NZAS RETIREMENT FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

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FOR THE YEAR ENDED 30 JUNE 2026

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Independent Auditor's Report

To the members of NZAS Retirement Fund

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements which comprise:

- the statement of net assets as at 30 June 2026;
- the statements of changes in net assets, and cash flows for the year then ended; and
- notes, including material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements of NZAS Retirement Fund (the **Fund**) on pages 4 to 19 present fairly in all material respects:

- the Fund's financial position as at 30 June 2026 and its financial performance and cash flows for the year ended on that date; and
- in accordance with New Zealand Equivalents to International Financial Reporting Standards (**NZ IFRS**) issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of NZAS Retirement Fund 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 and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with Professional and Ethical Standards 1 and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

Other than in our capacity as auditor we have no relationship with, or interests in, the Fund.

Materiality

The scope of our audit was influenced by our application of materiality. Materiality helped us to determine the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole. The materiality for the financial statements as a whole was set at $1,940,000 determined with reference to a benchmark of the Fund's Total Assets. We chose the benchmark because, in our view, this is a key measure of the Fund's performance.

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 in the current period. We summarise below those matters and our key audit procedures to address those matters in order that the members as a body may better understand the process by which we arrived at our audit opinion.

Our procedures were undertaken in the context of and solely for the purpose of our audit opinion on the financial statements as a whole and we do not express discrete opinions on separate elements of the financial statements.

The key audit matter	How the matter was addressed in our audit
Carrying amount of Investments	
Refer to Note 6 to the financial statements. The Fund's investments are considered a key audit matter due to their significance to the financial statements as a whole (the portfolio of investments makes up 99% of the Fund's total assets).	Our audit procedures included: – Documenting and understanding the process the Fund has in place to record investment transactions including fair value of the investment portfolio. This included evaluating the control environment in place at the Fund's administration manager and investment – fund managers through review of their control reports and related assurance opinions issued by and independent auditor; – Recalculating the net gains/losses on financial assets/(liabilities) measured at FVTPL based on the investment portfolio reports; – Agreeing investment holdings and investment fair value to external confirmations received from the investment fund managers; – Assessing the price of underlying investments by comparing those values in the portfolio report to independent market values obtained from third-party databases; and – Agreeing purchases and sales of investments to bank statements on a sample basis.

Use of this independent auditor's report

This independent auditor's report is made solely to the members. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the members for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of Trustee for the financial statements

The Trustee, on behalf of the Fund, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with NZ IFRS issued by the New Zealand Accounting Standards Board and the International Financial Reporting Standards issued by the International Accounting Standards Board;
- implementing the necessary internal control to enable the preparation of a set of financial statements that is free from material misstatement, whether due to fraud or error; and
- assessing the ability of the Fund to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objective is:

- 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 independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from 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.

A further description of our responsibilities for the audit of the financial statements is located at the External Reporting Board (XRB) website at:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-2/

This description forms part of our independent auditor's report.

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

For and on behalf of:

KPMG

KPMG

Wellington

7 September 2026

NZAS RETIREMENT FUND

Statement of Net Assets
As at 30 June 2026

	Note	2026	2025
		$	$
ASSETS			
Cash at Bank		664,512	2,421,606
Investments	6	193,436,514	179,563,601
Employer Reimbursements Receivable	15	-	61,916
Sundry Debtors		222	7,358
Prepayments		36,274	36,058
Deferred Tax Asset	8	10,562	-
Total Assets		194,148,084	182,090,539
LIABILITIES			
Benefits Payable		499,527	696,513
Sundry Creditors		30,432	14,611
Unallocated Contributions		1,151	-
Contributions Refundable		-	349
Income Tax Payable	8	-	414,768
Deferred Tax Liability	8	-	121,771
Total Liabilities		531,110	1,248,012
NET ASSETS AVAILABLE TO PAY BENEFITS		193,616,974	180,842,527
Represented by:	4		
Member Accounts		37,467,486	35,093,738
Company Accounts		83,347,497	80,549,999
Transfer Accounts		6,558,541	8,279,071
Retirement Accounts		43,163,634	34,918,380
Locked In Accounts		20,481,887	18,301,706
Insurance Account		1,726,651	2,885,846
Reserve Account		871,278	813,787
LIABILITY FOR PROMISED BENEFITS		193,616,974	180,842,527

For and on behalf of the Trustee, who authorised the issue of these financial statements.

Director ______________ Date 7 September 2026

Director ______________ Date 7 September 2026

NZAS RETIREMENT FUND

Statement of Changes in Net Assets
For the Year Ended 30 June 2026

	Note	2026	2025
		$	**$**
INVESTMENT ACTIVITIES			
Investment Income			
Gains on Investments	7	22,633,633	14,090,798
Distribution Income		2,508,772	2,460,979
Interest		40,234	81,106
Fee Rebates		609,946	476,255
		25,792,585	17,109,138
Investment Expenses			
Investment Management Fees		(1,405,507)	(1,299,256)
Net Investment Income		24,387,078	15,809,882
OTHER INCOME			
Use of Money Interest - Inland Revenue		12,721	-
Employer Reimbursements	15	352,897	233,676
		365,618	233,676
OTHER EXPENSES			
Investment Consulting Fees		(178,962)	(171,693)
Catastrophe Insurance Premiums		(78,594)	(81,422)
Total Other Expenses		(257,556)	(253,115)
Change in Net Assets before Taxation and Membership Activities		24,495,140	15,790,443
Income Tax Expense	8	(1,515,733)	(638,941)
Change in Net Assets after Taxation and before Membership Activities		22,979,407	15,151,502
MEMBERSHIP ACTIVITIES			
Contributions			
Member Contributions		4,262,819	4,050,193
Member Tax Credits		80,958	87,724
Employer Contributions	15	5,614,059	5,527,781
Total Contributions		9,957,836	9,665,698
Benefits Paid			
Withdrawals		(20,162,796)	(15,654,711)
Total Benefits Paid		(20,162,796)	(15,654,711)
Net Membership Activities		(10,204,960)	(5,989,013)
Net Increase in Net Assets During Year		12,774,447	9,162,489
Net Assets Available for Benefits at Beginning of Year		180,842,527	171,680,038
Net Assets Available for Benefits at End of Year		193,616,974	180,842,527

NZAS RETIREMENT FUND

Statement of Cash Flows
For the Year Ended 30 June 2026

	Note	**2026**	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		**$**	**$**
Cash provided from			
Member Contributions		4,263,244	4,050,193
Member Tax Credits		80,958	87,724
Employer Contributions		5,614,786	5,528,130
Interest Received		52,955	79,953
Employer Reimbursements Received	15	414,813	171,760
Income Tax Refund Received		515,234	37,883
Other Income		221	877
		10,942,211	9,956,520
Cash applied to			
Benefits Paid		20,359,782	15,527,638
Contributions Refunded		349	473
Catastrophe Insurance		78,810	78,810
Other Expenses		163,364	171,310
Income Tax Payments		930,000	2,128,090
		21,532,305	17,906,321
Net Cash Flows used in Operating Activities	9	(10,590,094)	(7,949,801)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash provided from			
Sale of Investments		17,533,000	82,375,440
Cash applied to			
Purchase of Investments		8,700,000	73,474,739
Net Cash Flows from Investing Activities		8,833,000	8,900,701
Net (Decrease)/Increase in Cash Held		(1,757,094)	950,900
Cash at Beginning of Year		2,421,606	1,470,706
Cash at End of Year		664,512	2,421,606

Notes to the Financial Statements
As at 30 June 2026

1. **Scheme Description**

The NZAS Retirement Fund (the "Fund") is a restricted workplace employer related superannuation scheme registered under the Financial Markets Conduct Act 2013 ("FMC Act") covering employees of Pacific Aluminium (New Zealand) Limited and New Zealand Aluminium Smelters Limited ("Employers"). Under the Trust Deed, contributions are made by Fund members and by the Employers.

The Trustee of the Fund is NZAS Retirement Fund Trustee Limited (the "Trustee").

Registered Office: Mercer (N.Z.) Limited, Level 2, 20 Customhouse Quay, P O Box 2897, Wellington, 6011.

Funding Arrangements

Members are required to contribute to the Fund at a minimum rate of 4% of their base salary[1], unless a member and his or her employers have entered into a "salary sacrifice" arrangement whereby the member's future salary and/or bonus income is reduced in return for the employers agreeing to contribute matching additional amounts to the Fund. In that case, the member may contribute at a lower or nil rate as long as the employers' additional after-tax contributions, plus the member's continuing contributions (if any), together total not less than 4% of the member's base salary. Base salary is calculated for this purpose as if no salary sacrifice has occurred.

Whether or not a member is required or has agreed to contribute to a locked-in account or enters into a salary sacrifice arrangement, each participating company must make standard company contributions in respect of each subsidised member equal to 10% of the member's base salary plus 5% of any lump sum bonus (unless the member has attained New Zealand Superannuation age (currently 65) and elected to cease contributions in which case the employers are required to contribute 4% of the member's base salary).

Members in KiwiSaver when joining the Fund who have completed less than a year's KiwiSaver membership, can delay commencing their Fund contributions until they complete a year's KiwiSaver membership (when they can take a KiwiSaver 'savings suspension'). If a Subsidised Member, during this delay period, the member will receive the before-tax Employer contribution of 10% of Base Salary (and 5% of any bonus) less the before-tax compulsory Employer contributions being paid to their KiwiSaver scheme.

[1] *Base salary is a member's before tax salary excluding bonuses and allowances. It is calculated, where relevant, as if no salary sacrifice has occurred.*

Retirement Benefits

The retirement benefits are determined by contributions to the Fund together with investment earnings on those contributions over the period of membership, less fund expenses.

Termination Terms

The Trust Deed sets out the basis on which the Fund can be terminated.

Changes in the Fund

There were no changes to the Trust Deed during the current reporting period.

During the year, Tom Kelly and Greg Masters were appointed as member-elected trustee directors with effect from 1 November 2025, replacing Allan Meike and Grant Cuff, whose three-year terms ended on 31 October 2025. The Fund's Licensed Independent Trustee (LIT), Bruce Kerr, retired with effect from 30 June 2026.

The Statement of Investment Policy and Objectives ('SIPO') was updated on 16 September 2025 and 27 February 2026 to reflect the following:

- the official name change from Nikko Asset Management New Zealand Limited (Nikko) to Amova Asset Management New Zealand Limited (Amova), effective 1 September 2025;
- an update to assets as at 31 December 2025;
- other minor amendments.

2. **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 FMC Act and other relevant legislative requirements as appropriate for For-profit entities.

The Fund is a Tier 1 entity and, as such, the financial statements comply with New Zealand equivalents to IFRS Accounting Standards ("NZ IFRS"), other applicable Financial Reporting Standards and authoritative notices as appropriate for For-profit entities. These financial statements also comply with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board.

The Fund comprises four main investment choices, Growth, Balanced, Conservative and Cash. The financial statements have been prepared at the Fund level as investment assets are not held in separate funds per investment choice and the liabilities of each individual investment choice are met using unitised investment assets across a variety of investment types.

Measurement Base

The measurement base adopted is that of historical cost modified by the revaluation of certain assets (investments) which are measured at fair values at balance date.

Functional and Presentation Currency

These financial statements are presented in New Zealand dollars, being the currency of the primary economic environment in which the Fund operates.

Classification of Assets and Liabilities

The assets and liabilities are disclosed in the Statement of Net Assets in an order that reflects their relative liquidity. All assets and liabilities can be recovered or settled within 12 months of the reporting date.

Going Concern

Rio Tinto is the ultimate holding company of Pacific Aluminium (New Zealand) Limited which now holds 100.00% of New Zealand Aluminium Smelters Limited ("Company"). The Company is the sole shareholder of the Trustee and a Party to the Fund's Trust Deed. In July 2024, NZAS secured the future of the smelter for another 20 years through a multi-provider power agreement.

These Financial Statements have been prepared on a going concern basis.

3. **Summary of Material Accounting Policy information**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Investment Income

Interest and dividends from managed investments are taken to income on a due and receivable basis.

Net realised and unrealised gains and losses from the revaluation of investments and from the sale of investments during the year are recognised in the Statement of Changes in Net Assets in the period in which they occur.

Other Income and Expenses

Other income and expenses are accounted for on an accruals basis.

3. **Summary of Material Accounting Policy information (Cont'd)**

Taxation

Income tax credit/expense in the Statement of Changes in Net Assets comprises of current and deferred tax. The tax currently payable/receivable is based on taxable income and loss for the year. Taxable income and loss differs from the Change in Net Assets before tax and membership activities as reported in the Statement of Changes in Net Assets because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Fund's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used for taxation purposes. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised using tax rates enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the Statement of Changes in Net Assets.

The Fund invests in a number of funds which are Portfolio Investment Entities ('PIEs'). For these investments, the Fund can elect to apply a Prescribed Investor Rate ('PIR') of either 0% or 28% (2025: 0% or 28%). Gains and losses on investments with a PIR of 0% are taxable directly within the Fund and those with a PIR of 28% are taxable within the investment.

All tax expenses/credits relating to PIE tax have been shown in the Statement of Changes in Net Assets within Income Tax Expense/Credit, with "Gains/losses on Financial Assets Through Profit and Loss" presented gross of tax deducted/credited.

Investments have been shown net of tax payable on the Statement of Net Assets.

Financial instruments

Classification

The Fund classifies its investments as financial assets at fair value through profit or loss. These financial assets are designated by the Fund at fair value through profit or loss at inception.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Trustee to evaluate the information about these financial assets on a fair value basis together with other related financial information. The Trustee has determined that all financial assets of the Fund are designated at fair value through profit and loss with the exception of cash, cash equivalents, and receivables and payables which are measured at amortised cost.

Recognition/derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and are initially recognised at fair value of the financial assets or financial liabilities from this date. Investments are derecognised when the right to receive cash flows from the investments has expired or the Fund has transferred substantially all risks and rewards of ownership. All realised gains and losses on financial assets and financial liabilities at fair value through profit or loss are recognised in the Statement of Changes in Net Assets.

Measurement

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Changes in Net Assets.

3. **Summary of Material Accounting Policy information (Cont'd)**

Fair Value Estimation
The Fair Value of unitised funds is determined using the exit price as calculated by the fund manager at balance date.

Other Receivables
Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. These amounts are initially recognised at fair value, and subsequently measured at amortised cost.

Other Payables
Other payables are not interest bearing and are stated at their amortised cost.

Goods and Services Tax (GST)
The Fund is not registered for GST and consequently all components of the financial statements are stated inclusive of GST where appropriate.

Statement of Cash Flows
The following are definitions of the terms used in the Statement of Cash Flows:

- *Cash* : comprises cash balances held with banks in New Zealand and overseas, with maturity at three months or less.
- *Operating activities* : include all transactions and other events that are not investing activities.
- *Investing activities* : comprise acquisition and disposal of investments. Investments include securities not falling within the definition of cash.

Promised Retirement Benefits
Promised Retirement Benefits are the benefits which the Fund is presently obliged to transfer in the future to members and participants as a result of membership of the Fund up to the date at which the actuarial valuation of promised benefits is determined.

Contributions and Benefits
Contributions and benefits are accounted for on an accruals basis.
Benefits are recognised in the Statement of Changes in Net Assets when they become payable resulting in a financial liability.

Critical Judgement and Accounting Estimates
The Trustee applies judgement in selecting the accounting policy to designate financial assets through profit or loss at inception. Therefore there are no material assumptions or major sources of estimation uncertainty that have a significant risk of making material adjustments to the carrying amounts of assets and liabilities at year end. However as with all investments their value is subject to variation due to market fluctuations. For the purposes of the fair value hierarchy of financial assets at fair value through profit or loss, the Trustee applies judgement as to what constitutes quoted in an active market. For further details please refer to Note 12 (Financial Instruments).

New and Amended Standards and Interpretations
In May 2024, the 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 NZ IAS 1 *Presentation of Financial Statements* (NZ IAS 1) and primarily introduces a defined structure for the statement of comprehensive income, 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 Fund’s financial statements to the extent that it is not superseded by NZ IAS 26 *Accounting and Reporting by Retirement Benefit Plans* . The Fund has not early adopted NZ IFRS 18 and is yet to assess its impact.

No new or amended standards or interpretations effective for annual reporting periods beginning on 1 July 2025 had a material effect on the Fund’s financial statements

NZAS RETIREMENT FUND

Notes to the Financial Statements
As at 30 June 2026

4. **Liability for Promised Benefits**

Changes in promised benefits as at 30 June 2026:

	Member Accounts 2026 $	Company Accounts 2026 $	Transfer Accounts 2026 $	Retirement Accounts 2026 $	Locked In Accounts 2026 $	Insurance Account 2026 $	Reserve Account 2026 $	Total 2026 $
Balance 30 June 2025	35,093,738	80,549,999	8,279,071	34,918,380	18,301,706	2,885,846	813,787	180,842,527
								-
Contributions received	3,368,423	5,033,482	-	165,595	1,555,931	(19,482)	(146,113)	9,957,836
Benefits transferred to retirement accounts	(1,862,653)	(6,012,367)	(1,695,566)	9,570,586	-	-	-	-
Benefits paid	(2,221,935)	(5,055,298)	(852,111)	(2,487,569)	(1,683,699)	(426,113)	(229,604)	(12,956,329)
Partial withdrawals	(1,453,528)	(2,332,285)	(2,553)	(3,190,065)	(228,036)	-	-	(7,206,467)
Net revenue	-	-	-	-	-	(78,594)	24,573,734	24,495,140
Income Tax (Expense)/Benefit	-	-	-	-	-	-	(1,515,733)	(1,515,733)
Insurance Distribution	-	1,280,525	-	70,500	-	(1,351,025)	-	-
Insurance and administration deductions	-	(449,935)	-	-	-	449,935	-	-
Interest credited	4,543,441	10,333,376	829,700	4,116,207	2,535,985	266,084	(22,624,793)	-
Balance 30 June 2026	37,467,486	83,347,497	6,558,541	43,163,634	20,481,887	1,726,651	871,278	193,616,974

Guaranteed Benefits
No guarantees have been made in respect of any part of the liability for promised benefits. (2025: Nil).

Notes to the Financial Statements
As at 30 June 2026

4. **Liability for Promised Benefits (Cont'd)**

Changes in promised benefits as at 30 June 2025:

	Member Accounts 2025 $	Company Accounts 2025 $	Transfer Accounts 2025 $	Retirement Accounts 2025 $	Locked In Accounts 2025 $	Insurance Account 2025 $	Reserve Account 2025 $	Total 2025 $
Balance 30 June 2024	33,048,569	78,819,427	8,538,357	31,608,302	16,415,744	2,483,249	766,390	171,680,038
								-
Contributions received	3,163,110	5,084,084	-	-	1,418,504	-	-	9,665,698
Benefits transferred to retirement accounts	(1,036,427)	(3,721,606)	(612,602)	5,370,635	-	-	-	-
Benefits paid	(1,188,126)	(1,159,032)	308,594	(2,446,161)	(784,591)	(196,850)	(255,998)	(5,722,164)
Partial withdrawals	(1,845,051)	(4,985,209)	(663,858)	(2,146,759)	(291,670)	-	-	(9,932,547)
Net revenue	-	-	-	-	-	(81,422)	15,871,865	15,790,443
Income Tax (Expense)/Benefit	-	-	-	-	-	-	(638,941)	(638,941)
Insurance and administration deductions	-	(440,869)	-	(75)	71	440,873	-	-
Interest credited	2,951,663	6,953,204	708,580	2,532,438	1,543,648	239,996	(14,929,529)	-
Balance 30 June 2025	35,093,738	80,549,999	8,279,071	34,918,380	18,301,706	2,885,846	813,787	180,842,527

5. **Liability for Promised Benefits**

Vested Benefits are benefits payable to members or beneficiaries under the conditions of the Trust Deed, on the basis of all members ceasing to be members of the Fund at balance date.

	2026	2025
	$	$
	191,019,045	177,142,894

6. **Investments**

Investments by Sector	2026 $	2025 $
Cash and Cash Equivalents	32,253,055	33,526,885
New Zealand Fixed Interest	11,228,449	11,323,419
International Fixed Interest	18,280,094	17,926,168
Australasian Equities	24,230,050	20,968,142
International Equities	79,603,785	70,358,701
International Listed Infrastructure	17,308,898	16,004,015
International Listed Property	10,532,183	9,456,271
	193,436,514	179,563,601

Investments by Manager	2026 $	2025 $
Harbour Asset Management Limited	11,793,955	10,445,772
Harbour Asset Management Limited - Hunter Investment Funds	10,908,283	10,744,649
Mercer (NZ) Limited - Mercer Macquarie Funds	43,481,504	44,850,303
Mercer (NZ) Limited - Mercer Investment Trusts New Zealand	107,444,866	95,818,988
Amova Asset Management (New Zealand) Limited	12,436,095	10,522,370
Salt Funds Management	7,371,811	7,181,519
	193,436,514	179,563,601

Investments that amounted to more than 5% of the net assets are as follows:	2026 $	2025 $
Harbour Australasian Equity Fund	11,793,955	10,445,772
Hunter Global Fixed Interest Fund	10,908,283	10,744,649
Mercer Macquarie NZ Cash Fund	32,253,055	33,526,885
Mercer Macquarie NZ Fixed Interest Fund	11,228,449	11,323,419
Mercer Hedged Overseas Shares Portfolio	38,775,745	35,138,275
Mercer Overseas Shares Portfolio	40,828,040	35,220,425
Mercer Listed Infrastructure Portfolio	17,308,898	16,004,015
Mercer Listed Property Portfolio	10,532,183	9,456,271
Amova Wholesale Core Equity Fund	12,436,095	10,522,370

Notes to the Financial Statements
As at 30 June 2026

7. Gains/(Losses) on Investments

	2026	2025
	$	$
Cash and Cash Equivalents	(18,928)	472,952
New Zealand Fixed Interest	238,544	476,618
International Fixed Interest	(260,164)	271,628
Australasian Equities	294,139	958,985
International Equities	18,329,146	10,789,235
International Listed Infrastructure	2,535,778	1,342,056
International Listed Property	1,515,118	673,293
Forward Foreign Exchange Contracts	-	(893,969)
Total Gains/(Losses) on Investments	22,633,633	14,090,798

8. Income Tax

	2026	2025
	$	$
Current Tax	(1,648,064)	(828,596)
Deferred Tax	132,333	189,691
Prior period adjustment	(2)	(36)
Income Tax Expense	(1,515,733)	(638,941)

The total charge for the year can be reconciled to the Change in Net Assets as follows:

	2026	2025
Change in Net Assets before Tax and Membership Activities	24,495,140	15,790,443
Prima Facie Income Tax @ 28%	(6,858,639)	(4,421,324)
Tax effect of:		
Non Assessable Income & Expenditure	6,817,116	4,422,593
Non Deductible Group Life Premiums	(22,006)	(22,798)
PIE Income	(1,551,013)	(682,805)
Non Assessable Employer Reimbursement	98,811	65,429
Prior period adjustment	(2)	(36)
Income Tax Expense	(1,515,733)	(638,941)

Income Tax Payable

	2026	2025
Opening Balance	(414,768)	(1,593,237)
Current Year Movement	414,768	1,178,469
Closing Balance	-	(414,768)

Deferred Tax

	2026	2025
Opening Balance	(121,771)	(311,462)
Current Year Movement	132,333	189,691
Closing Balance	10,562	(121,771)

9. **Reconciliation of Net Cash Flows applied to Operating Activities to Increase in Net Assets**

	2026 $	2025 $
Increase in Net Assets	12,774,447	9,162,489
Non-cash Items		
Gains on Investments	(22,633,633)	(14,090,798)
Distributions Reinvested	(2,508,772)	(2,460,979)
Fee Rebates	(617,079)	(469,118)
PIE Tax	1,648,064	(84,261)
Investment Managers Fees	1,405,507	1,299,256
Movements in Other Working Capital Items		
Decrease/(Increase) in Sundry Debtors	7,136	(6,481)
(Increase)/Decrease in Prepayments	(216)	2,612
Decrease/(Increase) in Employer Reimbursements Receivable	61,916	(61,916)
(Decrease) in Income Tax Payable	(414,768)	(1,178,469)
(Decrease) in Deferred Tax Liability	(121,771)	(189,691)
(Increase) in Deferred Tax Asset	(10,562)	-
(Decrease)/Increase in Benefits Payable	(196,986)	127,073
(Decrease) in Contributions Refundable	(349)	(124)
Increase in Unallocated Contributions	1,151	-
Increase in Sundry Creditors	15,821	606
Net Cash Flows used in Operating Activities	(10,590,094)	(7,949,801)

10. **Use of the Reserve Account**

Trust Deed Provisions

The Reserve Account may be used by the Trustee, where applicable at the direction or with the consent of New Zealand Aluminium Smelters Limited ("The Company"), for the following:

- Payment of company contributions;
- Providing benefits equitable to all members;
- Increasing members accounts equitably to all members;
- Payment of all or any investment-related expenses of the Fund; and
- Transfer of monies to the Insurance Account.

11. **Use of the Insurance Account**

Trust Deed Provisions

The Trustee maintains an Insurance Account to which the following can be credited or applied:

- All amounts paid to the Trustee by an Insurer in respect of the Insured Benefits under the Fund;
- Earnings at the Allocated Rate of Earnings and transfer from the Reserve Account;
- All insurance charges debited from the Member's Company Accounts;
- Paying Insured Benefits in respect of Members;
- Paying insurance premiums to an Insurer; and
- Transfer of monies to and from the Reserve Account.

At three year intervals and at such other times as requested by New Zealand Aluminium Smelters Limited ("The Company") or the Trustee, the Actuary shall investigate and report on the financial position of the Insurance Account. After obtaining such advice, the Trustee may do any or all of the following:

- Arrange an Insurance Policy to cover all or any part of the Insured Benefits for members to meet the Trustee's obligation; and
- Transfer any amount between the Insurance and Reserve Accounts

The latest such formal actuarial examination was carried out as at 30 June 2025. The key findings were that:

- the insurance charges credited to the insurance account over the 20-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);

11. **Use of the Insurance Account (Cont'd)**

- based on the analysis of premiums charged and claims paid, it was recommended that current premium rates be maintained;
- there was scope to consider a special allocation to member accounts from the insurance account (in which the balance of $2.9M was materially greater than the $1.5M considered appropriate to cover claims, insurance charges shortfalls, catastrophe insurance costs, and investment fluctuations); 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, the Trustee decided to distribute $1.361M from the insurance account to all persons who:

- had insurance cover (and paid premiums) at any time during the period 1 July 2020 to 30 June 2025; and
- were still active or deferred members on 19 March 2026;

in proportion to the total premiums deducted from their accounts during that period.

Note 4 details the movement in the Insurance Account for the year.

The next three-yearly actuarial review of the insurance account is due to be carried out as at 30 June 2028 and the results reflected in the 2029 financials.

12. **Financial Instruments**

The Fund is involved with a number of financial instruments in the course of its normal investing activities. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the accounting policies.

The Trustee has approved a Statement of Investment Policy and Objectives (SIPO) which establishes investment portfolio objectives and target asset allocations. Performance against these targets is reviewed at least quarterly by the Trustee and asset reallocations undertaken as required.

Categories of Financial Instruments

	Financial Assets at Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	2026	**2026**	**2026**	**2026**
ASSETS	**$**	**$**	**$**	**$**
Short Term Deposits and Cash	32,253,055	664,512	-	32,917,567
Investments	161,183,459	-	-	161,183,459
Sundry Debtors	-	222	-	222
Total Financial Assets	193,436,514	664,734	-	194,101,248
LIABILITIES				
Benefits Payable	-	-	499,527	499,527
Unallocated Contributions	-	-	1,151	1,151
Sundry Creditors	-	-	30,432	30,432
Total Financial Liabilities	-	-	531,110	531,110

	Financial Assets at Fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	2025	**2025**	**2025**	**2025**
ASSETS	**$**	**$**	**$**	**$**
Short Term Deposits and Cash	33,526,885	2,421,606	-	35,948,491
Investments	146,036,716	-	-	146,036,716
Employer Reimbursements Receivable	-	61,916	-	61,916
Sundry Debtors	-	7,358	-	7,358
Total Financial Assets	179,563,601	2,490,880	-	182,054,481
LIABILITIES				
Benefits Payable	-	-	696,513	696,513
Contributions Refundable	-	-	349	349
Sundry Creditors	-	-	14,611	14,611
Total Financial Liabilities	-	-	711,473	711,473

12. Financial Instruments (Cont'd)

Hierarchy of Fair Value Measurements

The Fund classifies 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:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: 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 (that is, derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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 level 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. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes `quoted in an active market' requires significant judgement by the Fund. The Fund considers investments to be classified as level 2 investments.

30 June 2026

Description	Level 1 $	Level 2 $	Level 3 $	Total $
Investments	-	193,436,514	-	193,436,514
Total	-	193,436,514	-	193,436,514

30 June 2025

Description	Level 1 $	Level 2 $	Level 3 $	Total $
Investments	-	179,563,601	-	179,563,601
Total	-	179,563,601	-	179,563,601

There were no transfers between the levels in the period (2025: None)

Liquidity Risk

Liquidity risk is the risk the Fund will encounter difficulty in raising funds to meet its obligations. However, to control liquidity risk, the Fund invests predominantly in financial instruments, which are readily redeemable. In addition, the Fund invests within established limits to ensure there is no concentration of risk. There are no significant financial liabilities.

Credit Risk

Credit Risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss.

Financial instruments which potentially expose the Fund to credit risk consist of cash, fixed interest securities and receivables and, indirectly, investments in unitised products. The maximum exposure to credit risk is the carrying value of these financial instruments.

The significant counterparties of the Fund are its investment managers, Harbour Asset Management Limited; Mercer (N.Z.) Limited; Amova Asset Management (NZ) Limited; Salt Funds Management and their nominee companies, which the Trustee considers to be financial institutions of high quality.

12. **Financial Instruments (Cont'd)**

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Fund is directly exposed to foreign exchange risk and indirectly exposed to interest rate risk. The Fund is directly exposed to other price risk through its investment in unitised products. The underlying securities comprise cash, domestic and international equity instruments, Infrastructure, New Zealand commercial property and domestic and international fixed interest securities.

Due to the unitised nature of some of the Fund's investments, it is not practical to seperately determine the sensitivity of the unit price to changes in foreign exchange rates, interest rates or other market factors. These investments are managed by the appointed fund managers in accordance with their respective investment mandates. Although the Fund does not directly control the management of the underlying risks, the Trustee seeks to mitigate the impact of market movements through diversification across asset classes, investment sectors and geographic markets.

(i) Currency Risk

Currency Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk in that future currency movements will affect the valuation of foreign currency denominated investments. These movements will also indirectly affect the valuation of investments in unitised products, which invest in foreign currency denominated investments. Risk management activities are undertaken by the investment managers to operate within the guidelines provided by the Trustee.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund is directly exposed to interest rate risk through cash at bank. The Fund is indirectly exposed to interest rate risk in that future interest rate movements will affect cash flows and, the valuation of investments in unitised products which invest in cash and fixed interest investments.

	2026	**2025**
	$	**$**
Short Term Deposits - Mercer Macquarie Funds	32,253,055	33,526,885
Fixed Interest Onshore - Mercer Macquarie Funds	11,228,449	11,323,419
Fixed Interest Offshore - Salt Funds Management	7,371,811	7,181,519
Fixed Interest Offshore - Hunter Investment Funds	10,908,283	10,744,649

Interest rate risk management activities are undertaken by the investment manager in accordance with the investment mandate set by the Trustee.

(iii) Other Price Risk

Other price risk represents the risk that the value of the Fund's investment portfolio will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk). The fair value of the Fund's investments will increase/decrease due to a change in the unit prices of the Fund's unitised products. The Fund is indirectly exposed to other price risks through its investment in the unitised products.

Capital Management

Net assets available to pay benefits are considered to be the Fund's capital for the purposes of capital management. The Fund does not have to comply with externally imposed capital requirements.

The Fund's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its members and maximise the Fund's members' value.

13. **Commitments and Contingent Liabilities**

There were no commitments or contingent liabilities outstanding as at 30 June 2026 (2025: Nil).

14. Sensitivity Analysis

A ten percent decrease in the value of the Funds investments in unitised products would have a negative impact on the value of the Fund's assets of $19,343,651 (2025: $17,956,360). Conversely a ten percent increase in the value of the Funds investment in unitised products would have a positive impact on the value of the Fund's assets of $19,343,651 (2025: $17,956,360).

15. Related Parties

The Fund holds no direct investments in any of the employer companies or any of their related parties. During the period, payments were made to the Trustee of the Fund totalling $122,700 (2025: $107,278). The Fund had employer contributions of $5,614,059 (2025: $5,527,781).

During the period the employers reimbursed (or were in the process of reimbursing) the Fund of $352,897 (2025: $233,676) related to death and disablement claims paid to members.

Mercer (N.Z.) Limited, as administrator of the Fund, is regarded as a related party in terms of the Financial Markets Conduct Act. Mercer provides the Fund with a range of services including administration, actuarial, secretarial and investment consulting amounting to $683,376 (2025: $622,381). Other than the investment consulting fees of $178,962 (2025: $171,693) absorbed by the Fund, the remaining amounts for the range of services are paid by the employers. Insurance premiums are paid by members and Catastrophe Insurance premiums are paid from the Fund.

The management fee paid (net of rebates) to Mercer for the Fund's investments in MITNZ and Mercer Macquarie was $586,914 (2025: $576,840). The Fund's Trustee has certified pursuant to sections 173 and 174 of the FMCA that all fees paid to Mercer in respect of these services have been set on arm's-length commercial terms.

The Trustee is a related party to the Fund. Five of the eight Directors of the Trustee during the current reporting period were also members of the Fund. Contributions made by five of these Directors to the Fund are consistent with the terms of the Fund's Trust Deed and their terms of employment which require all permanent employees to be members of the Fund.

16. Fees incurred for services provided by the audit firm

During the reporting period, the Employers paid for the following professional services:

	2026	2025
	$	$
Audit Services - KPMG		
Statutory audit of the financial statements	42,214	37,402
Total fees for audit firms' services	**42,214**	**37,402**

17. Events After Balance Date

Subsequent to year end, Mercer (N.Z.) Limited (Mercer) announced that it will outsource administration services in New Zealand from 1 October 2026 and has entered into an agreement with Apex Group New Zealand Limited (Apex). This change does not affect the Fund’s contractual arrangements with Mercer, which will remain the Fund’s principal contracting party. Under a subcontracting arrangement between Mercer and Apex, Apex will assume responsibility for the Fund’s day-to-day administration.

Bruce Kerr resigned as a Director and the Fund’s Licensed Independent Trustee (LIT) on 30 June 2026. Tim McGuiness was appointed for an interim period as the Fund’s LIT from 1 July 2026 until the new LIT, Rochelle Price, was appointed with effect from 1 August 2026.

During August 2026, the underlying investment portfolios of the Mercer Macquarie NZ Cash Fund and Mercer Macquarie NZ Fixed Interest Fund were replaced with equivalent investments in the Mercer Investment Trusts New Zealand (MITNZ). The two investment funds were also renamed to remove the “Macquarie” reference, and the Product Disclosure Statement was updated accordingly.

There were no other significant events that have occurred since the balance date that require adjustment or disclosure in the financial statements.