

NZ Funds KiwiSaver Scheme Security Listings

28 February 2018



Product Disclosure Statement

New Zealand Funds Management Limited is the issuer of the NZ Funds KiwiSaver Scheme.

The Product Disclosure Statement and the Disclose Register contain important information to help you to understand how your money is managed and the risks associated with investing.

For further information or to request a copy of the NZ Funds KiwiSaver Scheme Product Disclosure Statement, please contact New Zealand Funds Management Limited or visit our 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.

Important Legal Information

Please note that these Security Listings have been provided for information purposes only. The content of this document is not intended as a substitute for specific professional advice on investments, financial planning or any other matter.



KiwiSaver Income Strategy

Complete Strategy as at 28 February 2018

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS			11.5%	\$2,508,500
AUSTRALASIAN BONDS			46.7%	\$10,200,232
Insurance Australia Group 5.15% 15/06/2043	4.2%	BBB	4.3%	\$930,024
Westpac Banking 4.695% 01/09/2026	4.0%	BBB	4.2%	\$927,126
BlueScope Steel Finance USA 6.5% 15/05/2021	3.4%	BB+	4.1%	\$886,234
Woodside Finance 3.7% 15/09/2026	3.9%	BBB+	3.5%	\$757,262
Meridian Energy 4.88% 20/03/2024	4.1%	BBB+	3.4%	\$739,324
Mercury NZ 6.9% 11/07/2044	4.1%	BB+	3.0%	\$657,018
Crown Subordinated Notes 23/04/2075	6.0%	NR	2.9%	\$641,507
ANZ National Bank 5.28% perpetual	5.5%	BBB	2.9%	\$638,819
Infratil 5.5% 15/06/2024	5.0%	NR	2.7%	\$589,623
Trustpower 4.01% 15/12/2022	4.0%	NR	1.9%	\$421,386
Z Energy 4.01% 01/11/2021	3.9%	NR	1.9%	\$412,663
Fletcher Building Industries 5.8% 15/03/2020	5.5%	NR	1.9%	\$407,649
Bank of New Zealand 4.102% 15/06/2023	3.6%	AA-	1.8%	\$395,103
Qantas Airways 4.75% 12/10/2026	4.3%	BBB-	1.9%	\$404,861
NEXTDC 6.25% 09/06/2021	4.8%	NR	1.6%	\$355,367
Fletcher Building Industries 4.75% 15/03/2021	5.2%	NR	1.5%	\$318,279
Property for Industry 4.59% 28/11/2024	4.4%	NR	1.3%	\$279,787
Precinct Properties New Zealand 4.42% 27/11/2024	4.3%	NR	1.1%	\$241,524
University of Canterbury 7.25% 15/12/2019	4.2%	NR	0.9%	\$196,679
INTERNATIONAL BONDS			43.4%	\$9,484,868
HCA 4.5% 15/02/2027	4.7%	BBB-	4.9%	\$1,079,304
Flex 5% 15/02/2023	3.7%	BBB-	4.9%	\$1,070,943
First Data 5% 15/01/2024	4.2%	BB	4.6%	\$998,945

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KiwiSaver Income Strategy

Complete Strategy as at 28 February 2018 (continued)

STRATEGY / SECURITY	ESTIMATED YIELD ¹	CREDIT RATING	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
INTERNATIONAL BONDS (CONTINUED)				
Valeant Pharmaceuticals International 5.5% 01/11/2025	5.5%	BB-	3.7%	\$814,841
Devon Energy 5.85% 15/12/2025	3.7%	BBB	3.4%	\$746,041
Verizon Communications 2.625% 15/08/2026	3.8%	BBB+	3.3%	\$718,798
NRG Energy 6.625% 15/01/2027	5.9%	BB-	3.3%	\$717,903
Seagate HDD Cayman 4.875% 01/03/2024	4.7%	BB+	3.1%	\$685,889
Constellation Brands 4.75% 01/12/2025	3.7%	BBB-	3.1%	\$684,420
Southern Copper 7.50% 27/07/2035	4.7%	BBB	3.1%	\$681,046
Wells Fargo Co 3.55% 29/09/2025	3.6%	A-	2.9%	\$631,337
EOG Resources 4.15% 15/01/2026	3.6%	BBB+	2.2%	\$476,264
Credit default swaps - Market value ²	n/a	n/a	0.8%	\$179,136
TOTAL ECONOMIC EXPOSURE³			101.6%	\$22,193,599
FOREIGN CURRENCY EXPOSURE			4.9%	\$1,079,000

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. Credit default swaps notional value is currently \$2,538,199.

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.



KiwiSaver Inflation Strategy

Complete Strategy as at 28 February 2018

STRATEGY / SECURITY ¹	ESTIMATED YIELD ²	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS		7.7%	\$5,869,087
INTERNATIONAL BONDS		20.4%	\$15,529,155
Floating Rate and Perpetual Bond Strategy	6.0%	19.8%	\$15,044,712
Credit default swaps - Market value ³	n/a	0.6%	\$484,443
AUSTRALASIAN SHARES		37.4%	\$28,517,434
Dividend and Growth Strategy	5.5%	37.4%	\$28,517,434
INTERNATIONAL SHARES		36.5%	\$27,784,689
Equity index futures (long)	n/a	24.5%	\$18,654,845
Global Banking & Finance Index Strategy	1.9%	5.5%	\$4,161,780
Impala Resource Fund	0.0%	2.7%	\$2,058,559
Global Metal & Mining Index Strategy	3.8%	1.9%	\$1,474,721
Global Energy Index Strategy	4.9%	1.9%	\$1,434,784
ALTERNATIVE SECURITIES		0.5%	\$389,887
Universa Black Swan Protection Protocol	n/a	0.5%	\$389,887
TOTAL ECONOMIC EXPOSURE⁴		102.5%	\$78,090,252
FOREIGN CURRENCY EXPOSURE		20.3%	\$15,439,460

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. Credit default swaps notional value is currently \$46,754,005.
4. 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.



KiwiSaver Growth Strategy

Complete Strategy as at 28 February 2018

STRATEGY / SECURITY ¹	ESTIMATED YIELD ²	PORTFOLIO EXPOSURE %	PORTFOLIO EXPOSURE \$
CASH AND CASH EQUIVALENTS		1.0%	\$1,021,512
INTERNATIONAL BONDS		1.6%	\$1,625,274
Credit default swaps - Market value ³	n/a	1.6%	\$1,625,274
AUSTRALASIAN SHARES		32.6%	\$33,333,553
Dividend and Growth Strategy	5.5%	32.6%	\$33,333,553
INTERNATIONAL SHARES		81.1%	\$82,802,854
Equity index futures (long)	n/a	31.3%	\$31,985,558
LSV Global Concentrated Fund	0.7%	25.3%	\$25,840,297
Suvretta Offshore Fund	0.0%	15.5%	\$15,802,521
Impala Resource Fund	0.0%	9.0%	\$9,174,478
ALTERNATIVE SECURITIES		5.6%	\$5,673,592
ISAM Systematic Fund	n/a	4.7%	\$4,804,754
Universa Black Swan Protection Protocol	n/a	0.9%	\$868,838
TOTAL ECONOMIC EXPOSURE⁴		121.8%	\$124,456,786
FOREIGN CURRENCY EXPOSURE		55.7%	\$56,849,782

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. Credit default swaps notional value is currently \$107,007,490.
4. 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.

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