Fund Profile - 30/09/2025



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

The Fund aims to deliver returns of 2-3% above the RBA cash rate per annum (after fees and expenses) over 5-year periods.

Investment strategy

To provide exposure to a diversified range of loans to renewable energy projects (such as solar, wind, and battery assets), as well as loans for social infrastructure (such as schools and hospitals) and property projects with a social or environmental benefit (such as social housing). The Fund invests predominately in Australia but may also invest in foreign assets over time. These loans are typically privately originated and illiquid in nature.

Fund facts

Fund size:	\$30.79m
Benchmark:	RBA Cash Rate
Asset class:	Infrastructure Debt
Inception date:	01/02/2024
Minimum investment timeframe:	5 years
Distribution frequency:	Quaterly
Typical number of loans:	17
Risk level:	Medium
Identifiers	
ISIN code:	AU60AUG49611
APIR code:	AUG4961AU

Fees

Management costs:	0.85%
Minimum initial investment:	\$100,000

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 Information

Memorandum available from our website

https://www.australianethical.com.au/managed-funds/investment-options/infrastructure-debt-fund

*(after tax, before bonus expense)

Performance (as at 30/09/2025)

	1m	3m	6m	1y	Since Inception (ann.)
Fund	0.5%	1.9%	3.8%	7.5%	7.5%
RBA Cashrate	0.3%	0.9%	2.2%	4.0%	4.2%
Excess Returns	0.2%	1.0%	1.6%	3.5%	3.3%

Top 10 Portfolio holdings

Loan	Weight
Yarranlea Solar Farm	13.0%
Bright Energy Investments Portfolio	9.0%
Fulham Solar Hybrid	9.0%
Prime Renewables	9.0%
RELA	8.0%
Sentient Solar Asset Fund Portfolio	8.0%
Bouldercombe Battery	7.0%
Green Square Energy Trust Portfolio	7.0%
GTL Renewables	6.0%
GGP Solar Hybrid Portfolio	5.0%

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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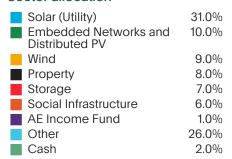


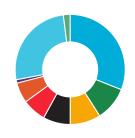
Platform availability

- Hub 24
- Netwealth

Investment	Portfolio	Duration	Effective
Statistics	Loans	(yrs)	Maturity (yrs)
Current Portfolio	17	0.5 years	3.5 years

Sector allocation





Fund and Market Commentary

The Australian Ethical Infrastructure Debt Fund (the Fund) returned 1.9% net of fees for the quarter, compared to the benchmark return of 0.9%, resulting in an outperformance of 1.0% (or 4.0% on an annualized basis). Performance was driven predominantly by income from underlying loans and securities, while the Fund's RBA Cash Rate Target benchmark fell by 25bps to 3.60%.

The Fund aims to support Australian projects that generate positive, measurable social and environmental outcomes alongside a financial return. Assets within the portfolio generated c. 247,500 megawatt hours of clean energy and helped avoid c. 125,700 tons of carbon emissions over the quarter to June-2025. This is the equivalent to powering more than c. 180,000 households over the quarter.

Average wholesale electricity prices in the National Electricity Market (NEM) fell to \$87/MWh over the quarter, reflecting the typical spring phenomenon of lower prices. Mild temperatures, sunny skies, and high rooftop solar output resulted in reduced demand from the grid, which is a seasonal pattern seen each year as we move into spring. In Queensland, operational demand (electricity drawn from the grid) hit a new record low of 2,790 MW at 11:30am AEST on 31 August – nearly 10% lower than the previous record of 3,091 MW set just two weeks earlier on 17 August. At the same time, the NEM recorded a new high for renewable penetration, with renewable generation supplying 77.19% of total demand. This increased renewable supply, combined with falling operational demand, drove down average spot prices. Spot prices for Large Generation Certificates (LGC) also continued to trend downward, trading below \$11/LGC. The decline was primarily driven by new renewable supply coming online and reduced demand from voluntary surrender participants.

Overall, the portfolio continues to perform within the expectations, with no credit downgrades or breaches of covenants to report (other than a review event – see Project Updates). All projects within the portfolio are in the operating phase, except for the Fulham Solar Hybrid project and two sub-5 MW hybrid solar farm in the Prime Renewables portfolio.

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

Fund Profile - 30/09/2025

New Investments

Prime Renewables is a portfolio of wind and hybrid solar-battery projects in Victoria established by Prime Super, a \$7.5 billion profit-to-member superannuation fund. The facility refinances five equity-funded operational wind assets and supports the acquisition of an additional five new hybrid solar-battery projects. The portfolio is diversified across generation technologies, revenue structures, and offtake counterparties, and is aligned with Victoria's 95% renewable energy target by 2035. In addition to emissions-free electricity generation, the addition of battery storage creates opportunities to capture value from FCAS and energy arbitrage markets.

National Renewable Network (NRN) is a company that provides behind-the-meter solar and battery solutions to residential customers. Residential batteries offer a cost-effective way of delivering renewable energy directly to customers. They eliminate the need for transmission while also giving energy retailers the flexibility to dispatch stored energy as needed. NRN aims to be an innovative platform that delivers energy cost savings to customers by bringing together solar installers, energy retailers, and investors. The NRN product lowers the barrier to entry requiring no upfront expenditure, enabling customers to see immediate savings on their energy bills. The purpose of the senior debt facility is to provide financing for operational residential systems within the NRN portfolio, which act as security against the facility.

Evie Networks is the owner and operator of Australia's largest electric vehicle DC fast-charging network. The company has a network of over 1,000 charging bays across more than 320 sites in all Australian states and territories. With fast-charging being a nascent sector, the loan provides further diversification and strong risk-adjusted returns.

Project Updates

A review event was triggered for one of the Fund's solar loans this quarter. The review event related to a reduction in LGC prices. The covenant was designed to provide an early warning by linking to LGC price movements. The review event was resolved within the quarter through a partial debt paydown, a top-up of cash reserves, and a commitment by the sponsor to install a co-located battery – allowing the solar farm to diversify its exposure beyond daytime energy and LGC prices.

Fund Profile - 30/09/2025

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