



Methodology for calculating dollar fees on the Milford KiwiSaver Plan annual member statements

Milford uses the cents per unit methodology to calculate investors' fees in a dollar amount. We believe this is the most accurate method to calculate meaningful dollar fees for our investors in their annual member statement and is the preferred approach based on regulatory guidance. The method involves allocating fees using the investor's balance as at the date that the units of the fund are valued. For Milford Funds, the units are valued daily.

In terms of Milford's management and performance fees, we allocate the actual daily fee accrual used to price the fund.

For Milford Funds which invest in underlying external funds, we calculate a cents per unit for each underlying fund based on their disclosed fees. These cents per unit are applied to the investor's daily unit balance. We may receive information on other costs and any applicable performance fees for the underlying external funds after the daily cents per unit has been applied. We provide estimates of these costs into our cents per units for each external fund and review this quarterly based on updated information.

