

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 accompanied by high levels of risk through investment in overseas companies. The Fund aims to track MSCI World Index ex Australia (AUD) Net, before taking into account fees and expenses over a 3 year period.

Price information

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

Fund facts

Class size:	\$5.80m
Benchmark:	MSCI World Index ex Australia (AUD)
Asset class:	Equity
Inception date:	13/06/2007
Minimum investment timeframe:	7 Years
Risk level:	High

Identifiers

ISIN code:	AU60AUG00069
APIR code:	AUG0006AU

Distributions

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

Fees

Management costs - PDS:	0.99%
Minimum initial investment:	\$1,000 \$500 with a Regular investor plan
Additional transactional and operational costs:	0.01%

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](http://australianethical.com.au)

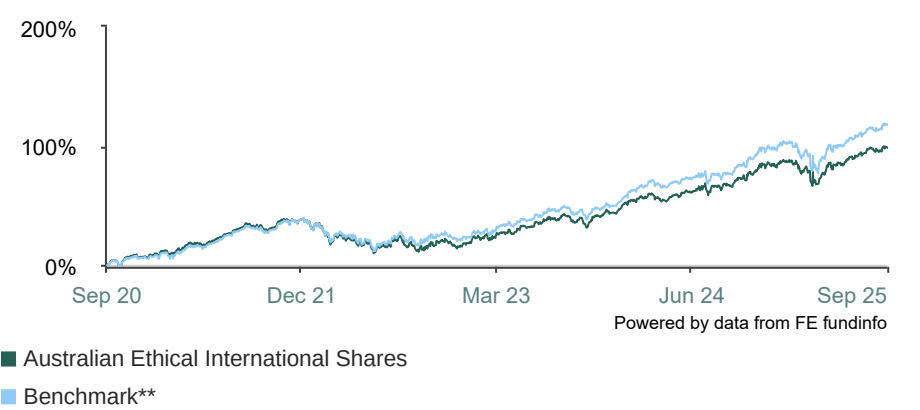
\*(after tax, before bonus expense)

\*\*The Benchmark was the MSCI Global Climate to 30 June 2016 and is the MSCI World ex Australia from 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 30/09/2025)



Performance (as at 30/09/2025)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	1.2%	5.0%	10.7%	19.5%	21.2%	14.7%	11.1%	6.0%
Benchmark**	2.0%	6.2%	12.7%	23.6%	23.2%	16.8%	13.7%	9.7%

Calendar Performance (as at end 2024)

	CY2024	CY2023	CY2022	CY2021	CY2020
Fund	27.6%	25.2%	-16.5%	29.1%	2.9%
Benchmark**	31.8%	23.9%	-12.1%	30.1%	6.3%

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

NVIDIA CORPORATION	6.0%
MICROSOFT CORP	5.1%
APPLE INC	5.0%
ALPHABET INC-CL A	3.5%
META PLATFORMS INC	2.2%
BROADCOM INC.	2.0%
VISA INCORPORATED CLASS A SHARES	1.6%
MASTERCARD INC CLASS A	1.4%
CISCO SYSTEMS INC	1.1%
AMERICAN EXPRESS COMPANY	1.0%

Ratings and awards

RIAA Certification:



Why invest ethically?

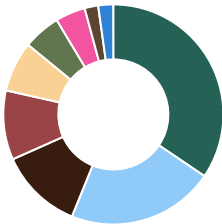
Portfolio diversification: Diversify your portfolio by investing in companies and sectors not well covered by other fund managers and brokers. Help build a better world: Invest in the new, low-carbon economy, fund medical and technology breakthroughs, efficient transport and more. Promote human rights: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

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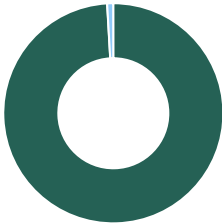
Sector allocation

Information Technology	34.5%
Financials	21.7%
Industrials	12.2%
Communication Services	10.2%
Health Care	7.4%
Real Estate	5.5%
Consumer Discretionary	4.4%
Utilities	2.0%
Other	2.2%



Asset allocation

International Shares	99.1%
Cash	0.9%



Commentary

Global equity markets delivered another strong quarter, with the MSCI World Ex Australia Index rising 6.1%, outperforming the ASX300 (+5.0%). US equities led gains, supported by resilient earnings, robust consumer demand, and accelerating AI adoption. Despite persistent geopolitical and economic headwinds, investor sentiment remained constructive, buoyed by expectations of rate cuts and deregulation.

The defining feature of the quarter was the remarkable calm in markets. Volatility remained low even as uncertainty around inflation, economic growth, and geopolitical tensions—including potential government shutdowns—grew. Equity performance appeared driven by a singular expectation: that the Federal Reserve would begin easing rates, regardless of whether inflation had been fully subdued. This narrative supported strength across global developed markets.

Momentum factors continued to dominate market leadership. AI-related stocks, now comprising over 40% of the S&P 500's market cap, were key contributors to both performance and risk. However, elevated valuations and crowding in high-beta names prompted caution. Under the surface, sector and factor rotations, along with low asset correlations, created pockets of volatility.

The International Shares Fund (Retail) (the "Fund") returned 5.0% net of fees over the quarter. At a sector level, stock selection in Information Technology and Financials negatively impacted relative performance, while our underweight exposure to Consumer Staples and our overweight exposure to Communication Services assisted performance. The performance of the "Magnificent 7" was mixed with Alphabet, Apple, NVIDIA and Tesla (not held) outperforming the benchmark, while Meta, Microsoft and Amazon (not held) posted below-benchmark returns. Alphabet's share price rose 14% in September alone, and over 35% for the quarter overall, marking its best quarterly performance since 2005. The company's share price surged due to strong earnings growth, momentum in AI products like Gemini, a favorable antitrust ruling, and increased investor returns through dividends and buybacks.

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