

Candriam Sustainable Global Equity Fund

Monthly performance update

May 2025

Ausbil Investment Management Limited
ABN 26 076 316 473
AFSL 229722
Level 27
225 George Street
Sydney NSW 2000
GPO Box 2525
Sydney NSW 2001
Phone 61 2 9259 0200

Market Review

Markets extended their recovery in May, building on April's lows as consumer sentiment improved and trade tensions eased. Progress in US trade negotiations with the European Union and a temporary delay to planned tariff hikes reduced fears of a global recession, and fuelled broad-based gains across risk assets. Against this backdrop, developed market equities rose 6.0%. In contrast, global bond markets posted negative returns, with the Bloomberg Global Aggregate Index falling 0.4%. Rising fiscal concerns in the US triggered a mid-month sell-off in duration. Bond markets later recovered into month-end, as easing trade tensions and moderating inflation concerns restored some confidence.

Key Stock Contributors and Detractors

During the month, at a stock level, the Fund derived positive performance from NVIDIA, UnitedHealth Group and Microsoft.

NVIDIA is an overweight position in Information Technology due to a good score on Quality and Sentiment. NVIDIA operates as a tech company. The company develops a platform for scientific computing, AI, data science, autonomous vehicles, robotics, metaverse, and 3D internet applications, as well as focusing on PC graphics. NVIDIA serves clients worldwide. In May, the share price jumped by 27% after the 90 day tariff pause with China and ahead of results that have been rather solid, beating revenues estimate. NVIDIA was up 18.1% versus MSCI World. Candriam's ESG rating is 5.

UnitedHealth Group is an underweight position in Health Care. UnitedHealth Group owns and manages organised health systems. The company provides products and resources to plan and administer employee benefit programs. UnitedHealth serves customers worldwide. Shares collapsed in May by 25.5%. Mid-April, shares plunged after the health insurer reported first-quarter profits that fell short of expectations and cut its adjusted earnings guidance for the full year. In May, shares dropped again after UnitedHealth suspended its 2025 outlook, citing higher-than-expected medical costs, and said CEO Andrew Witty is stepping down for personal reasons, effective immediately. Shares plummeted again following a report that the insurer was under criminal investigation for possible Medicare fraud. UnitedHealth Group was down 32.6% versus MSCI World. Candriam's ESG rating is 5.

Microsoft is an overweight position in Information Technology due to a good score on Value and Volatility. Microsoft operates as a software company. The company offers applications, extra cloud storage, and advanced security solutions. Microsoft serves customers worldwide. Microsoft shares jumped 16.5% in May after the software giant reported third-quarter results that beat expectations, with the company's cloud business seen as a highlight as it continues to benefit from demand for AI services. During the month, Microsoft was up 10.7% versus MSCI World. Candriam's ESG rating is 4.

Three stocks that contributed negatively to excess return during the period included Lantheus, Apple and Eli Lilly and Company.

Lantheus is an overweight position in Health Care. Lantheus develops, manufactures, sells, and distributes diagnostic medical imaging agents and products. The company offers imaging agents and products that assist clinicians in the diagnosis of cardiovascular and other diseases. Lantheus serves customers worldwide. Shares fell by 27% in May after the maker of medical imaging products cut its year profit forecast. First quarter results disappointed as sales of Pylarify were flat from the year-earlier period, and missed estimates. Lantheus was down 33.6% versus MSCI World. Candriam's ESG rating is not in the SRI BIC Universe.

Apple is an overweight position in Information Technology due to a good score on Quality. Apple designs, manufactures, and markets smartphones, personal computers, tablets, wearables and accessories, and sells a

variety of related accessories. The company also offers payment, digital content, cloud and advertising services. Apple's customers are primarily in consumer, small and mid-sized business, education, enterprise and government markets worldwide. This month, the share price performance disappointed and was down 5.5% after Apple's quarterly earnings report failed to ease investor concerns about escalating tariff costs and a slowdown in China, causing its shares to decline as much as 5.2%. Apple was down 11.4% versus MSCI World. Candriam's ESG rating is 5.

Eli Lilly and Company is an overweight position in Health Care due to a good score on Growth. Eli Lilly discovers, develops, manufactures, and sells pharmaceutical products for humans and animals. The company products are sold in countries around the world. Eli Lilly products include neuroscience, endocrine, anti-infectives, cardiovascular agents, oncology, and animal health products. Shares declined by nearly 17% after CVS Health Corp. announced a plan to drop Lilly's weight-loss drug Zepbound, making rival Wegovy more widely available. The company cut its full-year earnings outlook, citing research and development costs, and maintained its sales guidance between \$58 billion and \$61 billion for the year. Eli Lilly and Company was down 23.8% versus MSCI World. Candriam's ESG rating is 5.

Fund Characteristics

Returns¹ as at 31 May 2025

Period	Fund Return % Net	Benchmark ² %	Out/Under performance % Net
1 month	5.49	5.31	0.18
3 months	-0.35	-1.34	0.99
6 months	4.41	3.46	0.95
1 year	18.47	17.52	0.95
2 years pa	18.74	19.52	-0.78
3 years pa	16.89	17.36	-0.47
5 years pa	14.63	14.89	-0.26
7 years pa	13.62	13.52	0.10
10 years pa	11.12	11.86	-0.74
15 years pa	12.32	12.87	-0.55
20 years pa	8.35	9.20	-0.84
Since inception pa Date: December 2002	7.71	8.41	-0.70

Past performance is not a reliable indicator of future performance.

Top 10 Stock Holdings

Holding	Country	Sectors	%
Microsoft	United States	Information Technology	6.02
Nvidia	United States	Information Technology	5.74
Apple	United States	Information Technology	5.74
Mastercard	United States	Information Technology	2.32
Alphabet Inc - Class A	United States	Communication Services	2.08
Alphabet Inc - Class C	United States	Communication Services	1.95
Novartis	Switzerland	Health Care	1.43
Nestle	Switzerland	Consumer Discretionary	1.43
Automatic Data Processing	United States	Industrials	1.37
Visa	United States	Information Technology	1.37

1. Fund returns are net of fees but before taxes.
2. MSCI World Index (Net Dividends Reinvested) \$A - unhedged

Fund Information

Benchmark	MSCI World (net dividends reinvested) in A\$
NAV Calculation	Daily
Currency Risk	Unhedged



Subscribe to our monthly updates here

Ausbil Investment
Management Limited
Level 27
225 George Street
Sydney NSW 2000
Australia

Toll Free 1800 287 245

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