DEVON FUNDS.

For the informed investor.

ARTESIAN GREEN AND SUSTAINABLE BOND FUND (NZD)

MONTHLY REPORT: JANUARY 2026

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 & 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. Artesian are committed to integrating ESG into their investment processes, with a focus on responsible investing. Artesian has managed specialised funds focused on credit arbitrage and relative-value strategies across global financial markets since 2004 from its New York, London, Singapore, Shanghai, Melbourne and Sydney offices.

In this document, we refer to the Artesian Green & 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.

PERFORMANCE	1 Mth	3 Mth	1 Yr	2 Yr	Since Inception
Artesian Green & Sustainable Bond Fund (NZD)*	0.15%	-0.83%	2.37%	3.68%	4.48%
Artesian Green & Sustainable Bond Fund PIR Return (NZD)**	0.28%	-0.69%	2.98%	4.24%	4.96%
Bloomberg AusBond Composite 0-5 Yr Index 100% Hedged to NZD	0.05%	-0.70%	2.33%	3.47%	4.35%

*Artesian Green & 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 & 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.

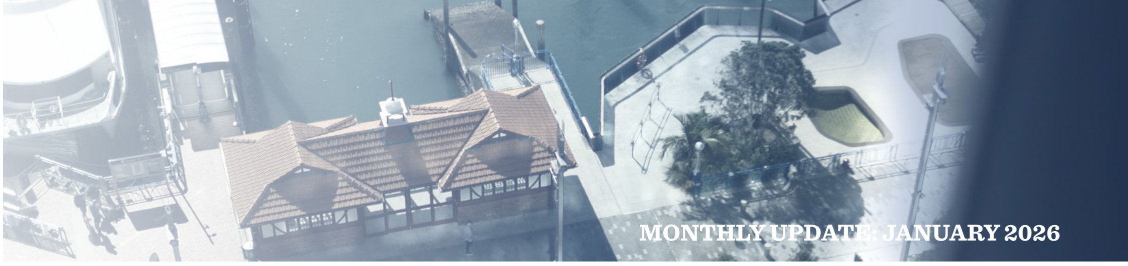
PERFORMANCE of the Underlying Fund	1 Mth	3 Mth	6 Mth	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	Since Inception (p.a.)
Gross Fund Return	0.46%	-0.21%	0.71%	4.51%	5.05%	5.02%	3.59%	2.72%	3.03%
Net Fund Return	0.42%	-0.34%	0.45%	3.99%	4.53%	4.50%	3.07%	2.21%	2.51%
Bloomberg AusBond Composite 0-5 Yr Index	0.16%	-0.36%	0.23%	3.24%	3.62%	3.48%	2.15%	1.37%	1.35%
Active Return (net Fund return - benchmark)	0.25%	0.02%	0.22%	0.76%	0.91%	1.01%	0.92%	0.84%	1.16%

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 & Sustainable Bond Fund (AUD) is 25 September 2020.

PORTFOLIO UPDATE#

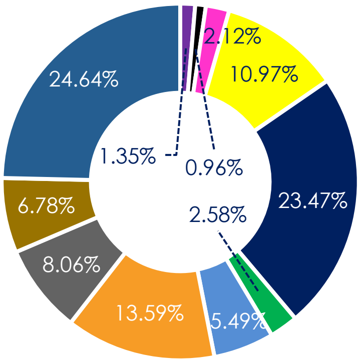
January 2026 reflected a transitional environment for global markets as investors navigated shifting policy expectations and an evolving macroeconomic backdrop. Equities posted broad-based gains, led by strong performance in emerging markets, supported by improving growth expectations and selective capital inflows. Developed markets were more mixed, as investors balanced resilient earnings against uncertainty around the timing and pace of monetary policy adjustments. Fixed income markets remained sensitive to diverging central bank trajectories, with yield movements driven largely by changing expectations around inflation persistence and policy credibility. Commodities experienced heightened volatility amid ongoing geopolitical developments, with energy and industrial metals particularly reactive to supply-side risks and regional tensions. Credit markets started the year on a strong footing, particularly in the Australian dollar market, as investors were attracted to elevated outright yield levels. This momentum was further reinforced on 3 February, when the Reserve Bank of Australia became the first major central bank to pivot from rate cuts to rate hikes following the post-COVID inflation cycle.

The Underlying Fund's outperformance versus benchmark in January was driven by the overweight credit duration positioning (credit spreads were lower/tighter). The Underlying Fund's running yield of 4.92% versus the benchmark's 4.39%, also contributed to the monthly outperformance. Outperformance in January came from the Underlying Fund's positions in MTR Corporation (Green), Asian Development Bank (Social), Inter-American Development Bank (Sustainable), BPCE (Social) and Contact Energy (Green). Underperformance came from the Underlying Fund's positions in La Trobe University (Green), ANZ (Sustainable) and the University of Tasmania (Green).



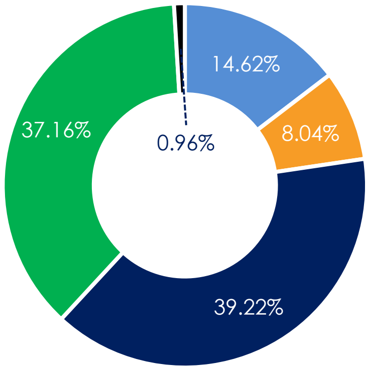
PORTFOLIO BREAKDOWN#

SECTOR BREAKDOWN



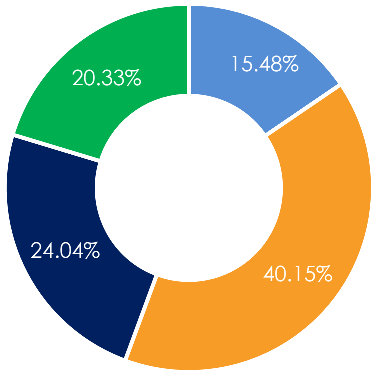
- Agencies
- Consumer Staples
- Financial
- Semi Government
- TMT
- Utilities
- Cash
- Educational Services
- Real Estate
- Supranational
- Transportation & Logistics

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#

Credit spreads performed well globally in January, with the AUD market outperforming its peers. On average, AUD investment grade credit spreads tightened by 8bps to 90bps. In comparison, Euro denominated spreads tightened by 5bps to 74bps, while US dollar spreads tightened by 5bps to 73bps. Absent a major shock, AUD credit spreads appear to have further scope to narrow, having lagged some of the global spread tightening seen in 2025. Despite heightened volatility across other asset classes, credit markets have begun 2026 with positive tailwinds leading to ongoing spread compression. At present, it is difficult to push back against the prevailing global trend of spreads tightening. Unless there is a significant shock or a material reassessment of the US growth outlook, the forces underpinning this compression are likely to remain in place. In fact, the currently low level of volatility in credit spreads may itself attract additional demand, potentially driving further tightening in the near term.

AS AT 31ST JANUARY 2026	PRICE	CHG ON MTH
ITRAXX AUSTRALIA 5YR	0.66%	0.01%
ITRAXX EUROPE 5YR	0.51%	0.01%
ITRAXX EUROPE XOVER 5YR	2.47%	0.03%
CDX US IG 5YR	0.49%	-0.01%
CDX US HY 5YR	2.96%	-0.20%

METRICS FOR THE UNDERLYING FUND#

The Underlying Fund's interest rate duration (IRD) and credit duration (CD) were largely unchanged over the month. The Underlying Fund's IRD ended January at 2.5yrs versus the benchmark of 2.4yrs. This positioning reflects Arteisan's view that remaining close to the benchmark duration while the RBA continues its efforts to bring inflation from 3.8% back toward its 2% to 3% target, may result in further upward pressure on yields. The Underlying Fund's credit duration of 3.2yrs versus the benchmark of 2.4yrs, reflects a constructive view on credit. That said, Artesian has used the recent rally in credit spreads to take profits in areas of the market where valuations are beginning to look stretched. For example, credit spreads on major bank Tier 2 securities currently appear relatively rich, with 5yr call dates trading at around 115bps. This segment of the market has been heavily supported by demand from private banks seeking yield for clients, particularly in the absence of new issuance of major bank hybrid securities.

AS AT 31ST JANUARY 2026	FUND	BENCHMARK
INTEREST RATE DURATION	2.51	2.37
CREDIT DURATION	3.20	2.37
YIELD TO MATURITY	4.93%	4.39%
YIELD TO WORST	4.92%	4.39%
BLOOMBERG COMPOSITE RATING (weighted average)	A	AA+

**Using the Morningstar methodology for Average Credit Quality*

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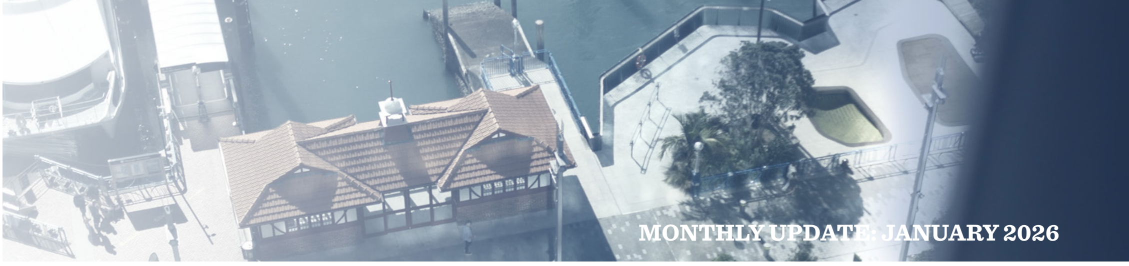


The AUD labelled bond market has started very strongly with total volume in January of AUD 8.25b. Artesian recorded eight new deals from seven unique issuers. MTR Corporation's inaugural green bond issue was this month's stand out performer, highlighted below.

ISSUER	Bond Type	Issue Date	Issue Size $M	Fixed/ Floating	Maturity
MTR CORPORATION	Green	22-Jan-26	1,000	Fixed	29-Jan-31
	Green	22-Jan-26	1,000	Fixed	29-Jan-38

Issuer	MTR
Currency	AUD
Sector	Transportation & Logistics
SDG Alignment	
Eligible Projects	The proceeds will be allocated to projects such as; • Renewable Energy • Low Carbon Transportation • Energy Efficiency • Sustainable Transit Stations and Real Estate Properties • Adaptation to Climate Change • Biodiversity and Conservation • Water Management • Waste Management • Pollution Prevention

MTR Corporation is an infrastructure company that works in Australia primarily in rail operations, construction and integrated transport services. Its activities include Melbourne Suburban Rail Network and Sydney Metro.

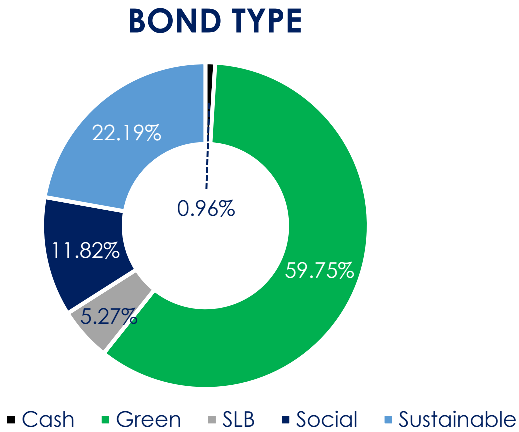
MTR will disclose a Sustainable Finance Report annually to report on all Sustainable Finance Transactions carried out under their Sustainable Finance Framework.

The Sustainable Finance Report will disclose for each period:

- A list of sustainable finance transactions outstanding, including issuing / borrowing entity, ISIN and outstanding amounts at the beginning and end of the annual period, where applicable.

- Sustainable finance transactions arranged and repaid / redeemed during the period.

GREEN, SUSTAINABLE AND SOCIAL HOLDINGS#



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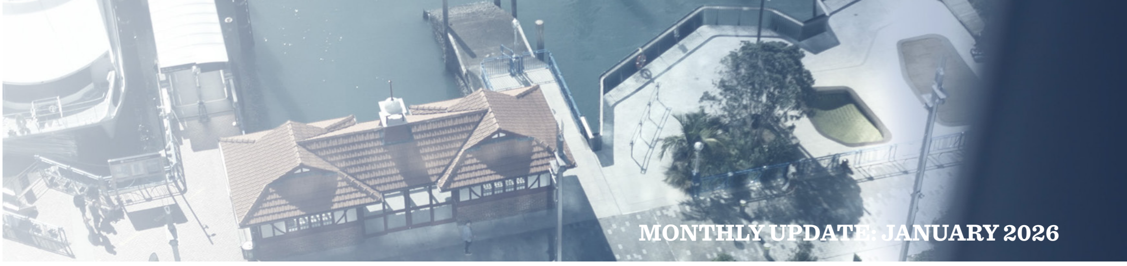
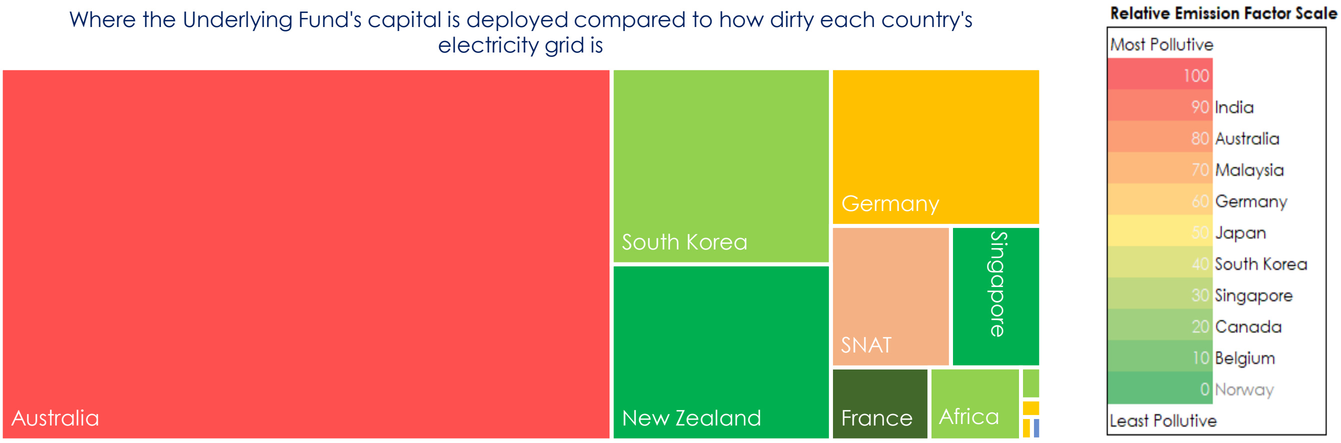
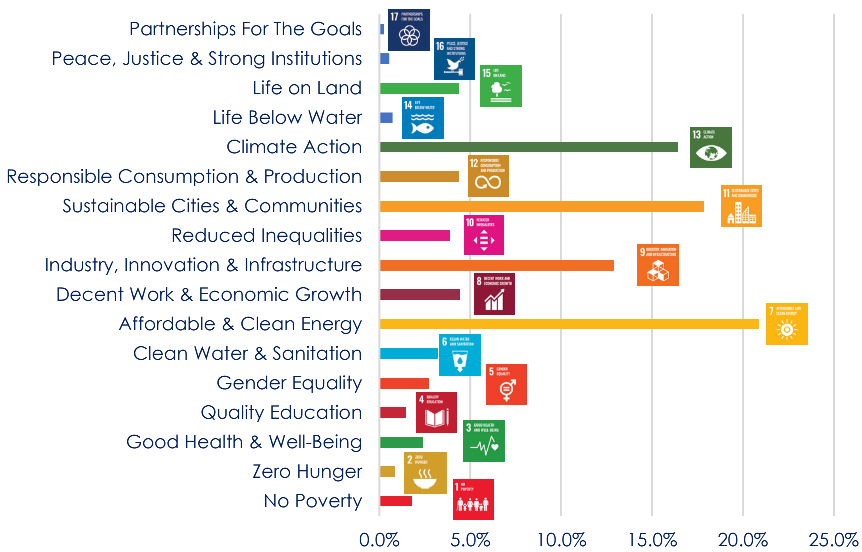


ALLOCATION OF FUNDS IN THE UNDERLYING FUND#



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 gCO2e/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, Artesian takes 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 Underlying Fund is most aligned with Clean Energy, Climate Action and Sustainable Cities, making up 55% of the Underlying Fund's targeted SDGs. The Fund currently supports 17 of the 17 SDGs.

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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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