

OPEN FOR BUSINESS

THE CASE FOR INVESTING IN NEW ZEALAND



NEW ZEALAND
STORY

“New Zealand is a fantastic place for really, really high tech difficult things, especially where there’s a regulatory element, because I think one of New Zealand’s unique propositions is that tricky regulatory challenges can be dealt with very pragmatically and very easily.”

Peter Beck, Founder and CEO, Rocket Lab

Investors in Rocket Lab: K1WI, Khosla Ventures, Promus Ventures, Data Collective, Lockheed Martin, Greenspring Associates, Bessemer Venture Partners, ACC and Future Fund Australia.



LOOKING FOR A DYNAMIC MARKET TO INVEST IN? IT'S CLOSER THAN YOU THINK



Hon David Parker
Minister for
Trade and Export Growth

If you're on the lookout for a sound investment, there are plenty of good reasons to look no further than New Zealand.

As well as having a far greater range of opportunities than you might have realised, New Zealand has the perfect mix of elements to capitalise on them.

We are shaped by a unique mix of Māori and European culture and this melding of ideas began with the signing of the Treaty of Waitangi in 1840.

Today our progressive nation is built on a fierce appreciation of the land that inspires us, and our desire to deliver sustainable solutions for future generations.

Our success is grounded in our values and there is an opportunity to build businesses that are not just good for New Zealand but are good for the world.

We have a Government that believes in encouraging productive investment to support economic growth and sustainable development, contributing to the economic and social wellbeing of residents.

New Zealand has a robust regulatory system that encourages sustainable growth, job and wealth creation. You'll be secure in the knowledge that your property rights (both intellectual and real) are protected, with regulations being business-friendly enough to let you be agile.

Our banking and finance system is as sophisticated as any in the world, encouraging new and strategic capital to internationalise enterprises, promote innovation and support the creation of intellectual property.

As part of Asia and sitting on the Pacific Rim, we're closely linked to our neighbours through an expansive network of Free Trade Agreements

(FTAs), defence and security dialogue, and co-operation in multilateral and regional organisations. 70 per cent of New Zealand's exports are to countries in Asia-Pacific, and the FTAs mean we get preferential treatment.

We enjoy a simple, low-rate broad-base tax regime.

New Zealand is consistently ranked as one of the easiest countries in the world to do business, with strengths in advanced technology, agrifood, tourism and hotel development, and infrastructure. Skills in those sectors help produce top-quality products to take to the world, and help create an enviable environment and lifestyle.

New Zealand balances economic growth with environmental protection as it injects capital into maintaining domestic and international infrastructure and connectivity.

We take our climate change commitments and the sustainable management of natural resources seriously, though the country contributes to just 0.15 per cent of global emissions. New Zealand is a founding member of the Global Research Alliance into greenhouse gas emissions, and has set a goal of net zero carbon emissions by 2050.

Of course, none of this would be possible without the people. New Zealanders are up front, transparent and ready for anything. We're curious and daring, with thinking that often defies convention and fosters innovation.

We are open for business.



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THE MOST VIBRANT INVESTMENT MARKETS AREN'T ALWAYS WHERE YOU'D EXPECT

There's a lot you might not know about New Zealand. For example, they have a highly motivated and lucrative investment market. Take a closer look.

This country has a long history of embracing investment, both local and international, and has investor friendly regulations.

The purpose of this booklet is to enable you to make an informed choice about investing in New Zealand.

Take the time to read through it and see how New Zealand really is **open for business**.

Within these pages, you'll learn more about:

- Why New Zealand is ranked first in the world for ease of doing business.
- New Zealand's highly favourable business climate.
- The power of a regulatory system designed to help move business forward.
- Leveraging New Zealand's relationships with other nations through Free Trade Agreements (FTAs).
- The outward-looking, nothing-is-impossible nature of New Zealanders.
- The breadth of opportunities across multiple industry sectors.

AN ECONOMY TEEMING WITH OPPORTUNITIES

To say that New Zealand is home to a high-performing, sophisticated and prosperous economy would be something of an understatement.

When you think of New Zealand you should think of a highly competitive, growing economy fuelled by people and businesses that display tremendous ingenuity, an abundance of natural resources, an agile regulatory framework and privileged access to growing markets in Asia.

New Zealand's track record speaks for itself, having achieved positive economic growth for a staggering 33 of the past 35 years. For the last six years New Zealand's economic growth has consistently been above the Organisation for Economic Co-operation (OECD) average.

New Zealand offers an unprecedented range of investment opportunities.

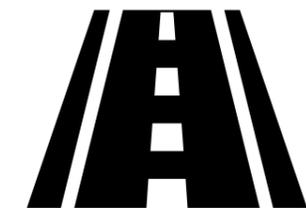
New Zealand's proximity to Asia and extensive network of Free Trade Agreements gives New Zealand based businesses preferential access to over two billion consumers in some of the fastest growing economies in the world.

New Zealand's infrastructure pipeline is valued at \$129 billion over the next ten years.

The business case for choosing New Zealand for your next investment has never been more compelling.



15 FREE TRADE AGREEMENTS WITH ASIAN COUNTRIES



\$129^B OVER THE NEXT 10 YEARS INFRASTRUCTURE PIPELINE

STABILITY AND AGILITY – A POWERFUL COMBINATION

A stable place to invest and do business.

New Zealand has a reputation for honesty. Transparency International's 2019 Corruption Perception Index ranks its public sector as the least corrupt on the planet.¹

New Zealand takes a tough stance on money laundering with legislation that puts obligations on its financial institutions and casinos to detect and deter money laundering and terrorism financing.

New Zealand boasts sound macroeconomic foundations and is among the top 10 rated sovereigns in the world.

New Zealand's low net debt to gross domestic product (GDP), low sovereign risk and independently managed inflation rate are bedrocks of stability. This solid foundation instills investor confidence and gives New Zealand the ability to persevere through and bounce back from crises, both economic and physical.



1ST IN THE WORLD FOR
**CORRUPTION
TRANSPARENCY**



8TH IN THE WORLD FOR
**FOR SOVEREIGN
CREDIT RISK**

Sources: Corruption Perceptions Index, Transparency International, 2020 and Blackrock Sovereign Risk Index, October 2018.

THE GOVERNMENT'S UNIQUE REGULATORY APPROACH SUPPORTS EMERGING INDUSTRIES

New Zealand's regulatory approach hits just the right mark in that it's robust enough to ensure your property rights (both intellectual and real) are protected, while business-friendly enough to keep you agile.

SPACE – THE LATEST FRONTIER

One example of New Zealand's forward thinking regulatory regime is the one governing outer space and high-altitude activities. Space legislation was developed in just nine months to meet and future-proof the requirements of New Zealand's rapidly growing aerospace industry.

DIGITECH

New Zealand is internationally acclaimed as a hub of digital innovation, in visual effects, augmented reality (AR), virtual reality (VR) and image processing. The Government has expedited growth in these areas by taking an agile and pragmatic policy approach to attracting and retaining investment.

THE BEST PLACE FOR BUSINESS

Ease of doing business is only one of the things that makes New Zealand the best place for business.

Compared to other parts of the world, starting a business is simple - it only requires one step and can be completed in half a day. There is a straightforward, business-friendly taxation system.

Over the past three decades, New Zealand has advanced to having some of the most investor friendly regulations in the Organisation for Economic Co-operation and Development (OECD).

There are fewer layers of bureaucracy, both in the public and private sectors, with decision makers easily accessible.

New Zealand offers significantly lower costs to do business in areas such as export compliance costs, wages and facility costs compared to neighbouring Australia.

1ST IN THE WORLD FOR **EASE OF DOING BUSINESS**

0% **PAYROLL TAX**
SOCIAL SECURITY TAX
CAPITAL GAINS TAX

5TH IN THE WORLD FOR **BUSINESS FRIENDLINESS**

Sources: Doing Business Report, The World Bank, 2020 and Forbes Best Countries for Business List, 2018.

CENTRALLY POSITIONED, GLOBALLY CONNECTED

New Zealand is 12 hours ahead of Greenwich Mean Time (GMT), positioning the country favourably for conducting global business.

Making it an ideal hub from which to base offshore operations, and as a link between Asia and the Americas.

Number of daylight hours in common with New Zealand



GATEWAY TO THE ACTION IN ASIA-PACIFIC

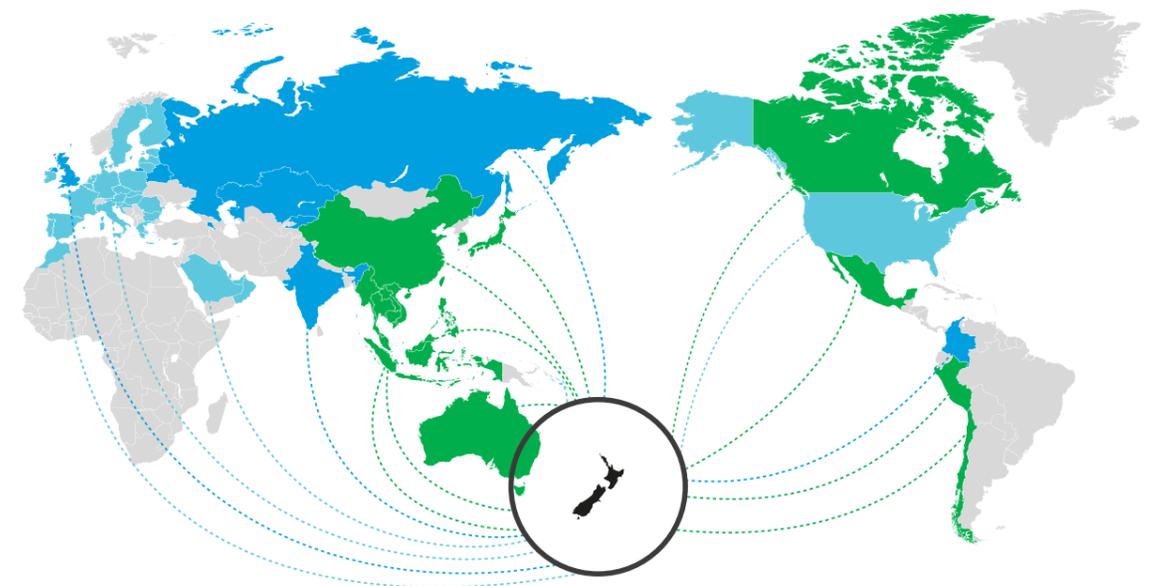
Free Trade Agreements (FTAs) with 15 Asia-Pacific countries gives New Zealand preferential access to over two billion consumers.

New Zealand forges firsts in Asia, and was the first developed nation to sign an FTA with China. This has placed New Zealand in good stead, with exports to China quadrupling since the FTA was signed in 2008. Today, China is New Zealand's largest trading partner.

70% OF NEW ZEALAND'S EXPORTS GO TO THE ASIA-PACIFIC REGION

NEW ZEALAND'S FREE TRADE AGREEMENTS OPEN DOORS

IN FORCE	CONCLUDED BUT NOT IN FORCE	UNDER NEGOTIATION
Australia, Brunei Darussalam, Cambodia, Canada, Chile, China*, Hong Kong, Indonesia, Japan, Korea, Laos, Malaysia, Mexico, Myanmar, Peru, Philippines, Singapore, Thailand, Viet Nam.	Australia, Brunei Darussalam, Bahrain, China*, Cook Islands, European Union, Kiribati, Korea, Kuwait, Morocco, Nauru, Niue, Oman, Qatar, Samoa, Saudi Arabia, Singapore, Solomon Islands, Switzerland, Tonga, Tuvalu, United Arab Emirates, United States**, Vanuatu, Viet Nam.	Australia, Brunei Darussalam, Cambodia, Chile, China*, Colombia, European Union, India***, Indonesia, Japan, Korea, Laos, Malaysia, Mexico, Myanmar, Peru, Philippines, Singapore, Thailand, United Kingdom, Viet Nam.



Source: Ministry of Foreign Affairs & Trade

* New Zealand has FTAs with China, Hong Kong China and the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu.

** The US signed the TPP but then withdrew its support (without which the deal cannot enter into force).

*** India is a party to two FTAs that New Zealand is negotiating: a bilateral FTA, and also a regional agreement - the 'Regional Comprehensive Economic Partnership' with 15 other economies.

AN INGENUOUS ECO-SYSTEM

New Zealand was founded on exploration and adventure, and that curiosity is still evident today in the way it drives those involved in technological and entrepreneurial endeavours.

New Zealanders have long been at the very forefront of technological advances and scientific breakthroughs. Being the first to split the atom and summit Mt Everest were only the beginning.

Entrepreneurship is actively encouraged, with a range of R&D grants offered, and progressive immigration policies to attract entrepreneurs and investors who are committed to a sustainable and equitable future for New Zealand and the world.

7TH IN ASIA AND OCEANIA ON THE **GLOBAL INNOVATION INDEX**

40 NZ COMPANIES MADE THE **DELOITTE ASIA-PACIFIC TECHNOLOGY FAST 500**

3RD OUT OF 139 NATIONS FOR **GLOBAL CREATIVITY**

Sources:
Global Innovation Index, INSEAD Business School, 2020, Deloitte Asia-Pacific Technology Fast 500, 2018 and Global Creativity Index, Martin Prosperity Institute, 2015

A CULTURE OF INNOVATION

1884	REFEREE WHISTLE William Attack was the first referee to use a whistle in a sports game.	1903	FLYING MACHINE Richard Pearse performed pioneering experiments in aviation.	1908	NOBEL PRIZE CHEMISTRY Ernest Rutherford won the Nobel Prize for Chemistry.	1919	SPLIT THE ATOM Ernest Rutherford split the atom.
1960	JOGGING TECHNIQUE Arthur Lydiard invented the concept of jogging, a new training technique.	1956	THE SYRINGE Colin Murdoch invented the disposable hypodermic syringe.	1954	HAMILTON JET William Hamilton invented the world's first propeller-less boat.	1936	ELECTRIC FENCE William Gallagher built the original concept for the electric fence.
1962	PHYSIOLOGY & MEDICINE Maurice Wilkins won the Nobel Prize for Physiology and Medicine.	1963	SUPER CAR Bruce McLaren founded McLaren F1 team and pioneered new technologies in motor sport.	1988	BUNGY JUMP AJ Hackett commercialised the bungee jump.	2000	NOBEL PRIZE CHEMISTRY Alan MacDiarmid won the Nobel Prize for Chemistry.
2018	3D COLOUR X-RAY MARS Biomed developed world-leading 3D colour x-ray machine.	2017	FLYING AIR TAXI Wisk started testing its revolutionary self-flying electric aircraft, Cora.	2015	SPACE ROCKET Peter Beck designed a revolutionary rocket engine using 3D printed components and a battery powered fuel system.	2010	ROBOT SKELETON REX Bionics designed a robotic exoskeleton, hands free device for rehabilitation and mobility impairments.
						2003	AMPHIBIOUS VEHICLE Alan Gibbs invented the first road-legal, high-speed amphibious vehicle.

SECTORS OF OPPORTUNITY

Whichever industry you're looking to invest in, you'll be spoilt for choice in New Zealand.

From high-end manufacturing plants, research facilities, natural resources or a fast growing business looking to go global, New Zealand has a number of sectors which provide investors with fantastic opportunities.

ADVANCED TECHNOLOGY

Technology is New Zealand's fastest-growing sector. New Zealanders have a culture of creative self-sufficiency and resilience leading to the design of clever, pragmatic innovations. It is no wonder they are game-changers in Fintech, Meditech, Digitech, Agritech and Aerospace.

Weta Digital is a world-leading visual effects company with

**6 OSCARS, 6 BAFTAS
2 EMMYS & 10
ACADEMY SCIENCE &
TECHNOLOGY AWARDS**



New Zealand has long been a

**LEADER IN
AGRITECH**



FROM INVENTING THE ELECTRIC FENCE & THE ROTARY MILKING PLATFORM, TO TODAY'S GPS TRACKING, SOLAR POWERED COW COLLAR, HALTER, THAT SELF-HERDS COWS

Fisher & Paykel Healthcare leads the world in respiratory care with an estimated

14 MILLION

PATIENTS TREATED WITH F&P PRODUCTS EVERY YEAR



New Zealand is home to Xero, the cloud-based accounting firm used in over

**180 COUNTRIES
WITH 1.8M
SUBSCRIBERS**



INTEGRATES WITH 700+ ADD-ON APPS

Rocket Lab broke new ground when its Electron rocket, launched from New Zealand, reached space. It was the first orbital-class rocket launched

**FROM A PRIVATE SITE
IN THE WORLD**



WITH OVER 100 SATELLITES LAUNCHED SINCE 2017

AGRIFOOD

New Zealand has deep agricultural roots; the climate, fertile soil, geography and agricultural ingenuity have positioned the country as a global leader in primary industry and food and beverage production. New Zealand takes the sustainable management of their natural resources seriously.

New Zealand has a vast capacity for food production and already

**FEEDS 40
MILLION PEOPLE**

ALMOST TEN TIMES THEIR POPULATION



TOURISM AND HOTEL DEVELOPMENT

New Zealand's tourism industry is booming and will only continue to grow. To meet its requirements, more hotel infrastructure is needed, so there are many opportunities for large scale investment.

International visitor arrivals to New Zealand are forecast to reach

**5 MILLION
VISITORS**

BY 2025, UP 31 PER CENT FROM 2018,
CREATING EXCITING OPPORTUNITIES
FOR HOTEL DEVELOPMENT



INFRASTRUCTURE

New Zealand has a large infrastructure pipeline. Strong economic and population growth have created a steady flow of greenfield and brownfield investment opportunities.

There is a pipeline of over

\$129 BILLION

OF INFRASTRUCTURE PROJECTS
OVER THE NEXT DECADE



THE MĀORI ECONOMY IS SAILING AHEAD

Māori business represents one of the most exciting opportunities for investment in the developed world.

To date, Māori economic growth has centred around four main sectors with strong links to natural resources, land and culture.

These include:

- Agriculture, forestry and fishing
- Tourism
- Property, construction and infrastructure
- Technology and innovation.

Exciting opportunities exist for investors that can bring complimentary skills and access to global customers.

\$68.7 BN
IS THE VALUE OF THE
MĀORI ASSET BASE

50%
OF NEW ZEALAND'S FISHING
QUOTA IS OWNED BY MĀORI

Source: Reserve Bank of New Zealand, Te Ōhanga Māori 2018.

WORLD-CLASS PEOPLE, UNBEATABLE LIFESTYLE

A HIGHLY SKILLED AND EDUCATED WORKFORCE

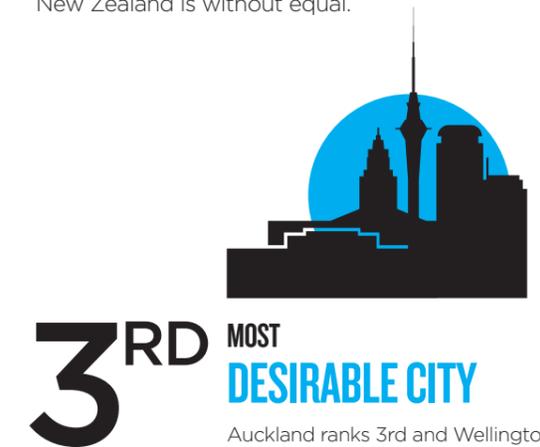
New Zealand offers a highly skilled and educated workforce, prepared for the demands of competitive businesses.

QUALITY OF LIFE THAT'S THE ENVY OF THE WORLD

Enjoy some of the highest quality of living in the world. Whichever way you look at it, a good lifestyle for you and your employees is good for your business. In this regard, New Zealand is without equal.



New Zealand's eight universities rank in the global top 3% based on research, resourcing, graduate employability and internationalisation¹.



Auckland ranks 3rd and Wellington 15th for most desirable cities for international employees³.



New Zealand ranks 7th out of 130 countries for developing talent, examined against a life-course approach to human capital, education, skills and employment prospects for citizens².



New Zealand is ranked 3rd in the top places to live for expats, out of 40 countries based on economics, experience and family⁴.

Sources:

1. QS World University Rankings, 2020
2. Human Capital Report, World Economic Forum, 2017

Sources:

3. Quality of Living City Rankings, Mercer 2019
4. Expat Explorer Survey, HSBC, 2020

INVESTORS WELCOME

New Zealand wants to collaborate with individuals and businesses to deliver sustainable prosperity and growth.

New Zealand's overseas investment regulations are highly transparent and designed to ensure investment makes a positive contribution to the economy, environment and society.

The New Zealand Government is seeking to attract high quality investment into all regions of New Zealand, through:

- **FOREIGN DIRECT INVESTMENT**
- **INVESTMENT IN RESEARCH AND DEVELOPMENT**
- **INVESTOR AND ENTREPRENEUR MIGRANTS**

Those looking to invest in New Zealand will find that support comes in many forms, at all levels of Government and business and at every point in the investment journey.

The New Zealand Government provides the following services to investors:

- Information on the New Zealand business and regulatory environment
- Market intelligence and development of investment opportunities
- Identification of suitable investment locations and partners in New Zealand
- Advice on New Zealand Government agencies, funding programmes and approval processes
- Planning and conducting a visit to New Zealand
- Continued support post-investment.



New Zealand Trade & Enterprise (NZTE) aims to make investing in New Zealand easy. NZTE offers a wide range of support to investors wanting to invest in and work with New Zealand companies.

nzte.govt.nz



Immigration New Zealand has progressive immigration policies to attract entrepreneurs and investors to New Zealand.

immigration.govt.nz



Ministry of Business, Innovation & Employment's Innovative Partnerships team is dedicated to helping research and development (R&D) investors connect, collaborate and partner in New Zealand.

mbie.govt.nz



NEW ZEALAND STORY

This guide was brought to you by New Zealand Story Group in collaboration with New Zealand Trade and Enterprise (NZTE), Ministry of Business, Innovation and Employment (MBIE) and Deloitte NZ.

investnewzealand.nz

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New Zealand Government