

NZFUNDS

Portfolio Insights

30 November 2017

Product Disclosure Statement

The NZ Funds Managed Portfolio Service, the NZ Funds KiwiSaver Scheme, and the NZ Funds Managed Superannuation Service are all issued by New Zealand Funds Management Limited.

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 Managed Portfolio Service Product Disclosure Statement, the NZ Funds KiwiSaver Scheme Product Disclosure Statement, and the NZ Funds Managed Superannuation Service Product Disclosure Statement is available on request or by visiting the NZ Funds website at www.nzfunds.co.nz.

Even if you have invested with NZ Funds for many years, please take the time to read these documents regularly as the content is frequently updated.

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01

Performance summary

NZ Funds Managed Portfolio Service: Performance (Part 1)





Cumulative returns to 30 November 2017

Managed Portfolio Service		Actual Portfolio Returns						Historic Investment Profile Returns		
Category	Portfolio		1 month	3 months	6 months	1 year	2 years	5 years	10 years	Since inception
 Cash	Core Cash Portfolio ²	Pre tax	0.15%	0.46%	0.91%	1.78%	4.10%	13.72%	-	34.18%
		Post tax	0.11%	0.33%	0.66%	1.28%	2.94%	9.70%	-	23.27%
 Income	Core Income Portfolio ³	Pre tax	0.18%	1.21%	2.23%	3.98%	8.09%	21.55%	-	56.76%
		Post tax	0.13%	0.87%	1.60%	2.85%	5.79%	15.14%	-	38.01%
	Global Income Portfolio ¹	Pre tax	0.04%	1.10%	2.17%	4.13%	8.91%	18.24%	-	46.47%
		Post tax	0.03%	0.79%	1.56%	2.98%	6.04%	12.85%	-	31.32%
 Inflation	Core Inflation Portfolio ⁴	Pre tax	1.21%	3.31%	4.52%	7.61%	5.32%	21.12%	-	41.06%
		Post tax	1.18%	3.09%	4.45%	8.27%	7.74%	23.83%	-	56.17%
	Property Inflation Portfolio ¹	Pre tax	1.55%	1.46%	0.70%	4.10%	3.85%	30.20%	-	55.82%
		Post tax	1.59%	1.65%	0.82%	4.49%	3.48%	27.90%	-	48.45%
	Equity Inflation Portfolio ⁴	Pre tax	0.90%	3.15%	7.16%	5.18%	4.65%	33.64%	-	47.79%
		Post tax	0.85%	3.02%	6.26%	5.08%	7.17%	40.91%	-	120.74%
 Growth	Core Growth Composite Strategy ⁶	Pre tax	0.65%	7.63%	12.22%	12.76%	-0.83%	53.94%	36.08%	171.24% ⁸
		Post tax	0.89%	8.04%	11.76%	13.40%	-0.83%	47.39%	-	-
	Global Multi-Asset Growth Portfolio ⁹	Pre tax	-0.15%	5.21%	6.22%	-6.09%	-5.75%	-27.19%	-	-31.67%
		Post tax	-0.02%	5.56%	5.66%	-6.23%	-7.25%	-32.39%	-	-36.14%
	Global Equity Growth Composite Strategy ⁵	Pre tax	0.49%	5.44%	8.45%	18.57%	10.12%	75.46%	49.13%	256.82% ⁸
		Post tax	0.68%	6.46%	8.96%	19.60%	10.19%	68.39%	-	-
	Dividend and Growth Composite Strategy ⁷	Pre tax	1.92%	3.93%	5.40%	15.40%	28.77%	75.29%	45.69%	731.61% ⁸
		Post tax	1.84%	3.71%	5.38%	14.98%	27.11%	67.33%	-	-

IMPORTANT: Please refer to page 8 of this summary for the footnotes relating to this page.
Past performance is not necessarily an indication of future returns.

NZ Funds Managed Portfolio Service: Performance (Part 2)

Annualised returns to 30 November 2017

Managed Portfolio Service		Actual Portfolio Returns							Historic Investment Profile Returns	
Category	Portfolio		1 month	3 months	6 months	1 year	2 years	5 years	10 years	Since inception
 Cash	Core Cash Portfolio ²	Pre tax	0.15%	0.46%	0.91%	1.78%	2.03%	2.60%	-	3.06%
		Post tax	0.11%	0.33%	0.66%	1.28%	1.46%	1.87%	-	2.17%
 Income	Core Income Portfolio ³	Pre tax	0.18%	1.21%	2.23%	3.98%	3.97%	3.98%	-	4.92%
		Post tax	0.13%	0.87%	1.60%	2.85%	2.85%	2.86%	-	3.50%
	Global Income Portfolio ¹	Pre tax	0.04%	1.10%	2.17%	4.13%	4.36%	3.41%	-	4.29%
		Post tax	0.03%	0.79%	1.56%	2.98%	2.98%	2.45%	-	3.04%
 Inflation	Core Inflation Portfolio ⁴	Pre tax	1.21%	3.31%	4.52%	7.61%	2.62%	3.91%	-	3.86%
		Post tax	1.18%	3.09%	4.45%	8.27%	3.80%	4.37%	-	5.03%
	Property Inflation Portfolio ¹	Pre tax	1.55%	1.46%	0.70%	4.10%	1.90%	5.42%	-	5.00%
		Post tax	1.59%	1.65%	0.82%	4.49%	1.72%	5.04%	-	4.44%
	Equity Inflation Portfolio ⁴	Pre tax	0.90%	3.15%	7.16%	5.18%	2.30%	5.97%	-	4.39%
		Post tax	0.85%	3.02%	6.26%	5.08%	3.52%	7.10%	-	9.10%
 Growth	Core Growth Composite Strategy ⁶	Pre tax	0.65%	7.63%	12.22%	12.76%	-0.41%	9.01%	3.13%	7.08%
		Post tax	0.89%	8.04%	11.76%	13.40%	-0.41%	8.07%	-	-
	Global Multi-Asset Growth Portfolio ⁹	Pre tax	-0.15%	5.21%	6.22%	-6.09%	-2.92%	-6.15%	-	-6.08%
		Post tax	-0.02%	5.56%	5.66%	-6.23%	-3.70%	-7.53%	-	-7.12%
	Global Equity Growth Composite Strategy ⁵	Pre tax	0.49%	5.44%	8.45%	18.57%	4.94%	11.90%	4.08%	6.02%
		Post tax	0.68%	6.46%	8.96%	19.60%	4.97%	10.98%	-	-
	Dividend and Growth Composite Strategy ⁷	Pre tax	1.92%	3.93%	5.40%	15.40%	13.48%	11.88%	3.83%	8.84%
		Post tax	1.84%	3.71%	5.38%	14.98%	12.75%	10.84%	-	-

IMPORTANT: Please refer to page 8 for the footnotes relating to this page.
Past performance is not necessarily an indication of future returns.

NZ Funds Managed Portfolio Service: Notes

Returns

Pre tax returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Post tax returns are stated after Portfolio fees and expenses and investor tax at the highest Prescribed Investor Rate (PIR). From 1 October 2008 to 30 September 2010 the highest PIR was 30%. Since 1 October 2010 the highest PIR has been 28%. Past performance is not necessarily an indication of future returns.

Composite Strategies

The Composite Strategies have been developed to illustrate the long-term performance of the investment categories represented by the relevant Portfolios.

The Composite Strategies are not the historic returns of the Portfolios.

They illustrate the historical performance of the NZ Funds approach of managing assets of the type held within the respective NZ Funds Managed Portfolio Service Portfolio to which each Composite Strategy relates.

The Composite Strategies are tax-adjusted to remove, as much as possible, the impact of the different tax regimes that applied during the calculation period. The pre tax returns are also stated after Portfolio fees and expenses, but before any advisory fees or investor tax. The post tax returns are stated after Portfolio fees and expenses and investor tax at the highest Prescribed Investor Rate (PIR).

For more detail on the calculation of each of the Composite Strategies please contact NZ Funds.




The performance of the Composite Strategies is not an indication of future Portfolio returns.

Footnotes for pages 6 & 7

- 1 Inception date was 31 October 2008.
- 2 Inception date was 28 February 2008.
- 3 Inception date was 23 July 2008.
- 4 Performance is measured since the launch of the APS platform (now known as NZ Funds Managed Portfolio Service) on 31 October 2008. The post tax since inception returns for the Core Inflation Portfolio and the Equity Inflation Portfolio include the benefit of formation tax losses under the PIE rules. For more detail, please contact NZ Funds.
- 5 Composite strategy inception was 6 March 1996.
- 6 Composite strategy inception was 1 May 2003.
- 7 Composite strategy inception was 2 December 1992.
- 8 Pre tax equivalent gross return (for more detail, refer to the performance page for each Portfolio/Composite Strategy).
- 9 Inception date was 7 November 2011.

NZ Funds KiwiSaver Scheme: Performance (Part 1)




Cumulative returns to 30 November 2017

NZ Funds KiwiSaver Scheme		Returns						
Strategy		1 month	3 months	6 months	1 year	2 years	5 years	Since Inception
 Income	Pre tax	0.13%	1.20%	2.47%	4.63%	9.79%	20.92%	34.54%
	Post tax	0.09%	0.86%	1.77%	3.33%	6.66%	14.73%	23.74%
 Inflation	Pre tax	1.02%	3.76%	6.27%	6.86%	6.27%	27.82%	42.78%
	Post tax	0.98%	3.47%	5.72%	6.88%	7.68%	27.75%	38.82%
 Growth	Pre tax	1.26%	6.16%	11.05%	14.93%	6.11%	73.20%	77.74%
	Post tax	1.39%	6.48%	10.64%	14.82%	5.11%	62.68%	64.22%

Pre tax returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Post tax returns are stated after Strategy fees and expenses and investor tax at the highest Prescribed Investor Rate (PIR) of 28%. Inception date of the Scheme was 31 October 2010. Past performance is not necessarily an indication of future returns.

NZ Funds KiwiSaver Scheme: Performance (Part 2)





Annualised returns to 30 November 2017

NZ Funds KiwiSaver Scheme		Returns						
Strategy		1 month	3 months	6 months	1 year	2 years	5 years	Since Inception
 Income	Pre tax	0.13%	1.20%	2.47%	4.63%	4.78%	3.87%	4.28%
	Post tax	0.09%	0.86%	1.77%	3.33%	3.28%	2.79%	3.05%
 Inflation	Pre tax	1.02%	3.76%	6.27%	6.86%	3.09%	5.03%	5.16%
	Post tax	0.98%	3.47%	5.72%	6.88%	3.77%	5.02%	4.74%
 Growth	Pre tax	1.26%	6.16%	11.05%	14.93%	3.01%	11.61%	8.46%
	Post tax	1.39%	6.48%	10.64%	14.82%	2.52%	10.22%	7.25%

Pre tax returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Post tax returns are stated after Strategy fees and expenses and investor tax at the highest Prescribed Investor Rate (PIR) of 28%. Inception date of the Scheme was 31 October 2010. Past performance is not necessarily an indication of future returns.

NZ Funds Managed Superannuation Service: Performance

Cumulative returns to 30 November 2017

NZ Funds Managed Superannuation Service		Returns						
Strategy		1 month	3 months	6 months	1 year	2 years	5 years	Since Inception
 ROPS GBP	Pre tax	2.01%	10.11%	-	-	-	-	11.34%
	Post tax	1.49%	7.29%	-	-	-	-	8.16%
 Income	Pre tax	0.12%	1.18%	2.45%	-	-	-	3.36%
	Post tax	0.08%	0.85%	1.76%	-	-	-	2.42%
 Inflation	Pre tax	0.97%	3.75%	6.26%	-	-	-	3.56%
	Post tax	0.94%	3.46%	5.72%	-	-	-	3.89%
 Growth	Pre tax	1.21%	6.03%	10.88%	-	-	-	9.68%
	Post tax	1.35%	6.38%	10.50%	-	-	-	9.80%

Pre tax returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Post tax returns are stated after Strategy fees and expenses and investor tax at the highest Prescribed Investor Rate (PIR) of 28%. Inception date of the Service was 25 January 2017, except ROPS GBP which has an inception date of 11 August 2017. Past performance is not necessarily an indication of future returns.

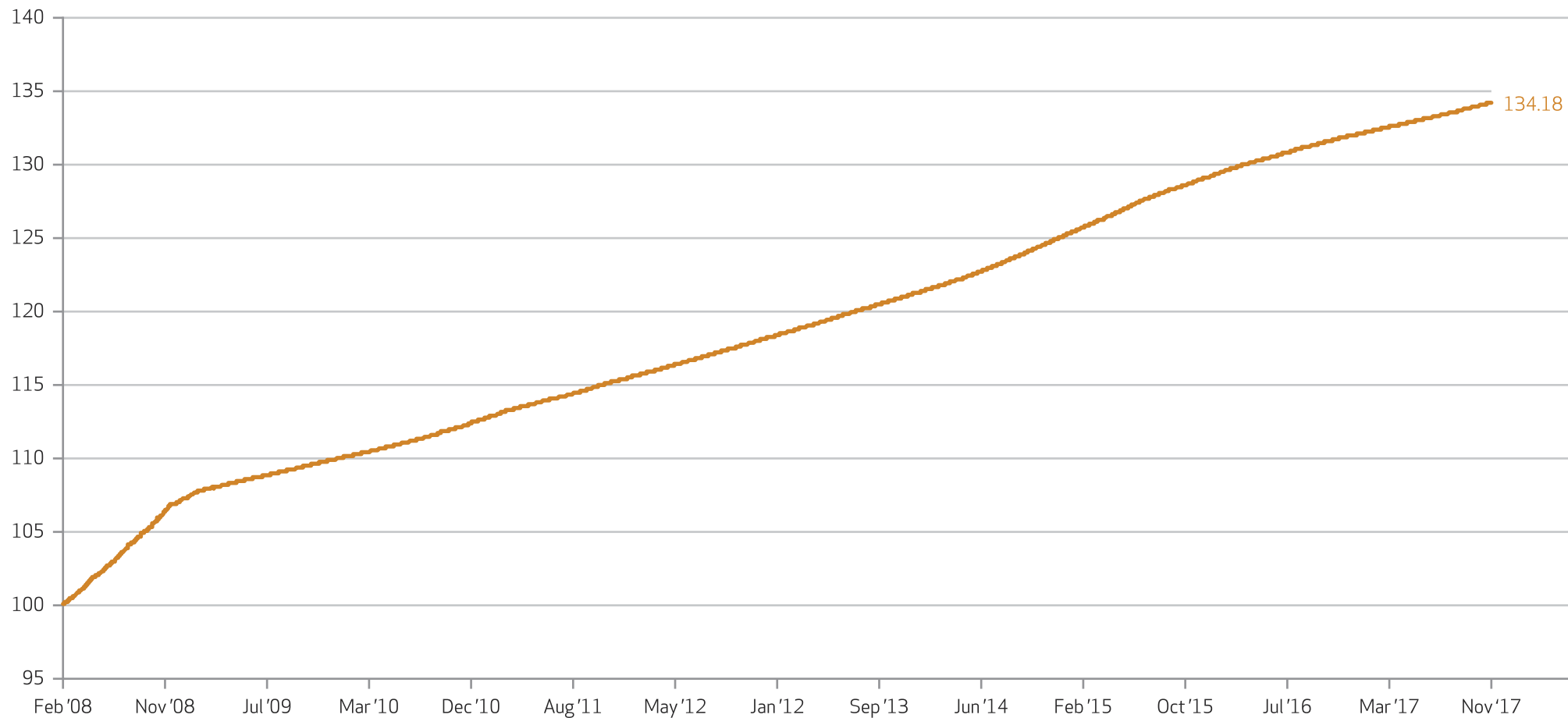
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NZ Funds Managed Portfolio Service

Core Cash Portfolio

Performance since inception (28 February 2008) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Core Cash Portfolio	0.15%	0.46%	0.91%	1.78%	4.10%	13.72%	34.18%	0.00%	0.09%

Core Cash Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS			100.0%	\$50,613,610
Bank deposits	2.0%	n/a	1.7%	\$872,255
Westpac 32 day term deposit	2.6%	A-1+	52.5%	\$26,584,296
ASB bank bill 19/12/2017	1.8%	A-1+	9.1%	\$4,582,625
Kiwibank bank bill 24/01/2018	1.8%	A-1	8.4%	\$4,269,306
BNZ bank bill 22/02/2018	1.9%	A-1+	7.2%	\$3,653,590
BNZ bank bill 24/01/2018	1.8%	A-1+	3.0%	\$1,524,752
ASB bank bill 26/01/2018	1.8%	A-1+	3.0%	\$1,524,589
BNZ bank bill 26/01/2018	1.8%	A-1+	3.0%	\$1,524,589
Kiwibank bank bill 08/02/2018	1.9%	A-1	2.4%	\$1,218,812
ASB bank bill 09/01/2018	1.8%	A-1+	1.8%	\$915,571
BNZ bank bill 09/01/2018	1.8%	A-1+	1.8%	\$915,571
Kiwibank bank bill 09/01/2018	1.8%	A-1	1.8%	\$915,571
Kiwibank bank bill 30/01/2018	1.8%	A-1	1.8%	\$914,557
Net receivables ²	n/a	n/a	-1.3%	-\$633,115
ASB bank bill 21/12/2017	1.8%	A-1+	1.2%	\$610,957
Kiwibank bank bill 21/12/2017	1.8%	A-1	1.2%	\$610,957
BNZ bank bill 28/02/2018	1.9%	A-1+	1.2%	\$608,724
TOTAL ECONOMIC EXPOSURE³			100.0%	\$50,613,610

1. The yield is not the actual return of the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds.

2. Net receivables include unrealised profit and loss and net receivables/payables.

3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Core Cash Portfolio

Notes

Core Cash Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Core Income Portfolio

Performance since inception (23 July 2008) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Core Income Portfolio	0.18%	1.21%	2.23%	3.98%	8.09%	21.55%	56.76%	-1.02%	1.67%

Core Income Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS			3.8%	\$4,842,871
NEW ZEALAND FIXED INTEREST			67.1%	\$85,170,147
Westpac Banking 4.695% 01/09/2026	4.1%	BBB	8.5%	\$10,768,534
Insurance Australia Group 5.15% 15/06/2043	4.6%	BBB	8.4%	\$10,666,045
Meridian Energy 4.88% 20/03/2024	3.9%	BBB+	6.8%	\$8,578,836
Mercury NZ 6.9% 11/07/2044	4.0%	BB+	6.1%	\$7,690,275
ANZ National Bank 5.28% perpetual	4.4%	BBB	5.8%	\$7,355,764
Infratil 5.5% 15/06/2024	5.2%	NR	5.3%	\$6,782,611
Z Energy 4.01% 01/11/2021	3.9%	NR	3.9%	\$4,987,639
Trustpower 4.01% 15/12/2022	4.1%	NR	3.8%	\$4,863,559
Fletcher Building Industries 5.8% 15/03/2020	4.5%	NR	3.8%	\$4,776,962
Bank of New Zealand 4.102% 15/06/2023	3.6%	AA-	3.7%	\$4,640,166
Fletcher Building Industries 4.75% 15/03/2021	4.5%	NR	2.9%	\$3,727,962
Property for Industry 4.59% 28/11/2024	4.4%	NR	2.6%	\$3,243,210
Precinct Properties New Zealand 4.42% 27/11/2024	4.4%	NR	2.2%	\$2,760,397
University of Canterbury 7.25% 15/12/2019	4.0%	NR	1.8%	\$2,335,569
Chorus 4.12% 06/05/2021	3.6%	BBB	1.4%	\$1,732,741
Sapphire New Zealand Trust 7.24% 12/10/2041	7.2%	AAA	0.2%	\$259,875

Core Income Portfolio

Complete Portfolio as at 30 November 2017 (continued)

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
INTERNATIONAL FIXED INTEREST			29.1%	\$36,935,378
BlueScope Steel Finance USA 6.5% 15/05/2021	4.5%	BB+	8.5%	\$10,783,243
Woodside Finance 3.7% 15/09/2026	4.0%	BBB+	7.5%	\$9,514,645
Crown Subordinated Notes 23/04/2075	6.0%	NR	5.9%	\$7,469,822
Qantas Airways 4.75% 12/10/2026	4.2%	BBB-	3.8%	\$4,843,395
NEXTDC 6.25% 09/06/2021	5.2%	NR	3.4%	\$4,324,273
FOREIGN CURRENCY			3.6%	\$4,612,293
TOTAL ECONOMIC EXPOSURE²			103.6%	\$131,560,688

1. The yield is not the actual return of the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds.

2. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Core Income Portfolio

Notes

Core Income Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Global Income Portfolio

Performance since inception (31 October 2008) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Global Income Portfolio	0.04%	1.10%	2.17%	4.13%	8.91%	18.24%	46.47%	-1.86%	1.92%

Global Income Portfolio

Indicative Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS			6.0%	\$7,187,400
INTERNATIONAL FIXED INTEREST			94.0%	\$111,985,699
HCA 4.5% 15/02/2027	4.7%	BBB-	11.0%	\$13,142,300
Flex 5% 15/02/2023	3.8%	BBB-	10.8%	\$12,840,229
First Data 5% 15/01/2024	4.2%	BB	10.1%	\$12,007,439
Devon Energy 5.85% 15/12/2025	3.9%	BBB	7.5%	\$8,956,566
Verizon Communications 2.625% 15/08/2026	3.9%	BBB+	7.2%	\$8,614,400
Constellation Brands 4.75% 01/12/2025	3.7%	BBB-	7.0%	\$8,294,128
Southern Copper 7.50% 27/07/2035	5.0%	BBB	7.0%	\$8,287,955
Seagate HDD Cayman 4.875% 01/03/2024	5.3%	BB+	6.6%	\$7,808,389
Wells Fargo Co 3.55% 29/09/2025	3.6%	A	6.3%	\$7,477,434
Valeant Pharmaceuticals 7% 15/03/2024	5.4%	BB-	6.1%	\$7,258,123
ArcelorMittal 6.25% 25/02/2022	3.9%	BB+	5.1%	\$6,118,209
EOG Resources 4.15% 15/01/2026	3.7%	BBB+	4.8%	\$5,728,884
NRG Energy 7.25% 15/05/2026	5.4%	BB-	4.6%	\$5,451,643
FOREIGN CURRENCY			1.8%	\$2,197,250
TOTAL ECONOMIC EXPOSURE²			101.8%	\$121,370,349

1. The yield is not the actual return of the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds.

2. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Global Income Portfolio

Notes

Global Income Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Core Inflation Portfolio

Performance since inception (31 October 2008) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Core Inflation Portfolio	1.21%	3.31%	4.52%	7.61%	5.32%	21.12%	41.06%	-4.63%	7.36%

Core Inflation Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		13.8%	\$15,909,153
INTERNATIONAL FIXED INTEREST		15.8%	\$18,254,211
Floating Rate and Perpetual Bond Strategy	4.6%	15.8%	\$18,186,441
United States bond futures (short)	n/a	0.1%	\$67,770
AUSTRALASIAN EQUITIES		66.7%	\$76,834,484
Dividend and Growth Strategy	5.5%	66.7%	\$76,834,484
FOREIGN CURRENCY		18.9%	\$21,797,963
TOTAL ECONOMIC EXPOSURE³		115.2%	\$132,795,810

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Portfolio, calculated using the most recent information provided by the external investment managers involved in managing the Portfolio, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Portfolio summary. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Core Inflation Portfolio

Notes

Core Inflation Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Property Inflation Portfolio

Performance since inception (31 October 2008) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Property Inflation Portfolio	1.55%	1.46%	0.70%	4.10%	3.85%	30.20%	55.82%	-3.41%	6.19%

Property Inflation Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		5.1%	\$4,409,727
INTERNATIONAL FIXED INTEREST		17.8%	\$15,496,804
Floating Rate and Perpetual Bond Strategy	5.6%	17.8%	\$15,496,804
AUSTRALASIAN PROPERTY SHARES		37.7%	\$32,782,567
Chorus	7.9%	8.1%	\$7,034,144
Metlifecare	2.1%	3.8%	\$3,340,416
Goodman Property Trust	5.2%	3.7%	\$3,240,034
Precinct Properties New Zealand	5.0%	3.6%	\$3,145,434
Kiwi Property Group Ltd	5.7%	3.5%	\$3,059,359
Vital Healthcare Property Trust	4.5%	3.4%	\$2,956,785
Property For Industry	4.7%	3.4%	\$2,950,793
Investore Property	6.8%	3.0%	\$2,591,899
Stride Property Group	6.8%	2.7%	\$2,317,957
Goodman Group	3.6%	2.5%	\$2,145,747
INTERNATIONAL PROPERTY SHARES		37.0%	\$32,124,319
CaixaBank	6.8%	4.9%	\$4,292,597
American Homes 4 Rent	1.4%	4.4%	\$3,858,846
Vonovia	5.9%	2.7%	\$2,381,774
Gecina	6.0%	2.6%	\$2,278,926
Simon Property Group	5.1%	2.6%	\$2,252,536
Henderson Land Development	3.7%	2.6%	\$2,233,363
Boston Properties	3.0%	2.6%	\$2,217,242
Public Storage	4.4%	2.5%	\$2,200,937
Unibail-Rodamco	7.5%	2.5%	\$2,177,350

Property Inflation Portfolio

Complete Portfolio as at 30 November 2017 (continued)

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
INTERNATIONAL PROPERTY SHARES (CONTINUED)			
Dalata Hotel Group	2.4%	2.4%	\$2,119,231
Avalonbay Communities Inc	3.7%	2.4%	\$2,071,428
Duke Realty	5.1%	2.3%	\$2,033,944
Cairn Homes	2.2%	2.3%	\$2,006,146
ALTERNATIVE SECURITIES		0.4%	\$333,357
Universa Black Swan Protection Protocol	n/a	0.4%	\$333,357
FOREIGN CURRENCY		8.1%	\$7,017,658
TOTAL ECONOMIC EXPOSURE³		106.0%	\$92,164,432

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Portfolio, calculated using the most recent information provided by the external investment managers involved in managing the Portfolio, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Portfolio summary. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Property Inflation Portfolio

Notes

Property Inflation Portfolio

* Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.

^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Equity Inflation Portfolio

Performance since inception (31 October 2008) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Equity Inflation Portfolio	0.90%	3.15%	7.16%	5.18%	4.65%	33.64%	47.79%	-7.98%	6.27%

Equity Inflation Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		1.0%	\$899,754
INTERNATIONAL FIXED INTEREST		19.8%	\$17,792,621
Floating Rate and Perpetual Bond Strategy	5.6%	19.8%	\$17,792,621
INTERNATIONAL EQUITIES		67.4%	\$60,640,062
Equity index futures (long)	n/a	45.7%	\$41,140,479
Global Banking & Finance Index Strategy	2.2%	11.0%	\$9,888,635
Impala Resource Fund	0.8%	6.8%	\$6,101,435
Global Energy Index Strategy	5.0%	3.9%	\$3,509,513
ALTERNATIVE SECURITIES		9.5%	\$8,532,591
Paulson International Fund	n/a	9.1%	\$8,181,223
Universa Black Swan Protection Protocol	n/a	0.4%	\$351,368
FOREIGN CURRENCY		6.9%	\$6,174,403
TOTAL ECONOMIC EXPOSURE³		104.5%	\$94,039,431

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
2. The yield calculation represents an estimate of the yield on the Portfolio, calculated using the most recent information provided by the external investment managers involved in managing the Portfolio, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Portfolio summary. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.
3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.
Note: Rounding may affect any subtotals and totals.

Equity Inflation Portfolio

Notes

Equity Inflation Portfolio

* Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Core Growth Portfolio

Performance since inception (31 October 2008) to 30 November 2017 for Core Growth Portfolio



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Core Growth Portfolio	0.65%	7.63%	12.22%	12.76%	-0.83%	53.94%	51.18%	-9.69%	12.69%

Core Growth Portfolio

Tax-adjusted performance to 30 November 2017 for Core Growth Composite Strategy



Composite strategy returns**	1 month	3 months	6 months	1 year	2 years	5 years	10 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Core Growth Composite Strategy	0.65%	7.63%	12.22%	12.76%	-0.83%	53.94%	36.08%	171.24%	-9.69%	12.69%

Core Growth Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		1.0%	\$887,042
INTERNATIONAL FIXED INTEREST		0.1%	\$102,336
United States bond futures (short)	n/a	0.1%	\$102,336
AUSTRALASIAN EQUITIES		25.8%	\$22,902,971
Dividend and Growth Strategy	6.0%	25.8%	\$22,902,971
INTERNATIONAL EQUITIES		53.5%	\$47,434,277
Equity index futures (long)	n/a	53.5%	\$47,434,277
ALTERNATIVE SECURITIES		50.1%	\$44,451,102
Kynikos Global Capital Partners	n/a	18.8%	\$16,651,988
Suvretta Offshore Fund	n/a	14.9%	\$13,240,072
ISAM Systematic Fund	n/a	9.4%	\$8,325,604
H2O Global Feeder Fund Class C	n/a	7.0%	\$6,233,438
FOREIGN CURRENCY		36.9%	\$32,715,791
TOTAL ECONOMIC EXPOSURE³		167.4%	\$156,731,840

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

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3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Core Growth Portfolio

Notes

Core Growth Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Composite Strategy

- ** The Composite Strategy is used to illustrate the long-term performance of the investment approach used in managing the Core Growth Portfolio.

The Composite Strategy does not represent the historic returns of the Core Growth Portfolio.

It illustrates the historical performance of the NZ Funds approach of managing assets of the type held within the Core Growth Portfolio.

The Composite Strategy is tax-adjusted to remove, as much as possible, the impact of the different tax regimes that applied during the calculation period. Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax.

For more detail on the calculation of the Core Growth Composite Strategy please contact NZ Funds.

The performance of the Core Growth Composite Strategy is not an indication of the future returns of the Core Growth Portfolio.

Global Multi-Asset Growth Portfolio

Performance since inception (7 November 2011) to 30 November 2017



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Global Multi-Asset Growth Portfolio	-0.15%	5.21%	6.22%	-6.09%	-5.75%	-27.19%	-31.67%	-27.95%	15.02%

Global Multi-Asset Growth Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		1.0%	\$273,459
INTERNATIONAL EQUITIES		86.7%	\$23,719,025
Global Oil Index Strategy	5.0%	23.3%	\$6,378,827
Global Metal & Mining Index Strategy	4.3%	23.1%	\$6,316,058
Global Agriculture Index Strategy	3.6%	22.3%	\$6,090,669
Impala Resource Fund	0.8%	18.0%	\$4,933,470
ALTERNATIVE SECURITIES		12.0%	\$3,282,428
ISAM Systematic Fund	n/a	12.0%	\$3,282,428
FOREIGN CURRENCY		29.2%	\$7,993,381
TOTAL ECONOMIC EXPOSURE³		129.0%	\$35,268,294

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.
2. The yield calculation represents an estimate of the yield on the Portfolio, calculated using the most recent information provided by the external investment managers involved in managing the Portfolio, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Portfolio summary. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.
3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.
Note: Rounding may affect any subtotals and totals.

Global Multi-Asset Growth Portfolio

Notes

Global Multi-Asset Growth Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Global Equity Growth Portfolio

Performance since inception (31 October 2008) to 30 November 2017 for Global Equity Growth Portfolio



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Global Equity Growth Portfolio	0.49%	5.44%	8.45%	18.57%	10.12%	75.46%	64.78%	-3.38%	10.21%

Global Equity Growth Portfolio

Tax-adjusted performance to 30 November 2017 for Global Equity Growth Composite Strategy



Composite strategy returns**	1 month	3 months	6 months	1 year	2 years	5 years	10 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Global Equity Growth Composite Strategy	0.49%	5.44%	8.45%	18.57%	10.12%	75.46%	49.13%	256.82%	-3.38%	10.21%

Global Equity Growth Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		1.0%	\$665,826
INTERNATIONAL EQUITIES		101.1%	\$67,328,740
LSV Global Concentrated Fund	4.0%	73.1%	\$48,644,801
Equity index futures (long)	n/a	28.1%	\$18,683,939
ALTERNATIVE SECURITIES		0.6%	\$391,533
Universa Black Swan Protection Protocol	n/a	0.6%	\$391,533
FOREIGN CURRENCY		22.4%	\$14,935,351
TOTAL ECONOMIC EXPOSURE³		125.1%	\$83,321,450

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Portfolio, calculated using the most recent information provided by the external investment managers involved in managing the Portfolio, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Portfolio summary. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Global Equity Growth Portfolio

Notes

Global Equity Growth Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Composite Strategy

- ** The Composite Strategy is used to illustrate the long-term performance of the investment approach used in managing the Global Equity Growth Portfolio.

The Composite Strategy does not represent the historic returns of the Global Equity Growth Portfolio.

It illustrates the historical performance of the NZ Funds approach of managing assets of the type held within the Global Equity Growth Portfolio.

The Composite Strategy is tax-adjusted to remove, as much as possible, the impact of the different tax regimes that applied during the calculation period. Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax.

For more detail on the calculation of the Global Equity Growth Composite Strategy please contact NZ Funds.

The performance of the Global Equity Growth Composite Strategy is not an indication of the future returns of the Global Equity Growth Portfolio.

Dividend and Growth Portfolio

Performance since inception (31 October 2008) to 30 November 2017 for Dividend and Growth Portfolio



Portfolio returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Dividend and Growth Portfolio	1.92%	3.93%	5.40%	15.40%	28.77%	75.29%	100.62%	-3.14%	8.85%

Dividend and Growth Portfolio

Tax-adjusted performance to 30 November 2017 for Dividend and Growth Composite Strategy



Composite strategy returns**	1 month	3 months	6 months	1 year	2 years	5 years	10 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Dividend and Growth Composite Strategy	1.92%	3.93%	5.40%	15.40%	28.77%	75.29%	45.69%	731.61%	-3.14%	8.85%

Dividend and Growth Portfolio

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		9.7%	\$8,946,168
AUSTRALASIAN EQUITIES		80.1%	\$73,902,939
Chorus	7.9%	12.7%	\$11,690,416
Meridian Energy	8.4%	8.4%	\$7,733,421
Metlifecare	2.1%	8.4%	\$7,719,626
Trade Me	6.4%	5.4%	\$5,022,687
Woodside Petroleum	4.3%	4.7%	\$4,341,419
Z Energy	9.1%	4.6%	\$4,205,773
Trustpower	8.7%	4.1%	\$3,758,449
Sky City Entertainment	6.2%	4.0%	\$3,721,482
Wesfarmers	5.4%	3.7%	\$3,379,195
Amaysim Australia	7.6%	3.6%	\$3,297,221
Fisher & Paykel Healthcare	2.8%	3.5%	\$3,185,864
Murray Goulburn Unit Trust	2.4%	3.3%	\$3,030,058
Spark New Zealand	9.1%	3.2%	\$2,960,554
Crown Resorts	5.3%	3.1%	\$2,861,342
Sanford	4.8%	2.8%	\$2,551,235
BlueScope Steel	1.3%	2.6%	\$2,400,576
Michael Hill International	6.6%	1.4%	\$1,293,801
Sky Network Television total return swap (short)	n/a	0.5%	\$435,656
Tower	5.3%	0.3%	\$314,164

Dividend and Growth Portfolio

Complete Portfolio as at 30 November 2017 (continued)

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
INTERNATIONAL EQUITIES		9.6%	\$8,891,899
Rio Tinto PLC ADR	5.3%	9.6%	\$8,891,899
FOREIGN CURRENCY		1.2%	\$1,063,542
TOTAL ECONOMIC EXPOSURE²		100.5%	\$92,804,548

1. The yield calculation represents an estimate of the yield on the Portfolio, calculated using forecast dividends (Source: Bloomberg), NZ Funds' estimate of imputation credits where appropriate, and hedged back to New Zealand dollars where appropriate. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.

2. Total economic exposure represents the total economic value of a Portfolio, which is the net asset value of the Portfolio adjusted for the effect of direct derivative positions taken by the Portfolio and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

Dividend and Growth Portfolio

Notes

Dividend and Growth Portfolio

- * Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Portfolio over the 5 years ending 30 September 2017. For more details on the Portfolio's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

Composite Strategy

- ** The Composite Strategy is used to illustrate the long-term performance of the investment approach used in managing the Dividend and Growth Portfolio.

The Composite Strategy does not represent the historic returns of the Dividend and Growth Portfolio.

It illustrates the historical performance of the NZ Funds approach of managing assets of the type held within the Dividend and Growth Portfolio.

The Composite Strategy is tax-adjusted to remove, as much as possible, the impact of the different tax regimes that applied during the calculation period. Returns are stated after Portfolio fees and expenses, but before any advisory fees or investor tax.

For more detail on the calculation of the Dividend and Growth Composite Strategy please contact NZ Funds.

The performance of the Dividend and Growth Composite Strategy is not an indication of the future returns of the Dividend and Growth Portfolio.

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NZ Funds KiwiSaver Scheme

NZ Funds KiwiSaver Scheme Income Strategy

Performance since inception (31 October 2010) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Income Strategy	0.13%	1.20%	2.47%	4.63%	9.79%	20.92%	34.54%	-1.81%	1.86%

NZ Funds KiwiSaver Scheme Income Strategy

Indicative Strategy as at 30 November 2017

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS			6.1%	\$1,334,363
NEW ZEALAND FIXED INTEREST			33.1%	\$7,211,849
Westpac Banking 4.695% 01/09/2026	4.1%	BBB	4.2%	\$911,834
Insurance Australia Group 5.15% 15/06/2043	4.6%	BBB	4.1%	\$903,156
Meridian Energy 4.88% 20/03/2024	3.9%	BBB+	3.3%	\$726,420
Mercury NZ 6.9% 11/07/2044	4.0%	BB+	3.0%	\$651,180
ANZ National Bank 5.28% perpetual	4.4%	BBB	2.9%	\$622,855
Infratil 5.5% 15/06/2024	5.2%	NR	2.6%	\$574,323
Z Energy 4.01% 01/11/2021	3.9%	NR	1.9%	\$422,332
Trustpower 4.01% 15/12/2022	4.1%	NR	1.9%	\$411,826
Fletcher Building Industries 5.8% 15/03/2020	4.5%	NR	1.9%	\$404,493
Bank of New Zealand 4.102% 15/06/2023	3.6%	AA-	1.8%	\$392,910
Fletcher Building Industries 4.75% 15/03/2021	4.5%	NR	1.4%	\$315,668
Property for Industry 4.59% 28/11/2024	4.4%	NR	1.3%	\$274,621
Precinct Properties New Zealand 4.42% 27/11/2024	4.4%	NR	1.1%	\$233,739
University of Canterbury 7.25% 15/12/2019	4.0%	NR	0.9%	\$197,766
Chorus 4.12% 06/05/2021	3.6%	BBB	0.7%	\$146,721
Sapphire New Zealand Trust 7.24% 12/10/2041	7.2%	AAA	0.1%	\$22,005
INTERNATIONAL FIXED INTEREST			60.7%	\$13,225,888
HCA 4.5% 15/02/2027	4.7%	BBB-	5.4%	\$1,185,112
Flex 5% 15/02/2023	3.8%	BBB-	5.3%	\$1,157,873
First Data 5% 15/01/2024	4.2%	BB	5.0%	\$1,082,776
BlueScope Steel Finance USA 6.5% 15/05/2021	4.5%	BB+	4.2%	\$913,080
Devon Energy 5.85% 15/12/2025	3.9%	BBB	3.7%	\$807,662

NZ Funds KiwiSaver Scheme Income Strategy

Indicative Strategy as at 30 November 2017 (continued)

Strategy / Security	Estimated yield ¹	Credit rating	Strategy exposure %	Strategy exposure \$
INTERNATIONAL FIXED INTEREST (CONTINUED)				
Woodside Finance 3.7% 15/09/2026	4.0%	BBB+	3.7%	\$805,660
Verizon Communications 2.625% 15/08/2026	3.9%	BBB+	3.6%	\$776,807
Constellation Brands 4.75% 01/12/2025	3.7%	BBB-	3.4%	\$747,926
Southern Copper 7.50% 27/07/2035	5.0%	BBB	3.4%	\$747,370
Seagate HDD Cayman 4.875% 01/03/2024	5.3%	BB+	3.2%	\$704,125
Wells Fargo Co 3.55% 29/09/2025	3.6%	A	3.1%	\$674,281
Valeant Pharmaceuticals 7% 15/03/2024	5.4%	BB-	3.0%	\$654,504
Crown Subordinated Notes 23/04/2075	6.0%	NR	2.9%	\$632,513
ArcelorMittal 6.25% 25/02/2022	3.9%	BB+	2.5%	\$551,712
EOG Resources 4.15% 15/01/2026	3.7%	BBB+	2.4%	\$516,604
NRG Energy 7.25% 15/05/2026	5.4%	BB-	2.3%	\$491,604
Qantas Airways 4.75% 10/12/2026	4.2%	BBB-	1.9%	\$410,118
NEXTDC 6.25% 09/06/2021	5.2%	NR	1.7%	\$366,161
FOREIGN CURRENCY			2.7%	\$588,687
TOTAL ECONOMIC EXPOSURE²			102.7%	\$22,360,788

1. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

2. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds KiwiSaver Scheme Income Strategy

Notes

NZ Funds KiwiSaver Scheme Income Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Strategy over the 5 years ending 30 September 2017. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

NZ Funds KiwiSaver Scheme Inflation Strategy

Performance since inception (31 October 2010) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Inflation Strategy	1.02%	3.76%	6.27%	6.86%	6.27%	27.82%	42.78%	-6.70%	7.19%

NZ Funds KiwiSaver Scheme Inflation Strategy

Complete Strategy as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		5.2%	\$3,839,495
INTERNATIONAL FIXED INTEREST		19.8%	\$14,675,237
Floating Rate and Perpetual Bond Strategy	5.6%	19.7%	\$14,636,932
United States bond futures (short)	n/a	0.1%	\$38,305
AUSTRALASIAN EQUITIES		31.6%	\$23,473,550
Dividend and Growth Strategy	6.0%	31.6%	\$23,473,550
INTERNATIONAL EQUITIES		35.4%	\$26,285,660
Equity index futures (long)	n/a	23.2%	\$17,186,952
Global Banking & Finance Index Strategy	2.2%	5.6%	\$4,131,101
Impala Resource Fund	0.8%	2.8%	\$2,047,907
Global Energy Index Strategy	5.0%	2.0%	\$1,466,143
Global Metal & Mining Index Strategy	4.3%	2.0%	\$1,453,556
ALTERNATIVE SECURITIES		2.6%	\$1,923,614
Paulson International Fund	n/a	2.4%	\$1,773,690
Universa Black Swan Protection Protocol	n/a	0.2%	\$149,924
FOREIGN CURRENCY		17.0%	\$12,608,195
TOTAL ECONOMIC EXPOSURE³		111.6%	\$82,805,751

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds KiwiSaver Scheme Inflation Strategy

Notes

NZ Funds KiwiSaver Scheme Inflation Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Strategy over the 5 years ending 30 September 2017. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

NZ Funds KiwiSaver Scheme Growth Strategy

Performance since inception (31 October 2010) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Growth Strategy	1.26%	6.16%	11.05%	14.93%	6.11%	73.20%	77.74%	-6.75%	11.90%

NZ Funds KiwiSaver Scheme Growth Strategy

Complete Strategy as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		1.0%	\$979,616
INTERNATIONAL FIXED INTEREST		0.1%	\$69,279
United States bond futures (short)	n/a	0.1%	\$69,279
AUSTRALASIAN EQUITIES		30.8%	\$30,136,024
Dividend and Growth Strategy	6.0%	30.8%	\$30,136,024
INTERNATIONAL EQUITIES		61.4%	\$60,166,474
LSV Global Concentrated Fund	4.0%	27.1%	\$26,572,375
Equity index futures (long)	n/a	25.4%	\$24,906,258
Impala Resource Fund	0.8%	8.9%	\$8,687,841
ALTERNATIVE SECURITIES		22.8%	\$22,298,256
Suvretta Offshore Fund	n/a	16.5%	\$16,160,128
ISAM Systematic Fund	n/a	5.9%	\$5,754,997
Universa Black Swan Protection Protocol	n/a	0.4%	\$383,131
FOREIGN CURRENCY		27.0%	\$26,445,241
TOTAL ECONOMIC EXPOSURE³		143.0%	\$140,094,891

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds KiwiSaver Scheme Growth Strategy

Notes

NZ Funds KiwiSaver Scheme Growth Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated from weekly returns of the Strategy over the 5 years ending 30 September 2017. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

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NZ Funds Managed Superannuation Service

NZ Funds ROPS GBP Income Strategy

Performance since inception (11 August 2017) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
ROPS GBP Income Strategy	2.01%	10.11%	n/a	n/a	n/a	n/a	11.34%	n/a	11.24%

NZ Funds ROPS GBP Income Strategy

Complete Strategy as at 30 November 2017

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS			7.1%	\$23,479
NEW ZEALAND FIXED INTEREST			32.8%	\$107,712
Westpac Banking 4.695% 01/09/2026	4.1%	BBB	4.1%	\$13,619
Insurance Australia Group 5.15% 15/06/2043	4.6%	BBB	4.1%	\$13,489
Meridian Energy 4.88% 20/03/2024	3.9%	BBB+	3.3%	\$10,849
Mercury NZ 6.9% 11/07/2044	4.0%	BB+	3.0%	\$9,726
ANZ National Bank 5.28% perpetual	4.4%	BBB	2.8%	\$9,303
Infratil 5.5% 15/06/2024	5.2%	NR	2.6%	\$8,578
Z Energy 4.01% 01/11/2021	3.9%	NR	1.9%	\$6,308
Trustpower 4.01% 15/12/2022	4.1%	NR	1.9%	\$6,151
Fletcher Building Industries 5.8% 15/03/2020	4.5%	NR	1.8%	\$6,041
Bank of New Zealand 4.102% 15/06/2023	3.6%	AA-	1.8%	\$5,868
Fletcher Building Industries 4.75% 15/03/2021	4.5%	NR	1.4%	\$4,715
Property for Industry 4.59% 28/11/2024	4.4%	NR	1.2%	\$4,102
Precinct Properties New Zealand 4.42% 27/11/2024	4.4%	NR	1.1%	\$3,491
University of Canterbury 7.25% 15/12/2019	4.0%	NR	0.9%	\$2,954
Chorus 4.12% 06/05/2021	3.6%	BBB	0.7%	\$2,191
Sapphire New Zealand Trust 7.24% 12/10/2041	7.2%	AAA	0.1%	\$329
INTERNATIONAL FIXED INTEREST			60.1%	\$197,534
HCA 4.5% 15/02/2027	4.7%	BBB-	5.4%	\$17,700
Flex 5% 15/02/2023	3.8%	BBB-	5.3%	\$17,293
First Data 5% 15/01/2024	4.2%	BB	4.9%	\$16,172
BlueScope Steel Finance USA 6.5% 15/05/2021	4.5%	BB+	4.1%	\$13,637
Devon Energy 5.85% 15/12/2025	3.9%	BBB	3.7%	\$12,063

NZ Funds ROPS GBP Income Strategy

Complete Strategy as at 30 November 2017 (continued)

Strategy / Security	Estimated yield ¹	Credit rating	Strategy exposure %	Strategy exposure \$
INTERNATIONAL FIXED INTEREST (CONTINUED)				
Woodside Finance 3.7% 15/09/2026	4.0%	BBB+	3.7%	\$12,033
Verizon Communications 2.625% 15/08/2026	3.9%	BBB+	3.5%	\$11,602
Constellation Brands 4.75% 01/12/2025	3.7%	BBB-	3.4%	\$11,171
Southern Copper 7.50% 27/07/2035	5.0%	BBB	3.4%	\$11,162
Seagate HDD Cayman 4.875% 01/03/2024	5.3%	BB+	3.2%	\$10,516
Wells Fargo Co 3.55% 29/09/2025	3.6%	A	3.1%	\$10,071
Valeant Pharmaceuticals 7% 15/03/2024	5.4%	BB-	3.0%	\$9,775
Crown Subordinated Notes 23/04/2075	6.0%	NR	2.9%	\$9,447
ArcelorMittal 6.25% 25/02/2022	3.9%	BB+	2.5%	\$8,240
EOG Resources 4.15% 15/01/2026	3.7%	BBB+	2.3%	\$7,716
NRG Energy 7.25% 15/05/2026	5.4%	BB-	2.2%	\$7,342
Qantas Airways 4.75% 12/10/2026	4.2%	BBB-	1.9%	\$6,125
NEXTDC 6.25% 09/06/2021	5.2%	NR	1.7%	\$5,469
FOREIGN CURRENCY			2.7%	\$8,782
FOREIGN CURRENCY - BRITISH POUND (GBP)²			99.6%	\$327,381
TOTAL ECONOMIC EXPOSURE³			102.7%	\$337,507

1. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

2. British pound (GBP) foreign currency is not included in economic exposure.

3. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds ROPS GBP Income Strategy

Notes

NZ Funds ROPS GBP Income Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated using weekly returns of the Strategy and market index data over the 5 years ending 30 September 2017. Market index data is used for calculating the volatility prior to the inception date. For more details on the market index data, see the SIPO for the NZ Funds Managed Superannuation Service. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

NZ Funds Managed Superannuation Service Income Strategy

Performance since inception (25 January 2017) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Income Strategy	0.12%	1.18%	2.45%	n/a	n/a	n/a	3.36%	n/a	2.24%

NZ Funds Managed Superannuation Service Income Strategy

Complete Strategy as at 30 November 2017

Strategy / Security	Estimated yield ¹	Credit rating	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS			6.0%	\$88,196
NEW ZEALAND FIXED INTEREST			33.2%	\$489,107
Westpac Banking 4.695% 01/09/2026	4.1%	BBB	4.2%	\$61,840
Insurance Australia Group 5.15% 15/06/2043	4.6%	BBB	4.2%	\$61,252
Meridian Energy 4.88% 20/03/2024	3.9%	BBB+	3.3%	\$49,266
Mercury NZ 6.9% 11/07/2044	4.0%	BB+	3.0%	\$44,163
ANZ National Bank 5.28% perpetual	4.4%	BBB	2.9%	\$42,242
Infratil 5.5% 15/06/2024	5.2%	NR	2.6%	\$38,950
Z Energy 4.01% 01/11/2021	3.9%	NR	1.9%	\$28,643
Trustpower 4.01% 15/12/2022	4.1%	NR	1.9%	\$27,930
Fletcher Building Industries 5.8% 15/03/2020	4.5%	NR	1.9%	\$27,433
Bank of New Zealand 4.102% 15/06/2023	3.6%	AA-	1.8%	\$26,647
Fletcher Building Industries 4.75% 15/03/2021	4.5%	NR	1.5%	\$21,409
Property for Industry 4.59% 28/11/2024	4.4%	NR	1.3%	\$18,625
Precinct Properties New Zealand 4.42% 27/11/2024	4.4%	NR	1.1%	\$15,852
University of Canterbury 7.25% 15/12/2019	4.0%	NR	0.9%	\$13,412
Chorus 4.12% 06/05/2021	3.6%	BBB	0.7%	\$9,951
Sapphire New Zealand Trust 7.24% 12/10/2041	7.2%	AAA	0.1%	\$1,492
INTERNATIONAL FIXED INTEREST			60.8%	\$896,978
HCA 4.5% 15/02/2027	4.7%	BBB-	5.5%	\$80,374
Flex 5% 15/02/2023	3.8%	BBB-	5.3%	\$78,527
First Data 5% 15/01/2024	4.2%	BB	5.0%	\$73,434
BlueScope Steel Finance USA 6.5% 15/05/2021	4.5%	BB+	4.2%	\$61,925
Devon Energy 5.85% 15/12/2025	3.9%	BBB	3.7%	\$54,776

NZ Funds Managed Superannuation Service Income Strategy

Complete Strategy as at 30 November 2017 (continued)

Strategy / Security	Estimated yield ¹	Credit rating	Strategy exposure %	Strategy exposure \$
INTERNATIONAL FIXED INTEREST (CONTINUED)				
Woodside Finance 3.7% 15/09/2026	4.0%	BBB+	3.7%	\$54,640
Verizon Communications 2.625% 15/08/2026	3.9%	BBB+	3.6%	\$52,683
Constellation Brands 4.75% 01/12/2025	3.7%	BBB-	3.4%	\$50,724
Southern Copper 7.50% 27/07/2035	5.0%	BBB	3.4%	\$50,687
Seagate HDD Cayman 4.875% 01/03/2024	5.3%	BB+	3.2%	\$47,754
Wells Fargo Co 3.55% 29/09/2025	3.6%	A	3.1%	\$45,730
Valeant Pharmaceuticals 7% 15/03/2024	5.4%	BB-	3.0%	\$44,388
Crown Subordinated Notes 23/04/2075	6.0%	NR	2.9%	\$42,897
ArcelorMittal 6.25% 25/02/2022	3.9%	BB+	2.5%	\$37,417
EOG Resources 4.15% 15/01/2026	3.7%	BBB+	2.4%	\$35,036
NRG Energy 7.25% 15/05/2026	5.4%	BB-	2.3%	\$33,341
Qantas Airways 4.75% 12/10/2026	4.2%	BBB-	1.9%	\$27,814
NEXTDC 6.25% 09/06/2021	5.2%	NR	1.7%	\$24,833
FOREIGN CURRENCY			2.7%	\$39,925
TOTAL ECONOMIC EXPOSURE²			102.7%	\$1,514,205

1. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

2. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds Managed Superannuation Service Income Strategy

Notes

NZ Funds Managed Superannuation Service Income Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated using weekly returns of the Strategy and market index data over the 5 years ending 30 September 2017. Market index data is used for calculating the volatility prior to the inception date. For more details on the market index data, see the SIPO for the NZ Funds Managed Superannuation Service. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

NZ Funds Managed Superannuation Service Inflation Strategy

Performance since inception (25 January 2017) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Inflation Strategy	0.97%	3.75%	6.26%	n/a	n/a	n/a	3.56%	n/a	6.67%

NZ Funds Managed Superannuation Service Inflation Strategy

Complete Strategy as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		5.0%	\$116,765
INTERNATIONAL FIXED INTEREST		19.8%	\$466,732
Floating Rate and Perpetual Bond Strategy	5.6%	19.8%	\$465,514
United States bond futures (short)	n/a	0.1%	\$1,218
AUSTRALASIAN EQUITIES		31.7%	\$746,554
Dividend and Growth Strategy	6.0%	31.7%	\$746,554
INTERNATIONAL EQUITIES		35.5%	\$835,991
Equity index futures (long)	n/a	23.2%	\$546,615
Global Banking & Finance Index Strategy	2.2%	5.6%	\$131,386
Impala Resource Fund	0.8%	2.8%	\$65,132
Global Energy Index Strategy	5.0%	2.0%	\$46,629
Global Metal & Mining Index Strategy	4.3%	2.0%	\$46,229
ALTERNATIVE SECURITIES		2.6%	\$61,179
Paulson International Fund	n/a	2.4%	\$56,411
Universa Black Swan Protection Protocol	n/a	0.2%	\$4,768
FOREIGN CURRENCY		17.0%	\$400,992
TOTAL ECONOMIC EXPOSURE³		111.6%	\$2,628,212

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds Managed Superannuation Service Inflation Strategy

Notes

NZ Funds Managed Superannuation Service Inflation Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated using weekly returns of the Strategy and market index data over the 5 years ending 30 September 2017. Market index data is used for calculating the volatility prior to the inception date. For more details on the market index data, see the SIPO for the NZ Funds Managed Superannuation Service. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

NZ Funds Managed Superannuation Service Growth Strategy

Performance since inception (25 January 2017) to 30 November 2017



Strategy returns*	1 month	3 months	6 months	1 year	2 years	5 years	Since inception	Maximum decline 12 months ^x	Volatility 5 years [^]
Growth Strategy	1.21%	6.03%	10.88%	n/a	n/a	n/a	9.68%	n/a	9.92%

NZ Funds Managed Superannuation Service Growth Strategy

Complete Strategy as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		1.0%	\$45,809
INTERNATIONAL FIXED INTEREST		0.1%	\$3,248
United States bond futures (short)	n/a	0.1%	\$3,248
AUSTRALASIAN EQUITIES		30.8%	\$1,413,010
Dividend and Growth Strategy	6.0%	30.8%	\$1,413,010
INTERNATIONAL EQUITIES		61.6%	\$2,821,070
LSV Global Concentrated Fund	4.0%	27.2%	\$1,245,919
Equity index futures (long)	n/a	25.5%	\$1,167,798
Impala Resource Fund	0.8%	8.9%	\$407,353
ALTERNATIVE SECURITIES		22.8%	\$1,045,515
Suvretta Offshore Fund	n/a	16.5%	\$757,712
ISAM Systematic Fund	n/a	5.9%	\$269,839
Universa Black Swan Protection Protocol	n/a	0.4%	\$17,964
FOREIGN CURRENCY		27.1%	\$1,239,958
TOTAL ECONOMIC EXPOSURE³		143.4%	\$6,568,610

1. Where a strategy is shown, the asset class reflects the predominant assets in the strategy. The strategy may include other assets including cash.

2. The yield calculation represents an estimate of the yield on the Strategy, calculated using the most recent information provided by the external investment managers involved in managing the Strategy, hedged back to New Zealand dollars where appropriate. It is not calculated 'as at' any particular date as different external investment managers provide data at varying dates. As a result, in some instances the yields may lag the date of this Strategy summary. The yield is not the actual return on the Strategy, nor is it a projection or forecast. The Strategy's return could be less than the Strategy's yield. Details of the yield calculation are available on request from NZ Funds.

3. Total economic exposure represents the total economic value of a Strategy, which is the net asset value of the Strategy adjusted for the effect of direct derivative positions taken by the Strategy and indirect derivative positions taken other than via a fund including hedge funds. For more details of the total economic exposure calculations, contact NZ Funds.

Note: Rounding may affect any subtotals and totals.

NZ Funds Managed Superannuation Service Growth Strategy

Notes

NZ Funds Managed Superannuation Service Growth Strategy

- * Returns are stated after Strategy fees and expenses, but before any advisory fees or investor tax. Past performance is not necessarily an indication of future returns.

Maximum Decline and Volatility

- x Returns should be looked at in conjunction with the level of risk associated with an investment. We use 'maximum decline' as a measure of risk. It represents the largest decline in value experienced during the previous 12 months.
- ^ This is the annualised standard deviation calculated using weekly returns of the Strategy and market index data over the 5 years ending 30 September 2017. Market index data is used for calculating the volatility prior to the inception date. For more details on the market index data, see the SIPO for the NZ Funds Managed Superannuation Service. For more details on the Strategy's Maximum Decline and Volatility please contact NZ Funds.

Note

Rounding may affect the subtotals and totals.

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Manager portfolios

Floating Rate and Perpetual Bond Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
FERTILIZERS & AGRICULTURAL CHEMICALS		7.8%	\$5,215,430
Nufarm Step-up Securities	6.6%	7.8%	\$5,215,430
CASINOS & GAMING		14.7%	\$9,810,448
Crown Subordinated Notes 23/04/2075	6.0%	10.0%	\$6,644,642
Crown Subordinated Notes 14/09/2072	4.5%	4.8%	\$3,165,806
PHARMACEUTICALS		7.9%	\$5,232,665
Valeant Pharmaceuticals International 4.5% 15/05/2023	9.9%	7.9%	\$5,232,665
DIVERSIFIED BANKS		36.3%	\$24,198,202
Banco Santander 6.25%	4.8%	14.1%	\$9,364,414
Barclays 6.625% perpetual	5.2%	12.9%	\$8,556,043
National Australia Bank Income Securities perpetual	4.3%	9.4%	\$6,277,745
MORTGAGE REIT'S		18.4%	\$12,232,016
MFA Financial	10.4%	18.4%	\$12,232,016
OFFICE REIT'S		14.9%	\$9,890,133
Precinct Properties New Zealand 4.8% 27/09/2021	4.3%	14.9%	\$9,890,133
TOTAL NZ FUNDS EXPOSURE		100.0%	\$66,578,895

1. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.
Note: Rounding may affect any subtotals and totals.

Global Agriculture Index Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
FERTILIZERS & AGRICULTURAL CHEMICALS		45.0%	\$2,741,423
FMC	1.2%	9.3%	\$567,131
Scotts Miracle-Gro	2.7%	9.2%	\$561,638
Yara International	5.2%	9.0%	\$546,120
Monsanto	2.2%	8.9%	\$539,704
Quimica Y Minera	2.6%	8.6%	\$526,830
CONSTRUCTION & FARM MACHINERY & HEAVY TRUCKS		30.3%	\$1,848,041
Deere & Co	2.1%	11.0%	\$668,121
CNH Industrial	3.8%	9.9%	\$603,113
Kubota	3.7%	9.5%	\$576,806
AGRICULTURAL PRODUCTS		16.7%	\$1,019,281
Bunge	3.1%	8.4%	\$514,454
Archer-Daniels-Midland	3.8%	8.3%	\$504,827
PACKAGED FOODS & MEATS		7.9%	\$481,925
Marine Harvest	10.3%	7.9%	\$481,925
TOTAL NZ FUNDS EXPOSURE		100.0%	\$6,090,669

1. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.
Note: Rounding may affect any subtotals and totals.

Global Banking & Finance Index Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
DIVERSIFIED BANKS		50.1%	\$7,094,612
Bank of America	2.5%	10.4%	\$1,477,769
JPMorgan Chase	2.7%	10.3%	\$1,458,979
Citigroup	2.3%	9.9%	\$1,398,533
Wells Fargo	3.3%	9.9%	\$1,397,979
US Bancorp	2.7%	9.6%	\$1,361,351
MULTI-INDUSTRYSECTOR HOLDINGS		9.7%	\$1,372,207
Berkshire Hathaway	0.4%	9.7%	\$1,372,207
CONSUMER FINANCE		9.7%	\$1,367,398
Visa	1.3%	9.7%	\$1,367,398
ASSET MANAGEMENT & CUSTODY BANKS		10.6%	\$1,494,442
Blackrock Inc	2.6%	10.6%	\$1,494,442
INVESTMENT BANKING & BROKERAGE		19.9%	\$2,822,627
Morgan Stanley	2.6%	10.0%	\$1,416,392
Goldman Sachs Group	1.7%	9.9%	\$1,406,236
TOTAL NZ FUNDS EXPOSURE		100.0%	\$14,151,287

1. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.
Note: Rounding may affect any subtotals and totals.

Global Energy Index Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
INTEGRATED OIL & GAS		57.7%	\$2,898,850
BP	7.4%	10.1%	\$507,295
Total	7.4%	9.6%	\$483,616
Petrochina	3.0%	9.6%	\$481,566
Exxon Mobil	4.2%	9.6%	\$480,880
Statoil	6.6%	9.5%	\$478,583
Eni	8.1%	9.3%	\$466,909
OIL & GAS EXPLORATION & PRODUCTION		31.9%	\$1,601,093
EOG Resources	1.1%	11.1%	\$558,147
CNOOC	5.0%	10.5%	\$529,798
ConocoPhillips	2.6%	10.2%	\$513,148
OIL & GAS REFINING & MARKETING		10.4%	\$522,402
JX Holdings	5.1%	10.4%	\$522,402
TOTAL NZ FUNDS EXPOSURE		100.0%	\$5,022,345

1. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.
Note: Rounding may affect any subtotals and totals.

Global Metals and Mining Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
ALUMINUM		10.0%	\$778,432
Norsk Hydro Asa	5.1%	10.0%	\$778,432
DIVERSIFIED METALS & MINING		34.3%	\$2,678,895
Sumitomo Metal Mining	4.2%	12.2%	\$953,625
MMC Norilsk Nickel PJSC	10.5%	11.3%	\$882,422
Rio Tinto PLC ADR	5.3%	10.8%	\$842,848
COPPER		11.6%	\$904,944
Southern Copper	3.3%	11.6%	\$904,944
GOLD		10.2%	\$796,186
Goldcorp	1.1%	10.2%	\$796,186
STEEL		34.0%	\$2,657,445
ArcelorMittal	3.8%	12.1%	\$942,309
Nucor	3.1%	11.5%	\$899,229
Tata Steel	2.0%	10.4%	\$815,907
TOTAL NZ FUNDS EXPOSURE		100.0%	\$7,815,901

1. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.
Note: Rounding may affect any subtotals and totals.

Global Oil Index Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
INTEGRATED OIL & GAS		58.7%	\$3,741,742
BP	7.4%	10.1%	\$642,095
Total	7.4%	9.9%	\$631,267
Petrochina	3.0%	9.9%	\$631,082
Exxon Mobil	4.2%	9.7%	\$617,263
Statoil	6.6%	9.7%	\$616,613
Eni	8.1%	9.5%	\$603,423
OIL & GAS EXPLORATION & PRODUCTION		30.9%	\$1,971,131
CNOOC	5.0%	10.4%	\$664,511
EOG Resources	1.1%	10.3%	\$658,086
ConocoPhillips	2.6%	10.2%	\$648,535
OIL & GAS REFINING & MARKETING		10.4%	\$665,954
JX Holdings	5.1%	10.4%	\$665,954
TOTAL NZ FUNDS EXPOSURE		100.0%	\$6,378,827

1. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.
Note: Rounding may affect any subtotals and totals.

ISAM: Absolute Returns

Indicative Portfolio Summary as at 30 November 2017

Strategy / Security ¹	Manager	Estimated yield	Portfolio value at risk %	Portfolio exposure \$
INTERNATIONAL FIXED INTEREST			0.3%	
Futures exposure	ISAM	n/a	0.2%	
Interest rates - Futures exposure	ISAM	n/a	0.1%	
CURRENCY			0.4%	
Futures and forwards exposure	ISAM	n/a	0.4%	
INTERNATIONAL EQUITIES			0.8%	
Futures exposure	ISAM	n/a	0.8%	
COMMODITIES			1.6%	
Agriculture - Futures exposure	ISAM	n/a	0.5%	
Energy - Futures exposure	ISAM	n/a	0.6%	
Metals - Futures exposure	ISAM	n/a	0.5%	
TOTAL NZ FUNDS EXPOSURE			3.0%	\$17,633,213

1. This data is based on the most recent information received from the manager dated 30 September 2017. Actual holdings as at 30 November 2017 may vary from those shown in the table.

LSV Global Concentrated ACWI Strategy

Indicative Top 10 as at 30 November 2017

Strategy / Security ¹	Estimated yield ²	Portfolio exposure %	Portfolio exposure \$
INTERNATIONAL EQUITIES		16.3%	\$11,501,693
Citigroup	2.6%	1.8%	\$1,279,764
Nippon Telegraph & Telephone	5.1%	1.7%	\$1,232,899
Amgen	3.2%	1.7%	\$1,188,155
Magna International	2.8%	1.7%	\$1,180,491
Samsung Electronics	2.3%	1.6%	\$1,147,405
Total	7.6%	1.6%	\$1,129,615
China Telecom Corp	3.9%	1.6%	\$1,110,998
Sanofi	6.0%	1.6%	\$1,099,060
LyondellBasell Industries	4.4%	1.5%	\$1,084,013
ITOCHU	5.7%	1.5%	\$1,049,291
TOTAL EXPOSURE TOP 10 (EXCL. CASH AND CASH EQUIVALENTS)		16.3%	\$11,501,693
TOTAL NZ FUNDS EXPOSURE		100.0%	\$78,168,084

1. This is the most recent information received from the manager dated 30 September 2017. Actual holdings as at 30 November 2017 may vary from those shown in the table.

2. The yield is not the actual return on the portfolio, nor is it a projection or forecast. Details of the yield calculation are available on request from NZ Funds. The yield includes foreign currency hedging points where appropriate.

Note: Rounding may affect any subtotals and totals.

NZ Funds Management Dividend and Growth Strategy

Complete Portfolio as at 30 November 2017

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
CASH AND CASH EQUIVALENTS		9.3%	\$24,741,594
AUSTRALASIAN EQUITIES		80.4%	\$212,717,761
Chorus	7.9%	12.7%	\$33,648,987
Meridian Energy	8.4%	8.4%	\$22,259,411
Metlifecare	2.1%	8.4%	\$22,219,706
Trade Me	6.4%	5.5%	\$14,457,000
Woodside Petroleum	4.3%	4.7%	\$12,496,079
Z Energy	9.1%	4.6%	\$12,105,644
Trustpower	8.7%	4.1%	\$10,818,092
Sky City Entertainment	6.2%	4.0%	\$10,711,689
Wesfarmers	5.4%	3.7%	\$9,726,471
Amaysim Australia	7.6%	3.6%	\$9,490,521
Fisher & Paykel Healthcare	2.8%	3.5%	\$9,170,000
Murray Goulburn Unit Trust	2.4%	3.3%	\$8,721,537
Spark New Zealand	9.1%	3.2%	\$8,521,480
Crown Resorts	5.3%	3.1%	\$8,235,913
Sanford	4.8%	2.8%	\$7,343,321
BlueScope Steel	1.3%	2.6%	\$6,909,674
Michael Hill International	6.6%	1.4%	\$3,724,000
Sky Network Television total return swap (short)	n/a	0.5%	\$1,253,966
Tower	5.3%	0.3%	\$904,270

NZ Funds Management Dividend and Growth Strategy

Complete Portfolio as at 30 November 2017 (continued)

Strategy / Security	Estimated yield ¹	Portfolio exposure %	Portfolio exposure \$
INTERNATIONAL EQUITIES		9.7%	\$25,593,906
Rio Tinto PLC ADR	5.3%	9.7%	\$25,593,906
FOREIGN CURRENCY		1.2%	\$3,061,235
TOTAL NZ FUNDS EXPOSURE		100.5%	\$266,114,497

1. The yield calculation represents an estimate of the yield on the Portfolio, calculated using forecast dividends (Source: Bloomberg), NZ Funds' estimate of imputation credits where appropriate, and hedged back to New Zealand dollars where appropriate. The yield is not the actual return on the Portfolio, nor is it a projection or forecast. The Portfolio's return could be less than the Portfolio's yield. Details of the yield calculation are available on request from NZ Funds.

Note: Rounding may affect any subtotals and totals.

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Appendices

Glossary

Credit default swap

An agreement with a counterparty, usually a bank, where the counterparty indemnifies the holder against the possible default of an entity or the holder indemnifies the counterparty against the possible default of an entity. Buying protection via a credit default swap is akin to buying insurance against the default of the entity. The price of the credit default swap will change as the probability of default changes.

Credit spread

Credit spread is a measure of a security's credit quality. The lower the credit spread, the lower the probability that the security will default. Credit spread measures the distance (measured in percentage points or basis points (one basis point equals 0.01%)) the yield on a fixed interest security trades above a benchmark bond yield (such as a government bond of the same maturity). For example, if the government bond yield is 3.5% and a security trades on a yield of 4.5%, its credit spread is 1% or 100 basis points.

Credit spread duration

Credit spread duration measures a security's sensitivity to a change in its credit spread. A security's credit spread will change if the probability of the security defaulting changes. For example, if a security has a credit spread duration of three years, then a one percentage point rise in its credit spread will approximately equate to a 3% fall in the security's price.

Estimated yield

This is calculated using a forecast of next year's dividend or interest payment. This forecast is then divided by the current price to determine an estimated yield.

Exchange Traded Fund (ETF)

An ETF is a managed fund which holds either shares, bonds and/or commodity futures. An ETF is either actively managed by a manager or passively managed to a specific index. An ETF is then traded on a stock exchange so holders will buy and sell the fund by transacting on the stock exchange. This means the price of the ETF may be different from the underlying Net Asset Value (NAV) of the fund. For example an ETF may trade at a discount to its NAV.

Fundamental analysis/research

Analysis based on fundamental factors. For example, in analysing a company its sales, earnings, return on equity and profit margin are used to obtain a valuation of the company and potential for future growth.

Futures contract

A derivative contract to buy or sell a given security at a specified price, on a specified future date. Futures create an obligation to buy or sell at maturity.

Hedging

Hedging a security will reduce that security's sensitivity to the asset class that has been hedged. For example, hedging the currency exposure of a security reduces its sensitivity to currency movements. Hedging a security's interest rate exposure reduces its sensitivity to interest rates. Hedging is usually implemented through derivative contracts such as foreign exchange forwards.

Interest rate duration

Interest rate duration measures a security's sensitivity to changes in interest rates. The higher the number, the greater the security's sensitivity to interest rates. For example if a fixed interest security has a duration of four years, then a one percentage point rise in interest rates will approximately equate to a 4% fall in the security's price.

Glossary

Interest rate swap

An agreement with a counterparty, usually a bank, to exchange a floating rate cashflow with a fixed rate cashflow for a specified term, or vice versa. For example, in a falling interest rate environment a holder may wish to convert their floating rate investment into a fixed rate investment. This can be done through an interest rate swap. The term of an interest rate swap can be five years or more.

Investment grade

Bonds which have a credit rating of Baa3 (Moody's) or BBB- (S&P) or higher. Generally associated with lower credit risk.

Long position

A position taken by investors who seek to profit from the rising price of an asset. When using derivatives to take a long position, the investor agrees to buy an asset at the current market price at a future date. An investor may also buy the asset immediately. In both cases, the investor only makes a profit if the price of the asset rises. If the price of the asset falls, the investor makes a loss.

Market capitalisation

The size of a publicly listed company. It is calculated by multiplying the number of outstanding shares by the market price per share.

Payout ratio

The percentage of a company's earnings paid as dividends to shareholders. It is calculated by dividing the dividend per share by the earnings per share.

Price/Book

The Price/Book ratio is used to compare the market's valuation of a company to the value of the company as indicated in its financial statements. It is calculated by dividing the market price per share by the book value per share.

Price/Earnings

The Price/Earnings ratio is a valuation ratio. It shows how much investors are willing to pay per dollar of earnings. It is calculated by dividing the market price per share by the earnings per share.

Short position

An investment made to profit from a fall in the price of a security. It is an agreement to sell a security at the current market price. A profit is made only if the price of the security drops. If the price of the security rises, a loss is made.

Total economic exposure

This metric is a total of the different economic exposures held by the Portfolio. These economic exposures comprise those held by way of physical securities; derivative contracts such as futures; and exposures through leverage. The currency exposure of the assets is also taken into account, with all foreign currency exposure being treated as a separate economic exposure. A share in United States dollars is therefore counted as two different exposures. For example, if a Portfolio was to purchase \$100 worth of shares in United States dollars and leave the exposure to the United States dollar unhedged, then the total economic exposure would be recorded as 200% - i.e. \$100 exposure to the shares and \$100 exposure to the NZ\$/US\$ exchange rate.

Glossary

Weighted average

When calculating a weighted average, the proportion of each security within the portfolio is factored into the calculation. A security with a higher (lower) weight in the portfolio will contribute more (less) to the average.

Yield

The income return on an investment relative to its purchase price. This refers to the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value.

Yield to maturity

The annualised total return, expressed as a percentage, that a bond is expected to provide to the investor if held to maturity.

External Managers

As at 30 November 2017

MANAGER	SECURITY / STYLE											NZ FUNDS KIWISAVER SCHEME			
		CORE CASH PORTFOLIO	CORE INCOME PORTFOLIO	GLOBAL INCOME PORTFOLIO	CORE INFLATION PORTFOLIO	PROPERTY INFLATION PORTFOLIO	EQUITY INFLATION PORTFOLIO	CORE GROWTH PORTFOLIO	GLOBAL MULTI-ASSET GROWTH PORTFOLIO	GLOBAL EQUITY GROWTH PORTFOLIO	DIVIDEND AND GROWTH PORTFOLIO	INCOME STRATEGY	INFLATION STRATEGY	GROWTH STRATEGY	
H2O ASSET MANAGEMENT	ALTERNATIVE SECURITIES							✓							
IMPALA	RESOURCE SHARES						✓		✓				✓	✓	
ISAM	ALTERNATIVE SECURITIES - MOMENTUM							✓	✓					✓	
KYNIKOS ASSOCIATES	ALTERNATIVE SECURITIES							✓							
LSV	GLOBAL SHARES - ACTIVE									✓				✓	
PAULSON	ALTERNATIVE SECURITIES						✓						✓		
SUVRETTA CAPITAL	ALTERNATIVE SECURITIES							✓						✓	
UNIVERSA	ALTERNATIVE SECURITIES					✓	✓			✓			✓	✓	

Important Legal Information

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For further information or to request a copy of the NZ Funds Managed Portfolio Service Product Disclosure Statement, NZ Funds KiwiSaver Scheme Product Disclosure Statement, or the the NZ Funds Managed Superannuation Service Product Disclosure Statement, please contact New Zealand Funds Management Limited or visit our website at www.nzfunds.co.nz.