

# Australian Ethical Australian Shares Fund (Wholesale)

Fund Profile - 31 December 2024

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 focusing on Australian companies that meet our Ethical Criteria. The Fund aims to significantly exceed the return of the blended 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: \$784.68m  
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)

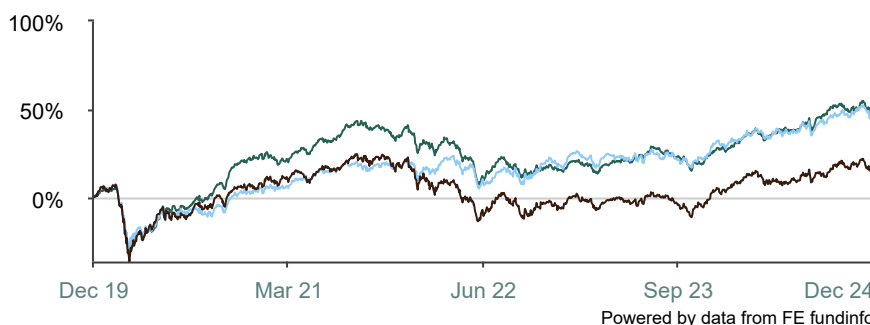
\*(after tax, before bonus expense)

\*\*The Benchmark was the composite S&P/ASX Small Industrials Accumulation Index from inception until 12 August 2019 and is composite 65% of the S&P/ASX 100 Accumulation Index and 35% of the S&P/ASX Small Ordinaries 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 31/12/2024)



- Australian Ethical Australian Shares
- Composite Benchmark\*\*
- S&P/ASX Small Indust.

## Performance (as at 31/12/2024)

	1m	3m	6m	1y	3y	5y	10y	Since inception (ann.)
Fund	-1.9%	-0.8%	9.1%	17.9%	2.7%	8.6%	10.7%	12.7%
Composite Benchmark**	-3.1%	-0.8%	6.9%	11.4%	7.1%	8.0%	9.0%	9.9%
S&P/ASX Small Indust.	-3.1%	-0.4%	7.1%	12.1%	-0.8%	3.3%	6.8%	8.2%

## Calendar Performance (as at end 2024)

	CY2024	CY2023	CY2022	CY2021	CY2020
Fund	17.9%	11.0%	-17.1%	15.0%	21.0%
Composite Benchmark**	11.4%	12.1%	-1.8%	17.5%	1.7%
S&P/ASX Small Indust.	12.1%	11.4%	-21.8%	13.7%	5.9%

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

SUNCORP GROUP LIMITED	3.7%
WESTPAC BANKING CORPORATION ORD F/PD SHARES	3.5%
CONTACT ENERGY LTD	3.4%
INSURANCE AUSTRALIA GROUP LTD	3.4%
NUIX LTD	3.1%
NATIONAL AUSTRALIA BANK	3.0%
BENDIGO AND ADELAIDE BANK LIMITED	2.9%
BANK OF QUEENSLAND LIMITED	2.7%
QUBE HOLDINGS LTD	2.7%
GENTRACK GROUP LTD	2.6%

## 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?

Contact us Monday-Friday on:

**T** 1800 021 227

**F** 02 9252 1987

**E** [investors@australianethical.com.au](mailto:investors@australianethical.com.au)

**W** [australianethical.com.au](http://australianethical.com.au)

Australian Ethical Investment Ltd

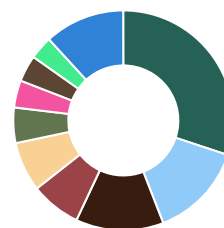
c/o Boardroom Pty Ltd

GPO Box 3993

Sydney NSW 2001

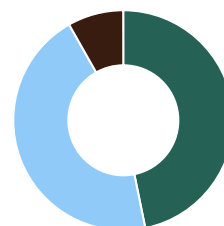
## Sector allocation

Financials	30.1%
Health Care	14.0%
Information Technology	12.9%
Industrials	7.4%
Utilities	7.3%
Communication Services	5.2%
Materials	4.0%
Real Estate	3.9%
Consumer Discretionary	3.4%
Other	11.8%



## Asset allocation

Australian & NZ Small Cap	46.8%
Australian & NZ Large Cap	45.0%
Cash	8.2%



## Commentary

The Australian Shares Fund (Wholesale) ('the Fund') declined -0.8% (net of fees) during the quarter ending 31 December 2024, matching its benchmark, which also fell -0.8%. The Australian Shares Fund (Retail) returned -1.0% for the quarter. After a period of momentum for risk assets driven by US rate cuts in September and expectations for RBA policy adjustments, equity markets pulled back in the December quarter. A modified expectation for Australian rates and a ~60 bps rise in 10-year bond yields from September lows coupled with rich market valuation relative to historical price/earnings saw Australian equities pause in the latest quarter ending in December. Ongoing economic weakness in China and concerns about its banking sector further weighed on local resource stocks as the September policy support in China has so far failed to provide market follow through.

The Fund's underweight exposure to the Materials sector—aligned with its Ethical screen—was beneficial as carbon-intensive mining stocks weakened amid challenging commodity prices. However, financials and consumer discretionary sectors detracted from performance, primarily due to stock-specific impacts, including holdings in WEB Travel and OFX, and the absence of Commonwealth Bank in the portfolio.

Positive Contribution was delivered by Bravura, as shares rose 63.8% after the company upgraded FY25 revenue and earnings guidance above market expectations. The portfolio also added a new name through Cuscal's IPO, attracted by its strong fundamentals and growth outlook.