

Milford Investment Funds

Other Material Information

Milford Funds Limited - 16 June 2026

milfordasset.com



MILFORD

INVESTED IN YOU

General Information

01.

In this Document

This document contains information about who is involved in delivering, overseeing and managing the Milford Investment Funds ('Funds'), a general overview of the types of risks associated with investing in the Funds and how they affect your investment and other Important Information.

It should be read in conjunction with the Product Disclosure Statement ('PDS').

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Who is the Manager?

02.

Milford Funds Limited ('Milford', 'we', 'us' or 'our') is the manager of the Funds.

Milford has been granted a Managed Investment Scheme ('MIS') licence under the Financial Markets Conduct Act 2013 ('FMCA') by the Financial Markets Authority ('FMA').

Parent Company of the Manager

03.

Milford is a wholly-owned subsidiary of Milford Asset Management Limited ('Milford Asset Management') which is a well-established, award-winning investment management company.

Milford Funds Limited

04.

Milford was registered in 2007 to enable investors to invest with us and gain the advantage of the investment expertise and experience of the Milford Asset Management team. Milford Asset Management is managed by an experienced team of investment professionals with significant investment industry experience and expertise. Milford offers the Milford KiwiSaver Plan alongside the Funds.

Our Directors

The names of our directors can be obtained from the Companies Office website at www.companies-register.companiesoffice.govt.nz. Milford's directors may change from time to time.

Responsibilities of the Manager

We are responsible for:

- a. offering the managed investment products;
- b. issuing the managed investment products;
- c. managing the Funds' investments; and
- d. administering the Funds.

We may authorise any person or persons to act as our delegate (in the case of a joint appointment, jointly and severally) to perform any act, or exercise any discretion within our power, including appointing investment managers, administration managers and experts.

Milford Funds Limited

When we exercise our powers and duties as manager, we must:

- act honestly in acting as manager;
- in exercising any powers or performing any duties as manager:
 - act in the best interests of investors; and
 - treat the investors equitably;
- exercise the care, diligence and skill that a prudent person engaged in the profession or business of acting as manager would exercise in the same circumstances;
- carry out our functions in accordance with the trust deed for the Funds ('Trust Deed'), the Statement of Investment Policies and Objectives ('SIPO') and all our other obligations; and
- not make use of information acquired through being the manager in order to:
 - gain an improper advantage for ourselves or any other person; or
 - cause detriment to the investors.

Supervisor

05.

The Supervisor of the Funds is Trustees Executors Limited ('Supervisor').

The address of the Supervisor is:
Level 11, 51 Shortland Street
Auckland 1010

The names of the Supervisor's directors may be obtained from the Companies Office website www.companies-register.companiesoffice.govt.nz or by phoning the Supervisor on 0800 878 783. The directors of the Supervisor may change from time to time.

The Supervisor has been granted a full licence under the Financial Markets Supervisors Act 2011 to act as a Supervisor of a managed investment scheme. The Supervisor's licence was renewed for five years with an effective date of 17 January 2023 and is subject to reporting conditions. The licence expires on 16 January 2028.

Further information on the Supervisor's licence is publicly available on the FMA website (www.fma.govt.nz) and also on the Registrar of Financial Service Providers Register website (www.companiesoffice.govt.nz/fsp).

Responsibilities of the Supervisor

The Supervisor is responsible for the following functions:

- acting on behalf of the investors in relation to the manager, any matter connected to the Trust Deed or the terms of the offer of the Funds, and any contravention or alleged contravention:
 - by the manager of its issuer obligations; or
 - by any other person of the FMCA in connection with the Funds;
- supervising the performance of the manager of its functions and its issuer obligations;
- supervising the financial position of the manager and the Funds to ascertain they are adequate;

- acting on behalf of investors in relation to the scheme and the manager;
- reporting to FMA any contravention, or likely contravention, of a manager or issuer obligation;
- holding the Funds' property, or ensuring that it is held, in accordance with the FMCA; and
- performing or exercising any other functions, powers, and duties conferred or imposed on the Supervisor by or under the FMCA, the Financial Markets Supervisor Act 2011, and the Trust Deed.

The Supervisor must:

- act honestly in acting as a supervisor;
- in exercising any powers or performing any duties as supervisor, act in the best interests of investors;
- exercise reasonable diligence in carrying out its functions as a supervisor;
- do all the things it has the power to do to cause any contravention referred to in section 152(1)(a) of the FMCA to be remedied (unless it is satisfied that the contravention will not have a material adverse effect on investors);
- act in accordance with any direction given by a special resolution of investors that is not inconsistent with any enactment, rule of law, or the Trust Deed in relation to:
 - seeking a remedy to a contravention referred to in section 152(1)(a) of the FMCA; and
 - any other matter connected with the supervisor's functions; and
- exercise the care, diligence, and skill that a prudent person engaged in the business of acting as a licensed supervisor would exercise in the same circumstances.

The Supervisor is not liable for anything done, or omitted to be done, in good faith in giving effect to a direction of investors.

As the Funds are established under a trust deed, the Supervisor is the trustee of the Funds and has the same duties and liability in the performance of its functions as supervisor as it would if it performed those functions as a trustee (except to the extent that those duties are altered by or are inconsistent with the FMCA).

The Supervisor may also appoint agents and may appoint a nominated person to act as custodian for the Funds.

The Supervisor has appointed HSBC Bank Australia Limited ('HSBC') to hold the Funds' assets as custodian.

For more information on the roles and responsibilities, powers and termination of the Supervisor, please see the Trust Deed which can be found at www.disclose-register.companiesoffice.govt.nz or by phoning us on 0800 662 345.

Custodian

HSBC Bank Australia Limited ABN 48 006 434 162 ('HSBC') is the custodian of the assets of the Funds. The Custodian's role is limited to holding the assets of the Funds as custodian nominated by the Supervisor. The Custodian has no supervisory role in relation to the operation of the Funds and is not responsible for protecting your interests. The Custodian has no liability or responsibility to you for any act done or omission made in accordance with the terms of the custody agreement between HSBC and the Supervisor.

The Custodian will hold the investments of the Funds as bare trustee and such investments are not investments of HSBC or any other member of the HSBC group of companies ('HSBC Group').

Supervisor

Neither HSBC, nor any other member of the HSBC Group, guarantees the performance of the investments or the underlying assets of the Funds, or provides a guarantee or assurance in respect of the obligations of us, the Supervisor or our related entities.

Administration Manager

06.

Apex Investment Administration (NZ) Limited is the administration manager ('Administration Manager') for the Funds.

Apex Investment Administration (NZ) Limited performs unit pricing, fund accounting and registry functions for the Funds.

Related Party Interests

The Supervisor, Custodian and Administration Manager are independent of us, but they are not required to be independent of each other.

We have not appointed an investment manager. As manager, we have responsibility for the investment of the Funds.

Our directors, the directors and employees of Milford Asset Management, and or Milford Australia Pty Ltd, the Administration Manager, the Custodian, our Professional Advisers and the Supervisor may from time to time hold units in the Funds.

To support the performance of our functions as manager, we have service arrangements in place with other entities with the Milford Group, whereby those entities provide resources (including human resources, administration, operational, investment, compliance, financial, management and other functions), services and support to Milford, in exchange for fees payable by Milford.

Auditors and Solicitors

07.

The auditor of the Funds is PricewaterhouseCoopers ('PwC'). PwC has obtained registration and its audit partners have obtained full licences under the Auditor Regulation Act 2011.

PwC also carries out tax compliance services for the Funds. The provision of these services does not impair its independence from the Funds.

MinterEllisonRuddWatts are Milford's solicitors. DLA Piper are the solicitors for the Supervisor.

Indemnities and Related Matters

Subject to the limits on permitted indemnities under the FMCA, we and the Supervisor, and each of our directors, officers and employees, are entitled to a general right of indemnity from the Funds. This does not indemnify us or the Supervisor against any liability to the extent that doing so would be void under any relevant regulatory and legislative obligations.

Subject to the FMCA, we may indemnify out of the assets of the Funds any investment manager, administration manager, or custodian that we or the Supervisor (as appropriate) appoint in accordance with the Trust Deed.

Fund Description

The Funds are registered on the register of managed investment schemes under the FMCA as a managed investment scheme. This means the operation of the Funds is governed by the FMCA.

The FMCA may be amended from time to time and any such amendment may impact the Funds. Each person who becomes an investor in a Fund will be bound by the terms of the Fund.

Material contracts

08.

Trust Deed

The Trust Deed is dated 28 January 2021 (as amended and restated) and includes the Conditions of Establishment for each of the Funds. Certain key terms of the Trust Deed are summarised below. The information provided is intended to be a general summary only. If more detailed information is required, investors and potential investors can find a copy of the Trust Deed on the scheme register by visiting www.disclose-register.companiesoffice.govt.nz or by phoning us on 0800 662 345.

Appointment and Removal of Us

The Funds must have a manager who is licensed under the FMCA to act as a manager of managed investment schemes and who is not a related party of the Supervisor.

We can retire as manager of the Funds by giving at least 90 days' written notice to the Supervisor.

We can be removed as the manager of the Funds by:

- the Supervisor if they deem it in the best interests of investors; or
- a special resolution of investors; or
- the High Court in accordance with provisions in the FMCA.

In the case of any of these instances, we must procure a new manager to be appointed who must meet the eligibility requirements in the FMCA and be approved by the Supervisor. Once a new manager has been appointed, we must hand over records and give reasonable assistance to the new manager in accordance with the requirements of the FMCA.

Appointment and Removal of the Supervisor

The Funds are required to have an independent licensed Supervisor.

The Supervisor can retire as supervisor of the Funds, with the FMA's prior consent, by giving us at least 90 days' written notice.

Material contracts

The Supervisor can be removed from its position:

- by the FMA if the FMA is satisfied the Supervisor no longer meets the requirements of the FMCA;
- by the FMA, or us, under Part 2 of the Financial Markets Supervisors Act 2011;
- if the Funds' investors approve a special resolution.

Generally, no removal or retirement of the Supervisor will take effect until a new supervisor has been appointed by us.

Amendments to the Trust Deed

The Trust Deed can be altered by us and the Supervisor. Amendments to the Trust Deed must comply with the FMCA.

Alteration of Fees

The Trust Deed allows us to increase the fees we charge by giving the Supervisor and investors 30 days' notice of the change.

Outsourcing Agreements

We have an outsourcing agreement with Apex Investment Administration (NZ) Limited. We have appointed Apex Investment Administration (NZ) Limited to undertake unit pricing, fund accounting and registry functions for the Funds.

HSBC Bank Australia Limited ('HSBC') has been appointed as custodian for the Funds.

The contracts in place with the key providers stipulate the services to be provided, the fees and the contract duration.

Milford Group Services Arrangements

We have service arrangements in place with other members of the Milford Group. Under those arrangements, other Milford Group entities provide agreed administration, resources (including human resources, investment, operational, compliance, financial, management and other functions), services and support for the Funds to Milford.

This ensures that we are able to perform those functions to the standards required by law.

Risks and your Investment

09.

There are risks associated with investing

The underlying assets of a Fund may rise or fall in value and returns may be negative from time to time. Returns are not guaranteed and you may get more or less than the amounts you have contributed when you withdraw from the Fund. The following sections supplement section 4 of the PDS – "What are the risks of investing?"

In the PDS, we set out what we believe are the more significant investment risks that apply to investing in a Fund. These investment risks are those risks that

may cause a Fund's value to move up or down, and which may affect the Fund's risk indicator. In this document under "General Investment Risks" we cover those more significant investment risks, as well as examples of other general investment risks, that we believe apply to the Funds.

In addition, under "Other General Risks" this document sets out examples of other general risks that are not covered in the PDS. This document does not cover all risks, but it does cover the risks we believe to be the most important.

10.

General Investment Risks

The main risks that you face are that you may not receive the returns you expect, that the capital value of your investments may end up less than you originally invested, or that you may be unable to get your money back when you need it.

Returns and risks vary, depending on the types of assets a Fund invests in.

Generally, the level of risk is related to the potential return from the investment. Income assets such as cash and fixed interest typically provide more consistent yet lower returns. Growth assets such as equity and property have the potential for higher returns however they can fluctuate significantly in value and have a greater possibility of a negative return.

Milford is an active manager and for certain of its Funds it aims to achieve a return that is higher than a designated investment performance benchmark. In addition, for each Milford Fund, performance is also monitored and assessed against a market index that is disclosed for the purposes of the Financial Markets Conduct Regulations 2014. You can find more information about the relevant market index for each Fund in the SIPO located at our website (milfordasset.com/forms-documents) and lodged on the schemes register of Disclose (<https://disclose-register.companiesoffice.govt.nz>).

General Investment Risks

Before investing, you should carefully consider the following risk factors which will affect returns positively or negatively and which may affect your ability to recover money invested in the Funds. As set out in the PDS, there are different types of risks that contribute to investment risk. We believe the investment risks that apply to the Funds are described below.

Risk	Description of the Risk
Investment return risk	Past performance is not a guarantee of future performance. As Milford is an active manager, there is a risk that a Fund may underperform compared with its investment objective or with the market.
Market risk	Returns of a Fund will be affected by the performance of the investments chosen for that Fund which may in turn, be affected by the performance of the investment markets generally. This risk, related to market performance, includes demand and supply in the market and economic and regulatory conditions, including market sentiment, inflation, interest rates, employment, political events, environmental (including climate change) and technological issues and consumer demands.
Interest rate risk	This refers to the risk that the market value of the investments of a Fund can change due to changes in interest rates. The market value of fixed interest securities can fluctuate significantly with relatively small changes in interest rates.
Credit risk	The value of debt securities may be impacted by the issuer's ability to pay interest and principal owed as they become due. If there is a negative perception of the issuer's ability to meet its payment obligations, the value of the debt security may decrease.
Liquidity risk	Some investments including investments in other Milford Funds may not be easily converted into cash with little or no loss of capital and minimum delay, because of insufficient availability of buyers, suspension of trading on request from the market regulator or the entity involved, fund outflows, or disruptions in the market place. This risk is more likely to occur at times of market stress. Securities of small entities in particular may become less liquid. This means you may not be able to withdraw some or all of your money when you want to, or you may receive a lesser amount than expected. Milford may also hold unlisted securities that are less liquid than listed securities. In a similar way, and as noted below, Milford invests in financial derivatives that may contribute to liquidity risk. This form of investment is however generally not undertaken to add leverage to the Funds.
Currency risk	Where underlying investments are invested in jurisdictions outside of New Zealand, the returns may be affected by movements between the other currencies and the New Zealand dollar.

Risk	Description of the Risk
Equity risk	A Fund's investment in an entity (whether directly or indirectly) may be affected by unexpected changes in that entity's operations or business environment, including the risk that the entity may become insolvent. If this occurs, the Fund may receive a smaller or no return from, or it may lose, its investment in the entity.
Counterparty risk	A counterparty to a contract may fail to meet their obligations under it, causing loss to a Fund. This potentially arises with various investments including derivatives and fixed interest.
Country concentration risk	Funds which concentrate investment in a single country or relatively few countries will have greater exposure to market, political, legal, economic and social risks of that country or countries than a Fund which diversifies country risk across a number of countries. There is a risk that a particular country may impose foreign exchange and/or conversion controls or regulate in such a way as to disrupt the way the markets in that country operate.
Derivative risk	Because we may use derivative instruments such as futures and options, the investment movements may be more volatile than if a Fund is invested solely in equities or bonds. This means that our use of derivatives can lead to higher gains or losses than a portfolio that does not use derivatives.
Small and medium sized entities risk	There are risks associated with investing in small and medium sized entities as the prices of securities associated with such entities are usually more volatile (compared to those of larger entities), and the securities are generally less liquid.

Other General Risks

The value of your investment and your ability to withdraw funds may be affected by some or all of the following risks. The below table sets out the other general risks which we believe may affect the Funds along with our approach to seek to reduce the risk.

Risk	Description of the Risk	How we seek to mitigate the risk
Service provider risk	You could be adversely affected if any of the various parties involved in the operation of a Fund, including us, or underlying administration managers and underlying investment managers, fail to perform their obligations. This could impact your returns or the ability to withdraw your funds.	Milford actively monitors and reviews the performance of all key service providers in performing their agreed contractual arrangements.
Operational risk	This is the risk of disruption or failure related to our business operations, processes and systems or technological or process failure or impacts from the wider financial market in general. This could impact your returns or the ability to withdraw your funds.	We actively monitor our operational risks and processes and have a risk management framework incorporating risk management, disaster recovery and business continuity policies in order to minimise business disruption from failures or unforeseen events.
Cybersecurity risk	This is the risk of disruption or unauthorised access to our critical systems and sensitive company and client information that could expose your account or personal information to unauthorised access and use.	To reduce this risk, we maintain a cybersecurity policy and framework incorporating regular training and testing with a documented response procedure and recovery plan.
PIE status risk	If a Fund loses its status as a PIE, then the Fund will be taxed as a company rather than under the PIE regime and the tax treatment of investors will differ accordingly. This could reduce the after-tax returns to investors.	To reduce this risk, PIE tax eligibility rules are monitored within the business and incorporated within our compliance plan.
Regulatory and tax risk	Fund performance may be affected by regulatory changes and changes to tax legislation in New Zealand or other global jurisdictions, which could have an impact on the value of your investment.	To reduce these risks, our investment process takes into account the tax and regulatory implications of our investment decisions.

Risk	Description of the Risk	How we seek to mitigate the risk
Borrowing risk	Most Funds have the ability to borrow. Such borrowing may increase the volatility of the return that can be expected from that Fund.	There is a maximum permissible limit a Fund can borrow up to in relation to the Fund's net asset value. Details of this are recorded in the SIPO, which can be found at: www.milfordasset.com/forms-documents or at www.disclose-register.companiesoffice.govt.nz . Borrowing will typically be used to cover a funding shortfall rather than to leverage the Fund
Valuation risk	A Fund may invest in unquoted and/or illiquid investments which have a risk of mispricing. In such situations an objective, verifiable source of market value may not be available. This could impact your returns on withdrawal.	Milford has a valuation policy. Any exceptions are reviewed by our Pricing Committee and external verification sought as appropriate and are reported to the Milford Asset Management Board Investment Committee.
Fund liquidity and repayment risk	This is the risk that a Fund cannot make withdrawal payments on time. This is due to a mismatch between the maturity profile of the investments and the amounts required to meet repayments. We have the right to defer repayments, switches and transfers if we believe the realisation of assets to meet the repayment is not practicable, would be materially prejudicial to all investors, or is not desirable for the protection of the relevant Fund.	Milford aims to have the Funds primarily invest in liquid assets and markets with appropriate diversification. We also monitor the liquidity profile of each Fund and the historic withdrawal profile.
Insolvency risk	This is the risk that a Fund becomes insolvent and is placed in receivership, liquidation or statutory management, making it unable to meet its financial obligations. If a Fund becomes insolvent, you may not recover the full amount of your investment in the Fund	Milford seeks to have the Funds primarily invest in liquid assets.

The above risks are not exhaustive. Because of the risks set out in this document, it is foreseeable that you may receive back less than you invest into a Fund.

Policies

Conflicts of Interest

This section sets out information about conflicts of interest that could reasonably be expected to materially influence our investment decisions in our role as Manager of the Funds.

Background

Milford is a wholly owned subsidiary of Milford Asset Management.

Directors of Milford may also be directors of Milford Asset Management. All staff involved with the Funds are employed and remunerated by Milford Asset Management or its wholly-owned subsidiary, Milford Australia Pty Ltd. These relationships have the potential to create an inherent conflict of interest.

Milford Asset Management and its subsidiaries ('Milford Group') companies provide the people and the infrastructure to Milford in order for Milford to carry out the investment management on its own accord, as manager of the Funds.

Funds affected

All Funds are affected by this potential conflict of interest.

How conflicts may or could materially influence our investment decisions

Milford, as manager of the Funds, has an incentive to invest into other Milford funds ahead of funds managed by external fund managers or investment managers. When a Fund is invested in other Milford funds, the relevant Fund will be fully rebated for any management fees charged by that other Milford fund (to ensure there is no 'double-dipping' of management fees by us).

However, those rebates do not extend to any performance fees charged (if any) by that other Milford fund.

Management of conflicts of interest

The FMCA imposes the following statutory controls on conflicts of interest:

1. A transaction that provides for a related party benefit to be given may only be entered into by Milford if the transaction(s) is notified to the Supervisor and:
 - a. we certify the benefit is 'permitted' on the basis that the benefit is:
 - i. on arm's length terms;
 - ii. on terms that were less favourable terms to the related party; or
 - iii. another type of benefit permitted under the FMCA and the Financial Markets Conduct Regulations 2014; or
 - b. we obtain the Supervisor's consent to the transaction(s).
2. As Manager of the Funds, we are subject to various statutory duties in the performance of our duties as manager, including the requirement to act honestly and in the best interests of investors.
3. Where we contract out functions to other parties, our liability for the performance of those functions is not affected and we must take reasonable steps to ensure the persons to whom we contract those functions perform them in the same manner and are subject to the same duties and restrictions as if we were performing them directly. These include the statutory duties referred to above. We must also monitor the performance of the parties that carry out contracted functions.
4. We, as Manager of the Funds, must comply with a professional standard of care and must exercise the care, diligence and skill that a prudent person engaged in the profession would exercise in the same circumstance. The same professional standard also applies to all our Funds' external fund managers.
5. Milford Group have established an Employee Trading Restrictions Policy. To avoid any personal conflict, other than in very limited circumstances, employees can only invest in Milford Group products and employees are not permitted, under any circumstances, to take an investment opportunity away from investors.

Code of Conduct and Directors' Code of Ethics

Milford Group has a Code of Conduct that all staff are expected to follow. This includes a requirement to avoid conflicts of interest and disclose and discuss with management where any actual or potential conflicts may arise or have arisen.

Milford Asset Management has a Directors' Code of Ethics that sets out the expectations on the directors of Milford Asset Management group entities, including directors' requirements to avoid actual or potential conflicts of interest and how they should deal with them.

Conflicts of Interest and Gifts policy

Milford Group's conflicts of interest and gifts policy sets out what a conflict of interest is, how to identify a conflict and how to avoid or manage it. It also details the Milford Group's gifts and hospitality policy.

The Milford Group's approach to conflicts of interests is to consider each potential conflict (including gifts) on its own merits and then to:

- recognise the conflict;
- discuss with management;
- assess the impact of the potential conflict;
- avoid (if possible) or manage the conflict; and
- disclose the conflict.

Any conflict of interest or gift is also recorded in a central database and reviewed on a regular basis.

We have in place a process with the Supervisor for identifying, notifying and certifying or obtaining consent for related party transactions as required by the FMCA.

Unit Pricing and Valuation Policy

Key Procedures and Requirements

Milford's key principle is that unit prices and asset valuations are calculated by an independent external party with agreed appropriate methodologies and controls in place.

Accordingly, Milford has reviewed and adopted the following Policies of Apex Investment Administration (NZ) Limited (Apex) our specialist outsource provider.

Apex's policies and approaches are set out in the following policy documents:

- Apex Unit Pricing Policy and Framework
- Apex Asset and Liability Policy
- Apex Unit Pricing taxation policy

As outlined, in their policy documents, Apex maintains a robust and comprehensive pricing methodology that delivers updated unit prices for the close of business each day.

Where assets are unlisted or viewed as illiquid, their valuation will be agreed by Milford's Pricing Committee. The committee meets monthly, or on an ad-hoc basis as required. The committee has a charter in place which contains a comprehensive description of its objectives and operating procedures.

Monitoring – Pricing and Valuation

Adherence to this policy is maintained through the activities of the Pricing Committee. Minutes of the Pricing Committee are reviewed by the Board Investment Committee. Milford performs an annual review of Apex's pricing and valuation policies alongside a review that the pricing and valuation policy is functioning as intended. The Operations Team performs a daily Net Asset Value reconciliation between Charles River (Milford trading records) and Apex.

Policies

Trade Execution and Trade Allocation Policy

Purpose

To ensure that all trading activity and allocation is conducted equitably and in the best interests of our investors. Milford's Central Dealing Desk optimises execution of trades for Milford funds in the markets in which we operate and supports compliant trading practices through a central point of control.

Key Procedures and Requirements

- All equity trades are conducted through the Central Dealing Desk and not the Portfolio Managers
- Orders originate with Portfolio Managers and are transacted by the Central Dealing Desk
- There are documented procedures for market activity and regular reporting and monitoring of trading activity
- All deals will be placed with approved brokers / intermediaries
- All deals are recorded in the Charles River Investment Management System ('CRIMS')
- The Central Dealing Desk negotiates all transfers of positions between funds.

Trading approach

As a New Zealand licensed investment manager we operate in accordance with the requirements of the FMCA and Regulations and fall under the rules and regulations of the FMA. This guides our trading principles but as investors in global markets we also seek to abide by local regulations in dealing in those overseas markets.

The Central Dealing Desk trading principles have been formulated with the market conduct regulations of the FMCA and the NZX trading obligations and considerations in mind.

Soft Dollar Arrangements

We have a Soft Dollar Policy that sets out Milford Group's approach to soft dollar arrangements with certain brokers in order to extract better value from the brokerage Funds currently pay on share trades. Soft dollars are earned by the Funds trading Australian and Global shares and are used

to purchase research that directly assists our investment decision-making process. Soft dollars cannot be used for management or corporate-related expenses or for research which will solely benefit a Fund that did not generate the soft dollars.

Sustainable Investment Policy

As a signatory to the United Nations Principles for Responsible Investment (UNPRI), Milford commits to integrating environmental, social and governance (ESG) factors into our investment decision making process. Milford demonstrates responsible stewardship by exercising its proxy voting rights wherever possible and engaging with companies on their sustainability-related performance where appropriate.

You can obtain more information on Milford's approach to sustainable investing and associated governance arrangements at www.milfordasset.com/about-us/sustainable-investing.

Notes



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