

Key information

Bought and sold from Kernel directly or via all major wrap platforms

Structure: Portfolio Investment Entity (PIE)

Fund Inception: 15 July 2020

Number of constituent: 93

Morningstar AU Fund code: 24691

Morningstar Code: F000015G9C

Citi Code: LN5M

Disclose Register #: FND19302

Total fund value: \$18,111,338

Distribution frequency: Quarterly

12 month Yield¹: 6.22%

Indicative Dividend²: 4.95%

Management fee: 0.25% p.a.

Offer documents³

PDS: November 2024

SIPO: November 2024

ESG Policy: April 2024

Fund Update: June 2024

Index fundamentals

Index: S&P Developed Ex-Korea Dividend Aristocrats Quality Income

Price to Book 1.61

Trailing P/E: 18.83

Projected P/E: 14.51

Implied Earnings Yield 6.89%

Risk (index data)

Fund update risk Indicator: 6

12 month volatility⁴ 11.49%

Monthly returns standard deviation

| | +/-1 (68%) | +/-2 (95%) |
|----------------|------------|------------|
| 1 year | 3.58% | 7.17% |
| 3 years | 3.18% | 6.35% |
| 5 years | 4.33% | 8.65% |

Range of 12 month index returns

| | 1 year | 5 years |
|----------------|--------|---------|
| Worst | 1.59% | -26.10% |
| Median | 15.42% | 11.30% |
| Average | 15.99% | 11.95% |
| Best | 32.78% | 46.69% |

Fund overview

The Global Dividend Aristocrats is designed by Standard & Poors to identify and hold high dividend yielding companies from 24 developed markets. To hold aristocrat status a company must increase or consistently maintain dividends for at least 10 years and any announcement of reduction removes the company. Companies are weighted by indicated dividend yield and balanced by number, sector and country to be well diversified. The fund is designed to be tax efficient for the NZ resident investor seeking global income stream.

Benefits

The fund can be used in a variety of investment strategies:

- A global equity holding within conservative or balanced risk profiles – given defensive qualities
- Those seeking higher income yields

Performance⁵

| | 1 month | 3 months | 1 year | 3 years p.a. |
|---|---------|----------|--------|--------------|
| Index total return | 3.28% | 9.06% | 30.31% | 12.62% |
| Fund gross return | 3.26% | 9.06% | 30.08% | 12.40% |
| Gross tracking difference | -0.02% | +0.00% | -0.23% | -0.22% |
| Performance (after fees at 0% PIR tax) | 3.23% | 8.92% | 29.36% | 11.75% |
| Performance (after fees at 28% PIR tax) | 3.12% | 8.57% | 27.76% | 10.43% |

| 5 years p.a. index | 10 years p.a. index |
|--------------------|---------------------|
| 6.43%* | 8.90%* |

**Index returns do not reflect deductions for charges and taxes.*

Index calendar return

| 2023 | 2022 | 2021 | 2020 | 2019 |
|-------|--------|--------|---------|--------|
| 9.59% | -0.92% | 22.42% | -16.38% | 22.05% |

Index value chart

\$10,000 invested 5 years ago⁶: \$13,653



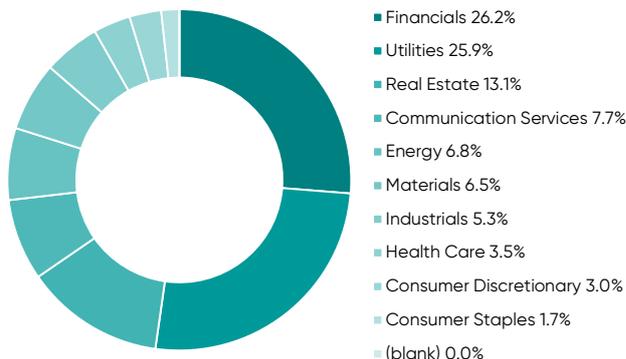
Where does the fund invest?

This shows the country weight that the fund invests in:



What does the fund invest in?

This shows the GICS⁷ weighting for the fund:



Asset allocation

| Asset | % of fund NAV |
|---------------------------|---------------|
| Cash and cash equivalents | 0.13% |
| Australasian equities | 0.00% |
| International equities | 99.87% |

Impact⁸

Carbon Footprint:

207.84 metric tons per USD1m invested. 164% higher than global benchmark. Operational and first tier supply chain greenhouse gas emissions.

Carbon Efficiency:

364.3 metrics tons / USD1m revenue. 89% higher than global benchmark. The index's absolute owned greenhouse gas emissions divided by the sum of revenues.

Fossil Fuel Reserves:

3265.14 metric tons per USD1m invested. 150% higher than global benchmark. The carbon footprint that could be generated if the proven and probable fossil fuel reserves owned by index constituents were burned per USD 1 million invested.

Further information

The information is not investment advice. Kernel has taken reasonable steps to ensure that the information in this document is accurate and up-to-date. Kernel does not accept any responsibility for any error or omission or for any loss resulting from the use of this information, except to the extent required by law

Top 10 investments

| Company | Country | % of fund NAV |
|------------------------|---------------|---------------|
| ONEOK | United States | 3.29% |
| Highwoods Properties | United States | 3.27% |
| LTC Properties | United States | 2.95% |
| Verizon Communications | United States | 2.92% |
| Getty Realty | United States | 2.66% |
| Solvay | Belgium | 2.64% |
| Boston Properties | United States | 2.43% |
| Amcor | United States | 2.16% |
| Best Buy | United States | 2.13% |
| Pfizer | United States | 2.00% |

The Top 10 investments make up 26.44% of the fund

Index Eligibility Criteria

The index comprises ~100 high dividend yielding companies within the S&P Developed ex-Korea BMI that have followed a managed-dividends policy of increasing or maintaining dividends for at least 10 consecutive years, and simultaneously have positive returns on equity and cash flows from operations. Constituents are weighted by indicated annual dividend yield. Stocks must have a positive dividend payout ratio and a market capitalisation over USD 1 Billion. Diversification is achieved through a maximum of 3% and minimum of 0.05% at the semi-annual rebalancing and capped to maintain a country allocation similar to the benchmark⁹.

1. 12 month Yield is the last 4 quarterly distributions divided by unit price 12 months ago. This is the experience an existing investor would have had.

2. Indicative Dividend is the index calculation of the underlying dividends in the last 12 months divided by the current valuation.

3. The offer documents are available at www.kernelwealth.co.nz

4. 12 month volatility is the standard deviation of daily returns, annualised by multiplying by square root of number of periods.

5. Performance assumes distributions reinvested. Gross tracking difference is before fees, expenses and tax. Rounding may cause a difference of 0.01%.

6. Growth of a hypothetical investment in the index (no allowance for fees or taxes) and no further contributions.

7. Global Industry Classification Standard (GICS)

8. Benchmark is S&P Global BMI. See explanation of Trucost methodology.