



Trust Management ESG New Zealand Bond Fund



Strategy

To provide a diversified exposure to New Zealand fixed interest investments that meet certain ethical investment criteria.

The Fund is designed for investors who do not have the scale to access the underlying investments or have the resources to efficiently do so themselves. The Fund is designed for investors who seek regular income

Market Commentary

New Zealand bonds declined 0.5% over the March quarter, as yields increased in response to global market developments.

Market sentiment shifted as investors reassessed the likelihood and timing of interest rate increases following rising geopolitical tensions. Higher oil prices added to inflation concerns and pushed interest rate expectations higher.

The Trust Management ESG NZ Bond Fund performed slightly below its benchmark. This reflects the manager's positioning in longer term bonds compared to the market.

The manager believes that longer-term, high-quality bonds are offering attractive income yield, with investors being well compensated for holding them over time. The Fund remains focused on high quality issuers and is positioned to benefit if longer-dated bond yields fall.

As at 31 March 2026, around 30% of the Fund was invested in bonds with environmental, social or governance (ESG) objectives.

Credit Rating Breakdown



■ AAA - 53.6%
■ AA - 14.1%
■ A - 20.1%
■ BBB - 12.2%

Sector Allocation



■ Registered Banks - 16.7%
■ Corporates - 31.1%
■ Local Authorities - 10.2%
■ NZ Government - 39.5%
■ Supranationals & Sovereigns - 2.5%

Objective

To generate a total return that exceeds the return of the Bloomberg NZBond Composite 0+ Year Index over rolling three-year periods, before taking into account fees and expenses.

Fund Value

**NZD
\$74,513,606**

Average Annual Return

4.7%

Since inception
Sep 2005

Before fees
and
expenses

Annual Fund Charges

0.40%

Minimum Suggested Timeframe

3 years

Performance to 31 March 2026

	Fund Return
3 months	-0.7%
1 year	4.2%
3 years pa	5.6%
5 years pa	1.8%
10 years pa	2.8%
Inception pa	4.7%

Returns are before fees, expenses and tax, and annualised for periods longer than one year. Inception date: 1 September 2005. Performance calculations for the Funds comprise the returns for the Trust Investments Group Investment Funds up to and including 31 March 2020 and for the Trust Management PIE Funds Scheme from 1 April 2020.

ESG Allocations (%)

	% of Fund
Sustainable / Well-being	10.50%
Green	14.83%
Gender	2.48%
Social	2.66%
Total	30.47%

Portfolio Statistics

Yield and Duration	Fund
Modified duration in years	5.77
Yield to maturity	4.77%

ESG Integration

The investment decision-making process incorporates and favours issuers with stronger ESG characteristics relative to comparable issuers in the market benchmark index for the Fund.

The Fund has a preference for investment in ESG linked bonds (for example green and social bonds), subject to consideration of the relevant risk and return characteristics of the security.

Top Holdings

Top 10 Holdings	% of Fund
NEW ZEALAND GOVERNMENT 150437 2.75 GB	12.91%
NEW ZEALAND GOVERNMENT 150534 4.25 GB	12.72%
NEW ZEALAND GOVERNMENT 150541 1.75 GB	7.95%
HOUSING NEW ZEALAND LTD 240430 2.183 GB	5.42%
NEW ZEALAND GOVERNMENT 150535 4.50 GB	3.62%
WESTPAC NEW ZEALAND LTD 160932 6.19 CB	3.00%
INDUSTRIAL AND COMMERCIAL BANK OF CHINA NEW 090429 5.784 GB	2.85%
CHRISTCHURCH CITY HLDGS 210532 4.82 GB	2.82%
ASIAN DEVELOPMENT BANK 190531 2.125 GB	2.48%
HOUSING NEW ZEALAND LTD 100935 1.534 GB	2.41%

Amova Asset Management Portfolio Managers



Fergus McDonald
Head of Bonds and Currency
44 years industry experience



Ian Bellew
Senior Fixed Income Manager
27 years industry experience



Matthew Johnson CFA®
Senior Fixed Income Manager
31 years industry experience

Returns are before fees, expenses and taxes and annualised for periods longer than one year. Past performance is not indicative of future returns, unit prices may go down as well as up, and investors in the fund may not recover the full amount of the capital they have invested. Performance not guaranteed by Trust Management, FundRock NZ Limited, the Supervisor or the underlying Investment Managers. Performance calculations for the Funds comprise the returns for the Trust Investments Group Investment Funds up to and including 31 March 2020 and for the Trust Management PIE Funds Scheme from 1 April 2020.

FundRock NZ Limited is the issuer of the Trust Management PIE Funds Scheme (Scheme). The Scheme's Product Disclosure Statement is available [here](#). Further information can also be found at www.disclose-register.companiesoffice.govt.nz, under offer number OFR12861.