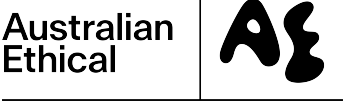


Australian Ethical High Conviction Fund

Fund ticker: AEAE
Fund Profile - 31 March 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 provide long term capital growth and income from focusing on a relatively concentrated portfolio of Australian and NZ companies that meet our Ethical Criteria. The Fund aims to exceed the return of the ASX300 Total Return Index after taking into account management costs over a 7 year period.

Price information

Pricing frequency: Daily
Buy/Sell spread: 0.15%/0.15%

Fund facts

Fund size: \$9.41m
Benchmark: S&P/ASX 300 Accumulation
Asset class: Equity
Inception date: 01/10/2021
Minimum investment timeframe: 7 Years
Risk level: Very High

Identifiers

ISIN code: AU60AUG79196
APIR code: AUG7919AU

Distributions

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

Fees

Management costs - PDS: 0.69%
Performance fee: 15.00%
Minimum initial investment: \$25,000
No minimum applies for the AEAE ETF
Additional transactional and operational costs: 0.05%

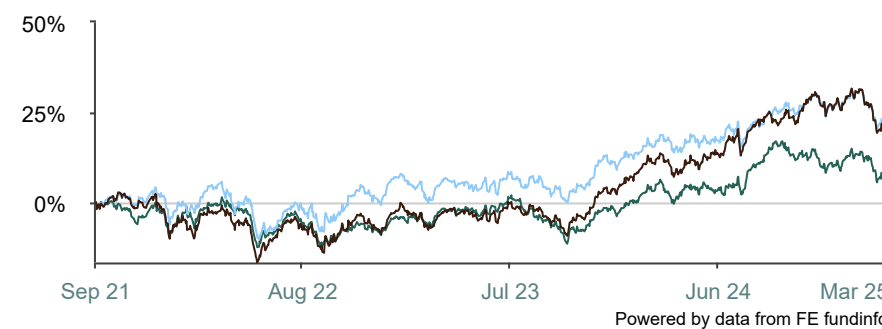
A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund’s Product Disclosure Statements available from our website australianethical.com.au

*(after tax, before bonus expense)

Investment strategy

An actively-managed, focused share portfolio leveraging our ethical investing philosophy & capability. Invested in 20-35 select shares, predominantly from the S&P ASX300, on the basis of their social, environmental and financial credentials. Benchmark unaware, with a concentration on larger capitalisation stocks.

Cumulative performance (as at 31/03/2025)



- Australian Ethical High Conviction
- Australian Ethical S&P/ASX 300 Accumulation
- S&P/ASX 300 Industrials Acc.

Performance (as at 31/03/2025)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	-5.0%	-3.3%	-9.1%	0.0%	2.1%	-	-	1.7%
Australian Ethical S&P/ASX 300 Accumulation	-3.3%	-2.9%	-3.6%	2.6%	5.3%	-	-	5.8%
S&P/ASX 300 Industrials Acc.	-4.3%	-3.8%	-1.6%	6.5%	7.4%	-	-	5.6%

Calendar Performance (as at end 2024)

	CY2024	CY2023	CY2022	CY2021	CY2020
Fund	11.7%	7.0%	-6.5%	-	-
Australian Ethical S&P/ASX 300 Accumulation	11.4%	12.1%	-1.8%	-	-
S&P/ASX 300 Industrials Acc.	21.2%	12.2%	-8.0%	-	-

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

CONTACT ENERGY LTD	5.3%
WEB TRAVEL GROUP LIMITED	4.6%
WESTPAC BANKING CORPORATION ORD F/PD SHARES	4.5%
CSL LIMITED	4.3%
PEXA GROUP LTD	4.2%
RESMED INC	4.2%
NIB HOLDINGS LTD	4.2%
CHALLENGER LIMITED	3.9%
Dexus	3.8%
COLES GROUP LTD	3.8%

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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GPO Box 3993
Sydney NSW 2001

Sector allocation

Financials	24.2%
Health Care	16.2%
Industrials	9.2%
Information Technology	8.6%
Utilities	8.0%
Communication Services	7.3%
Materials	7.2%
Real Estate	6.2%
Consumer Discretionary	4.6%
Other	8.6%



Asset allocation

Australian & NZ Large Cap	57.5%
Australian & NZ Small Cap	37.7%
Cash	4.8%



Commentary

The High Conviction Fund (Wholesale) declined -3.3% net of fees in the March 2025 quarter, underperforming its benchmark, which fell -2.9%. This marked the weakest quarterly performance for Australian equities in nearly three years, with markets hitting seven-month lows amid global uncertainty and a subdued earnings season. Renewed Trump-era tariffs added to volatility, creating opportunities for active managers.

The Fund maintained elevated cash levels ahead of the downturn, enabling selective investment in quality names at more attractive valuations. New positions were established in QBE and Goodman Group, with increased allocations to CSL and Macquarie.

Top contributors included the Communication Services and Financials sectors. Domain surged following a takeover offer, allowing the Fund to exit at a premium. NIB Holdings and QBE also performed well, supported by strong financial updates. Information Technology and Materials detracted from performance. Tech stocks like Pexa, Nuix, and SiteMinder declined as growth came under pressure, though we added to these positions late in the quarter given compelling long-term valuations. Materials were a modest headwind, with Orora and Pilbara Minerals underperforming, partially offset by a stronger-than-expected result from Sims. We expect continued market volatility amid persistent inflation and geopolitical risks. This environment suits our stock-picking approach, and we remain focused on undervalued companies in long-term growth sectors such as healthcare and technology

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