

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 listed companies on Australian and international stock exchanges that meet our Ethical Criteria. The Fund aims to track the blended index, before taking into account fees and expenses over a 7 year period.

Price information

Pricing frequency:	Daily
Buy/Sell spread:	0.05%/0.05%

Fund facts

Fund size:	\$295.54m
Benchmark:	Australian Ethical Diversified Shares Composite
Asset class:	Equity
Inception date:	23/01/2012
Minimum investment timeframe:	7 Years
Risk level:	High

Identifiers

ISIN code:	AU60AUG00192
APIR code:	AUG0019AU

Distributions

Frequency:	2
Dates:	30/06, 31/12

Fees

Management costs - PDS:	0.95%
Minimum initial investment:	\$25,000
Additional transactional and operational costs:	0.00%

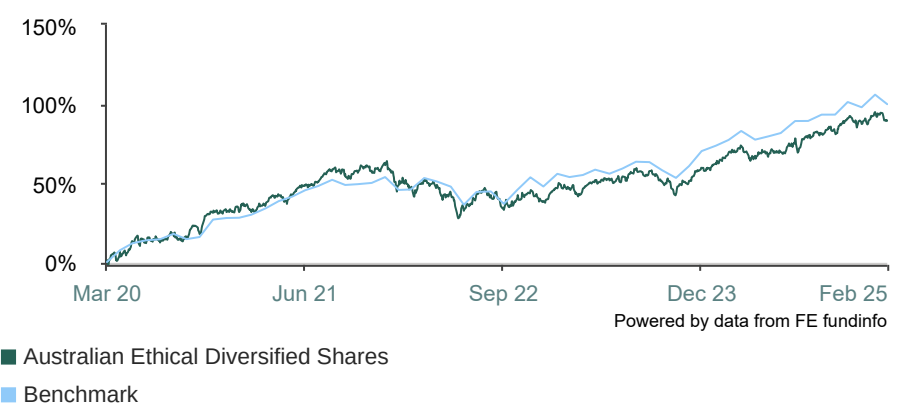
A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund’s Product Disclosure Statements available from our website australianethical.com.au

*(after tax, before bonus expense)

Investment strategy

The opportunity to invest in a diversified share portfolio of Australian and international companies on the basis of their social, environmental and financial credentials. Generally, all Australian investments will have a market capitalisation greater than the 200th ranked stock listed on the ASX. The Fund has a low level of turnover and aims to be fully invested at all times.

Cumulative performance (as at 31/03/2025)



Performance (as at 31/03/2025)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	-4.2%	-3.1%	0.0%	4.4%	6.2%	12.7%	8.0%	11.7%
Benchmark	-	1.0%	3.4%	9.2%	9.3%	14.8%	8.4%	12.4%

Calendar Performance (as at end 2024)

	CY2024	CY2023	CY2022	CY2021	CY2020
Fund	17.4%	15.1%	-14.0%	22.6%	8.2%
Benchmark	16.3%	15.1%	-3.9%	20.3%	2.7%

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 Diversified Shares Fund (Wholesale)

Fund Profile - 31 March 2025

Top 10

COMMONWEALTH BANK OF AUSTRALIA	7.8%
NATIONAL AUSTRALIA BANK	4.0%
WESTPAC BANKING CORPORATION ORD F/PD SHARES	3.8%
CSL LIMITED	3.7%
MACQUARIE GROUP LTD	3.2%
TELSTRA GROUP LIMITED	3.1%
WESFARMERS LIMITED ORD FULLY PAID SHARES	2.9%
WOOLWORTHS GROUP LIMITED	2.4%
GOODMAN GROUP	2.0%
COLES GROUP LTD	1.6%

Ratings and awards

RIAA Certification:



Why invest ethically?

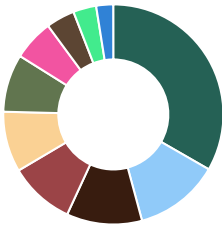
Portfolio diversification: Diversify your portfolio by investing in companies and sectors not well covered by other fund managers and brokers. Help build a better world: Invest in the new, low-carbon economy, fund medical and technology breakthroughs, efficient transport and more. Promote human rights: 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?

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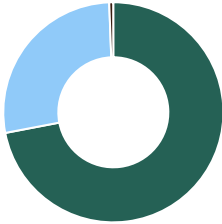
Sector allocation

Financials	33.3%
Information Technology	12.5%
Industrials	11.1%
Health Care	9.6%
Communication Services	8.9%
Real Estate	8.5%
Consumer Discretionary	6.0%
Consumer Staples	4.2%
Materials	3.4%
Other	2.5%



Asset allocation

Australian & NZ Shares	72.0%
International Shares	27.4%
Cash	0.6%



Commentary

Global and Australian equity markets had a turbulent start to 2025, with volatility rising following President Trump’s election win. Initial optimism around deregulation and tax cuts drove markets higher, but gains were reversed as aggressive tariff policies sparked inflation concerns and fears of slowing growth.

The S&P/ASX 300 and MSCI World ex-Australia indices peaked in mid-February before falling on renewed trade uncertainty. The Fund’s benchmark fell -2.73% over the March quarter. The Diversified Shares Fund (Wholesale) returned -3.10% net of fees, while the Retail class returned -3.20%.

Globally, investors rotated out of overvalued US equities into European and Asian markets, which outperformed on a relative basis. Former high-flying themes such as AI underperformed, weighed down by emerging global competition (e.g. DeepSeek) and uncertainty around returns from major capex spenders. Crowded exposures to Momentum and Size also underperformed, while Defensive and Low Volatility factors gained traction.

Domestically, the Fund’s underweight to Materials detracted, as non-held within gold miners outperformed amid geopolitical tension and rising gold prices. Technology also lagged on risk-off sentiment. In contrast, the overweight to Communication Services contributed positively, driven by Telstra’s dividend uplift and share buyback. Domain was another contributor, with the Fund exiting its position after a takeover bid. The underweight to Consumer Discretionary also added value amid weakening sentiment.

Internationally, the overweight to Information Technology detracted, with holdings impacted by sharp selloffs in names like NVIDIA (-20%) and Microsoft (-11%) due to competitive and macroeconomic concerns. Conversely, the underweight to Consumer Discretionary helped, with stocks like Amazon (not held) falling on tariff-related pressures.

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