ANNUAL REPORT TO MEMBERS

for the

MARITIME RETIREMENT SCHEME

Year ended 31 March 2026

Chairman's Report

I am pleased to present the tenth annual report of the Maritime Retirement Scheme (**MRS** or the **Scheme**) for the year ended 31 March 2026.

Scheme Size and Membership

During the year, the Fund (including the Maritime KiwiSaver Scheme (**MKS**)) decreased in size from $227.6 million to $226.2 million, comprising $195.8 million in MRS member and employer accounts, $20.9 million of MKS funds invested with MRS, and $9.5 million in the reserve accounts (including the death benefit reserve accounts). Of the funds invested in member and employer accounts on 31 March 2026, 10% is invested in the growth portfolio, 75% in the balanced portfolio and 15% in the conservative portfolio.

The overall membership of the MRS increased by 3 from 1,467 to 1,470. Membership of the Waterfront Section increased from 851 to 905 members and membership of the Seafarers Section reduced from 314 to 278. The number of deferred members decreased from 302 to 287.

Investment Performance

All the investment portfolios achieved good returns for the year. The return for the growth portfolio was 6.3%, the balanced portfolio 5.3% and the conservative portfolio 3.1%, net of all fees and tax (at 28%).

During the last five years, the average returns of the balanced and conservative portfolios, net of fees and tax (at 28%), were 4.9% and 2.3% respectively. The growth portfolio has only been in existence since 1 October 2021, so we do not yet have an average return over five years.

Asset Management and Administration

The assets of the MRS continue to be invested in managed funds whose performance is closely monitored by the Trustees. In November 2025, the Trustees approved a revised Statement of Investment Policy and Objectives (**SIPO**). This update to the previous SIPO was necessary to re-organise the Schemes' Australasian Equities mandate to be 50% with the Salt Core Equity Fund and 50% with Fisher Funds' Trans-Tasman Fund. In February 2026, the Trustees approved a revised SIPO. This update to the previous SIPO was necessary to effect minor changes to performance targets and real return expectations following the annual SIPO review.

Administration and investment management fees remain low compared to similar schemes. The expense ratios for the Scheme are currently 0.76% for the growth portfolio, 0.71% for the balanced portfolio and 0.61% for the conservative portfolio. These expense ratios compare favourably with expense ratios of most KiwiSaver schemes which are typically in the range of 0.9% to 1.2%.

Appreciation

The Trustees thank members and participating employers for their continuing support, and the Administration Manager, Melville Jessup Weaver, and other service providers and investment managers for their services to the MRS.

Brodie Stevens
Chair

Details of Scheme

The scheme's name is the Maritime Retirement Scheme. The Scheme is registered as a restricted workplace savings scheme.

The manager is the Board of Trustees named on page 5. The Product Disclosure Statement (**PDS**) for the Scheme is dated 15 August 2025, and the Scheme is open for applications. Fund Updates for the growth, balanced and conservative portfolios were made publicly available on 30 June 2026 for the year ended 31 March 2026. These are available on the Scheme's website: https://.maritimeretirementscheme.nz/scheme-details/fund-updates/.

The financial statements for the year ended 31 March 2026 and the auditor's report on those financial statements have been lodged with the Registrar of Financial Service Providers and are available electronically by visiting https://disclose-register.companiesoffice.govt.nz/, selecting search schemes and entering the Scheme name.

Information on Contributions and Scheme Participants

Total Members

Members	31 March 2026	31 March 2025
Contributing members	1,183	1,303
Non-contributing members	287	164
Total members	***1,470***	***1,467***

New Members

New Members for Year Ended 31 March 2026	
New members	178
Transfers from other schemes	0
Total new members	***178***

Member Exits

Member Exits for Year Ended 31 March 2026	
Retirement	16
Withdrawal	102
Redundancy	45
Death	10
Ill health	1
Transfers to other schemes	1
Total member exits	***175***

Members’ Account Balances

Members’ Account Balances	31 March 2026	31 March 2025
Total account balances	$205,325,253	$206,812,983
Number of members with accounts	1,470	1,467

Total account balances include both member and employer accounts. These include the reserve accounts but exclude the account balances from the Maritime KiwiSaver Scheme.

Total Contributions

Contribution Type	Total for Year Ended 31 March 2026	Number of Members to Whom Contributions Relate
Member contributions	$7,882,264	1,303
Employer contributions*	$4,576,221	1,148
Total contributions	***$12,458,485***	***1,303***

*After deduction of employer superannuation contribution tax.
These exclude contributions to the Maritime KiwiSaver Scheme.

Changes Relating to the Scheme

During the year ended 31 March 2026, the Scheme continued as a restricted workplace savings scheme registered under the Financial Markets Conduct Act 2013 (**FMCA**).

During the year ended 31 March 2026 the Trust Deed was not amended.

The Statement of Investment Policy and Objectives (**SIPO**) was updated on in November 2025 to re-organise the Schemes’ Australasian Equities mandate to be 50% with the Salt Core Equity Fund and 50% with Fisher Funds’ Trans-Tasman Fund. The SIPO was updated again in February 2026 to effect minor changes to performance targets and real return expectations following the annual SIPO review.

No transactions providing for related party benefits (as contemplated by section 172(1) of the FMCA) to be given from the Scheme were entered into during the year ended 31 March 2026 on anything other than arm’s-length terms.

There were no changes in relation to member benefits that were made to the Trustees’ policies and procedures.

Other Information

During the year, 340 Scheme members made a withdrawal that was permitted under the FMCA and the Trust Deed. The grounds on which those withdrawals were made were as follows:

Withdrawal type	Number of members
Full withdrawals	***147***
Leaving service	136
Death	10
Transfer	1
Partial withdrawals	***193***
Contributing members	61
Non-contributing members	93
1st home withdrawals	13
Financial Hardship	26

The following table shows the monthly crediting rates (after tax at 28% PIR and an allowance for operating expenses) applied to members' account balances at the end of each month during the year. The monthly crediting rates are also available on the Scheme's website: https://maritimeretirementscheme.nz/investment-performance/:

Month	Crediting rate applied		
	Balanced Portfolio	**Conservative Portfolio**	**Growth Portfolio**
April 2025	-1.33766%	-0.17803%	-1.65731%
May 2025	3.48932%	1.08447%	4.58827%
June 2025	1.74511%	1.03654%	1.96201%
July 2025	1.80305%	0.59382%	2.39013%
August 2025	1.17512%	0.84847%	1.16160%
September 2025	1.74934%	0.94335%	1.89408%
October 2025	1.33143%	0.78014%	1.34266%
November 2025	-0.56776%	-0.25019%	-0.82999%
December 2025	0.45481%	0.12715%	0.45871%
January 2026	-0.74271%	-0.25357%	-1.06766%
February 2026	0.52445%	0.76218%	0.39750%
March 2026	-4.45893%	-2.55735%	-4.48120%

The Trustees confirm that for the year ended 31 March 2026 all contributions required to be made to the Scheme in accordance with the terms of the Trust Deed were made.

The Trustees confirm that:

1. All the benefits required to be paid from the Scheme in accordance with the terms of the Trust Deed have been paid.
2. The market value of the net assets of the Scheme on 31 March 2026 equalled the total value of benefits that would have been payable had all members of the Scheme ceased to be members at that date.

Changes to Persons Involved in the Scheme

The following persons served as Trustees during the year:

- Brodie Stevens (Chair)
- Philippa Drury (Licensed Independent Trustee)
- Ray Welson
- Ray Fife
- Carl Findlay (Deputy Chair)
- Russell Mayn
- Walter Rushbrook
- Joshua Greer
- Philip Doak
- Dennis Aquino – appointed 18 November 2025.

Dennis Aquino is a Senior People Business Partner at Swire Shipping and takes the Seafarer Trustee position which was left vacant when Brodie Stevens became Chairman.

There were no changes during the year to the custodian, the Administration Manager, the securities registrar, or the auditor of the Scheme.

How to Find Further Information

The following information is available electronically (and free of charge) on the Disclose Register at https://disclose-register.companiesoffice.govt.nz/:

- copies of the Trust Deed, the Scheme's latest audited financial statements, the SIPO and the annual report (select *search schemes* and enter the Scheme name); and
- copies of the PDS, the annual fund updates and other material information relating to the Scheme (select *search offers* and enter the Scheme name).

Copies of the SIPO, the PDS, the latest annual report and the latest fund updates (as well as other information about the Scheme) are also available on the Scheme's website: https://maritimeretirementscheme.nz/. You can obtain a copy of any of the above documents (or an estimate of your benefits) from the Trustees free of charge by writing to the Administration Manager at the following address:

Maritime Retirement Scheme
Melville Jessup Weaver
Level 7, 20 Ballance Street
PO Box 1096
Wellington 6140

Contact Details and Complaints

You can contact the Trustees via the Administration Manager at:

Maritime Retirement Scheme
Melville Jessup Weaver
Level 7, 20 Ballance Street
PO Box 1096, Wellington 6140

Phone: 0800 947 357

The Administration Manager also acts as the securities registrar for the Scheme and can be contacted (in that capacity) at the above address.

Any queries or complaints about the Scheme can be made by contacting the Trustees at the above address.

The Trustees have established a process to deal with any complaints that members might have. The process is confidential, providing members with the ability to be satisfied that all their dealings with the Scheme have been handled properly. The first step is to contact either the Trustees or the Administration Manager in confidence to set out your complaint.

Members also have the right to send their complaints directly to the Scheme's external disputes resolution service, Financial Services Complaints Ltd (**FSCL**) – a Financial Ombudsman Service.

FSCL is our independent external ombudsman and dispute resolution service that has been approved by the Minister of Consumer Affairs under the Financial Service Providers (Registration and Dispute Resolution) Act 2008.

FSCL's contact details are:

Website:	www.fscl.org.nz
Email:	info@fscl.org.nz
Telephone:	0800 347257 (call free for consumers) (04) 472 FSCL (472 3725)
Postal address:	PO Box 5967 Lambton Quay Wellington 6145

Neither we nor FSCL will charge a fee to any complainant to investigate or resolve a complaint.

Summary Financial Statements

The following summary financial statements have been extracted from the full financial statements for the year ended 31 March 2026, which were authorised for issue by the Trustees on 28 July 2026. An unmodified audit report was issued on the full financial statements on 28 July 2026.
The summary financials are unaudited.

As the summary financial statements do not include all the disclosures included in the full financial statements, they cannot be expected to provide as complete an understanding as is provided by the full financial statements of the financial position, financial performance and cash flows of the Scheme.

A copy of the full financial statements can be obtained from the Administrator:

Melville Jessup Weaver (Maria Kane)

Telephone	(04) 499 0277
Freephone	0800 947 357
Email	maritime@mjw.co.nz

The full financial statements comply with the Financial Reporting Act 2013 and were lodged on the Disclose Register (**https://disclose-register.companiesoffice.govt.nz/**) on 28 July 2026.

The full financial statements and the summary financial statements are presented in New Zealand dollars because that is the currency of the primary economic environment in which the Scheme operates.

The full financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand and the requirements of the Financial Reporting Act 2013.

The full financial statements comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities. The full financial statements also comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board.

Maritime Retirement Scheme

Summary Statement of Changes in Net Assets For the Year Ended 31 March 2026

	2026 NZ$	2025 NZ$
Investment Activities		
Investment Income		
Net gains on investments at fair value through profit or loss	**9,511,514**	10,081,288
Interest received	**9,311**	20,710
Distributions received	**4,883,675**	5,137,604
Total Investment Income	**14,404,500**	15,239,602
Investment management fees	**(791,919)**	(752,626)
Net Investment Income	**13,612,581**	14,486,976
Operating Expenses		
Administration fees	**(307,020)**	(297,759)
Fees paid to the auditor	**(61,594)**	(59,708)
Other operating expenses	**(311,062)**	(285,633)
Total Operating Expenses	**(679,676)**	(643,100)
Surplus before Taxation and Membership Activities	**12,932,905**	13,843,876
Income tax expense	**(1,355,761)**	(2,164,738)
Surplus after Taxation and before Membership Activities	**11,577,144**	11,679,138
Membership Activities		
Contributions		
Member contributions	**7,766,925**	7,550,777
Employer contributions	**4,576,221**	4,514,332
Transfers in	**115,339**	149
Contributions to the Maritime KiwiSaver Scheme	**1,973,065**	1,950,309
Total Contributions	**14,431,550**	14,015,567
Benefits Paid		
Death	**(3,514,293)**	(139,915)
Retirement	**(821,183)**	(1,144,626)
Resignation	**(4,913,520)**	(5,011,488)
Redundancy	**(4,460,862)**	(1,691,223)
Withdrawals	**(9,209,457)**	(11,270,948)
First home withdrawal	**(819,921)**	(302,397)
Financial hardship	**(551,854)**	(845,382)
Withdrawals from the Maritime KiwiSaver Scheme	**(2,906,358)**	(1,396,004)
Other	**(128,671)**	(507,084)
Total Benefits Paid	**(27,326,119)**	(22,309,067)
Net Membership Activities	**(12,894,569)**	(8,293,500)
Net (Decrease) / Increase in Assets During Year	**(1,317,425)**	3,385,638
Net Assets Available for Benefits at Beginning of Year	**227,551,818**	224,166,180
Net Assets Available for Benefits at End of Year	**226,234,393**	227,551,818

Maritime Retirement Scheme

Summary Statement of Net Assets As at 31 March 2026

	2026 NZ$	2025 NZ$
Assets		
Cash and cash equivalents	**391,088**	58,913
Investments at fair value through profit or loss	**227,445,341**	229,511,738
Deferred tax asset	**90,440**	90,014
Total Assets	**227,926,868**	229,660,665
Liabilities		
Benefits payable	**(240,648)**	-
Other payables	**(105,288)**	(103,702)
Income tax payable	**(1,346,539)**	(2,005,145)
Total Liabilities	**(1,692,475)**	(2,108,847)
Net Assets Available for Benefits	**226,234,393**	227,551,818

Summary Statement of Cash Flows For the Year Ended 31 March 2026

	2026 NZ$(000)	2025 NZ$(000)
Net cash flows from operating activities	**(15,441,825)**	(9,640,946)
Net cash flows from investing activities	**15,774,000**	9,539,255
Net Increase / (Decrease) in Cash and Cash Equivalents Held	**332,175**	(101,691)
Cash and Cash equivalents at Beginning of Year	**58,913**	160,604
Cash and Cash equivalents at End of Year	**391,088**	58,913