



ANNUAL REPORT

For The Year Ended 30 June 2025



YEAR SNAPSHOT

Returns (after tax and investment-related costs) for 1, 3, 5 and 10-year periods ended 30 June 2025

	Cash	Conservative	Balanced	Growth
1 year	3.3%	6.0%	8.8%	11.4%
3 years (p.a.)	3.8%	4.8%	6.4%	8.3%
5 years (p.a.)	2.4%	3.1%	4.9%	6.9%
10 years (p.a.)	2.0%	3.8%	5.4%	7.3%

Past returns are not necessarily a good indication of future returns. Returns will vary when measured over different periods.

THE NUMBERS

917

Total members

\$180.8

Million in net assets

806

Employee members

\$15.7

Million in benefits paid

111

Retirement account holders

\$0.8

Million in expenses paid by NZAS

98

New members

\$4.6

Million in member and salary sacrifice contributions received

14

Net membership growth for year

\$5.1

Million in employer contributions received

295

Members on average logged into the website per month

342

Total calls to the Helpline, with the average speed of answer being 29 seconds

Average account balances by length of Fund membership*

\$18,657

0-5 years in the Fund

\$101,301

5-10 years in the Fund

\$187,313

10-15 years in the Fund

\$248,952

15-20 years in the Fund

\$299,178

20-25 years in the Fund

\$515,717

25-30 years in the Fund

\$555,345

30-35 years in the Fund

\$726,321

35-40 years in the Fund

\$576,972

40 years and over in the Fund

*Where applicable, this includes membership of the Comalco (New Zealand) Staff Superannuation Fund before transferring to this Fund. Additionally, this table shows account balances based on the time members have spent in the Fund, not their length of service at NZAS.

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MESSAGE FROM THE CHAIR

On behalf of the Directors of NZAS Retirement Fund Trustee Limited (Trustee), I am pleased to present the Fund's annual report for the year ended 30 June 2025.

Despite a year marked by significant economic uncertainty, all the Fund's investment options delivered positive returns. It is pleasing that these investment option returns for the year were modestly ahead of their respective benchmarks and comfortably ahead of long-term expectations (based on forecasts produced by the Fund's investment consultant). They would, however, have been even better if all our underlying fund managers had outperformed their benchmarks. The performance of the listed infrastructure sector manager was notably disappointing (for further comment, see page 8 of this report).

Below are some important Fund-related statistics for the year ended 30 June 2025:

- The net assets of the Fund increased from **\$171.7M** to **\$180.8M**.
- All investment options yielded positive returns after tax and investment-related costs, varying from **3.3%** for Cash through to **11.4%** for Growth.
- We welcomed **98** new members, bringing our total membership to **917**.
- We supported **158** members in accessing their savings after leaving service or in retirement, or following death or total disablement, or for another permitted purpose (including **14** members who used their savings to help purchase their first home).
- Members received a total of **\$15.7M** in benefit payments from the Fund.

Financial performance

The financial year ended 30 June 2025 was volatile for global financial markets, driven by economic policies, geopolitical tensions and technological advances.

The MSCI World index rose 13.7% in local currency terms, reflecting a strong recovery after various challenges faced by the U.S. equity market, especially large-cap growth stocks. The 'Magnificent 7' tech giants saw their growth slow as investor sentiment shifted from optimism to caution, influenced by President Trump's proposed tariffs and potential rate cuts. However, despite that volatility, artificial intelligence (AI) driven innovation remained a key positive trend, with companies using AI to boost productivity and attract investor interest.

Global and New Zealand fixed interest markets experienced fluctuations due to changing interest rates and inflation pressures. During the year ended 30 June 2025 the Reserve Bank of New Zealand cut the Official Cash Rate (OCR) by a total of 2.25%, bringing it down in instalments from 5.5% as at 1 July 2024 to 3.25% by May 2025 (where it remained as at 30 June).

The listed infrastructure sector exhibited robust growth and outperformed traditional equities in the year ended 30 June 2025, driven by investments in telecommunications and data centre infrastructure. The surge in data centre investments, fuelled by the rise of AI and digital services, increased demand for power generation capacity and reliable electrical grids, prompting significant infrastructure spending. Meanwhile, the listed property sector had mixed performance — while lower borrowing costs boosted investment in residential and commercial real estate, rising mortgage rates and economic concerns kept sentiment cautious.

Early 2025 saw increased uncertainty due to executive orders from the Trump administration, which caused significant volatility across global share markets and prompted a shift from growth sectors to more value-oriented and defensive sectors with stronger fundamentals. However, from May onward markets quickly rebounded, driven mainly by buoyancy in the U.S. market (especially the tech sector) and the easing of trade tensions between the U.S. and China.

Navigating market volatility with long-term goals

Looking back at the twelve months ended 30 June 2025, we saw notable market fluctuations that reminded us of the importance of staying focused on long-term goals. While short-term market movements can be unsettling, it's essential to stay the course and ensure your strategy remains aligned with your objectives. Tony Warren's story on page 11 of this report also highlights how small, yet consistent, steps towards additional retirement savings can make a real difference over time. It's an inspiring example of how steady progress can pay off in the long run, and I encourage you to read it.

I acknowledge that remaining resilient during periods of uncertainty can be challenging. I encourage anyone to seek professional financial advice if you are concerned about your personal situation. Professional advice can provide valuable insights tailored to your needs, helping you make informed decisions. To find further information on how and when to get financial advice, visit the FMA's *Getting advice* page here:

www.fma.govt.nz/consumer/getting-advice.

You can also find helpful resources, such as calculators for budgeting, saving, debt repayment, superannuation, and home loans, on the Sorted website to assist you in making informed decisions and improving your financial wellbeing. Access these tools at **www.sorted.org.nz/tools**.

2025 Budget — KiwiSaver changes

Following this year's Budget announcements in May 2025, several changes have been made to the KiwiSaver government contributions and contribution rates legislation. These changes will impact you only if you are contributing to a locked-in account or are making KiwiSaver contributions alongside your Fund contributions. They do not impact the total contributions payable to the Fund, which will continue comprising minimum member contributions of 4% of base salary and (for subsidised members) before-tax NZAS contributions of 10% of base salary plus 5% of any lump sum bonus.

For details on the changes and how they may affect you, please visit the **KiwiSaver and the Fund FAQs** fact sheet available on our Fund website.

Member-elected Trustee Director election

The Fund is managed by a Trustee Board of eight Directors. Four are elected by the members, and four are appointed by NZAS. The current member-elected Trustee Directors' three-year term ends on 31 October 2025. It was pleasing to see a great response from our members during the nominations stage and the voting period. We look forward to announcing the election results on 26 September 2025 and welcoming the four successful candidates, who will hold office as Trustee Directors for a term of three years from 1 November 2025.

Thank you

On behalf of the Trustee Directors, I want to sincerely thank our two retiring member-elected Trustee Directors, who have decided not to stand for re-election:

- Allan Meikle, for his more than 30 continuous years of dedicated service on the Trustee Board, and
- Grant Cuff, for his more than 20 years of service as a Trustee Board member and his 3 years of service as Fund Secretary prior to that.

Allan and Grant can each take pride in having made an invaluable contribution to the governance of the Fund over the past several decades, helping us achieve such positive outcomes for our members. We thank them for their energy, integrity, unwavering attention to detail and willingness to go the extra mile for our members (and not shy away from asking the hard questions!).

You can read more about Allan's journey and his plans for retirement on page 10 of this report.

I also wish to express my gratitude to my other fellow Trustee Directors for their continued support and dedication to serving our members. Their commitment is fundamental to the ongoing success of the Fund.

Additionally, I would like to thank NZAS for its ongoing support for the Fund, particularly through its employer contributions and its meeting the non-investment operating costs of the Fund. This support plays a vital role in maintaining the Fund's stability, and enables our employee members to plan confidently for their futures and build the financial resilience necessary for a more secure retirement.

Finally, I would like to extend my appreciation to our trusted service providers, particularly Chapman Tripp and Mercer. Their professionalism and support are essential in helping us serve our members effectively.

For any queries regarding the Fund or your account, or any documents, please call the Helpline on **0508 266 787** (+61 3 8306 0964 if calling from overseas) or visit **www.nzasretirementfund.com**. We are committed to actively supporting all our members and we look forward to assisting you.

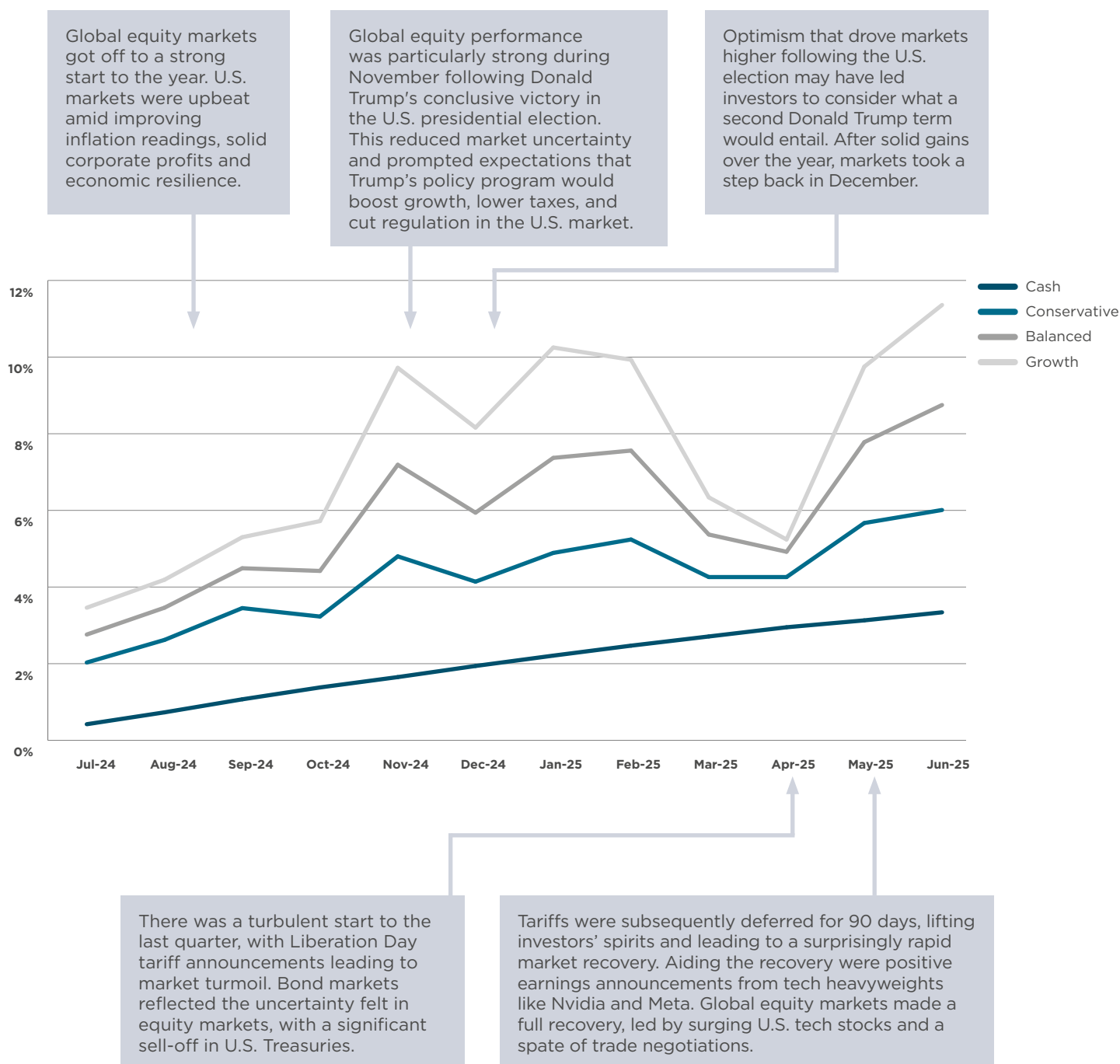
A handwritten signature in black ink that reads "Tim McGuinness".

Tim McGuinness
Chair
NZAS Retirement Fund
Trustee Limited

KEY FACTORS IMPACTING CREDITING RATES DURING THE FUND YEAR

The month-to-month cumulative crediting rates that applied during the year ended 30 June 2025 were influenced by the following key factors:

Cumulative crediting rates by month



Past performance is not a guide to future performance.

HOW HAS INVESTMENT MARKET PERFORMANCE AFFECTED THE FUND'S RETURNS?

Australasian equities

Our underlying fund managers for Australasian equities, Harbour and Nikko, underperformed the benchmark for the year ended 30 June 2025 by -1.5% and -1.9% respectively (the NZX50 ended the year up 8.3%). Early in the year, the Australasian equity market faced challenges due to concerns about the potential impact of tariffs on local markets and key trading partners. Although supported by easing global trade tensions, a weakening U.S. dollar and interest rate cuts from both central banks, Australasian equities still did not outperform international equities.

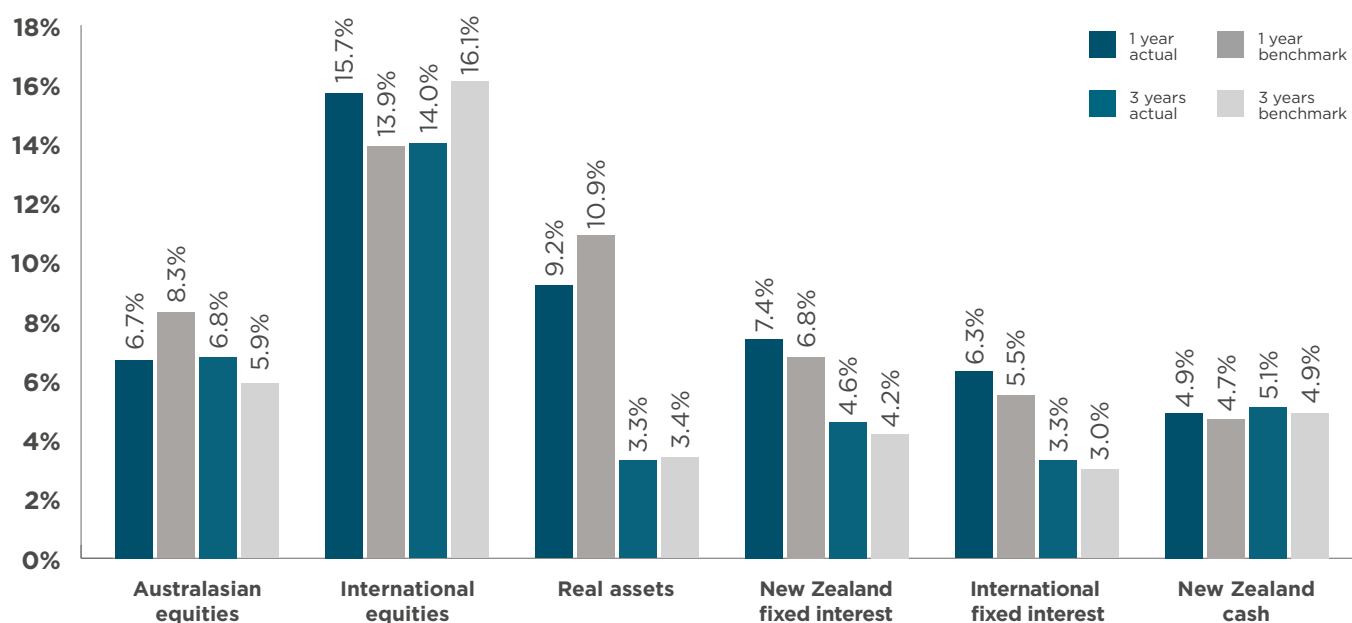
Real assets

International listed property underperformed broad equity markets, while international listed infrastructure outperformed those markets, boosted by falling interest rates (tailwinds for both sectors given their higher interest rate sensitivity). We comment below on real assets' underperformance against the benchmark.

International fixed interest

International fixed interest markets experienced an up and down year, with the Bloomberg Global Aggregate Index returning 5.5% for the year ended 30 June 2025. Many central banks began cutting interest rates (often positive for returns from fixed interest investments) during the year, as inflation in many countries fell from record highs.

Gross returns by asset class — actual v. benchmark over 1 & 3 years to 30 June 2025*



International equities

Despite a volatile year marked by unpredictable economic policies, dynamic monetary policy and rising geopolitical tensions (offsetting technological advancements), international equities ended the year in positive territory. International equity markets recovered from a sharp sell-off in April, with the MSCI World Index ending the year on 30 June up 13.9%. The mega cap technology sector led the gains, supported by easing tariff tensions and strong earnings results.

New Zealand fixed interest and New Zealand cash

The Reserve Bank of New Zealand took an aggressive stance, reducing the Official Cash Rate (OCR) by 2.25% between August 2024 and late May 2025, translating to positive returns from New Zealand fixed interest markets.

The bar graph above (setting out gross investment returns before tax and expenses) shows that while the other asset classes outperformed their respective benchmark indices for the year ended 30 June 2025, Australasian equities and real assets (international listed infrastructure and international listed property) both underperformed their benchmarks.

The significant underperformance of real assets was largely due to the Mercer Global Listed Infrastructure Fund (GLI Fund), in which the two underlying fund managers significantly underperformed the market index. Both managers had a focus on sustainability, which was a sector that really struggled following the U.S. election. An "absolute return" category of fixed interest investments was introduced into the GLI Fund's portfolio in 2020 with the aim of generating positive returns in a challenging environment for bonds, with interest rates close to zero.

* The Fund exited out of international absolute return fixed interest on 1 August 2024, and that asset class is therefore not represented in the above chart.

Those investments performed well when introduced, as bond yields rose on the back of central bank tightening. However, with bond yields starting to come down, that strategy began struggling against its benchmark and was removed from the portfolio in August 2024.

Over the three-year period, manager and sector performance was a mixed bag. There was outperformance in the Australasian equities, New Zealand and international fixed interest and New Zealand cash sectors, but both international equities and international listed infrastructure underperformed over the three-year period.

Past performance is not a guide to future performance.

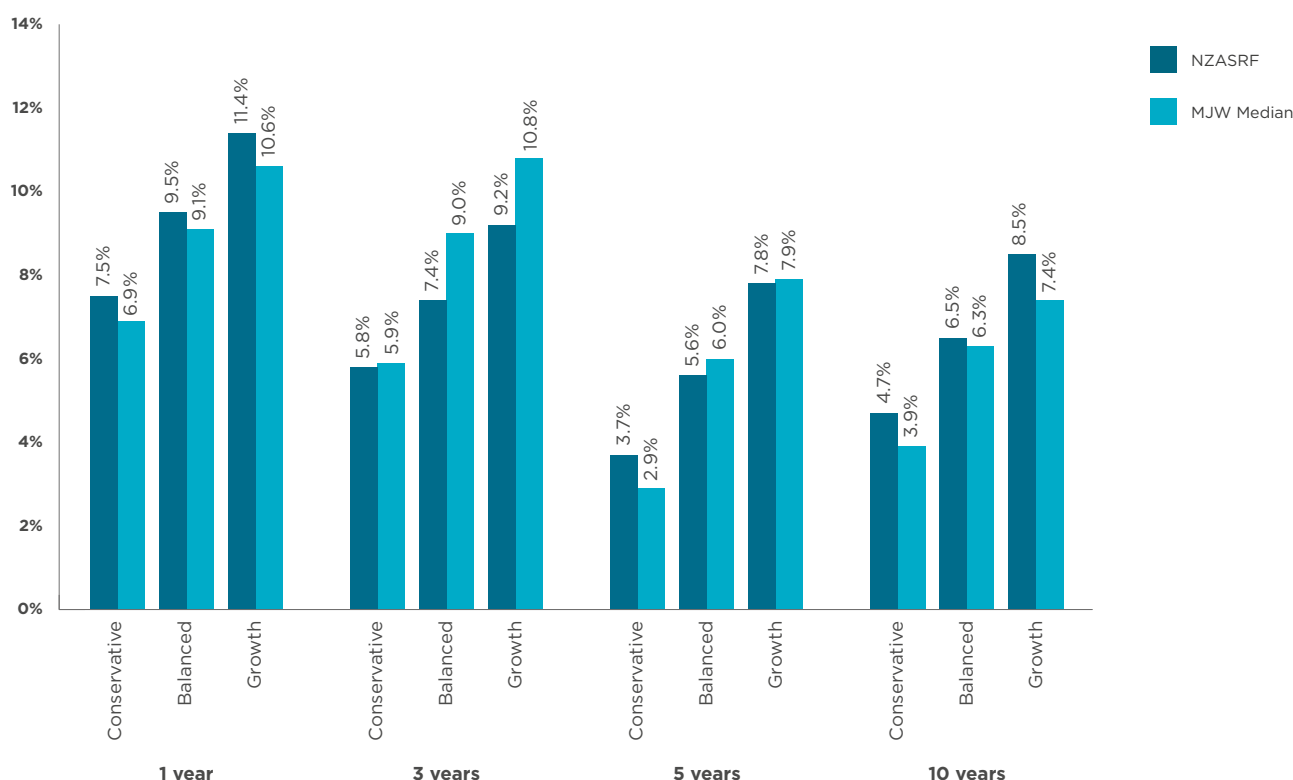
HOW DOES THE PERFORMANCE OF THE FUND'S INVESTMENT OPTIONS COMPARE WITH OTHER SCHEMES?

The bar graph below compares the return (before tax but after investment-related costs and expenses) for each investment option other than Cash against the KiwiSaver median¹ over the relevant periods ended 30 June 2025.

The graph shows that all the relevant investment options in the Fund (the Conservative, Balanced and Growth funds) outperformed the KiwiSaver median, or middle, return over both the one year ended 30 June 2025 and the 10 years ended 30 June 2025.

However, all three options trailed comparable KiwiSaver funds over the three years ended 30 June 2025, and the Balanced and Growth funds also trailed comparable KiwiSaver funds over the five years ended 30 June 2025 (though the Conservative fund outperformed over that period). This underperformance was primarily due to the ANZ Wholesale International Share Fund underperforming the Fund's international equities benchmark index by 10.8% in the year ended 30 June 2024. Another factor was that each relevant investment option had a strategic allocation to real assets as a diversifier. Over those three-year and five-year periods, both international listed property and international listed infrastructure lagged the broader equity market due to their interest rate sensitivity, which was exacerbated by aggressive central bank tightening (raising cash rates).

Investment fund returns (before tax and after fees²) v. KiwiSaver median for 1, 3, 5 and 10 years to June 2025



¹ The MJW Investment Survey has been used for the KiwiSaver median data. "KiwiSaver median" means the median KiwiSaver fund return (before tax but after fees) for each of the periods noted, in the relevant category (Growth, Balanced or Conservative) in the MJW Investment Survey (prepared quarterly).

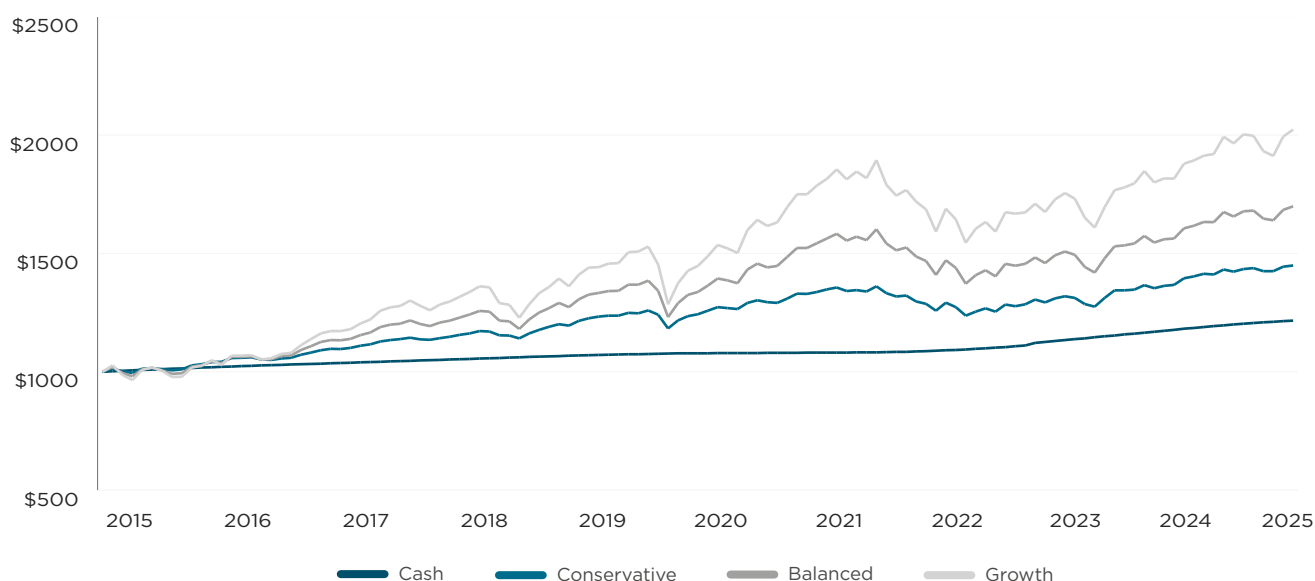
² The NZASRF returns shown in this graph are not crediting rates, as they are after deductions for investment-related costs and expenses but before tax. Crediting rates (shown elsewhere in this annual report) are determined by deducting both investment-related costs and expenses and tax.

Notes: Not all KiwiSaver funds are included in the MJW Investment Survey and the funds surveyed have varying asset allocations which differ from those of the NZAS Retirement Fund investment options (for example, the Balanced option has a strategic allocation to growth assets of 60%, whereas the 16 balanced funds in the MJW Investment Survey have growth asset allocations ranging from 50% to 65%).

Past returns are not necessarily a good indication of future returns. Returns will vary when measured over different periods.

HOW HAS THE FUND PERFORMED OVER THE LAST 10 FUND YEARS?

Performance of \$1,000 (after tax and investment-related costs¹) over the 10 years ended 30 June 2025



¹ This graph shows for illustrative purposes (based on month-to-month crediting rates) what the accumulated value of \$1,000 invested in each respective investment option on 1 July 2015 would have been as at 30 June 2025 if there were no further contributions and no deductions made for insurance charges. Insurance charges are deducted from company accounts and are additional to investment-related costs.

Past returns are not necessarily a good indication of future returns. Returns will vary when measured over different periods.

PORTFOLIO CHANGES

There were material changes to our underlying fund managers line-up during the Fund's financial year, some of which were due to changes in the wholesale institutional market. As a result, around 39% of the Fund's assets were turned over to new underlying managers.

During the year, ANZ exited the wholesale investment management business and our investment in the ANZ Wholesale International Share Fund was replaced by investments in the Mercer Overseas Shares Plus Fund and the Mercer Hedged Overseas Shares Plus Fund, which Mercer operates as a 'manager of managers' and which have five investment managers. Following the year-end, one of those investment managers (Alliance Bernstein) was replaced by Schroders.

In the international fixed interest sector, the Trustee made the strategic decision in August 2024 to exit the Mercer Global Absolute Return Bond Fund, with the proceeds reinvested with its continuing international fixed interest managers Salt Investment Funds Limited (through the Salt Sustainable Global Fixed Interest Fund*) and Harbour Asset Management Limited (through the Hunter Global Fixed Interest Fund).

In addition, following a strategic asset allocation review, the Trustee dialled down its target exposure to international listed property and dialled up its target exposure to international listed infrastructure, based on a preference for the inflation-defensiveness of infrastructure and the broader opportunity set of that sector. Mercer (as the relevant underlying manager) also made structural changes during the year whereby:

- its international listed property strategy was changed from a two-manager dual structure to a core benchmark aware strategy, with a single manager (and Resolution Capital and Principal were replaced by Macquarie);
- similar changes were made to its international listed infrastructure strategy (i.e. to focus on having a single manager with a more benchmark aware approach); and
- following a review, Mercer decided that taking a 'sustainable' approach to its real assets investment strategy was no longer in its clients' best interests (and First Sentier and Atlas, both focussing on sustainability, were replaced by Macquarie, which actively includes the energy and renewables sectors in its investment decision making).

* Renamed as 'Salt Select Global Fixed Income Fund' in June 2025.

YOUR INVESTMENT OPTIONS

The Fund recognises that different members have different financial needs and that a single investment strategy doesn't suit everyone. That's why the Fund offers members a choice of up to four investment options — Growth, Balanced, Conservative and Cash. Each investment option has a different benchmark (or target) mix of investment sectors (or 'asset allocation'), producing different return objectives and actual returns.

For the latest risk indicator for each of the Fund's investment options, refer to pages 2 and 3 of the Fund's Product Disclosure Statement, available under *Documents* at www.nzasretirementfund.com. Choosing the right investment option (or combination of options) is important. If you need help, go to the *Investor profiler* tool at www.sorted.org.nz/investor-profiler and/or contact a financial advice provider. Guidance on how to search for a financial advice provider (and what to think about when choosing an adviser) is available on the Financial Markets Authority website at www.fma.govt.nz/consumer/getting-advice/finding-an-adviser.

Further information about the investment options and their performance is set out in the annual fund update for each investment option. The latest fund updates are available under *Documents* at www.nzasretirementfund.com or on www.disclose-register.companiesoffice.govt.nz.

INVESTMENT MANAGEMENT

One of our most important tasks is to oversee the investment of the Fund's assets. To reduce risk, as well as offering a choice of investment options, we appoint a range of fund managers, each with expertise in managing different asset classes.

To assist with this, we employ an investment consultant, Mercer (N.Z.) Limited ('Mercer'), to advise on matters such as our investment objectives and strategy. We also employ an independent investment adviser, on an as-required basis, to provide a second opinion and evaluate the performance of the investment consultant.

Day-to-day decisions about investments within each asset class are made by the fund managers, in their capacities as the investment managers of the underlying funds into which the Fund's assets are directly invested.

The fund managers who were looking after your money as at 30 June 2025 are shown below:

Asset class	Fund manager	Fund investment assets as at 30 June 2025 (\$ million)*	%
Australasian equities	Harbour Asset Management Limited	10.4	5.8
	Amova Asset Management New Zealand Limited***	10.5	5.8
International equities	Mercer (N.Z.) Limited	70.5	39.2
International listed infrastructure**	Mercer (N.Z.) Limited	16.0	8.9
International listed property**	Mercer (N.Z.) Limited	9.5	5.3
New Zealand fixed interest	Mercer (N.Z.) Limited	11.3	6.3
International fixed interest	Salt Investment Funds Limited	7.2	4.0
	Harbour Asset Management Limited - Hunter Investment Funds	10.7	6.0
New Zealand cash	Mercer (N.Z.) Limited	33.5	18.7
TOTAL		179.6	100.0

* This excludes non-investment assets (e.g. cash at the bank, receivables and prepayments) of \$2.5 million and liabilities of \$1.2 million.

** International listed infrastructure and international listed property are referred to elsewhere in this annual report as real assets, and international listed infrastructure is referred to in the Fund's disclosure documents as the other assets class.

*** Formerly Nikko Asset Management, which officially changed its name to Amova Asset Management on 1 September 2025.

MEMBER STORIES

THE NEXT CHAPTER — RETIREMENT

Allan Meikle's journey with NZAS began in February 1977, marking the start of a remarkable 48-year career. Over nearly five decades, he embraced many opportunities for personal growth and leadership, including serving as a Trustee Director of the NZAS Retirement Fund.

I started in Carbon Rodding as an operator, and it was there that I discovered my passion for leadership. Moving into a supervisor role, I gained valuable experience and confidence, which eventually led me to a stint in a Training Role within the Casthouse. Later, I returned to leadership as a Superintendent in both the Ingot and VDC departments. My career path eventually brought me back to the Rodding Area as the Superintendent, a position I held with pride.

One of the most rewarding chapters of my career was serving on the Trustee Board of the Fund (originally called the Comalco New Zealand Retirement Fund) as a member-elected Director. I enjoyed this role immensely, standing for re-election several times and serving for 30 years. Being a Trustee Director provided me with invaluable insight into superannuation fund management, and I truly valued connecting with the Fund members, answering their questions and guiding them toward the right resources. It was fulfilling to be part of a team that helped secure their financial futures.

As I approach the end of my professional life, I have decided not to stand for re-election. I believe it's vital for members to have onsite access to their Trustee Directors. I think there is real value from Fund members being able to sit down with a Trustee Director and have an honest conversation about their superannuation.

My personal goal was always to work until age 65 and then enjoy the best chapter of my life with my wife Gayle by my side. So far, that plan is working out well. I cherish the simple pleasures — spending valuable time with my family, supporting my rugby club, going on the odd fishing trip with old work mates, and cruising around the countryside in one of my toys. I have 2 classic cars to get around the country in style.

Achieving this plan has been made a lot easier by having several pieces of the jigsaw in place such as good health, being debt free, and having a solid superannuation plan. In New Zealand, the government super provides only a basic, inflation-adjusted income, which often falls short of what's needed for a comfortable retirement. That's where the NZAS Retirement Fund has played a crucial role. The employer contributions, government incentives and investment growth help bridge the gap, offering flexibility and resilience against rising living costs.

For me, retirement isn't the end, it's a new beginning. I plan to keep a close eye on my fund to ensure it continues to suit my evolving needs. I encourage everyone to take advantage of the available tools and resources to help with their retirement planning.





SMART SPENDING AND CONSISTENT CONTRIBUTIONS

Tony Warren joined the NZAS Retirement Fund in November 2004 and he currently works as a Specialist in Major Hazards. Tony's story is a reminder that small, considered choices can make a big difference in securing a more comfortable retirement.

Over the years, I've always prioritised retirement planning, especially after realising how important it is to have financial security in later years. My goal is to keep spending time at my holiday home in Te Anau, exploring the outdoors on my motorcycle, boating and travelling with my wife. Having a steady income from the NZAS Retirement Fund, in addition to New Zealand Superannuation, is crucial for us to continue enjoying these passions and living comfortably.

A real turning point came in November 2016 when I became aware of the small, unnoticed expenses adding up each month at the canteen. I was spending over \$200 a month there which was an invisible expense to me at the time. Rather than spending money at the canteen, I started to bring my lunch in each day and instead make additional contributions to the Fund (credited to my locked-in account) on top of my standard contributions. Over nine years, my locked-in account balance has grown to over \$41,000, which is money I would have otherwise just spent. It was a small change, but it made a significant difference, showing me that even small, consistent added contributions can have a powerful impact over time.

I don't consider myself a highly active investor. I rarely check my account and have only adjusted my risk profile a few times in 21 years. Still, I enjoy listening to the investment managers when they visit Tiwai Point and I trust that my long-term approach is working. I believe starting early is key and I often tell new employees that the sooner you start, the better.

Looking ahead, I plan to stay in Southland, splitting my time between our home in Invercargill and our holiday home in Te Anau. With good health, I'm excited for a retirement filled with adventures, relaxation and quality time with my wife. I think my story is a testament to how small, deliberate steps today can help create the retirement you want in the future.



FEES AND EXPENSES

Fees and charges are payable for investing in the Fund.

There are three main elements to the Fund's expenses:

- Annual fund charges (which include all investment-related costs and expenses)
- Insurance charges
- Administration costs

Members pay only the first two types of charges (annual fund charges and insurance charges), so only those charges affect your benefit from the Fund. The insurance charges relate principally to the death, total disablement and ill-health insurance cover provided to members, but the Trustee also has a catastrophe insurance policy (designed to cover the Fund if a single event results in five or more insured death or total disablement benefit claims from members) for which the premiums are deducted from the Fund's insurance account.

NZAS pays all other administration costs, including administration management, secretarial, actuarial, legal, professional Trustee Director, audit and taxation advisory service fees, statutory liability insurance premiums and regulatory fees and levies. In the year ended 30 June 2025, NZAS paid \$784,444 in expenses incurred on behalf of members in support of the Fund (compared to \$837,887 in the year ended of 30 June 2024).

ANNUAL FUND CHARGES

Annual fund charges (comprising investment management, investment consulting and investment advisory costs) are deducted from the Fund's income before crediting rates are determined. These charges vary depending on the investment option(s) you have chosen. The annual fund charges, per \$100 invested, incurred in the year ended 30 June 2025 were as follows:

FUND CHARGES PER \$100 INVESTED (YEAR ENDED 30 JUNE 2025)



Cash
investment option



Conservative
investment option



Balanced
investment option



Growth
investment option

Annual fund charges are explained in more detail in the Fund's Product Disclosure Statement.

INSURANCE CHARGES

If you have death, total disablement and ill-health insurance cover, insurance charges will be deducted from your company account in the Fund (no insurance charges are payable by members who are retirement account holders or are aged 65 plus, as those members do not have ongoing insurance cover from the Fund). If you had insurance cover during the year ended 30 June 2025, refer to your annual confirmation (previously known as your annual membership statement) to see the amount of insurance charges deducted from your company account during the year.

Your insurance cover varies depending on your chosen cover level (basic, medium or top), your salary and the number of months until you reach age 65, and the cost of cover (i.e. the insurance charge per dollar of cover) increases with age. We can increase or decrease the insurance charges after taking actuarial advice and considering claims levels. For the insurance charges that apply, see the *Other Material Information* ('OMI') document for the Fund at www.disclose-register.companiesoffice.govt.nz (select *Search for an offer*, enter and click on *NZAS*, then go to the *Documents* tab).

STATUTORY INFORMATION

DETAILS OF SCHEME

This is the annual report for the NZAS Retirement Fund for the year ended 30 June 2025. The Fund is registered under the Financial Markets Conduct Act ('FMCA') as an employer-related restricted workplace savings scheme.

The manager of the Fund is the sole purpose trustee company NZAS Retirement Fund Trustee Limited ('Trustee'). As a restricted scheme, the Fund does not have its own independent supervisor. As at 30 June 2025, the Fund had a Product Disclosure Statement ('PDS') dated 31 July 2024 which was open for applications. The Fund's current PDS is dated 16 September 2025 and is open for applications.

The latest fund update for each investment option in the Fund, produced as at 30 June 2025, has been made publicly available on www.nzasretirementfund.com and is also available electronically by visiting www.disclose-register.companiesoffice.govt.nz (select *Search for an offer*, enter and click on NZAS, then go to the *Investment Options* tab).

The Fund's financial statements as at 30 June 2025, authorised for issue on 8 September 2025, and the auditor's report on those financial statements, were lodged with the Registrar of Financial Service Providers on 9 September 2025. Copies of the financial statements (including the auditor's report) are available electronically by visiting www.disclose-register.companiesoffice.govt.nz (select *Search for a scheme*, enter and click on NZAS, then go to the *Documents* tab).

INFORMATION ON CONTRIBUTIONS AND SCHEME PARTICIPANTS

Changes to membership during the year ended 30 June 2025 are set out below:

	Contributing members	Non-contributing members*	Total
Members at 1 July 2024	796	107	903
Plus: New members	98	-	98
Total new members	98	-	98
Less: Exits on leaving service	(74)	-	(74)
Total disablement and death	(3)	-	(3)
Full withdrawals by retirement account members	-	(7)	(7)
Total member exits	(77)	(7)	(84)
Less: Members becoming retirement account holders	(11)	-	(11)
Plus: Members becoming retirement account holders	-	11	11
Members at 30 June 2025	806	111	917

* As at 1 July 2024, 105 non-contributing members were retirement account holders and two were employee members. As at 30 June 2025, all of the 111 non-contributing members were retirement account holders.

The total amount of members' accumulations as at 1 July 2024 was \$168,430,399 relating to 903 members. As at 30 June 2025, the total amount of members' accumulations was \$177,142,894 relating to 917 members.

Contributions

Type	Number of members	Total amount (\$)
Member contributions	845	4,050,193
Salary sacrifice contributions	72	550,368
Employer contributions	898	4,977,413
Government contributions	180	87,724
Total contributions		9,665,698



CHANGES RELATING TO THE SCHEME

Trust Deed

There were no amendments made to the Fund's Trust Deed during the year ended 30 June 2025.

Product Disclosure Statement ('PDS')

The Trustee amended the Fund's PDS once during the year ended 30 June 2025.

The PDS was amended on 31 July 2024 to reflect:

- the power deal securing the smelter's future for another 20 years (by removing references to the potential Fund wind-up if NZAS couldn't secure a long-term presence for the smelter);
- reduced target allocations to international listed property, and increased target allocations to international listed infrastructure, in the Conservative, Balanced and Growth investment options;
- the appointment of Mercer (N.Z.) Limited ('Mercer') to manage the Fund's international equities investments in place of ANZ New Zealand Investments Limited ('ANZ');
- Mercer ceasing to be one of the Fund's international fixed interest managers (with the assets held in the Mercer Global Absolute Return Bond Fund transitioning to the relevant Harbour and Salt funds); and
- Kyle Murray's appointment as a Trustee Director effective 1 July 2024.

Subsequent to the year-end, the PDS was amended on 16 September 2025 to reflect:

- the changed rules relating to locked-in contribution rates which will take effect on 1 April 2026 under draft legislation introduced to Parliament on 26 August 2025, under which (despite increases to the default KiwiSaver contribution rates) if a member has elected, or been required, to lock in the first 3% of their own contributions to a complying superannuation fund such as the Fund:
 - the default rates of locked-in employee and employer contributions to that fund will remain at 3% of base salary;
 - the employer's locked-in contributions of a before-tax 3% of base salary will continue fully discharging its compulsory employer contribution obligations under the KiwiSaver legislation;

- the changes to the government contribution rules whereby, effective 1 July 2025:
 - the rate at which the government matches the KiwiSaver or locked-in complying superannuation fund contributions made by members aged below 65 halved from 50 cents to 25 cents per \$1 contributed (with the maximum annual government contribution also halving, from \$521.43 to \$260.72 a year); and
 - persons who had taxable income of over \$180,000 in the most recent tax year are not eligible for government contributions;
- the name change of Nikko Asset Management New Zealand Limited ('Nikko') to Amova Asset Management New Zealand Limited ('Amova') effective 1 September 2025;

and to make other minor updates.

Statement of Investment Policy and Objectives ('SIPO')

The Trustee adopted a replacement SIPO for the Fund effective 31 July 2024 in order to:

- reduce the target allocations to international listed property, and increase the target allocations to international listed infrastructure, in the Conservative, Balanced and Growth investment options;
- reflect both:
 - the appointment of Mercer to manage the Fund's international equities investments in place of ANZ; and
 - Mercer ceasing to be one of the Fund's international fixed interest managers (with the assets held in the Mercer Global Absolute Return Bond Fund transitioning to the relevant Harbour and Salt funds).

The SIPO was amended effective 28 March 2025 to reflect changes to the method of taxing income or losses arising from currency hedging contracts held in relation to the Fund's international equities, international property and international listed infrastructure investments (and make other more minor updates).

Subsequent to the year-end the SIPO was further amended, effective 16 September 2025, to reflect the official name change of Nikko to Amova effective 1 September 2025 and make other minor updates.

Other Material Information ('OMI')

The Fund's OMI was amended on 31 July 2024 to reflect changes to the Fund's international equities and international fixed interest benchmark indices.

The OMI was then amended on 28 March 2025, to add a more detailed description of the Trustee's catastrophe insurance cover and to describe the changed method of taxing income or losses arising from currency hedging contracts held in relation to the Fund's international equities, international property and international listed infrastructure investments.

Subsequent to the year-end the OMI was further amended, on 16 September 2025, to explain in more detail the government contribution rules as amended effective 1 July 2025 and to make other minor updates.

Related party transactions

There was one material change to the nature and scale of related party transactions during the year ended 30 June 2025. In August 2024, the Trustee entered into a replacement Letter of Agreement with Mercer (as one of the Fund's underlying fund managers) prescribing amendments to reflect Mercer's appointment to manage international equities investments (through the Mercer Overseas Shares Plus Fund and the Mercer Hedged Overseas Shares Plus Fund) in place of ANZ.

Subsequent to the year-end, in September 2025, the Trustee and Mercer entered into a Letter of Variation to Mercer's Services Agreement with the Trustee (as administration manager) prescribing additional obligations in respect of information security controls. These include additional security assurance, storage and back-up, business continuity and response plan requirements.

All related party transactions entered into during the year were on arm's length terms.

An explanation of related parties is available under *Documents* at www.nzassetirementfund.com (go to *Fact sheets*).

OTHER INFORMATION FOR PARTICULAR TYPES OF MANAGED FUNDS

Permitted withdrawals

During the year ended 30 June 2025, 158 Fund members made withdrawals that were permitted under the FMCA and the Trust Deed.

There were 84 members who made a full withdrawal from the Fund, consisting of 74 members who left service and received their full account balances, three members who received a death or total disablement benefit and seven retirement account holders who withdrew their full account balances.

There were 74 members who made partial withdrawals. There were 173 such withdrawals in total, comprising 149 withdrawals from retirement accounts, three financial hardship withdrawals, 14 first home purchase withdrawals, three relationship property withdrawals, two partial withdrawals by employee members aged 65 or more and two partial withdrawals for serious illness.

Actuarial review of insurance account

Because the death, total disablement and ill-health benefits payable from the Fund are principally self-insured (with premiums deducted from members' company accounts and credited to the Fund's insurance account, from which claims are paid), the Fund is a 'life benefit scheme' for FMCA purposes.

This means the Trustee must ensure that at not less than three-yearly intervals, a suitably qualified actuary formally examines the adequacy of the premium rates charged to members and of the insurance account balance.

The latest such formal actuarial examination was carried out as at 30 June 2022 by Simon Barker (FNZSA) and Peter Cosseboom (FNZSA) of Mercer.

The key findings were that:

- the insurance charges credited to the insurance account over the 17-year period since 1 July 2005 had more than adequately covered insured benefit payments and catastrophe insurance premiums (which are also paid from the insurance account) as total claims made and total insured benefit payments had been significantly lower than expected;
- the insurance charges should be updated to better reflect the Fund's potential claims risks and its claims experience across the three different types of cover offered (death, total disablement and ill-health);
- there was scope to consider a special allocation to member accounts from the insurance account (in which the balance of \$2.3 million was materially greater than the \$858,000 considered appropriate to cover claims, insurance charges shortfalls, catastrophe insurance costs and investment fluctuations), though the Trustee might wish to retain the full insurance account balance to protect against adverse experience; and
- if actual experience over the three years to the next valuation was similar to the preceding three years, the insurance account balance was likely to increase (principally due to investment earnings).

After considering the actuarial examination (and additional advice from the actuaries regarding appropriate insurance charges), the Trustee decided to adopt new insurance charges effective from 31 March 2023.

This resulted in reduced premiums at older ages and increased premiums at younger ages. The actuaries believe that the revised insurance charges better reflect the Fund's potential claims risks and claims experience.

The Trustee also decided to retain the full insurance account balance to guard against adverse future claims experience, economic or financial market shocks and the potential lack of availability of catastrophe insurance.

The latest three-yearly actuarial review of the insurance account is currently being carried out as at 30 June 2025 and the results will be published in the 2026 annual report.

Crediting rates

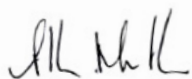
Period	Cash		Conservative		Balanced		Growth	
2024	monthly	cumulative	monthly	cumulative	monthly	cumulative	monthly	cumulative
July	0.42%	0.42%	2.03%	2.03%	2.76%	2.76%	3.46%	3.46%
August	0.31%	0.73%	0.58%	2.62%	0.68%	3.46%	0.71%	4.19%
September	0.34%	1.07%	0.81%	3.45%	1.00%	4.49%	1.06%	5.30%
October	0.30%	1.38%	-0.22%	3.23%	-0.07%	4.42%	0.40%	5.72%
November	0.27%	1.65%	1.53%	4.80%	2.65%	7.19%	3.78%	9.72%
December	0.28%	1.94%	-0.63%	4.14%	-1.16%	5.94%	-1.42%	8.16%
2025								
January	0.27%	2.21%	0.72%	4.89%	1.35%	7.37%	1.93%	10.25%
February	0.25%	2.47%	0.33%	5.24%	0.17%	7.56%	-0.29%	9.93%
March	0.24%	2.71%	-0.93%	4.26%	-2.03%	5.37%	-3.26%	6.34%
April	0.23%	2.95%	0.00%	4.26%	-0.43%	4.92%	-1.04%	5.24%
May	0.18%	3.13%	1.35%	5.67%	2.73%	7.78%	4.29%	9.75%
June	0.20%	3.34%	0.32%	6.01%	0.90%	8.75%	1.47%	11.36%

Manager's statement

The Trustee, as manager of the Fund, states that:

- all contributions required to be made to the Fund in accordance with the terms of the Trust Deed have been made;
- the rates and amounts of premiums credited to the insurance account were in accordance with the recommendations made in the actuary's most recent three-yearly examination of the Fund's insurance arrangements;
- all the benefits required to be paid from the Fund in accordance with the terms of the Trust Deed have been paid;
- the market value of the assets of the Fund as at 30 June 2025 exceeded the total value of the benefits that would have been payable had all members of the Fund ceased to be members at that date and had provision been made for the continued payment of all benefits being paid to members and other beneficiaries as at 30 June 2025;
- the market value of the portion of the Fund's assets that was subject to the complying fund rules (i.e. held in locked-in accounts) as at 30 June 2025 was \$18,301,705 relating to 437 members; and
- the value of withdrawals made from locked-in accounts during the year ended 30 June 2025 was \$1,076,261.

Signed for and on behalf of the Trustee:



Director
Allan Meikle



Director
Grant Cuff

CHANGES TO PERSONS INVOLVED IN THE SCHEME

Trustee Directors

The Fund is managed by a Trustee Board comprising eight Trustee Directors. Four are elected by the members, and four are appointed by NZAS.

During the Fund year, there was only one Trustee Director change, when Kyle Murray was appointed effective 1 July 2024 to fill a vacant Company-appointed Trustee Director position.

The current four member-elected Trustee Directors' three-year terms of office will cease on 31 October 2025 and two of the member-elected Trustee Directors (Allan Meikle and Grant Cuff) are not standing for re-election. The ballot process for electing the next four member-elected Trustee Directors commenced in August 2025 and the successful candidates will take office on 1 November 2025.

For further information about the Trustee Directors, including their contact details, go to **www.nzasretirementfund.com** and click on *Trustee Director contact details*.

Administration Manager, fund managers and auditor

There were several changes to underlying fund managers during the Fund year:

- in August 2024, the Trustee transferred the management of the Fund's international equities portfolio from ANZ to Mercer, and the Fund's international equities investments are now managed within the Mercer Overseas Shares Plus Fund and the Mercer Hedged Overseas Shares Plus Fund; and
- the Trustee completed its re-allocation from Mercer to Salt Investment Funds Limited (the Salt Sustainable Global Fixed Interest Fund*) and Harbour Asset Management Limited (the Hunter Global Fixed Interest Fund) of the management of the Fund's international fixed interest investments.

No changes were made during the year ended 30 June 2025 to the Administration Manager (which also acts as the Securities Registrar for the Fund) or to the Fund's auditor.

Custodian

The Trustee, NZAS Retirement Fund Trustee Limited, is also the Fund's custodian.

HOW TO FIND FURTHER INFORMATION

Information relating to the Fund is available on the Scheme Register at **www.disclose-register.companiesoffice.govt.nz** (select *Search for a scheme*, enter and click on *NZAS*, then go to the *Documents* tab). The Scheme Register contains copies of the Fund's Trust Deed, SIPO and full audited financial statements.

A copy of the Fund's latest PDS dated 16 September 2025 is available on the Offer Register at **www.disclose-register.companiesoffice.govt.nz** (select *Search for an offer*, enter and click on *NZAS*, then go to the *Documents* tab). For the latest fund update for each investment option, select the *Investment Options* tab and (for each investment option) scroll down to *Fund documents*.

Further information and copies of Fund documents are also available on request from the Trustee by contacting the Administration Manager at the Helpline on 0508 266 787 (Australia 03 8306 0964, international +61 3 8306 0964).

There is no charge for any of the above information.

CONTACT DETAILS AND COMPLAINTS

Contact details for the Trustee and the Administration Manager (which also acts as the Securities Registrar for the Fund), and for any queries or complaints, are:

Philippa Kalasih

Fund Secretary
NZAS Retirement Fund
c/- Mercer (N.Z.) Limited
20 Customhouse Quay
PO Box 2897, Wellington 6140

Fund Member Helpline 0508 266 787 (Australia 03 8306 0964; international +61 3 8306 0964).

If you have a complaint about the Fund or the Trustee, you should first contact the Fund Secretary, whose contact details are set out above. You may complain by telephone, by email or in writing. If your complaint is complex, we may ask you to provide details in writing.

If you complain to the Trustee and reach the end of our internal complaints process without your complaint being resolved to your satisfaction (see our *Member Guide to the Complaints Process* under *Documents* at **www.nzasretirementfund.com** - go to *Member documents*), you may refer the matter to the independent disputes resolution scheme operated by Financial Services Complaints Limited (FSCL).

FSCL is the financial ombudsman service which acts as our independent dispute resolution scheme provider.

You can complain to FSCL by:

- calling 0800 347 257 (or +64 4 472 3725 if you are calling from overseas);
- emailing **complaints@fscl.org.nz**;
- clicking **www.fscl.org.nz/make-a-complaint/complaint-form** to complete FSCL's online complaints form; or
- downloading FSCL's printable complaints form at **www.fscl.org.nz/make-a-complaint** (scroll down to *Completing a complaint form*) and mailing it to FSCL (see below).

Alternatively, you may write to FSCL at:

Financial Services Complaints Limited
PO Box 5967
Wellington 6140

For more details, see FSCL's website at **www.fscl.org.nz**.

Neither the Trustee nor FSCL will charge you a fee to investigate or resolve a complaint.

* Renamed as 'Salt Select Global Fixed Income Fund' in June 2025.

PRIVACY ACT 2020

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

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

Philippa Kalasih

Privacy Officer

NZAS Retirement Fund

c/- Mercer (N.Z.) Limited

PO Box 2897, Wellington 6140

Email: philippa.kalasih@mercerc.com

Phone: +64 4 819 2600

FUND DIRECTORY

The current Directors of the Trustee, NZAS Retirement Fund Trustee Limited, are:

Company-appointed



Tim McGuinness
(Chair)



Bruce Kerr
(Licensed Independent
Trustee Director)



Kyle Murray



Paula Checketts

Member-elected



Allan Meikle



Andrew Elder



Grant Cuff



Karen Vermunt

The Trustee is supported by several retirement scheme professionals who assist with various specialist tasks:

Service	Adviser
Administration, accounting, actuarial, member education, secretarial, communications and consulting	Mercer (N.Z.) Limited
Audit services	KPMG New Zealand Limited
Investment consultant	Mercer (N.Z.) Limited
Legal advisers	Chapman Tripp
Securities Registrar*	Mercer (N.Z.) Limited
Taxation services	Deloitte New Zealand Limited

*The Securities Registrar holds the Fund's member register.

NOTES

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www.nzasretirementfund.com

Helpline 0508 266 787

