



TRILLIUM GLOBAL SUSTAINABLE OPPORTUNITIES FUND - CLASS A

March 2025

FUND FACTS

Investment objective: To provide investors with long-term capital growth through investment in global companies driving the transition to a more sustainable economy. To outperform the benchmark (before fees and taxes) over a rolling 3 year period.

FUND BENEFITS

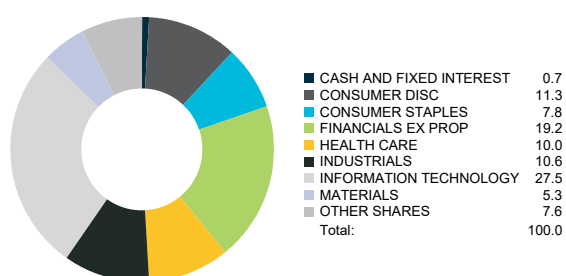
The diversified portfolio is constructed within a framework that is independent of the benchmark in terms of stock and sector weights. Added value is expected to come from the high conviction approach to stock selection.

FUND RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

Benchmark: MSCI World Net Total Return Index (\$A)
Inception Date: August 2020
Size of Portfolio: \$61.17 million as at 31 Dec 2024
APIR: PER4964AU
Management Fee: 0.99%*
Investment style: Thematic
Suggested minimum investment period: Seven years or longer

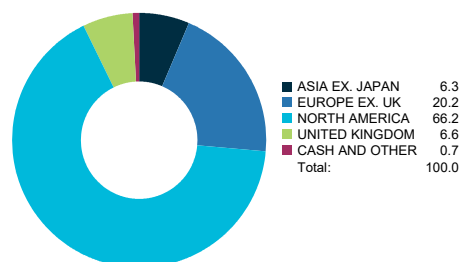
PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
Microsoft Corporation	6.0%
Mastercard Incorporated	5.2%
NVIDIA Corporation	4.4%
AstraZeneca PLC	3.8%
ServiceNow, Inc.	3.4%
Allianz SE	3.2%
American Tower Corporation	3.0%
Ecolab Inc.	2.9%
McCormick & Company, Incorporated	2.8%
Unilever PLC	2.8%

PORTFOLIO REGIONS



PERFORMANCE- periods ending 31 March 2025

	Fund	Benchmark	Excess
1 month	-5.12	-4.65	-0.46
3 months	-2.73	-2.42	-0.31
1 year	4.25	12.06	-7.81
2 year p.a.	5.62	19.97	-14.35
3 year p.a.	4.47	14.48	-10.01
4 year p.a.	3.82	13.78	-9.95
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep. p.a.	7.78	14.93	-7.15

Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	19.6	18.1
Dividend Yield*	2.0%	2.2%
Price / Book	3.3	3.1
Debt / Equity	34.0%	49.3%
Return on Equity*	17.6%	17.3%

[^] Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating Trillium's investment style in action. These figures are forecast estimates, calculated based on consensus broker estimates where available, and should not be relied upon. Dividend Yield is a dividend forecast of underlying securities for the portfolio and does not reflect the distributions to be determined for the fund.

* Forward looking 12-month estimate.

Information on Management Costs (including estimated indirect costs) and a full description of the Fund's performance fee is set out in the Fund's PDS.

MARKET COMMENTARY

Looking back, the first quarter of 2025 was the third worst start to the year for the S&P 500 since the Global Financial Crisis 15 years ago. What began optimistically ended with uncertainty—as market euphoria over deregulation and lower taxes promised by the incoming Trump administration was swiftly swept aside by widespread concerns over austerity, inflation, and tariffs. For the broad U.S. market, this marked a sharp reversal for the Magnificent 7, which dragged down the S&P 500 index given the high concentration in those names and leading to a new nickname entering investors' lexicon, the "Lag 7". The first quarter saw six consecutive weekly declines for the group of seven while six out of the seven underperformed the broader S&P 500 in the quarter. Given the magnitude of the runup leading to stretched valuations coming into this year, this unwind could still be in its early days. The resulting benefits to broader stocks and their far more reasonable valuations is an important reminder of the benefits of diversification and active management, as 62% of the S&P 500 stocks posted better returns than the index. While recent announcements in April have diverted investors' attention, the other material performance shift occurred in Europe, which outperformed the United States by more than 1000 basis points (bps) as measured by MSCI Europe's 10.6% return relative to the S&P 500's -4.3% return.

PORTFOLIO COMMENTARY

For the quarter ended March 31, 2025, the Trillium Global Sustainable Opportunities Fund reported a return of -2.7% net of fees versus the benchmark, MSCI World Index, which reported a return of -2.4% over the same period. The Fund's largest active overweight positions at quarter end included Mastercard, AstraZeneca, and ServiceNow. The Fund's largest underweight positions included Apple, Amazon, and Alphabet, all of which are not currently held in the Fund.

The overweight position in Allianz contributed to performance (+23.3%). The company had solid results, and a less economically sensitive balance sheet allowed the stock to perform well during the first quarter.

The overweight position in American Tower Corporation contributed to performance (+17.9%). America Tower performed well during the quarter as investors looked for stable cash flow generation exposure in the face of increased equity market volatility.

The overweight position in ServiceNow detracted from performance (-25.4%). ServiceNow was a bottom performer as investors rotated out of high growth stocks within the technology space. Valuation in this name became overextended, and despite no change in business fundamentals, shares traded lower.

The overweight position in lululemon athletica detracted from relative performance (-26.5%). Despite reporting excellent results and signs of improved newness in its assortment, lululemon underperformed on cautious guidance and slower quarter-to-date traffic. Most companies are guiding cautiously, but some investors are concerned that the more challenging consumer backdrop is obfuscating consumers' response to lululemon's improved assortment.

OUTLOOK

Market conditions remain highly volatile and driven by headlines, with investor focus now turning to the implications of recently announced U.S. tariffs on individual stocks, sectors, and countries. Amid the uncertainty, we remain anchored to our long-term philosophy: investing in high-quality companies with strong sustainability attributes and reasonable valuations, aligned with our core themes—Climate Solutions, Economic Inclusion, and Healthy Living. The U.S. faces growing risks of stagflation, with rising inflation expectations complicating the Federal Reserve's response at a time when recession concerns were already building. The dollar has weakened, and markets are now pricing in a greater likelihood of rate cuts. Globally, tariffs were largely in line with expectations for the Eurozone and Americas, but significantly higher for China and broader Asia. Countries like Japan must now adjust just as growth momentum was improving. While near-term pain is evident, history suggests that such market dislocations can offer compelling entry points. We're proactively reassessing all portfolio positions, especially in sectors already under pressure from valuations and fundamentals. As reporting season unfolds and data clarity improves, we remain disciplined yet agile in navigating this complex environment.

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Adviser Services 1800 062 725
Investor Services 1800 022 033
Email investments@perpetual.com.au
www.perpetual.com.au/trillium

