

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 international companies which meet the Australian Ethical Charter.

Price information

Pricing frequency: Daily

Buy/Sell spread: 0.05%/0.05%

Fund facts

Fund size: \$5.29m

Benchmark: Australian Ethical International Shares Composite

Asset class: Equity

Inception date: 13/06/2007

Minimum investment timeframe: 7 Years

Risk level: High

Identifiers

ISIN code: AU60AUG00069

APIR code: AUG0006AU

Distributions

Frequency: 2

Dates: 30/06, 31/12

Fees

Management costs - PDS: 0.99%

Minimum initial investment: \$1,000
\$500 with a Regular investor plan

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

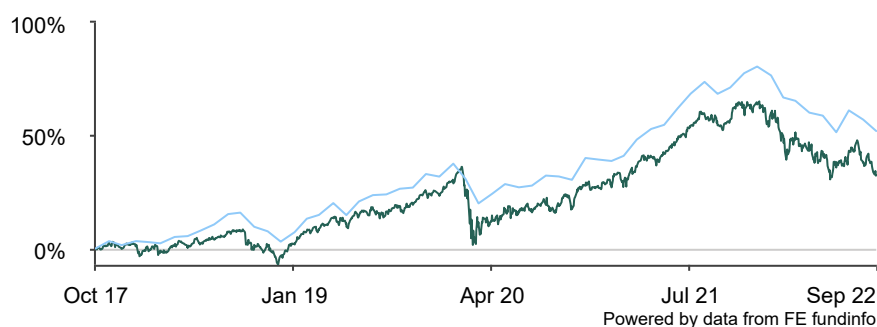
*(after tax, before bonus expense)

**The Benchmark was the MSCI Global Climate index from inception to 1 July 2016 and is the MSCI World ex Australia index 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 30/09/2022)



■ Australian Ethical International Shares
■ Composite Benchmark**

Performance (as at 30/09/2022)

	1m	3m	6m	1y	3y	5y	10y	Since inception
Fund	-4.0%	-2.5%	-10.7%	-14.3%	3.7%	6.8%	11.5%	3.3%
Composite Benchmark**	-3.2%	0.3%	-8.1%	-9.8%	6.3%	9.6%	13.8%	6.7%

Calendar Performance (as at end 2021)

	CY2021	CY2020	CY2019	CY2018	CY2017
Fund	29.1%	2.9%	27.4%	-3.0%	12.5%
Composite Benchmark**	29.6%	5.7%	28.0%	1.5%	13.4%

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.

Top 10

APPLE INC	4.9%
MICROSOFT CORP	4.0%
ALPHABET INC-CL A	2.8%
TESLA INC	1.7%
CHUBB LIMITED	1.4%
PRUDENTIAL FINANCIAL INC	1.1%
MASTERCARD INC CLASS A	1.0%
VISA INCORPORATED CLASS A SHARES	1.0%
ZURICH INSURANCE GROUP AG	0.9%
EATON CORP PLC	0.9%

Ratings and awards

RIAA

Certification:



CERTIFIED BY RIAA

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.

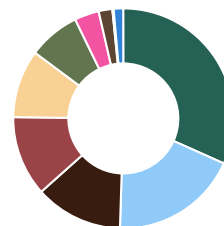
Promote human rights: We strive to avoid any investment in companies involved in the poor treatment of asylum seekers or the exploitation of workers through poor working conditions.

Need Help?

Contact us 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

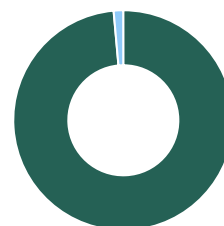
Sector allocation

Information Technology	31.7%
Financials	18.8%
Industrials	12.9%
Communication Services	11.8%
Real Estate	10.0%
Health Care	7.6%
Consumer Discretionary	3.6%
Utilities	2.0%
Consumer Staples	0.2%
Other	1.4%



Asset allocation

International Shares	98.6%
Cash	1.4%



Commentary

The MSCI World ex AU index finished the quarter down 4.4% as pent-up demand, ongoing impacts from COVID-19, and the conflict in Ukraine continues to put pressure on inflation. In the US YoY CPI rose to 9.1% in August. In Australia June CPI rose to 6.1% YoY, the highest annual change in over 30 years. The global economy faces a bleak outlook, with Europe facing a looming energy crisis, most developed market Central Banks rapidly raising rates to tackle inflation, while in China the People's Bank of China has been loosening policy as its economy slows to its lowest rate of growth in decades, driven by an ongoing property crisis and continued lockdowns as part of its zero-COVID policy.

The International Shares Fund declined -2.5% (-2.4% Wholesale) over the September quarter versus its benchmark (MSCI ex Australia) which increased 0.4%. The global equities markets continued to react negatively to inflation pressures and rising interest rates during the quarter, particularly the US which represents 64% of the Fund's holdings. The US market was very volatile.

The sectors positively contributing to the Fund's performance were Industrials and Healthcare, where stock selection was the main driver of performance. The sectors which detracted from performance were Communication Services, IT and Consumer Discretionary. The Fund is substantially overweight the first two sectors due to our ethical selection process, with both sectors underperforming over the quarter. The Consumer Discretionary sector outperformed its benchmark, but the Fund is underweight the sector due to our ethical selection process.

Australian Ethical Investment Ltd (ABN 47 003 188 930, AFSL 229949) is the Responsible Entity of the Australian Ethical managed funds. This information is of a general nature and is not intended to provide you with financial advice or take into account your personal objectives, financial situation or needs. Before acting on the information, consider its appropriateness to your circumstances and read the Financial Services Guide (FSG) and relevant product disclosure statement (PDS) and target market determination (TMD) available at www.australianethical.com.au/managedfunds/pds. You may wish to seek independent financial advice from a licensed financial adviser before making an investment decision. The performance of your investment in the Australian Ethical is not guaranteed; past performance is not a reliable indicator of future performance. The information contained in this document is believed to be accurate at the time of compilation. Where MSCI data is used, data is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI assumes no liability for or in connection with the data. For full MSCI and RIAA disclaimer, please see <https://www.australianethical.com.au/sources/>