

WHAI RAWA SCHEME TRANSITION PĀNUI



OCTOBER 2019

The Whai Rawa fund is changing!
We're expanding your options and making your member experience better.
New fund, new administrator, new options, new experiences.

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THE LIMITED SERVICE PERIOD HAS BEGUN...

The changes start now!



As we change from our existing account administrator to Mercer New Zealand, some of the services we usually provide will be limited. This will impact some of our usual services from 26 September through to around 21 October 2019. This is because we need to move all the information on our members and their accounts to our new Administration Provider.

WHAT DOES THIS MEAN FOR ME?

If you are wanting to make a withdrawal over this period, then you should be prepared for a slightly longer processing time than normal. Please get in touch as we will still be able to provide withdrawals over this period if special needs or circumstances exist.

From 26 September, all contributions to Whai Rawa accounts and new member applications will be processed as per the dates opposite:

Any queries please get in touch.

KEY DATES

- 26** SEPTEMBER: Withdrawals requests received after 26 September will be processed around 21 October in most cases.
- 7** OCTOBER: New members will be processed after 7 October.
- 21** OCTOBER: Back to business as usual. All held transactions/instructions will be processed around 21 October.

FOR MORE VISIT

 whairawa.com/changes





WHY IS THERE A LIMITED SERVICE PERIOD?

OUR ACCOUNT ADMINISTRATION PROVIDER IS CHANGING

Earlier this year we asked for account administration proposals from the country's top administrators to ensure we are able to provide the best service possible for our members. Following this process, we chose Mercer New Zealand to provide account administration for Whai Rawa and its members. Mercer New Zealand is already our Fund Manager and having them also as our Account Administrator we believe will improve the services we provide.

Over the coming months we'll be working on a new member experience for you. There will be a whole new online platform and loads of new tools as well. We can't wait to share more on this soon!

ANY PĀTAI PLEASE GET IN TOUCH!

 whairawa@ngaitahu.iwi.nz
 0800 942 472

NEW FUND

From 1 October the Whai Rawa Fund will be invested in Mercer Investment Trusts New Zealand's Socially Responsible Conservative Portfolio. We have traditionally invested in a conservative investment fund – but without this level of socially responsible investment constraints.

WHAT HAS CHANGED?

We recognise ethical investing as an important kaupapa and in November 2018, agreed to progress with socially responsible investment funds for the Whai Rawa Fund's future investment options, noting the investment philosophy's alignment to Ngāi Tahu values and Te Rūnanga's position on ethical investment.

The socially responsible bit just means that the fund manager has developed a framework, which outlines how they assess what sectors or companies to exclude on the basis of their not meeting our socially responsible investment criteria. The change also includes an active investment decision to allocate funds to assets which are likely to have a positive environmental impact, as well as delivering on financial objectives, such as windfarms and timber.

The new Investment Portfolio for the Whai Rawa Fund does not invest in companies that:

- are directly involved in the development and production, sale, or distribution of cluster munitions, anti-personnel mines, and biological, chemical and nuclear weapons
- receive more than 10% revenue from tobacco-related, adult entertainment-related, alcohol-related, or gambling-related activities
- receive more than 20% revenue from the extraction of thermal coal and/or tar sands oil

This type of fund better aligns with our Ngāi Tahu values overall, and we think it is a much better choice for our members. We've also made sure you are not paying any more to be a socially responsible investor – so essentially you are getting a fund more aligned with our values at no extra cost. We believe taking a socially responsible investment approach won't sacrifice anything on the performance front over the medium to long term too.

WHAT DOES SOCIALLY RESPONSIBLE MEAN?

Socially Responsible means sustainable and ethical investments. We live on an increasingly ecologically-stressed planet and there is rising concern over the impact of companies on individuals, the environment and communities. There is also a growing movement of investors who recognise the connection between investment and real-world impact. Socially Responsible investors want their funds to reduce pollution or exploitation, and to invest in companies with high ethical standards. Even better, several studies have even shown that on average, responsible investing earns as much or more than conventional investing. Investing responsibly is as much about what we invest in, as it is what we don't. Socially Responsible investing means having an investment strategy that not only excludes certain "negative" sectors that are harmful to the environment and society, but also proactively including sectors that are believed to be more sustainable and beneficial to the environment and society.

DAILY UNIT PRICING

Before 1 October, earnings on your Whai Rawa account were calculated based on your daily balance and added to your account quarterly. Since 1 October, the Whai Rawa Fund has been unitised.

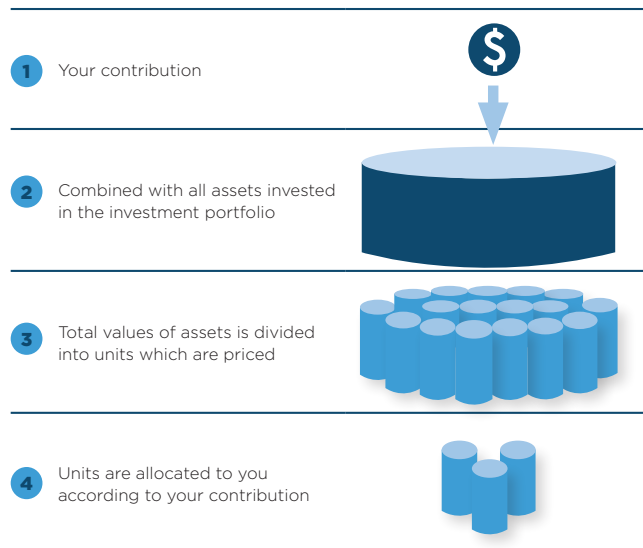


WHAT ARE UNIT PRICES AND WHAT DO THEY MEAN?

As you may or may not know, the Whai Rawa Fund operates quite differently to bank accounts or term deposits. It does not have set interest rates, but instead the value of your savings rises or falls depending on changes in the price of the investment assets owned. Unit prices are used to help track changes in the value of your Whai Rawa account.

When you deposit money into your Whai Rawa account, your money is invested into Mercer Investment Trusts New Zealand's Socially Responsible Conservative Portfolio. Each investment you make in the Whai Rawa Fund is divided into a number of units that represent your proportionate share of the Whai Rawa Fund.

HOW DO UNITS WORK?



So, by tracking the unit price, you can tell whether the investments are going up or down in value (because the unit price will rise and fall too). Of course, you can also track how things are going by looking at movements in your savings' balance – but this might change because of withdrawals or contributions. Tracking those movements will tell you whether your own Whai Rawa savings are growing, whereas tracking changes in unit prices will tell you how well the Whai Rawa Fund is performing.

WHAT DIFFERENCE WILL I SEE?

The big difference will happen immediately, but only be noticeable when the new digital platform is up and running early in 2020. You'll notice then that the value of your Whai Rawa savings is being calculated and available daily. The number of units you own, and their value will appear alongside your account balance when you check your account. This will be a major difference from the current online platform. **Questions? Get in touch with us today.**

NEW OPTIONS

Whai Rawa is excited to announce that we intend to provide you with Investor Choice next year.



From early 2020 we are planning on making available the following socially responsible fund choices:

1. CONSERVATIVE
2. BALANCED
3. GROWTH

This means that all Whai Rawa members will have the ability to choose an investment fund that reflects their individual needs and risk appetite and align with Ngāi Tahu values.

Leading up to February 2020 we will provide more details on Investor Choice and how to work out which fund might be right for you. Stay tuned for the next Scheme Pānuī to hear more about Investor Choice and check out our website for more information.

SUMMARY

As we transition to our new Account Administrator please be aware there will be a period of disruption to our normal service delivery. See our advice on the Limited Service Period inside this pānuī for more information.

While it seems like a lot of change, we've been working towards this for a while and we're excited to be able to modernise and improve our scheme for you, our whānau. We welcome your pātai at any time!

FOR MORE INFORMATION VISIT WWW.WHAIRAWA.COM/CHANGES

NEW ADMIN



We have a new **Account Administrator**

NEW FUNDS



We're transitioning our investments to be more **socially responsible** - which is better aligned with Ngāi Tahu values.

DAILY UNIT PRICING



The fund has moved to **daily unit pricing**. Once the new platform is live in early 2020, you'll be able to see the value of your Whai Rawa investment every day

NEW OPTIONS



Investor Choice will allow you to choose a fund option that better suits your personal needs and appetite for risk.

WhaiRawa NGĀI TAHU

HE PĀTAI/QUESTIONS?

P 0800 WHAI RAWA (0800 942 472) between 8.30am - 5pm

E whairawa@ngaitahu.iwi.nz

W whairawa.com

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