

# Epoch Global Equity Shareholder Yield (Unhedged)

Fund Update for July 2025

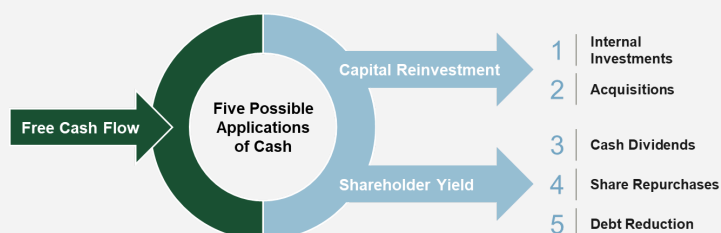
## Fund Overview

### Investment Philosophy

Epoch believes the key to understanding a company requires a focus on the cash generation drivers of the business and how management allocates that cash to benefit shareholders. Rather than traditional accounting-based metrics such as price-to-earnings or book value, a company's value is derived from its ability to generate free cash flow. Management's ability to allocate cash flow effectively determines whether the company's value rises or falls.

Companies in the portfolio possess management teams that focus on creating value for shareholders through consistent and rational capital allocation policies with an emphasis on cash dividends, share repurchases and debt reduction — the key components of shareholder yield.

### Companies Maximize Returns Through Disciplined Capital Allocation



A company should reinvest capital if the expected return on invested capital is greater than the company's cost of capital. Remaining free cash flow should be returned to shareholders via shareholder yield.

### Investment Approach

The Fund invests in companies that grow free cash flow and allocate it intelligently

- Income generation from global equities, paid quarterly
- Benchmark unaware, diversified portfolio of 90-120 global companies, including many household names
- Provides diversification of income sources and free cash flow growth
- Fund's holdings have history of increasing dividends
- Low turnover (av.20% p.a.)
- Has consistently delivered significant downside protection

## Performance as at 31 July 2025

	1 month %	3 months %	1 year %	3 years %	5 years % pa	7 years % pa	10 years %pa	Since Inception <sup>1</sup> % pa
Distribution Return <sup>2</sup>	0.00	13.33	14.60	10.06	9.91	8.60	8.48	6.73
Growth Return	1.71	(5.64)	(1.37)	4.76	4.21	1.15	(0.32)	1.76
Total Return <sup>3</sup>	1.71	7.69	13.23	14.82	14.12	9.75	8.16	8.49
MSCI World <sup>4</sup>	3.12	11.29	17.49	19.10	16.32	13.73	12.14	10.28
MSCI High Div <sup>5</sup>	1.08	2.25	9.05	11.88	11.84	9.21	8.58	7.84

<sup>1</sup> Inception date: 15 May 2008

<sup>2</sup> Distribution may include income, realised capital gains, and any return of capital

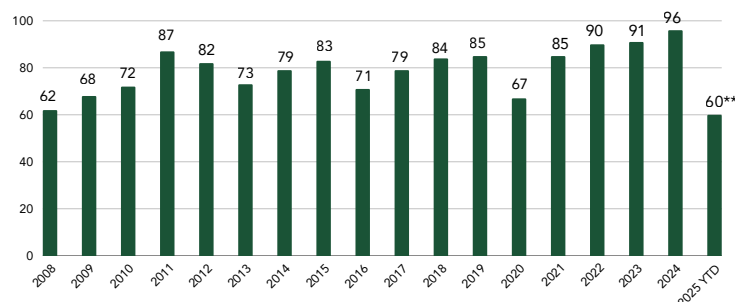
<sup>3</sup> Fund returns are calculated net of management fees and assume distributions are reinvested

<sup>4</sup> MSCI World ex-Australia Index in \$A, net dividends reinvested\*

<sup>5</sup> MSCI World ex Australia High Dividend Yield NR AUD\*

## Fund Characteristics

### Holdings have a History of Raising Dividends



\* Several companies increased their dividends more than once in each year

\*\* As of 30 June 2025

Source: Epoch Investment Partners, Inc. This data shown is for a representative account. Such data may vary for each fund in the strategy due to market conditions, investment guidelines and diversity of portfolio holdings. The data is unaudited and may change at any time.

### History of Protection in Down Markets

When Market Was Negative (57 out of 204 periods)	When Market Was Down >5% (22 out of 204 periods)	Upside Participation with Protection in Down Markets in 204 rolling three month periods since the portfolio's inception.
Portfolio outperformed <b>74%</b> of the time By an average of <b>3.95%</b>	Portfolio outperformed <b>86%</b> of the time By an average of <b>5.40%</b>	Return period from 15 May 2008 to 31 July 2025.  Market represented by the MSCI World ex-Australia Index in \$A, net dividends reinvested.

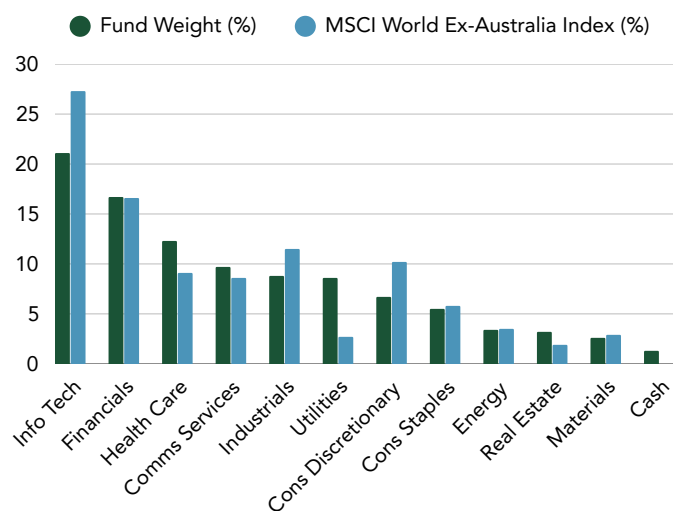
Source: GSFM as of 31 July 2025.

### Portfolio Characteristics

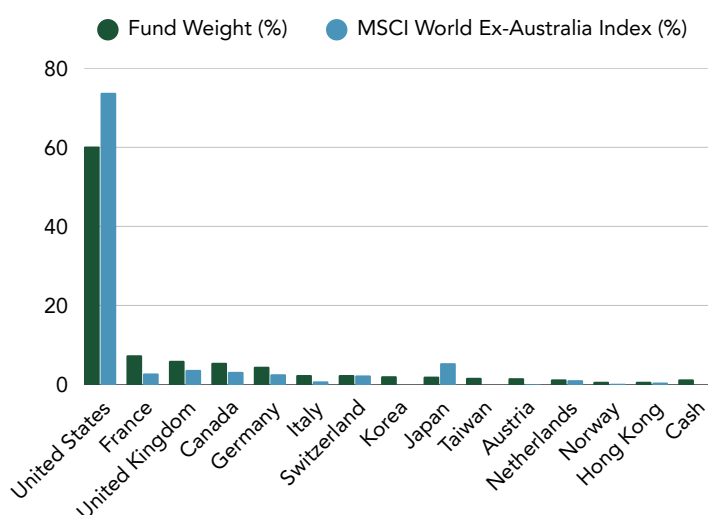
Characteristics	Portfolio	Index
Number of Equity Positions	107	1,274
Dividend Yield (%)	3.5	1.6
Return on Equity	19.3	22.9
Enterprise Value to EBITDA (x)	9.6	15.7
Predicted Beta	0.8	1.0
12-Month Turnover (%)	19%	--
Active Share	79.8	--

Past performance is not a guide to future performance

## Sector Allocation



## Regional Allocation



## Top 10 Holdings

	Portfolio Weight %	Dividend Yield %	Sector
Microsoft Corporation	2.6	0.6	Information Technology
Broadcom Inc.	2.6	0.8	Information Technology
Cisco Systems, Inc.	1.9	2.4	Information Technology
AXA SA	1.8	5.0	Financials
Dell Technologies	1.8	1.5	Information Technology
AbbVie, Inc.	1.8	3.4	Health Care
IBM	1.7	2.6	Information Technology
Taiwan Semiconductor Manufacturing	1.7	0.9	Information Technology
Hewlett Packard Enterprise Co.	1.6	2.5	Information Technology
BAWAG Group AG	1.6	5.0	Financials
<b>Total</b>	<b>19.1</b>		

The data presented in these tables and graphs is unaudited and may change at any time. The data is shown for informational purposes only and is not indicative of any future portfolio characteristics.

## Manager Commentary

## Portfolio Review

For the month, the Fund posted a return of 1.71% while the broad market returned 3.12% as measured by the MSCI World Ex-Australia Index in \$A, net dividends reinvested\*. The MSCI World ex-Australia High Dividend Yield NR returned 1.08% for the month\*.

Absolute return was positive, with the largest gains coming from information technology and financials. Within information technology, AI exposed names in the technology hardware and software industries were the primary drivers of return. Strength in capital markets holdings was the primary driver of return in financials.

On a relative basis, the Fund finished behind the broad market benchmark, although it outperformed the MSCI World High Dividend Yield Index, which was negative for the month. Information technology was the largest driver of underperformance, mostly due to stock selection. Negative stock selection was primarily due to having no position in NVIDIA as the company posted an outsized return for the month driven by its dominant position in the AI landscape. An underweight allocation to the sector detracted as well, as the sector was the strongest performer in the benchmark for the month.

Among the largest individual contributors to return were Broadcom and Microsoft. Broadcom is a designer and manufacturer of digital and analog semiconductors focused on connectivity. It also develops and maintains software for mainframe applications. Shares outperformed on bullish prospects for AI demand during the month. An increased forecast from Google on capex spend reinforced the belief that AI spending remains strong. Broadcom returns cash to shareholders via an attractive dividend with a target of paying out 50% of free cash flow. The balance of cash generation is used to fund debt reduction, share repurchases, and/or accretive M&A. Microsoft is a global software company for enterprises and consumers. Shares outperformed on solid earnings results which delivered stronger than expected Azure results as clients embrace their cloud product and AI solutions. Management is dedicated to shareholder returns through continued improvements to its dividend and share repurchase plans.

Among the largest detractors were IBM and Texas Instruments. IBM is a leading provider of software solutions, consulting, application management, servers, and storage systems. Shares underperformed on earnings, which saw weakness in their transaction processing software sales. This software has a high follow-on attach rate to their mainframe sales, which were very strong during the quarter. Overall earning results were solid, and we expect transaction processing to improve as we exit the year, confirming their mid-single digit growth rate for the year. The company pays a well-covered, growing dividend. Texas Instruments (TI) is a large analog and embedded processor manufacturer. Shares were pressured on earnings results which put into question the slope of the analog recovery. The ongoing

tariff negotiations have created near term ambiguity around what is true end demand versus pull forward. Inventories however remain low and demand increasing albeit at an uncertain pace. As tariff agreements are signed, we should see purchasing patterns solidify and a return to the growth trajectory the industry was on prior to the start of the US tariff impositions. The company returns all of its free cash flow to shareholders through its dividend, share repurchase program and debt reduction.

A new position was initiated in INWIT. INWIT is the largest telecom tower operator in Italy. The firm operates in a maturing cellular market with long term contracts which include escalator causes. Growth is driven by tower expansion, upgrades, land acquisitions, small cells, distributed antenna systems, and solar energy installation. The company pays a progressive dividend forecasted out to 2030. The firm also periodically does share repurchases including a current program through 2026.

Positions were closed in Dow and Williams Companies. Dow is a diversified global producer of chemicals serving a wide variety of industries and geographic regions. With a prolonged petrochemical down cycle and tariff uncertainties, Dow's ability to cover dividend with free cash flow was challenged. We exited the position with the concern of a potential dividend reduction. Subsequently, Dow cut its dividend by half when it announced second quarter earnings. Williams is a midstream energy company that provides natural gas gathering, processing, transportation and storage services, natural gas liquid (NGL) fractionation, transportation and storage, and marketing services to customers in North America. The company generates stable and strong cash flow from mostly fee-based contracts, with cash flow growth driven by a pipeline of new projects and bolt-on acquisitions. Williams rewards its shareholders with an attractive and growing dividend. Shares have appreciated and we exited the position to fund better shareholder yield opportunities.

Fund Disclosure

The Fund has certain regular reporting and continuous disclosure obligations pursuant to the Corporations Act. All continuous disclosure notices are available at [gsfm.com.au](http://gsfm.com.au).

See [gsfm.com.au](http://gsfm.com.au) for more information about the Epoch Global Equity Shareholder Yield (Unhedged) Fund.

Fund Facts

INVESTMENT MANAGER Epoch Investment Partners Inc.	RESPONSIBLE ENTITY GSFM Responsible Entity Services Ltd
MFUND CODE GSF02	APIR CODE GSF0002AU
INCEPTION DATE 15 May 2008	MANAGEMENT FEE 1.25% P.A.
DISTRIBUTIONS Quarterly	BUY / SELL SPREAD Buy +0.20% / Sell -0.20%

Important Information

\*All data is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI assumes no liability for or in connection with the data.

GSFM Responsible Entity Services Limited 48 129 256 104 AFSL 321517 (GRES) is the responsible entity of the Epoch Global Equity Shareholder Yield (Hedged) Fund ARSN 130 358 440 and Epoch Global Equity Shareholder Yield (Unhedged) Fund ARSN 130 358 691 (collectively, the Funds). The Funds are registered as managed investment schemes under the Corporations Act 2001 (Cth). GRES has appointed Epoch as the investment manager of each Fund. Class A Units in each Fund are available for issue by GRES, as responsible entity of the Funds. The information included in this update is provided for informational purposes only. The information contained in this update reflects, as of the date of publication, the current opinion of Epoch Investment Partners, Inc (Epoch) and is subject to change without notice. Before making an investment decision in relation to a Fund, investors should consider the appropriateness of this information, having regard to their own objectives, financial situation and needs. Prospective investors should read and consider the product disclosure statements for the Funds dated and the Additional Information to the Product Disclosure Statement which can be obtained from [www.gsfm.com.au](http://www.gsfm.com.au) or by calling 1300 133 451.

GSFM Responsible Entity Services has produced a Target Market Determination (TMD) in relation to the Epoch Global Equity Shareholder Yield Funds. The TMD sets out the class of persons who comprise the target market for the Epoch Global Equity Shareholder Yield Funds and is available at [www.gsfm.com.au](http://www.gsfm.com.au)

Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. None of GRES, its related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Funds or any particular returns from the Funds. No representation or warranty is made concerning the accuracy of any data contained in this document. This document is issued on **14 August 2025**.