

Key information

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

Structure: Portfolio Investment Entity (PIE)

Fund Inception: 17th February 2021

Number of constituents: 50

Morningstar AU Fund code: [24948](#)

Morningstar Fund Code: F000016S86

Citi Code: DL1V

Disclose Register #: FND21702

Indicative Dividend²: 0.68%

Management fee³: 0.55% p.a.

Offer documents

PDS: [May 2021](#)

SIPO: [May 2021](#)

ESG Policy: [click here](#)

Fund Update: [December 2021](#)

Index fundamentals

Index: [S&P Kensho Electric Vehicles Index](#)

Price to Book: 2.5

Trailing P/E: 42.18

Projected P/E: 100.19

Implied Earnings Yield: 1.00%

Risk

Fund update risk Indicator: 7

12-month volatility⁴: 32.71%

Monthly returns standard deviation

| | +/-1 (68%) | +/-2 (95%) |
|----------------|------------|------------|
| 1 year | 7.01% | 14.02% |
| 3 years | 11.01% | 22.01% |
| 5 years | 9.26% | 18.52% |

Range of 12-month index returns

| | 1 year | 5 years |
|----------------|---------|---------|
| Worst | -27.25% | -27.33% |
| Median | 64.03% | 18.82% |
| Average | 86.19% | 38.86% |
| Best | 270.43% | 270.43% |

Fund overview

Electric Vehicles (EVs) have been proposed and designed for over 20 years, but in the last year or two the EV performance, ecosystem and consumer adoption seems to have accelerated. With both vehicle manufacturers and companies providing critical EV components and infrastructure, this fund offers well-rounded exposure so you can benefit from the EV movement without picking individual stocks. This high-growth fund is only the 4th electric vehicle index fund in the world and includes the likes of Tesla, NIO, Workhorse Group, Blink Charging Co and Toyota. The fund tracks the S&P Kensho Electric Vehicles Index, which is part of the S&P Kensho New Economy Series.

Benefits

The Kernel S&P Kensho Electric Vehicle Fund be used in a variety of investment strategies:

- Satellite
- Thematic exposure
- Portfolio diversification

Performance⁵

| | 1 month | 3 months | 1 year | 3 years p.a. index | 5 years p.a. index |
|---|---------|----------|---------|--------------------|--------------------|
| Performance (after fees at 0% PIR tax) | -1.91% | -18.06% | -14.69% | 34.68%* | 24.29%* |
| Net index difference | 0.03% | -0.10% | -0.63% | | |
| Gross tracking difference | 0.07% | 0.03% | 0.01% | | |
| Tracking error | 0.216% | 0.156% | 0.099% | | |
| Performance (after fees at 28% PIR tax) | -2.00% | -18.31% | -15.62% | | |

*Index returns do not reflect deductions for charges and taxes.

Index Calendar return

| 2021 | 2020 | 2019 | 2018 | 2017 |
|-------|---------|--------|---------|-------|
| 3.24% | 141.52% | 28.05% | -20.91% | 34.3% |

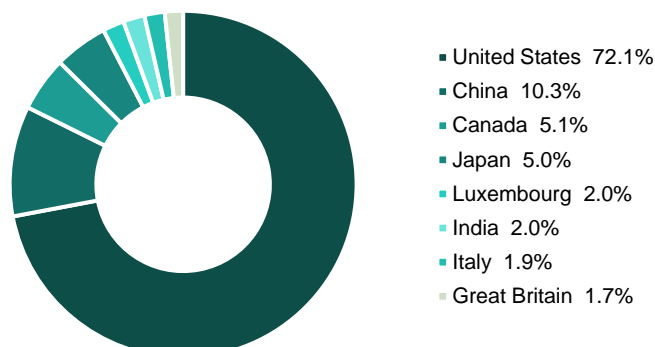
Index value chart

\$10,000 invested 5 years ago⁶: \$29,661



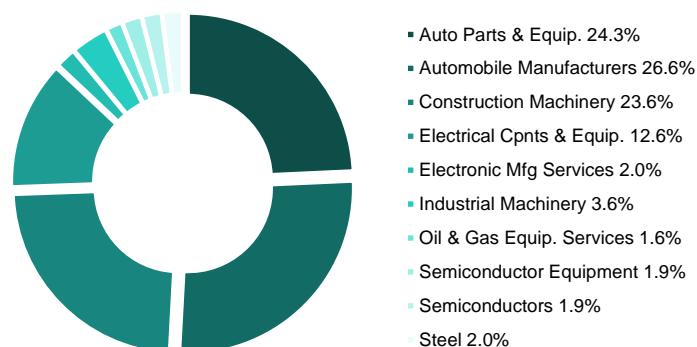
Where does the fund invest?

This shows the country weight that the fund invests in:



What does the fund invest in?

This shows the GICS⁸ weighting for the fund:



Asset allocation

| Asset | % of fund NAV |
|-------------------------|---------------|
| Directly held equities | 100.07% |
| Indirectly held (funds) | 0.00% |
| NZ Cash | 0.09% |
| Foreign Cash | 0.00% |
| Dividends Receivable | 0.04% |
| Creditors | -0.20% |

Impact

Carbon Footprint: 240 metric tons per USD1m valuation. 98% higher than benchmark⁷. Operational and first tier supply chain greenhouse gas emissions.

Carbon Efficiency: 289 metrics tons / USD1m revenue. 24% higher than benchmark⁷. The index's absolute owned greenhouse gas emissions divided by the sum of revenues.

Fossil Fuel Reserve Emissions: 249 metric tons / USD1m invested. 91% below benchmark⁷. Measures the quantity of greenhouse gas emissions that could be generated if the proven and probable fossil fuel reserves owned by index constituents were realised and burned.

Top 10 investments

| Company | Country | % of fund NAV |
|-------------------------------|---------|---------------|
| Allison Transmission Holdings | US | 3.39% |
| Gentherm | US | 3.05% |
| Visteon Corp | US | 2.93% |
| Honda Motor | Japan | 2.90% |
| Meritor | US | 2.87% |
| American Axle & Manufacturing | US | 2.83% |
| Li Auto | China | 2.78% |
| Garrett Motion | US | 2.75% |
| Hyzon Motors | US | 2.71% |
| Lear Corp | US | 2.59% |

The Top 10 investments make up 28.80% of the fund

Index Eligibility Criteria

After meeting a range of liquidity requirements, this index focuses on companies producing electric vehicles and associated subsystems, including:

1. Electric road vehicles or significant subsystems.
2. Powertrain systems, motors, or energy storage systems for electric vehicles.
3. Zero-emission clean fuel technology, such as hydrogen fuel cells.
4. Charging systems for electric vehicles, not including charging networks or associated infrastructure/

More can be read on the methodology [here](#).

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. 12 month Yield is calculated as 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. 12 month volatility is the standard deviation of daily returns, annualised by multiplying by square root of number of periods.

⁵. Performance assumes distributions reinvested. Net index difference is after management fees, stamp duties, and transaction costs

⁶. Growth of a hypothetical investment in the index (no allowance for fees or taxes) and no further contributions.

⁷. While a benchmark for this innovation fund is difficult to identify, we have used the S&P Global BMI for comparison purposes.

⁸. Global Industry Classification Standard (GICS)