

Kia ora

Investment returns take a tumble

Investment returns over the last 3 months have been poor. You may even have seen your account balance go down. There's no need to be concerned. The value of investments – especially shares – go up and down all the time. It's called volatility. Some weeks, days or months will see values drop while others will see values increase.

These changes in value are reflected in your account balance. Your account balance is how much money you would get if you sold your investments on a given day. When you withdraw your savings, you are effectively selling some or all of your investments in the Plan. The good thing about the Plan is you get to choose when your investments are sold. Chances are you'll want to wait and sell when prices are high.

Changing your investment option when prices are low has the same effect as selling. You lock in the low price. It's known as 'crystallising' loss. You also miss out on any benefit when prices rise. We can't predict future returns based on past performance, but history tells us that markets always recover eventually. Sometimes, you just need to be patient. In the meantime, you're best not to look at your account balance. Watching it go up and down may just make you feel worried.

You can keep your savings in the Plan if you're leaving

You don't need to withdraw your money straight away if you're leaving NZ Post. You can leave your money in the Plan until age 72. If you're over 69 when you leave Post, you can keep your money in the Plan for 3 years.

Annual account statement

Your account statement for the year ended 31 March 2022 will be posted on the website later this month. We'll also send you a copy. We are also working on the 2022 annual report and financial statements, and these will be available online on 30 June. Updates for each of our funds will also be available around this time.

Annual returns positive

On a brighter note, returns for the Plan's financial year to 31 March 2022 are positive across all three funds.

Investment returns (after tax) The return on your savings will depend on your tax rate.

Short Term Fund

0.67% Taxed at 17.5%
0.72% Taxed at 10.5%
0.59% Taxed at 28%

Medium Term Fund

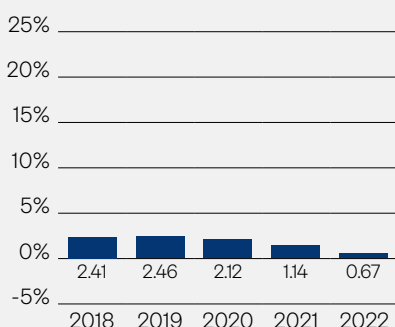
1.54% Taxed at 17.5%
1.67% Taxed at 10.5%
1.33% Taxed at 28%

Long Term Fund

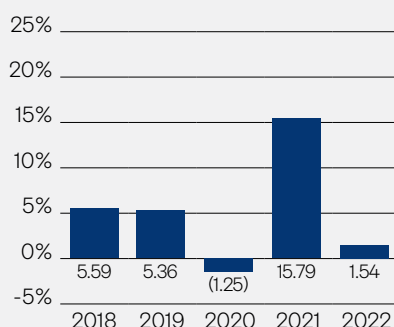
2.46% Taxed at 17.5%
2.66% Taxed at 10.5%
2.16% Taxed at 28%

5-year investment returns Returns from the Long Term Fund and the Medium Term Fund are the largest but also the most volatile (up and down) from year to year. Returns from the Short Term Fund are smaller but more consistent.

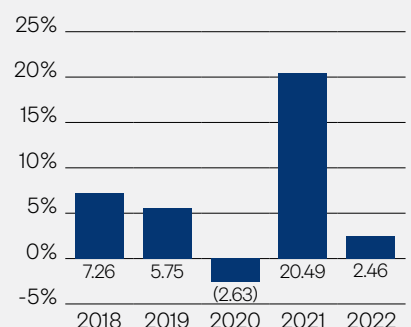
Short Term Fund



Medium Term Fund



Long Term Fund



Annual return (taxed at a rate of 17.5% and after expenses)

Roadshow in July

The directors are keen to talk face to face with members and answer your questions. We've planned a roadshow several times only to have those plans disrupted by COVID-19 restrictions. We're hoping to visit sites in Auckland, Palmerston North and Christchurch in July. We'll provide more details soon.



Prezzy® Card winners

Last year, we wrote to you with a short survey. Your feedback has been very helpful especially as we prepare for the roadshow. To say kia ora for your time completing the survey, we offered a prize draw. Congratulations to Jane McLoughlin (Richmond), Tamryn Hurren (Dunedin) and Dave Gataua (Auckland) who each win a \$100 Prezzy card. We'll be in touch with your Prezzy card.

Terms and conditions apply to the use of Prezzy cards and can be found at www.prezzycard.co.nz

Life insurance top-up for members over 65

On the recommendation of our insurance broker Aon, we have changed our insurance provider to Cigna from 1 April 2022. As part of the new arrangements, the free life insurance offered to members over 65 has increased from \$10,000 to \$14,000 at no extra cost to the Plan. There is no change to the \$35,000 free life cover provided to most members under 65.*

Voluntary life insurance

Later this year, we will give you another opportunity to take up voluntary life insurance. Again, it will be low cost with few conditions – you'll just have to answer a very simple medical questionnaire. You can take out cover up to \$150,000 with premiums paid from your account in the Plan. If you have voluntary life cover with the Plan already, you will be able to top it up to a total of \$150,000.

* If you're a salary sacrifice member (mainly Kiwibank staff), you don't qualify for free life cover. However, you are welcome to take up voluntary life insurance.

Helpline

Call the helpline if you have a question about your savings or you need to make a change.

 **0800 NZP SAVE | 0800 697 728**
(choose option 1)

There's someone available to take your call from 9am to 7pm Monday to Friday (excluding public holidays).

You can also email your request to nzpostsuper@mercerc.com or fax (04) 819 2699.