

Key information

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

Structure: Portfolio Investment Entity (PIE)

Fund Inception: 13 August 2025

Number of constituents: 1807

Morningstar AU Fund code: 28610

Morningstar Code: F00001SFTW

Citi Code: BXDMB

Disclose Register #: FND58858

Total fund value: \$11,037,501

Distribution frequency: Quarterly

Management fee: 0.25% p.a.

Offer documents¹

PDS: August 2025

SIPO: September 2025

ESG Policy: April 2024

Fund Update: December 2025

Index: Composite of Benchmark asset allocation. See SIPO for full details

Risk (index data)

Fund update risk Indicator: 3

12 month volatility²: 3.04%

Monthly returns standard deviation

| | +/-1 (68%) | +/-2 (95%) |
|----------------|------------|------------|
| 1 year | 0.65% | 1.29% |
| 3 years | 1.18% | 2.36% |
| 5 years | 1.43% | 2.87% |

Range of 12 month index returns

| | 1 year | 5 years |
|----------------|--------|---------|
| Worst | 5.39% | -8.01% |
| Median | 7.64% | 6.01% |
| Average | 7.75% | 4.11% |
| Best | 10.86% | 15.69% |

Fund overview

The Kernel Conservative Fund primarily invests in income assets with some allocation to growth assets. The fund targets a 70% fixed income and 30% equities asset allocation, investing mainly in several of the other Kernel funds. The fund is designed to fluctuate less than the Balanced Fund due to a higher allocation to income assets that are generally more stable. The fund provides broad diversification and suits lower-risk investors who seeks capital preservation and income, such as retirees or short-to-medium-term investors.

Benefits

The Kernel Conservative Fund can be used in a variety of strategies:

- Portfolio core
- Low-cost global equity exposure
- Gain access to NZ and global fixed income

Performance³

| | 1 month | 3 months |
|---|---------|----------|
| Index total return | 0.19% | 0.29% |
| Fund gross return ⁵ | 0.13% | 0.06% |
| Gross tracking difference | -0.06% | -0.23% |
| Performance (after fees at 0% PIR tax) | 0.13% | 0.06% |
| Performance (after fees at 28% PIR tax) | 0.12% | 0.11% |

| 1 year | 3 years p.a | 5 years p.a |
|--------|-------------|-------------|
| 6.96% | 7.61% | 4.38% |

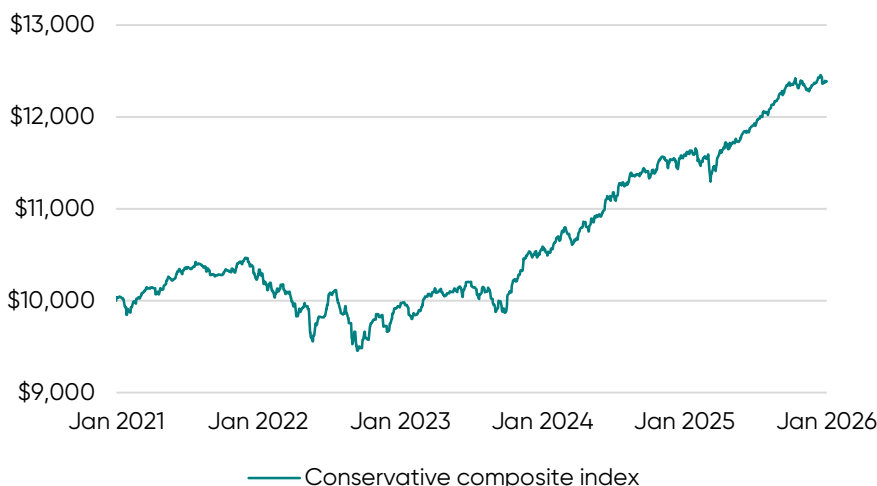
**Index returns do not reflect deductions for charges and taxes.*

Index Calendar return

| 2025 | 2024 | 2023 | 2022 | 2021 |
|-------|-------|-------|--------|-------|
| 7.20% | 9.52% | 8.83% | -7.50% | 4.26% |

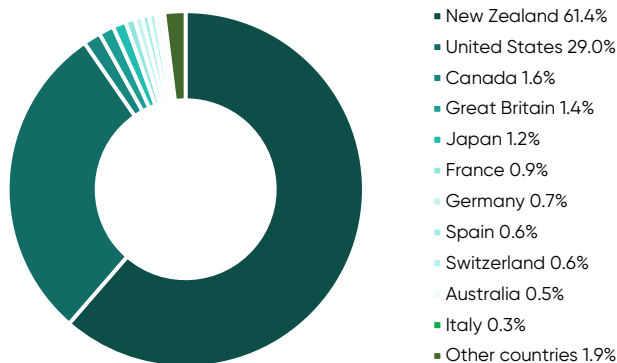
Index value chart

\$10,000 invested 5 years ago⁵: \$12,389



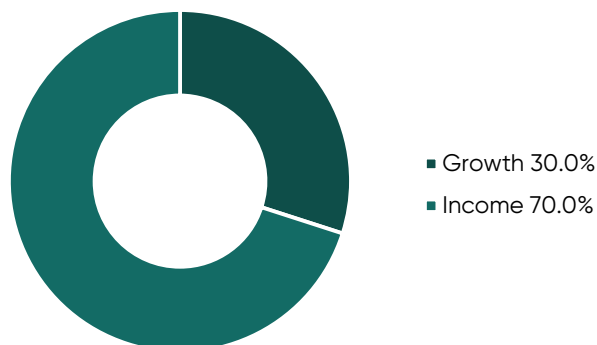
Where does the fund invest?

This shows the country weight that the fund invests in:



What does the fund invest in?

This shows the split between Growth assets (shares/property) and Income assets (cash/bonds):



Fund breakdown

| Holdings | % of fund NAV |
|--|---------------|
| Kernel NZ Bond Fund | 42.94% |
| Kernel US Bond Fund | 14.33% |
| Kernel Cash Plus Fund | 12.66% |
| Kernel Global Infrastructure (NZD Hedged) Fund | 7.71% |
| Kernel NZ 20 Fund | 5.98% |
| Kernel S&P Global 100 (NZD Hedged) Fund | 4.00% |
| Kernel S&P Global 100 Fund | 3.89% |
| Kernel S&P 500 (Unhedged) Fund | 2.83% |
| Kernel World ex-US (NZD Hedged) Fund | 3.03% |
| Kernel Global Property (NZD Hedged) Fund | 2.56% |
| Directly-held Fixed Income | 0.00% |
| Cash and Cash Equivalents | 0.07% |

Top 10 investments

| Company | Country | % of fund NAV |
|------------------------------------|---------------|---------------|
| iShares Core US Aggregate Bond ETF | United States | 14.30% |
| NZGS Bond | New Zealand | 7.59% |
| NZGS Bond | New Zealand | 3.54% |
| NZGS Bond | New Zealand | 3.03% |
| NZ LGFA Bond | New Zealand | 2.41% |
| Bank of China Deposit | New Zealand | 2.29% |
| NZGS Bond | New Zealand | 1.75% |
| Dunedin City Treasury Bond | New Zealand | 1.74% |
| NZGS Bond | New Zealand | 1.73% |
| Wellington Intl. Airport Bond | New Zealand | 1.66% |

The Top 10 investments make up 40.04% of the fund

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.

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

2. 12 month volatility is the standard deviation of daily returns, annualised by multiplying by square root of number of periods.

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

4. Gross return is estimated from the 0.25% management fee.

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