

Australian Ethical Balanced Fund (Wholesale)

Fund Profile - 30 June 2023

Australian
Ethical



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 investors with a balance between capital growth and a moderate level of income through a diversified portfolio of assets that supports the Australian Ethical Charter.

Price information

Pricing frequency: Daily

Buy/Sell spread: 0.10%/0.10%

Fund facts

Fund size: \$275.69m

Benchmark: Australian Ethical Balanced Composite

Asset class: Mixed Asset

Inception date: 28/03/2018

Minimum investment timeframe: 5 years

Risk level: Medium-High

Identifiers

ISIN code: AU60AUG00176

APIR code: AUG0017AU

Distributions

Frequency: 2

Dates: 30/06, 31/12

Fees

Management costs - PDS: 0.86%

Minimum initial investment: \$25,000 minimum in the Fund and \$200,000 investment across Australian Ethical's managed funds.

Additional transactional and operational costs: 0.02%

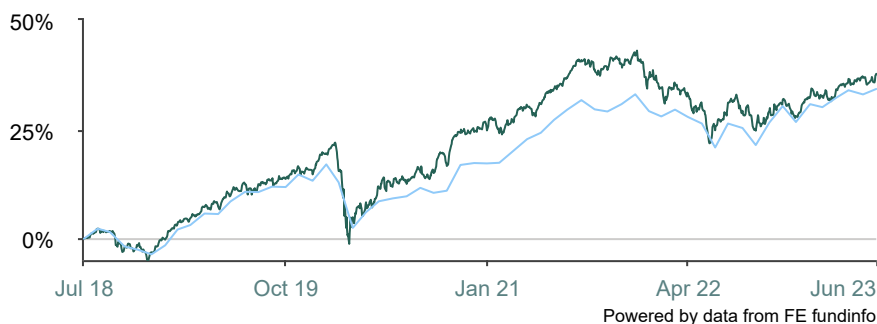
A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund's Product Disclosure Statements available from our website australianethical.com.au

*(after tax, before bonus expense)

Investment strategy

The opportunity to invest in a diversified portfolio of asset types and markets to reduce the volatility of returns. Asset classes include Australian and international shares, property and fixed income securities.

Cumulative performance (as at 30/06/2023)



■ Australian Ethical Balanced
■ Benchmark

Performance (as at 30/06/2023)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	0.7%	2.6%	7.6%	10.4%	7.0%	6.9%	-	7.1%
Benchmark	0.9%	1.5%	6.0%	11.1%	7.1%	6.3%	-	6.9%

Calendar Performance (as at end 2022)

	CY2022	CY2021	CY2020	CY2019	CY2018
Fund	-9.8%	14.0%	8.5%	18.4%	-
Benchmark	-4.8%	13.4%	3.6%	17.4%	-

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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Top 10

DEXUS HEALTHCARE PROPERTY FUND ORDINARY UNITS	4.2%
INVESTA PROPERTY GROUP	2.8%
APPLE INC	1.6%
MICROSOFT CORP	1.2%
U/K REPO FV 42-3M UST FTF 150842 MTY 05/07/23	1.1%
U/K REPO FV 41-6M US TREAS 3-25 0542 MTY 03/07/23	1.1%
DEXUS WHOLESALE PROPERTY FUND	0.9%
WESTPAC BANKING CORPORATION ORD F/PD SHARES	0.9%
ALPHABET INC-CL A	0.7%
TELSTRA GROUP LIMITED	0.7%

Ratings and awards

RIAA

Certification:



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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Australian Ethical Investment Ltd

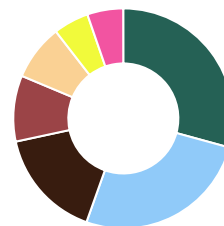
c/o Boardroom Pty Ltd

GPO Box 3993

Sydney NSW 2001

Asset allocation

Australian & NZ Shares	29.3%
International Shares	26.2%
Australian Fixed Interest	16.2%
Property	9.7%
International Fixed Interest	8.2%
Alternative Assets	5.2%
Cash, FRN's and short duration fixed interest	5.3%



Commentary

Global equity markets posted another strong quarter, with the MSCI World up 7.0% in the 3-months to the end of June, driven largely by the US, where the S&P 500 was up 8.7%, and Japan, where the TOPIX was up 14.5%. Despite persistent inflation, further increases in interest rates, and a minor banking crisis, the economy remained resilient. GDP growth has remained positive and unemployment remains near all time low in much of the developed world. The artificial intelligence excitement following the introduction of ChatGPT provided a further boon to equity markets, particularly technology stocks. Sentiment in fixed income markets did not match equity markets, with the MOVE index, a measure of volatility expectations on US Treasury bonds, reaching its highest levels since the 2008 global financial crisis. The Balanced Fund (Wholesale) returned 2.6% over the quarter, outperforming its SAA weighted benchmark by 1.1%. The absolute performance was driven by the international equities portfolio which returned 7.5%. The information technology sector accounted for the majority of the return, up 14.3% for the quarter. Outperformance in domestic equities drove the majority of the portfolio's relative performance, up 5.0% over the quarter, against the benchmark S&P ASX 200 return of 1.0%. Our Materials and Information Technology sector holdings were the main contributors, up 15.1% and 12.7% respectively.

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