Fund Fact Sheet

Conservative Managed Fund

As at 31 October 2026

The fund is actively managed, investing in a diversified portfolio of income and growth assets with disciplined asset allocation, security selection, and responsible investment principles.

About the Fund

The Generate Conservative Managed Fund aims to provide a modest return over the short term. It invests in an actively managed portfolio made up largely of income assets with a small allocation of growth assets.

Portfolio Managers

Ayrton Oliver
Ayrton manages Generate's Fixed Interest Fund and CashPlus Fund. Formerly at JP Morgan's Chief investment Office in London, he managed international rates and FX risk; 13+ years' experience.

Warwick Simons
Warwick manages Generate's Global Equity Fund, with 25+ years' experience across Bain, Pendragon, GaveKal, and Goldman Sachs, where he co-led a global investment research team focused on 'quality' companies.

Andrew Bolland (CFA) & **Dan Frost** (CFA)
Andrew and Dan have managed our Australasian investment strategy for the past 7 years, delivering strong relative performance across retail and wholesale mandates.

Nathan Field
Nathan manages the Thematic portfolio, responsible for theme identification, portfolio construction, security selection and risk management. He has 20+ years' experience across NZ, Australia and the UK.

Fund Commentary

Markets delivered mixed returns during October as a sell-off in technology and artificial-intelligence-related shares contrasted with stronger performance across many defensive and cyclical sectors. The Nasdaq declined 5.3% and the S&P 500 slipped 0.9%, although nine of the eleven S&P 500 sectors advanced. The S&P/ASX 200 gained 1.4%, while the S&P/NZX 50 Gross Index fell around 0.4%. High-quality bonds also rallied as the US 10-year Treasury yield eased to approximately 4.93% by month-end. This combination highlighted the benefits of spreading portfolio exposure across regions, sectors and asset classes.

Within global equities, RELX rose 20.8% as investors became more confident that AI can support growth across specialist data and workflow businesses. Constellation Software gained 17.2%, supported by the appeal of its recurring revenues, decentralised operating model and disciplined approach to acquisitions. In Australasia, Pro Medicus advanced 19.7% following further contract wins, SEEK gained 13.0% as employment data proved more resilient than expected, and Origin Energy rose 11.4% following stronger Australia Pacific LNG revenue.

On the downside, SK Hynix fell 19.0% as concerns around memory pricing and AI-related spending weighed on sentiment. New Zealand retirement village operators also weakened amid subdued residential property conditions and interest-rate uncertainty.

Looking ahead, the environment remains mixed but supportive of diversified portfolios. We remain optimistic about the US economy and long-term structural growth opportunities, including AI. The Democratic sweep in the US midterms introduces greater policy uncertainty, potentially affecting the pace of AI investment, fiscal spending and economic growth. However, the resulting mix of risks reinforces the value of maintaining exposure to different sources of return rather than relying on any single market theme.

Australia faces a more challenging economic backdrop, while New Zealand is showing tentative signs of improvement. Fixed income continues to offer attractive income and valuable diversification, with moderating inflation or slower growth potentially supporting capital returns. The broadening of equity-market leadership also provides opportunities beyond technology. We remain focused on balancing structural growth opportunities with high-quality defensive assets, disciplined valuations and companies with strong balance sheets and sustainable cash generation.

Key Fund Facts

Risk indicator:

1 — 2 — **3** — 4 — 5 — 6 — 7
Low ..... RISK/RETURN ..... High

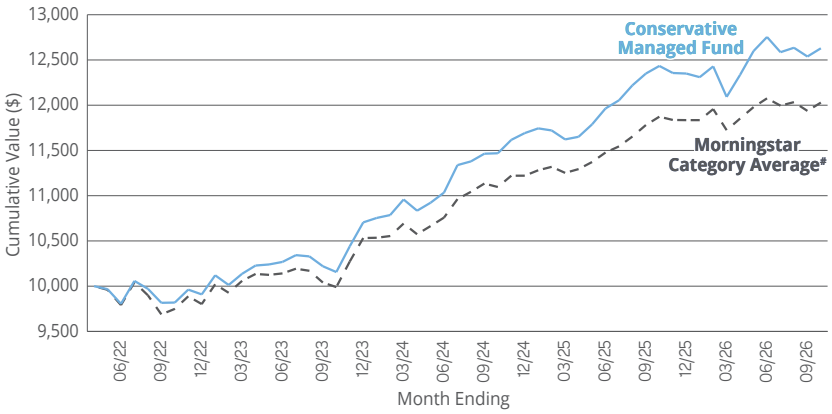
For more information on risks and risk indicators refer to section 4 of the Managed Funds Product Disclosure Statement.

Objective	The Generate Conservative Managed Fund aims to provide a modest return over the short term. It invests in an actively managed portfolio made up largely of income assets with a small allocation of growth assets. Volatility is likely to be low to medium. Returns will vary and may be low or negative at times.
Minimum Investment Timeframe	2 Years
Target Allocation	80% Income Assets / 20% Growth Assets
Total Value of Fund	$22,920,378
Date Fund Started	16 May 2022
Benchmark	Please refer to SIPO
Annual Fund Charges	1.13% (Estimate, rounded to 2 decimals)

Fund Fact Sheet: Conservative Managed Fund

As at 31 October 2026

Cumulative Fund Performance (after fees, before tax)



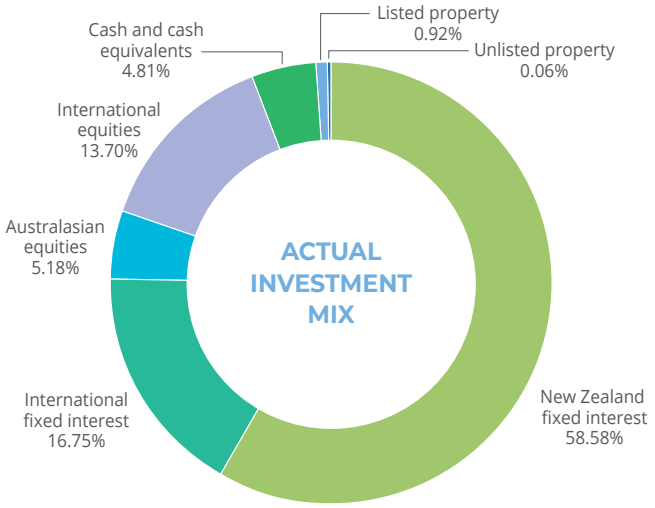
Assumes the growth of $10,000 investment at inception

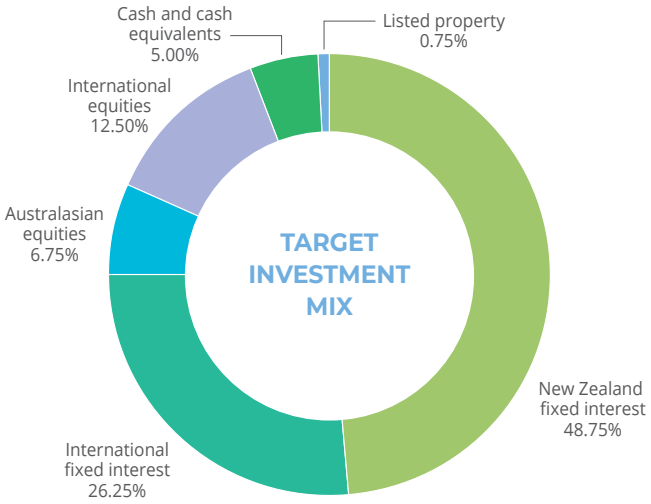
	Conservative Managed Fund	Morningstar category average#
1 Month	0.73%	0.77%
3 Months	0.34%	0.28%
1 Year	1.57%	1.31%
3 Years*	7.54%	6.38%
5 Years*	NA	2.92%

Conservative Managed Fund return since inception*	5.38%

* Annualised
Note: Returns are shown after fees and before tax

Asset allocation





Top 10 investments

NAME	PERCENTAGE OF FUND NET ASSETS	TYPE	COUNTRY	CREDIT RATING (IF APPLICABLE)
ASB NZ Dollar Cash Account	3.87%	Cash and cash equivalents	New Zealand	A1
HOUSNZ Apr 2030 bonds	2.69%	NZ Fixed Interest	New Zealand	AAA
NZLGA May 2031 bonds	2.33%	NZ Fixed Interest	New Zealand	AAA
HOUSNZ Sep 2035 bonds	2.27%	NZ Fixed Interest	New Zealand	AAA
BNZ Sep 2031 bonds	1.99%	NZ Fixed Interest	New Zealand	AA-
NZ Govt Bond May 2031 bonds	1.75%	NZ Fixed Interest	New Zealand	AAA
Meridian Mar 2033 bonds	1.60%	NZ Fixed Interest	New Zealand	BBB+
Alphabet Aug 2046 bonds	1.38%	International Fixed Interest	U.S.A.	AA+
Southland Building Society Nov 2028 bonds	1.38%	NZ Fixed Interest	New Zealand	Unrated
NZLGA Apr 2033 bonds	1.29%	NZ Fixed Interest	New Zealand	AAA

The top 10 investments make up 20.55% of the fund.

Morningstar Direct report as at 31 October 2026. Based on the average return of all funds within the Multisector Conservative category for the periods ended 31 October 2026. © 2026 Morningstar. All Rights Reserved. Go to generatewealth.co.nz/advertising-disclosures/ for more details.

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Disclaimer: The Generate Fund Fact Sheet is based on information believed to be accurate and reliable at the time it was prepared, although no guarantee can be given that this is the case. Please note past performance is not a reliable indicator of future performance.