

# Australian Ethical Australian Shares Fund (Wholesale)

Fund Profile - 30 June 2024

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 focusing on Australian companies that meet the Australian Ethical Charter. The Fund aims to significantly exceed the return of the blended index after taking into account management costs over a 7 year period.

## Price information

Pricing frequency: Daily

Buy/Sell spread: 0.15%/0.15%

## Fund facts

Fund size: \$713.95m

Asset class: Equity

Inception date: 23/01/2012

Minimum investment timeframe: 7 Years

Risk level: Very high

## Identifiers

ISIN code: AU60AUG00184

APIR code: AUG0018AU

## Distributions

Frequency: 2

Dates: 30/06, 31/12

## Fees

Management costs - PDS: 1.10%

Minimum initial investment: \$25,000

minimum in the Fund and

\$500,000 investment across

Australian Ethical's managed

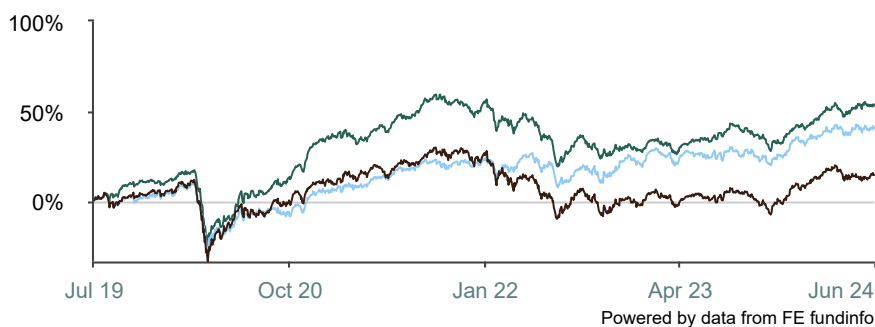
funds.

Additional transactional and operational costs: 0.00%

## Investment strategy

The opportunity to invest in a diversified share portfolio of companies predominately listed on the ASX and selected on the basis of their social, environmental and financial credentials. The Fund utilises an active stock-picking management style with stocks generally selected for growth rather than income, with a bias towards smaller capitalisation stocks listed on the ASX. All stocks are chosen on the basis of relative value where we deem the risks are being adequately priced.

## Cumulative performance (as at 30/06/2024)



■ Australian Ethical Australian Shares

■ Composite Benchmark\*\*

■ S&P/ASX Small Indust.

## Performance (as at 30/06/2024)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	0.2%	-0.6%	8.0%	11.5%	1.5%	9.1%	11.1%	12.4%
Composite Benchmark**	0.9%	-1.2%	4.2%	11.9%	6.1%	7.2%	8.8%	9.7%
S&P/ASX Small Indust.	1.4%	-4.5%	4.6%	12.4%	-2.2%	2.9%	6.6%	7.9%

## Calendar Performance (as at end 2023)

	CY2023	CY2022	CY2021	CY2020	CY2019
Fund	11.0%	-17.1%	15.0%	21.0%	28.1%
Composite Benchmark**	12.1%	-1.8%	17.5%	1.7%	22.5%
S&P/ASX Small Indust.	11.4%	-21.8%	13.7%	5.9%	24.5%

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.

\*(after tax, before bonus expense)

\*\*The Benchmark was the composite S&P/ASX Small Industrials Accumulation Index from inception until 12 August 2019 and is the S&P/ASX 300 Accumulation Index thereafter.

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## Top 10

SUNCORP GROUP LIMITED	4.1%
INSURANCE AUSTRALIA GROUP LTD	3.9%
CONTACT ENERGY LTD	3.7%
WESTPAC BANKING CORPORATION ORD F/PD SHARES	3.4%
NATIONAL AUSTRALIA BANK	3.3%
BENDIGO AND ADELAIDE BANK LIMITED	3.2%
NUIX LTD	3.0%
QUBE HOLDINGS LTD	2.9%
BANK OF QUEENSLAND LIMITED	2.8%
PEXA GROUP LTD	2.8%

## 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](mailto:investors@australianethical.com.au)

**W** [australianethical.com.au](http://australianethical.com.au)

Australian Ethical Investment Ltd

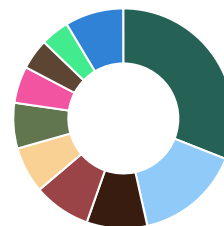
c/o Boardroom Pty Ltd

GPO Box 3993

Sydney NSW 2001

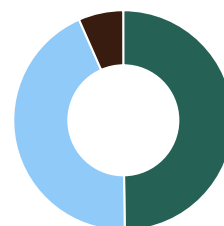
## Sector allocation

Financials	31.0%
Health Care	15.5%
Information Technology	8.9%
Utilities	8.4%
Industrials	6.8%
Real Estate	6.7%
Communication Services	5.4%
Materials	4.5%
Consumer Discretionary	4.2%
Other	8.6%



## Asset allocation

Australian & NZ Small Cap	49.8%
Australian & NZ Large Cap	43.6%
Cash	6.6%



## Commentary

FY24 was another positive year for equity markets, with the benchmark S&P ASX300 index gliding up to record highs. The financials sector buoyed returns, while the resource sector languished against a backdrop of weaker commodity prices.

The Australian Shares Fund (Wholesale) (the 'Fund') delivered a second consecutive year of double-digit returns. The financial year net return was 11.5% net of fees, compared to its benchmark which rose 11.6%. The Australian Shares Fund (Retail) rose 10.9% net of fees.

The Fund's investments in the Technology sector were a stand-out due to stock selection (Nuix, Gentrack, Bravura). The Financials sector also contributed to returns, due to strong performance from the general insurance sector and mortgage insurer, Helia.

The all-cap portfolio benefited from its positive tilt towards low carbon companies, with the NZ Gen-tailers performing well. Additionally, the portfolio's underweight position to Resources and Energy stocks contributed to positive relative performance.

The Healthcare sector detracted from performance due to stock specific issues. While our large-cap medical device holdings performed strongly, the fund was impacted by four existing holdings requiring capital raises priced at modest-to-steep discounts. We also divested the underperforming Healius. We continue to hold a favourable outlook over the healthcare industry as many of our stocks are now well-funded and patients return to prioritising their health.

The Fund received proceeds from consummated takeovers of Symbio, Blackmores and Limeade. We also saw takeover interest in Ansarada, Bigtincan, EROAD and Capitol Health. The Fund participated in 7 equity capital raisings.

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