

Australian Ethical International Shares Fund (Wholesale)

Australian Ethical



Fund Profile - 30 September 2023

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: \$97.11m

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

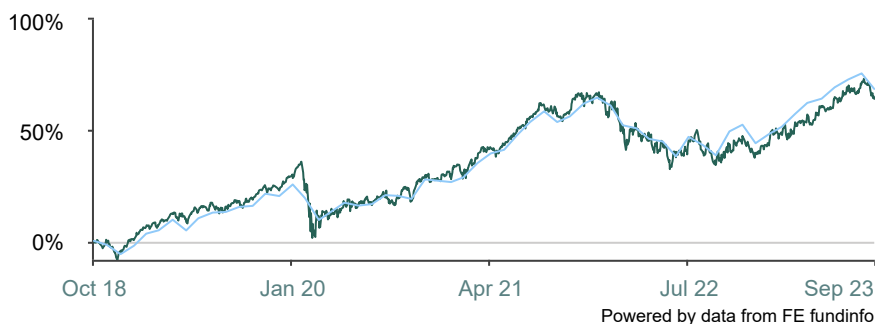
*(after tax, before bonus expense)

**The Benchmark was the MSCI Global Climate index from inception to 1 July 2016 and is the MSCI World ex Australia index thereafter.

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 30/09/2023)



■ Australian Ethical International Shares
■ Composite Benchmark**

Performance (as at 30/09/2023)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	-4.1%	-0.5%	6.9%	22.1%	11.3%	9.2%	-	9.5%
Composite Benchmark**	-4.0%	-0.4%	7.2%	21.6%	11.9%	9.8%	-	10.4%

Calendar Performance (as at end 2022)

	CY2022	CY2021	CY2020	CY2019	CY2018
Fund	-16.1%	29.9%	3.9%	28.6%	-1.7%
Composite Benchmark**	-12.5%	29.6%	5.7%	28.0%	1.5%

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.

Australian Ethical International Shares Fund (Wholesale)

Fund Profile - 30 September 2023

Australian
Ethical



Top 10

APPLE INC	5.4%
MICROSOFT CORP	4.3%
ALPHABET INC-CL A	3.0%
NVIDIA CORPORATION	2.0%
MASTERCARD INC CLASS A	1.4%
TESLA INC	1.4%
VISA INCORPORATED CLASS A SHARES	1.4%
META PLATFORMS INC	1.3%
CISCO SYSTEMS INC	1.2%
ACCENTURE PLC	1.1%

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:

T 1800 021 227

F 02 9252 1987

E investors@australianethical.com.au

W australianethical.com.au

Australian Ethical Investment Ltd

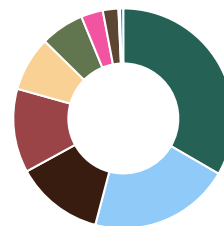
c/o Boardroom Pty Ltd

GPO Box 3993

Sydney NSW 2001

Sector allocation

Information Technology	33.3%
Financials	20.7%
Industrials	12.9%
Communication Services	12.3%
Real Estate	8.0%
Health Care	6.4%
Consumer Discretionary	3.2%
Utilities	2.3%
Consumer Staples	0.2%
Other	0.5%



Asset allocation

International Shares	99.5%
Cash	0.5%



Commentary

Both equity and bond markets fell over the quarter. Underpinning these declines was a move higher in the yield curve, with the US 10-year government bond yield increasing 76bps, exceeding 15 year highs. With inflation remaining stubbornly above the Fed's target of 2-3%, unemployment still below 4% and the oil price on the rise again, markets are repositioning for rates to remain relatively high compared to recent history over the longer term.

The International Shares Fund performed marginally behind the MSCI World ex Australia benchmark, with the Wholesale option declining 0.5% over the September quarter, compared to the benchmark of -0.4%. The Retail Trust declined 0.6% over the September quarter.

At a sector level, Technology was the strongest contributor in the September quarter, which is a consistent trend seen this calendar year. Notably, the International Share Fund owns 6 of the "Magnificent 7", which have been the main driver for the sharemarket gains this calendar year. The 6 that we own are: Apple, Alphabet, Meta, Microsoft, Nvidia and Tesla. The one we don't own is Amazon, due to our Ethical screen.

The main sector detractor was the Energy sector. The Fund does not own have any exposure to Energy stocks, which is 4.8% of the benchmark index. This is due to our Ethical screen. We led divestment from the unconventional gas sector in 2011, and in 2015 we made the decision to exit our remaining limited exposure to conventional gas sector companies.

Australian Ethical Investment Ltd (ABN 47 003 188 930, AFSL 229949) is the Responsible Entity of the Australian Ethical managed funds. This information is of a general nature and is not intended to provide you with financial advice or take into account your personal objectives, financial situation or needs. Before acting on the information, consider its appropriateness to your circumstances and read the Financial Services Guide (FSG) and relevant product disclosure statement (PDS) and target market determination (TMD) available at www.australianethical.com.au/managedfunds/pds. You may wish to seek independent financial advice from a licensed financial adviser before making an investment decision. The performance of your investment in the Australian Ethical is not guaranteed; past performance is not a reliable indicator of future performance. The information contained in this document is believed to be accurate at the time of compilation.

Where MSCI data is used, 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. For full MSCI and RIAA disclaimer, please see <https://www.australianethical.com.au/sources/>