CORPORATE GOVERNANCE STATEMENT

The MAS Board and management are committed to maintaining high standards of corporate governance. The following corporate governance statement discloses the extent to which MAS has followed the Financial Market Authority's (FMA) principles of corporate governance.

Whilst reporting against the FMA's governance principles is voluntary, MAS believes good governance is essential to achieving superior outcomes for its Members, the MAS Foundation, employees and other stakeholders. This statement was approved by the MAS Board on 24 September 2025.

PRINCIPLE 1: ETHICAL STANDARDS

DIRECTORS SHOULD SET HIGH STANDARDS OF ETHICAL BEHAVIOUR, MODEL THIS BEHAVIOUR AND HOLD MANAGEMENT ACCOUNTABLE FOR DELIVERING THESE STANDARDS THROUGHOUT THE ORGANISATION.

We are committed to high standards of social and environmental responsibility and ethical conduct. All employees, directors, business partners, and representatives of MAS, including contractors and consultants must comply with MAS code of conduct.

At MAS, we take personal responsibility to demonstrate the following behaviours:

1. Own it, do it. We take ownership and get it done. We drive for results and deliver for our Members.
2. In it together. We're a product Mutual, here for our Members and each other. We succeed as one team.
3. Make a difference. We're excited about the future and making a difference. We find better ways and focus on building a better Mutual.

The code of conduct is a high level document and is supplemented by specific policies as well as relevant industry codes of practice. The Code of Conduct is approved by the Board. It is provided to all employees and contractors as part of their induction programme and employees receive continual communication and annual training relating to conduct.

Our code of conduct is available to all staff on our intranet.

PRINCIPLE 2: BOARD COMPOSITION AND PERFORMANCE

TO ENSURE AN EFFECTIVE BOARD, THERE SHOULD BE A BALANCE OF SKILLS, KNOWLEDGE, EXPERIENCE, INDEPENDENCE AND PERSPECTIVES.

Roles and Responsibilities

The Board Charter sets out, in detail, the roles and responsibilities of the Board. The Board is responsible for setting the strategic direction of MAS' business and overseeing its management. The Board aims to have highly satisfied Members.

The Board is accountable to Members for MAS' performance. The Board reviews its performance against these responsibilities annually.

Delegations

The Board maintains a set of delegated authorities that clearly define the responsibilities delegated to management and those retained by the Board. These delegated authorities are subject to review and are approved by the Board annually. The Chief Executive Officer (CEO) is accountable to the Board for the exercise of, and compliance with, the Delegated Authority Policy.

Appointments and performance

MAS' procedures for the nomination and appointment/reappointment of directors to the Board is set out in the Nominations Committee Charter and Appointments Policy. When considering candidates, the Nominations Committee assessment includes assessing the candidates:

- understanding of and support for the principles of mutual organisations
- commercial acumen and strategic focus
- significant governance experience
- their ability to work in a team
- their ability to enhance the boards diversity of thought
- their fitness and propriety. The Group includes subsidiaries that are licensed under the Insurance (Prudential Supervision) Act by the Reserve Bank of New Zealand. As such, all directors are assessed against a Fit and Proper Policy that meets regulatory standards.

All new directors undertake a tailored induction programme.

Director and board performance is assessed annually. MAS engages the services of an independent party with significant experience in board evaluations to assist with the evaluation of candidates standing for board election. Performance reviews are carried out on a comprehensive basis for all board members every four years by an independent external party.

Reporting

During the year ending 31 March 2025 there were 13 board meetings and 22 committee meetings. Recent focus areas for the Board include; growth, technology and innovation strategy, sustainability and CEO succession.

A profile of each director, including their appointment date is detailed in the Annual Report.

The maximum tenure for a director is 12 years.

All directors of MAS and its subsidiaries are independent.

PRINCIPLE 3: BOARD COMMITTEES

THE BOARD SHOULD USE COMMITTEES WHERE THIS WILL ENHANCE ITS EFFECTIVENESS IN KEY AREAS, WHILE STILL RETAINING BOARD RESPONSIBILITY.

MAS has committees in place for:

- Audit and Risk
- Investment
- People & Remuneration
- Nomination
- Innovation and Digital Technology

Committee charters and details of committee members are available on our website.

MAS' Audit and Risk Committee charter requires that at least one member of the committee is a financial expert. All committee members are independent directors. It is a requirement of the charter that the chair of the committee is not the chair of the MAS Board.

The Chair of the Audit and Risk Committee and the Chair of the Board regularly meet (typically four times a year) with the Head of Internal Assurance without management present. The Committee meets with external audit and separately with the appointed actuary without management present.

PRINCIPLE 4: REPORTING AND DISCLOSURE

THE BOARD SHOULD DEMAND INTEGRITY IN FINANCIAL AND NON-FINANCIAL REPORTING, AND IN THE TIMELINESS AND BALANCE OF CORPORATE DISCLOSURES.

Key governance documents are available to all stakeholders on our website. These include; MAS Board charter, charters for all committees, code of ethics and external audit independence policy.

A Notice of Annual Meeting is sent to all Members annually in August. The Annual report is available in August and the Annual General Meeting typically takes place in late August.

The Annual Report includes the audited MAS Group financial statements. The CEO and the Chief Finance and Risk Officer (CFRO) certify to the directors that to the best of their knowledge the financial statements fairly represent the financial position and comply with relevant reporting requirements.

The Annual Report includes a report on the activities of the MAS Foundation which is tackling health inequities in Aotearoa.

Our vision is financial health and wellbeing for Members and our Community. As a mutual, we recognise the importance of ESG. All of MAS' investments and Members' investments that MAS manages are subject to a responsible investment policy which is available on our website. The three key principles are:

1. we limit our exposure to fossil fuels, weapons and tobacco industries
2. we assess the ESG practices of companies before investing in them
3. as a shareholder, we believe in active ownership through engagement and voting at company meetings.

In addition to the actions we have taken with our investment funds, we recognise the impact that climate change has on our business and our communities. Our climate disclosure report is available on our website. This report includes deliverables and actions to ensure we comply with Task Force on Climate-related Financial Disclosures (TCFD) requirements as well as reducing our carbon footprint and minimising the impacts of climate change.

MAS takes the wellbeing of its staff seriously. The Board takes specific responsibility for the effectiveness of the Health and Safety policy, and for monitoring its implementation, maintenance, and continual improvement. All staff undertake training on 'Living our Health and Safety Culture'. Regular reporting is provided to the Board including on the identification of risks and actions taken to mitigate risks to ensure a safe workplace is maintained.

PRINCIPLE 5: REMUNERATION

THE REMUNERATION OF DIRECTORS AND EXECUTIVES SHOULD BE TRANSPARENT, FAIR AND REASONABLE.

The Board's approach is to set director fees at a level that is comparable to market and considers the complexity of running three diverse business operations. Fees are reviewed annually, and any increase considers market movements and those of comparable organisations. Members approved an increase to the fee pool to $827,500 at the August 2025 AGM. The fee increase enables headroom to fund additional director appointments, and/or provide for suitable transition arrangements between outgoing and incoming Board members. Payments made to directors are disclosed in the annual report. There are no executive directors.

Remuneration of the CEO and members of the Executive Leadership Team is established by the Board, following a recommendation from the People & Remuneration Committee. Remuneration is set to ensure it attracts and retains suitable candidates and is comparable to relevant market positions. Remuneration includes a base salary element and a short-term incentive. The criteria for full, or partial, payment of the CEO's short-term incentive plan is set by the Board.

No directors of MAS nor any employees receive long-term incentives.

PRINCIPLE 6: RISK MANAGEMENT

DIRECTORS SHOULD HAVE A SOUND UNDERSTANDING OF THE KEY RISKS FACED BY THE BUSINESS, AND SHOULD REGULARLY VERIFY THERE ARE APPROPRIATE PROCESSES TO IDENTIFY AND MANAGE THESE.

The Board of Directors, supported by the Audit and Risk Committee, has overall responsibility for ensuring the effective implementation of risk management systems in line with the Enterprise Risk Management Framework, and that MAS does not operate beyond its risk appetite. MAS and its subsidiaries have Board approved Risk Appetite Statements which outline the degree of risk that MAS is prepared to accept in pursuit of its strategic objectives and business plans, whilst considering the interests of Members and the wider interests of the membership.

The Audit and Risk Committee has responsibility for ensuring that MAS' enterprise risk management framework, including policies and procedures, is appropriate and that risks are identified, considered and managed appropriately.

MAS' risk team maintains a risk register. The register includes the likelihood and impact of each risk, and mitigants. Risks are reviewed and considered by the relevant business unit on an at least six-monthly basis. Formal review of risks is undertaken by the Audit and Risk Committee every six months. Material risks are disclosed in the Annual Report.

PRINCIPLE 7: AUDITORS

BOARDS SHOULD ENSURE THE QUALITY AND INDEPENDENCE OF THE EXTERNAL AUDIT PROCESS.

The External Audit Independence Policy is available on our website. Ernst & Young (EY) were the external auditors of MAS for 2025. External audit typically attends all Audit and Risk Committee meetings. At least twice a year, external audit meets with the Committee without management being present. The Committee regularly reviews the auditor's performance and considers the merits of conducting an audit tender.

MAS' policy is to ensure the lead audit partner is rotated after a maximum of five years. The current audit partner is required to be rotated off after the 2026 audit.

The policy outlines what services the audit firm can and cannot provide to MAS and prohibits the auditor from undertaking any work that could reasonably be regarded by an informed third party as compromising independence. All non-audit services are required to be pre-approved by the Chair of the Audit and Risk Committee. Details, including costs, of non-audit work performed by EY are contained in the annual report.

PRINCIPLE 8: SHAREHOLDER RELATIONS AND STAKEHOLDER INTERESTS

THE BOARD SHOULD RESPECT THE RIGHTS OF SHAREHOLDERS, AND FOSTER CONSTRUCTIVE RELATIONSHIPS WITH SHAREHOLDERS AND STAKEHOLDERS THAT ENCOURAGE THEM TO ENGAGE WITH THE ENTITY.

MAS has two shareholders: the Trustees of MAS Members' Trust, and MAS Foundation.

The Trustees of MAS Members' Trust hold 100% of the voting shares in MAS. Trustees hold these shares on trust on behalf of Members, to ensure that Trustees act in Members' interests. Members are customers of MAS who hold MAS products. All Trustees are appointed by resolution of Members at the AGM. A minimum of three trustees must be "Practitioner Trustees", who are also Members of MAS themselves. The balance of Trustees are "Commercial Trustees" who can be Members but are not necessarily Members.

MAS Foundation is MAS Group's philanthropic funding arm and holds 100% of the distribution shares in MAS. In turn, MAS parent company has the power of appointment for MAS Foundation Trustees. Four out of the five MAS Foundation Trustees are independent of MAS Group companies and MAS' Board. MAS Foundation maintains a governance manual which sets out a number of matters including policies and processes for the Foundation's relationship with MAS' Board and management. MAS Board also maintains policies governing appointment of MAS Foundation Trustees. MAS Foundation's Chair presents as part of the annual report and annual meeting for MAS and attends MAS Audit and Risk Committee meetings when MAS Foundation business is being considered.