



TRILLIUM GLOBAL SUSTAINABLE OPPORTUNITIES FUND - CLASS A

October 2024

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

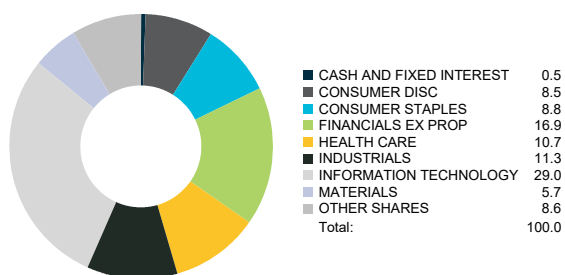
The diversified portfolio is constructed within a framework that is independent of the benchmark in terms of stock and sector weights. Added value is expected to come from the high conviction approach to stock selection.

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: \$62.30 million as at 30 Sep 2024
APIR: PER4964AU
Management Fee: 0.99%*
Investment style: Thematic
Suggested minimum investment period: Seven years or longer

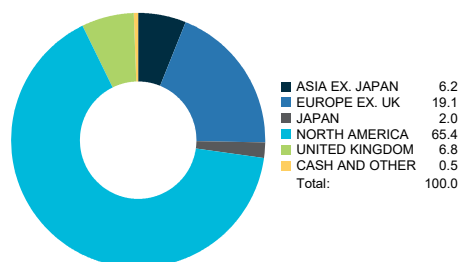
PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

Stock Holding	% of Portfolio
Microsoft Corporation	5.6%
NVIDIA Corporation	4.5%
ServiceNow, Inc.	4.0%
Mastercard Incorporated	3.5%
AstraZeneca PLC	3.5%
Unilever PLC	3.3%
American Tower Corporation	2.7%
Roche Holding Ltd	2.7%
McCormick & Company, Incorporated	2.5%
Alcon AG	2.5%

PORTFOLIO REGIONS



PERFORMANCE- periods ending 31 October 2024

	Fund	Benchmark	Excess
1 month	1.14	3.81	-2.68
3 months	-0.43	2.14	-2.56
1 year	21.23	29.22	-7.99
2 year p.a.	9.66	20.08	-10.41
3 year p.a.	0.02	11.35	-11.33
4 year p.a.	7.78	16.03	-8.25
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep.	8.43	15.13	-6.69

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

PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	19.8	18.8
Dividend Yield*	2.2%	2.1%
Price / Book	3.0	3.1
Debt / Equity	52.7%	51.7%
Return on Equity*	17.0%	17.3%

[^] 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

October was marked by significant activity as the U.S. election season concluded, while geopolitical concerns persisted. Early in the month, U.S. job openings declined to three-year lows, and job additions were minimal at 12,000, impacted by weather and strikes. Following the Federal Reserve's 50-basis-point rate cut in September, U.S. yields rose over inflation and deficit concerns. Globally, western central banks continued rate cuts, except for Japan, which raised rates. The U.S. economy demonstrated resilience with 2.8% growth in Q3, while Europe saw 0.4% growth but still faces demand challenges, prompting the European Central Bank to adopt a more accommodative stance. In Asia, China issued additional bonds to address local debt, though markets anticipate more stimulus for sustained recovery. Geopolitics intensified as Israel's potential response against Iran initially raised oil prices, though they later stabilized as fears eased. The Russia-Ukraine conflict remains an ongoing flashpoint for markets. While October concluded with a negative global equity performance, November's U.S. election results spurred some optimism. Donald Trump's victory, alongside a unified government, suggests possible large-scale policy shifts. Uncertainty looms over trade, particularly with China and Mexico, with potential tariffs on the horizon.

PORTFOLIO COMMENTARY

For the month ended October 31, 2024, the Trillium Sustainable Opportunities Fund reported a return of 1.1% versus the benchmark, MSCI World Index, which reported a return of 3.8% over the same period. The Fund's largest active overweight positions included ServiceNow, AstraZeneca, and Unilever. The Fund's largest underweight positions included Apple Inc., Alphabet Inc., and Amazon.com, all of which are not currently held in the fund.

The overweight position in Taiwan Semiconductor Manufacturing (+16.6%), contributed to relative performance. The company continues to dominate its peers and gain market share driven by AI-related strength at key end customers such as NVIDIA Corporation and Advanced Micro Devices.

The overweight position in East West Bancorp (+24.8%) contributed to positive relative performance. Positive performance from the company was driven by EPS beat expectations driven by NII, fees, and expense control.

The overweight position in EDP Renovaveis (-18.6%) detracted from relative performance. The company underperformed due to a combination of macroeconomic challenges and strategic adjustments, including the completion of a significant buyback of a 49% minority stake in a European wind portfolio.

The overweight position in ASML Holding (-14.4%) detracted from relative performance. The company's stock price declined during the period after releasing disappointing third-quarter earnings and a weak guidance update for 2025, which highlighted lower-than-expected sales and bookings, particularly from the Chinese market.

OUTLOOK

Recent market trends continued through October. The Fed continues to signal that it's dual-mandate goals are roughly in balance, as the labor market has cooled down and inflation is trending downward. The market's expectation of another 25 basis points (bps) cut in November has been well anchored throughout October. Hard data suggests that overall consumers and businesses are still in good shape. Households' income and spending continue to rise, even with the unemployment rate rising off of its low base. Businesses continue to grow their earnings and make new investments. However, many soft data suggest otherwise. ISM Manufacturing PMI, which is cyclically sensitive, has been in contraction territory for the past 6 months, and consumer sentiment has not recovered to its pre-Covid level. Moreover, the Conference Board's Leading Economic Index has once again signaled recession. Treasury notes and bonds sold off heavily with heightened volatility mainly due to a blowout beat on the September jobs number, rising deficit concerns, and election uncertainties. A surge in Treasury volatility is often associated with equity market volatility given stocks' sensitivity to interest rates. However, despite this backdrop and ongoing geopolitical uncertainties, major indices have gone sideways and have not shown meaningful signs of weakness. Overall, companies are reporting better than expected earnings growth, and with corporate buyback windows reopening and markets entering a cyclically strong season, investors may be cautious, but do not seem particularly concerned. In this environment of continued, heightened uncertainties, we continue to monitor our strategies carefully to preserve shareholder capital, while seeking companies that exhibit fundamental and responsible investing qualities in line with our investment approach.

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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.

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