

# Australian Ethical Australian Shares Fund (Wholesale)

Australian  
Ethical



Fund Profile - 30 September 2021

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.

## Price information

**Pricing frequency:** Daily

**Buy/Sell spread:** 0.15%/0.15%

## Fund facts

**Fund size:** \$630.47m

**Benchmark:** S&P/ASX 300 Accumulation

**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%

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)

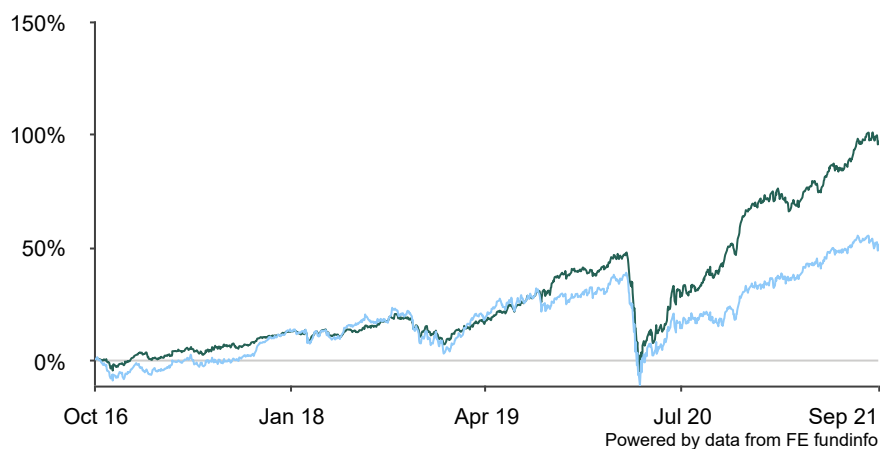
\*(after tax, before bonus expense)

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

## 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 30/09/2021)



■ Australian Ethical Australian Shares  
■ Benchmark

## Performance (as at 30/09/2021)

	1m	3m	6m	1y	3y	5y	10y	Since inception
Fund	-1.0%	6.3%	16.2%	39.1%	18.3%	14.5%	-	16.4%
Benchmark	-1.9%	1.8%	10.4%	30.9%	7.5%	8.6%	-	10.8%

## Calendar Performance (as at end 2020)

	CY2020	CY2019	CY2018	CY2017	CY2016
Fund	21.0%	28.1%	-2.8%	10.6%	9.2%
Benchmark	1.7%	22.5%	-6.5%	15.7%	6.2%

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

MACQUARIE TELECOM GROUP LTD ORD F/PD DS	4.9%
BANK OF QUEENSLAND LIMITED	3.8%
HEALIUS LTD	3.6%
MIRVAC GROUP STAPLED SECURITIES	3.2%
SUNCORP GROUP LIMITED	3.1%
CONTACT ENERGY LTD	2.9%
BIGTINCAN HOLDINGS LTD	2.8%
WESTPAC BANKING CORPORATION ORD F/PD SHARES	2.7%
NATIONAL AUSTRALIA BANK	2.6%
GENWORTH MORTGAGE INSURANCE	2.6%

## Ratings and awards

RIAA rating:



## 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.

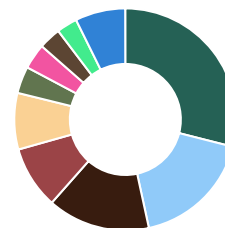
**Promote human rights:** We strive to avoid any investment in companies involved in the poor treatment of asylum seekers or the exploitation of workers through poor working conditions.

## Need Help?

Contact us between 9:00am-5:00pm  
AEST Monday-Friday on:  
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**F** 02 9252 1987  
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GPO Box 3993  
Sydney NSW 2001

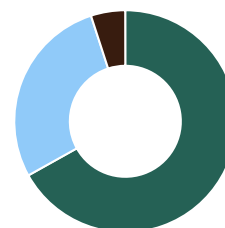
## Sector allocation

Financials	28.9%
Health Care	17.6%
Information Technology	14.9%
Communication Services	9.1%
Utilities	8.2%
Industrials	3.9%
Real Estate	3.7%
Consumer Discretionary	3.2%
Materials	3.0%
Other	7.3%



## Asset allocation

Australian & NZ Small Cap	66.9%
Australian & NZ Large Cap	28.1%
Cash	5.0%



## Commentary

The S&P/ASX 200 returned 1.7% over the September quarter. Despite an initial pullback in July due to the spread of the Delta variant, by early September the ASX was up 4.5% for the quarter. However, much of these gains were eroded through the remainder of September, following a global pullback in equities. US economic growth appeared to show signs of slowing, and US fiscal and monetary support slowly began to be withdrawn. In China, news that property development goliath Evergrande is on the brink of collapse, piled onto concerns around the CCP crackdown on tech companies and slowing economic growth. While most markets ended reasonably flat, Hong Kong's Hang Seng index fell 13.9% over the quarter.

The Australian Shares Fund appreciated 6.2% (Wholesale Fund: 6.3%) over the September quarter relative to its benchmark, the S&P/ASX 300, which increased 1.8%, resulting in outperformance of 4.4% (wholesale 4.5%). The Funds small and microcap companies drove this outperformance over the quarter. Stock selection in communication services and the healthcare sector contributed positively, while a natural underweight in the poorly performing materials sector assisted performance. Our strongest individual stock contributors were data centre owner/operator Macquarie Telecom, which appreciated on news of a data centre build, while neurological focussed contract research organisation Cogstate appreciated on a disease modifying Alzheimer's drug approval in the US. Other strong contributors included general insurer Suncorp, attractive takeover offers for IT systems integrator Empired and energy infrastructure company Spark Infrastructure.

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