

# WEALTHFOCUS PERPETUAL ESG AUSTRALIAN SHARE

April 2025

## FUND FACTS

**Investment objective:** Aims to provide long-term capital growth and regular income through investment predominantly in quality Australian shares that meet Perpetual's ESG and values-based criteria. Aims to outperform the S&P/ASX 300 Accumulation Index (before fees and taxes) over rolling three-year periods.

## FUND BENEFITS

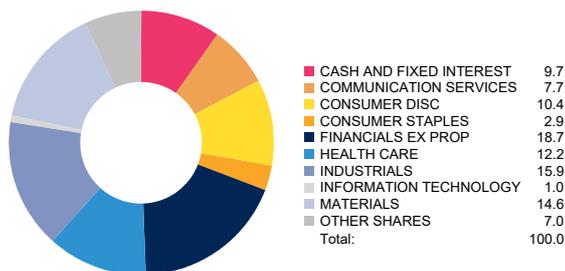
The Fund has two exclusion screens, with which we assess companies. A values-based exclusionary screen for involvement in certain activities, and a ESG exclusionary screen based on an evaluation of companies overall performance on ESG issues.

## 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:** S&P/ASX 300 Accum. Index  
**Inception Date:** December 2003  
**Size of Portfolio:** \$8.87 million as at 31 Mar 2025  
**APIR:** PER0146AU  
**Management Fee:** 1.18%\*  
**Investment style:** Active, fundamental, bottom-up, value  
**Suggested minimum investment period:** Five years or longer

## PORTFOLIO SECTORS



## TOP 10 STOCK HOLDINGS

Stock Holding	% of Portfolio
Deterra Royalties Ltd	5.7%
EVT Limited	5.1%
Reliance Worldwide Corp. Ltd.	5.1%
GWA Group Limited	4.9%
Healius Limited	4.8%
Brickworks Ltd	4.3%
Commonwealth Bank of Australia	3.8%
CSL Limited	3.8%
GPT Group	3.6%
National Australia Bank Limited	3.3%

## NET PERFORMANCE - periods ending 30 April 2025

	Fund	Benchmark #	Excess
1 month	3.61	3.60	+0.01
3 months	-0.28	-3.66	+3.38
1 year	8.22	9.54	-1.32
2 year p.a.	10.73	9.29	+1.44
3 year p.a.	8.64	6.85	+1.79
4 year p.a.	9.21	7.67	+1.54
5 year p.a.	15.91	12.08	+3.84
7 year p.a.	9.23	8.54	+0.70
10 year p.a.	8.28	7.71	+0.57
Since incep. p.a.	11.45	8.76	+2.69

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

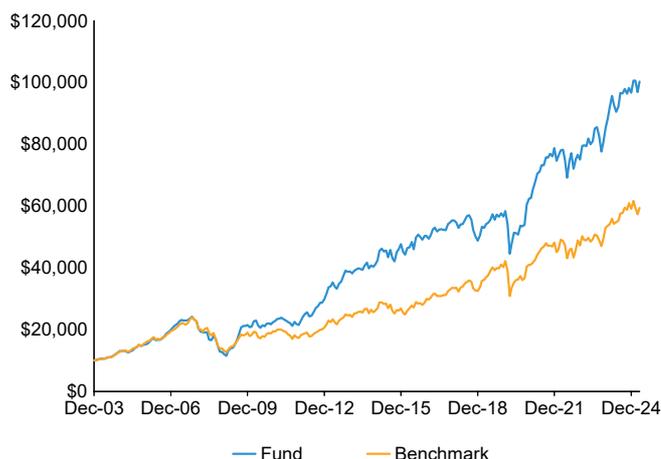
## PORTFOLIO FUNDAMENTALS<sup>^</sup>

	Portfolio	Benchmark
Price / Earnings*	18.1	18.0
Dividend Yield*	3.5%	3.6%
Price / Book	1.9	2.2
Debt / Equity	28.3%	37.8%
Return on Equity*	9.8%	12.6%

<sup>^</sup> Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating the Fund'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.

## GROWTH OF \$10,000 SINCE INCEPTION



\*Information on Management Costs (including estimated indirect costs) is set out in the Fund's PDS.

## MARKET COMMENTARY

The S&P/ASX 300 rose 3.6% in April, navigating a volatile month marked by geopolitical shocks and shifting investor sentiment. Volatility spiked early in the month following “Liberation Day” on 2 April, when the Trump Administration imposed harsher-than-expected tariffs, sparking the sharpest global equity sell-off since the COVID-19 crash. Markets struggled to price in the broad and indiscriminate nature of the tariffs, with a temporary tariff pause announced mid-month doing little to calm investor nerves. Despite the external chaos, domestic markets were buoyed by a flight to safety. Commonwealth Bank extended its strong performance (10.4%) as investors rotated into high-quality, defensive names. Gold prices continued to climb amid safe-haven demand, while oil prices slumped sharply, reflecting mounting concerns over global growth. Sector performance was mixed. Communication Services (6.4%) and Information Technology (6.3%) led gains as investors sought structural growth and defensive earnings. In contrast, Energy (-7.52%) and Materials (0.70%) lagged, hurt by falling commodity prices and weakening sentiment toward cyclicals.

## PORTFOLIO COMMENTARY

A feature of this portfolio is that it applies Perpetual’s ESG process and values-based investment criteria. The portfolio’s largest overweight positions include Deterra Royalties Ltd, EVT Limited and Reliance Worldwide Corporation. Conversely, the portfolio’s largest underweight positions include BHP Group Ltd (not held), Commonwealth Bank of Australia and Wesfarmers Limited (not held).

BlueScope Steel (12.1%) was a positive contributor to relative performance in April, with its share price supported by broader market dynamics rather than company-specific catalysts. The company benefited from renewed investor interest in high-quality industrial names, with its Colorbond franchise continuing to provide superior margins compared to traditional steel exposures. Encouragingly, U.S. peers Nucor and Steel Dynamics exceeded first-quarter earnings expectations, reinforcing the strength of the global steel backdrop. Steel spreads in the U.S. remain above BlueScope’s FY25 guidance, supporting our view that pricing dynamics offer asymmetric upside potential. BlueScope remains a standout operator in the global steel industry, backed by strong management, a valuable strategic asset at Port Kembla, and a brand in Colorbond that supports both margin expansion and international growth opportunities.

Nick Scali (+12.7%) was a strong contributor to performance in April, despite the absence of material stock-specific news. The company continues to offer attractive exposure to a founder-led retailer with a strong track record of navigating soft consumer conditions. Its capital-disciplined entry into the UK market via the acquisition of Fabb Furniture presents a compelling long-term growth opportunity, particularly through the implementation of Nick Scali’s best-in-class operational standards, which should support margin expansion. Encouragingly, UK household data shows signs of meaningful deleveraging, while recent government policy shifts have begun to stimulate housing demand both of which are likely to support Fabb’s performance and reinforce our positive outlook on the business.

Ampol (+0.75%) underperformed the broader market in April, detracting from relative performance as refining and trading headwinds continued to weigh on sentiment. The company is still feeling the impact of a refinery outage late last year, which significantly reduced earnings and was not offset under the government’s Fuel Security Services Payment due to the structure of the scheme. Although Ampol undertook additional maintenance during the downtime, which should improve reliability, refining margins remain volatile affected by weaker oil prices and shifting global supply dynamics. ALD is materially oversold with the market extrapolating refining earnings depressed by one-off events and cyclical lows. A return to a more normal environment will also benefit their trading operation. Together with the solidly growing convenience business, balance sheet deleveraging will accelerate and provide both capital management and potentially M&A opportunities.

Orora (-3.72%) detracted from portfolio performance in April, with the stock under pressure amid mixed updates from global packaging peers. Rising input costs and unfavourable pricing trends across the sector weighed on sentiment. We built our overweight position in Orora when we believed prospective investors were paying fair value for the Australasian and North American businesses, while acquiring Saverglass at a substantial discount. Assuming the sale of the North American business completes as expected, investors will be left with a high-quality, globally diversified packaging business and a relatively under-gearred balance sheet offering the Board flexibility to consider shareholder friendly capital management.

## OUTLOOK

Equity markets have entered a structurally more volatile regime under the Trump presidency, as geopolitical tensions escalate and policy unpredictability becomes a defining feature of the investment landscape. Initial hopes that tariff rhetoric was merely strategic posturing have faded, replaced by the realisation that protectionist measures may be both broader in scope and more disruptive in execution than previously anticipated. This uncertainty has contributed to heightened risk aversion and a more reactive market environment. In the U.S., we are seeing the early stages of a meaningful rotation out of high-momentum growth stocks, where fundamentals had often been overlooked in favour of narrative-driven price appreciation. This shift marks a healthy rebalancing, with markets beginning to reward quality, valuation discipline, and tangible earnings delivery. While elevated volatility may feel uncomfortable, we believe it is fertile ground for active management. Dislocations are already emerging, and we are capitalising on these opportunities by leaning into high-conviction positions where long-term fundamentals are being mispriced. Our portfolio remains positioned to benefit from a more rational market regime—one in which investors are once again distinguishing between price and value.

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# The Ordinaries benchmark prior to 1/4/2000 was the ASX All Ordinaries Accumulation Index. From 1/4/2000 to current the benchmark is S&P/ASX 300 Accumulation Index. The publication has been prepared and issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535 AFSL No 234426, as promoter for the Perpetual WealthFocus Superannuation Fund. The information contained in this document is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The information contained in this document is in addition to and does not form part of the product disclosure statement (PDS) for the Perpetual WealthFocus Superannuation Fund. The PDS for the Perpetual WealthFocus Superannuation Fund ABN 41 772 007 500, issued by Equity Trustees Superannuation Limited (ETSL) ABN 50 055 641 757, AFSL 229757, RSE L0001458, should be considered before deciding whether to acquire or hold units. The PDS and Target Market Determination can be obtained by calling 1800 011 022 or visiting [www.perpetual.com.au](http://www.perpetual.com.au). Neither PIML, ETSL nor any of their related parties guarantee the performance of any fund or the return of an investor’s capital. Total returns shown for the Perpetual WealthFocus Superannuation Fund have been calculated using exit prices after taking into account all of Perpetual’s ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

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## MORE INFORMATION

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