

Cutting to the case

An interest piece written by Greg Smith, Head of Distribution at Devon Funds.

The month of July was a notable one for investors both at home and abroad. Inflation continued to fall globally, and central banks for the most part became more open to an easing of monetary policy. This included New Zealand where the eagerly awaited quarterly inflation print surprised on the downside, and came hot on the heels of what was seen as a more dovish Monetary Policy announcement from the RBNZ. With the economy continuing to face headwinds, interest rate cuts by the central bank before the end of the year looked increasingly probable.

The NZX50 market responded positively to this scenario, hitting a 30-month high during the month, with a 5.9% gain in July, which outperformed the 1.2% rise in the S&P500 and the 1.8% rise in the MSCI World Index. The month was also notable for another evolving thematic with positive ramifications for the Kiwi market which has lagged many other benchmarks this year. Globally, there was a rotation away from super-cap technology, towards older-economy names, and smaller capitalisation companies on the view that they offer better leverage to a soft economic landing. The tech-laden Nasdaq has led the market this year but closed down 0.75% during the month.

As we enter August the notion of a soft landing has been somewhat disrupted by the view that rate cuts by the Fed in September may come too late to prevent a hard landing in the world's largest economy (despite the monthly jobs numbers being severely impacted by the weather). The multi-trillion dollar yen-carry trade (where investors borrow yen to invest in the US technology sector amongst others) has meanwhile started to...[READ MORE](#)

MARKET INDICES

Index	Region	Monthly Return 1 Yr. Return	
S&P/NZX50G	NZ	5.9%	2.9%
S&P/ASX200G	AUSTRALIA	4.2%	13.5%
MSCI World Index	GLOBAL	1.8%	18.9%
S&P500	USA	1.2%	22.1%
FTSE100	UK	2.5%	13.0%
NIKKEI 225	JP	-1.2%	20.1%
NZ 90 Day Bank Bill	NZ	0.5%	5.8%
Bloomberg Global Aggregate Index (NZD)	GLOBAL	2.0%	5.8%

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AT A GLANCE

Prices as at 31 July 2024

DEVON ALPHA FUND	\$2.3567
DEVON AUSTRALIAN FUND	\$1.8334
DEVON DIVERSIFIED INCOME FUND	\$1.4702
DEVON DIVIDEND YIELD FUND	\$1.8657
DEVON GLOBAL IMPACT BOND FUND	\$1.3662
DEVON GLOBAL SUSTAINABILITY FUND	\$1.9504
DEVON TRANS-TASMAN FUND	\$4.9438
DEVON SUSTAINABILITY FUND	\$3.3775
ARTESIAN GREEN & SUSTAINABLE BOND FUND	\$1.0380

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DEVON ALPHA FUND

FUND OUTLINE

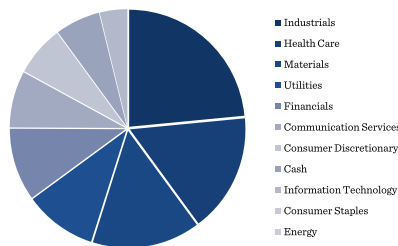
The **Alpha Fund** invests in a concentrated portfolio of approximately 10 to 15 select companies predominantly listed on the NZ and Australian share markets.

The Fund does not follow any index, is actively managed and aims to generate capital growth over the long term. Currency exposure is actively managed.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	34.5%	Cash	6.2%
Australian Equities	59.3%	Total	100.0%
Currency Hedge	0.0%		

PERFORMANCE

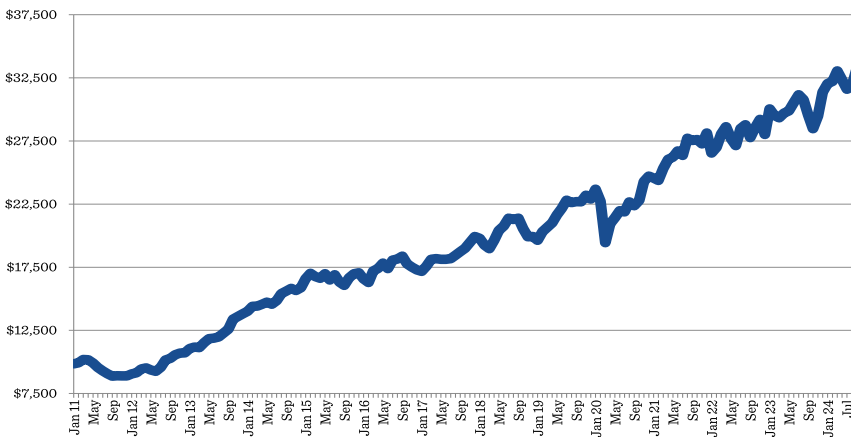
	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Alpha Fund	4.4%	2.6%	6.6%	8.0%	7.8%	9.1%
OCR + 5%	0.9%	2.6%	10.9%	7.0%	4.3%	2.4%

*Devon Alpha Fund returns are after all fees and expenses, but before tax which varies by investor.

**The benchmark for Alpha changed to OCR + 5% from 1 September 2022.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2011



NOTE: Further information on the Devon Alpha Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/alpha-fund> or by clicking [HERE](#)

COMMENTARY

The Alpha strategy generated solid absolute returns during the month with strong contributions coming from our investments in James Hardie and Summerset, which rallied 15.6% and 17.9% respectively. Another impressive return came from our exposure to Newmont, whose share price closed up 16.0% after reporting a better-than-expected second-quarter result. Investors were encouraged by Newmont's gold production, which at 1.6 million ounces, was 2% ahead of consensus forecasts. Management also executed well at the cost line, with their costs per ounce, including sustaining capex, better than the market had anticipated. Subsequent to this performance we were encouraged to see that their net debt had fallen to \$6.39bn and that the company has initiated a \$1bn share buyback. This result, together with confirmation of progress in the sale of non-core assets, gives us confidence in the ongoing upside potential with this investment. A negative drag to our result during the month was Contact Energy whose price fell 5.6% in July.

PORTFOLIO MANAGER

Slade Robertson



Slade has primary responsibility for stock selection and portfolio construction for the Alpha, Australian and Diversified Income funds. Slade is also the Managing Director at Devon and has overall responsibility for the business. Slade has over 20 years' industry experience.

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DEVON TRANS-TASMAN FUND

FUND OUTLINE

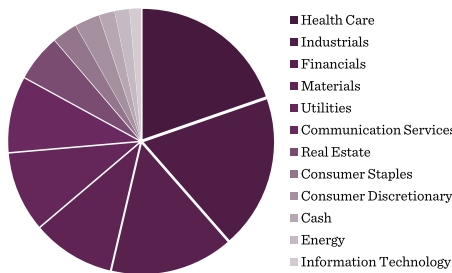
The **Trans-Tasman Fund** provides a broad and actively managed exposure to the New Zealand and Australian equity markets.

This Fund invests in a select portfolio of well researched companies, which are primarily New Zealand and Australian listed companies. The Australian dollar currency exposure is typically unhedged.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	45.7%	Cash	5.3%
Australian Equities	49.0%	Total	100.0%

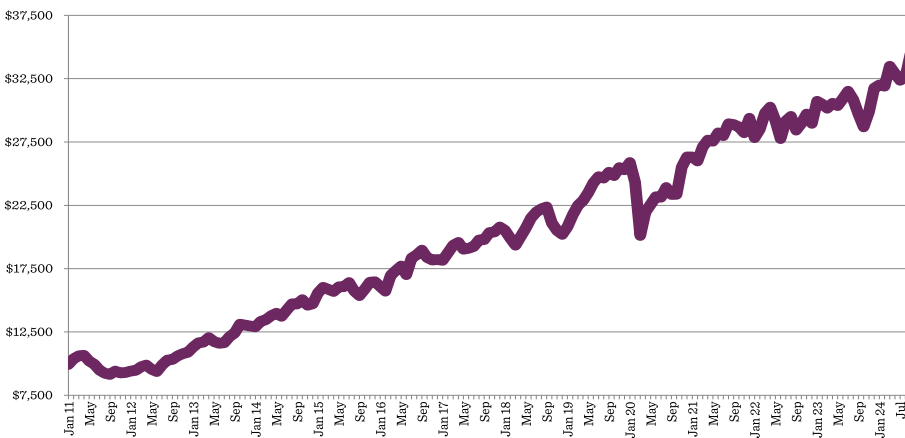
PERFORMANCE

	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Trans-Tasman Fund	5.6%	4.7%	9.2%	7.1%	6.8%	8.5%
50:50 NZX50 Gross & ASX200 Index Unhedged	5.4%	5.1%	9.1%	4.2%	5.7%	9.1%

*Devon Trans Tasman Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2011



NOTE: Further information on the Devon Trans-Tasman Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/trans-tasman-fund> or by clicking [HERE](#)

COMMENTARY

We were pleased that the Trans-Tasman strategy generated both a positive absolute and relative return during July as markets were particularly strong. Amongst our best performers were Freightways which rallied 18.2% and Summerset which closed higher by 17.9%.

Summerset performed strongly over the month following a solid quarterly sales report and as market participants started to factor in potential RBNZ rate cuts, given the weak New Zealand macro backdrop and receding inflationary pressures. In the June 2024 quarter the Group reported 333 sales, comprising of 156 new sales and 177 resales, while sales for the six months to 30 June 2024 were the second highest ever recorded, behind H2 2023. The company continues to deliver growth in settlements despite a tough housing backdrop. Investors believe that any interest rate cuts would help drive a housing recovery and improvement in turnover in FY25. These conditions would be very supportive for Summerset.

PORTFOLIO MANAGER

Tama Willis



After a long period in international investment markets, Tama returned to NZ after a very successful career in London and Singapore to join Devon's investment team. Tama holds primary responsibility for Devon's Trans-Tasman Fund. Tama is widely regarded as a leading expert on resource and mining stocks.

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DEVON AUSTRALIAN FUND

FUND OUTLINE

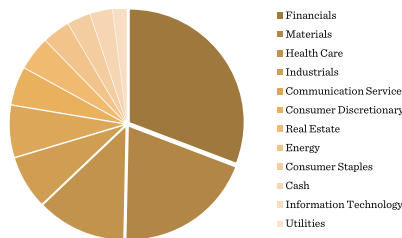
The **Australian Fund** invests in a select portfolio of companies, which are primarily Australian listed companies.

The Australian market is much larger than the New Zealand market and offers exposure to a number of sectors that are not available in New Zealand. The Australian dollar currency exposure of this Fund is typically unhedged.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

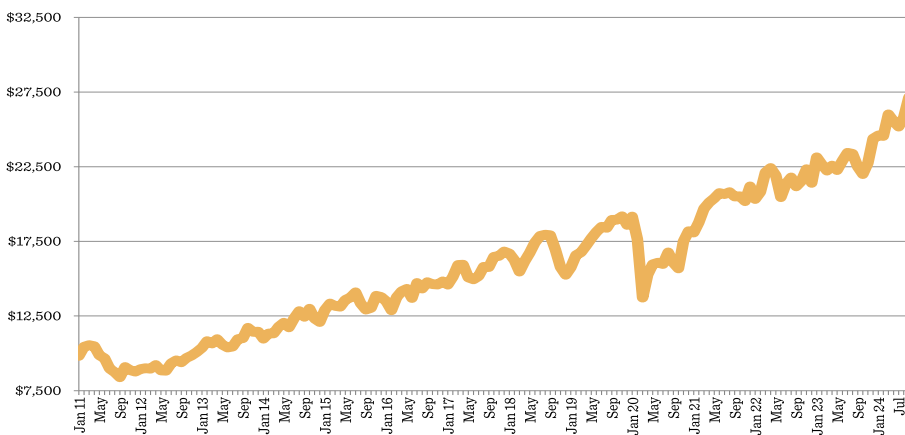
New Zealand Equities	0.0%	Cash	3.1%
Australian Equities	96.9%	Total	100.0%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Australian Fund	5.2%	6.2%	15.8%	9.5%	8.0%	8.2%
ASX200 Index Gross (NZD)	5.0%	6.4%	15.3%	9.0%	8.6%	7.8%

*Devon Australian Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2011



NOTE: Further information on the Devon Australian Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/australian-fund> or by clicking [HERE](#)

COMMENTARY

The Australian strategy performed well, generating strong absolute and relative returns. Against a positive backdrop where the ASX200 Index rallied more than 4%, we enjoyed some particularly strong contributions, including from our exposures to Aristocrat Leisure (+9.0%), Newmont (+16.0%) and James Hardie (+15.6%). James Hardie has been a great investment for the portfolio over the past 18-months as the company has enjoyed a strong competitive position in the US construction market, particularly in the Repair & Remodelling segment. In July investors were encouraged by the prospect that the US Federal Reserve is approaching a point in their policy cycle where interest rates will be cut. This should prove to be a supportive backdrop for cyclical companies, such as those exposed to building activity. The Banks were also strong performers including the CBA and NAB which rallied 7.9% and 6.5% respectively.

PORTFOLIO MANAGER

Slade Robertson



Slade has primary responsibility for stock selection and portfolio construction for the Alpha, Australian and Diversified Income funds. Slade

is also the Managing Director at Devon and has overall responsibility for the business. Slade has over 20 years' industry experience.

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DEVON DIVIDEND YIELD FUND

FUND OUTLINE

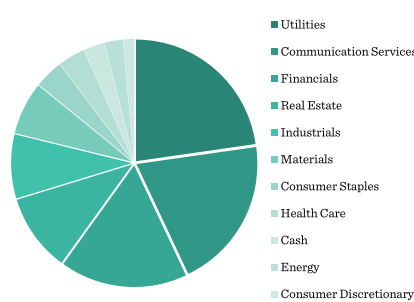
The **Devon Dividend Yield Fund** invests in a carefully selected portfolio of New Zealand and Australian listed companies.

These stocks are chosen for their attractive dividend yields and growth prospects with the aim of maintaining the dividend yield and capital value in real terms. The Australian dollar currency exposure is typically fully hedged.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

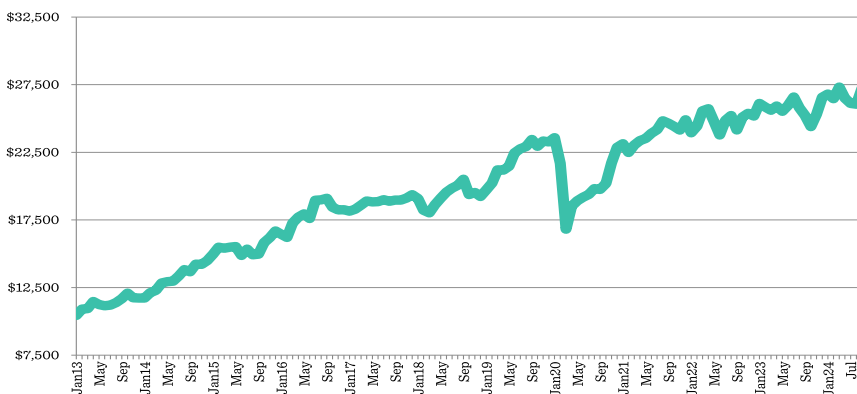
New Zealand Equities	63.2%	Cash	2.7%
Australian Equities	34.1%	Total	100.0%
Currency Hedge	93.6%	Yield	6.0%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Dividend Yield Fund	4.5%	2.8%	2.5%	4.1%	3.7%	9.1%
50:50 NZX50 & ASX200 Index Gross	5.1%	5.0%	8.2%	3.5%	5.1%	10.3%

*Devon Dividend Yield Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2013



NOTE: Further information on the Devon Dividend Yield Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/dividend-yield-fund> or by clicking [HERE](#)

COMMENTARY

The Dividend Yield strategy offers investors a forecasted distribution for the year ahead of 6.1%, which is also expected to grow by 2.9% annually over the next three years. This is expected to exceed the RBNZ's CPI forecast over the same period. Top contributors during July were Freightways (+18.2%), Port of Tauranga (+17.0%), and Newmont (+16.0%). Meanwhile, the key detractors were Contact Energy (-5.6%), BHP (-0.9%), and Napier Port (-2.4%). Port of Tauranga (POT) was a standout performer during July, rallying 17.0%. The company continues to benefit from Port of Auckland's strategy to lift prices, which will see returns on invested capital for the sector improve over the next five years as other ports follow suit. Port of Tauranga continues to trade meaningfully below its historic valuation multiples. As POT gradually lift their prices and experience a volume recovery, in line with an increase in economic activity, we would expect to enjoy further upside in returns.

PORTFOLIO MANAGER

Patrick Washer



Patrick has primary responsibility for stock selection and portfolio construction for the Dividend Yield Fund. Patrick also holds research responsibilities for the property, aged care and transport sectors.



DEVON DIVERSIFIED INCOME FUND

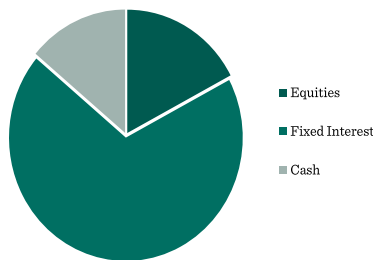
FUND OUTLINE

The **Devon Diversified Income Fund** aims to give New Zealanders access to a diverse and good quality portfolio of high yielding investments. The Fund aims to generate better-than-bank income rates by investing in a carefully selected portfolio of government and corporate bonds, cash, listed property, infrastructure, utility companies, high yielding equities, credit securities and other yielding financial assets.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	17.9%	Bonds	69.6%
Australian Equities	9.7%	Cash	2.8%

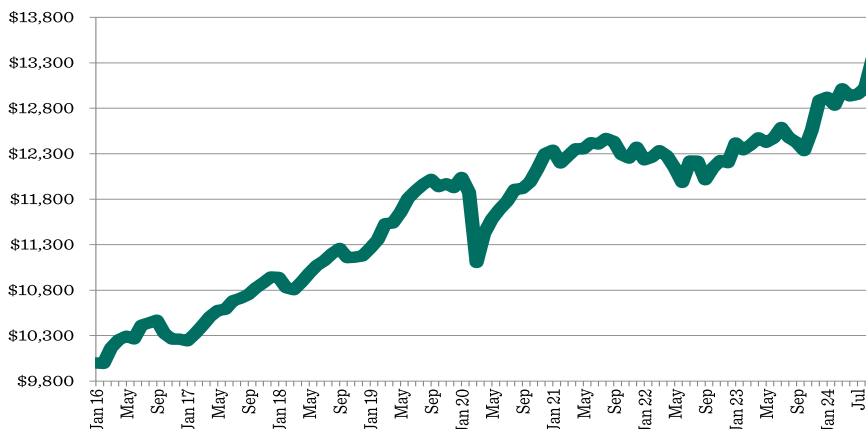
PERFORMANCE

	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Diversified Income Fund	2.5%	3.2%	6.0%	2.5%	2.3%	3.6%
OCR + 1.5%	0.6%	1.8%	7.3%	5.2%	3.9%	2.9%

*Devon Diversified Income Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 1 January 2016



NOTE: Further information on the Devon Diversified Income Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/diversified-income-fund> or by clicking [HERE](#)

COMMENTARY

Global bonds rallied strongly over the month, with the yield on US 10-year Treasuries falling from 4.31% in late June to close July at 4.14%. This positioning by investors was supported by the July meeting of the US Federal Reserve where Chairman Jerome Powell signalled that the potential existed for interest rate cuts at their September meeting. Powell highlighted that “inflation has eased substantially” over the past year. As we moved into July this narrative was bolstered by US non-farm payrolls which were reported at 114k, against a consensus forecast of 175k. This further supported calls for the Fed to cut rates, with many commentators now calling for a 50bp move. In New Zealand the RBNZ left the cash rate unchanged at 5.5% but did follow the global lead and adopted a more dovish tone to their commentary.

PORTFOLIO MANAGER

Slade Robertson



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DEVON SUSTAINABILITY FUND

FUND OUTLINE

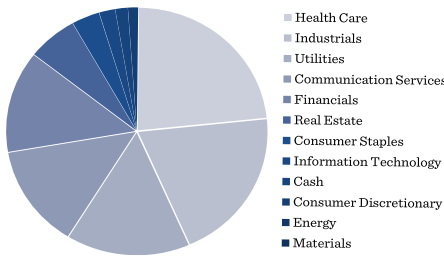
The **Devon Sustainability Fund** invests in a select portfolio of well researched New Zealand and Australian listed companies.

The Fund looks to invest in companies that score highly on overall environmental, social and corporate governance performance. The Fund also employs an ethical screen which will prohibit investment into certain companies and sectors.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

New Zealand Equities	57.8%	Cash	1.5%
Australian Equities	40.7%	Total	100.0%

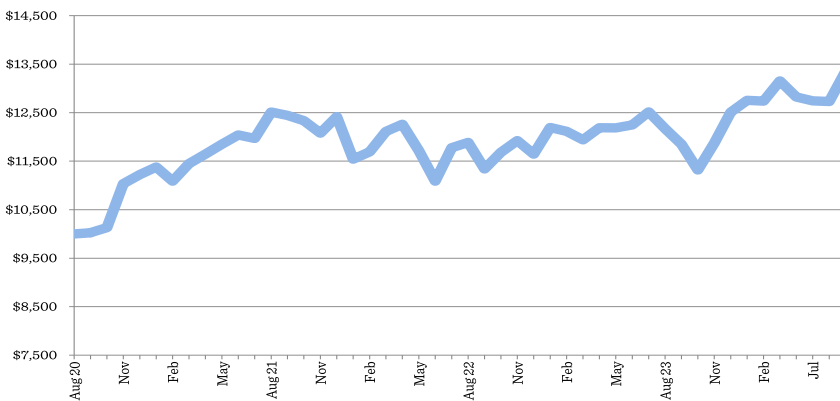
PERFORMANCE

	1 Mth	3 Mth	1 Yr p.a	3 Yr p.a	Since Inception
Devon Sustainability Fund	4.9%	4.2%	6.7%	3.7%	7.6%
50:50 NZX50 Portfolio Index & ASX200 Index	5.9%	5.0%	6.6%	3.1%	7.3%

*Devon Sustainability Fund returns are after all fees and expenses, but before tax which varies by investor.

NET PERFORMANCE

Based on \$10,000 invested at 31 August 2020



NOTE: Further information on the Devon Sustainability Fund can be found in our Quarterly Fund Updates by visiting <https://devonfunds.co.nz/devon-sustainability-fund/> or by clicking [HERE](#)

COMMENTARY

The Sustainability Fund rallied strongly in July returning 4.9%. The portfolio benefited from a strong share price recovery in some key holdings in New Zealand including Freightways Group (+18.2%), Summerset Group Holdings (+17.9%) and Port of Tauranga (+17.0%). In Australia, the key contributors to the performance were ResMed (+11.7%), Telstra (+8.8%) and CSL (+4.9%).

It was pleasing to see Telstra's share price regain its losses from earlier in the year when the company confused investors by apparently forgoing the opportunity to increase mobile prices alongside inflation. At this point, we met with management and gained some confidence that their strategy was actually designed to enable a more dynamic approach to pricing across their mobile plans. During July, Telstra demonstrated this by announcing a new strategy which saw prices increase by \$2-\$4 per month on most mobile plans, which in some cases was at a premium to inflation.

PORTFOLIO MANAGER

Ben Jenkin



Ben has primary responsibility for stock selection and portfolio construction for the Sustainability Fund. Ben also holds research responsibility for the telco, media and technology sectors, as well as a wide ranging number of industrial companies.

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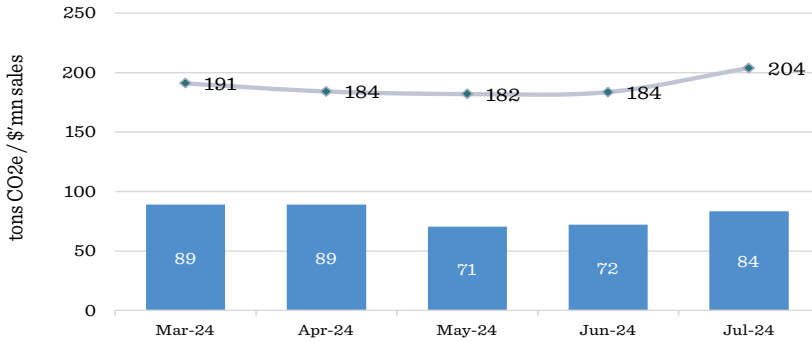
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DEVON SUSTAINABILITY FUND

CARBON INTENSITY - PORTFOLIO VS BENCHMARK

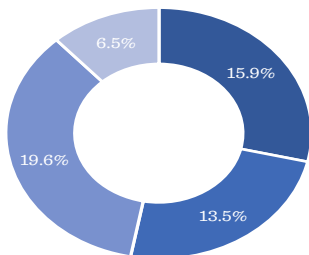
Carbon Intensity - Portfolio vs Benchmark



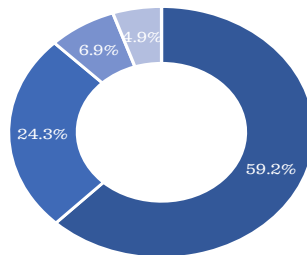
PORTFOLIO CARBON EMISSIONS BY KEY SECTORS

Portfolio Carbon Emissions by Key Sectors

Portfolio value by sector



Portfolio carbon emission by sector



- Industrials
- Utilities
- Communication
- Consumer Staples

The industrials, utilities, and consumer staples sectors make up 35.9% of the portfolio by value, but they account for 88.4% of the carbon emissions in the portfolio.

ESG PORTFOLIO SUMMARY

	MSCI ESG Ratings	MSCI ESG Quality score	Portfolio Sustainability Fund
Portfolio	AA	7.83	
Benchmark	A	6.95	50:50 composite S&P/NZX50 Portfolio Index & S&P/ASX200G Index

PERFORMANCE

	1 Mth	3 Mth	6 Mth	1 Yr	Since Inception
ESG relative performance	12.7%	6.3%	5.3%	4.3%	6.0%

*ESG Relative Performance is the MSCI ESG Score of the Devon Sustainability fund compared to the MSCI ESG Score of the Benchmark

PORTFOLIO HOLDING'S DISCLOSURE SUMMARY

Portfolio Holding's Summary

% of companies reporting to TCFD standards	80.0%
% of companies committed to Net Zero	67.5%
% of companies committed to Carbon Neutral	10.0%
% of companies with no commitment to either	22.5%

STEWARDSHIP

In July, Devon cast our votes for the Mainfreight AGM. Devon are advocates for strong corporate governance structures, shareholder rights, and transparency. As such, we vote on all proxy votes on behalf of clients, unless they have a preference to vote themselves. Last calendar year, Devon voted against management recommendation on 7% of votes. We report this annually in our Sustainability Report, available [here](#). For the recent Mainfreight proxy we chose to vote against a motion to approve a retirement payment to a director on the board. Whilst this is allowed under NZX listed rules, these motions are not often seen in Australia and New Zealand. Devon took the view that we don't want to set a precedent for paying retirement benefits to directors, and exercised this view in our voting.

PORTFOLIO MANAGER

Ben Jenkin



Ben has primary responsibility for stock selection and portfolio construction for the Sustainability Fund. Ben also holds research responsibility for the telco, media and technology sectors, as well as a wide ranging number of industrial companies.

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**DEVON GLOBAL IMPACT BOND FUND****DURATION**

Sector	Contribution to Duration (Years)		
	Account	Benchmark	Difference
Cash & Cash Equivalents	-0.00	-0.00	-0.00
US Government	1.01	1.09	-0.07
Credit*	4.35	4.76	-0.41
Asset Backed Securities	0.03	0.01	0.02
Mortgage Backed	1.06	0.67	0.39
Commercial Mortgage	0.06	0.03	0.03
Other	0.02	0.09	-0.08
Cash Offset	-	-	-
	6.53	6.65	-0.12

The Fund invests into the Wellington Global Impact Bond Fund, managed by Wellington Management. Wellington Management is one of the world's leading investment management firms with over US\$1 trillion in assets under management worldwide across a broad range of asset classes. They have been providing innovative investment solutions to clients for more than 85 years. Wellington Management seeks to understand the world's social and environmental problems and to identify and invest primarily in debt issued by companies and organisations that they believe are addressing these needs in a differentiated way through their core products, services and projects. The Wellington Global Impact Bond Fund aims to improve access to, and the quality of, basic life essentials, reduce inequality and mitigate the effects of climate change.

CREDIT RATING

Quality	Percent of Market Value		
	Account	Benchmark	Difference
Cash	0.45	0.33	0.11
AAA	32.12	11.91	20.21
AA	39.51	42.04	-2.53
A	8.50	31.22	-22.73
BBB	12.09	14.22	-2.13
BB	5.71	0.02	5.69
B	1.94	-	1.94
Below B	0.22	-	0.22
Cash Offset	-0.77	-	-0.77
Not Rated	0.25	0.26	-0.01
	100.00	100.00	

They seek to identify securities which it believes fall into three primary impact categories: life essentials, human empowerment and the environment. Within these categories the Fund will invest across "Impact Themes" including, but not limited to the following:

Life Essentials: affordable housing, clean water and sanitation, health, sustainable agriculture and nutrition.

Human Empowerment: digital divide, education and job training, financial inclusion, safety and security.

Environment: alternative energy, resource efficiency and resource stewardship.

*Duration & Credit Rating as at 31 July 2024

DEVON GLOBAL SUSTAINABILITY FUND

The Fund invests into the Wellington Global Stewards Fund, managed by Wellington Management. Wellington Management is one of the world's leading investment management firms with over US\$1 trillion in assets under management worldwide across a broad range of asset classes. They have been providing innovative investment solutions to clients for more than 85 years. Wellington Management seeks to invest in companies globally, that generate high return on capital relative to their peers, and whose management teams and boards display exemplary stewardship to sustain those returns over time. Wellington define stewardship as how companies balance the interests of all stakeholders (customers, employees, communities and the supply chain) in the pursuit of profits and how they incorporate material environmental, social and governance (ESG) risks and opportunities in their corporate strategy. The underlying Wellington Fund differentiates itself by:

Long-term horizon – the intention is to hold stocks for over 10 years. The belief is the longer the holding period, the greater the potential performance benefits from superior stewardship.

Highly selective – typically 35-45 stocks, only relying on their own internal ESG research.

Active engagement – holding those in charge of investee companies to account and encouraging companies to commit to net zero carbon emissions by 2050 in alignment with the Paris Agreement.

PERFORMANCE	1 Mth	3 Mth	1 Yr	2 Yr p.a	Since Inception
Devon Global Impact Bond Fund	1.8%	4.1%	6.9%	2.1%	0.8%
Bloomberg Global Aggregate Index Hedged NZD	1.8%	3.8%	5.8%	1.5%	0.6%
PERFORMANCE	1 Mth	3 Mth	1 Yr	2 Yr p.a	Since Inception
Devon Global Sustainability Fund	2.7%	5.4%	18.5%	14.6%	11.9%
MSCI All Country World Index in NZD, 50% hedged to NZD	2.5%	7.7%	20.5%	16.5%	11.6%

*Benchmark performance figure is indicative only and will be finalised in the mid month report.

KEY HOLDINGS*

JOHN DEERE



TEXAS INSTRUMENTS

dsm-firmenich

Microsoft

*Key Holdings as at 31 July 2024

Please note that monthly reports will be produced for the Devon Global Impact Bond Fund and Devon Global Sustainability Fund later this month. These reports will include data on top holdings, performance, asset allocation, and fund commentaries. These reports will be sent out separately from those for Devon's other retail funds each month and will be available on the Devon Funds website.

Devon Funds Management Limited

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DEVON FUNDS.

www.devonfunds.co.nz



ARTESIAN GREEN AND SUSTAINABLE BOND FUND (NZD)

FUND OUTLINE

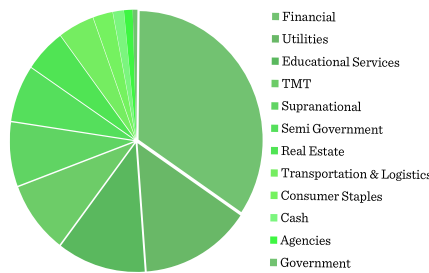
The Artesian Green and Sustainable Bond Fund (NZD) offers New Zealand-based investors a Portfolio Investment Entity (PIE) vehicle through which to invest in the Artesian Green and Sustainable Bond Fund (AUD).

Through this structure, the Fund will invest in a diversified portfolio of liquid, predominately investment grade fixed and floating rate green and sustainable corporate bonds. Artesian are committed to integrating ESG into their investment processes, with a focus on responsible investment.

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

Table with 4 columns: Fund Name, Percentage, Asset Type, and Total Percentage. Rows include Artesian Green & Sustainable Bond Fund (NZD) at 98% and Cash at 2.0%.

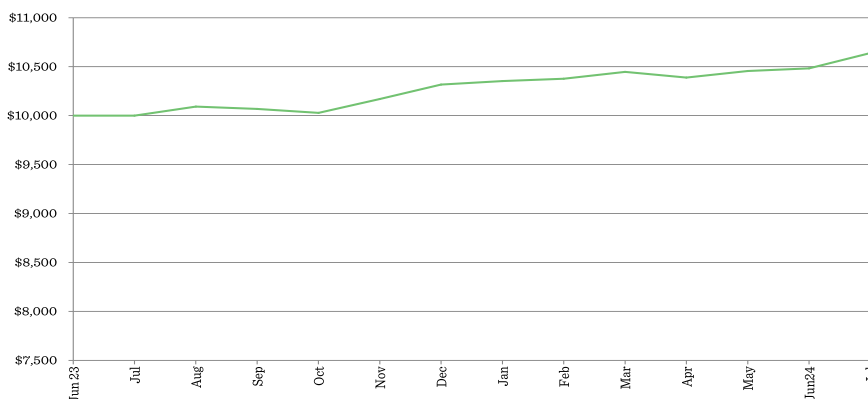
PERFORMANCE

Table with 5 columns: Fund Name, 1 Mth, 3 Mth, 1 Yr, and Since Inception. Rows include Artesian Green & Sustainable Bond Fund (NZD)* and Bloomberg AusBond Composite 0-5 Yr Index 100% Hedged to NZD.

*Artesian Green & Sustainable Bond Fund (NZD) returns are after all fees and expenses, but before tax which varies by investor. **Artesian Green & Sustainable Bond Fund (NZD) returns are after all fees and expenses, but before tax which varies by investor and inclusive of tax credits.

NET PERFORMANCE

Based on \$10,000 invested at 30 June 2023



NOTE: Further information on the Artesian Green Fund can be found in our Quarterly Fund Updates by visiting https://devonfunds.co.nz/artesian-green-and-sustainable-bond-fund-nzd or by clicking HERE

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COMMENTARY

The Fund's outperformance versus benchmark in July was driven by the overweight credit duration positioning (credit spreads were lower/tighter) and overweight interest rate duration positioning (interest were lower/tighter). The Fund's running yield of 4.74% versus the benchmark's 4.16%, also contributed to the monthly outperformance.

PORTFOLIO MANAGER

David Gallagher

David joined Artesian in June 2013. Prior to joining Artesian, David spent nine years in the United Kingdom working for Deutsche Bank and RBS. David has extensive risk and portfolio management trading experience.

In David's previous role with RBS, David managed a credit portfolio with outright risk ranging between £1-2.5 billion.

