

Australian Ethical International Shares Fund (Wholesale)

Fund Profile - 30 September 2021

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 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: \$93.88m

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)

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 30/09/2021)



■ Australian Ethical International Shares

■ Benchmark

Performance (as at 30/09/2021)

	1m	3m	6m	1y	3y	5y	10y	Since inception
Fund	-3.0%	4.4%	13.6%	31.2%	13.9%	13.8%	-	11.8%
Benchmark	-3.0%	4.0%	13.7%	27.8%	13.3%	15.2%	-	12.3%

Calendar Performance (as at end 2020)

	CY2020	CY2019	CY2018	CY2017	CY2016
Fund	3.9%	28.6%	-1.7%	13.6%	3.9%
Benchmark	5.7%	28.0%	1.5%	13.4%	5.9%

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

MICROSOFT CORP	4.7%
ALPHABET INC-CL A	3.4%
PRUDENTIAL FINANCIAL INC	1.9%
FACEBOOK INC-A	1.6%
XYLEM INC-W/I	1.6%
VISA INCORPORATED CLASS A SHARES	1.5%
INTESA SANPAOLO	1.5%
AT&T INC	1.4%
ACCENTURE PLC	1.3%
TESLA INC	1.2%

Ratings and awards

RIAA rating:



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 between 9:00am-5:00pm

AEST Monday-Friday on:

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Australian Ethical Investment Ltd

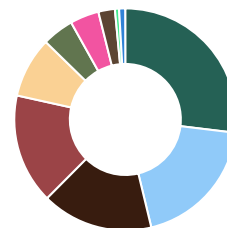
c/o Boardroom Pty Ltd

GPO Box 3993

Sydney NSW 2001

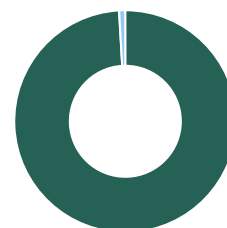
Sector allocation

Information Technology	26.9%
Financials	19.3%
Industrials	16.2%
Communication Services	16.0%
Health Care	8.8%
Consumer Discretionary	4.6%
Real Estate	4.2%
Utilities	2.4%
Consumer Staples	0.6%
Other	0.9%



Asset allocation

International Shares	99.1%
Cash	0.9%



Commentary

The MSCI World Index returned 0.7% (measured in local currency) over the September quarter. Despite an initial pullback in July due to the spread of the Delta variant, by early September the MSCI World was up 5.1% for the quarter. However, most of these gains were eroded through the remainder of September. US economic growth appeared to show signs of slowing, and US fiscal and monetary support slowly began to be withdrawn. In China, news that property development goliath Evergrande is on the brink of collapse, piled onto concerns around the CCP crackdown on tech companies and slowing economic growth. While most markets ended reasonably flat, Hong Kong's Hang Seng index fell 13.9% (in HKD) over the quarter.

The International Shares Fund appreciated 4.3% (Wholesale Fund: 4.4%) over the September quarter, versus its benchmark (MSCI World ex Australia) which increased 4.0% in AUD, resulting in outperformance of 0.3% (Wholesale Fund: 0.4%). The sectors contributing the most to the Fund's performance were the Financial and Communication Services, sectors where the Fund has overweight positions. In Financials, sector weight was the key input into outperformance whereas for Communication Services it was stock selection. Consumer Discretionary is a substantial underweight position but provided the most positive attribution as the stocks held significantly outperformed in the sector.

The sector which detracted most from performance was Healthcare. The Fund is substantially underweight in this sector, but it was stock selection which drove underperformance. Energy was a detractor as the sector continued to outperform in line with the higher oil price. The Fund has zero holding in this sector.

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