

PERPETUAL ESG AUSTRALIAN SHARE ACTIVE ETF

ASX code: GIVE

August 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

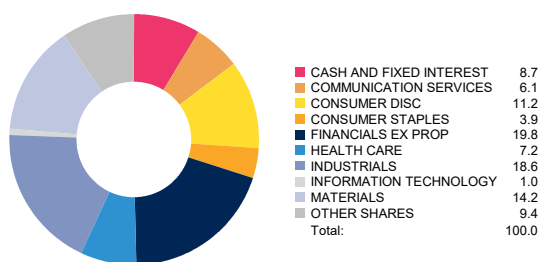
The Fund has two exclusion screens, with which we assess companies. A values-based exclusionary screen for involvement in certain activities, and a ESG exclusionary screen based on an evaluation of companies overall performance on ESG issues.

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 of strategy:	April 2002
ASX commencement date:	29 November 2021
Distribution Frequency:	Half-Yearly
Management Fee:	0.65%*
Performance Fee:	15 % of outperformance*
Investment style:	Active, fundamental, bottom-up, value
Suggested minimum investment period:	Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
Deterra Royalties Ltd	6.7%
Reliance Worldwide Corp. Ltd.	6.1%
Brickworks Ltd	6.0%
GPT Group	5.9%
GWA Group Limited	5.0%
ANZ Group Holdings Limited	4.2%
a2 Milk Company Limited	3.3%
Premier Investments Limited	3.3%
Commonwealth Bank of Australia	3.0%
Telstra Group Limited	2.9%

*Information on management costs is set out in the relevant PDS

NET PERFORMANCE - periods ending 31 August 2025

	Fund	Benchmark	Excess
1 month	3.38	3.16	+0.21
3 months	7.03	7.17	-0.14
1 year	14.22	14.91	-0.69
2 year p.a.	13.19	14.78	-1.59
3 year p.a.	12.09	12.81	-0.72
Since incep. p.a.	9.70	9.78	-0.08

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

PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	19.0	20.3
Dividend Yield*	3.0%	3.2%
Price / Book	2.2	2.4
Debt / Equity	29.5%	39.4%
Return on Equity*	10.9%	12.0%

[^] 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.

MARKET COMMENTARY

Australian equities advanced in August, with the ASX 300 gaining 3.16% to 9,019, its fifth consecutive monthly rise. The index briefly cracked the 9,000 mark for the first time on record before finishing the month just shy of that milestone. The gains came despite one of the most volatile reporting seasons in memory, where sharp swings in heavyweight stocks amplified market moves. High-profile downgrades at CSL, Woolworths, and James Hardie wiped billions from the index, while standout beats in retailers and select industrial names helped offset the gloom. Sector performance reflected these cross-currents. Materials (+9.4%) led the market, supported by diversified miners even as iron ore softened late in the month. Consumer Discretionary (+7.5%) and Staples (+2.5%) rallied on resilient retail earnings, while Real Estate (+4.7%) was buoyed by firm housing activity. Financials (+3.8%) remained a steady anchor, but Health Care (-12.9%) endured one of its sharpest reporting-season falls on record, with CSL's result triggering its steepest one-day decline since 1999. Communication Services (-7.7%) and Industrials (-4.5%) also lagged as earnings disappointed. Globally, sentiment was tested by U.S. policy developments. President Trump's renewed push for steep Federal Reserve rate cuts - and his attempts to dismiss a sitting governor - sparked concerns over central bank independence. Gold surged toward record highs, driving local producers sharply higher into month-end. While the broader market remained near all-time highs, the breadth of results underscored the risks of Australia's top-heavy index, where outsized moves in a handful of blue chips can shape overall performance. Dispersion in results underscored a market increasingly sensitive to earnings momentum and policy signals, leaving selective positioning critical heading into September.

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, Reliance Worldwide Corporation and Brickworks Ltd. Conversely, the portfolio's largest underweight positions include BHP Group Ltd (not held), Commonwealth Bank of Australia and Wesfarmers Limited (not held).

Nick Scali delivered strong performance for investors in August (+26.3%) following the release of results that highlighted the divergent fortunes of its geographic segments. The company's Australian and New Zealand operations demonstrated exceptional quality with order growth accelerating and gross margins exceeding expectations, reinforcing the strength of its core franchise. However, the UK expansion continued to face headwinds with sales performance falling short of expectations due to refurbishment disruptions and operational challenges in newly converted stores. While management remains confident in the UK opportunity citing early signs of conversion success in select locations, the timeline to profitability has been extended with break-even now pushed further out. Despite the geographic mixed results, the underlying resilience of the ANZ business and management's disciplined approach to cost control and inventory management positions the company well to navigate the current retail environment while pursuing its longer-term growth strategy across both established and emerging markets. A2 Milk delivered standout performance in August, contributing +18.7% to the portfolio. The company's 21% rise in full-year profit, higher-than-expected results, and declaration of a special NZ\$300 million fully-franked dividend highlighted both its earnings power and cash generation capabilities. Management further strengthened the firm's position through strategic supply chain investment - namely the acquisition of the Pokeno manufacturing facility - to support future growth in China's infant milk formula market. Notably, A2 expanded its market position in China, growing China-label infant formula sales by 3.3% in a market down 5.6%. We remain optimistic about A2 Milk, given its strong balance sheet, disciplined capital management, and continued expansion across China and international markets, all of which provide a supportive backdrop for future growth.

Reliance Worldwide Corporation faced a challenging reporting season (-2.8%) in August following the release of results that demonstrated the company's resilience amid deteriorating market conditions, though headwinds still lie ahead. The company's performance highlighted both operational stability and emerging pressures, with underlying profit meeting expectations despite revenue falling short of forecasts due to regional divergence across key markets. While cost reduction initiatives provided partial offset to volume declines and tariff pressures, management's outlook points to a transitional period with flat to declining sales expected and substantial tariff-related margin compression anticipated in the near term. The company's strategic focus on pricing adjustments to combat these headwinds faces implementation timing challenges, suggesting earnings volatility will persist as market conditions remain subdued and the full impact of trade policy changes unfolds across the business segments. Reliance remains an extremely well run cyclical at the bottom of the cycle with a healthy balance sheet and with outsized upside should the cycle turn.

Ramsay Health Care detracted from portfolio performance in August (-12.6%) as underlying concerns about private hospital utilisation trends were further revealed in the latest industry data. While private health insurance statistics showed benefits growth maintaining positive momentum, the company continues to face headwinds from persistently soft overnight volumes that remain at pre-pandemic levels despite increased policyholder numbers, suggesting ongoing structural shifts in healthcare delivery patterns. The data highlighted ongoing challenges with utilisation rates, particularly for overnight procedures, which presents a limiting factor for the pace of margin recovery across the Australian operations. Although pricing improvements from insurers provided some offset through higher benefits per admission, the company's path to meaningful margin expansion remains constrained by labour cost pressures and the fundamental volume dynamics that continue to weigh on operational leverage across its hospital network. Despite this, we remain happy with a refreshed management's approach to the issues at hand and believe there is considerable value to be unlocked should the business be managed rationally.

OUTLOOK

Markets approach September with gains intact but vulnerabilities rising. Reporting season underscored resilient consumer demand yet highlighted stretched margins and record earnings volatility, leaving investors quick to rotate across sectors. Globally, leadership remains narrow, with U.S. technology names still driving indices even as profit-taking shows sentiment is fragile. Political risks have grown, with President Trump's push for steep rate cuts unsettling confidence in the Federal Reserve's independence and sending gold to near record highs. Meanwhile, the U.S. dollar has softened and the Australian dollar found support from firmer inflation prints. Valuations remain near historical extremes, suggesting asymmetric downside risk. Past cycles indicate such peaks often coincide with turning points in capital flows, with investors rotating toward regions and styles offering better value. Against this backdrop, policy uncertainty, tariffs, and slowing earnings momentum argue for caution, but also create dispersion. For active managers, this widening opportunity set reinforces the importance of valuation discipline and selective positioning as leadership broadens beyond the narrow cohort that has dominated much of 2025.

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Investor Services 1800 635 323

Email perpetualetf@cm.mpms.mufg.com

www.perpetual.com.au

