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GUARDIANS OF
NEW ZEALAND
SUPERANNUATION
—



—
STATEMENT OF
INTENT
TAUĀKĪ
WHĀINGA
—

—
FOR THE PERIOD
1 JULY 2026
- 30 JUNE 2031
—



FUTURE **proof** →

01

Foreword from the Board Chair
He kupu takamua nā te Toihau01

02

Our strategy
Tā mātou rautaki04

03

Achieving our outcomes
Te whakatutuki i ā mātou putanga06

04

Measuring our performance
Te ine i ā mātou mahi08

- Guardians
- NZ Super Fund
- Elevate Fund

05

Transparency and reporting to the Minister of Finance
Te Pūataata me te tuku pūrongo ki te Minita o
te Tahua.....17

06

Acquisitions
Ngā hokonga mai 18

Foreword from the Board Chair

He kupu takamua nā te Toihau

E manawarū nei au ki te whakataki i te Tauākī Whāinga a ngā Kaitiaki o te Penihana Kaumātua o Aotearoa mō te tau 2026 ki te tau 2031. E rarangi nei i tēnei puka ā mātou whāinga rautaki mō te pae o waenga me ngā tohu hei whakaatu i te angitu rānei, i te aha rānei o tā mātou whakatutuki i aua whāinga. Ka whai wāhi mai ki tēnei tauākī whāinga ngā Kaitiaki o te Penihana Kaumātua o Aotearoa hei hinonga Karauna ("ngā Kaitiaki"), me ana tahua e rua, me te Tahua Penihana Kaumātua o Aotearoa me te Tahua Whāngai Hinonga Tūraru, e kīia nei ko te Tahua Mairanga.

NGĀ KAITIAKI

He mea whakatū ngā Kaitiaki e te New Zealand Superannuation and Retirement Income Act 2001. I taua wā, heoi anō tā ngā Kaitiaki, he whakahaere i te Tahua Penihana Kaumātua o Aotearoa. I te tau 2019, i tuku te Kāwanatanga i tētahi tahua tuarua ki ngā Kaitiaki, i a Tahua Mairanga.

E whai wāhi ana ki ngā Kaitiaki ngā pūkenga e 200 hemihemi, e tautoko ana kia angitu te whakahaeretanga o ana mahi. E arahina ana mātou e tā mātou Korou: Kia toitū te haumitanga, e nui ai ngā hua e hoki mai ana ki ngā tāngata katoa o Aotearoa.

He āpitihanga tā mātou rautaki, ngā 'Kaitiaki i te Anamata', ki ngā āhuatanga i angitu ai mātou, e puta ai te whakahaere haumi pūtea e urupū ana, e ākina ana e te raraunga, ka whakawhānuihia, ka whakawhāitihia rānei i runga i ngā āhuatanga o te wā, e tika ana kia tū hei whakaputa tonu i te uara mauroa ki ngā tāngata katoa o Aotearoa.

I ngā tau e 25 kua hori, kua motuhenga te tū a te Tahua Penihana Kaumātua o Aotearoa hei whakahaere angitu. I runga i te mahi tahi, kua whakatupuria e tātou tētehi whakahaere e kauanuanutia ana i Aotearoa, i te ao whānui hoki mō āna mahi, mō tana urupū, me tana tirohanga ki te pae tawhiti. E whakaata ana taua angitu i te mahi ngātahi a ō mātou tāngata me te pakari o tō mātou ahurea – ka mutu, ka noho tērā hei tūāpapa pakari mō ngā āhuatanga e whai ake ana.

TE TAHUA PENIHANA KAUMĀTUA O AOTEAROA

Ko te Tahua Penihana Kaumātua o Aotearoa te kaupapa mātāmua me te arotahi a ngā Kaitiaki. He huinga haumitanga tēnei e whai ana i te tupuranga, ā, kei roto i te huinga ētahi rawa tūmatanui me ētahi rawa tūmataiti, huri i te ao.

I am pleased to introduce the Guardians of New Zealand Superannuation's 2026 – 2031 Statement of Intent ('SOI'). This document outlines our strategic objectives for the medium term and how we will know if we have been successful in achieving these. It covers the Guardians of New Zealand Superannuation as a Crown entity ('Guardians'), and its two mandates: the New Zealand Superannuation Fund ('NZ Super Fund') and the Venture Capital Fund, known as the Elevate Fund ('Elevate').

GUARDIANS

The Guardians was established by the New Zealand Superannuation and Retirement Income Act 2001. At the time, the Guardians' sole function was to manage the NZ Super Fund. In 2019, the Government gave the Guardians a second mandate, Elevate.

The Guardians comprises over 200 professionals who support the successful delivery of its mandates. We are guided by our Purpose: Sustainable investment delivering strong returns for all New Zealanders.

Our strategy, the 'Guardians of the Future', builds on what has made us successful to create the disciplined, data-driven and scalable investment organisation necessary to continue delivering enduring value for all New Zealanders.

Over the past 25 years, the NZ Super Fund has become a genuine success story. Together, we have built an organisation that is respected in New Zealand and internationally for its performance, discipline and long-term perspective. That success reflects the collective effort of our people and the strength of our culture – and it provides a strong platform for what comes next.

NZ SUPER FUND

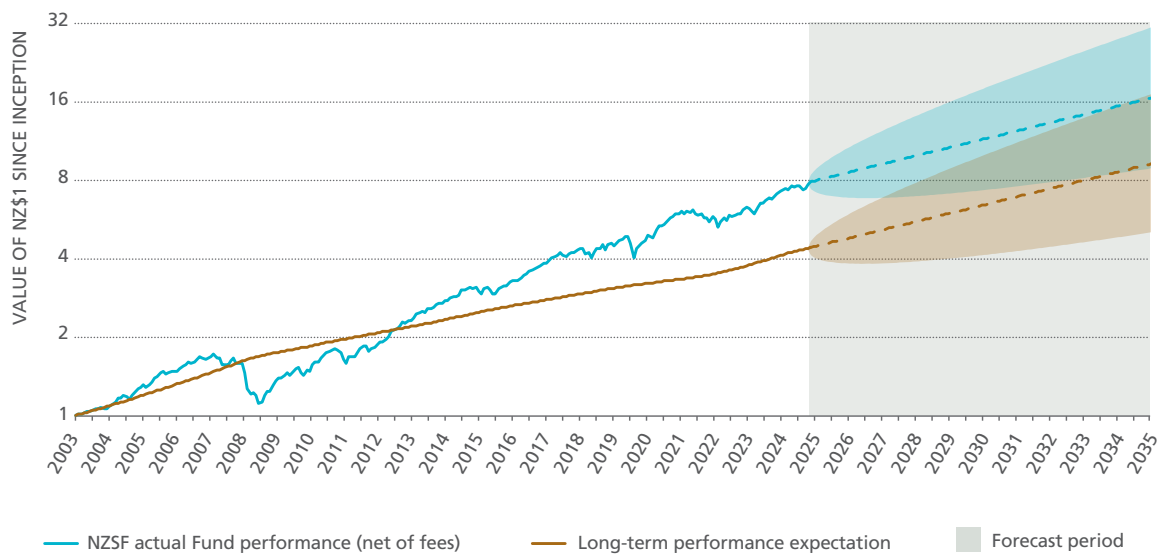
The NZ Super Fund is the principal mandate and focus of the Guardians. This is a growth-oriented investment portfolio holding a mix of public and private assets around the world.

Ka haumi ngā Kaitiaki i ngā tukunga pūtea ka rere tonu mai i te Kāwanatanga ki te Tahua Penihana Kaumātua o Aotearoa, tae atu ki ngā hua ka hoki mai i ngā haumitanga (e more ana i ngā utu tāke). Mā te whakamahi i te Tahua Penihana Kaumātua o Aotearoa ki te penapena pūtea ināianei e taea ai te pīkau ngā utunga rītāiatanga hei ngā tau kei te heke mai, e whai ana te Kāwanatanga ki te tuari haere i te utu o te penihana kaumātua i Aotearoa i waenga i ngā kaiutu tāke o nāianei me ō ngā reanga o muri.

E whakaatuhia ana i te kauwhata e whai ake nei ngā hua motuhenga me ngā hua i matapaetia ai mai anō i tōna tīmatanga. E whakaatu ana te rārangi kano-kareko i ngā hua i matapaetia ai e mātou ka puta i te Tahua Penihana Kaumātua i roto i ngā tau.

The Guardians invests capital contributions made by the Government to the NZ Super Fund, as well as the net returns generated from the investments made (less tax paid). By using the NZ Super Fund to save now in order to pay for future retirement benefits, the Government aims to smooth the cost of New Zealand superannuation between today’s taxpayers and future generations.

The following graph plots actual and forecast NZ Super Fund performance since inception. The beige line shows the performance we expected the NZ Super Fund would deliver over time.



Mai i tōna tīmatanga, kua hoki mai ngā hua-haumi 10.1% i te tau (i muri i te tangohanga o ngā utu, i mua hoki i te tangohanga o te tāke i Aotearoa) ki te Tahua Penihana Kaumātua o Aotearoa. I te roanga o taua wā rā, kua whakamahia ngā tukunga pūtea, tōna \$16.3 piriona nei te nui, a te Kāwanatanga hei waihanga i tētahi huinga haumi e \$85.1 piriona tōna uara i tēnei wā.

TE TAHUA MAIRANGA

I whakatūria te Tahua Mairanga hei whakapiki i te rahi o te pūtea mō ngā hinonga tūraru-nui e wātea ana ki ngā kamupene e hou ana, e auaha ana hoki, hei whakawhanake i te taiao pūtea o Aotearoa i ōna tau tīmatanga, hei whakapiki hoki i te whakaputanga o ngā hua. Ko te whāinga, mā konā, ka whāngaihia te toitū me te whai hua o te ōhanga o Aotearoa.

Kua kopoua a NZ Growth Capital Partners Limited ("NZGCP") e ngā Kaitiaki hei whakahaere i te Tahua Mairanga, i raro i te tauira o te tahua-whai-tahua. Ka tukua e NZGCP he pūtea ki ngā kaiwhakahaere tahua i te rāngai tūmataiti, ā, me mātua whai rātou i te pūtea, e ōrite ana ki taua pūtea taketake rā te nui, mai i te rāngai tūmataiti. Kātahi ngā kaiwhakahaere tahua rā ka tukua pūtea ki ngā kamupene o Aotearoa e iti ana, e āhua rahi ana rānei, e tere ana hoki te tupu.

Ko tā ngā Kaitiaki, he taumaruru i te whakahaeretanga o te Tahua Mairanga hei whakaū i te hāngai o tōna haumitanga ki ngā tikanga whai hua katoa o te haumi ā-whakahaere i ngā wāhi tauhokohoko pūtea whāngai hinonga tūraru-nui i Aotearoa, ka mutu, e whakaahuangia ana tēnei āhuatanga i ngā whārangi o tēnei puka e whai ake ana.

TE NOHO HAEPAPA ME TE PUATA Ā-WHAKAHAERE

E takoto ana i tēnei Tauākī Whāinga ngā inenga i te whai hua o te mahi mō ngā Kaitiaki, mō te Tahua Penihana Kaumātua o Aotearoa, me te Tahua Mairanga, mō ngā tau 2026 - 2031. Kitea ai ā mātou mahi ā-tau kua whakaritea, arā, ko ngā mahi e hāngai ana ki ngā kaupapa e arotahingia ana, ki te Tauākī Matapae i te Whai Hua (SPE) mō te tau pūtea e hāngai ana. Ka pūrongotia e mātou te āhua o ā mātou mahi e ai ki aua inenga rā me ā mātou mahi kua whakaritea i te Tauākī Matapae i te Whai Hua, i ā mātou Pūrongo ā-Tau. He tikanga whakahirahira ki ngā Kaitiaki me ana tahua te auau o te whakaputanga o te Tauākī Whāinga, o te Tauākī Matapae i te Whai Hua me te Pūrongo ā-Tau e ū ai te noho haepapa me te puata ā-whakahaere. Pērā i tā mātou i whakaata rā i ngā inenga i te whai hua o te mahi kua whakatakotoria, e whai ana mātou kia kounga ngā mahi, ā, ka whakawhirinaki, i ngā wā ka taea, ki ngā paeraro ā-ao me ngā paeraro nō whakahaere kē.

E whakahirahira ana ā mātou tahua haepapa ki te anamata o Aotearoa, ā, e tino koromaki ana mātou ki ō mātou haepapa ki te whakatutuki i tā mātou i whakahaua ai. Hei ngā tau e rima e haere ake nei, hei tua atu anō hoki, e tōngakingaki ana mātou kia mahi tonuhia ā mātou mahi i roto i te kairangi.

Since its inception the Super Fund has returned 10.1% per year (after costs and before NZ tax). Net government contributions of approximately \$16.3 billion during that time have been used to create an investment portfolio currently worth \$85.1 billion.

ELEVATE FUND

Elevate was established to increase the amount of venture capital available to young, innovative companies to develop New Zealand's early-stage capital ecosystem and lift productivity. The intention was that this would, in turn, contribute to the sustainability and productivity of the New Zealand economy.

The Guardians has appointed New Zealand Growth Capital Partners Limited ('NZGCP') to manage Elevate under a fund-of-funds model. NZGCP allocates funds to private-sector venture capital fund managers who are required to match these contributions with capital from the private sector. In turn, these fund managers deploy capital to small to medium-sized New Zealand high-growth companies.

The Guardians' role is to oversee NZGCP's management of the Elevate Fund to ensure that it is being invested in line with best practice for institutional investment in New Zealand venture capital markets, as described later in this document.

ACCOUNTABILITY AND TRANSPARENCY

This SOI sets out performance measures for the Guardians, the NZ Super Fund and the Elevate Fund, for the period 2026 – 2031. Our annual planned activity, which represents work aligned to our focus areas, can be found in our Statement of Performance Expectations ('SPE') for the relevant financial year. We report against these measures and our planned activity in the Statement of Performance in our Annual Report. The SOI, SPE and Annual Report cycle is an important accountability and transparency mechanism for the Guardians and our mandates. As reflected in the performance measures we have set, we hold ourselves to high standards and rely on global and third-party benchmarks where possible.

Our mandates are important to the future of New Zealand, and we take our responsibilities in achieving them very seriously. Over the next five years and beyond we are committed to continuing our work with excellence.

Nāku noa

nā te Toihau, nā John Williamson



JOHN WILLIAMSON, CHAIR

Our strategy

Tā mātou rautaki

Our Guardians of the Future strategy sets the direction for our organisation. This includes how we scale, build capability, use data, make trade-offs and work together over the long term – all with the aim of delivering enduring value through investment, so we can go from strength to strength.

As the Fund enters its next phase of growth, our strategy is to:

- build on proven strengths
- enhance capabilities critical for the future
- step up our commitment to sustainable investment.

Strategic Framework

Our strategy is supported by our Strategic Framework, which provides the structure for our strategic planning.

The Framework sets out four key focus areas which we believe are strategically fundamental to the Guardians and where resource and effort should be allocated. Our focus areas are designed to complement and interact with each other.

The Framework may shift and change over time as the environment around us changes and the organisation evolves. We assess these factors on a regular basis, so that we can respond and adapt as things change.

Focus areas





- **Strengthen our investment approach:** Our strategy is investment-led. We will evolve a scalable operating model that transforms portfolio construction, liquidity, and operational capability into sources of sustained advantage. This, combined with an integrated approach to sustainable investment, will enable us to deliver enduring value as the Fund grows.
- **Optimise our organisation:** We will continue to evolve the organisational foundations that support the Fund. By optimising our processes and harnessing advancing technology, data and AI capabilities, we will deliver the adaptive, scalable platform needed in the future.
- **Maximise our team and culture's potential:** A high-performing culture underpins everything we do. We will continue to invest in our people – aligning leadership, growing capability and shaping an environment where our teams can thrive.
- **Enhance our external presence:** Work in this area focuses on continuing to deepen trusted relationships with Government and key stakeholders so that the Guardians can continue to steward the Fund with confidence, clarity and long-range perspective.

Principles


Within each focus area we identify a set of principles which articulate our preferred way of operating. They provide some guardrails to ensure clarity and consistency in our decision-making.

The principles are not intended to be absolutes, and do not preclude us from making different choices. They do, however, raise the hurdle required to make a different choice.

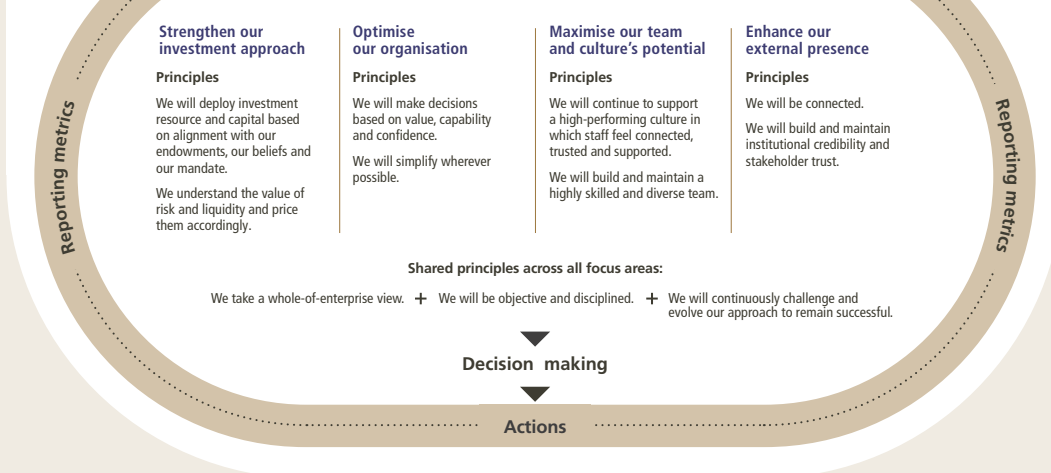
The principles underpin our business planning activity, ensuring that the decisions we make around resource allocation are directly and consistently understood, applied and aligned across the Guardians.

| | | | | | |
|---|-----------------|--|--|--|---|
|  | Purpose | Sustainable investment delivering strong returns for all New Zealanders Kia toitū te haumi hei hua mā ngā tāngata katoa o Aotearoa | | | |
|  | Vision | An inclusive team creating a better future through investment excellence Mā te kotahi ā-kapa, mā te kounga ā-haumi, ka tino eke ki tua | | | |
|  | Values | We stand strong He toka tū moana | We support each other Waiho i te toipoto kaa i te toiroa | Future focused Ki te kāhore he whakakitenga, ka ngaro te ivi | Team not hero Ēhara tāku toa i te toa takitahi, he toa takitini |
|  | Mandates | NZ Super Fund Managed by the Guardians, set up to partially pre-fund the future cost of superannuation. | | Elevate NZ Venture Fund Managed externally by NZ Growth Capital Partners through a fund-of-funds model, set up to develop New Zealand's venture capital markets. | |

Context

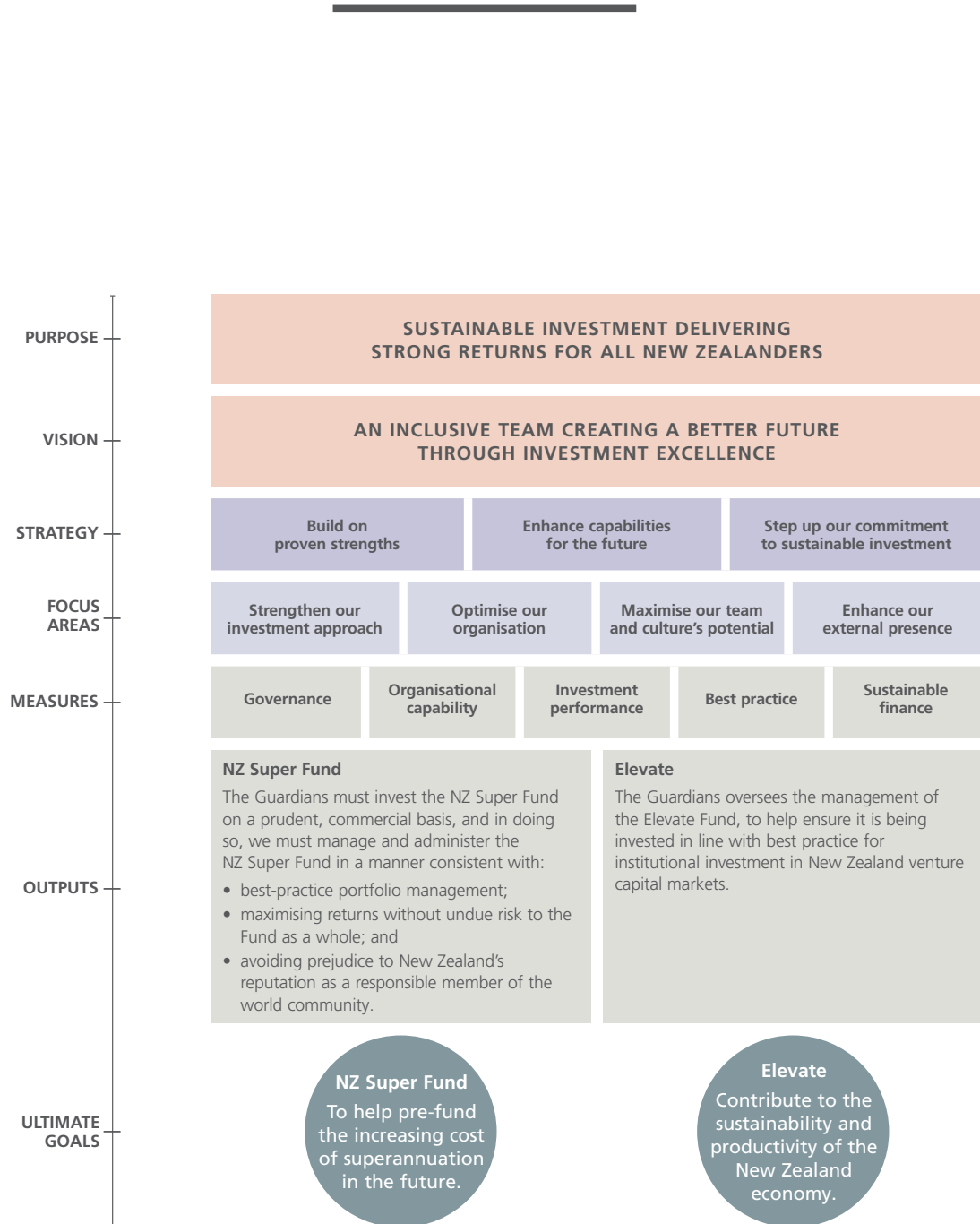
| | | | | |
|---|---|----------------------------------|--|---|
|  | Guardians of the Future strategy | Build on proven strengths | Enhance capabilities for the future | Step up our commitment to sustainable investment |
| | | | | |

Focus areas



Achieving our outcomes

Te whakatutuki i ā mātou putanga



ORGANISATIONAL HEALTH AND CAPABILITY

Achieving our long-term purpose requires strong leadership; a shared understanding among staff of our Vision and Values; and talented, committed people with access to quality data, systems and tools.

To ensure the success of our organisational health and capability, we continue to focus on embedding the Guardians' Purpose, Vision, Values and culture as a meaningful part of the business. This means translating our strategies into clear role requirements, accountabilities and competencies, and driving business performance through compensation, performance management and leadership and coaching.

We promote a constructive and collaborative organisational culture. We monitor our culture and team's engagement through regular surveys and employee listening. This ensures we are headed in the right direction. Our culture is grounded in our Values and the desired behaviours we all exhibit.

Diversity, equity and inclusion ('DEI') is important to the Guardians because we believe it is vital to encourage diversity of thought and reflect the communities we serve. We know this will help us better solve complex problems and deliver to our whāinga (Purpose) and mandates. We have been developing our DEI approach since the early 2010s, and we are working in accordance with our Rautaki Kanorau: Diversity, Equity and Inclusion Strategy 2022 – 2027, endorsed by our Board and management.

We also continue our focus on building our understanding and integration of te ao Māori, a key area of focus reflected in our strategy.

Measuring our performance

Te ine i ā mātou mahi

Guardians

Governance

Sound governance is at the heart of how we manage our mandates and is critical to maintaining stakeholder and public confidence in the Guardians.

As an autonomous Crown entity, the Guardians is legally separate from the Crown. This means that, although we are still accountable to the Minister of Finance and Parliament, we have operational independence regarding investment decisions and are, instead, overseen by an independent Board. The Guardians is subject to ongoing monitoring from The Treasury, as well as annual reviews from auditors on behalf of the Auditor-General, and five-yearly independent reviews.

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|----------------------------|-------------|----------------|---|---|--|
| Independent reviews | Five-yearly | Annual Report | The New Zealand Superannuation and Retirement Income Act requires that an independent review of how effectively and efficiently the Guardians is performing its function is carried out every five years. The Minister of Finance sets the terms of reference for the review, which is conducted by an independent body appointed by the Minister. The report is then presented to Parliament. The Guardians has had four reviews since inception; all are published on our nzsuperfund.nz website. The most recent review was conducted in 2024; the next will be undertaken in 2029. | Satisfactory review with no material concerns about the effective and efficient performance of the Guardians' functions identified. Review report and our responses published on our website. The report's recommendations and suggestions will be comprehensively reviewed by the Guardians. | This measure supports all four of our focus areas. |

Organisational capability

Workplace culture is an important consideration for the financial services industry globally. At the Guardians, we strive for a positive workplace culture: behavioural norms that support our Values – team not hero; we support each other; future focused; we stand strong. A great culture assists in our efforts to gain a competitive advantage over other investors by building and retaining a great team. Equally, high-quality leadership, strong engagement and a 'whole of enterprise' culture are critical to ensuring we are making the best possible investment decisions across the organisation.

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|---|------------|--|--|---|---|
| Developing and maintaining a high-performing workplace culture | Two-yearly | We report on our culture development activities and progress annually in our Annual Report. Regular monitoring takes place via formal and informal, quantitative and qualitative evaluations. Insights are shared via our Statement of Performance for the applicable year. Qualitative discussion is contained in the Our People section of each Annual Report. | Culture plays a significant role in keeping staff engaged, with implications for financial performance, recruitment, retention, risk awareness/management and ethical behaviour. | Achieve above median benchmarks in selected surveys, noting that we may choose different survey methodology year on year. | This survey will support us to measure our progress against our 'Maximise our team and culture's potential' focus area. |

Measuring our performance

Te ine i ā mātou mahi

NZ Super Fund

MEASURING OUR PERFORMANCE

Here we set out a series of performance measures relating specifically to the Guardians' management of the NZ Super Fund, in the areas of:

- investment performance
- best practice
- sustainable finance.

Investment performance measures

We employ three different quantitative measures, each over 1-, 5-, 10-, 20-year and since-inception time frames (where applicable), against which to view the investment performance of the NZ Super Fund. We note that predicting short-term financial market returns with accuracy is difficult. Making predictions with absolute confidence for a one-year period is impossible. We therefore employ our long term expectations of the Reference Portfolio as the basis for the expected outcomes shown here. The 2.05% p.a. expected outcome represents the assumed long-run risk premium expected to be earned on a portfolio with the same amount of market risk exposure as the NZ Super Fund's low-cost, passively managed benchmark – its Reference Portfolio. To learn more about how we define the long-run risk premium (2.05% p.a.), refer to our Statement of Performance Expectations.

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|--|--|----------------|--|------------------|---|
| Reference Portfolio returns relative to 90-day Treasury Bills (per annum) | 1, 5, 10, 20 years and since Inception | Annual Report | <p>We expect that the NZ Super Fund will return at least the 90-day Treasury Bill return + 2.05% p.a. over any 20-year moving average period. Simply put, if we are successful in achieving this measure, we will have delivered more benefits to taxpayers than they could have achieved by simply paying down debt.</p> <p>90-day Treasury Bills, which are wholesale debt securities issued by the Crown, are an appropriate measure of the NZ Super Fund's performance. This is because they represent the cost to the Government of contributing capital to the NZ Super Fund, instead of using the money to repay debt, and are seen as the most risk-free asset.</p> <p>Our expectation is based on assumptions of investment returns for each asset class within the NZ Super Fund over the long term.</p> | 2.05% p.a. | This measure aligns with our 'Strengthen our investment approach' focus area. |

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|---|--|----------------|---|--|---|
| Actual Fund returns above Reference Portfolio (p.a., net of costs) | 1, 5, 10, 20 years and since inception | Annual Report | <p>We expect that the NZ Super Fund will outperform its Reference Portfolio or passive benchmark by, on average over time, 0.9% p.a.</p> <p>The Reference Portfolio is a simple portfolio of passive, low-cost, listed investments suited to the NZ Super Fund's long-term investment horizon and risk profile. This Reference Portfolio has an 80:20 split between growth and fixed-income investments and its foreign currency exposures are 100% hedged to the New Zealand dollar.</p> <p>A proportion of the NZ Super Fund is invested in line with the Reference Portfolio, but we also make investments outside this – into active investments such as (to give just one example) private market assets. These investments are expected to bring a higher expected return and/or offer diversification benefits, albeit with more complexity and cost.</p> <p>This measure is a way of evaluating how successful we have been in undertaking these active investments and attempting to add value to the NZ Super Fund, over and above what the Reference Portfolio would deliver. Detailed information about the Reference Portfolio approach is contained in our Annual Reports and on our website.</p> | 0.9% p.a. | This measure aligns with our 'Strengthen our investment approach' focus area. |
| 1% probability that Reference Portfolio return is equal to or worse than | 1, 5, 10 and 20 years | Annual Report | <p>Financial market returns are inherently volatile, continually being repriced and moving up and down over time. Over short time frames a wide range of returns are possible – very high and very low. Over longer horizons, however, underlying economic drivers tend to determine returns.</p> <p>In considering how much risk to take, we need to consider trade-offs around these time frames and the potential need to convert assets quickly into cash. We measure how much risk is being carried by the Reference Portfolio by estimating what the worst outcome could potentially be among 100 random samples, over different time periods.</p> <p>If losses of this magnitude were to happen more often than expected, then either a rarer-than-expected event has occurred, or the Reference Portfolio was carrying more risk than we understood.</p> | 1 year: -25% 5 years: -8% 10 years: -4% 20 years: -1% | This measure aligns with our 'Strengthen our investment approach' focus area. |

Best practice

In this section we set out four measures relating to best practice operations for a sovereign wealth fund and/or institutional investor.

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|--|----------|---------------------------|--|--|---|
| Cost control | Annually | Website and Annual Report | <p>Cost control is central to the achievement of our mission to maximise returns without undue risk. Striking the right balance between minimising cost and implementing investment strategies that will add the most risk-adjusted value to the Fund over the long term is critical to achieving our purpose.</p> <p>We participate in one of the most widely used and comprehensive financial benchmarking services available globally – the annual value-add and cost benchmarking survey by CEM Benchmarking Inc. ('CEM'). This survey assesses the cost and return performance of the NZ Super Fund against a group of approximately 240 funds from around the world, focusing in on a small number that are of a similar size.</p> | <p>On a rolling five-year basis: median value-adding or better compared to our CEM peer group, with costs below the CEM-calculated cost benchmark. This rating provides an independent benchmark of whether we have struck a good balance between minimising costs and successfully implementing value-adding investment strategies. Succeeding in this area will result in better long-term investment returns for the NZ Super Fund.</p> <p>Summary report published on our nzsuperfund.nz website.</p> | This measure aligns with our 'Strengthen our investment approach', 'Optimise our organisation' and 'Enhance our external presence' focus areas. |
| CEM Global Reporting Principles | Annually | Website and Annual Report | It is important as a Crown Entity that we report on our costs and value for money in a way that is transparent, consistent with best practice and comparable with other global funds. | Gold score (75% or higher) for CEM's Global Reporting Principles. These Principles encompass reporting of investment costs, investment performance and the timeliness of information provided for CEM's value-add and cost benchmarking survey (see measure above). | This measure aligns with our 'Enhance our external presence' focus area. |

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|---|---------------------------|---------------------------|---|--|---|
| Guardians' response to the IFSWF Santiago Principles | Three-yearly (2028, 2031) | Website and Annual Report | <p>New Zealand is a member country of the International Forum of Sovereign Wealth Funds ('IFSWF'), a voluntary group of sovereign wealth funds established under the auspices of the International Monetary Fund.</p> <p>The Santiago Principles are a set of 24 voluntary IFSWF guidelines that assign best practices for the operations of sovereign wealth funds. These principles recognise that it is important for sovereign wealth funds to demonstrate to their home countries, to the countries in which they are invested, and to the international financial markets in general that they are properly established and that their investments are made on a purely economic basis.</p> <p>The Santiago Principles monitor three important areas of operational practice for sovereign wealth funds: the legal framework, the institutional framework and the governance framework, along with investment policies and risk management.</p> | A self-assessment of the Guardians' and the NZ Super Fund's adherence to the Santiago Principles is completed, published on our website and assured by an independent third party. | This measure aligns with our 'Enhance our external presence' focus area. |
| Global Reporting Initiative Standards | Annually | Website and Annual Report | Reporting is comparable and credible, increasing transparency on the Guardians' and Fund's contribution to sustainable development. | Annual Report and associated reports are in accordance with Global Reporting Initiative Standards. A Global Reporting Initiative index is published annually. | This measure aligns with our 'Enhance our external presence' focus area, and supports our sustainable finance approach. |

Sustainable finance

In this section, we set out our measures relating to our sustainable finance approach.

Further information about our approach, including our Climate Change Investment Strategy and 2030 carbon reduction targets, is available on our website.

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|--------------------------|----------|----------------|---|---|---|
| Climate change | Annually | Annual Report | The Guardians developed a Climate Change Investment Strategy for the NZ Super Fund in 2016. This includes carbon reduction targets set by the Board on a five-yearly basis. The Climate Change Investment Strategy is now being implemented as part of a wider sustainable finance approach. | <p>Publish an annual Climate Change Report aligned with the New Zealand Climate-Related Disclosure Standards. This will include a third-party assured carbon footprint showing progress made against the Fund's carbon reduction targets set by the Board.</p> <p>Detail progress towards a net zero portfolio as required by our Paris Aligned Asset Owner Commitment.</p> | This measure aligns with our 'Strengthen our investment approach' focus area. |
| Impact investment | Annually | Annual Report | <p>The Guardians defines impact investments as: "Investments made with the intent to deliver measurable positive social and/or environmental impacts, and the Fund's required financial return."</p> <p>We have developed an Impact Investment Framework for the Fund, covering qualification, analysis, measurement and management. The objective is to scale impact investment through integration across our team and opportunity set.</p> | Report annually on the dollar amount of assets under management in impact investments. | This measure aligns with our 'Strengthen our investment approach' focus area. |

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|--|--|---------------------------|---|---|--|
| PRI Assessment, Principles and Voting Reports | Aligned to the PRI reporting cycle (typically, annually) | Website and Annual Report | <p>We participate in the annual Principles for Responsible Investment ('PRI') assessments. The PRI is the international standard for best practice in responsible investment and, over time, is evolving to incorporate sustainable finance elements. We consider that Principle 1 (Incorporation/Integration) and Principle 2 (Active Ownership/Stewardship) are the foundation of responsible investment best practice.</p> <p>We report annually on the Guardians' performance and activities against Principles 1 and 2.</p> <p>Voting rights are important for maintaining shareholder oversight of investee company directors, boards and company policies. They are therefore central to meeting our obligations under our governing legislation and our commitment to sustainable finance. We exercise our voting rights globally across the NZ Super Fund's segregated equity portfolio.</p> | <p>Achieve a four- or five-star rating (out of five)* for Policy, Governance and Strategy in the annual PRI assessment.</p> <p>Summary assessment report published on our nzsuperfund.nz website.</p> <p>Report annually on the Fund's activities and outcomes in regard to the PRI Principles, specifically Principle 1 (Incorporation/Integration) and Principle 2 (Active Ownership/Stewardship).</p> <p>Publish voting reports on an ongoing basis on our nzsuperfund.nz website.</p> | This measure aligns with our 'Strengthen our investment approach' and 'Enhance our external presence' focus areas. |

* Or equivalent rating, bearing in mind that over time the PRI rating system and/or methodology may change.

Measuring our performance

Te ine i ā mātou mahi

Elevate Fund

Here we provide some contextual information regarding the Venture Capital Fund, known as the Elevate Fund ('Elevate') in order to explain the Guardians' roles and responsibilities in relation to it.

Elevate was established in 2019 by the Venture Capital Fund Act 2019 ('VCF Act'), and has received approximately \$400 million in capital commitments from the Government. Several of Elevate's underlying funds have realised some of their earlier investments and returned proceeds of around \$20 million to Elevate which Elevate will recycle into new investments. It is a completely separate fund from the NZ Super Fund.

As discussed on page 3, Elevate's ultimate outcome is to contribute to the sustainability and productivity of the New Zealand economy. Elevate will do this by helping establish an ecosystem of venture capital fund managers with greater skills, capital and connectivity, which will in turn help young, innovative companies to grow into successful and sustainable businesses, encouraging the availability of more venture capital from other sources, and therefore developing the venture capital ecosystem in New Zealand.

The VCF Act gives the Guardians a role in relation to Elevate, requiring us to invest it in New Zealand's venture capital markets using best-practice investment management appropriate for institutional investment in those markets. We must also manage Elevate in a manner consistent with:

- the Ministerial Policy Statement which sets out critical parameters as to how Elevate must be managed and invested
- avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

The Policy Statement is a critical document, because it is intended to result in achievement of the policy purpose and will directly influence the financial performance of Elevate. The parameters contained in the Policy Statement have been set with the intention that if the Guardians manages and administers Elevate in accordance with them, and where necessary the Government successfully implements a range of ancillary measures to support the further development of

New Zealand's venture capital markets, the purpose described above is expected to be achieved.

As anticipated in the legislation, the Guardians has appointed NZGCP as the external manager for the fund, using a fund-of-funds model.

NZGCP is responsible for selecting, and allocating capital to, underlying venture capital fund managers to match private-sector investment. These underlying fund managers will in turn deploy capital to investee entities during their investment periods.

Elevate has begun to receive capital returns as underlying funds gradually exit investments, with such amounts anticipated to increase over the coming years. This capital is being recycled to support new fund investments and vintages.

The Guardians' role in relation to Elevate is one of governance and oversight. We are delivering this Guardians' mandate by:

- appointing NZGCP as the external fund manager for Elevate
- ensuring the Management Agreement with NZGCP reflects best practice in the context of institutional investment in New Zealand's venture capital markets and the capital allocation requirement contained in the Ministerial Policy Statement
- ensuring that information reporting requirements relating to the flow of capital are covered in the Management Agreement
- continuing to monitor the performance of NZGCP
- ensuring compliance with the Statement of Investment Policies, Standards and Procedures for Elevate.

It is NZGCP's responsibility to invest in private-sector venture capital fund managers who will select the entities in which to invest.

It is the Guardians' responsibility to monitor NZGCP's performance in line with the best-practice approach and conviction process we have developed to manage relationships with other local and international investment managers, as applicable to the New Zealand venture capital market.

The Guardians has significant experience in working with external managers, as we use external managers to manage substantial investments for the NZ Super Fund globally. We monitor the performance of external managers through a structured approach to regular reviews. These 'conviction reviews' assess managers based on:

- hygiene factors, such as: organisational viability, investment strategy, people capability, alignment, transparency and sustainability

- process and track record
- culture.

Where a manager does not meet our conviction standard, we work to ensure that improvements are made and that standards are met over time. Ultimately, if standards are not met, we may terminate the contract with the manager.

Below we set out our key performance measure in respect of Elevate.

| Measure | Horizon | Where reported | Commentary | Expected outcome | Alignment to Strategic Framework |
|---|----------|----------------|--|---|---|
| Manager monitoring – conviction review | Annually | Annual Report | <p>We monitor NZGCP's performance in line with the best-practice approach we have developed to manage relationships with other local and international investment managers, as applicable to the New Zealand venture capital market. We evaluate our managers by means of a conviction review.</p> <p>Our conviction means our confidence in a manager's competence to execute on an investment opportunity and the general quality and fit of the organisation. Key inputs include the manager's performance, governance and overall conduct.</p> | Successful completion of conviction review. | This measure aligns with our 'Strengthen our investment approach' focus area. |

Transparency and reporting to the Minister of Finance

Te Pūataata me te tuku pūrongo ki te Minita o te Tahua

The Guardians prides itself on being a transparent organisation. Our stakeholders, including the Minister of Finance, as well as any other interested parties, can access a wealth of current and historical information on our nzsuperfund.nz website.

This information includes detailed historical performance figures for the NZ Super Fund since inception, copies of our media statements, along with speeches and presentations given by Guardians' staff.

A range of formal reporting mechanisms is also in place. A Parliamentary Select Committee, generally the Finance and Expenditure Committee, reviews the Guardians' and Funds' financial disclosures, and the Guardians' performance is reviewed five-yearly by an independent reviewer appointed by the Minister.

As a Crown entity, we are subject to the Official Information Act 1982 and to other transparency requirements such as Parliamentary Questions.

As sustainability reporting requirements and best practices develop, we will continue to evolve our reporting in this area. Currently we publish an annual Climate Change Report and Stewardship Report.

In addition, the Guardians provides a quarterly report on the progress of the Guardians and the Funds to the Minister of Finance. This sets out the performance of the NZ Super Fund and the Elevate Fund, as well as key investment and other operational developments during the preceding quarter.

In common with other Crown entities, we also receive from the Minister an annual Letter of Expectations. The Letter sets out the Minister's expectations for the Guardians for the coming year.

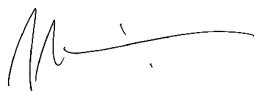
Acquisitions

Ngā hokonga mai

We have no intention to acquire interests in companies, trusts or partnerships for the benefit of the Guardians. We do, however, acquire such interests in our capacity as manager and administrator of the NZ Super Fund, and those interests are the property of the NZ Super Fund. The Guardians' Statement of Investment Policies, Standards and Procedures sets out the investment policies and procedures that apply to investment activities of the Fund. This includes a governance framework for the implementation and operation of all entities that are controlled by the Guardians in respect of the NZ Super Fund.

The Guardians also manages and administers the Elevate NZ Venture Fund, which holds an interest in the Elevate NZ Venture Fund LP. This is a fund-of-funds vehicle that invests in underlying venture capital funds, which in turn invest in high-growth New Zealand companies. Elevate NZ Venture Fund LP has an external manager which is responsible for investing in the underlying funds, and each of the underlying funds has its own management entity that is responsible for that fund's investment activities.

SIGNED ON BEHALF OF THE BOARD



JOHN WILLIAMSON

CHAIR
22 April 2026



HINERANGI RAUMATI TU'UA

BOARD MEMBER
22 April 2026

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www.nzsuperfund.nz

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