

Key information

Bought and sold from [Kernel directly](#) or via all major wrap platforms

Fund Inception: 15th July 2020

Morningstar AU Fund code: [24691](#)

Morningstar Code: F000015G9C

Citi Code: LN5M

Disclose Register #: FND19302

Distribution frequency: Quarterly

12 month Yield¹: 4.88%

Indicative Dividend²: 4.83%

Management fee³: 0.39% p.a.

Offer documents

PDS: [May 2021](#)

SIPO: [May 2021](#)

ESG Policy: [click here](#)

Fund Update: [June 2021](#)

Index fundamentals

Index: [S&P Developed Ex-Korea Dividend Aristocrats Quality Income](#)

Price to Book: 1.34

Trailing P/E: 15.11

Projected P/E: 12.53

Implied Earnings Yield: 7.98%

Risk (index data)

Fund update risk Indicator: 6

12 month volatility: 14.49%

Beta: 0.82

Sortino Ratio: 0.73

Monthly returns standard deviation

	+/-1 (68%)	+/-2 (95%)
1 year	3.26%	6.52%
3 years	4.87%	9.74%
5 years	4.20%	8.41%

Range of 12 month index returns

	1 year	5 years
Worst	-27.04%	-27.05%
Median	20.38%	8.66%
Average	6.44%	5.32%
Best	37.77%	37.77%

Fund overview

The Global Dividend Aristocrats is designed by Standard & Poors to identify and hold high dividend yielding companies from 24 developed markets. To hold aristocrat status a company must increase or consistently maintain dividends for at least 10 years and any announcement of reduction removes the company. Companies are weighted by indicated dividend yield and balanced by number, sector and country to be well diversified. The fund is designed to be tax efficient for the NZ resident investor seeking global income stream.

Benefits

The fund can be used in a variety of investment strategies:

- A global equity holding within conservative or balanced risk profiles – given defensive qualities
- Those seeking higher income yields

Performance⁵

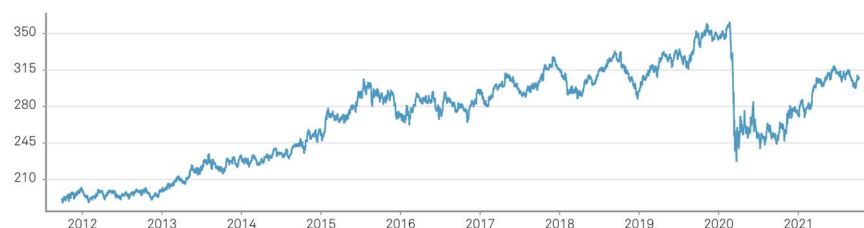
	1 month	3 months	1 year	3 years p.a. index	5 years p.a. Index	10 years p.a. Index
Performance (after fees before tax)	-0.12%	-1.09%	28.60%	1.90%	5.40%	8.52%
Net index difference⁶	+0.03%	+0.05%	+0.82%	N/A	N/A	N/A
Gross tracking difference	+0.02%	+0.02%	+0.99%	N/A	N/A	N/A
Tracking error	0.029%	0.028%	0.197%	N/A	N/A	N/A
Performance (after fees & 28% tax)	-0.17%	-1.28%	27.74%	N/A	N/A	N/A

Index Calendar return

2020	2019	2018	2017	2016
-17.55%	20.79%	-3.25%	11.48%	11.82%

Index value chart

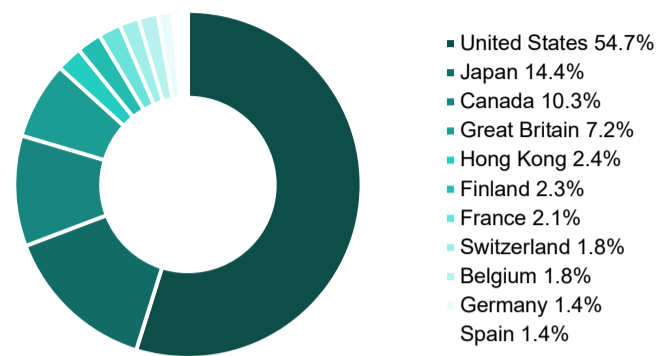
\$10,000 invested 5 years ago⁵: \$13,008



■ S&P Developed Ex-Korea Dividend Aristocrats Quality Income Index (NZD)

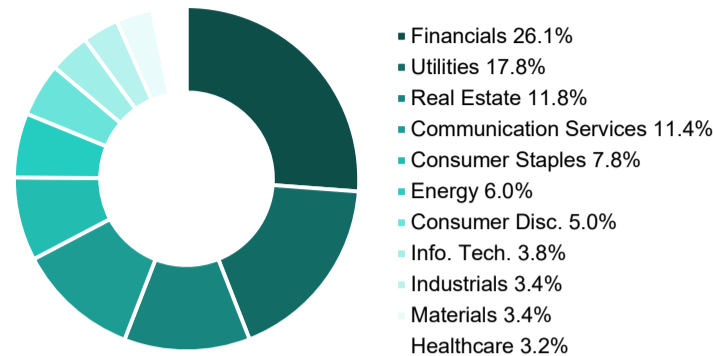
Where does the fund invest?

This shows the country weight that the fund invests in:



What does the fund invest in?

This shows the GICS⁹ weighting for the fund:



Asset allocation

Asset	% of fund NAV
Directly held equities	99.72%
Indirectly held (funds)	0.00%
NZ Cash	-0.27%
Foreign Cash	0.03%
Dividends Receivable	0.56%
Creditors	-0.03%

Impact

Carbon Footprint: 256 metric tons per USD1m invested. 219% above global benchmark⁸. Operational and first tier supply chain greenhouse gas emissions

Carbon Efficiency: 413 metrics tons / USD1m revenue. 90% higher than global benchmark⁸. The index's absolute owned greenhouse gas emissions divided by the sum of revenues

Fossil Fuel Reserves: 853 metric tons per USD1m invested. 36% below global benchmark⁸. The carbon footprint that could be generated if the proven and probable fossil fuel reserves owned by index constituents were burned per USD 1 million invested.

Top 10 investments

Company	Country	% of fund NAV
Exxon Mobil	US	3.11%
Brandywine Realty Trust	US	2.44%
B&G Foods	US	2.35%
Japan Tobacco	JP	2.32%
AT & T	US	2.29%
Interpublic Group	US	2.19%
Mitsubishi Financial Group	JP	2.17%
Japan Retail Fund Investment	JP	2.16%
Sankyo Co	JP	2.12%
Bouygues	FR	2.12%

The Top 10 investments make up 23.26% of the fund

Index Eligibility Criteria

The index comprises 100 high dividend yielding companies within the S&P Developed ex-Korea BMI that have followed a managed-dividends policy of increasing or maintaining dividends for at least 10 consecutive years, and simultaneously have positive returns on equity and cash flows from operations. Constituents are weighted by indicated annual dividend yield. Stocks must have a positive dividend payout ratio and a market capitalisation over USD1billion. Diversification is achieved through a maximum of 3% and minimum of 0.05% at the semi-annual rebalancing and capped to maintain a country allocation similar to the benchmark⁸.

Further information

The information is not investment advice. Kernel has taken reasonable steps to ensure that the information in this document is accurate and up-to-date. Kernel does not accept any responsibility for any error or omission or for any loss resulting from the use of this information, except to the extent required by law.

¹ 12month Yield is the last 4 quarterly distributions divided by unit price 12 months ago. This is the experience an existing investor would have had.

² Indicative Dividend is the index calculation of the underlying dividends in the last 12 months divided by the current valuation

³ Management fee before rebates.

⁴ 12month volatility is the standard deviation of daily returns, annualised by multiplying by square root of number of periods. The same measure for 5 years is used for the Risk Indicator.

⁵ Performance assumes distributions reinvested.

⁶ Net index difference is after management fees, stamp duties, and transaction costs

⁷ Growth of a hypothetical investment in the index (no allowance for fees or taxes) and no further contributions

⁸ Benchmark is S&P Developed Ex-Korea BMI. See explanation of Trucost [methodology](#)

⁹ [Global Industry Classification Standard \(GICS\)](#)