

Milford KiwiSaver Plan

KiwiSaver Conservative Fund

Monthly Fact Sheet as at 31 December 2025



Portfolio Managers



Mark Riggall
Portfolio Manager



Paul Morris
Co-Portfolio Manager

In December the Fund returned 0.1%, bringing the one-year return to 5.4%. Markets were relatively calm in December, with muted moves across most asset classes. Share markets were mixed with a softer US market contrasting with stronger markets in Europe/UK.

It was also encouraging to see the Australian share market recovering some of its recent underperformance, helping performance as the Fund has been increasing its allocation to Australian shares into recent weakness. Australian and NZ bond markets were also weaker as investors now no longer expect further interest rate cuts from the central banks. This caused underperformance of NZ/Australian bonds and these now look more attractive versus US equivalents, offering us opportunity to add exposure into this weakness. The Fund has been adding to its already large allocation to local bond markets and the attractive yields on offer should provide a solid boost to returns going forward.

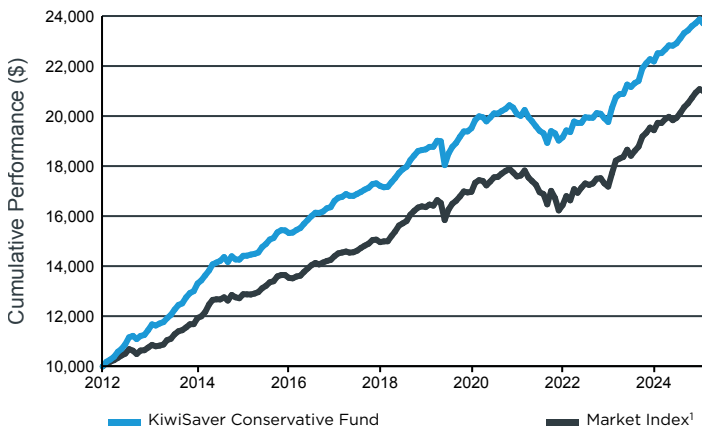
Calm markets in the month were a welcome respite after the volatility seen in 2025. Whilst the economic outlook for 2026 looks encouraging, elevated share valuations mean investors should expect more volatility in the year ahead, although this could be in both directions. The Fund has limited exposure to shares and is also well diversified, being invested in a broader range of sectors and geographies.

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.

Key Fund Facts

Objective²

To provide moderate returns and protect capital over the minimum recommended investment timeframe

Description

Diversified fund that primarily invests in fixed interest securities, with a moderate allocation to equities. While conservative in nature, the Fund may experience short term negative returns, particularly in times of heightened volatility

Minimum recommended investment timeframe	3 years +
Target Allocation	82% Income Assets / 18% Growth Assets
Neutral FX Exposure	0%
Net Asset Value (NAV)	\$411.3 M
Yield³	2.75%
Average Credit Rating	BBB+
Duration	2.28 years
Buy-sell Spread	None - swing pricing applies (See PDS for details)
Inception Date	1 October 2012
Benchmark	Not applicable
Base Fund Fee⁴	0.85%
Performance Fee	Not applicable
Total Fund Fees⁵	0.85%





KiwiSaver Conservative Fund as at 31 December 2025

Investment Performance after fees as at 31 December 2025⁶

Unit Price: \$2.3257

	1 Month	3 Months	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)
Milford KiwiSaver Conservative Fund (Gross Of Tax)	0.12%	0.08%	5.37%	7.01%	3.49%	6.74%
After Tax 10.50%	0.13%	0.10%	5.07%	6.48%	3.26%	6.25%
After Tax 17.50%	0.13%	0.12%	4.86%	6.12%	3.11%	5.93%
After Tax 28.00%	0.13%	0.14%	4.56%	5.59%	2.88%	5.45%
Market Index ¹	0.06%	0.40%	6.54%	8.10%	3.80%	5.76%

Top Equity Holdings

Holdings	% of Fund
NatWest Group	0.67%
SSE	0.65%
National Grid	0.62%
Contact Energy	0.57%
Bank of America	0.55%
Microsoft	0.52%
AENA	0.51%
Amazon	0.47%
Precinct Properties	0.45%
Segro	0.41%

Current Asset Allocation

	Actual Investment Mix	Neutral Investment Mix
Effective Cash #	15.78%	7%
New Zealand Fixed Interest	29.33%	25%
International Fixed Interest	33.36%	50.0%
New Zealand Equities	2.26%	1.5%
Australian Equities	4.13%	2.5%
International Equities	11.39%	9%
Listed Property	3.75%	5%
Other	0.00%	0.0%

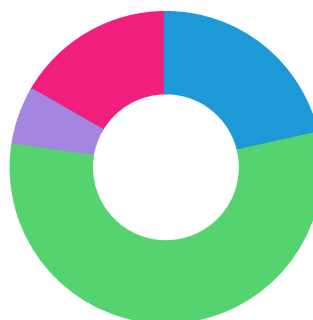
The actual cash held by the Fund is 14.24%. Effective Cash reported above is adjusted to reflect the Fund's notional positions (e.g. derivatives used to increase or reduce market exposure).

Top Fixed Interest Holdings

Holdings	% of Fund
NZ Govt. 4.5% 2035	4.35%
NZLGFA 3.5% 2033	1.92%
NZ Govt. 1.5% 2031	1.66%
NZLGFA 2.25% 2031	1.10%
Housing NZ 3.42% 2028	0.97%
NZLGFA 4.5% 2030	0.97%
NatWest 5.026% 2029	0.93%
NZ Govt. 3.5% 2033	0.92%
Rabobank Float 2028	0.83%
EnBW 5.197% 2031	0.74%

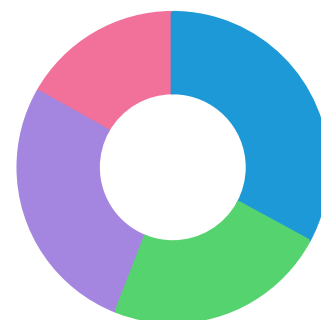
Note: Fixed interest securities are reported in the following format: Issuer name, interest (coupon rate), maturity year.

Fund Portfolio Mix



Shares 21.53%
Investment Grade Bonds 55.70%
High Yield & Unrated Bonds 6.04%
Cash and Other 16.73%

Region Exposure



New Zealand 32.93%
Australia 22.98%
Global 27.20%
Cash and Other 16.89%



PROVIDER OF THE YEAR
KIWISAVER 2020 - 2025



OUTSTANDING VALUE
KIWISAVER SCHEME 2020 - 2025

1. The Fund does not have a performance benchmark, hence a market index has been included for comparison purposes. See the Statement of Investment Policy and Objectives for more details on the market index. The market index is a blend of indices that represent the Fund's neutral asset allocation. Note the Fund's investment strategy is designed to achieve its objective, which may mean that at times, the returns of the market index may not be an appropriate measure. 2. After the Base Fund Fee but before tax. 3. 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). 4. Where applicable, the Base Fund Fee includes an estimate of non-related underlying fund charges. 5. 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. 6. 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-ks for more information about the data published within this document.

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