

**MISS**

# **MISS SCHEME ANNUAL REPORT**

**For the year ended 31 March 2024**






# MISS SCHEME

## THE SCHEME OFFERS:

- An employer subsidy.
- Additional voluntary employee contributions (not subsidised).
- Automatic death insurance up to age 69 (provided you join within your third season, or, within the season first offered membership) and subject to acceptance of a claim by the insurer.  
*(Insurance subject to completion of health questionnaire for those who join outside the eligibility period).*
- No age restrictions to join the Scheme.
- Unlike KiwiSaver, you have the ability to withdraw your benefit when you permanently cease employment in the meat industry, are made redundant or retire at 55 or over (subject to employer consent if under 60). You are also able to leave your benefit in the Scheme.
- Issued and managed by the Trustees, who include representatives of the meat industry.

The MISS Scheme is an employer subsidised superannuation scheme (which is different to a KiwiSaver scheme) for the New Zealand meat industry. It has \$95.3 million (as at 31 March 2024) of total net assets available for benefits.

A group of sheep standing in a field at sunset. The sheep are in the foreground, and the background shows rolling hills and a bright, hazy sky. The lighting is warm and golden, typical of a sunset or sunrise.

For more information or for a copy of the  
Product Disclosure Statement visit [www.miss.org.nz](http://www.miss.org.nz)

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## INFORMATION

- Investment return of 5.94% (after tax and expenses)
- Return of 5.94% applied to members' accounts
- Employers contributed \$2.5M (after tax) to members' accounts
- The Trustees paid out \$12.3M in benefits
- Scheme membership of 1,783 as at 31 March 2024
- Total net assets available for benefits of \$95.3M

## HISTORIC COMPARISONS

	2024	2023	2022	2021	2020
Credited return	5.94%	-2.96%	0.82%	13.02%	-0.71%
CPI	4.0%	6.7%	6.9%	1.5%	2.5%
Net assets	\$95.3M	\$95.5M	\$104.8M	\$110.6M	\$104.2M
Membership	1,783	1,817	1,925	1,992	2,059
Contributions	\$7.0M	\$6.8M	\$6.8M	\$6.9M	\$6.8M
Benefits paid	\$12.3M	\$12.2M	\$13.1M	\$13.3M	\$13.0M

## ABOUT THIS REPORT

This report from the Trustees of the MISS Scheme (**Scheme**) covers the affairs of the Scheme for the year ended 31 March 2024.

Your benefits in the Scheme and a summary of the transactions through your accounts during the past year are shown in your Annual Confirmation (formerly known as your Personal Benefit Statement) which accompanies this report.

The Scheme's investments returned 5.94% (net of tax and expenses) for the year. Your accounts have been updated with interest at 5.94% this year.

# MESSAGE FROM THE CHAIRMAN

**As Chairman of Trustees, it is my pleasure to present the MISS Scheme (the Scheme) annual report for the year ended 31 March 2024.**

## Financial markets performance

In recent years, global financial markets have been shaped by several themes, including the COVID-19 pandemic, geopolitical tensions and aggressive monetary policies set by central banks to stimulate growth, and more recently targeted at controlling inflation.

To an extent, all of these factors played a part in investment market returns over the last financial year. The most dominant theme however, was the expansion, adoption, and application of Artificial Intelligence ('AI'). The potential for emerging AI technology to change the way we live, and work led a narrow subset of technology companies (dubbed the 'Magnificent Seven') to dominate equity market returns over the year. A key beneficiary was Nvidia, a dominant supplier of AI hardware and software, which saw its share price climb more than 250% over the 12-month period.

Rounding out the Magnificent Seven are Alphabet, Amazon, Apple, Meta, Microsoft and Tesla – companies that most of you will be familiar with, and that have the scale and resources to benefit from this AI megatrend, which shows little sign of slowing down. While company earnings to a large extent have supported the rapid expansion of these companies' balance sheets, a key question is how much speculation and optimism has been factored into their share prices.

Increasing signs that the US would be cutting interest rates in 2024 helped bond markets turn their fortunes around in the final quarter of 2023. This follows a meteoric rise in interest rates over the preceding 18 months, a pattern that has been mirrored here in NZ, and which was a key factor contributing to the Scheme's poor investment returns last year. In contrast, the prospect of a reversal in interest rates, spurred by moderating inflation and the continued strength of the US economy boosted returns from both fixed interest and equity markets as 2023 came to a close.

As we turned into 2024, equity markets continued to soar, while fixed income assets struggled to keep pace as the initial anticipation of lower interest rates were scaled back to later in the year.

Ultimately, all underlying asset classes within the Scheme (including Cash – one of the few beneficiaries from the recent rise in interest rates) delivered strong returns for the latest financial year. Global equities outperformed both Trans-Tasman equities and Real Assets, while New Zealand Bonds and Global Bonds generally performed on par with each other. A number of economic and geopolitical risks still remain, but it is impossible to predict which of these, if any, will be key themes in the new financial year. As Trustees, we continue to monitor investment market trends as well as investment manager performance to recognise any particular areas which might require further attention.

## Scheme developments

On 3 May 2024, ANZ announced that it would exit its wholesale investment business. This means that ANZ would no longer provide funds management and investment management services to Wholesale investors such as the MISS Scheme. The Trustees have commenced the process to appoint new investment managers for the Cash, New Zealand Fixed Interest, and International Equities sectors by 31 August 2024.

## Key figures for the Scheme

Firstly, I would like to extend a warm welcome to the 203 new members who have joined the Scheme during the year. We assisted 237 members with withdrawals, amounting to \$12.3 million in benefits. Out of these withdrawals, 86 members made retirement withdrawals and left the Scheme as a result. It is important to note that the net assets for the Scheme decreased by \$0.3 million during the year, amounting to \$95.3 million as of 31 March 2024. The Scheme has provided valuable support to our members in their financial journey, and we are looking forward to seeing many more members benefit from the Scheme in the future.

## Financial preparedness for retirement

Retirement is a significant milestone in one's life and it is essential to have your financial matters in order to fully enjoy this phase. To assist in this process, the Financial Services Council ('FSC') released a Retirement Planning Guide which provides valuable information for people who want to plan for retirement on their own. More details regarding this guide and other financial planning tools are available on page 15 of this annual report.

## Questions about the Scheme

I encourage you to refer to pages 11-15 of this annual report in case you have any questions regarding the Scheme benefits, insurance, contributions and KiwiSaver. Alternatively, you can visit our website at [www.miss.org.nz/faqs](http://www.miss.org.nz/faqs) or reach out to the Scheme Administrator at [MISS@mercercor.com](mailto:MISS@mercercor.com), or call (04) 819 2600.

## Acknowledgements

On behalf of all our Scheme members, I wish to thank the sponsors of the Scheme, the Meat Industry Association and the New Zealand Meat Workers and Related Trades Union, for their unwavering support during the year.

I also want to thank my fellow Trustees for their valuable support, guidance, commitment, and service to the Scheme over the year. I continue to be impressed by their dedication and desire to maximise the benefits for all members of the Scheme without increasing the costs or imposing any unnecessary administration demands upon either the service providers or the members. Along with the Scheme's advisors and administrators they form a very dedicated team and it is a real pleasure to be their Chairman.

And finally, thank you for your continued participation and contribution to the Scheme. Your active involvement plays a crucial role in our collective success. I wish each one of you the very best for the year ahead.



Brian Mason  
**Chairman of Trustees**  
**MISS Scheme**

# INVESTMENT MATTERS

## INVESTMENT RETURN

Each year, once the Scheme's financial statements have been audited and the tax calculations completed, the Trustees declare a rate of return to be applied to your accounts in the Scheme. The same rate applies to all members and to all their accounts. The rate of return depends on the investment return on the Scheme's assets, less taxes and certain expenses – this year 5.94%.

Each year the Trustees consider the appropriate level of the Reserve Account. For the year ended 31 March 2024, the Trustees agreed that the Reserve Account should be maintained at 0.5% of the total net assets, in line with the Trustees' policy.

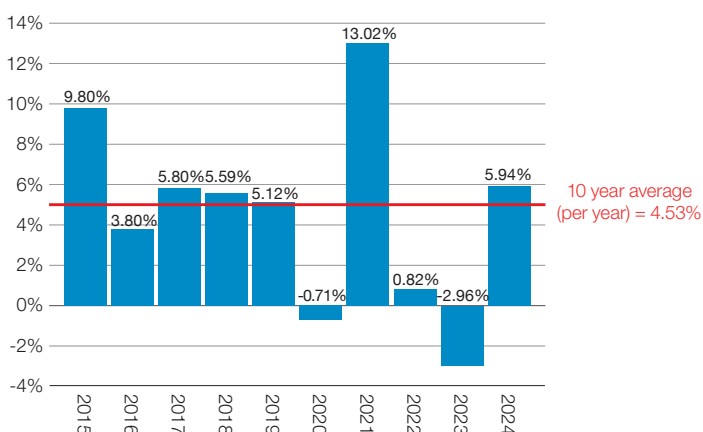
Based on the March 2024 interim rate of 1.59%, the Reserve Account would be lower than the required 0.5% level; accordingly the March 2024 interest rate was adjusted down to the final March 2024 rate of 1.06% on 5 June 2024. As such there will be no distribution from the Reserve Account to increase investment earnings this year.

The Reserve Account builds up each year when members leave the Scheme and are not entitled to the full balances in their Employer Subsidy Accounts.

This year, your accounts have been updated with an investment return of 5.94%. The interim rates applied during the year are shown on page 7.

The following chart shows the investment returns credited to members' account balances for the past decade. Although the Scheme has had its annual ups and downs, reflecting the conditions of the markets in which assets are invested, it has paid members an average return of 4.53% p.a. (after tax and expenses) over the last 10 years.

**Crediting interest rate for each year**



If you leave the Scheme during the year, an interim interest rate will be applied to your accounts. The interim rates applied during the year are shown on page 7.

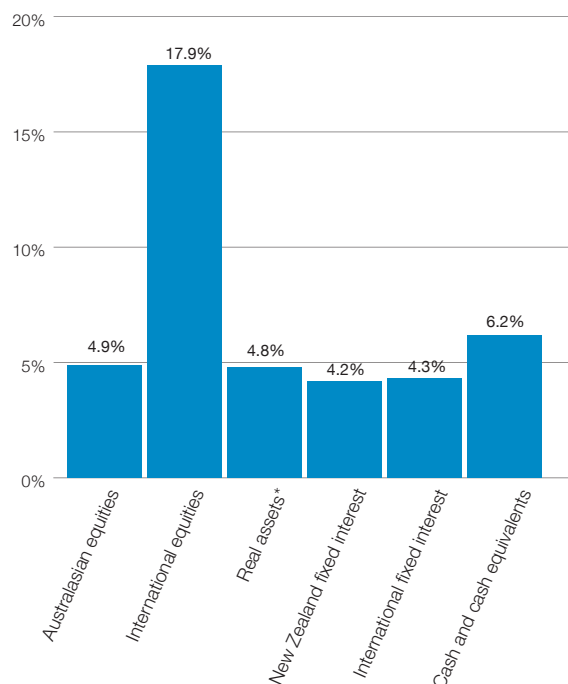
## THE SCHEME'S INVESTMENT MANAGERS

The Scheme's assets are currently invested in a mix of equities, real assets (property and infrastructure), fixed interest, cash and cash equivalents. The Trustees have adopted a sector specialisation approach, which involves identifying and selecting separate managers for each asset class.

These managers are chosen because of their expertise in that asset class and are therefore expected to add value in each individual asset sector. The Scheme's investment managers as at 31 March 2024 are shown in the investments table shown on page 4.

The Scheme's assets earned 7.74% before tax for the year ended 31 March 2024. The contribution towards this return from each asset sector is shown in the graph below. The percentages are before the deduction of tax, investment management fees and expenses.

**Contribution to gross return by asset sector**



\*Includes listed property and listed infrastructure.



## INVESTMENT OBJECTIVES

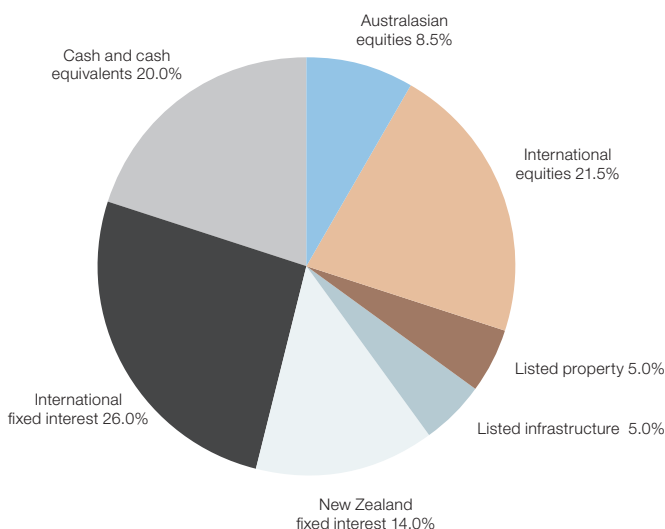
The Scheme's long-term investment objectives are:

- over rolling 10-year periods, to achieve a return after tax and investment fees that exceeds inflation by 1.25% p.a.
- over a rolling three-year period, to achieve a Scheme return (gross of tax and investment fees) that exceeds the Composite Benchmark Return by 1.0% p.a.
- over a rolling three-year period, to achieve a return (gross of tax and investment fees) in each asset class that exceeds the relevant benchmark index return.

## INVESTMENT STRATEGY

The Trustees set an investment strategy and determine a long-term asset mix to enable them to achieve their objectives. This asset mix is known as a 'benchmark' and allows the assets to be spread across various asset classes.

### Benchmark asset mix as at 31 March 2024



## INVESTMENTS AS AT 31 MARCH 2024

Asset class	Investment manager	Financial assets at 31 March 2024	Actual allocation at 31 March 2024 (%)	Range (%)
Australasian equities	Nikko Asset Management	\$8.1M	8.5	4.5-12.5
International equities	ANZ Investments	\$21.2M	22.2	16.5-26.5
Listed property	Mercer	\$4.7M	4.9	2.5-7.5
Listed infrastructure		\$4.4M	4.6	2.5-7.5
<b>Total growth assets</b>		<b>\$38.4M</b>	<b>40.2</b>	<b>35.0-45.0</b>
New Zealand fixed interest	ANZ Investments	\$13.2M	13.8	9.0-19.0
International fixed interest	Fisher Funds	\$25.0M	26.1	21.0-31.0
Cash and cash equivalents	ANZ Investments	\$9.5M	9.9	5.0-15.0
	Harbour Asset Management	\$9.6M	10.0	5.0-15.0
<b>Total income assets</b>		<b>\$57.3M</b>	<b>59.8</b>	<b>55.0-65.0</b>
<b>Total investments</b>		<b>\$95.7M*</b>	<b>100.0</b>	

\* Note this is the financial assets at 31 March 2024.

The investment managers' performance is monitored by the Trustees, taking into consideration advice from the investment consultant.

### Comparison of Scheme performance versus KiwiSaver to 31 March\*

	1 year (% p.a.)	3 years (% p.a.)	5 years (% p.a.)	10 years (% p.a.)
The Scheme**	7.3%	1.6%	3.9%	5.6%
KiwiSaver Conservative median***	7.4%	1.3%	2.7%	4.1%
KiwiSaver Moderate median***	9.6%	2.0%	3.7%	5.1%

\* This table compares MISS Scheme returns against all funds in the Conservative and Moderate sub-universes of the MJW KiwiSaver Survey as at 31 March 2024. This Survey includes Conservative Funds from 12 KiwiSaver schemes and Moderate Funds from 11 KiwiSaver schemes. Not all KiwiSaver schemes are included in the MJW KiwiSaver Survey. The MISS Scheme has a strategic asset allocation to growth assets of 40% compared to the Conservative and Moderate sub-universes of the MJW KiwiSaver Survey which include funds with allocations to growth assets of 15-29% and 30-49% respectively. The Conservative and Moderate sub-universes do not include KiwiSaver Default Funds, which have their own sub-universe with a strategic asset allocation to growth assets between 50-60%. Please note that in previous annual reports we have included MISS Scheme returns against funds in the Conservative and Balanced sub-universes of the Mercer KiwiSaver Survey, however, that survey is no longer produced.

\*\* These returns are **before** expenses and tax, but **after** investment management fees and do not reflect the actual final credited rate. Please note that in previous annual reports, these returns were **after** tax and investment management fees and **after** deduction of expenses.

\*\*\* The KiwiSaver median returns are **before** expenses and tax and **after** investment management fees. Please note that in previous annual reports, these returns were **after** tax and investment management fees and **after** deduction of expenses.

# SCHEME MANAGEMENT

## 1. DETAILS OF THE SCHEME

This is the Annual Report for the MISS Scheme, for the year ended 31 March 2024. The Scheme is a restricted workplace savings scheme. The manager of the Scheme is MISS Scheme Trustees (**Trustees**).

The current Product Disclosure Statement for the Scheme is dated 20 September 2023. The Scheme is open for applications.

The fund update, as at 31 March 2024, will be available by 30 June 2024 on [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

The Scheme's latest financial statements as at 31 March 2024, authorised for issue on 20 June 2024, were lodged with the Registrar of Financial Service Providers on 24 June 2024. Copies of the financial statements (including the auditor's report) are available on [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

## 2. INFORMATION ON CONTRIBUTIONS AND SCHEME PARTICIPANTS

This section provides a summary of changes in the membership of the Scheme over the year ended 31 March 2024.

### Membership details

	Non-contributing members				Total membership
	Contributing members	Non-contributing members	Deferred members	Total non-contributing members	
<b>At 1 April 2023</b>	<b>1,592</b>	<b>85</b>	<b>140</b>	<b>225</b>	<b>1,817</b>
Contributory status change	(35)	35	-	35	-
<b>Plus</b>					
New members	203	-	-	-	<b>203</b>
Transfers in	-	-	7	<b>7</b>	<b>7</b>
<b>Total new members</b>	<b>203</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>210</b>
<b>Less</b>					
Retirement	(77)	(12)	-	<b>(12)</b>	<b>(89)</b>
Leaving service/ resignation/withdrawals	(96)	(16)	(21)	<b>(37)</b>	<b>(133)</b>
Retrenchment/redundancy	(1)	-	-	-	<b>(1)</b>
Death and ill-health	(7)	(4)	(2)	<b>(6)</b>	<b>(13)</b>
Transfers out to other schemes	(5)	-	-	-	<b>(5)</b>
Other reasons	-	(3)	-	<b>(3)</b>	<b>(3)</b>
<b>Total withdrawals</b>	<b>(186)</b>	<b>(35)</b>	<b>(23)</b>	<b>(58)</b>	<b>(244)</b>
<b>Total at 31 March 2024</b>	<b>1,574</b>	<b>85</b>	<b>124</b>	<b>209</b>	<b>1,783</b>

### Members' accumulations

	1 April 2023	31 March 2024
Total members' accumulations	\$94,419,916	\$94,101,968
Number of members	1,817	1,783

### Contributions

For the year ended 31 March 2024

Type	Number of members	Total amount
Member contributions	1,802	\$3,521,396
Member voluntary additional contributions	481	\$946,267
Employer contributions	1,803	\$2,498,176
<b>Total</b>		<b>\$6,965,839</b>

### 3. CHANGES RELATING TO THE SCHEME

#### **Trust Deed**

There were no amendments made to the Trust Deed during the year ended 31 March 2024.

#### **Statement of Investment Policy and Objectives (SIPO)**

During the financial year, the SIPO was updated on 23 November 2023 to reflect that the Scheme's assets were \$90M at 30 September 2023.

Copies of the latest Trust Deed and SIPO are available on [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz).

#### **Terms of the offer of interests in the Scheme**

There were no material changes to the terms of offer of interests in the Scheme during the year ended 31 March 2024.

#### **Changes to the Product Disclosure Statement (PDS) during year ended 31 March 2024**

**Date of current PDS:** 20 September 2023

On 20 September 2023, the PDS was updated to reflect an increase to the administration fee and a slight reduction in the annual fund charges effective from 20 September 2023.

#### **Changes to Other Material Information (OMI) during year ended 31 March 2024**

**Date of current OMI:** 20 September 2023

On 20 September 2023, the OMI was updated to reflect general updates to Trustees' details.

#### **Related party transactions**

There were no material changes to the nature or scale of related party transactions during the year ended 31 March 2024.

All related party transactions were conducted on arm's length terms.



## 4. OTHER INFORMATION FOR PARTICULAR TYPES OF MANAGED FUNDS

During the year to 31 March 2024, the following withdrawals were made from the Scheme:

<b>Withdrawals</b>	<b>No. of members</b>
Retirement	89
Leaving service/resignation/withdrawals	133
Retrenchment/redundancy	1
Death and ill-health	13
Transfers out to other schemes	5
Other reasons	3
<b>Total full withdrawals</b>	<b>244</b>
In-service Trustee approved partial withdrawal	1
In-service partial withdrawal	13

### Credited interest rates

For the year to 31 March 2024, the Trustees declared a credited interest rate of 5.94% to be applied to your accounts.

The credited interest rate takes into account the Scheme's investment earnings less tax and some expenses and a subsidy from the Reserve Account as determined by the Trustees (if any).

An interim interest rate is calculated monthly and applied to your accounts if you leave the Scheme during the year. Until the Scheme's actual return is known each month, a weekly proxy interest rate based on the Mercer Super Trust Moderate Fund is applied to your account balances if you leave during the Scheme year before the relevant monthly interim interest rate has been calculated.

The monthly interim rates applied during the year were as follows:

<b>Month 2023</b>	<b>Interim interest rate</b>
April	1.74%
May	-0.83%
June	1.15%
July	0.80%
August	-0.76%
September	-2.39%
October	-1.21%
November	3.36%
December	2.61%
<b>Month 2024</b>	<b>Interim interest rate</b>
January	0.17%
February	0.23%
March	1.59%



## Manager's statement

MISS Scheme Trustees as manager of the Scheme confirm that:

- all contributions required to be made to the Scheme in accordance with the terms of the Trust Deed have been made;
- all benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed have been paid;
- the market value of the Scheme's assets at 31 March 2024 equalled or exceeded the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 31 March 2024.

On behalf of the Trustees:



Gary Williams  
**Trustee**  
20 June 2024



Mike Nahu  
**Trustee**  
20 June 2024

## 5. CHANGES TO PERSONS INVOLVED IN THE SCHEME

### Trustees

At 31 March 2024, the Trustees were:

Union appointed	Appointment
Mike Nahu	NZMW & RT Union 1991
Robin McGowan	NZMW & RT Union 2003
Sherryl Haughie	NZMW & RT Union August 2021

MIA appointed	Appointment
Gary Williams	Silver Fern Farms Limited 2006
Joel Gabites	ANZCO Foods Limited December 2021

Trustee appointed	Appointment
Brian Mason	Licensed Independent Trustee 2016 & Chairman 1999

### Profiles



#### Mike Nahu

I have been a Trustee of the Scheme since it was established in 1991. I am the National President of the New Zealand Meat Workers Union. I am based in Auckland.



#### Joel Gabites

I am the General Manager, Commercial and Business Improvement for ANZCO Foods based in Christchurch. I am responsible for all legal, commercial and corporate governance matters as part of my role. I hold a Bachelor of Laws and Bachelor of Commerce (University of Canterbury). Prior to joining ANZCO Foods in 2018, I worked as a management consultant, commercial lawyer and company director.



#### Robin McGowan

I live in Matura in Eastern Southland and have worked in the meat industry since 1972. I have previously been the President of the Matura sub-branch of the New Zealand Meat Workers Union and have been a Scheme Trustee since 2003.



#### Brian Mason

I was a Trustee of the Meat Industry Superannuation Scheme, now the MISS Scheme, from inception until I was appointed by the Trustees as the Independent Chairman in July 1999. I was also the Chairman and Trustee of the AFFCO Staff Superannuation Scheme for 20 years.



#### Gary Williams

Based in Havelock North, I am currently the General Manager Food Quality, Environment and Assurance for Silver Fern Farms Limited. I have a Bachelor of Technology (Biotechnology) and a Master of Business Administration.



#### Sherryl Haughie

I live in Christchurch and am currently the Finance Manager for the National Office of the New Zealand Meat Workers Union, where I have worked since 1995. I became a Scheme Trustee in August 2021.

I hold a licence to provide independent trustee services and I am currently the self-employed owner and director of B.L. Mason & Associates Ltd (a trust secretarial, administration services and independent trustee provider). I currently live in Queenstown.

### Trustee changes

There have been no changes to the Trustees during the Scheme year.

### Administration manager and investment managers

There have been no material changes to the administration and investment managers of the Scheme during the year ended 31 March 2024.

## 6. HOW TO FIND FURTHER INFORMATION

Information relating to the MISS Scheme can be found at [www.disclose-register.companiesoffice.govt.nz](http://www.disclose-register.companiesoffice.govt.nz) (search '**MISS Scheme**').

The **scheme register** contains the Trust Deed, Statement of Investment Policy and Objectives and the financial statements (click on '**Search for a scheme**' and enter '**MISS Scheme**').

The **offer register** includes the Product Disclosure Statement, fund updates and Other Material Information document (click on '**Search for an offer**' and enter '**MISS Scheme**').

Additionally, this information relating to the Scheme is available on the Scheme website at [www.miss.org.nz](http://www.miss.org.nz). Scheme documents are also available from the Scheme Secretary on request.

There is no charge for providing any of the above information.

## 7. CONTACT DETAILS AND COMPLAINTS

Contact details for the Trustees, Securities Registrar, or for any queries or complaints:



Jenny Taylor  
Scheme Secretary

MISS Scheme  
PO Box 2897  
Wellington 6140

P: (04) 819 2600

E: [jenny.taylor@mercero.com](mailto:jenny.taylor@mercero.com)

### Complaints

If you have a complaint about the Scheme, please contact the Scheme's Disputes Officer, Jenny Taylor of Mercer. The Trustees undertake to investigate your concerns promptly and fairly. You may contact the Disputes Officer to make a complaint by telephone, by email or in writing.

The Trustees are a member of an independent dispute resolution scheme, the Insurance and Financial Services Ombudsman Scheme ('IFSO'). If you are not happy with the Trustees' decision about your complaint, you may refer the matter to the IFSO at the following address:

IFSO Scheme  
Level 2, Solnet House  
70 The Terrace

PO Box 10-845  
Wellington 6143

P: 0800 888 202

E: [info@ifso.nz](mailto:info@ifso.nz)

Full details of how to make a complaint (after you have complained to the Scheme's Disputes Officer and not reached a satisfactory conclusion) and copies of the IFSO complaint form can be obtained from their website, [www.ifso.nz](http://www.ifso.nz).

The IFSO will not charge you a fee to investigate or resolve a complaint.

### Privacy Act 2020

Personal information about you may be collected, held and used by the Trustee and Mercer (as Administration Manager) for the purposes of administering your Scheme membership and administering the benefits payable under the Scheme. Your personal information may also be shared with (and held and used by) your employer, the Scheme's professional advisers and other service providers, Inland Revenue, the Financial Markets Authority or any other person or entity as necessary for those purposes.

You have the right to access your personal information and to request a correction if you think any detail is wrong. If you wish to request access to, or correction of, your personal information, in the first instance please contact:

Jenny Taylor  
Privacy Officer, MISS Scheme  
c/- Mercer (N.Z.) Limited  
PO Box 2897, Wellington 6140

E: [jenny.taylor@mercero.com](mailto:jenny.taylor@mercero.com)

P: +64 4 819 2600



# MATTERS OF INTEREST

## FINANCIAL MARKETS CONDUCT ACT

Under the FMC Act regime, the time frames within which the Scheme's annual review information must be issued are:

Annual Confirmation (formerly Personal Benefit Statement)	Sent to members by <b>30 June</b>
Fund update	Uploaded to Disclose website by <b>30 June</b>
Financial statements and auditor's report	Prepared and uploaded to Disclose website by <b>31 July</b>
Annual Report	Completed by <b>31 July</b> (and uploaded to the Disclose website and issued to members within <b>28 days</b> )

## NEW ZEALAND SUPERANNUATION

As from 1 April 2024, the government changed the level of payments to be made to recipients of New Zealand Superannuation. The annual payments are:

	Before tax	Taxed at 'M' (if you have no other income)
Married couple, civil union or defacto relationship*	\$47,987	\$41,557
Single person (sharing)	\$29,032	\$24,935
Single person (living alone or with a dependant child)	\$31,547	\$27,012

\*Combined amount where both you and your partner meet the criteria for New Zealand Super.

## SCHEME INTEREST RATES

If you leave the Scheme during the year, an interim interest rate is applied to your accounts.

The interim interest rates shown on page 7 are monthly rates after tax and expenses. For example, this means that if the monthly rates for April and May were 1% and 2% respectively, a member leaving the Scheme at the end of May would receive a return of roughly 3%. Similarly, if instead the rates were -1% and 2%, a member leaving the Scheme at the end of May would receive a return of about 1%. Monthly rates can be highly volatile and can be negative.

When you compare the Scheme's interest rates with bank rates, you should remember that the bank rate quoted is before tax. If you invest in a bank deposit paying say 3.4% for a one-year term, you would need to deduct tax at 28%, which would reduce the annual return to 2.5%.

New Zealanders who satisfy the residency requirements qualify for this benefit from age 65. However, qualifying recipients must apply for this benefit. It is not paid out automatically on turning 65. The levels are reviewed each year, and are adjusted to take account of increases in the cost of living (inflation) and wages.

The present government's policy is to retain the existing entitlements for the foreseeable future. However, New Zealand Superannuation is not intended to provide any more than a safety-net level of income in retirement. The Trustees encourage you to take advantage of the Scheme to increase your level of savings and hence your ultimate benefit in retirement.

## KIWISAVER

KiwiSaver is a voluntary savings scheme introduced by the government in 2007. As at 31 March 2024, 3.3 million New Zealanders had joined KiwiSaver.

To find out more about KiwiSaver, visit [www.ird.govt.nz/kiwisaver](http://www.ird.govt.nz/kiwisaver).



# QUESTIONS AND ANSWERS

## YOUR CONTRIBUTIONS

### **1. What happens if I want to stop contributing to the Scheme while I remain in employment?**

Under the current rules governing the Scheme, you may apply to the Trustees to suspend or cease your contributions to the Scheme, in which case you will become a “Suspended Member” effective from the date your contributions stop. Death insurance cover will not be available to you unless you have agreed with the Trustees to continue your insurance cover and the Trustees have confirmed it in writing. The Trustees will require you to have sufficient funds in your account balances to pay insurance premiums. Currently, you can arrange for insurance cover to be continued for a maximum period to the end of the season following the season in which you stopped contributing.

If you stop contributing to the Scheme (and have not yet received your benefit entitlement), you can request transfer of 100% of your account balances to your KiwiSaver scheme at any time within 12 months of ceasing contributions (refer to question 22). Any insurance cover will cease.

If you have not recommenced your contributions by the end of the season following the season during which you suspended or ceased your contributions, your insurance cover will have stopped by the end of that season and your membership will be deemed to have ceased, although you will not be entitled to withdraw your benefit at that stage. Your resignation benefit will be calculated, based on your membership completed as at the date your contributions stopped, and your benefit will be held in the Scheme until you permanently leave the meat industry or if you request payment of your benefit within three months of reaching age 65. Investment returns will continue to be credited or debited to your benefit.

### **2. What do I need to do if I want to stop contributing to the Scheme while I remain in employment?**

If you wish to suspend or cease contributions, please contact your pay office to ensure a “Request to Suspend Contributions” form is completed and forwarded to Mercer. You will need to complete the form to request that the Trustees make arrangements to continue your insurance cover.

It is the responsibility of individual members to ensure that the Trustees (through your pay office) are notified of any changes to your contribution or employment status. Failing to notify the Trustees may impact on your insurance cover and benefits received.

### **3. What happens if I stop contributing to the Scheme because I've signed an Individual Employment Agreement (“IEA”)?**

If you stop contributing because you have signed an IEA but with no change of employment status, you will become a Suspended Member and you will be treated as if you had elected to stop contributing (please refer to question 1). The Trustees’ current practice is that if you sign an IEA while remaining a process worker, this will not be accepted as having changed your employment status. Please contact your pay office to ensure a “Benefit Calculation Request” form is completed; this is to advise the Trustees that you have ceased to be eligible for contributory membership following an IEA with no change in employment status. If you stop contributing because you have signed an IEA and you have a change of employment status due to promotion to a salaried position, you will become a “Former Member”. Your insurance cover will cease. Your benefit will be 100% of your account balances, however your benefit will not be paid until you permanently cease employment in the meat industry, transfer your benefit to KiwiSaver or if you request payment of your benefit within three months of reaching age 65. Please contact your pay office to ensure a “Benefit Calculation Request” form is completed; this is to advise the Trustees you have ceased to be eligible for contributory membership following a change of employment status with a promotion to salaried staff.

### **4. What happens if I change my contract?**

If you have signed a variation agreement to the Collective Employment Agreement (CEA), you are eligible to be a member of the MISS Scheme. This is because you have signed a collective agreement (with a variation) and are a ‘waged’ worker, regardless of whether or not you are a Union member.

### **5. What happens if I am not contributing to the Scheme during a season because work is unavailable?**

Please contact your pay office to ensure a “Temporary Absence from Service” form is completed and forwarded to Mercer. You will need to complete the form to request that the Trustees make arrangements to continue your insurance cover. Mercer will then write directly to you to advise and confirm your rights and benefits. In this regard, your insurance cover will continue, if you wish, with no contributions for a maximum period of 24 months. If contributions do not start after 24 months, please contact Mercer directly to arrange a continuation option in respect of your insurance cover. Under a continuation option, you may be able to arrange and pay for a personal insurance policy without the need to provide evidence of good health. However, you need to contact Mercer before the 24-month mark.

## YOUR BENEFITS

### 6. What happens when I permanently cease employment in the meat industry?

Once employment ceases, eligibility for membership of the Scheme also ceases. On your last day of employment visit your pay office to complete and sign your "Benefit Calculation Request" form. Payroll will send the form to Mercer. Check the form shows your current address and, if applicable, confirm with your pay office that your Scheme benefit should be paid into your personal bank account in your own name (the same bank account that your wages are paid into). If you wish to defer receipt of your benefit until a later date, please request that your pay office ticks the "Leave benefit in Scheme" box on your exit form. The exit form is still required to be sent to Mercer. Mercer will write to you and advise your benefit amount and how to claim the funds at a future date. As noted in the answer to question 21, "Can I transfer my funds to KiwiSaver?", you also have an option to transfer 100% of your account balances to KiwiSaver. If you choose this option, a second page needs to be completed.

### 7. How long will it take for my benefit to be paid?

Your benefit cannot be paid until your final contributions have been received and processed by payroll. Most payrolls only remit contributions to Mercer monthly and once the contributions have been remitted, Mercer needs time to process the contributions before processing your benefit. This means that depending on when in a month you leave, your final benefit will be paid up to four to five weeks, and in some cases, up to six weeks after your last day of employment.

### 8. What investment return do I get if I leave the Scheme during the year ended 31 March 2024?

When a benefit payment is made, "interim interest" is applied to your account balances for the period from the last completed review (31 March) to your date of exit. The rate of interim interest is calculated each month based on the actual returns achieved by the investment managers, less tax and a provision for certain expenses. Until the Scheme's actual return is known each month, a weekly proxy interest rate is applied to your account balances if you leave during the Scheme year before the relevant monthly interim investment return has been calculated.

With effect from 22 June 2022 a weekly proxy interest rate based on the Mercer Super Trust Moderate Fund has been introduced. The expense deduction is currently 0.30% per year (or 0.025% each month). Interest rates can be highly volatile and can be positive or negative. The cumulative interest rates for the Scheme year to 31 March 2024 are shown on page 7.

### 9. Can I be paid my benefit while I am still employed in the industry?

The Scheme is designed to assist you to save for your retirement. You can only be paid your benefit when you leave the meat industry for good, or when you reach the age of 65 if you request payment of your benefit.

### 10. What happens when I reach age 65?

If you reach age 65 and you are still working in the meat industry, you will have the following options:

- (a) You can ask for your retirement benefit to be paid to you from the Scheme or transferred to your KiwiSaver scheme. If you elect this option, you will be paid your benefit in cash (or your benefit will be transferred) and your membership of the Scheme will cease and your insurance cover (if any) will also stop.
- (b) You can continue as a member of the Scheme, in which case your contributions and your employer subsidy will continue for as long as you remain in employment, and your insurance cover (if any) will continue until the earlier of you ceasing to be employed in the meat industry or reaching age 69.

You will have three months from when you turn 65 to decide whether you want your retirement benefit to be paid. If you don't make an election within those three months, then your membership will continue until you permanently cease employment within the meat industry. The Scheme Administrator will write to you before your 65th birthday to explain your options. Please advise your pay office of your decision.

### 11. Do I have to take my benefit out of the Scheme when I retire or leave the industry?

No. If you don't want to take an immediate cash payment, you may elect to defer receiving your benefit. In this case, your benefit will be held in the Scheme. An investment return will be credited or debited, and expenses will be deducted from your Deferred Benefit until you elect to withdraw your benefit. You may draw down from your Deferred Benefit, subject to rules set by the Trustees from time to time. The following rules apply at present:

- withdrawals are limited to four per year;
- withdrawals must be for a minimum of \$1,000 per withdrawal;
- a minimum balance of \$3,000 must remain after a withdrawal (unless you withdraw the total amount).

You will be charged a fee (currently \$20) for each withdrawal, and this will be deducted from your Deferred Benefit. The fee can be reviewed by the Trustees. This facility will provide you with an ongoing tax-paid investment, or an opportune time to defer and withdraw your benefit at a later date if investment returns have been low or negative. If you are considering deferring your benefit, you should seek advice from your regular Financial Adviser.



## 12. Will my benefit from the Scheme be subject to tax?

No. When your benefit is paid, it is not subject to tax.

## 13. Who is the death benefit paid to?

If you die while you are a member of the Scheme, your death benefit will be paid to your Dependant(s) or personal representative, at the discretion of the Trustees.

A Dependant (as defined in the Scheme's Trust Deed) is any person who you have nominated in writing to the Trustees (your nominated Beneficiary), or any other person whom the Trustees consider was wholly or partly dependent on you. The Trustees would like to know your wishes in this regard, and ask that you nominate the person(s) that you would like to receive this benefit. It is important for you to make sure your nomination(s) are kept up to date, particularly if your circumstances change. Copies of forms for changing your Beneficiaries can be obtained from your Union Secretary or your pay office, and there is a tear-off slip at the bottom of your Annual Confirmation enclosed with this Annual Report.

The Trustees also recommend that you make a Will and keep it up to date. If you have a Will, the Trustees recommend it includes details of your nominated Beneficiaries for your death benefit.

## 14. If I nominate someone as my Beneficiary, can I be sure that the Trustees will pay the death benefit to that person?

Not necessarily. While the Trustees are obliged to consider your nomination, they will also make enquiries to see whether your circumstances have changed since you made your nomination, and determine whether any other person should be included as a Beneficiary or Dependant. The Trustees will also take into account other factors including their legal obligations. If your Annual Confirmation does not show a Beneficiary, please complete the tear-off slip and return it to Mercer at the address on the form. If you have a Will, the Trustees recommend it includes details of your nominated Beneficiaries for your death benefit.

## YOUR INSURANCE

### 15. When does my insurance cover start?

If you join the Scheme immediately after first completing two consecutive seasons (for most employees this will be in your third season), or the season that you are first offered membership – you will be automatically entitled to death insurance cover. If you don't join at one of these times, you are not automatically entitled to insurance cover, and you will be required to complete a personal health statement and possibly undergo further medical tests to be assessed for insurance cover prior to the insurance commencing. Mercer will advise you in writing if/when your insurance cover starts.

The amount of your insurance cover depends on your age at the date of death, as shown below:

Age at date of death	Insured benefit
Younger than 65	\$60,000
65	\$48,000
66	\$36,000
67	\$24,000
68	\$12,000
69 or older	nil

## 16. When does my insurance cover cease?

Your insurance cover in the Scheme will cease:

- if you are aged 69 or older; or
- if you have been temporarily absent, not employed, and had no contributions to the Scheme for a period of 24 months; or
- if you are 65 or older and your retirement benefits have been paid out of the Scheme in cash; or
- if you elect to stop contributing to the Scheme and become a Suspended Member and do not recommence contributions by the end of the season following the season in which you stopped contributing (assuming you have arranged for insurance cover to continue); or
- if you elect to stop contributing to the Scheme and become a Suspended Member and do not arrange with the Trustees to continue your insurance cover; or
- if you elect to stop contributing to the Scheme and become a Suspended Member and at any point have insufficient balances to pay your insurance premiums; or
- on leaving the meat industry (and being paid, or deferring receipt of, your benefit) or transferring your account balances to your KiwiSaver scheme.

## 17. Can I continue my insurance cover if I leave employment due to poor health?

If you have death cover then, currently yes. The insurer continues your death cover for 45 days after you leave employment and allows insured members under age 65 to take out a personal policy with the insurer for death cover of up to \$60,000 without the need to prove good health. This policy needs to be taken out within 60 days of your leaving service. You will pay the premium on this personal policy. If a member is leaving work due to a terminal illness then the insurer will consider paying the insurance to the Scheme as an advance on the death claim. This enables the member to get his or her affairs in order and to have some peace of mind in relation to the future for his or her dependants. Mercer should be contacted to arrange for a claim to be lodged before any such member leaves service.

## 18. How much does my insurance cover cost?

For members with insurance cover, your annual insurance premium reduced from \$254.40 to \$250.20 p.a. from 1 April 2020. This is deducted from your employer account balance.

## 19. Do I have insurance cover if I am on a work visa?

Employees can join the MISS Scheme on a work visa as long as they meet all the requirements for eligibility under the MISS Scheme, i.e. they have completed two full consecutive seasons under employment. This means that an employee would be eligible to join the MISS Scheme when starting their third consecutive season of employment. They must also have at least a 12-month work visa. New Zealand visa holders who become members are also eligible for insurance cover under the Scheme, provided their visa is not issued for a period less than 12 months. They will also need to be residing in New Zealand. Should their right to live and work in New Zealand cease, insurance cover would also cease. Insurance cover is subject to the member completing any insurance requirements when joining the MISS Scheme and payment of an insurance benefit is subject to acceptance of a claim by the insurer.

## 20. Does my insurance cover continue while I am overseas?

As a member of the MISS Scheme, if you have insurance cover and travel overseas, your insurance cover will continue, provided that you are not travelling to any countries that have travel warnings/alerts in place (visit [www.safetravel.govt.nz](http://www.safetravel.govt.nz)) and premiums continue to be paid. Please note that payment of an insurance benefit is subject to acceptance of a claim by the insurer.

## KIWISAVER

## 21. What do I do if I want to contribute to KiwiSaver instead of the Scheme?

If you remain in employment and want to contribute to KiwiSaver instead of the Scheme, you will need to contact your pay office. Your pay office will supply the necessary forms to start your KiwiSaver contributions and a "Request to Suspend Contributions" form for you to suspend your contributions to the MISS Scheme and, if you wish, to request that the Trustees make arrangements to continue your insurance cover for the maximum period. For details on what happens to your benefits if you stop contributing to the MISS Scheme, please refer to question 1, "What happens if I want to stop contributing to the Scheme while I remain in employment?".

## 22. Can I transfer my funds to KiwiSaver?

You can request transfer of 100% of your account balances to your KiwiSaver scheme:

- if you remain in employment in the meat industry but elect to stop contributing to the Scheme, provided you make the request to transfer within 12 months of ceasing contributions;
- if you are a Former Member, i.e. you have stopped contributing due to a change in employment status accepted by the Trustees;
- if you are permanently ceasing employment. At the time you leave employment you will be given the option of transferring 100% of your account balances to your KiwiSaver scheme instead of payment (or deferring) of your cash benefit entitlement. Membership of the Scheme will cease if you transfer your funds to KiwiSaver. Please contact your pay office to arrange transfer of your funds.

## GENERAL

### 23. What happens if I am not working due to injury, ill health or parental leave?

If you are not working due to injury or ill health, or if you are on parental leave, please contact your pay office to ensure a "Temporary Absence from Service" form is completed and forwarded to Mercer. This will enable your insurance cover to continue for at least 24 months, and your period of absence to count as membership for vesting purposes. Please ensure your pay office is aware of the reason for your absence and that the "Temporary Absence from Service" form is completed and forwarded to Mercer. Mercer will then write directly to you to advise you of your rights and benefits.

### 24. Who do I speak to if I have a question or complaint in respect of the Scheme?

There are a number of people that are able to assist you in relation to the Scheme. These include your Union, any of the Trustees and Mercer. If you have questions that relate to your account balances, then these queries should be directed to the Scheme Administrator at Mercer. The contact details are shown in the directory later in this report. If you have a complaint/dispute, details of what to do are provided in the 'contact details and complaints' section of this report.

### 25. What should I do if my address changes?

Your Annual Confirmation has a tear-off slip for you to complete to advise Mercer of your address change. Please post this to Mercer at the address shown on the slip, or give the slip to your pay office to forward on to Mercer.

## 26. Can I withdraw my MISS Scheme account balances due to significant financial hardship or to buy a first home?

Unlike KiwiSaver, MISS Scheme members are not able to withdraw their benefit due to significant financial hardship or to purchase a first home. Approval is subject to consent of the KiwiSaver Provider Trustee.

## 27. Where can I get financial advice?

A list of financial advisers is published on the Financial Markets Authority website [www.fma.govt.nz/investors/getting-financial-advice/finding-an-adviser](http://www.fma.govt.nz/investors/getting-financial-advice/finding-an-adviser). Trustees and employers cannot give financial advice to members.

If you are thinking of leaving employment or withdrawing your money from the Scheme, it's important that you understand that the value may go up or down with the market and allow for that. There are a number of free online financial planning tools and financial advisory services available that can help you manage your money, including:

- **FSC Retirement Planning Guide:** To help you understand your financial needs and plan for your retirement. [blog.fsc.org.nz/guide-retirement-planning](http://blog.fsc.org.nz/guide-retirement-planning)
- **Sorted:** Useful free financial tools to help you get ahead financially. [www.sorted.org.nz](http://www.sorted.org.nz)
- **Financial Markets Authority (FMA):** When and how to access independent financial advice, costs will apply. [www.fma.govt.nz/consumer/getting-advice](http://www.fma.govt.nz/consumer/getting-advice)
- **MoneyTalks:** Free budgeting advice for individuals, family and whanau. [www.moneytalks.co.nz](http://www.moneytalks.co.nz) or phone **0800 345 123**



# DIRECTORY



## SECRETARY

Jenny Taylor  
Scheme Secretary

MISS Scheme  
PO Box 2897  
WELLINGTON 6140

P: (04) 819 2600  
E: [jenny.taylor@mercercor.com](mailto:jenny.taylor@mercercor.com)

Jenny is also the Scheme's Privacy Officer and Disputes Officer

## ADMINISTRATION MANAGER

Mercer (N.Z.) Limited

## AUDITOR

Deloitte Limited

## INSURER

AIA New Zealand Limited

## INVESTMENT CONSULTANT

Mercer (N.Z.) Limited

## INVESTMENT MANAGERS

ANZ New Zealand Investments Limited  
Fisher Funds Management Limited  
Harbour Asset Management Limited  
Mercer (N.Z.) Limited  
Nikko Asset Management New Zealand Limited

## SOLICITOR

Bell Gully

## QUESTIONS



Leah Uila is the Scheme's administrator and is responsible for the day-to-day running of the Scheme. Please contact Leah if there is any part of the Scheme or this Annual Report about which you need additional help or information. You can contact Leah at:

Scheme Administrator  
MISS Scheme  
Mercer (N.Z.) Limited  
PO Box 1849  
WELLINGTON 6140

P: (04) 819 2600  
E: [MISS@mercercor.com](mailto:MISS@mercercor.com)

# NOTES

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