

Public Trust Investment Service

Diversified Funds

Investment Beliefs and Strategy
30 September 2025

Introduction

The Public Trust Investment Service Diversified Funds invest in assets such as shares, bonds and cash (known as ‘asset classes’). They do this by purchasing units in other Funds that Public Trust manages, which each invest in a single asset class, for example global shares. The Diversified Funds combine asset classes to achieve their strategic asset allocation mix, in accordance with their individual risk profiles.

The purpose of this document is to give investors in the Public Trust Investment Service Diversified Funds further information on Public Trust’s investment beliefs and strategy for each of the individual asset class Funds in which their diversified Funds invests.

The Funds referred to in this document are used by Public Trust as part of investment options in situations where it is acting as trustee, co-trustee or attorney of an estate, trust or non-consultable agency. The Funds are not open to members of the public or to investors directly.

The Financial Markets Conduct Act 2013, the Securities Act 1978 and the Securities Regulations 2009 do not apply to this offer.

For further information please contact the Customer Contact Centre: telephone - 0800 371 471 or email - info@publictrust.co.nz.

Our investment beliefs

Our investment beliefs provide a basis for the strategic management of the investment portfolios under our care. They are a guide for decision-making, and provide an insight into how we invest.

Strategic Asset Allocation is the key determinant of return

Strategic asset allocation (SAA) refers to the mix of investment asset types (such as cash, equities, bonds, private equity) that portfolios invest in, against a risk/return and long-term expected return profile.

We believe SAA is the most impactful determinant of portfolio risk and returns.

We manage diversified portfolios to long-term strategic asset allocations, rather than taking active positions or actively tilting based on short-term views.

Our approach to investment is predominantly passive

We believe markets are generally efficient at pricing in information with consistent outperformance difficult to find.

Our investment management style is predominantly passive and aims to track market returns for most asset classes.

We may adopt an active investment approach in instances where we have a strong belief that inefficiencies exist and we may be rewarded for taking additional investment risk.

ESG and Climate-related change factors are important investment considerations

We believe that Environmental, Social and Governance factors are important considerations and should be factored into our investment approach.

We believe it is important to develop a Climate-related change programme, by progressively measuring, monitoring and assessing options to evolve our climate-related exposures.

Investment solutions need to match our customers’ needs

Investment recommendations are designed to match customers’ specific objectives, risk appetites and time horizons.

This applies across Public Trust’s products whether a client is invested in Cash, the Diversified Fund Service (DFS) or for more complex needs, the Personalised Portfolio Service (PPS).

Expected income and capital generated from a portfolio recommendation should meet current and future needs.

Supporting Trustees to manage customers’ investment needs

Global Share Fund

Fund Profile

The Public Trust Global Share Fund invests across a wide range of global share markets – not just those in developed countries. This increases the Fund's exposure to faster growing emerging economies which offer potential for higher returns with higher risk in the longer-term.

The fund adopts an environmental, social, and governance (ESG) overlay when investing in developed markets. In particular in developed markets it does not invest in companies that produce tobacco, controversial weapons or nuclear weapons.

Fund Strategy

Vanguard invests using an index methodology based on capitalisation (price) weighted benchmarks. The Fund invests 50% in the Vanguard International Shares Select Exclusions Index Fund hedged to New Zealand dollars, 40% in the Vanguard International Shares Select Exclusions Index Fund (unhedged) and 10% in the Vanguard Emerging Markets Share Index Fund (unhedged).

Fund Objective

To provide performance (before fees and taxes) substantially similar to the Fund's benchmark over any rolling 1 year period.

Fund benchmark

- > 50% MSCI World (ex-Australia) Index Net, hedged to New Zealand dollars
- > 40% MSCI World (ex-Australia) Index Net, in New Zealand dollars
- > 10% MSCI Emerging Markets Index Net, in New Zealand dollars

Fund Manager

Public Trust

Sub-manager: Vanguard Investments Australia Pty Ltd

Regional Allocation

REGION	FUND
United States	64.66%
Japan	4.84%
China	3.35%
United Kingdom	3.19%
Canada	2.93%
Other	21.03%

As at 30 September 2025

Top 10 Holdings

COMPANY	COUNTRY	WEIGHTING
Nvidia	United States	5.04%
Apple	United States	4.21%
Microsoft Corp	United States	4.05%
Amazon.com	United States	2.32%
Meta Platforms A	United States	1.77%
Broadcom	United States	1.63%
Alphabet A	United States	1.57%
Tesla	United States	1.43%
Alphabet C	United States	1.33%
Taiwan Semiconductor MFG	Taiwan	1.17%
TOTAL		24.52%

As at 30 September 2025

Australasian Share Fund

Fund Profile

The Australasian Share Fund has a 75%/25% benchmark allocation to the top 50 listed companies in New Zealand and top 300 in Australia.

Fund Strategy

The inclusion of the Australian market complements the New Zealand market by incorporating industry sectors that are either unavailable or under-represented in New Zealand, including resources and banking. In addition, the opportunity to invest in resource stocks provides indirect exposure to faster growing emerging economies such as China and India and the associated potential for higher returns with higher risk.

The Fund invests in accordance with market capitalisation index weightings. The Fund does not hedge its Australian dollar currency exposure.

Fund Objective

To provide performance (before fees and taxes) substantially similar to the Fund's benchmark over any rolling 1 year period.

Fund benchmark

75% S&P/NZX50 Gross Index with IC / 25% S&P/ASX300 Index (in NZ dollars)

Fund Manager

Public Trust is the Fund Manager for New Zealand shares

Vanguard Investments Australia Pty Ltd is the Fund Manager for Australian shares

Investment Sector Allocation

SECTOR	FUND	NZX	ASX
Health Care	20.2%	24.5%	7.3%
Utilities	12.7%	16.5%	1.4%
Industrials	15.8%	18.8%	6.9%
Financials	17.2%	11.7%	33.7%
Communications	6.2%	6.9%	4.4%
Materials	7.6%	3.1%	21.1%
Real Estate	7.5%	7.8%	6.6%
Consumer Staples	6.0%	6.9%	3.4%
Consumer Discretionary	3.5%	1.8%	8.3%
Energy	1.3%	0.8%	2.8%
Technology	1.9%	1.2%	3.9%

As at 30 September 2025

Top 10 Holdings

COMPANY	COUNTRY	WEIGHTING
Fisher & Paykel Healthcare Corporation Limited	New Zealand	12.00%
Auckland Intl Airport Ltd	New Zealand	7.35%
Infratil Ltd	New Zealand	6.68%
Contact Energy Ltd	New Zealand	4.51%
a2 Milk Co Ltd	New Zealand	3.98%
Meridian Energy Ltd	New Zealand	3.94%
EBOS Group Ltd	New Zealand	3.34%
Mainfreight Limited	New Zealand	2.87%
Mercury NZ Limited	New Zealand	2.54%
Commonwealth Bank of Australia	Australia	2.52%
TOTAL		49.73%

As at 30 September 2025

New Zealand Listed Property Fund

Fund Profile

The New Zealand Listed Property Fund invests in large New Zealand listed property trusts and companies.

Fund Strategy

For reasons of liquidity and effectiveness, investment is restricted to listed property – not direct property.

The Fund's strategy is to invest in companies in accordance with market capitalisation weightings of the S&P/NZX All Real Estate (Sector) Index.

Fund Objective

To provide performance (before fees and taxes) substantially similar to the Fund's benchmark over any rolling 1 year period.

Fund benchmark

S&P/NZX All Real Estate (Sector) Index

Fund Manager

Public Trust

Investment Sector Allocation

COMPANY	WEIGHTING	BENCHMARK
Goodman Property Trust	20.33%	20.30%
Precinct Properties New Zealand & Precinct Properties Investments Ltd	19.12%	19.09%
Kiwi Property Group Limited	15.76%	15.74%
Property for Industry Ltd	11.32%	11.30%
Vital Healthcare Property Trust	9.91%	9.93%
Argosy Property Ltd	9.86%	9.84%
Stride Stapled Group	7.05%	7.03%
Investore Property Limited	3.49%	3.46%
New Zealand Rural Land Company Ltd	1.19%	1.19%
Winton Land Ltd	0.78%	0.95%

As at 30 September 2025

New Zealand Bond Fund

Fund Profile

The New Zealand Bond Fund has a benchmark investment weighting of 35% in New Zealand sovereign government bonds and 65% in selected investment grade New Zealand corporate and local authority bonds.

Fund Strategy

Capital preservation is considered to be the key criteria for fixed interest and therefore all securities must have a minimum long-term credit rating of BBB- (commonly referred to as investment grade).

The highest potential return (and highest potential risk) comes from exposure to investment grade corporate bonds. However, in periods of extreme market stress, New Zealand government bonds outperform corporate bonds.

The optimal strategy for the fund is judged to be a benchmark investment weighting of 35% in New Zealand government bonds (in accordance with the weightings of the S&P/NZX NZ Government Bond Index) and 65% in investment grade corporate bonds (referenced to the weightings of the S&P/NZX Investment Grade Corporate Bond Index).

Diversification in addition to that represented by the S&P/NZX Investment Grade Corporate Bond Index is achieved by limiting the maximum exposure to individual issuer according to credit rating, the exposure to credit rating bands and exposure to industry categories. Subordinated securities, perpetual or callable securities are not eligible investments.

Fund Objective

To provide performance (before fees and taxes) substantially similar to the Fund's benchmark over any rolling 1 year period.

Fund benchmark

65% S&P/NZX Investment Grade Corporate Bond Index
35% S&P/NZX NZ Government Bond Index

Fund Manager

Public Trust

Industry Sector Allocation

SECTOR	FUND
Government	69.0%
Financial	20.1%
Utilities	6.1%
Consumer, Non-cyclical	0.8%
Industrial	1.7%
Communications	1.4%
Consumer, Cyclical	0.8%
TOTAL	99.86%

As at 30 September 2025

Top 10 Issuers

ISSUER	CREDIT RATING	WEIGHTING
New Zealand Government	AAA	35.23%
NZ Local Government Funding Agency Ltd	AAA	24.63%
Housing New Zealand Ltd	AAA	7.06%
Bank of New Zealand	AA-	4.80%
ASB Bank NZ Limited	AA-	4.30%
Westpac NZ Limited	AA-	3.44%
Kiwibank Limited	A+	2.91%
ANZ Bank New Zealand Ltd	AA-	1.81%
Auckland Regional Council	AA	1.74%
Auckland International Airport	A-	1.46%
TOTAL		87.37%

As at 30 September 2025

New Zealand Cash Fund

Fund Profile

The NZ Cash Fund invests in short-term NZ bank deposits and fixed interest instruments of investment grade credit quality.

Fund Strategy

The Fund's strategy aims to generate income while preserving the capital value by constructing a diversified portfolio of cash and short-term fixed interest securities across a range of maturities.

Fund Objective

To exceed the performance of its benchmark, over any rolling 12-month period, on a gross of fees and taxes basis.

Fund benchmark

S&P/NZX 90-Day Bank Bill Index

Fund Manager

Public Trust

Investment Sector Allocation

SECTOR	FUND
Bank	90.87%
Corporate	9.13%

As at 30 September 2025

Top 10 Issuers

ISSUER	CREDIT RATING	WEIGHTING
Kiwibank Limited	A+	21.88%
Bank of New Zealand	AA-	19.70%
ASB Bank Limited	AA-	14.48%
MUFG Bank, Ltd	A	11.83%
Westpac NZ Limited	AA-	10.29%
Rabobank NZ Limited	A+	4.05%
ANZ Bank NZ Limited	AA-	3.24%
Toyota Finance New Zealand Ltd	A+	2.54%
Meridian Energy	BBB+	2.41%
Auckland International Airport Ltd	A-	1.77%
TOTAL		92.19%

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