



PRIVATE TRANSPARENCY REPORT **2025**

New Zealand Superannuation Fund

Generated 24-11-2025

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The private Transparency Reports, which are produced using signatories' reported information, support signatories to have internal discussions about their practices. Signatories can also choose to make these available to clients, beneficiaries, and other stakeholders.

This private Transparency Report is an export of your responses to the PRI Reporting Framework during the 2025 reporting period. It includes all responses (public and private) to core and plus indicators.

In response to signatory feedback, the PRI has not summarised your responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options that you selected are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2025 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

The New Zealand Superannuation Fund (NZSF) was set up to help pre-fund the future cost of Government-provided superannuation in New Zealand. NZSF is a growth-oriented investment portfolio with a mix of public and private assets, managed by the Guardians of New Zealand Superannuation (the Guardians).

The Guardians is a long-term investor and has a long-standing commitment to Responsible Investment (RI) that is informed by our statutory mandate "to administer the Fund on a prudent, commercial basis and, in doing so, manage and administer the Fund in a manner consistent with: best practice portfolio management; maximising return without undue risk to the Fund as a whole; avoiding prejudice to New Zealand's reputation as a responsible member of the world community". One of our key, long-held investment beliefs is that environmental, social and governance (ESG) considerations, including climate change, are fundamental to long-term risk and return. As a long-term investor, we also have a long-held commitment to active ownership and the promotion of good governance for the overall health of capital markets.

We have adopted a Sustainable Investment (SI) approach, and this commitment is incorporated into our organisational purpose: Sustainable investment delivering strong returns for all New Zealanders.

Our Board-approved Sustainable Finance goal is: The Guardians incorporates sustainability considerations into investment decision-making and supports the development of a sustainable financial system. This means: i) incorporating ESG into investment decisions, with the intention of advancing sustainability whilst fulfilling our financial purpose; ii) considering the impact of ESG on our investments, and the impact of our investments on society and the environment; iii) working with others to overcome barriers to a sustainable financial system. Our Guardians for the Future organisational strategy establishes key principles and focus areas to guide organisational culture, systems, thinking and decision-making within the context of an uncertain future. The 2025/26 strategy identifies "evolving our approach to sustainable investment" as one of two key priorities under the pillar "strengthen our investment approach".

Our SI approach is governed by our Board-approved Statement of Investment Policies, Standards and Procedures (SIPSP), including a specific section which defines SI activities, supported by our SI Framework (SIF) as the basis for implementation. The Board, CEO, co-Chief Investment Officers, leadership team and Investment Committee have oversight of the SIF and integration of SI into investment decisions. The Head of SI reports directly to one of the co-CIOs and presents annually to the Investment Committee and Board on progress in delivering our Sustainable Finance goal. The Board includes SI in its strategic goal setting and has education sessions on SI topics. The Risk Committee also provides oversight of ESG issues across the broader business and organisational environment.

SI and ESG considerations are incorporated across NZSF's investment activities and asset classes. SI is integrated into portfolio design through the way we analyse and define investment Opportunities, allocate risk budgets, conduct investment selection and due diligence, and through ownership activities, such as managing our external investment managers, exercising voting rights and engaging with companies to improve ESG policies and practices. Our work is led by the 7-member SI team as a central resource of ESG expertise, while other investment professionals have responsibility to integrate ESG into investment analysis, decision-making and management. Communications, Legal, Investment Operations and Risk teams provide relevant support for SI work.

The Guardians has recognised climate change as an investment risk since 2006. We have had a formal Climate Change Investment Strategy (CCIS) since 2016, committing to publish our annual portfolio carbon footprint and setting carbon reduction targets. In 2021, we committed to achieve net zero by 2050, with interim reduction targets, and we signed the Paris Aligned Asset Owners Commitment. In 2022 we shifted our passive global equities to MSCI's Paris Aligned Benchmark (PAB) to improve both carbon and ESG metrics. In 2023/24 we adopted a PAB approach for externally-managed multifactor mandates. In 2025 we introduced a PAB approach for our corporate bond portfolio. These changes mean the largest portion of the portfolio is aligned with a net zero pathway. As a founding signatory of the NZ Stewardship Code, we published our first Stewardship Report in 2024 alongside our Climate Change Report. In New Zealand we have an ongoing collaboration on RI, including engagement, with other Crown Financial Institutions (CFIs). Globally, we play an active role in the One Planet Sovereign Wealth Fund network, set up to support integration of climate risk and the climate transition.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

Our key SI focus areas are: evolving our SI approach; climate change; ESG integration; enhanced reporting.

SI approach: In 2024, global advisory firm WTW conducted an independent review of the Guardians and NZSF, including our SI approach. We were rated A for sustainability in our business model and investment model (A is good practice; AA/AAA are best practice). The review, published on our website in October 2024 found that we were "strong in sustainability". "Financial and extra-financial factors are integrated over stakeholders and time horizons. Clearly recorded sustainability ambitions and commitments in rightsizing. Follow through with resourcing and skill to integrate sustainability into investing-as-normal." It also noted that "the Fund is operating consistent with the approach taken by most best practice asset owners to first address the bottom-up perspective on real-world impact". It recommended that we mature our sustainability proposition and model, and extend our focus more significantly into systemic stewardship. Since the review, we are undertaking a review of SI strategy to develop a future sustainable finance roadmap. The 5-yearly independent review is a requirement of our founding legislation, with the reviewer appointed by The Treasury.

Climate change and ESG integration: These continue to be a major focus, building on the steps taken since we moved our portfolio of passive global equities to the MSCI PAB in 2022 (the largest part of our investment portfolio) and established a PAB approach for the externally managed multifactor portfolios (the next largest). In early 2025 we shifted the corporate bond segment of the portfolio to a PAB approach, which reduces exposure to carbon risk, upweights exposure to climate solutions and improves ESG metrics in other areas. We exceeded our 2025 carbon reduction targets. As of 30 June 2024, the Fund's total carbon emissions intensity was 64.4% lower than baseline, which is the unadjusted portfolio (target reduction of 40%). Exposure to potential emissions from carbon reserves was 98.2% lower (80% target). We published our climate change report and carbon footprint (with third-party assurance) in October 2024. The report references the NZ climate standards published by the External Reporting Board. We play an active role in the XRB, participating in its External Reporting Advisory Panel, which advises on the NZ climate standards.

In 2024/25, the Board approved new reduction targets for 2030 and a revised approach/methodology for GHG emissions measurement, which brings the Guardians into closer alignment with the internationally-recognised GHG Protocol and Partnership for Carbon Accounting Fundamentals (PCAF). We have opted to disclose under both the current and revised (PCAF-based) methods for 2025 and will publish the methodology with the 2025 climate change report, along with the Fund's 2025 footprint. The 2030 targets are a reduction in the GHG emissions intensity of the Fund by at least 75% and a reduction in potential emissions from reserves by 80%, to be measured against a fixed baseline of the unadjusted Reference Portfolio as of June 2019.

In NZ, we worked with the other CFIs to develop and implement a collaborative climate change engagement initiative focused on NZX-listed top 50 companies. In 2024 we completed engagements with 10 companies. As a signatory to the Paris Aligned Asset Owners Net Zero Asset Owners Commitment, we completed the PAAO's progress survey in 2024.

We continue to improve climate and ESG integration into other asset classes and in directly owned assets. Progress in the 2024/25 financial year (FY) includes:

- Developing and rolling out an internal ESG rating methodology for our external managers and for directly-held (private) assets.
- Developing internal guidelines to facilitate the integration of ESG considerations into tactical credit and lending programmes.

As a signatory to the Aotearoa New Zealand Stewardship Code, we published our first Stewardship Report in October 2024. We are also a partner of the Centre for Sustainable Finance, set up to support the development of sustainable finance in New Zealand. We are participating in the CSF's workstreams on development of a sustainable finance taxonomy and agriculture taxonomy.

In July 2025 NZSF was named in the Bretton Woods II list of the 25 Most Responsible Asset Allocators in the World for 2022-25. The list is produced by the Responsible Asset Allocator Initiative (RAAI) at the Fletcher School at Tufts University in Massachusetts. In July 2024 and 2025 NZSF achieved a 100% score in the Global SWF's GSR (Governance, Sustainability and Resilience) Scoreboard, one of 5 State-owned investors in the leader group. The GSR assesses the practices of the world's major sovereign wealth funds and public pension funds against 25 criteria (transparency/accountability, governance, ethical standards/policies, alignment with sustainable development goals).

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Steps to advance our commitment to responsible (sustainable) investment in the next two years, include:

SI approach - Following the 5-yearly independent review, the Board is working to evolve our SI approach and to develop our sustainable finance roadmap to 2030. This work is in progress, with a consultant conducting internal research with Board members and management (covering SI issues, methodologies and practice, views about the transition), carrying out a peer study to identify the key characteristics of world-class asset owners and how these may evolve over the next 5-10 years, and a gap analysis to identify priority areas for the next 5 years, including a roadmap and measurement framework. The Board will consider recommendations in July 2025. The SI team strategy will be informed by this work. We are already focusing on analysis and discussion of systemic risks other than climate change (such as nature), their implications for our portfolio and the role we can play in systemic stewardship.

Impact - We continue to develop and evolve our Impact Investment Framework and approach. The framework has a strict definition of impact. We continue our search for impact investments that meet our criteria, in an integrated manner through our Opportunities approach and risk budget allocation. (By Opportunities, we mean categories of investment such as Private Equity —we define an Opportunity as a feature of the investment environment that is conducive to generating positive risk-adjusted active returns). In addition to integrating consideration of impact in our analysis of Opportunities, we will reassess our existing direct investments to consider which qualify as impact investments.

Nature – In the context of systemic risk, we have increased our focus on nature and biodiversity. We have tested the application of the Taskforce for Nature-related Financial Disclosures (TNFD) Framework and tools and we are further integrating nature-related risks and opportunities into our ESG incorporation, stewardship, and reporting. In June 2025, we received approval to endorse the PRI-led Spring initiative on biodiversity and submitted our application in July 2025.

SI is integrated into Leadership team objectives through the Guardians' organisational purpose and strategy. Depending on the team and individual's role, SI is included in individual performance objectives. We continue to encourage training in sustainable finance for the whole Guardians' team, including through external managers, experts and formal programmes, such as the PRI Academy, and alongside internal activities.

We are also focused on operational improvements, including:

- building SI requirements and functions into our Investment Data and Analytics Programme (IDAP) to help enhance our integrated ESG data ecosystem;
- developing our ESG and impact data dashboard as the basis for reporting to the Investment Committee (IC), Board and externally. This includes mapping impact outcomes to the UN Sustainable Development Goals (SDGs);
- developing or automating tools to enhance our approach to ESG stewardship, including voting and engagement.

We continue the search for and manage our investments in a manner that will support our Sustainable Finance goal. We engage with stakeholders in New Zealand and globally regarding the policy settings that will support these initiatives. This includes our continued joint venture with an international investor exploring the feasibility of a major direct private equity investment in an offshore wind project in New Zealand, which would not only be a major generator of renewable electricity but is expected to assist with further driving the decarbonisation of the New Zealand economy.

At the organisational level, our four focus areas are:

1. Strengthen our investment approach
 2. Optimise our organisation
 3. Maximise our team and culture's potential
 4. Enhance our external presence
- Each of our focus areas has a set of principles which represent our preferred ways of working and guide our decision-making and actions. SI is integrated into each of these focus areas.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Will Goodwin

Position

Co-Chief Investment Officer

Organisation's Name

New Zealand Superannuation Fund

☒ A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

☐ B

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- ☐ (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- ☐ (B) Directive on AIFM (2011/61/EU) [European Union]
- ☐ (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- ☐ (D) EU Taxonomy Regulation [European Union]
- ☐ (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- ☐ (F) IORP II (Directive 2016/2341) [European Union]
- ☐ (G) Law on Energy and Climate (Article 29) [France]
- ☐ (H) MiFID II (2017/565) [European Union]
- ☐ (I) Modern Slavery Act [United Kingdom]
- ☐ (J) PEPP Regulation (2019/1238) [European Union]
- ☐ (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- ☐ (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- ☐ (M) SFDR Regulation (2019/2088) [European Union]
- ☐ (N) SRD II (Directive 2017/828) [European Union]
- ☐ (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- ☐ (P) Climate Risk Management (Guideline B-15) [Canada]
- ☐ (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- ☐ (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- ☐ (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- ☐ (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- ☐ (U) SEC Expansion of the Names Rule [United States of America]
- ☐ (V) SEC Pay Ratio Disclosure Rule [United States of America]
- ☐ (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- ☐ (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- ☐ (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- ☐ (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- ☐ (AA) Financial Markets Conduct Act [New Zealand]
- ☐ (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- ☐ (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- ☐ (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- ☐ (AE) Modern Slavery Act (2018) [Australia]

- ☐ (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- ☐ (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- ☐ (AH) JSE Limited Listings Requirements [South Africa]

☒ (AI) Other

Specify:

New Zealand Superannuation and Retirement Act 2001(see below for context)

- ☐ (AJ) Other
- ☐ (AK) Other
- ☐ (AL) Other
- ☐ (AM) Other
- ☐ (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Additional context to your response(s): (Voluntary)

The NZ Superannuation and Retirement Act 2001 is the founding legislation for the Guardians' and for the NZ Super Fund. We issue a Statement of Intent (SOI) that sets out performance measures, including ESG measures. The latest SOI is for the period 1 July 2024 to 30 June 2029. We also publish an annual Statement of Performance Expectations (SPE) and we report on these in our Annual Report each year. In respect of governance, the Act also sets out that there will be a 5-yearly independent review of the Guardians and the Fund, including the approach to RI and the ethical investment requirements of the Act. The latest independent review was carried out in 2024 (available on our website).

The sustainable investment performance measures in the 2024-29 SOI are to: achieve a 4 or 5-star rating for Policy, Governance and Strategy in the annual PRI assessment; publish an annual Climate Change Report aligned with the NZ Climate Related Disclosure standards; report annually on the dollar amount of assets under management in impact investments. Related measures on corporate governance and transparency include: annual update of the Guardians' response to the IFSWF Santiago Principles; achieve a 10/10 rating in the quarterly rating of Sovereign Wealth Fund transparency.

In respect of SI, the "planned actions" in the SPE for 2024/25 included Reporting of climate-related disclosures: The Guardians has voluntarily published our carbon footprint since 2017 and an annual Climate Change Report since 2020. For the financial year ending 30 June 2024, the Guardians intend to further develop this, producing a climate statement for the NZ Super Fund aligned to the recently released climate-related disclosure standards.

The SPE for 2025/26 includes: Evolving our approach to Sustainable Finance - Our Sustainable Investment strategy aims to improve investment resilience to systemic risk over the long-term horizon of the NZ Super Fund. During the 2025/26 financial year we will consider how we can further evolve this area, including confirming new, updated carbon intensity and fossil fuel targets to take us through to 2030, co-ordinated with the work on our Reference Portfolio and our responses to the WTW five-year independent review.

As a Crown-owned entity, we also have reporting obligations on a wide range of matters which may include ESG, including quarterly reports to the Minister of Finance, a no surprises protocol with the Minister of Finance and an annual review by a Parliamentary Select Committee, usually the Finance and Expenditure Committee.

The Guardians also manage the Elevate NZ Venture Fund which was established in 2019 by the Venture Capital Fund Act 2019. The Guardians manages the Elevate Fund through an external fund manager. Reporting on Elevate is included in our Annual Report.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?

- ☐ (A) Asset Owners Stewardship Code [Australia]
- ☐ (B) Código Brasileiro de Stewardship [Brazil]
- ☒ (C) New Zealand Stewardship Code
- ☐ (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- ☐ (E) Stewardship Code [United Kingdom]
- ☐ (F) Stewardship Framework for Institutional Investors [United States of America]
- ☐ (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- ☐ (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- ☐ (I) Luxflag ESG Label [Luxembourg]

- ☐ (J) RIAA Responsible Investment Certification Program [Australia]
- ☐ (K) SRI Label [France]
- ☐ (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- ☐ (M) Code for Institutional Investors 2022 [Malaysia]
- ☐ (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- ☐ (O) Corporate Governance Guidelines [Canada]
- ☐ (P) Defined Contribution Code of Practice [United Kingdom]
- ☐ (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- ☐ (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- ☐ (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- ☐ (T) OECD Guidelines for MNEs - Responsible Business Conduct for Institutional Investors [Global]
- ☐ (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- ☐ (V) Net Zero Asset Managers (NZAM) Initiative [Global]
- ☐ (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- ☐ (X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]
- ☐ (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
- ☐ (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- ☐ (AA) Global Reporting Initiative (GRI) Standards [Global]
- ☐ (AB) IFC Performance Standard [Global]
- ☐ (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- ☐ (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]

☒ **(AE) Other**

Specify:

Paris Aligned Asset Owner Commitment

☒ **(AF) Other**

Specify:

Crown Responsible Investment Framework

☒ **(AG) Other**

Specify:

Aotearoa New Zealand Climate Standards

☐ (AH) Other

☐ (AI) Other

☐ (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

Additional context to your response(s): (Voluntary)

New Zealand Stewardship Code - The Guardians supported the development of the Aotearoa New Zealand Stewardship Code and was a founding signatory. We published our first Stewardship Report, reporting on our activities in respect of the code, in October 2024.

Paris Aligned Asset Owners Commitment - The Paris Aligned Asset Owners are a global group of 57 asset owners that have made individual commitments to transition their investments to achieve net zero portfolio GHG emissions by 2050, or sooner, drawing on the Net Zero Investment Framework to deliver these commitments. An updated iteration of the Net Zero Framework, known as NZIF 2.0, was published in June 2024. The Guardians submitted a report on its progress and contributed to the 2023 PAAO survey of progress, which was published in May 2024. We also submitted our progress to the PAAO survey in December 2024.

Crown RI Framework – In 2020/21, the Guardians collaborated with other Crown Financial Institutions (CFIs) and the New Zealand Government in developing a Crown Responsible Investment Framework which outlined the basis for CFIs' alignment on carbon emissions measurement, net zero 2050 commitments, and reporting in line with the Taskforce for Climate-related Financial Disclosures (TCFD). The framework anticipated that climate reporting would align with the climate standards that were being developed at the time.

Aotearoa New Zealand Climate Standards – The Guardians is not a climate-reporting entity under New Zealand law. Nevertheless, we aligned our 2024 climate-related disclosures with the New Zealand Climate Standards on a voluntary basis and will continue to report with reference to them. This decision was based on our commitment to transparency, best practice, and application of the Crown Responsible Investment Framework.

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL
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What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	30	06	2025

Additional context to your response(s): (Voluntary)

The financial data included in this assessment is unaudited data for the financial year from 1 July 2024 to 30 June 2025. The audited financial statements for the Guardians and the NZ Super Fund will be published in October 2025 and will be available on the NZ Super Fund website.

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL
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Does your organisation have subsidiaries?

- ☐ (A) Yes
☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 51,666,867,090.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PRIVATE	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	17.46%	36.7%
(B) Fixed income	11.52%	6.49%
(C) Private equity	1.21%	4.54%
(D) Real estate	2.15%	2.5%
(E) Infrastructure	0.01%	3.77%
(F) Hedge funds	0%	5.93%
(G) Forestry	2.97%	0.98%
(H) Farmland	1.44%	0%
(I) Other	2.27%	0.06%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

Strategic Tilting; Portfolio Investment DA SIIM; Security Lending; Cash; EDO; Miscellaneous;

(I) Other - (2) Percentage of Externally managed AUM - Specify:

Exploratory - PIMCO Carbon Credits

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	39.68%	0%	0%	0%	0%
(B) Passive	60.32%	0%	100%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PRIVATE	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	100%	0%
(B) Listed equity - passive	100%	0%
(D) Fixed income - passive	100%	0%
(E) Private equity	51.6%	48.4%
(F) Real estate	17.51%	82.49%
(G) Infrastructure	88.97%	11.03%
(H) Hedge funds	9.76%	90.24%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

(A) Passive equity	88.45%
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(B) Active – quantitative	3.11%
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(C) Active – fundamental	8.44%
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(D) Other strategies	0%
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Additional context to your response(s): (Voluntary)

Active quantitative includes Keorangi

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PRIVATE	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA	72.56%
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(B) Passive – corporate	0%
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(C) Active – SSA	27.44%
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(D) Active – corporate	0%
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(E) Securitised	0%
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(F) Private debt	0%
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ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 PE	CORE	OO 5	N/A	PRIVATE	Asset breakdown: Internally managed private equity	GENERAL

Provide a further breakdown of your internally managed private equity AUM.

(A) Venture capital	0%
(B) Growth capital	100%
(C) (Leveraged) buy-out	0%
(D) Distressed, turnaround or special situations	0%
(E) Secondaries	0%
(F) Other	0%

ASSET BREAKDOWN: INTERNALLY MANAGED REAL ESTATE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 RE	CORE	OO 5	N/A	PRIVATE	Asset breakdown: Internally managed real estate	GENERAL

Provide a further breakdown of your internally managed real estate AUM.

(A) Retail	0%
(B) Office	0%
(C) Industrial	0%
(D) Residential	15.66%
(E) Hotel	11.58%

(F) Lodging, leisure and recreation	0%
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(G) Education	0%
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(H) Technology or science	72.76%
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(I) Healthcare	0%
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(J) Mixed use	0%
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(K) Other	0%
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ASSET BREAKDOWN: INTERNALLY MANAGED INFRASTRUCTURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 INF	CORE	OO 5	N/A	PRIVATE	Asset breakdown: Internally managed infrastructure	GENERAL

Provide a further breakdown of your internally managed infrastructure AUM.

(A) Data infrastructure	0%
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(B) Diversified	0%
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(C) Energy and water resources	0%
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(D) Environmental services	0%
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(E) Network utilities	0%
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(F) Power generation (excl. renewables)	0%
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(G) Renewable power	100%
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(H) Social infrastructure	0%
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(I) Transport	0%
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(J) Other	0%
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Additional context to your response(s): (Voluntary)

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PRIVATE	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

86%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(3) >10 to 20%
(C) Fixed income – corporate	(1) 0%
(F) Private equity	(1) 0%
(G) Real estate	(2) >0 to 10%
(H) Infrastructure	(2) >0 to 10%
(I) Hedge funds	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(2) Listed equity - passive	(3) Fixed income - active	(4) Fixed income - passive	(5) Private equity	(6) Real estate
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	(7) Infrastructure	(8) Hedge funds	(9) Forestry	(10) Farmland	(11) Other	
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

- ☐ (A) Yes
☒ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

	(1) Listed equity - active	(2) Listed equity - passive
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

	Percentage of your listed equity holdings over which you have the discretion to vote
(A) Listed equity – active	(12) 100%
(B) Listed equity - passive	(12) 100%

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

	(1) Yes, we incorporate ESG factors into our investment decisions	(2) No, we do not incorporate ESG factors into our investment decisions
(A) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - active - quantitative	<input checked="" type="radio"/>	<input type="radio"/>
(C) Listed equity - active - fundamental	<input checked="" type="radio"/>	<input type="radio"/>
(E) Fixed income - SSA	<input checked="" type="radio"/>	<input type="radio"/>
(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(J) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(K) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(T) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(U) Farmland	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Strategic Tilting; Portfolio Investment DA SIIM; Security Lending; Cash; EDO; Miscellaneous;	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(I) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Exploratory - PIMCO Carbon Credits	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(I) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Exploratory - PIMCO Carbon Credits	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(B) Listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>
(D) Fixed income - passive	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(I) Forestry	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Exploratory - PIMCO Carbon Credits	<input checked="" type="radio"/>	<input type="radio"/>

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed
(A) Forestry

We integrate ESG responsibilities through our governance role as a director on the Board. We also specify specific legal clauses in the mandate outlining ESG due diligence and post investment reporting. At times, we also visit sites in person to review their ESG practices. Forest Stewardship Council (FSC) represents the best practice standard we maintain.

(B) Farmland

We integrate ESG responsibilities through our governance relationship and we have the ability to work with asset-level management on any issues. We also specify specific legal clauses in the mandate outlining ESG due diligence and post investment reporting. At times, we also visit sites in person to review their ESG practices.

(C) Other

Other equates to FX, Tilts, Synthetics and market neutral positions: Exclusions, including both ethical and climate related, apply where appropriate.

Externally managed

(D) Forestry

ESG policies, practices and capabilities are part of the external manager selection and due diligence processes. Typically, Forest Stewardship Council (FSC) certification, or equivalent PEFC, is expected. Once a manager is selected, clauses requiring management of ESG issues are brought into mandates and other legal documents. As part of our post investment monitoring, we carry out regular (1 to 2 yearly) ESG reviews of our managers and ESG performance of associated companies. The objective of the review is to assess and gain more awareness of the manager/investee companies' management of ESG issues and request improvements where appropriate. Managers are rated on ESG practices. The results of the review are integrated into our annual manager conviction review.

(F) Other

Exclusions, including both product and climate related, apply where feasible and appropriate.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PRIVATE	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%
(D) Screening and integration	100%
(E) Thematic and integration	0%

(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PRIVATE	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	100%
(C) A combination of screening approaches	0%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PRIVATE	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(1) Fixed income - SSA

(A) Screening alone	0%
(B) Thematic alone	0%
(C) Integration alone	0%

(D) Screening and integration	100%
(E) Thematic and integration	0%
(F) Screening and thematic	0%
(G) All three approaches combined	0%
(H) None	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PRIVATE	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

(1) Fixed income - SSA

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	100%
(C) A combination of screening approaches	0%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

- ☐ (A) Yes, we market products and/or funds as ESG and/or sustainable
- ☐ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- ☒ (C) Not applicable; we do not offer products or funds

Additional context to your response(s): (Voluntary)

We are a Sovereign Wealth Fund and we do not have individual beneficiaries, so we do not offer investment products or funds.

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PRIVATE	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

Percentage of AUM that utilise an ESG index or benchmark

(A) Listed equity - passive 100%

(B) Fixed income - passive 100%

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(U) External manager selection, appointment and monitoring (SAM) – listed equity - passive	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

(W) External manager selection, appointment and monitoring (SAM) – fixed income - passive	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(Y) External manager selection, appointment and monitoring (SAM) – real estate	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(Z) External manager selection, appointment and monitoring (SAM) – infrastructure	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(AA) External manager selection, appointment and monitoring (SAM) – hedge funds	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☐ (A) Publish as absolute numbers
- ☒ **(B) Publish as ranges**

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☒ (E) Guidelines on sustainability outcomes
- ☒ (F) Guidelines tailored to the specific asset class(es) we hold
- ☒ (G) Guidelines on exclusions
- ☒ (H) Guidelines on managing conflicts of interest related to responsible investment
- ☒ (I) Stewardship: Guidelines on engagement with investees
- ☒ (J) Stewardship: Guidelines on overall political engagement
- ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
- ☒ (L) Stewardship: Guidelines on (proxy) voting
- ☒ (M) Other responsible investment elements not listed here

Specify:

These elements are set out in the Sustainable Investment (SI) Policy in our Statement of Investment Policies, Standards and Procedures, SI Framework, Risk Management policies and investment due diligence processes. In addition, we have a specific Climate Change Investment Strategy and an Impact Investment Framework, including guidelines on sustainability outcomes. We have committed to net zero by 2050 and adopted a goal of supporting the move to Sustainable Finance.

- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Additional context to your response(s): (Voluntary)

In addition to our own policies, our engagement service provider also has guidelines in respect of elements including ESG factors, sustainability outcomes, conflicts of interests, and guidelines on engagement (including investees and political engagement).

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)

☒ **(C) Specific guidelines on other systematic sustainability issues**

Specify:

We have guidelines as part of our Climate Change Investment Strategy, internal guidelines on Modern Slavery and are developing guidelines on nature. Internal guidelines have been developed in relation to other sustainability issues and as part of our due diligence processes.

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☒ **(A) Overall approach to responsible investment**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/>

☒ **(B) Guidelines on environmental factors**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/integrating-esg/>

☒ **(C) Guidelines on social factors**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/integrating-esg/>

☒ **(D) Guidelines on governance factors**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/actual-portfolio/how-we-add-value/director-governance/>

☒ **(E) Guidelines on sustainability outcomes**

Add link:

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/2024-NZ-Super-Fund-Annual-Report.pdf>

☒ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/climate-change/>

☒ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/engagement/>

☐ (H) Specific guidelines on other systematic sustainability issues

☐ (I) Guidelines tailored to the specific asset class(es) we hold

☒ **(J) Guidelines on exclusions**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/exclusions/>

☒ **(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.nzsuperfund.nz/assets/Publications/Policies/Human-Resources-Policy.pdf>

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/actual-portfolio/how-we-add-value/director-governance/>

☒ **(M) Stewardship: Guidelines on overall political engagement**

Add link:

<https://www.nzsuperfund.nz/assets/Publications/Policies/Communications-and-Engagement-Policy-Board-Approved.PDF>

☒ **(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

<https://www.nzsuperfund.nz/assets/Publications/Policies/Communications-and-Engagement-Policy-Board-Approved.PDF>

☒ **(O) Stewardship: Guidelines on (proxy) voting**

Add link:

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/ownership/>

☒ **(P) Other responsible investment aspects not listed here**

Add link:

<https://www.nzsuperfund.nz/publications/policies/>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Additional context to your response(s): (Voluntary)

Our engagement service provider, Columbia Threadneedle Investments, also has relevant RI policies that are publicly available. These include:
Guidelines on environmental, social factors and human rights: Engagement policy addendum - Environmental and social practices:
<https://docs.columbiathreadneedle.com/documents/Responsible%20Investment%20-%20Engagement%20policy%20addendum%20-%20Environmental%20and%20social%20practices.pdf?inline=true>
Guidelines on governance factors: Corporate governance guidelines:
<https://docs.columbiathreadneedle.com/documents/Responsible%20Investment%20-%20Corporate%20Governance%20Guidelines%20CGG.pdf?inline=true>
Guidelines on engagement with investees, key stakeholders and overall political engagement: Engagement policy and approach:
<https://docs.columbiathreadneedle.com/documents/Responsible%20Investment%20-%20Engagement%20policy%20and%20approach.pdf?inline=true>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

- **(A) Yes**

Elaborate:

The Guardians' long-standing commitment to Responsible Investment (RI) is informed by our statutory mandate. Our policies identify the linkages with the mandate. The New Zealand Superannuation and Retirement Income Act 2001 established the Guardians of New Zealand Superannuation and the New Zealand Superannuation Fund. The Act states that the Guardians are responsible for investing the Fund and must invest the Fund on a prudent, commercial basis and, in doing so, must manage and administer the Fund in a manner consistent with— (a) best-practice portfolio management; and (b) maximising return without undue risk to the Fund as a whole; and (c) avoiding prejudice to New Zealand's reputation as a responsible member of the world community.

The Guardians is required to have a Statement of Investment Policies, Standards, and Procedures (SIPSP), which must cover (but are not limited to) those set out in Section 61. These include (in Section 61(d)) "ethical investment, including policies, standards, or procedures for avoiding prejudice to New Zealand's reputation as a responsible member of the world community". Section 61 also refers to the retention, exercise or delegation of voting rights acquired through investments.

Our SIPSP includes a policy on Sustainable Investment which sets out our approach. It notes that the term "sustainable investment" encompasses ethical investment as required under Section 61 (d). "Our SI policies, standards and procedures have been developed to reflect SI best practice in a way that is consistent with our investment mandate. Applying our SI policies, standards and procedures supports how we manage and administer the Fund in a manner consistent with avoiding prejudice to New Zealand's reputation as a responsible member of the world community." The policy also notes that "As part of our SI approach, we have adopted a sustainable finance goal of incorporating sustainability considerations into investment decision-making and supporting the development of a sustainable financial system within the context of our legislative purpose and mandate." The SI policy and our Sustainable Investment Framework (SIF) also address the retention, exercise and delegation of voting rights.

One of our key investment beliefs is that 'environmental, social and governance considerations, including climate change, are fundamental to long-term risk and return.' As a long-term investor, we are committed to active ownership and the promotion of good governance for the overall health of the capital markets.

In 2020 we started a 3-year review of our approach to RI, with a view to preparing for emerging best practice. This included a legal review of the requirements of the statutory mandate, during which the Guardians' Board confirmed that 3 "legs" of the mandate are of equal weight. As a result of the review, the Board approved the adoption of our sustainable finance goal, which includes incorporating sustainability considerations into investment decision-making and supporting the development of a sustainable financial system within the context of our legislative purpose and mandate.

In addition, our Act requires the Government to commission a 5-yearly independent review of the Guardians and the Fund, with the external reviewers being appointed by the Minister of Finance on the advice of The Treasury. The latest review was in 2024 and was carried out by global advisory firm WTW (which also carried out the previous review in 2019). The terms of reference for the review include our approach to responsible investment, compliance with the requirements of the SIPSP and whether we meet the requirements of the statutory mandate in respect of responsible investment. The review was published by the Minister of Finance in September 2024 and is available on our external website, along with the Guardians response. The 2024 review rated the Guardians "AA" (excellent) for our business, governance, and people models, and "AAA" (exceptional) for our investment model. It rated the Guardians "A" (very good) in sustainability. The reviewers noted that global best practice has progressed significantly since its last review of the Guardians "meaning leadership aspirations in this area are a challenging moving target". They concluded that they believe that the "Guardians has a number of processes to ensure that all the underlying policies and procedures included in the SIPSP are integrated through the organisation" and that the Fund "is leading global best practice in its public disclosure of beliefs, policy and progress against [sustainable investment] goals".

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- ☒ (A) Overall stewardship objectives
- ☒ (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- ☒ (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- ☒ (D) How different stewardship tools and activities are used across the organisation
- ☒ (E) Approach to escalation in stewardship
- ☒ (F) Approach to collaboration in stewardship
- ☒ (G) Conflicts of interest related to stewardship

☒ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa

☒ (I) Other

Specify:

These elements are covered in the Guardians' SIPSP, including the SI Policy, and the SI Framework, including a commitment to exercise voting rights in investee companies. These are supported by policies on conflicts for both Board members and staff. Our process for managing conflicts, including investment conflicts, includes 6-monthly disclosures, a conflict reporting line and a whistleblower facility.

Our voting policies are guided by national and international standards of good corporate governance. We have implementation-oriented documents that support our active ownership/active ownership approaches, including requirements of engagement and voting service providers, reporting on ownership activities and how we prioritise ownership activities.

Our Communications & Engagement Policy acknowledges that transparency is critical to maintaining stakeholder confidence in the Guardians and Fund. We are committed to transparency. For example, we publish 6-monthly lists of holdings and external managers. We have a voting dashboard on our website, which means that stakeholders can look at voting decisions at a company level. Additional information on our active ownership activities can be found in our Annual Report and on our website. We report on stewardship activities in an annual SI report to the Board and publish an annual stewardship report.

Institutional Shareholder Services (ISS) provides us with the platform for executing voting. Columbia Threadneedle Investment is our engagement service provider (Responsible Engagement Overlay service, reo®). Their approach to engagement is based on constructive and confidential company dialogue and on building a relationship of trust, where, over time, they seek to gain a sound understanding of how companies manage the key ESG issues linked to their activities. The reo® service encourages improvement in ESG management should they deem existing practices insufficient to respond to ESG risks and/or opportunities.

- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

☒ (A) Yes, it includes voting principles and/or guidelines on specific environmental factors

☒ (B) Yes, it includes voting principles and/or guidelines on specific social factors

☒ (C) Yes, it includes voting principles and/or guidelines on specific governance factors

- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

☒ (A) We have a publicly available policy to address (proxy) voting in our securities lending programme

Add link(s):

<https://nzsuperfund.nz/assets/Publications/Policies/Sustainable-Investment-Framework-2025.pdf>

<https://www.nzsuperfund.nz/assets/Publications/Policies/NZSF-Statement-of-Investment-Policies-Standards-and-Procedures-2024.pdf>

- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

Additional context to your response(s): (Voluntary)

Proxy voting is addressed specifically in our SIPSP, including in respect of share lending, and we have a share recall process to ensure we are able to retain voting rights.

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment	(7) 100%
(B) Guidelines on environmental factors	
(C) Guidelines on social factors	
(D) Guidelines on governance factors	

Additional context to your response(s): (Voluntary)

Our policy elements apply to all assets, although the implementation might vary in practice (per PRI's additional reporting guidance). The elements covered in this indicator might not be applicable in certain cases (such as financial instruments) but we test for applicability and apply them to the extent we can.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change

(1) for all of our AUM

(B) Specific guidelines on human rights

(1) for all of our AUM

(C) Specific guidelines on other systematic sustainability issues

(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ **(A) Listed equity**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%

☒ **(11) 100%**

☒ **(B) Fixed income**

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%

- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☒ (C) Private equity

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☒ (D) Real estate

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☒ (E) Infrastructure

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☐ (F) Hedge funds

☒ (G) Forestry

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

● (11) 100%

☒ (H) Farmland

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%

- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

☒ (11) 100%

☐ (I) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

☒ **(A) Actively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

☒ (11) 100%

☒ **(B) Passively managed listed equity**

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%

☒ (11) 100%

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- ☒ (A) Board members, trustees, or equivalent
☒ (B) Senior executive-level staff, or equivalent
Specify:

Chief Executive, Co-Chief Investment Officers, Chief Operating Officer, Chief Risk Officer, General Manager Corporate Affairs, and the Leadership Team as a group.

- ☒ (C) Investment committee, or equivalent
Specify:

Investment Committee

- ☒ (D) Head of department, or equivalent
Specify department:

Head of Sustainable Investment, Head of Asset Allocation, Head of Portfolio Completion, Head of Investment Operations, Head of Risk; all Investment Group Heads have accountability for responsible investment in the areas of the portfolio that they lead.

- ☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

☒ (A) Yes

Describe how you do this:

Engagement in public policy on matters relevant to the Fund is part of our work as an independent investment institution, guided by our Statement of Investment Policies, Standards and Procedures (SIPSP) – and organisational policies on Sustainable Investment, communications, government relations and codes of conduct. We are also guided by a specific Communications & Engagement Policy. This sets out the guiding principles for engagement in public policy and detailed procedures to manage the process. They cover Government relations, media relations, media and speaking invitations, and policy submissions. These policies are published on our external website.

The Guardians has operational independence from the NZ Government, ensuring investments may be made on a prudent, commercial basis in line with our SIPSP and SI Framework. We receive and respond to an annual Letter of Expectations from the Minister of Finance as a formal (but not legislative) avenue for policy dialogue for the coming year. This provides an opportunity for the Guardians' Board to consider the Minister's expectations in the course of developing the Guardians' Statement of Intent (SOI) and annual Statement of Performance Expectations (SPE). These documents are also published on our external website. From time to time, the Minister may also issue Letters of Expectation related to specific matters. For example, in 2021 the Minister of Finance issued an Enduring Letter of Expectations to Crown Financial Institutions in Relation to Responsible Investment, setting out expectations in relation to addressing climate change and its commitment to net zero by 2050.

As an operationally independent Crown entity, and consistent with our role as an institutional investor, the Guardians is actively engaged on various matters with a public policy dimension, both in NZ and internationally. In commenting on public policy issues, we adhere to a policy of political neutrality. Where our engagement on public policy matters made as part of a public submission process, the Minister's office and Treasury are provided with copies of these submissions, in line with our 'no surprises' protocol. As a matter of Guardians' policy, all our submissions are publicly available on our website. We also engage on policy through collaborative initiatives or through the industry organisations that we belong to, such as the PRI and the Responsible Investment Association Australasia. Our responsible engagement service provider also plays an active role in public policy development globally through engagement with policymakers and regulators.

We believe that engaging on SI policy matters is consistent with best practice portfolio management, our independence and our commitment to transparency and good stewardship. It is also required under our obligations as a responsible investor and signatory of the PRI. Transparency is critical to maintaining organisational credibility and stakeholder confidence in the Guardians and Fund. We aim to keep our stakeholders informed about what we do, why we do it and have adopted an approach of being as transparent as possible about our investment decisions and our organisation in general. Finally, the Guardians has demonstrated domestic leadership in helping to advance both the New Zealand Corporate Governance Forum and the NZ Centre for Sustainable Finance. We also provide SI advice to other Crown Finance Institutions and work closely with them on issues such as public policy, ESG exclusions and corporate engagements.

We have a clear internal process for engagement with political stakeholders, guided by the Communications & Engagement Policy including meetings with elected representatives and officials, and for deciding what we should make submissions on, as well as for approving submissions. The Head of Communications is responsible for these activities and for the implementation of the Communications & Engagement Policy. The SI and Communications teams have a process to monitor and discuss activities, and engage with each other regularly. We also make regular reports (annual) to the Finance & Expenditure Select Committee, which include comprehensive disclosures about conflict disclosures and memberships. Our reports to the Select Committee are available on our website.

Globally, we contribute to public policy development through our global engagement service provider, including engagement with policymakers and regulators. Our engagement service provider seeks to bring a constructive investor voice to standard settings, with the belief that policy and regulatory change is often the catalyst for improved corporate behaviour. There is no direct political engagement executed via our engagement service provider.

- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☒ **(A) Internal role(s)**

Specify:

Primary responsibility for implementing our Sustainable Investment (SI) approach sits with the Head of Sustainable Investment and the SI team. However, the CEO, CIO and Leadership Team all have responsibility for implementation because Sustainable Investment is embedded in the organisation's purpose. SI is integrated through our investment decision processes, including portfolio design (opportunity definition and risk budget allocation), due diligence (new investments) and portfolio monitoring.

☒ **(B) External investment managers, service providers, or other external partners or suppliers**

Specify:

We use external service providers to provide operational support for our SI approach. These include MSCI for ESG ratings data, an engagement service provider (with sustainability and engagement specialists) for global equities and Institutional Shareholder Services for proxy voting, in line with our voting policy. We also use external service providers for operational support in due diligence, portfolio carbon footprinting, research and assurance. We also engage with external managers on SI.

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Describe: (Voluntary)

The Board sets out medium and long-term performance measures for the Guardians and the NZ Super Fund in the Statement of Intent (SOI). It sets out short term expectations in the annual Statement of Performance Expectations.

The current Statement of Intent is for the period 1 July 2024 to 30 June 2029 and sets out measures in respect of best practice and Sustainable Finance. In the context of best practice, the expected outcome is to achieve a 4- or 5-star rating (out of 5) for Policy, Governance and Strategy in the annual PRI assessment, with the summary assessment report published on our website; to 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); and to publish voting reports on an ongoing basis on our website. The best practice section also includes a requirement to report annually on adherence to the Santiago Principles (with third-Party assurance) and to achieve top quartile or higher rates in the GeoEconomics Index of sovereign wealth fund compliance with the Santiago Principles.

The expected outcomes in the Sustainable Investment section are to publish an annual Climate Change Report aligned with the New Zealand Climate Related Disclosure Standards, including third-party assured carbon footprint showing progress made against the Fund's carbon reduction targets set by the Board, and to detail progress towards net zero in line with the requirements of the New Zealand Government's 2021 Crown Financial Institutions' Responsible Investment Framework, with specific reference to setting interim targets and reporting carbon reduction metrics, and to report progress towards net zero annually as required by our Paris Aligned Asset Owner Commitment.

The Statement of Intent is published on our external website: <https://nzsuperfund.nz/publications/statement-intent/>

We publish an annual Statement of Expectations which sets out our high priority activities and forecast financial statements for the relevant financial year. It also includes an estimate of Fund returns for the year. The Statement of Expectations was published for the period 1 July 2024 to 30 June 2025. It includes implementation of recommendations from the 5-year independent review of the Guardians and the Fund and reporting on our carbon footprint and Climate Change Report in alignment with the New Zealand climate-related disclosure standards. A Statement of Expectations for the period 1 July 2025 to 30 June 2026 has also been published. The Statement of Performance Expectations is published on our external website on the same page as the SOI:

<https://www.nzsuperfund.nz/publications/statement-intent/>

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

- (1) KPIs are linked to compensation

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

The Guardians has a discretionary incentive scheme as part of our remuneration structure. As noted above, our Statement of Intent (SOI) sets out the KPIs determined by the Guardians' Board, while the SPE includes near-term expectations about performance and the completion of strategic priorities. The expectations set out in the SOI and SPE are rolled out to the relevant individual KPIs for members of the senior team. Achievement of these KPIs is a determining factor in the decisions about whether bonuses may be paid and the quantum. In making decisions about staff bonuses, the Guardians' Board determines the degree to which we have met KPIs. The SOI includes SI measures.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="checkbox"/>	<input type="checkbox"/>

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ (A) Any changes in policies related to responsible investment
- ☒ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☒ (E) Climate-related commitments
- ☒ (F) Progress towards climate-related commitments
- ☒ (G) Human rights-related commitments
- ☒ (H) Progress towards human rights-related commitments
- ☒ (I) Commitments to other systematic sustainability issues
- ☒ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☒ (A) Yes, including governance-related recommended disclosures
- ☒ (B) Yes, including strategy-related recommended disclosures
- ☒ (C) Yes, including risk management-related recommended disclosures
- ☒ (D) Yes, including applicable metrics and targets-related recommended disclosures
- ☐ (E) None of the above

Add link(s):

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/climate-change/>
<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>
<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

- ☐ (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)
- ☐ (B) Disclosures against the European Union's Taxonomy
- ☐ (C) Disclosures against the CFA's ESG Disclosures Standard

☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

We report annually against the Global Reporting Initiative (GRI) framework. The GRI meets global best practice for how organisations communicate and demonstrate accountability for their impacts on the environment, economy and people, and widely recognised sustainability reporting standards.

Link to example of public disclosures

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/GRI-Index-2024.pdf>

☒ **(E) Disclosures against other international standards, frameworks or regulations**

Specify:

We contribute annually to the Responsible Investment Association Australasia's Aotearoa New Zealand RI survey, which has been the basis for the RIAA Benchmark Report.

Link to example of public disclosures

<https://www.responsibleinvestment.org/research-and-resources/resource/responsible-investment-benchmark-report-aotearoa-new-zealand-2024>

☒ **(F) Disclosures against other international standards, frameworks or regulations**

Specify:

Paris Aligned Investment Initiative – Paris Aligned Asset Owner Commitment Progress Report 2023 (Published May 2024)

Link to example of public disclosures

<https://www.parisalignedassetowners.org/media/2024/07/PAAO-2023-Progress-Report.pdf>

☒ **(G) Disclosures against other international standards, frameworks or regulations**

Specify:

The Guardians has published an annual Carbon Footprint and/or Climate Change Report since 2017, in line with the recommendations of the Taskforce on Climate-related Financial Disclosures. Although we are not a climate-reporting entity under the Financial Conduct Act 2013, we voluntarily aligned the 2024 Climate Change Report with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board, based on our commitment to transparency and best practice.

Link to example of public disclosures

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>

Additional context to your response(s): (Voluntary)

As a founding signatory to the Aotearoa Stewardship Code, in October 2024 we published our first Stewardship Report to report on how we meet the commitments in the code: <https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/2024-Stewardship-Report.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

- ☒ (A) Yes, we publicly disclosed all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/2024-Stewardship-Report.pdf>
<https://www.nzsuperfund.nz/publications/disclosures/selectcommittee/>
<https://www.nzsuperfund.nz/assets/Disclosures/SEC/2023-24-Select-Committee-questionnaire.pdf>

- ☐ (B) Yes, we publicly disclosed some of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☐ (C) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☐ (D) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

Additional context to your response(s): (Voluntary)

The Select Committee disclosures for the 2023/24 financial year were submitted for the Select Committee Review held in April 2025.

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- ☒ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- ☒ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- ☒ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- ☒ (D) Exclusions based on our organisation's climate change commitments
- ☒ (E) Other elements

Specify:

We have product exclusions that apply to companies based on their products and take account of restrictions or prohibitions by international conventions signed by New Zealand, New Zealand law or significant Crown actions. These exclusions include companies directly involved in the manufacture of cluster munitions, manufacture or testing of nuclear explosive devices, manufacture of anti-personnel mines, manufacture of tobacco, processing of whale meat, recreational cannabis, manufacture of civilian automatic and semi-automatic firearms magazines or parts. We may also exclude companies where there is a serious breach of standards of good corporate practice. Our SIF sets out our process and the principles for these decisions. It also sets out that we will exclude the sovereign bonds of any nation state where there is widespread condemnation or sanctions by the international community and New Zealand has imposed meaningful diplomatic, economic or military sanctions aimed at that government.

- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

☒ **(A) We incorporate ESG factors into our assessment of expected asset class risks and returns**

Select from dropdown list:

- ☒ **(1) for all of our AUM subject to strategic asset allocation**
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

☒ **(B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns**

Select from dropdown list:

- ☒ **(1) for all of our AUM subject to strategic asset allocation**
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

☒ **(C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns**

Select from dropdown list:

- ☒ **(1) for all of our AUM subject to strategic asset allocation**
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

☒ **(D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns**

Select from dropdown list:

- ☒ **(1) for all of our AUM subject to strategic asset allocation**
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

Specify: (Voluntary)

We incorporate our SI approach and ESG considerations into the asset allocation process through definitions of Opportunities (how we define asset classes), the allocation of risk budgets to Opportunities and also to the access point decisions about how we invest in Opportunities.

- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

	(1) Listed equity	(2) Fixed income	(3) Private equity	(4) Real estate
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(5) Infrastructure**(6) Hedge funds****(7) Forestry****(8) Farmland**

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

We are an active owner of the assets we invest in. We exercise stewardship in respect of assets we hold directly, in companies held via listed equities and through the exercise of voting rights. We also contribute to the development of public policy in relevant areas. With assets that we hold directly, such as forestry or farms in NZ, we use our influence as an owner/investor (including at Board level in some cases) to ensure that management teams understand best practice ESG approaches for the sector, including how they manage, monitor and report on ESG risks. We encourage them to monitor systemic issues, such as climate change and nature/biodiversity. For global listed equities, we have appointed an external global engagement service provider, Columbia Threadneedle Investments reo®. Our service provider identifies and prioritises issuers for engagement based on:

- client preferences, mandates, policies and guidelines;
- client holdings; analysts' coverage, judgement and expertise;
- material risks and opportunities identified by the research and engagement conducted related to agreed high level themes and sub-themes;
- potential systemic risks; event-driven, such as AGMs or controversies; regulatory or jurisdictional considerations and requirements.

Additional considerations may be brought in as new information and knowledge is acquired during engagement with issuers, clients and policy makers. The service provider also utilises specialist data sources to identify issuers subject to a specific risk being focusing on. We have a resource-sharing agreement with fellow New Zealand Crown Financial Institutions (CFIs), including our engagement service provider. We work together on engagement initiatives, although we will also undertake our own engagements. In 2023, the CFIs as a group developed an initiative to engage on climate change with companies listed on the NZX50 and in calendar 2024 we engaged with 10 companies, including 7 in the 2024/25 financial year. In the 2023/24 financial year, our engagement service provider carried out 607 engagement activities on behalf of the CFIs, covering 371 companies in 32 countries. This included 299 engagement activities on climate change, covering 201 companies. Of these, 372 engagement activities related to companies in the NZSF portfolio, covering 233 companies in 25 countries. We will publish reo® engagement data for 2024/25 in the Stewardship Report in October 2025. Where we identify issues with listed companies, we assess the available information, along with data from other sources, to determine whether we should include the company in our own engagement programme. We consider that collaborative engagement is an effective way to achieve change at company and policy level. We may also engage directly with companies, depending on the context. Our priority issues for engagement are severe environmental damage (including climate change), human rights, and bribery and corruption. Key factors considered when prioritising our engagement efforts are set out in our Sustainable Investment Framework. We support several global collaborative engagement initiatives. Where we invest in equities via an external manager, we exercise stewardship by including ESG clauses in the legal agreement where relevant and possible. ESG considerations are taken into account when we appoint external managers and we have an annual process for rating the ESG performance of managers. Voting: We exercise voting rights on all shares we own, including portfolios managed by external managers, to ensure our shares are voted for in a consistent way, according to our voting policy. Operationally, we use a proxy voting service provider (ISS) to execute voting. Our custom voting policy is based on ISS policies, but we have more stringent ISS policies in respect of aspects such as Director independence, Board tenure, alignment of pay and performance, climate change and ESG. Our voting policies are based on good corporate governance principles. For global holdings we generally direct ISS to vote in line with our customise global voting policy. We retain the right to instruct voting decisions on the shares we own. For NZ equities, we instruct voting directly, based on recommendations from ISS and NZ investment managers. We report on voting publicly via a dashboard on our external website. We may withhold or recall shares from loan to exercise our voting rights to support our governance and engagement policies.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- ☒ (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- ☐ (B) We collaborate on a case-by-case basis
- ☐ (C) Other
- ☐ (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

We consider that collaborative stewardship is an important way to improve the management of ESG risks, achieve sustainability outcomes and to amplify investor influence on ESG matters with issuers, policy makers, index providers, standard setters and other key stakeholders. As a result of engagement programmes by the Guardians and other investors around the world, companies are increasingly aware that investors are analysing their ESG performance and expecting them to address ESG issues responsibly. We believe collaborative stewardship is important because, although we are a large investor in the New Zealand context, we are small by global standards. As an individual investor, we generally own a very small number of an issuer's securities. Our ability to achieve change or improvement in ESG is therefore enhanced when we work with other investors and peers, because of the larger ownership base represented and the increased resources available. When working collaboratively, we are mindful of the need to adhere to all applicable legal and regulatory requirements that might apply (such as competition or anti-trust requirements).

In NZ, we have an ongoing collaborative and resource sharing arrangement on Responsible Investment with fellow NZ Crown Financial Institutions (CFIs) the Accident Compensation Corporation (ACC) and the Government Superannuation Fund Authority and National Provident Fund. We have together appointed an external global engagement service provider for our global equities holdings. In the 2025/26 financial year we plan to extend the service to cover corporate bond holdings. The additional resource provided by the responsible engagement service increases the reach and effectiveness of our global engagement. It reviews its engagement policy annually. Its policy says the preferred approach to conducting engagement is to use constructive, confidential dialogue, typically interacting one-to-one with issuers and building a relationship of trust over time as long-term investors. As well as engaging with companies on individual issues, it carries out thematic and industry-wide engagements on topics such as human rights, work rights, climate change and environmental harm. As a client we have an opportunity each year to provide input on decisions around its priority companies and themes. We publish engagement reports on our external website on a quarterly basis.

The Guardians is also a member of the Australian Council of Superannuation Investors. ACSI was established in 2001 to provide a strong voice on financially material environmental, social and governance (ESG) issues in the Australian market. Its members include Australian and international asset owners and institutional investors. ACSI supports its members by providing research, engagement, advocacy and voting recommendations to support active ownership.

In the New Zealand market, CFIs have a collaborative engagement on climate change with companies in the NZX50, with the objective of ensuring that local companies are addressing mandatory climate related disclosure requirements, understand the need to develop a pathway for the transition to a low carbon economy and understand CFI expectations in respect of our commitment to having portfolios aligned with net zero by 2050.

We are also actively involved in other collaborative stewardship activities to address themes or systemic issues such as climate change. This enables us to keep in touch with best practice, as well as contributing to collaborative initiatives. We are a member of PRI, RIAA, the International Corporate Governance Network, signed up to the Paris Aligned Investor Initiative Net Zero Asset Owner Commitment, the Investor Group on Climate Change in Australia and NZ and the NZ Corporate Governance Forum. In FY2024/25 we signed investor statements in the lead up to the 2024 Climate Change Convention and proposed changes to reporting standards in the proposed EU Omnibus legislation.

In addition, our responsible engagement service, CTI, is also involved in collaborative engagement on behalf of the Guardians and its other clients. While CTI generally prefers to engage issuers in private to enable honest, open, and frank discussions to take place, they consider that collaboration with other investors or stakeholders might be an impactful engagement or escalation strategy. Given ownership of an issuer is often dispersed, for a stakeholder's voice to have weight it may require collaborative engagement to address issues effectively at the issuer or industry level. They support dialogue amongst investors and collaborative engagement on a case by case basis where this contributes to the creation and protection of stakeholder value.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

- ☒ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**
Select from the list:
☒ **1**
- ☒ **(B) External investment managers, third-party operators and/or external property managers, if applicable**
Select from the list:
☒ **4**
- ☒ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**
Select from the list:
☒ **2**
- ☒ **(D) Informal or unstructured collaborations with investors or other entities**
Select from the list:
☒ **5**
- ☒ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**
Select from the list:
☒ **3**
- ☐ (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?

☒ **(A) Example(s) of measures taken when selecting external service providers:**

When selecting and appointing external service providers, we follow the requirements set out in our Procurement and Outsourcing Policy. In certain circumstances, we will be required to follow Government procurement practices, which may include a Government Electronic Tendering process. Where the Government process does not apply, we have our own internal processes for major and minor contracts. A major contract is where the following factors are considered to be potentially significant to our organisation:

- The impact of a supplier's disruption on our operations including the time to recovery of core capabilities;
- The impact the supplier could have on our reputation;

- Whether the supplier has access to restricted and confidential information or poses a significant information security risk;
- Whether the supplier's IT infrastructure pose a significant information security risk;
- The level of difficulty and time required to find an alternative supplier.

In respect of outsourcing, we consider the capability of an external party to perform the outsourced process, cost benefit analysis, risks around outsourcing, efficiency and whether it is consistent with best practice. Selection criteria include the organisation's specialisation, reputation, support by the industry sector, internal controls, information delivery, environmental track record, location and organisational culture. For large contracts, a panel of Guardians' team members may be assembled to make the selection. We undertake appropriate due diligence and legal checks. We have a specific process for developing the outsourcing contract. Requirements for the ongoing monitoring of the relationship is set out in our Third Party Monitoring Framework and Process. Regular reviews are required (usually every three years).

In addition to the requirements of our Procurement and Outsourcing policy for our external engagement service provider and our proxy voting service provider, we have regular reporting and ongoing dialogue on stewardship matters. We have quarterly meetings with our engagement service provider, access information on the client portal and receive quarterly and annual reports on engagement activity. Our engagement service provider has an annual process of consultation with clients to prioritise companies and themes for engagement. We monitor their policies and external reporting. We have regular meetings and frequent communications with our proxy voting service provider to discuss issues, trends, research about voting recommendations, voting policy development and operational issues.

☑ (B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:

The risk factor we will consider when designing engagement mandates include:

- IT Security Practices: We should understand the maturity of the third party's policies, standards and procedures for IT security including whether they have any IT security assurance programme, and whether independent assurance is obtained over security controls.
- Data: Access/ Storing/ Confidentiality
- Data Protection: Evaluate the adequacy of the various technical controls applied to protect our data third party's on systems.
- Privacy: Examine the conformance of the third party's privacy practices with good practice privacy principles.
- Business Continuity: Enquire on the various processes by which the third parties ensure they can recover from an interruption or disaster event, including backups, geographical separation of data storage, and recovery plans.
- Financial Strength: Assess the financial strength of the third party and determine whether there are any risks to the financial viability of the third party which may impact on their ability to fulfil their contracted services and service levels.
- Staff/contractor Vetting: Assess the third party's procedures for the vetting of staff and contractors (such as criminal history checks), and evaluate whether staff and contractors receive adequate training on information security.
- Supply chain: Determine how the third party's ensure that their own outsourced providers and contractors are meeting security and service continuity expectations.

Where we need to meet legal or regulatory obligations, determine whether the third party operates in a manner which enables us to meet our obligations. Examples include: Privacy, Bribery & Corruption, Anti-money laundering, Health and Safety, Public records Environmental Social & Governance (ESG): Determine whether the third party operates in a manner consistent with our expectations in regard to ESG e.g. Bribery & corruption, climate change, modern slavery.

☑ (C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

Our responsible engagement service provider provides us with quarterly reports, including a public report, a confidential report, detailed breakdowns of the data behind the reports, annual data, access to an online portal. We have quarterly meetings with their engagement specialist. We are able to request specific information or analysis. We do Third Party Monitoring reviews.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Stewardship is integrated through investment decision-making with a top down and bottom up approach. The Sustainable Investment team has overall responsibility for developing and implementing the stewardship strategy (in line with the SIPSP and Sustainable Investment Framework), and primarily engage and vote the global equities portfolio. Our active internal and external New Zealand equities managers integrate ESG considerations into research and engage with companies including governance for AGMs. Subject matter specialists from the SI team work with the Direct Investment team and with the team that has relationships with external managers to support engagement as relevant.

Members of the Sustainable Investment team are actively involved in our New Investments Group. All new investments are taken to the New Investment Group and a project team is set up to complete due diligence. The project teams include representatives from across the Guardians, including representatives from Communications, Finance, Investment Operations, Legal, Operational Due Diligence (covering compliance), Sustainable Investment, Tax and Risk. The project team inputs into a standardised Investment Screen, which is completed for each new investment. The Investment Screen sets out the investment case, financial hurdles, approvals required (delegated authority), compliance matters etc, access point considerations, then the risks/mitigants under each of the key areas including SI/ESG risks. The Investment Screen template has traffic light indicators for the first screen (initial assessment of risks) and a final screen (based on risks/mitigants and final assessment). Climate Valuation at Risk is covered in the investment overview as part of financial risk. The SI/ESG section of the Investment Screen includes whether the investment qualifies under the Impact Investment Framework, ESG risks and opportunities, climate risk and opportunities, access point considerations (e.g. how good is the external manager if that is the access point for the investment). The process means that all of the risk assessment, recommendations, decisions are available in one document, with links to supporting due diligence. The Investment Screen is supported by a completion note, which records how well the decision process has worked and whether any improvements are required for future decisions.

In addition, the Sustainable Investment team is working with other parts of the wider investment team to deepen our stewardship activities into areas such as Portfolio Investment (including tactical credit, lending and other activities) and Portfolio Completion. For example, building on work to improve the ESG profile of the portfolio, in 2024, we undertook a review of our passive corporate bond holdings to seek opportunities for ESG incorporation. We made a decision to shift the corporate portion of our passive bond mandate to a climate benchmark that has improved ESG characteristics. This change was implemented at the end of January 2025.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

Please refer to our Stewardship Report, published on the NZ Super Fund's external website.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

☒ **(A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

- ☒ **(1) in all cases**
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases

☒ **(B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

- ☒ **(1) in all cases**
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases
- ☐ (D) We do not review external service providers' voting recommendations
- ☐ (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- ☐ (A) We recall all securities for voting on all ballot items
- ☒ **(B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting**

Provide details on these criteria:

In 2017, the Guardians approved a Securities Lending mandate. At that time, our Statement of Investment Policies, Statements and Procedures (SIPSP) and (then) Responsible Investment Framework were amended to address voting. The SIPSP covers the retention, exercise and delegation of voting rights. The procedures are set out further in the Sustainable Investment Framework which states that "Where we participate in securities lending, we will retain the right to recall shares to vote and the right to withhold shares from lending, in order to exercise our voting rights on those securities".

The criteria for recalling shares are set out below, with the reason in each case:

- Holdings over 0.5% -- Significant ownership levels
- Companies on our Global Focus List - Where companies have been identified for monitoring or engagement because of poor ESG or corporate practices, it is important to retain voting rights.
- Companies in the MCO Infrastructure Fund -- MCO is a NZ manager with a small concentrated portfolio. It is important to retain and exercise our full voting right on these holdings.
- Contentious M&A -- It is important to retain and exercise our full voting right when meetings are held to decide on contentious M&A outcomes.
- Climate change resolutions -- From 1 Jan 2019, the criteria for recall was extended to include company meetings with climate change related resolutions on the agenda.

- ☐ (C) Other

- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- ☐ (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- ☒ (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

- (A) Yes, for all (proxy) votes

Add link(s):

<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/ownership/voting-reporting-platform/>
<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/ownership/>
https://www.nzsuperfund.nz/assets/documents-sys/NZ-Super-Fund_Voting-Policy-and-Guidelines_230724_1.pdf

- (B) Yes, for the majority of (proxy) votes
- (C) Yes, for a minority of (proxy) votes
- (D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale		
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	○	○
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	○	○

Additional context to your response(s): (Voluntary)

Our NZ Equities team regularly communicates with companies listed in New Zealand, including communicating about the reasons for our voting decisions.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 35	PLUS	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How does your organisation ensure vote confirmation, i.e. that your votes have been cast and counted correctly?

We have full access to our voting via the ISS Platform and can see confirmations by ballot, and rejections if any. In any case in which we are unsure if votes have been cast and counted correctly, we are able to communicate with our proxy voting service provider (ISS) by email or phone to clarify the situation. We have worked with our Internal Audit team to develop a process for reviewing the number of ballots cast and identifying if ballots have not been cast successfully, such as in vote blocking jurisdictions. From time to time we carry out an internal audit to check on these process. From time to time we carry out a third-party risk monitoring assessment of the ISS service and platform (usually every 3 years). The last was in 2023. As part of that process, ISS provided details about its controls and security framework, including its SOC Type 2 Report.

Our custodian is also advises our Investment Operations team when there is an issue with voting. In July and August 2023 our Internal Audit team undertook an internal audit of our proxy voting process. It found that process established a sound platform for managing and operating the voting processes and they were largely operating effectively.

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9 HF, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

(1) Listed equity

(A) Joining or broadening an existing collaborative engagement or creating a new one



(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal



(C) Publicly engaging the entity, e.g. signing an open letter



(D) Voting against the re-election of one or more board directors



(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director



(F) Divesting	<input checked="" type="checkbox"/>
(G) Litigation	<input checked="" type="checkbox"/>
(H) Other	<input type="checkbox"/>
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- ☐ (A) Joining or broadening an existing collaborative engagement or creating a new one
- ☐ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) Not investing
- ☒ (D) Reducing exposure to the investee entity
- ☒ (E) Divesting
- ☐ (F) Litigation
- ☐ (G) Other
- ☐ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

Describe your approach to escalation for your SSA and/or private debt fixed income assets.

(A) SSA - Approach to escalation

N/A

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☒ (A) Yes, we engaged with policy makers directly
- ☒ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☒ (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Additional context to your response(s): (Voluntary)

Refer to <https://www.nzsuperfund.nz/publications/submissions/> for copies of submissions made during the 2024/25 year, including in respect of New Zealand's Climate Reporting Standards.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☒ (A) We participated in 'sign-on' letters
- ☒ (B) We responded to policy consultations
- ☒ (C) We provided technical input via government- or regulator-backed working groups

Describe:

A senior member of the Sustainable Investment team is a member of the New Zealand External Reporting Board's advisory panel (XRAP). The role of the XRB is to establish and maintain New Zealand's financial reporting strategy. This has included the development of Climate Related Disclosure standards, which were released in December 2022. XRAP provides a forum where the XRB and its sub-boards can consult with individuals and representatives of organisations affected by their work, including the CRD standards. The Centre for Sustainable Finance: Toitū Tahua (CSF) is an independently governed charitable trust founded in 2021. It partners with the New Zealand government, philanthropies and financial institutions to catalyse and accelerate finance for long-term prosperity and resilience. CSF receives government funding for the development of a New Zealand sustainable finance taxonomy. Two senior members of the Sustainable Investment team are involved in the CSF taxonomy work. One is on the Technical Expert Group and the other is on the Agriculture & Forestry Technical Advisory Group.

Senior members of our team are also involved in industry working groups that contribute to the development of best practice and support policy development, including the Nature Working Group set up by the Responsible Investment Association of Australasia (RIAA), RIAA's Aotearoa Working Group and the PRI Infrastructure Advisory Committee.

In 2025 we signed 2 Joint investor statements in support of maintaining the integrity of the EU sustainable finance framework, in response to proposed omnibus legislation.

Where we make formal submissions to Government departments or on policy, they are made publicly available on our external website.

Our responsible engagement service provider plays an active role in public policy development in key global issues.

☒ **(D) We engaged policy makers on our own initiative**
Describe:

We continued to engage with policy makers on Climate Related Disclosures and the sustainable finance taxonomy.

☒ **(E) Other methods**
Describe:

We held stakeholder briefings that included commentary on relevant policy areas, such as climate change, climate reporting and sustainable finance.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- ☐ (A) We publicly disclosed all our policy positions
- ☒ **(B) We publicly disclosed details of our engagements with policy makers**
Add link(s):

<https://www.nzsuperfund.nz/publications/submissions/>

- ☐ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

Additional context to your response(s): (Voluntary)

NZSF did not publicly disclose all our policy positions in 2024/25. However we do disclose all public submissions that we make on our external website in the submissions section. Our engagement service provider, CTI reo®, publicly disclosed all its policy positions in its 2024 Stewardship Report - <https://docs.columbiathreadneedle.com/documents/Columbia%20Threadneedle%20Investments%20-%20Stewardship%20Report%202024.pdf?inline=true>

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

CFI Climate Change Engagement with NZX50

(1) Led by

☒ (1) Internally led

☐ (2) External service provider led

☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

☒ (1) Environmental factors

☐ (2) Social factors

☐ (3) Governance factors

(3) Asset class(es)

☒ (1) Listed equity

☐ (2) Fixed income

☐ (3) Private equity

☐ (4) Real estate

☐ (5) Infrastructure

☐ (6) Hedge funds

☐ (7) Forestry

☐ (8) Farmland

☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

The Guardians continued to work on a collaborative initiative on climate change with the NZ Crown Financial Institutions (CFIs) in FY2024/25. The engagement focuses on companies listed on the NZX50. The CFIs are the Accident Compensation Corporation, Government Superannuation Fund Authority, National Provident Fund and the NZ Superannuation Fund (managed by the Guardians.) In calendar 2024 we completed engagements with 10 companies, including 7 in FY2024/25, and in the first half of 2025 we completed an internal report on the initiative. Background - The New Zealand Government has committed to net zero by 2050 and has introduced mandatory climate reporting for large companies and financial institutions. The External Reporting Board (XRB) developed Climate Related Disclosure (CRD) standards, which were released by the in December 2022.

The Financial Markets Authority (FMA) has responsibility for the independent monitoring and enforcement of the regime. In October 2021, in response to the release of the Crown Responsible Investment Framework, CFIs committed to align their investment portfolios with a net zero emissions economy by 2050 or sooner. They also joined the Net Zero Asset Owners Commitment. Under the Crown RI Framework, the CFIs are required to address climate change by ensuring transparent reporting of emissions intensity of investment portfolios, investing in climate solutions, using collective influence as asset owners to engage with companies on climate change and emissions reductions, with the objective that all assets in their investment portfolios achieve net zero by 2050 or sooner. During 2022, CFIs developed a plan to engage on climate change with companies listed on the NZX50 and agreed on the objectives.

The objectives for the engagement are to: understand companies' progress on climate change awareness, capability and commitments; understand how they are meeting regulatory requirements on climate-related disclosures and reporting; support companies to prepare for the transition by sharing knowledge of climate change risks and opportunities from the institutional investor perspective; understand how companies' plans will align with our net zero commitments over time. We also prepared background materials to support the engagement and communication with stakeholders. The initiative was be launched after the XRB had completed its work on the CRD standards, which meant the engagement got under way in mid-2023. The key elements of the engagement plan included a CFI joint position statement which was published on each of our external websites in May 2023 and sending a letter to the Chairs of companies listed on the NZX50 drawing attention to the CFI position statement and engagement with key stakeholder groups and business organisations.

We developed a list of 10 priority companies for engagement, completed research on the companies and held engagement meetings at management level. The initial priority list was based on companies that have not set emissions reductions targets. In 2024 we completed the 10 priority company engagements. In the first half of 2025 we completed a report on the initiative and we are considering options for the next steps.

(B) Example 2:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(C) Example 3:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(D) Example 4:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity

- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(E) Example 5:

Title of stewardship activity:

(1) Led by

- ☐ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Additional context to your response(s): (Voluntary)

Additional engagement case studies carried out by our engagement service provider, CTI reo®, are included in quarterly CTI engagement reports published on our website in the engagement section: <https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/engagement/>

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Our Annual Report describes the Guardians' risk appetite, culture, and general approach to risk assessment and management. We recognise climate change as a strategic risk to the organisation. In 2023, we conducted a Risk Control Effectiveness Assessment, determining that the nature of climate-related enterprise risk could be more accurately defined as: 'the Guardians does not effectively manage climate-related risk' over which we have agency. The assessment considered climate risk causes, impacts and transmission pathways – especially in terms of how climate-related investment risks may translate into enterprise risk. The following six potential unpredictable impacts on our portfolio and/or organisation arising from the climate-related risk not being effectively managed were identified:

- Potential investment underperformance due to miscalculated climate risk, along with concerns related to reporting;
- Market volatility affecting public/private climate commitments and/or investments in vital climate change mitigation and adaptation initiatives;
- Reputational damage if our climate change response actions are perceived as insufficient or excessively ambitious, and financially imprudent;
- Legal or quasi-legal actions being taken against the Guardians;
- 'Greenwashing', where our climate metrics and/or standards deviate from evolving good practices over time;
- Organisational disruption due to more frequent or severe natural hazards linked to climate change.

Along with the six causes and impacts, the assessment identified 12 core risk controls and several other activities / actions that support the Guardians in managing and monitoring this risk. The findings of the assessment demonstrated that our SIPSP, Sustainable Investment Framework and CCIS collectively act as core risk controls; addressing climate-related enterprise risks and supporting the delivery on our mandate. The Sustainable Investment Framework and CCIS address investment risks to the portfolio, assist the Guardians to play its role in a shift to a sustainable finance system, and help manage climate-related reputational, legal and regulatory risks. The CCIS is an underpinning strategy in the SI Framework which is contained within the SIPSP. The SIPSP and SI Framework are approved by the Board and are the main controls for investment-related ESG risks, including climate change. The Board's approval of the Paris-Aligned Benchmark portion of the Reference Portfolio itself reflects recognition and action on climate change risk and opportunities.

The assessment noted that our investment teams and committees frequently identify areas for further climate research and refinement of systems, processes and tools - emphasising the importance of professional judgment often required when assessing this complex area of risk. It determined that the current design and operating effectiveness of the control environment we rely on to manage climate risk was adequate for managing the defined risk. Our CCIS sets out a framework for understanding and addressing the complexities, risks, opportunities and the Fund's strategic response to climate change. The CCIS seeks to address climate-related investment risks to the portfolio. This involves analysing risks, setting carbon reduction targets, investing in solutions to drive the transition to a low-carbon economy, and engaging with companies, peers and policy makers to encourage emissions reductions, transition planning and climate-resilient economies.

We have identified the following immediate/short-term risks arising from our 5-year Asset Allocation planning cycle (subject to annual review):

- the supply and demand changes from substitution, higher cost structures, consumer preference and regulation; – increasing prevalence of litigation in relation to perceived action or inaction on climate change; – physical damage or disruption to industries and economies; and – inability to adapt at reasonable cost over a reasonable period.

☒ **(B) Yes, beyond our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

Given the NZ Super Fund's long-term horizon, we have made it a priority to consider how the Fund's investment strategies, portfolio and the companies we invest in, should respond to the risks and opportunities stemming from climate change. Our investment planning horizon depends on the context of the investment, based on the timeframe in which a risk may manifest, and this may include 10+ year horizons. For example, we have aligned our passive global equities, multi-factor global equities and the corporate bond portfolios with Paris aligned benchmarks, which have a horizon looking out to 2050.

We have adapted our ownership practices and investment decision-making framework to explicitly account for climate change investment risk in our models through a custom Climate Change Valuation Framework. Our Framework has since been adapted by the Accounting for Sustainability (A4S) group as the basis for their Essential Guide to Valuations and Climate Change (<https://www.accountingforsustainability.org/valuations.html>). Through this Framework, we integrate material and quantifiable climate-related risks and opportunities into our valuation model via three methods: adjusting cash flows (revenue, costs, capital expenditure) during the forecast period; adjusting the terminal value; and adjusting the discount rate to reflect that any reduction in certainties due to perceived climate-related risk.

This valuation, along with the qualitative commentary, is reviewed by our Investment Committee and influences whether or not we buy, hold or sell the asset. When we do acquire an asset, we own the asset actively, monitoring business performance against climate change standards and metrics, and periodically reviewing climate change impact analysis.

Our approach to climate risk analysis and integration includes:

- Encouraging and supporting investment analysts and strategists to challenge key assumptions with climate change considerations in their core investment analyses;

- Adding the requirement to apply climate scenario analysis within investment screening guidelines and templates for prospective new investments, where relevant and feasible;
 - Applying our Climate Change Valuation Framework for unlisted assets to assess and, where feasible, integrate material and quantifiable climate related risks and opportunities into our asset valuations;
 - Estimating the Climate Value-at-Risk (CVaR) associated with existing and new prospective investments in listed equity portfolios.
- We aim to progressively build further climate-related risk considerations into investment analyses and portfolio management processes as the available methods, standards and tools evolve.

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

● **(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

As set out in our 2024 Climate Change Report, we take climate change into account in designing our investment approach. Our 2025 Climate Change Report is due to be published in October 2025.

We launched our first dedicated Climate Change Investment Strategy (CCIS) in 2016, which included carbon reduction targets. Our broader Sustainable Finance Strategy, established in 2022, encompasses the CCIS and sets out the interlinked intentions of:

- incorporating ESG into investment decisions to advance sustainability, whilst fulfilling our financial purpose;
 - considering the impact of ESG on our investments, and the impact of our investments on society and the environment
 - working with others to overcome barriers to a sustainable financial system
- We continue to explore and progressively integrate sustainability-related considerations, including climate, into our core thinking, operations, systems and processes, including in our Guardians for the Future organisational strategy.

Climate change is an intergenerational and transboundary challenge, necessitating unprecedented levels of constructive coordination across diverse countries and stakeholders. We developed our CCIS because we came to the view that climate change also involved substantial market and policy failures and material physical risks, which presented undue risk for the Fund. Climate change presents both systemic risks and specific risks for which we are not always rewarded via investment returns. While many climate-related impacts will take time to be revealed, financial markets are forward-looking. Prices may adjust quickly when a greater appreciation of the risks and opportunities from climate change emerges. As a long-term investor, it is prudent to reduce portfolio exposure to uncompensated risks and seek exposure to opportunities now, rather than trying to estimate when markets will adjust. As an asset owner with broad market exposure, it is also important we play our role in facilitating the climate transition and adaptation. The CCIS sets out a framework for understanding and addressing the complexities, risks, opportunities and the Fund's response to climate change. This involves analysing risks, setting carbon reduction targets, investing in solutions to drive the transition to a low-carbon economy, and engaging with companies, peers and policy makers to encourage emissions reductions, transition planning and climate-resilient economies.

Our management team is responsible for ensuring that the elements of the CCIS are integrated into relevant investment processes, decisions and actions. Progress on implementing the CCIS is a key component of the Guardians' sustainable finance annual reporting to the Investment Committee and the Board. The CCIS provides the impetus for our Climate Action Plan, developed in 2022. Rather than seek to optimise our portfolio based on a specific normative or 'base case' future scenario, the Guardians of the Future, our Sustainable Finance Strategy, CCIS and Climate Action Plan aim to establish the basis for the Guardians' integrated, adaptive approach to positioning the Fund in readiness for a range of uncertain global and local climate and socio-economic pathways and outcomes. The Guardians has signed up to the Paris Aligned Asset Owners Net Zero Commitment, which means we will take deliberate actions to help put the world on a path to achieving net zero emissions by 2050, and committed to:

- review and update our carbon reduction targets every 5 years or sooner;
- report annually on the strategy and actions implemented;
- track progress towards achieving objectives and targets;
- disclose in line with the New Zealand climate disclosure standards.

Our 2022 Climate Action Plan prioritised the most material climate-related risks and opportunities across our Opportunity (asset class) allocations. These were determined to be the following:

1. Passive global listed equities portfolio;
2. Active quantitative multifactor strategies;
3. Corporate portion of our passive fixed income / bond portfolio.

We have addressed these areas with specific actions, including the adoption of Paris Aligned Benchmarks for passive global equities, a PAB approach for the multifactor strategies in 2024 and at the end of January 2025 we shifted the passive corporate bond portfolio to a PAB aligned benchmark. In April 2025 the Board approved new carbon reduction targets for 2030. We address other climate-related risks on a case-by-case basis, as appropriate.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☒ (A) Coal

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in our 2024 Climate Change Report. It applies to all high-emitting sectors. Coal is addressed under the Reduce pillar of the CCIS and will continue to be addressed through the adoption of Paris Aligned Benchmark indices.

☒ (B) Gas

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in our 2024 Climate Change Report. It applies to all high-emitting sectors. Gas is addressed under the Reduce pillar of the CCIS, and will continue to be addressed through the adoption of Paris Aligned Benchmark indices and additional actions to achieve targets as necessary.

☒ (C) Oil

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors. Oil is addressed under the Reduce pillar of the CCIS, and will continue to be addressed through the adoption of Paris Aligned Benchmark indices and additional actions to achieve targets as necessary.

☒ (D) Utilities

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ (E) Cement

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ (F) Steel

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ (G) Aviation

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(H) Heavy duty road**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(I) Light duty road**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(J) Shipping**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(K) Aluminium**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(L) Agriculture, forestry, fishery**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors. The approach to agriculture, forestry and fishery is outlined in the Analyse pillar of the strategy.

☒ **(M) Chemicals**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(N) Construction and buildings**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☒ **(O) Textile and leather**

Describe your strategy:

Our Climate Change Investment Strategy (CCIS) is set out in the responses to PGS 44 and in the 2024 Climate Change Report. It applies to all high-emitting sectors.

☐ (P) Water

☐ (Q) Other

☐ (R) We do not have a strategy addressing high-emitting sectors

Provide a link(s) to your strategy(ies), if available

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- ☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
☐ (B) Yes, using the One Earth Climate Model scenario
☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario

☒ **(D) Yes, using other scenarios**

Specify:

The Guardians adopted a set of custom high-level climate scenarios in 2018 to inform our investment strategies and processes. We reviewed our scenarios in 2023, considering evolving practice, our Paris Aligned Asset Owners Net Zero Commitment and the NZ climate-related disclosure standards. Our review assessed a series of high-level scenarios developed by leading sources. We adopted the Network for Greening the Financial System (NGFS) scenarios due to their: integration of transition and physical factors; regular updates based on leading international research; transparency of key underlying assumptions; and consideration of a range of policy ambitions, climate action, technological developments, emissions pathways and geophysical processes, relevant to our portfolio. The NGFS scenarios we now apply at a high level are Current Policies, Delayed Transition and Net Zero by 2050. Rather than assigning a higher degree of conviction in any particular pathway or outcome, our approach focuses on blending the use of the top-down NGFS climate scenarios to frame and inform more detailed, bottom-up scenario testing, integration and risk analyses. That way, our methodology is tailored to the requirements of the Guardians' various investment teams, strategies, processes and models. The Guardians will continue to explore the relative sensitivities, strengths and vulnerabilities of our portfolio/strategies/assets to projected physical and transition impacts under a range of timelines, pathways, and outcomes. Refer to the Climate Change Report for detail. In 2022, we assessed the resilience of our passive global equities portfolio (~40% AUM at that time) against a 1.5 deg. C/net-zero-aligned world by 2050 scenarios (SSP1-RCP1.9, IPCC), sourced from a range of ESG data providers. We opted to adopt the MSCI World Climate Paris Aligned Index and the MSCI EM Climate Paris Aligned Index as the two building blocks for the global equity component of our benchmark Reference Portfolio.

- ☐ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

☒ **(A) Yes, we have a process to identify and assess climate-related risks**

(1) Describe your process

Our Climate Change Investment Strategy has four elements: Reduce, Analyse, Engage, and Search which together act to identify, assess and manage climate-related risks and opportunities. Refer to our Climate Change Report for full details. The aim of Analyse is to integrate climate change into our investment analysis and decision-making. The Fund's listed equities portfolio accounts for the largest portion of assets under management. Since 2021, we have proactively monitored the exposure of this portfolio to climate change, using MSCI CVaR analysis. Due to often limited information availability for unlisted assets, we take a different approach to climate risk analysis for the Fund's new and existing private investments. Our custom Climate Change Valuation Framework offers a structured approach to guiding investment professionals through a bottom-up process of identifying, assessing and addressing climate change considerations in their analysis of new and existing unlisted (private) investments. This includes incorporating identification and assessment of climate change risks and opportunities into the pre-investment due diligence that we undertake for areas of the Fund's portfolio in which we have more concentrated positions.

Our analysis framework has five steps:

1. We identify the investee company's core activities, operating environment, financial drivers and the geographies it operates.
2. We assess the sources of climate change risks and opportunities, guided by six lenses to assess how assets might be affected by the climate change transition:
 - Technology – Disruption driven by the development of technology to support a low-carbon economy; – Resource availability – Slow-onset shifts in everyday environmental factors; – Impact of physical damages – The impact of acute, extreme events linked to climate change; – Policy – Increased costs and complexity from policies and regulations designed to limit the long-term effects of climate change and to encourage sustainability; – Demand and supply – Changes in economic and social factors affecting demand and supply; and – Liability – Parties who have suffered loss or damage from the effects of climate change seek compensation from those held responsible.
3. We filter the sources of climate-related risks to assess their materiality. Those considered immaterial are not factored into the valuation model but are mentioned in the qualitative commentary. For those that are material, we try to quantify their impact. Where this is possible, we include it in our model (see step four below). Where this is not possible, we identify its likely directional impact on the attractiveness of the investment.
4. We have integrated the material and quantifiable climate-related risks and opportunities into our valuation model. We have three methods for this: i) adjusting cash flows (revenue, costs, capital expenditure) during the forecast period; ii) adjusting the terminal value, and; iii) adjusting the discount rate.
5. If we acquire the asset, we own it actively (see below for further details) and monitor business performance against climate change standards and metrics.

The Guardians' Valuation Working Group is responsible for reviewing the valuations of unlisted investments provided by independent third-party valuers. The working group requests that external valuers provide commentary and analysis, including sensitivities, on the net impact of climate change on the valuation of investments. To date, the approaches, analyses and outputs provided have been variable, with some external valuers more advanced at considering potential climate-related valuation impacts than others. In 2023/24, we enhanced our approach by: improving tools to make it easier for investment professionals to implement the Climate Change Valuation Framework; further integrating the three NGFS climate change scenarios into our investment screening template; and applying additional analytical tools such as MSCI's CVaR for Real Estate, and the Woodwell Climate Exposure Risk Application. As climate-related data, modelling, methods and tools improve - and global good practice / standards on financial 'connectivity' evolve - we will continue to review our approach to climate-related risk, financial impact analysis, and disclosure. In 2023-25, the NGFS updated their scenarios to account for the latest GDP data, demographic projections, geopolitical context, and country-level climate commitments.

(2) Describe how this process is integrated into your overall risk management

Ultimately, responsibility for climate change risk sits with the Board, as outlined in our response under PGS 41.1. The Board delegates responsibility for management of this risk to senior leadership by ensuring the overall organisational strategy includes climate change risks and opportunities, particularly through the Climate Change Investment Strategy for the Fund. In 2024 the Board's Audit and Risk Committee had education sessions and discussions on the mandatory climate-related disclosure regime that has come into effect in New Zealand to ensure they understand the requirements and how the management team will address them. The Climate Change Report is reviewed by the Audit and Risk Committee, and the carbon footprint is audited. Climate change responsibilities are delegated throughout the Guardians, with our Chief Investment Officer, Head of Sustainable Investment, senior investment leaders, and key internal committees each playing a role in ensuring that our Climate Change Investment Strategy is implemented. Members of the Investment team are required to integrate climate change into investment decisions. They are supported by the subject-matter experts in the Sustainable Investment team.

The Guardians also has a process for managing risks at the enterprise level. Guardians effectively managing climate-related risk for investments and the organisation is one of the key risks identified for the Guardians. In 2023 the Risk team worked with the Sustainable Investment team on a review to assess the effectiveness of the controls in place to manage this risk. The review was reported to the Risk Committee in November 2023. The CCIS was identified as a key control for this risk. The CCIS includes a range of control activities and the control effectiveness assessment set out the evidence related to the control of this risk. The CCIS is monitored by the CIO and Head of Sustainable Investment.

We aim to ensure that everyone has tools to support our climate change objectives, by running regular education sessions and including our approach to climate change in the induction process for new employees and actively managing access to climate-related data as it evolves. We have adapted our ownership practices and investment decision-making framework to explicitly account for climate change risk. Our current approach to climate risk analysis and integration includes:

- Encouraging and supporting investment analysts and strategists to challenge key assumptions with climate change considerations in their core investment analyses
- Adding the requirement to apply climate scenario analysis within investment screening guidelines and templates for new investments, where relevant and feasible
- Applying our Climate Change Valuation Framework for unlisted assets to assess and, where feasible, integrate material and quantifiable climate related risks and opportunities into asset valuations

- Estimating the Climate Value-at-Risk (CVaR) associated with existing and new prospective investments in listed equity portfolios. We aim to progressively build further climate-related risk considerations into investment analyses and portfolio management processes as the available methods, standards and tools evolve.

As a globally diversified asset owner, the Fund's assets are impacted by climate change in a range of manners. Some current climate impacts are already manifesting themselves. Climate-related risks have multiple drivers including technological change, policy actions, and planetary processes. These drivers affect both listed and unlisted assets but may impact them in different ways across a range of timeframes, sectors and geographies. Risks may arise from: supply and demand changes from substitution; higher cost structures; consumer preference and regulation; increasing prevalence of litigation in relation to perceived action or inaction on climate change; physical damage or disruption to industries and economies, and/or; the inability to adapt at a reasonable pace, scale and cost. It is likely that the scale, complexity and compounding nature of these impacts will change significantly in the future.

Mitigating climate change requires a range of transitions, of which the greatest is the shift to a low-carbon energy system. Climate change offers opportunities for investment, including, for example, in the development of more efficient alternative energy technologies. The Guardians has adopted a prudent approach to pro-actively identifying and addressing current and anticipated future climate-related risks and opportunities where we assess them to be most material. However, climate-related data quality, modelling and methods remain subject to significant limitations and uncertainties, such that it is not always feasible to effectively and consistently translate climate-related risks and opportunities into specific estimates of current and/or anticipated asset values.

☒ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

We integrate the management of climate related risks across the Guardians' team and across the portfolio by integrating climate into investment decision-making and analysis, as outlined in the sections above.

The aim of the Reduce pillar of our CCIS is to lower the Fund's exposure to investments that are most at risk from the transition to a low-carbon society. We manage the transition risk of the portfolio by: measuring our carbon footprint; setting targets to reduce our portfolio's emissions intensity and our holdings of potential emissions from reserves.

Our 2022 Climate Action Plan set out the most material climate-related risks and opportunities across our Opportunity (asset class) allocations. These were determined to be the following:

1. Passive global listed equities portfolio

2. Active quantitative multifactor strategies

3. Corporate portion of our passive fixed income / bond portfolio In 2022, as part of a wider review of our responsible investment approach, the Board elected to change the ACWI IMI building block of our Reference Portfolio to the MSCI World Climate Paris Aligned Index and the MSCI EM Climate Paris Aligned Index. As well as improving the overall ESG profile of the Fund, these indices will ensure that the Fund's passive global equity positions are better aligned with net zero objectives. The indices reduce but do not eliminate exposures to fossil fuel reserves so we continue to apply a custom negative screening overlay to achieve this goal, in line with our targets. The new indices:

- reduce the GHG emissions intensity by 50%;
- reduce the GHG emissions intensity by 10% each year until 2050;
- integrate Scope 3 emissions into targets;
- underweight companies facing high transition and physical climate risk;
- increase allocation to companies with credible emissions reduction targets;
- increase exposure to green revenue; and
- overweight companies providing climate solutions.

Having moved the passive equities portfolio to Paris Aligned indices, we addressed our quantitative multifactor investment strategies in 2023. We worked with our external managers to meet our carbon-reduction targets – allowing them flexibility in how they achieve this goal as part of their wider investment strategies and investable universe. We found that they could achieve these results without significantly impacting our exposure to our desired style factors, leading to an improved ESG profile of this segment of the portfolio and improving alignment with the pathway to net zero by 2050.

In 2024 we undertook a review of the fixed income portfolio to seek opportunities to improve ESG incorporation and for carbon footprinting this part of the portfolio. We researched options for fixed income portfolios consistent with our net zero commitment. Fixed income assets represent a considerably smaller portion of our portfolio than global equities. The global bond market is evolving rapidly, and low-carbon or carbon-efficient bond indices are being developed. In May 2024 the Investment Committee approved a shift of the corporate portion of our passive bond mandate to a climate index. The change was implemented at the end of January 2025.

The Engage element of the Strategy aims to improve the reporting and management of climate-related risks by the companies we invest in. We have an external engagement service provider who engages with global equities on climate change and other ESG issues. We support global collaborations like the CA100+, our external engagement service provider engages with a large number of companies on climate issues globally and have a climate engagement initiative with companies listed on the NZX.

Search is about managing climate-related risk by seeking investment opportunities presented by the transition to a low-carbon energy and more climate-resilient world. In assessing new prospects, we continue to maintain our investment discipline as we would with any potential investment. In 2022 we created a new investment opportunity, the Sustainable Transition Opportunity (STO), designed to invest in assets that will benefit from rapid structural change and the vast amount of capital required to tackle sustainability issues in the coming years. We continue to search for investment opportunities in this area.

(2) Describe how this process is integrated into your overall risk management

In addition to the risk management processes outlined in the sections above, we have adapted our ownership practices and investment decision-making framework to explicitly account for climate change investment risk in our models through a custom Climate Change Valuation Framework. Our Framework contributed to the Accounting for Sustainability (A4S) group's work on their Essential Guide to Valuations and Climate Change.

Through our climate valuation framework, we manage material and quantifiable climate-related risks and opportunities, and where practicable include adjustments in our valuation model via three methods: adjusting cash flows (revenue, costs, capital expenditure) during the forecast period; adjusting the terminal value; and adjusting the discount rate to reflect that any reduction in certainties due to perceived climate-related risk. This valuation, along with the qualitative analysis, influences whether or not we buy, hold or sell the asset. When we do acquire an asset, we own the asset actively, monitoring business performance against climate change standards and metrics, and periodically reviewing climate change impact analysis.

As well as assessing individual investments, we review the asset types (Opportunities) we allocate to. In 2023 we completed a risk budget review, covering a range of investment areas and their expected ESG profile (including climate change). These were considered alongside each asset type's expected information ratio and alignment with our endowments to decide on the level of risk budget to allocate to each type. We upweighted infrastructure and down-weighted distressed credit on the basis of their expected ESG profiles.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

☒ **(A) Exposure to physical risk**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>

☒ **(B) Exposure to transition risk**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>

☒ **(C) Internal carbon price**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology

- ☒ **(1) Metric or variable used**
- (2) Metric or variable used and disclosed
- (3) Metric or variable used and disclosed, including methodology

☒ **(D) Total carbon emissions**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

☒ **(3) Metric or variable used and disclosed, including methodology**

- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>

☒ **(E) Weighted average carbon intensity**

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>

- ☐ (F) Avoided emissions
- ☐ (G) Implied Temperature Rise (ITR)
- ☒ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>

- ☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
- ☒ (J) Other metrics or variables

Specify:

Note, the links provided in this section are to the 2024 Climate Change Report and the 2024 Carbon Footprint. These cover FY2023/24. The 2025 Climate Change Report and Carbon Footprint are still in preparation and will be published in October 2025. These will cover FY2024/25. They will be published on the climate change page on our external website (link below).

- (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>

- (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

- ☒ (A) Scope 1 emissions
 - (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) Metric and methodology disclosed
 - (2) Provide links to the disclosed metric and methodology, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>
<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>
<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/climate-change/>

- ☒ (B) Scope 2 emissions
 - (1) Indicate whether this metric was disclosed, including the methodology
 - (1) Metric disclosed
 - (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>
<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>
<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/climate-change/>

☒ (C) **Scope 3 emissions (including financed emissions)**

(1) Indicate whether this metric was disclosed, including the methodology

○ (1) Metric disclosed

● (2) **Metric and methodology disclosed**

(2) Provide links to the disclosed metric and methodology, as applicable

<https://www.nzsuperfund.nz/assets/Publications/Annual-Reports/NZ-Super-Fund-Climate-Change-Report-2024.pdf>
<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>
<https://www.nzsuperfund.nz/how-we-invest/sustainable-finance/climate-change/>

○ (D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

Additional context to your response(s): (Voluntary)

We began reporting on the Fund's carbon footprint in 2017 using a bespoke methodology based on the Greenhouse Gas Protocol. This was in line with global good practice at the time. Consistent standards for accounting including for Scope 3 (Financed Emissions) have since evolved. Most comparable investment and financial services entities, including the other New Zealand Crown Financial Institutions and many global peers, have adopted a PCAF-based methodology for measurement. PCAF is the Partnership for Accounting Financials. We have voluntarily aligned our climate reporting with the External Reporting Board (XRB) New Zealand Climate Standards. The Standards recommend that reporting entities use a globally-recognised emissions assessment methodology for measuring carbon. PCAF is one such method for addressing financed emissions under the GHG Protocol. Accordingly, we will use PCAF methodology for the Fund's 2025 Carbon Footprint Report.

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- (A) **Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
○ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) **The UN Sustainable Development Goals (SDGs) and targets**
☒ (B) **The UNFCCC Paris Agreement**
☒ (C) **The UN Guiding Principles on Business and Human Rights (UNGPs)**
☒ (D) **OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors**
☒ (E) **The EU Taxonomy**
☒ (F) **Other relevant taxonomies**

Specify:

Australian Sustainable Finance Taxonomy

- ☐ (G) The International Bill of Human Rights
- ☐ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☒ (I) The Convention on Biological Diversity

☒ (J) Other international framework(s)

Specify:

Net Zero Investment Framework; Paris Aligned Asset Owners Commitment (Paris Aligned Investment Initiative); Investor Group on Climate Change

- ☐ (K) Other regional framework(s)
- ☐ (L) Other sectoral/issue-specific framework(s)
- ☐ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Additional context to your response(s): (Voluntary)

We use a range of international frameworks as reference points for our sustainability activities. In New Zealand the Centre for Sustainable Finance is working on the development of a New Zealand taxonomy. NZSF has representatives on the taxonomy working groups and has submitted on the draft taxonomy.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☐ (B) Consult with key clients and/or beneficiaries to align with their priorities
- ☒ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☒ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☒ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- ☒ (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- ☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- ☐ (C) We have been requested to do so by our clients and/or beneficiaries
- ☒ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- ☐ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- ☒ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- ☒ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- ☐ (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potential negative outcomes for people connected to your investment activities?

- ☒ (A) We assessed the country level context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

ESG considerations, including social considerations, are integrated into our investment decision process and in our stewardship activities, including the country context. This includes the human rights and labour standards. These aspects are considered as part of our standard due diligence and risk assessment process for new investments, including consideration of the country level context.

- ☒ (B) We assessed the sector context of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

ESG considerations, including social considerations, are integrated into our investment decision process and into our stewardship activities. This includes human rights and labour standards at a sector level. These aspects are considered as part of our standard due diligence and risk assessment process for new investments. In respect of global equities, we monitor the ESG performance of companies in the portfolio using MSCI ESG and controversy ratings. We engage primarily through our external specialist engagement provider. It also reviews and identifies companies that may be in breach of human rights or other corporate good practice standards in order to develop a priority focus list for engagement. It consults with us and its other clients when it develops its priorities for engagement.

- ☒ (C) We assessed the human rights performance of our potential and/or existing investments to understand how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

ESG considerations, including human rights risks, are considered as part of our standard due diligence and risk assessment process for new investments. We monitor the ESG performance of companies of the global equities portfolio using MSCI ESG and controversy ratings and assess individual companies when issues arise, with reference to our Sustainable Investment Framework.

☒ **(D) We monitored severe and emerging human rights controversies to understand how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

We monitor the ESG performance of companies in the portfolio using MSCI ESG and controversy ratings on a quarterly basis, identify where controversies have arisen, and consider actions with reference to our Sustainable Investment Framework.

☐ (E) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities

○ (F) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potential negative outcomes for people connected to your investment activities?

☐ (A) Workers

☒ **(B) Communities**

Sector(s) for which each stakeholder group was included

☒ **(1) Energy**

☐ (2) Materials

☐ (3) Industrials

☐ (4) Consumer discretionary

☐ (5) Consumer staples

☐ (6) Healthcare

☐ (7) Finance

☐ (8) Information technology

☐ (9) Communication services

☐ (10) Utilities

☐ (11) Real estate

☐ (C) Customers and end-users

☐ (D) Other stakeholder groups

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potential negative outcomes for people connected to its investment activities?

☒ **(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

☒ **(B) Media reports**

Provide further detail on how your organisation used these information sources:

☒ **(C) Reports and other information from NGOs and human rights institutions**

Provide further detail on how your organisation used these information sources:

☒ (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

Provide further detail on how your organisation used these information sources:

☒ (E) Data provider scores or benchmarks

Provide further detail on how your organisation used these information sources:

☐ (F) Human rights violation alerts

☐ (G) Sell-side research

☒ (H) Investor networks or other investors

Provide further detail on how your organisation used these information sources:

☐ (I) Information provided directly by affected stakeholders or their representatives

☐ (J) Social media analysis

☐ (K) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

☒ (B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities

Describe:

Through the reo® engagement service provided by Columbia Threadneedle Investment, we used our influence to encourage investee companies to provide access to remedies for people affected by negative human rights outcomes that we were linked to through our investment activities.

☐ (C) No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year

MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

OVERALL APPROACH

EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

	(1) Listed equity (active)	(2) Listed equity (passive)
Organisation		
(A) Commitment to and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Governance structure and senior-level oversight and accountability	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
People and Culture		
(D) Adequate resourcing and incentives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investment Process		
(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Stewardship		
(I) Policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Policy(ies) or guidelines on (proxy) voting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Involvement in collaborative engagement and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) Engagement with policy makers and other non-investee stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(O) Results of stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Performance and Reporting		
(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(Q) Inclusion of ESG factors in contractual agreements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>	<input type="radio"/>

SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?

- ☒ (A) Incorporation of their responsible investment policy into advisory services
- ☒ (B) Ability to accommodate our responsible investment policy
- ☒ (C) Level of staff's responsible investment expertise
- ☒ (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- ☐ (E) Other
- ☐ (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- ☐ (G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers

Additional context to your response(s): (Voluntary)

We rarely use external service providers to formally advise us on manager selection. However, where we do, we use our due diligence processes to assess service providers' level of expertise and commitment to RI as demonstrated by their policies and overall approach.

POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.

Provide example(s) below

(A) Selection Refer to context section below

(B) Appointment Refer to context section

(C) Monitoring Refer to context section

Additional context to your response(s): (Voluntary)

We prefer to invest in segregated funds. Where we invest in pooled funds, we endeavour to incorporate responsible investment aspects into the selection, appointment and monitoring of the external manager. We have a Sustainable Investment ESG rating process for external managers and we assess each manager on an annual basis. Where we invest in pooled funds, we endeavour to apply exclusions to the extent this is feasible and commercially prudent.

SELECTION

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

- (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
 - (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
 - (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

Organisation

- ☑ (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- (1) for all of our mandates
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates

- ☑ (B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- (1) for all of our mandates
 - (2) for a majority of our mandates
 - (3) for a minority of our mandates

- ☑ (C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

- (1) for all of our mandates
 - (2) for a majority of our mandates

- (3) for a minority of our mandates

People and Culture

☒ (D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

☒ (E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

Investment Process

☒ (F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

☒ (G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

☒ (H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

Performance and Reporting

☒ (I) ESG disclosure in regular client reporting

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

☒ (J) Inclusion of ESG factors in contractual agreements

Select from dropdown list

- ☒ (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

☒ (A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate

Select from dropdown list

- ☒ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities

Select from dropdown list

- ☐ (1) for all of our mandates
- ☒ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (C) Their participation in collaborative engagements and stewardship initiatives

Select from dropdown list

- ☐ (1) for all of our mandates
- ☒ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☒ (D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues

Select from dropdown list

- ☐ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☒ (3) for a minority of our mandates

☒ (E) Details of their engagement activities with policy makers

Select from dropdown list

- ☐ (1) for all of our mandates
- ☐ (2) for a majority of our mandates
- ☒ (3) for a minority of our mandates

☒ (F) Their escalation process and the escalation tools included in their policy on stewardship

Select from dropdown list

- ☐ (1) for all of our mandates
- ☒ (2) for a majority of our mandates
- ☐ (3) for a minority of our mandates

☐ (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

APPOINTMENT

SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13, OO 21	N/A	PUBLIC	Segregated mandates	4

Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?

- ☒ **(A) Their commitment to following our responsible investment strategy in the management of our assets**
Select from dropdown list
 - ☒ **(1) for all of our segregated mandates**
 - ☐ (2) for a majority of our segregated mandates
 - ☐ (3) for a minority of our segregated mandates
- ☒ **(B) Their commitment to incorporating material ESG factors into their investment activities**
Select from dropdown list
 - ☒ **(1) for all of our segregated mandates**
 - ☐ (2) for a majority of our segregated mandates
 - ☐ (3) for a minority of our segregated mandates
- ☒ **(C) Their commitment to incorporating material ESG factors into their stewardship activities**
Select from dropdown list
 - ☐ (1) for all of our segregated mandates
 - ☒ **(2) for a majority of our segregated mandates**
 - ☐ (3) for a minority of our segregated mandates
- ☒ **(D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities**
Select from dropdown list
 - ☐ (1) for all of our segregated mandates
 - ☒ **(2) for a majority of our segregated mandates**
 - ☐ (3) for a minority of our segregated mandates
- ☒ **(E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities**
Select from dropdown list
 - ☐ (1) for all of our segregated mandates
 - ☐ (2) for a majority of our segregated mandates
 - ☒ **(3) for a minority of our segregated mandates**
- ☒ **(F) Exclusion list(s) or criteria**
Select from dropdown list
 - ☒ **(1) for all of our segregated mandates**
 - ☐ (2) for a majority of our segregated mandates
 - ☐ (3) for a minority of our segregated mandates
- ☒ **(G) Responsible investment communications and reporting obligations, including stewardship activities and results**
Select from dropdown list
 - ☐ (1) for all of our segregated mandates
 - ☒ **(2) for a majority of our segregated mandates**
 - ☐ (3) for a minority of our segregated mandates
- ☒ **(H) Incentives and controls to ensure alignment of interests**
Select from dropdown list
 - ☐ (1) for all of our segregated mandates
 - ☐ (2) for a majority of our segregated mandates
 - ☒ **(3) for a minority of our segregated mandates**
- ☒ **(I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD**
Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☒ (K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments

Select from dropdown list

- (1) for all of our segregated mandates
- (2) for a majority of our segregated mandates
- (3) for a minority of our segregated mandates

☐ (L) Other

- (M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

MONITORING

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)
Organisation		
(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

✓

✓

People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

✓

✓

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

✓

✓

Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

✓

✓

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

✓

✓

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

✓

✓

Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Inclusion of ESG factors in contractual agreements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 10	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

During the reporting year, which information did your organisation, or the service provider acting on your behalf, monitor for externally managed ESG passive products and strategies?

(1) Listed equity (passive)

(A) How the external investment managers applied, reviewed and verified screening criteria	<input checked="" type="checkbox"/>
(B) How the external investment managers rebalanced the products as a result of changes in ESG rankings, ratings or indexes	<input type="checkbox"/>
(C) Evidence that ESG passive products and strategies meet the responsible investment criteria and process	<input checked="" type="checkbox"/>
(D) Other	<input type="checkbox"/>
(E) We did not monitor ESG passive products and strategies	<input type="radio"/>
(F) Not applicable; we do not invest in ESG passive products and strategies	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.

N/A

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?

	(1) Listed equity (active)	(2) Listed equity (passive)
(A) At least annually	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>	<input type="checkbox"/>
(C) On an ad hoc basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)
(A) Any changes in their policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) The degree of implementation of their policy(ies) or guidelines on stewardship	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) How they prioritise material ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) How they prioritise risks connected to systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Their investment team's level of involvement in stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(I) Whether they participated in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Other	<input type="checkbox"/>	<input type="checkbox"/>
(L) We did not monitor our external investment managers' stewardship practices during the reporting year	<input type="radio"/>	<input type="radio"/>

ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

N/A

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?

	(1) Listed equity (active)	(2) Listed equity (passive)
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Other	<input type="checkbox"/>	<input type="checkbox"/>
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>	<input type="radio"/>

VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?

	(1) Listed equity (active)	(2) Listed equity (passive)
(A) We checked that the information reported was verified through a third-party assurance process	<input type="checkbox"/>	<input type="checkbox"/>
(B) We checked that the information reported was verified by an independent third party	<input type="checkbox"/>	<input type="checkbox"/>
(C) We checked for evidence of internal monitoring or compliance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Other	<input type="checkbox"/>	<input type="checkbox"/>

(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year

○

○

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☒ **(A) Sustainability outcome #1**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

☒ **(1) The UN Sustainable Development Goals (SDGs) and targets**

☒ **(2) The UNFCCC Paris Agreement**

☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)

☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors

☐ (5) The EU Taxonomy

☒ **(6) Other relevant taxonomies**

☐ (7) The International Bill of Human Rights

☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions

☐ (9) The Convention on Biological Diversity

☒ **(10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

☒ **(1) Environmental**

☐ (2) Social

☐ (3) Governance-related

☐ (4) Other

(3) Sustainability outcome name

Investing to address climate change risk and opportunity

(4) Number of targets set for this outcome

☐ (1) No target

☐ (2) One target

☒ **(3) Two or more targets**

☐ (B) Sustainability outcome #2

☐ (C) Sustainability outcome #3

☐ (D) Sustainability outcome #4

☐ (E) Sustainability outcome #5

☐ (F) Sustainability outcome #6

☐ (G) Sustainability outcome #7

☐ (H) Sustainability outcome #8

☐ (I) Sustainability outcome #9

☐ (J) Sustainability outcome #10

Additional context to your response(s): (Voluntary)

We recognise climate change as a systemic risk and as a strategic and investment risk to the Guardians and the NZ Super Fund. Climate change is an intergenerational and transboundary challenge, necessitating unprecedented levels of constructive coordination across diverse countries and stakeholders. It involves substantial market and policy failures and material physical risks. As a long-term investor, we have considered it is prudent to reduce portfolio exposure to uncompensated risks and seek exposure to opportunities now, rather than trying to estimate when markets will adjust. As an asset owner with broad market exposure, it is also important we play our role in facilitating the climate transition and adaptation.

We announced our Climate Change Investment Strategy (CCIS) in 2016/17 and set our first carbon reduction targets in 2017. The CCIS seeks to address climate-related investment and systemic risks. This involves analysing risks, setting carbon reduction targets, investing in solutions to drive the transition to a low-carbon economy, and engaging with companies, peers and policy makers to encourage emissions reductions, transition planning and climate-resilient economies. We have been implementing the strategy since then, including integrating it through portfolio design and construction, and opportunity selection. The strategy is being incorporated into our wider Sustainable Finance strategy. We have addressed climate change by setting carbon (GHG) emissions reductions targets, making a commitment to align our investment portfolio with net zero by 2050 and supporting the development of policy. We signed the PAAO Net Zero Asset Owner Commitment in 2021, committing to address climate change and its impact on society and the environment by supporting the outcome of limiting global warming to 1.5 degrees in line with the Paris Agreement. The commitment requires us to set carbon reduction targets and to commit to the goal of having net zero portfolio GHG emissions by 2050, or sooner, drawing on the Net Zero Investment Framework. The PAAO was set up as part of the Paris Aligned Investor Initiative. The Fund's financed emissions (Scope 3; Category 15) are the most material aspect of climate-related risk from across the Guardians' value chain, comprising the underlying securities and investee companies in the Fund. The aim of the Reduce pillar of our Strategy is to lower the Fund's exposure to investments that are most at risk from the transition to a low-carbon society. We do this by reducing the exposure of some of our portfolio to investments with the highest emissions intensity and potential emissions from fossil fuel reserves. Our first carbon reduction targets were to reduce the carbon emission intensity of the Fund and exposure to fossil fuel reserves, measured against the Fund's unadjusted Reference Portfolio. The Board set our first carbon reduction targets for 2016-20, followed by more ambitious Fund-wide targets for emissions-intensity and potential emissions from fossil fuel reserves (2020-25) on the grounds that:

- Enhancements in our data provider's carbon research and methodology allow us to use additional metrics to test the impact of various carbon reduction scenarios.

- Analysis indicated that we could set more ambitious targets without severely significantly impacting portfolio diversification in the near term.

- We had greater experience and confidence that doing so would improve the Fund's long-term risk-adjusted returns and resilience.

We achieved our first targets ahead of time. Our 2025 emissions reductions targets were to reduce the carbon emissions intensity of the Fund by at least 40% and to reduce potential emissions from fossil fuel reserves owned by the Fund by at least 80%, measured against the Fund's unadjusted Reference Portfolio. As at 30 June 2024, we achieved a 64.4% reduction in carbon emissions intensity and a 98.2% reduction in potential emissions from fossil fuel reserves. Our carbon footprint for 2024/25 will be published with our Climate Change Report in October 2025. In 2024/25, the Board endorsed a revised approach and methodology for GHG emissions measurement to bring the Guardians into closer alignment with the internationally-recognised GHG Protocol and Partnership for Carbon Accounting Fundamentals (PCAF). The Board also approved setting of new GHG emissions reductions targets for 2030.

Since 2022, we have moved our portfolio of passive global equities to the MSCI Paris Aligned Benchmark (the largest part of our investment portfolio) and established a PAB approach for the externally managed multifactor portfolios (the next largest). At the end of January 2025 we shifted the corporate bond segment of the portfolio to a PAB approach. The benchmark reduces exposure to carbon intense issuers and carbon risk, and upweights exposure to climate solutions.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1:	Investing to address climate change risk and opportunity
(1) Target name	Reduction in GHG emissions intensity
(2) Baseline year	
(3) Target to be met by	2025
(4) Methodology	<p>In 2016/17 the Guardians developed a Climate Change Investment Strategy, implemented with effect from June 2017. It included carbon reduction targets for the Fund, measured relative to our original unadjusted benchmark Reference Portfolio. We used carbon footprinting to measure the Fund's carbon exposure, with the carbon footprint published each year following a third-party assessment.</p> <p>We set targets for the carbon emissions intensity of the global equities portfolio, which measures the portfolio in terms of carbon emissions per unit of output and provides a measure of the overall efficiency of the portfolio by comparing emissions with the economic activity that produces them. In 2022, we committed to net zero by 2050, joining the Paris Aligned Investment Initiative Net Zero Asset Owners Commitment. Our current approach under this commitment is:</p> <p>Baseline date: In 2022 we decided to set targets relative to our reference portfolio. Therefore, our baseline is the emissions intensity of the Reference Portfolio in the current year, which is FY2024/25. (Note the survey form does not allow us to enter 2025 in the Baseline year at (A1)(2)). Baseline performance: 194.8 Emissions Intensity per \$ of firms sales tonnes of CO₂e/\$USm Sales Target year: 2025 Target(s): 40% by 2025 emissions Intensity per \$ of firms sales tonnes of CO₂e/\$USm Sales relative to the 2025 CO₂e/\$USm Sales of the ACWI IMI.</p> <p>GHG scopes included: Targets are based on scope 1 and 2 emissions only due to data limitations for our unlisted assets.</p> <p>We are looking to include scope 3 emissions over time. Our investments into Paris Aligned Benchmark indices already incorporate scope 3 emissions.</p> <p>Asset classes in scope: Listed equity, direct investments, investment through funds, including real estate and infrastructure. Currently, our market cap approach to accounting approach does not attribute emissions to fixed income.</p> <p>Further, we attribute nil emissions (and revenue) to our strategic tilting programme and other market neutral strategies (mainly executed through derivatives), as well as life settlements, natural catastrophe insurance, active collateral, and 5G spectrum.</p> <p>Methodology/net zero scenarios: We had targets in place prior to signing the PAAO commitment. We tested whether this target was sufficiently ambitious.</p>

The IPCC Special Report on Global Warming of 1.5oC suggests that real world emissions need to decrease by 50% by 2030. Our targets seek to deliver a 40% reduction 5 years earlier.

Emissions metrics: Our Reference Portfolio had 3.5m tonnes CO2-e scope 1 and 2 emissions and an emissions intensity of 230.7 per tonnes of CO2-e per US\$m revenue in 2019. This compares to 2.9m tonnes CO2-e and a carbon intensity of 194.8 per tonnes of CO2-e per US\$m revenue in 2022.

This means that our targets were more ambitious than the same percentage targets set against a historical benchmark – we would have achieved a 60.6% and a 56.9% respectively against the historic benchmark versus a 49.0% reduction compared to our actual benchmark.

In 2022, the Board approved to adopt the ACWI IMI building block of our Reference Portfolio to the MSCI World Climate Paris Aligned Index and the MSCI EM Climate Paris Aligned Index. These indices ensure that the Fund's passive global equity positions are better aligned with net zero objectives, as well as improving the ESG profile of the portfolio.

The PAB indices reduce GHG emissions intensity by 50%, reduce the GHG emissions intensity by a further 10% each year until 2050, integrate Scope 3 emissions into targets, underweight companies facing high transition and physical climate risk, increase allocation to companies with credible emissions reduction targets, increase exposure to green revenue and overweight companies providing climate solutions. Although we moved to PAB indices, we maintained our emissions intensity target.

Our 2025 reduction targets were to: reduce the carbon emissions intensity of the Fund by at least 40% and to reduce potential emissions from fossil fuel reserves owned by the Fund by at least 80%, measured against the unadjusted Reference Portfolio.

At 30 June 2024, we achieved a 64.4% reduction in carbon emissions intensity (relative to the market-weighted benchmark) and a 98.2% reduction in potential emissions from fossil fuel reserves. Our carbon footprint for 2024/25 will be published with our Climate Change Report in October 2025.

In 2024/25, the Board endorsed a revised approach and methodology for GHG emissions measurement to bring the Guardians into closer alignment with the internationally-recognised GHG Protocol and Partnership for Carbon Accounting Fundamentals (PCAF).

The Board also approved new GHG emissions reductions targets for 2025-30. We have opted to report under both the current and revised (PCAF-based) methods for 2025. Details will be published in the Climate Change Report in October 2025.

(5) Metric used (if relevant)	Emissions intensity in tonnes CO2e/\$m sales (amount of carbon emissions divided by \$m of company sales)
(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	194.8 tonnes of CO2e/\$USm sales (emissions intensity)
(8) Target level or amount (if relevant)	-40% by 2025 emissions Intensity per \$ of firms sales tonnes of CO2e/\$USm Sales relative to the 2025 CO2e/\$USm Sales of the ACWI IMI.
(9) Percentage of total AUM covered in your baseline year for target setting	40%

(10) Do you also have a longer-term target for this?

(1) Yes

(A2) Sustainability Outcome #1: Target details

(A2) Sustainability Outcome #1: Investing to address climate change risk and opportunity

(1) Target name Potential fossil fuel reserve emissions reduction

(2) Baseline year

(3) Target to be met by 2025

(4) Methodology

Potential Emissions: measures tonnes CO₂e/\$m invested = Tonnes of carbon emissions divided by \$US million invested. This measures the carbon equivalent emissions stored in fossil fuel reserves that would be released if those fossil fuel reserves were produced and used in the future, relative to dollars invested. Fossil fuel reserves include thermal coal, gas and oil. MSCI ESG Research calculates the potential emissions should all fossil fuel reserves be produced and burnt expressed as tonnes of CO₂ equivalent using the Potsdam Institute methodology. This includes proved and probable fossil fuel reserves.

Fossil Fuel Reserves Calculations: For listed holdings, fossil fuel reserves data is received from MSCI. For our unlisted assets, we request that they report their fossil fuel reserves. Given our knowledge of the unlisted assets that report on their footprint, if they do not report, we assume that they own no fossil fuel reserves. For assets with proxy-based estimates, we assumed that a company has no fossil fuel reserves unless it is proxied against the Overall category rather than a specific category (because we have deeper knowledge of these investments). In the latter case, fossil fuel reserves are proxied using the average fossil fuel reserves for our unadjusted Reference Portfolio, which was calculated by MSCI.

(5) Metric used (if relevant) Tonnes CO₂e/\$m invested = Tonnes of carbon emissions divided by \$US million invested

(6) Absolute or intensity-based (if relevant)

(2) Intensity-based

(7) Baseline level or amount (if relevant): Measured against potential emissions from fossil fuel reserves from the unadjusted Reference Portfolio for the current year

(8) Target level or amount (if relevant) -80%

(9) Percentage of total AUM covered in your baseline year for target setting 40%

(10) Do you also have a longer-term target for this?

(1) Yes

Additional context to your response(s): (Voluntary)

Refer to the previous target in section A1 for context about our Climate Change Investment Strategy, targets and baselines.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2.1	PLUS	SO 1, SO 2	N/A	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your long-term targets.

	(1) Target name	(2) Long-term target to be met by	(3) Long-term target level or amount (if relevant)
(A1) Sustainability Outcome #1: Investing to address climate change risk and opportunity	Reduction in GHG emissions intensity	2030	Reduce the GHG emissions intensity of the Fund by at least 75%
(A2) Sustainability Outcome #1: Investing to address climate change risk and opportunity	Potential fossil fuel reserve emissions reduction	2030	Reduce potential emissions from fossil fuel reserves owned by the Fund by at least 80%

Additional context to your response(s): (Voluntary)

In 2024/25, the Board endorsed a revised approach and methodology for GHG emissions measurement to bring the Guardians into closer alignment with the internationally-recognised GHG Protocol and Partnership for Carbon Accounting Fundamentals (PCAF). The Board also approved setting of new GHG emissions reduction targets for 2030, which are due to be announced publicly when we release the Annual Report and the Climate Change Report in October 2025.

Our emissions reductions targets to 2030 are to:

- reduce the GHG emissions intensity of the Fund by at least 75%; and
- reduce potential emissions from fossil fuel reserves owned by the Fund by at least 80%

These reductions are measured against a fixed baseline unadjusted Reference Portfolio (as at 30 June 2019).

For 2024/25, we have opted to disclose under both our current and revised (PCAF-based) methods for 2025 to ensure we:

- address the final year of our current period of Board-approved carbon targets through to 30 June 2025;
- establish a robust baseline for ongoing carbon accounting under the revised method for our new target period through to 30 June 2030;
- address the Guardians' Statement of Intent (2024-29) which references externally-assured carbon accounts, straddling both current and revised carbon target periods;
- facilitate retrospective empirical analysis of investment performance relative to portfolio GHG emissions intensity and progress against both data sets and targets.

FOCUS: SETTING NET-ZERO TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 1	Multiple, see guidance	PUBLIC	Focus: Setting net-zero targets	General

If relevant to your organisation, you can opt-in to provide further details on your net-zero targets.

- ☐ (A) Yes, we would like to provide further details on our organisation's asset class-specific net-zero targets
- ☐ (B) Yes, we would like to provide further details on our organisation's net-zero targets for high-emitting sectors
- ☐ (C) Yes, we would like to provide further details on our organisation's mandate or fund-specific net-zero targets
- ☒ (D) No, we would not like to provide further details on our organisation's asset class, high-emitting sectors or mandate or fund-specific net-zero targets
- ☐ (E) No, our organisation does not have any asset class, high-emitting sectors or mandate or fund-specific net-zero targets

Additional context to your response(s): (Voluntary)

NZSF has not signed onto the Net Zero Asset Owners Alliance, but we have signed up to the Paris Aligned Asset Owner Commitment (also referred to as the Net Zero Asset Owner Commitment), under which asset owners commit to transition their investments to achieve net zero portfolio GHG emissions by 2050, or sooner, drawing on the initiative's Net Zero Investment Framework. We have reported in line with this commitment, including in 2024.

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: Investing to address climate change risk and opportunity

Target name: Reduction in GHG emissions intensity

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

(A2) Sustainability outcome #1:

(A2) Sustainability outcome #1: Investing to address climate change risk and opportunity

Target name: Potential emissions from fossil fuel reserves

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Additional context to your response(s): (Voluntary)

The Guardians' Board sets the Fund's GHG emissions reduction targets and methods. The Board monitors progress against the targets through an annual Sustainable Finance Report (internal only) and a public Climate Change Report (published annually on our website), as well as the Annual Report.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1: Investing to address climate change risk and opportunity

(1) Target name Reduction in GHG emissions intensity

(2) Target to be met by 2025

(3) Metric used (if relevant) Emissions intensity in tonnes CO2e/\$m sales (amount of carbon emissions divided by \$m of company sales)

(4) Current level or amount (if relevant)

Our GHG emissions intensity reduction target for 2024/25 was to reduce the carbon emissions intensity of the Fund by at least 40%, measured against the Fund's unadjusted Reference Portfolio as at 30 June 2025.

We exceeded our 2025 emissions reduction target. As of 30 June 2024, the Fund's total carbon emissions intensity was 64.4% lower than baseline (40% target), which is the unadjusted portfolio. We published our climate change report and carbon footprint in October 2024. The report aligned with the NZ climate standards published by the External Reporting Board.

In 2024/25, the Board approved new reduction targets for 2030 and a revised approach/methodology for GHG emissions measurement, which brings the Guardians into closer alignment with the internationally-recognised GHG Protocol and Partnership for Carbon Accounting Fundamentals (PCAF). We have opted to disclose under both the current and revised (PCAF-based) methods for 2025 and will publish the methodology with the 2025 climate change report. The 2030 targets are a reduction in the GHG emissions intensity of the Fund by at least 75% measured against a fixed baseline of the unadjusted Reference Portfolio as of June 2019.

(5) Other qualitative or quantitative progress

In 2021 we signed up to the Paris Aligned Asset Owner Commitment. This includes a commitment to transitioning investments to achieve net zero portfolio GHG emissions by 2050, or sooner, drawing on the Net Zero Investment Framework to deliver these commitments.

In 2022, as part of a wider review of our responsible investment approach, the Board elected to change the ACWI IMI building block of our Reference Portfolio to the MSCI World Climate Paris Aligned Index and the MSCI EM Climate Paris Aligned Index. As well as improving the overall ESG profile of the Fund, these indices will ensure that the Fund's passive global equity positions are better aligned with net zero objectives. The new indices:

- reduce the GHG emissions intensity by 50%;
- reduce the GHG emissions intensity by 10% each year until 2050;
- integrate Scope 3 emissions into targets;
- underweight companies facing high transition and physical climate risk;
- increase allocation to companies with credible emissions reduction targets;
- increase exposure to green revenue; and
- overweight companies providing climate solutions.

In 2023 we worked with our external managers to shift our multifactor mandates, benchmarking them to a Paris Aligned index and requiring them to meet the mandatory objectives of the Paris Aligned Benchmark. In May 2024, the Investment Committee agreed to shift the corporate portion of our passive bond mandate to a Paris Aligned benchmark. The change was implemented at end January 2025.

Engagement - Our Climate Change Investment Strategy has four pillars (GHG emissions reduction, analysis, search for opportunities that support the transition and engagement). The goal of the engage pillar is to improve the reporting and management of climate-related risks by the companies we invest in. We have concentrated our direct engagement in New Zealand, where we have the scale to play a leadership role. Internationally, where we are a relatively small player, we focus on collaboration with others and lending support to the multilateral initiatives we believe will have the greatest impact, including the CA100+ investor initiative.

In the NZ context, through 2021 we worked with The Treasury and the other Crown Financial Institutions on the development of the Crown Responsible Investment Framework, which was announced by the Minister of Finance in October 2021. In response to the framework, the CFIs committed to transitioning their investment portfolios to be aligned with a net zero emissions economy by 2050 or sooner. They joined the Paris Aligned Investment Initiative's Net Zero Asset Owners Commitment, committing to reductions in portfolio carbon footprint in line with a globally accepted pathway. They also committed to seek to invest in climate solutions in New Zealand and abroad, consistent with their respective investment strategies and commercial mandates. Since the framework was developed the CFIs have made significant changes to their investment portfolios, moving to low carbon indices as their global equities benchmarks.

In addition, the CFIs agreed to use their collective influence as asset owners to engage with companies on climate change and emissions reductions, with the objective of achieving net zero by 2050 or sooner. The framework sends a strong signal to the broader New Zealand investment industry that best practice is aligning around a net zero by 2050 pathway. In May 2023, the CFIs began a programme of engagement on climate change with listed New Zealand companies, in particular the top 50 listed (NZX50) companies. The purpose of the engagement is to ensure that companies understand investor expectations as we transition to a low-carbon economy. This includes measuring and reporting on carbon and other GHG emissions in line with best-practice guidelines, and meaningful reduction plans.

The steps taken in the engagement programme include a joint position statement on climate change released in May 2023; CFIs sent a joint letter to the Chairs of all companies listed on the NZX50 in June 2023 setting out our expectations around climate change reporting and the transition to net zero; a CFI working group determined priority companies for direct engagement, developed engagement plans for each company and monitored the response of other companies; CFIs engaged directly with 10 companies in 2024. The decision about which companies to engage directly was based on a combination of factors, including the company emissions profile, reporting (whether they have published TCFD report and their plan around reporting on climate related disclosures), whether they have emissions reductions targets, assessment of governance and strategy and their operating sector. The engagement programme leverages the mandatory climate related disclosure standards, released by the NZ External Reporting Board in December 2022.

(6) Methodology for tracking progress

Annual GHG Emissions Inventory published; Climate Change Report published annually; Climate Action Plan submission required by as part of the Paris Aligned Asset Owner Commitment.

(A2) Sustainability outcome #1: Target details

(A2) Sustainability outcome #1:	Investing to address climate change risk and opportunity
(1) Target name	Potential emissions from fossil fuel reserves
(2) Target to be met by	2025
(3) Metric used (if relevant)	Tonnes CO2e/\$m invested = Tonnes of carbon emissions divided by \$US million invested
(4) Current level or amount (if relevant)	<p>Our target for 2024/25 was to reduce potential emissions from fossil fuel reserves owned by the Fund by at least 80%, measured against the Fund's unadjusted Reference Portfolio as at 30 June 2025.</p> <p>We exceeded the target. As of 30 June 2024, the Fund's exposure to potential emissions from carbon reserves was 98.2% lower (80% target). We published our climate change report and carbon footprint in October 2024. The report aligned with the NZ climate standards published by the External Reporting Board.</p> <p>In 2024/25, the Board approved new reduction targets for 2030 and a revised approach/methodology for GHG emissions measurement, which brings the Guardians into closer alignment with the internationally-recognised GHG Protocol and Partnership for Carbon Accounting Fundamentals (PCAF). We have opted to disclose under both the current and revised (PCAF-based) methods for 2025 and will publish the methodology with the 2025 Climate Change Report. The 2030 targets are a reduction in potential emissions from reserves by 80%, to be measured against a fixed baseline of the unadjusted Reference Portfolio as of June 2019.</p>
(5) Other qualitative or quantitative progress	Refer to the CFI climate change initiative outlined above. CFIs engaged directly with 10 companies in New Zealand in 2024.
(6) Methodology for tracking progress	Annual GHG Emissions Inventory published; Climate Change Report published annually; Climate Action Plan submission required by as part of the Paris Aligned Asset Owner Commitment.

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (B) Stewardship: engagement with external investment managers
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (C) Stewardship: engagement with policy makers
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (D) Stewardship: engagement with other key stakeholders
 - Select from drop down list:
 - ☒ (1) Individually
 - ☒ (2) With other investors or stakeholders
- ☒ (E) Capital allocation
 - ☐ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Capital allocation activities used	(1) Asset class allocation (3) Selection of and allocation to third-party funds
(2) Explain through an example	During the year, we increased the amount of capital allocated to investments targeting positive sustainability outcomes through our dedicated investment strategy, the Sustainable Transition Opportunity.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Investing to address climate change risk and opportunity
(1) Capital allocation activities used	(5) Other

(2) Explain through an example

Adoption of Paris Aligned Benchmark indices - As noted previously, In 2022, as part of a wider review of our responsible investment approach, the Board elected to change the ACWI IMI building block of our Reference Portfolio to the MSCI World Climate Paris Aligned Index and the MSCI EM Climate Paris Aligned Index. As well as improving the overall ESG profile of the Fund, these indices will ensure that the Fund's passive global equity positions are better aligned with net zero objectives.

The new indices:

- reduce the GHG emissions intensity by 50%;
- reduce the GHG emissions intensity by 10% each year until 2050;
- integrate Scope 3 emissions into targets;
- underweight companies facing high transition and physical climate risk;
- increase allocation to companies with credible emissions reduction targets;
- increase exposure to green revenue; and
- overweight companies providing climate solutions.

One reason for supporting Paris Aligned indices was to support the development of the market.

In 2023 we worked with our external managers to shift our multifactor mandates, benchmarking them to a Paris Aligned index and requiring them to meet the mandatory objectives of the Paris Aligned Benchmark.

This change was implemented in the third quarter of 2023. In May 2024, the Investment Committee agreed to shift the corporate portion of our passive bond mandate to a Paris Aligned benchmark. The change was implemented at end January 2025.

The Search pillar of our Climate Change Investment Strategy is about taking advantage of opportunities presented by the prospects of a transition to a lower-carbon and more climate-resilient world.

Investing in climate solutions plays a role in mitigating or adapting to climate change, supporting national and international climate goals and commitments, and reducing systemic risks to the economy. As part of the Fund's Total Portfolio Approach, we set how much risk we allocate to each of our Opportunities through a periodic Risk Budget Review process. The output of this process informs the nature, scale, and risk/return profile of subsequent asset buy/hold/sell decisions across the portfolio.

In 2022/23, we adjusted our Risk Budget Review approach by incorporating judgements on the inherent ESG profiles of each of the portfolio opportunities.

In line with our investment beliefs, ESG factors – with a focus on climate change – were considered, alongside the expected 'Information Ratio' and alignment with our endowments. This process determined the risk budget allocation for each opportunity. The review outcome included upweighting risk budgets for 'Infrastructure' and 'Sustainable Transition' (private equity) on the basis of the expected positive environmental and social outcomes linked to our investment strategy.

Leveraging upweighted risk budgets for opportunities with inherent potential for both positive investment returns and climate outcomes meant we were able to increase capital investment in sustainable transition solutions in 2023/24 and in 2024/25. We continue to search for investments that contribute to climate outcomes as well as delivering the required returns. These include a joint venture to explore the feasibility of large-scale off-shore wind generation in New Zealand.

STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach	We believe in being an active owner of assets and use the stewardship tools that are relevant to the specific asset to support sustainability outcomes.
(2) Stewardship tools or activities used	<ul style="list-style-type: none"> (1) Engagement (2) (Proxy) voting at shareholder meetings (4) Nominating directors to the board (5) Leveraging roles on the board or board committees (e.g. nomination committees) (6) Taking roles on investee boards (7) Working directly with portfolio companies and/or real asset management teams
(3) Example	

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Investing to address climate change risk and opportunity
(1) Describe your approach	<p>The goal of the Engage pillar of our Climate Change Investment Strategy is to improve the analysis, management and reporting of climate-related risks by the companies we invest in. We report on our stewardship and engagement activities in our Annual Report and on our website.</p> <p>We are committed to being an active owner of assets. This means we exercise our voting rights for listed equities in line with our voting policy guidelines on climate change.</p> <p>We work with the boards and management teams of companies that we invest in directly to address climate-related issues. Where we work with external managers, we include climate-related clauses into investment mandates, to the extent possible and relevant. As part of our active ownership, external managers are asked about their climate change approach and activities through ESG due diligence surveys approximately every two years. We also ask our external managers to report on their portfolio GHG emissions intensity.</p> <p>From time to time, we engage with policy makers through public consultations, including in New Zealand, in areas that are relevant to our investment mandates. We have made submissions supporting increased climate action, including on the XRB's climate standards.</p>

(2) Stewardship tools or activities used

- (1) Engagement
- (2) (Proxy) voting at shareholder meetings
- (4) Nominating directors to the board

(3) Example

Please refer to the CFI Climate Change Engagement with the NZX50 outlined in PGS40.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

☒ **(A) We prioritise the most strategically important companies in our portfolio.**

Describe how you do this:

In the 2024/25 year we have prioritised the New Zealand market for direct stewardship activities, both with investee companies and through participating in local initiatives, particularly in respect of corporate governance, climate change, and for (in the NZ context) emerging areas such as modern slavery, natural capital and climate change. We prioritise companies and sectors where we have large investments in NZ and we in 2024/25 we have prioritised NZX50 companies. In the global context, our engagement on climate change and other sustainability issues is carried out through international collaborations with other investors and a specialist engagement service that covers global equities. This gives us a wider reach than we would have on our own. Through these channels, we engage in partnership with some very large international investors; collectively, our capital carries significantly more weight. For example, we are a member or supporter of global initiatives such as Climate Action 100+, an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. We use an external engagement service provider to lead engagements with the companies within our global equity portfolio. As a client, we are able to have an input into the annual process through which priority companies and themes are identified for engagement (further detail is included in our response to PGS 23). We have voting guidelines on climate change and vote all of our shares in a consistent way. Our default position is to support climate change-related resolutions, which we do unless there is a compelling reason not to. We recall shares that we have lent out to vote on significant climate change issues.

Select from the list:

- ☒ 1
- ☐ 3
- ☐ 4

☒ **(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.**

Describe how you do this:

We are working with other Crown Financial Institutions on a collaborative initiative to engage with New Zealand companies on climate change. We have released a joint position statement on climate change and will engage directly with large New Zealand companies, in particular those listed on the NZX50.

Our engagements with individual New Zealand companies will be prioritized according to the highest emitting NZX50 companies, seeking to:

- understand their progress on climate change awareness, capability and commitments;
- understand how they are meeting regulatory requirements on climate-related disclosures and reporting;
- support companies to prepare for the transition by sharing knowledge of climate change risks and opportunities from the institutional investor perspective;
- understand how companies' plans will align with our net zero commitments over time.

We undertook to report publicly on the number of engagements and progress made in aggregate in our annual reports, but individual engagements will be confidential.

In 2024 we engaged with 10 companies in the NZX50, including 7 in FY2024/25.

Select from the list:

- ☒ 2
- ☐ 3
- ☐ 4

☒ (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.

Describe how you do this:

We have prioritised companies in the NZX50 for engagement on climate change based on emissions profile, whether they have set emissions reduction targets and disclosures. In respect of global equities, we support the work of CA100+ and we contribute to the selection of priority companies identified by our external engagement services provider. In 2024, working with the NZ CFIs, we engaged 10 NZX50-listed companies on climate change and climate related disclosures.

Select from the list:

☐ 3

☐ 4

☐ (D) Other

STEWARDSHIP WITH EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	OO 5, SO 5	N/A	PUBLIC	Stewardship with external investment managers	2

During the reporting year, how did your organisation, or the external service providers acting on your behalf, engage with external investment managers to ensure that they take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

We are able to engage directly with external investment managers in New Zealand as it is a small market. Our External Investments and Partnership team has close relationships with external managers that look after global equities portfolios. We incorporate expectations about ESG performance into Investment Management Agreements, we have regular conviction reviews about their performance and alignment with the Guardians, including ESG and sustainability, and we have ongoing dialogue with them. For example, in the 2022/23 financial year we engaged extensively with the external managers of our actively managed multi-factor mandates about the ways they could improve the ESG profile of these portfolios and align them with our commitment to achieve net zero by 2050. We also have an Sustainable Investment ESG rating methodology for external managers, which we continued to develop in 2024/25, with the ratings for every manager being reviewed and reported internally on an annual basis.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

Investing to address climate change risk and opportunity

(1) Describe your approach

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach	<p>We believe that contributing to the formation of good public policy is part of our work as an institutional investor operating on a commercial basis. Our aim when commenting on public policy matters is to better inform policy decisions that affect the Guardians or the mandates that it manages. In commenting on public policy issues we adhere to strict political neutrality.</p>
(2) Engagement tools or activities used	<p>(1) We participated in 'sign-on' letters (2) We responded to policy consultations (3) We provided technical input via government- or regulator-backed working groups (4) We engaged policy makers on our own initiative (5) Other methods</p>
(3) Example(s) of policies engaged on	<p>In New Zealand we have actively engaged in the development of Climate Related Disclosure standards through the New Zealand External Reporting Board. A senior member of the Sustainable Investment team is on the XRB's expert advisory panel. We also engage in policy discussions, including on climate and carbon reduction, through peer organisations such as the IGCC and the Aotearoa New Zealand Stewardship Code. In 2025 we signed 2 PRI-led joint investor statements in support of maintaining the integrity of the European Union sustainable finance framework. In 2024/25 a senior team member was on the technical expert group for the development of a sustainable finance taxonomy for New Zealand. In July 2025 we submitted a submission in response to the release of the proposed taxonomy.</p> <p>Our global engagement service provider CTI reo® also engages with policy makers on behalf of the Guardians and other clients. CTI recognise that action by governments or regulatory intervention may be needed to create a level playing field for investors and corporates to achieve meaningful results for all involved stakeholders. To that end, they contribute to public policy development through engagement with policymakers and regulators to the extent they believe it would be in the best interests of their clients to do so. They seek to bring a constructive investor voice to standard settings, and believe that policy and regulatory change is often the catalyst for improved corporate behaviour that can help drive long term shareholder value.</p>

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Investing to address climate change risk and opportunity
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(1) Describe your approach

(2) Engagement tools or activities used	(1) We participated in 'sign-on' letters (2) We responded to policy consultations (3) We provided technical input via government- or regulator-backed working groups (4) We engaged policy makers on our own initiative (5) Other methods
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(3) Example(s) of policies engaged on

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

(A) Across all sustainability outcomes

(1) Key stakeholders engaged	(1) Standard setters (2) Reporting bodies (3) Stock exchanges (6) External service providers (e.g. proxy advisers, investment consultants, data providers) (7) Academia
(2) Provide further detail on your engagement	

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Investing to address climate change risk and opportunity
(1) Key stakeholders engaged	(1) Standard setters (2) Reporting bodies (3) Stock exchanges (5) Auditors (6) External service providers (e.g. proxy advisers, investment consultants, data providers)
(2) Provide further detail on your engagement	In New Zealand we have actively engaged in the development of Climate Related Disclosure standards through the New Zealand External Reporting Board. We have also engaged with the NZX, service providers including MSCI, with listed companies and we have had discussions with auditors in respect to the provision of third-party limited assurance to our carbon footprint. We engage with the Centre for Sustainable Finance in New Zealand on the development of a sustainable finance taxonomy for New Zealand, and for specific industry segments such as agriculture. We continue to engage with peak bodies and stakeholders that support the development of data, research, tools and industry approaches to support global sustainability goals.

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Initiative #1

(1) Name of the initiative	Crown Financial Institution (CFI) Climate Change Engagement with the NZX50
(2) Indicate how your organisation contributed to this collaborative initiative	<p>(A) We were a lead investor in one or more focus entities (e.g. investee companies)</p> <p>(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies)</p> <p>(C) We publicly endorsed the initiative</p> <p>(D) We provided pro bono advice, research or training</p> <p>(E) We supported the coordination of the initiative (e.g. facilitating group meetings) or provided other administrative support</p> <p>(G) We were part of an advisory committee or similar</p> <p>(H) We contributed to the development of the initiative's materials and/or resources (e.g. co-authored a report)</p>
(3) Provide further detail on your participation in this collaborative initiative	<p>As outlined in the response to PGS40, in New Zealand, CFIs have a collaborative engagement on climate change with companies in the NZX50, with the objective of ensuring that local companies are addressing mandatory Climate Related Disclosure requirements, understand the need to develop a pathway for the transition to a low carbon economy and understand CFI expectations in respect of our commitment to having portfolios aligned with net zero by 2050. The Guardians has been leading the development of this engagement, which was launched in May 2023 and is ongoing. As part of this work, we have been collaborating with other CFIs on the engagement initiative, coordinated meetings and planning sessions, prepared materials for the working group and led working group meetings, led the development of company research and methods to share documents in a collaborative working space. In 2024, CFIs engaged directly with 10 companies on the NZX50, including 7 in FY2024/25. In the first half of 2025 we completed an internal report on the initiative and are currently working on options for the next steps.</p>

(B) Initiative #2

(1) Name of the initiative	Nature Action 100+
(2) Indicate how your organisation contributed to this collaborative initiative	(I) Other

(3) Provide further detail on your participation in this collaborative initiative

Our engagement service provider was involved on our behalf, leading and supporting various engagements.

(C) Initiative #3

(1) Name of the initiative

(2) Indicate how your organisation contributed to this collaborative initiative

(3) Provide further detail on your participation in this collaborative initiative

(D) Initiative #4

(1) Name of the initiative

(2) Indicate how your organisation contributed to this collaborative initiative

(3) Provide further detail on your participation in this collaborative initiative

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☒ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☒ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☐ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☒ (E) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (F) We did not verify the information submitted in our PRI report this reporting year

THIRD-PARTY EXTERNAL ASSURANCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 2	CORE	OO 21, CBM 1	N/A	PUBLIC	Third-party external assurance	6

For which responsible investment processes and/or data did your organisation conduct third-party external assurance?

- ☒ (A) Policy, governance and strategy
Select from dropdown list:
 - ☒ (1) Data assured
 - ☐ (2) Processes assured
 - ☐ (3) Processes and data assured
- ☒ (B) Manager selection, appointment and monitoring
Select from dropdown list:
 - ☒ (1) Data assured
 - ☐ (2) Processes assured
 - ☐ (3) Processes and data assured

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 3	PLUS	CBM 1	N/A	PUBLIC	Third-party external assurance	6

Provide details of the third-party external assurance process regarding the information submitted in your PRI report.

(1) Description of the third-party external assurance process

In 2024 KPMG New Zealand provided limited assurance in relation to New Zealand Super Fund Carbon Footprint (Emissions Intensity and Fossil Fuel Reserves) for the period 1 July 2023 to 30 June 2024. The GHG emissions inventory data for the FY2024/25 year is being collected and will be subject to third-party assurance before publication in October 2025. Members of our Internal Audit team have been involved in the Climate Related Disclosures working group.

KPMG conducted limited assurance engagement in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) Assurance Engagements other than audits or reviews of historical financial information. KPMG stated their belief that the evidence obtained is sufficient and appropriate to provide a basis for their conclusion. In accordance with those standards KPMG: — used professional judgement to plan and perform the engagement to obtain limited assurance that the subject matter is free from material misstatement, whether due to fraud or error; — considered relevant internal controls when designing assurance procedures, without expressing a conclusion on the effectiveness of these controls; and — ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

In addition, in the first half of 2024 there was an independent review of the Guardians and the NZ Super Fund conducted by a global advisory firm appointed by the NZ Treasury. The 5-yearly independent review is a statutory requirement in the Guardians' legislated mandate. The review and the Guardians' response to it were published on the external website in September 2024.

(2) Assurance standard(s) used by the third-party assurance provider

- ☐ (A) PAS 7341:2020
- ☒ **(B) ISAE 3000 and national standards based on this**
- ☐ (C) Dutch Standard 3810N (Assurance engagements regarding sustainability reports)
- ☐ (D) RevR6 (Assurance of Sustainability)
- ☐ (E) IDW AsS 821 (Assurance Standard for the Audit or Review of Reports on Sustainability Issues)
- ☐ (F) Accountability AA1000 Assurance Standard (AA1000AS)
- ☐ (G) IFC performance standards
- ☐ (H) SSAE 18 and SOC 1
- ☐ (I) Other national auditing/assurance standard with guidance on sustainability; specify:
- ☐ (J) Invest Europe Handbook of Professional Standards
- ☐ (K) ISAE 3402 Assurance Reports on Controls at a Service Organisation
- ☐ (L) AAF 01/20
- ☐ (M) AAF 01/06 Stewardship Supplement
- ☐ (N) ISO 26000 Social Responsibility
- ☐ (O) ISO 14065:2020 General principles and requirements for bodies validating and verifying environmental information
- ☐ (P) ASAE 3410 Assurance Engagements on Greenhouse Gas Statements
- ☐ (Q) PCAF
- ☐ (R) NGER audit framework (National Greenhouse and Energy Reporting)
- ☐ (S) Auditor's proprietary assurance framework for assuring RI-related information
- ☐ (T) Other greenhouse gas emissions assurance standard; specify:

(3) Third-party external assurance provider's report that contains the assurance conclusion

<https://www.nzsuperfund.nz/assets/Publications/2024-NZ-Super-Fund-Carbon-Footprint-with-Assurance-Report.pdf>

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

- ☒ **(A) Policy, governance and strategy**
 Select from dropdown list:
- (1) Data internally audited
 - (2) Processes internally audited
 - **(3) Processes and data internally audited**
- ☐ (B) Manager selection, appointment and monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

In 2022/23 the Guardians' Audit Committee requested assurance that the RI (SI) procedures and processes advised to the Crown are operating effectively. The internal audit found the processes established for our exclusions (negative screening of listed securities) and engagement activities to be operating effectively and were consistent with responses provided to the Crown's enquiries. A second internal audit assessed the adequacy of controls for ensuring (proxy) voting processes are managed and monitored efficiently and effectively. The internal audit (completed August 2023) found that processes and control activities undertaken to exercise the Fund's voting rights were well managed and carried out efficiently. Management have demonstrated clear understanding of the risks involved and actively manages and monitors them well. The audit team did not identify any significant control weaknesses within the voting processes.

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☐ (A) Board, trustees, or equivalent
- ☒ **(B) Senior executive-level staff, investment committee, head of department, or equivalent**
 Sections of PRI report reviewed
- **(1) the entire report**
 - (2) selected sections of the report
- ☐ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year