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 returned 1.1% in October, underperforming conventional global equity benchmarks, such as the MSCI All Country World Net Total Return index, which returned 3.5% in Australian dollar terms.

The Fund's relative performance was impacted by a combination of the underperformance of environmental equities and stock specific underperformance amongst the Fund's holdings. During the month a significant proportion of the Fund's investments reported results for the September quarter and a number reflected the slowing or delayed recovery of industry cycles. Delayed corporate decision making ahead of the US election has contributed to this effect. Significant individual detractors (as well as contributors) are discussed below.

The Fund's currency hedged unit class was down 3.3% (versus the MSCI ACWI 100% hedged to Net AUD index which was down 1.2%) reflecting the impact of currency hedging during a month in which the Australian dollar weakened significantly against major currencies. (Note - the currency hedged unit class would be expected to outperform the unhedged units during periods in which the Australian dollar strengthens, and vice versa).

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 (%)	**1.1**	**21.9**	**37.7**	**21.3**	**10.0**	**11.6**	**12.7**
Global Equities[2] (%)	3.5	20.8	28.4	19.7	10.4	12.2	11.1
Value Added (%)	(2.5)	1.1	9.4	1.6	(0.4)	(0.6)	1.6

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 (%)	**(3.3)**	**18.2**	**41.4**	**-**	**-**	**-**	**18.7**
Global Equities Hedged to AUD[2] (%)	(1.2)	16.8	30.7	-	-	-	18.5
Value Added (%)	(2.1)	1.4	10.7	-	-	-	0.2

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

CDW Corporation (-17%) provides “value added reselling” of IT products and services, mainly in the US. CDW’s share price fell after the company downgraded its guidance, citing increasing technological complexity (including AI) and economic and geopolitical uncertainty as factors currently affecting customer demand. The company also highlighted competitors responding by cutting prices. Management expects that demand should recover when uncertainty dissipates, for example as the US election passes. Based on the company’s track record we believe that this is likely.

The Fund’s investments with exposure to increasing investment in electricity grids and renewable energy generation continued to perform well, notably German company **Siemens Energy AG** (+10%) and US peer **GE Vernova Inc.** (+18%) - both leaders in gas powered turbines, grid technology and wind turbines.

Valmet Corp (-20%) and **Andritz AG** (-15%) both provide capital equipment, automation solutions and services. The pulp, paper and packaging industries are the largest markets for each, contributing ~70% of Valmet’s revenue and over 40% for Andritz. Both companies downgraded guidance during the month on weakness in these markets. Andritz also announced job cuts in its subsidiary serving the metal-forming market.

The Fund’s AI-exposed holdings showed divergent performance as the relative success of different companies becomes clearer. Graphic processing unit (GPU) leader **Nvidia** (+9%) saw continued positive news flow about its latest Blackwell GPU chip in a month where one of its rivals, AMD (not a Fund holding), fell 12% amid below-expectations December-quarter guidance and another, Intel (also not a Fund holding), took $16 billion in write-downs. In chip fabrication, the September-quarter earnings report from **TSMC** (+6%) came in well above expectations, while that from **Samsung Electronics** (-9%) showed that, like Intel, it is struggling to compete with TSMC’s foundry business, as well as experiencing weakness in the non-AI part of its memory business. Semiconductor test equipment leader **Advantest** (+27%) issued another strong report, far ahead of its most direct competitor, Teradyne (not a Fund holding). Moving to AI applications, **Microsoft** (-6%) had a more mixed earnings report, with continued strong growth in the September quarter, but issued December-quarter guidance slightly below expectations with escalating capital expenditure.

The Fund’s holdings in diagnostic and analytical equipment suppliers, primarily serving the healthcare industry, underperformed following disappointing earnings outlooks from sector leaders reflecting slower than anticipated demand from pharmaceutical and contract research customers. This impacted the Fund’s holdings in **Agilent Technologies** (-12%), **Revvity** (-7%) and **Shimadzu** (-10%).

New Investments

Fabrinet provides contract manufacturing services for communications products. ~80% of its revenue comes from optical data transmission products, roughly split between 'datacom' (transferring data within a location, typically a data centre) and 'telecom' (between locations), with the remainder of sales coming from a range of automotive and industrial applications. The company's revenue is growing at double digit rates thanks to cloud computing and, especially, AI demand, as well as autonomous driving applications. We believe the current share price does not reflect this rate of growth or the attractive returns at which it is being achieved, thanks to Fabrinet's leadership position and low capital intensity.

Vestas Wind Systems A/S is the leading, non-Chinese manufacturer of wind turbine generators. We see evidence that Vestas has led a change in industry-wide behaviour that is leading to better pricing, reduced costs and more favourable supply contracts. These changes should lead to improved profitability, following a period of significant under-performance amid difficult industry conditions and some company-specific problems.

Exited Positions and Other Portfolio Changes

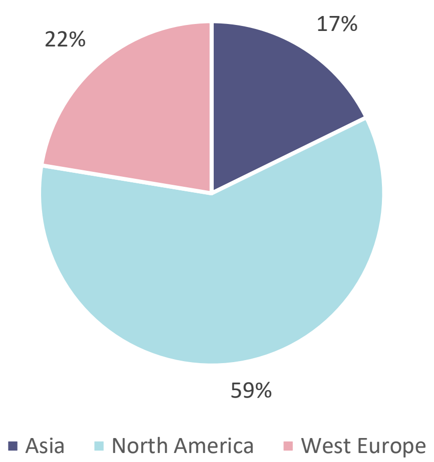
The Fund exited its position in US organic and natural food grocery chain Sprouts Farmers Market following significant share price outperformance and completed the divestment of a small position in Japanese semiconductor capital equipment manufacturer Lasertec Corp.

Top 10 Holdings

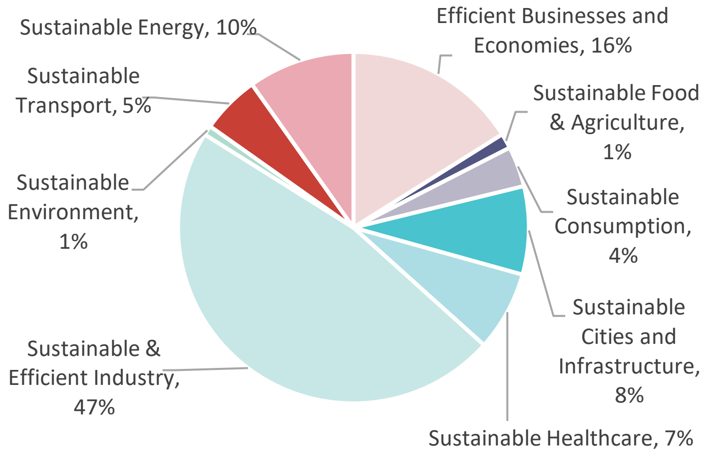
Security Name	Weight (%)	Country	Sector
Microsoft Corporation	4.8	UNITED STATES	Efficient Businesses and Economies
Taiwan Semiconductor Manufacturing Co., Ltd.	4.7	TAIWAN	Sustainable & Efficient Industry
CDW Corporation	4.2	UNITED STATES	Efficient Businesses and Economies
Otis Worldwide Corporation	3.9	UNITED STATES	Sustainable Cities and Infrastructure
Zebra Technologies Corporation Class A	3.5	UNITED STATES	Sustainable & Efficient Industry
Littelfuse, Inc.	3.4	UNITED STATES	Sustainable & Efficient Industry
Texas Instruments Incorporated	3.1	UNITED STATES	Sustainable & Efficient Industry
Bureau Veritas SA	3.1	FRANCE	Sustainable & Efficient Industry
Rockwell Automation, Inc.	2.9	UNITED STATES	Sustainable & Efficient Industry
NVIDIA Corporation	2.7	UNITED STATES	Sustainable & Efficient Industry

Portfolio Positioning

Regional Weights (%)



Sector Weights (%)



Market Commentary

Global equities markets saw modest declines in October, following five consecutive monthly gains. The MSCI All Country World Net Total Return Index declined 2.2% as conflict in the Middle East escalated and the US presidential election loomed in early November.

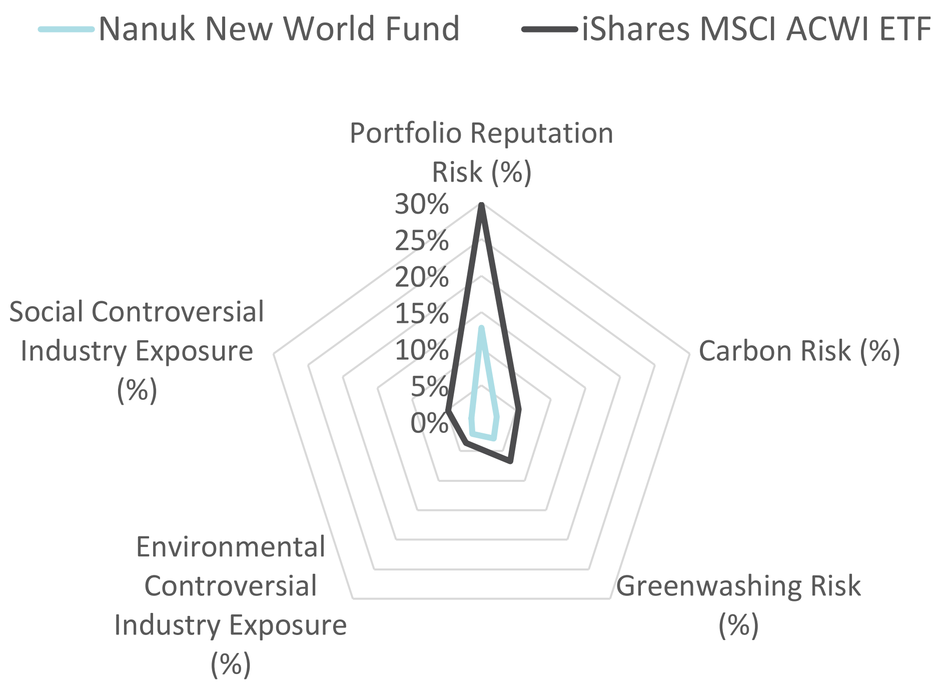
The US S&P500 index was down 1.0%, with smaller capitalisation stocks once again underperforming. Larger capitalisation technology stocks fared better, with the Nasdaq Composite index down 0.5% and the US FANG+ index up 1.9%. Europe's STOXX 50 index was down 3.5% and Hong Kong's Hang Seng Index declined 3.9% following the announcement of Chinese government stimulus measures that fell short of expectations. Following election results where the incumbent LDP party lost their parliamentary majority, Japan's Nikkei 225 Index rose 3.1%, but the Japanese Yen declined by more than 6% against the US dollar.

Responsible Investment – Sustainability In Focus

The Fund's eligible investment universe is identified using both positive screening (for exposure to selected industries and technologies) and negative screening (that seeks to reduce or avoid exposure to activities that are deemed by Nanuk to be misaligned with improving global environmental sustainability, certain controversial activities and severe violations of norms for responsible business practices). The applicable materiality thresholds vary from 0% to 30% of revenue depending on the nature and severity of the relevant activities. For more details, please refer to Nanuk's ESG Policy, available on our website.

Although the Fund does not have specific sustainability or impact targets, the selection of investments from this universe is likely to result in a portfolio that demonstrates greater alignment with global sustainability outcomes, lower levels of exposure to companies involved in producing or using fossil fuels and lower levels of exposure to controversial activities (such as tobacco production and gambling operations) than conventional passive global equities portfolios.

Nanuk uses third-party data from independent providers, such as Sustainable Platform, to analyse this alignment and to illustrate the characteristics of the Fund's portfolio. The diagram below compares statistics for the Nanuk New World Fund with the holdings of the iShares MSCI ACWI ETF as at 30/09/2024.



It is noteworthy that at the end of September, relative to Global Equities, the Nanuk New World Fund had:

- **58% lower** exposure to controversial industries (socially & environmentally controversial industry exposure)
- **59% lower** carbon risk
- **57% lower** reputational risk
- **57% lower** greenwashing risk

Source: Sustainable Platform, Nanuk. As of 30th September 2024. This analysis compares the holdings of Nanuk New World Fund against the holdings of MSCI ACWI ETF. Further details available at https://www.sustainableplatform.com/docs/metrics. Portfolio Reputation Risk is measured by the number of companies that have more than the global database average exposure to controversial industries or have more than the average number of corporate or environmental fines. Environmental Controversial Industry Exposure is the sum of Controversial Industry exposure that risks the wellbeing of the environment. i.e. defence, deforestation, fossil fuels, GM, nuclear. Social Controversial Industry Exposure is the sum of Controversial Industry exposure that has been known to negatively impact society or the health of people. i.e. adult industries, alcohol, defence, fossil fuels, gambling, nuclear, opioids and tobacco. Greenwashing Risk represents the company's exposure to controversial industries related to the environment and takes into account any environmental fines against the company. Carbon Risk is a single metric used as a proxy for combined Scope 1, 2 & 3 reporting. It is calculated from fossil fuel exposure within a portfolio as a proportion of company revenue.

Notable Industry Developments

Climate Change and Sustainability policy

- Spain became the latest country to experience a historic natural disaster. A year's worth of rain fell in a day in the south and east of the country, with the region of Valencia the worst hit. There are over 200 confirmed deaths so far, a toll which may rise as heavy rains are yet to fully abate and search and rescue efforts continue. Scientists linked the scale of the damage to climate change. Locals are upset with the lack of warning, preparedness and rescue support: all recurring themes of recent climate induced disasters.
- The EU-China trade conflict over Electric Vehicles (EV) continued. The EU imposed tariffs on Chinese EVs starting at 10% but with higher rates for certain automakers, peaking at 45% for SAIC. The vote over the measure was far from unanimous, with 10 countries in favour, 5 against, and 12 abstentions. China has appealed to the WTO against the measure, and negotiations continue. Expanding the field of dispute, Germany, which sought to protect its own auto manufacturers from Chinese retaliation and voted against the EV tariffs, announced plans for a range of protective measures in the wind turbine sector.

Sustainable Energy

- India unveiled a plan to upgrade its power grid with over $100 billion of investment by 2032. The plan will enable the country to more than double grid connected renewable generation capacity, to 500GW.
- Orsted, the leading offshore wind farm operator, announced the sale of a $2.3 billion stake in one of its UK wind farms, a confidence boost for a sector and a company which has been through difficult recent times. The industry experienced a failed capacity auction and Orsted suffered write-downs on projects which had become uneconomic due to rising costs. The UK's new Chancellor Rachel Reeves personally hailed the deal as the kind of investment she is trying to encourage. Norway's oil and gas production giant, Equinor, also unveiled a 9.8% stake in Orsted. The Fund's holdings in Vestas and Siemens Energy, two of the leading manufacturers of offshore wind turbines, stand to benefit from a recovery in this industry.
- A project that will be the Southern Hemisphere's largest wind farm when completed, Golden Plains, near Geelong, sent its first power to the grid. The project will have an installed capacity of 1.3GW and meet around 9% of Victoria's electricity demand. The project is installing 6.2MW wind turbines manufactured by new Fund holding, Vestas Wind Systems. The site will also feature a 300MW battery.
- The nuclear sector saw a string of early-stage but high-profile announcements during October. Amazon and hedge fund billionaire Ken Griffin anchored a $500 million investment round in small modular reactor (SMR) developer X-Energy. Google said it had signed an agreement for the construction of SMRs with 500MW of capacity with Kairos Power, with production set to commence between 2030-35. The Biden administration awarded contracts for production of highly enriched uranium suitable for use in SMRs, valued at up to $2.7 billion. A string of billionaires participated in a $900m funding round in Pacific Fusion Corp, with Stripe's Patrick Collison and former Google CEO Eric Schmidt joining its Board.

Sustainable Industry

- Masdar, a leading Abu Dhabi sustainable energy company, said it would push back its goal to produce 1 million tons per year of green hydrogen to 2034. The company inaugurated a green hydrogen-fuelled steel pilot project with its partner Emsteel. Emsteel CEO Ghumran Al Remeithi said the costs of green hydrogen create a need for "alignment with regulators, suppliers, steel producers and customers".
- German utility Uniper said it would postpone €8 billion of sustainable investments, primarily into green hydrogen, with a similar timeline to Masdar, from "by 2030" to "the early 2030s". The delay is because "[t]here are hardly any major customers who buy green hydrogen".
- German regulators approved plans for a €19 billion hydrogen network. The network will extend over 9,000kms and connect key industrial hubs such as steel plants. It aims to be operational by 2032.
- Origin Energy decided to end its involvement in the Hunter Valley Hydrogen Hub, dealing a blow to the project, which had been touted as a potential producer of almost 5mt of hydrogen annually.
- Santos and Beach Energy announced the commissioning of their Carbon Capture and Storage project at their Moomba, South Australia, gas plant. Depleted underground reservoirs will be used to store approximately 1.7mt of CO_2 p.a..

Sustainable Transport

- There were several significant announcements in the biofuel industry. A.P. Moller-Maersk, the leading merchant shipping company, said it had signed a deal for lower-emission fuel with China's Longi Green Energy, best known as a leading manufacturer of solar panels. Longi will receive bio-methanol made from residues. This follows a similar deal Moller-Maersk signed last year with Goldwind, the leading Chinese wind turbine manufacturer. Enilive, the sustainable mobility subsidiary of Italian refiner Eni, was valued at ~€12 billion as a 25% stake was sold to US private equity firm KKR. Its main operations at present are biorefining and biomethane assets. Neste, a Finnish refiner with a leading position in sustainable fuels, said refiners "need to taper expectations in the short term on sustainable aviation fuel (SAF)" as airlines trim their largely voluntary purchase commitments. Fund holding, Darling Ingredients, announced its third SAF supply agreement and that a project to convert one of its facilities to produce SAF was mechanically complete and undergoing commissioning.
- Chinese battery giant Contemporary Amperex (CATL) maintained its record of eye-catching technology announcements by showing off a new battery purpose-designed for hybrid vehicles, at a time when these are gaining market share. The battery offers 400km of range and rapid charging capability. The battery integrates both lithium and sodium technology, enabling better performance in cold temperatures. CATL also signed a $1.2 billion deal with the government of Indonesia, for a joint venture to produce batteries.
- Hyundai unveiled a hydrogen concept car, aimed for release in 2025, as part of its recently announced $4 billion investment plans for hydrogen "ecosystems and value chains".
- Toyota Motor and Nippon Telegraph & Telephone (NTT) said they would invest ¥500 billion in autonomous driving software by 2030. NTT's involvement reflects the fact that "transmitting large amounts of data will be crucial as software-defined vehicles become more common", according to Toyota CEO Koji Sato.
- Waymo, the autonomous driving division of Google's parent company Alphabet, raised capital for the first time since 2022. The company raised $5.6 billion at an unconfirmed valuation, but Bloomberg New Energy Finance (BNEF) reported briefings indicating a $45 billion valuation.

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 (TM)

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 October 2024): $862.2m

Product	**Nanuk New World Fund (Managed Fund)**		**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)*

Investment Manager

Nanuk Asset Management Pty Ltd
Level 23, Australia Square, 264 George Street
Sydney NSW 2000, Australia
Tel: +61 2 9258 1600
Email: contact@nanukasset.com
www.nanukasset.com

Unit Registry

Automic
GPO Box 5193
Sydney NSW 2000
Email: hello@automic.com.au