# Fund update

For the quarter ended 30 September 2026

NZFUNDS

# NZ Funds Wealth Builder Life Cycle - age 75

**This fund update was first made publicly available on 29 October 2026**

## What is the purpose of this update?

This document tells you how the Life Cycle - age 75 has performed and what fees were charged. The document will help you to compare the fund with other funds. New Zealand Funds Management Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

## Description of this fund

The objective of Life Cycle is to allocate your investment across the three Strategies based on your age to ensure your investment is allocated in a manner consistent with your investment timeframe. At age 75, your investment will be allocated as follows: 35% to the Income Strategy; 34% to the Inflation Strategy; and 31% to the Growth Strategy.

| | |
|---|---|
| Total value of the fund[1] | $670,154 |
| The date the fund started | 18 May 2020 |

## What are the risks of investing?

Risk indicator for the Life Cycle - age 75:




The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at https://portal.nzfunds.co.nz/RiskLaunch.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

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. The risk indicator will continue to be updated in future fund updates.

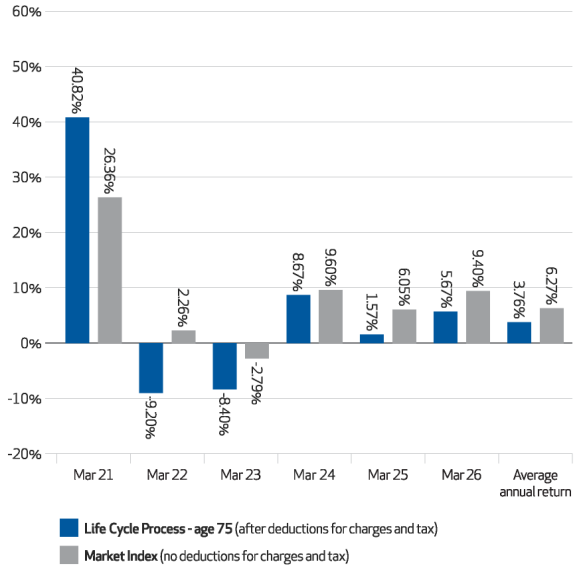
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this fund.

## How has the fund performed?

| | Average over past 5 years | Past year |
|---|---|---|
| **Annual return** (after deductions for charges and tax) | 0.98% | -0.08% |
| **Annual return** (after deductions for charges but before tax) | 0.72% | -0.77% |
| **Market index annual return** (reflects no deduction for charges and tax) | 4.93% | 5.12% |

The market index annual return is based on a composite index calculated using the market indices for each Strategy weighted to reflect the investment option's allocation to each Strategy, as set out in the Statement of Investment Policy and Objectives. Additional information about the market index is available on the offer register at www.companiesoffice.govt.nz/disclose.

**Annual return graph[2]**




This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 September 2026.

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

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

## What fees are investors charged?

Investors in the Life Cycle - age 75 are charged fund charges. In the year to 31 March 2026 these were:

| | % of net asset value |
|---|---|
| **Total fund charges** | 1.52% |
| Which are made up of: | |
| **Total management and administration charges** | 1.49% |
| Including: | |
| Manager's basic fee | 1.14% |
| Other management and administration charges* | 0.35% (estimate)[3] |
| **Total performance-based fees** | 0.03% [4] |
| **Other charges** | **$ amount per investor** |
| Administration fee[5] | $29.76 |

*Note: Included within 'Other management and administration charges' are performance-based fees charged by external managers of underlying funds that the fund invested into which totalled 0.13%. Performance-based fees are subject to market movements and manager performance and the amount of these fees for any given period may materially differ from those disclosed for the year to 31 March 2026.

See the PDS for more information about the basis on which performance-based fees are charged.

Investors are not currently charged individual action fees (for example, withdrawing from or switching funds). See the PDS for the NZ Funds Wealth Builder for more information about fees.

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

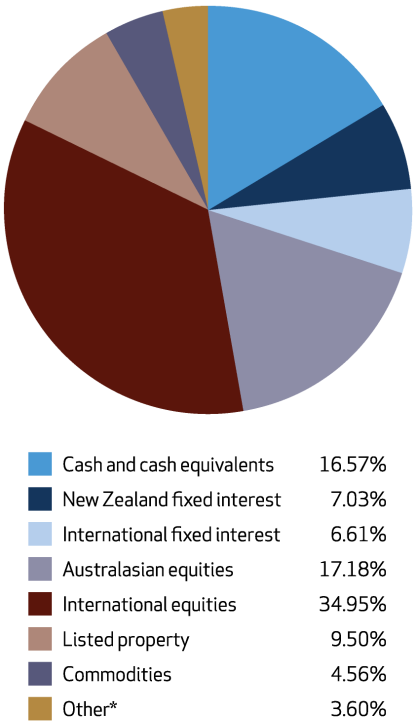
## Example of how this applies to an investor

Liam had $10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Liam incurred a loss after fund charges were deducted of -$8 (that's -0.08% of his initial $10,000). Liam also paid $29.76 in other charges. [5] This gives Liam a total loss after tax of -$38 for the year.

## What does the fund invest in?

This shows the types of assets that the fund invests in.

**Actual investment mix[6]**




**Target investment mix[7]**

| | |
|---|---|
| Cash and cash equivalents | 5% |
| New Zealand fixed interest | 17% |
| International fixed interest | 18% |
| Australasian equities | 24% |
| International equities | 27% |
| Listed property | 9% |
| Unlisted property | 0% |
| Commodities | 0% |
| Other | 0% |

*'Other' includes digital assets (which comprises actual digital assets and/or digital assets futures) and/or alternative securities (investment in total return and/or downside-orientated hedge funds).

## What does the fund invest in? (continued)

### Top 10 investments

| | Name | Percentage of fund net assets | Type | Country | Credit Rating |
|---|---|---|---|---|---|
| 1 | Westpac Cash | 4.54% | Cash and cash equivalents | New Zealand | A-1+ |
| 2 | Westpac Bank Bill 2.86% 12/10/2026 | 3.69% | Cash and cash equivalents | New Zealand | A-1+ |
| 3 | Goldman Sachs OTC Derivatives | 3.22% | Cash and cash equivalents | New Zealand | A-1 |
| 4 | Goldman Sachs Futures | 3.18% | Cash and cash equivalents | United States of America | A-1 |
| 5 | Westpac Bank Bill 2.93% 30/10/2026 | 3.08% | Cash and cash equivalents | New Zealand | A-1+ |
| 6 | Westpac Bank Bill 3.221% 29/12/2026 | 2.74% | Cash and cash equivalents | New Zealand | A-1+ |
| 7 | Morgan Stanley Bitcoin Trust | 2.22% | Other | United States of America | |
| 8 | BNZ Bank Bill 3.21% 23/12/2026 | 1.92% | Cash and cash equivalents | New Zealand | A-1+ |
| 9 | BNZ Bank Bill 3.15% 18/12/2026 | 1.82% | Cash and cash equivalents | New Zealand | A-1+ |
| 10 | Bank of New Zealand 5.872% 01/09/2028 | 1.42% | New Zealand fixed interest | New Zealand | AA- |

The top 10 investments make up 27.83% of the fund.[8]

NZ Funds actively manages the foreign currency exposure of the investment option. Where the investment option holds assets denominated in a foreign currency, NZ Funds has the choice of whether to hedge back to the NZ dollar or retain a foreign currency exposure. The investment option may also take active foreign currency positions by holding non-NZD cash and/or foreign currency derivatives. As at 30 September 2026, the investment option's foreign currency exposure was 16.12%.

## Key personnel

This shows the directors and employees who have the most impact on the investment decisions of the fund.

| Name | Current position | Time in current position | Previous or other position | Time in previous or other position |
|---|---|---|---|---|
| John Cobb | Chair of the Investment Governance Committee and a Director | 3 years 10 months | Chief Executive Officer, JBWere NZ | 1 year 11 months |
| Michael Lang | Chief Executive and a Director | 8 years | Chief Investment Officer, New Zealand Funds Management Limited | 10 years 1 month |
| Mark Brooks | Chief Investment Officer and a Principal | 2 years 7 months | Head of Income, New Zealand Funds Management Limited | 16 years 3 months |

## Further information

You can also obtain this information, the PDS for the NZ Funds Wealth Builder, and some additional information from the offer register at www.companiesoffice.govt.nz/disclose/.

## Notes

1. The total value and number of investors in the NZ Funds Wealth Builder Life Cycle overall is $73,504,769.27 and 2,873 respectively.

2. The bar graph shows investment option returns after the deduction of fees and tax; however, the market index returns are shown before any fees or tax are deducted.

3. Other management and administration charges comprise:
   (a) operating costs directly incurred by the fund; and
   (b) annual management fees, performance-based fees and operating costs incurred by underlying funds the fund invests into.

   Estimates were used when deriving annual management fees, performance-based fees and operating costs incurred by the following underlying funds the fund invested into.

| Fund | Information and assumptions used to make estimates |
|---|---|
| Suvretta Offshore Fund | The fee and operating cost amount obtained from the manager of the fund was for the year to 31 December 2025. Performance fee amounts are estimated using the same criteria used by the administrator of the fund. |
| Goanna Capital Fund I LP | The fee and operating cost amount obtained from the manager of the fund was for the year to 31 March 2026. Performance fee amounts are estimated using the same criteria used by the administrator of the fund. |

4. Total performance based fees are paid with respect to certain related underlying funds managed by NZ Funds and are payable where performance of the underlying funds exceeds the hurdle rate. Details of the underlying funds to which a performance fee applies can be found in the PDS, along with details of the hurdle rate and the percentage amount of the performance fee applying to each underlying fund.

5. For investors aged 18 or over, NZ Funds charged an administration fee of $2.48 per month.

6. NZ Funds uses derivatives as part of its active management approach. The use of derivatives can result in the total economic exposure of the fund exceeding 100% which means the fund is leveraged. Where economic exposure exceeds 100%, the actual investment mix pie graph has been scaled to 100%.

   Without scaling, the total economic exposure of the fund, as shown in the actual investment mix would be 116.47%, made up as follows: Cash and cash equivalents 19.30%; New Zealand fixed interest 8.19%; International fixed interest 7.70%; Australasian equities 20.01%; International equities 40.70%; Listed property 11.06%; Commodities 5.31% and Other 4.20%.

   For more information on the calculation of economic exposure and the use of leverage, see the Other Material Information document.

7. Targets indicate what are expected to apply over the course of an economic cycle and should be considered as general guidance only. NZ Funds is an active manager and may use investment strategies that differ materially from the targets.

8. The top 10 investments have been compiled using a balance sheet approach. This differs from the approach used in compiling the actual and target investment mixes, which include the impact of derivatives.

**Manager**
New Zealand Funds Management Limited
Level 16
21 Queen Street
Private Bag 92163
Auckland 1142
New Zealand

Attention: Chief Operating Officer - Clients

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