

Epoch Global Equity Shareholder Yield (Unhedged)

SEPTEMBER 2023

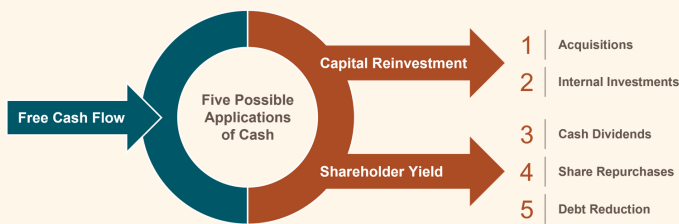
Fund Overview

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 30 September 2023

	1 month %	3 months %	1 year % pa	3 years % pa	5 years % pa	7 years % pa	10 years % pa	Since Inception [^] % pa
Distribution Return*	0.25	0.26	5.77	8.20	7.09	7.71	7.81	5.98
Growth Return	(3.61)	(1.04)	9.83	3.45	(0.74)	(0.55)	0.77	1.31
Total Return^{^^}	(3.36)	(0.78)	15.60	11.65	6.35	7.16	8.58	7.29
Benchmark^{**}	(4.00)	(0.43)	21.64	11.92	9.80	12.10	12.49	8.81

[^] Inception date: 15 May 2008

* Distribution may include income, realised capital gains, and any return of capital

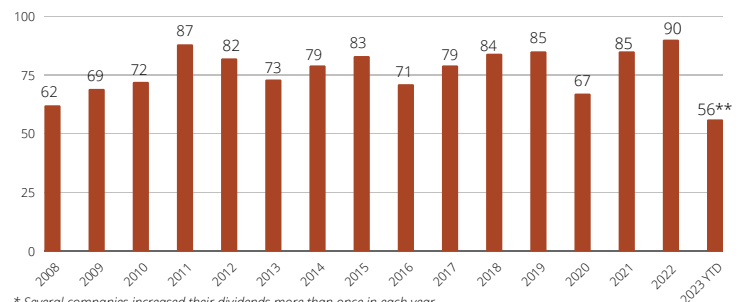
^{^^} Fund returns are calculated net of management fees and assume distributions are reinvested

^{**} MSCI World ex- Australia Index in \$A, net dividends reinvested*

Past performance is not a guide to future performance

Fund Characteristics

HOLDINGS HAVE A HISTORY OF RAISING DIVIDENDS



* Several companies increased their dividends more than once in each year
** As of 30 June 2023

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.

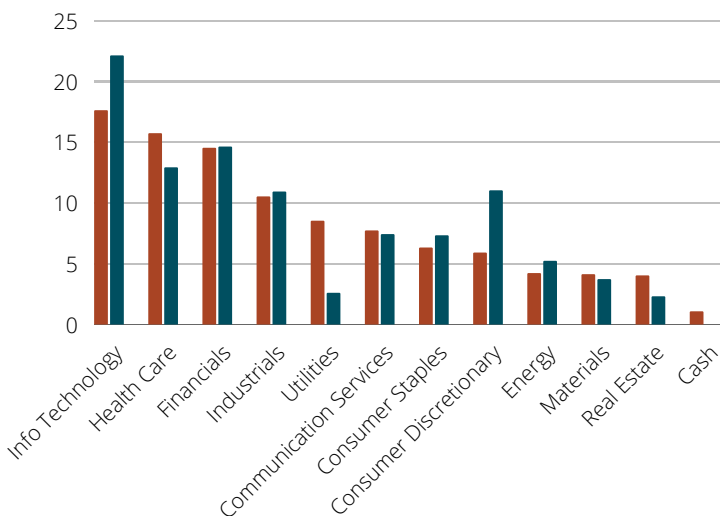
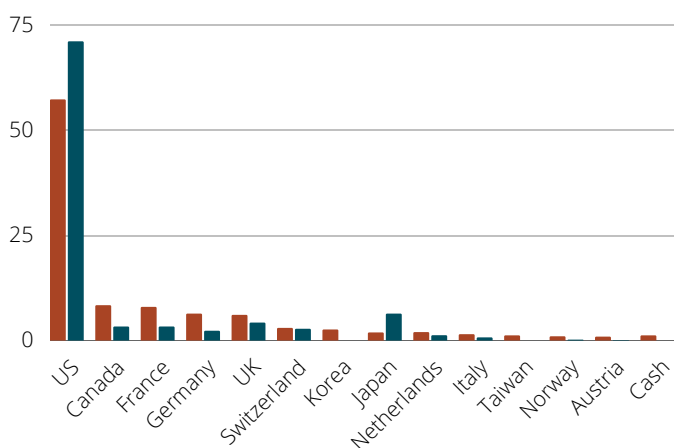
HISTORY OF PROTECTION IN DOWN MARKETS

When Market Was Negative (52 out of 182 periods)	When Market Was Down >5% (21 out of 182 periods)	Upside Participation with Protection in Down Markets in 182 rolling three month periods since the portfolio's inception.
Portfolio outperformed 73% of the time By an average of 4.10%	Portfolio outperformed 86% of the time By an average of 5.46%	Return period from 31 May 2008 to 30 September 2023. Market represented by the MSCI World ex-Australia Index in \$A, net dividends reinvested.

Source: GSFM as of 30 September 2023

PORTFOLIO CHARACTERISTICS

Characteristics	Portfolio	Index
Number of Equity Positions	105	1,451
Dividend Yield (%)	3.9	2.0
Return on Equity	22.6	21.5
Enterprise Value to EBITDA (x)	9.2	11.3
Predicted Beta	0.8	1.0
12-Month Turnover (%)	26.0	--
Active Share	78.8	--

SECTOR ALLOCATION

REGIONAL ALLOCATION

TOP 10 HOLDINGS

	Sector	Dividend Yield %
Broadcom Inc.	Information Technology	2.2
Microsoft Corporation	Information Technology	0.9
IBM	Information Technology	4.7
TotalEnergies SE	Energy	4.6
AbbVie, Inc.	Health Care	3.9
Analog Devices, Inc.	Information Technology	1.9
Iron Mountain, Inc.	Real Estate	4.2
Coca-Cola Europacific Partners	Consumer Staples	3.0
Novartis AG	Health Care	3.5
Sanofi	Health Care	3.5

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
Market Review

Global markets were volatile during the third quarter of the year, ending the period with negative return. Value indices outperformed growth indices. Energy was far and away the best performing sector, while utilities were the biggest laggard. Equities began the quarter with strength, rallying through July on the back of continued disinflation and consumer resilience supporting hopes of a soft-landing for economies.

These themes were tempered as the quarter progressed, however, as surging energy prices reignited inflationary fears and hawkish central bank messaging dampened expectations of near-term monetary easing. The Federal Reserve opted to hike rates 25bps in July but paused in September despite raising their peak rate forecasts and signaling one more hike coming in 2023. The ECB implemented two 25bps rate hikes during the quarter. Notably, the quarter saw the year-to-date mega-cap tech rally lose steam owing largely to waning AI exuberance and a big backup in bond yields.

Portfolio Review

For the quarter, the Fund posted a return of negative 0.78% and the broad market returned negative 0.43% as measured by the MSCI World Ex-Australia Index in AUD. Uncertainty was evident through much of the quarter, with markets swinging up and down throughout but ultimately declining for the period.

Absolute return was mixed across sectors, with the largest detractions coming from utilities and communication services. Electric utilities were primarily responsible for the drag on return from the utilities sector, which saw valuations broadly pressured due mainly to rising interest rates. Rising yields tend to negatively affect utilities due to a view that they act as "bond proxies", however, in contrast to bonds utility companies also have growth, often at or above mid-single digits, which offsets the rate impact. The drag on return from communication services came primarily from poorly performing diversified telecommunications names.

The largest positive contribution to relative return came from information technology. Stock selection within technology hardware storage and peripherals names was the primary driver of performance, as within the segment the fund had exposure to the top performing name in the benchmark and was underexposed to the second worst performer. Underweight allocation to the sector aided performance as well, with information technology having the second worst return in the index for the quarter. On the negative side, stock selection within some diversified telecommunications holdings that lagged for the quarter detracted the most from relative performance.

Among the largest individual contributors to return were TotalEnergies and AbbVie. TotalEnergies is a global energy company that explores and produces oil and gas, refines petroleum products, manufactures petrochemicals, and operates gas stations. It is also growing its presence in generating electricity from renewable sources. Shares outperformed along with its integrated peers due to rising oil prices, as OPEC+ decided to extend the production cut to maintain a tight market. Management remains focused on driving cash flow growth from liquified natural gas (LNG) and integrated power which includes renewables. TotalEnergies' global scale, strong balance sheet, integrated business model, capital flexibility, and cost discipline allow the company to pay a sustainable dividend through commodity price cycles and reward shareholders with buybacks using excess free cash flow.

AbbVie is a global pharmaceutical company that develops and markets drugs in specialty therapeutic areas such as immunology, oncology, and virology, among others. Shares moved higher following a positive second quarter earnings report which showed well-balanced growth across multiple therapeutic areas. In particular, the strong sales performance for AbbVie's new immunology drugs Skyrizi and Rinvoq helped to alleviate concerns around biosimilar competition for blockbuster Humira. AbbVie also raised earnings guidance for the year. Further support for the shares came with the announcement that the company received marketing authorization in the EU for its new blood cancer drug, as well as a debt rating upgrade from Moody's. AbbVie is committed to distributing cash to shareholders via an attractive, growing, and well-covered dividend, share repurchases, and reduction of debt related to the 2020 Allergan acquisition.

Among the largest detractors were Restaurant Brands International and Deutsche Post. Restaurant Brands (QSR) owns the Tim Hortons, Burger King, Popeye's Louisiana Kitchen, and Firehouse Subs quick service restaurant chains. They also own the supply chain business for their Canadian Tim Hortons locations. Effectively all their 28,000 restaurants are operated by franchisees who pay royalties to the parent company. Shares underperformed after the company reported its second quarter results in early August. Topline trends were encouraging and management reiterated plans to reinvest in operational improvements at Burger King and the smaller brands; however, management has so far spent only a small portion of the dollars earmarked for the reinvestment campaign, which stoked fears that the company's acceleration in profitability may happen along an extended timeline. Looking ahead, there is no change in expectation that QSR can benefit from improving performance at Tim Hortons and Burger King. The company has a well-covered dividend and is focused on returning cash to shareholders. Deutsche Post is one of the world's largest package delivery companies. Shares were pressured due to worries on volume declines in the Express business. The company has shown the ability to dynamically flex capacity to match market conditions keeping margins steady. Volumes which were elevated during the pandemic are lower but have begun to stabilize. The company pays an attractive, growing dividend along with a share repurchase program.

New positions were opened in Williams Companies and McDonald's. 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. Cash flow growth is driven by a pipeline of attractive new projects and could be boosted by bolt-on acquisitions. Williams rewards its shareholders with an attractive and growing dividend. McDonald's is a leading global fast-food company. Cash flows are sustained by the company's franchised business model, which is characterized by limited exposure to commodity and labor costs as well as low capital intensity as franchisees primarily bear these costs. Cash flow growth drivers include guest count, price/mix, and net unit growth, as well as operating leverage on fixed costs and reduction in capital expenditures. McDonald's returns capital to shareholders via an attractive and consistently growing dividend, as well as through regular share repurchases.

Positions were closed in W. P. Carey and Leggett & Platt. W.P. Carey is a real estate investment trust that owns a portfolio of commercial real estate leased to a broadly diverse group of tenants spanning multiple, and geographic regions. Recently, shares fell on news that the company will completely divest its office property portfolio over the next few months. The announcement took the market by surprise and was met with some skepticism that the move will achieve management's goal of a material re-rating of the company's cost of equity. The office portfolio was not that large and had been performing well in terms of occupancy and rent collection, and management had previously expressed confidence in the quality of its office properties. With a smaller property portfolio, a challenging growth outlook near-term, and an expectation that the dividend would be re-based to reflect the company's somewhat smaller scale, we chose to exit the position. Leggett & Platt is a diversified manufacturer of engineered components used in consumer products and industrial applications; its most significant end markets are bedding and automobiles. The company works to sustain its cash flows through long-term contracts with price escalators and use of its steel mill's excess capacity to sell lower value-added product to less-strategic customers. Growth opportunities are from higher volume, content gains and new program wins. Leggett returns cash to shareholders via a mix of a stable dividend and share repurchases. The position was closed to fund other opportunities.

Outlook

The global macroeconomic and market environment remains challenging in a dynamic world of ongoing uncertainty. While we are likely approaching the end of one of the Fed's most aggressive rate-hiking cycles in decades, we expect rates will remain elevated for some time. Despite easing inflation there is still a way to go to reach central bank target levels, and central bankers have repeatedly made clear that they will continue tightening until inflation is tamed, regardless of recession risk. The war in Ukraine continues with no resolution in sight, further dragging on global growth and wreaking havoc on the Eurozone. The U.S. budget deficit is set to continue ballooning as the government's interest bill rises, with little ideation from infighting political leaders on how to shrink the shortfall. We're also on the precipice of a U.S. presidential election year, which is often another catalyst for heightened volatility in markets. While the economy has remained surprisingly resilient in the face of aggressive monetary tightening and flashing signals for slowing growth, we still view a recession of uncertain magnitude and length as a near term likelihood. The historically lagged effects of tightening along with eroding supports that have served to dampen policy effects (i.e., excess savings and strong profit margins) imply that the worst pressures remain ahead of us.

In this environment, shareholder distributions should be the most reliable, and perhaps most significant component of returns for the foreseeable future. While earnings will likely be pressured by the current macroeconomic backdrop, companies that are characteristic of the shareholder yield portfolio, those with a track record of maintaining and growing cash flow through economic cycles, with strong market positions, pricing power, and the ability to defend margins, should prove capable of maintaining earnings and cash flow growth despite the volatile environment. Corporate balance sheets continue to reflect high liquidity levels which further supports our positive outlook on dividends and share repurchase capability.

We remain focused on those companies that can generate free cash flow and have managements that have proven they can allocate cash effectively. The highly uncertain environment argues in favor of the shareholder yield approach: a diversified portfolio of high-quality companies with attractive dividend income, lower-than-market volatility, good upside participation and demonstrated downside protection.

Distributions

The Fund aims to pay distributions on a quarterly basis. A distribution of 0.3214 cents per unit will be paid for the quarter ended 30 September 2023.

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.

See gsfm.com.au for more information about the Epoch Global Equity Shareholder Yield (Unhedged) Fund.

FUND FACTS
RESPONSIBLE ENTITY

GSFM Responsible Entity Services Ltd

INVESTMENT MANAGER

Epoch Investment Partners Inc.

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

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