

FUND UPDATE

Ports Retirement Plan Conservative Fund for the year ended 31 March 2022

This fund update was first made publicly available effective 30 June 2022.

WHAT IS THE PURPOSE OF THIS UPDATE?

This document tells you how the fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Ports Retirement Trustee Limited prepared this update in accordance with the Financial Markets Conduct Act 2013.

This information is not audited and may be updated.

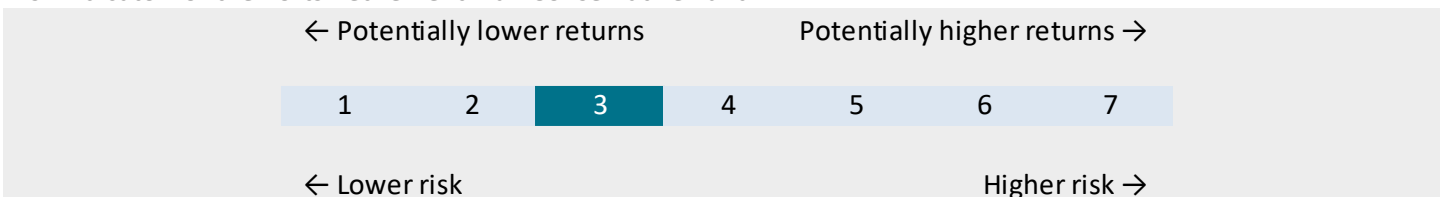
DESCRIPTION OF THIS FUND

The Conservative Fund is an option for Qualifying Members (i.e., active members aged 65 and above as well as deferred members). The fund has a diversified investment strategy with a broadly conservative strategic asset allocation of 20% growth assets and 80% income assets. The fund's aim is to achieve a return (after tax at the highest PIR and investment expenses) that matches inflation - as measured by the consumers price index - over rolling 3-5 year periods.

Total value of the fund	\$2,055,121
Number of investors in the fund	9
The date the fund started	1 April 2019

WHAT ARE THE RISKS OF INVESTING?

Risk indicator for the Ports Retirement Plan Conservative Fund:



The risk indicator for the Ports Retirement Plan Conservative Fund is 3. 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: <https://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.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 31 March 2022¹. 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.

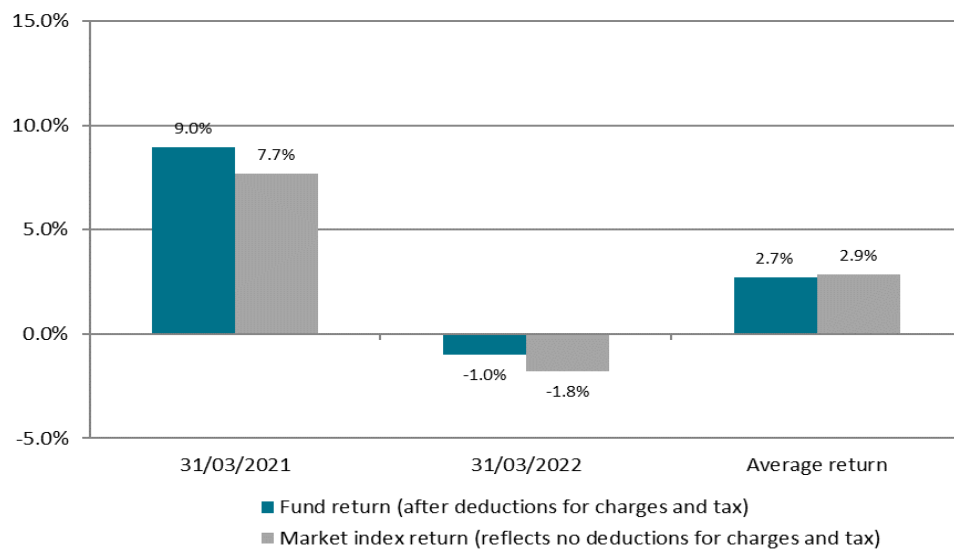
Please see the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund. Refer to <https://portsretirement.org.nz/>.

HOW HAS THE FUND PERFORMED?

	Past year
Annual return (after deductions for charges and tax)	-1.01%
Annual return (after deductions for charges but before tax)	-1.75%
Market index annual return (reflects no deduction for charges and tax)	-1.80%

The market index return is the strategic asset allocation weighted benchmark index return, where the benchmark indices are defined in the Statement of Investment Policy and Objectives. Additional information about the market index is available on the scheme register at: <https://disclose-register.companiesoffice.govt.nz/> (search for Ports Retirement Plan).

ANNUAL RETURN GRAPH



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started.

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

The 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 Ports Retirement Plan Conservative Fund pay fund charges. In the year to 31 March 2022 these were:

	% of net asset value
TOTAL FUND CHARGES	0.69%
Which are made up of:	
TOTAL MANAGEMENT AND ADMINISTRATION CHARGES	0.69%
Including:	
Manager's basic fee	0.69%
Other management and administration charges	0.00%
TOTAL PERFORMANCE BASED FEES	0.00%
	Dollar amount per investor
OTHER CHARGES	\$60

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

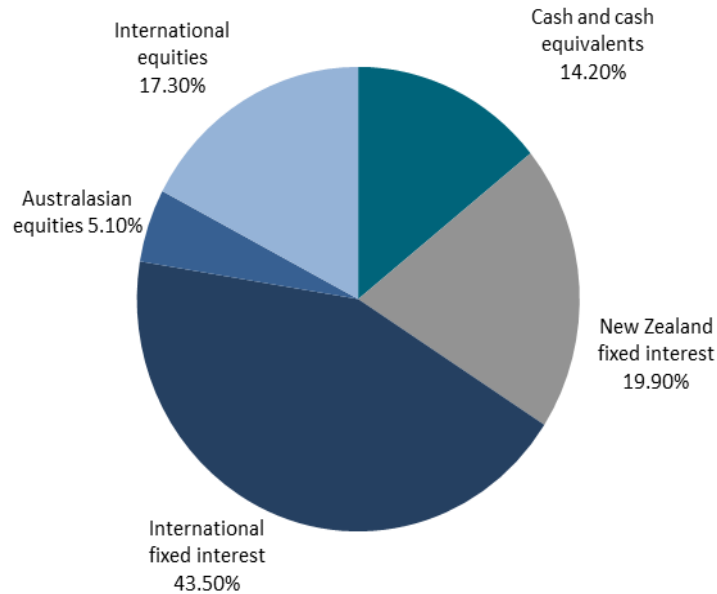
EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

Michael 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, Michael received a return after fund charges were deducted of -\$101 (that is -1.01% of his initial \$10,000). Other charges of \$60 were deducted. This gives Michael a total return after tax of -\$161 for the year.

WHAT DOES THE FUND INVEST IN?

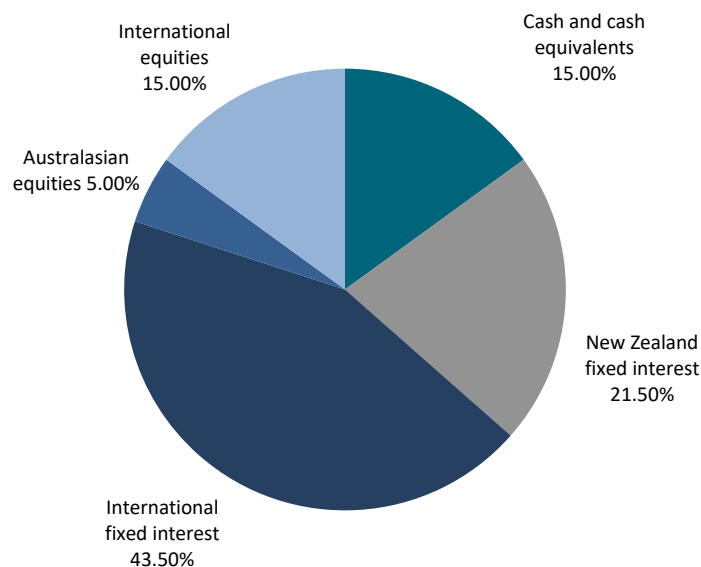
Actual investment mix

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.



TOP 10 INVESTMENTS

	Name	% of fund net assets	Type	Country	Credit rating (if applicable)
1	ANZ Wholesale International Aggregate Bond Fund	24.2%	International fixed interest	NZ	
2	Macquarie NZ Fixed Interest Fund	19.9%	New Zealand fixed interest	NZ	
3	Nikko Global Bond Fund	19.3%	International fixed interest	NZ	
4	ANZ Wholesale International Share Fund	17.3%	International equities	NZ	
5	Macquarie NZ Cash Fund	14.2%	Cash and cash equivalents	NZ	
6	Harbour Australasian Equity Fund	5.1%	Australasian equities	NZ	

The above investments make up 100.00% of the fund.

Refer to the Statement of Investment Policy and Objectives for more information which is available from: <https://www.disclose-register.companiesoffice.govt.nz/>.

Currency hedging

International equities are managed on an active basis and are 50% hedged (net of tax for a member taxed at the highest PIR) to the New Zealand dollar. The allowable exposure range is 0% to 100% depending on the fund manager's view.

Australian equities are managed on an active basis with a target of 0% hedging and an exposure range of 0% to 100% (before tax) depending on the fund manager's view.

International fixed interest is 100% hedged to the New Zealand dollar unless otherwise agreed by the Trustee.

KEY PERSONNEL

This shows the Investment managers' 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	Paul Huxford	Chief Investment Officer, ANZ Investment Management	2 year, 9 months	Managing Director, Head of Europe Middle East and Africa Equities Research, JP Morgan	4 years, 0 months
2	Rebekah Swan	Head of New Zealand Public Investments, Macquarie Asset Management	0 years, 1 months	Managing Director/Head of Clients, AMP Capital New Zealand	2 years, 8 months
3	Andrew Bascand	Managing Director, Portfolio Manager, Harbour Asset Management	11 years, 3 months	Alliance Capital, Head of Equities, Portfolio Manager	10 years, 0 months
4	George Carter	Managing Director and Member of Investment Committee, Nikko Asset Management NZ	5 years, 4 months	Director, Head of Distribution, AMP Capital Investors NZ Ltd	6 years, 1 months

FURTHER INFORMATION

You can also obtain this information and some additional information from the offer register at:

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

NOTES

1. The Ports Retirement Plan Conservative Fund only came into existence on 1 April 2019 and therefore has not yet been in operation for 5 years. The risk indicator for this Fund has been calculated using composite index returns data for the period 1 April 2017 to 31 March 2019, and actual returns for the period 1 April 2019 to 31 March 2022. As a result of composite index returns data being used, the risk indicator may provide a less reliable indicator of the potential future volatility of this Fund.