ANZ Investments

Fund Update for the quarter ended 30 September 2026

ANZ Default KiwiSaver Scheme

Conservative Fund

This fund update was first made publicly available on: 28 October 2026

What is the purpose of this update?

This document tells you how the Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. ANZ New Zealand Investments Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

The Conservative Fund invests mainly in income assets (cash and cash equivalents and fixed interest), with a smaller exposure to growth assets (equities, listed property and listed infrastructure). The fund may also invest in alternative assets.

The Conservative Fund aims to achieve (after the fund charge and before tax) over the long term low relatively stable returns, allowing for small ups and downs in value.

Total value of the fund ($)	618,820,928
Number of investors in the fund	13,468
The date the fund started	1 October 2007

What are the risks of investing?

Risk indicator for the Conservative Fund:

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

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at sorted.org.nz/investor-profiler.

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

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the five years ended 30 September 2026. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

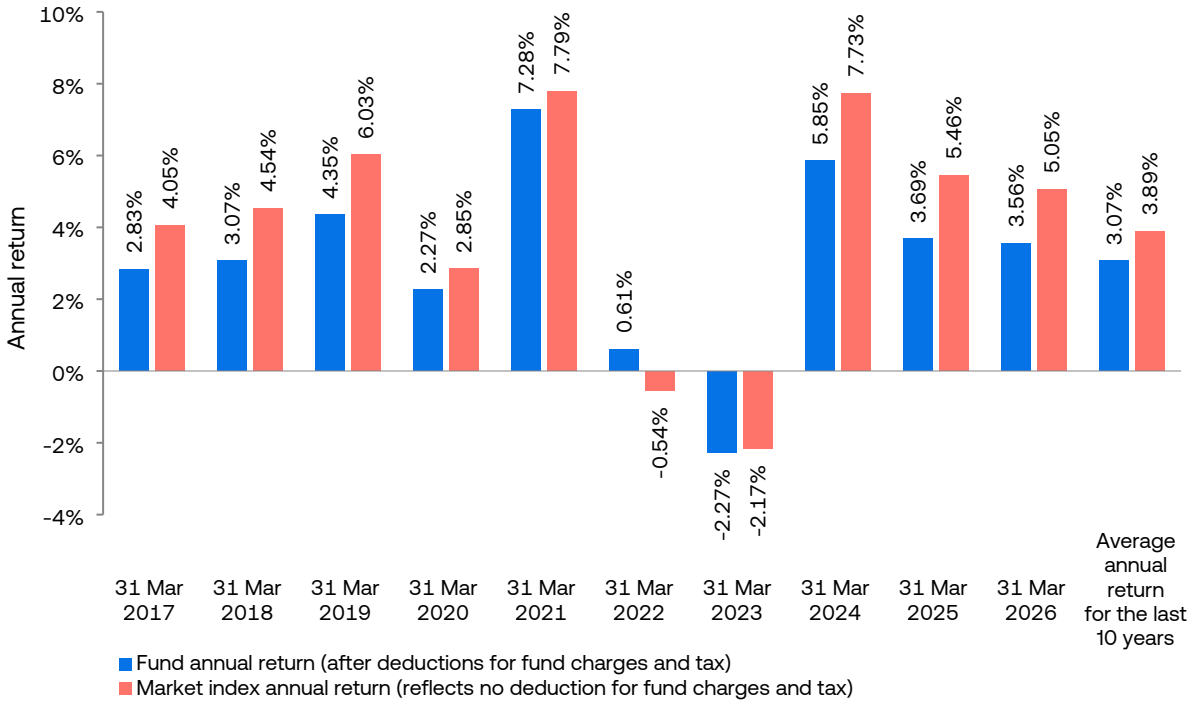
How has the fund performed?

	Average over past five years	Past year
Annual return (after deductions for charges and tax)	2.13%	1.48%
Annual return (after deductions for charges but before tax)	2.47%	1.39%
Market index annual return (reflects no deductions for charges and tax)	3.06%	2.20%

The market index annual return is calculated using the target investment mix and the indices of each asset class.

Additional information about the market index is available in the statement of investment policy and objectives on the offer register at disclose-register.companiesoffice.govt.nz.

Annual return graph



This shows the return after fund charges and tax for each of the last 10 years ending 31 March. The last bar shows the average annual return for the last 10 years, up to 30 September 2026.

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

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

What fees are investors charged?

Investors in the Conservative Fund are charged fund charges. In the year to 31 March 2026 these were:

	% of net asset value
Total fund charges[1]	**0.43%**
Which are made up of:	
Total management and administration charges	**0.43%**
Including:	
Manager's basic fee	0.38%
Other management and administration charges	0.05%
Total performance based fees	**0.00%**

Other charges	Dollar amount per investor
Other charges	$0

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds).

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

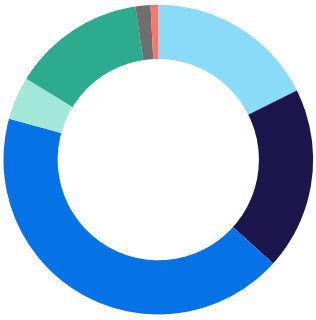
Example of how this applies to an investor

Sarah had $10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Sarah received a return after fund charges were deducted of $148 (that is 1.48% of her initial $10,000). Sarah did not pay any other charges. This gives Sarah a total return after tax of $148 for the year.

What does the fund invest in?

Actual investment mix[2]

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



Cash and cash equivalents:	17.63%
New Zealand fixed interest:	19.07%
International fixed interest:	42.56%
Australasian equities:	4.49%
International equities:	13.88%
Listed property:	1.57%
Other[3]:	0.80%

Target investment mix[2]

This shows the mix of assets that the fund generally intends to invest in.

Cash and cash equivalents:	23.00%
New Zealand fixed interest:	24.00%
International fixed interest:	35.00%
Australasian equities:	4.80%
International equities:	13.20%
Listed property:	0.00%
Other[3]:	0.00%

Top 10 investments[4]

	Name	Percentage of fund net assets	Type	Country	Credit rating (if applicable)
1	Federal National Mortgage Association 151143 0.00 TBA	2.79%	International fixed interest	United States	
2	Housing New Zealand Ltd 181028 3.42 Govt. Bond	0.97%	New Zealand fixed interest	New Zealand	AAA
3	Kingfisher 2026 2 A1A 240857 ABS	0.95%	Cash and cash equivalents	Australia	AAA
4	New Zealand Government 150532 2.00 Govt. Bond	0.95%	New Zealand fixed interest	New Zealand	AAA
5	Intl Bk Recon Develop 220433 4.50 Corp. Bond	0.94%	New Zealand fixed interest	New Zealand	AAA
6	New Zealand Government 150536 4.25 Govt. Bond	0.93%	New Zealand fixed interest	New Zealand	AAA
7	Nvidia Corporation	0.88%	International equities	United States	
8	ASB Bank Ltd 010427 Registered Certificate of Deposit	0.84%	New Zealand fixed interest	New Zealand	A-1+
9	Westpac New Zealand 011026 3.085 Term Deposit	0.79%	Cash and cash equivalents	New Zealand	A-1+
10	Rabobank New Zealand Ltd 050427 Floating Rate Note	0.73%	New Zealand fixed interest	New Zealand	A+

The top 10 investments make up 10.77% of the net asset value of the fund.

Currency hedging[2]

	Benchmark hedging rate	Current hedging level
Cash and cash equivalents	Benchmark 100% hedged	–
New Zealand fixed interest	Not applicable	–
International fixed interest	Benchmark 100% hedged	101%
Australasian listed property	Benchmark 100% hedged	97%
International listed property	Benchmark 100% hedged	102%
Australasian equities	Benchmark 75% AUD hedged (range of 0 - 100%)	76%
International equities	(Developed) Benchmark 60% hedged (range of 0 - 100%) (Emerging Markets) unhedged	61%
Listed infrastructure	Benchmark 100% hedged	100%

Key personnel

This shows the employees who have the most influence on investment decisions in relation to the fund.

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
George Crosby	Chief Investment Officer	2 years and 7 months	General Manager Portfolio Completion, New Zealand Superannuation Fund	2 years and 9 months
Paul Gregory	Head of Investment Partnerships	2 years and 6 months	Executive Director, Response and Enforcement, Financial Markets Authority	3 years and 4 months
Matthew Mobbs	Head of Fixed Interest and Cash	0 years and 8 months	Head of Investments, AIA New Zealand	3 years and 3 months
Max Lesser	Head of Equities	3 years and 4 months	Fund Manager, ANZ Bank New Zealand Limited	4 years and 10 months
Christian Carrillo[5]	Head of Asset Allocation	0 years and 1 month	Managing Director, Head of Asia Pacific Economics, BlackRock Japan	14 years and 4 months

Further information

You can also obtain this information and some additional information from the offer register at disclose-register.companiesoffice.govt.nz.

Notes

1. Our fund charges are inclusive of GST, where applicable.
2. The target and actual investment mix of this fund and currency hedging information are based on:
   - the cash and cash equivalents held by the fund, and
   - the asset class of the underlying funds in which the fund invests.
   They are not based on the cash and cash equivalents or any other assets held by the underlying funds.
3. This is an allocation to listed infrastructure.

4. The fund may obtain exposure to an asset class via derivatives that are backed by cash and cash equivalents, and/or fixed interest. Where applicable, the top 10 investments table discloses the cash and cash equivalents, and/or fixed interest, not the derivatives.
5. Key personnel not named in previous fund update for the fund.