



NZ Funds

KiwiSaver Scheme

About our Scheme
April 2022

New Zealand Funds Management Limited is the issuer of the NZ Funds KiwiSaver Scheme. The Product Disclosure Statement and the Disclose Register contain important information to help you to understand how your money is managed and the risks associated with investing. A copy of the NZ Funds KiwiSaver Scheme Product Disclosure Statement is available on request or by visiting the NZ Funds website at www.nzfunds.co.nz.

NZ Funds

About NZ Funds

30+ Years

Track record managing New Zealanders' wealth.

12.3 years

Average tenure of NZ Funds' wealth management clients.

20,000+

New Zealand individuals, families and trusts invest with us.

1,000+

Estimated number of individual securities held in an average client's portfolio.

2+ billion





We manage \$2.2 billion* of investments for New Zealand.

19,241

KiwiSaver Scheme members with total investments of \$692 million.

*As at 30 April 2022.

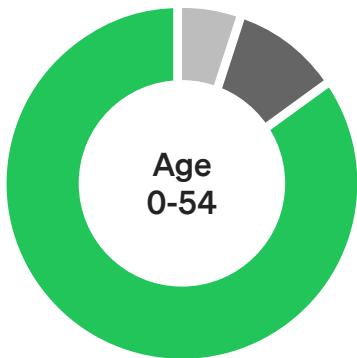
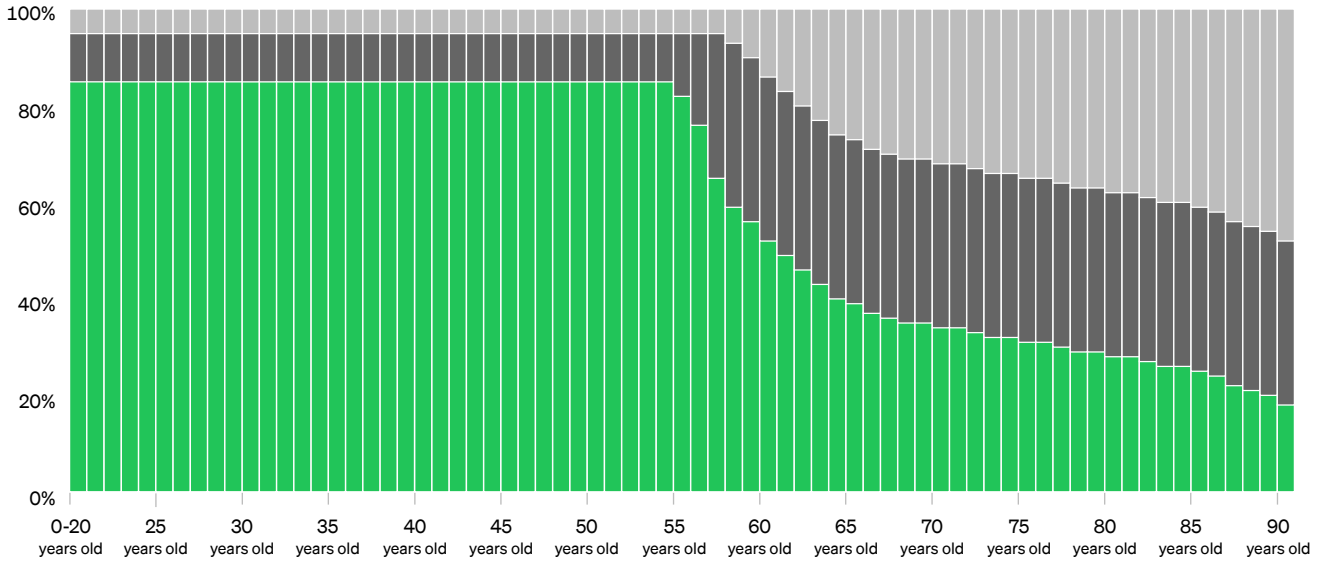
NZ Funds offers three options within our KiwiSaver Scheme

1 Balanced	2 Self Select	3 Life Cycle
	<p>Likelihood of higher balance at retirement*</p> 	
<p>The Balanced Fund is a simple option with zero management fee available for everyone but great for someone starting out on their wealth journey</p>	<p>Who's it for? Self Select allows you to customise your asset allocation to suit your needs</p>	<p>Our proprietary Life Cycle software adjusts your asset allocation automatically as you age</p>
 <p>Fixed</p>	<p>Asset allocation*</p>  <p>Manual</p>	 <p>Automated</p>
<p>Passive Passively managed with no downside mitigation</p>	<p>Active or passive management? Active Access to three actively managed strategies with downside mitigation</p>	<p>Active Allocation into three actively managed strategies with downside mitigation and automated asset allocation</p>
	<p>All our funds are responsibly invested!</p> 	
 <p>Access our call centre</p>	<p>What if I need advice? </p> <p>Personal financial adviser</p>	 <p>Personal financial adviser</p>
<p>0%</p>	<p>Management fees** 1.12-1.65%</p>	<p>1.39-1.60%</p>

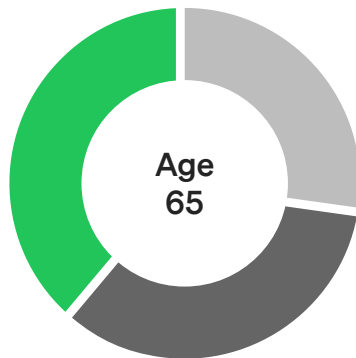
*Likelihood of a higher balance at retirement in Self Select will be highly impacted by Members' Strategy allocations over time. The Balanced Fund and the Strategies have different risk profiles. See the NZ Funds KiwiSaver Scheme Product Disclosure Statement for more information on risk, or talk to your financial adviser. **Estimated annual fund charges as disclosed in this PDS.

Life Cycle automated asset allocation

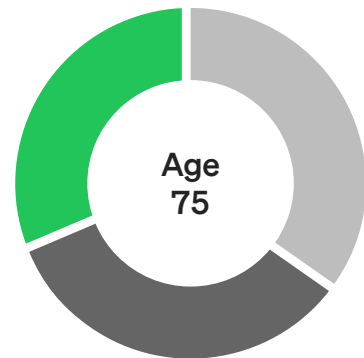
Our Life Cycle asset allocation automatically matches your assets to your age, so you achieve a higher estimated balance.



**Age
0-54**



**Age
65**



**Age
75**

Income Strategy

To provide exposure to income assets.

Inflation Strategy

To mitigate the impact of inflation on your investment over the medium and/or long term.

Growth Strategy

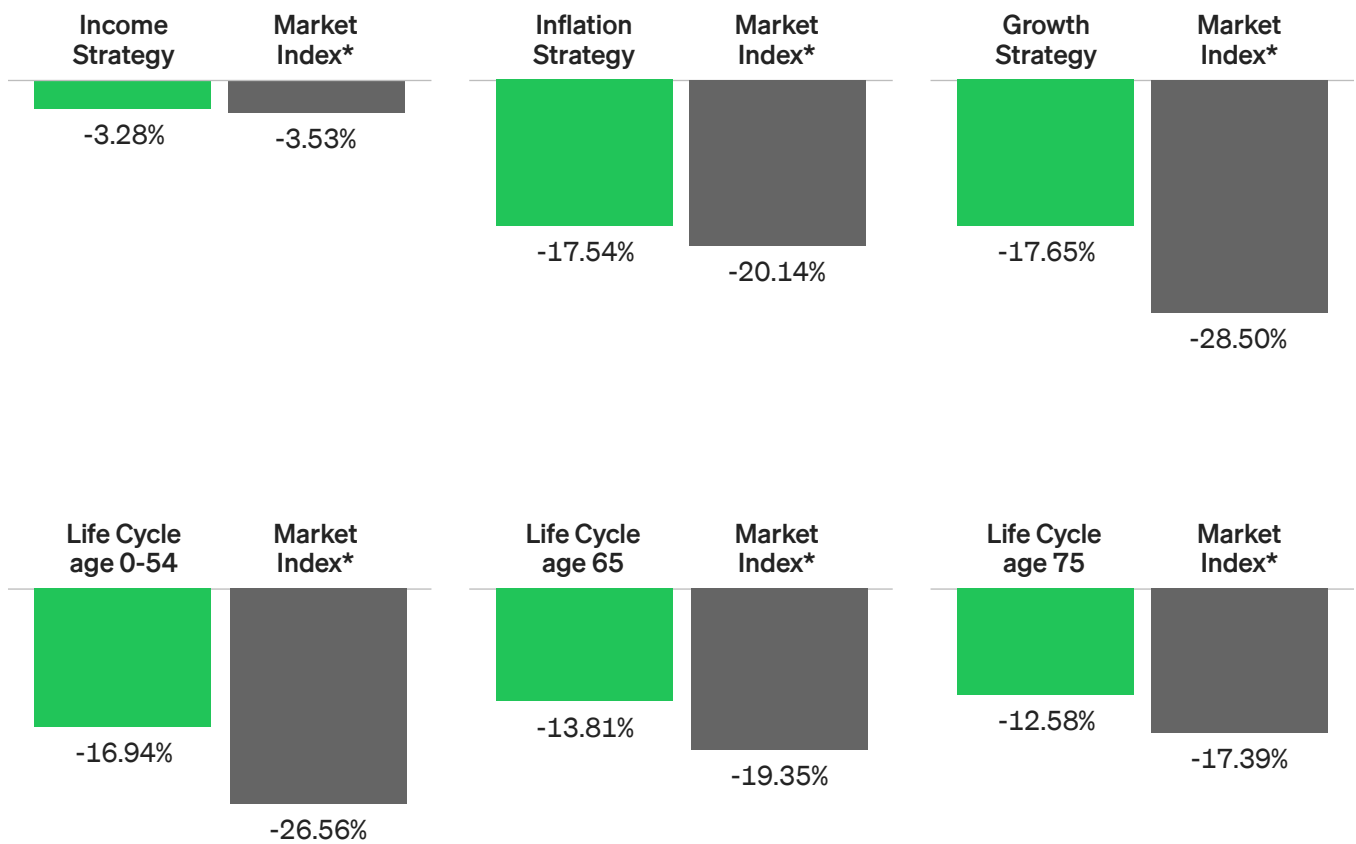
To grow your investment over the long term.

We're experts at downside mitigation

In our actively managed options (Life Cycle and Self Select) we seek to mitigate the downside in a falling market and capture the upside in a rising market.

COVID-19 Sell-Off

01 January 2020 to 23 March 2020 – Current market low point.



Not available in the Balanced Fund

*For more information see Fund Updates at www.nzfunds.co.nz. Please note that past performance is no indication of future returns.

We manage money responsibly

We work with global experts ISS ESG, to screen your investments. We are also a member of the Responsible Investment Association Australasia and a signatory of Principles for Responsible Investment.

Responsible investment exclusions



Tobacco



Alcohol



Gambling



Armaments



Corruption



Fossil fuels



Civilian firearms



Environmental destruction



Controversial weapons



Adult material



Human rights abuses



Labour rights violation








Unsustainable palm oil production

NZ Funds' responsible investment policy does not apply exclusions to derivatives as we believe they are not tied to any source or method of production, nor in our view do they provide funding to underlying excluded activities.

Current implementation overview

As at 20 April 2022

Investment Offering	Amount Invested	Responsible Investment Policy
KiwiSaver	\$738,251,766	
Superannuation	\$143,514,224	
Wealth Builder	\$47,982,823	
Income Generator	\$38,966,451	
Advised Portfolio Services	\$1,341,860,841	

Asset type	Status	% Amount Invested
Direct/Indirect Securities	Follows all exemptions	70.38%
Equity Index Futures ¹	No direct funding	11.33%
Commodity Derivatives ¹	No direct funding	12.30%
Subtotal		94.01%
Contact Energy ²	Exception granted	1.78%
External Investment Managers	Policy communicated	4.21%
Total Investments		100.00%

Policy Application Information

1. Derivatives of all kinds, including futures and options, are specifically considered by NZ Funds' Responsible Investment Policy. The Responsible Investing Policy does not apply exclusions to derivatives as they are not tied to any source or method of production, nor do they provide funding to underlying excluded activities. This is in line with global norms.
2. Securities held where an exemption has been granted:

Contact Energy

Contact Energy was granted an exception from exclusion on the 14 July 2020. The security would ordinarily be excluded under 4. xii of NZ Funds' Responsible Investment Policy; however, an exception was granted because of Contact Energy's industry-leading commitment and strategy to decarbonise New Zealand's energy sector.

Our fees are fair and transparent

We believe you get what you pay for and that New Zealanders will be better off over time working with a team of experts.

0.00%
P.A.

Balanced Fund

Total estimated annual fund charges

1.60%
P.A.*

Life Cycle – age 0-54

Total estimated annual fund charges

1.12%
P.A.

Income Strategy

Total estimated annual fund charges

1.43%
P.A.*

Life Cycle – age 65

Total estimated annual fund charges

1.42%
P.A.*

Inflation Strategy

Total estimated annual fund charges

1.39%
P.A.*

Life Cycle – age 75

Total estimated annual fund charges

1.65%
P.A.*

Growth Strategy

Total estimated annual fund charges

*Additional performance fees may be charged on a portion of the assets of the strategy, where the performance exceeds the hurdle rate and high water mark. See page 13 of the Product Disclosure Statement for more details.

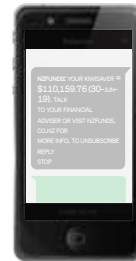
Fees are forward-looking estimates as set out in the Product Disclosure Statement (PDS). They include forward-looking performance fee estimates. Actual fees and performance may vary significantly. The latest actual fee charged is set out in our quarterly Fund Updates. In addition, a \$36 p.a. administration fee is charged by an external administration manager and is disclosed in our offer documents. We do not charge entry, exit or account closure fees. For more information, please see the latest PDS for the NZ Funds KiwiSaver Scheme, which is available on request and at www.nzfunds.co.nz.

Top-rated KiwiSaver service

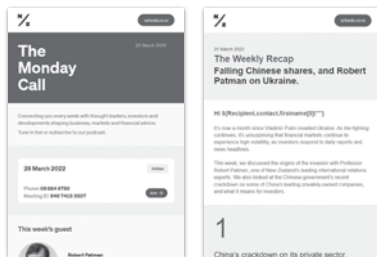
Highest ranking KiwiSaver scheme as rated by Sorted for KiwiSaver Services and Client Communications from 2018 to date.*



Online balance via the NZ Funds app



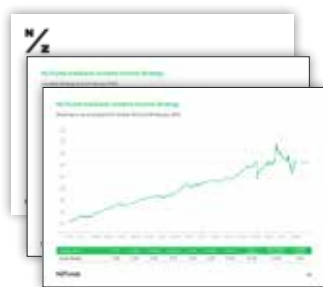
Elect to get your balance texted to you each month



Regular weekly emails



Receive six-monthly investment reports



Receive monthly Portfolio Insights



Use our award-winning technology to model your financial future

*As rated by the Sorted website, 31 March 2022.

KiwiSaver: Calendar year returns

30 April 2022

Strategy	2022 (YTD)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Income Strategy Before tax and fees*	12.77%	(4.50%)	3.34%	8.55%	2.01%	5.56%	7.15%	2.53%	5.51%	3.92%	9.01%	5.23%	(10.89%)	5.79%
Income Strategy Before tax and after fees*	12.33%	(5.64%)	2.18%	7.32%	0.84%	4.37%	5.94%	1.44%	4.52%	2.76%	7.89%	4.08%		
Inflation Strategy Before tax and fees*	12.74%	(5.86%)	17.21%	21.67%	(4.50%)	9.74%	3.35%	2.36%	12.81%	7.04%	11.25%	7.59%	(22.75%)	11.61%
Inflation Strategy Before tax and after fees*	12.23%	(7.21%)	15.63%	20.06%	(5.77%)	8.29%	1.98%	1.08%	11.57%	5.69%	9.92%	6.20%		
Growth Strategy Before tax and fees*	7.12%	(1.50%)	35.85%	18.57%	(6.87%)	18.69%	(1.49%)	8.63%	13.17%	29.73%	17.87%	10.58%	(30.31%)	17.08%
Growth Strategy Before tax and after fees*	6.56%	(3.07%)	33.76%	16.82%	(8.25%)	16.96%	(2.93%)	7.13%	11.79%	27.91%	16.42%	9.01%		
40 year old client ¹	2022 (YTD)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Client performance Before tax and fees*	8.03%	(1.88%)	32.27%	18.38%	(6.17%)	17.11%	(0.55%)	7.76%	12.79%	25.90%	16.79%	10.09%	(28.34%)	15.57%
Client performance Before tax and after fees*	7.48%	(3.41%)	30.29%	16.67%	(7.54%)	15.43%	(1.97%)	6.30%	11.45%	24.17%	15.37%	8.56%		
65 year old client ¹	2022 (YTD)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Client performance Before tax and fees*	10.75%	(3.30%)	20.55%	16.88%	(3.62%)	10.00%	3.75%	3.60%	10.71%	9.68%	11.74%	7.80%	(21.12%)	10.70%
Client performance Before tax and after fees*	10.23%	(4.68%)	18.91%	15.33%	(4.92%)	8.58%	2.41%	2.34%	9.53%	8.32%	10.46%	6.43%		
75 year old client ¹	2022 (YTD)	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Client performance Before tax and fees*	11.21%	(3.53%)	17.96%	16.07%	(2.91%)	9.48%	4.04%	3.21%	10.67%	8.41%	11.34%	7.48%	(19.22%)	9.65%
Client performance Before tax and after fees*	10.70%	(4.88%)	16.40%	14.55%	(4.19%)	8.08%	2.71%	1.96%	9.49%	7.07%	10.06%	6.13%		

* Fees include all investment management fees.

1 40 year old Client strategy weights: Income 5%, Inflation 10%, Growth 85%.

65 year old Client strategy weights from 1 January 2018: Income 27%, Inflation 34%, Growth 39%.

65 year old Client strategy weights to 31 December 2017: Income 30%, Inflation 53%, Growth 17%.

75 year old Client strategy weights from 1 January 2018: Income 35%, Inflation 34%, Growth 31%.

75 year old Client strategy weights to 31 December 2017: Income 30%, Inflation 59%, Growth 11%.

2 The inception date of NZ Funds KiwiSaver is 1 November 2010.

Please note that past performance is no indication of future returns.

KiwiSaver: Rolling year returns

30 April 2022

Strategy	1 month	3 months	6 months	12 months	2-year (p.a.)	3-year (p.a.)	5-year (p.a.)	10-year (p.a.)	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Income Strategy Before tax and fees*	(2.64%)	7.32%	5.65%	0.99%	6.83%	5.42%	5.05%	5.09%	5.23%	(10.89%)	5.79%
Income Strategy Before tax and after fees*	(2.73%)	7.02%	5.02%	(0.24%)	5.58%	4.19%	3.84%	3.93%	4.08%		
Inflation Strategy Before tax and fees*	0.97%	11.57%	(2.63%)	(8.37%)	15.51%	10.14%	9.27%	8.21%	7.59%	(22.75%)	11.61%
Inflation Strategy Before tax and after fees*	0.87%	11.20%	(3.32%)	(9.69%)	13.90%	8.63%	7.79%	6.81%	6.20%		
Growth Strategy Before tax and fees*	(0.29%)	2.97%	(14.78%)	(18.98%)	25.11%	13.90%	12.20%	12.50%	10.58%	(30.31%)	17.08%
Growth Strategy Before tax and after fees*	(0.42%)	2.57%	(15.47%)	(20.27%)	23.13%	12.14%	10.50%	10.88%	9.01%		

40 year old client ¹	1 month	3 months	6 months	12 months	2-year (p.a.)	3-year (p.a.)	5-year (p.a.)	10-year (p.a.)	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Client performance Before tax and fees*	(0.27%)	4.08%	(12.59%)	(16.88%)	23.38%	13.27%	11.66%	11.77%	10.09%	(28.34%)	15.57%
Client performance Before tax and after fees*	(0.39%)	3.69%	(13.28%)	(18.18%)	21.48%	11.55%	10.00%	10.20%	8.56%		

65 year old client ¹	1 month	3 months	6 months	12 months	2-year (p.a.)	3-year (p.a.)	5-year (p.a.)	10-year (p.a.)	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Client performance Before tax and fees*	(0.46%)	7.18%	(5.20%)	(9.86%)	17.24%	10.74%	9.32%	8.44%	7.80%	(21.12%)	10.70%
Client performance Before tax and after fees*	(0.57%)	6.82%	(5.89%)	(11.16%)	15.59%	9.20%	7.83%	7.06%	6.43%		

75 year old client ¹	1 month	3 months	6 months	12 months	2-year (p.a.)	3-year (p.a.)	5-year (p.a.)	10-year (p.a.)	Since inception (p.a.) ²	Max. decline 12 mths	Volatility 5-years
Client performance Before tax and fees*	(0.65%)	7.54%	(3.56%)	(8.25%)	15.78%	10.06%	8.83%	8.03%	7.83%	(19.22%)	9.65%
Client performance Before tax and after fees*	(0.75%)	7.19%	(4.24%)	(9.55%)	14.19%	8.57%	7.38%	6.67%	6.41%		

* Fees include all investment management fees.

- 40 year old Client strategy weights: Income 5%, Inflation 10%, Growth 85%.
65 year old Client strategy weights from 1 January 2018: Income 27%, Inflation 34%, Growth 39%.
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75 year old Client strategy weights from 1 January 2018: Income 35%, Inflation 34%, Growth 31%.
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Management Limited**

Level 16, 21 Queen Street
Private Bag 92163, Auckland 1142
New Zealand

T. 09 377 2277
E. info@nzfunds.co.nz
W. www.nzfunds.co.nz

**Auckland
Wellington
Christchurch
Timaru
Dunedin
Invercargill**