

ASB Superannuation Master Trust

ASB NZ Fixed Interest Fund

Fund Update for the quarter ending 31 December 2022

This fund update was first made publicly available on: 13 February 2023



What is the purpose of this update?

This document tells you how the ASB NZ Fixed Interest Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Smartshares Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

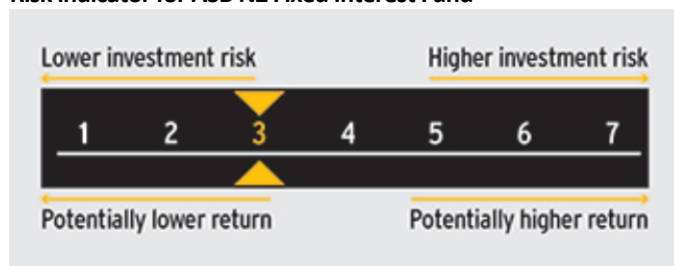
Description of this fund

To provide exposure to a portfolio of investment grade New Zealand fixed interest investments. The number of years with negative returns are generally expected to be less than for funds in the ASB Superannuation Master Trust which predominantly invest in growth assets. There is a focus on cost effective management. The ASB NZ Fixed Interest Fund invests in a target investment mix of 100% income assets.

| | |
|--|-------------|
| Total value of the fund | \$4,113,410 |
| Number of investors in the fund | 190 |
| The date the fund started | 01/08/2000 |

What are the risks of investing?

Risk indicator for ASB NZ Fixed Interest Fund



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. 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 <http://www.sorted.org.nz/tools/investor-kickstarter>

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.

The risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for a 5 year period to 31 December 2022. 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.

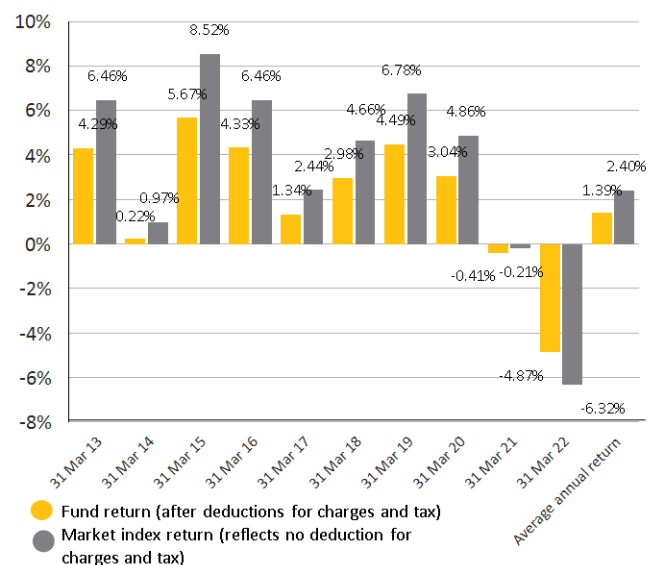
The risk indicator may not be a reliable indicator of the risk or returns that a fund is likely to experience in the future. For example, the risk indicator may be different if it was based on returns over a longer period.

How has the fund performed?

| | Average over past five years | Past year |
|---|------------------------------|-----------|
| Annual return (after deductions for charges and tax) | -0.11% | -5.54% |
| Annual return (after deductions for charges but before tax) | -0.17% | -7.64% |
| Market index annual return (reflects no deduction for charges and tax) | 0.24% | -7.52% |

The market index return is the target investment mix asset allocation weighted sum of the asset class market index return, where the target investment mix and asset class market indices are each as described in the Statement of Investment Policy and Objectives (SIPO). Additional information about the market index is available on the offer register at disclose-register.companiesoffice.govt.nz (search for ASB Superannuation Master Trust).

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 31 December 2022.

Important: This does not tell you how the fund will perform in the 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 ASB NZ Fixed Interest Fund are charged fund charges. In the year to 31 March 2022 these were:

| | % of net asset value |
|--|--|
| Total fund charges¹ | 0.51% |
| Which are made up of: | |
| Total management and administration charges | 0.51% |
| Including: | |
| Manager's basic fee | 0.35% |
| Other management and administration charges | 0.16% |
| Total performance-based fees | 0.00% |
| Other charges | Description of how charge is calculated |
| Administration fees | See below |

¹Total fund charges are exclusive of GST.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the ASB Superannuation Master Trust PDS for more information about those fees.

An administration fee may apply. If you are an ordinary member, you will pay an administration fee of 0.50% of the daily average balance of your account. If you are a specified member, the administration fee you pay (if anything) will depend on what has been agreed with your employer – please consult your employer for more information.

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

Example of how this applies to an investor

Jason had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Jason incurred a loss after fund charges were deducted of \$-554.00 (that is -5.54% of his initial \$10,000). Jason also paid \$48.62 in other charges.* This gives Jason a total loss after tax of \$-602.62 for the year.

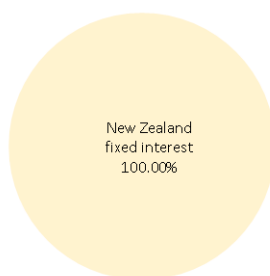
*The amount of other charges you pay depends on whether you are an ordinary member or a specified member. Jason is an ordinary member and therefore pays an administration fee of 0.50% of the daily average balance of his account.† If Jason were a specified member, the administration fee he pays (if any) depends on what we have agreed with his employer.

† The administration fee that Jason paid for the year is \$48.62. This assumes that the daily average balance of his account is \$9,723.00.

What does the fund invest in?

Actual investment mix

This shows the types of assets that the fund invests in.



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

| | |
|------------------------------|---------|
| Cash and cash equivalents | 0.00% |
| New Zealand fixed interest | 100.00% |
| International fixed interest | 0.00% |
| Australasian equities | 0.00% |
| International equities | 0.00% |
| Listed property | 0.00% |
| Unlisted property | 0.00% |
| Commodities | 0.00% |
| Other | 0.00% |

Top 10 investments

| Name | Percentage of net asset value of the fund | Type | Country | Credit rating (if applicable) |
|--|---|----------------------------|-------------|-------------------------------|
| 1 NEW ZEALAND GOVERNMENT 150423 5.5 GB | 6.22% | New Zealand Fixed Interest | New Zealand | AAA |
| 2 NEW ZEALAND GOVERNMENT 150524 0.50 GB | 6.06% | New Zealand Fixed Interest | New Zealand | AAA |
| 3 NEW ZEALAND GOVERNMENT 150425 2.75 GB | 6.06% | New Zealand Fixed Interest | New Zealand | AAA |
| 4 NEW ZEALAND GOVERNMENT 150427 4.50 GB | 6.05% | New Zealand Fixed Interest | New Zealand | AAA |
| 5 NEW ZEALAND GOVERNMENT 200429 3.0 GB | 5.30% | New Zealand Fixed Interest | New Zealand | AAA |
| 6 NEW ZEALAND GOVERNMENT 150526 0.50 GB | 4.07% | New Zealand Fixed Interest | New Zealand | AAA |
| 7 NEW ZEALAND GOVERNMENT 150531 1.50 GB | 3.97% | New Zealand Fixed Interest | New Zealand | AAA |
| 8 NEW ZEALAND GOVERNMENT 140433 3.50 GB | 3.87% | New Zealand Fixed Interest | New Zealand | AAA |
| 9 NEW ZEALAND GOVERNMENT 150437 2.75 GB | 3.65% | New Zealand Fixed Interest | New Zealand | AAA |
| 10 NEW ZEALAND GOVERNMENT 150532 2.00 GB | 3.64% | New Zealand Fixed Interest | New Zealand | AAA |

The top 10 investments make up 48.89% of the fund.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

| Name | Current position | Time in current position | Previous or other position | Time in previous or other position |
|------------------|-------------------------------|--------------------------|--|------------------------------------|
| 1 Nigel Annett | Investment Committee member | 8 years, 9 months | Executive GM Corporate Banking, ASB Bank (current position) | 4 years, 2 months |
| 2 Adam Boyd | Investment Committee member | 6 years, 7 months | Executive GM Personal Banking, ASB Bank (current position) | 0 years, 6 months |
| 3 Graeme Edwards | Investment Committee Chairman | 3 years, 2 months | Investment Committee member | 11 years, 0 months |
| 4 Stephen Moir | Investment Committee member | 1 year, 11 months | Director, Board of The Guardians of the NZ Superfund (previous position) | 10 years, 11 months |
| 5 John Smith | Investment Committee member | 11 years, 7 months | Head of Asset Management, ASB Bank (current position) | 10 years, 7 months |

Further information

You can also obtain this information, the PDS for ASB Superannuation Master Trust, and some additional information from the offer register at disclose-register.companiesoffice.govt.nz (search for ASB Superannuation Master Trust).

Notes

Interests in the ASB Superannuation Master Trust (Scheme) are issued by Smartshares Limited, a wholly owned subsidiary of NZX Limited. Smartshares Limited has delegated to ASB Group Investments Limited (ASBGI), the former manager of the Scheme, certain investment management and administration functions in respect of the Scheme. Over time, Smartshares Limited will assume these functions from ASBGI through a transition process which may take several years. No person guarantees interests in the Scheme.