

TRILLIUM ESG GLOBAL EQUITY FUND - A CLASS

February 2024

FUND FACTS

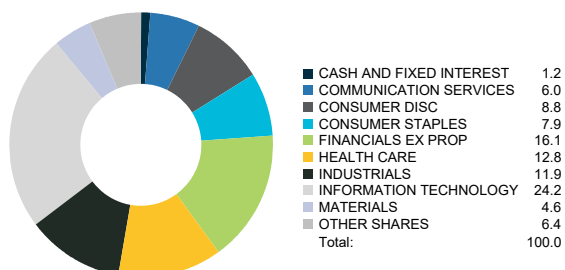
Investment objective: To provide investors with long-term capital growth through investment in quality global shares. To outperform the benchmark (before fees and taxes) over a rolling 3 year period.

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:	\$26.41 million as at 31 Dec 2023
APIR:	PER2095AU
Management Fee:	0.89%*
Investment style:	Core
Suggested minimum investment period:	Seven years or longer

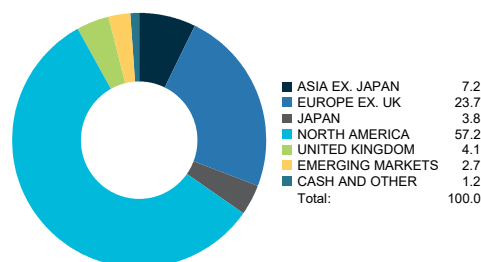
PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
Microsoft Corporation	5.2%
Alphabet Inc.	3.8%
NVIDIA Corporation	3.6%
Apple Inc.	3.2%
Visa Inc.	2.3%
Taiwan Semiconductor Manufacturing Co.	2.2%
Novo Nordisk A/S	1.7%
Accenture Plc	1.5%
Merck & Co., Inc.	1.4%
Applied Materials, Inc.	1.3%

PORTFOLIO REGIONS



PERFORMANCE - periods ending 29 February 2024

	Fund	Benchmark	Excess
1 month	5.25	5.88	-0.63
3 months	11.39	11.95	-0.56
FYTD	9.70	15.02	-5.32
1 year	20.58	27.54	-6.95
2 year p.a.	8.91	12.21	-3.29
3 year p.a.	10.79	13.14	-2.34
4 year p.a.	-	-	-
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep.	12.64	13.73	-1.09

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

PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	19.0	17.2
Dividend Yield*	2.3%	2.5%
Price / Book	3.5	2.6
Debt / Equity	47.5%	45.5%
Return on Equity*	18.3%	15.8%

[^] 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

The second month of 2024 marked a continuation of many themes observed over the past year. Global markets pushed higher, with the MSCI World index up 5.8%. This built on the sharp reversal from December that continued through January. This continuation of strong performance in the month can be seen in the momentum factor: the stocks with the highest 12-month momentum (top quintile) are up nearly 20% year-to-date with no other quintile ahead of the MSCI World Index. Further, returns were not evenly distributed across the globe. Unlike last quarter, growth stocks generally led value stocks across markets, and sector performance remained mixed (albeit all sectors were positive during the month except Utilities). The top performing sectors in the MSCI World Index were the Consumer Discretionary, Information Technology, Industrials, and Communication Services sectors. The worst performing sectors – Utilities, Consumer Staples, Energy, and Real Estate – are more interest rate-sensitive sectors and were hurt by the continued market focus on the notion that interest rates may fall slower than previously expected.

PORTFOLIO COMMENTARY

For the month ended February 29, 2024, the Trillium Global Equity fund reported a return of 5.3% versus the benchmark, MSCI All Country World Index (ACWI), which reported a return of 5.8% over the same period. The Fund's largest overweight positions included Visa, Alphabet, and Taiwan Semiconductor Manufacturing Company. The Fund's largest underweight positions include Amazon.com, Meta Platforms and Eli Lilly and Company, all of which are not held in the fund.

The overweight position in Quanta Services (+26.3%) contributed to relative performance. Quanta shares increased during the month after the infrastructure solutions provider reported earnings that beat estimates as the company continues to realize benefits from its favorable positioning related to the clean energy transition and electrification mega-trends. Our work continues to find the Company's well positioned competitively.

The overweight position in Applied Materials (+24.8%) contributed to relative performance. The stock increased over during the period after the Company reported solid earnings and guidance supported by persistent demand for the company's range of advanced semiconductors. While shares of semiconductor companies related to the secular adoption of Artificial Intelligence technologies stay elevated near-term, we continue to find the risk/reward attractive for Applied Materials.

The overweight position in EDP Renovaveis (-15.4%) detracted from relative performance. Shares of the renewable energy utility decreased lower during the month on lower-than-expected reported earnings that were weighed down by costs related to several non-recurring items. The company remains committed as one of the largest owners of renewable energy generation based in Europe.

The overweight position in Dassault Systemes (-9.5%) detracted from relative performance. The company's shares decreased following the release of 4Q results that showed revenue modestly below expectations, driven by softness in licensing, while forward guidance was also below expectations.

OUTLOOK

Hotter than expected US inflation data & a still resilient labor market has left interest rates the main determinant of equity volatility with the market now pricing in 3-4 cuts over the next 12 months compared to 8 cuts just several months ago. In conjunction market breadth continues to deteriorate with investors remaining obsessed with a small number of growth companies benefiting from secular opportunities associated with the rapid development of AI. Continued volatility, driven in part by election-year dynamics across several countries, along with persistent market narrowness provides both a risk and opportunity for bottom-up, quality and diversified active managers. With elevated political risks we continue to research stocks ideas that meet our strict fundamental criteria and show the qualities of ESG leadership looking beyond the ebullient markets of today, though poised to benefit from and bring sustainability trends into the future.

This publication has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL No 234426. It 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 PDS for the relevant fund, issued by PIML, should be considered before deciding whether to acquire or hold units in that fund. The PDS and Target Market Determination can be obtained by calling 1800 022 033 or visiting our website www.perpetual.com.au. No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of any investor's capital. Total return shown for the fund(s) 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 contribution or withdrawal fees or taxation (except in the case of superannuation funds, as applicable). Past performance is not indicative of future performance.

MORE INFORMATION

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

