

# Harbour NZ Core Fixed Interest Fund

## Fund Update

for the quarter ended 30 June 2026

Harbour Investment Funds

This fund update was first made publicly available on 29 July 2026

### What is the purpose of this update?

This document tells you how the Harbour NZ Core Fixed Interest Fund has performed and what fees were charged. The document will help you compare the Fund with other funds. Harbour Asset Management Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

### Description of this fund

The Harbour NZ Core Fixed Interest Fund is an actively traded investment grade portfolio that holds New Zealand Government and corporate bonds. Additional diversification may be gained through holdings of liquid Australian investment grade corporate bonds. The Fund also uses hedging instruments to efficiently manage interest rate and credit risks in the portfolio and has the ability to make allocations in the US and Australian rate markets when there are pricing discrepancies relative to New Zealand. Foreign currency exposures are hedged back to NZD.

**Investment Objective:** The investment objective of the Fund is to outperform the benchmark by 1% per annum over a rolling 3-year period.

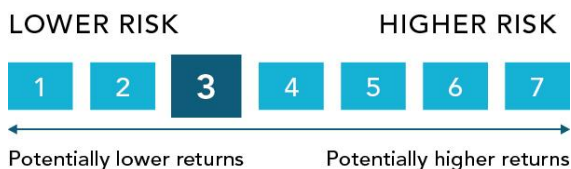
**Benchmark:** Bloomberg NZ Bond Composite 0+Yr Index

**Total value of the Fund (NZD)** \$ 278,997,601

**The date the Fund started** 24 May 2011

### What are the risks of investing?

#### Risk indicator for the Harbour NZ Core Fixed Interest Fund



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the Fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way. To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at [www.sorted.org.nz](http://www.sorted.org.nz).

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for the 5 years to 30 June 2026. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

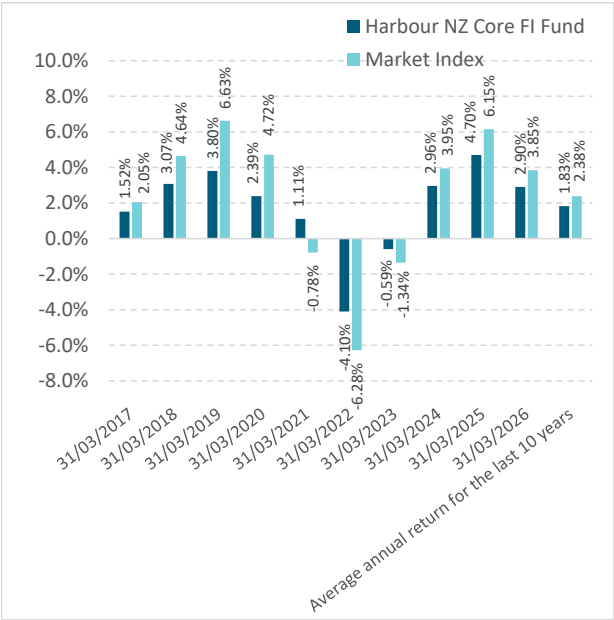
See the Product Disclosure Statement (PDS) for more information about the risks associated with investing in this Fund.

How has the Fund performed?

|                                                                                              | Average over past 5 years | Past Year |
|----------------------------------------------------------------------------------------------|---------------------------|-----------|
| <b>Annual Return<sup>1</sup></b><br>(after deductions for charges and tax)                   | 1.50%                     | 3.84%     |
| <b>Annual Return<sup>1</sup></b><br>(after deductions for charges but before tax)            | 2.07%                     | 5.36%     |
| <b>Market index annual return<sup>1</sup></b><br>(reflects no deduction for charges and tax) | 1.71%                     | 5.24%     |

The market index annual return is based on the weighted average return of the market indices used to measure performance of the underlying fund. In this case the Market Index is a combination of Bloomberg NZ Bond Composite 0+Yr Index (current Index) and 50:50 weighted average of the S&P/NZX Government Bond Index and S&P/NZX A Grade Corporate Bond Total Return Index (prior index). Additional information about the market index is available on the offer register at <https://disclose-register.companiesoffice.govt.nz/>.

Annual Return Graph<sup>2</sup>



This graph shows the return after Fund charges and tax for each year ending 31 March for the last 10 years. The last bar shows the annualised annual return for the last 10 years, up to 30 June 2026. The Market Index returns do not include any tax, expenses or charges.

**Important:** This does not tell you how the Fund will perform in the future. Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the Fund are charged fund charges. In the year to 30 June 2025 these were as follows:

|                                                          | % of net asset value |
|----------------------------------------------------------|----------------------|
| <b>Total fund charges (Inc. GST)</b>                     | <b>0.66%</b>         |
| Which are made up of:                                    |                      |
| <b>Total management and administration</b>               | <b>0.66%</b>         |
| Including-                                               |                      |
| Manager's basic fee                                      | 0.57%                |
| Other management and administration charges <sup>3</sup> | 0.09%                |
| <b>Total Performance-based fees</b>                      | <b>0.00%</b>         |

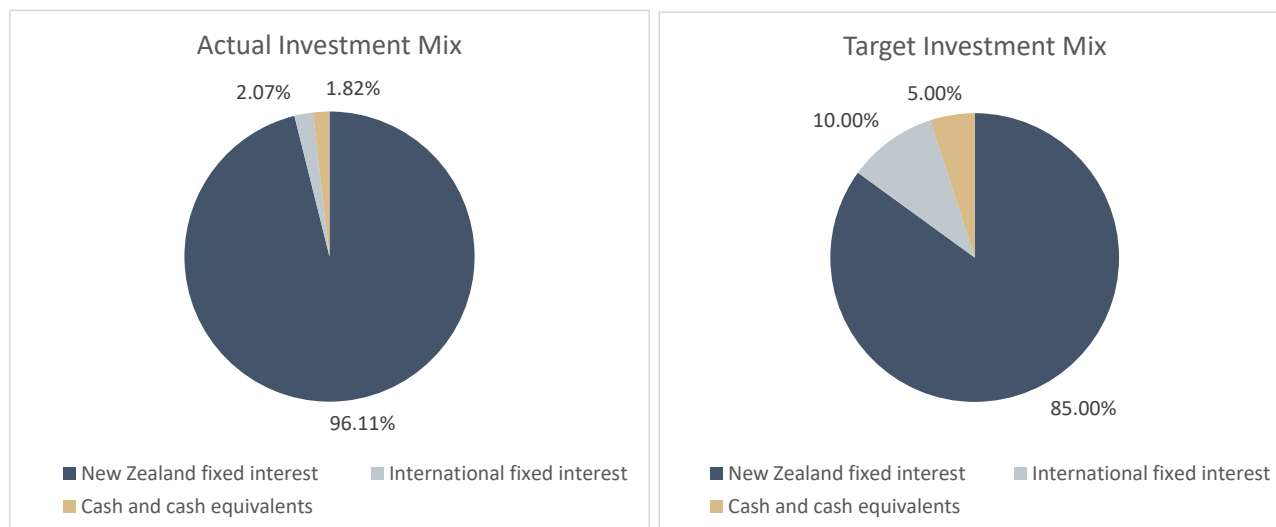
Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS and Other Material Information Document (OMI )for more information about fees.

Example of how this applies to an investor

Small differences in fees and charges can have a big impact on your investment over the long term. Jenny had \$10,000 in the Harbour NZ Core Fixed Interest Fund at the start of the year and did not make any further contributions. At the end of the year, Jenny received a return, after fund charges were deducted, of \$536 (that is 5.36% of her initial \$10,000). This gives Jenny a total return after tax of \$384 for the year.

## What does the Fund invest in?

This shows the types of assets that the fund invests in.



Actual asset allocation to 30 June 2026. Actual asset allocation will vary from the target asset allocation as market conditions change and if we pursue tactical investment opportunities.

## Top 10 investments

| Name                                    | % of Fund net assets | Type                       | Country | Credit Rating |
|-----------------------------------------|----------------------|----------------------------|---------|---------------|
| NZ Government Stock 15/05/2028 0.25%    | 12.52%               | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 20/04/2029 3.00%    | 10.45%               | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 15/05/2031 1.50%    | 8.53%                | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 14/04/2033 3.50%    | 6.36%                | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 15/05/2034 4.25%    | 6.23%                | New Zealand fixed interest | NZ      | AAA           |
| NZGS Index Linked Bond 3.00% 20/09/2030 | 4.49%                | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 15/05/2032 2.00%    | 4.07%                | New Zealand fixed interest | NZ      | AAA           |
| Government Index Link Bd 20/09/35 2.50% | 2.67%                | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 15/04/2037 2.75%    | 2.35%                | New Zealand fixed interest | NZ      | AAA           |
| NZ Government Stock 15/05/2054 5.00%    | 2.25%                | New Zealand fixed interest | NZ      | AAA           |

The top 10 investments make up **59.92%** of the net asset value of the Fund.

## Key Personnel

| Name                                                                                               | Current Position                         | Time in current position | Previous position                                         | Time in previous position |
|----------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------|-----------------------------------------------------------|---------------------------|
| Mark Brown<br>    | Director, Head of Fixed Income           | 15 years & 9 months      | AXA/Alliance Bernstein, Head of Fixed Interest            | 16 years & 5 months       |
| Simon Pannett<br> | Portfolio Manager, Senior Credit Analyst | 0 years & 3 months       | Director, Senior Credit Analyst, Harbour Asset Management | 12 years & 8 months       |

## Further information

You can also obtain this information, the PDS for the Harbour NZ Core Fixed Interest Fund, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz/>.

## Notes:

1. Returns to 30 June 2026.
2. The bar chart shows fund returns after the deduction of fees and tax, however the market index returns are shown before any fees or tax is deducted.
3. Other fees: these charges cover the general management of the Fund e.g. administration, Supervisor, legal, and audit fees and costs required to comply with relevant legislation. These charges are based on the audited financial statements for the Fund to 30 June 2025 and includes any applicable GST. More information on charges can be found in the PDS and the other material information document (OMI) on the Disclose Register.

## Hyperlinks to Harbour documents:

Links to the latest PDS, SIPO & OMI for the Harbour Funds can be found on the Harbour website:

<https://www.harbourasset.co.nz/our-funds/investor-documents/>