NZ Funds
KiwiSaver Scheme

Product Disclosure Statement

Issued by New Zealand Funds Management Limited 20 November 2026
This document replaces the Product Disclosure Statement dated 30 March 2026

This document gives you important information about this investment to help you decide whether you want to invest. There is other useful information about this offer on *disclose-register.companiesoffice.govt.nz*. New Zealand Funds Management Limited has prepared this document in accordance with the Financial Markets Conduct Act 2013. You can also seek advice from a financial advice provider to help you to make an investment decision.

NZFunds

1. Key information summary

What is this?

This is a managed investment scheme. Your money will be pooled with other Members' money and invested in various investments.

New Zealand Funds Management Limited (NZ Funds, we, us or our) will invest your money and charge you a fee for its services.

The returns you receive are dependent on the investment decisions of NZ Funds and the performance of the investments.

The value of those investments may go up or down. The types of investments and the fees you will be charged are described in this document.

What will your money be invested in?

The NZ Funds KiwiSaver Scheme (Scheme) offers eight investment options: a passively managed Balanced Fund; five actively managed Strategies (Self Select) and two life cycle asset allocation options (Life Cycle).

These investment options are summarised in the table on page 4. More information about the investment target and strategy for each investment option is provided on pages 11 and 12.

Who manages the NZ Funds KiwiSaver Scheme?

NZ Funds is the manager of the Scheme. See section 7 of this Product Disclosure Statement (PDS) 'Who is involved?' on page 17 for more information.

How can you get your money out?

KiwiSaver is designed to help you save for retirement. Unless you satisfy one of the early withdrawal criteria, you cannot withdraw your investment until you reach the age of eligibility for New Zealand Superannuation (currently 65).

You may apply to make an early withdrawal in limited circumstances including first home purchase, significant financial hardship, or serious illness.

In certain circumstances, NZ Funds may defer or suspend withdrawals. See section 2 of this PDS 'How does this investment work?' on page 7 for more information.

How will your investment be taxed?

The Scheme is a Portfolio Investment Entity (PIE). The amount of tax you pay in respect of a PIE is based on your prescribed investor rate (PIR).

To determine your PIR, go to *www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates*. See section 6 of this PDS 'What taxes will you pay?' on page 16 for more information.

Where can you find more key information?

NZ Funds publishes Quarterly Fund Updates for the Balanced Fund and each Strategy. The updates show the returns and the total fees actually charged to Members during the previous year.

The latest Quarterly Fund Updates are available at *www.nzfunds.co.nz*. NZ Funds will also give you copies of these documents on request.

Comparing our investment options

Investment option	Objective	Description	Risk indicator	Estimated annual fund charges [3] Total invested < $1 million	Estimated annual fund charges after fee rebate [3,4] Total invested ≥ $1 million
Balanced Fund (default option)					
Balanced Fund	To provide an entry level option, which uses a passive investment approach to gain exposure to a balanced mix of income and growth assets.	Anticipated to mainly own New Zealand, Australian and international bonds and shares over the minimum suggested timeframe.	← Lower risk Higher risk → 1 2 3 **4** 5 6 7 ← Potentially lower returns Potentially higher returns →	0.00%	0.00%
Self Select					
Cash Strategy [1]	To provide a source of capital.	Anticipated to mainly own and trade cash and cash equivalents and other authorised asset classes [5] over the minimum suggested timeframe.	← Lower risk Higher risk → **1** 2 3 4 5 6 7 ← Potentially lower returns Potentially higher returns →	0.20%	0.20%
Income Strategy	To generate income by investing in income assets and other authorised assets with active management	Anticipated to mainly own and trade New Zealand, Australian and international bonds and other authorised asset classes [5] over the minimum suggested timeframe.	← Lower risk Higher risk → 1 2 3 **4** 5 6 7 ← Potentially lower returns Potentially higher returns →	1.12%	1.12%
Defensive Growth Strategy	To mitigate the impact of inflation on your investment over the medium and/or long term with active management	Anticipated to mainly own and trade New Zealand, Australian and international shares and other authorised asset classes [5] over the minimum suggested timeframe.	← Lower risk Higher risk → 1 2 3 4 **5** 6 7 ← Potentially lower returns Potentially higher returns →	1.25%	1.25%
Share Growth Strategy [1]	To grow your investment over the long term by investing in shares and other authorised assets with active management	Anticipated to mainly own and trade New Zealand, Australian and international shares with downside mitigation over the minimum suggested timeframe.	← Lower risk Higher risk → 1 2 3 4 **5** 6 7 ← Potentially lower returns Potentially higher returns →	1.25%	1.25%
Growth Plus Strategy	To grow your investment over the long term by investing in growth assets and other authorised assets with active management	Anticipated to mainly own and trade New Zealand, Australian and international shares and other authorised asset classes [5] including commodities with downside mitigation over the minimum suggested timeframe.	← Lower risk Higher risk → 1 2 3 4 5 **6** 7 ← Potentially lower returns Potentially higher returns →	1.65%	1.25%

Investment option	Objective	Description		Risk indicator	Estimated annual fund charges [3] Total invested < $1 million	Estimated annual fund charges after fee rebate [3,4] Total invested ≥ $1 million
Share Growth with Life Cycle [1,2]						
Share Growth with Life Cycle age 0-54	To allocate your investment across three Strategies according to your age.	Income Strategy Defensive Growth Strategy Share Growth Strategy	5% 10% 85%	← Lower risk Higher risk → 1 2 3 4 **5** 6 7 ← Potentially lower returns Potentially higher returns →	1.24%	1.24%
Share Growth with Life Cycle at age 65		Income Strategy Defensive Growth Strategy Share Growth Strategy	27% 34% 39%	← Lower risk Higher risk → 1 2 3 **4** 5 6 7 ← Potentially lower returns Potentially higher returns →	1.21%	1.21%
Share Growth with Life Cycle at age 75		Income Strategy Defensive Growth Strategy Share Growth Strategy	35% 34% 31%	← Lower risk Higher risk → 1 2 3 **4** 5 6 7 ← Potentially lower returns Potentially higher returns →	1.20%	1.20%
Growth Plus with Life Cycle [2]						
Growth Plus with Life Cycle age 0-54	To allocate your investment across three Strategies according to your age.	Income Strategy Defensive Growth Strategy Growth Plus Strategy	5% 10% 85%	← Lower risk Higher risk → 1 2 3 4 5 **6** 7 ← Potentially lower returns Potentially higher returns →	1.58%	1.24%
Growth Plus with Life Cycle at age 65		Income Strategy Defensive Growth Strategy Growth Plus Strategy	27% 34% 39%	← Lower risk Higher risk → 1 2 3 4 **5** 6 7 ← Potentially lower returns Potentially higher returns →	1.37%	1.21%
Growth Plus with Life Cycle at age 75		Income Strategy Defensive Growth Strategy Growth Plus Strategy	35% 34% 31%	← Lower risk Higher risk → 1 2 3 **4** 5 6 7 ← Potentially lower returns Potentially higher returns →	1.33%	1.20%

There is an administration fee of $29.76 a year.
If you are under 18 or invested in the Balanced Fund, NZ Funds rebates fees incurred by Members. See pages 15 and 16 for more information.

See page 13 for an explanation of the risk indicator and pages 13 and 14 for information about other risks that are not included in the risk indicator. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at *portal.nzfunds.co.nz/RiskLaunch/*.

1. The Cash Strategy and Share Growth Strategy commenced operation on or about the date of this PDS. Accordingly, the risk indicator uses returns based on a market index over the five years to 30 September 2026 rather than the actual returns of the Cash Strategy and Share Growth Strategy. As a result, the risk indicator may be a less reliable indicator of the potential future volatility of the Cash Strategy, Share Growth Strategy and the Share Growth with Life Cycle option. 2. The Life Cycle investment options automatically allocate your investment across the relevant Strategies each year according to your age. We have selected three examples (age 0-54, at age 65 and at age 75) to provide information on the Life Cycle investment options in this PDS. More information on the Life Cycle investment options can be found on page 9. 3. As a percentage of the net asset value of the Balanced Fund or each Strategy. 4. If you invest $1 million or more in funds offered by NZ Funds, a fee rebate will apply. The fund charges shown are after this fee rebate. See pages 15 and 16 for more information. 5. See pages 11 and 12 for the authorised asset classes and target investment mix for the Balanced Fund and each Strategy.

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2. How does this investment work?

Legal structure

The Scheme is registered under the Financial Markets Conduct Act 2013 (FMC Act) as a KiwiSaver scheme and is governed by a trust deed (Trust Deed) between NZ Funds and The New Zealand Guardian Trust Company Limited (Supervisor).

The Scheme is designed to help you save for retirement. You contribute to the Scheme over time, and the benefits payable depend on the amount of contributions made by you, your employer and the Government, and the investment returns on those contributions after fees and tax.

The Scheme is made up of a Balanced Fund and five Strategies. The money you invest into the Balanced Fund or a Strategy is pooled with other investors' money to purchase assets. You will receive units in the Balanced Fund or Strategy that you invest in, which represent your interest in the Balanced Fund or Strategy.

The units do not give you legal ownership of the Fund's or Strategy's assets but they do give you the right to a share of any returns from those assets. The assets of the Balanced Fund or Strategy are not available to meet the liabilities of any other Fund or Strategy in the Scheme.

The number of units you receive is based on the Balanced Fund's or Strategy's unit price. The performance of your investment will be measured by the rise or fall of the unit price.

No person guarantees the performance of this Scheme, including any returns or repayment of your investment. There is no Government guarantee for any KiwiSaver scheme or for the Balanced Fund or any Strategy that you invest in.

Key features & benefits

Some of the features of this offer, including the use of derivatives and leverage, may mean an investment in the Strategies is not appropriate for you. We recommend you discuss the features and benefits of this offer with a financial adviser before deciding whether to invest.

The Scheme offers:

- a stand alone passively managed Balanced Fund;
- five actively managed Strategies (Self Select);
    - Cash Strategy,
    - Income Strategy,
    - Defensive Growth Strategy,
    - Share Growth Strategy, and
    - Growth Plus Strategy.

You can also choose to invest using one of the two life cycle asset allocation options (Life Cycle):

- Share Growth with Life Cycle, which includes the Income Strategy, Defensive Growth Strategy and Share Growth Strategy; and
- Growth Plus with Life Cycle, which includes the Income Strategy, Defensive Growth Strategy and Growth Plus Strategy.

Balanced Fund

The Balanced Fund is the default investment option. If you do not choose to invest in one or more Strategies, or a Life Cycle option, then your funds will be invested in the Balanced Fund.

The Balanced Fund uses a passive investment management approach. This means that in managing the Fund we seek to primarily replicate the performance of chosen market indices. A benefit of passive investment management is that it is cheaper than active management.

Our passive approach allocates clients' funds based on an index or by taking a predominantly buy and hold approach to security ownership. We may invest directly, or indirectly via wholesale trusts.

The performance and actual investment mix of the Balanced Fund may deviate from the target allocation or chosen market index from time to time, due to factors such as fund flows, movements in security prices, or through NZ Funds passive investment management approach.

We may also, in our sole discretion, choose to deviate from an index-based allocation in the Balanced Fund from time to time to, for example, ensure the Balanced Fund meets the requirements of our responsible investment policy or for any other reason.

NZ Funds may use derivatives in managing the Balanced Fund to gain exposure to chosen indices or securities and to manage foreign currency exposure. Derivatives are not used to gain leverage.

Strategies

The Scheme includes five Strategies: Cash Strategy; Income Strategy, Defensive Growth Strategy, Share Growth Strategy and Growth Plus Strategy.

NZ Funds uses an active investment management approach when managing the Strategies. This approach seeks to maintain a balance between preserving your capital and growing your wealth in a manner that is consistent with each Strategy's objective.

Our active investment management approach means that we make ongoing investment decisions, search for emerging opportunities, buy or sell securities, and use sophisticated investment instruments and techniques (used by other managers who manage money in similar ways to us) in seeking to achieve the investment objective of each Strategy.

In managing the Strategies, we may take a wide variety of actions. These are described in the Statement of Investment Policy & Objectives (SIPO), which is available on the scheme register at *disclose-register.companiesoffice.govt.nz*.

The Cash Strategy predominantly invests in bank bills and is designed for Members who require access to their funds in the near term. It is suited to Members who require an investment with lower volatility. The Cash Strategy may suit Members who wish to make a first home withdrawal.

In managing the Defensive Growth Strategy we use an active-quant approach. Active-quant means that, as part of our active management approach, we select companies from the sectors that are the focus of the Defensive Growth Strategy and then use quantitative screens to determine their portfolio weight and liquidity.

We may use external investment managers (external managers), specialising in different asset classes and investment approaches. External managers may be selected where we consider they will help meet the Strategies' objectives. Some of the external managers we use may not offer their services to individual investors.

We may employ downside mitigation strategies designed to mitigate the effect of market downturns on the Strategies. The ability to access downside mitigation is a key feature of the Share Growth Strategy and Growth Plus Strategy, and from time-to-time other Strategies. However, there may be periods where downside mitigation is not successful or is not applied.

NZ Funds may use derivatives in managing the Strategies. A derivative is a specialised financial instrument that gets (derives) its value from another asset (the underlying asset). Derivatives are useful because they are financially equivalent to buying, selling, or trading the underlying asset itself, and are generally very liquid because of the volume of transactions traded daily.

The use of derivatives can help us achieve better outcomes by enabling us to implement changes rapidly. The transaction costs associated with trading derivatives are also minimal when compared to the costs of buying, selling, or trading the underlying assets.

Derivatives can be considered to be 'leveraged' investments, which means that a relatively small investment in derivatives can produce the same gain or loss as a much larger investment in the underlying asset. As a result, gains or losses may be increased compared to an investment approach that does not use derivatives.

The use of derivatives and the leverage their use creates may increase or decrease investment risk. NZ Funds uses derivatives in a selective manner and makes decisions on the amount of leverage through derivatives that individual Strategies may use.

The use of derivatives is managed through NZ Funds' active management approach and through the processes and policies surrounding our investment guidelines. The guidelines are not limits on the amount of leverage that the use of derivatives may create in each authorised asset class.

NZ Funds expects to regularly use leverage (via derivatives) to change the exposure to authorised asset classes (except the Cash Strategy). The actual amount of leverage used by the Strategies for the preceding five years is set out in the Other Material Information (OMI) document, which is available on the offer register at *disclose-register.companiesoffice.govt.nz*.

The Strategies may deviate materially from the target allocations, due to active investment management decisions and factors such as fund flows or movements in securities prices. NZ Funds may choose to modify its investment approach or the target allocations from time to time to, for example, ensure that the Strategies meet our responsible investment policy or as part of its active management approach.

The use of derivatives in managing the Strategies is a key feature of NZ Funds' investment management approach and may be extensive. The ability to use derivatives enables the Strategies (other than the Cash Strategy), amongst other things, to gain additional exposures through leverage. Leverage may magnify both gains and losses.

Other features & benefits

Contribution cover

NZ Funds (in conjunction with Partners Life) will provide free Member contribution cover for a period of up to six months to all NZ Funds KiwiSaver Scheme employee Members who are Members of the Scheme between 1 April 2023 and 31 March 2027, and who are aged from 18 to 65 years. This provides cover for your employee contributions if you are unable to work due to illness or injury suffered on or before 31 March 2027 while a Member of the Scheme (subject to eligibility criteria and certain conditions and exclusions).

If you join the Scheme after 31 March 2027 , or become unable to work due to injury or illness suffered after 31 March 2027, this cover is not available to you. For more information, refer to the Other Material Information (OMI) document at www.nzfunds.co.nz.

Wholesale trusts

The Balanced Fund and Strategies may invest directly, or indirectly via wholesale trusts. A wholesale trust is a wholesale fund managed by us which holds investments. The wholesale trust investment structure provides operational and administrative efficiencies.

Securities lending

The Scheme may undertake securities lending and other revenue generating activities. Securities lending involves the transfer (lending) of securities (e.g. bonds or shares) to a third party (the borrower) for a fixed period of time, in return for a payment (revenue).

To protect against loss, the borrower may provide the lender with collateral in the form of cash or securities. There is no guarantee that the Balanced Fund or the relevant Strategy will not incur a loss.

The net proceeds generated from these activities will be shared equally between NZ Funds and the Balanced Fund or the relevant Strategy. Where these activities involve risks, such as the risk of default, the risks are borne by the Balanced Fund or relevant Strategy.

Borrowing

Neither the Balanced Fund nor the Strategies borrow to invest.

Joining the Scheme

You can join the Scheme (become a Member) if you are a New Zealand citizen or entitled to be in New Zealand indefinitely, and living or normally living in New Zealand (with some exceptions).

You can join the Scheme by completing the application form at the back of this PDS or by applying online at *www.nzfunds.co.nz*.

You can invest in the Scheme in three ways: by investing in the Balanced Fund only, using the Self Select investment option to invest in one or more of the Strategies, or using one of the two Life Cycle investment options.

Balanced Fund

The Balanced Fund is principally designed for people who are new to KiwiSaver and wish to build their confidence before investing in a more actively managed investment in order to seek to maximise their long-term wealth. The Balanced Fund is the default investment option.

If you invest in the Balanced Fund your money will be invested in a balanced mix of income and growth assets using a passive investment approach. If you wish to increase your exposure to growth assets or use a more active investment approach you will need to switch your entire investment to either Self Select or Life Cycle.

Self Select

Self Select enables investors to choose any combination of five Strategies to meet their financial goals. Under Self Select, you choose which of the five Strategies your contributions will be invested in and how much is invested in each. You can ask us to rebalance to your chosen allocation annually. If you choose Self Select we recommend that you work with a financial adviser.

Life Cycle

The Strategies can also be accessed by selecting one of the two Life Cycle investment options:

- **Share Growth with Life Cycle investment option**, which includes the Income Strategy, Defensive Growth Strategy and Share Growth Strategy; and
- **Growth Plus with Life Cycle investment option**, which includes the Income Strategy, Defensive Growth Strategy and Growth Plus Strategy.

You can only invest in one of the Life Cycle options.

The Life Cycle approach is designed to manage the risk of your investment by automatically allocating your investment across the Strategies making up each Life Cycle investment option according to your age. Regularly rebalancing your investments can significantly impact on the long term success of your investment in KiwiSaver.

For Members under 55 years old, the Life Cycle approach places 85% of your investments into either the Share Growth Strategy or the Growth Plus Strategy. Beginning at age 55, the Life Cycle approach steadily reduces your exposure to the Share Growth Strategy or Growth Plus Strategy (as applicable) and increases the proportion of your investments allocated to the Income and Defensive Growth Strategies.

Older Members have less time before they begin to withdraw funds. This shorter investment time horizon means they are less likely to recoup any losses if a downturn occurs.

Moving into lower-volatility Strategies may reduce potential returns, but offers less volatility. The chart below shows the current Strategy allocations under the two Life Cycle options. These allocations may change.

The Life Cycle options are designed for Members who want to remain invested through their retirement years and draw down on their savings regularly. They may not be appropriate for Members who plan to make a first home purchase withdrawal in the short to medium term, or who plan to withdraw all, or a significant portion of their investment when they reach age 65 or early on in their retirement.

Making investments

Member contributions

If you are an employee, you can choose to contribute either 3.5%, 4%, 6%, 8%, or 10% of your before tax pay. If you do not choose a contribution rate, your rate will be set at 3.5%. From 1 April 2028 the minimum employee contribution will increase to 4% of your before tax pay.

You can apply for a temporary rate reduction to reduce your contributions to 3% for a three-month or twelve-month period. You can apply for a rate reduction as many times as you like. Your employer will deduct your contributions from your after tax pay.

If you are employed and have been a member of KiwiSaver for at least 12 months, you can apply to Inland Revenue for a savings suspension for a minimum of three months up to a maximum of one year. You can apply for a savings suspension within the first 12 months of being a KiwiSaver member if you are suffering, or likely to suffer, financial hardship.

You can also ask Inland Revenue to deduct KiwiSaver Member contributions from your paid parental leave payments. You can change your contribution rate at any time. You do not have to contribute if you are on a savings suspension or you have reached age 65.

Whether you are working or not (including if you are self-employed), you can make lump sum or regular contributions to the Scheme. To make regular contributions, complete the direct debit form at the back of this PDS or through the NZ Funds digital Wallet.

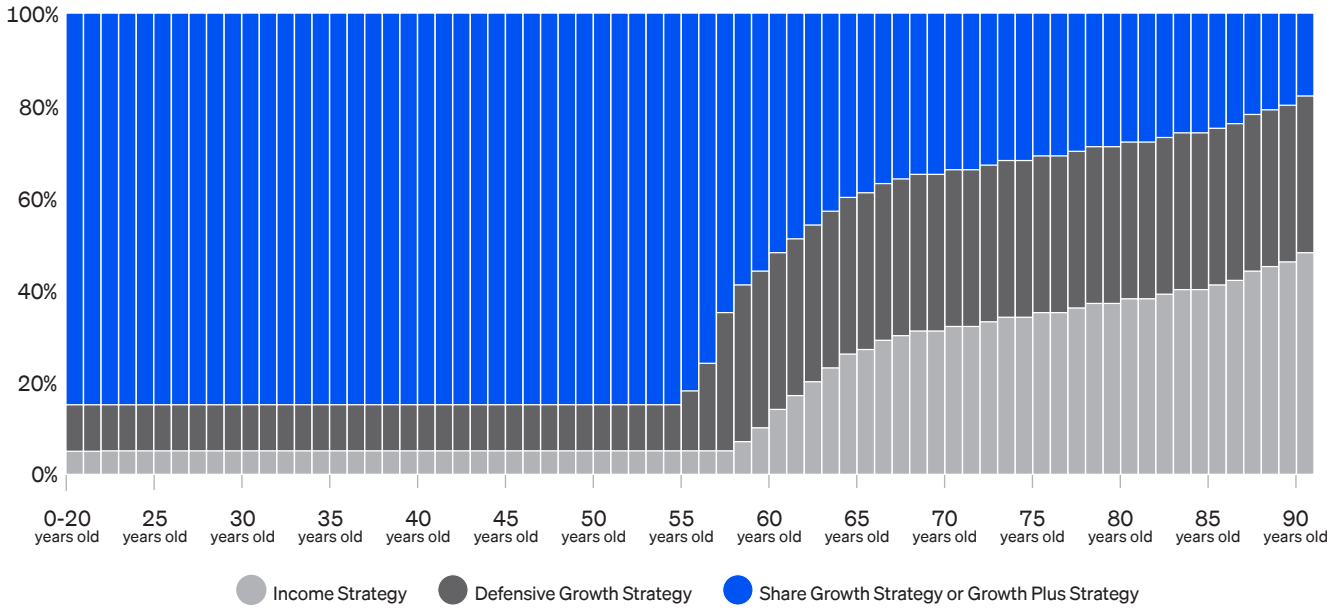
Employer contributions

Your employer is generally required to contribute at least 3.5% of your before tax pay, as long as you are contributing through your pay, and are 16 or over and under the age of eligibility for New Zealand superannuation (currently 65). From 1 April 2028 the minimum employer contribution will increase to 4% of your before tax pay.

Your employer is required to deduct employer's superannuation contribution tax from their contribution.

If you choose to have KiwiSaver Member contributions deducted from your parental leave payments, Inland Revenue will also make an employer contribution of 3.5%.

Life Cycle



Government contributions
You may be eligible to receive Government contributions into your KiwiSaver scheme. Government contributions are calculated annually based on your total contributions during the last year (1 July to 30 June) and the number of days during that year that you were eligible to receive Government contributions. You will generally be eligible if you are 16 or over and have not yet reached the age of eligibility for New Zealand Superannuation (currently 65), and you live (or normally live) in New Zealand, and you earn $180,000 or less.

If you contribute to KiwiSaver and are eligible, the Government will contribute up to $260.72 each year. To get the full benefit, you must contribute $1042.86 in the period 1 July to 30 June.

Withdrawing your investments

KiwiSaver is designed to help you save for retirement. Under the KiwiSaver Act 2006, unless you satisfy one of the early withdrawal criteria, you cannot withdraw your savings until you reach age 65.

Early withdrawals
You may apply to withdraw some or all of your investment before age 65 in the following circumstances:

a) First home purchase
You may be eligible to withdraw your investment to put towards buying your first home (or land to build your first home on) once you have been in KiwiSaver for at least three years. You must leave $1,000 and any amount transferred from an Australian complying superannuation fund in your KiwiSaver account after the withdrawal.

b) Significant financial hardship
If you are suffering significant financial hardship, you may apply to the Supervisor to withdraw some of your investment. You cannot withdraw any Government contributions and the Supervisor may limit the amount withdrawn to an amount it considers is sufficient to ease the hardship. You may be asked to provide evidence to support your application.

c) Life-shortening congenital condition
If you are suffering from a life-shortening congenital condition which is expected to reduce life expectancy below the age of 65, you may apply to the Supervisor to withdraw some or all of your investment or start a regular withdrawal program at a date of your choosing.

You may continue to make contributions, however after you make a withdrawal you will no longer be eligible to receive Government contributions or compulsory employer contributions. You will need to provide medical evidence to support your application.

d) Serious illness
If you are suffering from a serious illness, you may apply to withdraw your investment. You will need to provide medical evidence to support your application.

e) Permanent emigration (other than to Australia)
If you permanently emigrate to a country other than Australia, you may apply to withdraw your investment one year after you leave New Zealand. You cannot withdraw the Government contributions or any amount transferred from an Australian complying superannuation fund.

f) Permanent emigration to Australia
If you emigrate to Australia permanently, you may apply to transfer your investment to an Australian complying superannuation fund.

g) Death
If you die while a Member of the Scheme, your personal representatives can apply to withdraw your investment in the Scheme which will be paid to your estate.

Other withdrawals
If you have transferred savings from an Australian complying superannuation fund, you can withdraw that amount when you reach age 60 and are considered to be 'retired' under Australian law.

If you have transferred from a foreign superannuation scheme (excluding an Australian scheme), you may be able to withdraw some of your investment to pay any New Zealand tax or student loan repayment obligation that arises because of the transfer. There may also be circumstances in which a law or Court order requires us to release some or all of your investment.

Transfer to another KiwiSaver scheme
You may apply to transfer your investment to another KiwiSaver scheme. You can only be a Member of one KiwiSaver scheme at a time.

Suspension of withdrawals, transfers or switches
In certain circumstances, we may suspend withdrawals, transfers or switches where we consider it is not practicable or would prejudice the interests of Members. Conditions apply to the withdrawals described. You must not allow an AI agent, bot or other automated service to complete or submit withdrawal, transfer or switch forms on your behalf. For more information, see the OMI document on the offer register at *disclose-register.companiesoffice.govt.nz*.

How to switch between funds

You can switch between the Balanced Fund, Self Select and Life Cycle, or between Life Cycle investment options at any time, subject to NZ Funds' ability to suspend switches. If you wish to switch from the Balanced Fund or Self Select to a Life Cycle investment option, or between Life Cycle investment options you must switch your entire investment.

You can switch between investment options by using the NZ Funds Digital Wallet. In Self Select you can also use the NZ Funds Digital Wallet to change the allocation of your investment. NZ Funds does not charge a switch fee.

The NZ Funds Digital Wallet is available from the Apple App Store and from the Google Play site. If you are unable to access the NZ Funds Digital Wallet, a paper switch form is available from NZ Funds or your financial adviser.

3. Description of your investment options

Balanced Fund

NZ Funds uses a passive investment approach when managing the Balanced Fund. Using this approach we select securities with reference to the target benchmark for the Balanced Fund.

Where the Balanced Fund holds assets denominated in a foreign currency, we generally hedge the foreign currency exposure of international fixed interest and Australian shares back to the New Zealand dollar. International shares and/or international share market futures are held in international currencies.

Strategies

NZ Funds uses an active investment management approach when managing the Strategies. This approach seeks to maintain a balance between preserving your capital and growing your wealth in a manner that is consistent with each Strategy's objective.

Our active investment management approach allows the Strategies to be invested in authorised asset classes in any proportion. It also includes the ability for the Strategies to use derivatives which can create leverage (other than the Cash Strategy where derivatives are not used to create leverage). We may also actively manage foreign currency in the Strategies.

Investment approach

NZ Funds uses a combination of authorised asset class limits, guideline ranges and target investment mixes in the oversight of the Balanced Fund and the Strategies. These are designed to ensure the Balanced Fund and the Strategies invest in accordance with their investment objective and timeframe.

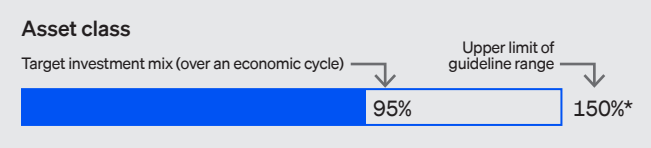
The **authorised asset class limits** are the maximum exposure that the Balanced Fund or a Strategy may have to an authorised asset class. More information on the authorised asset class limits is contained in the SIPO.

The **guideline ranges** are the ranges within which the Balanced Fund and each Strategy will normally (but not always) invest in the authorised asset classes over the course of an economic cycle.

More information on the guideline ranges is contained in the OMI document, which also contains information on how we manage foreign currency, and the historical investment mix and historical leverage range for the Balanced Fund and the Strategies.

The **target investment mix** (being the dark coloured portion of the guideline range for each asset class) is the expected target investment mix for the Balanced Fund and each Strategy over the economic cycle.

The guideline ranges and target investment mix shown in the tables on pages 11 and 12 can be expected to change for the Balanced Fund and each Strategy over the course of the economic cycle.



* Numbers exceeding 100% illustrate use of leverage via derivatives.

Strategy	Objective	Strategy summary, guideline ranges and target investment mix[1]	Risk indicator	Minimum suggested timeframe
Balanced Fund (default option)				
Balanced Fund	To provide an entry level option, which uses a passive investment approach to gain exposure to a balanced mix of income and growth assets.	Anticipated to mainly own New Zealand, Australian and international bonds and shares over the minimum suggested timeframe. Cash and cash equivalents 5% – 60% New Zealand fixed interest 11% – 60% International fixed interest 34% – 60% Australasian equities 25% – 60% International equities 25% – 60% Listed property 0% – 60%	4	5 years+
Self Select				
Cash Strategy[2]	To provide a source of capital.	Anticipated to mainly own and trade cash and cash equivalents and other authorised asset classes over the minimum suggested timeframe. Cash and cash equivalents 100% New Zealand fixed interest 0% International fixed interest 0%	1	1 month+
Income Strategy	To generate income by investing in income assets and other authorised assets with active management.	Anticipated to mainly own and trade New Zealand, Australian and international bonds and other authorised asset classes over the minimum suggested timeframe. Cash and cash equivalents 8% – 100% New Zealand fixed interest 45% – 100% International fixed interest 47% – 100% Alternative Securities[3] 0% – 50%	4	2 years+
Defensive Growth Strategy	To mitigate the impact of inflation on your investment over the medium and/or long term with active management.	Anticipated to mainly own and trade New Zealand, Australian and international shares and other authorised asset classes over the minimum suggested timeframe. Cash and cash equivalents 2% – 50% New Zealand fixed interest 4% – 50% International fixed interest 4% – 50% Australasian equities 40% – 125% International equities 28% – 125% Listed property 22% – 125% Alternative Securities[3] 0% – 50%	5	5 years+
Share Growth Strategy[2]	To grow your investment over the long term by investing in shares and other authorised assets with active management.	Anticipated to mainly own and trade New Zealand, Australian and international shares with downside mitigation over the minimum suggested timeframe. Cash and cash equivalents 5% – 100% New Zealand fixed interest 0% – 75% International fixed interest 0% – 75% Australasian equities 34% – 125% International equities 57% – 180% Listed property 4% Alternative Securities[3] 0% – 50%	5	10 years+

1. Monthly updates of actual investments held by the Balanced Fund and each Strategy are available on the Performance page of our website at *www.nzfunds.co.nz*.
2. The Cash Strategy and Share Growth Strategy commenced operation on or about the date of this PDS. Accordingly, the risk indicator uses returns based on a market index over the five years to 30 September 2026 rather than the actual returns of the Cash Strategy and Share Growth Strategy. As a result, the risk indicator may be a less reliable indicator of the potential future volatility of the Cash Strategy, Share Growth Strategy and the Share Growth with Life Cycle option. 3. Alternative securities are investments not usually accessed by retail investors, for example hedge funds.

Strategy	Objective	Strategy summary, guideline ranges and target investment mix [1]	Risk indicator	Minimum suggested timeframe
Self Select (continued)				
Growth Plus Strategy	To grow your investment over the long term by investing in growth assets and other authorised assets with active management	Anticipated to mainly own and trade New Zealand, Australian and international shares and other authorised asset classes including commodities with downside mitigation over the minimum suggested timeframe. Cash and cash equivalents 5% – 100% New Zealand fixed interest 0% – 75% International fixed interest 0% – 75% Australasian equities 34% – 125% International equities 57% – 200% Listed property 4% – 50% Commodities 0% – 125% Alternative Securities[3] 0% – 50%	6	10 years+
Share Growth with Life Cycle[2]				
Share Growth with Life Cycle age 0-54	To allocate your investment across three Strategies according to your age.	Cash and cash equivalents 5% – 95% New Zealand fixed interest 3% – 73% International fixed interest 3% – 74% Australasian equities 33% – 112% International equities 51% – 115% Listed property 5% – 48% Alternative Securities[3] 0% – 50%	5	10 years+
Share Growth with Life Cycle at age 65		Cash and cash equivalents 5% – 83% New Zealand fixed interest 14% – 67% International fixed interest 14% – 73% Australasian equities 27% – 79% International equities 32% – 88% Listed property 9% – 33% Alternative securities[3] 0% – 50%	4	5 years+
Share Growth with Life Cycle at age 75		Cash and cash equivalents 5% – 83% New Zealand fixed interest 17% – 67% International fixed interest 18% – 75% Australasian equities 24% – 72% International equities 27% – 81% Listed property 8% – 33% Alternative Securities[3] 0% – 50%	4	5 years+
Growth Plus with Life Cycle				
Growth Plus with Life Cycle age 0-54	To allocate your investment across three Strategies according to your age.	Cash and cash equivalents 5% – 95% New Zealand fixed interest 3% – 73% International fixed interest 3% – 74% Australasian equities 33% – 95% International equities 51% – 183% Listed property 5% – 48% Commodities 0% – 85% Alternative Securities[3] 0% – 50%	6	10 years+
Growth Plus with Life Cycle at age 65		Cash and cash equivalents 5% – 83% New Zealand fixed interest 14% – 67% International fixed interest 14% – 73% Australasian equities 27% – 72% International equities 32% – 119% Listed property 8% – 36% Commodities 0% – 39% Alternative Securities[3] 0% – 50%	5	5 years+
Growth Plus with Life Cycle at age 75		Cash and cash equivalents 5% – 83% New Zealand fixed interest 17% – 67% International fixed interest 18% – 75% Australasian equities 24% – 65% International equities 27% – 105% Listed property 9% – 33% Commodities 0% – 31% Alternative Securities[3] 0% – 50%	4	5 years+

NZ Funds' internal investment guidelines include estimates of the amount of leverage that may be used in each authorised asset class. Members should be aware that NZ Funds' use of derivatives may result in the proportion invested in an authorised asset class exceeding the guidelines shown in the table above from time to time.

Where the upper percentage of a guideline range exceeds 100% this indicates that NZ Funds expects to use derivatives to create leverage to increase the exposure to an authorised asset class beyond 100%. Showing a target investment mix of 100% or less for an authorised asset class does not mean derivatives will not be used. The Cash Strategy and Balanced Fund do not use derivatives to create leverage.

1. Monthly updates of actual investments held by the Balanced Fund and each Strategy are available on the Performance page of our website at *www.nzfunds.co.nz*.
2. The Cash Strategy and Share Growth Strategy commenced operation on or about the date of this PDS. Accordingly, the risk indicator uses returns based on a market index over the five years to 30 September 2026 rather than the actual returns of the Cash Strategy and Share Growth Strategy. As a result, the risk indicator may be a less reliable indicator of the potential future volatility of the Cash Strategy, Share Growth Strategy and the Share Growth with Life Cycle option. 3. Alternative securities are investments not usually accessed by retail investors, for example hedge funds.

Investment policy & objectives

Further information on NZ Funds' investment approach can be found in the SIPO.

The SIPO is available on the scheme register at *disclose-register.companiesoffice.govt.nz*. We may make changes to the SIPO at any time after consulting with the Supervisor.

A description of any material changes will be included in the Scheme's annual report. Where required by the Trust Deed or law, you will receive notice of material changes before they occur. Further information about the assets in the Balanced Fund and each Strategy can be found in the OMI document and Quarterly Fund Updates at *www.nzfunds.co.nz*.

Responsible investing

Responsible investment, including environmental, social, and governance considerations, is taken into account in the investment policies and procedures of the Scheme as at the date of this PDS.

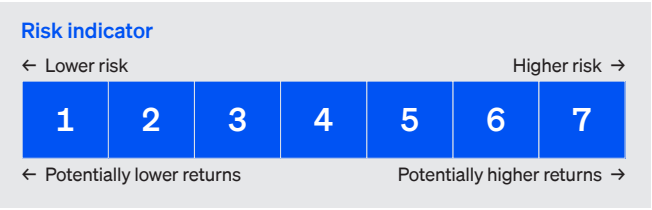
You can obtain an explanation of the extent to which responsible investment is taken into account in those policies and procedures at *www.nzfunds.co.nz/approach/responsible-investing*.

4. What are the risks of investing?

Understanding the risk indicator

Managed funds in New Zealand must have a standard risk indicator. The risk indicator is designed to help investors understand the uncertainties both for loss and growth that may affect their investment.

You can compare funds using the risk indicator. The risk indicators for the investment options offered under this PDS can be found on pages 4, 5, 11 and 12.



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 (volatility). 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 *portal.nzfunds.co.nz/RiskLaunch/*.

Note that even the lowest category does not mean a risk-free investment, and there are other risks (described under the heading 'Other specific risks') that are not captured by this rating.

The risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years to 30 September 2026. While risk indicators are usually relatively stable, they do shift from time to time. You can see the most recent risk indicator in the latest Quarterly Fund Update for each investment option.

The Cash Strategy and Share Growth Strategy commenced operation on or about the date of this PDS. Accordingly, their risk indicators use market index returns for the five years to 30 September 2026.

The risk indicators are calculated using historical or market index returns only. If the period of returns used in calculating the risk indicators reflected a time of unusually low or high volatility, the risk indicator may not reflect the future volatility of the Balanced Fund or a Strategy.

We use an active investment approach in managing the Strategies. Our active investment approach seeks to anticipate future events and this leads to changes in our asset allocations. Changing our asset allocation may lead to material changes to expected future risk or expected returns.

General investment risks

Some of the things that may cause the Balanced Fund's or a Strategy's value to move up and down, which affect the risk indicator, are:

Market risk
Market risk is the risk of volatility or loss caused by a change in the value of investments held. Market risk arises from uncertainty about the future value of investments. Changes in value may be caused by factors specific to an investment, or as a result of factors affecting financial markets generally.

Illiquid security risk
The Balanced Fund and the Strategies may hold illiquid securities. Illiquid securities are assets that cannot be quickly converted or exchanged for cash (or not without a significant loss in value). Illiquid securities generally carry a greater risk than liquid securities, particularly during times of market volatility. Investment illiquidity may make it difficult to value, acquire or dispose of assets.

Asset concentration risk
The Strategies can hold authorised asset classes and securities in any proportion or concentration, meaning that the Strategies may not always be diversified. For example, the Cash Strategy predominantly invests in bank bills issued by New Zealand trading banks, and from time to time, a Strategy may be predominantly invested in a specific security, external manager, asset class, country or sector and may be particularly exposed to any adverse circumstances affecting them.

Currency risk
The unit prices of the Balanced Fund and each Strategy are denominated in New Zealand dollars, but the Balanced Fund or the Strategies may be exposed directly or indirectly to foreign currencies. There is a risk that returns may be adversely affected by foreign currency volatility.

Other specific risks

Other circumstances that can significantly increase the risk to returns for Members and that may not be reflected in the risk indicator include:

Life Cycle risk
There is a risk that the predefined age-based asset allocation used in the Life Cycle investment options may not be suitable for you as it does not take into account your personal financial circumstances.

Sophisticated instruments and techniques
In managing the Strategies, NZ Funds and its external managers are able to use certain sophisticated investment instruments and techniques (including hedge funds and derivatives) which are used by other managers who manage money in similar ways to us. This may result in the returns on your investment fluctuating more than in some other funds. The risk of sophisticated investments may be higher than the risk indicator for the relevant Strategy.

Higher risk investments
The Strategies are different from some other funds in that they can invest in a wide range of investments, including investments which may be, or which may have traditionally been, considered to be speculative (e.g. hedge funds, derivatives and cryptocurrencies). This may result in the returns on your investment fluctuating more than in other funds. The risk of those investments may be higher than the risk indicator for the Balanced Fund or the relevant Strategy.

Passive management risk
NZ Funds uses a passive management approach in managing the Balanced Fund. Our passive approach allocates the funds invested in the Balanced Fund based on an index or by taking a predominantly buy and hold approach.

The Balanced Fund's returns are therefore materially determined by the rise or fall of the chosen indices or the securities chosen as part of a buy and hold approach to investing.

Active management risk
NZ Funds also uses an active management approach in managing the Strategies. Active management is subject to different risks (which may be considered higher risks) than non-active or passive management. As a result, our active management approach may cause the returns and capital stability of the Strategies to differ from the returns and capital stability of other managers and the underlying asset classes used or targeted.

Active-quant risk
NZ Funds' active-quant investment approach allocates funds based on a set of quantitative criteria and an assessment of liquidity to help determine the asset allocation of certain wholesale trusts that the Defensive Growth Strategy invests into. The Defensive Growth Strategy's returns may therefore be materially determined by this investment approach.

What we invest in can change rapidly and significantly
In implementing our active investment management approach we invest in a wide range of assets and emerging investments and change assets quickly. We can do this without notice to Members. The potential for rapid changes in the nature and extent of assets invested in and the potential for emerging investments may significantly increase losses in the Strategies. As part of our investment management process, we maintain internal investment guidelines which assist in the oversight of the Strategies. For more information on our internal investment guidelines see the OMI document.

Potentially extensive use of leverage via derivatives
In managing the Strategies, NZ Funds may use derivatives to create leverage (except the Cash Strategy where derivatives are not used to obtain leverage) to seek to both increase returns (by taking active positions) and reduce risk (by taking hedge positions). Our use of derivatives and the amount of leverage their use may create is limited by the authorised asset class limits set out in the SIPO.

The use of derivatives and the leverage their use may create can increase or decrease the risk of a Strategy materially and is an essential aspect of our active investment approach.

Security risk
The Balanced Fund's or a Strategy's returns may fluctuate as a result of changes in the value of securities that it invests in. The value of a security may be affected by many factors, including the performance of the relevant security, market sector, asset class or country.

Execution risk
Execution risk is the risk that NZ Funds is unable to buy or sell an investment in a timely and efficient manner, and on terms, including price and quantity, that NZ Funds deems reasonable or intended. If NZ Funds is unable to do this the Strategies may be adversely affected.

External manager risk
NZ Funds may use external managers in the management of the Strategies. There are a number of risks associated with investing with these managers. These include wide mandates, redemption restrictions, and the risk that a manager may underperform or generate a loss. We have a due diligence process for appointing external managers and managers are monitored and reviewed.

Securities lending risk
Securities lending risk is the risk that the borrower of securities is unable to meet, or refuses to honour, its obligations to return the borrowed securities, and that where collateral has been provided, the collateral is insufficient to cover the cost of repurchasing those securities, or those securities are unavailable for purchase.

Key person risk
The Scheme may be dependent on the services of one or more key persons, either inside or outside NZ Funds, and may be adversely affected by the departure or poor performance of one or more of those individuals.

For more information on the risks of investing in the Scheme, see the OMI document, which is available on the offer register at *disclose-register.companiesoffice.govt.nz*.

5. What are the fees?

There are no management fees for investing in the Balanced Fund. You will be charged fees for investing in the Strategies.

Fees are deducted from your investment and will reduce your returns. If NZ Funds invests in other funds, those funds may also charge fees. The fees you pay will be charged in two ways:

- Regular charges (for example, annual fund charges). Small differences in these fees can have a big impact on your investment over the long term.
- One-off fees. NZ Funds does not charge any establishment, application, contribution, termination, withdrawal, switch or transfer fees.

Name		Estimated annual fund charges [1] Total invested < $1 million	Estimated annual fund charges after fee rebate [1,2] Total invested ≥ $1 million
Balanced Fund		0.00%	0.00%
Cash Strategy		0.20%	0.20%
Income Strategy		1.12%	1.12%
Defensive Growth Strategy		1.25%	1.25%
Share Growth Strategy		1.25%	1.25%
Growth Plus Strategy		1.65%	1.25%
Share Growth with Life Cycle	age 0-54	1.24%	1.24%
	at age 65	1.21%	1.21%
	at age 75	1.20%	1.20%
Growth Plus with Life Cycle	age 0-54	1.58%	1.24%
	at age 65	1.37%	1.21%
	at age 75	1.33%	1.20%

There is an administration fee of $29.76 a year.
If you are under 18 or invested in the Balanced Fund, NZ Funds rebates fees incurred by Members.

Annual fund charges

Annual fund charges are made up of a management fee and other fund charges. These fees and charges are deducted directly or indirectly from the Balanced Fund or relevant Strategy (or wholesale trust) and are reflected in the unit price of the Balanced Fund or relevant Strategy.

The estimated annual fund charges for each investment option represent the total estimated amount of all of the fees. For more details on the basis of estimation, see the OMI document.

Balanced Fund
There are currently no management fees or other fund charges for investing in the Balanced Fund.

NZ Funds currently pays or rebates to the Balanced Fund its share of all fees and expenses listed in this section (excluding transaction costs). Other costs and expenses in relation to the Balanced Fund may, at NZ Funds' discretion, also be paid directly by NZ Funds or rebated in part or in full to the Balanced Fund.

Transaction costs incurred in buying and selling the Balanced Fund's assets are paid directly or indirectly by the Balanced Fund and are reflected in its unit price. They are not included in annual fund charges and are not rebated.

There may be future circumstances in which, for cost recovery purposes, NZ Funds may charge one or more expenses or other costs listed in this section (either in part or in full) to the Balanced Fund. We will tell you if this occurs.

At a future date NZ Funds may decide to introduce a management fee to the Balanced Fund. If this occurs, Members will be provided with 90 days' notice of the introduction of the management fee and will have the opportunity to switch out of the Balanced Fund before the management fee is introduced.

The Strategies
NZ Funds charges each Strategy an annual management fee. The management fee is fixed as a percentage of the Strategy's gross asset value, calculated daily and paid monthly.

Other fund charges are estimates of what third parties charge for services provided to the Strategies and related wholesale trusts in which they invest. They include the Supervisor's fee, professional fees and expenses, fees charged by external specialist investment managers (external managers), and the wholesale trust administration fee charged by NZ Funds to certain wholesale trusts that we manage.

Where NZ Funds employs third-party investment experts to help manage a Strategy's investments, other fund charges also include the estimated management and performance fees charged by those investment experts.

Transaction costs incurred in buying and selling the Strategies' assets are paid directly or indirectly by the Strategies and are reflected in their unit price. They are not included in annual fund charges and are not rebated.

Other charges

Administration Fee
There is an administration fee of $29.76 a year which covers the costs of administering your account. This is deducted from your account monthly. If you are under 18 or invested in the Balanced Fund, NZ Funds rebates fees incurred by Members.

Financial advice fees
If your Financial Advice Provider has an agreement with us to advise Members of the Scheme, and where you authorise them to do so, they may charge you a financial advice fee of up to 0.50% of your investment in the Scheme. If NZ Funds is your Financial Advice Provider, we may also charge you a financial advice fee.

This requires a financial advice agreement between you and your Financial Advice Provider. With your authorisation, we deduct the fee monthly in arrears and pay it to them, deductions stop as soon as you tell us to.

No switch or transfer fees
Members in the Balanced Fund or any of the Strategies are able to switch between the Balanced Fund or any of the Strategies (or transfer to another KiwiSaver scheme) at any time they wish, without incurring a switch or transfer fee.

1. As a percentage of the net asset value of the Balanced Fund and each Strategy. 2. A fee rebate will apply where the total amount you have invested in the Scheme and other managed funds offered by NZ Funds is $1 million or more.

Fee rebates

Under age 18

NZ Funds currently rebates all fund fees, charges and expenses (excluding transaction costs) incurred by Members under the age of 18. These fees, charges and expenses are accrued daily and rebated at the end of March each year. If you transfer to another KiwiSaver scheme before the rebate calculation is undertaken, you will not receive the rebate for that year.

Parental leave

NZ Funds currently rebates all fund fees, charges and expenses incurred by Members on parental leave (as that term is defined in the Parental Leave and Employment Protection Act 1987). To receive this rebate, you need to tell us that you are on parental leave. The rebate is available from the date that you notify us that you are on parental leave to the expiry of that leave.

Fund fees, charges and expenses are accrued daily and rebated at the end of March each year. If you transfer to another KiwiSaver scheme before the rebate calculation is undertaken, you will not receive the rebate for that year.

Over $1 million

A fee rebate will apply in respect of the Growth Plus Strategy where the total amount you have invested in the Scheme and other managed funds offered by NZ Funds is over $1 million.

The fee rebate is calculated daily based on the balance of your investment and paid monthly. The fee rebate is illustrated in the table on page 15.

Additional rebates

In addition, we may at our discretion and from our own funds, pay or rebate some or all fees and expenses, and we may offer a Member or a group of Members a different fee rebate from that set out in this section at our discretion.

For more information on fees and fee rebates, see the OMI document.

Additional information

Goods & Services Tax (GST)

Fees do not include GST or other similar tax. This means that if any GST, or other similar tax, is payable on any fee, that tax will be an additional cost.

Securities lending revenue

The net proceeds from securities lending and other specific revenue generating activities will be shared equally between NZ Funds and the Balanced Fund or relevant Strategy.

Onboarding & service payments

NZ Funds may pay an external financial advice provider an onboarding and ongoing service payment in recognition of the effort and costs associated with providing services to you.

These payments are made out of the revenue earned by NZ Funds for managing the Scheme and are not directly deducted from the Balanced Fund or the Strategies.

Commission sharing

We have a commission sharing policy that sets out our approach to commission sharing arrangements with certain brokers in order to extract better value from the brokerage the Balanced Fund and Strategies currently pay. Commission sharing arrangements enable us to undertake or obtain research that assists our investment decision-making process.

Commission sharing arrangements cannot be used for management or corporate related expenses or for research which will solely benefit a Fund or Strategy that did not contribute to the brokerage generating the commission sharing amounts.

The fees can be changed

Under the KiwiSaver Act, all fees charged to you must be reasonable. NZ Funds, the Supervisor, and the Administration Manager may alter the fees described in this section or introduce new fees, subject to the KiwiSaver Act and the Trust Deed.

NZ Funds must publish a Quarterly Fund Update for each investment option showing the fees actually charged during the most recent year. Quarterly Fund Updates, including past updates, are available at *www.nzfunds.co.nz*.

Example of how fees apply to an investor

Sarah invests $10,000 in the Growth Plus Strategy. She is not charged an establishment fee, application fee or a contribution fee. This means the starting value of her investment is $10,000.

She is charged management and administration fees (comprising management fee and estimated other fund charges) which work out to about $165 (1.65% of $10,000). These fees might be more or less if her account balance has increased or decreased over the year.

Over the next year, Sarah pays other charges of $29.76.

Estimated total fees for the first year:
Fund charges $165
Other charges $29.76.

See the latest Quarterly Fund Update for an example of the actual returns and fees Members were charged over the past year. This example applies only to the Growth Plus Strategy.

If you are considering investing in other investment options in the Scheme, this example may not be representative of the actual fees you may be charged.

6. What taxes will you pay?

The Scheme is a PIE. The amount of tax you pay is based on your PIR. To determine your PIR, go to *www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates*. If you are unsure of your PIR, we recommend you seek professional advice or contact Inland Revenue.

It is your responsibility to tell NZ Funds your PIR when you invest or if your PIR changes. If you do not tell NZ Funds, a default rate may be applied.

If the rate applied to your PIE income is lower than the correct PIR you will be required to pay any tax shortfall as part of the income tax year-end process. If the rate applied to your PIE income is higher than your PIR any tax over-withheld will be used to reduce any income tax liability you may have for the tax year and any remaining amount may be refunded to you. For more information on tax see the OMI document.

7. Who is involved?

NZ Funds
NZ Funds is the manager of the Scheme. NZ Funds makes decisions about what assets the Balanced Fund and the Strategies invest in and may appoint external managers. NZ Funds is also responsible for the design and implementation of Life Cycle. Our contact details are:

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
W. www.nzfunds.co.nz

Who else is involved?

Title	Name	Role
Supervisor & Custodian	The New Zealand Guardian Trust Company Limited	Supervisor and Custodian of the Scheme under the Financial Markets Conduct Act 2013, responsible for supervising NZ Funds as manager of the Scheme, and holding Scheme property on trust for the Scheme.
Administration Manager	MUFG Pensions & Market Services (NZ) Limited	Appointed as the administration manager of the Scheme, responsible for the day-to-day administration of the Scheme and the Balanced Fund and each Strategy, including maintaining the register of Members.

8. How to complain

NZ Funds
If you have any concerns about your investment please contact NZ Funds. Our contact details are:

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
W. www.nzfunds.co.nz

Guardian Trust
Complaints can also be made to the Supervisor. The Supervisor's contact details are:

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
W. www.guardiantrust.co.nz

Dispute resolution
NZ Funds 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. FSCL will not charge you a fee to investigate or resolve a complaint.

Attention: New Zealand Funds Management Limited

Financial Services Complaints Limited - A Financial Ombudsman Service

PO Box 5967
Wellington 6140

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

9. Where you can find more information

More information about the Scheme, the Balanced Fund and the Strategies, such as financial statements, annual reports, Quarterly Fund Updates (when available for the Cash Strategy and Share Growth Strategy), the OMI document, the Trust Deed and the SIPO, is available on the offer register and the scheme register at *disclose-register.companiesoffice.govt.nz*.

A copy of information on the offer register and the scheme register is available on request from the Registrar of Financial Service Providers.

Quarterly Fund Updates (when available for the Cash Strategy and Share Growth Strategy) and other information relating to the Balanced Fund and the Strategies (including the OMI document and SIPO) are also available on our website.

You may also request a copy of this information from NZ Funds free of charge. Our contact details are set out in section 7 of this PDS 'Who is involved?'.

10. How to apply

You can apply to join the Scheme by completing an application form at the back of this PDS or by applying online at *www.nzfunds.co.nz*. You must not allow an AI agent, bot or other automated service to complete or submit this form on your behalf.

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NZ Funds KiwiSaver Scheme

Application Form

NZ Funds KiwiSaver Scheme Product Disclosure Statement dated 20 November 2026.

If this application is on behalf of a minor (applicant aged 17 and under), please also complete the Identity information for a parent or guardian form which is available on request.

Return to NZ Funds KiwiSaver Scheme, Private Bag 92050, Victoria Street West, Auckland 1142, or by email to nzfkiwi@linkmarketservices.com.

1. Applicant details

Name

Title | First name | Middle name(s) | Surname

Date of birth

Day | Month | Year

Residential address (not PO box)

Street

Suburb | Town / City | Postcode

Postal address (if different)

Street / PO Box

Suburb | Town / City | Postcode

Phone number(s)

Mobile | Home | Business

Email

If you supply an email address, we will send you information relating to your investment by electronic means. We suggest using your personal rather than work email address as this is less likely to change over time.

Are you a member of another KiwiSaver scheme?

☐ Yes ☐ No / I don't know

If Yes, please name the scheme

Scheme name

Prescribed Investor Rate (PIR)

You must provide your IRD number and select a PIR for this investment. The amount of tax you pay on your NZ Funds KiwiSaver Scheme investment is based on your PIR.

To determine your PIR, go to www.ird.govt.nz/roles/portfolio-investment-entities/using-prescribed-investor-rates. If a rate is not selected, the default rate of 28% will apply. See section 6 of the Product Disclosure Statement 'What taxes will you pay?' for more information.

PIR (select one)

☐ 10.5% ☐ 17.5% ☐ 28%

IRD number

Employment status (Please select one only)

- ☐ Employed
- ☐ Self employed
- ☐ Not employed
- ☐ Minor (under 16 years old)
- ☐ Minor (16 to 18 years old)

Occupation

Employer name (if applicable)

2. Electronic identity verification (NZ residents only)

You do not need to complete this section if you are completing face-to-face documentation (AML Form for an Individual (Form 1a) - Documentary).

If you, or the person you are completing this application on behalf of, do not have a NZ Passport or NZ Driver Licence, you must complete an AML Form for an Individual (Form 1a) - Documentary.

Please note that if we are unable to verify your identity electronically, we will contact you.

☐ **Option A – NZ passport**

Passport number

Passport expiry date

Day Month Year

Please note, if you are completing this form on behalf of a minor, please provide a photocopy of the minor's NZ birth certificate (mandatory) and if they hold one, a NZ passport.

☐ **Option B – NZ driver licence**

Licence number

Licence expiry date

Day Month Year

Licence version number

Consent statement

I authorise my Adviser / NZ Funds to conduct identity checks for the purpose of complying with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML / CFT Act) and any other regulatory requirements (including specific and ongoing electronic identity verification checks) and to collect and use, and disclose to third-party providers of checking services, my personal information to perform such checks.

Signature Day Month Year

3. Investment options (Please select one only*)

☐ **Balanced Fund** If you choose the Balanced Fund your money will be invested in a single fund holding a balanced mix of income and growth assets and using a passive investment approach.

☐ **Self Select** If you choose the Self Select option, you decide how much to invest in each of the five strategies.

	% Allocation
Cash Strategy	%
Income Strategy	%
Defensive Growth Strategy	%
Share Growth Strategy	%
Growth Plus Strategy	%
Total	%

☐ **Auto rebalance**

If you choose this option, we will automatically rebalance your portfolio to your chosen allocation annually on the 1st of October.

☐ **Share Growth with Life Cycle** If you choose the Share Growth with Life Cycle option, your investment is automatically allocated across the Income Strategy, Defensive Growth Strategy and **Share Growth Strategy** each year according to your age.

☐ **Growth Plus with Life Cycle** If you choose the Share Growth with Life Cycle option, your investment is automatically allocated across the Income Strategy, Defensive Growth Strategy and **Growth Plus Strategy** each year according to your age.

* If you do not select an option your investment will be allocated to the Balanced Fund.

4. Payment options (Please select one or more)

I wish to contribute from my salary and wages:

☐ **3%** ☐ **4%** ☐ **6%** ☐ **8%** ☐ **10%**

If you are employed and new to KiwiSaver, please ensure you complete the KiwiSaver deduction form (KS2) and provide this to your employer. A copy of this form is available either from your employer or from the Inland Revenue website.

I wish to make a lump sum contribution by direct credit

☐ **Yes** ☐ **No** If Yes, please enter amount. $

Please use internet banking and select **NZ Funds KiwiSaver Scheme** from the list of payees under bill payments and complete your details and payment amount as instructed.

I wish to make regular contributions per the completed Direct Debit Form attached.

☐ **Yes** ☐ **No**

5. Applicant declaration

By signing this Application Form, I confirm that:

- All details provided in this Application Form are correct.
- You must complete and submit the application form yourself and must not allow an AI agent, bot or other automated service to complete or submit this form on your behalf. If you do:
  - you do so entirely at your own risk and accept full responsibility for all consequences arising from your use.
  - to the maximum extent permitted by law, NZ Funds accepts no responsibility or liability for any consequences arising from your use, whether or not they were aware of that use.
- **I have received, read and understood the Product Disclosure Statement (PDS) dated 20 November 2026 to which this Application Form was attached. I understand that additional information about the NZ Funds KiwiSaver Scheme is available on the online register entry at disclose-register.companiesoffice.govt.nz.**
- I agree to be bound by the terms and conditions contained in the PDS (including this Application Form), the Trust Deed (as amended from time to time) and the online register entry.
- I understand that personal information provided in this Application Form and any personal information provided by me in the future will be used by NZ Funds, the Administration Manager and the Supervisor, and any related companies of these parties, together with my financial adviser, for administering the investment, including satisfying the requirements of the AML / CFT Act* (this may include using my personal information for the purpose of electronic identity verification using various third party databases including the Department of Internal Affairs database). I understand my personal information may also be shared with relevant authorities including Inland Revenue. NZ Funds may also use my personal information to provide me with information about other products and services. I acknowledge that I have the right to access and correct this information.
- **I consent to NZ Funds and the Administration Manager communicating with me, and providing me with information, by electronic means (i.e. by email, as provided by me, and/or by providing me with a URL link, or with information through an electronic facility). These communications may include, but not be limited to, general correspondence, investment updates, and legally required communications or documents (including annual reports, annual member statements (confirmation information), and annual tax statements).**
- **I confirm that upon downloading the NZ Funds Digital Wallet, or registering for myNZFunds, I consent to receiving transaction information relating to our investment in the NZ Funds KiwiSaver Scheme via the NZ Funds Digital Wallet or myNZFunds.**

  ☐ Tick this box if you DO NOT wish to receive information from NZ Funds via electronic means.
- I/we authorise NZ Funds to conduct identity checks for the purpose of complying with the AML / CFT Act* and any other regulatory requirements (including specific and ongoing electronic identity verification checks) and to collect and use, and disclose to third-party providers of checking services, my personal information to perform such checks.
- I authorise NZ Funds to disclose personal information to the Financial Markets Authority as may be required from time to time under the Financial Markets Conduct Act 2013 or any other law.
- I authorise NZ Funds to conduct identity checks for the purpose of complying with the AML / CFT Act* and any other regulatory requirements (including specific and ongoing electronic identity verification checks) and to collect and use, and disclose to third-party providers of checking services, my personal information to perform such checks.
- I understand that the distributor through which I joined the Scheme (if applicable) may be remunerated by NZ Funds for distributing the Scheme.
- I meet the eligibility criteria for joining the NZ Funds KiwiSaver Scheme set out in the PDS.
- I confirm my selected PIR is correct.
- **I understand the value of my investment in the Scheme can rise and fall depending on market conditions and other circumstances prevailing at the time, and that there is no promise or guarantee made by any person as to the performance of any investment or the return of any funds invested.**

Signature (if applicant is 16 years or older)

Signature

Day Month Year

I declare that I have read and accept the applicant declaration above on behalf of the person named in this Application Form

Parent / guardian signature*

Signature

Day Month Year

* If the applicant is under the age of 16, one parent / legal guardian (or one Oranga Tamariki guardian) must sign the Application Form.
If the applicant is 16 or 17, one parent / legal guardian (or one Oranga Tamariki guardian) and the child must sign the Application Form.

Important

- The AML / CFT Act requires verification of identity of the applicant. Please ensure the relevant identity information on the following pages is completed in full.
- Each parent or guardian signing on behalf of a minor must also complete an Identity Information for a Parent or Guardian form.

Adviser use only

Adviser name

Adviser FSP number

Adviser company

Adviser code

* For further information regarding AML / CFT please refer to our Compliance Guidance Note available on our website at www.nzfunds.co.nz

NZ Funds KiwiSaver Scheme

Identity Information for a Parent or Guardian

NZ Funds is required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML / CFT Act) to collect identity and address information on its clients. One parent or guardian signing on behalf of a minor must complete this form and provide identity documents as described below.

Use this form, if you are completing an application for a minor(s).

Once completed, attach this to the application form.

1. Applicant (minor) details

Name — minor 1

Title	First name	Middle name(s)	Surname

Name — minor 2

Title	First name	Middle name(s)	Surname

Name — minor 3

Title	First name	Middle name(s)	Surname

Name — minor 4

Title	First name	Middle name(s)	Surname

Please provide a copy of one of the following documents showing you to be a parent or the guardian of minor(s) listed above:

☐ **NZ birth certificate(s) or guardianship order(s) of a minor**

OR

☐ **Other document(s) evidencing authority**

Consent statement

I authorise my Adviser / NZ Funds to conduct identity checks for the purpose of complying with the AML / CFT Act and any other regulatory requirements (including specific and ongoing electronic identity verification checks) and to collect and use, and disclose to third-party providers of checking services, the minor(s) personal information to perform such checks.

Signature	Day	Month	Year

2. Personal details — parent / guardian 1

Name

Title | First name | Middle name(s) | Surname

Relationship to minor(s)

Occupation

Are you an existing client?

If Yes, enter in your NZ Funds client number.

Date of birth

Day Month Year

Country of birth

Citizenship(s)

Residential address (not PO box)

Street

Suburb | Town / City | Postcode

Phone number(s)

Mobile | Home | Business

Email

Required for access to our client portal.

Electronic identity verification (NZ residents only)

You do not need to complete this section if you are completing face-to-face documentation (AML for an Individual (Form 1a) - Documentary Verification).

If you, or the person you are completing this application on behalf of, do not have a NZ Passport or NZ Driver Licence, you must complete an AML for an Individual (Form 1a) - Documentary Verification.

Please note that if we are unable to verify your identity electronically, we will contact you.

☐ **Option A – NZ passport**

Passport number

Passport expiry date

Day Month Year

☐ **Option B – NZ driver licence**

Licence number

Licence expiry date

Day Month Year

Licence version number

Consent statement

I authorise my Adviser / NZ Funds to conduct identity checks for the purpose of complying with the AML / CFT Act and any other regulatory requirements (including specific and ongoing electronic identity verification checks) and to collect and use, and disclose to third-party providers of checking services, my personal information to perform such checks.

Signature

Day Month Year

NZ Funds KiwiSaver Scheme

Direct Debit Form

Return to NZ Funds KiwiSaver Scheme, Private Bag 92050, Victoria Street West, Auckland 1142, or by email to nzfkiwi@cm.mpms.mufg.com

NZ Funds KiwiSaver Scheme member name

Title | First name | Middle name(s) | Surname

Member number

N Z F

IRD number

I/we authorise you until further notice in writing to debit my/our account with $ to be deducted

☐ Weekly ☐ Fortnightly ☐ Monthly ☐ Quarterly ☐ Annually

Start date

Day Month Year

Bank details

Name of my/our account to be debited (acceptor)

Name of my/our bank

Bank Branch Account number Suffix

Authority to accept direct debits

(Not to operate as an assignment or agreement)

Authorisation code

0 1 2 2 2 7 1

Approved	
2227	06/16

From the acceptor to Name of acceptor's bank (my/our bank):

I/we authorise you to debit my/our account with the amounts of direct debits from New Zealand Funds Management Limited with the authorisation code specified on this authority in accordance with this authority until further notice.

I/we agree that this authority is subject to:

- The bank's terms and conditions that relate to my/our account, and
- The specific terms and conditions listed over.

Information to appear on my/our bank statement

Payer Particulars

N Z F K I W I S A V E R

Signature(s)

Signature Day Month Year

Signature Day Month Year

Specific conditions relating to notices and disputes

I/we may ask my/our bank to reverse a direct debit up to 120 calendar days after the debit if:

- I/we don't receive a written notice of the amount and date of each direct debit from the initiator, or
- I/we receive a written notice but the amount or the date of debiting is different from the amount or the date specified on the notice.

The initiator is required to give a written notice of the amount and date of each direct debit in a series of direct debits no less than 10 calendar days before the date of the first direct debit in the series. The notice is to include:

- the dates of the debits, and
- the amount of each direct debit.

If the bank dishonours a direct debit but the initiator sends the direct debit again within 5 business days of the dishonour, the initiator is not required to give you a second notice of the amount and date of the direct debit.

If the initiator proposes to change an amount or date of a direct debit specified in the notice, the initiator is required to give you notice:

- no less than 30 calendar days before the change, or
- if the initiator's bank agrees, no less than 10 calendar days before the change.



New Zealand Funds 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

Sydney
Auckland
Tauranga
Wellington
Christchurch
Timaru
Dunedin