpouse.pdf https://www.oursuperfund.com.au/content/dam/groupsuper/Docs/RG-Invest.pdf |
| HOSTPLUS Superannuation Fund | Fees section of fund website accessed January 2022 | https://hostplus.com.au/super/what-you-need-to-know-about-super/fees |
| IOOF | 1 July 2021 PDS and Investment Guide | https://www.portfolioonline.com.au/files/docsForms/IOOF_PSPDS.pdf https://www.portfolioonline.com.au/files/docsForms/IOOFInvestmentGuide(IOF_01).pdf |
| LGIA | 20 December 2021 PDS | https://www.lgiasuper.com.au/-/media/public/files/pds-and-guides/investment-choice-guide.pdf |
| MLC | Masterkey Super and Pension Fundamentals 1 October 2021 | https://www.mlc.com.au/content/dam/mlc/documents/disclosure/mkspf/mkspf-fund-offer-combo-kit.pdf |
| Mercer | How Your Super Works booklet 1 December 2021 | https://secure.superfacts.com/web/IWfiles/attachments/Form/IndividualSectionHYSWbooklet.pdf |
| Qsuper | Investment Guide 28 February 2022 | https://qsuper.qld.gov.au/-/media/pdfs/qsuper-public/publications/pds8.pdf |
| REST | Fees section of fund website accessed January 2022 | https://rest.com.au/super/understanding-fees |
| SunSuper | Investment Guide 28 February 2022 | https://cdn.australianretirementtrust.com.au/library/media/pdfs/pds/super-savings-investment-guide.pdf?rev=cc4dfd28d30d41d9990b9cfe256b9e30 https://www.australianretirementtrust.com.au/investments/fees |
| Telstra Superannuation Scheme | Telstra Website - Fees & Costs | https://www.telstrasuper.com.au/products-and-services/fees-and-costs |
| UniSuper | Investment Guide and Fees and Costs Guide 1 November 2021 | Investment Guide 1 November 2021 https://www.unisuper.com.au/-/media/files/pds/ibr/how-we-invest-your-money.pdf?rev=a2be6f948e6a4138bc3363f08712d0c5&hash=AEEE1EC039062975B5B7497F8129FA4F https://www.unisuper.com.au/-/media/files/pds/ibr/fees-and-costs.pdf?rev=876ff1f1712e4ac0af5feb939418dd01&hash=35255D468015FAD7F2E711CEF96FF5E1 |

Sources of Fees Information

Choice New Zealand Products

The table below show the sources of information utilised for the collection of member fees and asset allocations for Choice products in the New Zealand Peer Group.

| Fund | Source | Accessed via |
|-------------------------------|-----------------------|---|
| ANZ | 30 September 2021 PDS | https://www.anz.co.nz/content/dam/anzconz/documents/personal/investments-kiwisaver/ANZKS-PDS.pdf |
| ANZ OneAnswer | 30 September 2021 PDS | https://www.anz.co.nz/content/dam/anzconz/documents/personal/investments-kiwisaver/OAKS-PDS.pdf |
| ASB | 28 September 2021 PDS | https://www.asb.co.nz/documents/kiwisaver/forms/product-disclosure-statement.html |
| AMP | 1 December 2021 PDS | https://www.amp.co.nz/content/dam/ampnz/documents/kiwisaver/AMP-KiwiSaver-ProductDisclosureStatement.pdf |
| BNZ | 28 September 2021 PDS | https://www.bnz.co.nz/assets/personal-banking-help-support/kiwisaver/pdf/kiwisaver-product-disclosure-statement.pdf |
| Booster | 28 September 2021 PDS | https://www.booster.co.nz/media/1012473/multi-sector-fund-options-pds-sept-2021-booster-kiwisaver-scheme.pdf |
| BT Funds (Westpac) | 28 September 2021 PDS | https://www.westpac.co.nz/assets/Personal/kiwisaver/documents/Product-disclosure-statements/Westpac-KiwiSaver-Scheme-Product-Disclosure-Statement-2021.pdf |
| Fisher Funds | 1 December 2021 PDS | https://fisherfunds.co.nz/assets/PDS/Fisher-Funds-KiwiSaver-Scheme-PDS.pdf |
| Fisher Funds Two | 1 December 2021 PDS | https://ff2kiwisaver.co.nz/assets/Documents/Fisher-Funds-TWO-KiwiSaver-Scheme-PDS.pdf |
| Generate | 20 December 2021 PDS | https://www.generatewealth.co.nz/pds/GEN_KS_PDS |
| Kiwi Wealth | 28 September 2021 PDS | https://content.kiwiwealth.co.nz/pdf/view/kiwisaver-pds |
| Milford | 1 July 2021 PDS | https://milfordasset.com/wp-content/uploads/2017/12/Milford-KiwiSaver-Plan-Product-Disclosure-Statement-2.pdf |
| Simplicity | 15 September 2021 PDS | https://simplicity.kiwi/kiwisaver/pds |
| SuperLife - SmartShares (NZX) | 1 December 2021 PDS | https://www.superlife.co.nz/files/LegalDocs/PDS/SuperLife%20KiwiSaver%20scheme%20-%20Product%20Disclosure%20Statement.pdf |

Sources of Fees Information

Choice United Kingdom Products

The table below show the sources of information utilised for the collection of member fees and asset allocations for Choice products in the United Kingdom Peer Group.

| Fund | Source | Accessed via |
|-------------------------------|---|---|
| Aviva | Fund website product information | https://www.avivainvestors.com/en-gb/capabilities/fund-centre/ |
| Blackrock / Aegon | Fund website product information | https://www.aegon.co.uk/costs-and-charges.html https://digital.feprecisionplus.com/aegonc?rangename=aegonuniverse |
| Fidelity | Fund website product information | For Pathway products: https://wiflatsiteprod-live-88fedcb23da24aa78761816457183803-e7aac72.s3-eu-west-1.amazonaws.com/filer_public/80/7c/807ccae6-ecda-4924-87af-cd9128f75e55/costs_and_charges.pdf For Other products: https://www.fidelity.co.uk/browse/funds/f/ |
| Legal & General | Fund website product information | https://www.legalandgeneral.com/existing-customers/investment-support/prices-and-reports/charges-and-fees-for-our-funds/ |
| Scottish Widows | Fund Choice and Fund Charges document 1 December 2021 | https://adviser.scottishwidows.co.uk/assets/literature/docs/16981.pdf |
| Standard Life | Fund Choice and Fund Charges document January 2021 | https://lib.standardlife.com/library/uk/ampp5a.pdf |
| NEST | Fund website fees and contributions section | https://www.nestpensions.org.uk/schemeweb/nest/my-nest-pension/contributions-and-fees.html#:~:text=A%20contribution%20charge%20of%201.8,a%20member's%20fund%20each%20year. |
| Lewis Workplace Pension Trust | Fund website fees section | https://lewismastertrust.co.uk/the-lewis-workplace-pension-trust/employers/employer-fees/ |
| Now Pensions | Fund website product information | https://www.nowpensions.com/about-us/our-investment-strategy/diversified-growth-fund/ |
| Peoples Pensions | Fund product fact sheets | https://thepeoplespension.co.uk/costs-and-charges/ https://thepeoplespension.co.uk/investments/global-investments-up-to-60-percent-fund-factsheet/ https://thepeoplespension.co.uk/investments/global-investments-up-to-85-percent-fund-factsheet/ |
| True Potential | May 2015 product fact sheets | https://www.tpllp.com/wp-content/uploads/2015/07/211213-True-Potential-SEI-Defensive.pdf https://www.tpllp.com/wp-content/uploads/2015/05/211213-True-Potential-SEI-Cautious.pdf https://www.tpllp.com/wp-content/uploads/2015/05/211213-True-Potential-SEI-Balanced.pdf https://www.tpllp.com/wp-content/uploads/2015/05/211213-True-Potential-SEI-Growth.pdf |

Sources of FUM Information

Australian and New Zealand Funds

The table below show the sources of information utilised for the collection of Funds Under Management for the Australian and New Zealand Funds. FUM was not used for analysis of UK funds due to the unclear nature of assets under management within different products within the pension system. Complications arise as providers often report their combined assets under management, including the pension system and their other investment products.

| Peer Group | Source | Accessed via |
|-------------------|--|---|
| Australian Funds | APRA Annual Fund Level Statistics 2021 | https://www.apra.gov.au/annual-fund-level-superannuation-statistics |
| New Zealand Funds | FMA KiwiSaver December 2021 Fund Updates | https://www.fma.govt.nz/assets/Spreadsheets/KiwiSaver/311221-Disclose-Register-KiwiSaver-fund-updates-for-31-December-2021.csv |



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