



# Independent Reasonable Assurance Report to the Directors of Vector Limited and the New Zealand Commerce Commission

## Opinion

Our reasonable assurance opinion has been formed on the basis of the matters outlined in this report.

In our opinion, in all material respects, the Gas Distribution Services Default Price-Quality Path Compliance Statement (the 'Annual Compliance Statement') of Vector Limited has been prepared in accordance with clause 11 of the Gas Distribution Services Default Price-Quality Path Determination 2022 (the 'Determination') and as specified in Vector's Section 53N notice dated 31 May 2022 for the period 1 October 2022 to 30 September 2023.

As far as appears from an examination, in all material respects, the information used in the preparation of the Annual Compliance Statement of Vector Limited has been properly extracted from Vector Limited's accounting and other records, sourced from its financial and non-financial systems.

## Information subject to assurance

We have performed an engagement to provide reasonable assurance in relation to Vector Limited's Annual Compliance Statement for the assessment period ended 30 September 2023.

## Criteria

We have performed an engagement to provide reasonable assurance in relation to the Annual Compliance Statement prepared in accordance with the Determination and as specified in the Section 53N notice for the assessment period ended 30 September 2023 and dated 5 December 2023.

## Standards we followed

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) Assurance Engagements other than audits or reviews of historical financial information and Standard on Assurance Engagements SAE 3100 (Revised) Assurance Engagements on Compliance. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. In accordance with those standards, we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the Annual Compliance Statement is free from material misstatement and non-compliance, whether due to fraud or error;



- considered relevant internal controls when designing our assurance procedures, however we do not express an opinion on the effectiveness of these controls; and
- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

## How to interpret reasonable assurance and material misstatement

Reasonable assurance is a high level of assurance but is not a guarantee that it will always detect a material misstatement when it exists.

Misstatements, including omissions, within the Annual Compliance Statement are considered material if, individually or in the aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the Annual Compliance Statement.

## Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A reasonable assurance engagement for the assessment period ended 30 September 2023 does not provide assurance on whether compliance with the Determination will continue in the future.

## Use of this assurance Report

Our report is made solely for Vector Limited. Our assurance work has been undertaken so that we might state to Vector Limited those matters we are required to state to them in the assurance report and for no other purpose. We have also consented to the New Zealand Commerce Commission receiving a copy of our report on a reliance basis.

Our report should not be regarded as suitable to be used or relied on by any third parties other than Vector Limited and the New Zealand Commerce Commission ('Recipients') for any purpose or in any context. Any other party who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

Our report is released to the Recipients on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to any party other than Vector Limited and the New Zealand Commerce Commission for our work, for this independent reasonable assurance report, and/or for the opinions we have reached.

## Vector Limited's responsibility for the Annual Compliance Statement

The Directors of the Vector Limited are responsible for the preparation and presentation of the Annual Compliance Statement in accordance with the Determination, which the Directors have determined to meet the needs of the New Zealand Commerce Commission. This responsibility includes such internal control as the Directors of Vector Limited determine is necessary to enable compliance, to monitor ongoing compliance and to enable the preparation of the Annual Compliance Statement that is free from material misstatement and non-compliance whether due to fraud or error.

## Our responsibility

Our responsibility is to express an opinion to the directors of Vector Limited for the assessment period ended 30 September 2023 on whether the preparation of the Annual Compliance Statement is, in all material respects, in



accordance with clause 11 of the Determination and as specified in the Section 53N notice and whether, as far as appears from an examination, the information used in the preparation of the Annual Compliance Statement of Vector Limited has, in all material respects, been properly extracted from Vector Limited's accounting and other records, sourced from its financial and non-financial systems.

## **Our independence and quality control**

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 (Amended) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has also provided other services to Vector Limited such as the annual audit and half-yearly review of the financial statements, regulatory assurance services, other assurance services and compliance services in relation to R&D tax credits. Subject to certain restrictions, partners and employees of our firm may also deal with the Vector Limited on normal terms within the ordinary course of trading activities of the business of the Vector Limited. These matters have not impaired our independence as assurance providers of the Vector Limited for this engagement. The firm has no other relationship with, or interest in, the Vector Limited.

A handwritten version of the KPMG logo in blue ink, showing the letters 'KPMG' in a casual, slightly slanted font.

KPMG  
Auckland

5 December 2023