



TRILLIUM ESG GLOBAL EQUITY FUND - CLASS A

February 2025

FUND FACTS

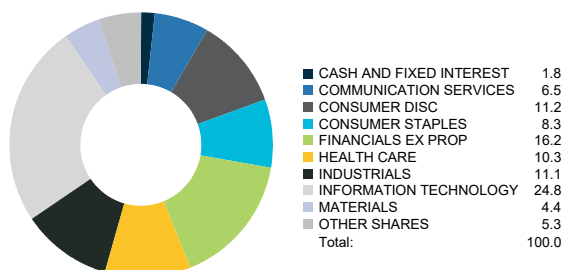
Investment objective: To provide investors with long-term capital growth through investment in quality global shares. To outperform the benchmark (before fees and taxes) over a rolling 3 year period.

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 AC World Net Total Return Index (AUD)
Inception Date: August 2020
Size of Portfolio: \$34.60 million as at 31 Dec 2024
APIR: PER2095AU
Management Fee: 0.89%*
Investment style: Core
Suggested minimum investment period: Seven years or longer

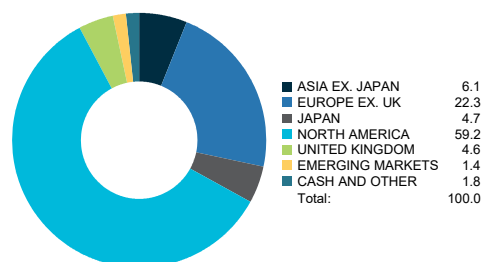
PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

Company	% of Portfolio
Microsoft Corporation	5.0%
Alphabet Inc.	4.3%
NVIDIA Corporation	4.2%
Apple Inc.	3.4%
Visa Inc.	2.7%
TJX Companies Inc	1.8%
Taiwan Semiconductor Manufacturing Co.	1.8%
Intercontinental Exchange, Inc.	1.7%
Bank of New York Mellon Corp	1.6%
Unilever PLC	1.6%

PORTFOLIO REGIONS



PERFORMANCE- periods ending 28 February 2025

	Fund	Benchmark	Excess
1 month	-0.48	-0.30	-0.19
3 months	4.35	5.08	-0.73
1 year	12.43	20.48	-8.05
2 year p.a.	16.43	23.96	-7.52
3 year p.a.	10.07	14.90	-4.83
4 year p.a.	11.20	14.93	-3.73
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep. p.a.	12.60	15.18	-2.58

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

PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	19.1	17.9
Dividend Yield*	2.0%	2.2%
Price / Book	3.9	2.9
Debt / Equity	42.3%	45.4%
Return on Equity*	21.1%	16.2%

[^] 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

February was an eventful month filled with impactful geopolitical headlines mixed with macroeconomic developments and more volatile markets. The freshly inaugurated President Trump and his administration hit the ground running with a flurry of activity addressing myriad issues which resulted in gyrating markets stemming from rising uncertainty, primarily regarding the implementation of tariffs and a resolution of the Ukrainian war. Despite all the headlines generating uncertainty, February proved to be a strong month for global equity markets, excepting the United States. Given the large weight of the U.S. in the indices, the MSCI World and MSCI All Country World indices were down -0.7% and -0.6%, respectively. Like last year, there was a notable difference in styles. Unlike last year, value continues leading the charge as the MSCI World Value Index outperformed its growth counterpart by more than 400 basis points (bps) in U.S. dollar terms for the month. Investors are all wondering what the impact of Trump 2.0 means for the globe, and the style shift and broader market in the first two months of the year may be indicators. The growth levels of high momentum and AI-related stocks became a source of controversy after the release of DeepSeek, a Chinese AI model reported to have been developed at a fraction of the cost of comparable American products. Even though blue chip AI companies are reporting high growth, the rates are decelerating, leading to volatility.

PORTFOLIO COMMENTARY

For the month ending February 28, 2025, the Trillium Global Equity Fund reported a return of -0.5% net of fees versus the benchmark, MSCI All Country World Index (ACWI), which reported a return of -0.3% over the same period. At month-end, the Fund's largest overweight positions included Alphabet, Visa, and TJX Companies. The Fund's largest underweight positions included Amazon.com and Meta, neither of which is held in the portfolio due to sustainability and ESG related concerns, and Apple.

The underweight position in BYD Company contributed to relative performance (+36.8%). The company's stock surged during the period after reporting an exceptionally strong year-over-year increase in vehicle sales, driven by increased demand in both battery electric and plug-in hybrid vehicles. Additionally, the company's aggressive global expansion, the release of an AI-incorporated assisted driving system across a range of cars, and innovative battery technology significantly boosted its market performance.

The overweight position in Infineon Technologies contributed to relative performance (+12.2%). The company saw positive performance during the month driven by a successful rollout of its advanced 200 mm silicon carbide (SiC) products, which are crucial for high-voltage applications like electric vehicles and renewable energy systems. The company continues to position themselves well against competitors by being a leader in semiconductor innovation.

The overweight position in Alphabet detracted from relative performance (-16.3%). Shares of the company fell during the period due to weaker-than-expected revenue in its fourth-quarter earnings report, which raised concerns about the company's growth trajectory. Additionally, broader economic uncertainties and a significant increase in planned capital expenditures for AI infrastructure further dampened investor confidence.

The overweight position in Prysmian detracted from relative performance (-15.0%). The company's performance during the period was negatively impacted by seasonal factors and challenges in its automotive digital solutions segment despite their strong overall financial results for 2024.

OUTLOOK

Markets ended February on a weaker footing, as growth concerns and heightened political uncertainty weighed on sentiment. Major U.S. equity indices declined for the month, with the Nasdaq and Russell 2000 underperforming and now negative year-to-date. Treasuries rallied, with yields falling across the curve as investors shifted toward safe-haven assets. Growth worries continued to weigh on sentiment. February consumer confidence fell substantially – the biggest monthly drop since August 2021 – with respondents showing increasing pessimism about future job prospects. Initial jobless claims also saw a notable jump, while the Atlanta Fed's GDP tracker turned negative for Q1. Although the January core PCE report came in largely as expected, it did little to ease concerns following a warmer CPI print earlier in the month. Fed Chair Powell emphasized that there is no rush to cut rates, and the market expectations now point to a first cut in June, with only one or two cuts likely for the year. Political concerns and geopolitical tensions added to the uncertainty. Trump reiterated plans to impose 25% tariffs on Mexico and Canada and an additional 10% tariff on Chinese goods. Trump's meeting with Ukraine's Zelensky fell apart in a highly public way. Domestically, concerns over a possible government shutdown after the March spending deadline, further weighed on the sentiment. Gold remained strong, benefiting from its safe-haven appeal as investors looked for ways to hedge against inflation and macro risks. Looking ahead, markets will stay focused on economic data, Fed policy updates, and trade developments, all of which could influence sentiment in the coming months.

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

