THE RETIRE FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

THE RETIRE FUND

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FOR THE YEAR ENDED 31 MARCH 2026

THE RETIRE FUND

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	FOR THE YEAR ENDED 31 MARCH 2026			FOR THE YEAR ENDED 31 MARCH 2025		
		Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
		$	$	$	$	$	$
INCOME							
Investment income							
Net gains on investments at fair value through profit or loss	4	1,285,420	41,737	**1,327,157**	1,258,251	78,748	**1,336,999**
Net losses on forestry and land assets	5	(8,768)	-	**(8,768)**	(4,240)	-	**(4,240)**
Gains on disposal of carbon credits held as intangible assets	5	-	-	-	338,784	-	**338,784**
TOTAL INCOME		**1,276,652**	**41,737**	**1,318,389**	1,592,795	78,748	**1,671,543**
EXPENSES							
Investment expenses	11d	71,050	3,165	**74,215**	66,703	3,382	**70,085**
Administration expenses	11d	147,362	10,378	**157,740**	158,327	13,103	**171,430**
Legal expenses		6,481	2,935	**9,416**	-	1,155	**1,155**
Audit fees	3	-	-	-	-	-	-
Statutory fees		3,680	266	**3,946**	3,086	265	**3,351**
Other expenses		4,477	1,145	**5,622**	3,626	970	**4,596**
TOTAL EXPENSES		**233,050**	**17,889**	**250,939**	231,742	18,875	**250,617**
NET PROFIT BEFORE TAX		**1,043,602**	**23,848**	**1,067,450**	1,361,053	59,873	**1,420,926**
Tax expense		-	-	-	-	-	-
PROFIT BEFORE MEMBERSHIP ACTIVITIES		**1,043,602**	**23,848**	**1,067,450**	1,361,053	59,873	**1,420,926**

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THE RETIRE FUND

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS *(CONTINUED)*
FOR THE YEAR ENDED 31 MARCH 2026

		FOR THE YEAR ENDED 31 MARCH 2026			FOR THE YEAR ENDED 31 MARCH 2025		
		Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
	Notes	$	$	$	$	$	$
NET ASSETS AVAILABLE AT THE BEGINNING OF THE YEAR		**17,400,528**	**1,286,676**	**18,687,204**	17,821,885	1,598,199	**19,420,084**
Comprising:							
Net assets attributable to Members		17,376,078	1,286,385	**18,662,463**	17,796,394	1,597,600	**19,393,994**
Net assets attributable to General Reserve	7a	392	291	**683**	2,932	599	**3,531**
Net assets attributable to Employer Reserve	7b	24,058	-	**24,058**	22,559	-	**22,559**
MOVEMENTS DURING THE YEAR							
Contributions							
Members		269,086	6,360	**275,446**	326,473	7,374	**333,847**
Employers		53,631	2,424	**56,055**	50,311	2,115	**52,426**
Withdrawals							
Retirement		(1,296,187)	(80,389)	**(1,376,576)**	(862,053)	(177,858)	**(1,039,911)**
Withdrawal		(685,875)	(32,700)	**(718,575)**	(370,568)	(47,150)	**(417,718)**
Death		(341,271)	-	**(341,271)**	(778,491)	(143,498)	**(921,989)**
Members PIE tax		(60,109)	(5,029)	**(65,138)**	(148,082)	(12,379)	**(160,461)**
Transfers between investment pools		41,539	(41,539)	**-**	-	-	**-**
Surplus before Membership activities		1,043,602	23,848	**1,067,450**	1,361,053	59,873	**1,420,926**
NET ASSETS AVAILABLE FOR BENEFITS AT THE END OF THE YEAR		**16,424,944**	**1,159,651**	**17,584,595**	17,400,528	1,286,676	**18,687,204**
Comprising:							
Net assets attributable to Members		16,398,002	1,159,722	**17,557,724**	17,376,078	1,286,385	**18,662,463**
Net assets attributable to General Reserve	7a	1,498	(71)	**1,427**	392	291	**683**
Net assets attributable to Employer Reserve	7b	25,444	-	**25,444**	24,058	-	**24,058**
		16,424,944	**1,159,651**	**17,584,595**	17,400,528	1,286,676	**18,687,204**

THE RETIRE FUND

STATEMENT OF NET ASSETS
AS AT 31 MARCH 2026

		AS AT 31 MARCH 2026			AS AT 31 MARCH 2025		
	Notes	Balanced $	Conservative $	TOTAL FUND $	Balanced $	Conservative $	TOTAL FUND $
ASSETS							
Investment in the Investment Trust	6	15,782,749	1,160,442	**16,943,191**	17,145,940	1,303,508	**18,449,448**
Investment in the Forestry Investment Trust	6	601,642	-	**601,642**	-	-	**-**
Investment in forestry and land assets	6	-	-	**-**	436,538	-	**436,538**
PIE tax receivable		40,553	-	**40,553**	-	-	**-**
TOTAL ASSETS		**16,424,944**	**1,160,442**	**17,585,386**	17,582,478	1,303,508	**18,885,986**
LIABILITIES							
PIE tax payable		-	791	**791**	181,950	16,832	**198,782**
TOTAL LIABILITIES		-	**791**	**791**	181,950	16,832	**198,782**
AMOUNTS AVAILABLE FOR BENEFITS		**16,424,944**	**1,159,651**	**17,584,595**	17,400,528	1,286,676	**18,687,204**
Represented by:							
Member's net assets		16,398,002	1,159,722	**17,557,724**	17,376,078	1,286,385	**18,662,463**
General Reserve net assets	7a	1,498	(71)	**1,427**	392	291	**683**
Employer Reserve net assets	7b	25,444	-	**25,444**	24,058	-	**24,058**
NET ASSETS AVAILABLE FOR BENEFITS		**16,424,944**	**1,159,651**	**17,584,595**	17,400,528	1,286,676	**18,687,204**

For and on behalf of The New Zealand Anglican Church Pension Board who authorised the issue of these financial statements as at the date below:

Authorised Signatory
25 June 2026

Authorised Signatory

THE RETIRE FUND

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

		FOR THE YEAR ENDED 31 MARCH 2026			FOR THE YEAR ENDED 31 MARCH 2025		
	Notes	Balanced $	Conservative $	TOTAL FUND $	Balanced $	Conservative $	TOTAL FUND $
CASH FLOWS FROM OPERATING ACTIVITIES							
Expenses paid		(162,002)	(14,724)	**(176,726)**	(165,041)	(15,493)	**(180,534)**
PIE tax (paid)/received		(282,612)	(21,070)	**(303,682)**	7,285	-	**7,285**
Purchase of investments		(1,057,491)	(8,784)	**(1,066,275)**	(376,784)	(9,489)	**(386,273)**
Sale of investments		3,461,180	190,422	**3,651,602**	2,168,866	383,999	**2,552,865**
NET CASH INFLOW FROM OPERATING ACTIVITIES	10	**1,959,075**	**145,844**	**2,104,919**	1,634,326	359,017	**1,993,343**
CASH FLOWS FROM FINANCING ACTIVITIES							
Contributions		322,717	8,784	**331,501**	376,784	9,489	**386,273**
Benefits paid		(2,323,331)	(113,089)	**(2,436,420)**	(2,011,110)	(368,506)	**(2,379,616)**
Transfers between investment pools		41,539	(41,539)	-	-	-	-
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		**(1,959,075)**	**(145,844)**	**(2,104,919)**	(1,634,326)	(359,017)	**(1,993,343)**
Net increase in cash and cash equivalents		-	-	-	-	-	-
Cash and cash equivalents at the beginning of the year		-	-	-	-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		-	-	-	-	-	-

1 GENERAL INFORMATION

These financial statements are for The Retire Fund (the "Fund") for the year ended 31 March 2026 (the "reporting date").

The Fund is established and domiciled in New Zealand. The purpose of the Fund is to provide retirement superannuation to clergy, employees and other workers of the Anglican Church and other religious organisations. The Fund is a defined contribution superannuation scheme and a profit oriented reporting entity under the External Reporting Board Standard A1.

The Fund was established under a Trust Deed dated 11 June 1991, and is governed by a Trust Deed dated 30 June 2022.

The Manager of the Fund is the New Zealand Anglican Church Pension Board (the "Manager" or "NZACPB") and the Trustee is The New Zealand Anglican Church Pension Board ("Trustee"). Michelle Forster is the Licenced Independent Trustee. The Manager is the Custodian of the Fund.

The Fund was registered under the Financial Markets Conduct Act 2013 (the "FMC") as a restricted workplace savings scheme and a restricted legacy scheme on 31 August 2016.

These financial statements were adopted by the Manager on 25 June 2026.

The Fund is comprised of various underlying Investment Pools (the "Pools"). Notwithstanding the division of the Fund into Pools, the Fund comprises a single trust fund with the value of the Members' interests in the Fund determined by reference to values held in the underlying Pools.

The Pools as at 31 March 2026 (and 31 March 2025) were as follows:

Balanced Conservative

(a) Funding policy

The Fund had 13 (2025: 13) Participating Employers who subsidise their Members in accordance with the Schedule of the Trust Deed relating to that Participating Employer. These represented 33 (2025: 37) Members. In addition there were 16 (2025: 16) non-subsidised Members of associated organisations and 128 (2025: 137) retired Members.

Contributions

Participating Employers and employee Members contribute to the Fund based on agreed contribution rates. The minimum contribution for a non-employee (private) Member either by lump sum or regular payments is $600 per annum.

Investments

To fund retirement benefits a Member can choose between investing in the Balanced and/or the Conservative Pool of the Fund.

Retirement benefits

The retirement benefits are determined by contributions to the Fund together with investment earnings on these contributions over the period of membership.

Winding Up

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

1 GENERAL INFORMATION *(continued)*

(b) Investment Policies

The objective of the Conservative Pool is to provide investors with returns predominantly from income distributions with a low expectancy of capital loss. It does this by investing through the Investment Trust in income assets (cash and short term deposits, fixed interest and mortgages).

The objective of the Balanced Pool is to provide investors with long term capital growth with a medium degree of risk. It does this by investing through the Investment Trust in a diversified range of growth assets (shares and alternative assets) and income assets (cash and short term deposits, fixed interest and mortgages) as well as investing in forestry assets directly held by the NZACPB on behalf of the Fund and other parties, and through the Forestry Investment Trust.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Basis of preparation

The financial statements of the Fund have been prepared in accordance with the Trust Deed governing the Fund, the FMC and generally accepted accounting practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), International Financial Reporting Standards ("IFRS"), and other applicable financial reporting standards as appropriate for profit oriented entities. The Fund is deemed to be a publicly accountable Tier 1 entity for the purposes of the External Reporting Board Standard A1 "Application of the Accounting Standards Framework".

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial assets and net assets attributable to Members.

(b) Going concern

The Trustee is not aware of any material uncertainties that may cast significant doubt on the Fund's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

(c) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for investments in financial assets, land and forests, which have been measured at fair value. All figures presented have been rounded to the nearest dollar.

(d) Income

Income is recognised to the extent that it is probable that economic benefits will flow to the Fund and the income can be readily measured.

Net realised and unrealised gains or losses on investments at fair value through profit or loss

Gains or losses on financial assets at fair value through profit or loss are calculated as the difference between the fair value at sale, or at reporting date, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses, but does not include interest or dividend income.

Net realised and unrealised gains or losses on forestry and land assets

Gains or losses on forestry and land assets when held directly by the NZACPB on behalf of the Fund and other parties, are calculated as the difference between the fair value at sale, or at reporting date, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

(e) Investments

Investments at fair value through profit or loss

Investment Trust

The Fund holds interests in sectors of the New Zealand Anglican Church Pension Board Investment Trust (the "Investment Trust"). The Trustee of the Investment Trust is the NZACPB. The Investment Trust is a registered Portfolio Investment Entity ("PIE"). The Investment Trust holds investments in the following sectors - cash and short term deposits, fixed interest, mortgages, shares and private equity on behalf of the Fund and other parties some of which are listed in Note 11, Related Parties. The interests in each sector held by each of the Pools is based on their tactical asset allocation ("TAA") which is set by the NZACPB's Investment Committee, taking into account ranges and limits defined in the Statement of Investment Policy and Objectives ("SIPO"). All interests are stated by reference to the dollar values held. The daily weighted average holding of each sector by each Pool is used to calculate the Pool's share of each sector's income, expenses, gains and losses which are distributed monthly.

Forestry Investment Trust

All interests in forestry and land assets at 31 March 2026 are stated by reference to the dollar values held by the Fund in the FIT which take into account ranges and limits defined in the Fund's SIPO. Just as for when the forestry and land assets were held directly by the NZACPB on behalf of the Fund and other parties, the daily weighted average holding of the FIT by the Fund is used to calculate the Fund's share of income, expenses, gains and losses which are distributed monthly.

Investors in the FIT hold an interest in the total net assets of the FIT which comprises land, buildings thereon, forestry, and New Zealand carbon credits. Forest establishment and maintenance expenses are capitalised, and changes in fair value are recognised in profit and loss.

Investments in forestry and land assets

Until 31 March 2026, the Fund had interests in forestry and land assets held directly by the NZACPB on behalf of the Fund and other parties. These assets were sold to the FIT on 31 March 2026 at the independently determined fair values for 31 March 2026.

Prior to being sold to the FIT, the value of forestry and land assets held by the Fund took into account ranges and limits defined in the SIPO. The daily weighted average holding of forestry assets by the Fund was used to calculate the Fund's share of income, expenses, gains and losses which were distributed monthly.

(f) Forestry

Prior to 31 March 2026, when forestry assets were held directly by the NZACPB on behalf of the Fund and other parties, forestry was recognised at fair value less estimated point of sale costs. Forest establishment and maintenance expenses were capitalised, and changes in fair value recognised in profit and loss.

(g) Land

Prior to 31 March 2026 when forestry land was held directly by the NZACPB on behlaf of the Fund and other parties, land was classified as an investment property and was recognised initially at cost and subsequently at fair value with changes in fair value recognised in profit and loss.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(continued)*

(h) Cash and cash equivalents

The Fund has no cash or bank accounts in its own name.

(i) Other financial liabilities at amortised cost

Other financial liabilities includes payables owing by the Fund which are unpaid at the reporting date. Purchases of financial assets are recorded on trade date, and normally settled within three business days. Purchases of financial assets that are unsettled at reporting date are included in payables. All financial liabilities are included in this category unless they are measured at fair value through the profit or loss.

(j) Taxation

Portfolio Investment Entity ("PIE") Tax

The Fund qualifies as, and has elected to be, a PIE under the Income Tax Act 2007. The Fund has further elected to be a provisional tax payer under the PIE rules.

Under the PIE regime income is effectively taxed in the hands of the Members. Any provisional tax paid is available as a credit against the entity's portfolio entity tax liability calculated at the end of the year.

The Fund, as a PIE, pays no income tax on the taxable income of the Fund and all taxable income and tax credits are attributable to Members in proportion to their holdings when taxable income and credits arise.

The Fund deducts tax from each Member's allocation using each Member's Notified Prescribed Investor Rate, or if a rate has not been notified, at the default Prescribed Investor Rate ("PIR") of 28%. The Fund then pays the tax to Inland Revenue on behalf of each Member.

PIE tax liabilities are due for payment on the last day of the month following the end of each tax year or following the withdrawal of Member's interests in the Fund.

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.

(k) Currency

Functional and presentation currency

The Fund's Members are primarily located within New Zealand, with all transactions with Members and the Fund denominated in New Zealand Dollars ("NZD"). The financial statements of the Fund are measured and reported to Members in NZD. The NZD is considered as the currency that most faithfully represents the activities of the Fund. The financial statements are presented in NZD which is the Fund's functional and presentation currency.

2 SUMMARY OF SIGNIFICANT MATERIAL POLICY INFORMATION *(continued)*

(l) Member Activity

The Fund provides Members with the right to request withdrawals, for cash, of their interest of their holding in the Fund at the balance as valued at most recent quarter end plus an adjustment for interest earned to the date of withdrawal, provided that the Member meets certain requirements contained in the terms of the Trust Deed. Monies held in the Fund are redeemable at the Member's option and are classified as net assets available for benefits. As each Member's withdrawal request depends on the terms of each individuals Membership situation, including employment contracts and vesting arrangements, and is subject to the terms of the Trust Deed, the amount of expected cash flows on redemption cannot be calculated.

The Fund does not hold cash or cash equivalents in its own name. As such on acceptance of a valid withdrawal request the Manager, on behalf of the Fund, will sell down holdings in the Fund's investment in the Investment Trust, and where relevant in the FIT, to fund the withdrawal. Quantitative information about the Fund's Member activity is provided in the statement of changes in net assets. The Fund invests alongside other retirement savings products into the Investment Trust. The Member activity of the Fund is factored into the cash policies and processes of the Investment Trust so as to ensure sufficient cash is available to meet the requirements of all underlying Member activity.

There have been no changes to this process from prior years.

(m) Accrued benefits

Amounts available for benefits is the Fund's present obligation to pay benefits to Members and has been calculated as the difference between the carrying value of the assets and the carrying value of the liabilities in the Fund.

(n) Contributions and withdrawals

Subject to the terms of the Trust Deed and applicable legislation, contributions and withdrawals are recognised when the Manager has confirmed the validity of a Members application or withdrawal request.

(o) Intangible carbon credits and carbon obligations

On 31 March 2026, all New Zealand carbon credits and carbon obligations held directly by the NZACPB on behalf of the Fund and other parties were transferred to the FIT at cost as part of the sale of all NZACPB directly held land and forestry assets to the FIT. The Fund and other parties no longer hold any carbon credits directly. Investors in the FIT hold an interest in the total net assets of the FIT which comprises land, forestry, and New Zealand carbon credits. Up until the New Zealand carbon credits were transferred to the FIT on 31 March 2026, the following policies applied for the Fund in respect of New Zealand carbon credits:

New Zealand carbon credits were considered an intangible asset and were recognised in the balance sheet at cost upon initial recognition. The asset was subsequently measured at cost, less any accumulated impairment losses. The asset was deemed to have an indefinite useful life, and consequently was not amortised. Based on analysis of all the relevant factors, there was no foreseeable limit to the period over which the asset was expected to generate net cash inflows, as the economic benefits of units are not consumed while the units are held, but are realised by either surrendering units to settle obligations incurred through harvest or selling units to a third party.

The asset was tested for impairment by comparing its recoverable amount with its carrying amount annually and whenever there was an indication that the intangible asset may be impaired. Any impairment losses were recognised in profit or loss in the year the impairment was identified. The impairment test was performed in accordance with NZ IAS 36 Impairment of Assets.
Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) was included in profit or loss in the year the asset was derecognised.

An obligation to return carbon credits was recognised to the extent there were not sufficient carbon credits available: a provision for carbon obligations was recognised when the fund had a present obligation to surrender carbon credits and insufficient credits were held to settle that obligation.

2 SUMMARY OF SIGNIFICANT MATERIAL POLICY INFORMATION *(continued)*

(p) Material estimates and judgements

The preparation of financial statements necessarily requires estimation and judgements. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and judgements that have a risk of causing a material adjustment to the carrying amounts of assets are outlined in the relevant notes. Land and forestry assets when held directly by the NZACPB on behalf of the Fund and other parties and also when held by the FIT are valued by an independent qualified valuer. The fair value has been stated at the current market value of the land. The unencumbered current market value of the land has been determined by reference to recent sales evidence of similar properties. Forestry assets when held directly by the NZACPB on behalf of the Fund and other parties and also when held in the FIT have been valued on a stand based approach for each stand age class which incorporates a mix of valuation methods depending on the age of the trees. Investments are subject to variation due to market and exchange rate fluctuations. Judgement has also been applied in the categorisation of its financial assets at fair value through profit or loss in accordance with the fair value hierarchy under NZ IFRS 13.

The Manager has also considered the impact of recent and ongoing global events on the reliability of fair values for the underlying investments. This is particularly relevant to the investment in the Investment Trust. It is the Manager's view that where market prices are obtained from recognised exchanges and markets, these markets and exchanges have continued to operate with reliability and hence no change in the valuation process has been deemed necessary. The Investment Trust also invests in assets that are unquoted: registered first mortgages and private equity investments. The mortgage portfolio has been evaluated against assumptions relating to recent movements in the property market along with consideration of other factors relevant to the individual mortgages. An increase to the impairment allowance has been reflected against the mortgage portfolio in the Investment Trust for the year ended 31 March 2026. The Manager has undertaken due enquiry with underlying private equity fund managers to establish a view that the valuations provided by these managers as at 31 March 2026 reflect the market conditions at that time across the portfolios. Consideration has been given to the quarterly reporting to 31 March 2026 provided by all private equity managers and their assessment of the impact of global events on their valuations. A risk continues to exist that further information on the impact of ongoing global events could have an impact on the valuations applied by the Fund Managers and consequently on the unit pricing provided to investors such as the Investment Trust. Valuations may alter significantly over time dependent on the extent and impact that actually occurs to each relevant investment.

Details of material estimates and related assumptions are provided in the relevant notes to the financial statements.

(q) Comparative information

There have been no changes to comparative information in the current year.

(r) Changes in accounting policy and disclosure

(i) New and amended standards and interpretations

There have been no new or revised accounting standards, interpretations or amendments effective during the period which have a material impact on the Fund's accounting policies or disclosures.

(ii) New NZ IFRS standards and interpretations issued but not yet adopted

NZ IRFS 18 Presentation and Disclosure in Financial Statements has been updated to introduce new categories and subtotals within the statement of profit or loss. This standard is effective for reporting periods beginning on or after 1 January 2027 and the Manager is still assessing the impact of implementation of this standard.

3 AUDITORS REMUNERATION

Audit fees are paid by the NZACPB and included in the administration fee charged to the Fund. (refer note 11 c). The following fees (incl GST) were indirectly paid by the Fund for audit and other assurance services provided by the Auditor of the Fund.

	Note	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Audit of financial statements - EY		28,152	2,036	**30,188**	29,204	2,392	**31,596**
Other assurance services provided by EY:							
Members register compliance engagement		1,127	81	**1,208**	1,166	96	**1,262**
Custodian internal controls compliance engagement		550	40	**590**	4,374	358	**4,732**
Anti-money laundering and countering the financing of terrorism engagement [1]		1,134	82	**1,216**	-	-	-
Total remuneration for assurance services		**30,963**	**2,239**	**33,202**	34,744	2,846	**37,590**

Note

(i) The anti-money laundering and countering the financing of terrorism engagement is undertaken at least every three years.

4 NET GAIN/(LOSS) ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Investment Trust	1,295,049	41,737	**1,336,786**	1,258,251	78,748	**1,336,999**
Forestry Investment Trust	(9,629)	-	**(9,629)**	-	-	-
Total net gain on financial assets at fair value through profit or loss	**1,285,420**	**41,737**	**1,327,157**	1,258,251	78,748	**1,336,999**

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5 NET GAIN/(LOSS) ON FORESTRY, LAND, AND CARBON CREDIT ASSETS

This note provides further detail on the net gain/(loss) on forestry, land and carbon credit assets (forestry pool) when held directly by the NZACPB on behalf of the Fund and other parties.

	2026			2025		
	Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
Net gain/(loss) on forestry and land assets held at fair value through profit or loss:	$	$	$	$	$	$
Forests	165	-	**165**	(6,234)	-	**(6,234)**
Land	(8,933)	-	**(8,933)**	1,994	-	**1,994**
Total net loss	**(8,768)**	**-**	**(8,768)**	(4,240)	-	**(4,240)**

	2026			2025		
	Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
Gains on disposal of carbon credits held as intangible assets:	$	$	$	$	$	$
Gains on carbon credits sold	-	-	-	338,784	-	**338,784**
	-	-	-	338,784	-	**338,784**

6 INVESTMENTS

	2026			2025		
	Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
	$	$	$	$	$	$
At fair value through profit or loss:						
Investment Trust	15,782,749	1,160,442	**16,943,191**	17,145,940	1,303,508	**18,449,448**
Forestry Investment Trust	601,642	-	**601,642**	-	-	-
Forestry	-	-	-	215,646	-	**215,646**
Forest land	-	-	-	220,892	-	**220,892**
Total investments held at fair value through profit or loss	**16,384,391**	**1,160,442**	**17,544,833**	17,582,478	1,303,508	**18,885,986**
Holdings as a percentage of Total Assets						
Investment Trust	96.1%	100.0%	96.3%	97.5%	100.0%	97.7%
Forestry Investment Trust	3.7%	0.0%	3.4%	0.0%	0.0%	0.0%
Forestry	0.0%	0.0%	0.0%	1.2%	0.0%	1.1%
Forest land	0.0%	0.0%	0.0%	1.3%	0.0%	1.2%
	99.8%	**100.0%**	**99.8%**	100.0%	100.0%	**100.0%**

Forestry and forestry land balances as at 31 March 2025 relate to assets held directly by the NZACPB on behalf of the Fund and other parties. As at 31 March 2026, the Fund's exposure to forestry and land assets is held entirely through its financial interests in the FIT.

6 INVESTMENTS *(continued)*

As at 31 March 2026, all foresty assets managed by the NZACPB were held in the FIT. This included a new property purchased in November 2025 for the purpose of developing a forest, and on 31 March 2026, all forestry and land assets held directly by the NZACPB on behalf of the Fund and other parties were sold to the FIT at the independently determined fair values for those assets as at 31 March 2026.

Forestry and forestry land balances as at 31 March 2025 relate to assets held directly by the NZACPB on behalf of the Fund and other parties. As at 31 March 2026, the Fund's exposure to forestry and land assets is held entirely through its financial interests in the FIT.

Forestry assets held directly by the NZACPB on behalf of the Fund and other parties

The NZACPB directly held one forest in Hawke's Bay. The land and forest were sold to the FIT on 31 March 2026 at the independently determined market values that applied for 31 March 2026. There was no change to the beneficial interests of the investors immediately following the sale and purchase transaction, but the transaction resulted in a change in the form of the Fund's investment from direct holdings to a financial interest in the FIT. As at 31 March 2026, the Fund holds a 0% interest in the forestry pool (2025: 5.7%). As at 31 March 2026, the Fund holds a 5.2% interest in the FIT. The forest itself and land under the forest were separately valued and were held for capital gain.

The Hawke's Bay forest is predominantly a post-1989 forest. The Trustee opted into the Emissions Trading Scheme ("ETS") for this forest and the existing registration of 659.8 hectares of Hapua land (2025: 659.8 ha) in the ETS was transferred to the FIT.

During the current financial year a Mandatory Emissions Return for the period 1 January 2023 to 31 December 2025 was submitted, after which the NZACPB was allocated 30,911 carbon credits (NZUs) to its New Zealand Emissions Trading Register (ETR) account. Prior to this allocation, the NZACPB had no NZUs on its ETR account as they had all been sold during the prior financial year. The NZUs when held, were classified as intangible assets, and the Trustee elected to recognise these at cost. The 30,911 NZUs were all transferred to the FIT on 31 March 2026 at nil value, being the cost incurred for these NZUs. All obligations associated with these NZUs to meet future carbon obligations were also transferred to the FIT on 31 March 2026. The value of the NZUs held directly by the NZACPB on behalf of the Fund and other parties is nil at 31 March 2026 (2025: nil).

The NZUs apportioned to the Fund (in the same manner as the forest crop and land in the forestry pool are allocated) as at 31 March 2026 are as follows:

	2026			2025		
	Balanced	**Conservative**	**TOTAL FUND**	**Balanced**	**Conservative**	**TOTAL FUND**
Registered hectares of land in ETS	-	-	-	37.63	-	**37.63**
NZUs (carbon credits)	-	-	-	-	-	-
Estimated net carrying value of NZUs	**$0**	-	**$0**	$0	-	**$0**

7 MOVEMENT IN RESERVES

7a General Reserve

The profit or loss of the Fund is initially allocated to the General Reserve. On a regular basis it is the Trustee's policy to declare an interest rate to two decimal points and make a distribution to the Members accounts from the General Reserve. The interest paid or charged to Member's accounts represents the allocation to Members of investment earnings net of tax, costs and expenses. The interest rate for each Member is calculated based on the prescribed investor tax rate for the Member. In determining the annual interest rate the Trustee is not required to allocate the total amount in the General Reserve.

7 MOVEMENT IN RESERVES *(continued)*

7a General Reserve (continued)

	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Total General Reserve at the beginning of the year	**392**	**291**	**683**	**2,932**	**599**	**3,531**
Profit after tax for the year	1,043,602	23,848	**1,067,450**	1,361,053	59,873	**1,420,926**
Profit allocated to Members	(1,041,110)	(24,210)	**(1,065,320)**	(1,362,094)	(60,181)	**(1,422,275)**
Profit allocated to Employer Reserves	(1,386)	-	**(1,386)**	(1,499)	-	**(1,499)**
Total General Reserve at the end of the year	**1,498**	**(71)**	**1,427**	392	291	**683**

7b Employer Reserve

The Trust Deed of the Fund allows the establishment of a reserve account in respect of any Participating Employer. This reserve can be used at the Trustee's discretion for the benefit of the Members of the Participating Employer.

	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Total Employer Reserve at the beginning of the year	**24,058**	-	**24,058**	**22,559**	-	**22,559**
Employer reserve withdrawals	-	-	-	-	-	-
Allocation from general reserves	1,386	-	**1,386**	1,499	-	**1,499**
Total Employer Reserve at the end of the year	**25,444**	-	**25,444**	24,058	-	**24,058**

The remaining movement in net assets is allocated to Member accounts.

8 VESTED MEMBERS' BENEFITS

Vested benefits are benefits payable to Members under the conditions of the Trust Deed, on the basis of all Members ceasing to be members of the Fund at balance date.
As at the reporting date there were no Members (2025: Nil) whose balance had not been fully vested. Vesting is based on a tabled period of employment with the Members employer.

	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Vested Members' benefits	**16,398,002**	**1,159,722**	**17,557,724**	17,376,078	1,286,385	**18,662,463**

9 GUARANTEED BENEFITS

No guarantees have been made in respect of any part of the liability for accrued benefits.

10 RECONCILIATION OF NET PROFIT ATTRIBUTABLE TO MEMBERS TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2026			2025		
	Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
	$	$	$	$	$	$
Net profit after tax	**1,043,602**	**23,848**	**1,067,450**	1,361,053	59,873	**1,420,926**
Adjusted for non-cash items included in profit						
Net gain on fair value of investments	(1,276,652)	(41,737)	**(1,318,389)**	(1,254,011)	(78,748)	**(1,332,759)**
Investment expenses	71,050	3,165	**74,215**	66,703	3,382	**70,085**
Adjusted for working capital movements in operating activities						
PIE tax (increase) / decrease	(282,612)	(21,070)	**(303,682)**	7,285	-	**7,285**
Net sales of investments	2,403,687	181,638	**2,585,325**	1,453,296	374,510	**1,827,806**
Total cash inflows from operating activities	**1,959,075**	**145,844**	**2,104,919**	1,634,326	359,017	**1,993,343**

11 RELATED PARTIES

(a) Responsible Entities

The NZACPB is the Manager, a Trustee, the Administrator, and Custodian of the Fund.

The NZACPB is a related party of the Fund. The NZACPB is trustee of the Fund under the relevant Acts of Parliament, Canons and Rules. The Fund has a defined interest in the Investment Trust and FIT of the NZACPB, and has had a defined interest in other investments held by the NZACPB as Trustee.

The services provided by the NZACPB directly to the Fund include all fund administration requirements, fund accounting, registry and member services, and investment management of the Fund. These charges are shown in (d) below as fund administration expenses. The NZACPB also charges fees to the Investment Trust and the FIT for investment management, accounting, and administration services provided to each of the Investment Trust and the FIT. The Fund's share of these charges is shown in (d) below as investment administration expenses.

(b) Details of Key Management Personnel

Board Members

The Members of the NZACPB Board are considered to be Key Management Personnel.

The NZACPB Board has authority for the strategic direction and management of the Fund.

Key management personnel transactions

Other than to the Licenced Independent Trustee, no amounts (2025: Nil) have been paid to NZACPB Board Members in their capacity as Members of the Trustee of the Fund.

Members of the Trustee may hold units in the Fund in their capacity as Members of the Fund. All transactions between these parties is pursuant to, and governed by, the terms of the Trust Deed of the Fund.

11 RELATED PARTIES *(continued)*

(c) Licenced Independent Trustee fees

	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Licenced Independent Trustee fees	2,843	197	**3,040**	2,818	231	**3,049**
	2,843	**197**	**3,040**	2,818	231	**3,049**

(d) Manager's fees

The NZACPB's administration charges to the Fund were:

	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Investment administration	52,864	2,901	**55,765**	48,544	3,049	**51,593**
Fund administration	116,399	8,139	**124,538**	123,583	10,257	**133,840**
	169,263	**11,040**	**180,303**	172,127	13,306	**185,433**

Investment expenses charged to the Fund include fees paid to the NZACPB as shown above along with other third party investment expenses incurred. Fund administration charges represent Administration expenses less audit fees paid.

12 FINANCIAL AND OTHER RISK MANAGEMENT

The Fund holds interests in sectors of the Investment Trust and in the FIT and up until the underlying assets were sold on 31 March 2026, in pooled forestry assets (the "forestry pool"). The Investment Trust and the FIT are related parties of the Fund and share the same Manager.

Risks arising from holding investments indirectly through the Investment Trust, and the FIT and (when held) direct investments in the forestry pool, are inherent in the Fund's activities, and are managed through a process of ongoing identification, measurement and monitoring. Through these holdings the Fund is exposed to credit risk, market price risk and liquidity and cash flow risk arising from the investments held.

Investments indirectly held by the Fund comprise investments in financial assets for the purpose of generating a return on the investment made on behalf of Members. Investment held directly by the Fund, in addition to forestry and land when held through the forestry pool, include net assets attributable to Members, and other investments such as receivables and payables, which arise from its operations.

The Fund may be exposed to credit risk, market risk (including unit price risk, foreign exchange risk and interest rate risk), and liquidity and cash flow risk arising from the investments held.

The Manager, as Responsible Entity, is responsible for identifying and controlling the risks that arise from these investments.

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 Trustees and asset reallocations undertaken as required.

The Fund's policies set out in the SIPO and in the Investment Policies, Authorities and Limits ("PALS") specify risk management strategies for each asset class and for each type of risk including liquidity, credit, market, currency and interest rate risks, and the SIPO and PALS also specify how derivatives may be used to manage risk.

The risks are measured using a method that reflects the expected impact on the results and net assets from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the reporting date, measured on this basis, is disclosed below. Information about the total fair value of investments exposed to risk, as well as compliance with established investment mandate limits, is also monitored by the Responsible Entity. These mandate limits reflect the investment strategy and market environment of the Fund, as well as the level of risk that the Fund is willing to accept, with additional emphasis on selected industries.

This information is prepared and reported to relevant parties within the Responsible Entity on a regular basis as deemed appropriate.

Concentrations of risk arise when a number of investments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

12 FINANCIAL AND OTHER RISK MANAGEMENT *(continued)*

(a) Credit risk
Credit risk represents the risk that the counterparty will fail to discharge an obligation and cause the Fund to incur a financial loss. The Fund holds no cash and cash equivalents directly. Receivables are not past due and are not considered impaired. The carrying amount of these assets best represents their maximum credit risk exposure at the reporting date.

(b) Liquidity and cash flow risk
Liquidity and cash flow risk is the potential inability for the Fund to meet its payment obligations, which could arise as a result of mismatched cash flows. The Fund holds no cash and cash equivalents directly instead investing through the Investment Trust. Liquidity and cash flow risk strategies have been adopted by the Investment Trust within the guidelines provided by the Trustee.

(c) Market price risk
Market price risk is the risk that the value of the Fund's holdings in the Investment Trust and the FIT will fluctuate as a result of changes in market prices. This risk is managed within the underlying investments by ensuring that all activities are transacted in accordance with mandates, overall investment strategy and within approved limits.

Market risk comprises three types of risk; foreign currency risk, interest rate risk and other price risk.

(i) Foreign currency risk
Foreign currency risk is the risk that the value of an investment will fluctuate because of changes in foreign exchange rates. The Fund has indirect foreign exchange risk as it invests, through the Investment Trust, in cash, international fixed interest stock, shares and private equity which exposes the Fund to currency risks. Currency risk strategies have been adopted by the Investment Trust within the guidelines provided by the Trustees. Derivatives are principally used as a means to economically hedge against currency risks and the most commonly used derivatives are foreign exchange contracts entered into by the Investment Trust.

(ii) Interest rate risk
Interest rate risk represents the risk that the value of an investment will fluctuate because of changes in market interest rates. The Fund has indirect exposure to market risk for changes in the underlying interest rates relating primarily to investments in fixed interest bonds and debentures held by the Investment Trust.

The Manager actively monitors interest rate risk exposure and takes actions as necessary. This includes regular review of interest rates applicable to underlying cash balances. The Fund has no material direct investments subject to interest rate risk.

12 FINANCIAL AND OTHER RISK MANAGEMENT *(continued)*

(c) Market price risk *(continued)*

(ii) Other price risk

Other price risk represents the risk that the value of an investment will fluctuate because of changes in market prices other than interest rates and foreign currency rates. The Fund is exposed to other price risk from its investment in the Investment Trust.

Market price risk sensitivity analysis - Investment Trust holdings

The analysis below shows the effect on net assets available for benefits that would result in reasonable changes in the fair value of the Fund's investment in the Investment Trust and the FIT.

Increase/(decrease) in profit and loss and net assets available for benefits	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Financial assets at fair value through profit or loss						
Amount exposed to market risk	16,384,391	1,160,442	**17,544,833**	17,145,940	1,303,508	**18,449,448**
Market -10%	(1,638,439)	(116,044)	**(1,754,483)**	(1,714,594)	(130,351)	**(1,844,945)**
Market +10%	1,638,439	116,044	**1,754,483**	1,714,594	130,351	**1,844,945**

12 FINANCIAL AND OTHER RISK MANAGEMENT *(continued)*

(c) Estimation of fair values

NZ IFRS 13 *Fair Value Measurement* , requires the Fund to measure and disclose fair values using the a three level fair value hierarchy.

The following provides an analysis of the underlying investments of units in the Investment Trust and the FIT that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities;
Level 2 - inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of the Fund's investments at fair value through profit or loss are classified as follows:

	Notes	2026 Balanced $	2026 Conservative $	2026 TOTAL FUND $	2025 Balanced $	2025 Conservative $	2025 TOTAL FUND $
Level 2							
Investment Trust	2e	15,782,749	1,160,442	**16,943,191**	17,145,940	1,303,508	**18,449,448**
Total Level 2		**15,782,749**	**1,160,442**	**16,943,191**	17,145,940	1,303,508	**18,449,448**
Level 3							
Forestry Investment Trust	2e	601,642	-	**601,642**	-	-	-
Total Level 3		**601,642**	**-**	**601,642**	-	-	-

There were no transfers between Level 2 and Level 3 in 2026 or 2025.

The fair value of the Fund's investment in the Investment Trust is based on underlying observable market prices. The Fund's holding in the Investment Trust is based on the actual cash flow between the two entities, plus the quarterly allocation of positive or negative interest on the cash weighted holding of the Fund. Where there are no quoted prices for underlying assets, fair values of the underlying assets may be impaired based on objective analysis and assessment of qualitative factors made.

12 FINANCIAL AND OTHER RISK MANAGEMENT *(continued)*

(c) Estimation of fair values *(continued)*

The fair value of the Fund's investment in the Forestry Investment Trust is based on underlying independent valuations of land, buildings, and forestry assets held by the FIT. The valuations are undertaken by independent qualified valuers. Land is stated at the current market value of the land. The unencumbered current market value of land has been determined by reference to recent sales evidence of similar properties. Buildings are valued at the lower of current market value or purchase price. The forest crop is valued on a stand based approach for each stand age class. This comprises of a mix of compounding cost methods for trees up to two years in age, a hybrid method for trees aged between three and four years, and an expectation approach for trees aged five or more. The Fund's holding in the FIT is based on the actual cash flow between the two entities, plus the quarterly allocation of positive or negative interest on the cash weighted holding of the Fund. Fair values of the FIT's underlying assets may also be impaired based on objective analysis and assessment of qualitative factors made.

Forestry assets held directly by the NZACPB on behalf of the Fund and other parties

Until sold to the FIT on 31 March 2026, the forestry and land assets held comprised the Hawke's Bay forest and land. The TAA for the Fund sets out the percentage of its total investments to be held in the alternative assets sector which includes forestry and land assets held directly by the NZACPB on behalf of the Fund and other parties, and investment in the FIT.

		2026			2025		
		Balanced	Conservative	TOTAL FUND	Balanced	Conservative	TOTAL FUND
	Notes	$	$	$	$	$	$
Forests							
Opening balance		215,646	-	**215,646**	231,233	-	**231,233**
Net gains/(losses) at fair value through profit or loss		165	-	**165**	(6,234)	-	**(6,234)**
Net sales/reallocation in holdings from/(to) other investors		(215,811)	-	**(215,811)**	(9,353)	-	**(9,353)**
Closing balance	i	-	-	**-**	215,646	-	**215,646**
Forest land							
Opening balance		220,892	-	**220,892**	235,536	-	**235,536**
Net gains/(losses) at fair value through profit or loss		(8,933)	-	**(8,933)**	1,994	-	**1,994**
Net sales/reallocation in holdings from/(to) other investors		(211,959)	-	**(211,959)**	(16,638)	-	**(16,638)**
Closing balance	ii	-	-	**-**	220,892	-	**220,892**
Total		-	-	**-**	436,538	-	**436,538**

12 **FINANCIAL AND OTHER RISK MANAGEMENT *(continued)***

(c) Estimation of fair values *(continued)*

Valuation processes for the forestry and land assets held directly by the NZACPB on behalf of the Fund and other parties

Prior to its sale to the FIT on 31 March 2026, the Hawke's Bay forest land fair value was stated at the current market value of the land determined for 31 March 2026. The unencumbered current market value of the land was determined by reference to recent sales evidence of similar properties. The land and forest have been valued at 31 March 2026 by an independent qualified valuer, M H Morice B.Com.Ag (VFM), Dip.Fore., SPINZ, ANZIV, RMNZIF. Land is categorised in level 3 of the fair value hierarchy (2025: Level 3) and there were no transfers between the levels in the current or prior year. On 31 March 2026, the FIT purchased the land at the market value independently determined for 31 March 2026.

Prior to its sale to the FIT on 31 March 2026, the external valuer determined the valuation of the tree crop. Inputs used in determining the valuation included size, age and condition of the forest and land, the state of the local economy, and comparable prices in the corresponding national economy. The current planting was valued on a stand based approach for each stand age class. This comprised of a mix of compounding cost methods for trees up to two years in age (2025: up to two years in age), a hybrid method for trees aged between three and four years (2025: between three and four years), and an expectation approach for trees aged five or more (2025: five years or more). The forest is categorised in level 3 of the fair value hierarchy (2025: Level 3) and there were no transfers between the levels in the current or prior year. On 31 March 2026, the FIT purchased the forest crop at the market value independently determined for 31 March 2026.

i Forests

Description:	Interests in forests
Fair value at 31 March 2026	$0
Valuation technique:	Independently valued: compounding cost, expectation approach, and a hybrid of these two methods depending on the age of the stand.
Unobservable inputs:	The discounted cash flow calculation used to determine the value of trees aged two year or more is reliant on the following significant estimates: recoverable log volumes, log grades, log prices, production costs and the discount rate used.
Description:	Interests in forests
Fair value at 31 March 2025	$215,646
Valuation technique:	Independently valued: compounding cost, expectation approach, and a hybrid of these two methods depending on the age of the stand.
Unobservable inputs:	The discounted cash flow calculation used to determine the value of trees aged two year or more is reliant on the following significant estimates: recoverable log volumes, log grades, log prices, production costs and the discount rate used.

12 **FINANCIAL AND OTHER RISK MANAGEMENT *(continued)***

(c) Estimation of fair values *(continued)*

Valuation processes for the forestry and land assets held directly by the NZACPB on behalf of the Fund and other parties

ii Forest land

Description:	Interests in forest land
Fair value at 31 March 2026	$0
Valuation technique:	Independently valued: market approach.
Unobservable inputs	**Relationship of unobservable inputs at fair value**
Market approach	Land classes have been compared against recent sales of properties following adjustment for size, ETS status, productivity, altitude, locality, timing of sale and contour. Productive land has been valued on the basis of being in a hypothetical state suitable for planting and the forestry right has ceased as the previous rotation tree crop has been harvested. Consideration has also been given to any higher and better use of the land other than forestry along with improvements in the form of fencing and tracking.

Description:	Interests in forest land
Fair value at 31 March 2025	$220,892
Valuation technique:	Independently valued: market approach.
Unobservable inputs	**Relationship of unobservable inputs at fair value**
Market approach	Land classes have been compared against recent sales of properties following adjustment for size, ETS status, productivity, altitude, locality, timing of sale and contour. Productive land has been valued on the basis of being in a hypothetical state suitable for planting and the forestry right has ceased as the previous rotation tree crop has been harvested. Consideration has also been given to any higher and better use of the land other than forestry along with improvements in the form of fencing and tracking.

(d) Capital management

Net assets available to Members can be 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 has established policies to manage the net assets and capital of the Fund with the objective of providing returns and retirement benefits to Members ensuring that net assets attributable to members are sufficient to meet future and present obligations. The Fund's management reviews the Fund's performance on a regular basis.

13 CONTINGENT ASSETS AND LIABILITIES AND CONTINGENCIES

There are no outstanding contingent assets or liabilities or commitments as at 31 March 2026 (2025: Nil).

14 EVENTS OCCURING AFTER BALANCE DATE

There have been no material events after reporting date that require adjustment to, or disclosure in the financial statements.

Shape the future with confidence

Independent auditor’s report to the Scheme Participants of each Fund comprising The Retire Fund (the “Scheme”)

Opinion

We have audited the financial statements of the following funds (each a “Fund” and collectively “the Funds”) which together comprise the Scheme:

- the Balanced Fund
- the Conservative Fund

The financial statements of each Fund and the Scheme comprise the statement of net assets of each Fund and the Scheme as at 31 March 2026, and the statement of changes in net assets available for benefits and statement of cash flows for the year then ended of each Fund and the Scheme, and the notes to the financial statements including material accounting policy information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of each Fund and the Scheme as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards.

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

Basis for opinion

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

We are independent of the Funds and the Scheme in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board 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 Standard 1.

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

Ernst & Young provides other assurance services to the Scheme. Partners and employees of our firm may deal with the Funds or the Scheme on normal terms within the ordinary course of trading activities of the business of the Funds and Scheme. We have no other relationship with, or interest in, the Funds or Scheme.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of the audit report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Investment in the New Zealand Anglican Church Pension Board Investment Trust ("Investment Trust")

Why significant	How our audit addressed the key audit matter
▪ Each of the Fund's and the Scheme's investment in the Investment Trust represents substantially all of its total assets. ▪ The Investment Trust invests in a range of asset types including (in order of quantum at balance date) equities, fixed interest securities, deposits, mortgages and private equity holdings. ▪ As detailed in the accounting policies, as described in Note 2 to the financial statements, these financial assets are recognised at fair value through profit or loss in accordance with NZ IAS 26: Accounting and Reporting by Retirement Benefit Plans. ▪ Market volatility can have a significant impact on the value of some of the Investment Trust's assets, and the nature of some of these investments means there is increased subjectivity and uncertainty in assessing their value at any point in time. As a result the valuation of each Fund's and the Scheme's interest in the Investment Trust is considered a key area of audit focus. ▪ Disclosures regarding each Fund's and the Scheme's investment at 31 March 2026 are included in Note 6 to the financial statements and regarding the judgements and estimates made in the valuation of the Fund's and Scheme's investment in the	In relation to the valuation of each Fund's and the Scheme's investment in the Investment Trust our procedures included: ▪ Gaining an understanding of the processes used to record investment transactions and the revaluation of each Fund's and the Scheme's investment in the Investment Trust; and ▪ Agreeing each Fund's and the Scheme's investment in the Investment Trust to its share of the Investment Trust's Net Assets Attributable to Unit Holders. In relation to the Investment Trust's assets other than mortgage and private equity investments: ▪ Gaining an understanding of the processes used to record investment transactions and the revaluation of the investment portfolio; ▪ Receiving direct third party confirmations of investment holdings and exit prices at balance date; and ▪ Agreeing a sample of investment exit prices at balance date to independent pricing sources. For the international fixed interest securities, additional procedures included; ▪ Considering the reasonableness and reliability of the unit pricing confirmations provided by the managers of the funds in which the Funds invest, by comparing the price inferred by the net assets and number of units issued recorded in their latest

Why significant	How our audit addressed the key audit matter
Investment Trust are included in Note 2(p) to the financial statements.	available audited financial statements to the reported unit price at that date. In relation to the Investment Trust's interests in private equity funds our procedures included: ▪ Receiving direct confirmations of investment holdings at balance date from the relevant private equity fund managers; ▪ Assessing the impact of calls and distributions on the carrying value of investment holdings at balance date; ▪ Considering quarterly reporting by each private equity fund manager; ▪ Considering the reasonableness and reliability of the holding confirmations provided by the managers of the funds in which the Funds invest, by comparing the value inferred by the net assets recorded in their latest available audited financial statements. In relation to the Investment Trust's mortgage assets our procedures included: ▪ Confirming a sample of mortgage asset balances directly with mortgagees; ▪ For a sample of new mortgage assets issued during the period, considering external valuations of the mortgaged properties and agreeing property title information to confirm the mortgage was registered and secured; ▪ Assessing the calculation of the fair value of the mortgage assets, in particular considering key inputs including market interest rates and the recoverability of the mortgage assets; and ▪ Considering payment history and aging profile of the mortgage asset portfolio. Assessing the disclosures in the financial statements, including whether they appropriately reflected the Funds' and Scheme's exposure to financial instrument risk with reference to NZ IFRS 7 *Financial Instruments: Disclosures*.

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Information other than the financial statements and auditor’s report

The Trustee is responsible for the other information. The other information includes the annual report, but does not include the financial statements and auditor’s report thereon. The other information is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Trustee and, if uncorrected, to take appropriate action to bring the matter to the attention of the Scheme Participants for whom our auditor’s report was prepared.

Trustee’ s responsibilities for the financial statements

The Trustee is responsible for the preparation and fair presentation of the financial statements in accordance with New Zealand Equivalents to International Financial Reporting Standards and International Financial Reporting Standards, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

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

A further description of the auditor’s responsibilities for the audit of the financial statements is located at the External Reporting Board’s website: https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-2/ . This description forms part of our auditor’s report.

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

Ernst + Young

Chartered Accountants
Wellington
25 June 2026