

Hunter Global Fixed Interest Fund

30 SEPTEMBER 2026

1 month performance

-2.47%

Before fees & tax

1 year performance

-2.65%

Before fees & tax

Fund size

\$3,171,766,349

NZD

Investment Management

PIMCO

The Hunter Global Fixed Interest Fund underperformed its benchmark in September as interest rates rose sharply across the globe. September saw geo-political concerns ramp up again with oil prices up sharply. Similarly, concerns over the ever-increasing borrowing needs of governments, and the huge borrowing demand arising from hyperscalers, saw a shift higher in "real" interest rates as investors demanded a higher "risk premium" for owning longer maturity bonds.

The market will remain volatile while it awaits clarity around the outcome of the Iran conflict, and although investors have become increasingly pessimistic about the chances of an early resolution, they are also aware that any resolution will likely see bonds rally sharply. Consequently, investors will continue to watch oil prices for signs of the likely direction of inflation and therefore monetary policy.

Despite the recent uncertainties, PIMCO believes that current interest rate levels continue to offer excellent value while we wait for greater clarity, with rates now well above pre-GFC levels. They consider the current yield of the Hunter Fund to be a good indication of likely average base returns going forward.

The average credit rating of the Fund is in line with the benchmark at AA-, while the Fund's total carry was 6.46% at the end of September. The Fund has had no credit defaults, and while we expect ongoing month-to-month volatility in returns, we believe the Fund is well positioned to 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	-2.47%	-3.72%	-2.65%	0.52%	3.98%	0.22%	-	2.32%
Benchmark return	-1.81%	-2.86%	-2.09%	-0.02%	3.28%	-0.35%	-	1.58%
Relative return	-0.66%	-0.86%	-0.56%	0.54%	0.70%	0.58%	-	0.74%

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)	6.6
Benchmark duration (years)	6.0
Average maturity (years)	10.2
Average coupon	3.85%
Yield to maturity	6.2%
Average quality	AA-
Fund total carry	6.46%
Benchmark total carry	4.52%

Quality breakdown

	FUND	BENCHMARK
AAA	22.49%	12.46%
AA	45.32%	42.76%
A	10.14%	33.11%
BBB	19.22%	11.67%
Sub inv grade	2.83%	0.00%

Duration weighted curve exposure	0-1 YEARS	1-3 YEARS	3-5 YEARS	5-10 YEARS	10+ YEARS	TOTAL
Benchmark %	0.00	8.61	14.76	37.74	38.89	100.00
Portfolio %	14.42	1.53	11.03	50.35	22.67	100.00
Years Benchmark	0.00	0.52	0.89	2.27	2.34	6.02
Years Portfolio	0.95	0.10	0.73	3.33	1.50	6.62

Duration weighted regional breakdown (by settlement currency)

	FUND	BENCHMARK	FUND%	BENCHMARK %
Australia/NZ	0.50	0.16	7.53%	2.73%
Japan	0.11	0.60	1.74%	9.95%
Europe	1.81	1.40	27.32%	23.17%
United Kingdom	0.59	0.28	8.87%	4.58%
North America	2.98	2.48	45.04%	41.15%
Emerging markets	0.57	0.92	8.57%	15.28%
Other	0.06	0.19	0.93%	3.14%
Total	6.62	6.02	100.00%	100.00%

Regional breakdown variance portfolio vs benchmark (DWE years)



Duration weighted sector breakdown (by settlement currency)

	FUND	BENCHMARK	FUND%	BENCHMARK%
Government	1.65	2.83	24.86%	47.04%
Agency/Semi	0.36	0.45	5.49%	7.54%
Mortgage	2.27	0.65	34.24%	10.88%
Inv Grade Corp	0.47	1.00	7.16%	16.66%
High Yield Corp	0.01	0.00	0.16%	0.00%
Emerging Markets	0.91	1.07	13.67%	17.87%
Cash Equivalents	0.95	0.01	14.41%	0.17%
Total	6.62	6.01	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)	79.72%	31.20%
Modern slavery statement	60.23%	27.08%
Majority independent board	57.23%	35.65%

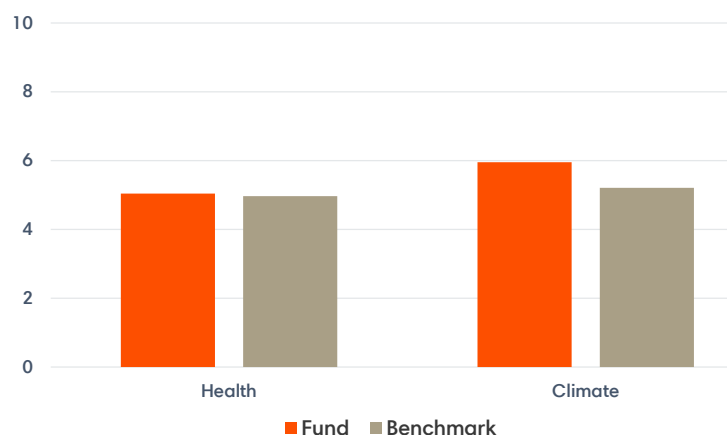
Numbers represent the proportion of holdings meeting the above criteria. We assess only the corporate bond holdings of both the Benchmark and Fund, figures shown are as a percentage of those holdings in order to maintain comparability.

Climate targets

	FUND	BENCHMARK
TCFD reporting	78.50%	49.58%
SBTi committed	1.34%	0.53%
SBTi targets set	2.38%	14.44%

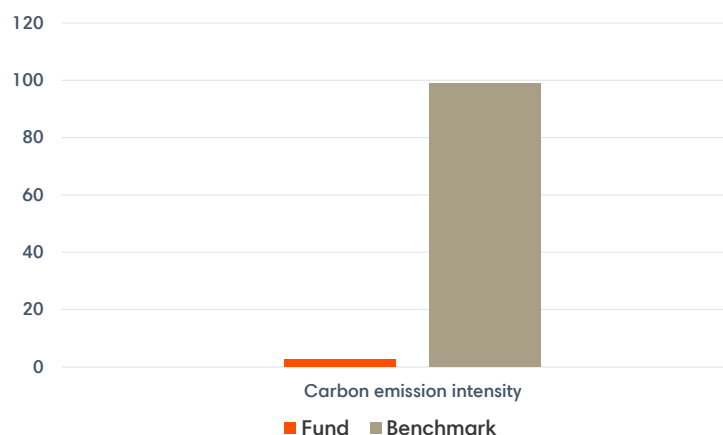
TCFD Recommendations: proportion of portfolio holdings that have committed to adopting recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD). Does not indicate a complete TCFD disclosure. SBTi Committed indicates the company has made a public commitment to set a science-based 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 underperformed its benchmark in September delivering a -2.47% return vs the benchmark's return of -1.81%.

Interest rates generally moved higher across the globe on the back of heightened geopolitical uncertainty, surging oil prices and hawkish central banks. The US Federal Reserve (Fed) delivering a 0.25% policy rate rise together with a hawkish outlook. Consequently, US 10-year bond yields were up 0.53%, while the 30-year rose 0.39% in what was a bearish flattening of the yield curve. Europe saw similar moves as the European Central Bank also raised official rates with a consequent sharp sell-off in Germany, France and the UK.

The Bank of Japan also raised rates by 0.25% in September, although the sell-off there was more muted.

The focus remains very clearly on the Iran conflict and consequent oil price volatility. The prolonged nature of the conflict, which had initially been expected to be resolved quickly, is now seeing central banks tightening monetary conditions to ensure inflation expectations remain contained and cement their own credibility on the inflation fighting front. However, as September progressed it became clearer that the recent rate rises in mid to long bonds had less to do with inflation and appeared more to be a widening of "real interest rates" reflecting ongoing fiscal risks.

That said, with longer term inflation expectations still consistent with central bank targets, a resolution of the Iran crisis is likely to leave room for central banks to ease rates again and would likely see a positive steepening of the yield curves with shorter term rates falling.

In the interim, the market will remain volatile while it awaits clarity around the outcome of the Iran conflict.

Positive contributors to performance this month were limited to an underweight to Japanese 7-15 year bonds where rates sold off.

Meanwhile, exposure to securitised assets, largely Agency MBS, detracted from performance as spreads widened on those securities. Similarly, overweights to the mid-maturities in the UK, Euro bloc and the US all detracted as yield curves bear flattened with shorter maturities rising further than the very long bonds.

Investment markets

September saw significant developments: continued geopolitical uncertainty led to elevated oil prices, economies delivered resilient data, and central banks maintained their hawkish outlook. In response, both bonds and broader risk assets were adversely impacted, highlighted through a decrease in the MSCI World Index and Bloomberg Global Aggregate Bond Index unhedged falling -1.31% and -2.38% respectively. Brent Crude extended its gain, increasing +10.93% to US\$102, spiking as high as US\$110 intramonth as global supply remained constrained and the conflict in the Middle East continued to escalate. Rising real yields and an appreciation of the Greenback led to a sharp fall in the safe havens of gold and silver, decreasing -6.31% and -9.24% respectively. Climbing yields and a hawkish Fed outlook resulted in an appreciation of the US Dollar, with the DXY gaining +2.03%. Credit markets reflected a more cautious tone, as high yield spreads widened by +49bps.

In the US, treasuries experienced a sharp selloff across the curve as the Fed raised its policy rate by 25bps and delivered a hawkish outlook, highlighted through a +53bps rise in the 10-year and a +39bps rise in the 30-year, pushing yields to record-highs at 5.28% and 5.63% respectively. US equities delivered a mixed result, with the S&P500 falling -0.45%, while the NASDAQ gained +3.23%, with technology stocks firmly in favour, as enthusiasm surrounding artificial intelligence and its long-term earnings potential showed little sign of fading.

Following **the ECB's decision to raise rates, European government bonds experienced a broad sell-off**, with 10-year German and French bonds climbing +26bps and +68bps respectively. Similarly, the 10-year gilt rose by +36bps. Elevated oil prices dampened European equities, with the FTSE, DAX, and CAC all falling -3.08%, -3.04%, and -5.37% respectively.

Within APAC, the Bank of Japan raised interest rates by +25bps to 1.25%, and in response the Japanese 10-year rose +11bps. In Australia, the ASX fell -3.14%, and the AUD depreciated 2.6% against the Greenback. Australian government bonds sold-off, with both the 3-year and 10-year rising +19bps.

Portfolio positioning

PIMCO continues to focus on country selection given the variation in growth and inflation dynamics globally, while maintaining a cautious stance towards corporate credit, focusing on relative value positions and diversified alpha strategies. Within their broader risk exposures, they maintain tactical tilts that aim to benefit the portfolio across a variety of scenarios.

While the Iran situation remains fluid, the volatility in oil prices will continue to effect inflation concerns both positively and negatively until a resolution is found. A sustained opening of the Strait of Hormuz should see oil prices much lower over time and, hence, a positive steepening of yield curves as inflation fears abate. This remains PIMCO's core expectation. Specific positioning:

Overweight duration, with variation in country selection: PIMCO has slightly decreased their overweight exposure in overall duration to 6.6 years vs 6.0 years for the index, reflecting the recent sell off in yields. PIMCO are focusing on countries where yields are at attractive levels or where downside macro scenarios are more likely to materialise. PIMCO have maintained their overweight exposure to US duration, with a preference for intermediate maturities. They also remain overweight to Dollar Bloc duration, which mainly consists of an overweight to Australia. PIMCO have maintained the overweight to UK duration and the Euro Bloc (Eurozone and non-EMU European countries). From a curve positioning perspective, they maintain a steepening bias, largely maintaining their overweight to 5-10 year maturities and their underweight 10 year + maturities. They have maintained their underweights to sub-5 year maturities, despite the recent sell-off in shorter maturities. Within the European country allocation, PIMCO maintain their exposure to European peripherals, which consists mostly of an overweight to Italian duration, while remaining cautious on France. They have retained their underweight to Japanese duration and have maintained an underweight exposure to Emerging Markets.

Cautious in corporate credit and preference for securitised assets: PIMCO maintain a cautious position in their overall spread exposure, considering credit spreads to be tight. They maintained their underweight to non-financial investment grade corporate credit, while they continue to express a preference for financials. Securitised assets are PIMCO's preferred spread exposure, which includes positions in US non-agency mortgages and UK residential mortgages. They maintain their overweight to agency MBS, favouring higher coupons. They also hold a modest allocation to covered bonds. PIMCO slightly reduced their exposure in the EM external space, while maintaining a preference for higher quality names.

Tactical currency positions: PIMCO has shifted its currency positions to reflect recent market movements in both interest rates and currencies. They have increased their underweight to North American currencies, Australasia and the wider Eurozone. They have retained their overweight to the Japanese Yen and are now neutral on the UK. They continue to be underweight a diversified basket of funding currencies including CAD, NZD, and select Asian currencies to help offset their overweight mainly to higher yielding EM currencies.

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COMPLIANCE CERTIFICATE

Hunter Global Fixed Interest Fund

For month ended 30 September 2026

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 02 October 2026