MONTHLY UPDATE

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.

AS AT 31ST AUG 26	FUND PERFORMANCE NZD						
	1 month	3 months	6 months	1 year	2 year	3 year	Since Inception (p.a.)
ARTESIAN GREEN & SUSTAINABLE BOND FUND (NZD) GROSS	-0.12%	0.60%	0.66%	0.69%	3.30%	4.61%	4.92%
ARTESIAN GREEN & SUSTAINABLE BOND FUND (NZD) NET*	-0.17%	0.30%	0.10%	-0.42%	2.11%	3.46%	3.79%
ARTESIAN GREEN & SUSTAINABLE BOND FUND PIR RETURN (NZD)**	-0.17%	0.44%	0.34%	0.05%	2.64%	3.95%	4.24%
BLOOMBERG AUSBOND COMPOSITE 0-5YR INDEX 100% NZD HEDGED	-0.10%	0.32%	0.40%	0.05%	2.19%	3.45%	3.77%

**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.*

AS AT 31ST AUG 26	PERFORMANCE OF THE UNDERLYING FUND								
	1 month	3 months	6 months	1 year	2 year	3 year	4 year	5 year	Since Inception (p.a.)
GROSS FUND RETURN	0.03%	1.08%	1.59%	2.13%	4.22%	4.95%	4.85%	2.95%	3.07%
NET FUND RETURN	-0.01%	0.96%	1.34%	1.62%	3.70%	4.43%	4.32%	2.44%	2.55%
BLOOMBERG AUSBOND COMPOSITE 0-5 YR Index	0.02%	0.77%	1.35%	1.66%	3.20%	3.77%	3.48%	1.69%	1.52%
ACTIVE RETURN (net Fund return - benchmark)	-0.03%	0.19%	-0.02%	-0.04%	0.50%	0.66%	0.85%	0.75%	1.03%

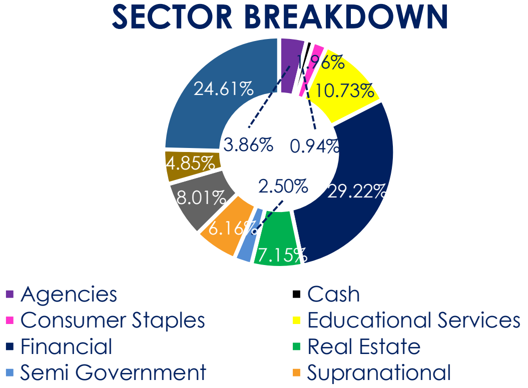
Past performance should not be taken as an indicator of future performance. Net of fees performance is based on end of month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions. Gross performance is the net return with fees and expenses added back.

PORTFOLIO UPDATE#

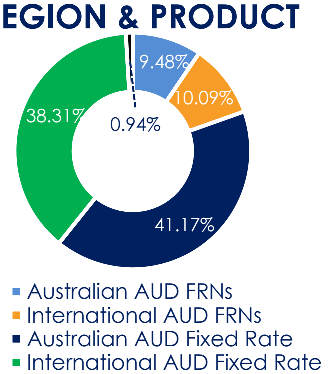
August saw markets continue to assess whether restrictive monetary policy was beginning to slow economic activity sufficiently to bring inflation sustainably back towards target. In Australia, the RBA left the cash rate unchanged at 4.35% on 11 August, following three increases earlier this year. The Board judged financial conditions to be somewhat restrictive and noted signs that domestic activity and the labour market were beginning to soften. However, inflation remained too high, with the RBA retaining the option to tighten policy further should upside risks materialise. Late in the month, Australian inflation provided mixed signals. Headline CPI eased to 3.5% in July from 3.8% in June, while trimmed mean inflation remained unchanged at 3.6%. Non-tradables inflation remained elevated at 4.4%, highlighting continued domestic price pressures despite the moderation in headline inflation. The labour market also showed signs of gradually easing, with unemployment increasing from 4.4% to 4.5% in July. In the United States, softer summer inflation readings provided some encouragement, although Fed Chair Kevin Warsh used his Jackson Hole address to caution that underlying inflation had not yet meaningfully improved. He highlighted that more than half of the components in the PCE basket were still experiencing annual price increases above 3%, reinforcing the Fed's reluctance to declare victory over inflation. The Underlying Fund's underperformance versus benchmark in August was driven by the overweight credit duration positioning (credit spreads were higher/wider) and the overweight interest rate duration positioning (interest rates were higher/wider). The Underlying Fund's running yield of 5.52% versus the benchmark's 4.86%, had a positive contribution to this month's return. Outperformance came from the Underlying Fund's positions in Woolworths (Sustainability-Linked), Optus (Sustainability-Linked), Housing Australia (Social), SSE PLC (Green) and Macquarie University (Sustainable). Underperformance came from the Underlying Fund's positions in ANZ Banking Group (Sustainable), Transpower (Green), Mercury NZ (Green), MTR Corp (Green) and Power SA (Green).

PORTFOLIO BREAKDOWN#

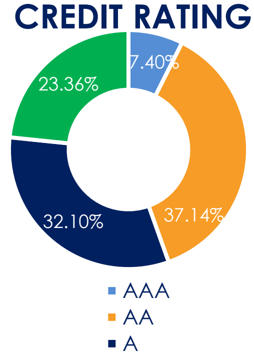
SECTOR BREAKDOWN



REGION & PRODUCT



CREDIT RATING



CREDIT SPREADS#

Credit default swap (CDS) indices reversed the modest widening witnessed in July, returning to levels last seen in June. This resilience was notable given the negative headlines surrounding renewed escalation in the Middle East and a broader sell-off across developed market government bonds. Australian 10yr government bond yields rose approximately 15bps to 5.09%, while Japanese 10yr yields increased 14bps to 2.93% and German Bund yields rose around 7bps to 3.27%. Despite the relative resilience of CDS markets, Australian cash credit spreads softened modestly during the month. On average, Australian dollar investment grade credit spreads widened by 2bps to 106bps. In comparison, euro denominated and US dollar investment grade credit spreads were broadly unchanged, with both markets ending August at approximately 78bps. Overall, global credit markets remained remarkably resilient despite higher government bond yields, renewed geopolitical uncertainty and the continued prospect of restrictive monetary policy remaining in place for longer.

AS AT 31st AUGUST 2026	PRICE	CHG ON MTH
ITRAXX AUSTRALIA 5YR	0.67%	-0.03%
ITRAXX EUROPE 5YR	0.51%	-0.02%
ITRAXX EUROPE XOVER 5YR	2.48%	-0.13%
CDX US IG 5YR	0.50%	-0.03%
CDX US HY 5YR	3.01%	-0.12%

UNDERLYING FUND METRICS#

The Fund was active during August, rebalancing new Underlying Fund flows and also participating in new deals like the green bond issued by SSE PLC (highlighted below). We witnessed elevated primary market issuance in the non-labelled bond market, as corporate issuers wasted little time accessing the bond market once their financial results had been released. Meanwhile, the rally in Australian government bonds experienced during July was completely reversed, with 3yr yields rising from 4.49% to 4.66% over August. On the final trading day of the month, with 3yr yields reaching approximately 4.685%, we viewed prevailing yield levels as increasingly attractive and took the opportunity to add interest rate duration to the Underlying Fund, increasing overall interest rate duration to 2.46yrs. The Underlying Fund's credit duration marginally increased, as purchases of new 5yr bonds were primarily funded through the sale of existing 3yr holdings.

AS AT 31st AUGUST 2026	FUND#	BENCH-MARK
INTEREST RATE DURATION	2.57	2.36
CREDIT DURATION	3.33	2.36
YIELD TO MATURITY	3.88%	3.22%
YIELD TO WORST	3.88%	3.22%
BLOOMBERG COMPOSITE RATING (weighted average)	A	AA+

**Using the Morningstar methodology for Average Credit Quality. #All metrics other than the YTM and YTW are those of the Underlying Fund. The NZD Units and the Benchmark YTM and YTW include an annual -1.64% from FX hedging, which is an estimate using AUDNZD 12 Month Forward Points as at 31 August 2026.*

NEW ISSUES

We witnessed four new labelled bonds issued in August from three unique issuers, representing total volume of AUD 4.25 billion. While the majority of issuance came from the Treasury Corporation of Victoria and Western Australian Treasury Corporation, it was encouraging to see another foreign corporate issuer enter the AUD labelled bond market.

ISSUER	Bond Type	Issue Date	Issue Size $M	Fixed/ Floating	Maturity
SSE PLC	Green	13-Aug-26	600 400	Fixed Fixed	20-Aug-31 20-Aug-36

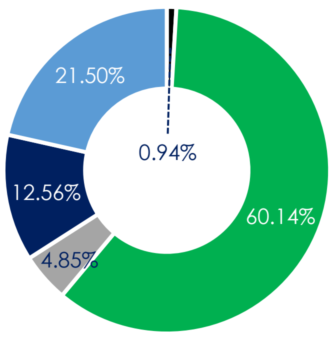
Issuer	sse
Currency	AUD
Sector	Utilities
SDG Alignment	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION
Eligible Projects	Net proceeds will finance or refinance Eligible Green Projects in pre-construction, under construction, or completed within the previous 36 months. Two project categories are eligible: • Renewable energy generation facilities producing electricity from onshore and offshore wind through SSE Renewables; • Transmission network infrastructure that facilitates the transition to lower-carbon electricity systems.

SSE plc recently marketed its first Australian dollar green bond under its Sustainability Financing Framework, forming part of a £33 billion, five year net investment programme to March 2030 focused on regulated electricity networks and renewable generation.

SSE tracks the allocation of Green Financing proceeds through a dedicated internal system designed to avoid double counting. Proceeds are allocated to refinancing up to the level of capital expenditure already incurred at settlement. Unallocated proceeds are held temporarily on deposit or in a liquid money market fund. Where an included project is divested, SSE will substitute another Eligible Green Project from the same category, and the Framework targets maintaining a ratio of Eligible Green assets of at least 1.2 times the value of Green Financing outstanding.

GREEN, SUSTAINABLE & SOCIAL

BOND TYPE



CARBON ABATEMENT

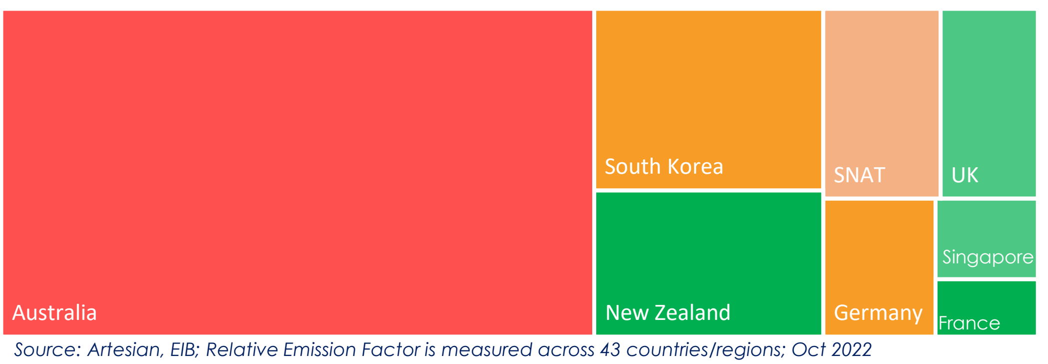
	Fund
August's estimated carbon abatement	925 tCO2e*
Since inception estimated carbon abatement[1]	77,107 tCO2e*
% of Underlying Fund used in this estimation	28%

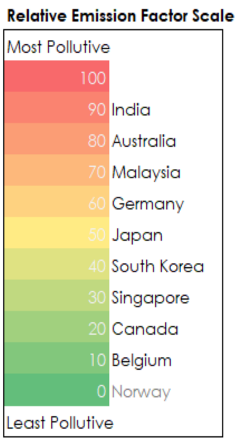
One of the primary goals for the Underlying Fund is to report regularly on the impact that the bonds we have invested in are having on the environment. As issuers report their use of proceeds achievements, we update our records and this should also lead to a continual increase in the 28% of the Underlying Fund used to calculate the carbon abatement.

Equivalent to **36,167 cars**** off the road for a year, since fund inception

ALLOCATION OF UNDERLYING FUND'S HEATMAP

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

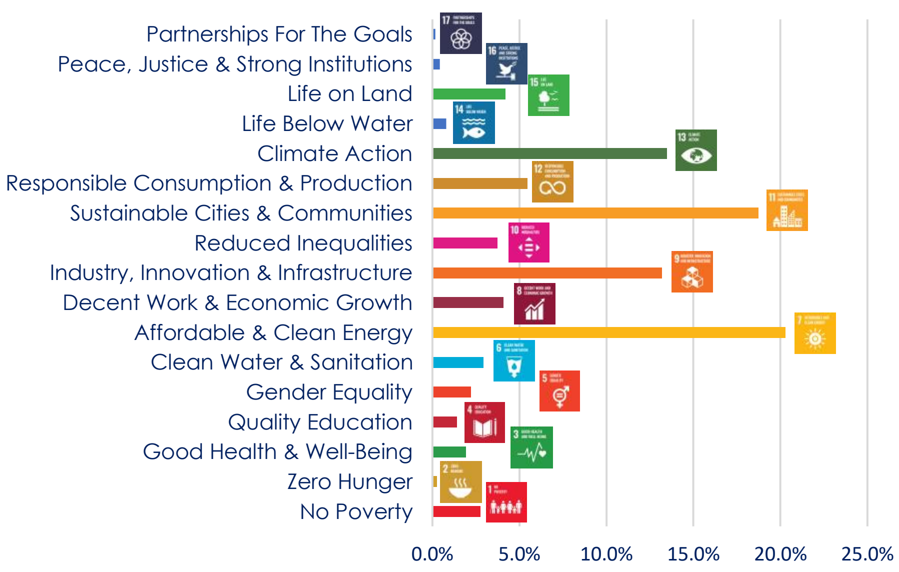




Source: Artesian, EIB; Relative Emission Factor is measured across 43 countries/regions; Oct 2022

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, 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 Underlying Fund is most aligned with Clean Energy, Climate Action and Sustainable Cities, making up 53% of the Underlying Fund's targeted SDGs. The Underlying Fund currently supports 17 of the 17 SDGs.

IMPACT SINCE INCEPTION#

172,121
Trips made on clean & sustainable transportation.

319,584,040
Litres of water saved.

31,252
Square metres of green energy efficient buildings financed.

812
People provided with access to water & sanitation.

34
Affordable housing dwellings financed.

3,370
People provided with access to education.

90%
Female representation on board of Fund holdings.

315
Jobs created or preserved.

48%
Fund bond issuers supporting TCFD.

8%
Fund bond issuers supporting PCAF.

78%
More than one female on board of Fund holdings.

The figures above are not actuals they are estimates using pro rata calculations taken from issuers use of proceeds reports, done on a best-efforts basis.

NOTES

**We take a conservative approach to estimating the carbon abatement of our portfolio holdings. If we own a bond that has not yet produced a use of proceeds report or something similar, we don't report any carbon abatement whatsoever. For those issuers who have produced a use of proceeds report, we pro rata the Underlying Fund's allocation of the reported carbon abatement. We use the previously reported 12-month carbon abatement figures to project the following 12 months and update those as soon as a new report from the issuer is produced.*

***As per the ABS's latest Survey of Motor Vehicle Use (link as of 20 Mar'19), Passenger Vehicles in Australia on average travelled 12,600km a year in 2018. As per NTC's latest emission intensity paper (link; as of Jun'20). Passenger Vehicles in Australia on average had an emission intensity of 169g/km in 2019 (or 169.8g/km in 2018). As a result, we defined the carbon footprint of an average passenger vehicle in Australia as 2.14t CO_2e per year being [(169g/km x 12,600km) / 1,000,000].*

The impact metrics published in this document reflects 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.

DISCLAIMER

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