

Global Corporate Bond Fund

Portfolio Investment Entity

Monthly Fact Sheet as at 31 July 2025



Portfolio Managers



Anthony Ip
Portfolio Manager



Ian Robertson
Co-Portfolio Manager



Paul Morris
Co-Portfolio Manager

The Fund returned 0.5% in July, which was 0.3% ahead of the benchmark. Key contributors to this month's relative performance were an overweight to subordinated bonds, and an underweight interest rate exposure. Absolute returns were constrained by the overall move higher in market interest rates.

The Fund maintains a cautious positioning to global corporate bonds, reflecting tight valuations versus government bonds and global macro risks. While this positioning was a drag on relative performance during a month where corporate bond markets were strong, the overweight exposure to subordinated financial and non-financial corporate bonds enabled the Fund to keep up with the broader market.

During the month, we added to the long position in Resolution Life (UK based life insurer with upside to an acquisition by Japanese insurer Nippon Life) and US national champion banks Bank of America and Citigroup (which will benefit from regulatory and cyclical tailwinds). Exposure to Australian dollar corporate bonds was reduced in the latter half of the month following outperformance.

The Fund continues to take a cautious view on interest rate duration particularly in Europe and the US, and this positioning helped to cushion returns during a volatile month for market interest rates. In particular, the underweight to European interest rates supported relative performance, as market interest rates rose in reaction to German fiscal stimulus and a more hawkish stance from the European Central Bank.

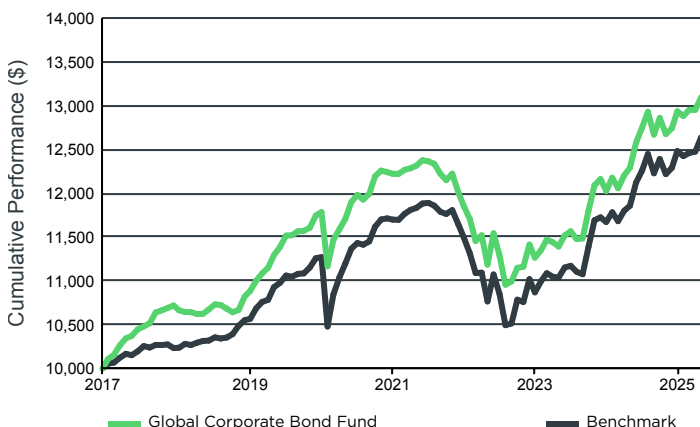
Looking forward, while credit spreads (the additional yield of corporate bonds over government bonds) remain tight, we remain selectively constructive in parts of the corporate bond market where there are positive structural and cyclical tailwinds. Medium-term returns should be supported by attractive all-in yields and strong underlying credit fundamentals.

To view Milford's July 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)	\$459.5 M
Yield ²	3.35%
Average Credit Rating	BBB+
Duration	5.76 years
Rating Categories	Inv.Grade 91% / High Yield 6%
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 Fee ³	0.85%
Performance Fee	Not applicable
Total Fund Fees ⁴	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 July 2025

Investment Performance after fees as at 31 July 2025⁵

Unit Price: \$1.0647

	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)	0.50%	1.59%	4.63%	4.46%	2.03%	3.28%
After Tax 10.50%	0.47%	1.45%	4.19%	4.00%	1.83%	2.94%
After Tax 17.50%	0.45%	1.36%	3.89%	3.70%	1.70%	2.72%
After Tax 28.00%	0.42%	1.21%	3.44%	3.24%	1.50%	2.38%
Benchmark	0.18%	1.59%	4.45%	4.56%	2.18%	2.81%

Top Fixed Interest Holdings

Holdings	% of Fund
Intercontinental Exchange 5.25% 2031	3.84%
T-Mobile 2.55% 2031	3.01%
Broadcom 5.2% 2032	2.69%
Barclays Float 2029	2.58%
Mastercard 4.35% 2032	2.56%
NBS 7.875% Perpetual	2.54%
Aroundtown 4.8% 2029	2.22%
UBS 4.194% 2031	2.19%
Mcdonald's 3.5% 2032	2.15%
Dell 5.3% 2032	2.11%
Goodman US 5.125% 2034	2.05%
Bank Of America 5.872% 2034	1.98%
BHP 5% 2030	1.93%
Bank of America 5.464% 2036	1.91%
Smurfit Kappa Treasury 5.2% 2030	1.89%
Westpac 5.618% 2035	1.88%
Experian Finance 5.25% 2035	1.87%
Westpac Float 2030	1.86%
American Tower 3.8% 2029	1.82%
APA Infrastructure 5% 2035	1.81%

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

Current Asset Allocation

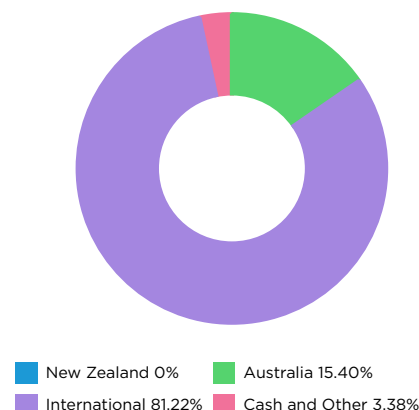
	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	3.38%	5%
New Zealand Fixed Interest	0.00%	0.0%
International Fixed Interest	96.62%	95.0%
New Zealand Equities	0.00%	0.0%
Australian Equities	0.00%	0.0%
International Equities	0.00%	0.0%
Other	0.00%	0.0%

The actual cash held by the Fund is 2.07%. 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	42.03%
Communication Services	11.08%
Materials	7.85%
Information Technology	7.47%
Industrials	6.56%
Real Estate	6.00%
Consumer Discretionary	4.17%
Utilities	3.90%
Other Sectors	7.56%
Cash and Other	3.38%

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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