Australian Ethical International Shares Fund (Wholesale)

Fund Profile - 30 June 2026

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 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:	$149.66m
Benchmark:	MSCI World Index ex Australia (AUD)
Asset class:	Equity
Inception date:	30/06/2015
Minimum investment timeframe:	7 Years
Risk level:	High

Identifiers

ISIN code:	AU60AUG00259
APIR code:	AUG0025AU

Distributions

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

Fees

Management costs - PDS:	0.59%
Minimum initial investment:	$10,000
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

*(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 30/06/2026)

Performance (as at 30/06/2026)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	3.8%	15.5%	5.9%	14.7%	17.0%	12.0%	12.9%	11.8%
Benchmark**	3.1%	12.6%	5.6%	14.9%	17.8%	13.4%	14.0%	12.7%

Calendar Performance (as at end 2025)

	CY2025	CY2024	CY2023	CY2022	CY2021
Fund	11.4%	28.1%	25.7%	-16.1%	29.9%
Benchmark**	12.5%	31.2%	23.2%	-12.5%	29.6%

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.

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Top 10

NVIDIA CORPORATION	5.6%
APPLE INC	5.2%
ALPHABET INC-CL A	4.6%
MICROSOFT CORP	3.3%
BROADCOM INC	2.1%
MICRON TECHNOLOGY INC $US0-01 COM STK	1.6%
META PLATFORMS INC	1.5%
VISA INCORPORATED CLASS A SHARES	1.3%
ADVANCED MICRO DEVICES	1.3%
LILLY (ELI) & CO	1.3%

Ratings and awards

RIAA Certification:

CERTIFIED RESPONSIBLE INVESTMENT
SUSTAINABLE PLUS
CERTIFIED BY RIAA

Lonsec rating:

Investment Grade
Lonsec Research

Zenith rating:

Zenith
APPROVED

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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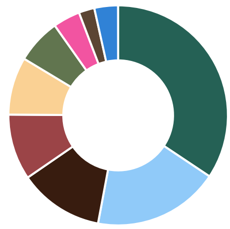
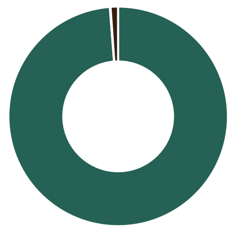
Sector allocation

Information Technology	34.4%
Financials	18.6%
Industrials	12.5%
Communication Services	9.7%
Health Care	8.5%
Real Estate	6.6%
Consumer Discretionary	4.0%
Utilities	2.3%
Other	3.5%



Asset allocation

International Shares	98.8%
Australian & NZ Large Cap	0.1%
Cash	1.1%



Commentary

Global equity markets delivered strong returns over the financial year to 30 June 2026, although the path was far from smooth. The MSCI World Ex-Australia Index increased 14.9%, and the International Shares Fund (Wholesale) (the "Fund) closely tracked this benchmark, returning 14.7% after fees, while maintaining its strict adherence to Australian Ethical's investment charter. Market performance was driven by a combination of resilient corporate earnings, continued investment in artificial intelligence ("AI") infrastructure, and a cyclical improvement in economic activity, offset by periodic volatility stemming from elevated energy prices, geopolitical tensions in the Middle East and persistent inflation pressures. Throughout the year, investors repeatedly reassessed the outlook for monetary policy as inflation proved more durable than anticipated and energy market disruptions temporarily pushed inflation expectations higher.

The year was defined by the AI hardware super-cycle. Robust spending on data centres, semiconductors and related infrastructure supported earnings growth and broader economic activity. Market leadership remained concentrated in hardware, semiconductor and infrastructure-related companies, while software businesses faced a more challenging environment amid growing competition and uncertainty around the long-term impact of AI. Market breadth remained relatively narrow for much of the year, reflecting strong investor preference for a limited group of AI beneficiaries.

Geopolitical developments also played an important role. The temporary closure of the Strait of Hormuz and resulting energy price shock contributed to higher inflation expectations and renewed uncertainty around the timing and extent of central bank easing. While subsequent de-escalation reduced the risk of a prolonged supply disruption, energy prices and inflation remained key drivers of market sentiment throughout the period. Rising bond yields and a "higher-for-longer" interest rate backdrop periodically weighed on equity valuations, particularly in long-duration growth stocks.

From a style perspective, factor leadership broadened relative to prior periods. The year saw stronger performance from Quality and selected cyclical exposures, supported by improving growth expectations and resilient earnings, while Low Volatility and Value characteristics provided diversification benefits during periods of market stress. Dispersion across sectors, regions and individual stocks remained elevated.

Over FY26, the Fund maintained overweight positions in Interface Inc. and Xylem Inc. Interface is a global flooring company designing durable carpet tile and resilient flooring with a focus on responsible consumption and production. Its products contain high levels of recycled and bio-based materials (around 67% in carpet tiles), and through its ReEntry™ program, the company works with customers to take back and recycle old flooring helping to reducing waste and supporting the circular economy. Xylem is helping solve the global water challenge by providing advanced technologies that enable utilities to deliver clean water, treat wastewater, and improve water efficiency, supporting both public health and long-term resource sustainability.

The Fund returned 15.5% for the quarter, comfortably outperforming the MSCI World ex Australia index benchmark (12.6%). The primary contributor to the outperformance was the Fund's zero weighting in the Energy sector, which fell over 14% for the quarter. Other positive contributors were an underweight to the Consumer Staples sector (which had soft performance) and strong returns from the Fund's Healthcare stocks.