NZ Funds Active Series Wealth Builder Income Generator

Annual Report

For the year ended 31 March 2026

31 July 2026

NZFunds

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Annual Report

Prepared as at 31 July 2026 for the year ended 31 March 2026.

Details of the Scheme

The NZ Funds Managed Portfolio Service Part Two investment scheme (the 'Scheme') comprises funds offered via three offers. The funds established within each offer are:

Offer	Fund
NZ Funds Active Series	Cash Portfolio
	New Zealand and Australian Bonds
	Global Bonds
	New Zealand Property & Retirement Villages
	New Zealand Infrastructure
	New Zealand Utilities
	Global Property
	Global Infrastructure
	Global Utilities
	New Zealand and Australian Shares
	Global Shares
	Global Macro
NZ Funds Wealth Builder	Income Strategy
	Inflation Strategy
	Growth Strategy
NZ Funds Income Generator	Income Generator

Type of Scheme

Managed Funds

Manager

New Zealand Funds Management Limited (NZ Funds)

Supervisor

The New Zealand Guardian Trust Company Limited

Product Disclosure Statement (PDS)

The date and status of the latest Product Disclosure Statements for the Scheme are:

Name	PDS Date	Status
NZ Funds Active Income Series	28 October 2025	Open for applications
NZ Funds Active Inflation Series	28 October 2025	Open for applications
NZ Funds Active Growth Series	28 October 2025	Open for applications
NZ Funds Wealth Builder	30 March 2026	Open for applications
NZ Funds Income Generator	28 October 2025	Open for applications

Quarterly fund updates

The latest fund updates for each of the funds offered under the NZ Funds Active Series, NZ Funds Wealth Builder and NZ Funds Income Generator for the quarter ended 30 June 2026 were made publicly available on 29 July 2026.

Financial Statements and Auditor's Report

The latest Schemes' financial statements for the accounting period 1 April 2025 to 31 March 2026 and auditor's report were lodged with the Registrar on 3 July 2026.

Information on Contributions and Scheme Participants

Units of Issue

The table below shows the number of units on issue for each fund at the start and end of the year.

NZ Funds Active Series	As at 1 April 2025	As at 31 March 2026
Cash Portfolio	86,360,291	90,333,615
New Zealand and Australian Bonds	80,044,059	76,525,913
Global Bonds	82,056,733	80,393,119
New Zealand Property & Retirement Villages	47,033,317	51,167,743
New Zealand Infrastructure	55,871,044	57,795,280
New Zealand Utilities	52,762,393	52,323,128
Global Property	44,482,556	47,311,750
Global Infrastructure	48,648,528	48,386,426
Global Utilities	50,562,757	50,046,350
New Zealand and Australian Shares	93,264,141	100,720,405
Global Shares	64,723,641	63,205,522
Global Macro	100,057,911	98,198,978
NZ Funds Wealth Builder		
Income Strategy	11,787,733	18,176,165
Inflation Strategy	15,548,562	20,545,069
Growth Strategy	33,451,983	39,984,901
NZ Funds Income Generator		
NZ Funds Income Generator	19,206,132	16,360,414

Changes relating to the Scheme

This section provides information on the material changes which occurred to the Scheme during the year ended 31 March 2026.

Governing document

There were no changes to the Scheme Trust Deed during the year ended 31 March 2026.

The terms of the offer of interests in the Scheme

On 28 October 2025, the following changes were made:

- The threshold for reduced estimated annual fund charges rates was changed from $3m to $2m invested for Active Series funds.
- Target asset allocations percentages were changed for Active Inflation Series funds, Wealth Builder - Inflation Strategy and Wealth Builder Life Cycle investment options.
- The risk indicators were reduced from 6 to 5 for the following funds:
    - New Zealand Infrastructure
    - New Zealand Utilities
    - Global Property
    - New Zealand and Australian Shares.

Statement of Investment Policy and Objectives (SIPO)

On 28 October 2025, the following changes were made to the SIPO:

1. For the Active Inflation Series funds, Wealth Builder - Inflation Strategy and Wealth Builder Life Cycle investment options:
    - Target asset allocations were amended.
    - The percentages of the market index compositins were amended.
2. For the Active Series Global Utilities fund, Wealth Builder - Inflation Strategy and Wealth Builder Life Cycle investment options:
    - S&P World Sustainability Enhanced Utilities Net Total Return Index USD was replaced with S&P World Utilities Weighted & Screened Index.

Related party transactions

There were no material changes to the nature or scale of related party transactions for the Scheme.

All related party transactions during the year ended 31 March 2026 were conducted on arm's-length terms.

Other information for particular types of managed funds

Unit prices

NZ Funds Active Series	As at 1 April 2025	As at 31 March 2026
Cash Portfolio	$1.58	$1.62
New Zealand and Australian Bonds	$1.83	$1.89
Global Bonds	$1.71	$1.70
New Zealand Property & Retirement Villages	$0.91	$0.85
New Zealand Infrastructure	$0.91	$0.95
New Zealand Utilities	$1.04	$1.19
Global Property	$1.11	$1.08
Global Infrastructure	$1.10	$1.23
Global Utilities	$1.04	$1.24
New Zealand and Australian Share	$1.90	$1.93
Global Shares	$2.50	$2.79
Global Macro	$1.45	$1.53
NZ Funds Wealth Builder		
Income Strategy	$1.10	$1.12
Inflation Strategy	$1.04	$1.12
Growth Strategy	$1.35	$1.46
NZ Funds Income Generator		
NZ Funds Income Generator	$0.97	$0.97

Changes to persons involved in the Scheme

There were no changes to the Manager, the Supervisor, the Securities Registrar, the Custodian or Auditor of the Scheme during the accounting period.

The following changes occurred to the key personnel of the Manager on 7 November 2025:

- Gary Prior was appointed Chief Financial Officer.
- Michael Gray was appointed General Counsel.
- Rebecca Lowery was appointed Head of Risk, and she was added to the list of key personnel under the Manager's MIS licence.

There were no changes to the directors of the Supervisor.

How to find further information

The Scheme's Trust Deed, the SIPO and financial statements are available on the scheme register on the Disclose website at *disclose-register.companiesoffice.govt.nz*.

The PDSs, quarterly fund updates, and other material information for the Scheme is available on the offer register on the Disclose website at *disclose-register.companiesoffice.govt.nz*.

Information relating to the Scheme and the funds (such as the current PDSs, quarterly fund updates, annual report and SIPO) is also available on our website at *www.nzfunds.co.nz*.

You may request a copy of the above information from us, free of charge, at the contact details on the next page.

Contact details and complaints

Manager

Attention: Client Services

New Zealand Funds Management Limited
Level 16, 21 Queen Street

Private Bag 92163
Auckland 1142

T. 09 377 2277 or 0800 377 2277
E. info@nzfunds.co.nz

Supervisor

Attention: NZ Funds Relationship Manager

The New Zealand Guardian Trust
Company Limited
Level 6, 191 Queen Street

PO Box 274
Auckland 1140

T. 0800 300 299
E. ct-auckland@nzgt.co.nz

Complaints

In the first instance, please contact the Manager using the contact details set out on this page. Complaints about an investment can also be made direct to the Supervisor.

The Manager and the Supervisor are both members of an approved dispute resolution scheme run by Financial Services Complaints Limited - A Financial Ombudsman Service (FSCL). If your complaint has not been resolved to your satisfaction, you can contact FSCL.

Dispute Resolution Scheme

Attention: Early Assistance Officer

Financial Services Complaints Limited
PO Box 5967
Wellington 6140

T. 04 472 3725 or 0800 347 257
E. complaints@fscl.org.nz
W. www.fscl.org.nz

FSCL will not charge a fee to any complainant to investigate or resolve a complaint.



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