

# Responsible Investment Policy

ASB Group Investments Limited | May 2026

# Introduction

ASBGI is the manager of the ASB Funds. This Policy sets out our approach to responsible investment.

In this Policy, responsible investment means incorporating ESG considerations into investment decisions and ownership practices to better manage risk and generate sustainable, long-term returns. We believe that investment risks, including ESG risks, are material to investment returns. We consider both risk and return outcomes when making investment decisions.

<b>Purpose</b>	This Policy sets out our approach to responsible investment.
<b>Scope</b>	This Policy applies to all ASB Funds.
<b>Policy statement</b>	<p>Our approach to responsible investment comprises:</p> <ul style="list-style-type: none"> <li>• ESG incorporation into investment decisions</li> <li>• Stewardship</li> <li>• Transparency</li> </ul>
<b>ESG incorporation into investment decisions</b>	<p>We incorporate ESG considerations into investment decisions for the ASB Funds as follows:</p> <p><b>Investment manager selection and monitoring</b></p> <p>The practices of each investment manager that we appoint for the ASB Funds must be consistent with this Policy. When selecting and monitoring an investment manager, we understand how ESG considerations are incorporated into the manager's activities. For example, we understand how ESG considerations influence the investment manager's decision making for the ASB Funds and its stewardship activities.</p> <p><b>ESG integration into our investment processes</b></p> <p>We consider both risk and return outcomes when making investment decisions. This includes the investment risks and opportunities that may result from climate change. For example, we seek to identify, assess and manage climate-related investment risks and opportunities for the ASB Funds by:</p> <ul style="list-style-type: none"> <li>• Improving our understanding and measurement of climate-related investment risks and opportunities, including the use of qualitative analysis and quantitative tools through climate scenario analysis.</li> <li>• Considering investment strategies that may help to mitigate climate-related investment risks or capture climate related investment opportunities, and that are consistent with delivering optimal risk-adjusted returns. For index tracking mandates, this means we consider climate-related investment risks and opportunities in the selection of the market index to which an asset class is managed.</li> </ul> <p><b>Exclusions</b></p> <p>We may exclude an asset (or group of assets) from the investable universe for the ASB Funds as part of our investment processes to manage ESG-related investment risks and opportunities. This may include exclusions arising from selecting the market index to which an asset class is managed. We will not knowingly invest in securities where it is illegal under New Zealand law to do so.</p> <p>We will not knowingly invest in securities that are on the list of excluded investments specified by ASB Bank (except to the extent of any exemption approved by ASB Bank) provided always that:</p> <ul style="list-style-type: none"> <li>• the investment objectives of the ASB Funds are reasonably achievable without direct or indirect investment in those excluded investments, and</li> <li>• the exclusion is not inconsistent with our legal duties for the ASB Funds.</li> </ul> <p>ASB Bank's process to determine the list of excluded investments currently includes an assessment by ASB Bank of:</p> <ul style="list-style-type: none"> <li>• Whether investing in the relevant securities would be contrary to the strong and enduring moral or ethical preferences of the majority of New Zealanders; and</li> <li>• The likely outcomes of the engagement and voting activities of our investment managers for the ASB Funds.</li> </ul>

<b>Stewardship</b>	<p><b>Engagement and voting</b></p> <p>We require each investment manager that we appoint for the ASB Funds to have policies and processes in place for how they conduct stewardship activities for the ASB Funds, including engagement and voting. Our investment managers will engage and vote in accordance with their policies and processes, unless we direct them otherwise.</p> <p>As a signatory to the Aotearoa New Zealand Stewardship Code, we report annually on the engagement and voting activities carried out for the ASB Funds by our investment managers.</p> <p><b>Conflicts of interest</b></p> <p>We will manage appropriately all actual, potential and perceived conflicts of interest. We require our investment managers to have in place policies and processes to manage conflicts of interest. We expect our investment managers to immediately report to us any actual, potential, or perceived conflicts of interest.</p> <p><b>Education</b></p> <p>We develop our knowledge about responsible investment through education sessions, staff training and industry involvement.</p> <p><b>Industry engagement</b></p> <p>We collaborate with others, including our investment managers and industry organisations to which we belong, to evolve our policies and processes for responsible investment, and to address systemic ESG challenges.</p> <p>We are a signatory to the Principles for Responsible Investment (PRI). This commits us to enhancing our responsible investment practices, contributing to developing a more sustainable global financial system and the PRI reporting requirements.</p> <p>We are a member of the Responsible Investment Association Australasia (RIAA). RIAA champions responsible investing and a sustainable financial system in Australia and New Zealand. Through RIAA we participate and collaborate in working groups to build responsible investing knowledge and understanding.</p> <p>We are a founding signatory to the Aotearoa New Zealand Stewardship Code. This commits us to adopting and embedding the Code into our stewardship practices and publishing a stewardship report annually.</p>
<b>Transparency</b>	<p>We make information about the holdings and excluded investments of the ASB Funds available to all customers.</p> <p>Further information about the implementation of this Policy can be found in the SIPOs for the ASB Funds and at <a href="http://asb.co.nz/responsible-investment">asb.co.nz/responsible-investment</a>.</p>
<b>Key accountabilities</b>	<p>This Policy is approved by the ASBGI Board. It is reviewed biennially or more frequently if required.</p> <p><b>Role Key accountabilities</b></p> <p>ASBGI Board</p> <ul style="list-style-type: none"> <li>- Approve this Policy.</li> </ul> <p>ASB IC</p> <ul style="list-style-type: none"> <li>- Ensure that its decisions are consistent with this Policy.</li> </ul> <p>ASB Management</p> <ul style="list-style-type: none"> <li>- Ensure that this Policy is implemented and adhered to;</li> <li>- Identify emerging issues about responsible investment that the ASBGI Board may need to address; and</li> <li>- Develop and give effect to standards, processes and procedures for those purposes.</li> </ul>
<b>Reporting</b>	<p>Any non-compliance with this Policy must be reported to the Head of ASBGI. The Head of ASBGI must report to the ASBGI Board all material non-compliance with this Policy.</p>

<b>Definitions</b>	<p>In this Policy, the following terms have the meanings defined below:</p> <p><b>ASB Bank:</b> ASB Bank Limited.</p> <p><b>ASBGI, we, our, us:</b> ASB Group Investments Limited, a wholly owned subsidiary of ASB Bank.</p> <p><b>ASB IC:</b> the ASB Investment Committee, a management committee that has delegated authority to make investment decisions for the ASB Funds.</p> <p><b>ASB Fund:</b> an off-balance sheet trust, scheme, fund, or investment portfolio managed by ASBGI, including the ASB KiwiSaver Scheme and ASB Investment Funds but excluding the ASB Cash Fund and the ASB Term Fund.</p> <p><b>ESG:</b> Environmental, social and governance.</p> <p><b>SIPO:</b> Statement of Investment Policy and Objectives.</p>																	
<b>Approver</b>	ASBGI Board																	
<b>Exemption Authority</b>	ASBGI Board																	
<b>Owner</b>	ASB Executive General Manager Personal Banking																	
<b>Manager</b>	Head of Wealth Product																	
<b>Review Cycle</b>	Biennial																	
<b>Next Review Due</b>	May 2028																	
<b>Revisions</b>	<table border="1" data-bbox="480 1005 1434 1308"> <thead> <tr> <th data-bbox="480 1005 719 1055">Version</th> <th data-bbox="719 1005 1078 1055">Approval Date</th> <th data-bbox="1078 1005 1434 1055">Detail</th> </tr> </thead> <tbody> <tr> <td data-bbox="480 1055 719 1104">1.0</td> <td data-bbox="719 1055 1078 1104">March 2017</td> <td data-bbox="1078 1055 1434 1104">Initial Policy</td> </tr> <tr> <td data-bbox="480 1104 719 1153">2.0</td> <td data-bbox="719 1104 1078 1153">June 2019</td> <td data-bbox="1078 1104 1434 1153">Biennial review</td> </tr> <tr> <td data-bbox="480 1153 719 1202">3.0</td> <td data-bbox="719 1153 1078 1202">November 2021</td> <td data-bbox="1078 1153 1434 1202">Biennial review</td> </tr> <tr> <td data-bbox="480 1202 719 1308">4.0</td> <td data-bbox="719 1202 1078 1308">May 2026</td> <td data-bbox="1078 1202 1434 1308">Biennial review and updated ownership from ASB IC to the ASBGI Board.</td> </tr> </tbody> </table>			Version	Approval Date	Detail	1.0	March 2017	Initial Policy	2.0	June 2019	Biennial review	3.0	November 2021	Biennial review	4.0	May 2026	Biennial review and updated ownership from ASB IC to the ASBGI Board.
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