

TRUST MANAGEMENT PIE FUNDS ESG NZ BOND FUND

Fund Update for the quarter ended:

30 September 2023

This fund update was first made publicly available on 26 October 2023.

What is the purpose of this update?

This document tells you how the Trust Management - ESG NZ Bond Fund has performed and what fees were charged. The document will help you to compare the Fund with other funds. Trust Investments Management Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

The Fund provides a diversified exposure to New Zealand fixed-interest securities that meet certain ethical investment criteria.

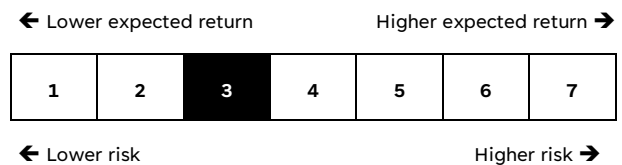
The investment objective of the Fund is to maximise income available for distribution, while generating a total return that exceeds the return of the Bloomberg NZBond Composite 0+ Year Index over rolling three-year periods, before taking into account fees and expenses.

Total Value of the Fund	NZ\$107,403,931
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Date the Fund started	1 April 2020
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What are the risks of investing?

Risk indicator for the Trust Management - ESG NZ Bond Fund¹:



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years ended 30 September 2023¹. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

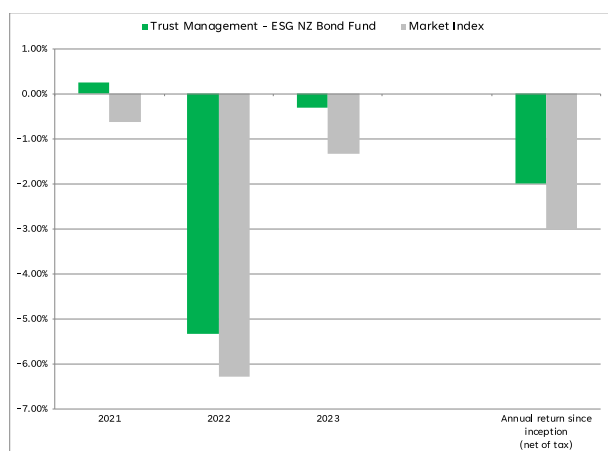
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

How has the Fund performed?

Returns for period ended 30 September 2023	Past Year
Annual Return (after deductions for charges and tax)	0.80%
Annual Return (after deductions for charges but before tax)	1.13%
Market index annual return (reflects no deduction for charges and tax)	0.30%

The market index annual return is based on the Bloomberg NZBond 0+ Year Composite index from 1 November 2020, and the S&P/NZX New Zealand Government Bond Index up to 31 October 2020. Additional information about the market index is available on the offer register (OFR12861) at <https://disclose-register.companiesoffice.govt.nz/disclose>.

Annual return graph



This graph shows the return after fund charges and tax for each year ending 31 March since the fund's inception. The last bar shows the average annual return since the fund started, up to 30 September 2023.

Important: This does not tell you how the Fund will perform in future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the Trust Management – ESG NZ Bond Fund are charged fund charges. In the year to 31 March 2023 these were:

	% of net asset value
Total Fund Charges <i>Which are made up of:</i>	0.38%
Total management and administration charges <i>Including:</i>	0.38%
Manager's Basic Fee	0.30%
Other management and administration charges	0.08%
Total performance-based fees	Nil

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from funds). See the PDS for the Trust Management PIE Funds on the offer register (OFR12861) at <https://disclose-register.companiesoffice.govt.nz/disclose> for more information about fees.

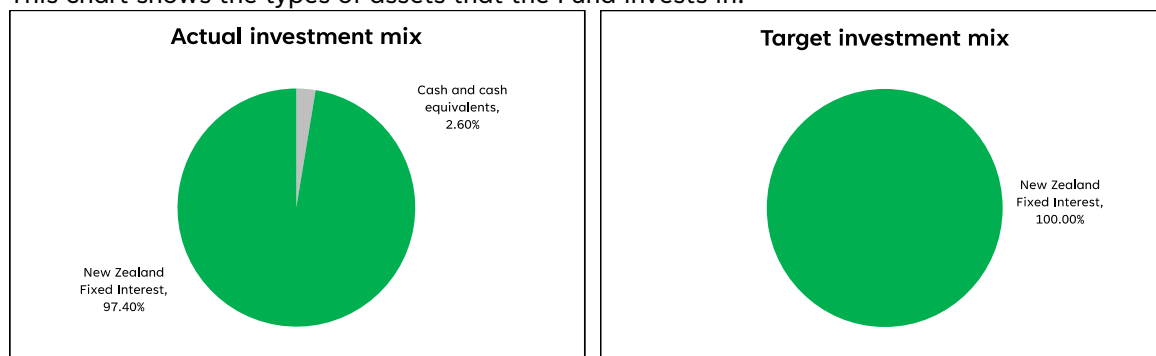
Example of how this applies to an investor

Small differences in fees and charges can have a big impact on your investment over the long term.

The Smith Charitable Trust had \$100,000 in the Fund at the start of the year and did not make any further contributions. At the end of the year, the Smith Charitable Trust received a return after fund charges were deducted of \$1,130 (that is 1.13% of the initial \$100,000). This gives the Smith Charitable Trust a total return after tax of \$800 for the year.

What does the Fund invest in?

This chart shows the types of assets that the Fund invests in:



Top 10 Investments

This table shows the top ten investments that the Fund invests in:

Asset name	% of fund net assets	Type	Country	Credit rating
NEW ZEALAND GOVERNMENT 150437 2.75 GB	10.99%	New Zealand fixed interest	NZ	AAA
NEW ZEALAND GOVT 200925 2.0 INDEXED BOND	9.79%	New Zealand fixed interest	NZ	AAA
NEW ZEALAND GOVERNMENT 150534 4.25 GB	7.07%	New Zealand fixed interest	NZ	AAA
HOUSING NEW ZEALAND LTD 240430 2.183 CB	6.49%	New Zealand fixed interest	NZ	AAA
ASIAN DEVELOPMENT BANK 190531 2.125 GB	4.92%	New Zealand fixed interest	NZ	AAA
MERCURY NZ LTD 140927 1.56 GB	3.59%	New Zealand fixed interest	NZ	BBB+
NEW ZEALAND GOVERNMENT 150541 1.75 GB	2.83%	New Zealand fixed interest	NZ	AAA
TRANSPower NEW ZEALAND LTD 150328 5.893 GB	2.74%	New Zealand fixed interest	NZ	AA
KIWIBANK LTD 051026 2.635 GB	2.70%	New Zealand fixed interest	NZ	AA
WESTPAC NEW ZEALAND LTD 140234 6.73 CB	2.36%	New Zealand fixed interest	NZ	AA-

The top 10 investments make up 53.47% of the net asset value of the Fund.

Key Personnel

Name	Position	Time in current position	Previous position	Time in previous position
Fergus McDonald	Head of Bonds and Currency, Nikko	23 years 3 months	NZ Fixed Interest Manager, Nikko	10 years 5 months
Ian Bellew	Fixed Income Manager, Nikko	11 years 9 months	Cash Portfolio Manager, Nikko	4 years 10 months
Matthew Johnson	Fixed Income Manager, Nikko	5 years 0 months	Senior Strategy Analyst, The Comfort Group	2 years 6 months

Further Information

You can also obtain this information, the PDS for the Trust Management PIE Funds, and some additional information from the offer register (OFR12861) at

<https://disclose-register.companiesoffice.govt.nz/disclose>.

Notes

1. As the Fund has been operating for less than five years, we have used a mix of actual and market index returns for the five-year period to 30 September 2023 to calculate the risk indicator. The risk indicator is based on the market index returns for the 1 year 6 months to 31 March 2020 when the Fund was not in existence, and then the actual returns for the 3 years 6 months to 30 September 2023. Therefore, the risk indicator may provide a less reliable indicator of the potential future volatility of the Fund.

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