

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

It aims to achieve returns of 4.5% p.a. above inflation (after management costs) over the long term.

Price information

Pricing frequency: Daily

Buy/Sell spread: 0.05%/0.05%

Fund facts

Fund size: \$5.69m

Benchmark: Australian Ethical High Growth Composite

Asset class: Equity

Inception date: 18/02/2010

Minimum investment timeframe: 7 Years

Risk level: High

Identifiers

ISIN code: AU60AUG00085

APIR code: AUG0008AU

Distributions

Frequency: 2

Dates: 30/06, 31/12

Fees

Management costs - PDS: 1.39%

Minimum initial investment: \$1,000

\$500 with a Regular investor plan

Additional transactional and operational costs: 0.00%

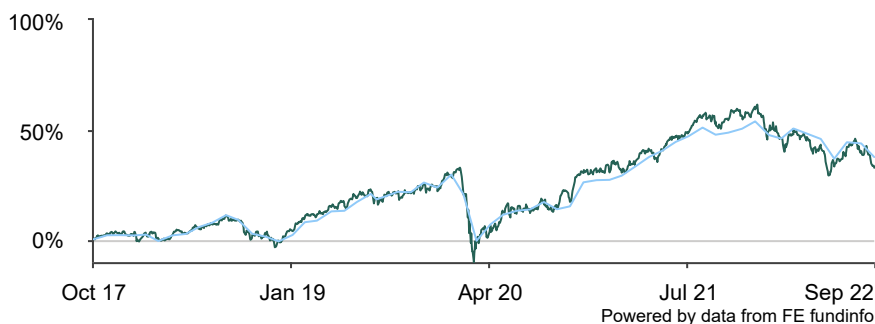
A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund's Product Disclosure Statements available from our website australianethical.com.au

*(after tax, before bonus expense)

Investment strategy

Investors seeking capital growth through an exposure to growth assets such as Australian and international shares, unlisted property and alternative assets. The Fund is suited to investors with a longer timeframe and higher risk tolerance.

Cumulative performance (as at 30/09/2022)



■ Australian Ethical High Growth

■ Benchmark

Performance (as at 30/09/2022)

| | 1m | 3m | 6m | 1y | 3y | 5y | 10y | Since inception |
|-----------|-------|-------|--------|--------|------|------|------|-----------------|
| Fund | -5.5% | -0.4% | -11.1% | -13.7% | 3.1% | 6.8% | 9.5% | 8.2% |
| Benchmark | -4.3% | 0.5% | -8.7% | -6.9% | 4.2% | 7.4% | 9.7% | 8.1% |

Calendar Performance (as at end 2021)

| | CY2021 | CY2020 | CY2019 | CY2018 | CY2017 |
|-----------|--------|--------|--------|--------|--------|
| Fund | 22.0% | 7.1% | 22.7% | -3.1% | 12.0% |
| Benchmark | 21.1% | 2.7% | 24.7% | -2.8% | 10.2% |

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.

Top 10

| | |
|---|------|
| DEXUS HEALTHCARE PROPERTY FUND ORDINARY UNITS | 2.9% |
| INVESTA PROPERTY GROUP | 2.8% |
| APPLE INC | 2.0% |
| MICROSOFT CORP | 1.6% |
| WESTPAC BANKING CORPORATION ORD F/PD SHARES | 1.3% |
| CSL LIMITED | 1.2% |
| NATIONAL AUSTRALIA BANK | 1.2% |
| ALPHABET INC-CL A | 1.1% |
| TELSTRA CORPORATION LTD | 1.1% |
| PILBARA MINERALS LTD | 1.0% |

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.

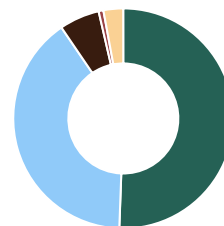
Promote human rights: We strive to avoid any investment in companies involved in the poor treatment of asylum seekers or the exploitation of workers through poor working conditions.

Need Help?

Contact us Monday-Friday on:
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

Asset allocation

| | |
|------------------------|-------|
| Australian & NZ Shares | 50.6% |
| International Shares | 39.9% |
| Property | 5.9% |
| Alternative Assets | 0.7% |
| Cash | 2.9% |



Commentary

The MSCI World ex AU index finished the quarter down 4.4% as pent-up demand, ongoing impacts from COVID-19, and the conflict in Ukraine continues to put pressure on inflation. In the US YoY CPI rose to 9.1% in August. In Australia June CPI rose to 6.1% YoY, the highest annual change in over 30 years. The global economy faces a bleak outlook, with Europe facing a looming energy crisis, most developed market Central Banks rapidly raising rates to tackle inflation, while in China the People's Bank of China has been loosening policy as its economy slows to its lowest rate of growth in decades, driven by an ongoing property crisis and continued lockdowns as part of its zero-COVID policy.

The High Growth Fund returned -0.4% (-0.3% Wholesale) over the September quarter, underperforming its SAA weighted benchmark which returned 0.5%. Both the absolute and relative performance was driven by our international equities portfolio, which fell 2.2% against its MSCI World Index ex AU benchmark return of 0.3%. This was partially offset by positive absolute and relative performance in our domestic equities portfolio, which rose 1.3% against the benchmark, the S&P/ASX 200, return of 0.4%. The largest detractor was the Communication Services sector within the international equities portfolio, due to both underperformance and an overweight position in the sector. The largest contributor was the Materials sector in the domestic equities portfolio which appreciated 22.5%. Pilbara Minerals accounted for half of the total contribution, appreciated 99% over the quarter, benefiting from rising lithium prices, and positive sentiment around future demand for EVs and battery technology.

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