

Calming influences

By Greg Smith, Head of Retail at Devon Funds

It was another volatile month for financial markets, but one that in the end produced a relatively benign outcome for investors. Trade developments were front and centre, with the angst around “Liberation Day” replaced by relief as Donald Trump announced a 90-day pause for trading partners to negotiate trade deals. Frictions with China also ebbed and flowed as tit-for-tat tariff increases gave way to olive branches, and exemptions on various categories of goods, and as the talk of the potential for negotiations continued to bubble away. After a hectic and volatile month, US markets staged a huge comeback – the S&P 500 was down 11% at one point, but closed April down just 0.7%, and just 9% off its record high, set in February. The tech sector surged back, with the Nasdaq closing the month 1.6% higher.

Donald Trump’s “Liberation Day” put markets on the back foot at the start of the month, but investor nerves were soothed in dramatic fashion as Trump announced a 90-day tariff pause and lowered the baseline on many countries to 10%. The S&P 500 has since recovered all the ground lost post-April 2nd. The benchmark recently rose for nine consecutive sessions, the longest winning streak in the last 20 years.

The Trump administration went on to claim that “200 deals” were in the pipeline, and that this was “always part of the plan.” The alternative theory is that Trump buckled to pressure from within his own party, his inner circle, trading partners, corporations, polls, and, possibly most significantly, the market meltdown.

Investors weren’t discerning the reasons either way, despite Trump raising the tariffs on imports from China to 145%. Following the pause announcement, the S&P 500 leapt 9.5% (the biggest one-day gain since 2008 and the third....[READ MORE](#))

MARKET INDICES

Index	Region	Monthly Return	1 Yr. Return
S&P/NZX50G	NZ	-3.0%	-0.5%
S&P/ASX200G	AUSTRALIA	3.6%	9.8%
MSCI World Index	GLOBAL	0.9%	12.6%
S&P500	USA	-0.7%	12.1%
FTSE100	UK	-0.7%	8.2%
NIKKEI 225	JP	1.2%	-4.3%
NZ 90 Day Bank Bill	NZ	0.3%	5.1%
Bloomberg Global Aggregate Index (NZD)	GLOBAL	0.9%	6.9%

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

Devon Funds Management Limited, its directors, employees and agents believe that the information herein is correct at the time of compilation; however they do not warrant the accuracy of that information. Save for any statutory liability which cannot be excluded, Devon Funds Management Limited further disclaims all responsibility or liability for any loss or damage which may be suffered by any person relying upon such information or any opinions, conclusions or recommendations herein whether that loss or damage is caused by any fault or negligence on the part of Devon Funds Management Limited, or otherwise. This disclaimer extends to any entity which may distribute this publication and in which Devon Funds Management Limited or its related companies have an interest. We do not disclaim liability under the Fair Trading Act 1986, nor the Consumer Guarantees Act 1993, to the extent these Acts apply. This document is issued by Devon Funds Management Limited. It is not intended to be an offer of units in any of the Devon Funds (the “Funds”). Anyone wishing to apply for units will need to complete the application form attached to the current Product Disclosure Statement (PDS) which is available at www.devonfunds.co.nz. Devon Funds Management Limited, a related company of Investment Services Group Limited, manages the Funds and will receive management fees as set out in the PDS. This document contains general securities advice only. In preparing this document, Devon Funds Management Limited did not take into account the investment objectives, financial situation and particular needs (“financial circumstances”) of any particular person. Accordingly, before acting on any advice contained in this document, you should assess whether the advice is appropriate in light of your own financial circumstances or contact your financial adviser. Devon advises that all investors should seek independent financial advice prior to making any investment decisions. Past performance is not indicative of future results and no representation or warranty, express or implied, is made regarding future performance. No part of this document may be reproduced without the permission of Investment Services Group.

AT A GLANCE

Prices as at 30 April 2025

DEVON ALPHA FUND	\$2.1912
DEVON AUSTRALIAN FUND	\$1.7396
DEVON DIVERSIFIED INCOME FUND	\$1.4640
DEVON DIVIDEND YIELD FUND	\$1.7474
DEVON GLOBAL IMPACT BOND FUND	\$1.3484
DEVON GLOBAL SUSTAINABILITY FUND	\$1.9604
DEVON TRANS-TASMAN FUND	\$4.5858
DEVON SUSTAINABILITY FUND	\$3.1412
ARTESIAN GREEN & SUSTAINABLE BOND FUND	\$1.0513

IN THIS REPORT

Market Commentary	Page 1
At a Glance	Page 1
Devon Fund Summaries	
Alpha Fund	Page 2
Trans-Tasman Fund	Page 3
Australian Fund	Page 4
Dividend Yield Fund	Page 5
Diversified Income Fund	Page 6
Sustainability Fund	Page 7
ESG Insights	Page 8
Devon Global Impact Fund	Page 9
Devon Global Sustainability Fund	Page 9
Artesian Green Bond Fund	Page 10



DEVON ALPHA FUND

FUND OUTLINE

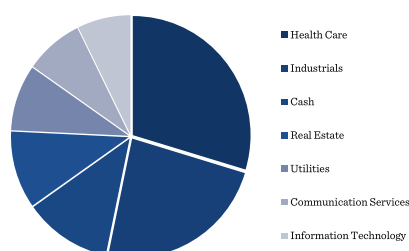
The **Alpha Fund** invests in a concentrated portfolio of approximately 10 to 15 select companies predominantly listed on the NZ and Australian share markets.

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	46.8%
Australian Equities	41.2%
Currency Hedge	0.0%

Cash	12.0%
Total	100.0%

PERFORMANCE

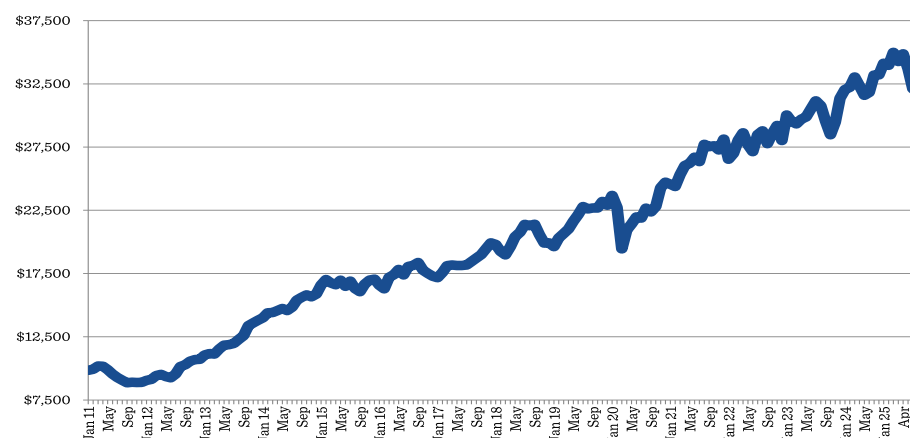
	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	10 Yr p.a
Devon Alpha Fund	-0.9%	-8.7%	-1.6%	3.6%	8.8%	6.6%
OCR + 5%	0.7%	2.1%	10.0%	9.3%	5.6%	3.7%

*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 navigated the volatility in local markets reasonably well during the month, although we did finish with a negative absolute return. Positive contributors to the portfolio during April included Resmed which rallied 4.9% and Goodman Group that closed up 5.5%.

Our investment in GPT Group also enjoyed positive returns with their shares up 6.2%. Investors have been supportive of the Australian diversified property group as the value proposition is supported by the prospect of lower interest rates and their new CEO has refreshed the strategy, with a focus on co-investment, as opposed to direct ownership.

A notable drag on performance was our unhedged exposure to our Australian stocks with the New Zealand Dollar/Australian Dollar cross-rate rising by over 2%. We believe that this impact to the portfolio will likely reverse over the next few months.

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.

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

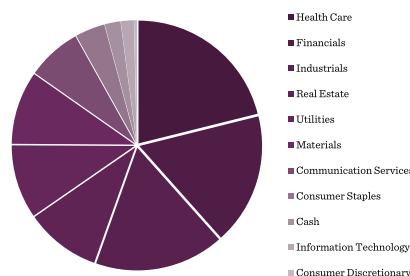
**DEVON
FUNDS.**

www.devonfunds.co.nz

**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**

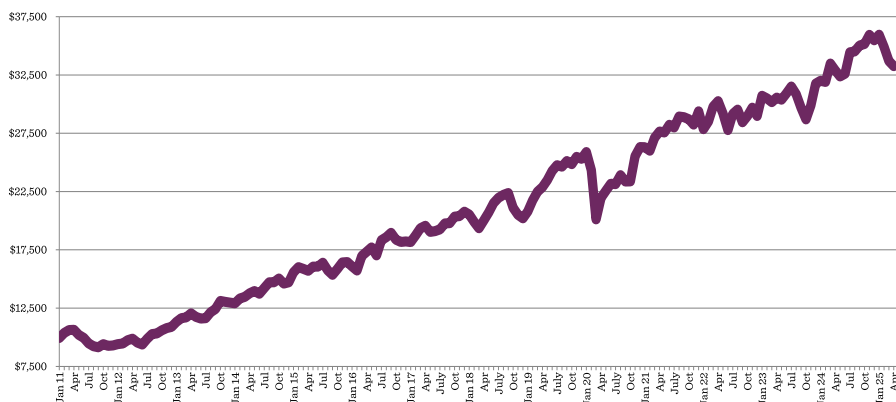
New Zealand Equities	50.2%	Cash	2.1%
Australian Equities	47.7%	Total	100.0%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	10 Yr p.a
Devon Trans-Tasman Fund	-1.3%	-7.5%	1.1%	3.2%	8.6%	7.4%
50:50 NZX50 Gross & ASX200 Index Unhedged	-0.7%	-7.1%	3.7%	3.3%	7.5%	7.8%

*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

The Trans-Tasman portfolio underperformed its benchmark during April amid considerable market volatility. Our best performer over the month was Stockland which closed higher by 12.0%. This company was supported by positive housing policies being articulated by both key political parties and rate cut expectations. Telstra also rallied 7.1% on positive industry trends.

Key holding Stockland reported their Q3 sales update during the month and importantly reiterated FY25 Funds from Operations guidance of 33.0-34.0¢ (post-tax), including 6,200 - 6,700 residential lot settlements at a low-20% margin. The political backdrop remains favourable for the company with the Labor government's commitment to provide \$10 billion of funding to build 30,000 affordable homes within five years. Combined with the expectation of future rate cuts, this suggests a support environment for this investment.

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.

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

**DEVON
FUNDS.**

www.devonfunds.co.nz



DEVON AUSTRALIAN FUND

FUND OUTLINE

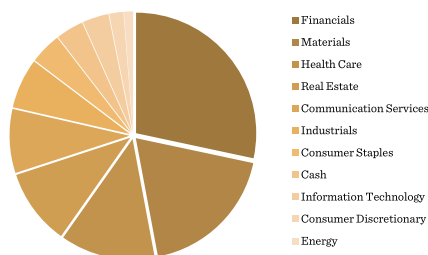
The **Australian Fund** invests in a select portfolio of companies, which are primarily Australian listed companies.

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

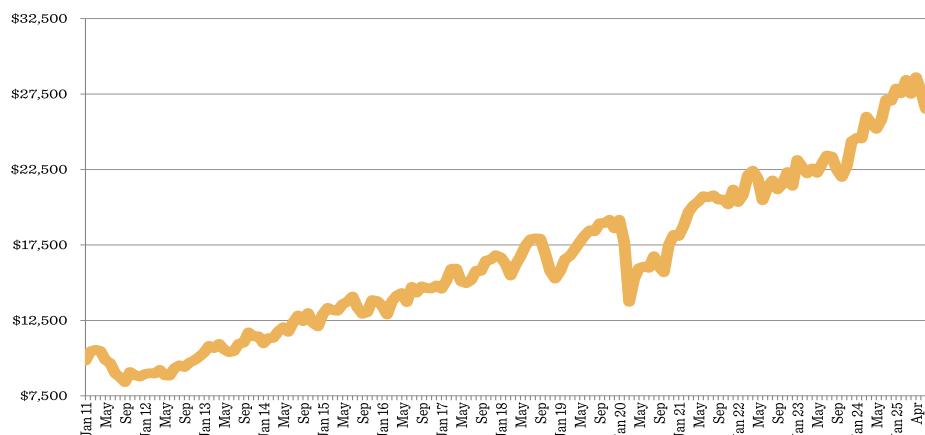
New Zealand Equities	0.0%	Cash	3.7%
Australian Equities	96.3%	Total	100.0%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	10 Yr p.a
Devon Australian Fund	1.0%	-6.5%	4.8%	6.1%	11.9%	7.4%
ASX200 Index Gross (NZD)	1.5%	-5.9%	7.9%	6.6%	12.5%	8.1%

*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 delivered solid absolute returns during the month although it did finish slightly behind its benchmark. There were many strong contributors, including our investments in GPT Group (+6.2%), CAR Group (+5.8%) and Goodman Group (+5.5%).

The most significant negative relative impact on the portfolio was our underweight in CBA, which continued to defy expectations by rallying 10.4%. With a significant investor conference being held in Sydney in early May, there will be a good platform for a substantial portion of ASX listed companies to inform the market as to how they are navigating the current operating climate. We will have the majority of the Devon investment team at this event to meet with many of these companies. Although the broad economic environment has been shocked by Trump's tariff announcements, we are confident that we can identify quality management teams and business that are continuing to grow, despite the uncertainty.

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.

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

**DEVON
FUNDS.**

www.devonfunds.co.nz



DEVON DIVIDEND YIELD FUND

FUND OUTLINE

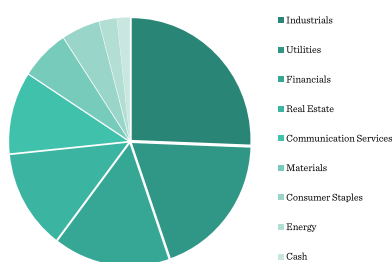
The **Devon Dividend Yield Fund** invests in a carefully selected portfolio of New Zealand and Australian listed companies.

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	70.9%	Cash	1.7%
Australian Equities	27.4%	Total	100.0%
Currency Hedge	99.8%	Yield	5.9%

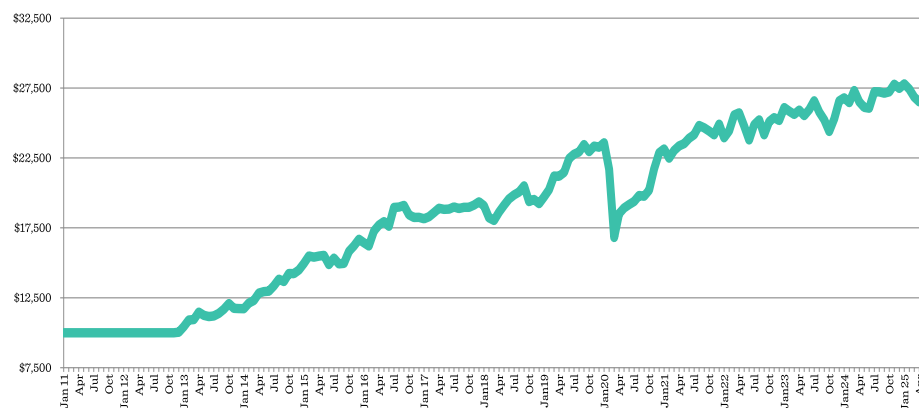
PERFORMANCE

	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Dividend Yield Fund	-1.2%	-4.6%	0.0%	1.0%	7.5%	8.3%
50:50 NZX50 & ASX200 Index Gross	0.3%	-6.0%	4.7%	3.6%	7.3%	9.6%

*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 annual gross yield of 5.9% and is expected to grow well ahead of inflation. Top performers during April were Scentre Group (+7.7%), Telstra (+7.1%), and National Australia Bank (+6.2%). Meanwhile, key underperformers were Mainfreight (-10.0%), Port of Tauranga (-7.2%), and Freightways (-5.7%).

April was a volatile month within equity markets and the strategy took advantage of several opportunities. One of these was Mainfreight, as the share price sold off by over 20% in a matter of weeks. We are attracted to the business's management team quality, balance sheet strength, and ability to generate long term growth as they continue claiming market share around the world. Importantly, the business has a net cash position and capital expenditures which are well and truly covered by operating cash flow. This allows Mainfreight to support a stable and growing dividend policy through the economic cycle.

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 Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

**DEVON
FUNDS.**

www.devonfunds.co.nz



DEVON DIVERSIFIED INCOME FUND

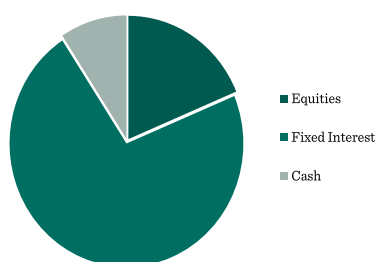
FUND OUTLINE

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	17.4%
Australian Equities	6.7%

Bonds	67.2%
Cash	8.7%

PERFORMANCE

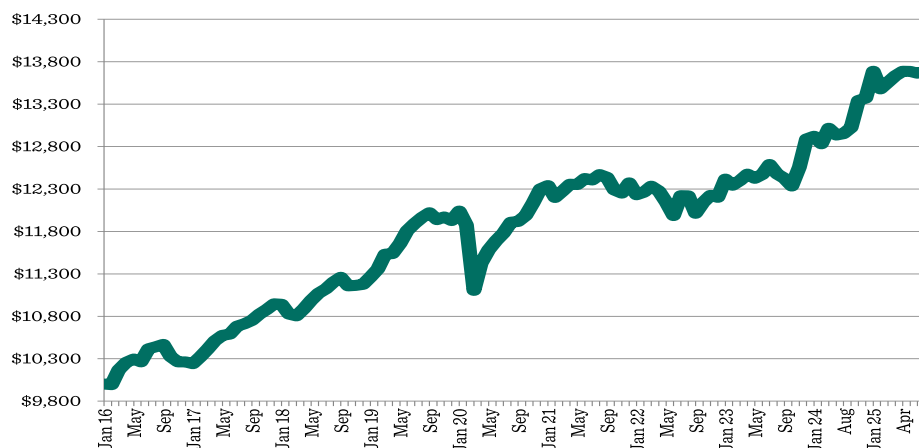
	1 Mth	3 Mth	1 Yr	3 Yr p.a	5 Yr p.a	Since Inception
Devon Diversified Income Fund	0.1%	-0.0%	5.8%	3.7%	3.7%	3.5%
75% BB Composite 0-5yr Index, 25% 50:50 Composite NZX50 Gross and ASX 200 Index hedged to NZD	0.9%	0.0%	5.1%	5.8%	4.2%	2.9%

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

**The Devon Diversified Income Fund's benchmark changed to a blended market index from 10th December 2024.

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](#)

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010

PO Box 105 609, Auckland 1143

Telephone: 0800 944 049 (free call) or +649 925 3990

enquiries@devonfunds.co.nz

COMMENTARY

Global bonds rallied during the month with the yield on US 10-year Treasuries finishing down at 4.16%. This reasonably benign outcome was not a fair reflection of the pricing dynamics that occurred intra-month as investors navigated the chaos that stemmed from the announcement by Donald Trump of his “Liberation Day” tariffs. Although the primary target of these initiatives was China, the tariffs proposed on the rest of the world were bigger and broader than expected. This resulted in extreme volatility across markets, but Trump has subsequently signalled a clear intention to negotiate back on many of his initial positions. Jerome Powell from the Federal Reserve issued a stark economic warning from the trade proposals, identifying upward risks to inflation and downward risks to growth, and this was met with a strong rebuke from Trump. The Fed are expected to keep rates on hold when they meet in early May. The RBNZ cut the OCR by 0.25% in April.

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.

**DEVON
FUNDS.**

www.devonfunds.co.nz



DEVON SUSTAINABILITY FUND

FUND OUTLINE

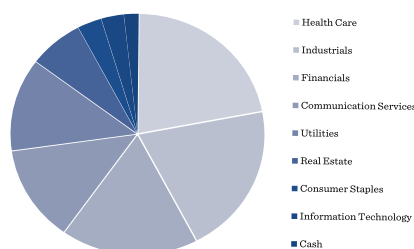
The **Devon Sustainability Fund** invests in a select portfolio of well researched New Zealand and Australian listed companies.

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	57.4%	Cash	1.9%
Australian Equities	40.7%	Total	100.0%

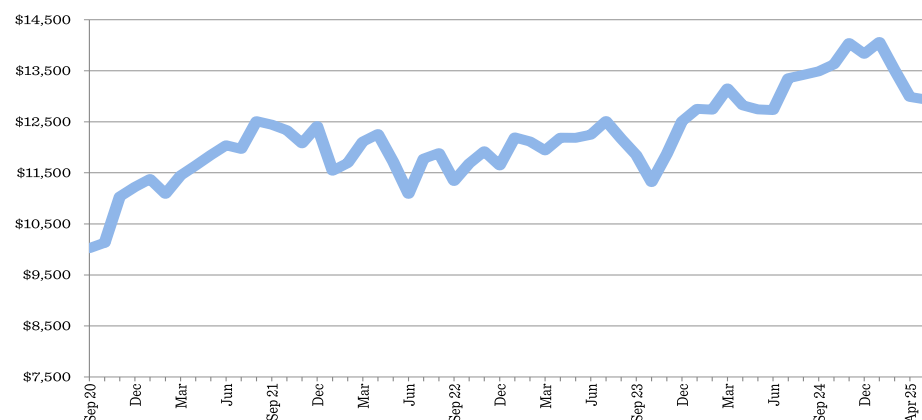
PERFORMANCE

	1 Mth	3 Mth	1 Yr p.a	3 Yr p.a	Since Inception
Devon Sustainability Fund	-0.4%	-8.0%	0.9%	1.8%	5.7%
50:50 NZX50 Portfolio Index & ASX200 Index	0.0%	-5.7%	4.8%	2.9%	6.0%

*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 underperformed its benchmark in April. The Fund's Australian holdings performed well during the month; however, it was underweight the Australian market relative to benchmark. This positioning slightly detracted from performance, given the significant divergence between the Australian market (+3.6%) and the New Zealand market (-3.5%).

We continue to find attractive investment opportunities emerging in New Zealand, particularly as the headwinds from the economic downturn begin to ease.

Stocks that performed strongly in April included Stockland (+12.0%), Telstra (+7.1%), and ResMed (+4.9%). ResMed delivered a strong quarterly result, highlighting continued demand for its sleep apnea devices and masks, with revenue growing 8%. The company's gross margin exceeded investor expectations and was at the upper end of their prior earnings guidance. Management also confirmed that their medical devices are largely exempt from the recently announced U.S. tariffs.

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.

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

**DEVON
FUNDS.**

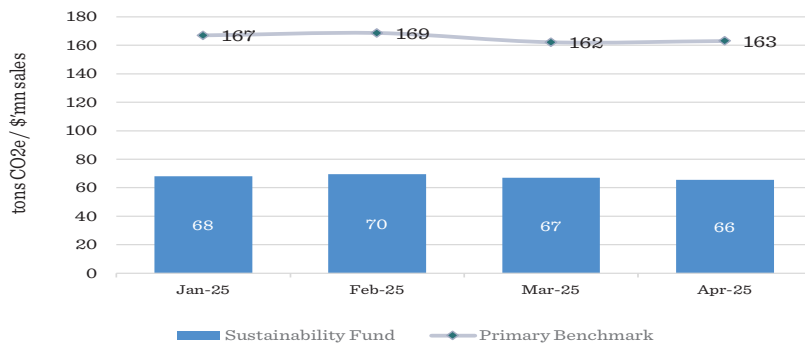
www.devonfunds.co.nz



DEVON SUSTAINABILITY FUND

CARBON INTENSITY - PORTFOLIO VS BENCHMARK

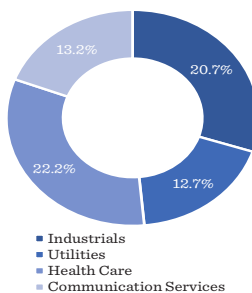
Carbon Intensity - Portfolio vs Benchmark



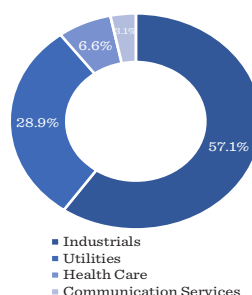
PORTFOLIO CARBON EMISSIONS BY KEY SECTORS

Portfolio Carbon Emissions by Key Sectors

Portfolio value by sector



Portfolio carbon emission by sector



The industrials, utilities, and communication sectors make up 47% of the portfolio by value, but they account for 89% of the carbon emissions in the portfolio.

ESG PORTFOLIO SUMMARY

MSCI ESG Ratings		MSCI ESG Quality score	
Portfolio	AA	7.62	Portfolio Sustainability Fund
Benchmark	AA	7.44	Primary Benchmark 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	2.4%	2.6%	3.5%	4.4%	5.7%

*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	90.7%
% of companies committed to Net Zero	72.1%
% of companies committed to Carbon Neutral	9.3%
% of companies with no commitment to either	18.6%

STEWARDSHIP

In April, we met with the outgoing CFO of Worley in our offices. Worley is a global engineering, advisory, and project management company. The company operates across the energy, chemicals, and resources sectors. Whilst Worley is not currently held in our funds, it has been in the past and provides good insight into the global energy transition. The CFO announced in March that he was stepping down, effective 30 June 2025. Succession planning appears to have been well managed; he has had the opportunity to hand-pick his successor, who has come from within the business, something we often view favourably.

Importantly, we discussed the energy transition and any impact that Trump's "drill, baby, drill" pledge, aimed at ramping up fossil fuel extraction, has had so far. Worley has an ambition-aligned goal of deriving 75 percent of its revenue from sustainability-related work (which includes gas as a transition fuel), and given the projects they work on, they have insight into the pipeline of sustainability-related projects occurring globally. The CFO said they have seen project timelines move forward, into 2026 and 2027. This could be considered a leading indicator of what is to come in the US under Trump's administration.

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.

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

**DEVON
FUNDS.**www.devonfunds.co.nz



DEVON GLOBAL IMPACT BOND FUND

DURATION

Contribution to Duration (Years)			
Sector	Account	Benchmark	Difference
Cash & Cash Equivalents	-0.00	-0.00	-0.00
US Government	1.05	1.10	-0.05
Credit*	4.37	4.74	-0.37
Asset Backed Securities	0.04	0.01	0.03
Mortgage Backed	0.81	0.59	0.22
Commercial Mortgage	0.04	0.03	0.01
Other	0.01	0.09	-0.08
Cash Offset	-	-	-
	6.32	6.56	-0.24

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

Percent of Market Value			
Quality	Account	Benchmark	Difference
Cash	4.35	0.32	4.03
AAA	33.02	12.25	20.77
AA	31.61	41.27	-9.65
A	7.47	31.58	-24.11
BBB	15.58	14.30	1.28
BB	5.69	0.01	5.68
B	2.80	-	2.80
Below B	0.14	-	0.14
Cash Offset	-1.37	-	-1.37
Not Rated	0.71	0.27	0.43
	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 30 April 2025

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	3 Yr p.a	Since Inception
Devon Global Impact Bond Fund	0.8%	1.3%	6.7%	2.2%	1.4%
Bloomberg Global Aggregate Index Hedged NZD	0.9%	1.6%	6.9%	2.3%	1.4%

PERFORMANCE	1 Mth	3 Mth	1 Yr	3 Yr p.a	Since Inception
Devon Global Sustainability Fund	-1.5%	-7.7%	6.0%	10.1%	9.0%
MSCI All Country World Index in NZD, 50% hedged to NZD	-2.3%	-7.2%	10.5%	11.7%	9.6%

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

KEY HOLDINGS*



*Key Holdings as at 30 April 2025

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

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
 PO Box 105 609, Auckland 1143
 Telephone: 0800 944 049 (free call) or +649 925 3990
 enquiries@devonfunds.co.nz

**DEVON
FUNDS.**

www.devonfunds.co.nz



ARTESIAN GREEN AND SUSTAINABLE BOND FUND (NZD)

FUND OUTLINE

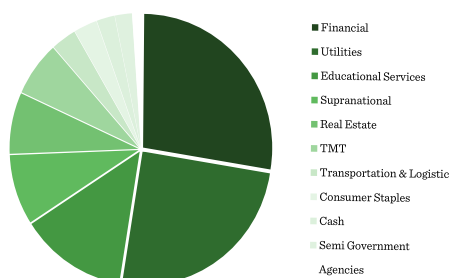
The **Artesian Green and Sustainable Bond Fund (NZD)** offers New Zealand-based investors a Portfolio Investment Entity (PIE) vehicle through which to invest in the Artesian Green and Sustainable Bond Fund (AUD).

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

KEY HOLDINGS



ASSET ALLOCATION



ALLOCATION

Artesian Green & Sustainable Bond Fund (NZD)	97.3%	Cash	2.7%
Currency Hedge (100% to NZD)	99.2%	Total	100.0%

PERFORMANCE

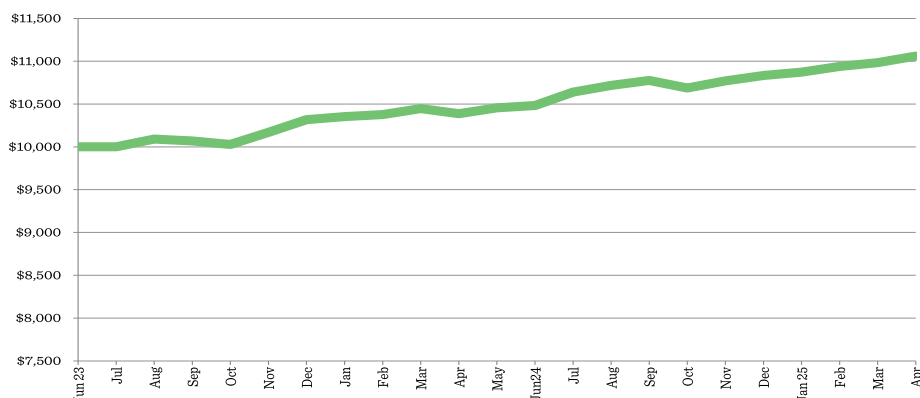
	1 Mth	3 Mth	1 Yr	Since Inception
Artesian Green & Sustainable Bond Fund (NZD)*	0.68%	1.72%	6.46%	5.99%
Artesian Green & Sustainable Bond Fund PIR Return (NZD)**	0.77%	1.80%	6.95%	6.38%
Bloomberg AusBond Composite 0-5 Yr Index 100% Hedged to NZD	1.07%	1.95%	6.46%	5.95%

*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. 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.

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](#)

Devon Funds Management Limited

Level 17, HSBC Tower, 188 Quay Street, Auckland 1010
PO Box 105 609, Auckland 1143
Telephone: 0800 944 049 (free call) or +649 925 3990
enquiries@devonfunds.co.nz

COMMENTARY

Outperformance in April came from the Fund's positions in QIC Shopping Centre Fund (Green), European Investment bank (Green), African Development Bank (Social) and BNG Bank (Sustainable). Underperformance came from the Fund's positions in Power SA (Green), Contact Energy (Green), Industrial Bank of Korea (Green) and Transpower (Green).

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.

**DEVON
FUNDS.**

www.devonfunds.co.nz