

TRILLIUM ESG GLOBAL EQUITY FUND - CLASS A

July 2025

FUND FACTS

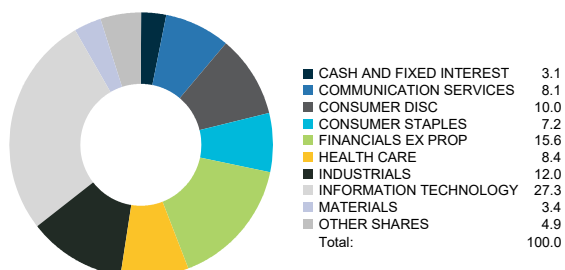
Investment objective: To provide investors with long-term capital growth through investment in quality global shares. To outperform the benchmark (before fees and taxes) over a rolling 3 year period.

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: \$22.29 million as at 30 Jun 2025
APIR: PER2095AU
Management Fee: 0.89%*
Investment style: Core
Suggested minimum investment period: Seven years or longer

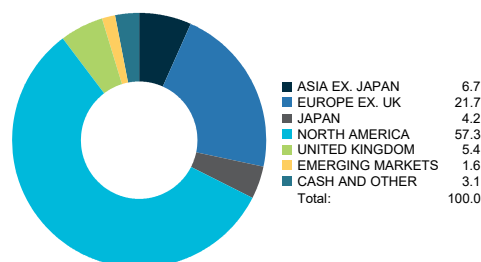
PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
Microsoft Corporation	6.3%
NVIDIA Corporation	5.5%
Alphabet Inc.	4.5%
Apple Inc.	2.7%
Visa Inc.	2.4%
Taiwan Semiconductor Manufacturing Co.	2.2%
Bank of New York Mellon Corp	1.7%
TJX Companies Inc	1.7%
Intercontinental Exchange, Inc.	1.6%
Unilever PLC	1.5%

PORTFOLIO REGIONS



PERFORMANCE - periods ending 31 July 2025

	Fund	Benchmark	Excess
1 month	1.26	3.17	-1.90
3 months	8.48	11.30	-2.82
1 year	10.73	17.52	-6.79
2 year p.a.	12.19	19.13	-6.94
3 year p.a.	13.01	18.39	-5.38
4 year p.a.	7.08	11.84	-4.76
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep. p.a.	12.22	14.91	-2.69

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

PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	19.4	18.6
Dividend Yield*	2.0%	2.1%
Price / Book	4.0	3.0
Debt / Equity	40.8%	47.0%
Return on Equity*	21.4%	16.5%

[^] 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 month of July extended the second quarter's themes of persistent policy uncertainty, geopolitical tension, and rapid economic data shifts. Despite these headwinds, global equity markets remained resilient, with the U.S. leading gains once again. The S&P 500 rose 2.24%, driven largely by growth-oriented sectors, especially Information Technology, which contributed over 75% of the index's monthly return. Growth continued to outperform value, reversing early-year trends and narrowing the year-to-date spread to just 11 basis points. Emerging markets outperformed developed international peers, with Chinese equities rallying 4.8% on strong export data and easing tech restrictions. Developed markets outside the U.S. lagged, particularly Europe, where investor sentiment weakened amid rising tariffs and economic uncertainty. North America saw muted reactions to ongoing tariff developments, with markets buoyed by the passage of the "One Big Beautiful Bill" in the U.S., which extended tax cuts and boosted corporate CAPEX deductions. Trade deals with Japan and the EU helped stabilize sentiment, though elevated tariffs continue to pose inflationary risks. The Fed held rates steady, maintaining a hawkish tone despite signs of labor market softening. Betting markets now anticipate a rate cut in September, pending Chair Powell's Jackson Hole speech. China's strategy of managing external headwinds while cautiously supporting domestic demand continued, though internal growth remains uneven. Europe faced headwinds from blanket U.S. tariffs and weakening domestic demand, with the ECB signaling rate cuts ahead. As seen in prior growth-led months, market breadth narrowed. Only five of the 11 MSCI World Index sectors outperformed, with Information Technology (+4.1%), Energy (+2.5%), Utilities (+2.35%), and Communication Services (+1.56%) leading. Defensive sectors like Consumer Staples and Health Care underperformed, down 2.65% and 2.97%, respectively.

PORTFOLIO COMMENTARY

For the month ending July 31, 2025, the Trillium Global Equity Fund reported a return of 1.26% net of fees versus the benchmark, MSCI All Country World Index (ACWI), which reported a return of 3.17% over the same period. At month-end, the Fund's largest overweight positions included Alphabet, Microsoft, and Visa. The Fund's largest underweight positions included Amazon.com, Meta, and Broadcom, all of which are not held in the portfolio with the first two due to sustainability and ESG related concerns.

The overweight position in Cadence Design Systems contributed to relative performance (+19 bps). Amid uncertainty and expected weakness in the stock due to the US export ban on EDA software to China released during the quarter, Cadence delivered strong earnings results and an increase to 2025 guidance. Despite the concerns related to EDA, the company cited stronger broad-based demand for its EDA products which more than offset the impact from China.

The overweight position in Prysmian contributed to relative performance (+16 bps). The company performed well during the period, producing better than expected earnings. With both copper tariff uncertainty and exposure decreasing in the period, a diminished risk of demand reduction positively impacted investors' outlook on the company.

The overweight position in Elevance Health detracted from relative performance (-31 bps). The company's stock traded lower following their second quarter earnings release which we attribute to management's guidance update that lowered near-term expectations, primarily due to elevated costs and uncertainties. Managed Care Organizations have seen various headwinds in recent quarters though we expect eventual stabilization. In the interim, Elevance is trading at an attractive valuation and has business segments that the company can rely on for earnings stability and growth during this period of volatility.

The overweight position in Spotify detracted from relative performance (-26 bps). Overall, Spotify reported a mixed quarter with revenue, gross margins, and especially subscriber metrics easily beating estimates. The offset and driver of weakness in the stock was higher payroll tax from appreciating stock option grants given the strong stock price rise along with weaker guidance for general expenses. Market share gains are still very robust and increasing along with very strong free-cash-flow generation. We believe future price increases will serve as a strong catalyst to support the stock going forward.

OUTLOOK

July saw calm on the surface, but a notable shift underneath. The S&P 500 rose 2.2% and the Nasdaq gained 3.7%, extending their multi-month rallies. Despite these gains, there wasn't a single 1% daily move in either direction for the S&P all month. And VIX, a gauge of implied equity volatility, remained near its lowest level in years, signaling limited short-term concern from investors. Underneath this calm surface, however, there was considerable rotation. Big tech names led the market again, while homebuilders, banks, and even some heavily shorted or meme-linked stocks also performed well. Meanwhile, there were laggards such as healthcare services and logistics stocks. US Treasuries sold off across the curve and the dollar strengthened. Outside the US, equity markets in Europe and parts of Asia also gained as investors perceived reduced tariff uncertainty. Economic data suggested a resilient but cooling view of the economy, while trade and policy dynamics added layers of uncertainty. The U.S. reached agreements with the EU and Japan before the expiration of a pause on reciprocal tariffs on August 1, and tensions with China showed initial signs of easing. However, these trade deals remain framework-level, and legal questions surrounding tariffs are unresolved, as a pending Appeals Court ruling could reignite uncertainty. Even with no surprises, tariff implementation as outlined would raise the average weighted tariff rate to about 15% up from about 2.5% a year ago. Corporate earnings have so far been a source of support, with stronger-than-expected results helping stabilize sentiment. As of the end of July, earnings for U.S. companies were tracking toward growth of 8.6% year-over-year for the second quarter, according to FactSet, well above the roughly 5% growth that was expected at the start of reporting season. Looking ahead, attention will likely shift toward a few key areas: whether the strength in corporate profits broadens beyond those leaders and how the price level of tariff-sensitive inputs and the tariff itself evolves.

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