

Global Corporate Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 December 2025



Portfolio Managers



Anthony Ip
Portfolio Manager



Ian Robertson
Co-Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund fell 0.3% in December which was 2 basis points behind the benchmark. Most of the key bond markets to which the Fund is exposed were weaker in December. This weakness was most pronounced in longer-dated bonds (i.e. yield curves generally steepened). The negative impact was cushioned by the combination of (i) retaining a low interest rate exposure, and (ii) outperformance of its corporate bond holdings.

Weaker longer-dated Australian and UK bonds, on higher central bank policy rate expectations and stronger economic data, were the main Fund headwinds. Nevertheless, we retain this as the Fund's largest overweight interest rate exposures, given the attractive yields relative to both cash rates and other alternatives. This should help support medium-term performance.

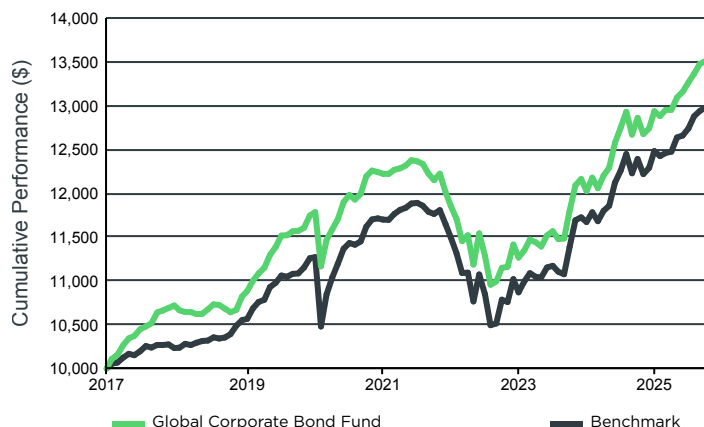
The Fund has an underweight to global corporate credit, stemming from our view that corporate bonds are expensive (i.e. credit spreads or the extra yield of corporate bonds relative to government bonds provide minimal compensation for risk) in most non-Australasian markets. This was a headwind to relative returns during the month as credit spreads tightened. The Fund continued to trim its corporate bond holdings in December to position for the seasonal increase in corporate bond primary market issuance that typically occurs in January and February of the new year. Looking ahead we expect further interest rate volatility in the major interest rate markets that the Fund invests in, but the medium-term return outlook remains positive given historically high corporate bond yields and strong corporate balance sheets. With corporate bond valuations generally on the expensive side, sector and security selection remains crucial to our strategy.

To view Milford's December 2025 Market and Economic Review please see milfordasset.com/insights.

For previous fund reports see milfordasset.com/fund-reports.

Cumulative Fund Performance

(after fees and before tax)



Assumes the growth of \$10,000 invested at the Fund's inception date, and assumes reinvestment of distribution.

Key Fund Facts

Objective¹

To protect capital and generate a positive NZD hedged return that exceeds the relevant benchmark over the minimum recommended investment timeframe.

Description

Primarily invests in global corporate fixed interest securities

Minimum recommended investment timeframe	3 years +
Target Allocation	100% Income Assets / 0% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$494.1 M
Yield²	3.15%
Average Credit Rating	BBB+
Duration	5.7 years
Rating Categories	Inv.Grade 90% / High Yield 7%
Inception Date	1 February 2017
Current Distribution	0.85 cents per unit (Quarterly)
Benchmark	Bloomberg Global Aggregate Corporate Total Return Index (100% NZD-hedged)
Base Fund Fee³	0.85%
Performance Fee	Not applicable
Total Fund Fees⁴	0.85%

	Lower risk		Higher risk				
Risk Indicator	1	2	3	4	5	6	7
	Potentially lower returns			Potentially higher returns			

Global Corporate Bond Fund as at 31 December 2025

Investment Performance after fees as at 31 December 2025⁵

Unit Price: \$1.073

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford Global Corporate Bond Fund (Gross Of Tax)	-0.26%	0.81%	6.29%	6.47%	1.91%	3.40%
After Tax 10.50%	-0.31%	0.68%	5.54%	5.76%	1.70%	3.04%
After Tax 17.50%	-0.34%	0.59%	5.05%	5.29%	1.56%	2.79%
After Tax 28.00%	-0.39%	0.45%	4.31%	4.59%	1.35%	2.43%
Benchmark	-0.24%	0.53%	5.96%	6.36%	2.04%	2.94%

Top Fixed Interest Holdings

Holdings	% of Fund
NatWest 4.758% 2031	4.27%
Goodman 5.125% 2034	3.57%
Bank Of America 5.872% 2034	3.24%
T-Mobile 2.55% 2031	2.92%
UBS 3.162% 2031	2.91%
NatWest 5.026% 2029	2.86%
Mastercard 4.35% 2032	2.52%
Barclays Float 2029	2.51%
BNZ 3.05% 2030	2.47%
Morgan Stanley 5.32% 2035	2.41%
Londonmetric Property	2.36%
McDonald's 3.5% 2032	2.12%
UBS 5.01% 2037	2.12%
Verizon 4.75% 2033	2.12%
CBA 3.788% 2037	2.08%
Bank Of America 5.464% 2036	1.84%
Experian 5.25% 2035	1.83%
APA Infrastructure 5% 2035	1.77%
Dell 4.75% 2032	1.77%
Santos 5.75% 2035	1.76%

Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Current Asset Allocation

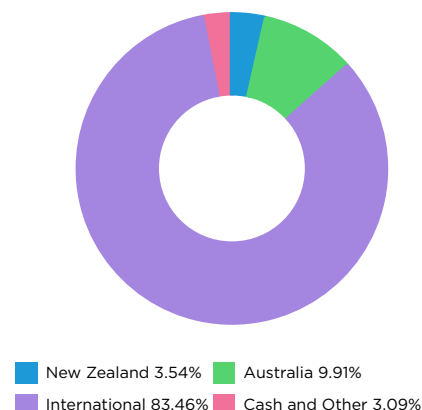
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	3.18%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	96.82%	95.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 0.89%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Sector Allocation

Allocation	Weight %
Financials	41.11%
Communication Services	12.28%
Real Estate	8.70%
Information Technology	6.90%
Energy	5.96%
Consumer Discretionary	5.06%
Health Care	4.62%
Materials	4.39%
Other Sectors	7.88%
Cash and Other	3.10%

Region Exposure



1. After the Base Fund Fee but before tax. 2. The yield to maturity is not an indicator of future return, but reflects the current yield to maturity of the fund's underlying holdings (before tax and after the base fund fee). 3. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 4. The Total Fund Fees comprise the Base Fund Fee and any estimated Performance Fee. Please refer to the Product Disclosure Statement for more information as to how these are calculated. 5. Includes the reinvestment of distributions. Returns prior to 1 March 2018 are from when the Fund was previously offered to wholesale investors only and have been adjusted for the current Total Fund Fees. Please note past performance is not a guarantee of future returns.

Please refer to the 'Glossary for the Monthly Fact Sheet' at milfordasset.com/fact-sheet for more information about the data published within this document.

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