Sestante ESG Focus Dynamic Moderately Conservative Portfolio

Monthly Investment Report

As of 31/10/2025

Latest Performance*

	1-mth	3-mths	1-yr	3-yr	Inception
ESG Focus Mod Con	1.07	2.24	9.03	9.23	8.89
RBA Cash Rate + 2.5% p.a.	0.52	1.56	6.75	6.75	6.53

Market Review

October delivered broadly positive returns across global asset markets, as investors balanced moderating inflation, easing trade tensions, and cautious central bank signals. Despite political uncertainty and a partial U.S. government shutdown that delayed economic data, equity markets advanced on resilient corporate earnings and optimism surrounding policy shifts.

U.S. equities extended their rally, with the S&P 500 up 2.3% for the month, led by strong results in technology and financials. Just over 80% of companies beat earnings expectations, averaging profit surprises of over 6%. Growth and AI-related sectors dominated, with growth stocks up 4.2% versus 0.4% for value, while small caps and real estate lagged. Investor enthusiasm for technology themes pushed valuations higher, although market participation remained narrow.

The Federal Reserve cut rates by 0.25% to a 3.75–4.00% range, confirming that quantitative tightening will end in December. Chair Jerome Powell struck a cautious tone, prompting markets to scale back expectations for further easing. The U.S. dollar strengthened about 2%, while Treasury yields finished little changed, with 10-year bonds near 4.1%. Credit markets steadied after early-month stress linked to several U.S. corporate defaults, and high-yield credit slightly outperformed investment grade debt.

Japanese equities were a standout performer, lifted by optimism following the election of Prime Minister Sanae Takaichi, who pledged pro-growth reforms and continued stimulus in the spirit of Abenomics. The Nikkei 225 index surged, supported by export-driven gains from a weaker yen. However, rising expectations of fiscal expansion nudged Japanese bond yields higher.

Across Asia, markets benefited from improving trade sentiment and China's ongoing stimulus. The MSCI Asia ex-Japan Index rose 4.5%, with South Korea (+23%) and Taiwan (+10%) leading gains, as semiconductor producers rallied on improved AI supply-chain outlooks. China's CSI 300 climbed 2.5% as the government expanded liquidity and relaxed property restrictions, though persistent youth unemployment and housing stress capped enthusiasm.

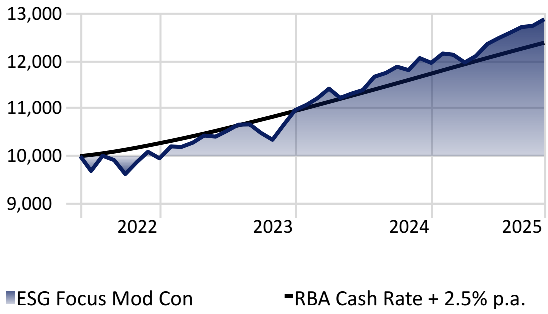
In Australia, equities underperformed, with the S&P/ASX 300 Accumulation Index up 0.4%, as stronger-than-expected inflation data curtailed hopes for near-term RBA interest rate cuts.

In Europe, equities advanced moderately. The Euro Stoxx 50 gained 2.8%, driven by luxury and auto stocks supported by recovering Chinese demand. The ECB kept rates steady for a third meeting as inflation fell to 2.2%, its lowest in three years. The UK's FTSE All-Share rose 3.7%, aided by a weaker pound and a 30-basis-point drop in gilt yields, as softer inflation boosted rate-sensitive sectors.

Emerging markets performed well overall, led by Argentina (+64%) after a pro-reform election result. Emerging-market debt (+2.2%) also outpaced developed markets, supported by high real yields and a softer dollar.

Commodities posted a 2.9% gain, led by industrial and precious metals, while gold regained safe-haven status amid geopolitical risks and record central-bank buyi...

$10,000 invested over time

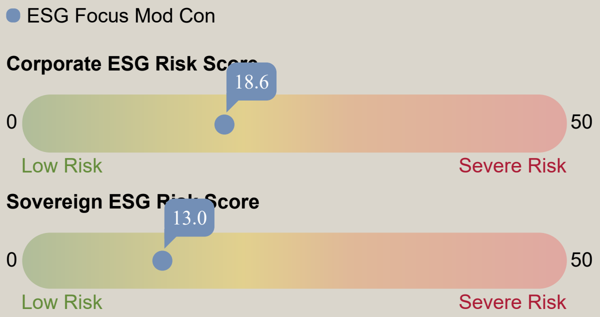


Portfolio information

- **Investment objective:**
  To deliver outperformance of RBA cash +2.5% per annum after fees over a rolling 5-year period.
- **Suggested minimum timeframe**:
  5 years
- 45% Growth / 55% Defensive
- **Portfolio inception date**:
  1 June 2022

Source: Morningstar Direct

ESG Risk Score



ESG Pillar Score

4.2 Environmental

7.6 Social

4.4 Governance

1.7 Unallocated

Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
S&P/ASX 200 TR AUD	0.39	2.70	11.09	12.46	13.08
MSCI World Ex Australia GR AUD	3.34	6.43	18.59	22.84	21.47
Bloomberg AusBond Composite 0+Y TR AUD	0.36	0.80	1.68	6.47	4.05
Bloomberg Global Aggregate TR Hdg AUD	0.75	1.93	2.33	4.78	4.35
S&P Global Infrastructure NR AUD	0.95	1.40	7.13	17.05	13.83
RBA Cash Rate Target	0.31	0.93	1.94	4.15	4.14
MSCI ACWI Ex USA NR USD	2.02	9.36	17.92	24.93	20.30

Important information

*Past performance is not a reliable indicator of future performance. Performance is calculated before taxes, model management and platform fees and after underlying investment management fees. For full details of fees please refer to the relevant platform offer documents. Performance is notional in nature and an individual investor's actual performance may differ to the that of the model portfolio. Investment performance is shown from 1/6/2022 and represents modelled performance only and assumes income received is reinvested.

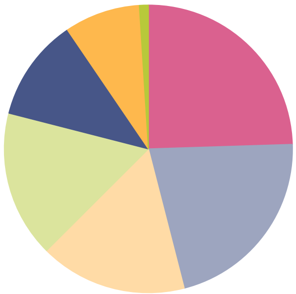
The Morningstar Historical Corporate Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Corporate Sustainability Scores. Historical portfolio scores are not equal-weighted; rather, more-recent portfolios are weighted more heavily than older portfolios. Combining the trailing 12 months of portfolio scores adds consistency while still reflecting portfolio managers' current decisions by weighting the most recent portfolio scores more heavily.

ESG pillar scores are displayed as a number between 0 and 100 with most scores range between 0 and 25. It is the asset-weighted average of the company environmental, social, governance risk scores for the covered corporate holdings in a portfolio. The scores measure the degree to which a company's economic value may be at risk driven by environmental, social, and governance factors. The risk represents the unmanaged risk exposure after taking into account a company's management of such risks.

The Portfolio Unallocated ESG Risk Score represents the unmanaged ESG risk exposure to companies assigned an ESG Risk Rating, but whose risk is not decomposed into environmental, social and governance components. Calculated as the asset-weighted average of the company ESG Risk scores for the covered holdings in a portfolio that do not have E/S/G risk scores, unallocated ESG risk is displayed as a number between 0 and 100, where lower is better. Together, the four portfolio pillar score data points- Environmental Risk Score, Social Risk Score, Governance Risk Score, and Unallocated ESG Risk Score- will add up to a portfolio's Sustainability Score.

Current Asset Allocation

Portfolio Date: 31/10/2025



	%
International Equities	24.50
Australian Fixed Income	21.50
International Fixed Income	16.50
Australian Equities	16.50
Cash	11.50
Global Infrastructure	8.50
Global Property	1.00
Total	**100.00**

Where your funds are invested

International Equities	**24.50**
Stewart Investors Worldwide Leaders	7.00
Betashares Global Sustnby Ldrs Ccy H ETF	4.50
AXA IM Sustainable Equity	4.00
Mirova Global Sustainable Equity Fund	4.00
AXA IM Sustainable Equity A (H) AUD	3.00
Robeco Emerging Conservative Equity AUD	2.00
Australian Fixed Income	**21.50**
Janus Henderson Tactical Income	11.50
Pendal Sustainable Aust Fixed Interest	10.00
International Fixed Income	**16.50**
PIMCO ESG Global Bond Fund - Wholesale	8.50
Macquarie Dynamic Bond No.1 W	8.00
Australian Equities	**16.50**
VanEck MSCI AUS Sust Eq ETF	6.50
Alphinity Sustainable Share	3.50
Schroder Australian Equity Fund - PC	3.50
Australian Ethical Australian Shr WS	3.00
Cash	**11.50**
BetaShares Aus High Interest Cash ETF	9.50
Cash	2.00
Global Infrastructure	**8.50**
4D Global Infrastructure AUD Hedged	8.50
Global Property	**1.00**
Russell Intl Property Secs Hedged A	1.00
	100.00

Morningstar's Globe Ratings are just one tool that can help investors work out a fund's ESG credentials. A 5 Globe Rating indicates a fund is at the top end of its peer group in terms of sustainability, while a 1 Globe Rating shows it is underperforming on sustainability issues.

Portfolio changes

During October, we increased our exposure to Emerging Market equities by increasing our exposure to the Robeco Emerging Conservative Equity Fund and funded this by trimming the exposure to the Mirova Global Sustainable Equity Fund.
Within Fixed Income, the exposure to the Pendal Short Term Income Securities Fund was exited, while the exposure to the Janus Henderson Tactical Income Fund was increased. Globally, the position in the PIMCO ESG Global Bond Fund was trimmed, while the exposure to the Macquarie Dynamic Bond Fund was increased to achieve the desired DAA exposure to fixed interest.

AZ SESTANTE
AZIMUT GROUP

Source: Morningstar Direct