



# TRILLIUM GLOBAL SUSTAINABLE OPPORTUNITIES FUND - CLASS A

February 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

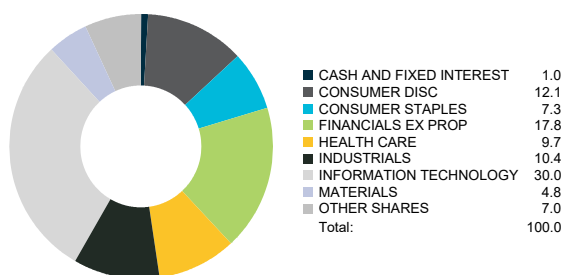
The diversified portfolio is constructed within a framework that is independent of the benchmark in terms of stock and sector weights. Added value is expected to come from the high conviction approach to stock selection.

## 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

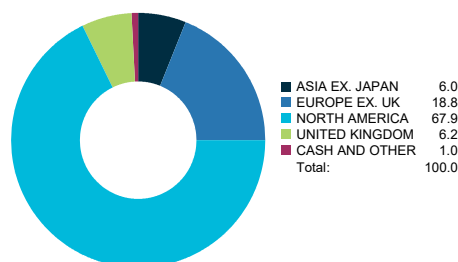
## PORTFOLIO SECTORS



## TOP 10 STOCK HOLDINGS

Stock Holding	% of Portfolio
Microsoft Corporation	5.5%
Mastercard Incorporated	5.2%
NVIDIA Corporation	4.8%
AstraZeneca PLC	3.8%
ServiceNow, Inc.	3.7%
Allianz SE	2.7%
McCormick & Company, Incorporated	2.7%
Shopify, Inc.	2.7%
American Tower Corporation	2.6%
Bright Horizons Family Solutions, Inc.	2.5%

## PORTFOLIO REGIONS



## PERFORMANCE- periods ending 28 February 2025

	Fund	Benchmark	Excess
1 month	0.10	-0.42	+0.52
3 months	3.33	4.87	-1.54
1 year	11.59	21.07	-9.48
2 year p.a.	9.17	25.17	-16.00
3 year p.a.	5.40	16.04	-10.63
4 year p.a.	5.95	16.56	-10.61
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep. p.a.	9.18	16.43	-7.26

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

## PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	20.9	19.2
Dividend Yield*	1.9%	2.1%
Price / Book	3.6	3.3
Debt / Equity	34.6%	49.1%
Return on Equity*	18.1%	17.1%

^ 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 ended February 28, 2025, the Trillium Sustainable Opportunities Fund reported a return of 0.1% net of fees versus the benchmark, MSCI World Index, which reported a return of -0.4% over the same period. The Fund's largest active overweight positions included ServiceNow, Mastercard, and AstraZeneca PLC. 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 AstraZeneca contributed to positive relative performance (+9.6%). The company performed well during the period driven by strong financial results for 2024. They also benefited from nine positive high-value Phase III studies and increasing demand for its medicines across key regions.

The overweight position in American Tower Corporation contributed to positive relative performance (+11.5%). The company saw positive performance from robust fourth-quarter earnings that exceeded expectations. Additionally, the company's strategic investments in renewable energy technologies and advanced battery storage systems also contributed to its strong market position.

The overweight position in Taiwan Semiconductor Manufacturing detracted from relative performance (-13.5%). The company's stock declined during the period due to concerns over a potential slowdown in global semiconductor demand, which impacted investor sentiment. Additionally, increased competition from other chip manufacturers and geopolitical tensions further weighed on the company's performance.

The overweight position in ServiceNow detracted from relative performance (-8.4%). Although the company reported strong fourth quarter earnings and over 20% revenue growth, they did not beat consensus estimates. The company's challenges in the slow monetization of its AI-driven solutions as well as the concern about its Federal business in the governments' DOGE cost-cutting initiatives have hurt the stock, but we remain confident in the long term strategy.

## 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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## MORE INFORMATION

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