AWARD METHODOLOGY

# Business Savings and Transaction Accounts

## September 2025

### What are the Canstar Outstanding Value - Business Savings and Transaction Account Awards?

Canstar's Business Savings and Transaction Account Awards involve a sophisticated and unique Awards methodology that compares business savings and transaction accounts available to New Zealand consumers. Canstar's Outstanding Value Awards represent a shortlist of products, enabling consumers to narrow their search to products that have been assessed and ranked.

Business savings and transaction accounts are assessed using Canstar's sophisticated award methodology, unique to Canstar, which assesses the overall value proposition of business savings and transactions accounts available to New Zealand consumers. When comparing products, both the price positioning of the product and the flexibility and functionality provided by the product over the consumer lifecycle is assessed to determine the product's relative value position within the market. The cost and feature information used to assess each eligible product was collected during a six month period leading up to the Award release date.

It's important to understand that our Awards are informed opinions from Canstar's Research Committee and not product recommendations. Canstar provides general advice based on our comprehensive criteria, we do not recommend that any particular product is suitable for anyone's individual circumstances. Our Awards are crafted to be as informative and helpful as possible, evolving with the market and continuing to serve as a trusted guide for consumers navigating complex product landscapes.

### What type of products are evaluated?

Eligibility for Canstar's Outstanding Value Business Savings and Transaction Accounts Awards is overseen by the Research Committee. To be eligible for an Award, a product must have been on offer for at least six months. Under the Business Savings profile, the minimum interest rate for award consideration is 0.05% or higher on a balance of $20,000. Under the Business Low and High Transactor Profiles, access to branch, ATM, Eftpos, Internet Banking, Direct Credit and Direct Debit Facilities must be available. The Award only considers accounts where the balance is available at call (i.e. Term Deposits and Notice Accounts are not considered).

The Research Committee can exercise its discretion to determine whether a product is eligible for review.

### Profiles Assessed

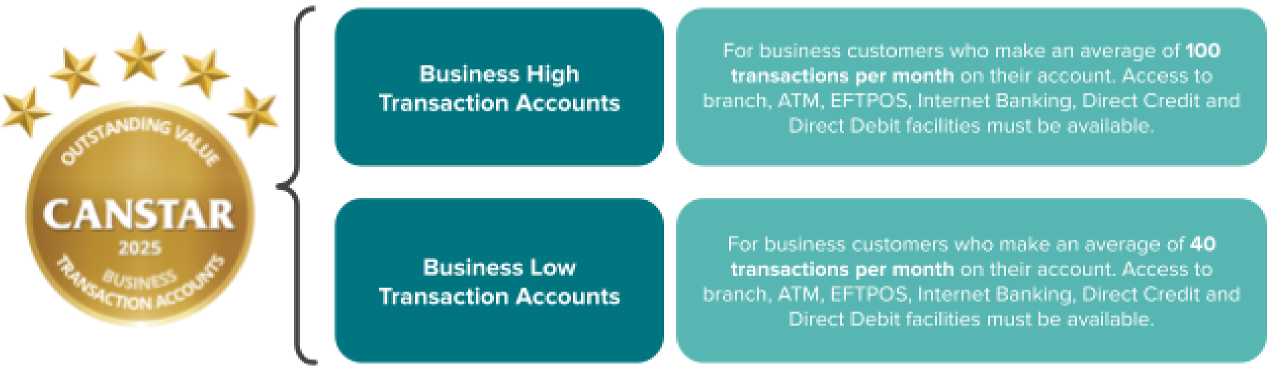
Canstar recognises that business deposit account users have different needs in terms of saving and transacting. Hence the Canstar Business Savings and Transaction Accounts Awards methodology has been designed to reflect a range of transacting and savings styles:

### Which profiles are considered in Canstar's Outstanding Value - Business Savings Accounts Awards?

Business savings accounts included in the Canstar Outstanding Value Business Savings Accounts Awards are assessed based on savings behaviour. The savings account profile is as follows:


### Which profiles are considered in Canstar's Outstanding Value - Business Transaction Accounts Awards?

Business transaction accounts included in the Canstar Outstanding Value Business Transaction Accounts Awards are assessed across two profiles, based on transacting behaviour. The two transaction profiles are as follows:



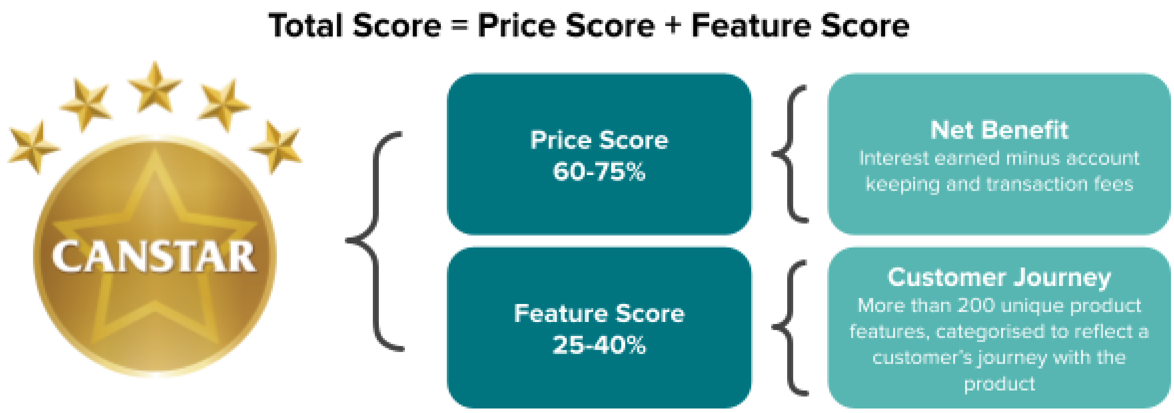

### Award Methodology

The Outstanding Value Award methodology differs for each customer segment in terms of the relative importance placed on the fees and features of the products assessed. The table below provides a breakdown of the relative weighting towards pricing and features for each of the profiles considered.

| Consumer Profile | Pricing Score | Feature Score |
|---|---|---|
| Business Saver | 75% | 25% |
| High Transactor | 60% | 40% |
| Low Transactor | 60% | 40% |

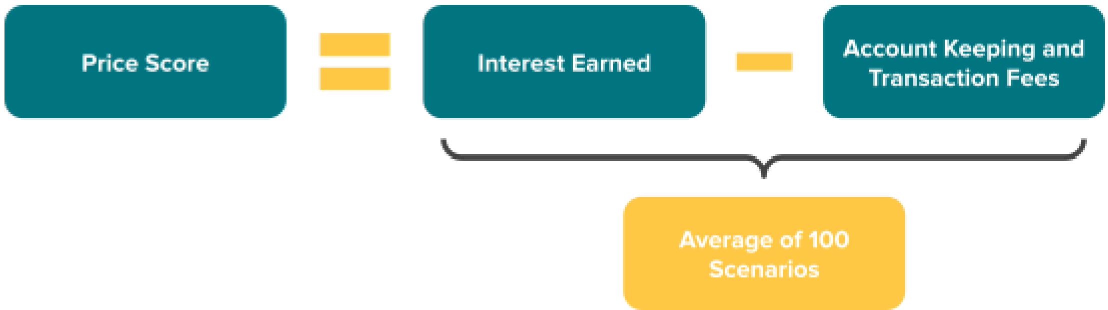
### How is the Total Score of each product calculated?

To arrive at the total score, Canstar applies a weight against the Pricing Score and the Feature Score. The weights reflect the relative importance of costs and features in determining the products offering outstanding value. This method can be summarised in the diagram below:




## Price Score

The Price Score is calculated using the behaviour of 100 hypothetical consumers, with transaction behaviour determining the transaction fees, account keeping fees and interest earned on each account, with the average net cost or benefit obtained by the consumers across the scenarios indexed along a normal distribution, determining the Pricing Score.




## Interest Earned Scenario

| Profile | Term | Description |
|---|---|---|
| Business High Transactor | 1 month | Interest earned on the balance in each scenario, considering only the base interest rate. |
| Business Low Transactor | 1 month | Interest earned on the balance in each scenario, considering only the base interest rate. |
| Business Saver | 18 months | Interest earned on the balance in each scenario, considering the base interest rate and conditional bonus rates not dependent on savings stipulations. |

The interest rates used in the scenarios outlined in the above table are the average rates available over the 6 month period leading up to calculation of the awards. This allows the Award to capture rate fluctuations that occur over time.

## Transaction Scenario

In addition to the interest earned, business savings and transaction accounts are assessed on their fees across a number of common transaction types, including account keeping fees, bill payment fees (direct debit, BPAY), POS fees (eftpos) etc. The proportion of monthly transactions for each transaction scenario varies depending on the business consumer profile. For example, business savings accounts are primarily used to move funds around between accounts within the same institution, whereas a high-use business transaction account will be used mainly for making purchases and paying bills.
A full breakdown of the transaction scenarios, including the weighting for each transaction type, can be found below.

### Transaction Scenarios - Business Deposit Accounts

| | Average Monthly Transactions | |
|---|---|---|
| Transaction Type | Business Low/High Transactor | Business Saver |
| Monthly Service Fee | ✓ | ✓ |
| Interest Earned | ✓ | ✓ |
| Own Network ATM Fee | 4% | - |
| Other Network ATM Fee | 1% | - |
| Direct Credits | 20% | - |
| Direct Debits | 15% | - |
| EFTPOS Transaction Fee | 10% | - |
| Funds Transfer | 10% | 100% |
| Pay Anyone Fee | 30% | - |
| Branch Cash Deposit Fee | 5% | - |
| Branch Cash Withdrawals Fee | 5% | - |
| Rebates/ Exemptions Available | ✓ | ✓ |
| Total Monthly Transactions | **100 (High)**<br>**40 (Low)** | **10** |

The fees and charges are deducted from the interest earned for each hypothetical consumer to give a net cost or net benefit. The average net cost or net benefit across the 100 hypothetical consumers is then used to determine the Pricing Score, with the most favourable net cost or net benefit being awarded the maximum score.

### Feature Score

The Feature Score is broken up into five components: research, application, account operation, customer service and support and account closure. The breakdown of weights by profile is shown below:

| Categories | Weight |
|---|---|
| Research | 5% |
| Application | 25% |
| Account Operation | 40% |
| Customer Service and Support | 20% |
| Account Closure | 10% |

The following short descriptions break down each of the categories considered in the Feature Score:

**Research**

The research category considers available information provided by the institution, and how this information can be accessed.

**Application**

The application stage of the customer journey considers the channels through which a customer can apply for a new account, the conditions that apply on opening the account, and onboarding facilities, such as the provision of a digital card on sign up and how a consumer can start transacting on the account. The following table provides a breakdown of these components within the application category:

| Categories | Business Transaction Accounts | Business Savings Accounts |
|---|---|---|
| Account Opening | 40% | 60% |
| Account Opening Conditions | 20% | 40% |
| Onboarding | 40% | - |

**Account Operation**

This is the life stage of the account that covers its everyday operation, it includes payments and transactions (transaction types and the flexibility of these options), conditions that need to be met to receive interest, and account management options (online account management tools and account alerts).

| Category/Subcategory | Business Transaction Accounts | Business Savings Accounts |
|---|---|---|
| **Transactions** | 50% | 20% |
| Transfers | 50% | 40% |
| *Transfer Limits* | 20% | 70% |
| *Pay Anyone* | 80% | 30% |
| Point of Sale | 20% | 10% |
| ATM, Branch and Cheque Facilities | 15% | 40% |
| Overdraft | 10% | - |
| ATM Access | 5% | 10% |
| **Interest Conditions** | - | 50% |
| **Account Management** | 50% | 30% |
| Card Management | 20% | - |
| Budgeting Tools | 30% | 20% |
| Statements and History | 30% | 50% |
| Security | 20% | 30% |

### Customer Service and Support

The customer service and support category assesses how customer support and assistance can be obtained by a consumer when it is required. It considers available communication options such as call centres and online chat. Branch availability is also taken into account. The following table provides a breakdown of the categories across the different profiles:

| Categories | Business Transaction Accounts | Business Saver Accounts |
| --- | --- | --- |
| Branch Availability | 25% | 50% |
| Contact | 75% | 50% |

### Account Closure

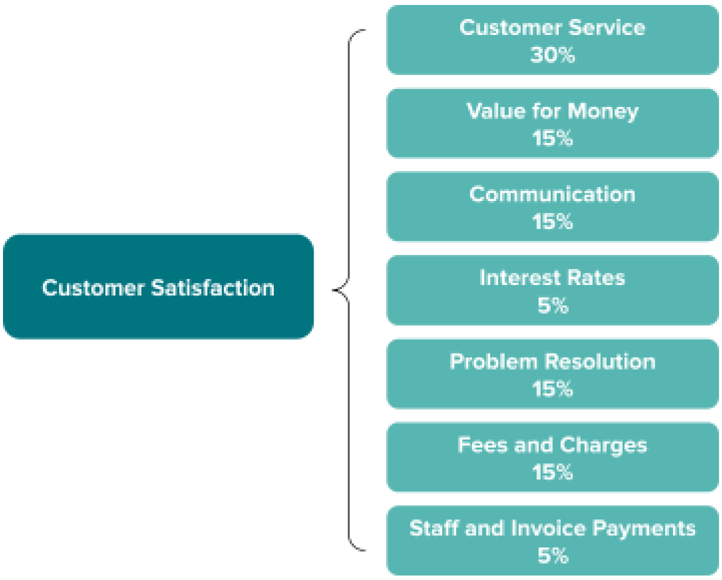
The account closure category represents the end of the customer journey and considers the ease of closure and management of the product after the closing of the account.

## Customer Satisfaction

The customer satisfaction scores apply only to the Business Bank Accounts Bank of the Year Award. Canstar measures and tracks customer satisfaction amongst New Zealand adults across a range of financial categories via ISO 26362 accredited research panels.

The sample is broadly representative of the adult New Zealand population in terms of gender, age and location. Only people who have identified their primary business banking institution are able to answer the questions and be included in the survey results.

The customer satisfaction score is based on weighted scores for the drivers of overall satisfaction. Weights for individual factors are determined by measuring the influence of each factor on overall satisfaction. The weights attributed to these factors are outlined below:



### Business Bank Accounts Bank of the Year Award

The Business Bank Accounts Bank of the Year Award recognises the institution with the highest cumulative score in the Business Savings and Transaction Accounts Awards and Customer Satisfaction. The following weights are applied to these components to determine each institution's overall score:

| Tag Line | Applicable Profile | Weight |
|---|---|---|
| Business Bank Accounts - Bank of the Year | Business Transaction Accounts (70% Business High Transactor Accounts and 30% Business Low Transactor Accounts) | 40% |
| | Business Savings Accounts | 30% |
| | Customer Satisfaction | 30% |

### Who was considered in the Awards?

ASB Bank Limited

Australia and New Zealand Banking Group Limited (ANZ)

Bank of New Zealand

Heartland Bank

Kiwibank Limited

TSB Bank Limited

Westpac New Zealand Limited

## How often are products reviewed for Star Ratings and Award purposes?

Ratings and Awards are recalculated annually based on the latest features offered by each provider. Canstar also monitors changes on an ongoing basis. The results are published in a variety of mediums (newspapers, magazine, television, websites, etc.).

## Does Canstar rate all products available in the market?

We endeavour to include the majority of product providers in the market and to compare the product features most relevant to consumers in our ratings. However, this process is not always possible and it may be that not every product in the market is included in the rating nor every feature compared that is relevant to you.

## Does Canstar rate other product areas?

Canstar researches, compares and rates the suite of banking, wealth and insurance products listed below. These Star Ratings use similar methodologies for quality, consistency and transparency. Results are freely available to consumers who use the Star Ratings as a guide to product excellence. The use of Canstar Award logos also builds consumer recognition of quality products across all categories.

Please access the Canstar website at [www.canstar.co.nz](http://www.canstar.co.nz) if you would like to view the latest Star Ratings reports of interest.

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