BNZ KiwiSaver Scheme

Financial Statements
For the year ended 31 March 2026

Directory

The Manager

BNZ Investment Services Limited
Level 16
171 Featherston Street
Wellington 6011
New Zealand

Telephone: 0800 275 269

BNZ Investment Services Limited is the Manager and Issuer of the BNZ KiwiSaver Scheme.

Directors of BNZ Investment Services Limited as at 20 July 2026:

Richard Graham Ansell
Andrew John Bascand
Murray Mcleod Brown
Emma Jane Dobson
Christopher George Wilson

The Supervisor

The New Zealand Guardian Trust Company Limited
Level 6
191 Queen Street
PO Box 1934
Auckland 1015

Auditor

PricewaterhouseCoopers
PwC Centre
10 Waterloo Quay
Pipitea
Wellington 6011

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Statements of Changes in Net Assets

For the year ended 31 March 2026

For the year ended 31 March	Notes	Cash Fund 2026 $'000	Cash Fund 2025 $'000	First Home Buyer Fund 2026 $'000	First Home Buyer Fund 2025 $'000	Conservative Fund 2026 $'000	Conservative Fund 2025 $'000	Moderate Fund 2026 $'000	Moderate Fund 2025 $'000
Investment activities									
Interest income on financial assets at amortised cost	7.4	**16**	48	**20**	57	**39**	126	**40**	117
Net gains on financial assets at fair value through profit or loss	7.4	**11,986**	18,339	**17,201**	20,340	**43,982**	49,698	**56,751**	48,191
Net investment income	7.4	**12,002**	18,387	**17,221**	20,397	**44,021**	49,824	**56,791**	48,308
Expenses									
Management fees	7.1	**1,052**	1,013	**1,713**	1,624	**4,135**	4,012	**3,828**	3,659
Total expenses		**1,052**	1,013	**1,713**	1,624	**4,135**	4,012	**3,828**	3,659
Net profit attributable to Members		**10,950**	17,374	**15,508**	18,773	**39,886**	45,812	**52,963**	44,649
Membership activities									
Opening net assets available for benefits		**345,065**	332,244	**366,663**	343,322	**890,893**	877,602	**811,765**	788,237
Contributions into the Scheme									
Member contributions		**22,469**	22,800	**35,786**	37,166	**53,763**	57,152	**53,449**	51,013
Employer contributions		**11,183**	11,647	**18,723**	19,255	**27,255**	29,526	**22,866**	23,659
Government's contributions		**3,764**	4,110	**6,234**	6,708	**9,028**	10,197	**7,346**	7,917
Transfers in from other scheme providers		**14,149**	11,361	**16,723**	16,389	**14,773**	12,200	**23,030**	18,314
Total contributions into the Scheme		**51,565**	49,918	**77,466**	79,518	**104,819**	109,075	**106,691**	100,903
Benefits paid from the Scheme									
Transfers out to other scheme providers		**(20,198)**	(18,362)	**(29,121)**	(24,699)	**(50,128)**	(43,083)	**(48,758)**	(38,880)
Retirement		**(20,536)**	(16,383)	**(1,520)**	(1,336)	**(40,239)**	(34,168)	**(29,196)**	(30,541)
Death and disability		**(1,535)**	(1,229)	**(630)**	(642)	**(4,142)**	(3,620)	**(4,617)**	(4,379)
First home		**(18,042)**	(10,540)	**(40,491)**	(31,813)	**(20,279)**	(17,113)	**(11,387)**	(10,628)
Hardship		**(4,364)**	(4,144)	**(5,411)**	(4,188)	**(7,091)**	(5,893)	**(5,016)**	(3,627)
Other permitted withdrawals		**(1,074)**	(389)	**(1,155)**	(841)	**(1,935)**	(1,577)	**(1,088)**	(1,080)
Total benefits paid from the Scheme		**(65,749)**	(51,047)	**(78,328)**	(63,519)	**(123,814)**	(105,454)	**(100,062)**	(89,135)
Switches within the BNZ KiwiSaver Scheme									
Switches in from other BNZ KiwiSaver Funds		**67,991**	37,303	**35,593**	23,312	**87,605**	37,716	**37,490**	27,200
Switches out to other BNZ KiwiSaver Funds		**(45,053)**	(36,650)	**(32,893)**	(31,217)	**(81,950)**	(65,913)	**(66,338)**	(54,767)
Total switches within the BNZ KiwiSaver Scheme		**22,938**	653	**2,700**	(7,905)	**5,655**	(28,197)	**(28,848)**	(27,567)
Other Member movements									
Members' PIE tax		**(2,523)**	(4,077)	**(2,253)**	(3,526)	**(5,155)**	(7,945)	**(4,610)**	(5,322)
Total other Member movements		**(2,523)**	(4,077)	**(2,253)**	(3,526)	**(5,155)**	(7,945)	**(4,610)**	(5,322)
Net benefits accrued to Members		**17,181**	12,821	**15,093**	23,341	**21,391**	13,291	**26,134**	23,528
Closing net assets available for benefits		**362,246**	345,065	**381,756**	366,663	**912,284**	890,893	**837,899**	811,765
Units on issue (Units in thousands)									
Balance at the beginning of the year		**247,724**	251,119	**265,155**	261,626	**563,035**	584,076	**433,115**	444,638
Contributions – units		**85,008**	64,528	**80,918**	77,194	**118,352**	95,562	**73,439**	70,619
Withdrawals – units		**(80,667)**	(67,923)	**(81,136)**	(73,665)	**(129,351)**	(116,603)	**(87,049)**	(82,142)
Balance at the end of the year		**252,065**	247,724	**264,937**	265,155	**552,036**	563,035	**419,505**	433,115

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

The unit price Net Asset Value ("NAV") is calculated daily using the last price of underlying investments or the latest available prices as at the close of business on the last balance day of the reporting period. The Financial Statement's NAV is based on the accounting policies as at the last day of the reporting period. The difference between the Financial Statements and the unit prices is due to valuation methodology and timing, if any. As at 31 March 2026, the differences between unit price NAV and Financial Statement's NAV were not material (31 March 2025: differences not material).

Statements of Changes in Net Assets continued

For the year ended 31 March 2026

		Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
For the year ended 31 March	Notes	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Investment activities											
Interest income on financial assets at amortised cost	7.4	**42**	110	**44**	136	**95**	283	**15**	26	**311**	903
Net gains on financial assets at fair value through profit or loss	7.4	**72,372**	44,119	**81,545**	56,940	**203,597**	121,471	**34,038**	6,462	**521,472**	365,560
Net investment income	7.4	**72,414**	44,229	**81,589**	57,076	**203,692**	121,754	**34,053**	6,488	**521,783**	366,463
Expenses											
Management fees	7.1	**2,899**	2,527	**4,374**	4,109	**9,148**	8,462	**1,759**	745	**28,908**	26,151
Total expenses		**2,899**	2,527	**4,374**	4,109	**9,148**	8,462	**1,759**	745	**28,908**	26,151
Net profit attributable to Members		**69,515**	41,702	**77,215**	52,967	**194,544**	113,292	**32,294**	5,743	**492,875**	340,312
Membership activities											
Opening net assets available for benefits		**751,585**	657,851	**909,935**	869,009	**1,890,986**	1,760,323	**253,234**	62,814	**6,220,126**	5,691,402
Contributions into the Scheme											
Member contributions		**79,403**	79,055	**63,100**	59,812	**132,417**	136,670	**37,606**	18,377	**477,993**	462,045
Employer contributions		**45,548**	46,123	**25,138**	26,439	**62,451**	66,370	**17,445**	8,839	**230,609**	231,858
Government's contributions		**14,267**	15,017	**7,488**	8,184	**18,371**	20,402	**4,332**	1,812	**70,830**	74,347
Transfers in from other scheme providers		**9,414**	6,928	**26,124**	18,480	**40,054**	32,486	**42,632**	31,022	**186,899**	147,180
Total contributions into the Scheme		**148,632**	147,123	**121,850**	112,915	**253,293**	255,928	**102,015**	60,050	**966,331**	915,430
Benefits paid from the Scheme											
Transfers out to other scheme providers		**(74,345)**	(57,996)	**(63,198)**	(53,058)	**(190,639)**	(152,858)	**(48,558)**	(17,797)	**(524,945)**	(406,733)
Retirement		**(9,288)**	(7,211)	**(22,616)**	(17,449)	**(16,233)**	(10,111)	**(956)**	(246)	**(140,584)**	(117,445)
Death and disability		**(2,279)**	(1,876)	**(4,109)**	(2,888)	**(3,501)**	(2,921)	**(213)**	(444)	**(21,026)**	(17,999)
First home		**(11,250)**	(7,923)	**(10,477)**	(8,938)	**(22,915)**	(22,019)	**(4,779)**	(1,862)	**(139,620)**	(110,836)
Hardship		**(4,185)**	(2,600)	**(4,470)**	(3,068)	**(9,357)**	(8,584)	**(2,123)**	(835)	**(42,017)**	(32,939)
Other permitted withdrawals		**(1,615)**	(1,347)	**(1,336)**	(1,087)	**(3,558)**	(3,600)	**(717)**	(85)	**(12,478)**	(10,006)
Total benefits paid from the Scheme		**(102,962)**	(78,953)	**(106,206)**	(86,488)	**(246,203)**	(200,093)	**(57,346)**	(21,269)	**(880,670)**	(695,958)
Switches within the BNZ KiwiSaver Scheme											
Switches in from other BNZ KiwiSaver Funds		**18,634**	11,149	**55,193**	40,354	**95,065**	101,269	**198,005**	166,013	**-**	-
Switches out to other BNZ KiwiSaver Funds		**(41,238)**	(24,492)	**(89,965)**	(74,870)	**(187,732)**	(135,917)	**(50,407)**	(20,490)	**-**	-
Total switches within the BNZ KiwiSaver Scheme		**(22,604)**	(13,343)	**(34,772)**	(34,516)	**(92,667)**	(34,648)	**147,598**	145,523	**-**	-
Other Member movements											
Members' PIE tax		**(4,100)**	(2,795)	**(5,274)**	(3,952)	**(10,769)**	(3,816)	**(1,724)**	373	**(36,408)**	(31,060)
Total other Member movements		**(4,100)**	(2,795)	**(5,274)**	(3,952)	**(10,769)**	(3,816)	**(1,724)**	373	**(36,408)**	(31,060)
Net benefits accrued to Members		**88,481**	93,734	**52,813**	40,926	**98,198**	130,663	**222,837**	190,420	**542,128**	528,724
Closing net assets available for benefits		**840,066**	751,585	**962,748**	909,935	**1,989,184**	1,890,986	**476,071**	253,234	**6,762,254**	6,220,126
Units on issue (Units in thousands)											
Balance at the beginning of the year		**676,887**	628,909	**422,394**	427,877	**747,286**	740,203	**212,638**	56,295	**3,568,234**	3,394,743
Contributions – units		**140,885**	146,802	**76,934**	72,848	**126,874**	144,296	**226,975**	191,647	**929,385**	863,496
Withdrawals – units		**(124,850)**	(98,824)	**(87,537)**	(78,331)	**(161,910)**	(137,213)	**(83,215)**	(35,304)	**(835,715)**	(690,005)
Balance at the end of the year		**692,922**	676,887	**411,791**	422,394	**712,250**	747,286	**356,398**	212,638	**3,661,904**	3,568,234

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

The unit price Net Asset Value ("NAV") is calculated daily using the last price of underlying investments or the latest available prices as at the close of business on the last balance day of the reporting period. The Financial Statement's NAV is based on the accounting policies as at the last day of the reporting period. The difference between the Financial Statements and the unit prices is due to valuation methodology and timing, if any. As at 31 March 2026, the differences between unit price NAV and Financial Statement's NAV were not material (31 March 2025: differences not material).

Statements of Net Assets

As at 31 March 2026

As at 31 March	Notes	Cash Fund 2026 $'000	Cash Fund 2025 $'000	First Home Buyer Fund 2026 $'000	First Home Buyer Fund 2025 $'000	Conservative Fund 2026 $'000	Conservative Fund 2025 $'000	Moderate Fund 2026 $'000	Moderate Fund 2025 $'000
Assets									
Cash and cash equivalents		**469**	1,350	**201**	816	**418**	1,356	**1,147**	1,206
Contributions receivable		**1,277**	1,228	**1,095**	415	**3,166**	606	**467**	282
Other receivables		**-**	-	**-**	-	**-**	-	**1,013**	-
PIE tax receivable on behalf of Members		**-**	-	**-**	-	**-**	-	**-**	-
Financial assets at fair value through profit or loss	5	**364,256**	347,918	**383,305**	369,756	**915,868**	897,516	**841,393**	816,230
Total assets		**366,002**	350,496	**384,601**	370,987	**919,452**	899,478	**844,020**	817,718
Liabilities									
Management fees payable	7.1	**94**	88	**152**	141	**361**	343	**337**	314
Benefits payable		**1,465**	1,726	**851**	1,138	**2,567**	1,068	**1,900**	911
PIE tax payable on behalf of Members		**2,197**	3,617	**1,842**	3,045	**4,240**	7,174	**3,884**	4,728
Total liabilities (excluding net assets attributable to Members)		**3,756**	5,431	**2,845**	4,324	**7,168**	8,585	**6,121**	5,953
Net assets attributable to Members		**362,246**	345,065	**381,756**	366,663	**912,284**	890,893	**837,899**	811,765
Represented by									
Net assets available for benefits		**362,246**	345,065	**381,756**	366,663	**912,284**	890,893	**837,899**	811,765

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

Statements of Net Assets continued

As at 31 March 2026

As at 31 March	Notes	Default Fund 2026 $'000	Default Fund 2025 $'000	Balanced Fund 2026 $'000	Balanced Fund 2025 $'000	Growth Fund 2026 $'000	Growth Fund 2025 $'000	High Growth Fund 2026 $'000	High Growth Fund 2025 $'000	Total BNZ KiwiSaver Scheme 2026 $'000	Total BNZ KiwiSaver Scheme 2025 $'000
Assets											
Cash and cash equivalents		**1,340**	1,402	**1,302**	1,400	**2,860**	3,806	**493**	254	**8,230**	11,590
Contributions receivable		**463**	306	**1,250**	1,568	**1,840**	769	**1,713**	1,670	**2,944**	1,809
Other receivables		**-**	-	**488**	-	**1,010**	-	**-**	-	**2,511**	-
PIE tax receivable on behalf of Members		**-**	-	**-**	-	**-**	-	**-**	391	**-**	391
Financial assets at fair value through profit or loss	5	**843,696**	753,669	**966,267**	913,025	**1,996,869**	1,892,859	**477,114**	251,313	**6,788,768**	6,242,286
Total assets		**845,499**	755,377	**969,307**	915,993	**2,002,579**	1,897,434	**479,320**	253,628	**6,802,453**	6,256,076
Liabilities											
Management fees payable	7.1	**262**	225	**387**	353	**804**	734	**190**	95	**2,587**	2,293
Benefits payable		**1,708**	1,104	**1,819**	2,285	**3,908**	2,808	**1,824**	299	**7,715**	6,304
PIE tax payable on behalf of Members		**3,463**	2,463	**4,353**	3,420	**8,683**	2,906	**1,235**	-	**29,897**	27,353
Total liabilities (excluding net assets attributable to Members)		**5,433**	3,792	**6,559**	6,058	**13,395**	6,448	**3,249**	394	**40,199**	35,950
Net assets attributable to Members		**840,066**	751,585	**962,748**	909,935	**1,989,184**	1,890,986	**476,071**	253,234	**6,762,254**	6,220,126
Represented by											
Net assets available for benefits		**840,066**	751,585	**962,748**	909,935	**1,989,184**	1,890,986	**476,071**	253,234	**6,762,254**	6,220,126

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

The Board of Directors of BNZ Investment Services Limited authorised these Financial Statements for issue on 20 July 2026.

For and on behalf of the Manager

Chris Wilson

Director

Graham Ansell

Director

Statements of Cash Flows

For the year ended 31 March 2026

For the year ended 31 March	Notes	Cash Fund 2026 $'000	Cash Fund 2025 $'000	First Home Buyer Fund 2026 $'000	First Home Buyer Fund 2025 $'000	Conservative Fund 2026 $'000	Conservative Fund 2025 $'000	Moderate Fund 2026 $'000	Moderate Fund 2025 $'000
Cash flows from operating activities									
Cash was provided from:									
Proceeds from sale of financial assets at fair value through profit or loss		**39,961**	33,044	**92,732**	29,251	**288,277**	77,605	**234,292**	63,866
Purchase of financial assets at fair value through profit or loss		**(44,313)**	(26,654)	**(89,080)**	(32,582)	**(262,647)**	(41,084)	**(203,717)**	(38,502)
Interest income received		**16**	48	**20**	57	**39**	127	**40**	117
Cash was applied to:									
Operating expenses paid		**(1,046)**	(1,010)	**(1,702)**	(1,614)	**(4,117)**	(4,005)	**(3,805)**	(3,645)
Net cash (outflows)/inflows from operating activities	8	**(5,382)**	5,428	**1,970**	(4,888)	**21,552**	32,643	**26,810**	21,836
Cash flows from financing activities									
Cash was provided from:									
Contributions and switches in		**119,507**	86,377	**112,379**	102,919	**189,864**	147,034	**143,996**	128,514
Cash was applied to:									
Benefits paid and switches out		**(111,063)**	(86,603)	**(111,508)**	(94,209)	**(204,265)**	(171,251)	**(165,411)**	(143,932)
Members' PIE tax (paid)/refunded		**(3,943)**	(4,261)	**(3,456)**	(3,633)	**(8,089)**	(8,287)	**(5,454)**	(5,838)
Net cash inflows/(outflows) from financing activities		**4,501**	(4,487)	**(2,585)**	5,077	**(22,490)**	(32,504)	**(26,869)**	(21,256)
Net (decrease)/increase in cash and cash equivalents		**(881)**	941	**(615)**	189	**(938)**	139	**(59)**	580
Cash and cash equivalents at the beginning of the year		**1,350**	409	**816**	627	**1,356**	1,217	**1,206**	626
Cash and cash equivalents at the end of the year		**469**	1,350	**201**	816	**418**	1,356	**1,147**	1,206

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

Statements of Cash Flows continued

For the year ended 31 March 2026

For the year ended 31 March	Notes	Default Fund 2026 $'000	Default Fund 2025 $'000	Balanced Fund 2026 $'000	Balanced Fund 2025 $'000	Growth Fund 2026 $'000	Growth Fund 2025 $'000	High Growth Fund 2026 $'000	High Growth Fund 2025 $'000	Total BNZ KiwiSaver Scheme 2026 $'000	Total BNZ KiwiSaver Scheme 2025 $'000
Cash flows from operating activities											
Cash was provided from:											
Proceeds from sale of financial assets at fair value through profit or loss		**182,072**	34,242	**244,337**	73,460	**504,615**	138,344	**19,287**	3,846	**1,605,573**	453,658
Purchase of financial assets at fair value through profit or loss		**(199,727)**	(83,887)	**(216,522)**	(56,817)	**(406,039)**	(145,473)	**(211,050)**	(186,778)	**(1,633,095)**	(611,777)
Interest income received		**42**	111	**44**	137	**96**	284	**15**	26	**312**	907
Cash was applied to:											
Operating expenses paid		**(2,862)**	(2,495)	**(4,340)**	(4,085)	**(9,078)**	(8,392)	**(1,664)**	(671)	**(28,614)**	(25,917)
Net cash (outflows)/inflows from operating activities	8	**(20,475)**	(52,029)	**23,519**	12,695	**89,594**	(15,237)	**(193,412)**	(183,577)	**(55,824)**	(183,129)
Cash flows from financing activities											
Cash was provided from:											
Contributions and switches in		**167,109**	158,795	**177,361**	152,676	**347,287**	358,417	**299,977**	225,156	**961,904**	915,572
Cash was applied to:											
Benefits paid and switches out		**(143,596)**	(103,014)	**(196,637)**	(160,102)	**(432,835)**	(335,502)	**(106,228)**	(41,502)	**(875,967)**	(691,799)
Members' PIE tax (paid)/refunded		**(3,100)**	(3,186)	**(4,341)**	(4,807)	**(4,992)**	(6,541)	**(98)**	58	**(33,473)**	(36,495)
Net cash inflows/(outflows) from financing activities		**20,413**	52,595	**(23,617)**	(12,233)	**(90,540)**	16,374	**193,651**	183,712	**52,464**	187,278
Net (decrease)/increase in cash and cash equivalents		**(62)**	566	**(98)**	462	**(946)**	1,137	**239**	135	**(3,360)**	4,149
Cash and cash equivalents at the beginning of the year		**1,402**	836	**1,400**	938	**3,806**	2,669	**254**	119	**11,590**	7,441
Cash and cash equivalents at the end of the year		**1,340**	1,402	**1,302**	1,400	**2,860**	3,806	**493**	254	**8,230**	11,590

The accounting policies and other notes form part of, and should be read in conjunction with, these Financial Statements.

Notes to and Forming Part of the Financial Statements

For the year ended 31 March 2026

1. General information

1.1 Reporting entities

These Financial Statements are for the BNZ KiwiSaver Scheme (the "Scheme") which comprises the following eight funds (each a "Fund", together the "Funds"):

- Cash Fund
- First Home Buyer Fund
- Conservative Fund
- Moderate Fund
- Default Fund
- Balanced Fund
- Growth Fund and
- High Growth Fund.

Each Member of the Scheme owns units in the Fund or Funds chosen by them.

The Scheme was established and initially governed by a Trust Deed between BNZ Investment Services Limited ("BNZISL") (the "Manager") and The New Zealand Guardian Trust Company Limited, dated 8 January 2013. The Scheme was registered under the KiwiSaver Act 2006 (the "KiwiSaver Act") on 16 January 2013. The Scheme began accepting Members on 11 February 2013. The First Home Buyer Fund was established on 16 September 2015, and began accepting Members on 17 September 2015. The Default Fund was established on 10 September 2021 and began accepting Members on 1 December 2021. On 19 August 2016, the governing Trust Deed was substituted with a KiwiSaver Scheme Governing Deed (the "Governing Document") in order to comply with the requirements of the Financial Markets Conduct Act 2013 ("FMCA"), the KiwiSaver Act and all other relevant legislation and to make a number of other minor amendments to the Trust Deed as a consequence of the introduction of the FMCA and the amendments to other legislation or for more efficient operation of the Scheme. On 1 September 2023, another amendment was made to the Deed of Establishment to add the High Growth Fund to the Scheme. The High Growth Fund was established on 1 November 2023 and began accepting Members on 28 November 2023.

The Scheme is a defined contribution scheme under the KiwiSaver Act and is designed to help Members save for their retirement. The Scheme enables Members to invest into one of the eight available Funds, or to spread their contributions among several Funds. With the exception of the Cash Fund, each Fund invests across a number of investment sectors, countries, and companies, through other unit trusts. Each Fund offers a different investment mix and different levels of potential return. The principal activity of the Scheme is investment. The Scheme is domiciled in New Zealand.

BNZISL is a wholly-owned subsidiary of Harbour Asset Management Limited ("Harbour") and part of a group of investment and advisory businesses ultimately owned by FirstCape Group Limited ("FirstCape"). FirstCape is jointly owned by National Australia Bank Limited ("NAB"), Jarden Wealth and Asset Management Holdings Limited ("Jarden"), and funds managed by Pacific Equity Partners ("PEP"). NAB is a registered bank in Australia and is the parent company of Bank of New Zealand ("BNZ").

The registered office of the Manager is Level 16, 171 Featherston Street, Wellington 6011.

The Manager is the issuer of membership interests in the Scheme for the purpose of the FMCA and is responsible to Members for managing and administering the Scheme.

The Supervisor of the Scheme is The New Zealand Guardian Trust Company Limited (the "Supervisor"). The registered office of the Supervisor is Level 6, 191 Queen Street, Auckland 1010. The Supervisor is the external supervisor of the Scheme, responsible for supervising the performance of the Manager and for the custody of Scheme assets as well as assessing financial hardship and serious illness based withdrawal applications.

The Manager may terminate or close any Funds, subject to providing prior written notice to the Supervisor.

The principal activity of the Funds is investment via investments in other managed funds.

Notes to and Forming Part of the Financial Statements continued

1. General information continued

1.1 Reporting entities continued

The objectives of the Funds are as follows:

- Cash Fund: Invests in income assets including New Zealand short-term cash securities and cash equivalent securities. It aims to achieve stable returns over the short term.
- First Home Buyer Fund: Invests mostly in income assets. It also has a small allocation to growth assets. It aims to achieve relatively stable returns over the short to medium term.
- Conservative Fund: Invests mostly in income assets. It also has a modest allocation to growth assets. It aims to achieve relatively stable returns over the short to medium term.
- Moderate Fund: Invests largely in income assets. It also has a sizeable allocation to growth assets. It aims to achieve moderate returns over the medium term.
- Default Fund: Invests largely in growth assets. It also has a sizeable allocation to income assets. It aims to achieve a medium level of return over the medium to long term.
- Balanced Fund: Invests largely in growth assets. It also has a sizeable allocation to income assets. It aims to achieve a medium level of return over the medium to long term.
- Growth Fund: Invests mostly in growth assets. It also has a modest allocation to income assets. It aims to achieve higher returns over the long term.
- High Growth Fund: Invests primarily in growth assets. It may also allocate investments to income assets. It aims to achieve the highest returns of the Funds over the long term.

1.2 Statutory base

The Scheme is a KiwiSaver Scheme registered under the FMCA and is subject to the provisions of that Act.

Contributions are made by Members on a voluntary basis. The Funds are unitised products. Unit prices are calculated each business day. As a registered KiwiSaver Scheme units in the Scheme are offered under a Product Disclosure Statement.

The Financial Statements have been prepared in accordance with the requirements of the FMCA, the KiwiSaver Act and the Governing Document.

These Financial Statements were authorised for issue by the Board of Directors of the Manager on 20 July 2026.

Notes to and Forming Part of the Financial Statements continued

2. Summary of material accounting policy information

The material accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied throughout the reporting periods presented, unless otherwise stated.

2.1 Basis of preparation

The Financial Statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (“NZ GAAP”) and the requirements of the FMCA and other relevant legislative requirements as appropriate for For-profit entities. The Scheme is a Tier 1 entity and the Financial Statements comply with New Zealand Equivalents to International Financial Reporting Standards (“NZ IFRS”), other New Zealand accounting standards and authoritative notices as appropriate for For-profit entities; and comply with International Financial Reporting Standards Accounting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board.

These Financial Statements have been prepared under the historical cost method, except for financial assets at fair value through profit or loss. The accrual basis of accounting has been applied, as has the going concern assumption.

The results, positions and cash flows reported for the Scheme have been prepared on a consolidated basis, with the elimination of interfund transactions and balances.

The Financial Statements have been prepared for the financial year ended 31 March 2026 with comparative information for the financial year ended 31 March 2025.

(a) Presentation

The Financial Statements are presented in New Zealand dollars, which is the Scheme’s functional currency and reflects the currency of the primary economic environment in which the Funds operate, compete for funds and are regulated. Units are denominated in New Zealand dollars and the performance of the Funds is also measured in New Zealand dollars. All amounts are rounded to the nearest thousand unless otherwise stated.

(b) Standards and amendments to existing standards effective 1 April 2025

There are no standards, amendments to standards or interpretations that are effective for the year commencing on 1 April 2025 that have a material effect on the Financial Statements of the Scheme and the Funds.

(c) Standards not yet effective and not early adopted

NZ IFRS 18 Presentation and Disclosure in Financial Statements

In May 2024, the External Reporting Board (“XRB”) introduced NZ IFRS 18 Presentation and Disclosure in Financial Statements (“NZ IFRS 18”) (effective for annual reporting periods beginning on or after 1 January 2027). This standard replaces New Zealand Equivalents to International Accounting Standard 1 – Presentation of Financial Statements (“NZ IAS 1”) and primarily introduces a defined structure for the Statements of Changes in Net Assets, disclosure of management-defined performance measures (a subset of non-GAAP measures) in a single note together with reconciliation requirements and additional guidance on aggregation and disaggregation principles in the Financial Statements. NZ IFRS 18 will be applicable to the Scheme’s Financial Statements to the extent that it is not superseded by NZ IAS 26 Accounting and Reporting by Retirement Benefit Plans. The Scheme has not early adopted NZ IFRS 18 and is yet to assess its impacts.

A number of other new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2026 that have not been early adopted in preparing these Financial Statements. None of these are expected to have a material effect on the Financial Statements of the Scheme and the Funds.

2. Summary of material accounting policy information continued

2.2 Financial instruments

(a) Classification

The Scheme and Funds classify their financial instruments based on both the Funds' business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The Funds' financial assets are categorised as financial assets at fair value through profit or loss and financial assets at amortised cost as follows:

Financial assets at fair value through profit or loss comprise of **unlisted funds** as these investments are managed and evaluated on a fair value basis.

Financial assets whose cash flows are solely payments of principal and interest and which meet the hold to collect criteria are categorised as **financial assets at amortised cost**. These consist of:

1. **Cash and cash equivalents** includes cash in hand and deposits held at call with banks, denominated in New Zealand dollars.
2. **Receivables** include amounts due for contribution receivables and other receivables.

Financial liabilities at amortised cost comprise of **payables** including related party fees and benefits payable.

(b) Recognition, derecognition and measurement

The Scheme and the Funds recognise financial assets and financial liabilities on the date that they become party to the contractual agreement. Regular purchases and sales of investments are recognised on the trade date – the date on which a Fund commits to purchase or sell the investment. All financial assets and financial liabilities are initially recognised at fair value. Transaction costs on financial assets at fair value through profit or loss are expensed as incurred in the Statements of Changes in Net Assets. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value with gains or losses recognised in the Statements of Changes in Net Assets when they arise. Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method, less any impairment for expected credit losses. Any impairment charge is recognised in the Statements of Changes in Net Assets. Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method.

Financial assets are derecognised when the rights to receive cash flows from the instrument have expired or the Funds have transferred substantially all of the risks and rewards of ownership. Any gain or loss arising on the derecognition of a financial asset is included in the Statements of Changes in Net Assets in the reporting period that the item is derecognised. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled, or has expired.

(c) Fair value estimation

Fair value is the price that would either be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of units held by the Scheme in unlisted unit trusts is determined by reference to published bid prices at the close of business on the reporting date being the redemption price established by the underlying fund manager. The Manager may make adjustments to the reported redemption price of the unlisted unit trusts based on considerations such as the liquidity of the unlisted unit trust or its underlying investments, the value date of the NAV provided, and any restrictions on redemptions.

2.3 Net assets attributable to Members

The Net assets attributable to Members represent the liability for promised retirement benefits and are the Scheme's present obligation to pay benefits to Members, and are measured at amortised cost. The Scheme issues units in each Fund that are redeemable at the Member's option subject to the requirements of the KiwiSaver Act and the Governing Document, and do not have identical features; they are therefore, classified as financial liabilities. The units can be put back to the Funds at any time for purposes of permitted withdrawals (such as, but not limited to, reaching the retirement age of 65 years or significant financial hardship), transferred to another Fund within the Scheme or to a separate KiwiSaver Scheme and which are equal to a proportionate share of the respective Fund's NAV, which is the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) as at the reporting date if Members exercise their right to put the units back to the Funds.

Each unit represents a right to an individual share in the respective Fund and does not extend to a right in the underlying assets of the respective Fund. Each unit has the same rights attached to it as all other units in the respective Fund.

Contributions received for units in the Funds are recorded net of a buy spread (if any). Redemptions from the Funds are recorded gross of a sell spread (if any). Units are issued and redeemed at the Members' option at prices based on either the Funds' NAV per unit at the time of issue or redemption adjusted for a buy/sell spread ranging from 0bps to 13bps (31 March 2025: 0bps to 13bps). The buy/sell spreads on contributions and redemptions are to cover transaction costs that each Fund is expected to incur when it transacts. Each Fund's NAV per unit is calculated by dividing Net assets attributable to Members for each Fund by the total units on issue of the respective Fund.

2. Summary of material accounting policy information continued

2.4 Funding policy

The Scheme is a defined contribution scheme as defined by the KiwiSaver Act. Funding in the form of contributions is received primarily from three sources: Members of the Scheme; employers of Members of the Scheme; and Government (in accordance with the provisions of the KiwiSaver Act). Members may contribute to the Scheme at varying designated additional contributions in excess of any salary or wage linked contributions. As at 31 March 2026, employer contribution rates are either 3% or greater of each relevant Member's gross salary or wages (2025: same rates).

2.5 Investment entity

The Scheme has direct investments in the BNZ Wholesale Funds and meets the definition of an investment entity in accordance with the requirements of NZ IFRS 10 Consolidated Financial Statements ("NZ IFRS 10"), and as such does not consolidate the entities that it controls, but instead, accounts for these at fair value through profit or loss. The Scheme meets the following conditions which are set out in NZ IFRS 10:

- it obtains funds from one or more Members for the purpose of providing those Members with an investment management service
- it has committed to its Members via its documented investment strategy that its business purpose is to invest funds solely for returns from capital appreciation, investment income or a combination of both and
- the Scheme measures the performance of its investments on a fair value basis.

The Scheme also displays all typical characteristics that are associated with an investment entity:

- it holds more than one investment
- it has several investors that are not related parties
- it has more than one investor/Member and
- ownership interest in the Scheme is represented by units of Members' interests.

2.6 Investment income

Interest income

Interest earned on financial assets at amortised cost, including cash and cash equivalents, is recognised in the Statements of Changes in Net Assets using the effective interest method.

Net gains/(losses) on financial assets at fair value through profit or loss

Realised and unrealised gains or losses on investments are recorded in the Statements of Changes in Net Assets as Net gains/(losses) on financial assets at fair value through profit or loss.

2.7 Expenses

All expenses, including the Schemes' management fees are recognised in the Statements of Changes in Net Assets on an accruals basis.

2.8 Income tax

The Scheme qualifies as, and has elected to be, a Portfolio Investment Entity ("PIE") for tax purposes. Under the PIE regime income is effectively taxed in the hands of the Members, and therefore, the Scheme has no income tax expense. Accordingly, no income tax expense is recognised in the Statements of Changes in Net Assets.

Under the PIE regime, the Manager attributes the taxable income of each of the Funds to Members in accordance with the proportion of their interest in the Funds. The income attributed to each Member is taxed at the Member's "prescribed investor rate" on redemptions and annually on or around 31 March each year.

Scheme Members' tax liabilities disclosed in the Statements of Changes in Net Assets consist of withdrawals to meet Scheme Members' tax liabilities under the PIE regime.

Notes to and Forming Part of the Financial Statements continued

2. Summary of material accounting policy information continued

2.9 Goods and services tax ("GST")

The Scheme is not registered for GST and consequently all components of the Financial Statements are stated inclusive of GST where applicable.

2.10 Statements of cash flows

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as movements in the fair value of these securities represents the Scheme's main income generating activity.

Financing activities are those activities that result in changes in the size and composition of Members' funds. Operating activities are those that are not included in financing activities.

3. Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with NZ IFRS and IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Scheme's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumption and estimates are significant to the Financial Statements.

4. Financial risk management

4.1 Financial risk factors

The Governing Document for the Scheme requires the Manager to invest the assets of each Fund of the Scheme in accordance with the Statement of Investment Policy and Objectives ("SIPO") investment guidelines, as notified to the Supervisor from time to time. The Manager monitors compliance with the investment policies on a daily basis as part of its operational risk and mandate monitoring processes. The Manager reviews the appropriateness of the Funds' authorised investments as outlined in the SIPO on an annual basis, or more frequently if market conditions change, or changes to the nature or characteristics of the authorised investments warrant it.

The Scheme and the Funds' activities expose them to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk, and liquidity risk. The Funds' overall risk management programme seeks to maximise the returns derived for the level of risk to which the Funds are exposed and seeks to minimise potential adverse effects on the Funds' financial performance. This includes, where relevant, holding a diversified investment portfolio across asset classes, countries, sectors, security types, and styles of investing through its ownership of unlisted unit trusts managed by the Manager.

All securities investments present a risk of loss of capital. The Scheme and Funds hold unlisted unit trusts where the maximum loss of capital is limited to the carrying value of those positions.

The Scheme and the Funds are also indirectly exposed to risk factors such as liquidity risk, credit risk, foreign exchange risk, and interest rate risk via their investments in the underlying investment funds. However, under NZ IFRS, the risk management section outlined below is not prepared on a look-through basis. This means that the explanation of risks is limited to the Fund's direct investments and does not take account of the specific risks in the underlying investment funds.

In addition to internal risk management, which is carried out by the Manager and the underlying investment managers, financial risk is also managed by the setting of an investment policy, agreed with and monitored by the Supervisor and set out in the Scheme and the Funds' SIPO.

The Scheme and the Funds use different methods to measure and manage the various types of risk to which the Funds are exposed; these methods are explained below.

4. Financial risk management continued

4.1 Financial risk factors continued

4.1.1 Market risk

(a) Price risk

The Scheme and the Funds are exposed to price risk due to their investments in unlisted unit trusts, for which prices in the future are uncertain. This risk includes, but is not limited to, indirect foreign currency exposure, indirect interest rate exposure, and indirect valuation exposure. The Scheme and the Funds manage their price risk by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits. No adjustment has been made to the carrying amount of financial instruments as a result of climate change.

The table below summarises the sensitivity of the Scheme's and the Funds' Net profit/(loss) attributable to Members and Net assets attributable to Members to price movements in non-monetary assets as at the reporting date (units in unlisted unit trusts). The analysis is based on a price movement of 5% which represents the Manager's best estimate of a reasonable shift in prices with regard to historic volatility. If prices for the Scheme's investments which the Funds invest in as at the reporting date had either increased or decreased by 5% with all other variables held constant, this would have had the following impact on both the Scheme's and the Funds' Net profit/(loss) attributable to Members and Net assets attributable to Members (before tax) by approximately:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Prices increased by 5%	**18,213**	17,396	**19,165**	18,488	**45,793**	44,876	**42,070**	40,812
Prices decreased by 5%	**(18,213)**	(17,396)	**(19,165)**	(18,488)	**(45,793)**	(44,876)	**(42,070)**	(40,812)

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Prices increased by 5%	**42,185**	37,683	**48,313**	45,651	**99,843**	94,643	**23,856**	12,566	**339,438**	312,115
Prices decreased by 5%	**(42,185)**	(37,683)	**(48,313)**	(45,651)	**(99,843)**	(94,643)	**(23,856)**	(12,566)	**(339,438)**	(312,115)

The Scheme and the Funds also manage their exposure to price risk by analysing, monitoring, and adjusting where necessary the weighting to various underlying BNZ Wholesale Funds within investment management guidelines. The Scheme and the Fund's policy is to concentrate the investment portfolios in sectors where the Manager believes the Funds can maximise the returns derived for the level of risk to which the respective Fund is exposed. This is achieved largely through investing into other unit trusts. A breakdown of concentrations is disclosed in Notes 6 and 7.

(b) Foreign exchange risk

Foreign exchange risk arises on monetary assets that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. Foreign currency exposure arising from the underlying fund that the Funds invest into, is considered as a component of market price risk (which forms part of the Price risk sensitivity (see Note 4.1.1(a) Price risk), not foreign currency risk).

The Scheme and Funds hold no direct monetary assets denominated in foreign currencies as at the reporting date. The Funds are indirectly exposed to foreign exchange risk when their holdings in underlying unlisted unit trusts, have investment securities denominated in a foreign currency. The Manager and the investment manager of the underlying Wholesale Fund monitors this exposure on a daily basis and may enter into foreign exchange derivatives to hedge the foreign exchange risk in accordance with the policies included within the SIPO and agreed with the Supervisor.

As at the reporting date the Scheme and the Funds had no direct foreign currency exposure (31 March 2025: Nil).

4. Financial risk management continued

4.1 Financial risk factors continued

4.1.1 Market risk continued

(c) Cash flow and fair value interest rate risk

Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and financial liabilities and future cash flows.

The Scheme and the Funds hold cash and cash equivalents in New Zealand dollars that expose the Funds to cash flow interest rate risk.

The table below summarises the sensitivity impact on both the Scheme's and the Funds' Net profit/(loss) attributable to Members and Net assets attributable to Members had the relevant interest rates either increased or decreased by 1% as at the reporting date with all other variables held constant. The analysis is based on the Manager's best estimate of a reasonable possible shift in interest rates with regard to historical volatility.

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Interest rate increased by 1%	**5**	14	**2**	8	**4**	14	**11**	12
Interest rate decreased by 1%	**(5)**	(14)	**(2)**	(8)	**(4)**	(14)	**(11)**	(12)

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Interest rate increased by 1%	**13**	14	**13**	14	**29**	38	**5**	3	**82**	117
Interest rate decreased by 1%	**(13)**	(14)	**(13)**	(14)	**(29)**	(38)	**(5)**	(3)	**(82)**	(117)

These movements arise substantially from the cash flow variability from cash and cash equivalents, held in on-call bank accounts with BNZ.

In addition to the Scheme's direct exposure to interest rate changes on the cash flows of cash and cash equivalents shown above, the Scheme is indirectly affected predominately by the impact of interest rate changes on the value of its investments in the unlisted unit trusts that have exposure to interest-bearing financial instruments. These indirect exposures form part of the Price risk sensitivity (see Note 4.1.1(a) Price risk). Therefore, the above sensitivity analysis may not fully indicate the total effect on the Funds' Net assets attributable to Members of future movements in interest rates. The Manager and the investment manager of the underlying unlisted unit trusts manage the interest risk of the unlisted unit trusts.

4.1.2 Credit risk

Credit risk is the risk that a counterparty or issuer of a security will be unable to pay amounts in full when they fall due (known as default risk). The Scheme and the Funds are primarily invested in unlisted unit trusts, and as such, their direct exposure to credit risk is limited to their bank account balances held with BNZ. BNZ has a credit rating of AA- as at 31 March 2026 (31 March 2025: AA-), as measured by S&P Global Ratings Australia Pty Limited. The expected credit loss is likely to be immaterial to the Scheme and the Funds.

The Scheme is indirectly exposed to credit risk through their investments in unlisted unit trusts, who in turn, invest in direct assets such as debt instruments issued by domestic and international companies, and governments, or currency hedging. The exposure to the investments in unlisted unit trusts forms part of the Price risk sensitivity (see Note 4.1.1 (a) Price risk).

4. Financial risk management continued

4.1 Financial risk factors continued

4.1.3 Liquidity risk

Liquidity risk is the risk that a Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or may only do so on terms that are materially disadvantageous.

The Scheme and the Funds are exposed to daily redemptions of units. The liquidity policy applied by the Manager is to be fully invested in unlisted unit trusts that provide adequate liquidity to match the Scheme's redemption policy given normal market conditions. However, underlying funds may be subject to discretionary redemption restrictions exercisable by the Manager, including the ability to suspend withdrawals or withhold varying amounts of any withdrawals requested by the Funds, which in turn, may impact their own ability to meet redemption requests. These measures are only in place to ensure that all Members of the Scheme are treated equitably. Each of the Funds also holds an allocation to cash and cash equivalents to help the Manager meet the redemption of units and expenses.

Liquidity risk is managed within the underlying Funds by investing in authorised investments that have satisfactory levels of liquidity themselves.

Management fees payable and benefits payable are due for settlement within one month of the reporting date. The Manager does not expect any significant levels of withdrawals in the short to medium term for any Fund within the Scheme; however, higher levels of cash are held during periods of extreme market volatility to support the increased risk.

4.2 Capital risk management

The Scheme and the Funds manage their Net assets attributable to Members as capital. The Net assets attributable to Members can change significantly on a daily basis as the Funds are subject to daily contributions and withdrawals, which are at the discretion of Members. The Scheme's objective when managing capital is to safeguard the Scheme's ability to continue as a going concern in order to provide returns for Members and to maintain a strong capital base to support the development of the investment activities of the Scheme. In order to maintain or adjust the capital structure, the Scheme's policy is to perform the following:

(a) Monitor the level of daily contributions and redemptions to allow for adequate liquidity within the Funds to meet Members' redemption obligations.

(b) Redeem and issue new units in accordance with the Governing Document of the Scheme, which includes the ability to restrict withdrawals and require certain minimum holdings and subscriptions.

The Scheme receives funding from Members' contributions, Members' employers and the New Zealand Government via the Inland Revenue Department ("IRD") in the form of annual Government Contributions. The Scheme strives to invest Members' contributions in investments that meet the Scheme's objectives while maintaining sufficient liquidity to meet Members' redemptions.

All investments made with the monies of a Fund are held exclusively for that Fund, and for the exclusive benefit of the Members who have units in that Fund. This means that all liabilities incurred in relation to a Fund are met only from the assets held for (or apportioned to) that Fund. The Manager does not permit the assets or liabilities of any Fund to become intermingled with those of any other Fund, and maintains separate accounting records in respect of each Fund.

The Scheme does not have any externally imposed capital requirements.

Neither the Supervisor, the Manager, their directors, nor any members of their groups of companies, nor any other person promises or guarantees the units offered by the Scheme, the performance or returns of the Funds.

4. Financial risk management continued

4.3 Fair value estimation

NZ IFRS 13 Fair Value Measurement requires the Scheme and the Funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (i.e. Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (i.e. derived from prices – Level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs – Level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

The determination of what constitutes 'observable' requires significant judgement by the Manager. The Manager considers observable data to be market data that is readily available, regularly distributed or updated, reliable, and verifiable and provided by independent sources that are actively involved in the relevant market.

All Funds primarily invest in unlisted unit trusts. The values of these underlying unit trusts are determined by the manager of the underlying unit trust, and therefore, these investments are classified as Level 2 in the fair value hierarchy. The Scheme holds no financial assets that are classified as Level 1 or Level 3 within the fair value hierarchy. There were no transfers between any of the levels for the year ended 31 March 2026 (31 March 2025: Nil).

Due to the short-term nature of the financial assets and financial liabilities at amortised cost, the carrying amount of these financial instruments approximates their fair value.

5. Financial assets at fair value through profit or loss

As at the reporting date the Funds invested into the following unlisted unit trusts:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Unlisted unit trusts (Level 2)	**364,256**	347,918	**383,305**	369,756	**915,868**	897,516	**841,393**	816,230
Total financial assets at fair value through profit or loss	**364,256**	347,918	**383,305**	369,756	**915,868**	897,516	**841,393**	816,230

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Unlisted unit trusts (Level 2)	**843,696**	753,669	**966,267**	913,025	**1,996,869**	1,892,859	**477,114**	251,313	**6,788,768**	6,242,286
Total financial assets at fair value through profit or loss	**843,696**	753,669	**966,267**	913,025	**1,996,869**	1,892,859	**477,114**	251,313	**6,788,768**	6,242,286

6. Concentration of investments

As at 31 March 2026, no Funds directly held securities exceeding 5% of the security class other than those related party investments described below (31 March 2025: Nil).

The Scheme and the Funds invest into the BNZ Wholesale Funds. These investments individually exceed 5% of the security class and Net assets available for benefits. For further information on these related party investments, see Note 7.

Notes to and Forming Part of the Financial Statements continued

7. Related parties

7.1 General

Harbour, FirstCape, NAB, BNZ, Jarden and PEP are related parties of the Scheme.

Management fees are a related party expense paid to the Manager and are shown in the Statements of Changes in Net Assets under Management fees. Management fees payable are shown in the Statements of Net Assets.

The Manager incurs the ordinary administrative expenses of the Scheme, which it pays from the management fee it receives from the Scheme. The Manager also incurs the costs in relation to the audit and Supervisor's fees of the Scheme.

Management fees are calculated and accrued daily based on a percentage of the NAV of the Funds as shown in the following table. The rates are exclusive of GST.

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	**2026 %**	2025 %	**2026 %**	2025 %	**2026 %**	2025 %	**2026 %**	2025 %
Management fee percentage per annum	**0.30**	0.30	**0.45**	0.45	**0.45**	0.45	**0.45**	0.45

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund	
As at 31 March	**2026 %**	2025 %	**2026 %**	2025 %	**2026 %**	2025 %	**2026 %**	2025 %
Management fee percentage per annum	**0.35**	0.35	**0.45**	0.45	**0.45**	0.45	**0.45**	0.45

Notes to and Forming Part of the Financial Statements continued

7. **Related parties** continued

7.2 Other transactions with related parties

The Supervisor is considered a related party. Supervisory fees and audit fees have been paid by the Manager on behalf of the Scheme and the Funds. The table below sets out the supervisor fees and the fees paid to the auditor of the Scheme and the Funds, PricewaterhouseCoopers. These fees are incurred and paid by the Manager on behalf of the Scheme:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
For the year ended 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Supervisor fees	**67**	74	**71**	79	**169**	192	**155**	175
Audit of the Financial Statements	**5**	5	**6**	5	**6**	6	**6**	6
Audit or review related services								
Procedures agreed with the Manager and the Supervisor (Agreed-Upon Procedures engagement)	**-**	-	**1**	1	**1**	1	**1**	1
Total fees incurred for services provided by the audit firm – PricewaterhouseCoopers New Zealand	**5**	5	**7**	6	**7**	7	**7**	7

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
For the year ended 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Supervisor fees	**156**	162	**178**	196	**369**	407	**88**	55	**1,253**	1,339
Audit of the Financial Statements	**6**	6	**6**	6	**6**	6	**6**	6	**47**	46
Audit or review related services										
Procedures agreed with the Manager and the Supervisor (Agreed-Upon Procedures engagement)	**1**	1	**1**	1	**1**	1	**1**	1	**7**	7
Total fees incurred for services provided by the audit firm – PricewaterhouseCoopers New Zealand	**7**	7	**7**	7	**7**	7	**7**	7	**54**	53

The Manager also incurred a fee amounting to $20,000 in relation to a preconditions assessment for assurance over greenhouse gas disclosures of the Balanced Fund.

Notes to and Forming Part of the Financial Statements continued

7. Related parties continued

7.2 Other transactions with related parties continued

Key management personnel comprise directors of the Manager and its parent entities, and they may invest in the Scheme. They contribute on the same basis and have the same rights as other Members. The tables below set out unit holdings for the key management personnel in the Scheme:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Holdings of Units ('000)	**-**	-	**-**	-	**97**	-	**16**	1
Value of holdings ($'000)	**-**	-	**-**	-	**160**	-	**31**	2
Percentage of net assets	**-**	-	**-**	-	**0.02%**	-	**0.00%**	0.00%

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Holdings of Units ('000)	**-**	-	**-**	-	**227**	13	**1,717**	932	**2,057**	946
Value of holdings ($'000)	**-**	-	**-**	-	**634**	32	**2,294**	1,110	**3,119**	1,144
Percentage of net assets	**-**	-	**-**	-	**0.03%**	0.00%	**0.48%**	0.44%	**0.02%**	0.02%

7.3 Unconsolidated subsidiaries

The following tables detail instances where the Scheme is deemed to control another related-party investment entity. The Manager deems a unitholding of 75% or more in another investment entity to be a controlling interest. As the Scheme and the Funds are investment entities in accordance with NZ IFRS 10, the entities they control are not consolidated but are instead accounted for at fair value through profit or loss.

	BNZ KiwiSaver Scheme	
As at 31 March	**2026**	2025
Subsidiaries	**Proportion of ownership**	
BNZ Wholesale NZ Cash Fund	**-**	88%
BNZ Wholesale International Equities (Index) Fund Class A units	**-**	90%
BNZ Wholesale International Equities (Index) Fund Class B units	**87%**	-

There are no restrictions on the ability of any unconsolidated subsidiary to transfer funds to the Scheme. There has been no financial or other support provided by the Scheme to any unconsolidated subsidiary and there are no contractual arrangements to provide financial support to any unconsolidated subsidiary. Income earned by the Funds from their investments in unconsolidated subsidiaries is disclosed below.

Notes to and Forming Part of the Financial Statements continued

7. **Related parties** continued

7.4 Related party investments

As at the reporting date, all related party investments and cash and cash equivalents were as follows:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
BNZ Wholesale NZ Cash Fund	**364,256**	347,918	**232,445**	221,615	**233,430**	223,433	**129,377**	122,014
BNZ Wholesale NZ Fixed Interest Fund	**-**	-	**26,755**	26,113	**137,544**	136,379	**101,090**	100,507
BNZ Wholesale International Fixed Interest (Index) Fund	**-**	-	**40,324**	31,814	**216,476**	153,984	**165,758**	117,103
BNZ Wholesale International Fixed Interest Fund	**-**	-	**26,847**	42,357	**144,197**	223,492	**110,385**	170,251
BNZ Wholesale Australasian Equities Fund	**-**	-	**9,506**	9,213	**32,451**	30,706	**54,736**	50,653
BNZ Wholesale Australasian Equities (Index) Fund	**-**	-	**9,521**	9,334	**32,334**	30,886	**54,572**	51,864
BNZ Wholesale International Equities (Index) Fund Class A units	**-**	-	**13,760**	29,310	**43,673**	98,636	**82,243**	203,838
BNZ Wholesale International Equities (Index) Fund Class B units	**-**	-	**24,147**	-	**75,763**	-	**143,232**	-
BNZ bank accounts	**469**	1,350	**201**	816	**418**	1,356	**1,147**	1,206
Total	**364,725**	349,268	**383,506**	370,572	**916,286**	898,872	**842,540**	817,436

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
As at 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
BNZ Wholesale NZ Cash Fund	**41,917**	36,241	**49,919**	43,672	**24,391**	12,776	**-**	4,576	**1,075,735**	1,012,245
BNZ Wholesale NZ Fixed Interest Fund	**82,134**	77,939	**97,351**	94,488	**117,908**	116,407	**-**	-	**562,782**	551,833
BNZ Wholesale International Fixed Interest (Index) Fund	**128,787**	83,022	**144,302**	104,027	**150,933**	120,166	**-**	-	**846,580**	610,116
BNZ Wholesale International Fixed Interest Fund	**85,600**	120,625	**95,986**	144,833	**100,910**	165,690	**-**	-	**563,925**	867,248
BNZ Wholesale Australasian Equities Fund	**-**	-	**97,011**	88,696	**270,600**	251,485	**78,720**	42,089	**543,024**	472,842
BNZ Wholesale Australasian Equities (Index) Fund	**169,069**	149,670	**96,528**	90,752	**269,649**	254,825	**78,960**	43,093	**710,633**	630,424
BNZ Wholesale International Equities (Index) Fund Class A units	**123,019**	286,172	**140,931**	346,557	**389,479**	971,510	**116,979**	161,555	**910,084**	2,097,578
BNZ Wholesale International Equities (Index) Fund Class B units	**213,170**	-	**244,239**	-	**672,999**	-	**202,455**	-	**1,576,005**	-
BNZ bank accounts	**1,340**	1,402	**1,302**	1,400	**2,860**	3,806	**493**	254	**8,230**	11,590
Total	**845,036**	755,071	**967,569**	914,425	**1,999,729**	1,896,665	**477,607**	251,567	**6,796,998**	6,253,876

Notes to and Forming Part of the Financial Statements continued

7. **Related parties** continued

7.4 **Related party investments** continued

Total income including net gains on the investments with related parties for the reporting period were as follows:

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
For the year ended 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
BNZ Wholesale NZ Cash Fund	**11,986**	18,339	**7,576**	11,729	**7,318**	11,965	**3,812**	6,593
BNZ Wholesale NZ Fixed Interest Fund	**-**	-	**1,132**	1,553	**6,117**	8,775	**4,423**	6,262
BNZ Wholesale International Fixed Interest (Index) Fund	**-**	-	**341**	781	**1,598**	3,947	**1,164**	2,990
BNZ Wholesale International Fixed Interest Fund	**-**	-	**1,383**	2,291	**7,154**	12,198	**5,306**	9,119
BNZ Wholesale Australasian Equities Fund	**-**	-	**(247)**	173	**(493)**	649	**(770)**	1,005
BNZ Wholesale Australasian Equities (Index) Fund	**-**	-	**422**	209	**1,563**	662	**2,641**	1,090
BNZ Wholesale International Equities (Index) Fund Class A units	**-**	-	**5,231**	3,604	**16,506**	11,502	**32,355**	21,132
BNZ Wholesale International Equities (Index) Fund Class B units	**-**	-	**1,363**	-	**4,219**	-	**7,820**	-
BNZ bank accounts	**16**	48	**20**	57	**39**	126	**40**	117
Total	**12,002**	18,387	**17,221**	20,397	**44,021**	49,824	**56,791**	48,308

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
For the year ended 31 March	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
BNZ Wholesale NZ Cash Fund	**924**	1,923	**1,012**	2,429	**62**	939	**49**	32	**32,739**	53,949
BNZ Wholesale NZ Fixed Interest Fund	**3,486**	4,536	**4,108**	5,719	**4,642**	6,615	**-**	-	**23,908**	33,460
BNZ Wholesale International Fixed Interest (Index) Fund	**753**	2,060	**998**	2,557	**942**	2,842	**-**	-	**5,796**	15,177
BNZ Wholesale International Fixed Interest Fund	**3,874**	6,096	**4,577**	7,640	**5,108**	8,512	**-**	-	**27,402**	45,856
BNZ Wholesale Australasian Equities Fund	**-**	-	**(1,120)**	1,565	**(3,224)**	3,878	**(2,412)**	(631)	**(8,266)**	6,639
BNZ Wholesale Australasian Equities (Index) Fund	**7,663**	2,573	**4,650**	1,718	**13,100**	4,537	**1,780**	(177)	**31,819**	10,612
BNZ Wholesale International Equities (Index) Fund Class A units	**45,008**	26,931	**54,337**	35,312	**147,243**	94,148	**28,331**	7,238	**329,011**	199,867
BNZ Wholesale International Equities (Index) Fund Class B units	**10,664**	-	**12,983**	-	**35,724**	-	**6,290**	-	**79,063**	-
BNZ bank accounts	**42**	110	**44**	136	**95**	283	**15**	26	**311**	903
Total	**72,414**	44,229	**81,589**	57,076	**203,692**	121,754	**34,053**	6,488	**521,783**	366,463

Notes to and Forming Part of the Financial Statements continued

8. Reconciliation of net profit attributable to Members to net cash inflows/(outflows) from operating activities

	Cash Fund		First Home Buyer Fund		Conservative Fund		Moderate Fund	
For the year ended 31 March	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Net profit attributable to Members	**10,950**	17,374	**15,508**	18,773	**39,886**	45,812	**52,963**	44,649
Adjustments for non-cash items								
Unrealised changes in the fair value of financial instruments at fair value through profit or loss	**(6,275)**	(14,508)	**2,008**	(14,229)	**22,559**	(36,688)	**54,964**	(31,349)
Movements in operating assets and liabilities								
Decrease in interest receivable	**-**	-	**-**	-	**-**	1	**-**	-
Increase in management fees payable	**6**	3	**11**	10	**18**	7	**23**	14
(Increase)/decrease in financial assets at fair value through profit or loss	**(10,063)**	2,559	**(15,557)**	(9,442)	**(40,911)**	23,511	**(81,140)**	8,522
	(16,332)	(11,946)	**(13,538)**	(23,661)	**(18,334)**	(13,169)	**(26,153)**	(22,813)
Net cash (outflows)/inflows from operating activities	**(5,382)**	5,428	**1,970**	(4,888)	**21,552**	32,643	**26,810**	21,836

	Default Fund		Balanced Fund		Growth Fund		High Growth Fund		Total BNZ KiwiSaver Scheme	
For the year ended 31 March	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Net profit attributable to Members	**69,515**	41,702	**77,215**	52,967	**194,544**	113,292	**32,294**	5,743	**492,875**	340,312
Adjustments for non-cash items										
Unrealised changes in the fair value of financial instruments at fair value through profit or loss	**17,590**	(42,206)	**86,340**	(34,550)	**210,463**	(84,587)	**(10,398)**	(6,108)	**377,251**	(264,225)
Movements in operating assets and liabilities										
Decrease in interest receivable	**-**	1	**-**	1	**1**	1	**-**	-	**1**	4
Increase in management fees payable	**37**	32	**34**	24	**70**	70	**95**	74	**294**	234
(Increase)/decrease in financial assets at fair value through profit or loss	**(107,617)**	(51,558)	**(140,070)**	(5,747)	**(315,484)**	(44,013)	**(215,403)**	(183,286)	**(926,245)**	(259,454)
	(89,990)	(93,731)	**(53,696)**	(40,272)	**(104,950)**	(128,529)	**(225,706)**	(189,320)	**(548,699)**	(523,441)
Net cash (outflows)/inflows from operating activities	**(20,475)**	(52,029)	**23,519**	12,695	**89,594**	(15,237)	**(193,412)**	(183,577)	**(55,824)**	(183,129)

9. Commitments or contingent liabilities

There were no material commitments or contingent liabilities as at 31 March 2026 (31 March 2025: Nil).

10. Events occurring after the reporting date

From 1 April 2026, the default employer and employee contribution rates will increase from 3% to 3.5%, then to 4% from 1 April 2028. However, Members will be able to apply to IRD to keep the 3% rate for up to a year, with annual renewals.

Subsequent to year end, the Directors of the Manager and its parent, Harbour, commenced a process to amalgamate the entities, with Harbour continuing as the amalgamated entity. The amalgamation is expected to occur in the next financial year. This is a non-adjusting event and does not have an impact on the Financial Statements of the Funds and the Scheme.

Other than the abovementioned changes, there are no significant events that have occurred since the reporting date which would have either impacted the financial position of the Funds disclosed in the Statements of Net Assets as at 31 March 2026 or the results and cash flows of the Funds for the reporting period ended on that date or require additional disclosure in these Financial Statements.

Independent auditor's report

To the members of BNZ KiwiSaver Scheme which comprises:

- **Cash Fund**
- **First Home Buyer Fund**
- **Conservative Fund**
- **Moderate Fund**
- **Default Fund**
- **Balanced Fund**
- **Growth Fund**
- **High Growth Fund**

(Collectively referred to as the Funds and the Scheme)

Our opinion

In our opinion, the accompanying financial statements of the Funds and the Scheme present fairly, in all material respects, the financial positions of the Funds and the Scheme as at 31 March 2026, their financial performance, and their cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards Accounting Standards (IFRS Accounting Standards).

What we have audited

The Funds' and the Scheme's financial statements comprise:

- the statements of net assets as at 31 March 2026;
- the statements of changes in net assets for the year then ended;
- the statements of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Funds and the Scheme in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board (PES 1) and the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with PES 1 and the IESBA Code.

In our capacity as auditor and assurance practitioner, our firm also provides agreed-upon procedures services in respect of the Funds and the Scheme and other services related to a preconditions assessment for assurance over greenhouse gas disclosures in respect of the Balanced Fund for BNZ Investment Services Limited (the Manager). Subject to certain restrictions, partners and employees of our firm may invest in the Funds and the Scheme on normal terms within the ordinary course of trading activities of the Funds and the Scheme. The firm has no other relationship with, or interests in, the Manager in respect of the Funds and the Scheme.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of the key audit matter	How our audit addressed the key audit matter
Valuation and existence of financial assets at fair value through profit or loss Refer to note 5 to the financial statements for the reported values of financial assets at fair value through profit or loss. This was an area of focus for our audit as it represents the majority of the net assets attributable to members of the Funds and the Scheme. The Funds and the Scheme invest solely into unlisted unit trusts managed by the Manager. The fair value is based on the redemption price established by the administrator of the unlisted unit trusts, which is also the administrator of the Funds and the Scheme (the Administrator). In assessing the fair value, the Manager uses information provided by the Administrator. These financial assets are categorised as Level 2 within the fair value hierarchy. Refer to note 2.2(c) which describes how fair value is determined. Financial assets at fair value through profit or loss are held by the Custodian on behalf of the Funds and the Scheme.	We assessed the processes employed by the Manager for recording and valuing the financial assets at fair value through profit or loss, including the relevant controls operated by a third party service organisation, the Administrator. Our assessment of the processes included obtaining the internal controls reports over investment accounting services provided by the Administrator. We evaluated the evidence provided by the internal controls reports over the design and operating effectiveness of the relevant controls operated by the Administrator for the year ended 31 March 2026. For valuation of financial assets at fair value through profit or loss we agreed the redemption price at the reporting date to the confirmation provided by the Administrator. We evaluated whether the redemption price represents fair value by comparing the redemption price at the reporting date to the net asset value per unit calculated based on the 31 March 2026 financial statements of the unlisted unit trusts and recent transaction prices. We obtained confirmation from the Custodian of the holdings of all financial assets at fair value through profit or loss as recognised by the Funds and the Scheme as at the reporting date.

Our audit approach

Overview

Materiality	We determined materiality for each Fund and the Scheme separately. Our materiality for each Fund and the Scheme is calculated based on approximately 1% of net assets available for benefits for each Fund and the Scheme. We chose net assets available for benefits as the benchmark because, in our view, the objective of the Funds and the Scheme is to provide members with a total return on the Funds' and the Scheme's net assets, taking into account both capital and income returns.
Key audit matters	As reported above, we have one key audit matter, being valuation and existence of financial assets at fair value through profit or loss.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements of each Fund and the Scheme as a whole as set out above. These, together with qualitative considerations, helped us to determine the scope of our audit, the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in the aggregate, on the financial statements of each Fund and the Scheme as a whole.

How we tailored our audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements of each Fund and the Scheme as a whole, taking into account the structure of each Fund and the Scheme, the Funds' and the Scheme's investments and the accounting and registry processes and controls.

The Manager is responsible for the governance and control activities of the Funds and the Scheme. The Manager has outsourced investment accounting (Administrator) and registry services (Registrar) to a third party service provider.

Other information

The Manager is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon, which the Annual Report will refer to. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and use our professional judgement to determine the appropriate action to take.

Responsibilities of the Manager for the financial statements

The Manager is responsible for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS Accounting Standards and for such internal control as the Manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing each Fund's and the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Manager either intends to liquidate a Fund or the Scheme or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1-1/

This description forms part of our auditor's report.

Who we report to

This report is made solely to the Scheme's members, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's members, as a body, for our audit work, for this report or for the opinions we have formed.

The engagement partner on the audit resulting in this independent auditor's report is Christopher Barber.

For and on behalf of:

PricewaterhouseCoopers

PricewaterhouseCoopers
20 July 2026

Wellington

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