Australian Ethical Diversified Shares Fund

FUND PROFILE - 31 JULY 2020

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 through investment in listed companies on Australian and international stock exchanges that meet the Australian Ethical Charter.

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

Fund facts
Fund size: $11.74m
Benchmark: Australian Ethical Diversified Shares Composite
Asset class: Equity
Inception date: 03/11/1997
Minimum investment timeframe: 7 Years
Risk level: High

Identifiers
ISIN code: AU60AUG00044
APIR code: AUG0004AU

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

Fees
Management costs - PDS: 1.90%
Minimum initial investment: $1,000
Additional transactional and operational costs: 0.00%

Investment strategy
The opportunity to invest in a diversified share portfolio of Australian and international companies on the basis of their social, environmental and financial credentials. Generally, all Australian investments will have a market capitalisation greater than the 200th ranked stock listed on the ASX. The Fund has a low level of turnover and aims to be fully invested at all times.

Cumulative performance (as at 31/07/2020)

<table>
<thead>
<tr>
<th></th>
<th>1m</th>
<th>3m</th>
<th>6m</th>
<th>1y</th>
<th>3y</th>
<th>5y</th>
<th>10y</th>
<th>Since inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>-0.8%</td>
<td>5.3%</td>
<td>-13.2%</td>
<td>-8.2%</td>
<td>5.7%</td>
<td>5.3%</td>
<td>8.0%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>0.5%</td>
<td>6.4%</td>
<td>-12.3%</td>
<td>-5.9%</td>
<td>6.1%</td>
<td>5.4%</td>
<td>10.2%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

Performance (as at 31/07/2020)

Calendar Performance (as at end 2019)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>22.7%</td>
<td>-3.1%</td>
<td>11.9%</td>
<td>5.9%</td>
<td>6.3%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>24.7%</td>
<td>-2.8%</td>
<td>10.2%</td>
<td>7.1%</td>
<td>9.0%</td>
</tr>
</tbody>
</table>

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.

* (after tax, before bonus expense)
Top 10

GOODMAN GROUP 1.9%
CSL LIMITED 1.9%
TELSTRA CORPORATION LTD 1.8%
NATIONAL AUSTRALIA BANK 1.8%
RESMED INC 1.8%
WESTPAC BANKING CORPORATION ORD F/ PD SHARES 1.7%
FISHER & PAYKEL HEALTHCARE CORPORATION 1.7%
SONIC HEALTHCARE 1.4%
XERO LTD 1.4%
APPEN LTD 1.4%

Ratings and awards

RIAA rating:

UNPRI signatory:

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
e investors@australianethical.com.au
w australianethical.com.au
Australian Ethical Investment Ltd
c/o Boardroom Pty Ltd
GPO Box 3993
Sydney NSW 2001

Sector allocation

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financials</td>
<td>19.0%</td>
</tr>
<tr>
<td>Information Technology</td>
<td>18.0%</td>
</tr>
<tr>
<td>Health Care</td>
<td>14.3%</td>
</tr>
<tr>
<td>Communication Services</td>
<td>12.5%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>11.4%</td>
</tr>
<tr>
<td>Industrials</td>
<td>9.3%</td>
</tr>
<tr>
<td>Utilities</td>
<td>5.0%</td>
</tr>
<tr>
<td>Materials</td>
<td>3.9%</td>
</tr>
<tr>
<td>Consumer Discretionary</td>
<td>2.6%</td>
</tr>
<tr>
<td>Other</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

Asset allocation

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian &amp; NZ Shares</td>
<td>72.9%</td>
</tr>
<tr>
<td>International Shares</td>
<td>24.6%</td>
</tr>
<tr>
<td>Cash</td>
<td>2.4%</td>
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