

NZFUNDS

# About the NZ Funds KiwiSaver Scheme





NZ Funds' head office: Levels 15 + 16 \_ 21 Queen Street \_ Auckland

## Disclaimer

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

# About NZ Funds

**>32 Years**

Track record in managing  
New Zealanders' wealth.

**7 Years**

Average tenure of NZ Funds'  
wealth management clients.

**>16,000**

New Zealand individuals, families and  
trusts, trust us with their wealth.

**>1,000**

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

**>\$1.4 billion**

We manage the hard earned savings  
of New Zealanders in the same way  
we manage our personal wealth.

**11,125**

KiwiSaver Scheme members.

All numbers as at 31 August 2020

# Get a **higher** estimated balance

Join the scheme with a life cycle that gives you a higher estimated balance.

Selected managers and strategies only.

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NZFUNDS	\$ 459,000*
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AMP	\$ 395,000*
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ANZ	\$ 403,000*
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AON	\$ 399,000*
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Fisher Funds	\$ 457,000*
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Generate	\$ 418,000*
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ASB	\$ NO LIFECYCLE*
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BNZ	\$ NO LIFECYCLE*
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Westpac	\$ NO LIFECYCLE*
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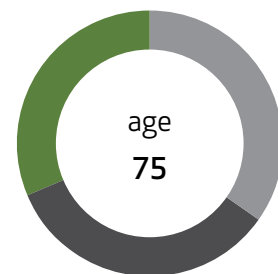
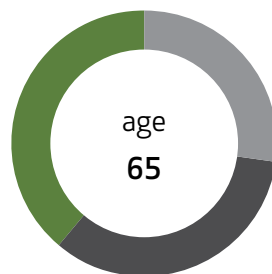
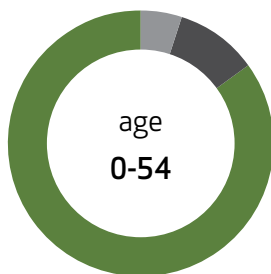
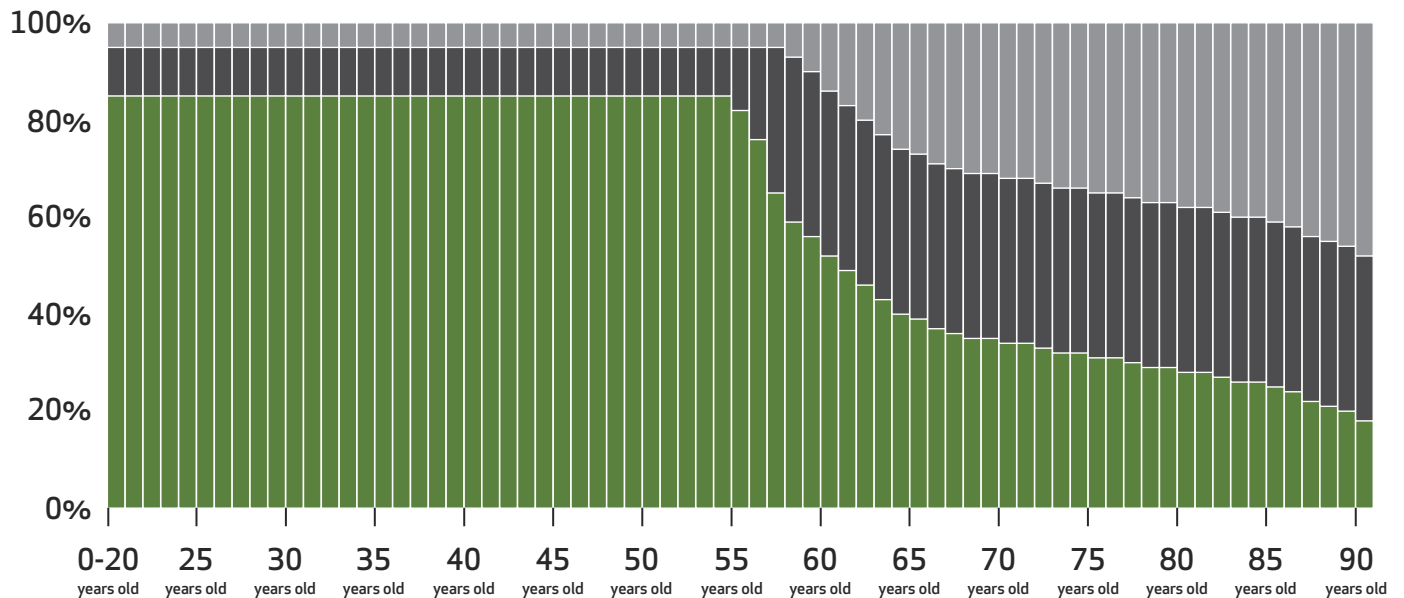
Booster	\$ NO LIFECYCLE*
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Simplicity	\$ NO LIFECYCLE*
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\*Selected schemes only. Source: Review of life cycle products in New Zealand by MyFiduciary March 2020. Terminal wealth measured in today's dollars at age 65 based on monte carlo simulation of member investing at age 25 with starting salary of \$75,000, 4% savings rate plus 3% employer contribution. Full report available on request from NZ Funds. Under a life cycle approach, younger members have their savings invested mainly in growth assets (such as shares). As they get older their savings are moved more into income assets (such as term deposits). For a comparison of all New Zealand life cycle products see the NZFunds website. Not all managers have life cycle options.

# LifeCycle automated asset allocation

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



**Income Strategy**

To provide exposure to income assets.

**Inflation Strategy**

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

**Growth Strategy**

To grow your investment over the long term.

## KiwiSaver: Calendar year returns

31 August 2020

STRATEGY	2020 (YTD)	2019	2018	2017	2016	2015	2014	2013	2012	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Income Strategy (before tax and fees <sup>*)</sup>	2.74%	8.55%	2.01%	5.56%	7.15%	2.53%	5.51%	3.92%	9.01%	5.28%	(10.42%)	2.83%
Income Strategy (before tax and after fees <sup>*)</sup>	1.96%	7.32%	0.84%	4.37%	5.94%	1.44%	4.52%	2.76%	7.89%	4.14%		
Inflation Strategy (before tax and fees <sup>*)</sup>	4.93%	21.67%	(4.50%)	9.74%	3.35%	2.36%	12.81%	7.04%	11.25%	7.06%	(21.26%)	9.20%
Inflation Strategy (before tax and after fees <sup>*)</sup>	3.99%	20.06%	(5.77%)	8.29%	1.98%	1.08%	11.57%	5.69%	9.92%	5.69%		
Growth Strategy (before tax and fees <sup>*)</sup>	9.05%	18.57%	(6.87%)	18.69%	(1.49%)	8.63%	13.17%	29.73%	17.87%	9.39%	(22.49%)	13.02%
Growth Strategy (before tax and after fees <sup>*)</sup>	7.94%	16.82%	(8.25%)	16.96%	(2.93%)	7.13%	11.79%	27.91%	16.42%	7.87%		
0-54 YEAR OLD LIFECYCLE CLIENT <sup>1</sup>	2020 (YTD)	2019	2018	2017	2016	2015	2014	2013	2012	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Client performance (before tax and fees <sup>*)</sup>	8.44%	18.38%	(6.17%)	17.11%	(0.55%)	7.76%	12.79%	25.90%	16.79%	9.01%	(21.50%)	11.92%
Client performance (before tax and after fees <sup>*)</sup>	7.36%	16.67%	(7.54%)	15.43%	(1.97%)	6.30%	11.45%	24.17%	15.37%	7.53%		
65 YEAR OLD LIFECYCLE CLIENT <sup>1</sup>	2020 (YTD)	2019	2018	2017	2016	2015	2014	2013	2012	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Client performance (before tax and fees <sup>*)</sup>	6.26%	16.88%	(3.62%)	10.00%	3.75%	3.60%	10.71%	9.68%	11.74%	7.04%	(17.42%)	7.89%
Client performance (before tax and after fees <sup>*)</sup>	5.30%	15.33%	(4.92%)	8.58%	2.41%	2.34%	9.53%	8.32%	10.46%	5.70%		
75 YEAR OLD LIFECYCLE CLIENT <sup>1</sup>	2020 (YTD)	2019	2018	2017	2016	2015	2014	2013	2012	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Client performance (before tax and fees <sup>*)</sup>	5.78%	16.07%	(2.91%)	9.48%	4.04%	3.21%	10.67%	8.41%	11.34%	6.83%	(16.07%)	7.23%
Client performance (before tax and after fees <sup>*)</sup>	4.84%	14.55%	(4.19%)	8.08%	2.71%	1.96%	9.49%	7.07%	10.06%	5.51%		

\* Fees include all investment management fees.

1. 0 - 54 year old client strategy weights: Income 5%, Inflation 10%, Growth 85%. 65 year old client strategy weights from 1 January 2018: Income 27.3%, Inflation 34%, Growth 38.7%. 65 year old client strategy weights to 31 December 2017: Income 30%, Inflation 53%, Growth 17%. 75 year old client strategy weights from 1 January 2018: Income 35%, Inflation 34%, Growth 31%. 75 year old client strategy weights to 31 December 2017: Income 30%, Inflation 59%, Growth 11%. 2. The inception date of the NZ Funds KiwiSaver Scheme is 1 November 2010. Please note that past performance is no indication of future returns.

## KiwiSaver: Rolling year returns

31 August 2020

STRATEGY	1 MONTH	3 MONTH	6 MONTH	12 MONTH	2 YEAR (PA)	3 YEAR (PA)	5 YEAR (PA)	7 YEAR (PA)	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Income Strategy (before tax and fees <sup>*)</sup>	1.10%	3.95%	(0.43%)	3.04%	5.87%	5.07%	5.54%	5.13%	5.28%	(10.42%)	2.83%
Income Strategy (before tax and after fees <sup>*)</sup>	1.00%	3.65%	(1.00%)	1.87%	4.67%	3.88%	4.35%	3.98%	4.14%		
Inflation Strategy (before tax and fees <sup>*)</sup>	4.15%	12.22%	7.87%	9.62%	8.19%	9.25%	6.69%	7.48%	7.06%	(21.26%)	9.20%
Inflation Strategy (before tax and after fees <sup>*)</sup>	4.03%	11.83%	7.14%	8.15%	6.75%	7.80%	5.28%	6.10%	5.69%		
Growth Strategy (before tax and fees <sup>*)</sup>	7.50%	17.22%	12.96%	14.28%	6.27%	9.59%	6.78%	10.25%	9.39%	(22.49%)	13.02%
Growth Strategy (before tax and after fees <sup>*)</sup>	7.35%	16.75%	12.08%	12.54%	4.68%	7.96%	5.20%	8.67%	7.87%		
0-54 YEAR OLD LIFECYCLE CLIENT <sup>1</sup>	1 MONTH	3 MONTH	6 MONTH	12 MONTH	2 YEAR (PA)	3 YEAR (PA)	5 YEAR (PA)	7 YEAR (PA)	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Client performance (before tax and fees <sup>*)</sup>	6.84%	16.06%	11.86%	13.36%	6.53%	9.40%	6.77%	9.77%	9.01%	(21.50%)	11.92%
Client performance (before tax and after fees <sup>*)</sup>	6.70%	15.60%	11.01%	11.68%	4.97%	7.80%	5.22%	8.24%	7.53%		
65 YEAR OLD LIFECYCLE CLIENT <sup>1</sup>	1 MONTH	3 MONTH	6 MONTH	12 MONTH	2 YEAR (PA)	3 YEAR (PA)	5 YEAR (PA)	7 YEAR (PA)	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Client performance (before tax and fees <sup>*)</sup>	4.62%	11.91%	7.80%	9.95%	7.06%	8.20%	6.51%	7.36%	7.04%	(17.42%)	7.89%
Client performance (before tax and after fees <sup>*)</sup>	4.49%	11.52%	7.05%	8.46%	5.62%	6.76%	5.11%	6.00%	5.70%		
75 YEAR OLD LIFECYCLE CLIENT <sup>1</sup>	1 MONTH	3 MONTH	6 MONTH	12 MONTH	2 YEAR (PA)	3 YEAR (PA)	5 YEAR (PA)	7 YEAR (PA)	SINCE INCEPTION (PA) <sup>2</sup>	MAX DECLINE 12 MONTHS	VOLATILITY 5 YEARS
Client performance (before tax and fees <sup>*)</sup>	4.10%	10.85%	6.73%	9.06%	7.04%	8.00%	6.39%	7.11%	6.83%	(16.07%)	7.23%
Client performance (before tax and after fees <sup>*)</sup>	3.99%	10.46%	6.01%	7.61%	5.63%	6.59%	5.01%	5.77%	5.51%		

\* Fees include all investment management fees.

1. 0-54 year old client strategy weights: Income 5%, Inflation 10%, Growth 85%. 65 year old client strategy weights from 1 January 2018: Income 27.3%, Inflation 34%, Growth 38.7%. 65 year old client strategy weights to 31 December 2017: Income 30%, Inflation 53%, Growth 17%. 75 year old client strategy weights from 1 January 2018: Income 35%, Inflation 34%, Growth 31%. 75 year old client strategy weights to 31 December 2017: Income 30%, Inflation 59%, Growth 11%. 2. The inception date of the NZ Funds KiwiSaver Scheme is 1 November 2010. Please note that past performance is no indication of future returns.

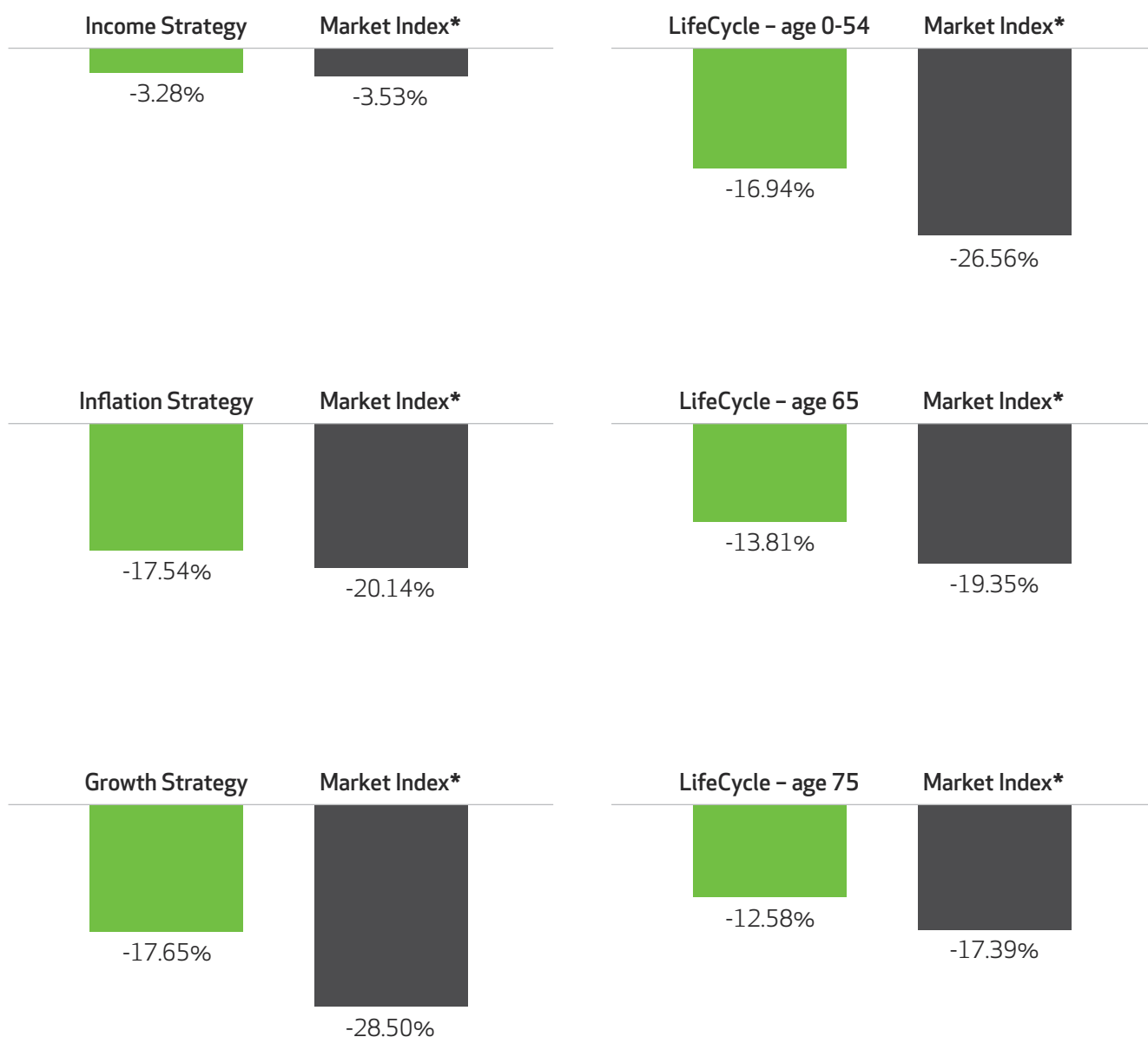
# We're experts at downside mitigation

We use an active investment management approach that seeks to mitigate the downside in a falling market and capture the upside in a rising market.

## COVID-19 Sell-Off

01 January 2020 to 23 March 2020

- Current market low point -



Please note that past performance is no indication of future returns. \* For more information see Fund Updates at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).



# Our fees are fair, and transparent

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



**1.12%**  
P.A.

**Income Strategy**

Total estimated annual fund charges



**1.60%**  
P.A.

**LifeCycle – age 0-54**

Total estimated annual fund charges



**1.42%**  
P.A.

**Inflation Strategy**

Total estimated annual fund charges



**1.42%**  
P.A.

**LifeCycle – age 65**

Total estimated annual fund charges



**1.65%**  
P.A.

**Growth Strategy**

Total estimated annual fund charges



**1.38%**  
P.A.

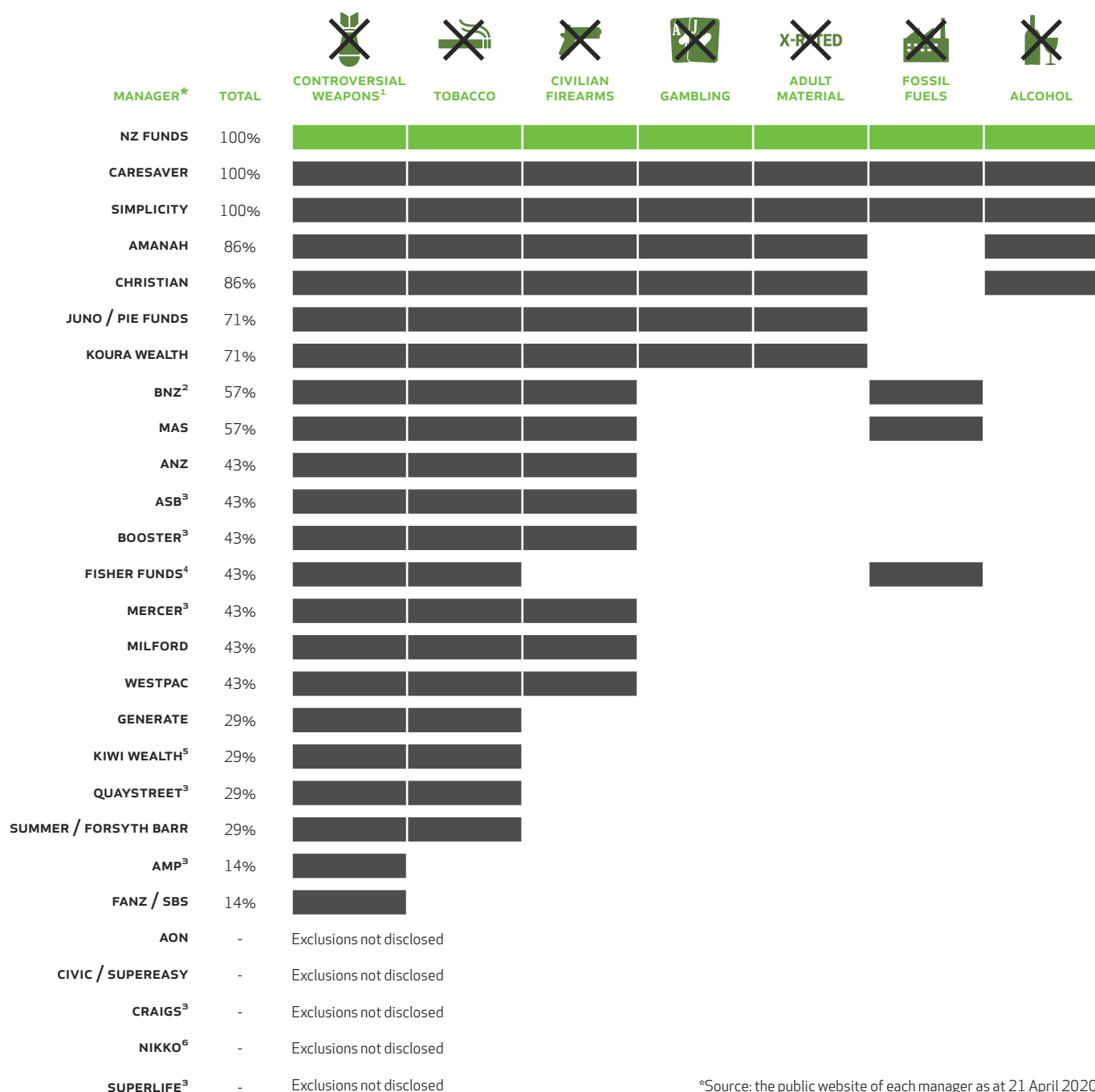
**LifeCycle – age 75**

Total estimated annual fund charges

For more information please see the latest Product Disclosure Statement for the NZ Funds KiwiSaver Scheme, which is available on request and at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

# We manage money responsibly

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



\*Source: the public website of each manager as at 21 April 2020.

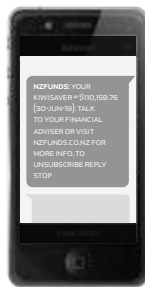
1. Includes nuclear weapons. 2. BNZ excludes companies that generate more than 20% of their revenue from oil and gas projects within the Arctic or Antarctic or from tar sands oil extraction or from thermal coal. 3. These managers have specific funds which have additional exclusions. 4. Fisher Funds excludes companies if a significant proportion of their core business is in thermal coal production. 5. Kiwi Wealth identifies defence and firearms, gambling services and thermal coal as areas of sensitivity but does not exclude investments in these areas. 6. Nikko do not exclude particular asset types, industry sectors or securities wholly on moral or ethical grounds, unless this is expressly built into the product's investment strategy or client agreement. New Zealand Funds Management Limited is the issuer of the NZ Funds KiwiSaver Scheme. A copy of the latest Product Disclosure Statement is available on request and at [www.nzfunds.co.nz](http://www.nzfunds.co.nz).

# Top-rated KiwiSaver service

Highest ranking KiwiSaver scheme as rated by Sorted for KiwiSaver Services and Client Communications 2018, 2019 and 2020\*



Online balance via the NZFUNDS app



Get your balance texted to you each month



KiwiSaver Scheme Update weekly email



Monthly Portfolio Insights



Receive six-monthly investment reports



Use our award-winning technology to model your financial future

\* As rated by the Sorted website, 31 July 2020.

# NZFUNDS

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203 Papanui Road  
Merivale  
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## TIMARU

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Timaru

## WANAKA

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## DUNEDIN

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Invercargill 9810

