

Statement of Investment Policy and Objectives

ASB KiwiSaver Scheme

Effective from 3 December 2025

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1. Introduction

The ASB KiwiSaver Scheme (the **Scheme**) is registered under the Financial Markets Conduct Act 2013 as a managed investment scheme.

ASB Group Investments Limited (**we, our or us**) is the manager of the Scheme and owned by ASB Bank Limited (**ASB**). The ASB investment committee has been established to be responsible for making investment decisions for the Scheme (the **Investment Committee**).

The supervisor of the Scheme is Public Trust (the **supervisor**).

The Scheme has the following funds (**Funds**):

- the NZ Cash Fund
- the Conservative Fund
- the Moderate Fund
- the Balanced Fund
- the Growth Fund and
- the Aggressive Fund.

This Statement of Investment Policy and Objectives (**SIPO**) sets out the investment policies and objectives for the Scheme and the Funds. This SIPO is prepared in consultation with the supervisor.

This SIPO describes how:

- ASB Group Investments Limited manages the Scheme's investments
- the performance of the Scheme's investments are measured and monitored and
- changes are made to this SIPO.

This SIPO, the Product Disclosure Statement (**PDS**), the other material information document and other documentation relating to the Scheme can be found in the Disclose Register at disclose-register.companiesoffice.govt.nz (search for ASB KiwiSaver Scheme).

2. Investment beliefs

Our investment beliefs provide a framework for our investment decision making. The investment beliefs are considered together when making decisions for the Scheme.

Investment beliefs	What this means for our investment decisions
Clear governance and decision-making structures that promote efficiency and accountability are effective and add value to our customers.	Our Investment Committee is responsible for ensuring each Fund's investment objective is reasonably achievable, and it regularly monitors the results of our investment strategies against the Funds' objectives.
Asset allocation and currency decisions are the most important investment decisions we make.	Our investment process begins with making the best possible asset allocation and currency hedging decisions.
Decisions taken with a medium - long term horizon will in the long term provide better outcomes for our investors.	We make investment decisions based on medium to longer term expectations, while monitoring the portfolios for near term risks and acting if appropriate.
Investment risks, including environmental, social and governance (ESG) risks, are material to investment returns.	We focus on both risk and return outcomes when making investment decisions. This includes the investment risks and opportunities that may result from climate change. Generally, higher returns means higher risk, therefore we aim to ensure that returns appropriately reflect the risk that is being taken to achieve those returns. Higher returns can also be a result of avoiding risk, such as those that may be identified by ESG factors, event risk and market dislocation amongst others.
Active management can add value, however, it is difficult to identify and secure active managers who consistently capture excess returns after costs.	When choosing an investment management style, we consider whether an active investment management style is likely to outperform a market index (after fees) over the long term.
The cost of managing money is an important component of investment returns.	We focus on keeping investment costs as low as possible for a given investment style, meaning that more of our customers' money is invested to earn returns.

3. Scheme objective

The Scheme is designed to help investors save for their retirement. Contributions made to each investor's account and the returns of the investor's chosen Funds, will largely determine the amount that an investor receives when they withdraw their investment.

To provide for a range of investors' needs, the Scheme has six Funds to invest in, each with a unique risk and return profile. See the Schedule to this SIPO for the investment objectives for each Fund. These may change from time to time.

4. Investment strategy

The investment strategy for each Fund is designed to achieve or exceed its investment objective and performance target. The investment strategy for each Fund is made up of asset allocation, currency hedging and decisions about how each asset class is managed.

Asset allocation

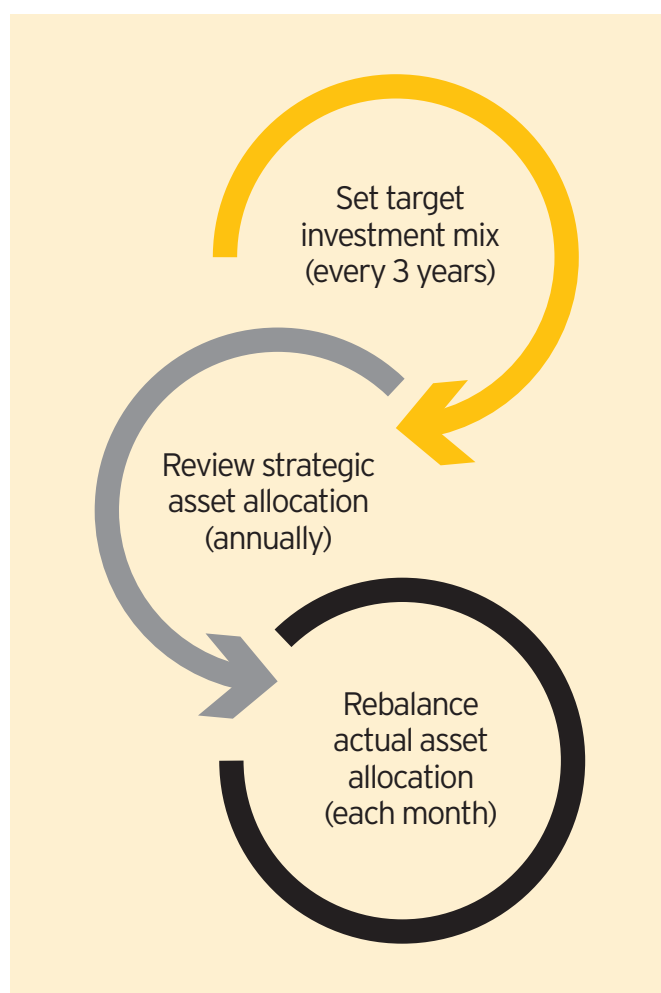
Asset allocation has a significant influence on investment returns. Each Fund is invested in line with a strategic asset allocation. The strategic asset allocation is reviewed annually (or sooner if market conditions warrant), and measured against a long term benchmark. We call this benchmark the target investment mix, which we set at least once every three years.

The target investment mix for each Fund is the allocation of assets that is expected to achieve the investment objective over the long term. The target investment mix is the benchmark that we use to measure the success of our asset allocation process.

The strategic asset allocation is the allocation of assets that we believe will produce a better investment outcome than the target investment mix over a three year period.

The actual asset allocation will differ from the strategic asset allocation only as a result of cash flows and market movements. The actual asset allocation for each Fund is monitored daily. We usually rebalance the actual asset allocation to the strategic asset allocation each month by buying and selling assets in a Fund. In the event of adverse market conditions we may delay a rebalance.

See the Schedule to this SIPO for the target investment mix for each Fund.



Currency hedging

All Funds, except the NZ Cash Fund, invest in foreign currency assets and are exposed to foreign currency movements. Foreign currency exposure is one of the key drivers of the Funds' overall level of risk and return.

Currency hedging involves off-setting the currency exposure of foreign assets, such as bonds or shares, so that the effect of currency movements on the value of those assets is reduced.

When setting the target investment mix, we determine a level of hedging for each asset class that has an exposure to foreign currency that we believe is appropriate in the long term.

When we review the strategic asset allocation, we determine a level of currency hedging for each asset class which we believe will produce a better investment outcome in the shorter term than the target investment mix level of currency hedging.

The actual level of hedging that is determined in the strategic asset allocation is achieved through the use of derivatives.

Asset class	Target investment mix level of currency hedging*
Asset classes without foreign currency assets: Cash and Cash Equivalents, NZ Government Bonds, NZ Inflation-Linked Bonds, NZ Corporate Bonds, and NZ Equities	Not applicable
Global Bonds (including Government, Inflation-Linked, High Yield and Corporate)	100%
Australian Equities and Listed Property	100%
Global Equities	50%
Emerging Market Equities	0%
Global Listed Infrastructure	100%
Commodities	0%
*Strategic asset allocation hedging levels may differ.	

See the Schedule to this SIPO for each Fund's allowable unhedged foreign currency exposure.

Portfolio manager

We have selected BlackRock Investment Management (Australia) Limited as a portfolio manager to manage the Scheme's asset allocation and currency hedging.

Managing asset classes

We manage asset classes in the same way across the Funds. This means that the investment management style, market index and underlying investment manager for each asset class is the same.

We use either an active investment management style or an index tracking investment management style.

An active investment management style means that investments are made with the goal of outperforming chosen market indices.

An index tracking investment management style aims to deliver returns that closely track those of a market index (or a combination of market indices). Index tracking isn't expected to exactly match the returns of the index because of transaction costs and cash flow and timing issues. Funds that are managed by index tracking generally have lower fees than those managed by an active investment management style. This is important because fees reduce returns.

Market index

The performance of each asset class is measured against a market index (or a combination of market indices).

Underlying Funds

The money in each asset class is invested in underlying funds. The underlying funds are unlisted unit trusts that we manage.

Underlying investment managers

We select underlying investment managers to manage the assets in each underlying fund, either directly or indirectly. The underlying investment managers are specialist investment managers within their asset class.

Asset class	Market index	Investment management style	Underlying investment manager
Cash & Cash Equivalents ¹	S&P/NZX 90-Day Bank Bills Index	Active	State Street Global Advisors, Australia, Limited
NZ Government Bonds	Bloomberg NZBond Govt O+ Yr Index	Index tracking	State Street Global Advisors, Australia, Limited
NZ Inflation-Linked Bonds	Bloomberg NZBond Infl O+ Yr Index		
NZ Corporate Bonds	Bloomberg NZBond Local Govt & Credit A O+ Yr Index	Index tracking	BlackRock Investment Management (Australia) Limited
Global Government Bonds (1-10 years)	FTSE World Government Bond (1-10 years) Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global Government Bonds	FTSE World Government Bond Index (100% hedged)	Index tracking	Not applicable ²
Global Inflation-Linked Bonds	FTSE US Inflation Linked Securities Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global Corporate Bonds	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global High Yield Bonds	Bloomberg Global Corporate High Yield Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited

1. Cash & Cash Equivalents comprise on-call and term investments with registered New Zealand banks, including wholesale deposits, registered certificates of deposit and floating rate notes. Maximum term to maturity of any security is 365 days.

2. There is currently no actual asset allocation to Global Government Bonds.

Asset class	Market index	Investment management style	Underlying investment manager
Australasian Equities	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Global Equities	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)	Index tracking	BlackRock Investment Management (Australia) Limited
Emerging Market Equities	MSCI Emerging Markets Index (unhedged)	Index tracking	BlackRock Investment Management (Australia) Limited
Listed Property	FTSE EPRA/NAREIT Developed Index (100% hedged)	Index tracking	Not applicable ³
Global Listed Infrastructure	FTSE Developed Core Infrastructure 50/50 Index (100% hedged)	Index tracking	State Street Global Advisors, Australia, Limited
Commodities	Refinitiv Gold Price in NZD (unhedged)	Index tracking	BlackRock Investment Management (Australia) Limited

3. There is currently no actual asset allocation to Listed Property.

We may change the market indices and underlying investment managers at any time. We do not need to give anyone notice of that change.

See the Schedule to this SIPO for the market index weightings for each Fund.

See the full market index disclaimers at asb.co.nz/index-disclaimers

MSCI Climate Paris Aligned Indexes

The MSCI Climate Paris Aligned Indexes are designed to support investors seeking to reduce their exposure to transition and physical climate risks and to pursue opportunities arising from the transition to a lower-carbon economy while aligning with the Paris Agreement requirements.

The index construction method for the MSCI World ex Australia Climate Paris Aligned Index starts with the MSCI World ex Australia Index as the "Parent Index". The below is a description of the construction method as of May 2025. This method may change from time to time.

The eligible securities that can be included in the Paris Aligned Index are derived after removing securities relating to the following categories from the Parent Index:

- Controversial Weapons
- ESG Controversies
- Tobacco
- Environmental Harm
- Thermal Coal Mining and Distribution
- Oil and Gas
- Power Generation
- Civilian Firearms
- Nuclear Weapons

Certain revenue thresholds and other criteria for exclusion apply. For the avoidance of doubt, these exclusions only apply to the global equities asset class. Our exclusions as outlined in Section 5 continue to apply.

The MSCI Climate Paris Aligned Index has additional objectives compared to the Parent Index as described below.

Reduce transition and physical risk by:

- Reducing Greenhouse Gas (GHG) Intensity in terms of Scope 1, 2 and 3 relative to the Parent Index.
- Reducing (e.g. a minimum average reduction (per year)) GHG Intensity relative to the GHG Intensity at the Base Date by 10%.
- Increasing aggregate weight in companies setting targets relative to aggregate weight of such companies in the Eligible Universe by 20%.
- Reducing Weighted Average Potential Emissions Intensity relative to Parent Index by 50%.

Target transition opportunities by:

- Increasing the Weighted Average Green Revenue relative to the Parent Index by 100%.
- Increasing the minimum ratio of Weighted Average Green Revenue versus the Weighted Average Fossil fuels-based Revenue relative to the Parent Index 4 times.
- Increasing the weighted average Low Carbon Transition Score relative to Parent Index by 10%.

These additional objectives are incorporated into the semi-annual rebalancing of the Paris Aligned Index, along with diversification objectives (e.g. the degree to which it is over or under weight countries, sectors, and companies relative to the Parent Index). If there is no optimal solution that meets these objectives, certain diversification objectives are relaxed. If still no optimal solution is found, the Paris Aligned Index will not rebalance for the relevant period.

The Paris Aligned Index exclusion definitions and additional objectives may change from time to time. More details on the methodology and exclusion definitions, can be found by searching for the MSCI Climate Paris Aligned Indexes Methodology at <https://www.msci.com/index-methodology>. Capitalised terms used in this section of the SIPO have the same meaning as in the MSCI Climate Paris Aligned Indexes Methodology.

Authorised investments

The authorised investments for the Funds are:

- unlisted unit trusts managed by us
- cash balances with ASB
- derivatives
- exchange traded funds (ETFs) and
- any other investments as agreed from time to time with the supervisor.

We agree authorised investments with the underlying investment managers.

5. Exclusions criteria

We currently seek to exclude investments in securities of issuers which are involved in the activities listed in the table below. The table also sets out the level of involvement required for an issuer's security to be excluded. We monitor compliance with our investment exclusions criteria on an ongoing basis. Investment exclusions are complex and dependent on specialist ESG research. The implementation of the exclusions can be affected by the accessibility and accuracy of data, and depends on accurate information, data limitations, interpretations, or assessments from our third-party ESG research provider. This may result in inadvertent holdings in securities we are seeking to exclude. Further detail on these exclusion limitations can be found in the 'Application of investment exclusions' section.

Our Funds may invest in derivatives for risk management and investment purposes. Derivatives may reference broad market indices, and so may result in indirect exposure to excluded issuers and securities. The definitions, or the research used to implement these exclusions, may change from time to time.

Exclusion	Definition	Level of involvement
Controversial weapons	Companies involved in the manufacture of, or that provide dedicated and/or essential components or services for: <ul style="list-style-type: none"> · Anti-personnel mines · Chemical and biological weapons · Cluster weapons · Depleted uranium · Nuclear weapons 	Companies that derive any revenue from the relevant activities and companies with a significant (greater than 10%) ownership in an involved company.
Civilian firearms	The manufacture, sale, retail and/or distribution to civilian customers of assault weapons or small arms, and the manufacture and sale of small arms key components (such as gun sights, triggers, bullet casings and other components of small arms or small calibre ammunition) to civilian customers.	Companies that derive any revenue from the relevant activities. ⁴
Tobacco	Companies that manufacture tobacco products, or that supply tobacco-related products or services, and companies that distribute their own label tobacco products. Tobacco products include cigarettes, cigars, tobacco for pipes and snuff, smokeless tobacco products and e-liquid, complete e-cigarettes. Tobacco-related products or services includes products that facilitate the consumption of tobacco such as pipes, e-cigarette devices, vaping devices, and rolling papers, specialised materials including packaging, specialised equipment necessary for the production of tobacco products, and raw materials that are produced primarily for use in tobacco products. Tobacco retailers are not excluded.	Companies that derive any revenue from the relevant activities. ⁴
Whale meat	Whale meat processing.	Companies that derive any revenue from the relevant activities. ⁴

4. Where a company has a majority stake in another company, relevant revenues of the subsidiary are attributed to the parent.

Exclusion	Definition	Level of involvement
Fossil fuel producers	Companies with their primary business activity in: <ul style="list-style-type: none"> • Coal & consumable fuels • Oil & gas exploration and production • Oil & gas equipment & services • Oil & gas drilling • Integrated oil & gas 	Primary business activity, as identified by our third party ESG research provider using the Global Industry Classification Standard (GICS) maintained by MSCI and S&P.
	Companies involved in the exploration and extraction of thermal coal, or oil and gas. Exploration and extraction of oil and gas includes the sub-categories of Arctic Oil & Gas Exploration, Oil Sands Extraction, and Shale Energy Extraction. For the purposes of these definitions, metallurgical coal is not included in the term 'coal'.	Companies that derive at least 10% combined revenue from all of their exploration and extraction activities. ⁴
	Companies that have a primary business activity in oil and gas refining and marketing, or oil and gas storage and transportation, are not excluded, unless they also derive at least 10% revenue from exploration and extraction of thermal coal, or oil and gas as described immediately above.	
Securities where the country of issue is the Russian Federation	Securities issued by any Russian Federation domiciled entity, where the country of issue is the Russian Federation. This captures securities listed on a Russian stock exchange and American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs) listed on other exchanges and Russian Rubles held with a Custodian. Some of the Funds have exposure to a small number of securities issued in Russia that are subject to sanctions and cannot currently be divested.	NA
Global standards screen	Companies that are assessed by our third party ESG research provider as non-compliant with one or more of the United Nations Global Compact principles, and related international norms and standards. The United Nations Global Compact principles define minimum fundamental responsibilities that companies are expected to meet in the areas of human rights, labour rights, the environment and anti-corruption. Incidents related to contiguous territorial disputes are ineligible for global standards screening due to conflicting source information and an inability of our third-party research provider to apply their research objectivity and rigour. Examples of contiguous territorial disputes that will be ineligible for global standards screening (as of December 2024) involve the following areas: Donetsk People's Republic and Luhansk People's Republic, the Essequibo Region, the Israeli-Palestinian Conflict Area (IPCA), the Kashmir Region, Nagorno-Karabakh and Western Sahara. This list is not exhaustive and provides a few examples. The list of ineligible incidents is subject to monitoring and internal updates by our third party ESG research provider.	NA

4. Where a company has a majority stake in another company, relevant revenues of the subsidiary are attributed to the parent.

Exclusion	Definition	Level of involvement
One-off exclusions	ASB may from time to time specify other securities as excluded investments. These securities could be excluded for exceptional reasons such as strong customer consensus objecting to the nature of the issuer's activities or where the issuer's activities do not align with ASB's values or policies (such as serious incidents surrounding modern slavery, social harm, environmental damage). When considering whether to divest a security, in accordance with the ASB Framework for Excluded Investments, we will conduct a review on our manager's engagement and voting outcomes and the likelihood that the issuer's activities will change. Currently, there is a one-off exclusion in place for securities issued by the State of Israel.	NA

Application of investment exclusions

We apply our exclusions using data from a third party ESG research provider. Using this data, we issue instructions quarterly (or more frequently as required) to our underlying investment managers on which securities to exclude. The research for this process does not cover all issuers across each of the asset classes that our Funds may invest in. The research across our Global Corporate Bonds and Global High Yield Bonds asset classes as at 30 September 2025 covers less than 50% of their respective benchmarks and is subject to change over time. This may result in inadvertent holdings in securities we are seeking to exclude.

If we identify any exposure to a security on our exclusions list (or a security that should be on our exclusions list) we would instruct the investment manager to divest the security, regardless of financial impacts.

We continue to evolve our exclusions in line with; ASB's values, the changing expectations of society and relevant world events. Our current exclusions can be found in this SIPO and on our responsible investing webpage, asb.co.nz/responsible-investment. Full portfolio holdings for the Funds can be found at asb.co.nz/kiwisaverforms

ASB Framework for Excluded Investments

The Investment Committee is responsible for recommending to the CEO whether an investment should be specified as an excluded investment under the ASB Framework for Excluded Investments and for giving effect to any decision by the CEO under this framework.

Further information about our responsible investing approach can be found at asb.co.nz/responsible-investment

6. Engagement and voting

As outlined in section 4, we select underlying investment managers to provide investment expertise and manage funds on our behalf.

We require our underlying investment managers to:

- describe clearly how they consider ESG issues in managing investments
- have a policy covering how they engage on ESG issues with the entities in which they invest
- have a clear proxy voting policy.

Our underlying investment managers engage with companies and vote at shareholder meetings on your behalf with a focus on sustainable long-term value. When selecting an underlying investment manager, we assess the manager's engagement and voting activities.

Further information about our engagement and voting approach can be found at asb.co.nz/responsible-investment

7. Investment policies

Our investment decision-making is guided by our investment policies, which include the policies listed below. Our investment policies are reviewed at least once every two years.

Rebalancing policy	<p>We rebalance by selling assets in an asset class that exceeds the strategic asset allocation and by purchasing assets in asset classes that are under the strategic asset allocation. Rebalancing is usually undertaken monthly.</p> <p>Rebalancing is also described in section 4 of this SIPO.</p>
Currency hedging policy	<p>We use an active approach to hedging where the actual level of hedging for each asset class with assets in foreign currency matches the strategic asset allocation hedging level. The hedging level represents the proportion of foreign currency exposure hedged back to New Zealand dollars.</p> <p>Currency hedging is also described in section 4 of this SIPO.</p>
Derivatives usage policy	<p>We use derivatives:</p> <ul style="list-style-type: none"> • for risk management (including to hedge foreign currency exposure and managing total portfolio risk) • for investment purposes, to facilitate efficient portfolio management (including to achieve transactional efficiency and to manage cash flows). <p>We may use derivatives for other purposes if approved by the Investment Committee.</p>
Gearing policy	<p>Gearing is an investment technique where money is borrowed to enhance investment returns. The Funds do not use gearing.</p>
Market risk management policy	<p>The value of some investments can go up and down over time because of changes in market conditions. We spread our investments across different markets to reduce the likelihood or impact of this risk. Market risk management is a key part of the asset allocation process and asset class management process.</p>
Credit risk policy	<p>An investment in cash, fixed interest or derivatives may be affected if a person doesn't pay what they owe. This could result in lower returns or the loss of some or all of the money invested by a Fund. We spread our investments across different markets, borrowers or issuers, apply exposure limits and apply credit quality criteria (such as credit ratings and issuer limits for relevant investments) to reduce the likelihood or impact of this risk.</p>
Asset valuation policy	<p>We have documented procedures, systems and controls to ensure fair value.</p>
Responsible investing policy	<p>We have a responsible investment policy that describes the responsible investment principles to be adopted by the Investment Committee. These principles guide the Investment Committee in the application of our responsible investment commitments, being commitments to incorporate, amongst other things, environmental, social and governance considerations into our investment analysis and decision making process. More information about our commitments can be found at asb.co.nz/responsible-investment</p>
Liquidity risk policy	<p>Liquidity risk arises when assets become difficult to sell in a reasonable timeframe and at a fair price. This can affect our ability to pay withdrawal requests in a timely way, or we may have to sell those assets at a lower price. We manage and mitigate this risk through the asset allocation process, by diversifying across sectors and issuers and by investing in liquid public markets.</p>

8. Investment strategy review

The management of each asset class is formally reviewed at least once every two years. This review is in addition to the review processes described in sections 4 (Investment strategy) and 7 (Investment policies) of this SIPO.

The review includes considering:

- the current investment approach to the asset class
- whether the asset class should be managed using an active or index tracking investment management style
- which market index should be used
- underlying investment managers by looking at investment processes and systems, reputation, investment management style and the managers' performance record and
- whether to gain exposure to the asset class via a separately managed account in the supervisor's name or by a pooled vehicle offered by the investment manager.

9. Monitoring

We regularly monitor the performance of the investment strategies, policies and the underlying investment managers appointed to carry these out.

This monitoring looks at whether:

- the relevant investment objective is achieved
- the strategy remains effective and appropriate and
- the underlying investment managers are competent and achieving the agreed objectives.

Investment performance monitoring

The investment performance of each Fund is monitored every month. This includes each Fund's absolute performance, the volatility of performance, and risk-adjusted performance. Each Fund's performance is compared with the performance of the target investment mix and a peer group of managers.

Portfolio manager monitoring

The performance of our portfolio manager is reviewed every month, relative to agreed objectives. The review looks at the performance over short, medium and longer timeframes.

Underlying investment manager performance monitoring

The performance of each underlying investment manager is reviewed every month, relative to agreed objectives. The review looks at the performance over short, medium and longer timeframes.

10. Compliance with this SIPO

We monitor the Funds each day for compliance with the investment strategies and policies in this SIPO.

The underlying funds are also monitored for compliance with the authorised investments and restrictions. The underlying investment managers are monitored for their compliance with the relevant investment management agreements.

Limit break monitoring

Each Fund has limits on the amount of:

- an asset class, and
- income assets (such as cash and cash equivalents and fixed interest) and growth assets (such as equities and listed property)

it can hold.

If a Fund moves outside a limit (a **Limit Break**), we will rebalance to correct the allocation of assets for that Fund, ordinarily within five working days of discovering the Limit Break. We will report any Limit Break to the supervisor.

See the Schedule to this SIPO for the limits for each Fund.

We confirm our compliance with this SIPO quarterly:

- to the supervisor and
- to the Investment Committee.

11. Valuation and Pricing Methodology

Asset valuation

The assets held by the Funds are valued in order to determine the unit price for each Fund. Asset valuations for the Funds are typically performed each valuation day based on the last market prices (or unit prices) available at that time. Our asset valuation policy permits the use of alternative fair value pricing valuation methods, including asset valuation estimates, where:

- market prices are not readily available,
- the securities are not traded in an active market, or,
- in our view the pricing source does not represent fair value.

Unit price calculation

The unit prices for the Funds are calculated by dividing the net asset value of the relevant Fund by the number of units on issue in that Fund. The basic methodology for the calculation of unit prices is set out in the Scheme's trust deed. Unit prices are generally calculated each business day.

The current policy is to calculate unit prices using the forward pricing method, meaning the declared unit price is based on the value of the Funds' assets as at close of business for the valuation day.

Unit prices are rounded down at the fourth decimal place.

You can obtain the unit price applicable to any valuation day by contacting us or visiting asb.co.nz

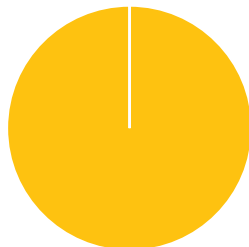
12. Changes to this SIPO

This SIPO is reviewed at least annually or to reflect a change such as a new target investment mix or a change to an underlying investment manager. Any changes to this SIPO will be made in consultation with the supervisor and approved by the ASB Head of Wealth Product. Any material changes to the SIPO will be reported in the Scheme's next annual report.

Schedule

NZ Cash Fund

Income/growth asset split



● Income 100% ● Growth 0%

Investment objective

To provide exposure to a portfolio of investment grade short term deposits and fixed interest investments with New Zealand registered banks. The number of years with negative returns are generally expected to be less than the other Funds.

Performance target

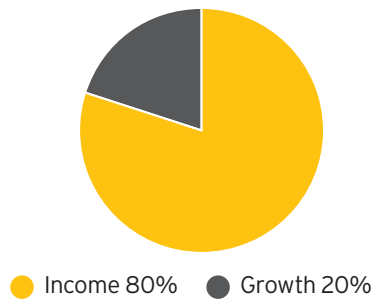
Exceed the return of the S&P/NZX 90-Day Bank Bills Index by 0.25% per annum before management fees, expenses and tax over rolling 12-month periods.

The tracking error of the expected performance should be no greater than 0.25% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limit	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	100%		S&P/NZX 90-Day Bank Bills Index
Income assets		100%	100%	

Conservative Fund

Income/growth asset split



Investment objective

To provide modest total returns allowing for modest movements of value up and down. The number of years with negative returns are generally expected to be higher than the NZ Cash Fund but lower than the Moderate Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 2.5% relative to the target investment mix.

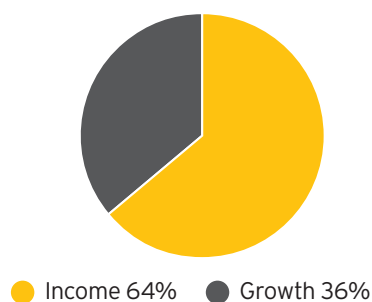
Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	23.25%	5% - 40%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	20.5%	10% - 40%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		9.5%	0% - 25%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	8.5% - 40%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		14.5%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-		FTSE US Inflation Linked Securities Index (100% hedged)
Global Corporate Bonds		12.25%	0% - 25%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Global High Yield Bonds		-	0% - 10%	Bloomberg Global Corporate High Yield Index (100% hedged)
Income assets		80%	70% - 90%	
Australasian Equities	Australasian Equities	3.3%	0% - 20%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	15%	0% - 22.5%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		1.7%	0% - 10%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 10%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 10%	Refinitiv Gold Price in NZD (unhedged)
Growth assets		20%	10% - 30%	

The total unhedged foreign currency exposure for this fund is limited to between 0% - 20%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

Moderate Fund

Income/growth asset split



Investment objective

To provide moderate total returns allowing for moderate movements of value up and down. The number of years with negative returns are generally expected to be higher than the Conservative Fund but lower than the Balanced Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 3.5% relative to the target investment mix.

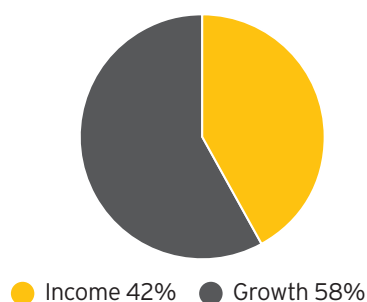
Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	10.5%	3% - 30%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	20.5%	5% - 30%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		9.5%	0% - 15%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	5% - 30%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		12.5%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-		FTSE US Inflation Linked Securities Index (100% hedged)
Global Corporate Bonds		11%	0% - 17%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Global High Yield Bonds		-	0% - 7%	Bloomberg Global Corporate High Yield Index (100% hedged)
Income assets		64%	50% - 70%	
Australasian Equities	Australasian Equities	8%	0% - 30%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	25%	0% - 36%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		3%	0% - 10%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 10%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD (unhedged)
Growth assets		36%	30% - 50%	

The total unhedged foreign currency exposure for this fund is limited to between 0% - 40%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

Balanced Fund

Income/growth asset split



Investment objective

To provide moderate to high total returns allowing for moderate to high movements of value up and down. The number of years with negative returns are generally expected to be higher than the Moderate Fund but lower than the Growth Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 4% relative to the target investment mix.

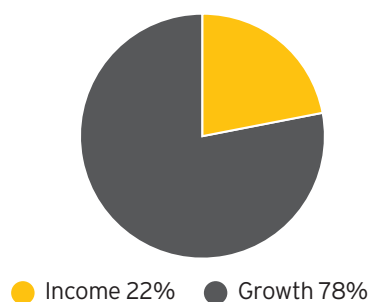
Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	5.5%	2% - 25%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	14.5%	5% - 20%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		6.8%	0% - 12%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	0% - 25%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		8.2%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-		FTSE US Inflation Linked Securities Index (100% hedged)
Global Corporate Bonds		7%	0% - 12%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Global High Yield Bonds		-	0% - 7%	Bloomberg Global Corporate High Yield Index (100% hedged)
Income assets		42%	30% - 50%	
Australasian Equities	Australasian Equities	15.7%	5% - 40%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	37.6%	10% - 45%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		4.7%	0% - 12%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 12%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD (unhedged)
Growth assets		58%	50% - 70%	

The total unhedged foreign currency exposure for this fund is limited to between 0% - 60%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

Growth Fund

Income/growth asset split



Investment objective

To provide high total returns allowing for large movements of value up and down. The number of years with negative returns are generally expected to be higher than the Balanced Fund but lower than the Aggressive Fund.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 4.5% relative to the target investment mix.

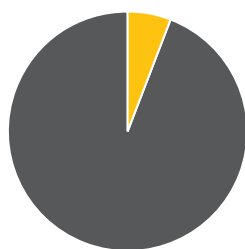
Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	3%	1% - 20%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	8.5%	5% - 15%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		4%	0% - 8%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	0% - 20%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		3.5%		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-		FTSE US Inflation Linked Securities Index (100% hedged)
Global Corporate Bonds		3%	0% - 10%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Global High Yield Bonds		-	0% - 7%	Bloomberg Global Corporate High Yield Index (100% hedged)
Income assets		22%	10% - 30%	
Australasian Equities	Australasian Equities	20.7%	5% - 50%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	51%	10% - 60%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		6.3%	0% - 15%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 15%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD (unhedged)
Growth assets		78%	70% - 90%	

The total unhedged foreign currency exposure for this fund is limited to between 0% - 80%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

Aggressive Fund

Income/growth asset split



● Income 6% ● Growth 94%

Investment objective

To provide the highest total returns of the Funds allowing for the largest movements of value up and down. The number of years with negative returns are generally expected to be the highest of the Funds.

Performance target

Exceed the return of the target investment mix before management fees, expenses and tax over the medium to long term.

The tracking error of the expected performance should be no greater than 5% relative to the target investment mix.

Asset class	Asset category	Target investment mix	Limits	Market index
Cash & Cash Equivalents	Cash & Cash Equivalents	2%	0% - 10%	S&P/NZX 90-Day Bank Bills Index
NZ Government Bonds	NZ Fixed Interest	2.75%	0% - 20%	Bloomberg NZBond Govt O+ Yr Index
NZ Inflation-Linked Bonds		-		Bloomberg NZBond Infl O+ Yr Index
NZ Corporate Bonds		1.25%	0% - 10%	Bloomberg NZBond Local Govt & Credit A O+ Yr Index
Global Government Bonds (1-10 years)	International Fixed Interest	-	0% - 20%	FTSE World Government Bond (1-10 years) Index (100% hedged)
Global Government Bonds		-		FTSE World Government Bond Index (100% hedged)
Global Inflation-Linked Bonds		-		FTSE US Inflation Linked Securities Index (100% hedged)
Global Corporate Bonds		-	0% - 10%	FTSE World Broad Investment Grade Bond Index (excluding securities in the FTSE World Government Bond Index) (100% hedged)
Global High Yield Bonds		-	0% - 10%	Bloomberg Global Corporate High Yield Index (100% hedged)
Income assets		6%	0% - 20%	
Australasian Equities	Australasian Equities	20.5%	8% - 60%	70% S&P/NZX 50 Gross with Imputation Index; 30% S&P/ASX 200 Accumulation Index (100% hedged)
Global Equities	International Equities	65.5%	15% - 71.5%	MSCI World ex Australia Climate Paris Aligned Index (50% hedged)
Emerging Market Equities		8%	0% - 20%	MSCI Emerging Markets Index (unhedged)
Listed Property	Listed Property	-	0% - 30%	FTSE EPRA/NAREIT Developed Index (100% hedged)
Global Listed Infrastructure	Other (Listed Infrastructure)	-		FTSE Developed Core Infrastructure 50/50 Index (100% hedged)
Gold	Commodities	-	0% - 7%	Refinitiv Gold Price in NZD (unhedged)
Growth assets		94%	80% - 100%	

The total unhedged foreign currency exposure for this fund is limited to between 0% - 95%.

A security may be included in more than one market index. This means that more than one asset category may be exposed to that security.

A large yellow geometric shape, resembling a stylized mountain or a series of overlapping triangles, occupies the bottom third of the page. It has a dark orange outline and a lighter yellow fill.

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