

Chair's letter

Tēnā koutou katoa/Dear member

It is my pleasure to provide you with an update on the National Provident Fund (NPF) and its activities over the year to 31 March 2025.

GOVERNANCE

The Board oversees management of the NPF schemes, including the investment assets of the schemes, on behalf of members. The Board's responsibilities include ensuring NPF operates efficiently and in line with legislation.

I commenced my role as Chair of the Board from 1 July 2024, having served on the Board since 2019. At the time of my appointment as Chair my term was extended through to 2028. In June last year we said goodbye to Dr. Edward Schuck, who served nine years on the Board, and seven as Chair. I'd like to thank Ed for his years of dedication to NPF and for sharing his in-depth knowledge and skills.

Management services to NPF are provided by Annuitas Management Limited, a joint venture between NPF and the Government Superannuation Fund Authority. At the end of the financial year, Anthony Halls resigned from his role as the Chief Investment Officer to pursue other opportunities. We wish him well and look forward to welcoming Will Durham into the role of Chief Investment Officer, starting in September 2025. Will joins us from a senior role at the Bank of England.

Additional Information on the Board members and Annuitas executive team is available on our website.

INVESTMENTS

While members' entitlements are guaranteed by the Crown, the investment performance of the assets of the schemes remains subject to market forces. The Board sets an investment strategy for each scheme that aims to maximise investment returns within appropriate risk limits, while managing costs.

Investment returns for all schemes for the 2025 financial year were positive. Those schemes with the risk appetite to invest in global equities did particularly well, although strong returns throughout calendar 2024 tapered off somewhat in the March quarter as greater geo-political uncertainty made its mark on markets. Market performance was dominated by the very strong returns of a small number of very large technology related companies.

Schemes that invested in global equities also invested in New Zealand equities, although to a much lesser extent. The performance of the home market, while still positive, was quite a bit weaker than global markets. Those schemes invested in global fixed income performed about in line with the return we received on New Zealand cash.

Further information on investment returns for each scheme is provided in the annual reports.



SCHEMES

In the 1990s, the NPF was separated into 16 separate superannuation schemes, which were closed to new members effective 31 March 1991. Since then, the number of members has declined due to retirements and withdrawals and so has the number of schemes.

There are currently eight remaining NPF schemes with 7,341 pensioners, 2,078 active contributors and 2,242 non-active contributors. We advised members of the Meat Industry Scheme that it would be wound up effective from 31 March 2025. We expect to transfer all remaining members to the Lump Sum National Scheme by the end of July this year.

Over the coming years, we anticipate that contributor numbers will continue to decline as members reach retirement age and elect to receive their entitlements as a pension or as a cash lump sum. This is likely to give rise to further rationalisation of the schemes, with members being consolidated

into the larger schemes to minimise overall reporting and administration costs.

Some non-active contributors have not yet made elections to receive their entitlements and in some instances not doing so will result in a member's entitlement being less. We strongly encourage members to carefully consider their options and how they wish to receive their entitlements. The scheme administrator, Datacom, is available to answer any questions and provide additional information. If you are a non-active contributor (i.e. you are not currently making payments to an NPF scheme), please call Datacom on 0800 628 776 to discuss your options.

It is also very important for members to ensure that their contact details remain up to date and where possible a secondary contact's details are provided. There is a Change in Personal Details Form enclosed with this letter for this purpose.



THANKS

Thank you to my fellow Board members for their commitment to the good governance of NPF. The Board remains acutely focused on its primary duty to serve the best interests of NPF's members and remains well positioned to meet the standards of accountability and continuous improvement that are demanded of superannuation trustees today.

My thanks also to the team at Annuitas for their continuing focus on achieving good outcomes for members.

On behalf of the Board, I wish all NPF members well for the year ahead.

Ngā mihi nui/Kind regards



Louise Edwards

Chair

Board of Trustees of the
National Provident Fund

June 2025



NOTICE OF ANNUAL REPORTS FOR YEAR ENDED 31 MARCH 2025

We are pleased to let you know that the annual reports for the year ended 31 March 2025, including summary financial statements for the NPF Schemes are now available on our website.

In the past, we have posted printed copies of the annual reports to all members. However, due to rising printing and postage costs, and to be more environmentally friendly, we will no longer be sending printed reports. You can access the reports on the NPF website by clicking on the name of the scheme you're interested in. Here is the website address: www.npf.co.nz/members/schemes

If you'd like to receive a printed copy of the annual report for your scheme, you can request one, at no cost, by contacting the Scheme Administrator, Datacom, at:

Phone: +64 4 381 0600

Toll-free in New Zealand: 0800 628 776

Email: NPF@fundadmin.nz

The NPF website contains pension payment dates, contact details and governance information. Additional publications such as the full financial statements, trust deeds and, where relevant, information booklets, can also be accessed under the name of each scheme.

YOUR 2025/2026 NPF CALENDAR

Your NPF calendar is enclosed. For the same reasons as indicated above, i.e. high printing and postage costs and to reduce our environmental impact, we will not be producing the calendar going forward.

We appreciate that some members will be disappointed by this decision, however, a high component of the production and printing costs are fixed which, combined with NPF's declining membership, means the calendar is no longer cost effective to produce.

The back cover of this year's calendar shows pension payment dates through 2029, together with contact details for Datacom. You may wish to keep this part of the calendar for future reference.

EMAIL COMMUNICATION

We prefer to communicate by email since it's quicker, more cost-effective, and better for the environment. If you haven't already given us your email address, we'd really appreciate it if you could provide your personal email address and opt to receive all future correspondence via email.

For security reasons notification of your personal email address needs to be in writing. A Change in Personal Details Form is enclosed with this letter or can be downloaded from the NPF website at: www.npf.co.nz/members/administrator.

Please complete the form and email it to Datacom.

PRIVACY AND SECURITY

The Board is very aware of the need to respect members' privacy. We are required to hold personal information about you for the purposes of ongoing management and administration of the NPF schemes. Personal information is data about an identifiable individual or information that could be used to identify you, such as your name and contact details.

We are bound by, and adhere to, the privacy provisions set out in the Privacy Act 2020.

With this in mind, please be aware neither Datacom nor the Board will ever send you a generic email asking for your personal information (for example, your bank account number and your date of birth) or ask you to provide your bank account details over the phone.

Wherever you provide personal information – whether it's by email, letter, completing a form or over the phone – you can be assured we will do everything we reasonably can to protect your personal information from being used in the wrong way.

NPF and Datacom will **never**:

- > ask you for your banking personal identification number (PIN) or password;
- > send you a link to an NPF website login page;
- > ask you to download any software onto your computer;
- > ask you to give us remote access to your computer.