

## Key information

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

**Structure:** Portfolio Investment Entity (PIE)

**Fund Inception:** 11 November 2024

**Number of constituents:** 1 (3120 underlying)

**Morningstar AU Fund code:** 27518

**Morningstar Code:** FS0000J9YQ

**Citi Code:** Coming soon

**Disclose Register #:** FND52049

**Total fund value:** \$1,245,305

**Distribution frequency:** Quarterly

**12 month Yield<sup>1</sup>:** N/A

**Indicative Dividend<sup>2</sup>:** 2.51%

**Management fee:** 0.45% p.a.

## Offer documents<sup>3</sup>

**PDS:** November 2024

**SIPO:** November 2024

**ESG Policy:** April 2024

**Fund Update:** December 2024

## Index fundamentals

**Index:** S&P Emerging BMI Index

**Price to Book:** 1.90

**Trailing P/E:** 17.16

**Projected P/E:** 4.53

**Implied Earnings Yield:** 22.08%

## Risk (index data)

**Fund update risk Indicator:** 5

**12 month volatility<sup>4</sup>:** 10.55%

## Monthly returns standard deviation

|                | +/-1 (68%) | +/-2 (95%) |
|----------------|------------|------------|
| <b>1 year</b>  | 3.31%      | 6.62%      |
| <b>3 years</b> | 3.73%      | 7.46%      |
| <b>5 years</b> | 3.85%      | 7.70%      |

## Range of 12 month index returns

|                | 1 year | 5 years |
|----------------|--------|---------|
| <b>Worst</b>   | 16.72% | -13.71% |
| <b>Median</b>  | 31.11% | 17.46%  |
| <b>Average</b> | 31.40% | 17.90%  |
| <b>Best</b>    | 44.35% | 44.35%  |

## Fund overview

Own your piece of all companies domiciled in the emerging markets within the S&P Emerging BMI (NZD) Index. The Kernel Emerging Markets Fund provides access to companies listed in 23 emerging countries, including China, India, and Taiwan. Companies must be publicly listed in a country that S&P Dow Jones Indices classify as an 'emerging market', have a float-adjusted market capitalization of at least USD 100 million, and specific trading volume requirements to be included in the fund.

## Benefits

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

- Satellite holding to enhance long-term returns
- Low-cost emerging equity markets exposure
- Portfolio Diversification

## Performance<sup>5</sup>

|   | 1 month | 3 months | 1 year  | 3 years p.a | 5 years p.a |
|---|---------|----------|---------|-------------|-------------|
| Index total return                      | -0.60%  | 2.86%*   | 26.66%* | 6.30%*      | 7.45%*      |
| Fund gross return <sup>5</sup>          | 0.07%   |          |         |             |             |
| Gross tracking difference               | +0.67%  |          |         |             |             |
| Performance (after fees at 0% PIR tax)  | 0.02%   |          |         |             |             |
| Performance (after fees at 28% PIR tax) | -0.10%  |          |         |             |             |

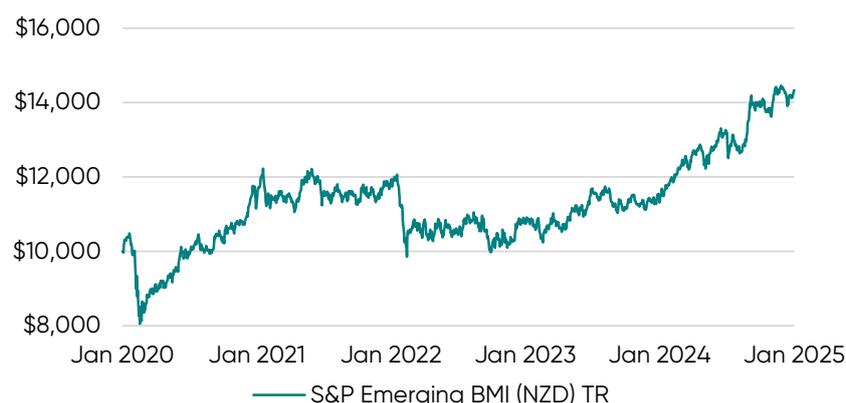
*\*Index returns do not reflect deductions for charges and taxes.*

## Index calendar return

| 2023   | 2022    | 2021  | 2020  | 2019   |
|--------|---------|-------|-------|--------|
| 10.74% | -10.96% | 6.45% | 8.24% | 19.13% |

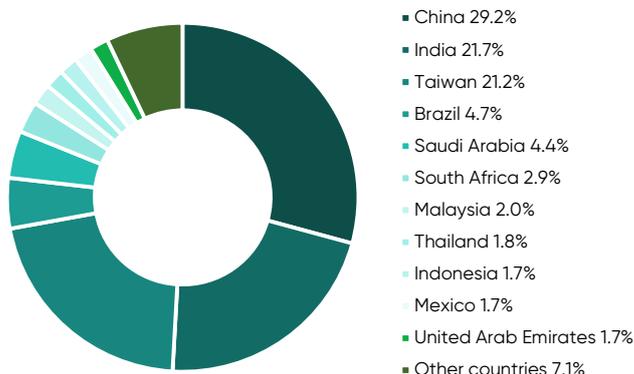
## Index value chart

\$10,000 invested 5 years ago<sup>6</sup>: \$14,323



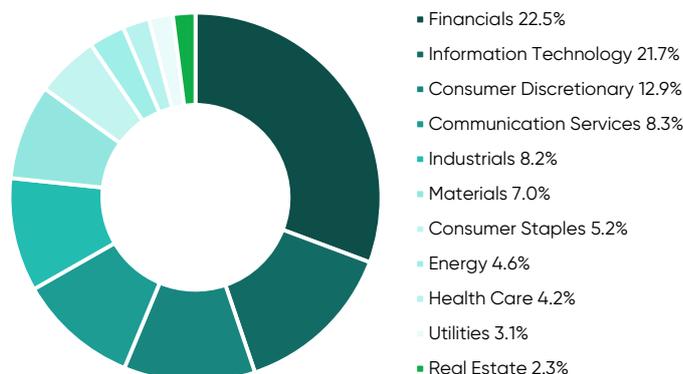
## Where does the fund invest?

This shows the country weight that the fund invests in:



## What does the fund invest in?

This shows the GICS<sup>7</sup> weighting for the fund:



## Asset allocation

| Asset                     | % of fund NAV |
|---------------------------|---------------|
| Cash and cash equivalents | -0.01%        |
| Australasian equities     | 0.00%         |
| International equities    | 100.01%       |

## Top 10 investments

| Company                     | Country | % of fund NAV |
|-----------------------------|---------|---------------|
| Taiwan Semiconductor (TSMC) | Taiwan  | 9.11%         |
| Tencent Holdings            | China   | 3.60%         |
| Alibaba                     | China   | 1.96%         |
| HDFC Bank                   | India   | 1.27%         |
| Reliance Industries         | India   | 1.20%         |
| Meituan                     | China   | 0.99%         |
| ICICI Bank                  | India   | 0.93%         |
| Infosys                     | India   | 0.92%         |
| Xiaomi                      | China   | 0.91%         |
| Mediatek                    | Taiwan  | 0.91%         |

The Top 10 investments make up 21.81% of the fund

## Impact<sup>8</sup>

### Carbon Footprint:

34.62 metric tons per USD1m invested. 197% higher than global benchmark. Operational and first tier supply chain greenhouse gas emissions.

### Carbon Efficiency:

140.79 metrics tons / USD1m revenue. 111% higher than benchmark. The index's absolute owned greenhouse gas emissions divided by the sum of revenues.

### Fossil Fuel Reserves:

335.35 metric tons per USD1m invested. 362% higher than 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.

## Index eligibility criteria

The S&P Emerging BMI captures all companies domiciled in the emerging markets within the S&P Global BMI with a float-adjusted market capitalization of at least USD 100 million meeting 6 and 12-month median value traded requirements.

## 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.

- 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.
- Indicative Dividend is the index calculation of the underlying dividends in the last 12 months divided by the current valuation.
- The offer documents are available at [www.kernelwealth.co.nz](http://www.kernelwealth.co.nz)
- 12 month volatility is the standard deviation of daily returns, annualised by multiplying by square root of number of periods.
- Performance assumes distributions reinvested. Gross tracking difference is before fees, expenses and tax. Rounding may cause a difference of 0.01%.
- Growth of a hypothetical investment in the index (no allowance for fees or taxes) and no further contributions.
- Global Industry Classification Standard (GICS)
- Benchmark is S&P Global BMI. See explanation of Trucost methodology.