



**FIJI NATIONAL PROVIDENT FUND
2025 ANNUAL REPORT**



Corporate Statement

VISION

Securing your future

MISSION

To understand our customers, offer quality services and ensure sustainable returns for a meaningful retirement

VALUES



Cover

Theme: Progress with Purpose

The image of a farmer in a vibrant field reflects the heart of FNPf's mission: empowering hardworking Fijians to build secure futures through consistent, purposeful progress. It symbolizes the Fund's reach into grassroots communities, where every contribution plants the seed for long-term financial resilience. As members cultivate their livelihoods, FNPf stands alongside them, providing the tools, education, and support needed to grow their retirement savings and protect what matters most. Through strategic investments in sectors that drive national development and economic stability, FNPf ensures that members' savings are not only safeguarded but actively grown, turning today's efforts into tomorrow's security.

About FNPf

The Fiji National Provident Fund (FNPf) is Fiji's lone retirement savings institution, committed to securing the financial futures of its members. Through mandatory contributions from employers and employees, FNPf helps members build sustainable retirement savings.

The Fund offers a range of retirement income options—life pension, term annuity, and drawdown account, alongside pre-retirement benefits such as housing, medical, education, unemployment, and funeral assistance. FNPf is also a major investor in Fiji's economy, holding significant shares in key companies including Amalgamated Telecom Holdings, Vodafone Fiji, and Home Finance Company. It owns several landmark hospitality assets such as the Intercontinental Golf Resort & Spa, Fiji Marriott Resort Momi Bay, and the Grand Pacific Hotel.

Through prudent investment and strong governance, FNPf ensures members' savings are protected and grown, contributing to national development while delivering long-term value to its members.

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Mereoni is a pensioner who sells assorted jewellery and perfumes.

2025 AT A GLANCE

\$12.1 billion

TOTAL ASSETS



\$1.1 billion

NET INCOME



\$993.1 million

NET INCREASE IN NET ASSETS
(available for allocation)



\$9.5 billion

MEMBER FUND



\$2.3 billion

GENERAL RESERVE



\$711.7 million

INTEREST CREDITED



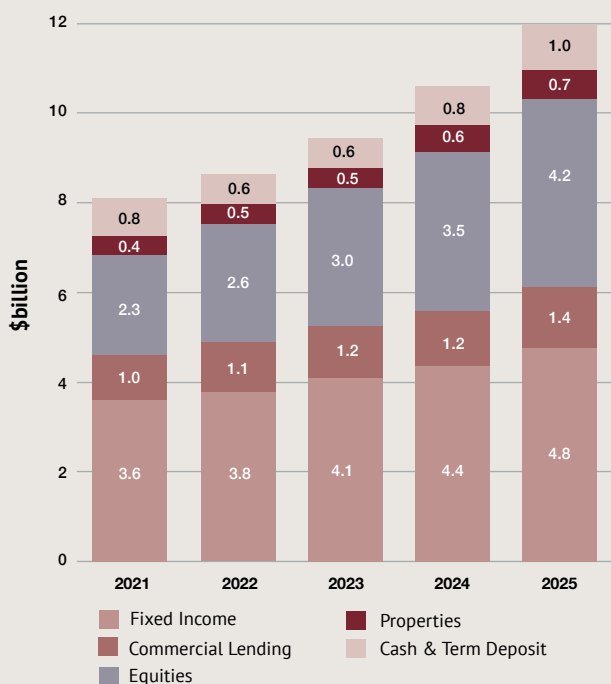
\$961.8 million

CONTRIBUTIONS

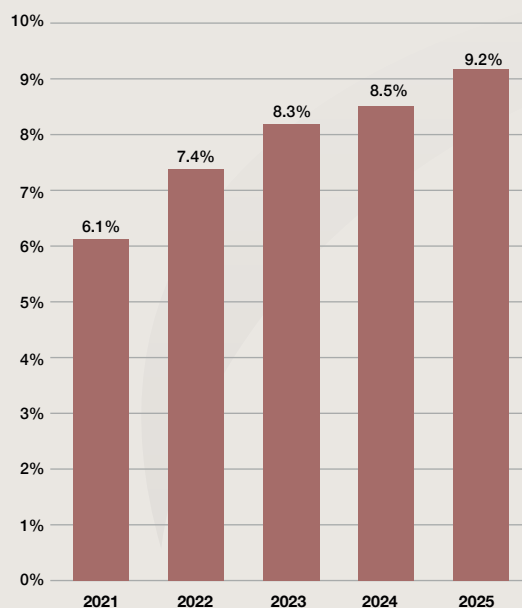
INVESTMENT

HIGHLIGHTS

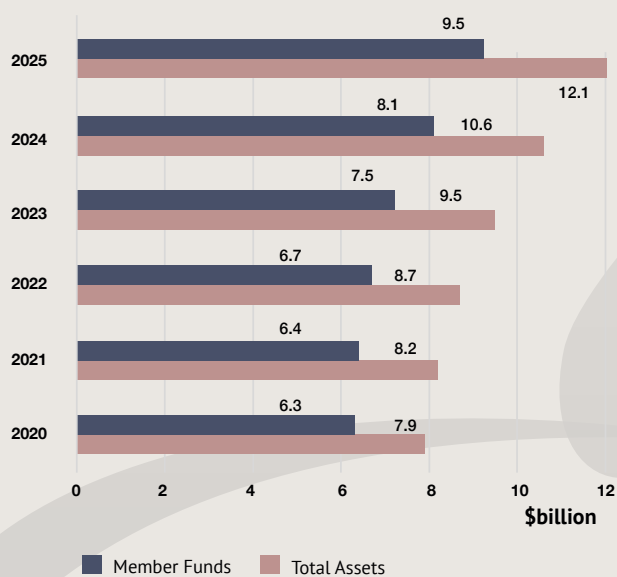
Investment Portfolio



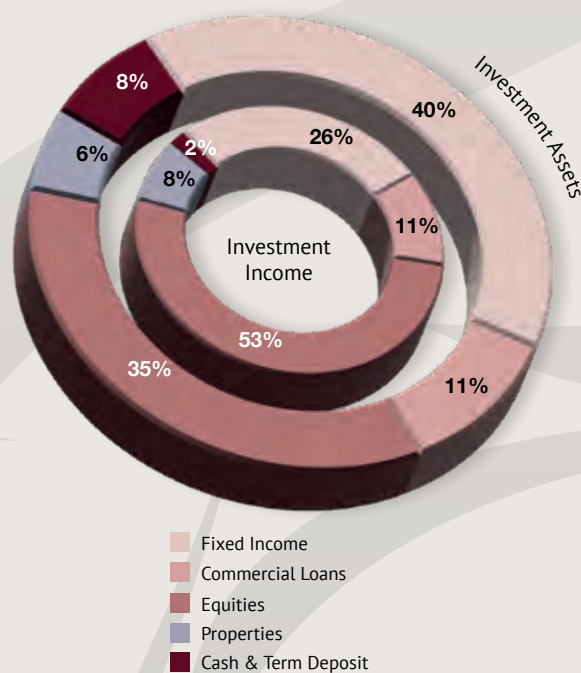
ROI - Net All Portfolios



Total Assets & Member Funds



Investment Assets & Income Allocation - 2025

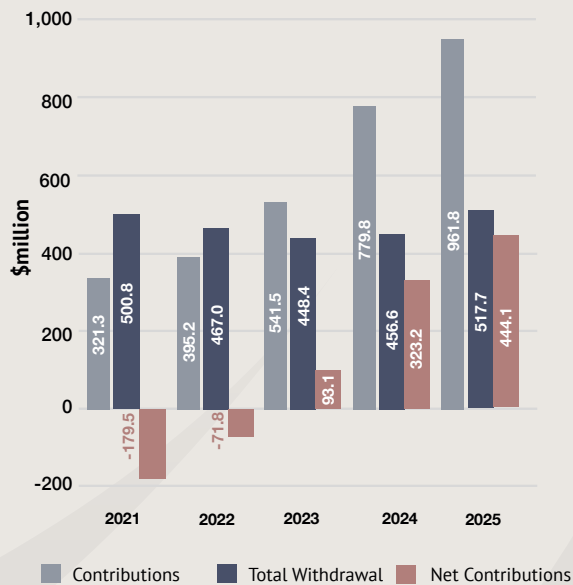


CONTRIBUTIONS & WITHDRAWALS

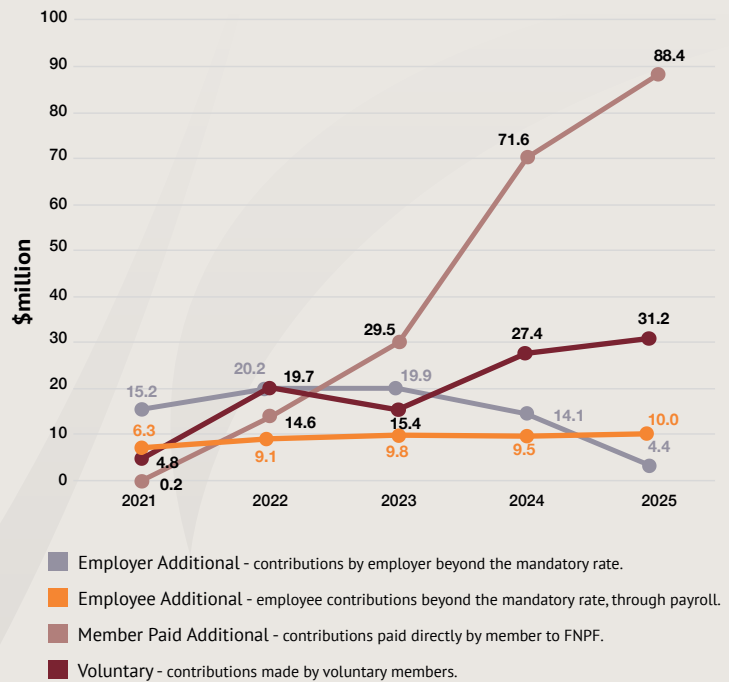
HIGHLIGHTS

Net Contribution

Contributions less benefit payments



Additional & Voluntary Contributions



BENEFITS

(includes all pre-retirement, retirement and SDB payments)

\$531.0m paid out to members during the year
compared to \$474.2m in 2024

Retirement



\$224.3m
\$194.9m in 2024

Death



\$40.3m
\$35.8m in 2024

Disability



\$7.8m
\$5.4m in 2024

Migration



\$82.3m
\$73.4m in 2024

Small Account



\$4.3m
\$4.7m in 2024

Early



\$75.6m
\$66.3m in 2024

Housing



\$56.0m
\$56.4m in 2024

Annuity Payments



\$26.0m
\$26.4m in 2024

DrawDown Account



\$4.7m
\$1.7m in 2024

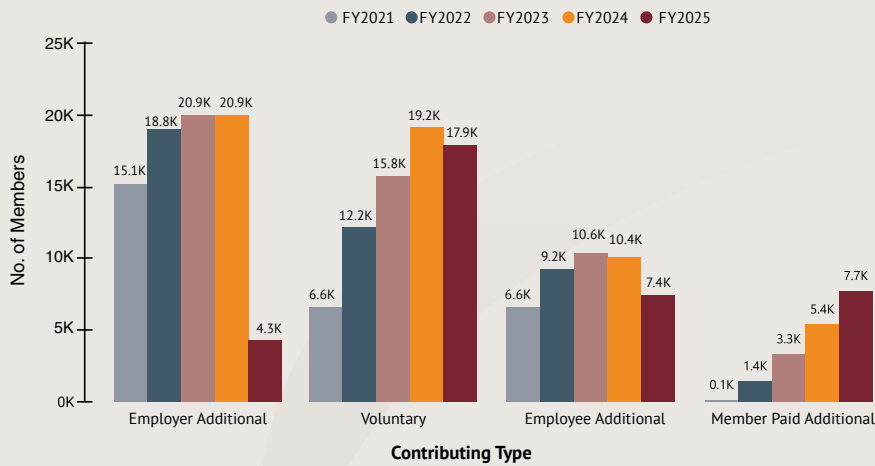
Special Death Benefit



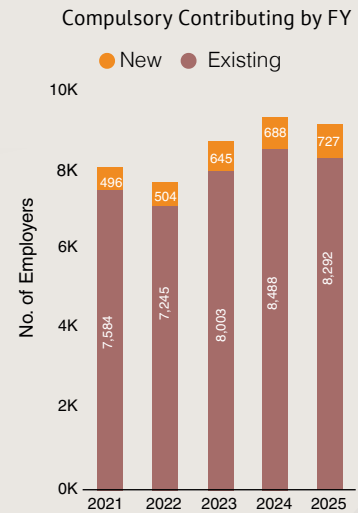
\$9.8m
\$9.2m in 2024

CONTRIBUTIONS & RETIREMENT PRODUCTS

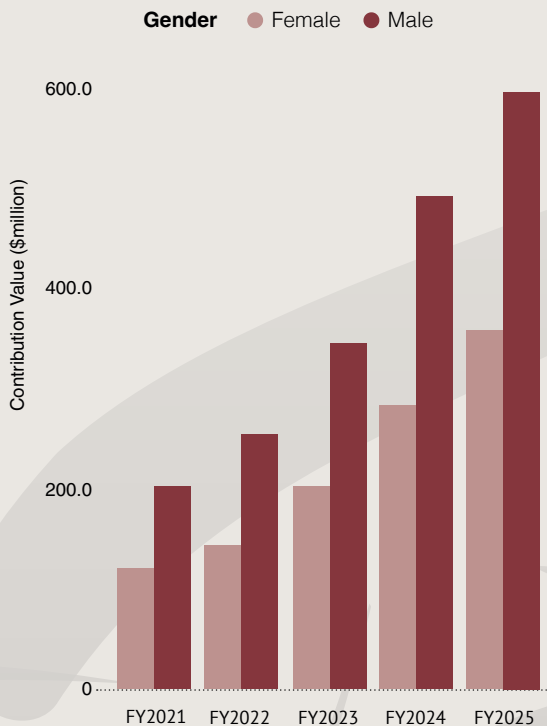
Additional & Voluntary Contributing Members by FY



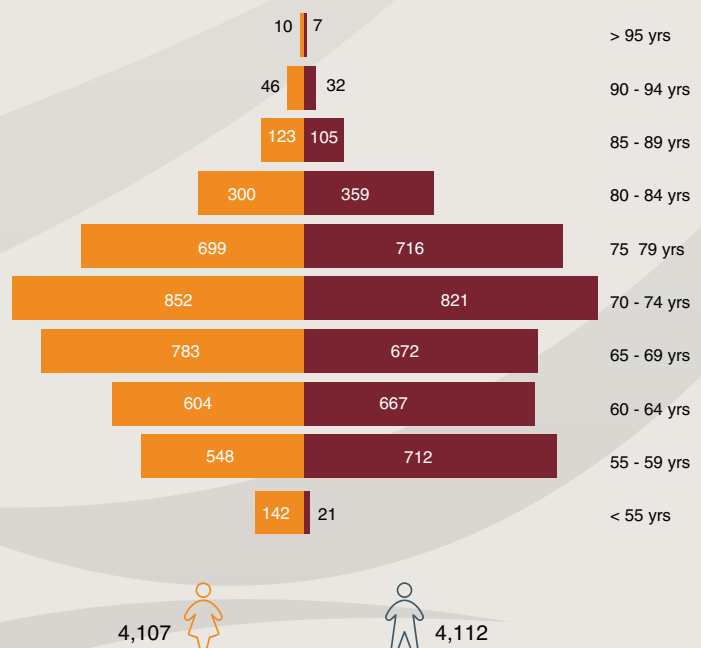
Employers



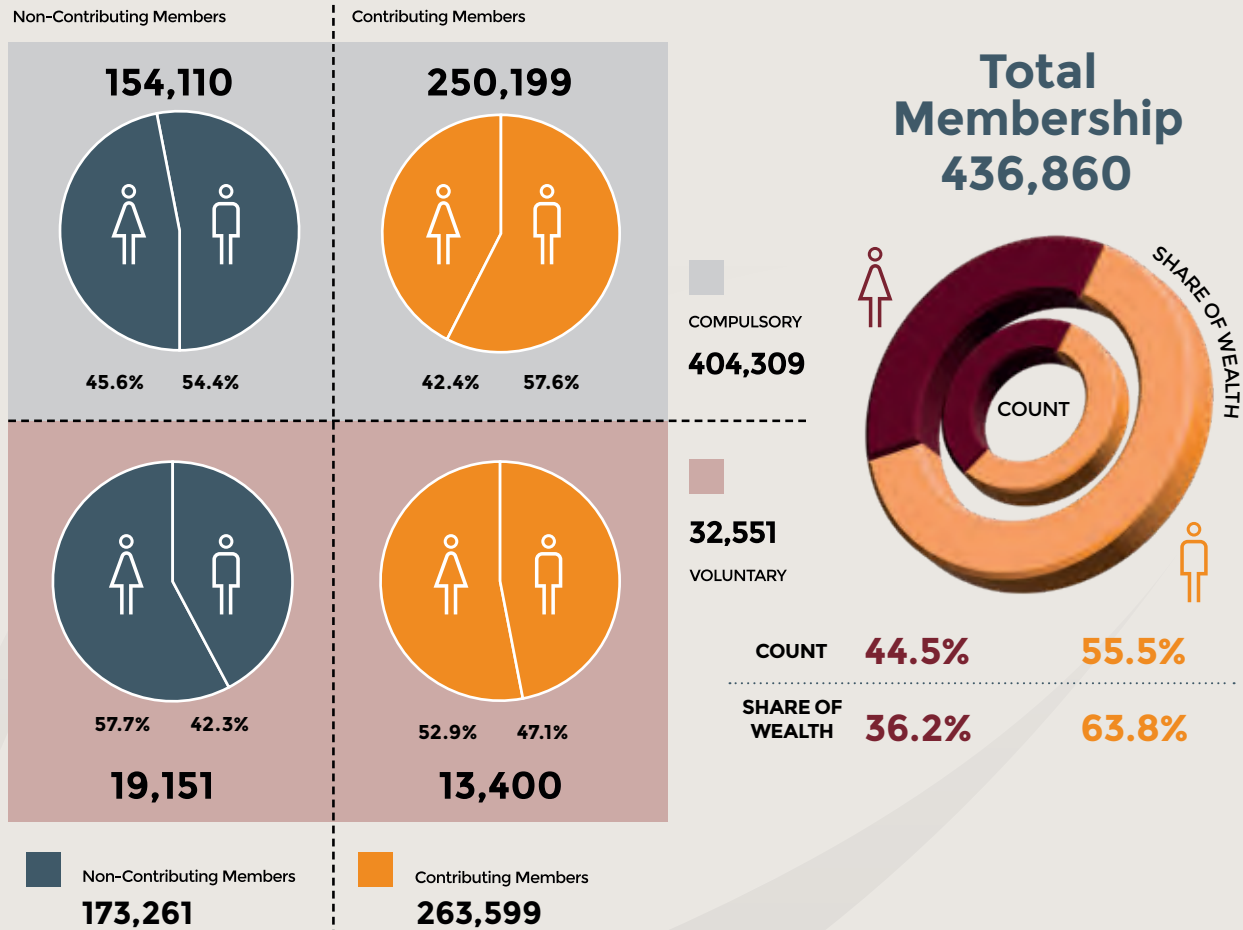
Total Contribution by FY



Retirement Products (DDA, Pension & Term Annuity)



MEMBER PROFILE



Member Balances by Age

Member Balances	<=15yrs	16-24yrs	25-34yrs	35 - 44yrs	45 - 49yrs	50 - 54yrs	>= 55	Total
a. Zero or Negative Balance	19	1,881	1,654	875	386	299	895	6,009
b. \$0.01 to \$5,000.00	3,564	53,235	64,030	40,670	15,784	10,351	6,993	194,627
c. \$5,000.01 to \$20,000.00	110	7,054	50,427	37,764	13,349	7,404	4,175	120,283
d. \$20,000.01 to \$40,000.00	11	81	16,525	22,358	8,359	6,006	1,852	55,192
e. \$40,000.01 to \$100,000.00	7	9	5,725	21,305	9,288	6,738	1,856	44,928
f. \$100,000.01 to \$250,000.00	1	5	281	4,041	3,834	4,027	1,293	13,482
g. \$250,000.01 to \$500,000.00			16	341	417	501	448	1,723
h. \$500,000.01 to \$1,000,000.00			2	61	75	115	212	465
i. Over \$1,000,000.00				11	8	30	102	151
Total	3,712	62,265	138,660	127,426	51,500	35,471	17,826	436,860



Message from the CHAIRMAN

Daksesh Patel

I am pleased to present the Fiji National Provident Fund's Annual Report for 2025. This year demonstrated resilience, steady progress, and an unwavering commitment to delivering the best retirement outcomes for our members.

Strong Secure Financial Performance

Building on a solid performance from 2024, the Fund delivered a landmark achievement by declaring an interest rate of 8.75% for our members for this financial year. This marks the highest interest rate in over 30 years with a total of \$711.7 million credited to member accounts. It reinforces our steadfast commitment to you, our members, to safeguard your savings and deliver the best return for your retirement.

The result is particularly pleasing given the volatile nature of investment markets. Our goal is to provide ongoing steady returns based on long-term investments in sound industries.

This result has been achieved at the back of robust gains across the growth assets, complemented by a stable, reliable income stream from the fixed income portfolio. Specifically, significant fair value gains from revaluing subsidiaries, coupled with strong dividend growth and unrealized capital gains in offshore equities, drove the portfolio's overall performance, all while the foundational fixed income strategy ensured essential capital preservation and stable income to meet long-term obligations. This performance is a direct testament to our strategy's resilience, driven by our focus on increasing investments in growth assets, diversifying offshore,

while simultaneously maximizing the value of our current portfolio.

The Fund now manages an asset portfolio of \$12.1 billion for its 436,860 members and 8,219 pensioners. The Board will continue to drive for excellent performance to deliver on its core objective of providing members with improved financial security in retirement, while managing its systematic risks and positioning the Fund for stronger opportunities to the advantage of its members.

**‘ 8.75%
...highest interest rate
in over 30 years... ’**

Governance that Delivers

Our core mission remains to secure and grow the retirement savings of our members. This year, we have made significant strategic changes to our governance structure to ensure the Fund is managed with the highest level of expertise and accountability. These changes are all about ensuring better, safer outcomes for you, our members.

Good decisions around investments, risk, and technology—require the best knowledge and unbiased perspective. To achieve this, we focused on bringing more independent experts onto our Board Committees:

Investment Committee (BIC): We ran an extensive Expression of Interest (EOI) process, looking both locally and overseas, to appoint highly experienced independent members

to the BIC. This action was a commitment to incorporating global best practice and diverse perspectives to strengthen our investment decisions. This has seen the appointment of Mr. Ken Marshman, Mr. Isikeli Tuituku and Ms. Annie Rogers as independent members of the Committee and Mr. Marshman as BIC's Chair.

Mr. Marshman brings extensive expertise in financial management, governance, and investments. For 38 years, he has advised and invested in Australian institutional markets, and he served as Chair of the REST Superannuation Fund and its Board Investment Committee from 2013 to 2022.

Independent Committee Chairs: We also appointed independent members to chair the Board Audit and Risk Committee (BARC) and the Board Information Technology Committee (BIT). Dr Nacanieli Rika is the BARC Chair and Mr John Magnifico is for BIT.

This was done to strengthen the Board's overall decision-making ability by providing unparalleled specialized advice and ensure that critical areas are managed objectively, free from internal bias. The BIC's independence brings smarter investment choices and tougher scrutiny of market risk. Crucially, the BIT's focus ensures we are ahead of the curve on digital security and service delivery, providing stronger protection and efficiency for your money. These independent perspectives ultimately allow the full Board to make more confident, well-rounded strategic decisions that directly benefit our members.

To guarantee that the quality of our leadership endures, the Board has established a new Board Nomination Committee (BNC). The BNC's purpose

is to professionalize how we select and plan for future Committee members and Directors to the Fund's subsidiaries.

Mr. Ian Silk as the Fund's advisor was appointed as the Nomination Committee Chairman. He was not only CEO of the largest Superannuation Fund in Australia - Australian Super from 2006 to 2021, but also a renowned leader in the industry. His leadership and integrity were instrumental in shaping the broader Australian Superannuation industry, advocating for the collective interests of members and good governance practices.

I must acknowledge the passing of Director Joweli Vueta Taoi during the year. Director Taoi's commitment, wisdom and invaluable contribution to the Board and the organization will be profoundly missed. We extend our deepest sympathies to his family.

I am pleased to report that the Board has been strengthened with two new appointments during the reporting year bringing vital expertise, further strengthening our governance.

Sikeli Tuinamuana was appointed to the Board in March 2025, a Chartered Accountant and having held partnership role in Arthur Anderson/G Lal & Co and Ernst & Young. Director Tuinamuana has over 40 years of leadership experience in finance, governance and strategic management.

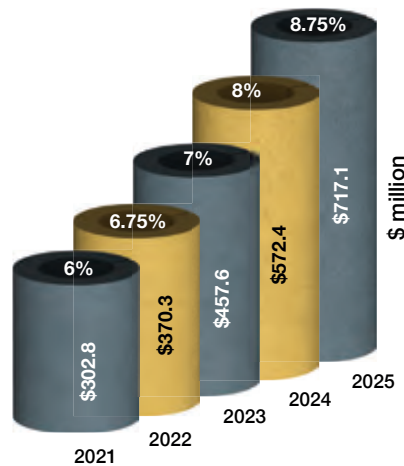
Aruna Prasad was appointed to the Board in June 2025. A former magistrate, she will contribute a strong background in law and governance, enhancing the Board's capacity for regulatory compliance and strategic decision-making.

The Board is confident that both new members will make significant contributions to the Fund's future success.

FNPF Act Review

A critical component of this governance framework is the ongoing review of the Fiji National Provident Fund Act 2011. This consultative and comprehensive exercise is being undertaken to ensure the longevity and robustness of the Fund, guided by four core objectives:

Graph 1: Interest Credited to Members



i) *Fit for Purpose:* To ensure the legislative framework remains relevant and adaptable to the evolving nature of work, member mobility, and the dynamics of the local and global economic landscape.

ii) *Sustainability:* To strengthen the financial and structural resilience of the Fund, ensuring that the scheme remains robust and that benefits can be reliably paid to members now and well into the future.

iii) *Aligned with Industry Best Governance Practices:* To adopt international best practices for corporate governance, risk management, and accountability, thereby enhancing the Board's oversight and protecting the integrity of the Fund; and

iv) *Effectively Meeting Members' Retirement Needs:* To refine retirement products, rules, and accessibility to ensure the Fund provides adequate, flexible, and secure savings options that maximize retirement income for all members.

Delivering for Members

The Board is committed to delivering a holistic value to our members. While our primary responsibility remains the prudent stewardship of assets and the maximization of investment returns, the true measure of our success lies in the quality of the service, transparency, and assurance we provide to our members every day. We recognize that value is not purely financial; it is holistic, encompassing trust, accessibility, and security.

Over the past year, we have vigorously executed our commitment to transforming the member experience. Our focus has been on providing a seamless, intuitive, and human-centered interaction, regardless of the platform. We made successful improvements to our digital platforms and member systems, providing members with real-time access to their statements, online member applications and registrations.

A well-informed member is an empowered member. We believe that transparency is the bedrock of trust, and education is the key to long-term financial well-being. We expanded our outreach and awareness programs, with the strengthening of the Members Education Advocacy Team.

To deliver security, we must ensure the integrity and sustainability of the organization itself. Your Board and Executive Team are committed to the highest standards of governance. We have commenced a comprehensive review of our enterprise risk management framework, ensuring that we are well-prepared to navigate future economic uncertainties and regulatory changes. This proactive approach to governance provides a robust foundation, safeguarding the long-term viability of the fund for every current and future member.

Acknowledgement

My deep thanks to my fellow Board members for their commitment and contribution. I must acknowledge the leadership of CEO Viliame Vodonaivalu for guiding the team on this strategic direction. We are also grateful to CIO Naibuka Saune for driving the outstanding growth on our investments.

We remain focused on prudent stewardship, robust risk management, and strengthening opportunities for our members' retirement security.

Daksesh Patel
Board Chairman



Epeli is a member who works at the FNPf owned Fiji Marriott Resort Momi Bay. He featured in the Vinaka Campaign.



Message from the CHIEF EXECUTIVE OFFICER

Viliame Vodonaivalu

It is my pleasure to once again present the operations of the Fiji National Provident Fund for the 2024/2025 financial year. As the Fund continues to grow in both size and value, I acknowledge that this progress has come with its fair share of challenges. These experiences have strengthened the Fund, enabling us to mature as an organisation to manage expectations, prepare for disruptions, navigate change, and remain focused on our goals.

I, therefore, wish to express my gratitude to the Lord Almighty for His grace, guidance and protection throughout the year, as we faithfully manage our members' funds under all circumstances.

FY2025 was a year defined by making impactful and intentional progress on our strategic direction as we take steps to deliver on our 5 year strategic plan in its third year of implementation.

Two fundamental priorities stand out in how we deliver for our members: first, ensuring we generate strong returns on their hard-earned retirement savings; and second, being there to support them when they need us most. I am humbled to report that we have made meaningful progress on both these fronts, and we will continue to strive for sustainable growth and excellence in service delivery.

We are most grateful for the opportunity to support members in meeting their retirement and pre-retirement needs – whether for education, housing, or emergency assistance related to unemployment, funerals, medical needs or natural disasters. FPNF is a unique institution to Fiji and for Fijians. I am always reminded that we are here for a purpose and a specific time, and it is my duty that all our collective decisions are positioned to protect

members and sustain the Fund beyond our time.

Impactful Investments

For the first time, we generated over \$1 billion in income, attributed to our disciplined investment strategy. We are therefore proud to have delivered a record 8.75% crediting interest rate, the highest in over 30 years, with \$711.7 million credited to members' accounts. Our diversified portfolio, spanning equities, bonds, commercial debt, and property, continues to balance growth with stability.

Key milestones include:

- A landmark partnership with Google, for the construction of the ICT facility at Natadola, positioning Fiji as a regional tech hub;
- New offshore investments of \$138 million were made as part of our diversification strategy, and other key investments in BSP-PNG, S&P 500 ETF, Martin Currie Real Income Fund and IFC Emerging Asia Fund.
- A comprehensive review of the Investment Policy Statement ensuring alignment with long-term objectives;
- Acquisition of shares in Higgins Holdings (Fiji) Pte Limited;
- Strategic funding for the Naisoso Radisson Blu Mirage Resort;
- Completion of Phase 1 renovations at Yatule Resort, enhancing hospitality assets.

Operational Excellence

At the heart of every initiative was our unwavering commitment to improving the lives of our members. Our actions were strategic to ensure it achieved tangible benefits and empowered our members for their long-term financial wellbeing.

- *Enhanced access and inclusion:* By reducing the membership age to birth, we have enabled lifelong financial security that will allow Fijians to begin their savings journey from day one.
- *Improved member experience:* The launch of phase 1 of the Customer Relationship Management, alongside upgrades to our digital platforms, provided a faster, more personalized service and easier access to their retirement savings account information.
- *Product agility and fairness:* The Transfer of Savings on Entitlement product allowed our members to transfer some of their savings to their loved ones, while the changes to the late contribution penalty rules ensured equitable treatment, especially for our employers.
- *Support for seasonal workers:* We forged partnerships through the signing of memorandum of understanding agreements with Appello Services of New Zealand to assist with the payment of contributions for our members engaged in seasonal work.
- We revised our housing withdrawal policy to better reflect the rising cost of home ownership and partnered with Merchant Finance to expand access to zero-deposit home loans.
- Our people-focused initiatives included the Graduate Trainee Program, improved staff engagement, and leadership development.

Commitment to Meaningful Engagement

Engaging our members and fostering meaningful partnerships remain key priorities for the Fund as we continue to empower Fijians to make informed

financial decisions and strengthen our service delivery. Through deliberate and purposeful engagement, we are deepening member understanding of retirement planning while strengthening collaboration within the region.

- **Retirement Literacy and Engagement:** The Fund continued to advance retirement education and awareness through workplace seminars, retirement expos, community outreach programs, and pop-up events across the country. Our engagement also extended beyond Fiji's shores, connecting with members residing in the United Kingdom and the United States – reaffirming that FPNP remains a trusted financial partner for Fijians, wherever they live.
- **Collaboration and Regional Partnerships:** The Fund hosted the Pacific Islands Investment Forum (PIIF) - Annual CEO Forum, which provided an opportunity for superannuation funds from around the region to discuss investment challenges and best practices, share experiences, and explore opportunities to co-invest.
- **Women in Superannuation:** The Fund hosted the inaugural Women in Super workshop to address the unique challenges that Pacific women face in accessing and building their retirement savings.
- **Vinaka Campaign Brand:** We undertook an extensive branding initiative with the launch of the Vinaka Campaign – a heartfelt expression of gratitude to our members for their continued trust and contribution to the Fund's growth. The campaign celebrates our members as the foundation of FPNP's success and reinforces our shared commitment to safeguarding their savings for the future.

Throughout the year, we've remained committed to transparency and engagement. Our Annual Member Forums provided a platform for members to hear directly from us and share their insights. We are committed to improvement and excellence and your feedback encourages us to be better.

Emerging Trends and Changing Dynamics

Our statistics continue to highlight evolving member behaviours, reflecting not only economic and social realities across the nation but also shifting mindsets toward retirement savings.

- **Contributions patterns:** Total contributions collected during the year increased by 23.3% to \$961.8 million – driven largely by higher income, growth in additional contributions from mandatory members, and strong participation from voluntary contributors. However, there was a decline in the number of members actively contributing by 0.4%.
- **Migration Withdrawals:** Withdrawals under migration has been trending higher than ever before, post pandemic, exceeding \$82 million this year. This trend reflects a growing number of members permanently relocating overseas, contributing to the decline in active contributors.
- **Death Withdrawals:** Full withdrawals under death grounds reached an all time high of more than \$40 million, with an increasing number of members passing away before reaching entitlement age of 55 years.
- **Funeral Assistance:** Payout for funeral assistance also grew with over \$7 million disbursed this year – a reflection of the growing number of members accessing this benefit to support bereaved families.
- **Additional Contributions:** Encouragingly, members making additional voluntary top-ups continued to grow, totalling over \$98 million this year from \$81 million recorded last year. These are existing members choosing to contribute beyond the mandatory deduction levels to accelerate progress toward their retirement or pre-retirement goals and benefit from the Fund's strong investment returns.

- **Voluntary Membership Growth:** Voluntary contributions from members in Fiji and abroad reached their highest level ever at over \$31 million compared to \$27 million last year. This growth reflects the Fund's ongoing efforts to extend social protection coverage to Fijians in the informal sector and those residing or working overseas who wish to maintain their FPNP membership as part of their long-term retirement planning.

The evolving patterns of employment and shifting member needs have prompted the Fund to review its policies, enhance accessibility, and adapt its operational practices. Our growth and expansion form part of a broader strategic response to align with these changing behaviours and ensure continued relevance to our members. We will continue to build on these efforts to strengthen member engagement and enhance the value we deliver to our members.

Looking Ahead

We are focusing on completing the final phase of our Strategic Plan. Our Target Operating Model (TOM) will guide how we align our operations with our long-term goals, ensuring we continue to deliver value through innovation, resilience, and member-first thinking. The Law Review Exercise is reinforcing the Fund's core mandate of retirement savings by establishing the right framework and environment to better support members.

Closing Acknowledgement

To our members, pensioners, employers, and partners – 'Vinaka' for your continued trust and confidence. You remain at the heart of everything we do and the reason we strive for excellence every day. I also extend my appreciation to my colleagues and the Board for their unwavering support and dedication throughout the year. Together, we are not just progressing – we are progressing with purpose.



Viliame Vodonaivalu
Chief Executive Officer



FNPF members and police officers Viliame and Joseph are dedicated to protecting and serving the community.

BOARD OF DIRECTORS



Mr DAKSESH PATEL

Reappointed January 2024

Chair of the FNPF Board & Member of Board IT Committee and of the Board Investment Committee. Mr Patel is a

member of a well-established private sector group - Vinod Patel Group and is also the founder of Australia's leading independent long steel products distributor with operations in all states of Australia. He possesses extensive leadership experience in the Australian steel

industry, manufacturing, retail and governance and has held senior leadership roles in privately-held businesses operating throughout the Oceania region. Mr Patel is also a Director of Infrabuild (Australia), Chair of HealthCare Fiji (HCF), Vodafone PNG and Director on the Fiji Airways Limited Board.



Mr SHIRI GOUNDER

Reappointed March 2025

Member of the Board Human Resources and Board IT Committees. Mr Gounder is the Permanent Secretary for

Finance and has over 18 years of professional experience in the areas of National Budget Formulation, Taxation & Customs Policy, Public Financial Management, Macroeconomic Policy and Strategic

Management. He is also a Board Director of the Reserve Bank of Fiji & Fiji Revenue and Customs Service and a member of the USP council.



Mr ATTAR SINGH

Appointed February 2023

Chair of the Board Human Resource Committee and Member of the Board Audit

& Risk Committee. Mr Singh brings over 40 years of experience as an advocate for workers' rights and as the Assistant General Secretary of the Fiji Trades Union Congress (FTUC). His role on the Board

champions the interests of Fijian workers whose retirement savings are overseen by FNPF. Mr Singh also serves as Chair of ATH Limited. He is a Director on the Fiji Airways Limited Board.



Mrs SUSIE WAQANIBARAVI

Appointed March 2024

Chair for the Audit and Risk Committee. Mrs. Waqanibaravi has extensive business experience with specialized

skills in finance and accounting. She currently works for Natural Waters of Viti Limited (Fiji Water) and brings with her more than 10 years of senior leadership experience,

including working with multi-jurisdictional teams. She is a council member of the Fiji Institute of Chartered Accountants.



Mr ADISH NAIDU

Appointed April 2023

Director on the Board Investment Committee. Mr Naidu holds over three decades

of architectural and project management experience. His firm, Yellow Architects designed a number of major architectural landmarks in Fiji. He is the former Director Properties and Facilities for the University of

the South Pacific. Currently serves as Director on the Telecom Fiji Limited board and the Chair for Hotel subsidiary boards for FNPF and is the president of the Fiji Association of Architects.



Mr SIKELI TUINAMUANA

Appointed March 2025

Mr. Sikeli Tuinamuana was appointed to the FNPF Board of Directors on March 21, 2025. He is a member of the Board

Investment Committee. He is a Chartered Accountant and Partner at Raki Partners, with over 40 years of leadership experience in finance, governance and strategic management. He was a Partner at Ernst & Young for over 21

years and prior to that, he was a Partner at Arthur Anderson/G Lal & Co for more than three years. Mr. Tuinamuana is a Director on ATH Limited and Higgins Holdings (Fiji) Pte Limited.



Ms ARUNA PRASAD

Appointed June 2025

Ms Aruna Prasad is a qualified legal practitioner with extensive experience

across private practice, public prosecution, and the judiciary. She holds a Law Degree from Victoria University of Wellington and has been admitted to the Bar in New Zealand, Fiji, and Australia. Her career spans roles as

Principal Legal Officer at the Office of the Director of Public Prosecutions, Magistrate in the Fijian Judiciary, and Director of the Legal Aid Commission. She has also served as a Judicial Officer for the Tax, VAT, and ALTO Tribunals.

EXECUTIVE MANAGEMENT



**Viliame
Vodonaivalu**

Chief Executive
Officer



**Naibuka
Saune**

Chief Investment
Officer



**Laisa
Saumaki**

General Manager
Governance & Risk



**Tevita
Lomalagi**

Chief Finance
Officer



**Millie
Low**

General Manager
Business Development
& Strategy



**Alipate
Waqairawai**

General Manager
Member Services



**Emily
King**

General Counsel



**Josua
Naisau**

General Manager
Human Resources



**Penisimani
Vunileba**

Acting Chief Information
Technology Officer



GOVERNANCE

Our Board is responsible for guiding the Fund's strategy and governance, ensuring sustainability of the Fund while meeting the obligations to our pensioners, members, employers and stakeholders. It also provides the ultimate oversight of the Fund's risk management and compliance.

Board Members

The Fund is governed by the Board. All Board members are non-executive and independent of management. The Board members are appointed by the Minister of Finance on the endorsement of the Reserve Bank of Fiji that they have passed the fit and proper person test and amongst the Board they collectively have the appropriate skills and expertise to govern the FNPF. The key skills and expertise that is required of the members of the Board are provided under section 7(3)(c) of the FNPF Act. The Board members are appointed on a 4-year term but not more than two consecutive terms.

Board Committees

Section 16 and Regulation 5 of the FNPF Act specifies the Board Committees to be set up by the Board and their respective functions. It further provides the Board the power to establish other committees of the

Board, with specified functions, as it deems appropriate.

The Board Committees play an important role in supporting effective governance. Each Committee comprises members with relevant expertise to advise the Board and make informed recommendations that strengthen its decision-making.

Board Audit & Risk Committee (BARC)

The BARC is tasked with all audits, specifically on financial reporting to ensure the integrity of the accounting management and financial reporting processes of each fund. It also provides oversight on risks to ensure that the Fund has implemented an appropriate and effective risk management process. The BARC oversee the Fund's risk management functions and provide direction in terms of policy and mitigation strategies. The Committee must collectively demonstrate expertise in financial, governance and risk management.

Board Investment Committee (BIC)

The BIC plays a crucial role in the formulation of the Fund's investment strategy and mandates.

It is responsible for the review of the investment proposal by providing focused analysis and expert insights with recommendations to the Board that ensures the Fund's investment approach aligns with its objectives and risk tolerance. This process enhances the effectiveness of the Fund's investment management and supports informed decision making.

Board Human Resources Committee (BHR)

The BHR is responsible for evaluating and assessing recommendations relating to remuneration and incentives, performance and organization culture. It oversees the effectiveness of the human resources management practices and provides the Board with recommendations for best practices. This ensures the Fund's human capital strategies align with its overall goals and foster a positive workplace culture.

Board Information & Technology Committee (BIT)

The BIT ensures that the Fund's ICT Strategy and Plan is aligned to the Board's vision and strategic plans. This involves providing guidance on the identification and consideration of strategic information management approaches that

delivers enterprise-wide benefits. It evaluates strategic ICT projects and makes recommendations to the Board on appropriate ICT investments, architecture and governance arrangements that supports innovative business solutions. The BIT also oversees the Fund's cybersecurity strategy and framework that ensures robust measures are in place to protect the Fund's data and systems from cyber threats.

Board Nomination Committee (BNC)

The Nomination Committee was established this year. The Board Nomination Committee's purpose is to ensure that the Board Committees and its Directors nomination to the Fund's subsidiaries are composed of individuals with the necessary skills, experience, and diversity to effectively support the Board and those subsidiaries in the governance of the organisations.

The Board Nomination Committee acts as a guardian of the board's effectiveness, ensuring that the Committees and Companies have the right leadership in place to achieve its goals.

Board Members	BOARD		BARC		BIC		BHR		BIT	
	No of meetings		No of meetings		No of meetings		No of meetings		No of meetings	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
1 July, 2023 to 30 June, 2024										
Mr. Daksesh Patel (Chairman)	14	13			4	4			3	2
Mr. Shiri Gounder (Deputy Chairman)	14	6					8	4	3	0
Mr. Attar Singh	14	14					8	8		
Mr. Joe Taoi*	9	4			2	2				
Mr. Adish Naidu	14	13			4	4				
Ms. Susie Waqanibaravi	14	12	8	7						
Mr Sikeli Tuinamuana**	4	3			1	1				
Ms. Aruna Prasad**	-	-								
INDEPENDENT COMMITTEE MEMBERS										
Mr. Kameli Batiweti							8	7		
Ms. Neelta Goundar							8	8		
Mr. Geoffrey Rashbrooke			8	7						
Mr. Gitesh Nair			8	8						
Mr. Nacanieli Rika			8	6						
Mr. Timoci Tuisawau									3	2
Mr. Vilash Chand									3	1
Mr. Chinthake Ranasinghe									3	3
Mr. John Magnifico									3	3

*Director exited the Board during the year

** New Director appointment

DIRECTOR	BOARD/SUBCOMMITTEE	DATE COMMENCED	DATE CEASED
New Appointments			
Sikeli Tuinamuana	FNPF Board	March 2025	-
	Board Investment Committee	March 2025	-
Aruna Prasad	FNPF Board	June 2025	-
Outgoing Directors			
Joweli Vueta Taoi	FNPF Board	February 2020	February 2025
	Board Investment Committee	March 2023	
Board Subcommittee Chairmanship Appointments			
John Magnifico	Board IT Subcommittee Chairman	June 2025	-
Nacanieli Rika	Board Audit & Risk Subcommittee Chairman	June 2025	-

Our Strategy

Our strategy has been developed in response to a period of heightened volatility and uncertainty, with the objective of reassessing our approaches to effectively address operational and financial challenges within the Fund. The overarching goal is to strengthen our growth trajectory leading into and beyond 2027.

The 2025 financial year marks the third year of implementation of our five-year Strategic Plan, during which all key strategic initiatives have been set in motion. Several of these initiatives have significant impact on both our members and the nation.

A detailed account of our performance is presented in the Highlights section, further elaborated in the CEO's Statement, assessed

through our Corporate Scorecard, and discussed throughout this report.

For 2026, the key priorities are aligned with our five-year roadmap and consistent with the overarching Strategic Plan. These priorities are anticipated to span over two or three years, which we aim to fully achieve by the conclusion of this strategic cycle.

VISION - Securing Your Future

MISSION - To understand our customers, offer quality services and ensure sustainable returns for a meaningful retirement

STRATEGIC ASSUMPTIONS

Challenges	Trends & Key Drivers	Operating Environment
Operational Challenges i. Clarity on FPNF Role ii. Low Member Balances iii. Relevance of Our Products iv. Low Retirement Products Take-Up Rate (new product DDA introduced) Financial Challenges i. Sustainability of Life Pension ii. Negative Net Contribution Cashflow (Resolved) iii. Investment Diversification in the Local Market & Exit Strategies	i. Embracing ESG (Environmental, Social & Governance) ii. Recognising Changing Employment Pattern & Arrangement (labour migration & seasonal work schemes) iii. Adaptable Scheme Design & Operating Model iv. Digital Technology Revolution v. Stakeholder Engagement & Collaboration	i. COVID-19 implications ii. Disruptive operation iii. Economic recovery efforts & policies iv. High Inflation v. Resurgence of a health crisis or pandemic vi. Global economic volatility vii. Legal and Policy framework changes viii. Threat of natural disaster and climate change ix. Retention of people

STRATEGIC FOCUS AREAS FY2023 - FY2027

Member Centric & Experience	Responsible Investment & Performance	Simplicity & Operational Efficiency	Growing & Engaging Our People	Protection & Sustainability
This strategy reinforces the Fund's commitment to deliver service excellence and uphold our obligation to members by exceeding their expectations. Our focus is to: <ul style="list-style-type: none"> Enhance practices and processes to provide a seamless and satisfying member experience; Simplify and continuously improve our product offerings to meet diverse member needs; Equip members with tools and information that empower informed financial decisions; and Elevate our service and engagement platforms to ensure accessibility, responsiveness, and meaningful interaction. 	This strategy underscores the Fund's commitment to sustainable, resilient, and responsible investments that generate strong, long-term returns for our members. Our focus is to: <ul style="list-style-type: none"> Pursue investment opportunities that are ethical and align with the Fund's values Adopt measured approaches to growth that consider environmental and social impacts Support national development through strategic investments that contribute to Fiji's long-term economic prosperity Grow growth investments to bring balance to portfolio position 	This strategy focuses on driving digital innovation to enhance simplicity, efficiency, and overall experience for both members and employees. Our focus is to: <ul style="list-style-type: none"> Leverage digital solutions that simplify processes and improve operational effectiveness; Elevate member experiences across all digital channels through seamless, user-friendly interactions; and Foster a culture of innovation and technological capability, enabling members and staff to engage confidently in a modern, digital-first environment. 	This strategy emphasises the importance of empowering our people to adapt to change, grow in capability, and remain connected to the Fund's purpose. Our focus is to: <ul style="list-style-type: none"> Translate organisational changes effectively to strengthen engagement and performance; Foster a conducive work environment that cultivates the right behaviours and supports professional and personal growth; Enhance the wellbeing of our people by promoting a balanced lifestyle that enables them to thrive and stay connected to our shared purpose; and Invest in leadership and capability development to nurture future leaders and sustain a culture rooted in the Fund's values and mission. 	This strategy focuses on safeguarding the Fund's long-term stability through sound governance, policy integrity, and legislative alignment. Our focus is to: <ul style="list-style-type: none"> Uphold and protect the policy foundations that govern the Fund's purpose and operations; Review and strengthen our governance and legislative frameworks to ensure they continue to support the Fund's strategic direction and objectives; and Enhance our governance and risk management framework to build a balanced, adaptable model that supports the Fund's mandate and resilience in a changing environment.

PRIORITIES FOR 2026

<ul style="list-style-type: none"> Medical insurance scheme for members Onboard seasonal workers Expanding to informal sector 	<ul style="list-style-type: none"> Growth Investments Offshore investment Master Planning of key investments 	<ul style="list-style-type: none"> Operating Model Automation & AI Cyber Security Certification 	<ul style="list-style-type: none"> Staff Engagement Succession Planning Leadership & Professional Development 	<ul style="list-style-type: none"> FNPF Act Law Review ESG – Financial Reporting Collaboration with stakeholders
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Our Scorecard Performance Report

Strategic Focus Area	Key Performance Indicators	Rationale For Measure	Performance Report	Performance Comments
Grow Member Balance				
Member Centric & Experience	Declaration of 8% crediting interest rate to members	Reflects how we managed member funds and the returns we are able to provide to grow members' savings.	8.75%	The Fund declared an interest rate of 8.75%, equivalent to \$711.7 million credited to members accounts.
	Net Contribution	Ensures collection of contribution members rightfully earns from their employers and this must be more than withdrawals made in the year. The difference becomes new money available for investments.	\$444.1 million	Net contribution target of \$370m was well surpassed in the year Contribution - \$961.8 million Withdrawals - \$517.7 million
Financial Performance				
Responsible Investment & Performance	Net Investment Income	Assesses the effectiveness of the Fund's investment strategies in delivering consistent, sustainable returns that contribute to the steady growth of members' savings	\$1.1 billion	Achieved above target against a subdued environment.
	Return on Investment		9.2%	A return on investment of 9.2% was realised for the year .
	Investment Portfolio Growth		\$12.0b	Growth of 13.4% from 2024.
Enhance Member Experience				
Member Centric & Experience	Develop New Products	Improve our product offering to members for a meaningful retirement	1. Registration age to FNPF opened from birth 2. Limits to additional contribution placed 3. Gifting product launched	<ul style="list-style-type: none">Through the law review, an amendment was made to the FNPF Act to allow minors to join the Fund from birth.A policy adjustment was implemented to establish a cap on additional contributions, promoting equity among members and maintaining balanced participation within the FundMembers are now also able to gift their loved ones through the gifting product.
	Retirement Product Take-Up Rate (take-up rate for members with balances of \$20K and above)	Measures the Fund's success in supporting members' transition from active employment to retirement through sustainable income products that ensure financial security in their post-retirement years	12.4%	The Fund achieved a 12.4% in retirement income product take up rate for the year whether Pension, Term Annuity or DDA. This is a slight improvement from the 12% achieved last financial year.
Simplicity & Operational Efficiency	Digital Projects	The Fund's Digital Strategy is central to improving member engagement and optimising internal processes for greater efficiency and service excellence	1. Enhancements to FNPF App, FNPF ProMIS-administration system and Robotic Process Automation 2. Automation of HR and Property functions	<ul style="list-style-type: none">A number of enhancements were made to existing service platforms in an effort to improve delivery of member experience.Work is also progressing on the automation of several internal functions, including property and HR management systems.
	Cost Per Member	Measures the Fund's efficiency by assessing the average cost incurred to manage and maintain each member account.	\$136	The cost of managing each member is at \$136 in 2025 better than the target of \$150 set. The Fund is one of the least costly operations compared to other superannuation funds.
Protect Member Value				
Protection & Sustainability	RBF Recommendations (Implement Onsite recommendations & Prudential supervision statement)	Addressing issues and gaps in superannuation management and governance recommendations by the Fund's prudential supervisor, Reserve Bank of Fiji	94.5%	The Fund currently sits at 94.5% in the implementation of onsite and supervisory recommendations ensuring good governance and best practices.
	FNPF Law Review	Adapt and modernize FNPF policies and legislation relevant to the challenges of today and meets member needs	Completed as per planned work for the year	All planned activities for the year were completed. The Board established a Law Review Committee comprising Directors, the CEO, and independent representatives from the FTUC and FCEF.
Staff Engagement				
Growing & Engaging our People	Employee Engagement Index	A measure of our staff satisfaction, it is a critical measure to gauge the FNPF as an employer of choice.	83.7%	An 83.7% achievement in staff engagement, an improvement from the 78.8% scored in 2024.
Reporting & Disclosures				
Protection & Sustainability	Publication of Annual Report & Conduct Annual Member Forum	Reporting on the Fund's annual performance and financial statement	Completed	Annual Report completed within 4 months of the end of the financial year with member forum carried out thereafter reporting the Fund's financials to members in all major centers across the country.
	Statutory Actuarial Reports	Ensure that estimates of liabilities and assets are projected annually to maintain actuarially sound financial reporting of the Fund.	Completed	All key Valuation Reports and Funding and Solvency Certificates were issued by the Fund Actuary during the year, with no major breaches or inconsistencies identified that could affect the Fund's stability.

OUR GOVERNANCE

OUR STRATEGY

OUR OPERATIONS


OUR ENABLERS

OUR ENGAGEMENT

OUR INVESTMENT

OUR RISKS

OUR PEOPLE



FNPF Member Kylie - a nurse at the Ba Hospital
- conducts an ultrasound on a pregnant patient.

Our Operations

FNPF's growth is driven by our commitment to purposeful service. We've enhanced our service centers across the country, to better meet the evolving needs of our members.

Beyond retirement savings, members access support for housing, medical, funeral, unemployment, and education needs, reflecting our broader role in their financial wellbeing.

Standard services and specialized pension support remain available at all FNPF offices, ensuring consistent, member-focused care nationwide.

Enhanced Benefit Programs

We continue to evolve our benefits programs to meet members' changing needs. Improvement made include:

Housing: Offered more flexibility and support to members by revising the minimum and maximum limits to housing eligibility rules to better assist them on their home ownership journey.

Education Support: Extended educational support to include professional development courses. During the year, 141 members were



FNPF staff Mere helping a pensioner at the Pension Centre in Suva

assisted for professional development courses.

The laptop assistance which was introduced last year continues to be popular with 3,180 students assisted this year. This initiative has helped students across Fiji access essential digital tools for modern learning.

Unemployment: Members who remain unemployed may now reapply for unemployment assistance, one year after their last withdrawal.

Digital Payments: Funeral, unemployment, textbook, and incidental expense payments can now be received via M-PAiSA mobile wallet, improving convenience and access.



Face-to-Face:
423,563 visits. A
12.9% increase
from FY24

Email:
72,624 interactions,
up from 64,754



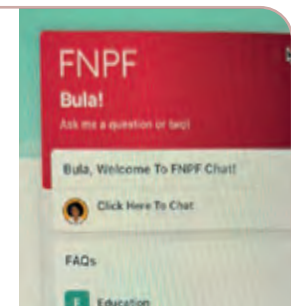
Service support for Members

FNPF continues to enhance service accessibility, reflecting our commitment to purposeful progress. In FY25, members engaged with us through multiple channels:



Telephone:
75,773 calls — a
19.6% rise

Website chat:
24,093 sessions,
compared to
18,641 in FY24



These figures highlight our evolving service model, designed to meet members where they are.

Revised/New Products

We continued to improve member experiences by reviewing our products, policies, and services.

Minor Voluntary Membership: Children can now be registered from birth, expanding early access to savings and allowing more time to benefit from compounding interest.

Transfer of Savings on Entitlement: Members when reaching an entitlement event now have an additional option - they can transfer a portion of their savings to a loved one's FNPF account at retirement, instead of taking the full cash payout.

Introduction of limits to additional and voluntary contributions: The fund also introduced a limit of

\$250,000 for additional and voluntary contributions. This change support our responsibility to treat all members fairly.

Pension Take-Up Rate

The pension take-up rate reflects the proportion of members who selected one or more of FNPF's pension or annuity options during the year. As of year-to-date, the rate stands at 2.1%, a decrease from the previous year—highlighting an opportunity to further engage members in long-term retirement planning.

DrawDown Account Take-Up Rate

Introduced in January 2023, the Draw Down Account (DDA) offers retirees consistent monthly payments. Eligibility includes

reaching retirement age, medical incapacitation, or being the sole nominee of a deceased member.

In the financial year, the DDA take-up rate reached 6.4%, reflecting growing member interest in structured, long-term retirement solutions.

Contribution, Collection and Compliance

We recognize the vital role employers play in securing our members' future retirement. Collaboration and active engagement remain central to this partnership, as we continue to provide guidance and support to help employers fulfill their obligations.

Enhancements have been made to the Employer Self-Service portal, while our communication platforms have been strengthened to ensure timely and efficient responses to employers.

During the financial year, the number of active employers totalled 8,969, slightly lower than the 9,176 recorded in 2024. Active employers are those who made at least one contribution on behalf of their employees. Additionally, 897 new employers were registered, a marginal decrease from 902 in 2024, highlighting a steady inflow of new employers.

Total Contribution

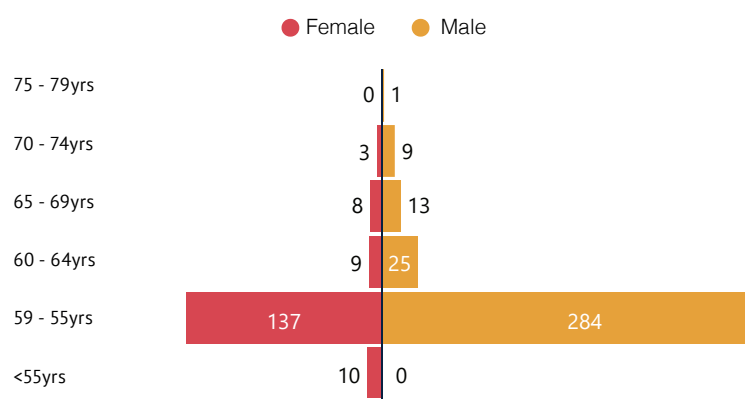
Member contributions totalled \$961.8 million, up from \$779.8 million in FY2024, reflecting a notable 23.3% increase. This growth was largely driven by enhanced compliance and enforcement measures, alongside positive economic conditions.

Contributions from voluntary members amounted to \$31.2 million, while additional contributions from members reached \$98.4 million. Unpaid contributions increased to \$14.6 million, compared with \$12.5 million in FY2024. This will be part of our debt recovery measures.

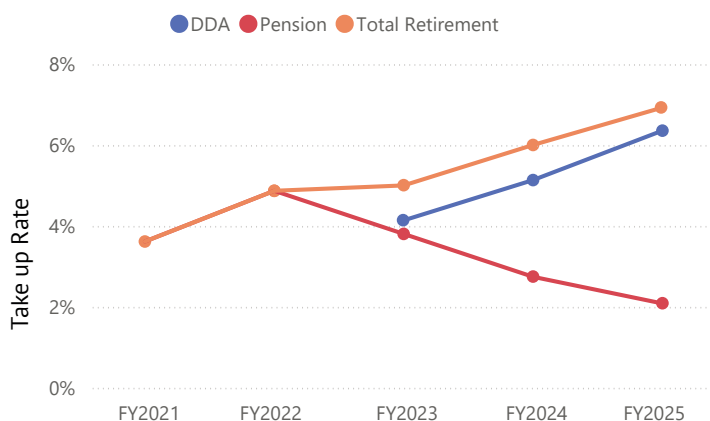
Employer Inspection

Employer inspections and visits are conducted to ensure compliance with the FNPF Act, while also providing guidance to educate employers on their responsibilities and strengthen professional relationships. During the year, a total of 5,193 employers were

Graph 2: DrawDown Account by Age and Gender



Graph 3: DDA, Pension and Total Retirement Take up By Financial





FNPF staff Savinal assisting a member at the Member Services Centre in Suva.

inspected, comprising 2,908 in the Central Division, 2,047 in the Western Division, and 238 in the Northern Division. The team emphasized quality inspections across all contributing employers, focusing on resolving outstanding issues and ensuring compliance through thorough payroll audits.

Suspense Accounts

Suspense contributions are amounts collected but not allocated to members' accounts due to insufficient information provided by employers. In 2025, more than \$126,000 was recorded in the suspense account, compared to \$185,000 in 2024. These amounts relate to prior contribution periods, with the improvement primarily driven by the recovery of outstanding contribution debts and undistributed contributions from previous years. A key challenge in resolving these suspense entries is the closure of businesses. For employers still operating, the team has engaged directly to identify employees and ensure accurate submission of information so that contributions are correctly posted to members' accounts.

Unclaimed Deposits Account

After a thorough review, the Fund transferred more than \$91,000 of members' funds to the Unclaimed Deposits Account, as these amounts could not be allocated due to incomplete member information provided by employers. Ensuring accurate member details at the time of employee registration remains the responsibility of employers. The Fund continues to collaborate closely with employers who have outstanding suspense account listings to resolve unallocated member savings to ensure contributions are properly credited.

Employer Portal

During the financial year, 9,651 employers were registered for the Employer Self-Service portal, with 95% actively using its features. The portal's enhancements now allow employers to register new employees while ensuring stricter compliance with member information

requirements, helping to resolve discrepancies. Additionally, employers can track outstanding payments, print statements, and perform other key tasks, streamlining their interactions with the Fund.

Employer Complaints – Nonpayment of Member Contributions

The Fund received 82 member complaints concerning non-compliance across 58 employers, with 57 recorded in the Central Division, 21 in the Western Division, and 4 in the Northern Division. Of these, 45 complaints were resolved, while 26 await employer responses and 11 remain under investigation. The decline from 120 complaints in 2024 reflects increased employer awareness of their responsibilities and the Employer Self-Service portal's effectiveness in providing timely updates on payments and deadlines, supporting better compliance.



Online Portal users

Employers **10,216**

Legal Services

The Legal Services Department provides strategic legal support for the Fund and its wholly owned subsidiaries, ensuring compliance and alignment with the Fund's operational and strategic goals.

Legislative Developments

Key legislative changes were introduced during the financial year to strengthen FNPF's strategic direction and enhance member benefits:

- **Membership from Birth:** Effective 1 September 2024, the Fiji National Provident Fund (Amendment) Regulations 2024 allows individuals to join the Fund as members from birth, broadening long-term savings opportunities.
- **Contribution Cap:** In line with Section 38(6) of the FNPF Act, a maximum additional contribution limit of \$250,000 per financial year was reinstated, effective 1 February 2025.

Upholding Compliance and Accountability

As of 30 June 2025, a total of 24 litigation cases were filed against the Fund. During the financial year, 9 cases were resolved, with outcomes in favour of FNPF.

The Fund actively pursued 163 prosecutions under the FNPF Act 2011, addressing the following offences:

- Failure to pay member contributions
- Failure to submit required documents upon request
- Failure to submit monthly remittance

These actions reflect FNPF's commitment to enforcing compliance and protecting member interests.

Debt Recovery

The 163 prosecuted cases represent a total debt of \$1.5 million in unpaid member contributions. As of 30 June 2025, 85 cases were successfully disposed in the Fund's favour, resulting in the recovery of \$1.1 million.

Additionally, more than \$88,000 was recovered as lost interest, ensuring members are compensated for delayed contributions and reinforcing FNPF's commitment to safeguarding member entitlements.

Title Discharge

FNPF continues to actively discharge property titles for members who accessed housing assistance prior to November 2014. During the financial year, 594 titles were successfully released with supporting documentation. As of 30 June 2025, 488 titles are pending release.

Mergers & Acquisitions

The Legal Services Department provides critical legal oversight for the Fund's investment acquisitions, working closely with the Investments Division to ensure compliance with Fund policies and Board expectations in pursuit of investment growth.

Driving Legal Innovation

To enhance efficiency, the Department has standardized key contracts, including tenant leases. Ongoing initiatives such as technology integration and updated operational procedures are earmarked to improve responsiveness, while maintaining a strong focus on data protection and retention.

Our Enablers

Connecting members to their savings - the Member Portal ensures real-time access and convenience for every step of the journey.

The Fund's digital transformation continues to advance, focused on streamlining, automating, and enhancing processes to improve efficiency, accuracy, and service delivery for our employers, members, tenants, investors, and partners.

This transformation is not just about technology, but more so about enabling smarter decisions, improving stakeholder experiences, and positioning FPNF for long-term growth and resilience.

A major milestone was the upgrade of our core ProMIS system and Model View-View Model architecture, which enhanced system functionality, improved operational efficiency, and ensured alignment with industry standards for performance and security. The introduction of the KINETIC finance system has further improved our ability to record, report, monitor, and make timely financial decisions. Our IT team has actively

updated systems and processes to reflect key legislative changes in 2025.

This upgrade also strengthened compliance, transparency, and adaptability in a changing regulatory environment. Notable enhancements included:

- Starting 1 January 2025, late contribution penalties changed from \$100 per employee per month to 10% of the total unpaid amount each month until it's paid off. All penalties now go straight into members' accounts, helping grow their retirement savings.
- From 1 January 2025, members reaching retirement or other entitlement events can transfer part of their savings to a loved one's FPNF account.
- A \$250,000 cap was introduced on additional and voluntary contributions. This change supports

responsible management of member assets and helps ensure the Fund remains secure, fair, and sustainable for future generations.

- Effective 1 March 2025, housing withdrawal rules were updated to offer more flexibility and support for members. Changes include revised minimum and maximum limits (housing withdrawal) to better assist members on their home ownership journey.
- Automation initiatives, including Robotic Process Automation for interest crediting and automated bank receipting, have boosted accuracy and efficiency. The rollout of our Customer Relationship Management (CRM) system has enhanced enquiry handling and provided valuable insights into service delivery.

We are also implementing a new Property Management System to streamline operations and improve tenant satisfaction, as well as a Human Resource Management System to support efficient onboarding and talent management. Enhancements to our Tender Management and digital lending systems are underway to drive further efficiency and value.

As digital transformation accelerates, we are reassessing our IT architecture, infrastructure, and policies to ensure robust security, data protection, and business continuity. A comprehensive review of Standard Operating Procedures is also in progress to identify improvement opportunities and guide future digital initiatives.

These efforts reflect our ongoing commitment to delivering reliable, efficient services and advancing the financial well-being of our members—demonstrating true progress with purpose.

Website



page views
541,696
Recorded users
215,264



4.8 million
myFPNF App
successful logins



Registered
mobile numbers
316,240



MyFund (*567#) users
81,784



Registered Email
254,098

Strategic Brand Transformation

The year marked a major milestone with the launch of the *Vinaka Campaign*, a member-centric rebranding initiative shaped by extensive research and stakeholder feedback. The concept “Vinaka” emerged as the most resonant among members, reflecting pride, authenticity, and a strong connection to Fiji and FNPf’s values. The campaign was rolled out across multiple platforms including television, radio, newspapers digital media, billboards, cinemas and social media - reaching members nationwide and abroad.

Brand Survey Insights

As part of our ongoing commitment to transparency and member engagement, the Fund conducted a Member Branding Survey in April 2025. The survey aimed to assess how members perceive the Fund’s brand, values, and performance in delivering long-term financial security.

With over 1,300 responses, the findings reflect a strong endorsement of FNPf’s purpose-driven approach, and the progress made in strengthening member trust and institutional credibility.

Key insights include:

Pride in Membership:

88% of respondents expressed pride in being part of FNPf, affirming the Fund’s role as a trusted national institution.

Member-Centric Values:

73% agreed that FNPf genuinely cares about its members, reinforcing the Fund’s commitment to empathy and service excellence.



FNPf member Yogeeta a vendor at Namaka Market in Nadi, featured in our Vinaka Campaign celebrating everyday contributions to Fiji’s progress.”

Modern and Professional Identity:

81% viewed FNPf as a dynamic and modern organisation, reflecting successful transformation efforts.

Understanding Member Needs:

77% felt that FNPf understands their aspirations, especially around retirement—demonstrating alignment between purpose and service delivery.

Confidence in Fund Security:

79% believed their superannuation savings are safe and protected,

validating the Fund’s stewardship and operational integrity.

National Development Role:

76% acknowledged FNPf’s contribution to national development, affirming its broader impact beyond superannuation.

FNPf remains committed to listening, evolving, and delivering on its promise—to secure the financial future of every Fijian with purpose and progress at the heart of everything we do.



Members and pensioners attending the Annual Member Forum at Labasa Civic Centre, February 2025.



2,488
subscribers



Member – **17,332** subscribers
Employers – **2,742** subscribers
Pensioners – **612** subscribers
FNPf Retail channel - **748** subscribers



FNP staff Darryn and Nitika (2nd and 3rd from left) connecting with Fijian communities in the U.S. to promote financial inclusion and member services.

Stakeholder Engagement

We delivered 664 awareness sessions across Fiji, reaching 29,294 members in rural, maritime, and urban communities. To strengthen digital engagement, we hosted eight (8) online webinars, connecting with over 2,000 members virtually.

Our outreach also extended to schools, focusing on Minor Voluntary members, and we partnered with external agencies, stakeholders, and financial institutions to host three Retirement Expos, broadening our impact.

Global and Grassroots Engagement

The Fund deepened its commitment to inclusive service and financial empowerment through strategic international missions, virtual education, and grassroots outreach—ensuring that every Fijian, whether abroad or at home, remains connected to their financial future.

UK Outreach

FNP reconnected with the Fijian diaspora in the United Kingdom, engaging over 313 members through collaborative efforts with the Ministry of iTaukei Affairs and Fiji's High Commission to the UK. Services included:

- Member registration and voluntary contributions
- Retirement planning and record updates
- Use of the voluntary web calculator for savings advice
- Creation of a dedicated WhatsApp group for ongoing support

USA Engagement

In partnership with the Fiji Trade Commission North America, FNP conducted a ten-day outreach mission across key U.S. cities, coinciding with USA Fiji Day celebrations. The initiative promoted mobile app usage and voluntary membership, and gathered valuable community feedback.

Retirement Planning Webinars

FNP's MEA team launched webinars for Fijian soldiers serving in Sinai. The first session on 17 February 2024 engaged 20 soldiers, covering:

- Additional and Voluntary Contributions
- Housing Policy updates
- Pre-retirement assistance

One-on-one consultations provided tailored guidance, with plans underway to expand this initiative.

Grassroots Empowerment

FNP played a key role in the Fiji Farmers Economic Summit 2025, held on 25–26 May, reinforcing our commitment to national development and rural financial resilience. The Fund:

- Delivered retirement counselling and voluntary membership education
- Provided joint FNP/FRCS card services
- Participated in discussions on climate change, market instability, and financial literacy

The summit highlighted agriculture's role in food security and cultural identity, with FNP promoting financial inclusion for farmers through targeted programs and partnerships.

Member Engagement and Retirement Awareness

FNP's presence at Fiji Showcase 2025 drew over 1,392 member visits, offering services such as account enquiries, ID card printing, voluntary registration, and eligibility statements.

The booth received positive feedback from members, including:

- Civil servant Yogesh Raj, who opened a Minor Voluntary Membership for his daughter
- Taxi driver Amit Kumar, who praised FNP's savings plans
- Members like Kezi Vasuinuku and Ilisapei Kububalavu, who appreciated the personalised service and financial guidance

The Fund also marked Retirement Savings Monday, urging Fijians to take control of their financial future.

These initiatives reflect FNP's evolving role as a connector, educator, and enabler - empowering members across borders and communities to take charge of their future.



Facebook followers

96,496




LinkedIn followers

30,500



Twitter followers

6,928



FNPF-owned Yatule Resort & Spa underwent significant renovations and was officially reopened in late 2024.

Securing long term growth for our members

At FPNF, our commitment to growing members' retirement savings is guided by purpose, strategy, and resilience. Despite global challenges, we are proud to have delivered strong results, including an 8.75% interest rate, which is a reflection of our prudent investment decisions and solid financial performance.

As a defined contribution fund, every member's savings grows with each contribution and return earned. This year, our investment portfolio expanded from \$10.6 billion to \$12.0 billion, reinforcing our position as one of Fiji's largest institutional investors.

Strategic Investments for Sustainable Returns

Throughout the year, the Fund actively pursued new investment opportunities, selecting strong promising projects. This approach allowed us to diversify our portfolio, enhance returns, and mitigate risk, to ensure members benefit from steady growth and the long-term value these investments deliver.

Despite low interest rates driven by excess liquidity in the local financial system, we remained focused on fixed income securities and commercial lending, which continued to deliver reliable income aligned with our long-term goals.

In contrast, our equities portfolio performed well, with strong returns from both local and international investments. Sectors offering higher dividend payouts were key contributors, underscoring our strategy to diversify and optimize returns.

Tourism Recovery Boosts Hospitality Investments

Our hotel investments benefited from the ongoing recovery in Fiji's tourism sector. This growth had boosted returns and strengthened our confidence in the sector. Dividends from hotel investments grew by 22% compared to FY24 with dividends received from Natadola Bay Resort Ltd, Momi Bay Resort Ltd, Grand Pacific Hotel Ltd, and FPNF Hotels Resorts Ltd, reflecting improved profitability across our hospitality portfolio.

Global Diversification

On the international front, we expanded our global footprint by investing in an S&P 500 Index-tracking Exchange Traded Fund, increased our holdings in BSP Financial Group Limited, and diversified our Australian-listed equities to include real income securities in developed global markets. These investments contributed positively to the Fund's overall performance.

Local Investment Highlights

Significant local investments during the financial year included:

- Acquisition of prime land in Pacific Harbour;
- Investment in Naisoso Radisson Blu Mirage via a property stake in the Ancillary Business Areas (ABAs) of the Resort, provision of a syndicated loan facility, and mezzanine debt;
- Capital injection into Farleigh Limited;
- Dividend reinvestment in HFC Bank;

Sealed deal... FPNF CEO Viliame Vodonaivalu, Relcorp Fiji (Pte) Ltd Managing Director Bob Lowres and BSP Fiji Country Head Haroon Ali following the signing of the financing agreement for the Radisson Blu Mirage Resort in Naisoso, Nadi



- Provision of a loan facility to Air Pacific Ltd trading as Fiji Airways.

These investments reflect our strategic focus on sectors that offer long-term value and align with national development priorities.

Delivering Value to Members

The Fund ended the year with total assets of \$12.1 billion, enabling us to declare an 8.75% interest rate for members. Our investment strategy continues to balance growth and risk, ensuring that members' retirement savings are protected and steadily growing.

FNPF remains committed to investing with purpose, supporting national development, strengthening financial resilience, and delivering sustainable returns for our members.

Fixed Income Investments

The Fixed Income portfolio remains a cornerstone of FNPF's investment strategy, offering stable income and capital preservation, which are essential to meeting the Fund's long-term obligations.

Throughout the year, the portfolio was primarily allocated to Government and Quasi-Government Bonds, matching our long-term goals and risk level. Bonds provided predictable returns, supported cash flow planning, and helped match liabilities with income, even in a relatively flat interest rate environment.

Despite minimal movement in market rates, the portfolio continued to deliver reliable coupon income, reinforcing its role as a low-risk, income-generating asset class. Our disciplined reinvestment approach ensured that the portfolio remained resilient and responsive to the Fund's evolving needs.

Government Securities

Government securities form a key part of the Fund's defensive investment strategy. By participating in government bond auctions, FNPF contributes to national development initiatives in infrastructure, healthcare, and education.

The portfolio grew to \$4.6 billion in FY25, driven by increased investments and fewer maturities. During the year, \$455 million was invested in government bonds, while maturities totaled \$88.9 million. Bond yields remained relatively stable:

- The 15-year bond rate was 4.15%, slightly down from 4.17% in the previous year.
- The 20-year bond rate rose to 5.00%, up from 4.85%.

This stability supported consistent income and long-term planning.

Quasi-Government Securities

The Quasi-Government portfolio, comprises government-guaranteed securities issued by statutory bodies. As of 30 June 2025, the portfolio expanded to \$44.4 million, up from \$5 million the previous year. This increase was largely driven by new investments in FDB bonds totaling \$42.5 million, which far exceeded maturities of \$3.0 million.

The Fund also acquired several high-yield quasi government bonds, enhancing portfolio diversification while maintaining a low-risk profile, consistent with the Fund's fixed income strategy.

Treasury

The Treasury function is responsible for monitoring both current and long-term cash flows of the Fund. The ongoing oversight ensures that the Fund maintains sufficient cash resources to meet its financial obligations as they fall due, thereby safeguarding financial soundness and stability, which is essential for securing our members' future solvency and viability.

Despite pressure on interest rates, maintaining strong liquidity remained a key focus, especially given the high level of liquidity in the local banking system. As of 30 June 2025, system liquidity stood at \$2,110.3 million, up from \$1,919.3 million in June 2024.

Fund's Cash Holdings

As of June 2025, the Fund held \$992 million in cash and term deposits, up from \$847 million in June 2024.

This increase is attributable to higher member contributions, improved collections from employers, and strong investment returns, boosting both operational inflows and overall cashflows.

Local Term Deposits

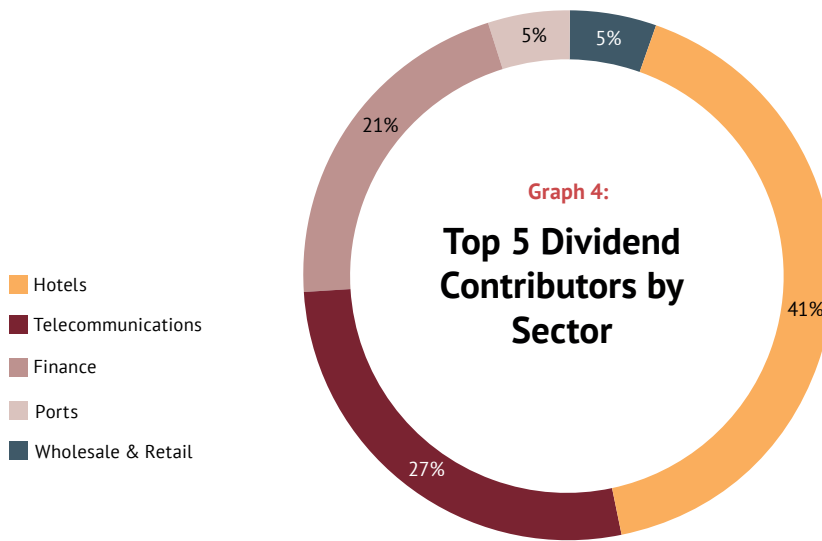
At 30 June 2025, local term deposits totaled \$226.8 million, compared to \$246.3 million the previous year. This repositioning reflects proactive liquidity management and adjustments in response to market interest rate trends. During the fiscal year, the Fund continued to strategically deploy surplus cash into high-quality term deposit instruments across multiple counterparties to preserve capital while enhancing risk-adjusted returns.

This tactical allocation provides stable income and supports the Fund's conservative investment and liquidity strategy. Local term deposits remain a key component of the Fund's defensive asset allocation, contributing to the resilience and sustainability of members' long-term savings.

Offshore Term Deposits and Cash

The Offshore Term Deposit and Cash portfolio closed the year at \$69.4 million, down from \$80.8 million the previous year, reflecting a shift towards growth investments. This drop was partly offset by new funds approved by the Reserve Bank of Fiji for offshore investments and dividends from offshore equities. The Fund continues to engage with the Reserve Bank to increase offshore investment limits.

During the year, the Fund invested in USD and AUD term deposits, which offered more attractive interest rates compared to local options. These offshore deposits support liquidity management and ensure foreign currency is available for external commitments, such as offshore equity investments.



EQUITIES

Local Equities

The local equities portfolio grew to \$2.9 billion in FY25, up from \$2.6 billion in FY24. This growth was primarily driven by capital injections, dividend reinvestments and fair value growth in subsidiaries and associate companies.

A total of \$45 million was injected into Farleigh Limited, holding company of Dubbo Ltd trading as The Westin, for the upgrade and refurbishment of the resort which is earmarked to reopen in 2026.

Dividend reinvestments for a total of \$26.1 million were made into HFC, Pleass Global and the Fijian Holdings Unit Trust and Unit Trust of Fiji.

Reinvesting dividends allows the Fund to use its dividend payouts to purchase more shares of the company, rather than receiving the dividends in cash. This approach has the potential to significantly amplify the compounding effect on the Fund's holdings, as the additional shares acquired will also generate dividends. Over time, this will contribute to the exponential growth in the value of the Fund's investment portfolio.

Diversification came by way of the Fund partnering with Fijian Holdings Limited in a joint venture to acquire a 25% stake in Higgins Holdings (Fiji) Pte Limited, a leading construction company in Fiji. Dividend income increased to \$129 million, compared to \$93.6 million in FY24. The hotel

portfolio comprising of seven hotels managed by Marriott International and InterContinental Hotel Group (IHG), generated about 40% of the portfolio's income. The remaining 60% of dividend income was contributed by the Fund's investments in the telecommunications, finance, transport and the wholesale and retail sectors.

Fair value gains from the revaluation of the Fund's investments in hotels and non-hotel subsidiaries and associates totaled \$222 million, with gains from the hotel portfolio contributing to almost 70% of the total fair value gains.

Offshore Equities

The offshore portfolio grew from \$856 million in FY24 to \$1.1 billion in FY25, representing a 31.8% increase. This growth was mainly driven by net unrealised capital and foreign exchange gain totaling \$178 million, as well as additional investments and reinvestments totaling \$138 million.

Key offshore investments during the year included:

- An additional \$64 million investment in BSP PNG;
- A new \$46 million investment in an S&P 500 Index Exchange Traded Fund;
- An additional \$20 million investment in the Martin Currie Real Income Fund;
- An additional \$0.6 million investment in the IFC Emerging Asia Fund;

- Dividend reinvestments of \$8 million in both Martin Currie portfolios.

Key offshore divestments during the year included proceeds of sales of underlying securities:

- Emerging Asia Fund of \$5.8 million;
- The Infrastructure Fund of \$5.3 million.

Offshore dividend income for FY25 was \$61.1 million, up 19.2% from \$51.3 million in FY24. This increase was largely due to BSP PNG's strong performance and higher dividends per share. Follow-on investments contributed to \$5 million in new dividend income with BSP PNG and the Martin Currie Real Income Fund being the largest contributor of new income.

The offshore equities portfolio accounted for 27.8% of total equities, 23.8% of growth assets, and 9.4% of total assets. Currency exposures were diversified across PGK (55.6%), AUD (26.2%), and USD (18.1%), with investments spanning the Asia-Pacific, Americas, and Europe.

Commercial Lending

As at year-end, the Commercial Lending portfolio reached \$1.4 billion (net of impairment), reflecting a 13.1% increase from \$1.2 billion in 2024. On a gross basis, portfolio growth was 7.9%. Total income for the year rose to \$67.3 million, up from \$65.3 million in the previous year.

In line with our commitment to purposeful progress, new investments were approved in key sectors such as tourism and aviation. The Fund also strengthened partnerships with commercial banks through syndicated lending, particularly within the tourism sector.

Despite these positive developments, the portfolio continued to face challenges from a low-interest rate environment, high market liquidity, and increased competition from financial institutions that were adopting increasingly aggressive strategies.

Consistent with IFRS 9 requirements, the loan portfolio was assessed using the expected credit loss (ECL) model. With improved credit risk

and stronger valuations in FNPF subsidiaries' hotel assets, several conservative assumptions from the COVID-19 period (FY2020–2022) were revised to reflect pre-pandemic norms. As a result, the portfolio's credit risk profile improved compared to 2024, leading to a lower overall impairment provision.

Properties

During FY25, the Fund achieved several significant milestones in its property portfolio. Notably, four lots at Pacific Harbour were acquired for \$25 million, securing prime land for future mixed-use development. The Fund also expanded its Natadola beachfront cluster, with part of the land pre-leased to Google for its submarine cable landing beach manhole, further enhancing the strategic value of the portfolio.

The year saw strong revaluation gains, with the portfolio's fair value increasing by 12% to close at \$676.7 million. This uplift was primarily driven by rental income growth and new additions to the portfolio.

Leasing performance remained strong, with the portfolio achieving 96% occupancy across 74,461 square meters of gross building floor area.

Like-for-like rental income grew by 26%, rising from \$29.5 million to \$37.1 million as at June 2025. At the end of the financial year, the portfolio comprised 38 properties, including 24 income-producing assets (retail, commercial, and office) and 14 vacant land parcels held for future development.

The Fund's strategy continues to focus on acquiring high-quality assets with strong income and potential capital growth. Active asset management is applied to reduce tenant turnover, while targeted land-banking supports long-term value and keeps the property portfolio resilient and purpose-driven.

Projects

Westin Refurbishment

Fletcher Construction was appointed in 2023 as the main contractor for the Westin Redevelopment Project, a major transformation of the former Regent Hotel, originally built in 1975 and rebranded as the Westin in the late 1980s.

Throughout 2024, additional project scope was introduced to further enhance the guest experience and elevate the property to align with the latest Westin brand standards. These value additions have extended the overall project completion timeline to 2026. Despite the complexity and challenges inherent in a large-scale redevelopment (balancing the preservation of the hotel's historical character while introducing modern design and amenities), FNPF (through its subsidiary Dubbo Pte Ltd) remain committed to delivering a world-class hospitality asset that aligns with the long-term value creation objectives of the Fund.

To support the property's business objectives and brand relaunch, a staged opening strategy has been proposed to the Operator. This approach will allow selected hotel areas to become operational ahead of full project completion, enabling early revenue generation while remaining works progress in non-critical zones.

Construction progress across the guestroom blocks has advanced to the final stages, with practical completion targeted for February 2026. Achieving this milestone will be a major step toward the staged opening and will mark significant progress in re-establishing the Westin as a premier destination.

The Project Management Team continues to prioritize critical work areas that will facilitate the timely opening of the hotel. Focus remains on delivering these priority zones to meet Westin's exacting brand standards and to ensure an exceptional guest experience upon reopening.

Grand Pacific Hotel Rebranding

The Grand Pacific Hotel has achieved an advance completion stage of the Mock Up Room at the end of June 2025. The mock-up room progress was subsequently reviewed by the InterContinental Hotels Group (IHG), confirming compliance with the required brand standards and quality expectations.

Once fully completed and sign off by IHG, the next key activity is the appointment of an Interior Designer to undertake the detailed design of all room types across the hotel. The design scope will align with IHG's brand standard, and guest experience objectives, ensuring a seamless transition to the InterContinental brand.

The tender process for the guest room works package is scheduled to commence in the first quarter of 2026. It is anticipated that the appointment of the contractor and the subsequent mobilization to site will occur in the second quarter of 2026. This stage will mark the formal commencement of construction activities under the rebranding program.

The refurbishment and upgrade of the room blocks will represent the first phase of works in transforming the Grand Pacific Hotel into an InterContinental Brand standard. To maintain program efficiency and minimize disruption, a concurrent project delivery approach will be adopted for the subsequent phases. These include the redevelopment of the central facilities, meeting rooms, and back-of-house areas.

This phased and parallel strategy is designed to achieve timely completion while upholding the highest standards of quality and guest experience expected under the InterContinental Brand.

OUR GOVERNANCE

OUR STRATEGY

OUR OPERATIONS


OUR ENABLERS

OUR ENGAGEMENT

OUR INVESTMENT

OUR RISKS

OUR PEOPLE

A photograph showing two Fiji Airways engineers in high-visibility vests working on an aircraft. One engineer is kneeling and inspecting a large tire, while the other stands nearby holding a tablet and a flashlight. The scene is set in a hangar with other aircraft visible in the background.

Fiji Airways engineers, who are also members –
conducting routine checks on one of the aircrafts.

CASE STUDY

Strategic Hotel Investments

FNPF's investments in the tourism sector continue to deliver strong returns, reinforcing the Fund's commitment to long-term growth and member value.

FNPF owns several premier hospitality properties including InterContinental Fiji Golf Resort & Spa, Fiji Marriott Resort Momi Bay, Holiday Inn Suva, Grand Pacific Hotel, Yatulé Resort, Sheraton Fiji Golf & Beach Resort, and The Westin Denarau Island Resort & Spa (under renovation).



FNPF owned Yatulé Resort situated along the picturesque Natadola beach



Financial Highlights

The Fund's total equity exposure grew from \$302 million in FY2024 to \$499 million in FY2025, marking a growth of 65%. These assets have proven to be resilient and profitable, significantly contributing to the Fund's overall performance and member returns.

Dividend Payments

FNPF's hotel subsidiaries continued to show strong recovery post-pandemic, declaring \$39 million in dividends in FY2025, an increase of 22% compared to FY2024.

- Momi Bay Resort: \$26 million (\$41 million over two years)
- Natadola Bay Resort: \$5 million (following \$13 million in FY2024)
- FNPF Hotel Resorts: \$5 million (up from \$3.87 million)
- Grand Pacific Hotel: \$3 million (\$400,000 in FY2017)

These dividends reflect solid operational performance, exceeding pre-COVID levels, and reinforce the long-term value of FNPF's growth assets. All declarations met the requirements of the Companies Act 2015, ensuring profitability and solvency.

Capital Growth

Strong hotel performance led to a significant increase in portfolio value. The Enterprise Value rose from \$976 million in FY2024 to \$1.2 billion in FY2025, a 24% valuation uplift. This growth was driven by infrastructure upgrades and strategic expansions across the hotel portfolio.

Major Projects

- Ongoing developments to boost future returns include:
- Westin Fiji renovation (280 rooms, new amenities),
 - Grand Pacific Hotel rebranding to

- InterContinental, Upgrades at Holiday Inn Suva, InterContinental Fiji, Marriott Momi Bay, and Sheraton Fiji.

Awards & Recognition

FNPF-owned hotels received global accolades:

Natadola Golf Course:

- Best Golf Resort (Global) – Haute Grandeur Global Excellence Awards
- Fiji's Best Golf Course (11th annual World Golf Awards);

InterContinental Fiji:

- Hotel of the Year (HM Awards for Hotel and Accommodation Excellence),
- Oceania's Leading Family Resort
- Fiji's Best MICE Hotel – 31st World Travel Awards



Marriott Momi Bay:

- Upscale Resort – HM Awards Austrasia
- Highly Commended Fijian Hotel of the Year;
- Highly commended Service to the Community

Sheraton Fiji:

- Best Golf Resort, Best Beach Resort & Best Family Resort (Oceania) at the Haute Grandeur Global Hotel Awards.

Sustainability Commitment

FNPF hotels advanced environmental and community

initiatives:

- Marriott: Renewable energy projects, coral/mangrove planting, composting, and biogas systems;
- IHG: Sustainable sourcing, waste and water reduction, beach cleanups, energy efficiency, digital initiatives to reduce paper and plastic use;

These hotels have also provided support to the local communities through education, healthcare upgrades, youth programs, and partnerships with local artisans. These initiatives reflect a strong commitment across the portfolio to

environmental sustainability, efficient resource use, and social responsibility.

Conclusion

FNPF's hotel portfolio remains a cornerstone of our growth strategy. Strong financial performance, rising asset values, and consistent dividends reflect the Fund's investment strength and commitment to delivering meaningful benefits for our members.

CASE STUDY

Investing in Healthcare



The new cardiac catheterization laboratory (cath lab) at the Lautoka Hospital operated by Aspen Medical, as part of the PPP between the Government and HealthCare Fiji Limited (HCF). FNPf owns 80% in HCF and 20% shares is owned by Aspen Medical.

Transforming Healthcare for FNPf Members and Communities

Since 2019, the Fiji National Provident Fund (FNPf) has embarked on a transformative journey in healthcare investment through its strategic partnership with Health Care (Fiji) Limited (HCF) - a Public Private Partnership with the Fiji Government, FNPf and Aspen Medical. This bold move, anchored in the belief that social infrastructure investments can deliver both financial returns and meaningful impact, has led to significant progress at Lautoka and Ba Hospitals. The results speak to a deeper purpose: improving lives, enhancing access, and elevating the standard of care for all Fijians.

Strategic Investment with Tangible Impact

FNPf's 80% ownership in HCF reflects our commitment to long-term value creation - not just for our members' savings, but for the health and wellbeing of the nation. The investment has enabled the upgrade and efficient management of Lautoka Hospital, the largest health facility outside Suva, and the newly constructed Ba Hospital. These facilities now boast state-of-the-art infrastructure, including operating theatres, CT and MRI suites, a modern medical laboratory, and a cardiac catheterization lab.

These enhancements are aligned with globally recognized Joint Commission International (JCI) accreditation standards, ensuring that patient care

and safety remain at the forefront of operations.

Emergency Response Excellence

One of the most compelling examples of progress with purpose was the swift and effective response to a mass casualty event in June 2023, when a school bus accident resulted in 83 patients being treated within two hours, with no fatalities. This was made possible by investments in emergency department equipment, digital diagnostic platforms, and staff training in Major Incident Medical Management Support (MIMMS). The event demonstrated the hospital's enhanced capacity to deliver timely, life-saving care under pressure.

Improved Critical Care

Investments in intensive care equipment have significantly improved survival rates for critically ill patients. The ICU mortality rate at Lautoka Hospital dropped from 41% to 35.6%, translating to the survival of approximately 260 critically ill patients annually. In the Neonatal Intensive Care Unit (NICU), no infection outbreaks have been recorded for over 12 months, which is a testament to improved infection control protocols and equipment upgrades that protect vulnerable newborns.

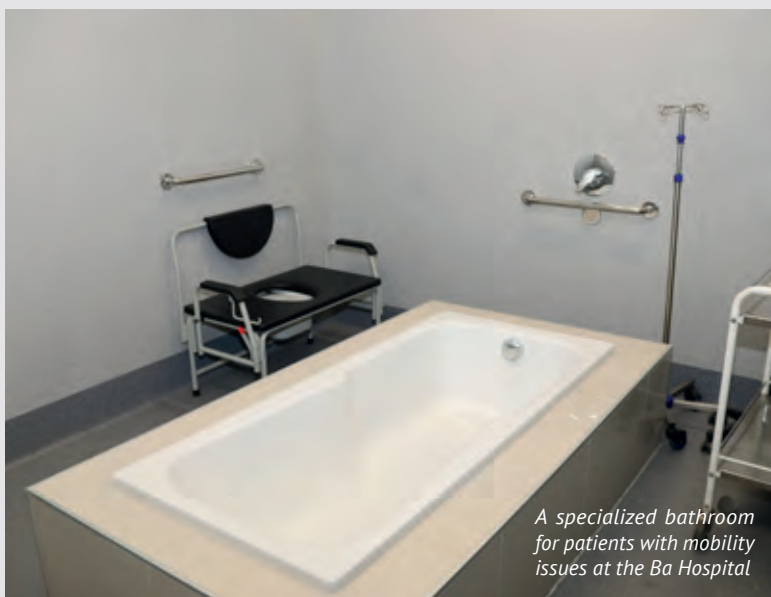
Cardiac Care: Bringing Open Heart Surgery Home

Since October 2022, Lautoka Hospital has successfully performed 285 open heart surgeries, eliminating the need for patients to travel overseas for life-saving procedures. The commissioning of the Cardiac Cath Lab has further elevated cardiac care, enabling rapid diagnosis and intervention for life-threatening conditions. These milestones reflect a profound shift in healthcare accessibility and quality, empowering patients and families with timely, advanced care close to home.

Medication and Infection Control

Ba Hospital has set a new benchmark in medication safety, maintaining a prescription error rate of less than 1%, far surpassing the Concession Agreement benchmark of 12%. This achievement underscores the effectiveness of robust health systems and staff training in protecting patients from harm.

Infection prevention and control have also seen significant improvements. The WHO Facility Assessment score rose from 59.2% in 2018 to 78.4% in 2025, with compliance exceeding 80% in key areas such as sterilization and laboratory capacity. These results reflect targeted investments in equipment, training, and systems that create safer environments for patients and staff alike.



A specialized bathroom for patients with mobility issues at the Ba Hospital

Empowering Smarter Healthcare

The rollout of digital technologies has revolutionized hospital operations. The Electronic Medical Record (EMR) system centralizes patient data, enabling clinicians to access complete histories instantly and coordinate care more effectively. Radiology Information Systems (RIS) and Picture Archiving and Communication Systems (PACS) provide instant access to high-quality imaging, supporting faster diagnoses and remote consultations.

Omni Lab, a Laboratory Information System, automates test ordering and reporting, reducing errors and improving turnaround times. Cardio PACS supports advanced cardiac diagnostics, while Meditech—Fiji's future-ready Hospital Information System—integrates clinical, financial, and administrative workflows into a unified digital platform.

These innovations not only improve operational efficiency but also enhance patient safety, data security, and clinical decision-making.

Patient Experience

Patient satisfaction scores at Ba Hospital reflect the positive impact of these investments. With an overall score of 3.9 out of 5.0—exceeding the benchmark of 3.5—and a Net Promoter Score of 65.2, the feedback highlights improved service delivery,

courteous staff, and readiness of facilities.

Building Capacity

Through the Absorb learning platform, over 56,000 course enrolments have been recorded, with more than 32,000 completions in areas such as basic life support, cyber security, OHS and mental health. This investment in human capital ensures that healthcare professionals are equipped with the knowledge and skills to deliver high-quality care in a rapidly evolving environment.

Purpose-Driven Progress

FNPF's investment in healthcare has led to measurable improvements in health outcomes, enhanced patient safety, and higher service quality at the Aspen-managed hospitals. By aligning financial strategy with social impact, the Fund has not only diversified its portfolio but also transformed healthcare delivery in Fiji. From emergency response and cardiac care to digital innovation and patient satisfaction, every milestone reflects a commitment to improving lives and strengthening communities.

As FNPF continues to collaborate with HCF and the Government on the transition to the new Lautoka Hospital, the focus remains on delivering accessible, high-quality healthcare for all Fijians.

Delivering the best retirement outcomes for our members

Our Risks

Insurance:

The Fund's Group Insurance scheme was renewed on 30 June 2025 and reflects the Fund's commitment to ensuring the Fund's assets, operations and financial stability are safeguarded from the risks of losses.

The Fund actively ensures that it obtains and derives the best value in terms of insurance coverage, and allows the Fund to maintain stability in the face of unforeseen challenges.

All new properties and other assets acquisitions are included in the insurance portfolio and the Fund is currently in the process of pursuing and securing Cyber Liability Insurance, which is currently under review by a consultant.

Risk Management:

During the Financial Year 2024/2025, the Fund undertook a comprehensive review of its Enterprise Risk Management (ERM) Framework to ensure continued alignment with evolving best practices, regulatory expectations, and strategic objectives.

The review involved an in-depth assessment of the ERM framework's design, implementation, and effectiveness and included evaluating risk governance structures, risk appetite articulation, risk identification processes, mitigation strategies, and the integration of risk insights into decision-making.

Key activities carried out for the year are as follows:

1. Enterprise Risk Management Framework review
2. Business Continuity Planning Simulations that involved the testing of the continuity capabilities for the Fund during times of disaster or business disruptions.
3. Risk Monitoring at both strategic or enterprise level and also at operation levels.

Risk management and monitoring is an integral and continuous part of the Fund's activities and this ensures that the Fund is able to foresee or capture any emerging threat to its operations.

Policies:

The Fund places emphasis and priority on the review and development of its policies to ensure its operations and operational requirements are carried out in line with good governance requirements and in line with all legislative, regulatory and mandatory requirements.

This ensures compliance with relevant laws and regulations, protects member interests, supports strategic objectives, adapts to economical and financial changes and movements, ensures adequate risk management and ensure that quality service delivery is maintained.

Policy reviews are periodically scheduled as individual policies approach review dates.

Compliance:

The Fund manages its compliance functions through the Compliance Management Framework which guides and provides a structured approach in the Fund's compliance obligations and ensures consistency in its approach across the organisation and supports strategic decision making.

For the Financial Year 2024/2025, the compliance function focused on the following key areas:

1. Anti-Money Laundering monitoring and reporting as per the requirements stipulated under the Financial Transaction Act 2004.
2. The Delegation Limit of Authority (DLA) review was undertaken to ensure that decision making and the flow of efficiency through robust decision-making processes is maintained.
3. The Annual Declaration of Interest by staff ensured that the Fund manages or avoids any potential for conflict of interest ensuring

- that member funds are managed with integrity and transparency.
4. Training and Awareness across the Fund was also carried out to ensure that Fund personnel at all levels are clear and knowledgeable on all compliance requirements of the Fund.
 5. Mandatory requirements from the Fund's regulators are also monitored and reported in order to ensure the Fund's compliance and alignment to regulatory requirements.

The Fund will continue to focus on its compliance obligations and maintain the highest compliance levels as these ensures confidence in the Fund's ability to grow member funds for retirement.

Complaints:

The Fund continues its Member Centric focus by ensuring that member's complaints and concerns are prioritized and addressed appropriately in order to maintain optimum levels of member satisfaction. Monthly complaints reports are submitted along with quarterly complaints reporting to the Reserve Bank of Fiji.

Complaints received over the years have reduced significantly, which is an indication of improved service delivery and management.

The Fund has made significant progress in managing its complaints processes through its Complaints Management Framework. It remains focused on improving its service delivery by continuously levying off member feedbacks and complaints. This allows the Fund to actively pursue operational improvements ensuring that member issues are addressed.

Internal Audit:

The Internal Audit (IA) team provides independent assurance to the Board Audit & Risk Committee, helping protect member value through clear, objective reviews.

In FY2025, audits followed the approved plan while also addressing emerging priorities. Key areas included:

- Compliance and member services
- Risk management, new investments and projects
- Organisational culture and financial controls

The team also supported the review of the Fund's Business Continuity Plan and placed special focus on improving information security. All findings were reported to BARC, with follow-up actions closely tracked. Through its work, IA continues to support FNPF's commitment to transparency, resilience, and purposeful progress.

Fraud and Ethics: Upholding Integrity

The Internal Audit team investigates all reports of fraud and misconduct, referring confirmed cases to the authorities. In FY2025, the team also updated the Whistleblower Policy to align with global best practices. FNPF remains committed to a culture of integrity and accountability, encouraging staff, members, and vendors to report concerns confidentially and without fear of retaliation. Secure reporting channels help ensure fairness, transparency, and trust across the Fund.

Quality Assurance: Lifting Standards

To support continuous improvement, the Internal Audit Policy and checklists were updated to align with the new Global Internal Audit Standards introduced in January 2025. These updates help standardise audit practices, strengthen compliance, support internal quality reviews, and prepare the Fund for external assessments.

Our People

FY2025 was a defining year for Human Resources at FNPf, marked by accelerated transformation and meaningful impact. Guided by our commitment to building a capable, future-ready workforce, the HR team delivered integrated initiatives that are shaping how the Fund operates and grows.

A key highlight was the Employee Engagement Survey, which recorded a 4% increase to 67%. This improvement reflects stronger morale, greater trust in leadership, and a deepening culture of transparency and inclusion. The formation of the Our Voice Action Team (OVAT) further strengthened staff engagement, ensuring employee feedback drives purposeful action and positive change.

These achievements demonstrate our ongoing commitment to empowering our people and advancing progress with purpose across the organisation. We advanced leadership and talent

development with the launch of the Integrated Leadership and Talent Development Pathway, supporting capability building at all levels.

This was complemented by the Graduate Trainee Program to attract top talent, coaching clinics to strengthen leadership, and Central Test assessments for more objective recruitment and development.

Together, these initiatives are building our leadership pipeline and futureproofing our workforce. HR continued to drive organisational agility through targeted functional reviews and the introduction of the E-Suggestion Box to encourage staff-driven innovation.

Significantly, the approval of the HRIS project marked a pivotal step towards digital transformation, reinforcing our long-term commitment to delivering streamlined, data-driven, and employee-centric HR services.

Recruitment and Turnover:

In FY2025, the Fund maintained a stable workforce of 408 employees, with turnover reduced to 7.06% from 8.31% in FY2024 and 10.6% in FY2023. This reflects FNPf's growing appeal as an employer and improved alignment with employee expectations.

Voluntary exits accounted for 74.19% of turnover, mainly due to career advancement, highlighting the Fund's success in talent development and the need to further enhance internal mobility.

Although recruitment was fully external this year, attracting quality talent remains strong. Improving time-to-fill is a priority, with digitisation and process redesign underway through the upcoming HRIS and recruitment process redesign.

Staff engaged in a brainstorming session.





Our Graduate Trainees bring youthful insights and fresh perspectives.

Learning, Development & Performance

FNPF invested purposefully in building capability at scale, delivering over 8,500 hours of targeted learning and development. Key initiatives included leadership coaching for 21 people leaders, full delivery of the annual training plan, and enterprise-wide training in cybersecurity, workplace safety, records management, governance, and risk. Performance excellence remained central to our culture, with 99% of employees and 98% of leaders achieving their objectives. Every staff member maintained an active development plan, reinforcing accountability and a growth mindset.

Valuing Our People

In FY2025, the Job Evaluation Exercise delivered a 16.38% increase in average salaries, ensuring fairness and competitiveness, as well as demonstrating that we value our people equitably. Benefit participation remained strong, with 97% uptake in health insurance, 70% in superannuation, and 81% in wellness programmes.

We maintained zero workplace incidents, advanced OHS training, and expanded wellness initiatives. These efforts reinforce our commitment to a safe, supportive, and rewarding environment for all staff.

Balanced and Evolving Talent Base

At FNPF, our people are our purpose in motion. With a gender-balanced workforce made up of 52% females and 48% males and an average tenure of 10.72 years, we are proud of a team that blends deep institutional knowledge with fresh perspectives. Our evolving talent base reflects loyalty and generational renewal:

- 34.8% of employees have less than five years of service, bringing new energy and ideas.
- The 30–40-year age group makes up 43% of our workforce, forming the operational backbone of the Fund.
- Ongoing strategic workforce planning ensures we are building capabilities aligned with future growth and transformation.

We are intentionally cultivating a workforce that is agile, diverse, and future-ready—one that can deliver on the Fund's long-term vision with purpose and impact.

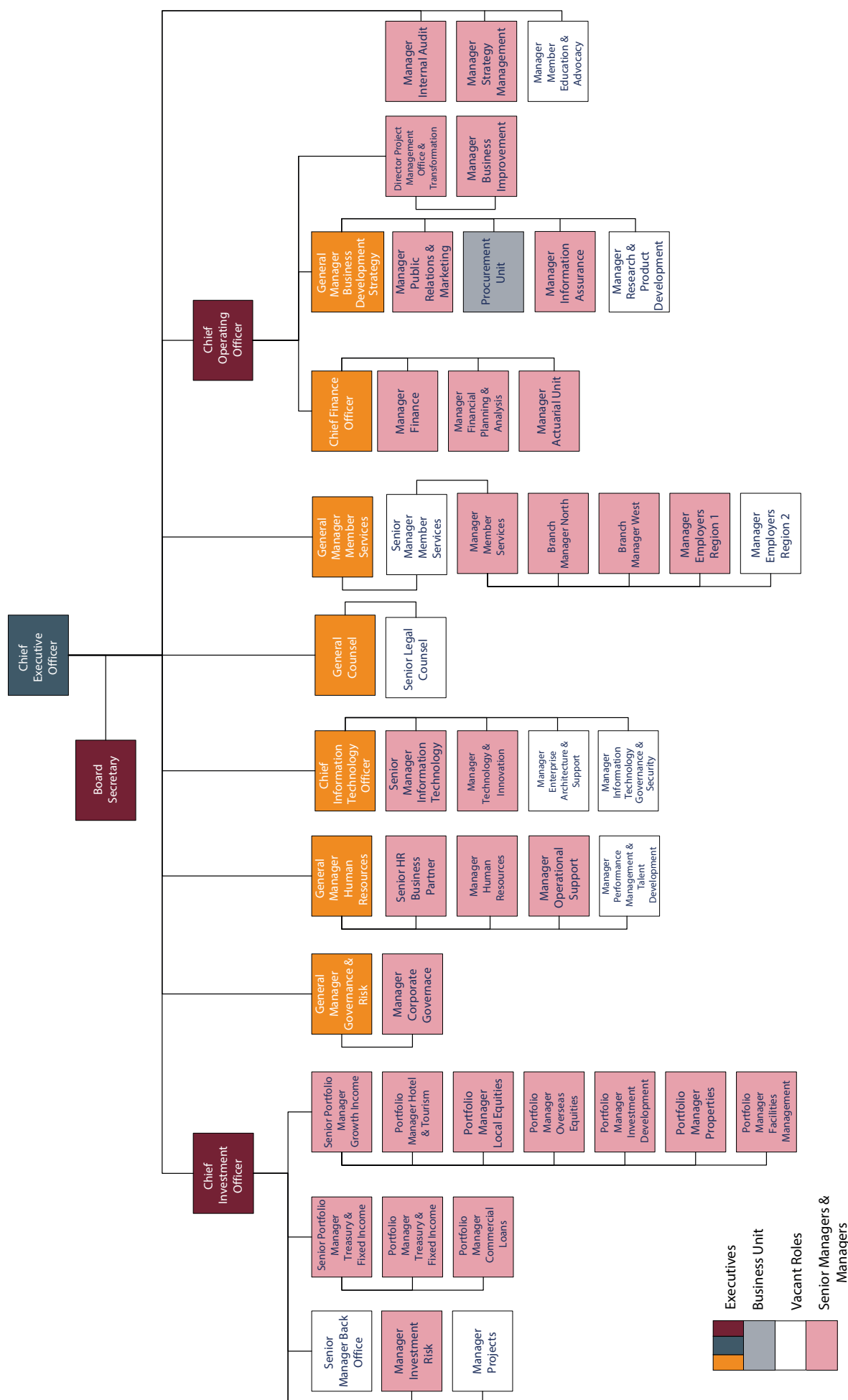
Embedding and Sustaining HR Transformation

FY2025 was a foundational year for HR transformation. In FY2026, we shift gears to embed, sustain, and scale the impact of our people initiatives, ensuring they are deeply integrated into how we work and grow.

Our key priorities for the year ahead include:

- Institutionalising the Integrated Leadership and Talent Development Pathway across all people processes to nurture future leaders.
- Rolling out the new HRIS platform, transforming how HR services are accessed, tracked, and delivered.
- Completing the PMS and Remuneration Review, to enhance performance management and ensure a fair, competitive, and transparent reward structure.
- Using AI and analytics to improve predictive insights and decision-making.
- Embedding hybrid work with clear policies, performance measures, and a culture of trust.
- Strengthening internal mobility and succession, reducing key role gaps and supporting career growth.
- Enhancing employee engagement, wellbeing, and performance through data-driven initiatives like OVAT.

Together, these initiatives reflect our commitment - investing in our people to power the Fund's future.



FNPF CORPORATE DIARY FY2025



JULY

- **22nd:** FNPF releases land titles held prior to 2011 for members who accessed their Housing Eligibility
- **30th:** Launch of innovative FNPF Gift Card Initiative
- **31st:** Finalization of 25% shares acquisition in Higgins Holdings (Fiji) of FNPF alongside Fijian Holdings Limited

AUGUST

- **1st:** Government funds reinstatement of pensionable amounts of affected FNPF pensioners
- **1st:** FNPF Gift Cards made available at all FNPF branches and agencies

SEPTEMBER

- **19th:** Amendments to minor voluntary membership rules made to include newborns
- **25th:** FNPF hosts Women in Super (WIS) Workshop at the Grand Pacific Hotel

OCTOBER

- **8th:** FNPF partnered with Appello Services Limited of New Zealand to facilitate the seamless payment of retirement savings contributions for Fijians employed under the Recognised Seasonal Employers scheme
- **6th-12th:** MEA team visits Fijians in the USA as part of a Government Road Show
- **26th:** Hosted Garden City Tenants at the FNPF's Corporate Box to watch the Rugby League Pacific Championship match between the Fiji Bati vs Cook Islands

NOVEMBER

- **6th-9th:** 4-day FNPF Retirement Expo held at the FNPF Downtown Boulevard
- **9th:** Hosted retired FNPF pensioners Ex-Servicemen and Women (RFMF & Fiji Police Force) at the Sukuna Bowl
- **22nd:** Announcement of revisions made to the penalty system for late contribution payments. Changes made to the FNPF Act 2011 approved in July 2024
- **25th:** Yatul Phase 1 Renovations Completion and Resort Re-opening
- **30th:** Google Natadola ICT Facility Construction Ground Breaking Ceremony

DECEMBER

- **6th:** FNPF FY2024 Annual Report released after being tabled in Parliament

JANUARY

- **1st:** Transfer of Savings on Entitlement announced
- **1st:** Implementation of new penalty system for late contribution payments
- **23rd:** MoU signing with Tertiary Scholarships & Loans Service
- **31st:** FNPF signs syndicated lending deal with BSP Financial Group to finance the development of Naisoso Radisson Blu Mirage Resort on Naisoso Island, Nadi

FEBRUARY

- **1st:** FNPF reinstates voluntary and additional contribution limit of \$250,000
- **11th, 13th & 19th:** Annual Member Forum, Suva, Nadi and Labasa
- **15th:** Journalists hosted at the FNPF's Corporate Box to watch the

Super Rugby Pacific match between Fijian Drua vs ACT Brumbies

MARCH

- **11th:** Changes made to FNPF's Housing Withdrawal Policy aimed at providing greater flexibility and support to members with revised minimum and maximum limits on certain grounds
- **21st:** Appointment of Sikeli Tuinamuana as Board Director

APRIL

- **3rd:** FNPF's Vinaka Campaign Launched
- **5th:** Hosting FNPF's Vinaka Campaign talents at the FNPF Corporate Box to watch the Super Rugby Pacific match between Fijian Drua vs Canterbury Crusaders
- **7th-11th:** Pacific Islands Investment Forum held in Nadi
- **24th-26th:** Minor voluntary members hosted at the FNPF Corporate Box for the Coca-Cola Games

MAY

- **3rd:** Hosting FNPF's Vinaka Campaign talents at the FNPF Corporate Box to watch the Super Rugby Pacific match between Fijian Drua vs Queensland Reds and Fijiana vs Wallaroos
- **5th:** Merchant Finance Approved as Panel Lender under FNPF's Housing Withdrawal Assistance
- **10th-20th:** MEA team travels to the Fiji UK Road Show

JUNE

- **4th:** Employers Awareness Workshop, Suva
- **24th:** Appointment of Ms Aruna Prasad as a Board Director
- **27th:** 8.75% interest rate announced for FY2025





Empowering dreams from home – FNPf member Tupou shows how small steps can lead to big changes for her family's financial wellbeing.

FIJI NATIONAL PROVIDENT FUND
FINANCIAL STATEMENTS
30 JUNE 2025

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Notes to and forming part of the financial statements

Fiji National Provident Fund Board Members' Report For the year ended 30 June 2025

The Board members present their report together with the financial statements of Fiji National Provident Fund ("FNPF", "the Fund") for the year ended 30 June 2025 and report as follows:

Board Members

The Board members of the Fund during the year and up to the date of this report were:

Mr. Daksesh Patel (Chairman)
Mr. Shiri Gounder
Mr. Attar Singh
Mr. Adish Naidu
Mrs. Susie Waqanibaravi
Mr. Joweli Vueta Taoi (Passed away on 20th February 2025)
Mr. Sikeli Tuinamuana (Appointed 21st March 2025)
Ms. Aruna Prasad (Appointed 24th June 2025)

Operation of the Fund

The Fund is a Defined Contribution Fund and the operation of the Fund has been carried out in accordance with the provisions of the Fiji National Provident Fund Act 2011.

Principal Activities

The principal activity of the Fund during the financial year was the provision of superannuation services to its members.

Operating Results

The net surplus attributable for allocation for the year ended 30 June 2025 was \$993,094,000 (2024: \$819,376,000).

Reserves

The Board approved the allocation of net surplus to members' accounts from the Fund's statement of changes in net assets available for benefits as annual interest at a rate of 8.75% (2024:8.00%).

Bad Debt and Allowance for Impairment Loss

The Board members took reasonable steps before the Fund's financial statements were made out to ascertain that all known bad debts were written off and adequate allowance were made for impairment loss.

At the date of this report, the Board members are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the allowance for impairment loss, inadequate to any substantial extent.

Significant events during the year

- (i) Investment property acquisition
 - On 23 January 2025, the Fund acquired four freehold lots located in Pacific Harbour for a total consideration of \$25.1 million.
- (ii) Equity investments
 - On 31 July 2024, the Fund acquired a 25% equity interest in Higgins Holding (Fiji) Ltd for a consideration of \$14.2 million.
 - On 3 June 2025, the Fund injected additional capital of \$45 million into Farleigh Pte Limited.
 - In December 2024; The Fund reinvested its FY24 dividends amounting to \$25 million in HFC.

Fiji National Provident Fund Board Members' Report (continued) For the year ended 30 June 2025

Events Subsequent to the Balance Date

The Fund subscribed to Inspire Disability Fund 4 (IIDHF4) with a commitment of AUD\$20 million in June 2025. The first capital call was done in July 2025 for FJD\$2.9 million with remaining calls to be made over the next 5 years.

Other than the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Board members, to affect significantly the operations of the Fund, the results of those operations, or the state of affairs of the Fund, in subsequent financial years.

Basis of preparation

The financial statements of the Fund have been drawn up in accordance with International Financial Reporting Standards ("IFRS") Accounting Standards and the requirements of the Fiji National Provident Fund Act 2011.

Going Concern

The Fund's financial statements have been prepared on a going concern basis. The Board considers the application of the going concern principle to be appropriate in the preparation of the financial statements as the Board believes that the Fund has adequate funds to meet its liabilities as and when they fall due over the next twelve months.

Related party transactions

In the opinion of the Board members all related party transactions have been recorded in the books of the Fund and adequately disclosed in the attached financial statements.

Other circumstances

At the date of this report, the Board members are not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amounts stated in the financial statements misleading.

Unusual transactions

The results of the Fund's operations during the financial year have not in the opinion of the Board members been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the attached financial statements.

Actuary's certification

The Fund's Actuary has signed off on the liabilities and solvency of the Retirement Income Fund (RIF) and Special Death Benefit Fund (SDBF) and that interest credited to FNPf members will not place undue stress on the solvency of the FNPf on the basis of the valuation of assets undertaken at reporting date.

Board members' interest

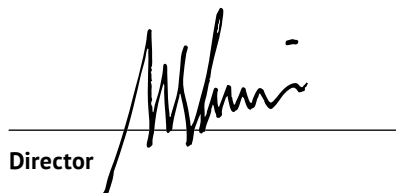
No Board member of the Fund has, since the end of the previous financial year, received or become entitled to receive a benefit (other than a benefit included in the total amount of emoluments received or due and receivable by Board members as shown in the Fund's financial statement) by reason of a contract made by the Fund or related corporation with the Board member or with a firm of which he/she is a member, or with an entity in which he/she has a substantial financial interest.

Dated at Suva this 30th day of October, 2025.

Signed in accordance with a resolution of the Board:



Chairperson



Director

Fiji National Provident Fund Statement by Board members' For the year ended 30 June 2025

In the opinion of the Board members:

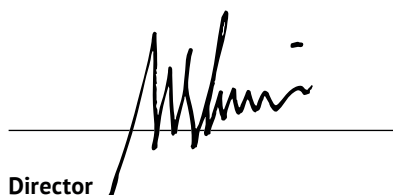
- (a) The accompanying statement of changes in net assets available for benefits (and statement of changes in net assets available for benefits by Fund) is drawn up so as to give a true and fair view of the results of the Fund for the year ended 30 June 2025;
- (b) The accompanying statement of net assets available for benefits (and statement of net assets available for benefits by Fund) is drawn up so as to give a true and fair view of the state of the affairs of the Fund at 30 June 2025;
- (c) The accompanying statement of changes in member benefits is drawn up so as to give a true and fair view of movement in member benefits of the Fund for the year ended 30 June 2025;
- (d) The accompanying statement of changes in reserves is drawn up so as to give a true and fair view of movement in reserves of the Fund for the year ended 30 June 2025;
- (e) The accompanying statement of cash flows is drawn up so as to give a true and fair view of the cash flows of the Fund for the year ended 30 June 2025;
- (f) At the date of this statement there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they fall due;
- (g) All related party transactions have been recorded and adequately disclosed in the financial statements in accordance with IFRS Accounting Standards; and
- (h) The financial statements and notes are in accordance with IFRS Accounting Standards and the Fiji National Provident Fund Act 2011.

Dated at Suva this 30th day of October, 2025.

Signed in accordance with a resolution of the Board:



Chairperson



Director



Independent Auditor's Report

To the members of Fiji National Provident Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fiji National Provident Fund ("the Fund"), which comprise the statement of net assets available for benefits (and the statement of net assets available for benefits by Fund) as at 30 June 2025, the statement of changes in net assets available for benefits (and the statement of changes in net assets available for benefits by Fund), the statement of changes in member benefits, the statement of changes in reserves and the statement of cashflows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2025, and of its financial performance, changes in member benefits, changes in reserves and its cashflows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the Fiji National Provident Fund Act 2011.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Fund in accordance with *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Fiji and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Other Information is financial and non-financial information in the Fund's annual report and Board Member's Report which is provided in addition to the financial statements and the auditor's report. The Board Members are responsible for the other information.

The Other Information we obtained prior to the date of this auditor's report was the Board Member's Report. The remaining Other Information are expected to be made available to us after the date of the auditor's report.

Our opinion on the financial statements does not cover the Other Information and accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information. When we read the annual report, if we conclude that there is a material misstatement therein of this Other Information, we are required to communicate that fact. Based on the work we have performed on the Other Information that we obtained prior to the date of this auditor's report, we have nothing to report in relation to the Board Member's Report.



Responsibilities of Board Members and Management for the financial statements

Board Members and management are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Fiji National Provident Fund Act 2011, and for such internal control as Board Members and management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board Members and management are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board Members and management either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Board Members and management are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs8, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

As part of an audit in accordance with ISAs8, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board Members and management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.



Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion:

- (a) the Fund has kept financial records sufficient to enable the financial statements to be prepared and audited; and
- (b) we have been given all information, explanations and assistance necessary for the conduct of the audit.

A handwritten signature in blue ink that reads 'KPMG'.

KPMG
Chartered Accounts

Suva, Fiji
30 October, 2025

Fiji National Provident Fund

Statement of changes in net assets available for benefits

For the year ended 30 June 2025

	Notes	2025 \$000	2024 \$000
Income			
Interest income	6(a)	361,621	337,996
Dividend income	6(b)	190,352	144,785
Property rental		37,136	29,452
Change in fair value of equity investments	7(a)	420,138	331,960
Change in fair value of investment properties	15	45,635	29,052
Other Income			
Surcharge and other income	8	1,658	3,665
Reversal of impairment on mortgaged loans		49,133	32,189
Reversal of impairment on contribution receivable	19	-	83
Reversal of impairment of assets held at amortised cost		-	232
Total income		1,105,673	909,414
<i>Less:</i>			
Foreign exchange losses	7(b)	47,672	27,090
Impairment on financial assets		52	-
Impairment of assets held at amortised cost		620	176
Impairment on contribution receivable	19	1,202	-
Net income		1,056,127	882,148
Expenses			
Investment expenses		14,615	15,453
Property expenses		10,182	8,783
Interest expenses	23	22	15
General administration expenses	9	13,876	14,783
Personnel expenses	9(a)	21,941	20,840
Depreciation and amortization		2,397	2,898
Total expenses		63,033	62,772
Net increase in net assets available for allocation		993,094	819,376
Net increase in net assets allocated to:			
Members' accounts		711,734	572,372
Funds		281,360	247,004
Total		993,094	819,376

The statement of changes in net assets available for benefits is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Statement of net assets available for benefits

As at 30 June 2025

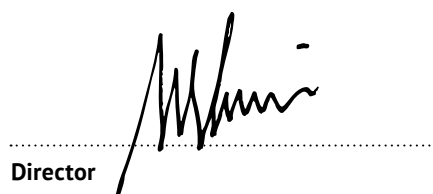
	Notes	2025 \$000	2024 \$000
Assets			
Cash and cash equivalents	16	764,034	598,846
Term deposits	10	226,804	246,285
Investment income receivable	20	185,355	160,049
Government securities	11	4,642,764	4,278,821
Other fixed interest securities	12	44,425	4,995
Loans and advances	13	1,384,485	1,223,888
Other receivables	19	54,325	30,359
Investment properties	15	676,721	602,411
Equity investments	14	4,060,697	3,471,910
Property, plant and equipment	18	15,132	12,101
Right-of-use assets	23(a)	302	355
Intangible assets	17	7,255	8,012
Total assets		12,062,299	10,638,032
Liabilities			
Other payables and accruals	21	25,315	25,664
Employee entitlements	22	1,138	954
Lease liabilities	23(b)	10,562	9,986
Total liabilities (excluding net assets available to pay benefits)		37,015	36,604
Net assets available for member benefits and reserves	24	12,025,284	10,601,428
Comprising:			
Member benefits			
Allocated to members		9,525,882	8,354,891
Unallocated to members		4,344	15,504
Total member benefits		9,530,226	8,370,395
Reserves			
Investment reserve		1,377,563	1,243,387
Solvency reserve		1,117,495	987,646
Total reserves		2,495,058	2,231,033
Total Funds		12,025,284	10,601,428

These financial statements have been approved in accordance with a resolution of the Board of Directors.

For and on behalf of the Board



Chairperson



Director

The statement of net assets available for benefits is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Statement of changes in member benefits

For the year ended 30 June 2025

	Notes	2025 \$000	2024 \$000
Balance at 1 July		8,370,395	7,475,212
Contributions:			
Employer - Mandatory		459,740	349,629
Member - Mandatory		366,667	305,275
Employer - Additional		4,408	14,145
Member - Additional		98,354	81,023
Voluntary		31,248	27,393
Others		1,386	2,365
Total contribution	26(a)(ii)	961,803	779,830
Benefit payments to members	24(e)	(504,997)	(447,932)
Pension payments to pensioners	24(e)	(26,044)	(26,365)
Benefits allocated to members' account, comprising:			
Interest to members	27	711,734	572,372
Current year investment returns			
- SDBF	27	4,525	3,854
- RIF	27	27,435	27,436
Transfer to solvency reserve			
- SDBF	26(c)	(6,387)	(6,346)
- RIF	26(b)	(7,535)	(7,666)
Transfer from/(to) general reserve		(703)	-
Balance at the end of the year		9,530,226	8,370,395

The statement of changes in member benefits is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Statement of changes in reserves

As at 30 June 2025

	Investment Reserve \$000	Solvency reserve \$000	Total \$000
Balance at 1 July 2023	1,117,304	884,003	2,001,307
Net transfers to/from member benefits/reserves			
- FNPF	(89,631)	89,631	-
- SDBF	-	6,346	6,346
- RIF	-	7,666	7,666
Net current year investment returns	215,714	-	215,714
Balance at 30 June 2024	1,243,387	987,646	2,231,033
Net transfers to/from member benefits/reserves			
- FNPF	(115,927)	115,927	-
- SDBF	-	6,387	6,387
- RIF	-	7,535	7,535
Net current year investment returns	249,400	-	249,400
Transfer from/(to) member liability	703	-	703
Balance at 30 June 2025	1,377,563	1,117,495	2,495,058

The statement of changes in reserves is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Statement of changes in net assets available for benefits by Fund

For the year ended 30 June 2025

Income	FNPF		Retirement Income Fund ("RIF")		Special Death Benefit Fund ("SDBF")		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Interest income	329,211	306,419	27,883	27,749	4,527	3,828	361,621	337,996
Dividend income	190,352	144,785	-	-	-	-	190,352	144,785
Property rental	37,136	29,452	-	-	-	-	37,136	29,452
Change in fair value of equity investments	420,138	331,960	-	-	-	-	420,138	331,960
Change in fair value of investment properties	45,635	29,052	-	-	-	-	45,635	29,052
Other Income								
Surcharge and other income	1,658	3,665	-	-	-	-	1,658	3,665
Reversal of impairment on mortgaged loans, contribution receivable and financial assets	49,133	32,428	-	50	-	26	49,133	32,504
Total income	1,073,263	877,761	27,883	27,799	4,527	3,854	1,105,673	909,414
Less:								
Foreign exchange losses	47,672	27,090	-	-	-	-	47,672	27,090
Impairment on financial assets	52	-	-	-	-	-	52	-
Impairment of assets held at amortised cost	618	176	-	-	2	-	620	176
Impairment on contribution receivable	1,202	-	-	-	-	-	1,202	-
Net income	1,023,719	850,495	27,883	27,799	4,525	3,854	1,056,127	882,148
Expenses								
Investment expenses	14,615	15,453	-	-	-	-	14,615	15,453
Property expenses	10,182	8,783	-	-	-	-	10,182	8,783
Interest expense	22	15	-	-	-	-	22	15
General administration expenses	13,747	14,667	129	116	-	-	13,876	14,783
Personal expense	21,622	20,593	319	247	-	-	21,941	20,840
Depreciation and amortisation	2,397	2,898	-	-	-	-	2,397	2,898
Net increase in net assets available for allocation	961,134	788,086	27,435	27,436	4,525	3,854	993,094	819,376
Allocated to:								
Members' accounts	711,734	572,372	-	-	-	-	711,734	572,372
Funds	249,400	215,714	27,435	27,436	4,525	3,854	281,360	247,004
Total	961,134	788,086	27,435	27,436	4,525	3,854	993,094	819,376

The statement of changes in net assets available for benefits by Fund is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund **Statement of net assets available for benefits by Fund** **As at 30 June 2025**

	FNPF		Retirement Income Fund ("RIF")		Special Death Benefit Fund ("SDBF")		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Assets	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalent	743,083	581,443	18,635	15,039	2,316	2,364	764,034	598,846
Term deposits	226,804	246,285	-	-	-	-	226,804	246,285
Investment income receivable	177,342	152,438	6,865	6,836	1,148	775	185,355	160,049
Government securities	4,196,366	3,843,421	361,561	357,571	84,837	77,829	4,642,764	4,278,821
Other fixed interest securities	44,425	4,995	-	-	-	-	44,425	4,995
Loans and advances	1,384,485	1,223,888	-	-	-	-	1,384,485	1,223,888
Other receivables	52,785	28,812	467	93	1,073	1,454	54,325	30,359
Investment properties	676,721	602,411	-	-	-	-	676,721	602,411
Equity investments	4,060,697	3,471,910	-	-	-	-	4,060,697	3,471,910
Property, plant, and equipment	14,981	11,996	151	105	-	-	15,132	12,101
Right-of-use assets	302	355	-	-	-	-	302	355
Intangible assets	7,255	8,012	-	-	-	-	7,255	8,012
Total assets	11,585,246	10,175,966	387,679	379,644	89,374	82,422	12,062,299	10,638,032
Liabilities								
Other payables and accruals	15,561	16,425	-	-	9,754	9,239	25,315	25,664
Employee entitlements	1,138	954	-	-	-	-	1,138	954
Lease liability	10,562	9,986	-	-	-	-	10,562	9,986
Total liabilities	27,261	27,365	-	-	9,754	9,239	37,015	36,604
Net assets available for member benefits and reserves	11,557,985	10,148,601	387,679	379,644	79,620	73,183	12,025,284	10,601,428

The statement of net assets available for benefits by Fund is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Statements of net assets available for benefits by Fund (continued)

As at 30 June 2025

	FNPF		Retirement Income Fund ("RIF")		Special Death Benefit Fund ("SDBF")		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Net assets available for member benefits comprise:								
Member benefits								
Allocated to members	9,252,861	8,082,370	273,021	272,521	-	-	9,525,882	8,354,891
Unallocated to members	2,068	13,278	-	-	2,276	2,226	4,344	15,504
Total member benefits	9,254,929	8,095,648	273,021	272,521	2,276	2,226	9,530,226	8,370,395
Reserves								
Investment reserve	1,377,563	1,243,387	-	-	-	-	1,377,563	1,243,387
Solvency reserve	925,493	809,566	114,658	107,123	77,344	70,957	1,117,495	987,646
Total reserves	2,303,056	2,052,953	114,658	107,123	77,344	70,957	2,495,058	2,231,033
Total funds	11,557,985	10,148,601	387,679	379,644	79,620	73,183	12,025,284	10,601,428

The statements of net assets available for benefits by Fund are to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Statement of cash flows

For the year ended 30 June 2025

	Notes	2025 \$000	2024 \$000
Cash flows from operating activities			
Interest received		342,400	322,474
Dividends received		122,067	80,838
Property rentals received		35,127	27,612
Other income received		1,658	1,443
Payments to suppliers and employees		(83,194)	(59,637)
Net cash from operating activities		418,058	372,730
Cash flows from investing activities			
Government securities acquired, net		(364,050)	(239,628)
Other securities (acquired)/matured, net		(39,464)	18,000
Loans and advances provided, net		(90,638)	(6,562)
Term deposits redeemed/(invested), net		19,500	(120,000)
Shares in subsidiaries acquired		(45,000)	(46,829)
Equity investments acquired		(129,659)	(80,026)
Purchase of property, plant and equipment		(4,560)	(2,721)
Acquisition of intangible assets		(30)	(6,846)
Amount spent to acquire/develop investment properties		(26,140)	(107,799)
Net cash used in investing activities		(680,041)	(592,411)
Cash flows from financing activities			
Contributions received from employers		461,751	364,532
Contributions received from members		497,655	416,056
Withdrawal payments to members		(504,997)	(447,932)
Pension annuity paid to members		(26,044)	(26,365)
Principal element of lease repayments		(951)	(756)
Net cash from financing activities		427,414	305,535
Net increase in cash and cash equivalents		165,431	85,854
Cash and cash equivalents at beginning of the year		599,127	513,273
Cash and cash equivalents at end of the year	28	764,558	599,127

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements.

Fiji National Provident Fund

Notes to and forming part of the financial statements

For the year ended 30 June 2025

1 General information

The Fiji National Provident Fund (the "Fund") is a defined contribution superannuation fund domiciled in Fiji. The address of the Fund's registered office is 33 Ellery Street, Suva.

The financial statements of the Fund as at and for the year ended 30 June 2025 comprise of three Funds set out below:

- (i) The 'FNPF' – a defined contribution superannuation scheme, including reserves for members benefits as yet unallocated;
- (ii) The 'Special Death Benefit Fund' (SDBF) – entitlement payable on member's death as per the FNPF Act 2011;
- (iii) The 'Retirement Income Fund' (RIF) – a fund which accepts retirement benefits from FNPF members in return for a commitment to pay life or term annuities.

The Fund is constituted by the Fiji National Provident Fund ("FNPF") Act 2011 to provide superannuation benefits to employees in Fiji.

The FNPF, including the SDBF and RIF, is classified as a defined contribution plan under IAS 19 Employee Benefits. In accordance with section 37 of the FNPF Act, employers' obligations are limited to making prescribed contributions. The FNPF Board is responsible for managing financial risks, primarily investment and mortality risks. However, even in the event of adverse investment performance or mortality outcomes, the Board cannot require additional contributions from employers or other parties. This aligns with the definition of a defined contribution plan under IAS 19, where such risks are borne entirely by the members. Consequently, for financial reporting purposes under IAS 26 *Retirement Benefit Plans*, the FNPF is treated as a defined contribution plan. The FNPF Act also requires the Fund's Actuary to advise the Board on the annual crediting rate and the Fund's solvency position.

The financial statements were authorised for issue by the Board of Members on 30 October 2025.

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The Fund's financial statements are general purpose financial statements prepared on a going concern basis in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), and the requirements of the Fiji National Provident Fund Act 2011. The financial statements are prepared under the historical cost convention, with modifications to reflect the fair value of investment properties, equity investments and loans & advances. For financial reporting purposes under IAS 26 *Retirement Benefit Plans*, the FNPF is classified as a defined contribution plan. Accordingly, the Fund's financial statements present the net assets available for benefits and changes therein, consistent with the requirements of IAS 26.

Fair value measurement - The Fund measures substantially all of its investments at fair value. In determining the fair values, the Fund applies valuation techniques and uses inputs appropriate to the nature of the asset or liability, and exercises judgment in selecting the most relevant and reliable data available, including the use of external consultants where appropriate. The valuation approaches and key assumptions applied are disclosed in Notes 5, 14 and 15.

Exemption for Government bond – Consistent with the option available under IAS 26, Fiji Government bonds are measured at amortized cost rather than fair value, on the basis that amortized cost provides a reliable measure of the amounts available to meet retirement benefit obligations. The accounting treatment and valuation basis for Government bonds is further detailed in Note 5 [Fair Value Estimation].

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

The financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB. The preparation of these financial statements requires the use of certain critical accounting estimates and assumptions. It also involves the exercise of judgment by the Board of Directors in applying the Fund's accounting policies. Areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

2.2 Changes in accounting policies and disclosures

(a) *New accounting standards, amendments and interpretations adopted*

The Fund has applied all new and amended IFRS Accounting Standards that are effective for the annual reporting period commencing 1 July 2024. These standards and amendments did not have a material impact on the Fund's financial statements.

(b) *New accounting standards, amendments and interpretations issued but not yet adopted*

A number of new accounting standards, amendments to standards and/or interpretations which have been issued that are effective in future accounting periods that the Fund has decided not to adopt early includes the following:

- (i) IFRS 18 Presentation and Disclosure in Financial Statements is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The effective date for the adoption for the new standard is beginning or after 1st January 2027.

Other forthcoming standards and amendments are not expected to have a material impact on the Fund's financial statements.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.3 Foreign currency translation

(a) Functional and presentation currency

The Fund operates principally in Fiji and hence the financial statements are presented in Fiji dollars, which is both the functional and presentation currency. Amounts have been rounded to the nearest thousand dollars except where otherwise noted.

(b) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Fund at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are re-translated into the functional currency at the exchange rate at the reporting date.

2.4 Property, plant and equipment

Freehold land is measured at cost. Properties are measured at cost less depreciation except investment properties which are measured at fair value. All plant and equipment is measured at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. The carrying amount of the replaced item is derecognised. All other repairs and maintenance are charged to the expenses during the financial period in which they are incurred.

Freehold land is not depreciated. Leasehold land is accounted for in accordance with note 2.11. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

• Leasehold land	Term of lease	• Motor Vehicles	4 – 7 years
• Buildings	40 – 80 years	• Furniture and fittings	3 – 8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7). Upon impairment, the revised carrying value of the asset is depreciated over the remaining estimated useful life of the asset. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the statement of changes in net assets available for benefits.

2.5 Intangible assets

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years).

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Fund, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Costs include the software development, employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives (not exceeding three years).

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2. Summary of material accounting policies (continued)

2.6 Investment properties

Investment properties, principally comprising freehold and leasehold land and buildings, are held for long-term rental yields and are not occupied by the Fund. Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value, determined by external independent valuers who have appropriate recognised professional qualification and recent experience in the location and category of property being valued. Changes in fair values are recorded in the statement of changes in net assets available for benefits.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of changes in net assets available for benefits during the financial period in which they are incurred. Property that is being constructed for future use as investment property is accounted for as investment property until construction or development is complete, at which time it is re-measured to fair value. Any gain or loss arising on re-measurement is recognised in the statement of changes in net assets available for benefits.

All leases that meet the definition of investment property are classified as investment property and measured at fair value.

Investment property that is obtained through a lease is measured initially at the lease liability amount adjusted for any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred by the Fund, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

If a valuation obtained for a property held under a lease is net of all payments expected to be made, any related lease liability recognized separately in the statement of financial position is added back to arrive at the carrying value of the investment property for accounting purposes.

When the use of a property changes from owner-occupied to investment property, the property is re-measured to fair value and reclassified accordingly. Any gain or loss arising on this remeasurement is recognised in the statement of changes in net assets available for benefits.

2.7 Impairment of non-financial assets

The carrying amounts of the Fund's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.8 Financial instruments

Financial assets

(a) Recognition and initial measurement

Term deposits, investment income receivable, Government securities and other fixed interest securities (collectively / known as debt investment securities), loans and advances and other receivables are initially recognised when they are originated using settlement date accounting. All other financial assets and financial liabilities are initially recognised when the Fund becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(b) Classification

On initial recognition, a financial asset is classified and measured at amortised cost or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Fund changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For certain financial assets, the fair value approximates amortised cost and accordingly, the Fund has elected to disclose amortised cost (and expected credit loss) disclosures in the financial statements. Refer Note 5 for details.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.8 Financial instruments (continued)

Financial assets (continued)

(b) Classification (continued)

Solely Payment of Principal and Interest (SPPI) assessment

Financial assets that are assessed for contractual cash flows that are solely payments of principal and interest are measured at amortised cost.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Fund considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

(c) Subsequent measurement and gains and losses

i. Financial assets at FVTPL

These assets include equity investments that are subsequently measured at fair value through profit and loss. Net gains and losses, including any interest or dividend income, are recognised in statement of changes in net assets available for benefits. Movement in fair value of equity investments are recognised as gain/(loss) and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at prior year end or cost (if the investment was acquired during the period).

ii. Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of changes in net assets available for benefits. Any gain or loss on derecognition is recognised in statement of changes in net assets available for benefits.

(d) Impairment

The Fund recognises loss allowances for expected credit loss (ECLs) on financial assets measured at amortised cost and loan commitments issued. The Fund measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12 month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities, loans and advances, term deposits and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for other receivables are always measured using an internally generated provisioning methodology.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward looking information. (Refer note 3.1(b)).

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.8 Financial instruments (continued)

Financial assets (continued)

(d) Impairment (continued)

The Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Fund considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Fund considers this to be BBB- or higher per rating agency Standard & Poors.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12 month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows; and
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Fund if the commitment is drawn down and the cash flows that the Fund expects to receive. The date the operation becomes a party to the irrecoverable loan commitment that is to be the date of initial recognition for the purposes of applying the impairment requirements.

ECLs consider the effective interest rate of the financial asset. In practical terms the Fund applies Standard & Poors ratings to certain financial assets to determine the ECLs attributable to those financial assets, as detailed in note 3.1(b).

Credit-impaired financial assets

At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 30 days past due;
- the restructuring of a loan or advance by the Fund on terms that the Fund would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of net assets available for benefits

Loss allowances for ECL are presented in the statement of net assets available for benefits as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Fund cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Fund presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.8 Financial instruments (continued)

Financial assets (continued)

(e) Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Fund determines that the party does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Fund's procedures for recovery of amounts due.

(f) Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Fund enters into transactions whereby it transfers assets recognised in its statement of net assets available for benefits, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

(g) Modifications of financial assets

If the terms of a financial asset are modified, the Fund evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Fund recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in statement of changes in net assets available for benefits. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

If the terms of a financial asset were modified because of financial difficulties of the borrower and the asset was not derecognised, then impairment of the asset was measured using the pre-modification interest rate.

Financial liabilities

(a) Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of changes in net assets available for benefits. Any gain or loss on derecognition is also recognised in statement of changes in net assets available for benefits.

(b) Derecognition

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Fund also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of changes in net assets available for benefits.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of net assets available for benefits when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.9 Other receivables

Receivables are carried at amortised cost less provision for impairment on the basis set out in note 2.8. Receivables measured at amortised cost approximates fair value.

2.10 Cash and cash equivalents

Cash on hand, short-term investments of three months or less, call deposits, and cash balances are all considered cash and cash equivalents. Cash and cash equivalents are categorised as amortised cost under financial assets.

2.11 Leases

At inception of a contract, the Fund assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Fund allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

i. As a lessee

The Fund recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset categorized under Investment Property is not depreciated and forms part of investment property.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Fund and the Fund's incremental borrowing rate. Generally, the Fund uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- the exercise price under a purchase option that the Fund is reasonably certain to exercise, lease payments in an optional renewal period if the Fund is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Fund is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Fund's estimate of the amount expected to be payable under a residual value guarantee, or if the Fund changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of changes in net assets available for benefits if the carrying amount of the right-of-use asset has been reduced to zero.

The Fund presents right-of-use assets (other than for investment properties) and lease liabilities as separate line items in the statement of net assets available for benefits.

Short-term leases and leases of low-value assets

The Fund has elected not to recognise right-of-use assets and lease liabilities for short-term leases of space that have a lease term of 12 months or less and leases of low-value assets. The Fund recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.11 Leases (continued)

ii. As a lessor

When the Fund acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Fund makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Fund considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, the Fund applies IFRS 15 to allocate the consideration in the contract. The Fund recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

2.12 Employee entitlements

(a) Wages and salaries and sick leave

Liabilities for wages and salaries and incentives expected to be settled within 12 months of the reporting date are recognised in employee entitlements liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Payments for non-accumulating sick leave and other leave arrangements are recognised when the leave is taken and measured at the rates paid.

(b) Termination benefits

The Fund recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a formal plan without the possibility of withdrawal; or providing termination benefits as a result for an offer made for redundancy. Benefits falling due more than 12 months after the balance date are disclosed at their present value.

(c) Annual leave, long service leave and, gratuity benefits

Gratuity is paid in respect of services provided up to the reporting date by employees and on retirement and/or on completion of their contractual term. The liability for annual leave, long service leave and gratuity benefits is recognised in employee entitlements measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(d) Bonus incentive

The Fund pays bonuses to employees based on performance of the Fund and achievement of individual objectives by the employees. The Fund recognises a provision where contractually obliged or where there is a past practice, subject to performance evaluation.

2.13 Other payables and accruals

Other payables and accruals are measured at amortised cost.

2.14 Income tax

The Fund is exempt from income tax under Part 6 (2) of the Income Tax Act 2015. Hence, income tax is not separately accounted for in the Fund's financial statements.

2.15 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

2 Summary of material accounting policies (continued)

2.16 Liability for accrued benefits

The liability for accrued benefits is the Fund's present obligation to pay benefits to members and beneficiaries. It has been calculated as each Fund's net assets as stated on the statement of net assets available for benefits less the investment reserve account, if any.

For members of the FNPF this represents the amount standing to the balance in member accounts as at reporting date, plus solvency as set out in the Act of 10%.

For the Retirement Income Fund (RIF), this represents the actuarial value of future annuity payments plus amounts required to meet solvency by the regulator, as determined by the Fund Actuary.

For the Special Death Benefit Fund (SDBF) this represents the reserve for claims incurred but not yet reported plus amounts required in meeting the solvency requirements by the regulator, as determined by the Fund Actuary.

2.17 Contributions

Contributions from employers and members are recorded when control of the asset is ascertained which is upon receipt of the contribution schedule forms from the employers, the registration of the forms by the Fund and generation of invoice to employers. The Fund does not accrue for contributions for which no contribution schedule forms are received or received but not registered as it is not able to reliably estimate the contributions balance. Under the FNPF Act, the amount of contributions for an employee for a month is the amount equal to 18% of the total wages payable to the employee by the employer for the month. The contribution shall be paid as an 8% deduction from the total wages of the employee and a 10% contribution by the employer. The legislation allows for additional contributions to be made.

The contributions shown in the statements of changes in member benefits represents total contributions received/receivable from employers and members.

2.18 Income recognition

Income is recognised as follows:

Income	Nature, timing and significant payment terms
Dividend income	Dividend income from investments is recognized when the right to receive payment is established.
Interest income	Interest income is earned from investments such as government securities, other fixed securities, loans and advances and term deposits. Interest income is recognised using the effective interest rate method.
Property rentals	Property rental income from operating leases is recognised on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.
Fees	Fees comprise documentation, investment application, loan confirmation, commitment and computer service fees. Income from fees and commissions is recognised when related services have been provided.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

Summary of material accounting policies (continued)

2.19 Reserves

Reserves comprises both the legislative solvency reserve equivalent to 10% of the total benefits accrued to members of the Fund as required under the FNPF Act 2011 and an investment reserve held in order to maintain a high level of confidence that the legislative solvency requirement will be met at all times.

2.20 Subsidiaries and associates

Subsidiaries - Subsidiaries are entities controlled by the Fund. The Fund controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Associates - Associates are those entities in which the Fund has significant influence, but not control, over the financial and operating policies.

As an investment entity, the Fund's investment in subsidiaries and associates are accounted for at fair value through profit or loss in accordance with IFRS 9.

3 Financial risk management

3.1 Financial risk factors

The Fund's objective is to take a strategic and consistent approach to managing risks across the Fund through risk management and associated activities that assist in the safeguarding of the Fund's assets and seeks to avoid potential adverse effects on the Fund's financial performance.

The Board Members and Board Audit Risk Committee are responsible for the risk management, monitoring and reporting functions. Tare supported by:

- FNPF's Board Investment Committee;
- FNPF's Corporate Governance and Enterprise Risk Department; and
- FNPF's Internal Audit Department.

Risk management is carried out by executive management under policies approved by the Board Members. FNPF caters for the retirement funding of its members and invests to cater for this. The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, fair value risk, interest rate risk and price risk), credit risk and liquidity risk.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Foreign exchange risk

The Fund has investments in foreign currencies and procures certain services from abroad and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Australian dollar, New Zealand dollar, and Papua New Guinean kina (PGK). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

The Fund's Treasury departments manage foreign exchange risk against the functional currency, in this case the Fiji dollar. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency other than the Fiji Dollar. For significant settlements, the Fund is required to seek quotations from recognised banks and use the most favourable exchange rate for purposes of the settlement.

The Fund's total exposure to fluctuations in foreign currency exchange rates at the balance sheet date were as follows (amounts denominated in FJD'000):

	2025 \$000	2024 \$000
Assets		
<i>Cash and cash equivalents</i>		
AUD	6,151	7,740
NZD	281	279
USD	62,993	72,760
<i>Foreign equities</i>		
AUD	295,790	249,328
USD	204,202	156,915
PGK	627,270	452,207
<i>Commercial lending</i>		
USD	124,357	122,331

The Board maintains foreign investment exposures reflective of the Fiji dollar weighted basket of currencies as a natural hedge against relative movements in foreign exchange rates.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

Sensitivity analysis

As at 30 June 2025, the Fund's Investment Department considered a 10% movement in the Fiji Dollar to be a reasonably possible change in exchange rates, based on historical data over the past five years and consultation with the investment consultant. This sensitivity analysis assumes all other variables, particularly interest rates, remain constant.

A 10% strengthening/weakening of the FJD against the AUD, USD, PGK and NZD at 30 June 2025 would have impacted the statement of changes in net assets available for benefits and the statement of net assets available for benefits by the amounts shown below:

	Impact on changes in net assets		
	Carrying amount	-10%	+10%
	\$000's	\$000's	\$000's
	(FJD)	(FJD)	(FJD)
Assets			
30 June 2025			
USD	391,552	43,506	(35,596)
AUD	301,941	33,549	(27,449)
PGK	627,270	69,697	(57,025)
NZD	281	31	(26)
		146,783	(120,096)
30 June 2024			
USD	352,006	39,112	(32,001)
AUD	257,068	28,563	(23,370)
PGK	452,207	50,245	(41,110)
NZD	279	31	(25)
		117,951	(96,506)

(ii) Price risk

The Fund is significantly exposed to equity securities price risk because of investments held by the Fund classified in the Statement of net assets available for benefits at fair value through profit or loss. The Fund is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Fund and the restrictions by Reserve Bank of Fiji ("RBF") over offshore investments. The Fund's investments in equity securities are largely those which are publicly traded on the South Pacific Stock Exchange (for local investments), Port Moresby Stock Exchange and Australian Stock Exchange (for offshore investments). The table on the following page summarises the sensitivity of changes in the prices of the two exchanges above on the Fund's statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Price risk (continued)

Sensitivity analysis

A 10% change in equity investment prices, whether an increase or decrease, would have an equal but opposite impact on the financial results.

Index	Carrying amount		Impact on changes in net assets	
	2025	2024	2025	2024
	\$000	\$000	\$000	\$000
South Pacific Stock Exchange	246,785	240,307	24,679	24,031
Australian Securities Exchange	179,849	140,818	17,985	14,082
Papua New Guinea Stock Exchange	627,270	452,207	62,727	45,221
			<u>105,391</u>	<u>83,334</u>

(iii) Cash flow interest rate risk

The Fund has significant interest-bearing assets in the form of short and long-term cash deposits, government securities, fixed interest securities, and loans and advances. These are at fixed interest rates and hence there are no cash flow interest rate risks arising from fluctuations in market interest rates during the period of investment or loan. Consequently, there is limited cash flow interest rate risk. Risks arising from variable rate instruments are considered not to be material.

For re-investment of short and long term cash deposits, the Fund negotiates an appropriate interest rate with the banks and invests with the bank which offers the highest interest return. For fixed interest securities, the prices and terms are usually set by the issuer and the terms are determined and agreed at the start. Terms for loans and advances are set by the Fund and agreed at its commencement.

The assumed average long run market rate of reinvestment of RIF asset cash flows over the term of current annuities is 3.85% at 30 June 2025 (2024: 3.75%). The calculated proportion of RIF asset cash flows was 70.5% (2024:71.8%) under this assumption and assumptions stated in note 26(b). This means that 70.5% (2024:71.8%) of each RIF asset cash flow, together with interest at the assumed reinvestment rate, is calculated to be just sufficient to meet the projected in-force annuity payments and expenses as they fall due.

Given the fixed nature of interest rates described above, the cash flow interest rate risk is considered minimal.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Fund. The Fund has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Fund's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by management on a regular basis.

Impairment losses recognised/(reversed) on financial assets at amortised cost recognised in the statement of changes in net assets were as follows:

	2025	2024
	\$000	\$000
Cash and cash equivalents	311	(126)
Investment income receivable	234	(51)
Other receivables	1,202	(83)
Term deposits	(19)	146
Government securities	106	(5)
Other fixed interest securities	39	(19)
Loan and advances	(49,451)	(32,336)
Undrawn loan commitments	319	146
	<u>(47,259)</u>	<u>(32,328)</u>

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL)

These balances largely represent reversal of impairment on loans and advances and are reflected in the statement of changes in net assets available for benefits.

Inputs, assumptions and techniques used for estimating impairment.

Refer to accounting policy in Note 2.8(d).

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and expert credit assessment and including forward-looking information.

The Fund considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

- Qualitative Criteria - if the instrument meets one or more of the following criteria:
 - Significant adverse changes in business, financial and/or economic conditions in which the borrower operates;
 - Actual or expected forbearance or restructuring;
 - Actual or expected significant adverse change in operating results of the borrower;
 - Significant change in collateral value (secured facilities only); and
 - Early signs of cash flow/liquidity problems such as delay in servicing of trade creditors/loans.
- Quantitative criteria - applies to performing loans risk graded at CCC credit rating system which are 'watch list' categories. By definition, these loans have experienced a SICR event since inception hence need to be classified as Stage 2, with lifetime PDs applicable. These criteria apply regardless of whether loans in this risk grade are in arrears or not i.e. the 30 day backstop clause does not apply.

Generating the term structure of Probability of Default (PD)

The Fund collects performance and default information about its credit risk exposures and analyses by type of borrower to determine the term structure of PD for exposures. The Fund uses the rating tools developed by Standard & Poors (S&P) to generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time. The PD rates used are the S&P rates based on sovereign risk ratings attaching to or appropriate to the counterparty or the S&P rates applying directly to the risk rating of the counterparty and/or adjusted for industry / market risks. These S&P rates are applied to commercial paper and treasury bills, other debt securities, term deposit, cash and cash equivalents, interest receivable and loans and advances. Those loans guaranteed by Government adopt the sovereign ratings of Government.

For "other receivables" and certain loans the Fund individually assesses the expected credit losses.

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions and other factors not related to a current or potential credit deterioration of the borrower. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value.

The Fund renegotiates loans to borrowers in financial difficulties (referred to as 'forbearance activities') to maximise collection opportunities and minimise the risk of default. Generally, this forbearance is a qualitative indicator of a significant increase in credit risk.

Further extension of moratorium was granted up to 30 June 2025 for Farleigh Pte Ltd and Dubbo Pte Ltd due to closure of Westin Resort which is undergoing major refurbishment. Interest rates for several loans were reset during the year in line with prevailing market rates, which was in accordance to the contractual agreement. Furthermore, the resetting of rates did not result in any change to the outstanding principal balance.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL) (continued)

Definition of default

The Fund considers financial assets to be in default when:

- the counterparty is unlikely to pay its credit obligations to the Fund in full, without recourse by the Fund to actions such as realising security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Fund.

In assessing whether a borrower is in default, the Fund considers indicators that are:

- qualitative – e.g. breaches of covenant;
- quantitative – e.g. overdue status and non-payment on another obligation of the same issuer to the Fund; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether financial assets are in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

The Fund uses sovereign risk ratings which by their nature incorporate forward-looking information which includes economic data and forecasts published by Reserve Bank of Fiji such as GDP into the determination of both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The Fund also considers the future direction of the respective economies. If necessary, the Fund will develop a further individual assessment adjustment if its analysis suggests the need to do so.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD).

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed using rating tools. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors and the rating tools developed by S&P. If a counterparty or exposure migrates between ratings classes, then this will lead to a change in the estimate of the associated PD. Probability of default for loan and advances range from 1.83% to 49.89% at 30 June 2025 (2024: 1.86% to 50.07%). LGD is the magnitude of the likely loss if there is a default. The Fund estimates LGD parameters based on the parameters determined for different types and natures of financial assets, and using guidance material developed by ratings agencies and other independent parties. LGD for loans and advances range from 10% to 20% at 30 June 2025 (2024: 10% to 20%).

The LGD rates reflect the structure, collateral, seniority of the claim and recovery costs of any collateral that is integral to recovery or settlement of the financial assets as well as the finance cost of settlement delays.

EAD represents the expected exposure in the event of a default. The Fund derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract. The EAD is generally the gross carrying amount of the financial asset. For expected credit losses, similar considerations are applied to both drawn and undrawn committed exposures.

Collateral management

Collateral is used to mitigate credit risk, as the secondary source of repayment in case the counterparty cannot meet its contractual repayment obligations. The details on collateral are in note 30(b)(iv).

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL) (continued)

Maximum exposure to credit risk

For financial assets recognised on statement of net assets available for benefits, the maximum exposure to credit risk is the carrying amount. For contingent exposures, the maximum exposure to credit risk is the maximum amount the Fund would have to pay if the instrument is called upon. For undrawn facilities, the maximum exposure to credit risk is the full amount of the committed facilities. The Fund uses a two-dimensional risk grading system, which measures both the customer's ability to repay (probability of default (PD)) and the loss in the event of default (LGD) (a factor of the security taken to support the lending). It also uses financial and statistical tools to assist in the risk grading of individual financial assets. These risk grades are actively and periodically reviewed and monitored to ensure the risk grade of the customer is accurately reflected at all times. The carrying amounts of financial assets represent the maximum credit exposure.

Concentration of credit exposure

The Fund's significant end-of-year concentrations of credit exposure (before impairment) by financial asset type were as follows:

	2025		2024	
	\$000	%	\$000	%
Cash and cash equivalents (excluding restricted cash)	764,558	10	599,127	9
Investment income receivable	185,182	3	160,272	2
Term deposits	227,000	3	246,500	4
Government securities	4,644,747	62	4,280,698	64
Other fixed interest securities	44,469	1	5,000	-
Loans and advances – quasi-government loans	37,483	1	40,849	1
Loans and advances – commercial loans	1,394,404	19	1,279,891	19
Other receivables	70,455	1	45,288	1
	7,368,928	100	6,657,625	100

The following table presents the Fund's financial assets held with counterparties based on S&P's credit ratings. AAA is the highest quality rating possible and indicates the counterparty has a strong capacity to pay interest and principal. N/R indicates that the counterparty has not been rated based on S&P ratings.

Concentration by credit rating	2025	2024
	%	%
A- to A+	11	11
BBB- to BBB+	4	4
BB- to BB+	0	0
B- to B+	77	77
CC to CCC+	4	4
N/R	4	4
	100	100

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL) (continued)

Concentration of credit exposure (continued)

Credit risk concentration in loans and advances (before impairment) disclosed in note 13 are as follows:

	2025		2024	
	\$000	%	\$000	%
Agriculture	37,483	3	40,849	3
Telecommunications	200,913	14	207,218	16
Real estate development	24,386	2	25,898	2
Transport and storage	350,719	24	218,152	17
Wholesale and retail	28,120	2	55,178	4
Other (Hotels & Restaurants)	790,266	55	773,445	58
Total	1,431,887	100	1,320,740	100

Sensitivity analysis

The modelled ECL is sensitive to the length of time between a downturn and a recovery, and the period of time recovery action takes to complete, as it influences both the probability of default, and the value of collateral that may be utilised. A +/-5% change in PD and +/-50% change in LGD at 30 June 2025 and 2024 would have increased/ (decreased) the net change in net assets and net assets by the amounts shown below:

		Increase \$000	Decrease \$000
2025			
Loans and advances	PD +/- 5%	327	(327)
Loans and advances	LGD +/-50%	3,270	(3,270)
2024			
Loans and advances	PD +/- 5%	330	(330)
Loans and advances	LGD +/-50%	3,301	(3,301)

Loans and advances

The Fund has used the S&P rates based on sovereign risk ratings appropriate to the counter party. Those loans not individually assessed for expected credit losses have PD rates assigned using S&P rates appropriate to the rating of the organisation, or a proxy for that rating if that organisation is not specifically rated. The inputs used have been disclosed in "measurement of ECL" section above and the consideration for staging is disclosed in note 2.8(d).

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL) (continued)

Maximum exposure to credit risk

The following table contains an analysis of the credit risk exposure of loans and advances for which an ECL allowance is recognized. The gross carrying amount of loans and advances below also represents the Fund's maximum exposure to credit risk on these assets.

	12-month ECL Stage 1 \$000	Lifetime ECL not credit- impaired Stage 2 \$000	Lifetime ECL credit- impaired Stage 3 \$000	Total \$000
2025				
Credit grade				
Standard	1,177,014	37,482	-	1,214,496
Special mention	-	14,486	-	14,486
Doubtful	-	-	202,905	202,905
Gross carrying amount	1,177,014	51,968	202,905	1,431,887
Loss allowance	(3,854)	(2,950)	(40,598)	(47,402)
Carrying amount	1,173,160	49,018	162,307	1,384,485
2024				
Credit grade				
Standard	1,062,008	40,849	-	1,102,857
Special mention	-	14,978	-	14,978
Doubtful	-	-	202,905	202,905
Gross carrying amount	1,062,008	55,827	202,905	1,320,740
Loss allowance	(3,461)	(2,950)	(90,441)	(96,852)
Carrying amount	1,058,547	52,877	112,464	1,223,888

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL) (continued)

Maximum exposure to credit risk (continued)

The following tables show reconciliations from the opening to the closing balance of the loss allowance for loans and advances for the Fund.

	12-month ECL Stage 1 \$000	Lifetime ECL not credit- impaired Stage 2 \$000	Lifetime ECL credit- impaired Stage 3 \$000	Total \$000
Loss allowance at 1 July 2023	3,815	2,950	122,423	129,188
Loss allowance reversed	-	-	(31,982)	(31,982)
Transfer from stage 2 to stage 1	-	-	-	-
New loans originated	-	-	-	-
Loans that have been derecognized	(354)	-	-	(354)
Changes in PDs/LGDs/EADs	-	-	-	-
Changes to model assumptions and methodologies	-	-	-	-
Loss allowance at 30 June 2024	3,461	2,950	90,441	96,852
Loss allowance reversed	-	-	(49,843)	(49,843)
Transfer from stage 2 to stage 1	-	-	-	-
New loans originated	393	-	-	393
Loans that have been derecognized	-	-	-	-
Changes in PDs/LGDs/EADs	-	-	-	-
Changes to model assumptions and methodologies	-	-	-	-
Loss allowance at 30 June 2025	3,854	2,950	40,598	47,402

	12-month ECL Stage 1 \$000	Lifetime ECL not credit- impaired Stage 2 \$000	Lifetime ECL credit- impaired Stage 3 \$000	Total \$000
Gross carrying amounts at 1 July 2023	1,046,093	39,813	218,525	1,304,431
New loans originated	176,684	-	-	176,684
Loans derecognised during the period other than write-offs	(159,540)	(835)	-	(160,375)
Transfers	(1,229)	16,849	(15,620)	-
Gross carrying amounts at 30 June 2024	1,062,008	55,827	202,905	1,320,740
New loans originated	204,010	-	-	204,010
Loans derecognised during the period other than write-offs	(92,200)	(663)	-	(92,863)
Transfers	3,196	(3,196)	-	-
Gross carrying amounts at 30 June 2025	1,177,014	51,968	202,905	1,431,887

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Amounts arising from Expected Credit Loss (ECL) (continued)

Cash and cash equivalents and Term deposits

The Fund held cash and cash equivalents of \$764,558,000 and term deposits of \$227,00,000 at 30 June 2025 (2024: \$599,127,000 and \$246,500,000). The cash and cash equivalents and term deposits are held with banks, which are rated A- to B-, based on Standard and Poor's (S&P) ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Fund considers that substantial portion of its cash and cash equivalents and term deposits have low credit risk based on the external credit ratings of the counterparties. The Fund uses a similar approach for assessment of ECLs for cash and cash equivalents and term deposits to those used for debt securities.

Debt investment securities

Debt investment securities includes government bonds and other fixed interest securities.

The Fund held debt investment securities of \$4,689,216,000 at 30 June 2025 (2024: \$4,285,698,000). The debt investment securities are held with banks, credit institutions and the Fiji Government. Debt investment securities held with banks and the Fiji Government are rated B to B+, based on S&P ratings.

Impairment on debt investment securities held with banks and credit institutions has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Fund considers that substantial portion of its debt investment securities held with banks and credit institutions have low credit risk based on the external credit ratings of the counterparties (in relation to banks) and available press and regulatory information (in relation to credit institutions).

Impairment on debt investment securities held with the Fiji Government has been measured on the 12-month expected loss basis. Sovereign rating of B to B- based on Standard and Poors (S&P) ratings has been adopted for government securities and those advances guaranteed by Government.

The Fund is exposed to credit risk which is the risk that a counter party will be unable to pay amounts in full when due. The Fund's maximum credit risk, excluding the value of collateral, is generally reflected in the carrying value of financial assets. The impact of possible netting of assets and liabilities to reduce potential credit exposure is not significant. Allowances are provided for expected credit losses.

Credit risk on financial assets is minimized where applicable by dealing with recognised monetary institutions. Selection of a counterparty is made based on their respective credit ratings. Investment decisions are based on credit ratings of the particular issuer and counterparty limits, as well as liquidity and expected returns.

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter exertion in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The financial liabilities of the Fund at 30 June 2025 comprise of net assets attributable to members. As at 30 June 2025, the financial liabilities were worth \$9,597,098,000 (2024: \$8,435,589,000) and the financial assets were valued at \$11,429,170,000 (2024: \$10,084,247,000). Upon matching the financial assets to liabilities, there is a residual net positive position of \$1,832,070,000 (2024: 1,648,658,000). The Asset and Liability matching is an economic indicator of managing short and long-term liquidity risks. Net positive asset and liability funding gap signifies effective management of the Fund over a long-term retrospectively.

In terms of offshore investments, the Fund is limited by Reserve Bank of Fiji's (RBF) exchange regulations. RBF Exchange Control approves all outward funds transfers required for offshore investments. Due to an almost non-existent secondary market, most of the Fund's local investments in capital and money market do not have the opportunities of secondary trading. Fiji Government and quasi-government securities are among these investments, which are held to maturity with limited chance for the Fund to sell or exchange them.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

Moreover, commercial loans and property investments are also part of the Fund's portfolio. Within the local markets, these assets have limited liquidity and large sell downs of positions may not be possible. In addition, these investments have different investment maturity spans, which may not meet the timing of the member withdrawals. Therefore, an active asset and liability management model is used to secure Fund's long-term asset and liability positions.

The Fund's Treasury department manages the above liquidity risk through:

- monthly reporting on the position of these investments to the Board and Board Investment Committee ("BIC");
- an established prudent asset allocation strategy which has been approved by the Board; and
- monitoring of maturities of investments and investment outflows including the forecasting of the availability of funds.

The Fund's liquidity risk is managed on a daily basis in accordance with the Fund's Treasury policy and Investment policy statements. Stress testing and scenario analysis are done on a regular basis. Generally, the Fund ensures availability of sufficient liquidity to meet its liability on maturity under normal and stressed conditions. The liquidity risk is managed actively to avoid any damage to the reputation of the Fund.

The tables below show the Fund's financial liabilities and assets for the year ended 30 June 2025 and 2024. Except for lease liabilities, all other Fund's financial liabilities and gross assets are based on their contractual maturities using undiscounted cash flows.

	On demand \$000	Less than or equal to 3 months \$000	3 – 12 months \$000	1 to 5 years \$000	Greater than 5 years \$000	Total \$000
Financial liabilities						
2025						
Member balance-Fund	1,104,954	99,761	225,831	1,275,301	6,549,082	9,254,929
Allocated to members – Retirement income Fund	-	6,368	19,103	82,639	164,911	273,021
Allocated to members – SDBF	-	244	734	791	507	2,276
Total member liabilities	1,104,954	106,373	245,668	1,358,731	6,714,500	9,530,226
Other payables and accruals	7,729	7,418	10,168	-	-	25,315
Lease liabilities	-	-	624	3,119	37,814	41,557
Total financial liabilities	1,112,683	113,791	256,460	1,361,850	6,752,314	9,597,098
2024						
Member balance-Fund	857,818	69,630	220,574	1,133,600	5,814,026	8,095,648
Allocated to members – Retirement income Fund	-	6,868	20,603	98,628	146,422	272,521
Allocated to members – SDBF	-	234	701	774	518	2,226
Total member liabilities	857,818	76,732	241,878	1,233,002	5,960,966	8,370,395
Other payables and accruals	6,509	7,818	11,337	-	-	25,664
Lease liabilities	-	-	739	3,183	35,607	39,529
Total financial liabilities	864,327	84,550	253,954	1,236,185	5,996,573	8,435,588

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

3. Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

	On demand \$000	Less than or equal to 3 months \$000	3 – 12 months \$000	1 to 5 years \$000	Greater than 5 years \$000	Total \$000
Financial Assets						
2025						
Cash and cash equivalents	764,558	-	-	-	-	764,558
Term deposits	-	92,500	129,500	5,000	-	227,000
Government securities	-	42,170	177,563	1,126,218	3,298,796	4,644,747
Other fixed interest securities	-	-	16,500	27,969	-	44,469
Equity investments	1,359,822	-	-	-	2,700,875	4,060,697
Loans and advances	-	17,427	57,688	498,612	858,160	1,431,887
Investment income receivable	-	185,812	-	-	-	185,812
Total financial assets	2,124,380	337,909	381,251	1,657,799	6,857,831	11,359,170
2024						
Cash and cash equivalents	599,127	-	-	-	-	599,127
Term deposits	-	63,000	183,500	-	-	246,500
Government securities	-	59,500	29,400	1,119,296	3,072,502	4,280,698
Other fixed interest securities	-	-	3,000	2,000	-	5,000
Equity investments	1,042,882	-	-	-	2,429,028	3,471,910
Loans and advances	-	16,977	52,204	428,962	822,597	1,320,740
Investment income receivable	-	160,272	-	-	-	160,272
Total financial assets	1,642,009	299,749	268,104	1,550,258	6,324,127	10,084,247

3.2 Capital risk management

The capital of the Fund is represented by the net assets available to pay benefits to its members. The amount of net assets available to pay benefits to its members can change significantly as the Fund receives contributions and pays benefits to members on a daily basis. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns and benefits to its members and to maintain a strong capital base to support the development of the investment activities of the Fund.

In order to maintain or adjust the capital structure, the Fund's policy is to monitor the level of monthly contributions income and benefits payable relative to the assets it expects to be able to liquidate and adjust the amount for investments and interest credited to the members account at the end of each reporting period. The Board members and executive management monitor capital on the basis of the value of net assets available to pay benefits.

4. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

4. Critical accounting estimates and judgments (continued)

(a) Actuarial present value of accrued benefits

The Fund determines the actuarial present value of the accrued benefits in its Retirement Income Fund ("RIF") using economic and demographic assumptions and taking into account likely future macroeconomic conditions and the recent experience of the Fund (if applicable). The demographic assumptions are applied to project benefit payments up to the date of the cessation of the last annuity.

Asset cash flows are also projected and the rate of future (re)investment return on the projected net cash flows of the RIF (projected asset cash flows less projected benefit payments less projected expenses) is assumed to be 3.85% per annum (2024: 3.75%). The methodology requires the proportion of projected asset cash flows, which together with assumed reinvestment returns, is just sufficient to meet the projected annuity payments and expenses as they fall due. The implied discount rate after the allowance for expenses is 4.4% pa (2024: 4.2%). The solvency reserve for RIF is determined after taking into account the projected liability cashflows of the in-force annuity business and the projected asset cashflows at the valuation date, including under reasonably foreseeable adverse circumstances. Further details of the assumptions used are in note 26(b).

For the valuation at 30 June 2025, the determination was carried out by Mr. Peter Martin, Fellow of the Institute of Actuaries of Australia, in accordance with the International Standard of Actuarial Practice #2 issued by the International Association of Actuaries.

Determination of the SDBF reserve for claims incurred but not reported was also carried out by Mr. Martin, applying the chain ladder method to reported run-off data. The solvency reserve for the SDBF is represented by both the provision for mortality fluctuations and catastrophe reserve. Further information about the determination of SDBF reserves is in note 26(c).

(b) Equity investments

Equity investments are carried at fair value at balance date based on market information and/or the best estimates of fair value as determined by independent and knowledgeable valuers. Whilst there may be some uncertainties around the forward looking assumptions, there are steps and processes undertaken to ensure that these assumptions are sense checked to provide a comfort of reasonableness. Further details are in note 5 and 14.

(c) Investment properties

Investment properties are carried at fair value at balance date based on the best estimates of fair value determined by independent and knowledgeable valuers. The property valuations also bring with them an increased level of uncertainty, which increases the risk of values in future periods or on realisation being materially different to the values at which they are recorded.

The discount and yield rates adopted by the valuers are reflective of Fiji's market conditions including factors inherent to each property such as the security of income, type of property (age and condition), and its location. Therefore, discount rates ranging from 7% to 12.0% (2024: 5.5% to 9%) were used to adjust the assumptions which were used to measure the fair value of investment properties. Further details are in notes 5 and 14.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

4. Critical accounting estimates and judgments (continued)

(d) Expected credit losses

The Fund's holdings in financial assets carried at amortised cost, including loans and advances, cash, term deposits, receivables, government securities and other fixed interest securities, are subject to consideration of expected credit losses that may result from delays in settlement or non-collection of the asset. The expected credit losses have been determined based on best estimates of probability of default and loss given default. The Fund has used its judgments based on the specific facts and circumstances including the recovery forecasts of different industries, the improvement in sovereign credit rating, positive forecasts of Gross Domestic Product and global growth forecasts to determine the various possible future scenarios which forms the basis of assumptions in estimation of ECL.

Financial impact from the expected credit losses at balance date are included in notes 3.1(b) and 10, 11, 12,13, 16, 19 and 20.

5. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

The Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Fund determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transactions price. Subsequently, that difference is recognised in the statement of changes in net assets available for benefits on an appropriate basis over the life of the instrument but not later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 fair value measurement are those instruments valued based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those instruments valued based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 fair value measurements are those instruments valued based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

5. Fair value estimation (continued)

The following table shows the gross amounts and fair values of certain financial assets and investment properties, including their levels in the fair value hierarchy.

	Carrying amount		Fair value			
	Fair value \$000	Amortised cost \$000	Total \$000	Level 1	Level 2	Total
				\$000	\$000	\$000
Balance as at 30 June 2025						
Equity investments	4,060,697	-	4,060,697	1,313,787	46,035	4,060,697
Government securities*	-	4,644,747	4,644,747	-	-	-
Other fixed interest securities**	-	44,469	44,469	-	-	44,469
Investment properties	676,721	-	676,721	-	-	676,721
Loans and advances***	-	1,431,887	1,431,887	-	-	1,431,887
Balance as at 30 June 2024						
Equity investments	3,471,910	-	3,471,910	1,042,882	42,178	3,471,910
Government securities*	-	4,280,698	4,280,698	-	-	-
Other fixed interest securities**	-	5,000	5,000	-	-	5,000
Investment properties	602,411	-	602,411	-	-	602,411
Loans and advances***	-	1,320,740	1,320,740	-	-	1,320,740

*In accordance with IAS 26, retirement benefit plans investments shall be carried at fair value. Given the magnitude of government securities held by the Fund and the absence of a secondary market to trade such a magnitude of instruments in Fiji, management have assessed that it is impractical to determine a fair value using conventional valuation techniques such as market yields applied to standard pricing models. Due to this uncertainty, management have considered that the most appropriate method of measuring these government securities is the amortised cost method.

Notwithstanding the above, if the conventional assumptions and techniques had been applied using market yields, an increase in the value of these government securities compared to the current carrying value reflected in the statement of net assets available for benefits of \$4,644,747,000 would be an additional \$647,307,000 to \$689,014,000 depending on whether callable options are exercised or not respectively. If all callable options were exercised, the carrying value would increase by \$647,307,000, whilst if no options were exercised, the carrying value would increase by \$689,014,000. This uncertainty has resulted in the fair value being categorized as a level 3 valuation technique.

The fair value of the Government securities applying these conventional valuation techniques has been determined using the following:

- discounted cash flow (DCF) method whereby cashflows received from the bond (coupon interest and par value) are discounted at market yields and thereafter, the present value of related cash flows is summed up to derive the fair value of the bond; and
- the market yields were obtained from the Government bond yield curve published by the Reserve Bank of Fiji on their website, with yields ranging from 0.05% to 6.99% depending on the remaining term of the Government securities.

**For other fixed interest securities, amortised cost less impairment is considered an approximation of fair value.

*** For Loans and advances, amortised cost less impairment is considered an approximation of fair value given the majority of such loans and advances are charged at interest rates that approximate market rates.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

5. Fair value estimation (continued)

The following show reconciliations from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

	2025 \$000	2024 \$000
Equity investments		
Balance at the beginning of the year	2,386,850	2,089,757
Unrealised gains included in statement of changes in net assets available for benefits	229,970	215,981
New investments	84,055	81,112
Balance at the end of the year	2,700,875	2,386,850
Other fixed interest securities		
Balance at the beginning of the year	5,000	23,000
Maturities	(3,000)	(18,000)
New investment	42,469	-
Balance at the end of the year	44,469	5,000
Investment properties		
Balance at the beginning of the year	602,411	465,468
Unrealised gains included in statement of changes in net assets available for benefits	45,635	29,052
New acquisition	25,641	107,799
Work in progress	2,351	1,177
Transfer	41	(1,790)
Right-of-use assets	642	705
Balance at the end of the year	676,721	602,411
Loans and advances		
Balance at the beginning of the year	1,320,740	1,304,431
Loan repayments	(9,926)	(87,639)
New loans	121,073	103,948
Balance at the end of the year	1,431,887	1,320,740

Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used by the Fund in level 2 and 3 fair value measurements.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Loans and advances	The fair value was determined using a credit rating and tenor-specific spread applied to the Fiji Government bond yield curve, and benchmarked against yields of comparable international bonds.		
Other fixed interest securities	The fair value was determined using conventional valuation technique consistent with those applied to government securities, as described on the previous page		
Investment in other equity investments	The valuation techniques, significant unobservable inputs and inter-relationships are set out in note 14.		
Investment properties	The valuation techniques, significant unobservable inputs and inter-relationships are set out in note 15.		

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

5. Fair value estimation (continued)

Sensitivity analysis

For the fair values of investment in other equity investments and investment properties, a reasonable possible change of 5% and 0.5% at the reporting date to one of the significant unobservable inputs, holding other inputs constant would have the following effects on fair value of other equity investments and investment properties, respectively:

	Increase	Decrease
Other equity investments		
Discount rate/ WACC (+/-5%)	(31,577)	217,211
Earnings multiple (+/-5%)	(3,256)	35,125
Capitalisation rate (+/-5%)	(41,490)	52,742
Investment properties		
Capitalisation rates (+/- 0.5%)	(14,055)	16,248
Rate per acre (+/-5%)	13,374	(13,374)

	Note	2025 \$000	2024 \$000
6. Income			
(a). Interest income			
Fixed interest securities			
- Government securities		278,205	261,700
- Other fixed interest securities		757	832
Loans and advances		67,274	65,283
Term deposits		7,747	5,331
Other interest income		7,638	4,850
		361,621	337,996
(b). Dividend income			
Dividend income from other equities		78,644	57,699
Dividend income from related parties	30(b)	111,708	87,086
		190,352	144,785
7. Change in fair value of equity investments			
(a). Fair value changes - equity investments			
Unrealised gains on investments		409,540	331,062
Realised gains on investments		10,598	898
Net fair value gains		420,138	331,960
(b). Foreign exchange losses			
Unrealised exchange loss		39,124	24,318
Realised exchange loss		8,548	2,772
Net foreign exchange loss		47,672	27,090
8. Surcharge and other income			
Other income includes the following specific items:			
Gain on sale of fixed assets and investment properties		316	340
Surcharge income		464	377
Other income		878	2,948
		1,658	3,665

Fiji National Provident Fund
Notes to and forming part of the financial statements (continued)
For the year ended 30 June 2025

9. General administration expenses	Note	2025	2024
Auditor's remuneration:		\$000	\$000
Audit – KPMG – current period		310	306
– KPMG – prior period		59	-
– PwC – prior period		-	57
Directors fees		119	83
Electricity		445	398
Insurance		1,227	2,291
Repairs and maintenance		187	152
Other operating and general expenses	9(b)	11,529	11,496
		13,876	14,783
9. (a). Personnel expenses			
Salaries and wages		19,522	17,638
Other staff benefits and expenses		2,419	3,202
		21,941	20,840
9. (b). Other operating and general expenses			
Advertising		1,556	1,584
Software maintenance and support		2,981	2,532
Motor vehicle cost		200	212
Communication		972	1,480
Stationery and printing		99	147
Travelling and subsistence		483	590
General and operating expenses		622	677
Small assets		139	69
Computer sundries		236	214
Consultancy		1,684	1,517
Legal cost		174	175
Office cleaning		225	225
Rent		1,852	1,822
Water rates		9	4
Office sundries		53	49
Security expense		244	199
		11,529	11,496
10. Term deposits			
Local banks and financial institutions – local currency		227,000	246,500
Allowance for expected credit loss		(196)	(215)
		226,804	246,285
Maturity represented as:			
Less than or equal to 3 months		92,500	63,000
3 to 12 months		129,500	183,500
1 to 5 years		5,000	-
		227,000	246,500

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

	2025	2024
	\$000	\$000
11. Government securities		
Fiji Government Registered Stock	4,644,747	4,280,698
Allowance for expected credit loss	(1,983)	(1,877)
	4,642,764	4,278,821

Maturity represented as:

Less than or equal to 3 months	42,170	59,500
3 to 12 months	177,563	29,400
1 to 5 years	1,126,218	1,119,296
Greater than 5 years	3,298,796	3,072,502
	4,644,747	4,280,698

Government securities are guaranteed by the Government of Fiji. The above investments are measured at amortised cost as they are held to collect contractual cash flows in line with the fixed investment objectives of the Fund and the fixed price nature of the investments. The amortised cost is deemed to be its fair value as per note 5 to the financial statements.

12. Other fixed interest securities

Fiji bonds	44,469	5,000
Allowance for expected credit loss	(44)	(5)
	44,425	4,995

Maturity represented as:

3 to 12 months	16,500	3,000
1 to 5 years	27,969	2,000
	44,469	5,000

Fiji bonds are guaranteed by the Government of Fiji. The above investments are measured at amortised cost as they are held to collect contractual cash flows in line with the fixed investment objectives of the Fund and the fixed price nature of the investments. The amortised cost is deemed to be its fair value as per note 5 to the financial statements.

13. Loans and advances

Note

Loans and advances (quasi-government)		37,483	40,849
Loans to related parties	30(b)	1,319,821	1,198,746
Customer term loans		74,516	81,075
Staff loans		67	70
		1,431,887	1,320,740
Allowance for expected credit loss		(47,402)	(96,852)
		1,384,485	1,223,888
Maturity represented as:			
Less than or equal to 3 months		17,427	16,977
3 to 12 months		57,688	52,204
1 to 5 years		498,612	428,962
Greater than 5 years		858,160	822,597
		1,431,887	1,320,740

Loans and advances are accounted for at amortised cost which is deemed to be fair value as per note (5) to the financial statements.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

13. Loans and advances (continued)

Loans and advances are accounted for at amortised cost.

The maximum exposure to credit risk at the reporting date, prior to consideration of any collateral or other credit enhancements, is represented by the carrying amount of each class of financial asset disclosed above. Details of collateral held in respect of loans and advances are as follows:

- Quasi-government loans: These are typically secured by either a government guarantee or a debenture over all the borrower's assets. No new quasi-government loans were disbursed during the year.
- Loans to related parties: Security is usually obtained through a first charge over a mortgage; however, other forms of security such as debentures, guarantees, and liens may also be accepted. The loan to Natadola Bay Resort Pte Limited is largely unsecured (refer below for further details). During the year, the Fund approved loans to Dubbo Pte Limited and Digitec Communications Limited.
- Customer term loans: The primary security is a registered first mortgage over property and improvements, or a government guarantee.

A loan is assessed as impaired if the loan is non-performing and the loan balance is greater than the security value.

Repayment holidays previously granted for several hotel loans in response to the COVID-19 pandemic concluded in prior and/or current year, with borrowers resuming both principal and interest repayments. Air Pacific Limited commenced principal repayments effective 1 January 2024, while continuing to service interest payments. Farleigh Limited and Dubbo Limited, however, continued with interest capitalization arrangements.

Further details related to hotel loans are outlined in Note 30(b).

Natadola Bay Resort Pte Limited (NBRL)

As at year end, the carrying amount of the loan provided by the Fund to NBRL was \$297,969,000 (2024: \$303,459,000). Further details are disclosed in Note 30(b). The Fund has recognised an expected credit loss allowance of \$41,167,000 (2024: \$90,583,000) against the loan. The reduction in the allowance reflects an uplift in valuation following post-COVID-19 recovery.

Momi Bay Resort Limited (MBRL)

As at year end, the carrying amount of the loan provided by the Fund to MBRL for the Momi Resort development was \$99,293,000 (2024: \$103,501,000). The loan is secured by the following:

- A first registered debenture over all assets of the company
- A first registered mortgage over development lease LD Ref 60/782-3 and a portion of freehold land described as DP 10698
- Assignment of income
- Assignment of bank accounts held with BSP and HFC

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

13. Loans and advances (continued)

Movements in the allowance for expected credit loss are as follows:

	Loans to related parties \$000	Customer term loans \$000	Staff loans \$000	Total \$000
Collectively assessed allowance				
Balance as at 1 July 2023	-	-	70	70
Balance as at 30 June 2024	-	-	70	70
Additional assessed allowance	-	-	(3)	(3)
Balance as at 30 June 2025	-	-	67	67
Individually assessed allowance				
Balance as at 1 July 2023	125,610	3,508	-	129,118
Additional allowance recognised	733	-	-	733
Additional allowance reversed	(32,622)	(447)	-	(33,069)
Balance as at 30 June 2024	93,721	3,061	-	96,782
Additional allowance reversed	(49,212)	(235)	-	(49,447)
Balance as at 30 June 2025	44,509	2,826	-	47,335
Total allowance for expected credit loss at 30 June 2024	93,721	3,061	70	96,852
Total allowance for expected credit loss at 30 June 2025	44,509	2,826	67	47,402

Total allowance for expected credit loss as at balance date are:

	Note	2025 \$000	2024 \$000
Collectively assessed provisions		67	70
Individually assessed provisions		47,335	96,782
		47,402	96,852

14. Equity investments

Traded equities	14(a)	1,359,822	1,085,060
Other equity investments (including one listed equity)	14(b)	2,700,875	2,386,850
		4,060,697	3,471,910

(a) Traded equities

Level 1 - Local listed equities	246,785	240,307
Level 1 - Foreign equities (i)	1,067,002	802,575
Level 2 - Local unit trust	41,062	37,205
Level 2 - Local unlisted equities	4,973	4,973
	1,359,822	1,085,060

- Level 1 equity investments are measured at fair value through profit or loss, using the bid price as at the reporting date.
- Investments in Unit Trusts are valued using exit prices as at the reporting date.
- Local unlisted equities include investments in Fiji Gas Limited and Yatu Lau Company Limited. These are classified at fair value through profit or loss and are valued using the "Kontiki Price Matching Services Over the Counter facility", reflecting trades between willing buyers and sellers as at the reporting date.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

14. Equity investments (continued)

(b) Other equity investments

Investment in subsidiaries, associates and other equity investments consist of the following:

Name	Principal activities	Place of business	Valuer	% Ownership	2025 Fair value \$000	2024 Fair value \$000
Subsidiaries						
Amalgamated Telecom Holdings Limited (ATH)	Telecommunications	Fiji	FTI Consulting (Australia) Pty Ltd	72.7	946,513	958,877
Home Finance Company Pte Limited (HFC)	Financial services	Fiji	FTI Consulting (Australia) Pty Ltd	75.0	299,505	263,735
Yatule Beach Resort Pte Limited	Resort operations	Fiji	Colliers New Zealand	100.0	13,000	13,113
FNPF Hotel Resorts Pte Limited	Resort operations	Fiji	Colliers New Zealand	100.0	71,798	64,065
FNPF Nominees Limited*	Nominee Services	Fiji	Management Assessment	100.0	-	-
Natadola Bay Resort Pte Limited*	Resort operations	Fiji	Colliers New Zealand	100.0	-	-
Momi Bay Resort Pte Limited	Resort operations	Fiji	Colliers New Zealand	100.0	198,867	147,665
Dareton Pte Limited	Land development	Fiji	Rolle Associates	100.0	9,000	6,800
Health Care (Fiji) Pte Limited (i)	Healthcare	Fiji	Management Assessment	80.0	40,181	40,181
Grand Pacific Hotel Pte Limited	Resort operations	Fiji	Colliers New Zealand	100.0	43,812	24,699
Farleigh Pte Limited (ii)	Resort operations	Fiji	Colliers New Zealand	100.0	171,601	52,848
Associates						
Air Pacific Limited (Fiji Airways)	Aviation	Fiji	FTI Consulting (Australia) Pty Ltd	30.0	193,490	173,248
Tropic Health Incorporated (Fiji) Limited*	Medical	Fiji	Management Assessment	47.0	-	-
Active (Fiji) Co. Limited*	Tourism	Fiji	Management Assessment	23.0	-	-
Future Farms Pte Limited	Poultry	Fiji	FTI Consulting (Australia) Pty Ltd	40.0	35,101	34,283
Higgins Holding (Fiji) Pte Limited (iii)	Construction	Fiji	FTI Consulting (Australia) Pty Ltd	25.0	11,250	-
Fiji Ports Corporation Limited (FPCL)	Wharfage	Fiji	FTI Consulting (Australia) Pty Ltd	39.0	121,589	112,987
Bligh Water Shipping Limited*	Shipping	Fiji	Management Assessment	26.0	-	-
Vodafone (Fiji) Pte Limited (VFL)	Telecommunications	Fiji	FTI Consulting (Australia) Pty Ltd	49.0	484,908	441,426
Other						
ATH International Venture Pte Limited (ATHIV)	Telecommunications	Singapore	FTI Consulting (Australia) Pty Ltd	11.7	60,260	52,923
					2,700,875	2,386,850

*As at reporting date, the fair value for these investments is nil.

The above investments have been measured at fair value in accordance with note 2.8(c)(i).

(i) Health Care (Fiji) Pte Limited

Health Care (Fiji) Pte Limited (HCF) is a subsidiary of the Fiji National Provident Fund and operates as a joint venture with Aspen Medical Pty Limited, an Australian-based healthcare provider. HCF was established as the special purpose vehicle to manage the concession agreement with the Fiji Government under the Public Private Partnership arrangement for the Lautoka and Ba Hospitals.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

14. Equity investments (continued)

(b) Other equity investments (continued)

(i) *Health Care (Fiji) Pte Limited (continued)*

The concession agreement, executed in 2019, outlines the terms of the partnership, with the primary objective of enhancing healthcare infrastructure and service delivery in Fiji. HCF assumed operational and management responsibilities for Ba Hospital on 31 March 2022 and Lautoka Hospital on 9 April 2022. Planning and cost finalisation for the upgraded Lautoka Hospital are ongoing.

The concession term spans 23 years, inclusive of the construction period for Lautoka Hospital, with an option to extend for an additional 20 years. Upon expiry of the concession, both hospitals will revert to the Fiji Government, free of encumbrances and in a condition that meets or exceeds the hand-back requirements specified in the agreement.

(ii) *Farleigh Pte Limited*

Farleigh Pte Limited is a wholly owned subsidiary of the Fiji National Provident Fund and serves as the parent entity for the following operating companies:

- Barton Pte Limited, trading as Sheraton Fiji Resort
- Dubbo Pte Limited, trading as Westin Resort
- Rylestone Pte Limited, trading as Denarau Golf and Racquet Club, located at Denarau Island

For the financial year ended 30 June 2025, the Fund made an equity contribution of \$45 million to support the operations and capital requirements of the group.

(iii) *Investment in Higgins Holding (Fiji) Pte Limited*

Higgins Holdings (Fiji) Pte Limited is an associate of the Fiji National Provident Fund. In the financial year 2025, the Fund acquired a 25% equity interest in the company for a total consideration of \$14.2 million. The shares were purchased from Higgins Group Holdings Ltd, a New Zealand-based entity and wholly owned subsidiary of Fletcher Building Limited.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

(b). Other equity investments (continued)

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used by the independent valuers in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Description	Valuation technique	Significant unobservable inputs	Range for 2025 and 2024	Inter-relationship between significant unobservable inputs and fair value measurement	2025 Fair value \$000	2024 Fair value \$000
Equity investments	ATH/ VFL/ HFC/ FPCL/ ATHIV/ Air Pacific/ Future Farms/Higgins - Discounted Cash Flow Method (DCF) - Gross Present Terminal Capitalisation (GPTC) - Future Maintainable Earnings (FME)	• Weighted Average Cost of Capital P/E Multiple	10% - 17% 10.0x- 17.0x	The estimated fair value would increase (decrease) if: - Weighted Average Cost of Capital were lower (higher) - Earnings multiple was higher (lower)	2,152,616	2,037,479
	Dareton - Market approach				9,000	6,800
	Resort operations - Discounted Cash Flow Method - Income Capitalisation - Value per room	- Discount Rate - Capitalisation rate - No.of rooms - Cost to replace	11.75% -14.50% 10.50% -13.00% 37-300	The estimated fair value would increase (decrease) if: - Discount rate were lower (higher) - Capitalisation rate were lower (higher)	499,078	302,390
	Management assessment - Health Care	N/A	N/A	N/A	40,181	40,181
Total					2,700,875	2,386,850

Valuation process

The Fund engages independent, reputable, and suitably qualified international firms to conduct valuations of its equity investments. Valuation firms are appointed through a tender process in accordance with the Fund's Procurement Policy. These firms collaborate with Fund management and investee management to prepare business valuations in compliance with IFRS 13. All valuations are reviewed and approved by the Board following endorsement by the Board Investment Committee (BIC).

For the year ended 30 June 2025, business valuations for ATH, VFL, HFC, ATHIV, Air Pacific Limited, FPCL, Future Farms and Higgins were performed by FTI Consulting (Australia) Pty Limited. Colliers International-Auckland was engaged to value the Fund's hotel and resort investments. FTI Consulting (Australia) conducted its work in accordance with Accounting Professional & Ethical Standards Board Limited Professional Standard (APES) 225 'Valuation Services'. Valuation reports are based on information available as at 30 June 2025.

A combination of the Discounted Cashflow (DCF) and Capitalization of Future Maintainable Earnings (CFME) methodologies was used to determine fair value at year end. For certain investments, an illiquidity or marketability discount (DLOM) was applied, and valuation uncertainties were addressed by adjusting company-specific risk premiums.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

14. Equity investments (continued)

(b). Other equity investments (continued)

Valuation process (continued)

For hotel and resort operations, the DCF method was adopted as the most reflective of fair value, with Colliers' assumptions based on their view as at 30 June 2025.

The valuation for Dareton Pte Limited was performed by Rolle Associates using a market approach.

15. Investment properties

	2025 \$000	2024 \$000
Balance at the beginning of the year	592,786	456,548
Change in fair value	45,635	29,052
Acquisitions	25,641	107,799
Work in progress	2,351	1,177
Transfer	41	(1,790)
	666,454	592,786
Add: Right of use asset – leasehold land	10,267	9,625
Balance at the end of the year	676,721	602,411

The Fund's investment properties comprise both freehold and leasehold land. Properties on freehold land are owned outright by the Fund, while those on leasehold land are held under long-term lease arrangements and recognised as right-of-use assets. From the Fund's perspective as lessee, these lease agreements typically include an initial non-cancellable term of up to 99 years, with certain leases offering options for extension beyond the initial term.

Valuations of investment properties are conducted annually by external independent valuers with appropriate professional qualifications and experience relevant to the location and category of the properties. For the year ended 30 June 2025, Rolle Associates were appointed for a three-year term, following the conclusion of Lomara Associates' prior engagement.

All investment properties are measured at fair value and classified as Level 3 in the fair value hierarchy, reflecting the use of significant unobservable inputs. The discount and yield rates adopted by the valuers are based on prevailing market and economic conditions in Fiji and consider asset-specific factors such as the security and duration of income streams, property type, age and condition, and location. These rates also incorporate the valuers' assessment of investor sentiment, cost of capital, and perceived risk profile for each asset class.

The portfolio includes:

- Commercial properties leased to third parties for rental income; and
- Vacant land held for future development and capital appreciation.

Fiji National Provident Fund
Notes to and forming part of the financial statements (continued)
For the year ended 30 June 2025

15. Investment properties (continued)

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used by the independent valuer in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Description	Valuation technique	Significant unobservable inputs	Range	Inter-relationship between significant unobservable inputs and fair value measurement	2025 Fair value \$000	2024 Fair value \$000
Investment properties	Income approach: Discounted cash flows (DCF) Under this method, the present value of each year's projected Net Operating Income (NOI) is calculated over a 10-year forecast period. The projections incorporate assumptions regarding rental growth, operating expense escalation, and void periods (probability of tenant lease renewals). The forecasted cash flows are discounted using a discount rate—also referred to as the yield rate or internal rate of return (IRR)—which reflects current market conditions, asset-specific risks, and investor return expectations. At the end of the 10-year period, a terminal value is estimated by capitalising the stabilised NOI in year 11 using an exit capitalisation rate. The resulting valuation is then reconciled with other valuation techniques to derive a final fair value estimate.	<ul style="list-style-type: none"> - Discount rate - Exit capitalisation rate - Expected rental growth - Void period - annualised vacancy - Market based management fee - Expected expense growth 	<ul style="list-style-type: none"> 7.0%- 12.0% (2024: 5.5%- 9.0%) 6.5% -8.8% (2024: 7.0%- 10.0%) 1.0% - 3.0% (2024: 1.0%- 3.0%) 0.0% -15.0% (2024: 0.0%- 24.0%) 2.0% - 3.0% (2024: 2.0%- 6.0%) 2.0% - 4.8% (2024: 1.0%- 2.5%) 	<ul style="list-style-type: none"> The estimated fair value would increase (decrease) if: - Discount rates were lower (higher); - Exit capitalisation rates were lower (higher); - Expected rental growth were higher (lower); - Void periods were shorter (longer); - Market based management fee were lower (higher); Expected expense growth were lower (higher); 	421,541	461,111
	Market approach: For land held for future development, the value of the subject property is assessed by referencing recent sales of comparable properties, making adjustments for differences in location, size, zoning, and other relevant characteristics.	<ul style="list-style-type: none"> - Land rate per acre 	<ul style="list-style-type: none"> \$76k- \$4.5m (2024: \$77k - \$7.0m) 	<ul style="list-style-type: none"> The estimated fair value would increase (decrease) if: - Land rates per acre were higher (lower) 	255,180	141,300
Total					676,721	602,411

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

16. Cash and cash equivalents

	2025	2024
	\$000	\$000
Cash at bank	761,696	595,090
Cash on hand	2,862	4,037
Cash at bank – restricted*	290	222
	764,848	599,349
Allowance for expected credit loss	(814)	(503)
	764,034	598,846

* The amount includes restricted cash of \$290,000 (2024: \$222,000) of government advance held in trust.

17. Intangible assets

	2025	2024
	\$000	\$000
Software at cost		
Balance at the beginning of the year	24,693	20,934
Additions during the year	30	6,846
Transfers during the year	-	(3,087)
Balance at the end of the year	24,723	24,693
Accumulated amortisation		
Balance at the beginning of the year	16,681	18,051
Amortisation charge for the year	787	1,717
Transfers during the year	-	(3,087)
Balance at the end of the year	17,468	16,681
Carrying amount		
At the beginning of the year	8,012	2,883
At the end of the year	7,255	8,012

Fiji National Provident Fund
Notes to and forming part of the financial statements (continued)
For the year ended 30 June 2025

18. Property, plant and equipment

2024	Freehold Land	Leasehold Land	Buildings	Office Equipment	Motor vehicles	Furniture & fittings	Work in Progress	Total
	\$000	\$000	\$000	FNPF \$000 RIF \$000	\$000	FNPF \$000 RIF \$000	\$000	\$000
Cost								
Balance as at 1 July 2023	371	97	12,759	9,326 132	2,406	2,683 44	4,984	32,802
Additions	-	-	16	849 47	1,765	32 12	-	2,721
Transfers	-	9	-	-	-	-	(4,475)	(4,466)
Balance as at 30 June 2024	371	106	12,775	10,175 179	4,171	2,715 56	509	31,057
Accumulated depreciation								
Balance as at 1 July 2024	371	106	12,775	10,175 179	4,171	2,715 56	509	31,057
Additions	-	-	-	828 46	1,052	26 -	2,608	4,560
Disposals	-	(42)	-	(927) (18)	(1,290)	(297) (25)	(44)	(2,643)
Balance as at 30 June 2025	371	64	12,775	10,076 207	3,933	2,444 31	3,073	32,974
Accumulated depreciation								
Balance as at 1 July 2023	-	94	4,600	8,343 86	2,319	2,447 44	-	17,933
Depreciation charge for the year	-	3	218	499 -	269	35 -	-	1,024
Balance as at 30 June 2024	-	97	4,818	8,842 86	2,588	2,482 44	-	18,957
Balance as at 1 July 2024	-	97	4,818	8,842 86	2,588	2,482 44	-	18,957
Depreciation charge for the year	-	1	136	776 -	530	41 -	-	1,484
Disposals	-	(42)	-	(927) (18)	(1,290)	(297) (25)	-	(2,599)
Balance as at 30 June 2025	-	56	4,954	8,691 68	1,828	2,226 19	-	17,842
Carrying amount								
As at 1 July 2023	371	3	8,159	983 46	87	236 -	4,984	14,869
As at 30 June 2024	371	9	7,957	1,334 93	1,583	233 12	509	12,101
As at 30 June 2025	371	8	7,821	1,385 139	2,105	218 12	3,073	15,132

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

19. Other receivables

	Note	2025 \$000	2024 \$000
Contributions receivable		16,143	13,747
Allowance for expected credit loss		(13,770)	(12,568)
Net contributions receivable		2,373	1,179
Receivable from related parties	30(b)	10,251	10,437
Other deposits and receivables		44,062	21,104
Allowance for expected credit loss		(2,361)	(2,361)
Net other receivables		51,952	29,180
		54,325	30,359

The maximum exposure to credit risk at the reporting date is represented by the carrying value of each class of receivable disclosed above. No collateral is held as security against any of these receivable balances.

	2025 \$000	2024 \$000
Maturity of gross other receivables represented as:		
Current	26,164	9,202
Non-current	44,291	36,086
	70,455	45,288

Movements in the allowance for expected credit loss are as follows:

	Contributions receivable \$000	Other \$000
Balance as at 1 July 2023	12,651	2,361
Additional allowance reversed	(83)	-
Balance as at 30 June 2024	12,568	2,361
Additional allowance recognised	1,202	-
Balance as at 30 June 2025	13,770	2,361

20. Investment income receivable

	Note	2025 \$000	2024 \$000
Interest receivable		76,910	78,197
Allowance for expected credit loss		(48)	(82)
Dividend receivable – others		646	3,688
Allowance for expected credit loss		(409)	(141)
Dividend receivable from related parties	30(b)	108,756	78,387
		185,355	160,049

Movements in the allowance for expected credit loss are as follows:

	Interest receivable \$000	Rent receivable \$000
Balance as at 1 July 2023	57	217
Additional allowance reversed	-	(76)
Additional allowance recognised	25	-
Balance as at 30 June 2024	82	141
Additional allowance reversed	(34)	-
Additional allowance recognised	-	268
Balance as at 30 June 2025	48	409

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

21. Other payables and accruals	2025	2024
	\$000	\$000
Deposits	4,718	4,662
Deferred revenue	-	42
COVID-19 Government assistance*	290	222
Other payables	20,307	20,738
	25,315	25,664

*COVID-19 Government assistance of \$290,000 (2024: \$222,000) relates to funds received in advance from the Government and awaiting refund to the Government as the COVID-19 assistance has ceased.

22. Employee entitlements	2025	2024
	\$000	\$000
Annual leave	997	825
Long service leave and gratuity	141	129
	1,138	954

23. Leases	2025	2024
	\$000	\$000
(a) Right-of-use assets		
Balance at the beginning of the year	355	201
Additions	114	311
Depreciation charge for the year	(167)	(157)
Balance at the end of the year	302	355

(b) Lease liabilities	2025	2024
	\$000	\$000
Maturity analysis –contractual undiscounted cashflows		
Less than one year	624	739
One to five years	3,119	3,183
More than five years	37,814	35,607
Total undiscounted lease liabilities at 30 June	41,557	39,529

Lease liabilities at 30 June

Property leases (included in investment properties and right-of-use assets)

Current	102	146
Non-Current	10,460	9,840
	10,562	9,986

Amount recognized in statement of changes in net assets available for benefits

Interest on lease liabilities	22	15
Depreciation on right of use assets	167	157
Variable lease payments not included in the measurement of lease liabilities	-	63
	189	235

Amount recognized in the statement of cash flows

Total cash outflow for leases	951	756
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Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

24. Net assets available to pay benefits

	Note	2025 \$000	2024 \$000
Net assets available to pay benefits		12,025,284	10,601,428
Represented by:			
Liability for accrued benefits	26(a)	9,254,929	8,095,648
Special death benefit fund reserve	24(a)	79,620	73,183
Retirement income fund reserve	24(b)	387,679	379,644
General reserve	24(c)	2,303,056	2,052,953
		12,025,284	10,601,428

Special Death Benefit Fund, Retirement Income Fund and FNPF general reserves includes investment and solvency reserves. The movements in the reserves are as follows:

(a). Special Death Benefit Fund Reserve

		2025 \$000	2024 \$000
Balance at the beginning of the year		73,183	67,196
Transfers from member accounts - premiums	24(d)	11,665	11,363
Payments to members' nominees	24(e)	(9,753)	(9,230)
Add transfers from statement of change in net assets	27	4,525	3,854
Balance at the end of the year		79,620	73,183

The amounts transferred to the Special Death Benefit Fund Reserve of \$11,665,000 (2024: \$11,363,000) represent annual deductions of \$35 (2024: \$35) or less from the accounts of each entitled member.

The amounts transferred from the Special Death Benefit Fund Reserve of \$9,753,000 (2024: \$9,230,000) represent disbursements to the nominees of those members who died during the year at \$8,500 (2024: \$8,500) per member. These disbursements are in addition to the accumulated amounts owing to the deceased member.

(b). Retirement Income Fund Reserve

	Note	2025 \$000	2024 \$000
Balance at the beginning of the year		379,644	372,745
Add/(less) transfers from/(to) member benefits:			
Transfer from	24(e)	(26,044)	(26,365)
Transfer to	24(d)	6,644	5,828
Add transfers from statement of change in net assets	27	27,435	27,436
Balance at the end of the year		387,679	379,644

The amounts transferred to the Retirement Income Fund Reserve of \$6,644,000 (2024: \$5,828,000) represents new annuity purchases (previously stated as pension income) during the year. The amounts transferred from the Retirement Income Fund Reserve of \$26,044,000 (2024: \$26,365,000) represent pension annuities to annuitants whilst changes in net assets during the year of \$27,435,000 (2024: \$27,436,000) represents investment returns after allowing for operating expenses of \$447,000 (2024: \$313,000 (includes impairment reversal on financial assets of \$50,000)).

(c). General Reserve

General reserve comprises both the legislative solvency reserve equivalent to 10% of the total benefits accrued to members of the Fund as required under the FNPF Act 2011 and an investment reserve held in order to maintain a high level of confidence that the legislative solvency requirement will be met at all times.

	Notes	2025 \$000	2024 \$000
Balance at the beginning of the year		2,052,953	1,837,239
Add transfers from statement of change in net assets	27	249,400	215,714
Add transfers from liability for accrued benefits	26(a)(iii)	703	-
Balance at the end of the year		2,303,056	2,052,953

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

24. Net assets available to pay benefits (continued)

(d). Contributions to the Fund for benefits

The Fund receives contributions from members for investment, which are invested and become available upon retirement, or if earlier; death, permanent migration or incapacity. The premium for the Special Death Benefit (SDB) is deducted and paid to Special Death Benefit Fund ("SDBF"), with benefit payable to the nominee upon death of the member while still a member of the Fund.

Members purchase annuities by transferring part or all of their FNPF balance upon retirement or incapacity (or if a sole nominee, a member's FNPF balance on his or her death) into the Retirement Income Fund ("RIF").

The allocation of contributions is set out below:

	Notes	SDBF \$000	RIF \$000	FNPF \$000	All funds \$000
2025					
Member contributions, net	26(a)(iii)	-	-	950,138	950,138
SDB premiums	24(a)	11,665	-	-	11,665
		11,665	-	950,138	961,803
Purchase of annuities	24(b)	-	6,644	-	6,644
Total		11,665	6,644	950,138	968,447
2024					
Member contributions, net	26(a)(iii)	-	-	768,467	768,467
SDB premiums	24(a)	11,363	-	-	11,363
		11,363	-	768,467	779,830
Purchase of annuities	24(b)	-	5,828	-	5,828
Total		11,363	5,828	768,467	785,658

(e). Payments to beneficiaries

	SDBF \$000	RIF \$000	FNPF \$000	All funds \$000
2025	9,753	26,044	495,244	531,041
2024	9,230	26,365	438,702	474,297

Total benefits paid, excluding pension income relating to RIF, amounted to \$504,997,000* (2024: \$447,932,000).

The details of the payments are as follows:

Benefit type	2025 \$000	2024 \$000
1 55 years and over	244,781	208,680
2 Death	40,297	35,790
3 Disability	7,774	5,439
4 Migration	71,717	63,566
6 Non-Citizens migrating	10,597	9,790
Small accounts (Low balance)	4,300	4,725
7-8 Partial withdrawal	75,630	66,346
9 Housing transfers	55,976	56,429
DDA payout	4,661	1,714
DDA purchase	(20,489)	(13,777)
Total	495,244	438,702

*\$495,244,000 (benefit paid excluding pension income) plus \$9,753,000 (SDB payout)

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

24. Net assets available to pay benefits (continued)

(e). Payments to beneficiaries (continued)

	2025	2024
	\$000	\$000
The breakdown of payments from RIF is:		
1 - Sole life annuity	11,503	11,740
2 - Joint life annuity	7,607	2,669
3 - Term annuity	3,036	3,857
4 - Top up pension (in respect of pre-March 2012 pensioners)	3,689	7,520
5 - Commutation	209	579
	26,044	26,365

Commutation refers to the lump sum paid in respect of the unexpired portion of the guarantee period for which a deceased annuitant would otherwise have received payment. The commuted sum is payable to the pensioner's nominee on death.

25. Transfers between funds under the FNPf Act 2011

Amounts may be transferred between funds only in accordance with the FNPf Act 2011. Provisions include:

- Transfers from FNPf to RIF for purchase of annuities
- Deductions from FNPf for premiums due to SDBF
- Transfers from RIF and SDBF to FNPf to meet expenses incurred in managing RIF and SDBF, respectively.
- Repaying amounts paid in error or recovering overpayments.

The Board may transfer a surplus in RIF or SDBF to FNPf in accordance with the regulations. These regulations require that any such transfer be recommended by the Fund Actuary and approved by the Reserve Bank of Fiji.

The Act also provides that the Board must allocate to RIF and SDBF sufficient assets of FNPf as will ensure that an actuary is able to issue a funding and solvency certificate in each case. Funding and solvency certificates for each of RIF and SDBF are currently in force and no transfer from FNPf is envisaged in the foreseeable future.

	Notes	2025	2024
		\$000	\$000
26. Net assets at balance date and liability for accrued benefits			
(a) FNPf			
Balance at the beginning of the year		8,095,648	7,199,339
Add transfers from statement of change in net assets and member benefits	26(a)(ii)	1,159,984	896,309
Add transfers from/(to) general reserve	26(a)(iii)	(703)	-
Balance at the end of the year		9,254,929	8,095,648
(i) Allocation of Benefits			
Allocated to Members' Accounts		9,110,679	7,965,052
Drawdown Account (DDA)*	26(a)(iv)	36,267	17,982
Unclaimed Deposits Account (UDA)*	26(a)(v)	105,915	99,336
Unallocated to Members' Accounts		2,068	13,278
		9,254,929	8,095,648
Solvency requirement of 10% of member accounts		925,493	809,565
Other		1,377,563	1,243,388
FNPf reserve	24(c)	2,303,056	2,052,953
Net assets at end of year		11,557,985	10,148,601

The liability for accrued benefits is the Fund's present obligation to pay benefits to members and beneficiaries and has been calculated in accordance with Note 2.16.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

26. Net assets at balance date and liability for accrued benefits (continued)

(a) FNPF (continued)

	Notes	2025 \$000	2024 \$000
(ii) Benefits accrued during the year			
Contributions received		961,803	779,830
Benefits paid including SDB claims	24(e)	(504,997)	(447,932)
Interest credited on members' accounts	27	711,734	572,372
Net amounts transferred:			
Special Death Benefit Fund Reserve	24(a)	(1,912)	(2,133)
Retirement Income Fund Reserve	24(b)	(6,644)	(5,828)
		1,159,984	896,309

The Board declared an annual interest rate for 2025 of 8.75% to be credited to members' accounts as at the reporting date (2024: 8%).

	2025 \$000	2024 \$000
(iii) Movement in liability for accrued benefits:		
Liability for accrued benefits at the beginning of the year	8,095,648	7,199,339
Net contributions*	950,138	768,467
Benefits paid**	(517,716)	(456,593)
DDA purchase***	20,489	13,777
DDA payout****	(4,661)	(1,714)
Interest allocated to members	711,734	572,372
Transfer from/(to) general reserve	(703)	-
Liability for accrued benefits at the end of the year	9,254,929	8,095,648

*Gross contributions less SDB premiums deducted.

** Members withdrawals including amounts transferred to Retirement Income Fund for RIF products purchased by retiring members.

*** DDA purchase is the transfer of liability from FNPF member balance to DDA liability. This is done via recording retirement expense and at the same time recording inflow as DDA purchase.

**** DDA payout is the payment done from DDA liability to members either through monthly annuity, partial withdrawal, or full withdrawal.

(iv) Draw Down Account (DDA)

The DDA is a retirement product that was introduced on 3rd January 2023. DDA was established under section 44(3) of the FNPF Act 2011 for a member/nominee withdrawing under the specified entitlement events.

A member/nominee opting for DDA has a choice between a Standard DDA plan or a High DDA plan. The Standard payment option is intended to leave money in the DDA until approximately one third of DDA holders of the same commencement age remain alive. The High payment option is intended to leave money in the DDA until approximately two thirds of DDA holders of the same commencement age remain alive. Once commenced, monthly payments (calculated by multiplying the amount allocated to purchase a DDA with the applicable age-based conversion factor under the payment plan and then dividing by 12) are made out of the DDA holder's account until the balance is reduced to zero or the DDA holder dies, whichever comes first. At the end of each financial year, DDA accounts with positive average daily balances are credited with annual interest at a rate determined by the Board. DDA holders may withdraw part of their DDA balance once every 12 months, and may withdraw the whole balance in their DDA any time after 12 months have lapsed since the start of their DDA.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

26. Net assets at balance date and liability for accrued benefits (continued)

(a) FNPF (continued)

(iv) Draw Down Account (DDA) (continued)

The movement in liability at the end of reporting date are as follows:

	Standard \$000	High \$000	Total \$000
Movement in Liability:			
Balance as at 1 July 2023	1,235	3,675	4,910
New purchase	3,365	10,412	13,777
Payment during the year:			
- Monthly annuity	(185)	(846)	(1,031)
- Partial withdrawal	(129)	(101)	(230)
- Adjustment to prior year payment	-	(105)	(105)
- Full withdrawal	(70)	(383)	(453)
Interest credit - 2023*	25	75	100
Interest credit - 2024	256	758	1,014
Balance as at 30 June 2024	4,497	13,485	17,982
New purchase	7,317	13,172	20,489
Payment during the year:			
- Monthly annuity	(509)	(1,668)	(2,177)
- Partial withdrawal	(249)	(976)	(1,225)
- Full withdrawal	(455)	(804)	(1,259)
Interest credit - 2025	714	1,743	2,457
Balance as at 30 June 2025	11,315	24,952	36,267

(v) Unclaimed Deposits Account (UDA)

The Unclaimed Deposits Account is managed under Part 8 in the FNPF Regulations. It is intended as a separate account that is to be maintained by the Board to hold:

- Contribution amounts that cannot be credited to a preserved and/or general account because the relevant FNPF member cannot be identified after diligent inquiry is made within 2 years from the date the contributions were paid;
- The number of entitlements for a deceased member that remain unclaimed by their nominee(s) past the 1-year anniversary of the member's death; and
- The entitlements of members aged at least 55 years; for whom no contributions or any withdrawal benefit application had been received for at least 10 years.

Any sum that remains unclaimed after 5 years have expired since it was transferred to the Unclaimed Deposits Account, shall be transferred to the General Reserve Account of FNPF.

	2025 \$000	2024 \$000
Unclaimed Deposits Account - current	105,915	99,336

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

26. Net assets at balance date and liability for accrued benefits (continued)

(b) RIF

	2025 \$000	2024 \$000
Liability for future annuity payments	273,021	272,521
Solvency reserve	114,658	107,123
Net assets	387,679	379,644
Movement in liability		
Liability at the beginning of the year	272,521	273,288
New purchases	8,402	7,116
Expected reduction for year	(7,655)	(7,356)
Model and assumption changes and variation in experience	(247)	(527)
Liability at the end of the year	273,021	272,521

The actuarial present value of RIF annuitant liabilities determined on a basis consistent with Government Bonds being recorded at face value has been calculated as \$273,021,000 (2024: \$272,521,000). The valuation was carried out by Mr. Peter Colin Martin, Fellow of the Institute of Actuaries of Australia, in compliance with International Standard of Actuarial Practice No. 2 issued by the International Actuarial Association. The annual benefits payable from the RIF together with assumed expenses are projected year by year, allowing for expected life annuitant deaths and completion of term annuities and guaranteed payments, until all benefits in respect of annuitants in force at the valuation date have been paid. The asset cashflows (coupon and maturity payments) arising from RIF investments (Fiji government bonds and cash) are projected year by year, allowing for reinvestment of those cashflows not required to immediately finance annuity payments at an assumed market rate of interest.

The proportion of RIF asset cash flows which, together with assumed reinvestment interest, is just sufficient to meet all projected annuity payment obligations and expenses as they fall due is then applied to the face value of RIF investments at the valuation date to determine a liability value. .

The main assumptions used for the purpose of the calculation are as follows:

- Mortality for male life annuitants in 2025 in accordance with World Health Organisation 2008 Fiji population life table, assuming 15% reduction at all ages with 1% per annum reduction in male rates continuously for 12 years. Mortality for female life annuitants in 2025 in accordance with World Health Organisation 2008 Fiji population life table, set back 1 year with further 15% reduction at all ages, and 1% per annum reduction in female rates continuously for 12 years. Ongoing mortality rate reduction for males and females of 1% per annum from 2026 (Mortality for male life annuitants in 2024 in accordance with World Health Organisation 2008 Fiji population life table, assuming 15% reduction at all ages with 1% per annum reduction in male rates continuously for 11 years. Mortality for female life annuitants in 2024 in accordance with World Health Organisation 2008 Fiji population life table, set back 1 year with further 15% reduction at all ages, and 1% per annum reduction in female rates continuously for 11 years. Ongoing mortality rate reduction for males and females of 1% per annum from 2025);
- Fiji government bonds will be redeemed at the earliest opportunity; that is, up to 4 years before maturity, although not during 2026 to 2028 (2024: 4 years, although not during 2025 to 2028);
- An average long run market rate of reinvestment of RIF asset cash flows of 3.85% per annum over the term of the current annuities (2024: 3.75% pa);
- A continuous liquidity allowance of one year's worth of annuity payments which does not attract interest (2024: one year);
- An allowance for RIF expenses of 5.0% of annuity payments from time to time (2024: 5.0%).

The calculated proportion of RIF asset cash flows was 70.5%. This means that 70.5% of each RIF asset cash flow, together with interest at the assumed reinvestment rate, is calculated to be just sufficient to meet the projected in-force annuity payments and expenses as they fall due.

The liability assuming a reinvestment rate of return 50bp lower (3.35% per annum) is calculated as \$278,724,000 (72% of the face value of RIF investments). The liability assuming a reinvestment rate of return 50bp higher (4.35% per annum) is calculated as \$267,690,000 (69% of the face value of RIF investments).

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

26. Net assets at balance date and liability for accrued benefits (continued)

(c) SDBF

	2025	2024
	\$000	\$000
Liability for claims incurred but not reported (IBNR)	2,276	2,227
Provision for mortality fluctuation	3,885	3,400
Catastrophe reserve	73,459	67,556
Net assets	<u>79,620</u>	<u>73,183</u>

The IBNR has been calculated by the actuary using the chain ladder method applied to a run-off triangle of SDB claims by financial year of death and year of payment. The reserves for mortality fluctuation includes estimated random variation and systematic impact to the expected annual SDB claims of \$3,570,000 (2024: \$2,890,000) and estimated additional claims related to Covid of \$315,000 (2024: \$510,000) during the following financial year. The balance in the fund is held against the possibility of major catastrophic loss of life amongst those eligible for SDB. Fiji could suffer a major catastrophe or catastrophes, with significant loss of life. Such a disaster causing more than two to three thousand additional member deaths is very unlikely, but unfortunately not impossible. Consequently, the catastrophe presents a theoretical risk to the solvency of the SDBF. The best estimate for the IBNR liability is \$2,276,000. The actual IBNR liability will only ever be known with the benefit of hindsight but is reasonably likely to fall between \$2,048,000 and \$2,503,000.

	2025	2024
	\$000	\$000
IBNR at the beginning of the year	2,227	2,585
Utilized expected SDB benefit payments	(891)	(794)
Unutilized expected SDB benefit payments	23	(116)
Other experience effects and assumption changes	(57)	(368)
New business related	974	920
IBNR at the end of the year	<u>2,276</u>	<u>2,227</u>

27. Change in net assets available for allocation

The net change for the year has been appropriated to accrued benefits and the Funds as follows:

	2025	2024
	\$000	\$000
Change in net assets available for allocation	<u>993,094</u>	<u>819,376</u>
<i>Allocated to:</i>		
Liability for accrued benefits	(711,734)	(572,372)
Special death benefit fund	(4,525)	(3,854)
FNPF fund	(249,400)	(215,714)
Retirement income fund	(27,435)	(27,436)
	<u>(281,360)</u>	<u>(247,004)</u>
	<u>(993,094)</u>	<u>(819,376)</u>

28. Notes to the statements of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and 'at call' deposits with other financial institutions but excludes restricted cash. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of net assets as follows:

	Note	2025	2024
		\$000	\$000
Cash and cash equivalents	16	764,558	599,127
Cash and cash equivalents at end of financial year		<u>764,558</u>	<u>599,127</u>

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

28. Notes to the statements of cash flows (continued)

(b) Cash flows presented on a net basis

Cash flows arising from the following activities are presented on a net basis in the statement of cashflows to enhance clarity and simplify the presentation of the financial statements:

- (i) Purchases of new and redemptions of maturing government and fixed interest securities;
- (ii) Investment in and redemptions of maturing term deposits; and
- (iii) Disbursements and repayments of loans and advances.

29. Commitments and contingent liabilities

	2025 \$000	2024 \$000
(a) Commitments		
Undrawn facilities in relation to mortgage loans	125,947	66,553
Undisbursed funds in relation to equity capital	29,129	-
	155,076	66,553
(b) Contingent liabilities		
Litigation *	26,928	100,820
	26,928	100,820

* There are two ongoing cases relating to the same claim for damages in lieu of, or in addition to, specific performance by Tropic Health Investment, amounting to \$2.1 million. As at year end, both cases remain pending before the High Court. Other claims against the Fund exist; however, these are considered insignificant.

The Fund has provided a Letter of support to its hotel subsidiaries for working capital purposes.

(c) Operating lease revenue

	2025 \$000	2024 \$000
Non- cancellable operating lease rentals are receivable as follows:		
Not later than 1 year	20,489	16,700
Later than 1 year but not later than 5 years	66,787	67,608
Greater than 5 years	16,703	82,498
	103,979	166,806

30. Related parties

(a) Board members

The Board members of the Fund during the year were:

Mr. Daksesh Patel (Chairman)

Mr. Shiri Gounder

Mr. Attar Singh

Mr. Adish Naidu

Mrs. Susie Waqanibaravi

Mr. Joweli Vueta Taoi (Passed away on 20th February 2025)

Mr. Sikeli Tuinamuana (Appointed 21st March 2025)

Ms. Aruna Prasad (Appointed 24th June 2025)

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

30. Related parties (continued)

(b) Transactions and balances with related parties	2025 \$000	2024 \$000
(i) Directors*		
Directors' remuneration - fees and allowances	119	83
	119	83

Any director who is a member of the Fund contributes and receives benefits on the same terms and conditions as those available to other members.

(ii) Key management personnel

In addition to the directors, key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly (whether executive or otherwise) of that entity. During the reporting period the following persons were the executives identified as key management personnel, with the greatest authority and responsibility for planning, directing and controlling the activities of the Fund:

- Mr. Viliame Vodonaivalu – Chief Executive Officer
- Mr. Naibuka Saune – Chief Investment Officer
- Mr. Tevita Lomalagi – Chief Finance Officer
- Ms. Laisa Saumaki – General Manager Governance and Risk
- Mr. Josua Naisau – General Manager Human Resources
- Mr. Alipate Waqairawai – General Manager Member Services
- Ms. Millie Low – General Manager Business Transformation
- Mr. Rukshan Rajapaksha – Chief Information and Technology Officer (Term expired - 19th November 2024)
- Mr. Penisimani Vunileba – Acting Information and Technology Officer (Appointed - 25th October 2024)
- Ms. Emily King – General Counsel (Appointed - 18th November 2024)

The aggregate compensation of the key management personnel for the Fund comprises of short-term benefits and is set out below:

	2025 \$000	2024 \$000
Short-term benefits	3,200	2,845

Management personnel who are members of the Fund contribute and receive benefits on the same terms and conditions as those available to other members (except in some instances the Fund contributes over and above the minimum statutory levels in line with the individual's employment contract)..

(iii) Transactions with other related parties during the year

Interest income

The amount of interest income from loans, current account and term deposits with related parties during the year is as follows:

	2025 \$000	2024 \$000
Amalgamated Telecom Holdings Limited	-	94
Vodafone (Fiji) Pte Limited	2,703	4,276
Home Finance Company Pte Limited	2,465	1,526
Natadola Bay Resort Pte Limited	6,651	6,516
FNPF Hotel Resorts Pte Limited	60	177
Yatule Beach Resort Pte Limited	247	98
Momi Bay Resort Pte Limited	5,077	5,731
Farleigh Pte Limited	4,941	4,701
Barton Pte Limited	6,756	6,241
Dubbo Pte Limited	6,425	5,011
Grand Pacific Hotel Pte Limited	-	3,316
Air Pacific Limited	18,568	15,797
Digitec Communications Ltd	10,086	6,032
	63,979	59,516

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

30. Related parties (continued)

(b) Transactions and balances with related parties (continued)

(iii) Transactions with other related parties during the year (continued)

Rental income from related parties

The amount of rental income from related parties during the year is as follows:

	2025	2024
	\$000	\$000
Amalgamated Telecom Holdings Limited	2,284	1,962
Vodafone (Fiji) Pte Limited	2,127	1,454
Telecom Fiji Pte Limited	802	671
Home Finance Company Pte Limited	322	196
	5,535	4,283

Dividend income from related parties

The amount of dividend income from related parties during the year is as follows:

	2025	2024
	\$000	\$000
Amalgamated Telecom Holdings Limited	11,312	8,699
Home Finance Company Pte Limited	25,247	24,892
Vodafone (Fiji) Pte Limited	24,500	24,500
Momi Bay Resort Pte Limited	26,000	15,000
Fiji Ports Corporation Limited	6,649	6,492
FNPF Hotel Resort Pte Limited	5,000	3,000
Natadola Bay Resort Pte Limited	13,000	-
Fiji Airways Limited	-	4,503
	111,708	87,086

(iv) Balances with related parties

Dividend receivable from related parties

	2025	2024
	\$000	\$000
Vodafone (Fiji) Pte Limited	32,857	24,500
Home Finance Company Pte Limited	25,247	24,892
Fiji Ports Corporation Limited	6,649	6,492
FNPF Hotel Resorts Pte Limited	5,000	3,000
Grand Pacific Hotel Pte Limited	3,000	-
Momi Bay Resort Pte Limited	26,000	15,000
Natadola Bay Resort Pte Limited	5,000	-
Fiji Airways Limited	4,503	4,503
	108,256	78,387

Other receivable from related parties

	2025	2024
	\$000	\$000
Farleigh Pte Limited	152	119
Dubbo Pte Limited	4,734	4,712
Barton Pte Limited	5,257	5,239
Grand Pacific Hotel Pte Limited	2	22
Amalgamated Telecom Holdings Limited	94	63
FNPF Hotel Resorts Pte Limited	2	56
Natadola Bay Resort Pte Limited	6	121
Momi Bay Resort Pte Limited	4	105
	10,251	10,437

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

30. Related parties (continued)

(b) Transactions and balances with related parties (continued)

(iv) Balances with related parties (continued)

Loans to related parties

	2025	2024
	\$000	\$000
Natadola Bay Resort Pte Limited	297,969	303,459
Momi Bay Resort Pte Limited	99,293	103,501
FNPF Hotel Resorts Pte Limited – Holiday Inn	386	1,877
Yatule Beach Resort Pte Limited	5,350	4,314
Vodafone (Fiji) Pte Limited	59,618	84,887
Farleigh Pte Limited	101,522	96,581
Barton Pte Limited	131,667	138,067
Dubbo Pte Limited	132,002	125,577
Air Pacific Limited	350,719	218,152
Digitec Communications Limited	141,295	122,331
	1,319,821	1,198,746
Less: Allowance for expected credit loss (Note 13)	(44,509)	(93,721)
	1,275,312	1,105,025

The impairment on related party loans has been measured using the inputs as disclosed under “measurement of ECL” in note 3.1 (b).

Natadola Bay Resort Pte Limited (NBRL)

The loans that were advanced to NBRL was for the construction of the Intercontinental Hotel and Golf Course at Natadola. Interest charged by FNPF in the current financial year is \$6,651,000 (2024: \$6,516,000).

The carrying value of the loan has been reassessed for impairment at balance date.

The loans are secured by the securities outlined below, for which the security has not been executed as at balance date:

- First registered mortgage with improvement thereon over:
 - TLTB reference no. 4/11/11438, part of Sanasana and Navo Island, Tikina Malomalo, Province Nadroga;
 - Agreement for Lease Contract number 50034331, part of Vile, Malomalo, Nadroga;
 - Crown Lease 16834;
 - Crown Lease 16833
 - Crown Lease 7491
 - Crown Lease 559677, Lot 24, DP 4724;
 - Crown Lease 559662, Lot 32, DP 4724;
 - Approval Notice LD Ref 4/11/710, Lot 27, DP 4724;
 - Approval Notice LD Ref 4/11/711, Lot 28, DP 4724;
 - Approval Notice LD Ref 4/11/703A, Lot 33, DP 4724;
 - Approval Notice LD Ref 4/11/732, Lot 30, DP 4724;
- Comprehensive insurance cover over the property with improvements thereon and FNPF's interest noted thereon;
- An equitable mortgage over the bank accounts of the Mortgagor and assignment of income arising out of the Hotel & Golf Operations and Residential subdivision to be effective when arrears of obligations are outstanding.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

30. Related parties (continued)

(b) Transactions and balances with related parties (continued)

(iv) Balances with related parties (continued)

Vodafone (Fiji) Pte Limited (VFL)

In March 2006, Vodafone (Fiji) Pte Limited entered into a lease agreement with the Fund for its head office. The term of the lease was for 10 years beginning from the date of occupation and ending in March 2016, with right of renewal for a further two 10 year terms. The lease agreement review process for additional term has been completed with the terms and conditions agreed between FPNF and VFL.

In 2019 the Fund advanced a sum of \$80,000,000 to VFL for purposes of capital expenditure and upgrade of its infrastructure. The loan is secured by a Corporate Guarantee. In 2021, a loan of \$60,000,000 was approved and loan fully drawn. The loan is secured by a Corporate Guarantee and Fixed and Floating Mortgage Debenture over the assets of VFL.

Barton Pte Limited

FNPf entered a Share Sale Deed with Marriott International, Inc and Fiji Cayman Holdings Ltd in 2018 being Starwood Properties transaction, for the acquisition of 100% shares in Farleigh Limited, for \$277,000,000 which was made up of Debt and Equity. The debt novated under Barton Pte Limited to the Fund amounted to \$36,975,000, with loan maturing on 24 May 2033. Further loan was granted for the renovation of the Sheraton Fiji Resort property.

The loan is secured by:

- First Registered Mortgage over NL.34714 described as Lot 2 on ND.4946 being the Sheraton Property.
- First Registered Mortgage Debenture over all the assets and undertakings of Barton Pte Ltd (this is a fixed and floating charge over all present and future assets, undertakings (including goodwill) and unpaid/uncalled capital of the company);

Farleigh Pte Limited

FNPf entered a Share Sale Deed with Marriott International, Inc. and Fiji Cayman Holdings Ltd in 2018 being Starwood Properties transaction, for the acquisition of 100% shares in Farleigh Limited, for \$277,000,000 which was made up of Debt and Equity. The debt novated under Farleigh Pte Limited to the Fund amounted to \$82,220,000, with the loan maturing on 24 May 2033.

The loan is secured by:

- First Registered Mortgage over NL 34718 described as Lot 1, Denarau Island being the Westin property.
- First registered Mortgage over State Lease No. 13451 described as Lots 1, 2 and 3 on SO.3705 being the Golf Course & Racquet Club.
- First registered Mortgage over State Lease No. 19370 described as Lot 9 on SO.5005 being the Dump Site and ponds.
- First registered Mortgage over State Lease No. 19371 described as Lot 7 on SO.5005 being the residential dwelling.

The Westin Resort is currently closed for renovations and moratorium on loan has been granted until 30 June 2026.

Digitec Communications Limited

In FY2023, FNPf provided a loan of US\$20,000,000 to Digitec Communications Limited for the PNG Telecommunications project. The lending was in syndication with Bank of South Pacific (BSP PNG) and Kina Bank per terms and conditions agreed in a Syndicated Facilities Agreement. The loan is secured through a General Security Deed, Equity Guarantee with Amalgamated Telecom Holdings Limited and Tripartite Agreement with Vodafone (Fiji) Pte Limited. For the year ended 30 June 2025, a total of \$141.3 million is outstanding.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

30. Related parties (continued)

(b) Transactions and balances with related parties (continued)

(iv) Balances with related parties (continued)

Dubbo Pte Limited

Funds were disbursed to Dubbo Pte Limited towards the renovation of the Westin Resort. The loan is for a term of 15 years and matures on 30 September 2034.

The loan is secured by:

- First Registered Mortgage over NL 34718 described as Lot 1, Denarau Island being the Westin property.
- First Registered Mortgage over State Lease No. 13451 described as Lots 1, 2 and 3 on SO.3705 being the Golf Course & Racquet Club.
- First Registered Mortgage over State Lease No. 19370 described as Lot 9 on SO.5005 being the Dump Site and ponds.
- First Registered Mortgage over State Lease No. 19371 described as Lot 7 on SO.5005 being the residential dwelling.

The Westin Resort is currently closed for renovation. The moratorium on loan has been granted until 30 June 2025.

Momi Bay Resort Pte Limited

A loan of \$110,000,000 was approved by FNPF Board on 30 July 2015 for a term of 25 years. The loan term included a moratorium period of 2 years, and an interest only period of 1 year with principal and interest repayment over a term of 22 years. Monthly interest only repayment on the loan commenced from November 2017, with monthly principal and interest repayments commencing from November 2018.

The loan is secured by:

- First Registered Mortgage over Development Lease – LD Ref: 60/782-3
- First Registered Mortgage over a portion of Freehold Land described as DP. 10698
- First Registered Debenture over all assets of Momi Bay Resort Pte Limited
- Other conditions of the Loan Agreement remains in full force and effect

The equitable mortgage over the bank accounts of the borrower and an assignment of income arising out of the Hotel operation will apply when arrears of obligations are outstanding.

FNPF Hotel Resorts Pte Limited (FHRL)

The Fund disbursed a loan of \$8,000,000 to FHRL in 2016. The loan is for a period of 10 years. Current balance on the loans is \$386,000 (2024: \$1,877,000) and the loan was fully repaid subsequent to year end.

Air Pacific Limited (APL)

Loans to APL were advanced for pre-delivery financing of its Airbus A330-200 aircrafts, acquisition of ATR and Twin Otter aircrafts as well as for working capital.

The loans are secured by Government Guarantee, first mortgage over APL's shares in Richmond Limited, first mortgage over Government's 51% shareholding in APL, mortgages over the ATR and Twin Otter aircrafts, Term Deposit Charge, General Security Agreement, and mortgages over land and improvements owned by APL and Fiji Airlines Limited.

Yatule Beach Resort Pte Limited (YBRL)

Loans to Yatule Beach Resort Pte Ltd relates to the funding of the construction of the Yatule Beach Resort & Spa. The resort operations are outsourced to an operator. During the last financial year, an additional loan of \$4.5 million was granted for the upgrade of the facility, and the resort reopened after the refurbishment and continues to repay its loan.

The loan is secured by:

- First Registered Debenture over the assets of YBRL.

Fiji National Provident Fund

Notes to and forming part of the financial statements (continued)

For the year ended 30 June 2025

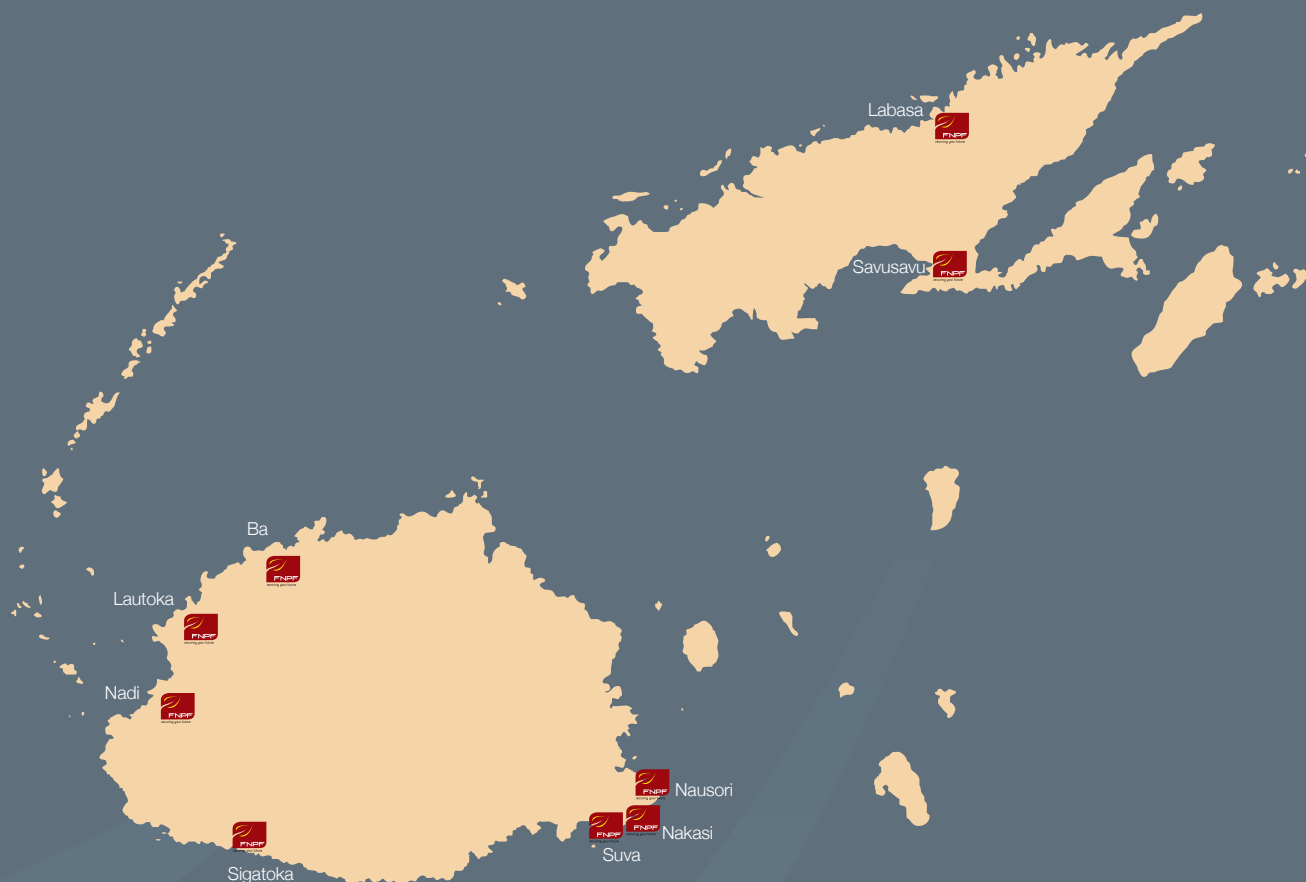
31. Events Subsequent to the Balance Date

The Fund subscribed to Inspire Disability Fund 4 (IIDHF4) with a commitment of AUD\$20 million in June 2025. The first capital call was done in July 2025 for FJD\$2.9 million with remaining calls to be made over the next 5 years.

Other than the above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Board members, to affect significantly the operations of the Fund, the results of those operations, or the state of affairs of the Fund, in subsequent financial years.

32. Auditors

The Fund is a compulsory superannuation scheme legislated by the FNPF Act and continuing under the FNPF Act 2011. Section 13 of the FNPF Act and Section 37 of the FNPF Act 2011 requires every employer and employee to make contributions to the Fund. Except for the engagement quality control reviewer and subject matter specialists, the Fund's external auditors (KPMG) contribute to and receive benefits on the same terms and conditions as those available to other members and KPMG contributes to the Fund as required by the Act.



Email

Email us at information@fnpf.com.fj

For complaints, compliments or suggestions you can email complaints@fnpf.com.fj.

For media queries, you can email mediaqueries@fnpf.com.fj.

Call us

You can call us on **(679) 3307811 or 5857**

Online

Message us on our **Facebook** or **Twitter** pages where our support team will get back to you during working hours. You can **livechat** with us on our website www.myfnpf.com.fj on weekdays.

If you would like a copy of the Annual Report or seek clarification on related matters, please reach us on publicrelations@fnpf.com.fj.

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