Kernel US Bond Fund

For the month ending 31 October 2026

Key information

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

Structure: Portfolio Investment Entity (PIE)
Fund Inception: 11 December 2023
Morningstar AU Fund code: 25868
Morningstar Code: F00001K964
Citi Code: AHWDS
Disclose Register #: FND46941

Total fund value: $42,884,504
Distribution frequency: Quarterly
Indicative net yield[1]: 4.96%
Duration[2]: 5.87
Management fee: 0.30% p.a.

Offer documents[3]

PDS: September 2026
SIPO: September 2026
ESG Policy: September 2026
Fund Update: September 2026

Benchmark fundamentals[4]

Benchmark: Bloomberg US Aggregate Bond Index Hedged NZD
Benchmark yield: 5.23%
Benchmark duration: 5.87

Risk

Fund update risk indicator: 4
12 month volatility[5]: 4.01%

Target investment mix

Asset	Target	Actual
Cash and cash equivalents[6]		0.01%
Global fixed interest[7]	100%	99.99%

Currency hedging

Permitted hedging range: 95%-105%
Actual hedging ratio: 99.63%

Fund overview

The Kernel US Bond Fund provides exposure to the US bond market and is hedged against currency fluctuations. The fund aims to provide a similar return as an index made up of the total U.S. investment-grade bond market including government and corporate bonds hedged into NZD.

Strategy

The Kernel US Bond Fund can be used in a variety of investment strategies:

- As a core component of a portfolio to reduce its risk and volatility
- To gain exposure to the US fixed interest markets with the effects of the NZD currency movements reduced
- Low-cost investment grade bonds exposure

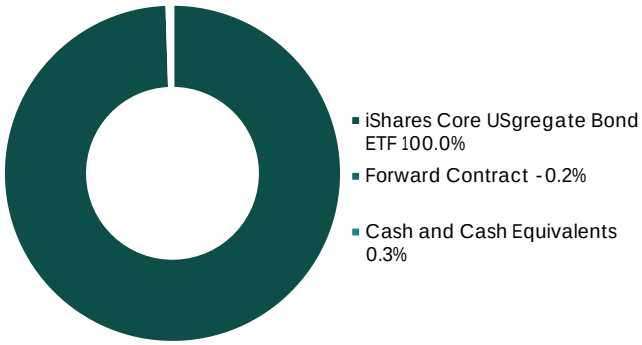
Performance

	1 month	3 months	1 year	5 years p.a.
Performance (after fees before tax)	2.14%	-0.53%	-1.98%	N/A
Benchmark	2.34%	-0.26%	-1.52%	-1.01%

Note that benchmark returns do not reflect deductions for charges and taxes.

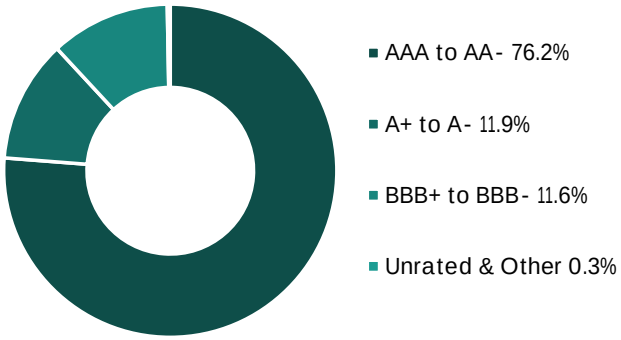
Portfolio composition

This shows the allocation of the portfolio by type of instrument:



Credit rating[8]

This shows the allocation of the fund by issuer credit rating (S&P or equivalent):



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Sector composition[8]

This shows the allocation of the portfolio by sector:

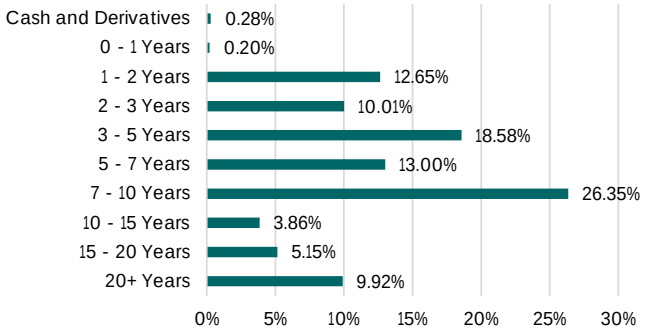
Sector	Weight
Treasury	46.71%
MBS Pass-Through	23.21%
Industrial	14.35%
Financial Institutions	8.00%
Utility	2.50%
CMBS	1.40%
Sovereign	1.09%
Supranational	0.94%
Local Authority	0.59%
Cash and/or Derivatives	0.28%
Agency	0.50%
ABS	0.43%

Largest holdings[8]

Blackrock Cash Cl Inst Slency	2.93%
Treasury Note	0.40%
Treasury Note	0.40%
Treasury Note (old)	0.40%
Treasury Note	0.40%

Maturity breakdown[8]

This shows the allocation of the portfolio by maturity:



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. Indicative bond yield (net of fees, but before PIE tax) of the iShares Core US Aggregate Bond ETF supplied by Bloomberg using the "YAS Bond Yield" Method. This may be higher than the Yield To Worst Method. The NZD yield may be lower after currency hedging.
2. Duration is the weighted average time to maturity of the portfolio.
3. The offer documents are available at www.kernelwealth.co.nz
4. Benchmark yield-to-worst and duration supplied by Bloomberg.
5. 12 month volatility is the standard deviation of daily returns, annualised by multiplying by square root of number of periods.
6. Cash equivalents includes securities with maturities less than 365 days and floating rate notes with interest rate resets at least annually.
7. Global Fixed Interest is defined as foreign currency denominated debt instruments paying a fixed interest rate .
8. Data retrieved from iShares by Blackrock: https://www.ishares.com/us/products/239458/ishares-core-total-us-bond-market-etf