March 2025
Monthly Fund Update

NANUK ASSET MANAGEMENT

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 declined 5.8% in March, underperforming conventional global equities benchmarks, such as the MSCI All Country World Net Total Return Index, which fell 4.2% in Australian dollar terms.

Market moves followed trends in February with US markets leading the declines and European and Hong Kong markets outperforming., Larger capitalisation technology stocks underperformed, in part due to increasing uncertainty about ongoing rapid growth in investment in AI and data centres. The Fund's industry exposure, which is influenced by the focus on industries related to resource efficiency and environmental sustainability, contributed significantly to underperformance as sectors under-represented in the Fund's eligible investment universe, such as financial services and energy outperformed, while technology and industrials underperformed. Key stock and industry contributions are discussed below.

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 (%)	**(5.8)**	**(4.5)**	**4.1**	**14.3**	**10.5**	**12.3**	**12.0**
Global Equities[2] (%)	(4.2)	(2.0)	12.2	19.1	13.8	14.8	11.2
Value Added (%)	(1.7)	(2.6)	(8.0)	(4.8)	(3.3)	(2.5)	0.8

Notes (1) Inception date 2 November 2015 (2) Fund returns are compared above to the MSCI ACWI Net in AUD (Total Return) index, being representative of conventional global equities indices. Nanuk entered a license agreement with MSCI in October 2024. Prior to this date the Fund returns were compared to the average return of two comparable conventional global equities indices. Differences are minor. A comparison can be provided on request. **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 (%)	**(6.6)**	**(5.3)**	**(1.1)**	**-**	**-**	**-**	**10.8**
Global Equities Hedged to AUD[2] (%)	(4.5)	(2.1)	7.0	-	-	-	14.3
Value Added (%)	(2.1)	(3.1)	(8.1)	-	-	-	(3.5)

Notes (1) Inception date 30 May 2023. Fund returns are compared above to the MSCI ACWI 100% hedged to Net AUD (Daily) index, being representative of conventional global equities indices hedged to Australian dollars. Nanuk entered a license agreement with MSCI in October 2024. Prior to this date the Fund returns were compared to the average return of two comparable conventional global equities indices hedged to Australian dollars. Differences are minor. A comparison can be provided on request. **Past performance is not indicative of future performance.**

Key Contributors to Fund Performance

The underperformance of the technology sector impacted a number of the Fund's holdings including **Taiwan Semiconductor Manufacturing Co Ltd** (-13%), **Ciena Corporation** (-24%) and **Oracle Corporation** (-16%). These stocks had performed strongly in anticipation of large increases in investment in AI data centres and related infrastructure and fell amidst reports of weakening commitment to this expenditure. Microsoft was reported to have cancelled some projects, while Joe Tsai, Chairman of Chinese technology giant Alibaba, said "I start to see the beginning of some kind of bubble" in data centre investment. **Samsung Electronics Co., Ltd** (+6%) was a notable positive contributor as an upward move in solid state memory semiconductor prices and the approval of its high bandwidth memory (HBM) for use by NVIDIA was taken as encouraging news for the world's leading memory manufacturer.

All seven of the Magnificent Seven stocks under-performed broader global markets. The Fund holds investments in three of those seven companies; **Microsoft Corporation** (-5%), **Nvidia Corporation** (-13%), and **Amazon.com Inc**. (-10%) all detracted from returns, however on an overall basis, the Fund's underweight position in the Magnificent Seven contributed positively to relative performance.

Two of the German power equipment holdings in the Fund performed strongly in March (see the discussion about the German budget below) with **Nordex SE** (+13%) and **Siemens Energy** (+2%) shares outperforming. Shares in Italian cable manufacturer **Prysmian S.p.A.** (-8%) fell following a capital markets day at which the company announced earnings guidance that failed to meet high expectations, but included a new acquisition which was earnings accretive.

New Investments

Clean Harbors Inc. is a leading provider of environmental and industrial services including end-to-end hazardous waste management, emergency spill response, industrial cleaning and maintenance and recycling services. The company's share price has been negatively impacted by tariff-related uncertainty in US manufacturing, but efforts to revive domestic manufacturing should boost volume growth The company's ability to expand on existing permitted waste sites offers a strategic advantage in an industry with supply constraints and provides the company with strong pricing power even in periods of weak volume growth.

Fiserv Inc. engages in the provision of financial services technology. The company's Merchant Acceptance segment provides commerce enabling solutions to merchants around the world. The Financial Technology and Payments/Network divisions provide products and services to financial institutions to administer customer deposit and loan accounts, and to process digital payment transactions. Fiserv delivers high returns on capital and is winning market share with its innovative Clover and Carat platforms, while delivering robust free cash flow and consistent organic growth.

Idex Corporation is a US manufacturer of components and systems for flow control. The company's primary divisions are Fluid & Metering Technologies; Health & Science Technologies; and Fire & Safety / Diversified. The group's end markets include industrial, water, agriculture, semiconductors, food and pharmaceuticals. Idex is well-positioned to return to growth following a period of client inventory destocking. Management's disciplined and accretive M&A strategy supports long-term value creation and strengthens its business portfolio

Mondi Plc is an integrated packaging and paper producer with about 85% of revenue from paper-based packaging and the remainder from the sale of paper, predominantly for office and professional printing. Most of its paper comes from "virgin", i.e. not recycled, wood. Mondi's largest regional exposure is Central and Eastern Europe. European paper and packaging is recovering from oversupply following substantial post-COVID capacity additions. Mondi is increasing production from several cost advantaged assets positioning the business well for a rebound in returns.

Exited Positions and Other Portfolio Changes

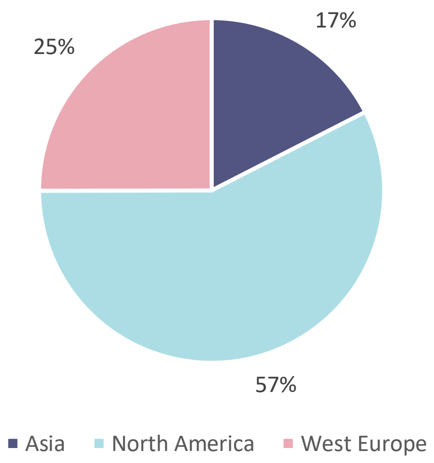
The Fund exited its holdings in Japanese semiconductor test equipment leader Advantest Corp, which had performed strongly over the past two years, and optical and photonics specialist Hamamatsu Photonics. The Fund also exited US firms Zebra Technologies, which had been reduced in previous months following outperformance and analog semiconductor manufacturer Texas Instruments, which saw a brief rally in its share price despite experiencing ongoing weakness in its end markets which have not recovered as anticipated.

Top 10 Holdings

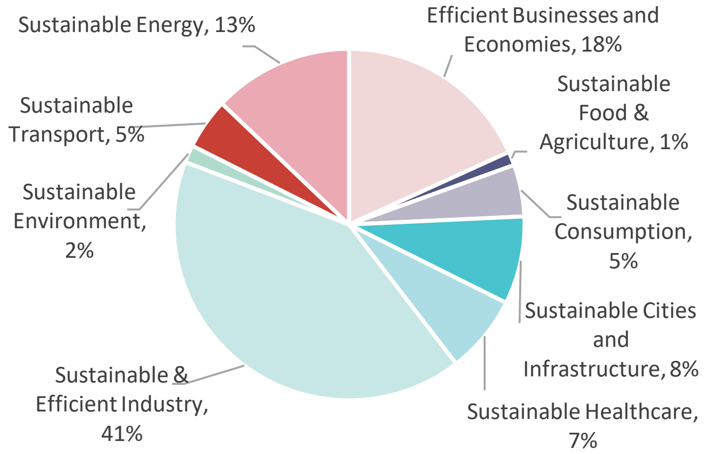
Security Name	Weight (%)	Country	Sector
Microsoft Corporation	4.9	UNITED STATES	Efficient Businesses and Economies
Taiwan Semiconductor Manufacturing Co., Ltd.	4.5	TAIWAN	Sustainable & Efficient Industry
CDW Corporation	4.5	UNITED STATES	Efficient Businesses and Economies
Vestas Wind Systems A/S	4.3	DENMARK	Sustainable Energy
Rockwell Automation, Inc.	4.2	UNITED STATES	Sustainable & Efficient Industry
Otis Worldwide Corporation	3.9	UNITED STATES	Sustainable Cities and Infrastructure
NVIDIA Corporation	3.3	UNITED STATES	Sustainable & Efficient Industry
Agilent Technologies, Inc.	2.8	UNITED STATES	Sustainable Healthcare
KLA Corporation	2.8	UNITED STATES	Sustainable & Efficient Industry
Bureau Veritas SA	2.7	FRANCE	Sustainable & Efficient Industry

Portfolio Positioning

Regional Weights (%)



Sector Weights (%)



Market Commentary

For the second month in a row US market performance lagged that of both Europe and Asia. The decline in US was led by the technology sector and smaller companies.

The policies of the new US administration have continued to significantly impact global share markets. President Trump announced a 25% levy on automobile imports to the US while previously announced tariffs on steel and aluminium imports came into effect. Markets were anticipating "Liberation Day", with a broad range of tariffs that the President had said would be announced on 2 April. Economic news in the US raised the spectre of stagflation with economic releases on inflation and inflationary expectations coming out higher than expected, while forward looking indicators of economic growth and confidence were weaker.

The incoming German Chancellor enacted significant legislation during the "lame duck" period of the old Parliament approving a constitutional amendment to relax the country's stringent debt rules, the so-called "debt brake", establishing a special fund of €500bn to modernise and expand German infrastructure and permit increased spending on defence and security outside fiscal constraints. It is estimated that the increased spending could be greater, as a portion of GDP, than the spending on German re-unification or the post-World War 2 Marshall Plan.

The US S&P 500 index declined 5.8% with the declines led by the Magnificent Seven large capitalisation technology stocks which experienced an average decline of 10%. The smaller capitalisation focused Russell 2000 Index slightly underperformed, declining by 7%. Hong Kong's Hang Seng Index rose by 0.8%. While Europe's Euro STOXX 50 Index declined by 3.9%, a 4.3% rise in the Euro against the US dollar resulted in European equities contributing positively for unhedged international investors. Japan's Nikkei 225 Index fell 4.1% in local currency terms, with the Japanese yen stable against the US dollar. The Australian dollar appreciated slightly against the US dollar.

Notable Industry Developments

Climate Change and Sustainability policy

- The UN World Meteorological Organization's (WMO) latest report confirmed 2024 as the hottest year on record, with global temperatures 1.55°C above pre-industrial levels, surpassing the Paris Agreement threshold. Over 150 extreme weather events—including heatwaves nearing 50°C, catastrophic floods, and storms—displaced 800,000 people worldwide. CO_2 levels reached an 800,000-year high, accelerating glacier melt, with Antarctic Sea ice at record lows for the fourth consecutive year, contributing to rising sea levels. Oceans absorbed unprecedented heat, leading to record-high sea surface temperatures and acidification, threatening marine life. The WMO warns that without urgent action, climate-related disasters will intensify.
- Arctic sea ice reached a 47-year winter low this March at 5.53 million square miles. Antarctic sea ice also remained near record summer lows at 764,000 square miles, about 30% below pre-2010 norms.
- As part of Germany's revised budget and spending plans, as spelled out above, the country's Greens political party secured €100 billion for climate protection and economic transformation. They also won a landmark constitutional amendment enshrining the goal of greenhouse gas neutrality by 2045.
- The European Union (EU) announced its €4.7 billion investment package for South Africa's Just Energy Transition Partnership (JETP). This funding, part of the EU's Global Gateway initiative, aims to support South Africa's transition from coal to renewable energy and comes, in part, as a response to the US' abrupt withdrawal from the initiative under President Trump's administration. The U.S. had initially pledged $1 billion.
- The Trump administration announced rollbacks on several key environmental regulations. The EPA plans to reconsider the 2009 Endangerment Finding, which underpins climate-related policies, potentially weakening greenhouse gas regulations. Emission standards for coal and gas power plants and vehicle tailpipes are set to be relaxed, allowing for increased pollution from both sectors. Additionally, federal protections under the Clean Water Act will be reduced, limiting oversight of wetlands and streams.
- At the UN, the US formally rejected the UN's Sustainable Development Goals (SDGs) stating that they promote "soft global governance" that conflicts with U.S. sovereignty and national interests.

Sustainable Energy

- The day before the vernal equinox (the day when day and night are roughly equal) saw German power prices fall below zero for four hours in response to strong solar power generation. Prices in France, the Netherlands and Poland were negative for a similar amount of time. According to BNEF in 2024 power prices were negative in Germany for 468 hours, almost 20 days, because of large amounts of renewable generation supplied to the grid.
- A critical air pollution permit for the Atlantic Shores Offshore Wind South project near the New Jersey Shore has been invalidated by the US Environmental Appeals Board. This decision comes seven weeks after President Donald Trump expressed his desire for the project to be "dead and gone." The Board's action is a significant setback for the 1.5-gigawatt wind farm and raises legal risk in the US, potentially slowing new capital spending decisions.

- Australia's Federal Environment Minister Tanya Plibersek gave the go-ahead for three large wind farms in NSW, totalling 2.4GW of generating capacity.
- The junior partner in Mike Cannon-Brookes' $40 billion Sun Cable venture, Quinbrook Infrastructure Partners, unveiled a $3.5 billion investment in eight-hour batteries (24 GWh), to lower the cost of round-the-clock clean power for industry and data centres.
- The head of the World Bank asked its board to lift a long-standing ban on funding nuclear power, calling it a green option for poorer nations. While the bank currently funds fossil fuels and renewables, it excludes nuclear. The proposed policy reform would support all affordable and accessible energy types, including nuclear, natural gas, geothermal, and hydropower. Since its founding, the bank has only backed one nuclear project—in Italy in 1959.

Sustainable Industry

- Rio Tinto signed a $2 billion deal with Edify Energy to buy solar and battery power for its Gladstone aluminium operations. The 600 MW solar plus 2400 MWh battery project in central Queensland will supply stored power during peak hours. Construction starts in late 2025. Edify is also developing similar projects in Townsville. Later in March, in the Federal Budget announced A$2 billion ($1.3 billion) in a Green Aluminium Production Credit program to encourage smelters to shift to renewable energy, targeting reductions in Scope 2 emissions over the next 10 years. To qualify, smelters must show significant decarbonization by 2036.
- Saudi Aramco and Siemens Energy (a Fund holding) announced the launch of Saudi Arabia's first Direct Air Capture (DAC) carbon capture test unit. The facility can remove 12 tons of CO_2 per year from the atmosphere. The goal is to test carbon capture materials in local climate conditions and work toward reducing the cost of DAC technology.

Sustainable Transportation

- Chinese EV-leader BYD Ltd announced that its newest technology can add 400km of charge in just five minutes bringing EVs a step closer to the advantage gasoline has in refuelling. The technology requires an unprecedented 1,000 kilowatts of power.
- Investment in development of electric vehicles has not stopped despite the challenges imposed by Trump's policy agenda and weakening government support elsewhere in the face of economic challenges. Chinese companies Xiaomi and BYD raised capital in share offerings exceeding US$5 billion each to expand their respective electric vehicle businesses. South Korean battery manufacturer Samsung SDI raised $1.4 billion in a share issue to fund a joint facility with General Motors Co. and boost production capacity for its plant in Hungary. It will also invest to build assembly lines for manufacturing all-solid-state batteries in South Korea. Chinese carmaker Chery Automobile announced that it would establish a $1 billion EV factory in Turkey.
- The European Commission is proposing an extension of the 2025 compliance period for the calculation of the average fuel efficiency of auto sales from one year to three years to protect the lagging legacy automakers, slowing pressure on manufacturers to accelerate the sale of EVs.
- Australian federal government ministers Bowen and King announced the government will provide $250 million of grants to low-carbon liquid fuels under its $1.7 billion Future Made in Australia innovation fund. The grants will support "pre-commercial" projects producing fuels from waste, agricultural feedstocks or renewable hydrogen, that can be used in aviation, mining, construction, and agriculture.

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.

CERTIFIED RESPONSIBLE INVESTMENT
SUSTAINABLE PLUS
CERTIFIED BY RIAA

Nanuk New World Fund

Type: Global Equities
Responsible Entity: Equity Trustees Limited
Total Management Costs: 1.1% p.a.

Distribution frequency: Annually as of 30 June
Currency: AUD
AUM (AUD as at 31 March 2025): $871

Product	**Nanuk New World Fund Active ETF**		**Nanuk New World Fund (Currency Hedged) Active ETF**	
	Unquoted Managed Fund	**ETF**	**Currency Hedged Unquoted Mgd Fund**	**ETF**
APIR / ASX CODE	SLT2171AU	SLT2171AU / NNUK	ETL0535AU	ETL0535AU / NNWH
Currency Hedging	Unhedged		Hedged to AUD	
Inception	2 November 2015		30 May 2023	
Buy/Sell Spread	0.25%	ASX bid-offer spread *	0.25%	ASX bid-offer spread *
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	ASX & platforms that provide access to ASX listed investments

** 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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