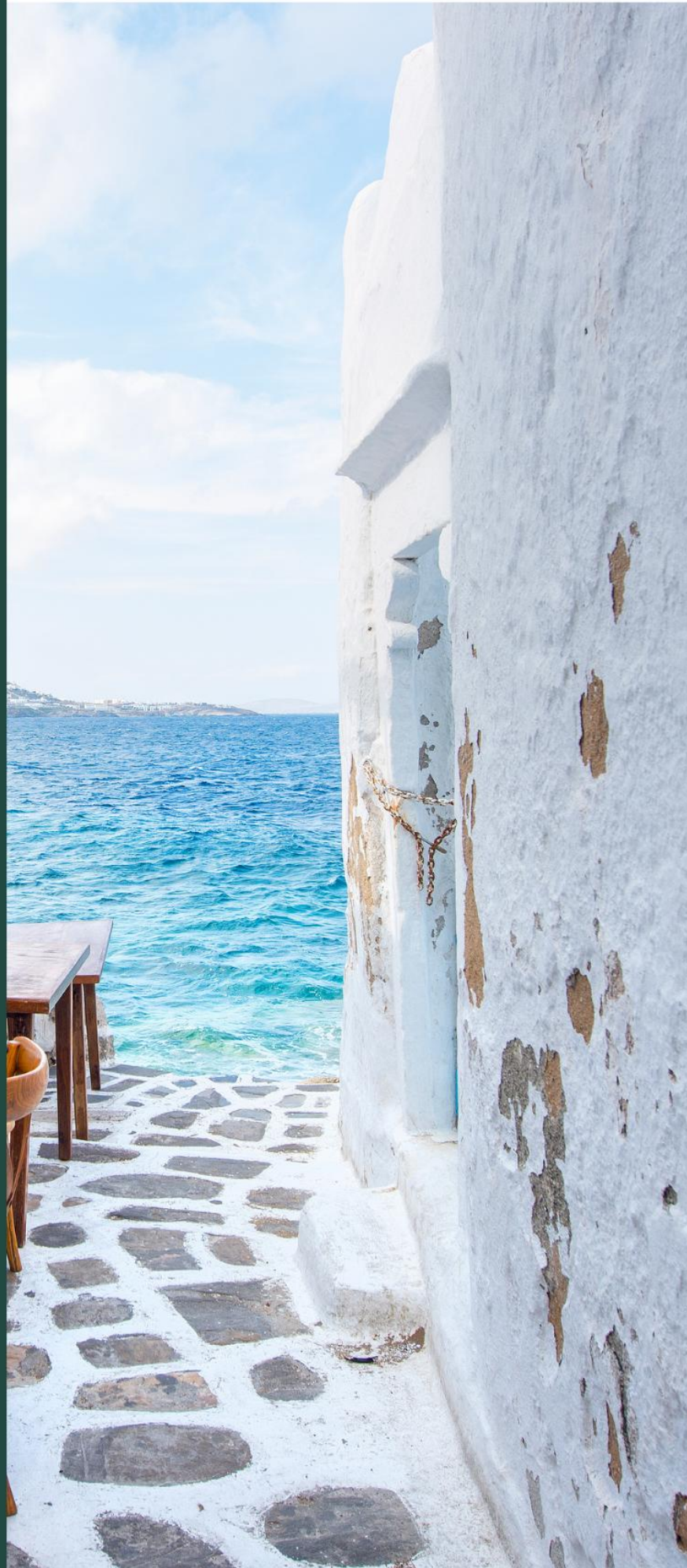




PELLA

RESPONSIBLE INVESTING



Quarterly Report

September 2025



GLOBAL MARKETS QUARTER IN REVIEW

In 3Q25, benchmark returns were heavily concentrated in a small group of AI-linked mega-caps and banks, which the Fund was deliberately underweight.

This positioning drove relative underperformance despite the Fund’s stronger underlying fundamentals, including higher free cash flow yields, superior growth, and lower leverage. Pella views the AI trade as exhibiting bubble-like dynamics and when market leadership broadens, the portfolio’s underlying strengths should reassert themselves and relative performance should normalise and tilt back in favour of the portfolio’s holdings.



Jordan Cvetanovski
Chairman & Chief Investment Officer

“Indices, especially Technology, are expensive, but there are plenty of opportunities elsewhere”.

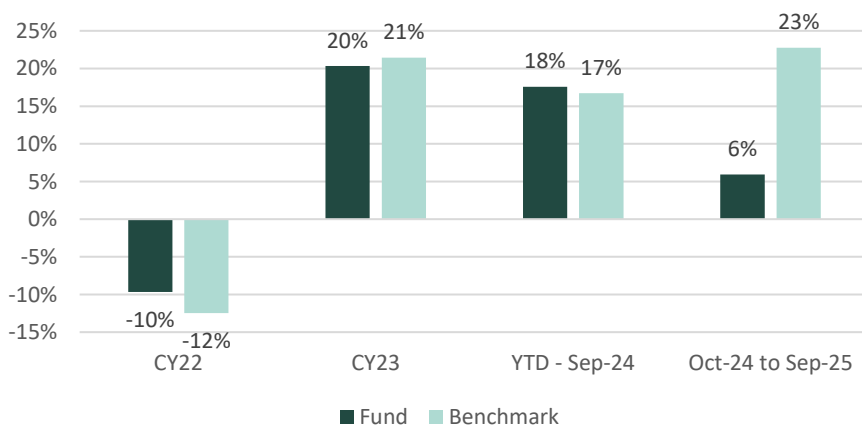
Pella Funds Management has three equal objectives (i) outperform the Benchmark (MSCI ACWI), (ii) deliver lower volatility than the Benchmark, and (iii) maintain superior sustainability to the Benchmark. Since inception the Fund achieved its volatility, and sustainability aims and until the past year met its relative performance objective.

Figure 1 shows that the Fund outperformed the Benchmark in CY22, marginally underperformed in CY23,

outperformed in the year to date to Sep-24 (1 Jan-24 to 30 Sep-24) and notably underperformed in the year to Sep-25 (1 Oct-24 to 30 Sep-25). The scale of the relative underperformance in the year to Sep-25 is highly unusual for Pella’s strategy.

In this quarterly report we look into the key components that contributed to the Fund’s results, focusing on market dynamics and portfolio exposures.

Figure 1 – Fund Vs. Benchmark Performance



Source – Pella Funds Management
Past performance is not a reliable indicator of future performance

Portfolio Fundamentals: Superior to the Benchmark

On key fundamentals, the portfolio screens better than the Benchmark. Over the

period, the Fund had a higher free cash flow yield and stronger growth rate (Figure 2), implying superior valuation metrics. Portfolio companies also carry minimal leverage and deliver a higher return on equity than the Benchmark, indicating higher quality.

Figure 2 – Fund Vs. Benchmark valuation metrics

	Fund		Benchmark		Delta	
	FCF yield	Growth	FCF yield	Growth	FCF yield	Growth
Sep-24	3.4%	10.3%	3.3%	8.1%	0.1%	2.2%
Oct-24	3.6%	10.1%	3.2%	8.2%	0.4%	1.9%
Nov-24	3.5%	10.9%	3.2%	8.4%	0.3%	2.5%
Dec-24	3.6%	10.9%	3.2%	8.4%	0.4%	2.5%
Jan-25	3.6%	10.0%	3.1%	8.4%	0.5%	1.6%
Feb-25	3.8%	8.8%	3.4%	8.0%	0.4%	0.8%
Mar-25	3.9%	8.8%	3.4%	8.0%	0.5%	0.8%
Apr-25	4.2%	9.1%	3.8%	8.3%	0.4%	0.8%
May-25	3.9%	9.6%	3.5%	8.4%	0.4%	1.2%
Jun-25	3.8%	9.6%	3.4%	8.2%	0.4%	1.4%
Jul-25	3.7%	9.8%	3.4%	8.3%	0.3%	1.5%
Aug-25	3.8%	9.6%	3.3%	8.2%	0.5%	1.4%
Sep-25	3.6%	9.9%	3.3%	8.3%	0.3%	1.6%

Source – Pella Funds Management

Pella believes the Fund’s consistently superior fundamentals to the Benchmark should position the Fund to outperform the Benchmark. Assuming this is true the recent underperformance stems from elsewhere.

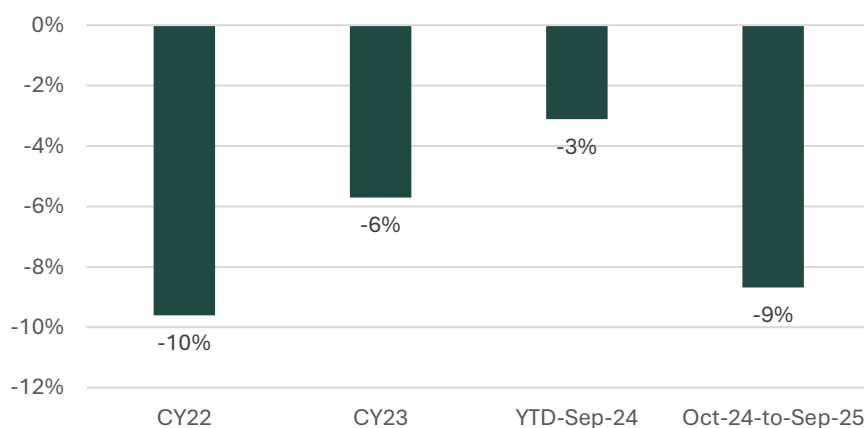
single digits, which aligns with expectations for a well-diversified portfolio. The impact of these stocks in the year to Sep-25 was in that normal range.

What made the year to Sep-25 unusual was not the size of these detractors, but the market rally that amplified the detractors’ impact on relative returns. The key point is that idiosyncratic stock weakness was not abnormal, but the benchmark’s extreme strength magnified its effect.

Explaining the Performance Gap

An analysis of the Fund’s ten largest detractors shows the combined effect of these holdings has been in the mid-to-high

Figure 3 – Performance contribution of Fund’s 10 worst stocks



Source – Pella, using Bloomberg PORT data

Past performance is not a reliable indicator of future performance

Underexposure to AI and US/EU Banks The Core Headwinds

Two key thematic underexposures explain most of the Fund’s relative underperformance: Artificial Intelligence (AI) and US/European Banks and Insurers.

1. AI Theme: Concentration and Overextension

The AI investment boom was the dominant force behind market returns over the year to Sep-25. It drove outperformance across sectors including Information Technology (IT), Utilities (due to power demand from data centres), and Industrials (which supply critical equipment and infrastructure).

We estimate that at least 31% of the Benchmark was exposed to AI-related companies. On a market cap weighted basis, these stocks returned ~45% (in AUD) over the year, contributing nearly 60% of the Benchmark's total return. The remainder of the Benchmark returned just ~12% (in AUD), highlighting the divergence between the AI theme and the rest of the Benchmark.

Pella limits exposure to individual investment themes to manage risk. As a result, the Fund's AI exposure remained well below the Benchmark. This reflects a deliberate use of diversification to preserve capital over time. While this has constrained recent performance, it is expected to protect capital in other environments.

2. US and European Banks: Flow-Driven Rallies

During the year ending Sep-25, the Fund had no exposure to US or European banks, which was a notable source of relative underperformance. Over the period, US banks rose 46% (in AUD) and European banks 81% (in AUD) on a market cap weighted basis, driven by macro and flow dynamics rather than fundamental change.

In the US, relatively solid economic activity, a steeper yield curve, and optimism about deregulation under a Trump administration boosted margins and investor sentiment.

In Europe, banks attracted capital inflows due to concerns over the US fiscal deficit, a weakening dollar, and attractive relative valuations. Markets also rallied on long-awaited infrastructure programs and clearer guidance on ECB rate cuts. These

inflows favoured domestically oriented sectors such as banks, insurers, and defence, seen as key beneficiaries of fiscal spending and lower rates.

Pella's cautious macro view led us to avoid these sectors, favouring resilient, cash-generative companies such as AIA, India's private banks, and US insurance brokers. These delivered steady performance but lagged the benchmark's flow-driven rallies.

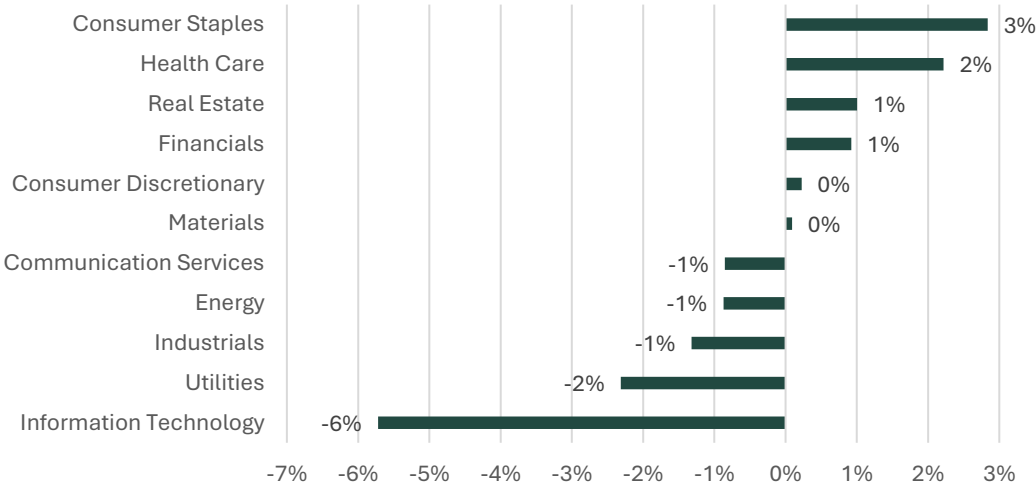
Outlook: The case for broader market leadership

After a period of extreme market concentration, AI-related stocks are now priced for perfection. The risk-reward profile has deteriorated, with significant downside potential.

The market's vulnerability was exposed on 27 January 2025, when the release of DeepSeek's new AI model sparked fears of reduced AI infrastructure investment. On that day the impact was clear (Figure 4):

- IT: Arista Networks fell -22%, Broadcom and Nvidia -17%, Oracle -14%.
- Utilities: Vistra down -28%, Constellation Energy -21%, NRG Energy -13%.
- Industrials: GE Vernova fell -22%, EMCOR -19%, Quanta Services -18%, Eaton -16%.
- The S&P 500 fell 1.5% that day, yet almost 70% of its constituents rose. HCA Healthcare gained 6%, Mastercard 2.7%, Marsh & McLennan 2.2%, and UnitedHealth 2.1%.

Figure 4 – S&P500 sector performance on 27-Jan-25 (following DeepSeek)



Source – Pella, Factset

The sector performance following DeepSeek illustrates that weakness in AI and the largest Benchmark stocks can weigh on the index, even as opportunities remain in other areas.

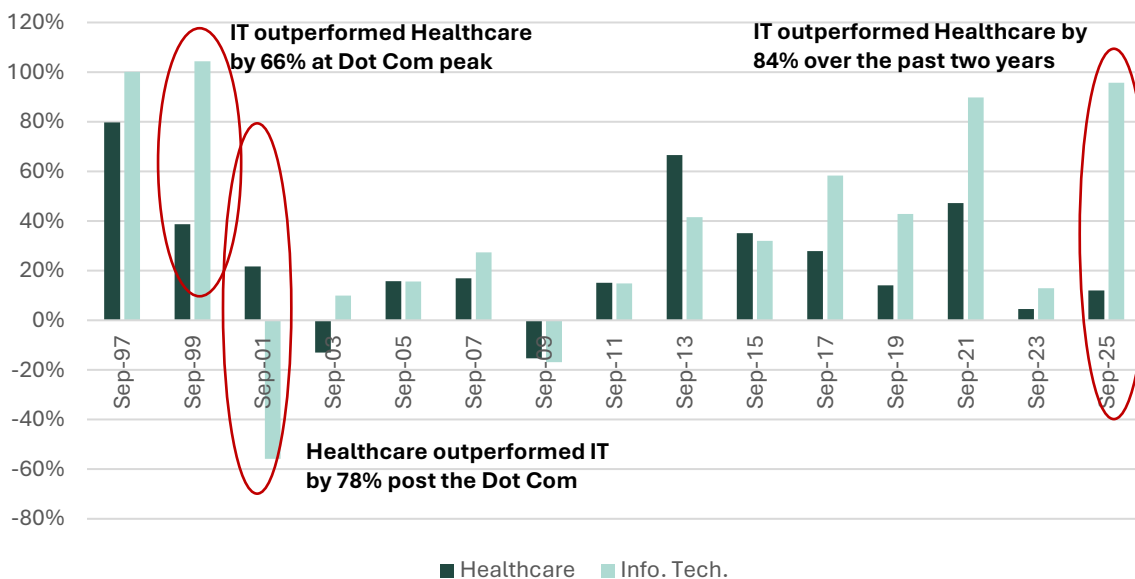
Reflecting on this Pella reduced exposure to AI and reallocated towards Healthcare and high-quality Industrials, sectors that now offer far more risk-adjusted opportunities.

Healthcare at an inflection point

Healthcare has been the largest sectoral performance drag on the Fund, lagging sharply behind IT. However, we view Healthcare as one of the most attractive areas in both the market and the Fund.

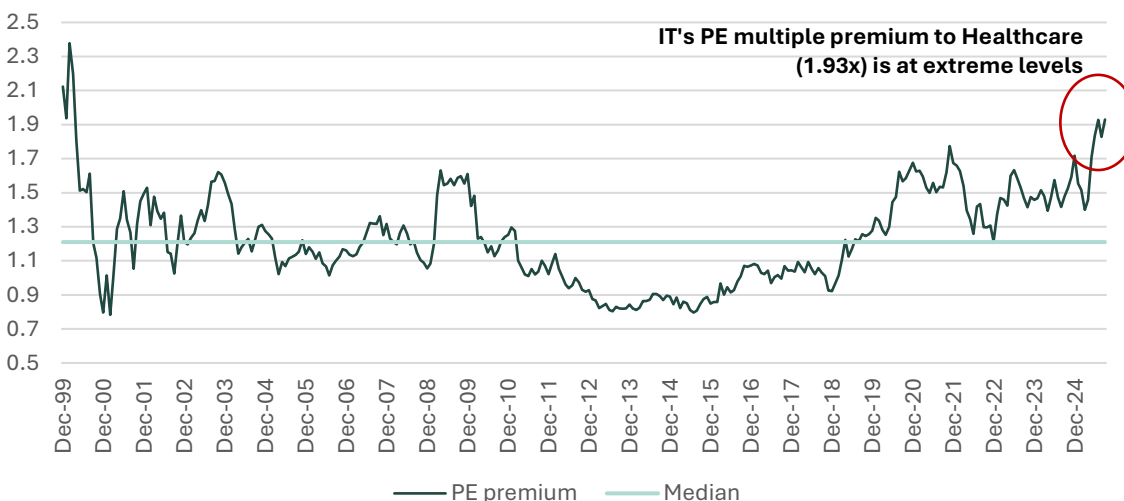
Figure 5 shows that over the past two years, IT outperformed Healthcare by 84% exceeding the 66% gap seen during the Dot Com bubble. As of September 2025, the IT sector's forward P/E was 1.93x that of Healthcare which is well above the long-term median of 1.21x, and the highest premium since 1999 (Figure 6).

Figure 5 – S&P500 Healthcare Vs. Information Technology total return over 2-year periods



Source – Factset

Figure 6 – IT sector forward PE premium relative to the Healthcare sector



Source – Pella, Factset

We believe the Fund is well positioned for a normalisation in the relationship between IT and Healthcare. Recent weakness has provided an opportunity to selectively add to Boston Scientific, Intuitive Surgical, and

Edwards Lifesciences. Each meets our 9% per annum absolute return target and offers attractive risk-adjusted return potential.

Core holdings such as Novo Nordisk, Coloplast, and UnitedHealth remain at

historically attractive valuations and continue to deliver consistent long-term growth. Encouragingly, both UnitedHealth and Novo Nordisk began to stabilize and recover during September and October.

High-Quality Industrials; Compelling Value Amid Short-Term Noise

We continue to stay focussed on high-quality industrial compounders. These companies experienced temporary share price weakness due to tariff-related uncertainty and inventory adjustments, creating attractive entry points.

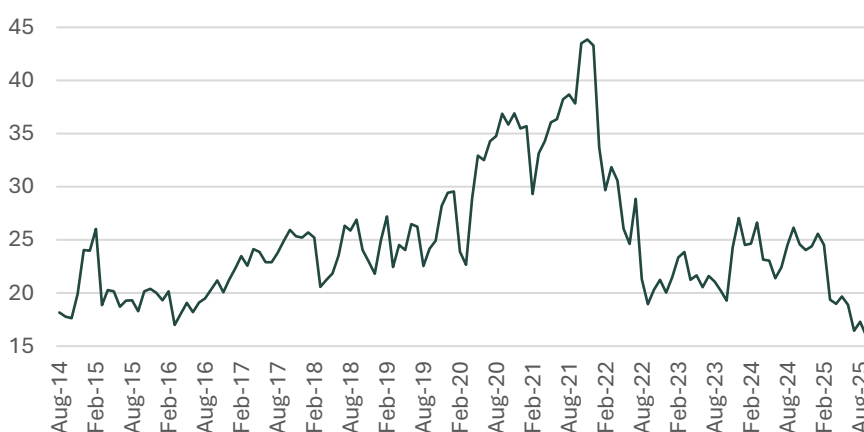
Our stock in focus this quarter, IMCD, exemplifies this theme. IMCD is a global

distributor of specialty chemicals and ingredients operating an asset-light model that combines supplier exclusivity, formulation expertise, and a scalable structure. These attributes underpin high returns on capital and consistent growth.

Despite its robust fundamentals, IMCD underperformed due to weak short-term organic growth as customers adjust to tariff headlines and work through inventories. However, its long-term outlook remains intact.

At current levels, IMCD trades at its lowest-ever forward P/E, offering a 5.5% FCF yield and 6% expected growth (Figure 7), implying an annualised return of ~10%. We view it as an extremely attractive quality compounder poised for recovery.

Figure 7 – IMCD one-year forward PE multiple; X



Source - Factset

Conclusion

Pella's approach is anchored in a disciplined pursuit of three equal objectives:

- i) Outperform the Benchmark (*MSCI ACWI*),
- ii) With Lower Volatility and
- iii) Superior Sustainability

While the Fund underperformed in the year to September 2025, this period stands out as an exception. The reasons are clear: limited exposure to the AI and US/EU banking rallies, combined with an overweight in Healthcare, a sector that is now deeply undervalued and poised for significant upside.

Looking forward, the Fund is well positioned to benefit from a broadening of market leadership. The Fund holds companies with

higher free cash flow yields, stronger growth, and better returns on capital than the Benchmark, while carrying minimal leverage.

Our investments remain focused on resilient, cash generative businesses, including Novo Nordisk, Coloplast, UnitedHealth, Edwards Lifesciences, and industrial compounders such as IMCD. As valuation extremes in AI and financials unwind, we expect relative performance to normalise.

Pella's investment process, risk management and valuation discipline remain unchanged. We continue to prioritise capital preservation, sustainability, and long-term growth. When market leadership broadens, the portfolio's underlying strengths should reassert themselves and relative performance should normalise and tilt back in favour of the portfolio's holdings.

STOCK IN FOCUS

IMCD

IMCD is a global leader in the distribution and formulation of specialty chemicals and ingredients. The company offers over 52,000 products that serve almost every industry, including pharmaceuticals, beauty and personal care, food & nutrition, coatings, construction, energy, lubricants, and advanced materials.

IMCD works with more than 3,400 suppliers and serve over 68,000 customers globally. On the supplier side, IMCD acts as an outsourced marketing, sales, and distribution partner, simplifying operations through a single point of contact and sharing valuable market and technical insights. For enterprises that use their chemicals, IMCD provide access to a wide portfolio of high-quality, sustainable solutions, along with formulation support and product expertise.

The opportunity

The specialty chemicals distribution market is highly fragmented, with more than 10,000 distributors globally. The three biggest players are IMCD, Brenntag, and Azelis, each holding a single-digit market share.

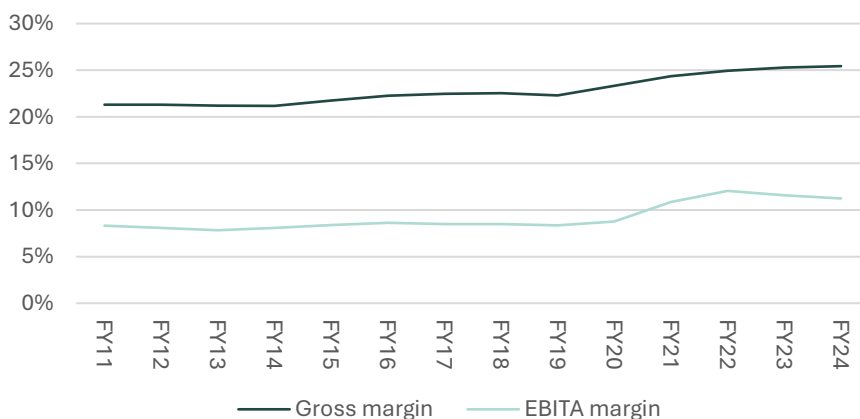
Specialty chemical distributors' market shares tend to remain stable due to several structural and operational factors.

Customers typically rely on distributors not just for delivery but also for technical support, formulation guidance, regulatory compliance, and integrated supply chain solutions. Switching distributors can be costly and disruptive, often requiring process requalification and regulatory updates. These distributors also tend to have long-standing, trust-based relationships with both suppliers and customers, which are difficult for competitors to displace.

Many operate under territorial or exclusive agreements, limiting direct competition in specific markets. The non-commoditised nature of specialty chemicals means distributors often provide customised technical support, making price-based switching less attractive. Their ability to manage fragmented volumes, hazardous materials, complex logistics, and documentation requirements further entrenches their position. These factors combine to create a high degree of stickiness in customer relationships, contributing to the long-term stability of market shares.

Steady market shares, combined with growing margins (Figure 8) is a signal that IMCD has strong and sustainable competitive advantages.

Figure 8 – IMCD gross margin and EBITA margin

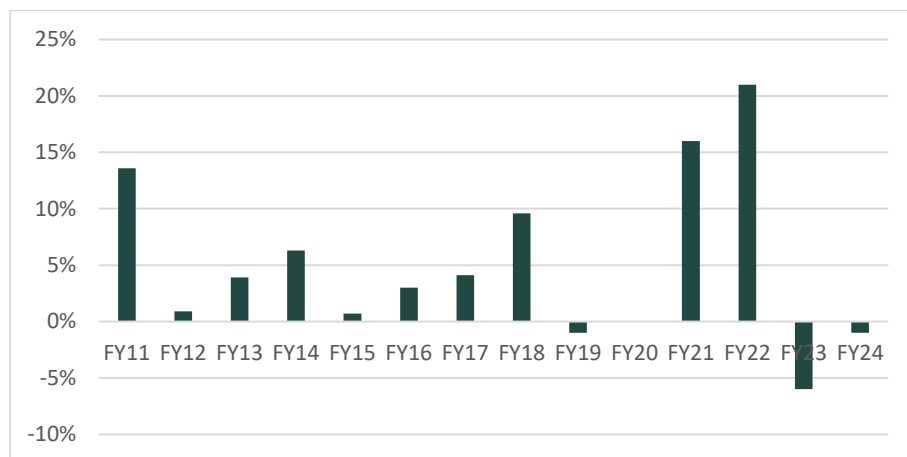


Source – Pella Funds Management

Mirroring the stability of market shares, IMCD's revenue tends to reflect broader industry cycles rather than shifts in the competitive landscape. The global chemicals market typically grows 2–4% annually, while specialty distribution outpaces it slightly at 3–5%, supported by the ongoing trend of suppliers outsourcing sales and logistics.

IMCD's organic revenue growth averaged ~5% annually pre-COVID (FY11–FY19) and ~6% since (FY20–FY24). Growth in 2021–2022 was boosted by supply chain disruptions and overordering, followed by a pullback in 2023–2024 as conditions normalised and inventories fell. We expect mid-single-digit organic growth to continue.

Figure 9 - Organic Revenue Growth



Source – IMCD, Pella Funds Management

Acquisitions have been a key source of incremental growth. Over the past thirteen years, IMCD has completed more than 80 acquisitions, contributing 8–9% to annual revenue growth. Despite this pace, the industry remains fragmented, leaving significant room for further consolidation. Combined with organic growth, this supports a consistent low double-digit growth rate of around 12–13% per year.

In addition to competitive advantages and consistent growth, specialty chemical distributors are highly cash generative. Working capital fluctuations are not a major drag over the cycle. Unlike commodity players, IMCD runs an asset-light model with an outsourced supply chain, using third-party logistics for distribution and related services. This efficient approach keeps capex below 1% of revenue.

The combination of these factors firmly places IMCD in the category of high-quality industrial compounders. We aim to own such businesses when a temporary disruption creates an attractive entry point.

A recent confluence of factors provided an opportunity to significantly increase IMCD's portfolio weight. These include concerns over potential Trump era tariffs, a decline in the company's conversion margin, a key market metric, and the broader market

rotation away from companies without direct AI exposure.

As a result, the stock has materially derated and is now trading at its lowest valuation multiples on record (Figure 7).

Key concern one – continued uncertainty caused by tariffs

Organic revenue growth declined by 6% in FY23 and 1% in FY24 as customers continued to destock and reduce order volumes following the post-COVID-19 normalisation. This destocking cycle was expected to end in FY25, with organic growth forecast to return to mid-single digits. The 4% organic revenue growth reported in 1Q25 indicated that the recovery was underway.

Tariff announcements in April disrupted that trajectory. The proposed US trade tariffs introduced uncertainty across global supply chains, particularly in the specialty chemicals sector, where sourcing, pricing, and inventory planning are sensitive to trade policy changes. For IMCD's customers the uncertainty prompted a return to cautious behaviour. Customers delayed restocking and reverted to smaller, short-term orders to avoid potential cost volatility or supply disruption.

As a result, IMCD reported flat organic revenue growth in 2Q25, falling short of market expectations.

Pella does not believe this indicates a structural change in end-market demand or IMCD’s business model. We believe the recent slowdown reflects temporary customer hesitation caused by policy uncertainty. Once the trade environment stabilises inventory restocking should resume, supporting a recovery in organic revenue growth.

Key concern two – reversion in the conversion margin

The preferred measure of profitability in chemical distribution is the conversion margin, defined as operating EBITA divided by gross profit. IMCD’s conversion margin averaged ~38% in the years prior to COVID-19 (FY11–FY19), peaked at 48% in FY22, and has been gradually normalising since then.

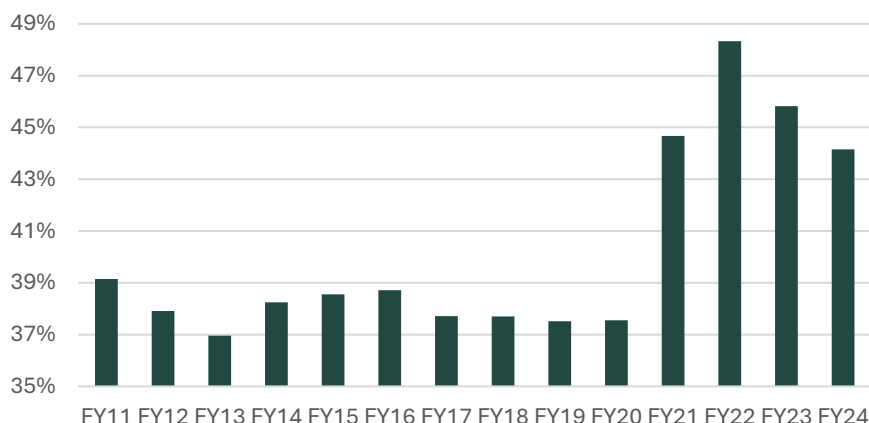
The recent downward trend raised concerns that the margin could continue declining until it returns to its long-term historical average. Pella believes this is unlikely as the structural drivers of profitability have improved significantly, supporting a higher sustainable conversion margin than pre-COVID-19 levels.

First, the FY15–FY18 period was distorted by acquisitions, which initially depressed group profitability. These businesses have since been integrated and brought in line with group-level margin expectations.

Second, IMCD has achieved substantial scale benefits. Since FY18, revenue has grown by more than 70%, providing strong operating leverage across the platform.

In addition, IMCD’s increased geographic diversification, expanded supplier base, and improved digital infrastructure have enhanced its pricing power and efficiency. These factors further support structurally higher margins going forward.

Figure 10 – IMCD conversion margin



Source: Company reports, Pella estimates

Valuation

IMCD is currently trading on a mid-single digit free cash flow yield. Under Pella’s price-for-growth valuation framework, this FCF yield implies that IMCD needs to deliver low to mid-single digit annual organic revenue growth to justify its valuation.

We believe this hurdle growth rate is easily achievable. Over the past decade, IMCD delivered an average organic revenue growth rate above that target. Across most periods, including COVID-19, the company maintained positive

organic growth, underscoring the resilience of its business model.

Given its scale advantages, decentralised commercial structure, and track record of successfully integrating acquired businesses, Pella believes IMCD is well-positioned to sustain organic growth above the minimum threshold required by the valuation. This makes the current free cash flow yield attractive on a risk-adjusted basis.

Conclusion

IMCD is a high-quality business that has temporarily derated due to a short-term

slowdown in revenue growth driven by customer uncertainty around tariffs. While this has disrupted the near-term recovery in order volumes, Pella sees no structural impairment to the business model.

Inventory replenishment should resume once policy clarity returns, and IMCD remains well-positioned to deliver its historical mid-single digit organic revenue CAGR. This growth is likely to be supplemented by continued accretive acquisitions and strong operating leverage, sustained conversion margins, and expanding scale advantages.

Valuation is undemanding, with the stock trading on its lowest historical multiples and a mid-single digit free cash flow yield. Given that only low to mid-single digit organic growth is required to justify the current valuation, the upside potential is considerable. However, in the near term, performance will remain sensitive to shifts in customer behaviour linked to ongoing trade policy uncertainty.

PORTFOLIO COMMENTARY

In 3Q25, the Fund returned 5.7%, underperforming the MSCI ACWI (NZD, net) ('Benchmark'), by 6.8%.

Pella's holdings in IT, Industrials and Consumer Discretionary were the top contributing sectors while Healthcare, Financials and Materials detracted to overall performance of the Fund.

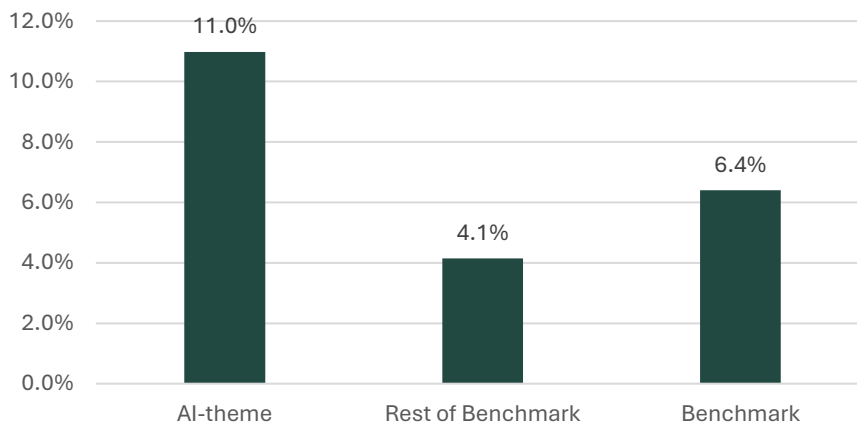
At the stock level, CATL, TSMC, and UnitedHealth Group were the Fund's largest contributors, adding 1.4%, 1.1%, and 0.7% respectively. In contrast, Lantheus, IMCD and Sika detracted from

the Fund's absolute return by 0.7%, 0.6%, and 0.3% respectively.

AI theme drove the Benchmark

As noted in the CIO Message, Benchmark performance was materially driven by AI-related stocks, which we calculate delivered a return of 11% over the quarter (in AUD), compared to 4% for the rest of the market (in AUD). In short, investors either leaned into AI or risked underperforming.

Figure 11 - AI-theme stocks Vs. Rest of Benchmark performance over 3Q25



Source – Pella, Bloomberg PORT

We believe there are several concerning signs of a bubble in AI-related stocks, including:

- Oracle's stock rose 36% in a single day following its 1Q25 result, driven by the promise of future AI-related cloud orders. However, it remains unclear how Oracle will fund the capital expenditure required to support that growth.
- Several unconventional financing arrangements have emerged, including NVIDIA's proposed \$100b investment in OpenAI, structured so OpenAI can use those funds to rent \$100b worth of Nvidia chips.
- The scale of the announced AI-related capex buildout is substantial. Morgan Stanley estimates total spending could reach US\$3t by 2029. Financing that figure may prove difficult, Bain & Company¹ estimates an \$800b funding shortfall by 2030.
- There is growing evidence that foundation models are being commoditised. Performance metrics are converging, and the improvement from GPT-4 to GPT-5 appears to be diminishing.
- Corporate adoption of AI may be slower than expected. An MIT study² found that only 5% of corporate AI

¹ Bain & Company, [6th annual Global Technology Report, 23 Sep-25](#)

² MIT, The GenAI Divide – State of AI in business 2025, Jul-25

projects have reached full production.

- Several AI start-ups (e.g. Inflection AI, xAI, Thinking Machines) have raised hundreds of millions, in some cases billions, with little to no revenue.
- Creative accounting is becoming more common, particularly in reported annual recurring revenue (ARR). Some start-ups include pilots, trials, consulting revenue, or even hypothetical full rollout assumptions in ARR, undermining its reliability as a valuation metric.
- Commentary in the *Financial Times* by experienced fund managers have openly argued against considering valuation when investing in AI³.
- There is growing reliance on private credit, a market segment that raises separate concerns, to fund AI infrastructure projects.

The above list reflects only what is publicly disclosed, likely just the tip of the iceberg. We are concerned about what may be happening beneath the surface.

Reflecting these concerns, at the time of writing, we reduced the Fund's AI exposure to less than 5% direct exposure (Broadcom and TSMC) and 10% indirectly (Microsoft, Schneider and ASML). In addition, the Fund exited NVIDIA and Prysmian, which manufactures electricity cables that benefit from AI data centre capital expenditure.

Using those proceeds, we initiated several new positions, including three in the Healthcare sector, which currently offers several attractive opportunities. We also added to existing holdings in Novo Nordisk and UnitedHealth, both of which reached their most attractive valuations in recent memory.

Following these changes, 23% of the Fund was invested in Healthcare, making it the Fund's largest sector exposure while remaining below our 25% sector limit.

Outside the reduction to the AI theme and increase to the Healthcare sector there were no other significant changes to the portfolio. The Fund's exposures to the other sectors remained essentially unchanged, as did the cash balance. On valuation grounds the portfolio continues

to be underweight the US and overweight Europe and emerging Asia.

Looking ahead

The Fund is well positioned, with a collection of high-quality, attractively valued companies across structurally sound industries. We continue to focus on bottom-up research and disciplined capital allocation, and we are optimistic about the opportunities within the portfolio. While the short-term environment has been narrow and sentiment-driven, we believe the Fund is well placed to deliver strong long-term outcomes as fundamentals reassert themselves.

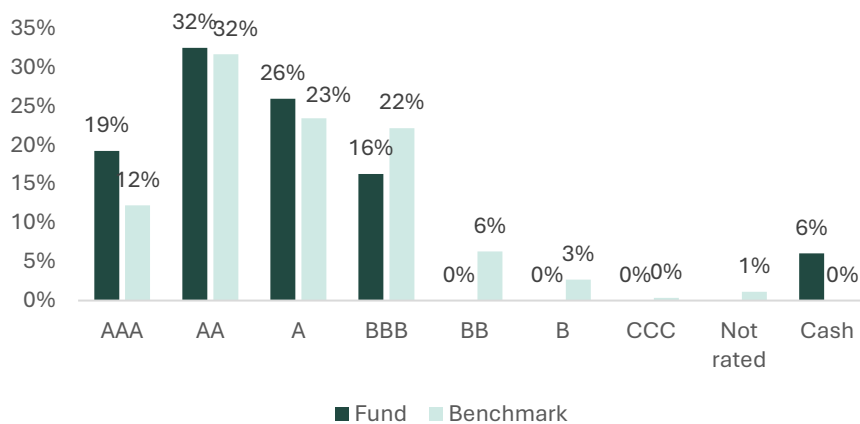
³ Financial Times, [Does valuation matter any more in the age of AI?](#), 9 Sep-25

RESPONSIBLE INVESTING

During 3Q25, Pella met its Responsible Investing (RI) targets. The Fund avoided companies on its [exclusion list](#), achieved superior ESG metrics to its Benchmark (MSCI ACWI) and kept portfolio carbon intensity at least 30% lower than the Benchmark. Pella also continued to be an active steward, engaging in initiatives aligned with our RI standards.

Figure 12 shows the Fund's average exposure to stocks rated AAA or AA by MSCI was 52%, compared to 44% for the Benchmark. Exposure to companies rated BBB or lower was 16%, versus 32% for the Benchmark. This supports the view that the Fund maintained stronger ESG characteristics than the Benchmark during the quarter.

Figure 12 - Fund Vs. Benchmark ESG rating distribution ⁽¹⁾



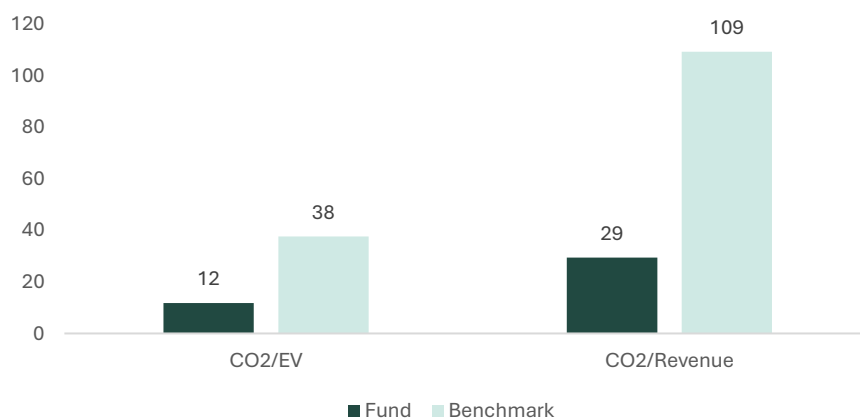
Source – Pella, MSCI ESG Manager

(1) Calculated using each stock's average weight over the quartile and their quarter end MSCI ESG rating

Figure 13 compares the Fund's carbon intensity relative to enterprise value and revenue, showing levels approximately 69% and 73% lower than the Benchmark,

respectively. This comfortably exceeds the Fund's target of being at least 30% below the Benchmark.

Figure 13 - Fund Vs. Benchmark carbon intensity ^{(1), (2), (3)}



Source – Pella, MSCI ESG Manager

(1) Calculated using average stock weights over the quarter

(2) Carbon intensity to EV = tonnes (mils) of CO2 (scope 1 and 2) per US\$m of EV

(3) Carbon intensity to sales = tonnes (mils) of CO2 (scope 1 and 2) per US\$m of sales.

The third quarter is a quiet one for shareholder meetings. Pella participated in all its shareholder votes during the

quarter, and our voting string are summarised in Figure 14.

Figure 14 - Pella’s 2Q25 voting track record

Company	Meeting Type	Vote String
Midea	Extraordinary	FFFFFFAFF

Source - ISS

Below is an explanation of the vote which is either differed from the investee company’s management recommendation, or the proposal is related to material environmental, social, or governance issues.

MIDEA – The Midea board was seeking shareholder approval for the provision of guarantees by the company for a total amount of CNY 2.3 billion, for two of Midea’s subsidiaries and one associate. Pella voted AGAINST the proposal to Approve Provision of Guarantees. Pella believes that a vote AGAINST that resolution is warranted since the company will be taking in a disproportionate amount of risk relative to its ownership stake at CLOU Electronics without compelling justification.

ongoing employment classification dispute in New Zealand. We urged the company to pursue a proactive, technically sound, and commercially sustainable resolution that preserves platform flexibility while ensuring fair treatment of drivers. As part of our correspondence, we proposed reforms including tiered driver classification, minimum earnings guarantees, and portable benefits to mitigate legal risk and better align Uber’s model with evolving stakeholder expectations.

During the quarter, Pella continued its initiative to encourage all portfolio holdings to align with the Science Based Targets initiative (SBTi). We contacted Arthur J Gallagher, Contemporary Amperex Technology Co. Ltd (CATL), HCA Healthcare, HDFC Bank, ICICI Bank, Intuitive Surgical, Midea Group, Nutrien, Spotify, and TSMC.

Following our outreach:

- HDFC Bank agreed to meet with consultants (Pangolin Associates) we introduced to them to begin the process of SBTi alignment.
- Arthur J Gallagher advised that they are progressing through the steps required for SBTi alignment.
- TSMC noted that it formally committed to the SBTi in April 2025.

Pella will continue monitoring the progress of these companies, follow up with those that did not respond, and engage with any new positions to encourage SBTi alignment.

In addition, during the quarter Pella engaged with Uber in both the US and Australia/New Zealand regarding the

PERFORMANCE

Pella Global Generations PIE Fund, net of fees and expenses, NZD

Inception 4 April 2025	Fund	Benchmark	Relative
1 month	3.9%	5.3%	-1.4%
3 months	5.7%	12.5%	-6.8%
1 year	-	-	-
Inception to date	16.5%	25.6%	-9.1%

Past performance is not indicative of future performance.

FUND HOLDINGS

Pella Global Generations PIE Fund

Name	Country	Sector (GICS)
3i Group	United Kingdom	Financials
AIA Group Ltd.	Hong Kong	Financials
ANTA Sports Products Ltd.	China	Consumer Discretionary
Arthur J. Gallagher & Co.	United States	Financials
ASML Holding NV	Netherlands	Information Technology
Boston Scientific Corp.	United States	Health Care
Broadcom Inc.	United States	Information Technology
Coloplast A/S	Denmark	Health Care
Contemporary Amperex Technology Co., Ltd.	China	Industrials
Edwards Lifesciences Corp.	United States	Health Care
Epiroc AB	Sweden	Industrials
HCA Healthcare, Inc.	United States	Health Care
HDFC Bank Ltd.	India	Financials
ICICI Bank Ltd.	India	Financials
IMCD NV	Netherlands	Industrials
Intuitive Surgical, Inc.	United States	Health Care
Kone Oyj	Finland	Industrials
Marsh & McLennan Cos., Inc.	United States	Financials
Mastercard, Inc.	United States	Financials
Metso Corp.	Finland	Industrials
Microsoft Corp.	United States	Information Technology
Midea Group Co. Ltd.	China	Consumer Discretionary
Novo Nordisk A/S	Denmark	Health Care
Nutrien Ltd.	Canada	Materials
OneStream, Inc.	United States	Information Technology
ResMed, Inc.	United States	Health Care
Schneider Electric SE	France	Industrials
ServiceNow, Inc.	United States	Information Technology
Sika AG	Switzerland	Materials
Spirax Group Plc	United Kingdom	Industrials
Spotify Technology SA	Luxembourg	Communication Services
Sprouts Farmers Market, Inc.	United States	Consumer Staples
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology
Uber Technologies, Inc.	United States	Industrials
UnitedHealth Group, Inc.	United States	Health Care
VINCI SA	France	Industrials
Waters Corp.	United States	Health Care

Holding as of 30 September 2025, alphabetically ordered. For full holdings data, including segmentation please refer to the month end Fact Sheet.

KEY INFORMATION

CIO & PM	Jordan Cvetanovski
Launch Date	4 April 2025
Management Fee	0.85%
Buy / Sell Spread	+0.25%/-0.25%
Minimum Investment	NZ\$25,000 initial investment/ NZ\$5,000 additional investments
Pricing Frequency	Daily
Tax	Based on prescribed investor rate (PIR)
Benchmark*	MSCI ACWI (net, NZD)

* The fund's investable universe differs to the benchmark and may have a different return and risk profile to the benchmark. The fund's negative screen excludes several activities that are included in the benchmark such as fossil fuel mining; transportation; weapons; alcohol; casinos; and companies rated CCC by MSCI. The fund can invest in companies that are not in the benchmark if those companies satisfy the fund's liquidity requirements

Platform Availability

Name	
Adminis	✓
Apex	✓
FNZ Custodians	✓
Online Direct Application	✓

Please contact Pella Funds Management to request your preferred platform.

Contact Us



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Pella Funds Management

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