

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

By circulation

Date

26 January 2021

PRESENT Edward Schuck (Chair)
Daniel Mussett
Sarah Park
Louise Edwards
Stephen Ward
Wayne Stechman

APOLOGIES Nil

A paper entitled NPF Schemes Administration System Risk Review was circulated to the Board for consideration on 22 January 2021.

The paper requested approval to s 9(2)(i) and (j) [REDACTED], to carry out a risk assessment in order to determine what action, if any, is required in relation to the NPF schemes administration system (PIMS system) either now, or in the future, and to develop a future roadmap.

Management confirmed their view that s 9(2)(i) and (j) [REDACTED] is well qualified to assist with this work at a strategic level.

A copy of the engagement letter with s 9(2)(i) [REDACTED] and CV for s 9(2)(i) [REDACTED] were attached to the paper.

The Board:

1. NOTED the report.
2. APPROVED the engagement of s 9(2)(i) [REDACTED] at an estimated cost is up to s 9(2)(i) [REDACTED] including GST.
3. NOTED the previous engagement with s 9(2)(i) [REDACTED] has been put on hold pending the outcome of this proposed work.

Philippa Drury

GENERAL MANAGER, SCHEMES

26 January 2021

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Level 12, the Todd Building, 95 Customhouse Quay, Wellington, telephone or video conference via Zoom

Date

Thursday, 25 February 2021 commencing at 9.30 am

PRESENT

Edward Schuck (Chair)
Stephen Ward
Sarah Park
Louise Edwards
Wayne Stechman
Daniel Mussett (via Zoom)

IN ATTENDANCE

Simon Tyler
Philippa Drury
Paul Bevin

s 9(2)(a)

s 9(2)(a) and s 9(2)(a) for item 3.3 – 9.45 am to 10.20 am

APOLOGIES

Nil

The Board initially met in the absence of Management.

All Board members confirmed there were no specific interests to declare.

1. MINUTES OF THE BOARD MEETINGS

The Board NOTED and AGREED the minutes of the Board meetings held on 8 December 2020 and 26 January 2021.

2. ADMINISTRATION

2.1 Matters Arising

The Board:

- a) NOTED the Matters Arising.
- b) REQUESTED the proposed schedule of investment manager presentations be tabled at the next Board meeting and that the first presentation be from Devon.

2.2 Long Term Work Plan

The Board NOTED the Long-Term Work Plan is under development.

2.3 Interests Register

The Board:

- a) NOTED the Interests Register.

- b) NOTED a correction - Daniel Mussett's appointment is as an Independent Member of the Heretaunga Tamatea Settlement Trust Investment Committee effective December 2020.

3. KEY PAPERS

3.1 **Chief Executive's** Overview

The Board:

- a) NOTED the report.
- b) NOTED Datacom has been invited to attend the March 2021 Board meeting.
- c) AGREED to change the June 2021 meeting to 24 June 2021, starting at 1.00 pm and REQUESTED an updated invitation be sent to all Board members.

3.2 Health, Safety and Wellness Update

The Board NOTED the Health and Safety Update and the dashboard.

3.3 MOF Annual Letter of Expectations

THE TREASURY

The Chair welcomed s 9(2)(a) and s 9(2)(a) to the meeting at 9.45 am to discuss with the Board the Minister of **Finance's** annual Letter of Expectations and the Responsible Investment framework.

Letter of Expectations

- a) Treasury commented:
- The annual Letter of Expectations is following an evolutionary not a revolutionary process and the structure and key messages are well formed. The messages are common across all Crown financial Institutions (CFIs).
 - NPF is operating well and is fit for purpose, with risk appropriately managed and controlled.
 - The Minister of Finance is looking for ways in which Crown entities can partner and be good citizens in support of overall Government objectives, specifically those in relation to social needs, sustainability, housing and child poverty. It is recognised there are differences between the other CFIs and NPF and it is not clear how these objectives might fit with NPF except in the area of responsible/ethical investment.
 - Treasury is working with the CFIs to develop an ethical investment framework – the project is in the early stages and, whilst there is limited clarity of Government expectations as to ethical investment, the initial focus will be on climate change and how this ties in with other Government priorities (noting the terms ethical investment and responsible investment are being used interchangeably). For NPF, responsible investment is an area where Treasury considers there is potential for alignment with Government objectives.
 - The framework is expected to provide high level principles for consideration by CFIs that reflect legislation and Government policy. It is expected the framework and principles will be enduring and flexible enough to be accommodated within existing mandates of CFIs. Consistency of outcomes across the CFIs is desirable.

- The expectation is for CFIs to take a leadership role in reporting under an ethical investment framework in their annual reports, noting this will be an iterative process.
- A consultative process (involving a six-week cycle of workshops) is underway between Treasury and the CFIs that started in late January 2021 to agree the principles for the framework and to enable interim communication with the Minister of Finance and the respective CFI boards.
- Independence of CFI decision making around investment strategy will be maintained, unless a ministerial direction is given or a legislative change is made.

b) The Chair noted:

- Clarification of the Minister of **Finance's** views and expectations of CFIs, particularly with respect to any specific targets and overall expected responses by the CFIs to responsible investment will be helpful and will assist the Board in confirming to the Minister of Finance any differences in approach between NPF and the other CFIs that have specific legislative requirements.
- The ethical investment framework will need to be flexible to allow entities to accommodate within their existing mandates.
- The Board appreciated the conversation with Treasury and noted the stability in the Treasury team in recent years as a positive change that assisted with overall communications.

s 9(2)(a) and s 9(2)(a) left the meeting at 10.20 am.

c) Draft response to the Letter of Expectations

The Board:

- DISCUSSED the draft response to the Minister in detail.
- REQUESTED some changes to the letter.
- CONFIRMED the final form of the letter would be agreed with the Chair for submission by 26 February.

3.4 s 9(2)(i)

s 9(2)(i)

s 9(2)(i)

s 9(2)(i)

s 9(2)(i)

s 9(2)(a) and (i)

s 9(2)(i)

s 9(2)(i)

s 9(2)(i)

3.5 Pension Cash Accumulation Scheme – Wind Up

The Board:

- a) NOTED the paper.
- b) AGREED the letter to be sent to the Minister of Finance seeking a direction to wind up the Pension Cash Accumulation Scheme with some amendments.
- c) RESOLVED to wind up the Pension Cash Accumulation Scheme in terms of section 35 of the trust deed effective 31 March 2021 SUBJECT TO receipt of a direction from the Minister of Finance.
- d) APPROVED the transfer of Missing Persons to the Pension National Scheme in preparation for the wind up of the Pension Cash Accumulation Scheme.
- e) APPROVED the transfer of all other members to the Pension National Scheme on wind up of the Pension Cash Accumulation Scheme.

3.6 Responsible Investment Policy: ESG and CRO (Climate Related Risks and Opportunities)

The Board:

- a) NOTED the portfolio developments on carbon exposure.
- b) NOTED s 9(2)(i) [REDACTED]
- c) s 9(2)(i) [REDACTED]
- d) s 9(2)(i) [REDACTED]
- e) DISCUSSED the decision framework for managing climate related risks and opportunities and provided feedback for incorporation into the draft statement on managing climate-related risks and opportunities before it is posted on the website.

3.7 Review of [REDACTED]: [REDACTED]

The Board:

- a) NOTED s 9(2)(i) [REDACTED].
- b) NOTED s 9(2)(i) [REDACTED]

3.8 JP Morgan – Amendment to Global Custody Agreement for Signing under Common Seal

The Board:

- a) NOTED and DISCUSSED the paper.

- b) APPROVED execution of the JP Morgan Amendment to the Global Custody Agreement under common seal by two authorised signatories.

3.9 s 9(2)(i): Approval to sign under seal

The Board:

- a) NOTED the report.
- b) APPROVED the reduction in the management fee for s 9(2)(i)
- c) AUTHORISED the execution of the 9(2)(i) letter under common seal by two authorised signatories.

4. INVESTMENTS

4.1 Quarterly Investment Report

The Board:

- a) NOTED the report.
- b) DISCUSSED:
- s 9(2)(i)
 - Global equities and fixed interest unit funds are on target to meet expected outcomes.
 - s 9(2)(i) – performance will be impacted by exposure to emerging market debt.
 - s 9(2)(i)

4.2 Investment Update

The Board:

- a) NOTED the report.
- b) DISCUSSED:
- the DAA equities/fixed income tilt has been unwound;
 - going forward Management will be meeting quarterly with NZ Super and ACC to discuss DAA.
 - Cat Risk paper is due to come to the Board in Q3 on this subject.

4.3 Investment Road Map

The Board NOTED the report.

5. SCHEMES

5.1 Schemes Update

The Board NOTED the report.

6. FINANCE

6.1 Schemes - Financial Statements to 31 December 2020

The Board:

- a) NOTED the report incorporating the Schemes' financial statements for the nine months to 31 December 2020.

6.2 Board and Board Reserves Financial Statements to 31 December 2020

The Board:

- a) NOTED the financial statements of the Board of Trustees for the nine months ending 31 December 2020.
- b) NOTED the financial statements of the Board Reserves, for the nine months ending 31 December 2020.

7. Papers for Noting

- a) Minutes of the ALCO Committee meeting held on 18 January 2021

The Board NOTED the minutes of the ALCO meeting held on 18 January 2021.

- b) Minutes of the ALCO Committee meeting held on 16 February 2021

The Board NOTED the minutes of the ALCO meeting held on 16 February 2021.

8. Delegated Decisions

The Board NOTED the report.

8.1 Use of Common Seal

The Board NOTED the report.

8.2 Documents signed on behalf of the Board

The Board NOTED the report.

8.3 Management decisions made under delegated authority

The Board NOTED the report.

9. OTHER BUSINESS

The Board:

- a) NOTED s 9(2)(a) will be leaving shortly and EXPRESSED their thanks to s 9(2)(a) s 9(2)(a) for her service and wished her well for s 9(2)(a).
- b) REQUESTED Management circulate the job description to the Board for its information.

There being no other business, the meeting finished at 12.40 pm.

NEXT MEETING: The next meeting of the Board will be held in Wellington and is scheduled to commence at 8.30am on Tuesday, 30 March 2021.

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Level 12, the Todd Building, 95 Customhouse Quay, Wellington, and video conference via Zoom

Date

Tuesday, 30 March 2021 commencing at 8.30 am

PRESENT

Edward Schuck (Chair)
Stephen Ward
Sarah Park
Louise Edwards
Wayne Stechman
Daniel Mussett (via Zoom)

IN ATTENDANCE

Simon Tyler
Philippa Drury
Paul Bevin
s 9(2)(a)

s 9(2)(a) of Devon Funds Management at 10.30 am

s 9(2)(a) at 11.30 am

s 9(2)(a), Peter McCaffrey, Nicky Rumsey and s 9(2)(a) for the investment items
Fiona Morgan for items 3.8 and 3.9

APOLOGIES

Nil

The Board initially met in the absence of Management.

All Board members confirmed there were no specific interests to declare.

1. MINUTES OF THE BOARD MEETINGS

The Board NOTED and AGREED the minutes of the Board meeting held on 25 February 2021.

2. ADMINISTRATION

2.1 Matters Arising

The Board:

- a) NOTED the Matters Arising.
- b) NOTED the strawman strategy document is with the Chair for review.

2.2 Long Term Work Plan

The Board NOTED the Long-Term Work Plan is under development.

2.3 Interests Register

The Board:

- a) NOTED the Interests Register.
- b) NOTED Ed Schuck's appointment as a director of Continuity Capital PE6 GP Limited effective 19 March 2021.

3. KEY PAPERS

3.1 **Chief Executive's** Overview

The Board:

- a) NOTED the report.
- b) NOTED Datacom's attendance has been deferred to later in the year.

3.2 Health, Safety and Wellness Update

The Board NOTED and DISCUSSED the Health and Safety Update and the dashboard.

3.3 Devon Presentation

The Chair welcomed s 9(2)(a) and s 9(2)(a) of Devon Funds Management to the meeting.

The Board:

- a) RECEIVED a presentation from Devon.
- b) DISCUSSED a range of issues including governance, capacity, investment philosophy/style and performance.
- c) THANKED s 9(2)(a) and s 9(2)(a) for their attendance at the meeting.
- d) REQUESTED Management include background information on managers (eg asset class, value of portfolio under management, length of relationship, any concerns with manager performance etc) as part of the covering paper in future.
- e) REQUESTED T Rowe Price and Brandywine be asked to present at future Board meetings.

3.4 Investment Beliefs

The Board:

- a) NOTED the paper and agreed the Investment Beliefs should be simple, easy to read statements.
- b) REQUESTED the inclusion of a belief on liability awareness when developing investment strategy.
- b) REQUESTED Management to redraft the Investment Beliefs for Board approval.

3.5 DBP Annuitants Scheme – Asset Allocation Review

- a) NOTED the report and that this is the 3-yearly review of the DBPA notional strategic asset allocation.
- b) DISCUSSED:
- the asset allocation review assumes the Scheme is fully funded, when the liabilities are discounted at the published Treasury rates;
 - some equities will be retained in the portfolio, to assist in meeting CPI.
- c) CONFIRMED there is no change to the current notional strategic asset allocation for the DBPA, being:

DBPA - Current Notional Asset Allocation	
Sector %	%
Cash	0
Fixed Interest	85
NZ Equities	5
Overseas Equities	10

- c) NOTED the notional asset allocation will be used to determine the factors in calculating transfer values from the DBPC to the DBPA.
- d) NOTED the next review of the notional asset allocation will be undertaken in 2024 as part of the next triennial asset allocation reviews.

3.6 National Provident Pension Scheme – Asset Allocation Review

The Board:

- a) NOTED the paper.
- b) DISCUSSED:
- having some equity exposure is necessary if the Scheme is to have a chance of granting pension increases in the future; and
 - the proposed change to the investment parameter.
- b) APPROVED a 10% reduction in the Scheme's benchmark equity allocation to 30% from 40% effective 1 May 2021. This will result in the following SAA:

Unit	Current SAA		Recommended SAA	
	Risk Benchmark	Target	Risk Benchmark	Target
F Unit	60%	57.5%	70%	67.5%
E Unit	8%	7.5%	6%	5.5%
O Unit	32%	30%	24%	22%
A Unit		5%		5%

- c) NOTED Management will revisit the SAA for the Scheme as part of the triennial review of the SAAs for all the schemes with **s 9(2)(i)** later this year.
- d) APPROVED the investment parameter is amended to following:

Investment Parameters

To maximise the expected returns on the Scheme's assets, and hence the likelihood of improving the actuarial solvency, subject to the constraint that there be no more than a 1 in 43 chance that the funding level will be less than 100% 80% after five years.

3.7 National Provident Pension Scheme - Pension Increase Policy

The Board:

- a) DISCUSSED the paper in detail.
- b) AGREED to retain the existing pension increase policy for the National Provident Pension Scheme.
- c) REQUESTED s 9(2)(i) [REDACTED]
[REDACTED]
[REDACTED].
- d) REQUESTED s 9(2)(i) [REDACTED]
[REDACTED]
[REDACTED]
s 9(2)(i) [REDACTED]
[REDACTED]
[REDACTED]
s 9(2)(i) [REDACTED]
s 9(2)(i) [REDACTED]
s 9(2)(i) [REDACTED]
[REDACTED]

3.8 Tax Advisory Services Contract

The Board:

- a) NOTED the paper.
- b) NOTED the proposed s 9(2)(i) [REDACTED]
[REDACTED] to apply from 1 April 2021.
- c) NOTED the change to the tax calculations only being reviewed quarterly by the tax advisor, as opposed to monthly.
- d) s 9(2)(i) and (j) [REDACTED]
[REDACTED]
- e) s 9(2)(i) and (j) [REDACTED]
[REDACTED]
- f) NOTED legal advice had been received from DLA Piper on the new contract.
- g) APPROVED the execution of the new contract with s 9(2)(i) and (j) [REDACTED] under Common Seal by two authorised signatories.

3.9 NPF Expense Budget

The Board:

- a) NOTED the paper.

b) REVIEWED AND DISCUSSED the budget for the year to 31 March 2022.

c) APPROVED gross expenditure of s 9(2)(i)

3.10 NPF Schemes s 9(2)(i)

The Board:

a) NOTED the paper and attached presentation.

b) NOTED the s 9(2)(i)

c) NOTED the available options for s 9(2)(i)

d) AGREED to move to the next stage to develop a business case for the future s 9(2)(i), with Management to report back with an estimated budget for this work.

3.11 Policy Reviews

The Board:

a) NOTED and DISCUSSED the paper.

b) APPROVED the NPF1 Taxation Policy.

c) APPROVED the NPF7 Board Fees and Expenditure Policy.

3.12 Responsible Investment: Exclude Israeli Banks

The Board:

a) NOTED the report.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

- b) APPROVED the following Israeli banks being added to the exclusion list:

<i>First International Bank of Israel</i>
<i>FIBI Holdings</i>
<i>Israel Discount Bank</i>
<i>Bank Hapoalim</i>
<i>Bank Leumi</i>
<i>Bank Mizrahi-Tefahot</i>

4. INVESTMENTS

4.1 Investment Update

The Board:

- a) NOTED the report.
- b) DISCUSSED:
- current DAA positions in place;
 - performance.
- c) CONGRATULATED s 9(2)(a) on passing the Level 3 CFA exams.

4.2 Ethical Investment Framework

The Board NOTED and discussed the report.

4.3 Review of asset classes not currently invested in

The Board NOTED and discussed the report.

4.4 Treasury Monitoring Report

The Board:

- a) NOTED and discussed the report.
- b) NOTED the final report will be provided to the Board for its information and in future.

5. SCHEMES

5.1 Schemes Update

The Board NOTED the report.

5.2 DBP Contributors Scheme – Trust Deed Amendment

The Board:

- a) NOTED the verbal update from Management.
- b) APPROVED the deed of amendment to the Trust Deed allowing members to elect to receive their retiring allowance without first ceasing service.
- c) APPROVED the execution of the deed of amendment to the Trust Deed under Common Seal by two authorised signatories.

6. FINANCE

6.1 Schemes - Financial Statements to 31 January 2021

The Board:

- a) NOTED the report incorporating the Schemes' financial statements to 31 January 2021.
- b) NOTED Management will email the Board the after tax results for the year ended 31 March 2021 when they are available.

6.2 Board and Board Reserves Financial Statements to 31 January 2021

The Board:

- a) NOTED the financial statements of the Board of Trustees to 31 January 2021.
- b) NOTED the financial statements of the Board Reserves to 31 January 2021.

7. Papers for Noting

The Board NOTED the report.

8. Delegated Decisions

The Board NOTED the report.

8.1 Use of Common Seal

The Board NOTED the report.

8.2 Documents signed on behalf of the Board

The Board NOTED the report.

8.3 Management decisions made under delegated authority

The Board NOTED the report.

9. OTHER BUSINESS

There being no other business, the meeting finished at 12.56 pm.

NEXT MEETING: The next meeting of the Board will be held in Wellington and is scheduled to commence at 8.30am on Tuesday, 18 May 2021.

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Level 12, the Todd Building, 95 Customhouse Quay, Wellington, and video conference via Zoom

Date

Tuesday, 18 May 2021 commencing at 8.30 am

PRESENT

Edward Schuck (Chair)
Stephen Ward
Louise Edwards
Wayne Stechman
Daniel Mussett

IN ATTENDANCE

Simon Tyler
Philippa Drury
Paul Bevin

s 9(2)(a) from Brandywine 9.30 am
s 9(2)(a) and Nicky Rumsey for the investment items
Fiona Morgan for item 6

APOLOGIES

Sarah Park

The Board initially met in the absence of Management.

All Board members confirmed there were no specific interests to declare.

1. MINUTES OF THE BOARD MEETINGS

The Board NOTED and AGREED the minutes of the Board meeting held on 30 March 2021.

2. ADMINISTRATION

2.1 Matters Arising

The Board:

- a) NOTED and discussed the Matters Arising.
- b) NOTED the **Chair's comment the** strawman strategy document will be included with the papers for the next Board meeting.

2.2 Long Term Work Plan

The Board NOTED the Long-Term Work Plan.

2.3 Interests Register

The Board NOTED the Interests Register.

3. KEY PAPERS

3.1 **Chief Executive's** Overview

The Board NOTED and discussed the report.

3.2 Health, Safety and Wellness Update

The Board NOTED and DISCUSSED the Health and Safety Update and the dashboard.

3.3 Responsible Investment Update

The Board:

- a) NOTED the report.
- b) NOTED NPF's carbon intensity in s 9(2)(i) of market but this will reduce following changes to s 9(2)(i) mandate to cap it at s 9(2)(i)
- c) NOTED developments with CFIs and the Government regarding the proposed ethical investment framework.

3.4 Capital Market Assumptions

The Board:

- a) NOTED and discussed the Annuitas capital markets assumptions at 31 March 2021.
- b) NOTED Management will provide the Board with a comparison of 31 March 2021 Russell assumptions with 31 March 2021 Annuitas assumptions for the next Board meeting.
- c) NOTED the Annuitas capital market assumptions have been shared with the Actuary.

3.5 Global Fixed Income Review

The Board:

- a) NOTED the report and that the existing managers have had excellent out performance in the last year following a setback in Q1 2020.
- b) NOTED both s 9(2)(i) have sound ESG policies and are active in this space.
- c) DISCUSSED:
 - Currency positions taken by managers.
 - The different styles of PIMCO and Brandywine.
 - The number of fixed interest managers for the portfolio and the funding allocated to each of them.
 - Hedging to the NZD.

- Duration.
- Tracking error.
- Attribution of emissions to equities and bonds.

d) REQUESTED Management review the management structure of the fixed income portfolio, in particular:

- The rationale for a core and satellite approach.
- The guidelines for Brandywine.
- The portfolio weighting to Brandywine, having regard to each manager's contribution to overall active risk.
- Whether two is the appropriate number of managers for the F Fund.

3.6 Brandywine

The Chair welcomed s 9(2)(a) from Brandywine to the meeting via Zoom.

The Board:

a) RECEIVED a presentation from s 9(2)(a) covering a range of issues including:

- **Brandywine's** approach to portfolio management, benchmark agnostic.
- Strategy – global opportunistic fixed income.
- Risk – defined as a loss of capital.
- Invest in global sovereign bonds with active foreign currency exposure and an opportunistic allocation to credit,, ESG approach – integrated, not ESG led.
- Return sources – country, currency, credit and residual exposure.
- Performance expectations, noting the portfolio will do well if the Federal Reserve **doesn't tighten rates thus allowing emerging market currencies to do well.**
- Carbon exposure for corporate bonds in the portfolio.

b) THANKED s 9(2)(a) for his attendance at the meeting.

3.7 Chair letter to Members

The Board DISCUSSED the draft letter and requested some amendments, in particular

s 9(2)(i)

4. INVESTMENTS

4.1 Quarterly Investment Report

The Board:

a) NOTED the report.

b) DISCUSSED:

- Benchmark reporting – actual, target and reference portfolios.
- DAA reporting will be added to the quarterly investment report.

c) REQUESTED Management provide an explanation in the quarterly investment report of the Investment Objective for each scheme.

4.2 Investment Update

The Board:

- a) NOTED the report.
- b) NOTED Fund performance is s 9(2)(i)
- c) DISCUSSED in general overseas travel requirements for investment purposes, including the requirement to carry out due diligence on new managers, and likely changes to the way of engaging internationally going forward.

5. SCHEMES

5.1 Schemes Update

The Board NOTED and discussed the report.

6. FINANCE

6.1 NPF Annual Financial Statements

The Board:

- a) NOTED the report
- b) NOTED the retirement of s 9(2)(a) from PwC and his replacement by s 9(2)(a)

6.2 Year End Results - Board and Board Reserves to 31 March 2021

The Board:

- a) NOTED the financial information for the Board of Trustees to 31 March 2021.
- b) NOTED the financial information for the Board Reserves to 31 March 2021.

7. Papers for Noting

The Board NOTED the minutes of the ALCO Committee meetings held on 22 March 2021 and 21 April 2021.

8. DELEGATED DECISIONS

8.1 Use of Common Seal

The Board NOTED the report.

8.2 Documents signed on behalf of the Board

The Board NOTED the report.

8.3 Management decisions made under delegated authority

The Board NOTED the report.

9. OTHER BUSINESS

There being no other business, the meeting finished at 12.15 pm.

NEXT MEETING: The next scheduled meeting of the Board will be held in Wellington commencing at 1.00pm on Thursday, 24 June 2021.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

By circulation

Date

Monday, 24 May 2021

PRESENT Edward Schuck (Chair)
Stephen Ward
Louise Edwards
Wayne Stechman
Daniel Mussett

APOLOGIES Sarah Park

NPF Defined Contribution and Personal Schemes

The Board:

1. RECEIVED a paper by circulation from Management with **the Actuary's recommendations**, with respect to the Pension National, Lump Sum National and Meat Industry Schemes (the Defined Contribution Schemes) and the Pension Cash Accumulation and Lump Sum Cash Accumulation Schemes (the Personal Schemes) in relation to:

- Earnings Rates for the Defined Contribution and Personal Schemes.
- Transfer Value Earnings Rates for the Defined Contribution and Personal Schemes.
- Reserve distribution, if any, from the Pension Cash Accumulation Scheme only.
- Administration costs for transfer for the Defined Contribution and Pension Schemes.

together with a copy of a letter from the Actuary dated 21 May 2021 setting out her recommendations.

2. The Board, RESOLVED, based on the advice of the Actuary, to :

Pension National Scheme

- (i) DECLARE, in accordance with clause 16.1 of the Pension National Scheme trust deed, an Earnings Rate of 16.11% per annum be applied to each Contributor's Total Credit as at 1 April 2020.
- (ii) DETERMINE, in accordance with clause 16.2 of the Pension National Scheme trust deed, the basis for allocating earnings on contributions paid to the Pension National Scheme during the period 1 April 2020 to 31 March 2021 shall be at the rate of 6.44% .
- (iii) DETERMINE, for the purposes of clauses 31B.3 and 31B.4 of the Pension National Scheme trust deed, the Transfer Value Earnings Rate (to apply from the effect date of transfer to the date of payment of the transfer value) for the Pension National Scheme from 24 May 2021 until further notice shall be at the rate of 4.00% per annum.

Lump Sum National Scheme

- (i) DECLARE, in accordance with clause 14.1 of the Lump Sum National Scheme trust deed, that an Earnings Rate of 15.46% per annum be applied to each Contributor's Total Credit as at 1 April 2020.

- (ii) DETERMINE, in accordance with clause 14.2 of the Lump Sum National Scheme trust deed, the basis for allocating earnings to contributions paid to the Lump Sum National Scheme during the period 1 April 2020 to 31 March 2021 shall be at the rate of 6.18% .
- (iii) DETERMINE, for the purposes of clauses 22B.3 and 22B.4 of the Lump Sum National Scheme trust deed, the Transfer Value Earnings Rate (to apply from the effect date of transfer to the date of payment of the transfer value) for the Lump Sum National Scheme from 24 May 2021 until further notice shall be at the rate of 4.00% per annum.

Meat Industry Scheme

- (i) DECLARE, in accordance with clause 16.1 of the Meat Industry Scheme trust deed, that an Earnings Rate of 14.41% per annum be applied to each Contributor's Total Credit as at 1 April 2020.
- (ii) DETERMINE, in accordance with clause 16.3 of the Meat Industry Scheme trust deed, the basis for allocating earnings to contributions paid to the Scheme, during the period 1 April 2020 to 31 March 2021 shall be at the rate of 7.21% .
- (iii) DETERMINE, for the purposes of clauses 27B.3 and 27B.4 of the Meat Industry Scheme trust deed, the Transfer Value Earnings Rate (to apply from the effect date of transfer to the date of payment of the transfer value) for the Meat Industry Scheme from 24 May 2021 until further notice shall be at the rate of 4.00% per annum.

2. PERSONAL SCHEMES

The Board, based on the advice of the Actuary, RESOLVE TO:

Lump Sum Cash Accumulation Scheme

- (ii) DECLARE, in accordance with Clause 11.1 of the Scheme trust deed, an Earnings Rate of 4.00% per annum to apply from 24 May 2021 until further notice.
- (iii) DETERMINE, for the purposes of clauses 19B.3 and 19B.4 of the Lump Sum Cash Accumulation Scheme trust deed, the Transfer Value Earnings Rate (to apply from the effective date of transfer to the date of payment of the transfer value) for the Lump Sum Cash Accumulation Scheme from 24 May 2021 until further notice shall be at the rate of 4.00% per annum.

Pension Cash Accumulation Scheme

- (iv) DECLARE, in accordance with Clause 11.1 of the Scheme trust deed, an Earnings Rate of 4.00% per annum to apply from 24 May 2021 until further notice.
- (v) DETERMINE, for the purposes of clauses 23B.3 and 23B.4 of the Pension Cash Accumulation Scheme trust deed, the Transfer Value Earnings Rate (to apply from the effective date of transfer to the date of payment of the transfer value) for the Pension Cash Accumulation Scheme from 24 May 2021 until further notice shall be at the rate of 4.00% per annum.
- (vi) DETERMINE, based on the advice of the Actuary, that in terms of clause 13.4.1 of the Pension Cash Accumulation Scheme trust deed, there is an additional distribution to contributors from the Reserve Account for the year ended 31 March 2021 of 4.61%.

3. DEFINED CONTRIBUTION SCHEMES AND PERSONAL SCHEMES

The Board, based on the advice of the Actuary APPROVED individual transfer values for all Defined Contribution and Personal Schemes being reduced by an amount equal to the administration cost of transfer, in cases where the solvency margin is less than or equal to 0%, or greater than or equal to 10%.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Level 12, the Todd Building, 95 Customhouse Quay, Wellington, and Zoom video conference

Date

Thursday, 24 June 2021 commencing at 1.00 pm

PRESENT

Edward Schuck (Chair)*
Stephen Ward*
Louise Edwards*
Wayne Stechman
Daniel Mussett
Sarah Park*

IN ATTENDANCE

Simon Tyler
Philippa Drury
Paul Bevin*
s 9(2)(a)
Fiona Morgan (up to item 3.14 but excluding 3.3)
s 9(2)(a)
s 9(2)(a) and s 9(2)(a) from
PricewaterhouseCoopers and s 9(2)(a)
for Agenda Item 3.3

APOLOGIES

There were no apologies

* Denotes participants joined the meeting via Zoom.

The Board initially met in the absence of Management.

s 9(2)(a)

All Board members confirmed there were no specific interests to declare.

1. MINUTES OF THE BOARD MEETINGS

The Board:

- a) NOTED and AGREED the minutes of the Board meeting held on 18 May 2021.
- b) NOTED the February and March 2021 Board minutes have been updated for the minor amendments requested by the Board and the reference to minor amendments removed from the minutes for the March and May 2021 meetings.
- c) AGREED the minutes of the Board meeting held on 24 May 2021.

2. ADMINISTRATION

2.1 Matters Arising

The Board:

- a) NOTED and DISCUSSED the Matters Arising.
- b) NOTED the strawman strategy document is with the Chair for action as appropriate.

2.2 Long Term Work Plan

The Board:

- a) NOTED the Long-Term Work Plan.
- b) AGREED the Investment Committee self-review be deferred to December 2021, prior to the final Board meeting for the year.
- c) DISCUSSED Board education, noting the process is for requests from Board members to be sent to Simon Tyler or the Chair, for approval by the Chair. Education requests by the Chair are considered by the Chair of the Audit and Risk Review Committee.
- d) NOTED the draft annual reports to members will be circulated to the Board for review and comment as soon as they are available.

2.3 Interests Register

The Board NOTED the Interests Register.

3. KEY PAPERS

3.1 **Chief Executive's** Overview

The Board:

- a) NOTED the report.
- b) NOTED the Chair and Simon Tyler will put forward to the Board proposed dates in early August 2021 for a zoom meeting between the Board and Treasury to discuss the CFI responsible investment framework.
- c) NOTED the update on cyber risk provided by **s 9(2)(a)** and that cyber risk awareness is regularly considered by Management and reminders given to staff of any potential new risks or issues.
- d) DISCUSSED the **s 9(2)(b)(ii)** surveys and that a more tailored survey would be more appropriate where responses are sought from Board members.
- e) NOTED any proposed actions and timelines for the investment team in response to the Willis Towers Watson Statutory Review of GSF that relate to NPF will be incorporated into the work plan.
- f) AGREED there will be an ARRC meeting on the morning of 24 August 2021, followed by a Board meeting in the afternoon and a Board dinner in the evening of that same day.
- g) AGREED to add a placeholder for a meeting on 6 December 2021, via zoom, with a 10.00 am start time.
- h) DISCUSSED the proposed Board meeting dates for 2022 and agreed the dates subject to two changes:

- 23 February 2022 (starting at 11.00 am)
- 23 August 2022 (starting at 11.00 am)

i) DISCUSSED and AGREED the Chair will raise with the Chair of GSFA the purpose of the combined dinner currently on the workplan.

3.2 Health, Safety and Wellness Update

The Board NOTED and DISCUSSED the Health and Safety Update and the dashboard.

3.3 National Provident Pension Scheme – s 9(2)(i)

The Board welcomed s 9(2)(a) and s 9(2)(a) from PricewaterhouseCoopers and s 9(2)(a) from s 9(2)(i) and (j) to the meeting for discussion of this item.

The Board:

a) NOTED and robustly DISCUSSED the paper including:

- the background to membership of the Scheme, the terms of the trust deed; and the pension increase policy;
- the financial management plan for the Scheme being progressed with s 9(2)(i) and (j) with a view to establishing clear objectives for the future management of the Scheme that flow through to the investment strategy and the pension pricing and increase practices and policies;
- the estimated funding level at 31 March 2021 of s 9(2)(j), calculated on a funding basis, and s 9(2)(j), calculated on a minimum risk basis, and the verbal advice from Management that the estimated funding level at s 9(2)(j)
- the expected future return on the assets of the Scheme, noting it is likely the Scheme will always need to hold some equity investments; and
- the interests of the stakeholders, ie members and the Crown.

b) REVIEWED the advice from the Actuary and discussed the paper and that advice with the Actuary and with s 9(2)(a)

c) s 9(2)(i)

d) s 9(2)(i)

s 9(2)(a) left the meeting.

3.4 Draft Minutes of the Audit and Risk Review Committee meeting held on 8 June 2021

The Board:

- a) DISCUSSED the draft minutes of the Audit and Risk Review Committee meeting held on 8 June 2021.
- b) NOTED **Stephen Ward's confirmation there were no matters he wished to bring to the attention of the Board.**
- c) NOTED Deloitte had been invited to attend the Board meeting and had confirmed in their view there was no need.

3.5 Financial Statement Review Process

The Board:

- a) NOTED the report on the financial statement review process.
- b) NOTED that, given the Pension Cash Accumulation Scheme is being wound up effective 31 March 2021, the scheme is not a going concern and therefore the notes to the financial statements are different from last year.

3.6 Auditor Report

The Board:

- a) RECEIVED and discussed the report.
- b) AGREED **Management's responses to the internal control findings** were appropriate.

3.7 Representations

The Board:

- a) NOTED the representations from Management.
- b) REVIEWED and DISCUSSED the questionnaire and completed the responses to section 14.
- c) AUTHORISED Edward Schuck and Stephen Ward to sign the questionnaire (by way of electronic signature) on behalf of the Board.
- d) REVIEWED and APPROVED the wording of the representation letters to the Auditor.
- e) AUTHORISED Edward Schuck and Stephen Ward to sign (via electronic signature) the representation letters to the Auditor.
- f) AGREED there are no subsequent events for inclusion in the financial statements of any of the entities and authorised Fiona Morgan to confirm this to the Auditor.

3.8 Financial Statements 2021 – Board of Trustees of the National Provident Fund

The Board:

- a) NOTED the financial statements of the Board of Trustees of the National Provident Fund for the year ended 31 March 2021.
- b) RESOLVED to:
 - i) APPROVE and ADOPT the Board of Trustees of the National Provident Fund financial statements for the year ended 31 March 2021.
 - ii) AUTHORISE Edward Schuck and Stephen Ward to sign (via electronic signature), on behalf of the Board, the Board of Trustees of the National Provident Fund financial statements for the year ended 31 March 2021.

3.9 Financial Statements 2021 – Global Asset Trust

The Board:

- a) NOTED the financial statements of the Global Asset Trust for the year ended 31 March 2021 and the review undertaken by the Audit and Risk Review Committee.
- b) RESOLVED to:
 - i) APPROVE and ADOPT the Global Asset Trust financial statements for the year ended 31 March 2021.
 - ii) AUTHORISE Edward Schuck and Stephen Ward to sign (via electronic signature), on behalf of the Board, the Global Asset Trust financial statements for the year ended 31 March 2021.

3.10 Financial Statements 2021 – NPF Schemes

The Board:

- a) NOTED the review undertaken by, and subsequent recommendation of, the Audit and Risk Review Committee with respect to the financial statements for the nine NPF Schemes for the year ended 31 March 2021.
- b) RESOLVED to:
 - i) APPROVE and ADOPT the financial statements for the year ended 31 March 2021 for the nine NPF Schemes.
 - ii) AUTHORISE Edward Schuck and Stephen Ward to sign (via electronic signature), on behalf of the Board, the financial statements for the year ended 31 March 2021 for the nine NPF Schemes.

3.11 Section 67 (1A) Report at 31 March 2021

The Board:

- a) NOTED the report.
- b) REQUESTED a note be added to section A1 explaining why the actual asset allocation differs from the benchmarks as at 31 March 2021.

3.12 Schemes – Section 72

The Board:

- a) NOTED and DISCUSSED the report.
- b) RESOLVED in terms of section 72 of the National Provident Fund Restructuring Act 1990 to make a claim on the Minister of Finance for the deficit arising from the application of the 4% minimum earnings rate to the Lump Sum National Scheme in the year to 31 March 2021 of \$1,619.88.
- c) APPROVED the form of the letter to the Minister of Finance.
- d) AUTHORISED Management to progress the claim with the Minister of Finance and Treasury.

3.13 Basis for Determining the Transfer of Assets between the DBP Contributors Scheme and the DBP Annuitants Scheme

The Board:

- a) **NOTED** the Actuary's report on the basis for determining the transfer of assets between the DBP Contributors Scheme and the DBP Annuitants Scheme.
- b) Based on the recommendations of the Actuary **RESOLVED** to:
 - i) **ADOPT** the 2021/2022 transfer basis, set out in the Actuary's report dated 11 June 2021, and the transfer factors, calculated using the transfer basis as set out in Appendix A of the report, with effect from 1 July 2021, for the purposes of clause F9 of the trust deed of the DBP Contributors Scheme and clause 8 of the trust deed of the DBP Annuitants Scheme.
 - ii) Continue to **REVIEW** the transfer basis annually.

3.14 Minimum Risk Rates 31 March 2021

The Board:

- a) **NOTED** the minimum risk rates for the NPF defined benefit schemes as at 31 March 2021.
- b) **NOTED** the Annuitas minimum risk rates will be used for the NPF defined benefit schemes for Board reporting, disclosure in the financial statements and for determining whether the investment strategy is adding value compared to the additional risk being taken.
- c) **NOTED** going forward the weighted average term would be based on discounted cash flows provided by the Actuary.

3.15 s 9(2)(i) [REDACTED]

The Board:

- a) s 9(2)(i) [REDACTED]
- b) s 9(2)(i) [REDACTED]
- c) s 9(2)(i) [REDACTED]
- d) s 9(2)(i) [REDACTED]
- e) s 9(2)(i) [REDACTED]

3.16 Responsible Investment Update

The Board:

- a) NOTED and DISCUSSED progress on the CFI ethical investment framework.
- b) DISCUSSED potential ways of reducing portfolio carbon exposure by 50% by 2025.
- c) NOTED Management's expectation the NPF portfolio will be underweight carbon by the end of June 2021, compared to the MSCI ACWI global equity index weightings.
- d) AGREED to defer further consideration of this matter until later in the year, once discussions have been had with Treasury.

3.17 Climate Change TCFD Report

The Board:

- a) NOTED the draft paper and that it is expected NPF will be required to provide Task Force on Climate-related Financial Disclosures (TCFD) reporting for the year ended 31 March 2022.
- b) REQUESTED Management review the draft document with a view to making it readable by most audiences and bring the revised version back to the Board for consideration.
- c) REQUESTED reference to TCFD reporting be included in the Chair's letter to members this year.

4. INVESTMENTS

4.1 Quarterly Investment Report

The Board:

- a) NOTED the report.
- b) DISCUSSED:
 - Returns are up so far for **s 9(2)(i)** and year to date **s 9(2)(i)**
 - **s 9(2)(i)**

4.2 Fixed Interest – **s 9(2)(i)**

The Board:

- a) NOTED the report.
- b) NOTED no changes are recommended to **s 9(2)(i)** – the guidelines were tightened in 2019.
- c) NOTED **s 9(2)(i)**
- d) NOTED the tracking error of **s 9(2)(i)**

- e) NOTED s 9(2)(i) contributes around s 9(2)(i)
- f) NOTED the size of s 9(2)(i) portfolio currently represents s 9(2)(i)
- g) DISCUSSED:
- the size of the allocation to s 9(2)(i) concentration risk and contribution to risk from s 9(2)(i);
 - benchmark-relative (ie active) risk versus total volatility risk, noting s 9(2)(i)
 - Management's view that the s 9(2)(i) is appropriate and s 9(2)(i)
- h) APPROVED changing the weights at the next ALCO (end July 2021) from s 9(2)(i) respectively.
- i) NOTED Management will review s 9(2)(i) and report to the Board on of the case for s 9(2)(i).

5. SCHEMES

5.1 Schemes Update

The Board RECEIVED a verbal update from Management confirming there are no issues of note to be brought to the attention of the Board not covered elsewhere in the papers for this meeting.

6. FINANCE

6.1 NPF Schemes (GAT) Results to 31 May 2021

The Board NOTED the report

6.2 Board and Board Reserves – Financial Statements to 30 April 2021

The Board:

- a) NOTED the financial information for the Board of Trustees to 30 April 2021.
- b) NOTED the financial information for the Board Reserves to 30 April 2021.

7. PAPERS FOR NOTING

The Board NOTED the minutes of the ALCO Committee meeting held on 18 May 2021.

8. DELEGATED DECISIONS

8.1 Use of Common Seal

The Board NOTED Management's advice the report had not been updated and that an updated report would be provided to the next meeting. Management confirmed the earlier approved trust deed amendments for the NPF Schemes had been executed under common seal on 6 May 2021.

8.2 Documents signed on behalf of the Board

The Board NOTED the report.

8.3 Management decisions made under delegated authority

The Board NOTED the report.

9. OTHER BUSINESS

The Chair noted Wayne Stechman retires from the Board after nine years of service on 30 June 2021. The contribution he has made to the governance of NPF over the years is substantial. Wayne will be missed and my fellow Board members and the Board wished him well in his future endeavours.

There being no other business, the meeting finished at 4.30 pm.

NEXT MEETING: The next scheduled meeting of the Board will be held in Wellington commencing at 1.00 pm on Tuesday, 24 August 2021.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Level 12, the Todd Building, 95 Customhouse Quay, Wellington and via Zoom

Date

Monday 5 July 2021 commencing at 2.00 pm

PRESENT Edward Schuck (Chair) *
Stephen Ward
Louise Edwards *
Daniel Mussett *
Sarah Park *

IN ATTENDANCE Simon Tyler
Paul Bevin
s 9(2)(a)
s 9(2)(a)
Philippa Drury

APOLOGIES There were no apologies

* Denotes participants joined the meeting via Zoom.

National Provident Pension Scheme – pension increase consideration

The Board:

1. RECEIVED a paper headed National Provident Pension Scheme (the Scheme) –
s 9(2)(i)
2. DISCUSSED the paper in detail, including:
 - **The Board's** earlier request for a total financial management framework to be developed as soon as possible for the Scheme.
 - The desire of all Board members to gain a better understanding of the overall Scheme and the future projections for the Scheme before approving any increase in the liabilities.
 - The Crown guarantee and the availability of any past legal opinions on the way in which the Crown guarantee is intended to work.
 - The pension purchase factors for the Scheme, noting they are also to be reviewed as part of the total financial management framework being developed for the Scheme.
 - s 9(2)(a)
s 9(2)(b)(i)
3. s 9(2)(i)

4. RESOLVED not to increase the pensions in payment under the Scheme at this time.
5. REQUESTED Management expedite the development of a total financial management framework for the Scheme, incorporating a review of the investment strategy, the pension increase policy and the pension factors, in conjunction with external advisers with the aim of completing a draft version of the framework by 30 September 2021.
6. REQUESTED the following be circulated to the Board as a package as soon as available:
 - a) A cover paper.
 - b) Any previous legal opinions received in relation to the to the Crown guarantee.
 - c) s 9(2)(g)(i)
 - d) Communications since 2000 sent to members regarding the pension increase policy for the Scheme.
 - e) Any information or legal advice received on the Trustee Act, particularly with regard to equity.
 - f) s 9(2)(h)
 - g) The March 2021 paper to the Board on the Scheme.
 - h) s 9(2)(g)(i)
7. AGREED to review whether pensions in payment should be increased after the Board has received the information contemplated by items (5) and (6) above, plus any other information or advice the Board considers appropriate, by 31 March 2022.

The meeting closed at 3.20 pm.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Zoom video conference

Date

Thursday, 24 August 2021 commencing at 12.00 midday

PRESENT

Edward Schuck (Chair)*
Stephen Ward*
Daniel Mussett*
Sarah Park*
Graham Ansell* (from 12 midday to 1.55pm)

IN ATTENDANCE

Simon Tyler*
Philippa Drury*
Paul Bevin*
s 9(2)(a)
Nicky Rumsey*
Peter McCaffrey*
s 9(2)(a)

APOLOGIES

Louise Edwards

* Denotes participants joined the meeting via Zoom.

The Board initially met in the absence of Management.

All Board members confirmed there were no specific interests to declare.

1. MINUTES OF THE BOARD MEETINGS

The Board:

- a) **NOTED** and **AGREED** the minutes of the Board meetings held on 24 June 2021 and 5 July 2021 subject to an amendment to the wording of the 24 June 2021 minutes to item 3.3(d) to read:

s 9(2)(i)

- b) **NOTED** the dates for the NPF Board meetings for the year have been shared with the GSFA Board and **AGREED** no further action is required at this stage with respect to a combined dinner with the GSFA Board.

2. ADMINISTRATION

2.1 Matters Arising

The Board:

- a) **NOTED** and **DISCUSSED** the Matters Arising.

- b) **AGREED** a package of information for the Board on the Crown guarantee will be accumulated and made available to the Board for consideration in advance of any meeting to provide sufficient reading time for Board members.
- c) **AGREED** to discuss the Crown guarantee separately to the financial management framework for the National Provident Pension Scheme.

2.2 Long Term Work Plan

The Board:

- a) **NOTED** the Long-Term Work Plan.
- b) **NOTED** the Investment Committee review and the paper on s 9(2)(i) have been rescheduled to the October/December quarter.

2.3 Interests Register

The Board **NOTED** the Interests Register.

3. KEY PAPERS

3.1 Chief Executive's Overview

The Board:

- a) **NOTED** the report.
- b) **DISCUSSED** Annuitas responsible investment (RI) resources, noting the GSFA Board as a Crown Financial Institution has budgeted for and is looking to increase its RI resources.

3.2 Health, Safety and Wellness Update

The Board:

- a) **NOTED** and **DISCUSSED** the Health and Safety Update and the dashboard.
- b) **REQUESTED** s 9(2)(a) review the content and frequency of the Health and Safety information provided to the Annuitas Board and confirm the reporting this Board.

3.3 Review of Investment Model s 9(2)(j)

The Board:

- a) **NOTED** the paper and the observations in s 9(2)(j) letter.
- b) **DISCUSSED** the paper including:
- The Board should consider s 9(2)(i) and weigh up the cost benefit on a regular basis.
 - The need to review and confirm the model remains appropriate.
- c) **AGREED** there are no inadequacies needing to be addressed or specific improvements to the model at this time.
- d) **APPROVED** the NPF investment model.

3.4 Investment Beliefs Redraft

The Board deferred this paper for consideration by the whole Board, after it has been reviewed by the Investment Committee.

3.5 GSFA Reviews: Implications for NPF

The Board:

- a) **NOTED** the paper.
- b) **NOTED** the update on the implications for NPF of the recent statutory review of the GSFA and Management's responses and that these will be expanded to include the recommendations of the Burgess review for the next Board meeting.
- c) **NOTED** the changes to the GSFA SIPSP were primarily style related, less on substance or content.
- d) **NOTED** Management will prioritise the proposed actions for NPF arising from the reviews.

3.6 s 9(2)(i) - Managers

The Board:

- a) **NOTED** and discussed the report including that funding would be in stages s 9(2)(i)
- b) **APPROVED** the appointment of s 9(2)(i) subject to satisfactory legal sign-off.
- c) **APPROVED** s 9(2)(i)
- d) **AUTHORISED** the execution of the Investment Management Agreement under common seal by two authorised signatories.
- e) **NOTED** s 9(2)(i)
s 9(2)(i)
- f) **NOTED** Management would expect to increase s 9(2)(i) once all is running smoothly from an operational side and our confidence remains high. Management will revert to the Board at that time.
- g) **NOTED** Management will revert to the Board with the recommended investment guidelines.
- h) **NOTED** contract negotiations have not yet begun and these normally take a few months.
- i) **NOTED** Management does not recommend commissioning an independent operations due diligence report as assets will be held at the Board's custodian and Management has visited s 9(2)(i) offices.

3.7 s 9(2)(i) Guidelines

The Board:

- a) **NOTED** the paper.
- b) **QUERIED** whether any other guidelines needed updating and received confirmation from Management they did not.
- b) **NOTED** the revised s 9(2)(i) First Schedule, Investment Mandate.
- c) **AUTHORISED** execution of the new First Schedule under common seal by two authorised signatories.

3.8 DBPA – Asset Allocation Recommendation

The Board:

- a) **NOTED** the paper.
- b) **APPROVED** the DBPA assets be s 9(2)(i)
- c) **DELEGATED** to Management the timing of this reallocation.
- d) **NOTED** the reallocation will result in s 9(2)(i)
- e) **APPROVED** the termination of s 9(2)(i)
- f) **NOTED** the SIPSP will be updated to reflect these changes.
- g) **NOTED** the s 9(2)(i) will remain available and can be reactivated within a short period of time should the Board require it at a future date.

3.9 NPF Schemes – Triennial Actuarial Examinations

The Board:

- a) **NOTED** the triennial actuarial examinations of the DBP Contributors Scheme, DBP Annuitants Scheme, Aircrew Scheme and National Provident Pension Scheme at 31 March 2021.
- b) **NOTED** Management's confirmation of the legislation requirement that the reports must be sent to the Financial Markets Authority no later than 7 months after 31 March 2021, ie by 31 October 2021.
- c) **AGREED** the Board will engage with the Board's Actuary and discuss the papers further.

3.10 Strategy for Managing the NPF Schemes

The Board:

- a) **NOTED** the paper.
- b) **DISCUSSED** the paper including:
 - The strategy will evolve and be reviewed annually.
 - The Board's respective obligations to members, employers and the Crown.

- c) **DEFERRED** to the next meeting to allow time for consideration and comment, in particular regarding the balancing of member, employer and Crown interests.

3.11 JP Morgan – Addendum to Custody Fee Agreement

The Board:

- a) **NOTED** the paper.
- b) **APPROVED** execution of the JP Morgan Addendum Fee Agreement under common seal by two authorised signatories.

INVESTMENTS

4.1 Quarterly Investment Performance Report to 30 June 2021

The Board **NOTED** and **DISCUSSED** the report including:

- The funds are tracking ahead of objectives except for the E Fund.
- The inclusion of reporting against a forward investment objective under each Scheme.
- The new attribution reporting, breaking down returns into beta selection, manager selection/rebalancing and DAA to provide transparency of the effect of decision making at a scheme level.

4.2 Investment Update

The Board:

- a) **NOTED** the paper.
- b) **DISCUSSED**:
- Carbon footprint, noting the [REDACTED] portfolio has been adjusted and options are being considered with respect to s 9(2)(i) and (j).
 - The [REDACTED] fund, noting it merits a deep dive.

4.3 Global Equities Review

The Board:

- a) **NOTED** the global equities portfolio has met its excess return, risk-adjusted return expectations over all measurement periods and performance for July is positive.
- b) **NOTED**:
- [REDACTED] s 9(2)(i) and (j) has performed above expectations over all measurement periods.
 - [REDACTED] s 9(2)(i) and (j) has performed above expectations over all measurement periods [REDACTED]
 - [REDACTED] s 9(2)(i) and (j) over all periods. Management has reaffirmed its conviction in [REDACTED].
- c) **NOTED** the global equities portfolio has performed creditably compared to other multi-manager portfolios.
- d) **DISCUSSED**:
- The fee comparison, noting the [REDACTED] s 9(2)(i) [REDACTED]

- The outlook for value versus growth for the next period.

4.4 Manager Appointment, Monitoring and Termination

The Board:

- a) **NOTED** the paper.
- b) **NOTED** Management's processes for the appointment, monitoring and termination of investment managers.

SCHEMES

5.1 Schemes Update

The Board **NOTED** the report.

FINANCE

6.1 Schemes Accounts

The Board **NOTED** the paper incorporating the Schemes Financial Statements for the three months to 30 June 2021.

6.2 Board and Board Reserves Financial Statements to 30 June 2021

The Board:

- a) **NOTED** the financial statements of the Board of Trustees of the National Provident Fund for the three months to 30 June 2021.
- b) **NOTED** the financial statements for the Board Reserves for the three months to 30 June 2021.

7. PAPERS FOR NOTING

The Board **NOTED** the minutes of the ALCO Committee meeting held on 21 June and 19 July 2021.

8. DELEGATED DECISIONS

8.1 Use of Common Seal

The Board **NOTED** the report.

8.2 Documents signed on behalf of the Board

The Board **NOTED** the report.

8.3 Management decisions made under delegated authority

The Board **NOTED** the report.

9. OTHER BUSINESS

There being no other business, the meeting finished at 3.35 pm.

NEXT MEETING: The next scheduled meeting of the Board will be held in Wellington commencing at **9.30 am on Tuesday, 19 October 2021.**

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Zoom video conference

Date

Friday, 17 September 2021 commencing at 1.00 pm

PRESENT

Edward Schuck (Chair)*
Stephen Ward*
Daniel Mussett*
Sarah Park*
Louise Edwards*
Graham Ansell*

IN ATTENDANCE

Simon Tyler*
Philippa Drury*
Paul Bevin*

s 9(2)(a)

s 9(2)(a) DLA Piper

s 9(2)(a) and s 9(2)(a) s 9(2)(i)

APOLOGIES

Nil

* Denotes participants joined the meeting via Zoom.

All Board members confirmed there were no specific interests to declare.

1. National Provident Pension Scheme

The Board:

a) **NOTED** the papers on the total financial management framework (framework) for the National Provident Pension Scheme (**NPPS**).

b) **DISCUSSED:**

s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)

[REDACTED]
s 9(2)(h)

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)
[REDACTED]
[REDACTED]

[REDACTED]
s 9(2)(h)
[REDACTED]
[REDACTED]

s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)
[REDACTED]

[REDACTED]
s 9(2)(h)

s 9(2)(h)

s 9(2)(h)

2. **Annuitas Management Limited**

The Board:

- a) **NOTED** the paper.
- b) **CONFIRMED** Mr Schuck and Mr Ward as the Board's representatives at the Annual General Meeting of Annuitas to be held in November 2021 (date to be confirmed).
- c) **APPROVED** an Annuitas shareholder's resolution on behalf of the Board under section 122 of the Companies Act 1993 that:

In respect of the Company's annual report for the year ended 30 June 2021 and pursuant to section 211(3) of the Companies Act 1993 (the Act), the Company need not comply with section 211(1)(g) of the Act requiring details of the number of employees and their remuneration, the value of which exceeds \$100,000 to be included in the annual report.

There being no other business, the meeting finished at 2.30 pm.

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Zoom video conference

Date

Monday, 4 October 2021 commencing at 10.00 am

PRESENT

Edward Schuck (Chair)*
Stephen Ward*
Daniel Mussett*
Sarah Park*
Louise Edwards*
Graham Ansell*

IN ATTENDANCE

Simon Tyler*
Philippa Drury*

s 9(2)(a)

s 9(2)(a)

PricewaterhouseCoopers*

APOLOGIES

Nil

*Denotes participants joined the meeting via Zoom.

All Board members confirmed there were no specific interests to declare.

1. Defined Contribution and Personal Schemes

The Board:

- a) **NOTED** the paper and **DISCUSSED** the Actuary's recommendation regarding s 9(2)(i).
- b) **APPROVED** distribution of the triennial examination for the defined contribution and personal schemes as at 31 March 2021 to the Financial Markets Authority and to the Minister of Finance for tabling in the House of Representatives.

2. National Provident Pension Scheme

The Board:

- a) **NOTED** the paper.
- b) **DISCUSSED**:
- o mortality experience;
 - o comment from the Actuary on the difference between actual and expected pensioner mortality experience, noting that:
 - the mortality assumptions adopted for this examination are based on best estimate; and
 - the mortality assumptions are regularly reviewed s 9(2)(i)
- c) **NOTED** the update of the financial management framework s 9(2)(i)

[REDACTED]

- b) **APPROVED** distribution of the triennial examination for the National Provident Pension Scheme as at 31 March 2021 to the Financial Markets Authority and to the Minister of Finance for tabling in the House of Representatives.

3. DBP Annuitants Scheme

The Board:

- a) **NOTED** the paper.
- b) **DISCUSSED** the actuarial examination report noting that, given the cost of pension payments is being met by the Crown as they fall due (under the Crown guarantee), the value of the liabilities has been calculated using the risk-free discount rates published by Treasury at 31 March 2021.
- c) **APPROVED** distribution of the triennial examination for the DBP Annuitants Scheme as at 31 March 2021 to the Financial Markets Authority and to the Minister of Finance for tabling in the House of Representatives.

4.

s 9(2)(i) [REDACTED]

The Board:

- a) **NOTED** the paper.

- b)

s 9(2)(i) [REDACTED]

- c) **AGREED** it is appropriate for Management to engage with [REDACTED]
s 9(2)(i) [REDACTED]

- d) **RESOLVED** s 9(2)(i) [REDACTED]
[REDACTED]

- d) **APPROVED** distribution of the triennial examination for s 9(2)(i) as at 31 March 2021 to the Financial Markets Authority and to the Minister of Finance for tabling in the House of Representatives.

5. DBP Contributors Scheme

The Board:

- a) **NOTED** the paper.

- b) s 9(2)(i) [REDACTED]

- c) **NOTED** the Actuary will produce an updated triennial actuarial examination report at 31 March 2021, s 9(2)(i) [REDACTED]

- d) **APPROVED** distribution of the updated triennial examination for the DBP Contributors Scheme as at 31 March 2021 to the Financial Markets Authority and to the Minister of Finance for tabling in the House of Representatives.

6. Investment Strategy Reviews

The Board **REQUESTED** the investment strategy reviews for all schemes take into account the latest possible asset values (not the 31 March 2021 values), new cashflows and value the liabilities on an EV basis.

There being no other business, the meeting finished at 12.40 pm.

Minutes of a meeting of	<u>BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)</u>
Venue	Level 12, the Todd Building, 95 Customhouse Quay, Wellington, and Zoom video conference
Date	Tuesday, 19 October 2021 commencing at 9.30am

PRESENT Edward Schuck (Chair)*
Stephen Ward
Louise Edwards
Graham Ansell*
Daniel Mussett*
Sarah Park

IN ATTENDANCE Simon Tyler
Paul Bevin
Fiona Morgan (up to item 3.5)
s 9(2)(a) [REDACTED]
s 9(2)(a) [REDACTED]
s 9(2)(a) [REDACTED]
Nicky Rumsey (from item 3.6)
s 9(2)(a) [REDACTED]

APOLOGIES Philippa Drury

* Denotes participants joined the meeting via Zoom.

The Board initially met in the absence of Management.

All Board members confirmed there were no specific interests to declare.

1. MINUTES OF THE BOARD MEETINGS

The Board:

- a) NOTED the 24 August 2021 Board minutes have been updated for the minor amendments requested by the Board.
- c) AGREED the minutes of the Board meeting held on 24 August 2021
- d) NOTED and AGREED the minutes of the Board meetings held on 17 September 2021 and 4 October 2021.

2. ADMINISTRATION

2.1 Matters Arising

The Board:

- a) NOTED and DISCUSSED the Matters Arising.
- b) REQUESTED that the following be added to the work plan:
 - Strategy Documents (Item 3.10 Board meeting 24/8/2021);
 - s 9(2)(i) [REDACTED] (Item 4 Board meeting 04/10/2021); and
 - DBP Contributors Scheme, updated triennial examination as of 31 March 2021 (Item 5 Board meeting 04/10/2021);

2.2 Long Term Work Calendar

The Board:

- a) NOTED the Long-Term Work Plan.
- b) DISCUSSED and DEFERRED Board self-review, Annuitas Management Limited (AML) review to Quarter 1 2022.
- c) REQUESTED that CE create a short form to enable the Board to provide feedback on AML's services so this can be incorporated into internal performance appraisal discussions..
- d) NOTED the ARRC self-review would be captured in the minutes for the ARRC meeting

2.3 Interests Register

The Board NOTED the Interests Register.

3. KEY PAPERS

3.1 Chief Executive's Overview

The Board:

- a) NOTED the report.
- b) NOTED the CE's verbal update on an OIA request for minutes of Board meetings and details of Board Members' fees, that there was a delay in responding to the request due to the request being blocked as spam, interim response and explanation for delay has been provided and DLA Piper engaged to advise.
- c) DISCUSSED enduring letters of expectations from the Minister of Finance that would be extended to NPF, the high level of interaction between NPF and CFIs, NOTED the Chair's meeting with the Minister on 14 October 2021.
- d) REQUESTED that the new letter of expectations marked to show what the changes are since the last such letter and draft response to the Enduring Letter of Expectations be provided to the Board for consideration at the December 2021 Board meeting, with the draft response to the Annual Letter of Expectations provided to the Board for consideration at the February 2022 meeting.
- e) DISCUSSED staff changes and resourcing at Annuitas.
- f) NOTED s 9(2)(a) resignation from Annuitas, s 9(2)(a), acknowledged his contribution to the team and REQUESTED a profile for the new recruit into the investment team.

3.2 Health, Safety and Wellness Update

The Board:

- a) NOTED and DISCUSSED the Health and Safety Update and the dashboard, in particular implications of Covid 19.
- b) NOTED that the Health, Safety and Wellness policy is being updated and guidance sought from DLA Piper with respect to Covid 19 vaccinations, which may impact on other policies.

3.3 Office Fit Out – L12, The Todd Building

The Board:

- a) NOTED the report.
- b) APPROVED the expenditure of s 9(2)(i) for changes to the fitout at the AML office on Level 12 of the Todd Building.

- c) RESOLVED to approve a financing arrangement between the Board, as trustee of the Equity Unit Fund of the Global Asset Trust, and Annuitas to fund the fitout of the premises on level 12 of The Todd Building on the basis that Annuitas will repay the financing over s 9(2)(i)

3.4 Tax Governance

The Board:

- a) NOTED the report.
- b) NOTED that Management will be preparing an updated Tax Policy to replace the existing NPF4 Taxation policy and will take this to the Audit and Risk Review Committee for review before presenting it to the Board.
- c) NOTED the Tax Governance Questionnaire being sent out to some NZ businesses by the Inland Revenue.

s 9(2)(h)

s 9(2)(h)

3.6 Aircrew Scheme and DBP Contributions Scheme – Investment Strategy recommendation

The Board:

- a) s 9(2)(i)
- b) REQUESTED that a replacement discussion paper be presented to the Investment Committee in the first instance with recommendations regarding s 9(2)(i)
s 9(2)(i)
s 9(2)(i)
s 9(2)(i) s 9(2)(i)
s 9(2)(i) s 9(2)(i)
s 9(2)(i)

3.7 Investment Beliefs Redraft

The Board:

- a) DISCUSSED and APPROVED the revised Investment Beliefs.
- b) DISCUSSED impact if any on the **Investment Beliefs once the Minister’s letter of expectations** is issued.
- c) NOTED the revised Investment Beliefs will be included in the SIPSP.
- d) REQUESTED sub-beliefs be drafted (similar to GSF).

3.8 s 9(2)(i)

s 9(2)(i)

3.9 Legislative Compliance

The Board DISCUSSED and NOTED the legislative compliance executive summary report and the following that was provided for information.

- Appendix 1 – Key Legislative Profile
- Appendix 2 – Legislative Compliance Risk Assessment
- Appendix 3 – Risk Assessment Matrix

3.10 Policy review

The Board APPROVED Policy NPF9 Crediting and Reserving Policy.

4. INVESTMENTS

4.1 Investment Update

The Board:

- a) NOTED the report.
- b) NOTED that, following a s 9(2)(i) [REDACTED]
- c) NOTED the following would be provided either out of cycle or at the 6 December 2021 meeting:
- report on outcomes of questionnaire circulated to investment managers' incorporation of ESG and climate factors into their investment processes;
 - TCFD aligned report; and
 - recommendations to join the Paris-aligned Net Zero Asset Owners' Commitment, an Asia-Pac regional group of International Investor Group on Climate Change (AIGCC).
- d) DISCUSSED:
- s 9(2)(i) [REDACTED]
 - s 9(2)(b)(ii) [REDACTED]
 - Responsible Investing and Carbon Footprint - **Minister's intention to announce** expectations of CFIs on 28/10/2021 and requirement to confirm joint statement to be issued by CFIs, in which the Chair will be quoted; and
 - **Arrowstreet's** Paris-aligned co-mingled fund.

4.2 NZ Equities Review

The Board:

- a) NOTED the report and that Management s 9(2)(i) [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
- b) NOTED Management continues to s 9(2)(i) [REDACTED]

- c) CONFIRMED continuation of the [REDACTED]
- d) NOTED Management will investigate whether s 9(2)(i) [REDACTED]

4.3 SIPSP Review by s 9(2)(i) [REDACTED]

The Board:

- a) NOTED letter dated 1 October 2021 from s 9(2)(i) [REDACTED] on their findings of the review of the SIPSP.
- b) REQUESTED that necessary changes be made to the SIPSP to incorporate Investment Beliefs.
- c) REQUESTED that a re-write of the SIPSP be added to the workplan to incorporate any recommendations from s 9(2)(i) [REDACTED].

4.4 GSFA Reviews: NPF Implications

The Board DISCUSSED and NOTED the update on the implications for NPF of the recent statutory review of the GSFA, including the recommendations of the Burgess review, and **Management's responses.**

5. SCHEMES

5.1 Schemes Update

The Board:

- a) NOTED the Datacom Connect Limited Monthly Report for August 2021.
- b) RECEIVED a verbal update from Management confirming there are no issues of note to be brought to the attention of the Board not covered elsewhere in the papers for this meeting.
- c) DISCUSSED and NOTED the **DB Schemes' summary**, which the Board agreed was helpful.
- d) REQUESTED the summary continue to be provided for all schemes, amended for feedback given to Management on additional information and data that could be included in the summary, in particular funding levels.

6. FINANCE

6.1 NPF Schemes (GAT) Results to 31 August 2021

The Board NOTED the report.

6.2 Board and Board Reserves – Financial Statements to 30 April 2021

The Board:

- a) NOTED the financial information for the Board of Trustees for 5 months ended 31 August 2021.
- b) NOTED the financial information for the Board Reserves for 5 months ended 31 August 2021.

7. PAPERS FOR NOTING

The Board NOTED the minutes of the ALCO Committee meetings held on 18 August 2021 and 21 September 2021.

8. DELEGATED DECISIONS

8.1 Use of Common Seal

The Board NOTED the use of the Common Seal over period 18 August 2021 to 10 October 2021.

8.2 Documents signed on behalf of the Board

The Board NOTED the report covering the period 18 August 2021 to 10 October 2021.

8.3 Management decisions made under delegated authority

The Board NOTED the report covering the period 18 August 2021 to 10 October 2021.

9. OTHER BUSINESS

The Board NOTED there was no other business.

There being no other business, the meeting finished at 12.30 pm.

NEXT MEETING: The next scheduled meeting of the Board will be held in Wellington commencing at 1.00 pm on Tuesday, 9 November 2021. The final meeting for the year is scheduled for Monday 6 December 2021.

RELEASED UNDER THE OFFICIAL INFORMATION ACT

Minutes of a meeting of

BOARD OF TRUSTEES OF THE NATIONAL PROVIDENT FUND (the Board)

Venue

Level 12, the Todd Building, 95 Customhouse Quay, Wellington, and Zoom video conference

Date

Tuesday, 9 November 2021 commencing at 1.30pm

PRESENT Edward Schuck (Chair)*
Stephen Ward*
Louise Edwards*
Graham Ansell*
Daniel Mussett*
Sarah Park*

IN ATTENDANCE Simon Tyler
Paul Bevin
s 9(2)(a)
Philippa Drury

Legal Privilege

s 9(2)(a)

s 9(2)(i)

* Denotes participants joined the meeting via Zoom.

The Board initially met in the absence of s 9(2)(h) and s 9(2)(i).

All Board members confirmed there were no specific interests to declare.

The Chair welcomed s 9(2)(a) to the meeting.

1. Minutes of the Board Meetings

The Board:

- a) DISCUSSED:
- (i) Paragraph 2.2(b), noting the ARRC self-review would be captured in the minutes for the ARRC meeting.
 - (ii) Paragraph 3.1(d) – a draft response to the Enduring Letter of Expectations will be provided to the Board for consideration at the December 2021 Board meeting, with the draft response to the Annual Letter of Expectations going to the February 2022 meeting.
- b) AGREED the 19 October 2021 Board minutes.

2. s 9(2)(h)

s 9(2)(h)

a) s 9(2)(h)

b) s 9(2)(h)

§ 9(2)(h) [Redacted]

§ 9(2)(h) [Redacted]

§ 9(2)(h) [Redacted]

§ 9(2)(h) [Redacted]

3. § 9(2)(i) [Redacted] – NPPS – Draft Financial Management Framework and Asset Allocation Review

The Board:

- a) RECEIVED comment from § 9(2)(a) [Redacted] of § 9(2)(i) [Redacted] on the draft paper on the Financial Management Framework and Asset Allocation Review for the NPPS.
- b) DISCUSSED:
 - (i) The Minimum Risk Rate (MRR)/Economic Value (EV) has been used to value the liabilities – not the expected return on the investment assets.

(ii) § 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

§ 9(2)(i) [Redacted]

s 9(2)(i) [REDACTED]
[REDACTED]
[REDACTED]

- c) APPROVED the establishment of the L Fund, either as a new fund or through repurposing an existing Fund (eg the F2 Fund), under the Global Asset Trust Deed.
- d) AGREED in principle with s 9(2)(i) [REDACTED]
[REDACTED]
- e) RESOLVED s 9(2)(i) [REDACTED]
[REDACTED]

s 9(2)(i) [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
s 9(2)(i) [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
s 9(2)(i) [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
s 9(2)(i) [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
s 9(2)(i) [REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

s 9(2)(i) [REDACTED]

- f) REQUESTED Management seek advice from the Actuary as to the appropriate MSR for the NPPS for consideration at the Board meeting on 6 December 2021.
- g) REQUESTED a spreadsheet model be developed to facilitate tracking of the framework (including the MSR) of the NPPS going forward.

4. Letter of Expectations and Enduring Letter of Expectations

The Board NOTED the Letter of Expectations and the Enduring Letter of Expectations.

5. Other Business

The Board NOTED there was no other business.

There being no other business, the meeting finished at 3.30 pm.

NEXT MEETING: The next scheduled meeting of the Board will be held in Wellington commencing at Monday, 6 December 2021 at 10.00 am.