NorthStar Impact Australian Equities Fund

Monthly Report – October 2026

RIAA Certification	Lonsec	Ethical Advisors
Sustainable Plus	Investment Grade	4.5 Green Leaves

October Highlights

North Star is excited to announce the launch of the **STAR ETF** in December. This is a dual access ETF, giving investors the ability for investors to invest in the existing NorthStar Fund via an exchange-listed vehicle. This will improve access for individuals and their advisors, with iNAV pricing updated during trading hours on the NorthStar website.

The Fund returned -6.75% (net of fees) in October, underperforming the S&P/ASX Small Industrials Index (-2.79%) as the market declined on AI fears, Australian rate hikes, and risk-off into US mid-terms.

The selloff was broad, with shares in both critical minerals and decarbonisation/electrification companies seeing the biggest falls. Size was another negative factor as small caps underperformed large caps following the RBA rate rise.

We see the AI pullback as healthy, not only for the world to re-calibrate the role of AI, IP rules and regulations, and the energy system's ability to power DCs, but also because it has resulted in a retreat of the bond yield. Higher interest rates are one of the single biggest risk factors for assets prices.

The combination of the AI pullback together with the RBA hiking and the mid-term risk off resulted in increased volatility on low volumes and outsized price reactions. Our base case is that the reset was healthy and it did not give us reason to move the portfolio meaningfully. As such, we were net buyers on the pullback to take advantage of the price reaction. At the company level, value has emerged and we were topping up and adding new positions.

Some of the core holdings in the fund including Janus Electric, Southern Cross Electrical, and Critica were the largest detractors, with Cleanaway and Life 360 being the biggest positive contributors. Sector-wise, software and tech & services were the best performer followed by healthcare.

During the month, Claudia Kwan attended IMARC (the International Mining and Resource Conference). Her key findings revolved around the outlook for Copper, Rare Earths, Rare Earth supply chains, mining sustainability solutions, and lithium. Whilst the atmosphere was generally less bullish vs this time last year when Rare Earth stocks were moving quickly, Copper still remained a key focus commodity. Our view is that Copper price will be a bit of tug of war into 2027 as the supply challenge that drove the price higher early 2026 is behind us and the supply/demand outlook is largely balanced on a 2 year outlook. The conference once again demonstrated the opportunity in Australia to extract resources better and increase the value-add. Decarbonisation and technologies focused on minimalizing the use of chemicals is an area we continue to focus on.

Claudia was also on stage at Equity Mates' Finfest where she pitched her "Best Idea". She spoke on a panel in Singapore at the Spark Plus conference alongside CEOs of some of our portfolio holding companies including Iondrive and Janus Electric. She joined a panel at the Microcap Conference in Melbourne discussing the future outlook of markets and attended the Australiasia IR forum to discuss the role of IR in a changing market environment.

> *We invest with direction putting capital to work in businesses that contribute to society. We target to deliver risk adjusted returns for our investors without compromising the direction we are heading, our North Star is a cleaner, safer and healthier world.*

TOP CONTRIBUTORS

Cleanaway (CWY:ASX)

Shares rose 24.8% in October on the back of a take-over announcement.

Life 360 (360: ASX)

Shares rose 11.1% over the month as quality tech growth found support with compelling valuations ahead of what we expect to be some quality earnings numbers.

LARGEST DETRACTORS

Southern Cross Electrical (SXE:ASX)

Shares fell 19.6% in October, as concerns on AI pullback. SXE is an electrification play, with data centres a driver however there has been no change in the target roll out forecasts in Australia and as such the pullback has been sentiment driven.

Janus Electric (JNS:ASX)

Shares fell 44% in October, following a strong few months of share price performance. This was a result of RBA interest rate hike and consequently a small cap pull back.

Portfolio

3.4 %	45.4%	48
Cash	Top 10 Positions	Total Holdings

Exits This Month

This month we exited Arena REIT, Dimerix, Integral Diagnostics, and Island Pharma.

Monthly Portfolio Engagement Summary

We engaged with 19 portfolio companies during the month. Ahead of AGM season, October is always a quieter month meeting company management.

NorthStar in the Media

Watch and read about NorthStar in the Media.

- Netflix, Meta, SpaceX among best technology picks, investors say
- The Overnight Report: Oil, Anthropic, Q3 CPI - FNArena.com
- Anthropic's Australian offer puts price and growth in focus - Investor Daily
- Takeover bids are telling advisers where the value has moved - The Inside Adviser
- Ethical investment funds grapple with AI's extinction threat — Capital Brief
- Why Claudia hopes these innovators remain on the ASX on ausbiz

Portfolio Holdings

Top 5 Holdings

#	Company
1	Tasmea
2	Vysarn
3	Sims
4	Chrysos
5	Clover Corp

Impact Focus Areas

Area	Weight
Environment	65.8%
Healthcare	20.2%
Communities	9.7%
Education	0.3%

Market Cap Breakdown

Category	Weight
Large cap	35.1%
Mid cap	10.5%
Small Cap	44.9%
Early Stage	5.2%

Sector Allocations

Sector	Allocation
Health Care	20.2%
Industrials	23.9%
Real Estate	5.9%
Materials	30.1%
Information Technology	8.4%
Cash	3.5%
Consumer	1.0%
Utilities	6.6%
Financials	0.0%

Key Facts

Inception	31/01/2017
Holdings	49
Liquidity	Daily
Base currency	Australian dollars
Min. investment	$10,000
Fund identifier	APIR: ETL6826AU
Mgmt fee	1.03% pa
Other expenses	Up to 0.36% pa
Total costs	1.39% pa
Performance fee	20.5% over benchmark
Performance hurdle	S&P All Ord Accum Index

Fund Performance

	1m	3m	6m	1yr	3yr p.a	Inception p.a
Fund (Gross)	-6.63%	-3.00%	-1.89%	-2.00%	14.87%	8.11%
Fund Return (Net of Fees)	**-6.75%**	**-3.32%**	**-2.54%**	**-3.29%**	**13.34%**	**6.22%**
Index*	-2.79%	-3.83%	-1.32%	-17.93%	7.60%	4.62%
Active Return (Net)	-3.96%	0.51%	-1.22%	14.64%	5.74%	1.60%

*Source: Apex Group, NorthStar Impact. *Index means the S&P/ASX Small Ordinaries Industrials TR Index, used for reference only. The S&P/ASX All Ordinaries Accumulation Index is the hurdle rate. Returns are time-weighted and include realised and unrealised gains and losses plus income. Inception was 31 January 2017. Past performance is not indicative of future results.*

Important Information

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