

MyNorth Managed Portfolios



MYNORTH SUSTAINABLE MODERATELY CONSERVATIVE MANAGED PORTFOLIO

Monthly Update for Month Ending March 2025

Investment objective

This managed portfolio seeks to provide moderate returns over the medium term through a diversified portfolio of defensive and growth assets.

Key information

Code	NTH1116
Manager name	Pendal
Inception date	30 June 2021
Benchmark	Morningstar Australian Multi-Sector Balanced Average Category
Asset class	Diversified
Number of underlying assets	15
Minimum investment horizon	4 years
Portfolio income	Default - Reinvest
Management fees and costs	0.76%
Performance fee	0%
Estimated net transaction costs	0.02%
Estimated buy/sell spread	0.13%/0.13%
Risk band/label	4/Medium
Minimum investment amount	\$500

About the manager

Pendal

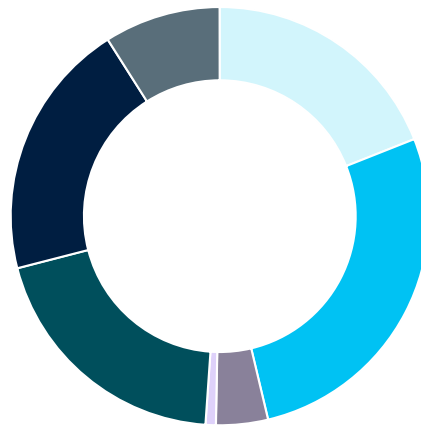
Pendal is a global Investment Manager offering investors a range of Australian and international investment choices. As of December 2020, Pendal has \$97.4 billion in funds under management. Pendal's core asset allocation process is expected to generate the bulk of the return for each portfolio over the long term. Portfolios are built using longer term investment insights and various proprietary quantitative tools, as well as medium term active asset allocation. Longer term investment insights also takes into account ESG insights and preferences. Pendal has more than 35 years' experience managing dedicated ethical and sustainable strategies.

Returns

as at 31 March 2025

	Since inception*	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (%)	5 Years (%)
Total return ¹	2.67	-1.99	-0.35	0.96	4.82	3.94	-
Income	1.92	0.01	0.52	0.81	2.24	2.19	-
Growth	0.75	-2.00	-0.87	0.15	2.58	1.75	-
Benchmark ²	3.96	-1.70	-0.26	1.11	4.83	4.76	-

Asset allocation



as at 31 March 2025

Growth assets	Allocation (%)
Australian Equities	19.0
International Equities	27.3
Property	4.0
Other	0.8
Total	51.1%
Defensive assets	Allocation (%)
Australian Fixed Interest	19.9
International Fixed Interest	20.0
Cash	9.0
Total	48.9%

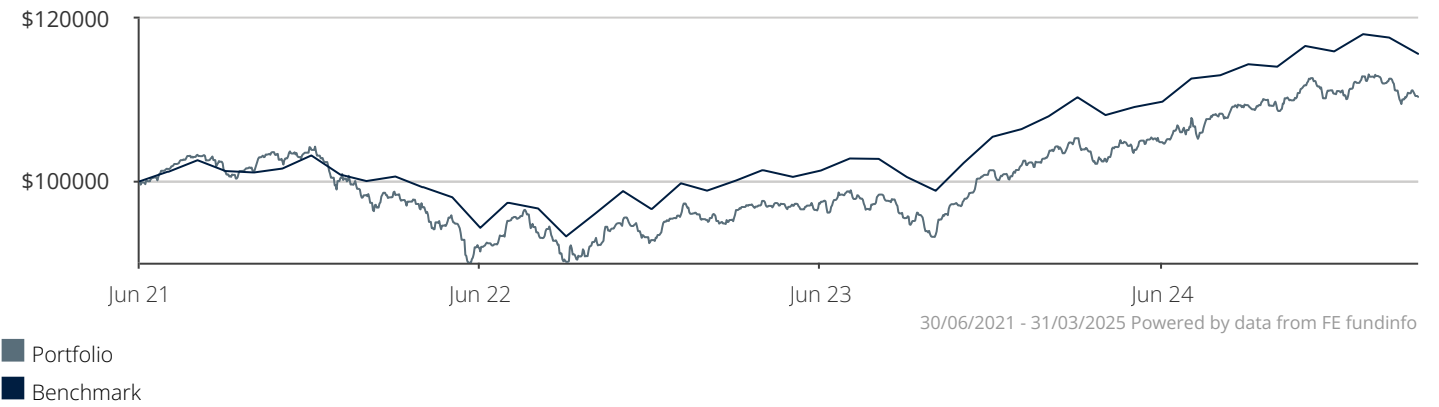
Asset allocation data sourced via Morningstar® from the underlying fund manager.

¹ The managed portfolio performance represents total return for the periods. Returns have been calculated using the time-weighted method, they assume distributions are reinvested and are after investment management fees and indirect costs. Total and growth returns include accrued distributions, while income return includes paid distributions only. Returns do not take into account tax payable. Individual client returns may vary based on the contributions, withdrawals, and timing differences within the managed portfolio

² The benchmark is calculated based on the average performance from peers in the same multi sector category, as compiled and sourced from Morningstar Direct™ in March 2025.

Performance history

\$100,000 invested since 30/06/2021



Managed portfolio holdings³

Holding	Asset class	Allocation (%)
Pendal Sustainable Australian Fixed Interest Fund	Australian Fixed Interest	21.0
Vanguard Ethically Conscious Global Aggregate Bond Index Fund	International Fixed Interest	19.0
Alphinity Sustainable Share Fund	Australian Equities	8.0
Pendal Horizon Sustainable Australian Share Fund	Australian Equities	8.0
Pendal Multi Asset Target Return Fund	Other	6.8
AXA IM Sustainable Equity Fund	International Equities	5.5
Dimensional Global Sustainability Trust Unhedged	International Equities	5.5
Impax Sustainable Leaders Fund	International Equities	4.8
Janus Henderson Global Sustainable Equity Fund - Class I	International Equities	4.8
Macquarie Cash	Cash	4.6
Vanguard Ethically Conscious Int. Shares Index Fund (AUD Hedged)	International Equities	4.5
Macquarie Global Listed Real Estate Fund - Class A Units	Property	4.0
Ausbil Active Sustainable Equity Fund	Australian Equities	2.7
Cash Account	Cash	1.0

Sustainable Investments

The MyNorth Sustainable portfolios employ a responsible and sustainable framework for investing that aims to encourage positive social and environmental outcomes in addition to achieving its financial objectives. As part of the portfolio construction process, we select underlying funds by considering their alignment with the portfolios' sustainability objectives described below.

Transitioning to a Low Carbon Environment:

We invest in funds that provide access to a portfolio of companies that aim to contribute to a low carbon future. This is achieved through two primary approaches:

- Pursuing investment strategies that are designed to provide a reduction in carbon footprint exposure, and
- Seeking exposure to companies that offer solutions supporting the energy transition. The examples of these are: investment in alternative energy, energy management and efficiency, smart grids, clean and efficient transport, etc.

While more than 50% of the equity funds in our sustainable portfolios have a lower carbon exposure than their respective benchmarks, the funds with explicit carbon reduction targets are: the Dimensional Global Sustainability Trust, the AXA IM Sustainable Equity Fund, and the Janus Henderson Global Sustainable Equity Fund. These three funds had an allocation of 15.8% of the total balanced portfolio at the end of December 2024. In addition, the IMPAX Sustainable Leaders Fund invests in companies providing environmental solutions (including energy transition) and net carbon reduction; the allocation to this fund at the end of December quarter was 4.8%.

Avoid Harm:

We have selected funds for the portfolio where the underlying investment manager is committed to seek to restrict exposure to investments in a number of business activities (tobacco, controversial and nuclear weapons, pornography, gambling, alcohol, and thermal coal mining). For the restriction thresholds and scope, and additional detail please refer to [MyNorth Managed Portfolios PDS](#).

Encourage Positive Sustainable Social and Environmental Outcomes for the Community:

The underlying fund managers will seek to engage with company management to discuss their businesses' ESG performance, promoting ESG best practices or highlighting areas needing improvement. They also exercise their voting rights through proxy voting to support or oppose resolutions related to ESG issues. A summary of proxy voting and engagement activities undertaken by the underlying fund managers is included in the annual MyNorth sustainable managed portfolios investment and sustainability update.

Quarterly manager commentary

Market Update

A number of themes dominated financial markets during the March quarter. The unravelling of US economic growth and artificial intelligence technology exceptionalism alongside the disruptive impact of the Trump administration's trade policy contributed to softening US equities and rising volatility.

Developed market equities (-2.6%) sold off on slowing growth concerns and concerns around US trade policy. Equities consolidated their strong 2024 through the first six weeks of the year before stumbling in late February and falling precipitously in March.

US equities (-4.3%) underperformed the broader developed market, impacted by both the spectre of lower cost Chinese artificial intelligence and later the disruptive impact of tariff policy. Value stocks and sectors starkly outperformed growth with the Russell 100 Value (+2.1%) in positive territory while the growth variant (-10.0%) corrected.

European equities (+7.7%) outperformed strongly, led by the German DAX (+11.3%) which surged on fiscal policy tailwinds. Easing monetary policy and unwinding of US overweight exposures in the wake of challenges to their assumed tech supremacy also contributed.

UK stocks (+6.1%) also performed well, led by gains among large caps. The fiscal and economic growth outlook continues to weigh on the broader equity market.

Japanese equities fell with the Nikkei 225 (-9.9%) selling off sharply

Australian Equities (-2.9%) declined on a combination of corporate earnings downgrades and concerns around the resilience of Chinese demand under US tariff policy.

Emerging markets outperformed, led by China (+15.0%) which advanced on the back of positive momentum in the technology sector, increased fiscal stimulus and the weakening US dollar.

Bond markets were mixed over the March quarter. US bond yields rallied on weakening growth indicators, shaking off concerns around sticky services inflation. The most notable move in European bond yields was in Germany where 10-year bund yields rose 30bps in March following the announcement of increased infrastructure and defence spending.

Portfolio Update

The portfolio delivered a return of -0.35% over the March quarter. The key driver of underperformance was manager selection whilst asset allocation detracted slightly. In Asset allocation a small overweight in global equities and Australian small caps and an underweight in global property detracted from returns for the quarter, this was partially offset by an underweight in Australian shares. Within manager selection, both Global and Australian shares were the main positive contributors. On Australian shares strong outperformance from the Pandal Horizon Share Fund, which returned -1.74% (pre fees) in Q1 2025, outperforming the -2.85% return from the S&P/ASX 300. Several of the portfolio's active overweights delivered well-received results or updates during the period and made positive contributions. These included Telstra (TLS), Qantas (QAN), QBE Insurance (QBE), A2 Milk (A2M) and Nine Entertainment (NEC). Evolution Mining (EVN) was the single largest contributor, helped by a stronger gold price and improved operational performance at its key assets. The Fund's positions in insurers Medibank Private and QBE Insurance Group contributed as they both released stronger-than-expected results in February, with the former driven by strong execution, good customer retention and lower-than-expected claims, while the latter is benefitting from reinsurance markets proving to be a material tailwind to its margins as well as perils benefit from run-off of its non-core portfolio. Global manager selection also added to outperformance with outperformance from both the AXA IM Sustainable equity fund and the Janus Henderson Global Sustainable Equity Fund. Both funds benefitted from an underweight in US stocks especially technology mega caps and an overweight to European stocks. AXA also has benefitted from its low value factor which also outperformed.

Portfolio changes during the quarter:

There were no portfolio changes during the quarter

Market Outlook

The recent tariff policy announced by the Trump administration has led to a sharp sell-off in equities and a spike in volatility. The situation remains fluid with high uncertainty, and rhetoric from the Trump Administration and other countries, notably China, is likely to swing sentiment in the near term. The US market does not yet have valuation support, being well above the average price/earnings multiple reached in recessions. However, the Australian economy is well protected and should avoid recession, supported by fiscal stimulus, scope for rate cuts, a weaker currency, and limited exposure to US exports.

active management should help with this volatility and the allocation to Alternatives with the Pandal Multi Asset Target return fund providing some diversification from both bond and equity markets and help to deliver positive returns with some ability to have some downside protection in its strategy via equity market option protection and currency positioning.

3 A significant percentage of assets comprising this portfolio are only available through the managed portfolios and therefore can't be transferred out of the MyNorth Managed Portfolio Scheme. For more information relating to restrictions that may apply to asset transfers, refer to the 'Transferring assets in and out of your Portfolio' in Part 1 of the MyNorth Managed Portfolios PDS.

Important Information

NMMT Limited (ABN 42 058 835 573 AFS License 234653), is the responsible entity of MyNorth Managed Portfolios (ARSN 624 544 136) (Scheme). To invest in the Scheme, investors will need to obtain the current Product Disclosure Statement (PDS) which is available at northonline.com.au. The PDS contains important information about investing in the Scheme and it is important investors consider their circumstances and read the PDS before making a decision about whether to acquire, continue to hold or dispose of interests in the Scheme. This quantitative report has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Although the information is from sources considered reliable, AMP doesn't guarantee that it's accurate or complete. You shouldn't rely upon it and should seek professional advice before making any financial decision. Except where liability under any statute can't be excluded, AMP doesn't accept any liability for any resulting loss or damage to the reader or any other person. MyNorth Managed Portfolios are not sponsored, endorsed, sold or promoted by Morningstar, Inc. or any of its affiliates (all such entities, collectively, "Morningstar Entities"). The Morningstar Entities make no representation or warranties regarding the advisability of investing in managed portfolios generally or in the MyNorth Managed Portfolios in particular, or the ability of the Morningstar Benchmarks to accurately represent the asset class or market sector that it purports to represent. The Morningstar Entities and their third party licensors do not guarantee the accuracy and/or the completeness of the Morningstar Benchmarks, and the Morningstar Entities and their third party licensors shall have no liability for any errors, omissions, or interruptions included therein. The S&P/ASX 20 TR Index, S&P/ASX 200 TR Index, S&P/ASX 200 A-REIT TR Index, S&P/ASX 200 Industrials TR Index, S&P/ASX 300 TR Index, S&P/ASX 300 TR Index excluding S&P/ASX 20 TR Index, S&P/ASX Small Ordinaries TR Index, S&P/ASX 100 TR Index ("Index") is a product of S&P Dow Jones Indices LLC, its affiliates and/or their licensors and has been licensed for use by NMMT Limited. Copyright © 2021 S&P Dow Jones Indices LLC, its affiliates and/or their licensors. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit www.spdji.com. S&P® is a registered trademark of Standard & Poor's Financial Services LLC and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.