

NANUK NEW WORLD FUND

A GLOBAL EQUITIES FUND GENERATING RETURNS
FROM INVESTMENTS IN A UNIVERSE OF LISTED EQUITIES EXPOSED
TO THE BROAD THEMES OF ENVIRONMENTAL SUSTAINABILITY
AND RESOURCE EFFICIENCY

Performance Summary

The Fund returned 0.1% in June, underperforming conventional global equity benchmarks, such as the MSCI All Country World and FTSE All World net total return indices, by approximately 1.7%.

The Fund has returned 15.8% during calendar 2024, outperforming conventional global equities benchmarks by approximately 2.2%, and returned 21.7% for the financial year ending 30 June 2024, outperforming conventional benchmarks by approximately 2.9%. The strong performance of the Fund has resulted in a higher than average annual distribution of approximately 9% for the 2024 financial year.

The Fund's performance was impacted by the divergence of regional and sector returns during June (discussed further below). The Fund continued to benefit in June from holdings in companies expected to benefit from the rapid build out of generative AI models and widespread adoption of AI related technologies with strong performance from semiconductor and cloud related companies. As noted last month, the Fund has reduced holdings in these areas following strong share price performance in recent months and as we seek exposure in other areas where profit recovery or improvement is anticipated in coming years. This includes in areas such as analog semiconductors, power generation and electrical infrastructure equipment, components for next generation PCs and smartphones and analytical equipment for bioscience and biotechnology applications.

Class A – Unhedged Units

	1 Month	YTD	1 Year	2 Years p.a.	3 Years p.a.	5 Years p.a.	SI p.a. ¹
Fund Return (%)	0.1	15.8	21.7	19.5	9.1	11.2	12.6
Global Equities ² (%)	1.7	13.6	18.9	19.6	9.6	11.8	11.0
Value Added (%)	(1.7)	2.2	2.9	(0.1)	(0.5)	(0.6)	1.6

Notes (1) Inception date 2 November 2015 (2) Global Equities Return is represented by the average of monthly returns of the MSCI ACWI Net Total Return USD Index and the FTSE All World Index Total Return Net Tax, using data derived from Bloomberg. USD indices are converted to AUD using rates at 4pm London fix sourced from FactSet, consistent with Fund NAV calculations. Fund return is net of all fees and expenses. **Past performance is not indicative of future performance.**

Class H – Currency Hedged Units

	1 Month	YTD	1 Year	2 Years p.a.	3 Years p.a.	5 Years p.a.	SI p.a. ¹
Fund Return (%)	1.0	15.8	23.9	-	-	-	22.4
Global Equities Hedged to AUD ² (%)	2.4	12.8	19.9	-	-	-	21.4
Value Added (%)	(1.5)	3.1	4.0	-	-	-	1.1

Notes (1) Inception date 30 May 2023 (2) Global Equities Return (Hedged to AUD) is represented by adjusting the average of monthly returns of the MSCI ACWI Net Total Return USD Index and the FTSE All World Index Total Return Net Tax, by adding the estimated currency impact and hedging costs (assuming 1 month forward contracts rolled monthly), using data derived from Bloomberg and FactSet. USD indices are converted to AUD using rates at 4pm London fix sourced from FactSet, consistent with Fund NAV calculations. **Past performance is not indicative of future performance.**

Since Inception numbers for both fund and global equities corrected due to initial calculation error



Key Contributors to Fund Performance



SAMSUNG



Semiconductor stocks performed well during June. Leading semiconductor fabricator **Taiwan Semiconductor Manufacturing Co., Ltd** ('TSMC') (+18%) led the way, aided by continued strong growth in monthly revenues and the announcement of a new share buyback programme. **NVIDIA Corporation's** (+13%) share price surged despite a relatively quiet month of newsflow for the company. **Samsung Electronics** (+12%) also performed well as demand for solid state memory continues to improve, with its memory peer Micron Technology (exited during the month) delivering another stronger earnings report for its May quarter.

amazon



ORACLE

Shares of the leading providers of cloud infrastructure also performed well in June. **Oracle Corporation** (+20%) led the way aided by an above expectations May-quarter earnings report. **Microsoft Corporation** saw its shares rise 8%, while those of **Amazon.com, Inc.** rose 10%.



Prysmian Group

SIEMENS ENERGY

Shares of companies involved in renewable energy generation and transmission reversed some of their gains of the prior two months. Whilst there was no specific news related to these companies, the poor performance of President Biden in his debate with Donald Trump, who has promised to reverse some of the favourable policy support enacted by Biden and the expectation of a strong showing of the far right National Rally in the upcoming French election, raised concerns about the outlook in these sectors. A notable loser was **Nordex SE** (-22%), a European onshore wind turbine manufacturer. **GE Vernova Inc.** (-2%), recently spun out of General Electric, which offers a range of power generation and electrification technologies, **Siemens Energy AG** (-3%) which provides wind, gas and grid products, and **Prysmian S.p.A** (-5%), the leading global producer of high voltage power cables, also underperformed slightly.

New Investments



ANDRITZ AG provides machinery and project management in environmental technologies including hydropower, pulp and paper, metal forming, waste treatment and waste-to-energy generation. We view its shares as undervalued, in part due to above-market growth expectations for its waste business.

Exited Positions and Other Portfolio Changes

The fund completed the sale of its holding in memory semiconductor manufacturer, Micron Technology in June. The Fund's holding in Texas Instruments was also trimmed following good performance in April and May.

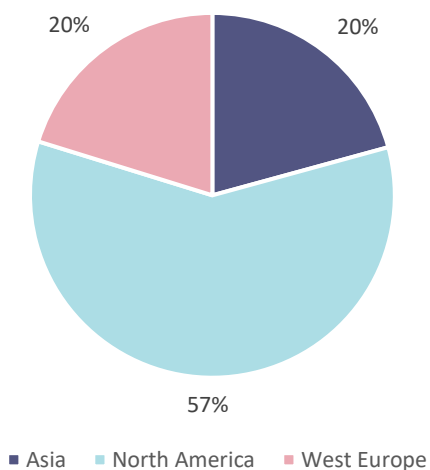


Top 10 Holdings

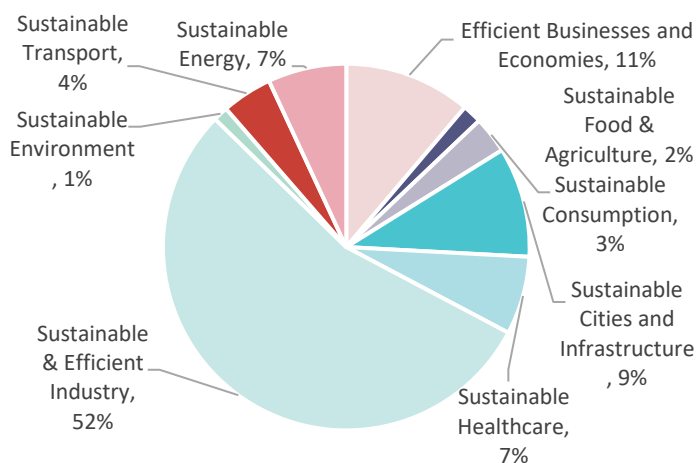
Security Name	Weight (%)	Country	Sector
Microsoft Corporation	4.9	UNITED STATES	Efficient Businesses and Economies
Taiwan Semiconductor Manufacturing Co., Ltd.	4.9	TAIWAN	Sustainable & Efficient Industry
Zebra Technologies Corporation Class A	4.7	UNITED STATES	Sustainable & Efficient Industry
Littelfuse, Inc.	4.1	UNITED STATES	Sustainable & Efficient Industry
Texas Instruments Incorporated	3.7	UNITED STATES	Sustainable & Efficient Industry
Otis Worldwide Corporation	3.7	UNITED STATES	Sustainable Cities and Infrastructure
CDW Corporation	3.3	UNITED STATES	Sustainable & Efficient Industry
Dover Corporation	3.3	UNITED STATES	Sustainable & Efficient Industry
Bureau Veritas SA	2.8	FRANCE	Sustainable & Efficient Industry
NVIDIA Corporation	2.6	UNITED STATES	Sustainable & Efficient Industry

Portfolio Positioning

Regional Weights (%)



Sector Weights (%)



Market Commentary

Conventional global equities benchmarks such as the MSCI All Country World and FTSE All World net total return indices rose approximately 2.2% in June in US dollar terms. The positive return was delivered entirely by large cap technology stocks, with the average performance of the remainder of the market negative. The divergence in returns across markets and sectors is highlighted by the relative performance of the tech heavy US Nasdaq Composite index which rose 6.0% (the NYSE FANG+ index was up 9.6%!) and the Euro STOXX Industrial Goods and Services Index which was down 5.8%. The performance of larger capitalisation US technology stocks drove the outperformance of the US S&P500 index, which rose 3.5%. By contrast the US Russell 2000 Index, comprising mid and smaller capitalisation US listed stocks, fell by 1.1%. Europe's STOXX 50 index was down 1.8%, Hong Kong's Hang Seng Index down 2.0% and Japan's Nikkei 225 Index up 0.5%. The Australian dollar remained steady against the US dollar.

Notable Industry Developments

Climate Change and sustainability policy

- Elections in the UK, US and France are all likely to have implications for government policies supporting decarbonisation and other environmental goals. July's Parliamentary election in France was a surprise for markets having been called early by President Macron at the start of June. The rise in support for far right candidates in the UK and France has raised concerns about longer term commitments to achieving environmental targets, however the final results of both elections saw victories for left wing parties. President Biden's debate with former President Trump at the end of June did not go well for the incumbent and has prompted discussion within the Democratic Party about potentially replacing Biden as the party's nominee. Trump has indicated his intent to unwind some of Biden's policy support for renewables, if elected.
- A heatwave in Saudi Arabia contributed to at least 1,301 fatalities among people making the Hajj pilgrimage to Mecca. Temperatures exceed 50°C during this year's Hajj, in which almost two million people participated and follow similar record temperatures in India last month.
- BHP said it may not reach its net zero 2050 target because its Scope 3 emissions (from the downstream use of its products) are determined by the actions of its customers, with steelmaking a particular challenge.
- Denmark said it would charge farmers a carbon emission tax of 300DKK/tonne (US\$43/T) from 2030. Pork and dairy products are important sectors in Denmark's economy.

Sustainable Energy

- The price of offshore wind power in China has fallen below that of coal fired generation, with a 306MW wind farm off Shanghai approved to supply electricity at 27% below the benchmark price for coal generation. The country plans to triple offshore generating capacity to 129GW by 2030.
- China Three Gorges Renewables Group announced an 80 billion yuan energy hub in northwest Inner Mongolia. It will include 16GW of coal, solar and wind capacity and 5GW of energy storage and is an example of China's strategy to invest in major energy bases as well as to increase generation in desert regions.
- Indonesia announced that it will invest \$30 billion over a decade to almost double the size of its transmission network, delivering connections to renewable generation sources in dispersed locations.
- Queensland unveiled Australia's largest plan for investment in renewable energy in its 2024 budget. The state plans to build 25 gigawatts of utility-scale solar and wind by directly investing in the clean energy sector, alongside other initiatives to develop hydro electricity and energy storage. The plan is part of efforts to reach its target of 80% renewable energy penetration by 2030, up from 22% today.

Sustainable Industry

- Senate Republicans called for an investigation of \$1.7 billion in support announced for hydrogen fuel cell company Plug Power, discussed in last month's investor report. The company's shares have given up most of their gains that followed the announcement of the support.
- TotalEnergies SE signed a landmark 15-year contract to buy green hydrogen from Air Products & Chemicals Inc., part of the French energy giant's plan to reduce carbon emissions at its European refineries. Under the agreement, the US maker of industrial gases will deliver 70,000 tons of the cleanly produced hydrogen annually from 2030 to the oil major's northern European refineries, the companies said in a joint statement.



Sustainable Transportation

- A deadly fire at a lithium-ion battery factory in South Korea heightened awareness of the safety risks of batteries. 23 workers died and eight more were injured at the plant in Hwaseong, near Seoul. The plant did not manufacture batteries for electric vehicles.
- Oil giant Saudi Aramco announced it would purchase a 10% stake in Renault and Geely's new Horse Powertrain JV. Horse will produce internal combustion and hybrid powertrains.
- Volkswagen and EV OEM Rivian Automotive announced a \$5 billion collaboration to develop electronic architecture and software. Volkswagen will invest \$3 billion in Rivian directly and \$2 billion in a 50-50 owned JV focused on the aforementioned technologies.
- Honda Motor Co. will launch its long-awaited electric van in October, starting at ¥2.44 million (US\$15,550), making a re-entry into the Japanese EV market as part of its drive to have EVs account for 40% of global sales by 2030. The new N-VAN e: with a cruising range of 245 kilometres will come in four variants, seating from one to four people.
- Plans for a \$2.6 billion battery-grade nickel refinery by German chemical maker BASF and French miner Eramet have been shelved, a further sign of moderating demand growth in the EV sector. Similarly, US SiC power semiconductor manufacturer, Wolfspeed, delayed commencement of construction of a plant in Germany.
- Tension over exports of Chinese EVs continued to rise. The EU announced provisional new tariffs on Chinese manufacturers, although talks between Chinese and European diplomats on the issue are ongoing. Canada launched a public consultation on applying restrictions to imports of Chinese EVs.
- Fisker became the fourth US EV manufacturer that listed through merger with a Special Purpose Acquisition Company (SPAC) to file for bankruptcy.
- Serbia announced approval for Rio Tinto's controversial Jadar lithium mine.



The Nanuk New World Fund is a global equities fund generating its returns from investments in a universe of listed equities exposed to the broad themes of environmental sustainability and resource efficiency. The Fund invests in companies involved in clean energy, energy efficiency, agriculture, water, waste management, recycling, pollution control and advanced manufacturing and materials. All of these industries are undergoing significant changes as the world tries to reconcile economic growth with longer term sustainability and are a potentially rich and ongoing source of investment returns. The Fund seeks to hold a globally diversified, yet relatively concentrated, portfolio of positions that align with Nanuk’s views on security valuation and the evolving trends within these industries. The Fund aims to achieve long term capital appreciation and outperformance of traditional global equity indices while reducing volatility of returns and risk of capital loss through appropriate diversification and risk management strategies.



SUSTAINABLE PLUS
— CERTIFIED BY RIAA —

Nanuk New World Fund

Type: Global Equities	Distribution frequency: Annually as of 30 June
Responsible Entity: Equity Trustees Limited	Currency: AUD
Total Management Costs: 1.1% p.a.	AUM (AUD as at 30 June 2024): \$868.7m

Product	Nanuk New World Fund		Nanuk New World Fund (Currency Hedged)
	Unquoted Managed Fund	ETMF	Currency Hedged Unquoted Managed Fund
APIR / ASX CODE	SLT2171AU	SLT2171AU / NNUK	ELT0535AU
Currency Hedging	Unhedged		Hedged to AUD
Inception	2 November 2015		30 May 2023
Buy/Sell Spread	0.25%	ASX bid-offer spread *	0.25%
Platform Access	AMP North, BT (Asgard, Panorama), CFS (Edge, FirstChoice, FirstWrap), Dash, FNZ, Hub24, Insignia (Expand, Grow Wrap, MLC, Rhythm, Voyage), Macquarie Wrap, Mason Stevens, Netwealth, Powerwrap, Praemium	ASX & platforms that provide access to ASX listed investments	BT (Asgard, Panorama), CFS (Edge, FirstWrap), FNZ, Hub24, Macquarie Wrap, Netwealth, Praemium

* Bids and offers are set by the Fund’s market maker based on an indicative net asset value per unit (iNAV)

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