

# Australian Ethical International Shares Fund (Wholesale)

Australian Ethical



Fund Profile - 31 December 2021

Australian Ethical is one of Australia's leading ethical fund managers. By investing responsibly in well-managed ethical companies, we deliver competitive financial performance to our clients and positive change to society and the environment. Since our inception in 1986, our Ethical Charter has guided all investment decisions and underpinned our business practices. Every year 10 per cent of our profits\* are distributed to charitable organisations and social impact initiatives through The Australian Ethical Foundation.

## Investment objective

To provide long-term growth through investment in international companies which meet the Australian Ethical Charter.

## Price information

Pricing frequency: Daily

Buy/Sell spread: 0.05%/0.05%

## Fund facts

Fund size: \$101.19m

Benchmark: Australian Ethical International Shares Composite

Asset class: Equity

Inception date: 30/06/2015

Minimum investment timeframe: 7 Years

Risk level: High

## Identifiers

ISIN code: AU60AUG00259

APIR code: AUG0025AU

## Distributions

Frequency: 2

Dates: 30/06, 31/12

## Fees

Management costs - PDS: 0.59%

Minimum initial investment: \$25,000

Additional transactional and operational costs: 0.02%

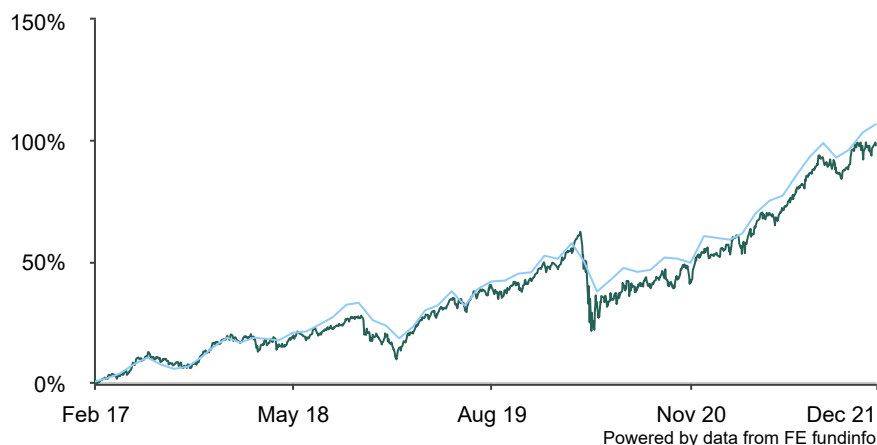
A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund's Product Disclosure Statements available from our website [australianethical.com.au](http://australianethical.com.au)

\*(after tax, before bonus expense)

## Investment strategy

The opportunity to invest in a diversified portfolio of companies listed on international stock exchanges, which meet the Australian Ethical Charter.

## Cumulative performance (as at 31/12/2021)



■ Australian Ethical International Shares  
■ Benchmark

## Performance (as at 31/12/2021)

	1m	3m	6m	1y	3y	5y	10y	Since inception
Fund	1.7%	6.1%	10.7%	29.9%	20.2%	14.2%	-	12.3%
Benchmark	1.7%	7.2%	11.5%	29.6%	20.6%	15.1%	-	13.0%

## Calendar Performance (as at end 2021)

	CY2021	CY2020	CY2019	CY2018	CY2017
Fund	29.9%	3.9%	28.6%	-1.7%	13.6%
Benchmark	29.6%	5.7%	28.0%	1.5%	13.4%

Source: FE fundinfo.

Total returns are calculated using the sell (exit) price, net of management fees and gross of tax as if distributions of income have been reinvested at the actual distribution reinvestment price. The actual returns received by an investor will depend on the timing, buy and exit prices of individual transactions. Return of capital and the performance of your investment in the fund are not guaranteed. Past performance is not a reliable indicator of future performance. Figures showing a period of less than one year have not been adjusted to show an annual total return. Figures for periods of greater than one year are on a per annum compound basis. The current benchmark may not have been the benchmark over all periods shown in the above chart and tables. The calculation of the benchmark performance links the performance of previous benchmarks and the current benchmark over the relevant time periods.

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Ethical



## Top 10

MICROSOFT CORP	4.5%
ALPHABET INC-CL A	3.3%
PRUDENTIAL FINANCIAL INC	2.0%
ACCENTURE PLC	1.8%
TESLA INC	1.7%
AT&T INC	1.6%
META PLATFORMS INC	1.6%
NVIDIA CORPORATION	1.3%
INTESA SANPAOLO	1.2%
BROADCOM INC	1.2%

## Ratings and awards

RIAA

Certification:



CERTIFIED BY RIAA

## Why invest ethically?

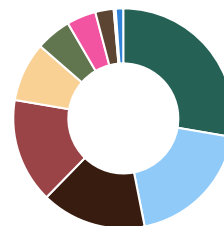
**Portfolio diversification:** Diversify your portfolio by investing in companies and sectors not well covered by other fund managers and brokers. Help build a better world: Invest in the new, low - carbon economy, fund medical and technology breakthroughs, efficient transport and more.  
**Promote human rights:** We strive to avoid any investment in companies involved in the poor treatment of asylum seekers or the exploitation of workers through poor working conditions.

## Need Help?

Contact us Monday-Friday on:  
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**F** 02 9252 1987  
**E** [investors@australianethical.com.au](mailto:investors@australianethical.com.au)  
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GPO Box 3993  
Sydney NSW 2001

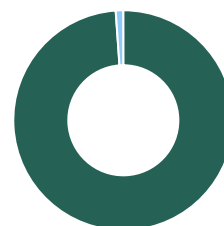
## Sector allocation

Information Technology	27.7%
Financials	19.2%
Industrials	15.4%
Communication Services	15.4%
Health Care	8.7%
Consumer Discretionary	5.2%
Real Estate	4.3%
Utilities	2.7%
Consumer Staples	0.3%
Other	1.1%



## Asset allocation

International Shares	98.9%
Cash	1.1%



## Commentary

There has been no shortage of headlines through the quarter which induced volatility into asset prices. Concerns about rising inflation, the rapid spread of a new variant of COVID, and the escalation of geopolitical tensions as the threat of a Russian invasion of the Ukraine appeared to become more imminent. These headlines were reflected in asset prices, and the VIX (a market measure of uncertainty) exceeded 28 in late November – compared to a long run median of 17, and a post emergence covid median of 23. While uncertainty was high as supportive economic data continued and as fears of widespread global lockdowns eased – the VIX declined back below 20 and equities actually ended the quarter on a positive note and long-term yields on Australian government bonds after exceeding 2% at the end of October were basically unchanged by the end of the quarter.

The International Shares Fund appreciated 6.0% (6.1% Wholesale) over the December quarter versus its benchmark (MSCI ex Australia) which increased 7.2%, resulting in underperformance of 1.2% (1.1% Wholesale). The sectors positively contributing to the Fund's performance were Financials, IT and Real Estate, sectors where the Fund has overweight positions. In Financials, stock selection was the key input into outperformance whereas for IT, the driver was sector weight. Consumer Discretionary is a substantial underweight position but provided the most positive attribution as the stocks held significantly outperformed in the sector.

The sectors which detracted from performance were Consumer Staples and Materials. The Fund is substantially underweight both these sectors due to our ethical selection process. The Consumer Staples sector outperformed its benchmark, as did the Materials sector. The Fund has zero holding in the Materials sector which contains many of the global chemicals companies. The Energy sector is another where the Fund has zero weighting, and the sector outperformed its benchmark.

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