

## ABOUT THE FUND

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 bonds.

In this document, we refer to the Artesian Green and Sustainable Bond Fund (AUD) as the Underlying Fund. In most sections of this document, the metrics and commentary shown are taken from the Underlying Fund. We have signalled these sections with a hashtag in the section heading. From time to time there may be small differences between the metrics of the NZD Fund and the Underlying Fund, as a result of liquidity cash held in the NZD fund.

<b>PERFORMANCE</b>	<b>1 Mth</b>	<b>3 Mth</b>	<b>1 Yr</b>	<b>2 Yr p.a.</b>	<b>Since Inception p.a.</b>
Artesian Green and Sustainable Bond Fund (NZD) Gross Return	0.18%	-0.52%	1.12%	3.80%	4.96%
Artesian Green and Sustainable Bond Fund (NZD) Net Return*	0.03%	-0.77%	-0.14%	3.11%	3.81%
Artesian Green and Sustainable Bond Fund PIR Return (NZD)**	0.13%	-0.67%	0.48%	3.66%	4.28%
Bloomberg AusBond Composite 0-5 Yr Index 100% Hedged to NZD	0.02%	-0.48%	-0.11%	3.12%	3.80%

\*Artesian Green and Sustainable Bond Fund (NZD) returns are after all fees and expenses, but before tax which varies by investor. Past performance should not be taken as an indicator of future performance. The inception date for Artesian Green and Sustainable Bond Fund (NZD) is 19 June 2023.

\*\*Artesian Green and Sustainable Bond Fund (NZD) returns are after all fees and expenses, but before tax which varies by investor and inclusive of tax credits. The Fund invests in an underlying Australian Unit Trust (AUT) which is required to distribute all income. Tax on these distributions is withheld at fund level but investors receive a tax credit for this amount. As such, the Zero PIR return is a reasonable basis for comparing performance between the NZD Fund and its AUT alternative.

<b>PERFORMANCE of the Underlying Fund</b>	<b>1 Mth</b>	<b>3 Mth</b>	<b>6 Mth</b>	<b>1 Yr</b>	<b>2 Yr</b>	<b>3 Yr</b>	<b>4 Yr</b>	<b>5 Yr</b>	<b>Since Inception (p.a.)</b>
Gross Fund Return	0.33%	-0.16%	-0.38%	2.14%	4.78%	4.42%	4.25%	2.62%	2.86%
Net Fund Return	0.29%	-0.29%	-0.62%	1.63%	4.26%	3.90%	3.73%	2.11%	2.34%
Bloomberg AusBond Composite 0-5 Yr Index	0.18%	-0.03%	-0.39%	1.07%	3.65%	3.04%	2.93%	1.41%	1.29%
Active Return (net Fund return - benchmark)	0.11%	-0.26%	-0.23%	0.57%	0.61%	0.86%	0.80%	0.71%	1.06%

Past performance should not be taken as an indicator of future performance. Net of fees performance is based on end of month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions. Gross performance is the net return with fees and expenses added back. The inception date for the Artesian Green and Sustainable Bond Fund (AUD) is 25 September 2020.

## PORTFOLIO UPDATE#

In April, equity markets stabilised following the sharp dislocation in March, although they remained highly sensitive to energy prices and geopolitical developments. As tensions in the Middle East eased early in the month, Brent crude prices declined. However, this easing proved short-lived, with prices rebounding after the ceasefire broke down and hostilities resumed. Central bank expectations continued to evolve as policymakers balanced still-elevated inflation against a softening growth backdrop. In the United States, interest rate markets shifted in May from forecasting cuts to pricing in a meaningful probability of a rate hike by early 2027. In the eurozone, inflation has moved above the ECB's 2% target, driven primarily by renewed energy price pressures linked to geopolitical developments. While headline inflation rose to 3.0% in April, core inflation, excluding energy and food, remained relatively stable. In Australia, headline inflation rose to 4.6% year-on-year, the highest level since September 2023. In response, the RBA lifted the cash rate for the third time in 2026, taking it to 4.35%. Markets are now pricing in at least one further hike by year-end, with the cash rate expected to peak in the range of 4.60% to 4.70%.

The Underlying Fund's outperformance versus benchmark in April was driven by the overweight credit duration positioning (credit spreads were lower/tighter). The Underlying Fund's running yield of 5.51% versus the benchmark's 4.93%, had a positive contribution to this month's return.

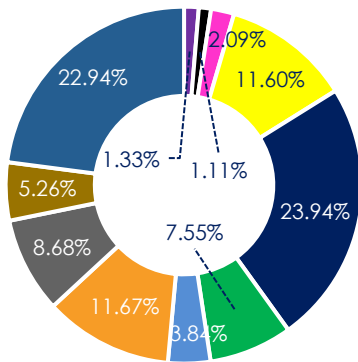
Outperformance in April came from the Underlying Fund's positions in ANZ (Sustainable), Mirvac Wholesale Office Fund (Green), BPCE SA (Social), Contact Energy (Green) and Optus (Sustainability-Linked). Underperformance came from the Underlying Fund's position in Korea Housing Finance Corporation (Social).

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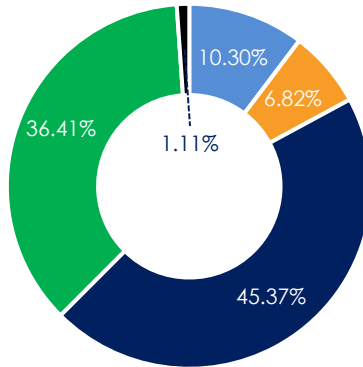
## PORTFOLIO BREAKDOWN#

### SECTOR BREAKDOWN



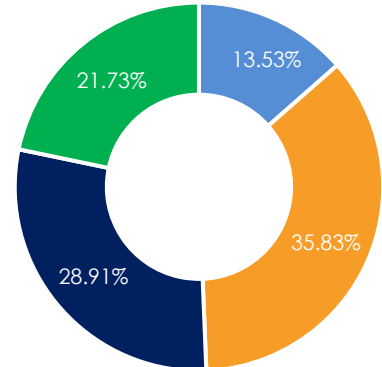
- Agencies
- Cash
- Consumer Staples
- Educational Services
- Financial
- Real Estate
- Semi Government
- Supranational
- TMT
- Transportation & Logistics
- Utilities

### REGION & PRODUCT



- Australian AUD FRNs
- International AUD FRNs
- Australian AUD Fixed Rate
- International AUD Fixed Rate
- Cash

### CREDIT RATING



- AAA
- AA
- A
- BBB

## CREDIT SPREADS#

Global credit spreads performed well in April, although the AUD market underperformed its international peers. On average, Australian dollar investment grade credit spreads tightened by 2bps to 105bps. In comparison, euro-denominated spreads tightened by 16bps to 82bps, while US dollar spreads tightened by 11bps to 78bps. The relative underperformance of the AUD market appeared to be more technical than fundamental in nature. A significant increase in new issuance provided investors with ample opportunities in the primary market, reducing the need to chase spreads tighter in secondary markets. Australian major bank Tier 2 spreads also performed strongly in April, reversing much of the widening experienced during March. Another notable development within the major bank Tier 2 market has been the inversion between the 10yr and 20yr parts of the curve. In effect, investors are currently receiving less credit spread compensation for taking on materially longer dated credit risk.

AS AT 30 <sup>TH</sup> APRIL 2026	PRICE	CHG ON MTH
ITRAXX AUSTRALIA 5YR	0.77%	-0.14%
ITRAXX EUROPE 5YR	0.59%	-0.12%
ITRAXX EUROPE XOVER 5YR	2.93%	-0.60%
CDX US IG 5YR	0.54%	-0.09%
CDX US HY 5YR	3.30%	-0.55%

## METRICS FOR THE UNDERLYING FUND#

Although the Underlying Fund's metrics did not change materially MoM, Artesian remained highly active across both primary and secondary markets, as the AUD labelled bond market continued to present attractive new issue opportunities. Existing 5yr and 10yr corporate bond positions were substituted for new, more attractively priced 5yr and 10yr issues, resulting in the Underlying Fund's credit duration remaining broadly unchanged. From an interest rate duration perspective, yields continued to move higher over the month. While the Underlying Fund's current bias is toward gradually adding duration, Artesian believes more attractive entry points may emerge from current levels. The move higher in yields also increased the Underlying Fund's running yield, which is now only marginally below its peak in 2023, when the cash rate was previously at the same 4.35% level as today. With another RBA rate hike already priced into the yield curve, the Underlying Fund is likely approaching peak running yield levels for this cycle.

AS AT 30 <sup>TH</sup> APRIL 2026	FUND	BENCH-MARK
INTEREST RATE DURATION	2.51	2.38
CREDIT DURATION	3.45	2.38
YIELD TO MATURITY	5.51%	4.93%
YIELD TO WORST	5.51%	4.93%
BLOOMBERG COMPOSITE RATING (weighted average)	A	AA+


\*Using the Morningstar methodology for Average Credit Quality

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In April, Artesian witnessed another impressive month of new issuance in the AUD labelled bond market. Artesian recorded six new deals from five unique issuers for a total volume of AUD 4.7b.

ISSUER	Bond Type	Issue Date	Issue Size \$M	Fixed/ Floating	Maturity
INVESTA COMMERCIAL PROPERTY FUND	Green	30-Apr-26	250	Fixed	7-Nov-33

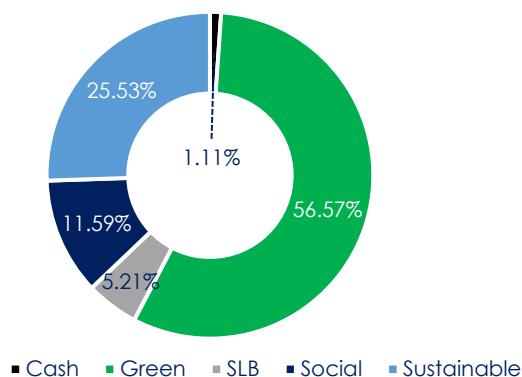
<b>Issuer</b>	
<b>Currency</b>	AUD
<b>Sector</b>	Real Estate
<b>SDG Alignment</b>	
<b>Eligible Projects</b>	<p>The proceeds will be allocated to Investa Commercial Property Fund's ("ICPF") expenditure towards projects that address one or more of the following areas;</p> <ul style="list-style-type: none"> <li>Existing and stabilised low carbon commercial buildings owned in full or part by ICPF</li> <li>Strategic or development assets that meet environmental performance standards</li> <li>Acquisition of assets intended to become earmarked green assets.</li> </ul>

Investa Commercial Property Fund ("ICPF") is one of Australia's leading unlisted wholesale office funds. Launched in 2002, the fund focuses on prime-grade CBD office buildings across major Australian office markets. ICPF has approximately 15 commercial CBD assets and A\$5.5 billion of assets under management, with the portfolio primarily concentrated in Sydney and other core CBD markets. The fund's investor base includes superannuation and pension funds, insurance companies, sovereign wealth funds, and other institutional investors.

ICPF has a strong ESG profile relative to many office REIT peers. Investa states that ICPF was the first real estate fund in Australia to issue a CBI-certified green bond and achieved its target of 100% green debt in 2024. ICPF's core managed buildings have achieved 100% net zero Scope 1 and 2 emissions since FY24.

## GREEN, SUSTAINABLE AND SOCIAL HOLDINGS#

### BOND TYPE

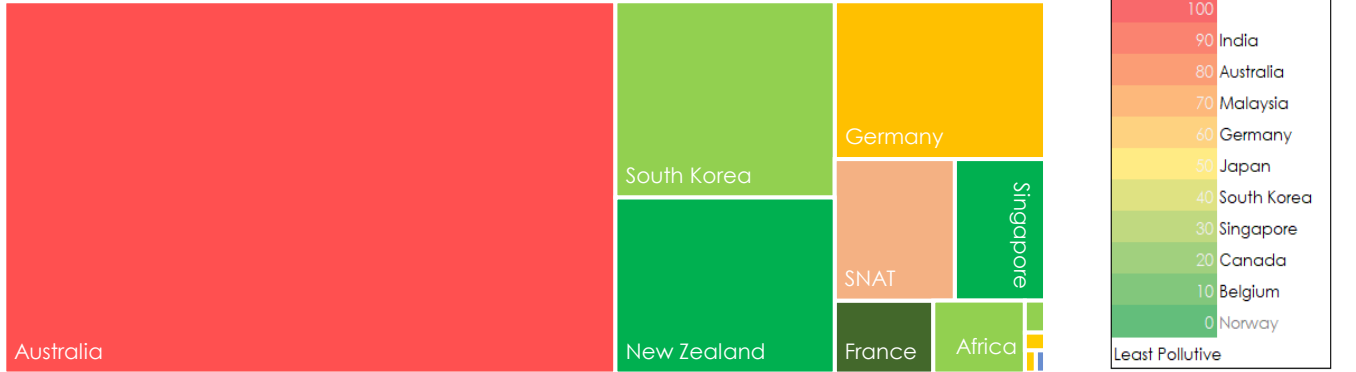


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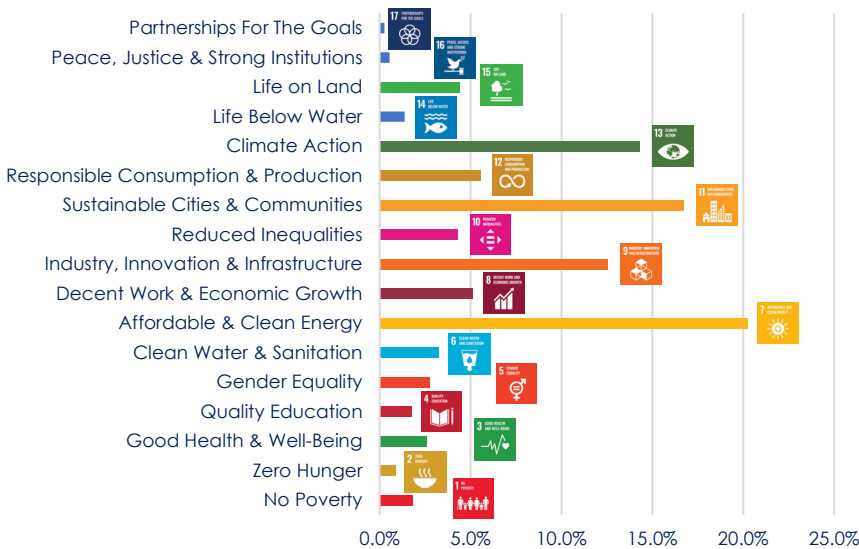
## ALLOCATION OF FUNDS IN THE UNDERLYING FUND#

Where the Underlying Fund's capital is deployed compared to how dirty each country's electricity grid is



The heatmap above shows which countries the Underlying Fund is allocating capital to, to improve the global green economy. The Relative Emission Factor Scale shows how dirty the energy grid of each country is. It is a normalised scale of the baseline emission factor for electricity generation across 43 major countries - how much gCO<sub>2</sub>e/kWh is emitted. In essence, the more green capital investors can channel to higher pollutive countries, the higher the impact per dollar.

## SUSTAINABLE DEVELOPMENT GOALS#



The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace and justice. When mapping the SDG's per bond held in the Underlying Fund, we take a conservative approach. If one bond targets more than one SDG, then the allocation is split evenly between the SDGs and then portfolio weighted. Unsurprisingly, the Fund is most aligned with Clean Energy, Climate Action and Sustainable Cities, making up 51% of the Fund's targeted SDGs. The Fund currently supports 17 of the 17 SDGs.

## NOTES

The impact metrics published in this document reflect the proprietary methodology developed by Artesian for the collection, evaluation, calculation and harmonization of thematic ESG indicators that are aligned with United Nations Sustainable Development Goals. Actual data and estimated data are both analysed based on companies' disclosures including but not limited to "Use of Proceeds", "Impact Report" and "Second-party Verification", as well as engagement with the companies themselves.

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