Fund Fact Sheet

Fixed Interest Managed Fund

As at 31 October 2026

Our investment approach seeks to generate reliable income and preserve capital through active management of interest rate exposure and disciplined selection of fixed income securities.

About the Fund

The Generate Fixed Interest Managed Fund invests primarily in New Zealand and Australian government, semi-government, bank and corporate bonds. The portfolio is actively managed relative to its benchmark, with duration positioned within defined limits and credit exposure diversified across more than 40 issuers.

Portfolio Manager

The Fund is managed by Ayrton Oliver.



Ayrton Oliver
Portfolio Manager

Ayrton has over 13 years' experience in global financial markets, including portfolio management in JP Morgan's Chief Investment Office in London, where he managed international interest rate and FX risks. He joined Generate in 2021 and also manages the Generate CashPlus Managed Fund.

Fund Commentary

Global fixed income markets stabilised during October after September's sharp rise in yields. Major central banks generally held policy rates steady, although their messaging retained a cautious, inflation-focused tone. The US Federal Reserve kept its policy rate at 3.75%-4.00%, the European Central Bank held its deposit rate at 2.50% and the Bank of Japan maintained its rate at 1.25%. Policymakers continued to signal that future decisions would depend on incoming inflation and economic data. This represented a pause rather than a clear shift towards easier monetary policy.

US government bonds rallied as the 10-year Treasury yield declined from an early-October high of 5.34% to approximately 4.93% at month-end. The move occurred despite elevated inflation, with higher oil prices contributing to renewed price pressures. US economic activity remained resilient, including annualised third-quarter GDP growth of 3.4%, while labour-market data pointed to a gradual cooling rather than a sharp deterioration.

In New Zealand, the Reserve Bank held the Official Cash Rate at 2.75%. Annual inflation eased to 3.7% in the September quarter, although petrol prices remained a significant contributor and the Bank expects inflation to rise in the near term. Weak household demand and elevated unemployment gave policymakers reasons to wait for further evidence. In Australia, mixed employment and inflation data created uncertainty during October; the Reserve Bank subsequently increased the cash rate to 4.85% in early November.

Looking ahead, the Democratic sweep in the US mid-terms could have mixed implications for fixed income. Greater constraints on spending growth could help reduce inflationary pressure, particularly if geopolitical tensions also ease and energy prices moderate, potentially reducing the need for further interest-rate increases. Conversely, a more restrictive policy agenda could weigh on investment and economic growth. For bond investors, slower growth and moderating inflation could ultimately place downward pressure on yields and support capital returns, although the path is unlikely to be straightforward. Current yields offer a meaningful income cushion, while we remain focused on prudent management of duration, credit quality and liquidity.

Key Fund Facts

Risk indicator:

1 — 2 — **3** — 4 — 5 — 6 — 7

Low ..... RISK/RETURN ..... High

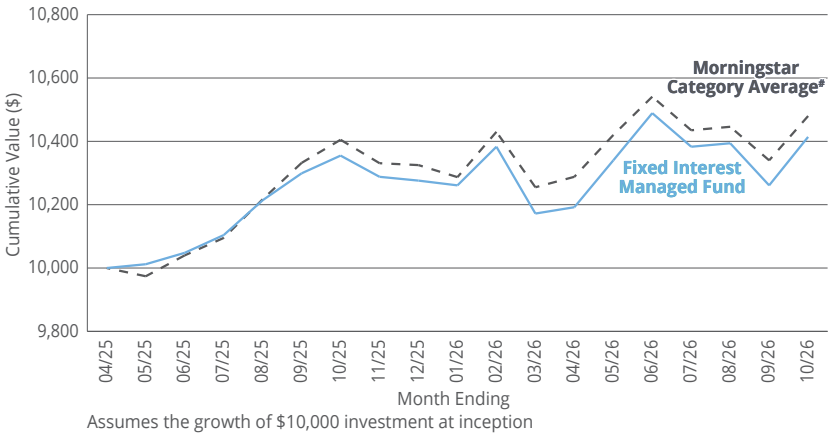
For more information on risks and risk indicators refer to section 4 of the Managed Funds Product Disclosure Statement.

Objective	The Generate Fixed Interest Managed Fund aims to provide a stable return over the short to medium term. It invests in an actively managed portfolio made up entirely of income assets. Volatility is likely to be higher than the CashPlus Managed Fund, but lower than the equity orientated Funds. However a negative return is still possible.
Minimum Investment Timeframe	2 Years
Target Allocation	100% Income Assets
Total Value of Fund	$9,750,786
Date Fund Started	30 April 2025
Benchmark	Please refer to SIPO
Annual Fund Charges	0.82% (Estimate, rounded to 2 decimals)

Fund Fact Sheet: Fixed Interest Managed Fund

As at 31 October 2026

Cumulative Fund Performance (after fees, before tax)



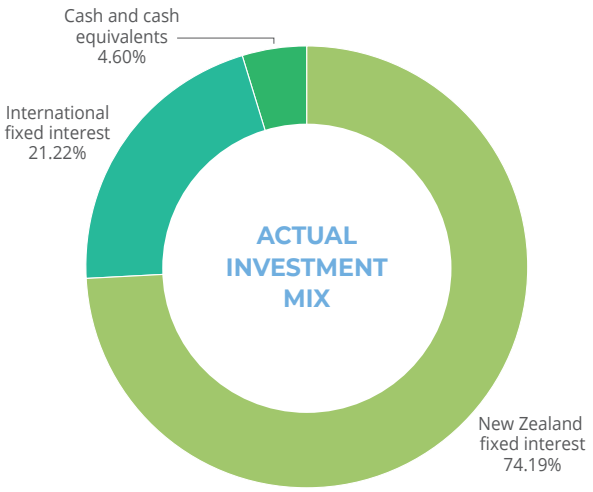
Assumes the growth of $10,000 investment at inception

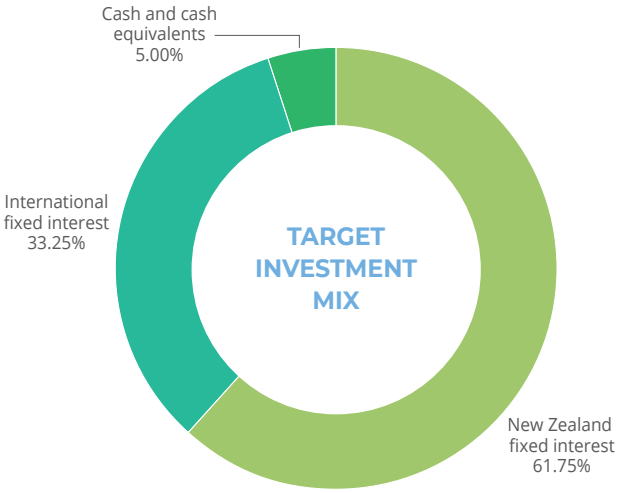
	Fixed Interest Managed Fund	Morningstar category average#
1 Month	1.50%	1.35%
3 Months	0.30%	0.43%
1 Year	0.58%	0.69%
3 Years*	NA	6.15%
5 Years*	NA	2.59%

Fixed Interest Managed Fund return since inception*	2.74%

* 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	3.61%	Cash and cash equivalents	New Zealand	A1
HOUSNZ Apr 2030 bonds	3.41%	NZ Fixed Interest	New Zealand	AAA
NZLGA May 2031 bonds	2.95%	NZ Fixed Interest	New Zealand	AAA
HOUSNZ Sep 2035 bonds	2.88%	NZ Fixed Interest	New Zealand	AAA
BNZ Sep 2031 bonds	2.52%	NZ Fixed Interest	New Zealand	AA-
NZ Govt Bond May 2031 bonds	2.21%	NZ Fixed Interest	New Zealand	AAA
Meridian Mar 2033 bonds	2.02%	NZ Fixed Interest	New Zealand	BBB+
Alphabet Aug 2046 bonds	1.75%	International Fixed Interest	U.S.A.	AA+
Southland Building Society Nov 2028 bonds	1.75%	NZ Fixed Interest	New Zealand	Unrated
NZLGA Apr 2033 bonds	1.63%	NZ Fixed Interest	New Zealand	AAA

The top 10 investments make up 24.73% of the fund.

Morningstar Direct report as at 31 October 2026. Based on the average return of all funds within the NZ Bonds category for the periods ended 31 October 2026.
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No part of this is intended as financial advice; it is intended as general information only.

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.