

NTA per unit \$1.69	Unit price (AGM) \$1.57	Gross assets \$25.8 MILLION	12-month distribution yield (target: 5%) 5.3%	Annualised performance since inception (10 July 2018) ¹ 1.2%
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Units on issue: 15,194,574

FUND PERFORMANCE¹

	1 MONTH	3 MONTHS	6 MONTHS	1 YEAR	2 YEARS (P.A.)	3 YEARS (P.A.)	SINCE INCEPTION (P.A.)
NTA	-4.0%	-1.3%	13.7%	-10.9%	0.8%	-	1.2%
S&P/ASX 100 Accumulation Index	-3.7%	-0.8%	15.1%	-10.8%	0.7%	-	0.6%
Excess Return	-0.3%	-0.5%	-1.4%	-0.2%	0.1%	-	0.6%

Note: Numbers may not sum due to rounding.

LARGEST ACTIVE POSITIONS

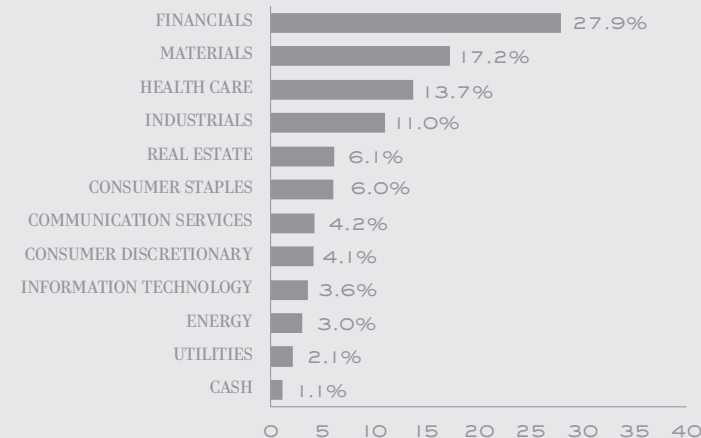
TOP 10 OVERWEIGHT²

ANZ Banking Group Ltd	Newcrest Mining Ltd
Cochlear Ltd	Oz Minerals Ltd
CSL Limited	Qube Holdings Ltd
Macquarie Group Ltd	Sydney Airport
National Australia Bank Ltd	Telstra Corporation Ltd

TOP 10 UNDERWEIGHT²

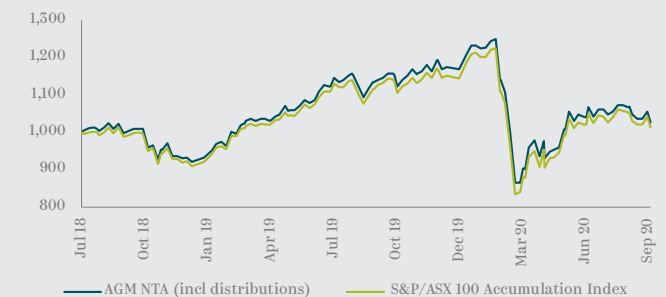
Afterpay Ltd	Goodman Group
AGL Energy Ltd	Resmed Inc
Amcor Plc	Sonic Healthcare Ltd
Aristocrat Leisure	South32 Ltd
BHP Group Ltd	Westpac Banking Corporation

SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

PERFORMANCE CHART¹



Notes: Data at 30 September 2020 unless stated. Numbers may not sum due to rounding. 1. All returns are total returns, inclusive of reinvested distributions. NTA returns are net of fees and costs. Past performance is not a reliable indicator of future performance. 2. Overweight and underweight positions are relative to S&P/ASX 100 Index weights. Inception 10 July 2018. Chart data range: 10 July 2018 to 30 September 2020. Initial index value 1,000. Index Source: Bloomberg.



INVESTMENT OBJECTIVE

To achieve long-term capital appreciation, while reducing risk and preserving capital, through investments in securities within the ASX 100 Index that exhibit relatively high levels of governance, social and environmental performance.

PORTFOLIO UPDATE

The Australian Governance & Ethical Index Fund (Fund) returned -4.0% for the month of September, behind the S&P/ASX 100 Accumulation Index which recorded -3.7%. Positive contributors included overweight positions in healthcare companies CSL Limited (+0.9%) and Cochlear Limited (+3.0%), while the exclusion of Afterpay (-12.5%) and Origin Energy (-21.7%) also benefited performance. Negative contributors included overweight positions in Virgin Money UK (-11.3%) and The A2 Milk Company (-17.4%) while the exclusion of Sonic Healthcare (+5.1%) also impacted performance.

Considerable developments confirming the rising importance of sustainability occurred over the month of September. Highlighting the key imperative of social license to operate, in response to rising anger at the handling of the Juukan Gorge fiasco, key Rio Tinto executives – including Group CEO, Iron Ore CEO, and Corporate Relations CEO – announced their resignations from the company. In the oil and gas sector, stranded assets continue to be a focus point, as BP – in its latest annual energy outlook – warned that peak oil demand will likely occur in the early 2020s. While in regulatory news, New Zealand became the first country in the world to make climate risk reporting mandatory for banks, asset managers and insurers.

PORTFOLIO MANAGER



Will Hart
Portfolio Manager

PORTFOLIO HOLDINGS

COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)	COMPANY	WEIGHT (%)
CSL Limited	10.79%	Dexus	1.43%	Suncorp Group Ltd	0.75%
Commonwealth Bank of Australia	7.96%	A2 Milk Co Ltd	1.28%	Insurance Australia Group Ltd	0.71%
National Australia Bank Ltd	5.44%	Mirvac Group	1.26%	Northern Star Resources Ltd	0.71%
ANZ Banking Group Ltd	4.44%	Woodside Petroleum Ltd	1.19%	Evolution Mining	0.69%
Macquarie Group Ltd	4.34%	Nextde Ltd	1.15%	Stockland	0.64%
Wesfarmers Ltd	3.73%	Qube Holdings Ltd	1.12%	Santos Ltd	0.64%
Woolworths Group Ltd	3.26%	ASX Ltd	1.11%	Aurizon Holdings Ltd	0.61%
Oz Minerals Ltd	3.20%	Altium Ltd	1.09%	Magellan Financial Group Ltd	0.59%
Newcrest Mining Ltd	3.17%	Atlas Arteria	1.09%	GPT Group	0.57%
Telstra Corporation Ltd	3.06%	James Hardie Industries	1.04%	SEEK Ltd	0.56%
Transurban Group Ltd	2.73%	Iluka Resources	0.92%	Lendlease Group	0.54%
Rio Tinto Ltd	2.48%	Cleanaway Waste Management Ltd	0.91%	Medibank Private	0.51%
Sydney Airport	2.02%	QBE Insurance	0.90%	Orica Ltd	0.46%
Fortescue Metals Group	1.94%	Alumina Ltd	0.85%	Bluescope Steel	0.45%
Cochlear Ltd	1.74%	Ramsay Health Care Ltd	0.84%	Outside top 50	6.87%
Brambles Ltd	1.73%	Scentre Group Ltd	0.80%	Cash	1.11%
APA Group	1.61%	Xero Ltd	0.78%		
Coles Group Ltd	1.44%	Virgin Money UK Plc	0.77%		

Notes: Data as at 30 September 2020 unless stated. Numbers may not sum due to rounding.



ABOUT WALSH & COMPANY

Walsh & Company, part of the Evans Dixon Group, is a multibillion-dollar global funds management firm founded in 2007, with assets under management across global equities, residential and commercial property, private equity, fixed income, and sustainable and social investments. It provides access to unique investment strategies not readily accessible to investors and focuses on building high-quality, diversified portfolios.

TELEPHONE

1300 454 801

EMAIL

info@walshandco.com.au

ADDRESS

Level 15, 100 Pacific Highway
North Sydney
NSW 2060

IMPORTANT INFORMATION

This report has been authorised for release by the Board of Walsh & Company Investments Limited (ACN 152 367 649, AFSL 410 433), as responsible entity for the Australian Governance & Ethical Index Fund (**Fund**) (ARSN 625 826 646).

This report has been prepared by Walsh & Company Asset Management Pty Limited (**Investment Manager**) (ACN 159 902 708, AFSL 450 257) as investment manager for the Fund.

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Past performance of the Fund is not a reliable indicator of the future performance of the Fund.

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