

Hunter Global Fixed Interest Fund

31 OCTOBER 2025

1 month performance

0.95%

Before fees & tax

1 year performance

6.66%

Before fees & tax

Fund size

\$2,847,957,460

NZD

Investment Management

PIMCO

The Hunter Global Fixed Interest Fund outperformed its benchmark in October with strong returns despite geopolitical and economic theatrics. US yields initially fell on escalating trade tensions early in the month before a less dovish than expected Fed press conference saw a partial retracement near month end. Ongoing political drama in France didn't derail markets and the UK benefitted from softer-than-expected inflation along with hints of fiscal tightening.

PIMCO continues to believe that **global central bank policy rates have more room to fall**. It also thinks tariffs are here to stay and will eventually settle around a 10-15% average tariff rate, except for China and a few specific product exceptions. **It sees global growth falling with inflation pressures rising temporarily in the US and falling elsewhere.**

PIMCO believes that bonds at current yields continue to offer great value and a safe place to wait until the global environment becomes a little clearer.

The **average credit rating of the Fund is in line with the benchmark at AA-**, while the **Fund's total carry has dropped marginally to 4.8% at the end of October, from 5.0% in September**. The Fund has had no credit defaults and while we expect ongoing month to month volatility in returns, we believe the Fund will deliver strong returns going forward.

During the period, there were no liquidity concerns and no restrictions on redemptions.

Performance	1 MONTH	3 MONTH	1 YEAR P.A.	2 YEAR P.A.	3 YEAR P.A.	5 YEAR P.A.	10 YEAR P.A.	SINCE INCEPTION P.A.
Return before fees & tax	0.95%	2.54%	6.66%	8.38%	6.33%	1.16%	-	3.00%
Benchmark return	0.66%	1.75%	4.31%	6.82%	4.93%	0.08%	-	2.08%
Relative return	0.29%	0.79%	2.35%	1.56%	1.40%	1.08%	-	0.92%

Inception: 15 March 2017. Benchmark: Bloomberg GlobalAgg Total Return Index Hedged NZD. Past performance is not indicative of future results.

Investment statistics

	FUND
Effective duration (years)	7.0
Benchmark duration (years)	6.4
Average maturity (years)	9.5
Average coupon	3.94%
Yield to maturity	4.32%
Average quality	AA-
Fund total carry	4.77%
Benchmark total carry	3.21%

Quality breakdown

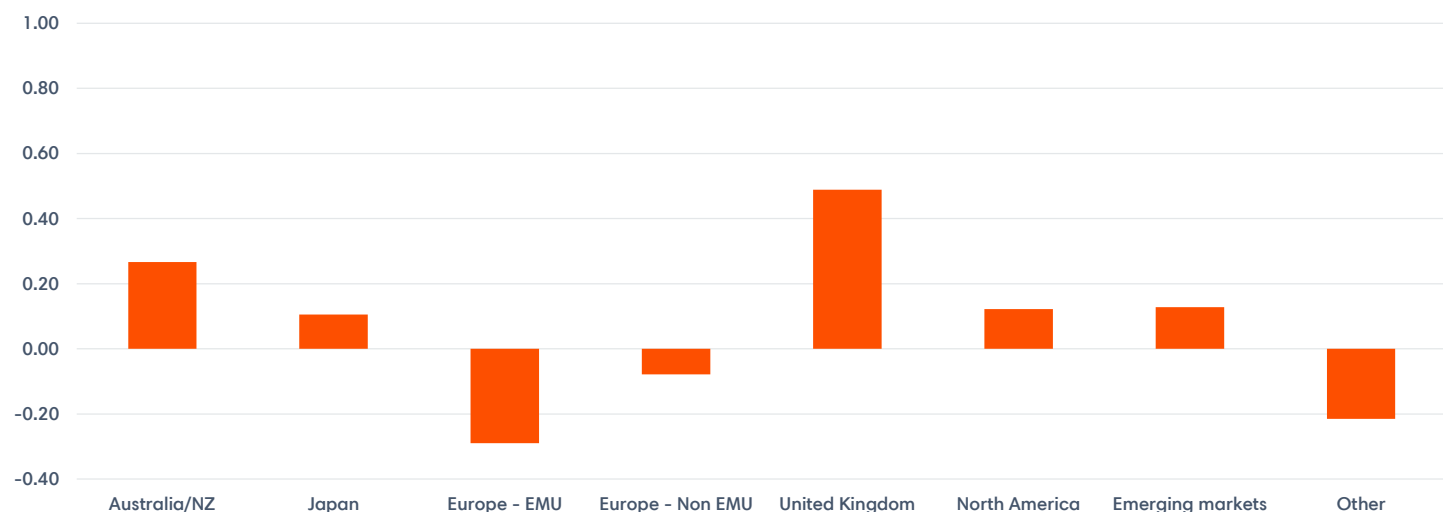
	FUND	BENCHMARK
AAA	19.29%	12.17%
AA	47.95%	39.22%
A	10.86%	34.42%
BBB	19.49%	14.19%
Sub inv grade	2.41%	0.00%

Duration weighted curve exposure	0-1 YEARS	1-3 YEARS	3-5 YEARS	5-10 YEARS	10+ YEARS	TOTAL
Benchmark %	0.08	8.32	13.49	34.87	43.24	100.00
Portfolio %	7.15	0.80	27.22	39.84	24.99	100.00
Years Benchmark	0.01	0.54	0.87	2.24	2.78	6.44
Years Portfolio	0.50	0.06	1.90	2.78	1.74	6.97

Duration weighted regional breakdown (by settlement currency)

	FUND	BENCHMARK	FUND%	BENCHMARK %
Australia/NZ	0.35	0.09	5.06%	1.33%
Japan	0.83	0.73	11.95%	11.29%
Europe - EMU	1.17	1.46	16.80%	22.68%
Europe - Non EMU	0.02	0.10	0.30%	1.54%
United Kingdom	0.80	0.31	11.45%	4.79%
North America	3.02	2.89	43.30%	44.96%
Emerging markets	0.85	0.72	12.24%	11.26%
Other	-0.08	0.14	-1.10%	2.15%
Total	6.97	6.44	100.00%	100.00%

Regional breakdown variance portfolio vs benchmark (DWE years)



Duration weighted sector breakdown (by settlement currency)

	FUND	BENCHMARK	FUND%	BENCHMARK%
Government	3.01	3.13	43.19%	48.55%
Agency/Semi	0.35	0.52	4.98%	8.03%
Mortgage	1.23	0.69	17.67%	10.68%
Inv Grade Corp	0.67	1.05	9.65%	16.31%
High Yield Corp	0.01	0.00	0.20%	0.00%
Emerging Markets	1.22	1.06	17.56%	16.41%
Cash Equivalents	0.47	0.00	6.76%	0.02%
Total	6.97	6.44	100.00%	100.00%

Sector exposure portfolio (DWE years)



ESG Integration (PIMCO)

At PIMCO, we define ESG Integration as the integration of material ESG factors into investment research. We believe incorporating ESG factors should be part of a robust investment process. We recognize that ESG factors are increasingly material inputs into our understanding of global economies, markets, industries and business models. Whether climate change, income inequality, shifting consumer preferences, regulatory risks, human capital management or unethical conduct, ESG factors are important considerations when evaluating long-term investment opportunities. These factors are evaluated across markets and assets classes where applicable. Our commitment to ESG integration was one of the main drivers that led PIMCO to become a signatory to the Principles of Responsible Investment (PRI) in September 2011.

The integration of ESG factors into PIMCO's investment process seeks to account for material ESG risks in both top-down macro positioning and bottom-up security evaluation. To the extent that ESG risks are material for particular sectors, issuers, etc., our fundamental credit views will reflect this. While ESG scores play a role in security selection for portfolios that follow ESG strategies and guidelines, they are not a criterion for security selection in portfolios that do not follow ESG strategies and guidelines. Additionally, integrating material ESG factors into the evaluation process does not mean that ESG information is the sole consideration for an investment decision; instead, PIMCO's portfolio managers and analyst teams evaluate a variety of factors, which can include ESG considerations, to make investment decisions. By integrating material ESG factors into the evaluation process, PIMCO is increasing the total amount of information assessed to generate a more holistic view of an investment, in efforts to deliver the best performance outcomes for our clients.

Exclusions

Further to the ESG integration in the PIMCO investment process, the Hunter Global Fixed Interest Fund has the following exclusions (derivative positions that may include exposures as part of a basket are exempt from these restrictions, e.g. Basket CDS for spread trade or hedging etc):

- Tobacco Companies;
- Armament Manufacturer;
- Cluster munitions development or production;
- The Portfolio will not invest in companies who derive more than 10% of their earnings from pornography or gambling; and
- The Portfolio will not invest in companies who derive more than 10% of their earnings from or whose only, core, or majority business is the exploration, extraction, refining or processing of fossil fuels. In addition, the Portfolio will not invest in any utility who primarily burns fossil fuels. The development or operation of pipelines are excluded from this restriction.
- Companies involved in 'very severe' controversies that score 0 ('red flag') on MSCI's controversy criteria are excluded from all portfolios.

ESG metrics

	FUND	BENCHMARK
Gender diversity (workforce >40% female representation)	65.00%	26.00%
Modern slavery statement	60.00%	27.00%
Majority independent board	52.00%	37.00%

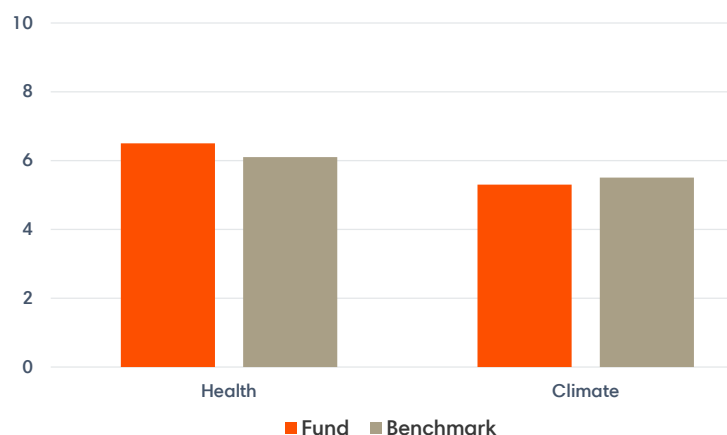
Numbers represent the proportion of holdings meeting the above criteria. We assess only the corporate bond holdings of both the Benchmark and Fund, figures shown are as a percentage of those holdings in order to maintain comparability.

Climate targets

	FUND	BENCHMARK
TCFD reporting	57.00%	39.00%
SBTi committed	3.00%	3.00%
SBTi targets set	4.00%	15.00%

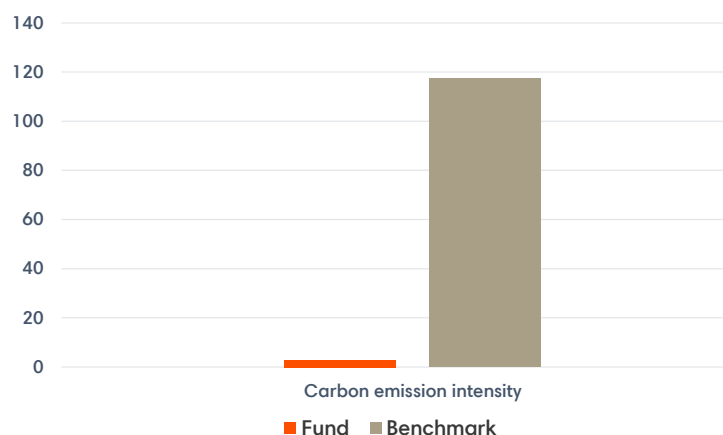
TCFD Recommendations: proportion of portfolio holdings that have committed to adopting recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD). Does not indicate a complete TCFD disclosure. SBTi Committed indicates the company has made a public commitment to set a science-based target aligned with SBTi's target-setting criteria within 24 months. 'Targets Set' indicates that SBTi has reviewed and validated the company's target(s).

Contribution to UN SDGs



Represents the overall portfolio impact on progress towards the UN Sustainable Development Goals: 3. Good Health and Wellbeing, and 13. Climate Action, as assessed by ISS. On a scale of 0-10: 0 is a negative impact, 10 a positive impact, and 5 is no net impact.

Scope 1 & 2 Carbon emission intensity (USD)



Scope 1 & 2 Carbon Emissions Intensity reflects the portfolios weighted average total carbon emissions (tonnes) per million USD of revenue, as a proxy of the carbon efficiency per unit of output.

Performance update

The Hunter Global Fixed Interest Fund notably outperformed its benchmark in October, providing a 95bp return for the month vs. benchmark return of 66bp despite geopolitical and economic theatrics. US yields were lower across the curve, initially falling on escalating trade tensions early in the month before a less dovish than expected Fed press conference saw a partial retracement near month end. Ongoing political drama in France didn't derail markets there with bonds eking out small gains. The UK benefitted from softer-than-expected inflation along with hints of fiscal tightening which prompted a sharp rally in Gilts.

Adding value this month was the overweight to UK duration, especially around the 2-7 year part of the curve as rates rallied. Another helpful contributor was the overweight to higher carry securitized assets, especially non-agency MBS. Security selection within corporate investment grade bonds also added value in October.

However, overweight duration positioning in Australia subtracted value this month as yields there pushed up on higher-than-expected Q3 core inflation.

Investment markets

Markets showed resilience in October despite geopolitical and economic theatrics, with global equities climbing and bonds joining the rally. The MSCI World Index rose +1.94%, while the Bloomberg Global Aggregate Bond Index returned +0.79%. U.S. markets held firm despite the government shutdown, which delayed key data and left the Fed navigating rate decisions without critical indicators such as payrolls and retail sales. A delayed, softer September CPI print (+0.3% MoM) reinforced expectations for easing beyond the October FOMC meeting, which delivered a 25bp cut, lowering the target range to 3.75-4.00% and ending Quantitative Tightening. Treasury yields fell across the curve, with 10- and 30-year yields down -7bps and -8bps. Equities gained on strong Q3 earnings, AI optimism, and a late-month U.S.-China truce. The "Magnificent Seven" rose +5.6%, lifting the NASDAQ +4.77% and the S&P 500 +2.27%, with Nvidia's market cap surpassing \$5 trillion.

Political drama in France didn't derail markets. French bonds rallied with the 2-year and 10-year yields dropping -6bps and -11bps respectively, and the CAC40 rose +2.85%. Across the Channel, the UK benefitted from softer-than-expected inflation (core inflation falling to 3.5% YoY) and hints of fiscal tightening from Chancellor Rachel Reeves. Gilts rallied with 2-year and 30-year yields down -22bps and -33bps, as weaker inflation and labour market data fuelled expectations for the BoE to resume its cutting cycle. The FTSE climbed +3.92%, closing the month at new highs.

Across the globe, markets followed the momentum. Japan welcomed its new Prime Minister, Sanae Takaichi, with open arms—her promises of fiscal loosening sent the Nikkei soaring +16.64%, while the 30-year JGB rallied -9bps. The yen slid -4.12% against the dollar. In Australia, an unexpectedly strong Q3 inflation figure (+3.2% YoY) eliminated any prospect of a rate cut by the RBA this year. Commodities rounded out the month with mixed movements. Brent crude slipped -0.86% to \$60.91/bbl, while gold retreated -2.82% to \$3,996/oz after hitting an intra-month high above \$4,300/oz. Year-to-date, gold is up 50%, driven by strong central bank and retail demand.

Portfolio positioning

PIMCO continues to maintain a cautious view towards corporate credit, focusing instead on relative value positions and diversified alpha strategies.

Despite recent moves, PIMCO has slightly extended the Fund's overall aggregate duration to 7.0 years, from 6.9 years in September and vs. benchmark of 6.4 years. This reflects PIMCO's view that at current interest rate levels, bonds continue to represent better than fair value and their conviction that the next major move in bond markets will see yields fall further especially in short- to mid-maturities. Bonds also remain a good place to sit given the uncertain global environment at present. However, PIMCO believe that careful maturity and stock selection is imperative.

The Fund has maintained active positioning in individual markets being overweight the UK (0.5 years), Australasia (0.3 years), EM (0.2 years), North America (0.1 years) and Japan (0.1 years). The Fund is underweight Eurozone duration (-0.3 years). The largest overweights remain focussed in more interest rate sensitive markets and where PIMCO still see's evidence of economic slowing, specifically Australasia and the UK.

In terms of the yield curve, the Fund remains underweight 1-3 years maturities and has slightly increased the size of that underweight. The Fund remains significantly overweight 3-5 year maturities (+1.0 years) and has increased the size of its overweight to the 5-10 year part of the yield curve to +0.6 years after a reduction in September. The Fund's retains a significant underweight to the 10-year+ part of the curve (-1.1 years). It is expected that 3-10 years maturities will benefit disproportionately in a variety of scenarios with the yield curve expected to continue to become increasingly positively shaped as Central Banks cut short term rates. Longer bonds are expected to remain under pressure as investors focus on increased government borrowing/deficits and hence, demand more term premia for moving longer on the curve.

The Fund has maintained its underweight to corporate credit (-0.3 years), still targeting high credit quality. The average credit rating of the Fund is AA-, in line with the benchmark.

The Fund maintained its slight underweight to the agency and semi-government sectors (-0.2 years) and has slightly reduced the size of its overweight exposure to the mortgage sector (+0.5 years). Securitised assets remain PIMCO's preferred way to take spread exposure.

Currency strategies remain largely tactical or target portfolio diversification. The notable change in October was that PIMCO flipped its overweight British pound position to an underweight. The rest of the Fund's underlying currency themes didn't change although the size of some positions changed to reflect recent market dynamics. Specifically, PIMCO reduced its underweight to North American currencies, increased its overweight to the euro and reduced its underweight to AUD and NZD. The Fund remains significantly underweight North American currencies, overweight the Japanese Yen, EM and non-EMU Europe.

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Data sources:

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COMPLIANCE CERTIFICATE

Hunter Global Fixed Interest Fund

For month ended 31 October 2025

Harbour Asset Management Limited (the "Manager"), certifies that to the best of our knowledge, and having made reasonable enquiries, that, and except as specified in this certificate;

1. The Fund has at all times complied with the Fund's Trust Deed;
2. The Fund has complied with internal guidelines as described in the Statement of Investment Policy & Objectives (SIPO), dated 28th August 2025;
3. PIMCO Australia Pty Ltd ('PIMCO') as the appointed underlying specialist investment manager for the Hunter Global Fixed Interest Fund, provides Harbour with a monthly certification of compliance.



Tim Morrison
Head of Legal, Risk & Compliance
Harbour Asset Management Limited

Dated 04 November 2025