

Australian
Ethical



Australian Ethical Investment Ltd FY24 Half Year Results

John McMurdo (Managing Director & CEO) and Mark Simons (CFO) | 23 February 2024



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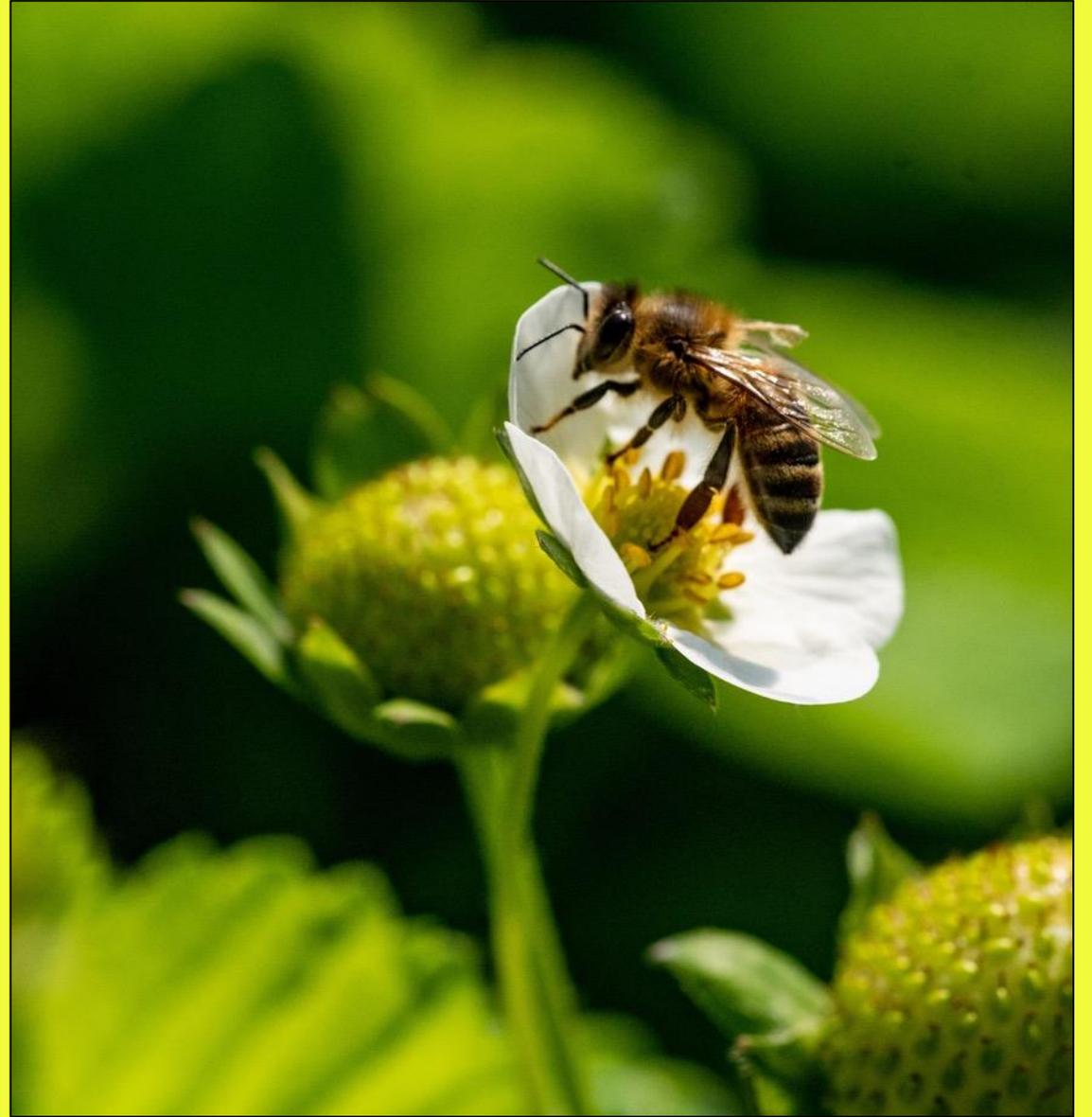
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Overview & highlights

01



Overview

Our authenticity

We are an authentic purpose-driven investment manager, focused on investor returns and positive influence.

Low carbon future

The structural drivers for a more sustainable, low carbon future remain compelling with a mega trend towards responsible investing and a significant potential addressable market[^]

Scaling business

We have been scaling our business to capture this growth opportunity and be a recognised global role model for responsible investing.

Same principles

Despite challenging market conditions, we remain firmly focused on our key principles, as we have done since 1986.

[^] RIAA Responsible Investment Benchmark Report Australia 2023

Our strategic pillars

Purpose: Investing for a better world



1. Principled investment leadership

Deliver superior risk adjusted returns, and be a powerful influence in ethical investing



2. Advocates for a better world

Foster a coalition of co-investors in the cause for a better world. A bold voice harnessing people power, strength of community and values aligned organisations



3. Compelling client experience

Deliver a seamless, modern and engaging client experience to help support the creation of a better financial future for customers, and provide accessible and affordable investment solutions



4. Impactful business

Showcase the duality of a deeply purpose driven and commercially successful business at scale and inspire or influence organisations and society to do well and to do good.



Leadership & Innovation: differentiated, purpose driven & high-performance culture

1H24 financial results

Scale, increased profitability and improved operating leverage emerging as we continue to execute against our strategic plan

\$8.5m

UPAT, up 71%
(up 24% vs 2H23)

\$6.2m

NPAT*
(up 11% vs 2H23)

\$48.5m

Revenue, up 33%
(up 9% vs 2H23)

\$36.3m

Expenses**, up 23%
(up 4% vs 2H23)

3c

interim dividend, up 50%

75%

CTI**, improved from 81% in 1H23

* NPAT attributable to shareholders. Includes integration & transformation costs and M&A due diligence & transaction costs.
Note: All financial results and metrics in this pack relate to 6 months ended 31 December 2023 with comparatives relating to 6 months ending 31 December 2022 (unless otherwise stated)

** excluding UPAT adjusted expenses: \$3.2m relating to integration & transformation and due diligence & transaction costs

Operational highlights

Investment in the business is delivering growth, scale and a quality, well regarded business platform

<p>\$9.67bn</p> <p>Record FUM</p>	<p>15% increase in FUM</p>	<p>\$0.26bn</p> <p>positive net flows</p>	<p>3rd</p> <p>most trusted super brand in Australia*</p>	<p>72%</p> <p>employee engagement score[^]</p>
	<p>37% increase in average FUM</p>	<p>13%</p> <p>increase in customer numbers to >130,000</p>		<p>\$0.9m</p> <p>provisioned for Australian Ethical Foundation</p>
	<p>\$0.20bn</p> <p>positive investment performance</p>	<p>Awards and accolades across multiple facets of the business</p>		

Note: All financial results and metrics in this pack relate to 6 months ended 31 December 2023 with comparatives relating to 6 months ending 31 December 2022 (unless otherwise stated)

Investment highlights



Top quartile performance*

- for Diversified Shares Fund & High Growth Fund over 5 and 10 year periods
- for Australian Shares Fund over 10 year period
- For Emerging Companies and Balanced Funds over the 5 year period



Product launches

Launched 3 new products:

- Moderate and conservative multi-asset funds
- AE's first Private Debt fund - AE Infrastructure Debt Fund: launched February 2024



Top 10

- Australian Ethical Balanced super option recognised by Chant West in the Top 10 best performing growth funds for the 10 years to December 2023
- Only ethical & retail product in this ranking



Enhanced investment & ethics capability

- 16 investment team professionals (incl. 8 CFAs)
- Enhanced capability with new hires incl. Head of Systematic Equities and Australian Equities Analyst
- Deep Ethics capability – 25% growth in the team to 6 people (incl. 2 PhD doctors)
- Achieved 40% female gender diversity target within Investment Management Function^

* For the Wholesale Funds in the December 2023 quarter Mercer performance survey

^ AE's definition of investment management function aligns to the definition provided by FSC WIM Charter. Includes some members of Ethical Research team.

We received recognition across multiple parts of our business



ESG Commitment Leader, achieved by only eight asset managers covered globally*



Financial Services Growth Company of the Year Award 2023, in Australian Growth Company Awards



Best Inclusive Customer Experience – CX Awards for the Client Service Team



2020-2023 Finder Green Super Award



Customer Service Champion Award – Customer Service Institute of Australia



RIAA Responsible Investment Leader 2023



Top 3 Most Trusted Super Brand**



Rainmaker ESG Leader 2023



SuperRatings GOLD 2024, MySuper, Employer, Personal & Pension^

^The rating is issued by [SuperRatings Pty Ltd](https://www.superratings.com.au) ABN 95 100 192 283 AFSL 311880 (SuperRatings). Ratings are general advice only and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and SuperRatings assumes no obligation to update. SuperRatings use proprietary criteria to determine awards and ratings and may receive a fee for the use of its ratings and awards. Visit [superratings.com.au](https://www.superratings.com.au) for ratings information. © 2023 SuperRatings. All rights reserved.

* Morningstar ESG Commitment Level: Report : 1 February 2024. AE was the only Australian organisation to achieve this recognition. 97 asset managers covered

** 2023 Roy Morgan Trusted Brand Awards Report

Our ethical pedigree is embedded in our business

Australian Ethical Foundation

10% of AEI profits are allocated to not-for-profit organisations annually



Australia's first publicly listed B Corp. Highest scoring Certified B Corporation in Australia & Aotearoa NZ as at 13 July 2023*



Tobacco Free Finance Pledge Signatory since 2018



Net zero ambitions

For our investments - aligned with emissions reduction needed to limit temperature rise – consistent with the most ambitious aims of the Paris Agreement.



Ethical procurement

Ensuring suppliers meet our guidelines – raising awareness & mitigating modern slavery in our supply chain



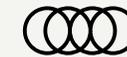
Reconciliation Action Plan

Submitted for approval



Employee volunteering

With values-aligned organisations



Memberships

- Responsible Investment Association Australia
- Global Impact Investing Network (GIIN)
- Investor Council of GIIN
- Principles for Responsible Investment
- Investor Group on Climate Change

We are increasingly using our voice to advocate for systemic change as part of our ethical stewardship engagement

In-depth multi-year engagements

To have influence beyond our invested capital, we continue to use our voice and position to advocate for the changes needed for the sustainable and equitable future we are striving for.

Boral active engagement

During the first half we escalated our active engagement efforts with Boral on the back of their reduced climate ambitions, which generated media attention

Strong platform for bank engagement

Received four times the investor support for our NAB climate-focused resolution, compared to prior year, and

Doubled the investor support for our Westpac climate-focused shareholder resolution

Strategic areas of focus



Turning off finance for expansion of fossil fuels



Stopping livestock driven deforestation in Australia



Reducing building sector emissions



Advancing alternatives to animal research

Our rigorous investment restrictions continue to evolve to develop an ethical investment universe of companies aligned with a better future for people, animals and the planet.

Our Foundation supports charities combatting climate change

Our Foundation's vision is to direct as much philanthropy as possible to effective solutions and charities addressing the climate emergency.

\$0.9m

provisioned
in 1HFY24

\$9m+

allocated to
not-for-profits
in total[^]

10%

of AEI profits allocated
to not-for-profit
organisations*

\$500k

Visionary Grants awarded in January 2024 to 10 not-for-profit enterprises working on a range of projects trialing new approaches to solve climate change issues from clean energy solutions to biodiversity protection.

[^] includes grants to not-for-profits made by AEI prior to the Foundation's inception

* Before deducting bonus and grant expense



And our success is underpinned by our people



Purpose-driven, high performance culture

Attracts top talent and is led from the top



Gender diversity

50% female representation on executive leadership team, 67% on the board



Investment in capability

with FTE increasing to 126* during the year



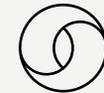
Investment in leadership

80% of employees have participated in our resident leadership program



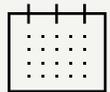
Inclusive culture

Supporting diversity across race, religion and backgrounds; buddy system for new starters



Gender-neutral

Paid parental leave policy recently launched



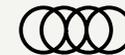
Flexible public holiday leave

Demonstrating our commitment to diversity, equity and inclusion



Mental health initiatives

Mental Health First aid training, encouraged use of EAP, generous wellbeing leave



Collaboration

Weekly company-wide gathering, dedicated employee engagement representatives

Financial Results

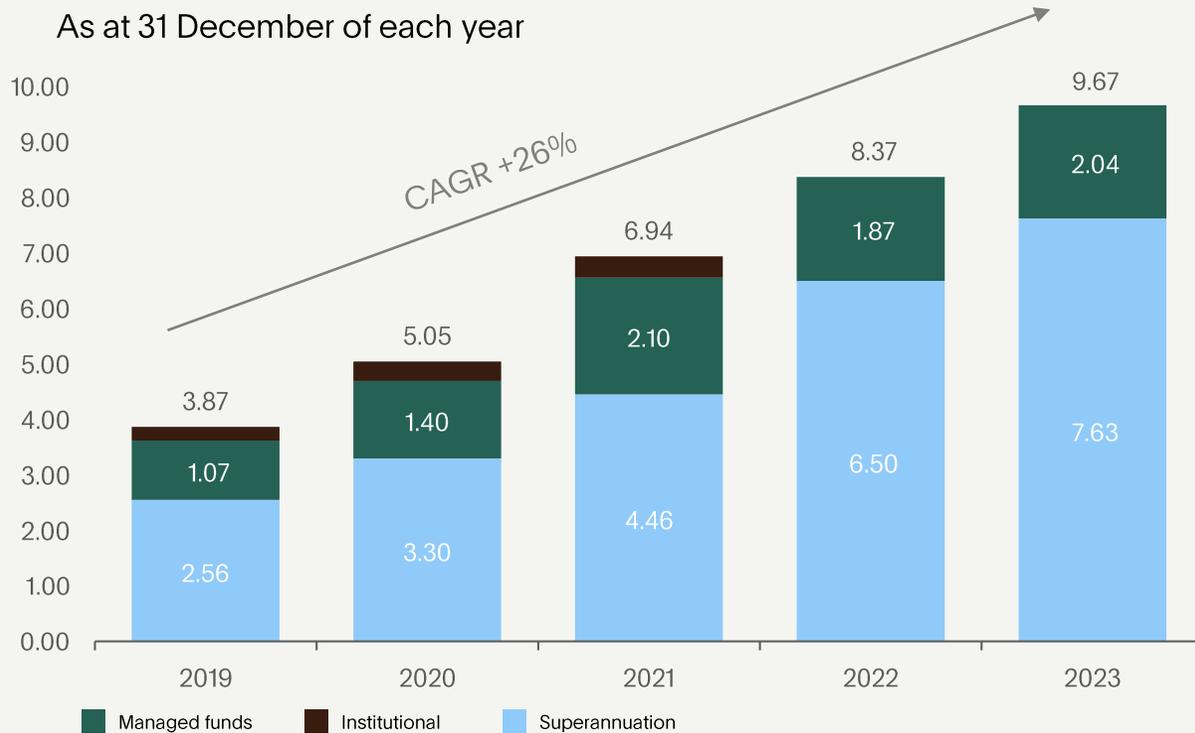
02



FUM continues to grow - up 15% to a record \$9.67bn

FUM (\$bn)

As at 31 December of each year



Funds under management (\$bn)	1H2024	1H2023	Change (YoY) [^]
Opening FUM	9.20	6.20	48%
Super net flows	0.27	0.30	
Managed Funds net flows*	(0.01)	0.07	
Net flows excluding Institutional	0.26	0.37	
Institutional net flows	0.00	(0.18)	
Total net flows	0.26	0.19	39%
Investment Performance (net of fees & distributions)	0.20	0.06	
Christian Super SFT	-	1.93	
Closing FUM	9.67	8.37	15%
Average 1H FUM[#]	9.28	6.78	37%

[^] Percentage changes reflect movement in non-rounded, precise figures

* Includes SMA, excludes institutional

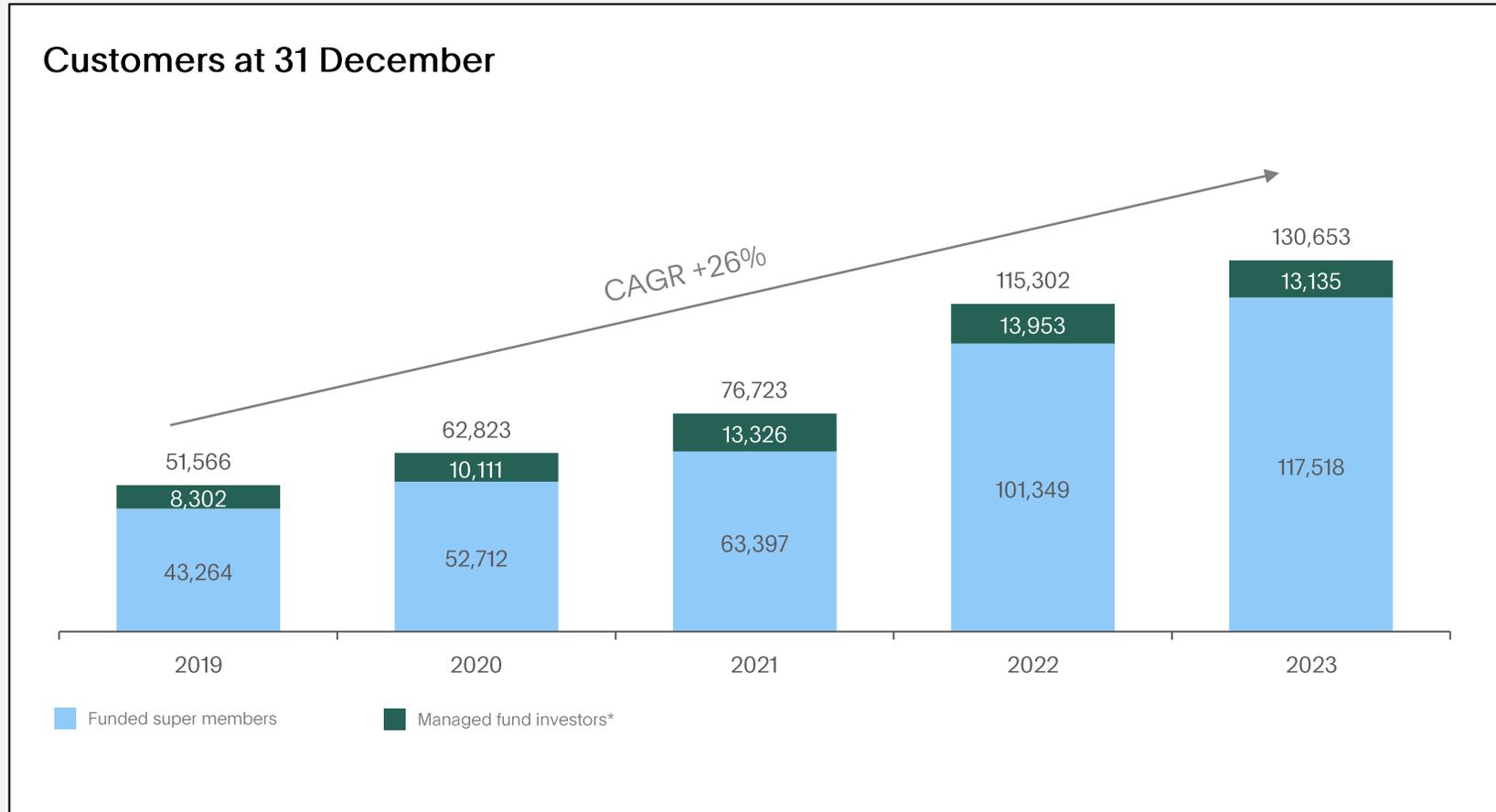
[#] Average FUM calculated as average of average monthly FUM over 6 months ending 31 December (PCP restated for new methodology)

Variances due to rounding

With customer numbers continuing to increase - 13% up

Key themes

- Customer numbers grew 13% driven by growth in super channels
- Total customers now >130,000
- Super members grew 16% to >117,000
- Volatile market conditions have impacted short term managed fund customer numbers, although FUM increased year on year

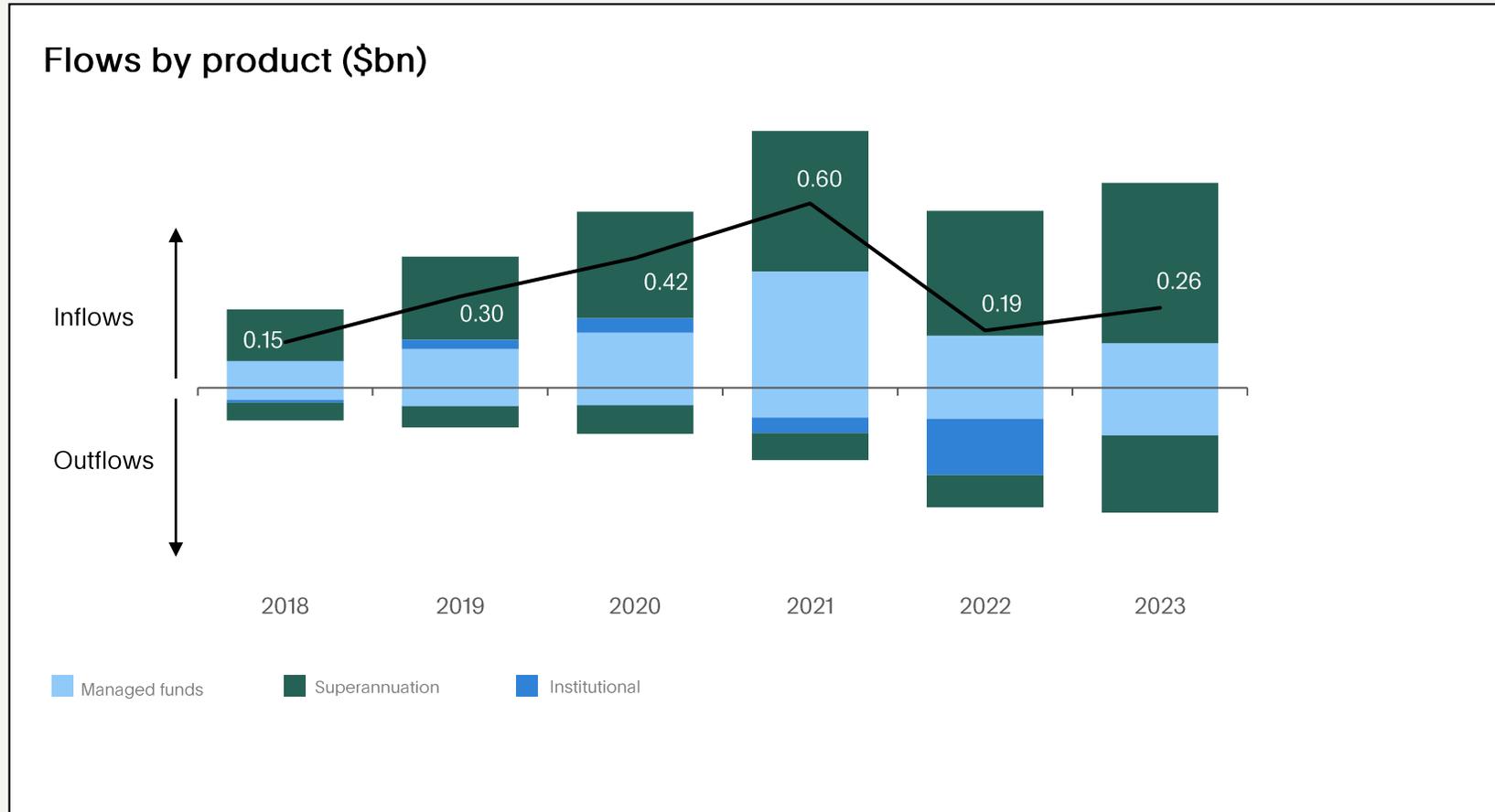


* Each platform is regarded as one investor (we have 22 platform accounts)
Note: Super members may also be Managed Fund investors.

And positive net flows continue despite challenging markets

Key themes

- Positive net flows of \$0.26bn in a challenging market
- Super net flows of \$0.27bn
- Managed funds saw a modest net outflow of \$-0.01bn reflecting cautious investor sentiment during volatile market conditions
- Super net flows more resilient in volatile markets, demonstrating the benefit of our diversified business
- Super outflows have increased post SFT due to the higher outflow rates relating to ex-Christian Super members (historically higher than ex-AE members)
- This has been offset by higher SG contributions following SFT (57% up on prior first half)

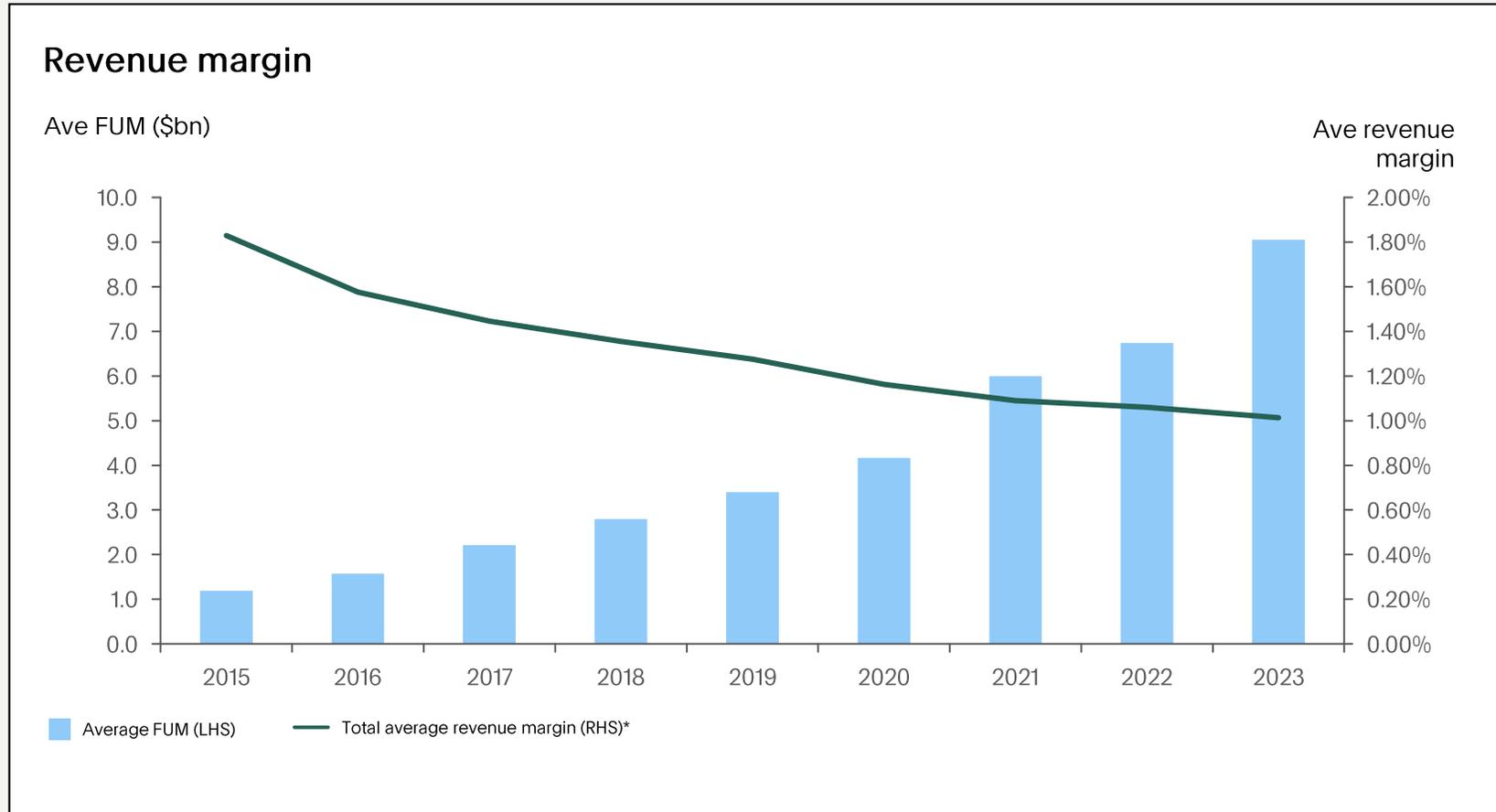


For the 6 months ended 31 December each year. Note: Managed funds includes SMA.
Net flows exclude \$1.93bn FUM transferred from Christian Super SFT in 2022

Whilst we continue to balance profitable growth with a more competitive fee offering

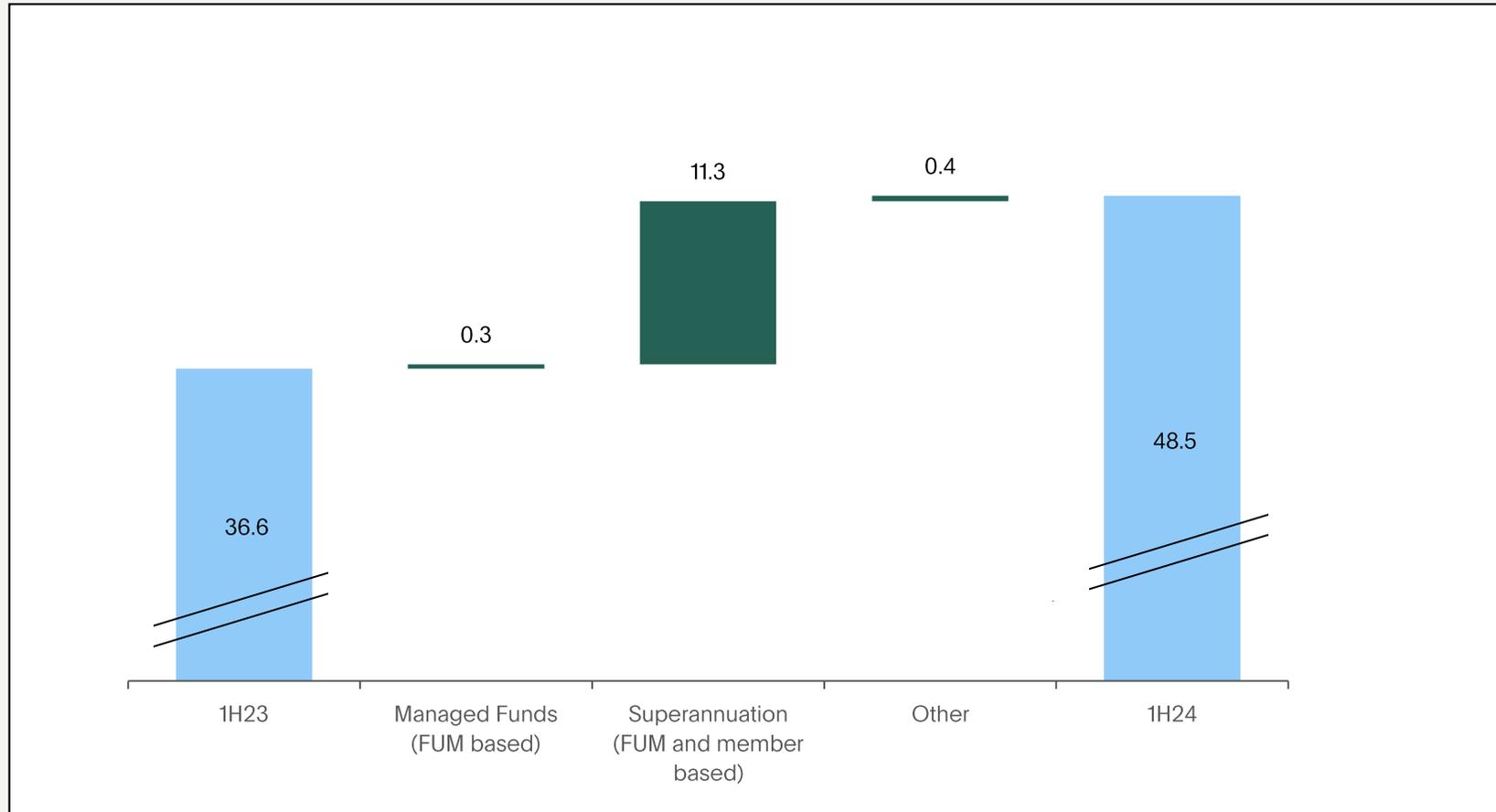
Key themes

- Average revenue margin of 1.01% for calendar year 2023* down from 1.06% in calendar year 2022
- Fee reductions occurred in September 2022, and on completion of SFT in late 2022
- Revenue margin of 1.02% as at 31 December 2023, compared to 1.00% at 30 June 2023
- Looking ahead, as we scale, we will balance profitable growth with fee reductions, to ensure a more competitive offering for our current and future customers



* Average revenue margin calculated on total revenue (both FUM based and member based fees) excluding performance fee, as a percentage of average annual FUM (12 months)

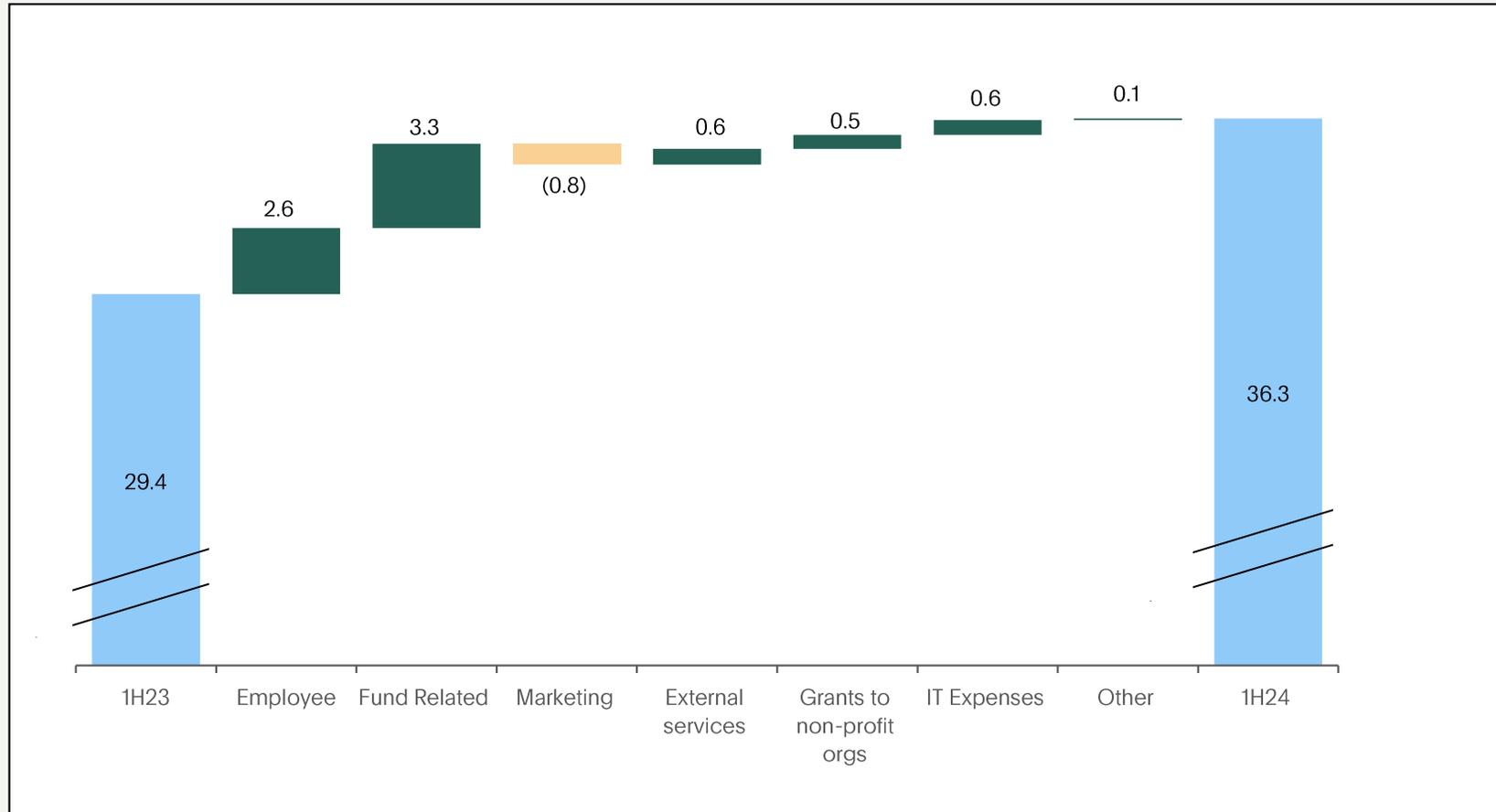
Operating revenue increased 33% to \$48.5m



Key themes

- Solid operating revenue growth despite challenging markets
- 1H24 revenue up 33% driven by the full impact of the SFT, positive investment performance and net flows, partially offset by fee reductions following SFT
- Revenue up 9% compared to 2H23, following continued strong organic net flows and positive investment performance
- Average super FUM grew 50%, driving the majority of the revenue growth
- Average managed funds FUM grew 4%
- \$98m annual revenue run rate at end December 2023

And expense growth reflects post-SFT cost base and disciplined strategic investment



* 1H24 excluding integration & transformation costs of \$2.9m and due diligence & transaction cost of \$0.3m.
 In 1H23 excluding integration & transformation costs of \$2.0m and fair value adjustment in Sentient investment of \$2.6m

Key themes

Expenses* increased 23%, driven by:

- Investment in capability (both new hires and full year run rate of FY23 hires) and remuneration increases drove higher employee costs. This increase includes Christian Super retained employees.
- Higher customer numbers and FUM drove increased fund related expenses (~50% of the increase in overall expenses)
- Timing of brand campaigns resulted in lower marketing costs. Higher marketing expenses are expected in 2H24.
- Higher IT expenses reflect increased investment in IT security and higher licence costs following business expansion and new system implementation.
- Following the SFT, further synergies are expected in the medium term as third-party providers are integrated and other operating efficiencies are implemented.

1H24 Financial Results

Strong profit growth following SFT and continued organic growth

Key financials (\$'000)	1H 2024	1H 2023	Change (YoY)
Operating Revenue	48,493	36,562	33%
Total Revenue	48,493	36,562	33%
Total expenses (excluding SFT integration costs)	(36,277)	(29,440)	23%
Change in fair value of investment	-	(2,600)	
Integration & transformation costs	(2,943)	(1,999)	47%
Due diligence & transaction costs	(289)		
Total expenses	(39,509)	(31,439)	26%
Profit before income tax expense	8,984	2,523	256%
Income tax expense	(2,668)	(1,526)	75%
Net profit after tax – statutory	6,316	997	534%
Less net profit attributable to The Foundation	(97)	(36)	169%
Net profit after tax attributable to shareholders	6,219	961	547%
Underlying profit after tax (UPAT) attributable to shareholders	8,481	4,960	71%
Diluted earnings per share on NPAT – attributable to shareholders	5.53 cents	0.85 cents	
Diluted earnings per share on UPAT– attributable to shareholders	7.54 cents	4.41 cents	71%
Dividend per share	3.00 cents	2.00 cents	50%
Cost to income ratio*	75%	81%	

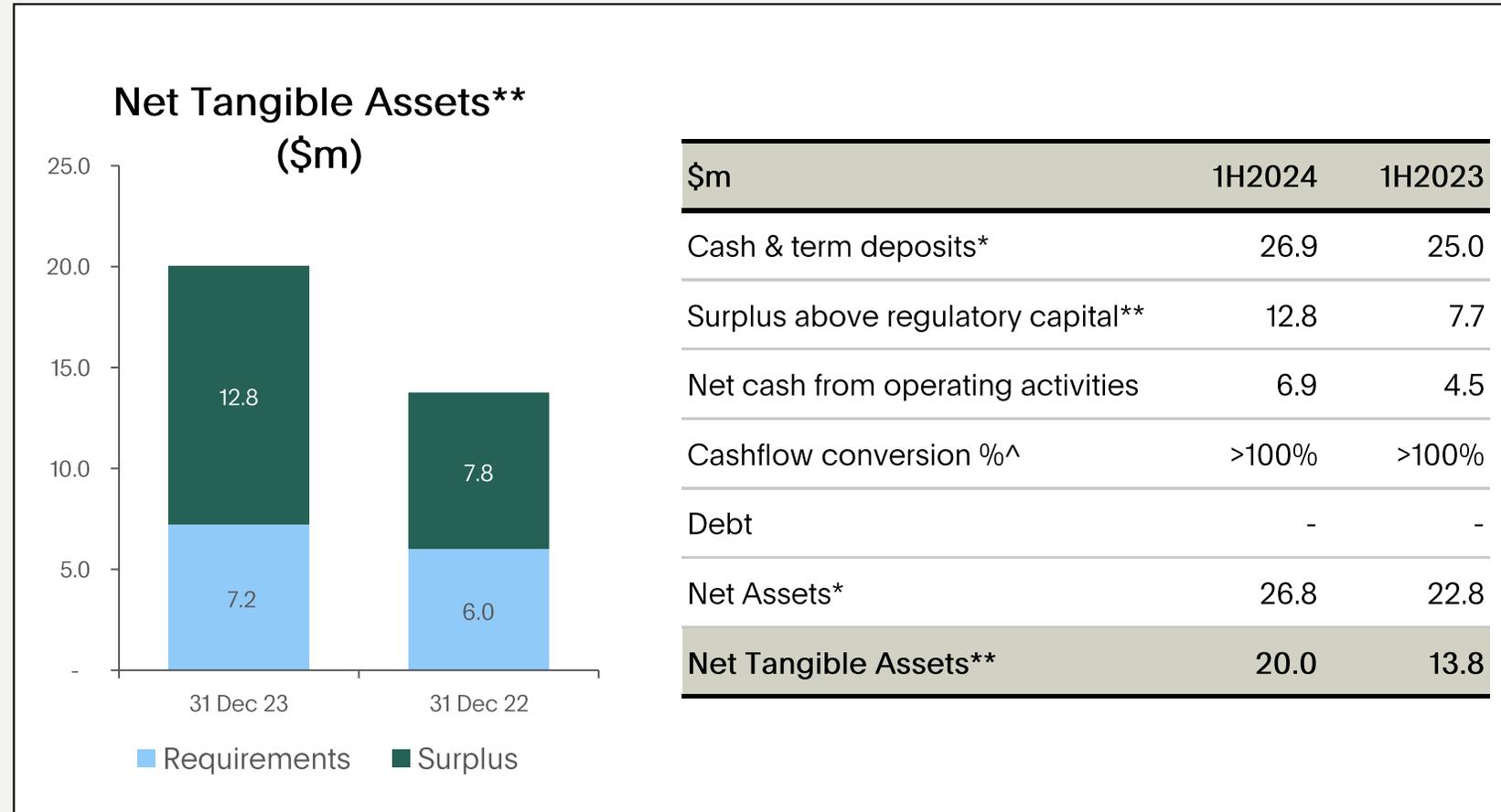
Above may include variances due to rounding

Key themes

- Step-change in profitability following SFT and focussed strategic investment in the business
- First half UPAT up 71% compared to 1H23, and up 24% compared to 2H23.
- UPAT adjustments reflect:
 - Christian Super post-SFT integration costs to deliver future synergies
 - due diligence & transaction costs related inorganic growth opportunities
- Improving operating leverage with underlying CTI* of 75%
- Interim dividend of 3 cents, up 50% Payable on 20 March 2024
- Refer Appendix 1 for UPAT reconciliation

We retain a strong capital position with no debt

With \$12.8m surplus above regulatory capital



* Excluding Foundation

** Relates to AEI Parent entity which holds AFSL

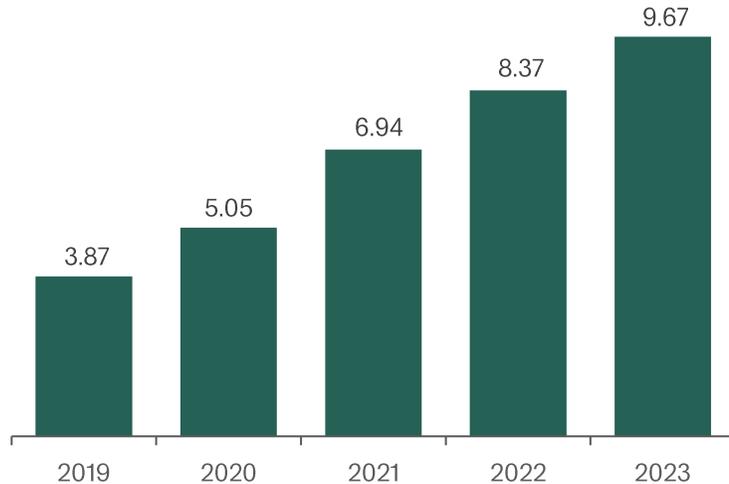
Key themes

- Strong balance sheet with no debt
- Strong cash position
- Minimum regulatory capital requirement of \$7.2m at 31 December 2023
- Parent holds a surplus above regulatory capital of \$12.8m (pre-dividend)



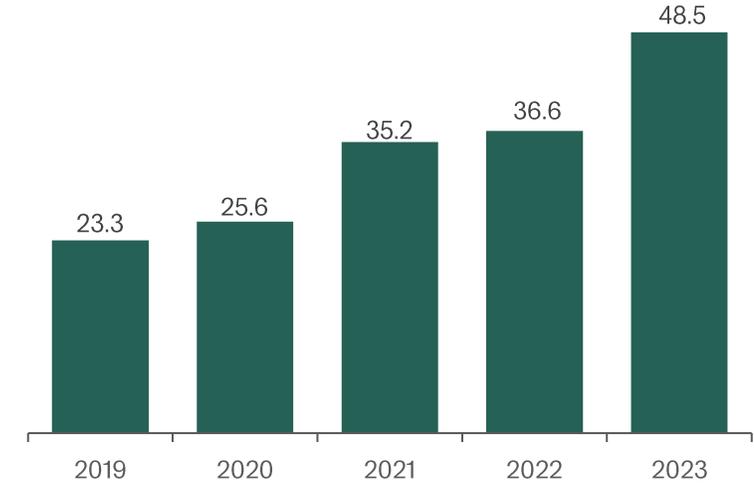
Key financials

Funds under management (\$bn)



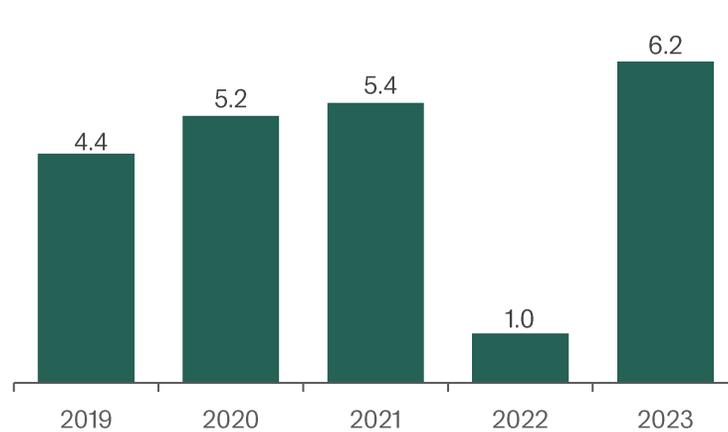
As at 31 December of each year

Operating Revenue (\$m)



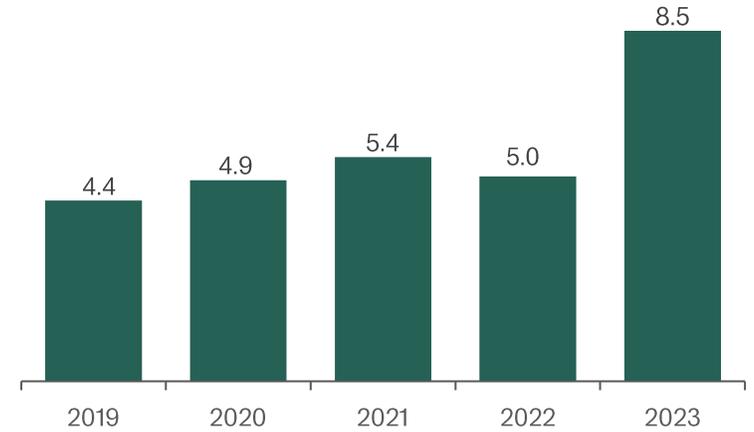
For the 6 months ending 31 December

Statutory Profit after tax* (\$m)



For the 6 months ending 31 December

Underlying profit after tax* (\$m)



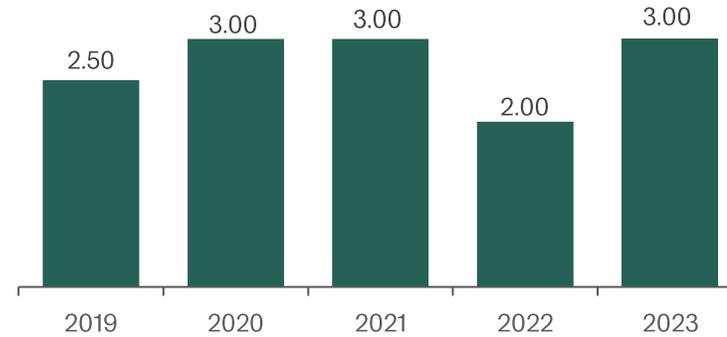
For the 6 months ending 31 December

* Attributable to shareholders

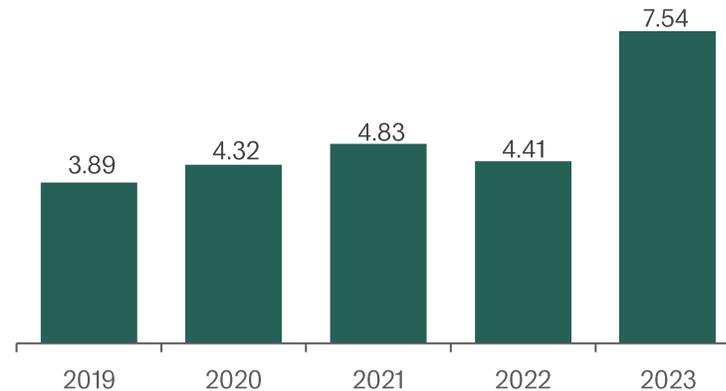


Key metrics

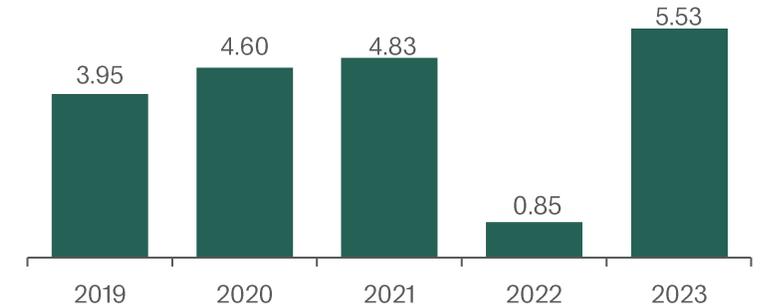
Interim Dividends (cps)



Diluted earnings per share* (UPAT) (cps)



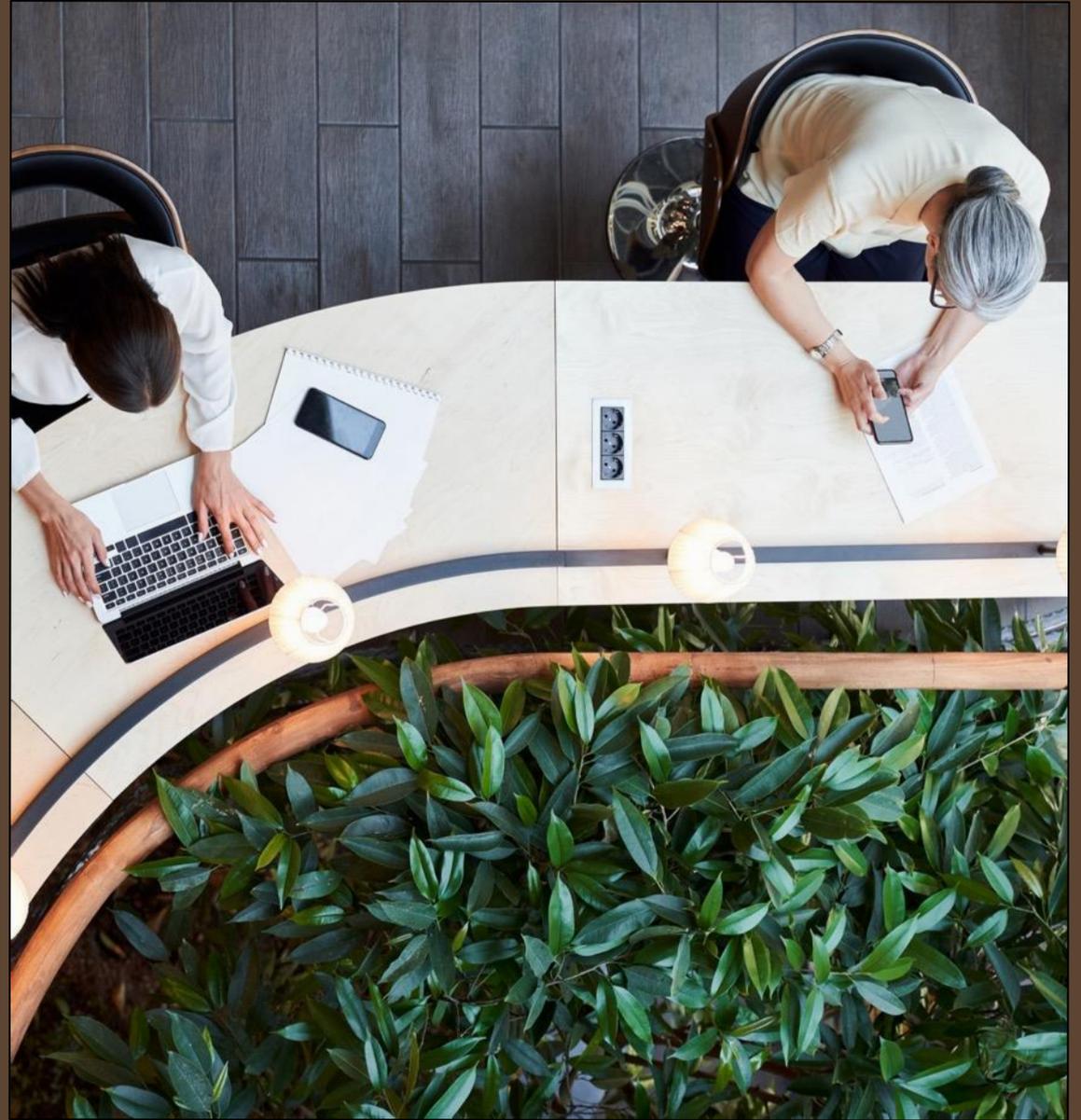
Diluted earnings per share* (NPAT) (cps)



*Based on NPAT /UPAT attributable to shareholders

Business update

03



Continued momentum on execution against our strategy

1. Principled investment leadership

Strengthened Investment and Ethics team with New Systematic Portfolio Manager, and Australian Equities Analyst

Successful launch of two Multi-asset funds: Moderate and Conservative funds

First Private Debt fund launched in February 2024 - AE Infrastructure Debt Fund

Private Markets Co-invest program implemented with commitments to social and transition assets

2. Advocates for a better world

Strong platform for ongoing engagement with the banks:

- ✓ Received 4 times the investor support for NAB climate-focussed resolution vs prior year
- ✓ Double the investor support for Westpac climate-focussed shareholder resolution

Escalated active engagement efforts with Boral regarding their reduced climate ambitions

\$500k Visionary Grants awarded to 10 organisations trialling new approaches to solve climate change issues

Enhanced capability in Ethics Team

3. Compelling client experience

Awarded and recognised for customer experience:

- ✓ Best Inclusive Customer Experience in CX awards
- ✓ Key staff member awarded Customer Service Institute of Australia's "Customer Service Champion" Award

Strengthened customer satisfaction measurement & actionable insights via new CSAT system

Good progress on transformational programs to deliver post SFT synergies & provide enhanced service through Super Administrator consolidation & transition to GROW planned for FY25

4. Impactful business

FUM up 15% to record \$9.67bn

Customer numbers up 13% to > 130,000

Role model for Profit with Purpose - new record BCorp score in July 2023

Awards across multiple facets of the business: RIAA responsible Investment Leader 2023, 2023 Finder Green Super Award Morningstar ESG Global Leaders 2024, Financial Services Growth Company of the Year Award 2023

Progression of initiatives to strengthen our foundational capabilities for growth beyond \$10bn FUM



Leadership & innovation

Strong gender diversity in Executive Team and Board

- ✓ Achieved target Investment Team gender diversity following recent hires

Pulse employee engagement score of 72% in Dec 2023

80% of employees have completed our residential leadership program

Launch of gender-neutral paid parental leave policy

Effective hybrid working supported through new enhanced collaborative workspaces

Outlook

Positive momentum to continue in the second half as we target \$100m annualised revenue run rate by end FY24 (*subject to market conditions*)

Medium term market opportunity remains compelling

however uncertain markets expected to continue

Operating leverage

Expected to improve overall in FY24 compared to FY23 (however expense base to increase in second half due to timing)

Disciplined strategic execution to continue

- continued integration activities following SFT to extract synergies including transition of super administration in FY25
- investment administration transition to new provider in FY25
- further enhancement of investment management platform
- continued implementation of technology strategy
- progressing our inorganic strategy

Remain well-positioned

with our high quality capability, strong balance sheet, enhanced business platform, unrivalled brand and reputation, and deep ethical pedigree

Appendices

04



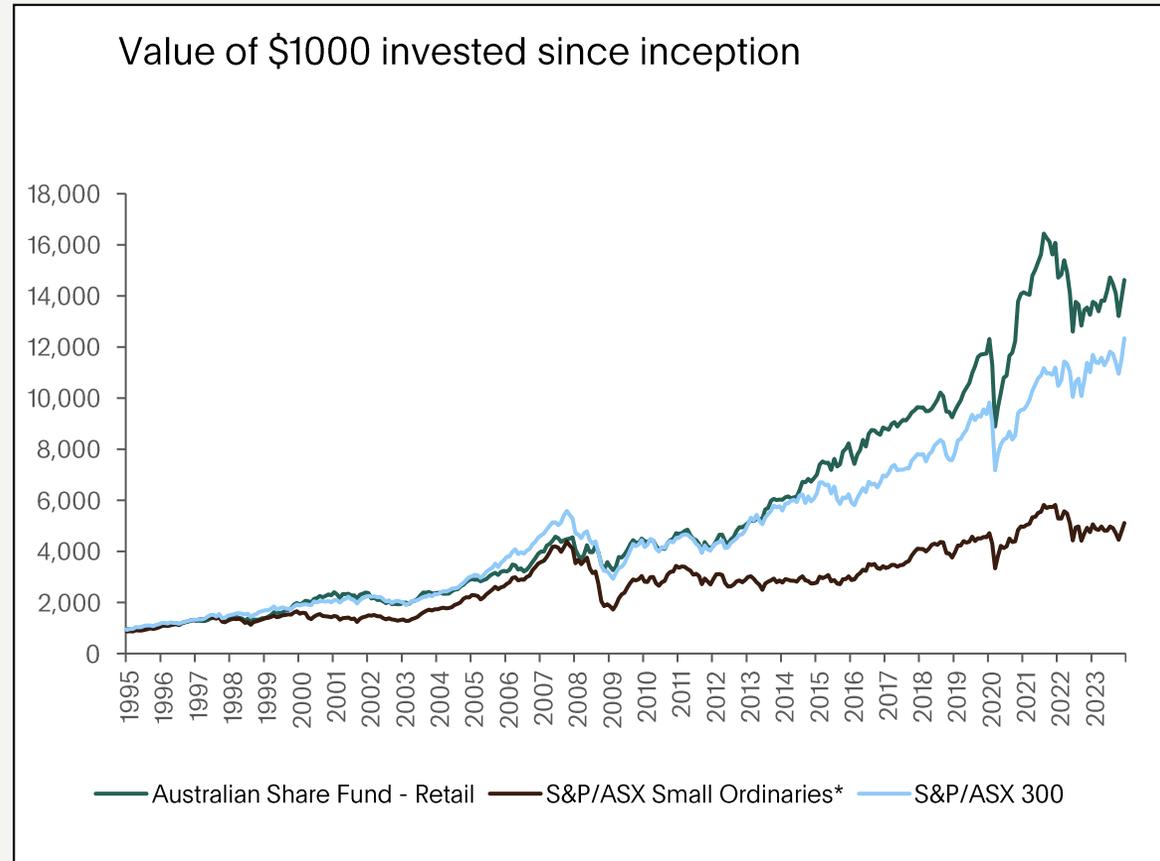
Appendix 1 : UPAT reconciliation

Key financials (\$'000)	1HFY2024	1HFY2023	Increase %
Net profit after tax – statutory	6,316	997	
Net profit attributable to The Foundation	(97)	(36)	
Net profit after tax attributable to shareholders	6,219	961	
Change in fair value of investment		2,600	
Integration & transformation costs	2,943	1,999	
Due diligence & transaction costs	289		
Tax on above adjustments	(970)	(600)	
Underlying profit after tax (UPAT) attributable to shareholders	8,481	4,960	71%

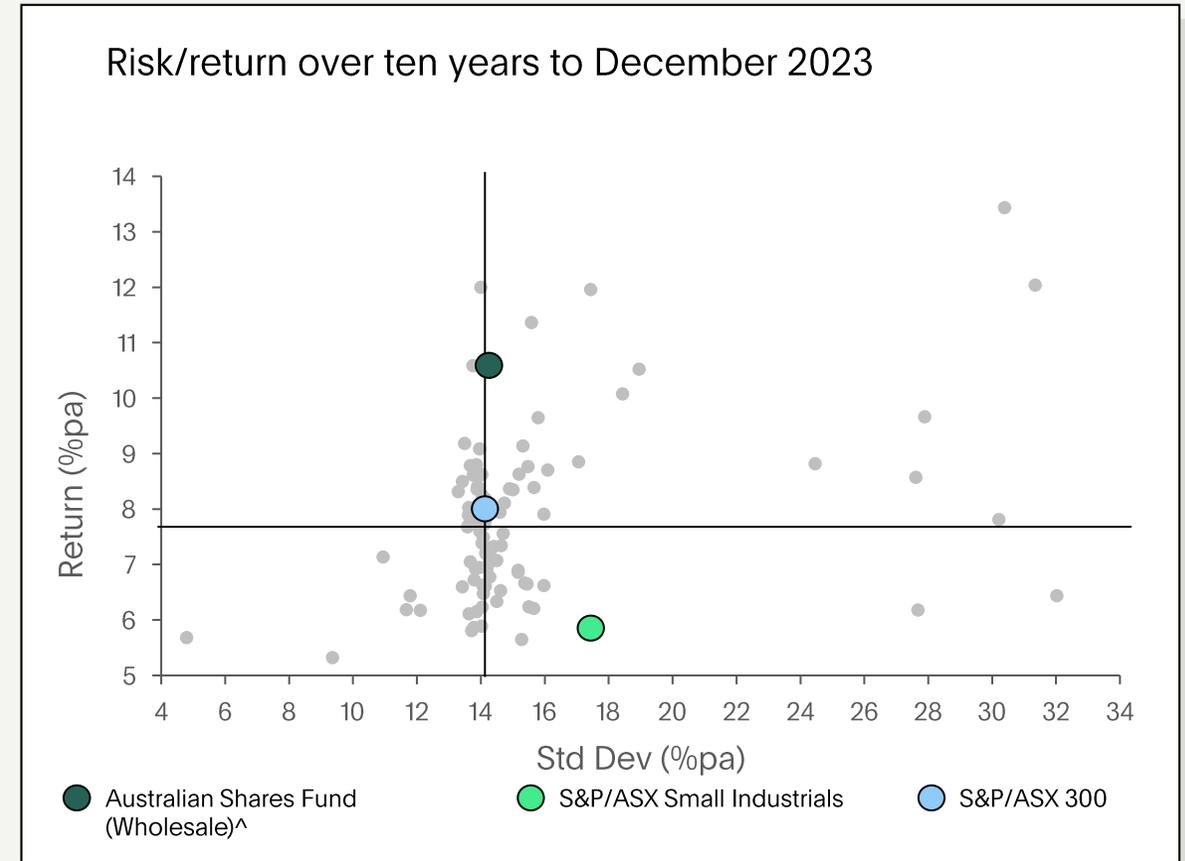
Appendix 2: Investment Performance

Investment leadership

Strong long-term returns | Australian Shares Fund



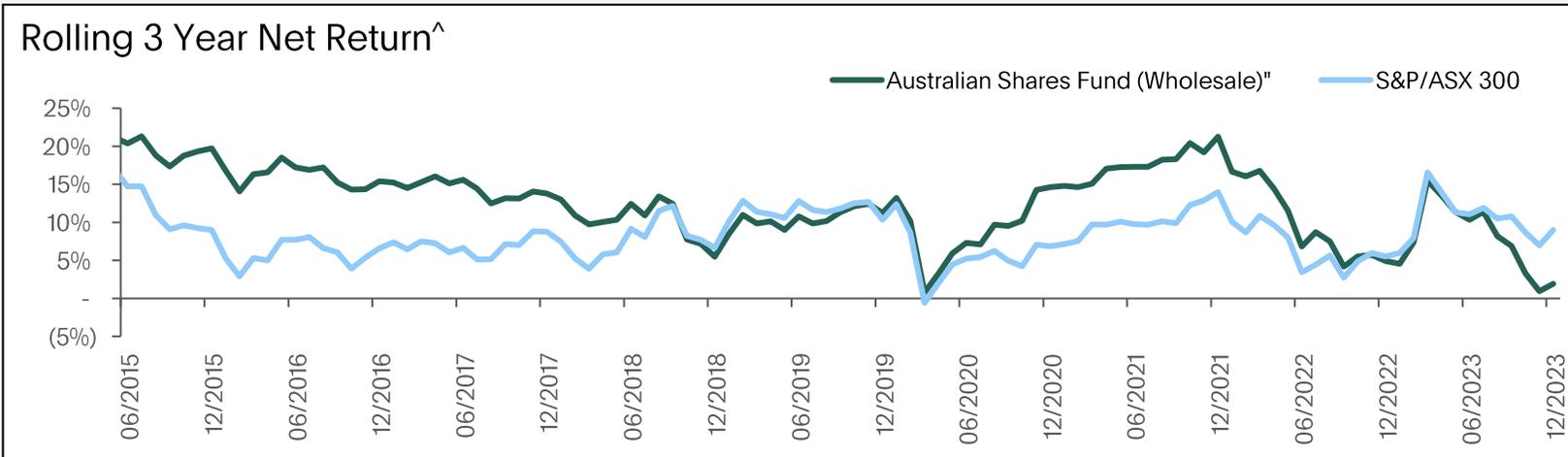
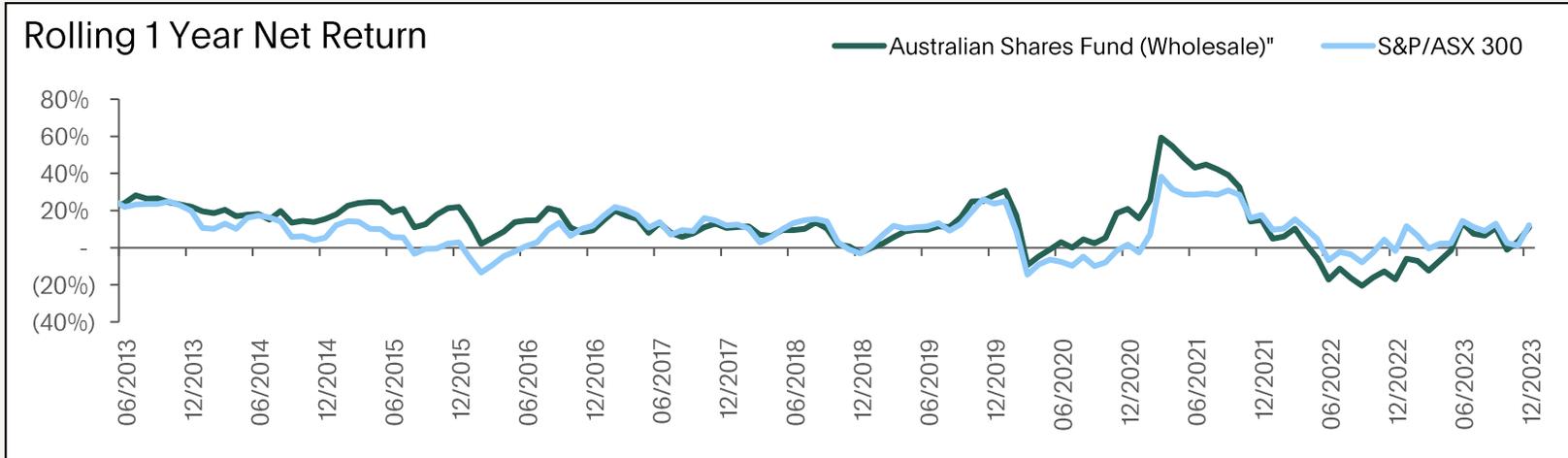
* S&P/ASX Small Industrials does not have sufficient historical data thus S&P/ASX Small Ordinaries has been used for comparison purposes



Source: Mercer. Comparison with the Wholesale-Equity - Australia - All Cap universe (monthly calculations). Return and Std Deviation in \$A (after fees) over 10 years ending December 2023.

^ Reference to 'Wholesale' funds indicate the class of pricing above a minimum investment threshold, which varies by fund

Australian Shares Fund



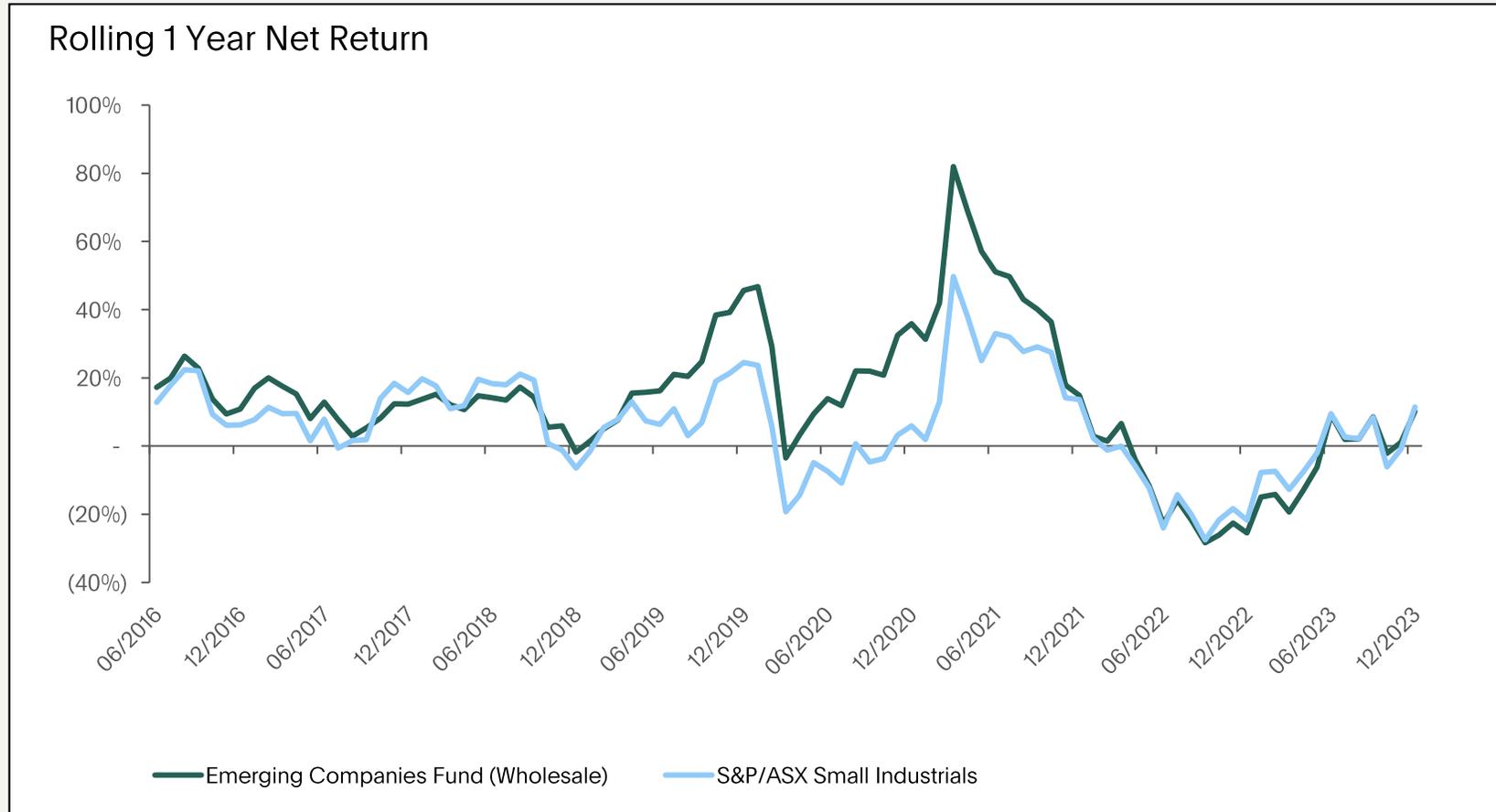
- Australian Shares Fund has delivered positive rolling 3 year returns (annualised) for all periods since June 2015*
- Australian Shares Fund (ASF) has outperformed its benchmark~ for all periods of five years and greater

* Australian Shares Fund wholesale inception date 23/1/2012
[^] Annualised

~ For the wholesale fund. Benchmark changed from S&P/ASX 300 Accum Index to 65% ASX 100 Total Return Index & 35% ASX Small Ordinaries Total Return Index from 30 Sep 2023. Previously, benchmark changed from S&P/ASX Small Industrials Index to S&P/ASX 300 Accum Index from 13 Aug 2019. The historical benchmark returns are calculated by linking these indices.

^{''} Reference to 'Wholesale' funds indicate the class of pricing above a minimum investment threshold, which varies by fund

Emerging Companies Fund



- The Emerging Companies Fund (ECF) attracts a performance fee for outperformance over benchmark*
- The ECF has outperformed benchmark for all periods of five years and above
- The Fund has a small-cap strategy with investments spread across small and microcap companies in Australia and New Zealand.
- Short term underperformance largely attributable to poor performing Healthcare sector and underweight position in strongly performing Consumer Discretionary sector.
- Information Technology contributed positively to investment performance as did significant underweight position in Real Estate which performed relatively poorly.

^ References to 'Wholesale' funds indicate the class of pricing above a minimum investment threshold, which varies by fund

* In addition to the management fee, Emerging Companies Fund also receive a performance fee of 20% (less unrecovered GST) of 1 year outperformance over its benchmark at end of financial year, subject to clawback of any underperformance



Balanced Accumulation Option (MySuper)

Top 10 best performing growth fund
over 10 years – the only retail product
to appear in the 10-year top 10[^]

	6 months	1Y	3Y (%pa)	5Y (%pa)	7Y (%pa)	10Y (%pa)	20Y (%pa)	Since inception (%pa)
Absolute Performance ~	2.7%	9.6%	4.0%	7.2%	6.5%	6.8%	5.8%	6.2%
Benchmark#	3.7%	6.9%	8.4%	7.0%	6.5%	6.1%	6.2%	6.4%
Relative Performance	(1.0%)	2.7%	(4.4%)	0.2%	(0.0%)	0.7%	(0.4%)	(0.1%)

[^] To December 2023. Source Chant West. AFR article 18 January 2024

~ After all fees, assuming average \$50k member balance. Performance calculated in accordance with FSC standard 6 and standard 10, and is as at 31 December 2023

* Inception Date: 31/12/1998

Benchmark (Objective) is CPI + 3.25%. CPI benchmarks are quarterly lagged, compounded monthly and reflect changes to the hurdle rates over time (previous benchmark was SuperRatings SR50 Balanced (60-76) Index)

Past performance is not a reliable indicator of future performance



Australian Shares Fund

Investments in the Technology sector added value during the period due to stock selection. The Consumer Staples sector was also a contributor, benefiting from corporate takeover activity.

The Materials and Healthcare sectors detracted from performance during the period. The Fund has limited exposure to the performance in the Materials sector due to our Ethical screen process. The Healthcare sector lagged the equity market recovery and detracted from performance.

	6 months	1Y	3Y (%pa)	5Y (%pa)	7Y (%pa)	10Y (%pa)	20Y (%pa)	Since inception (%pa)
Retail*	2.9%	10.3%	1.3%	9.6%	7.4%	9.3%	9.6%	9.5%
Benchmark^^	7.5%	12.2%	9.0%	10.1%	8.3%	8.2%	7.2%	7.3%
Relative Performance	(4.6%)	(1.9%)	(7.7%)	(0.5%)	(0.8%)	1.1%	2.4%	2.2%
S&P/ASX Small Industrials Accum Index	7.4%	11.4%	(0.3%)	5.5%	5.1%	5.9%	6.0%	6.6%
Relative Performance	(4.5%)	(1.1%)	1.6%	4.1%	2.4%	3.4%	3.5%	3.0%
Wholesale^	3.2%	11.0%	1.9%	10.4%	8.4%	10.5%	n/a	12.2%
Benchmark^^	7.5%	12.2%	9.0%	10.1%	8.3%	8.2%	n/a	9.8%
Relative Performance	(4.3%)	(1.2%)	(7.1%)	0.4%	0.1%	2.3%	n/a	2.5%
S&P/ASX Small Industrials Accum Index	7.4%	11.4%	(0.3%)	5.5%	5.1%	5.9%	n/a	7.9%
Relative Performance	(4.2%)	(0.4%)	2.2%	4.9%	3.4%	4.6%	n/a	4.4%

Table reflects performance after fees for the Australian Shares Fund. Performance calculated in accordance with FSC standard 6 and standard 10, and is as at 31 December 2023

* Inception Date (Retail): 19/09/1994. ^ Inception Date (Wholesale): 23/01/2012

^^ Benchmark changed from S&P/ASX 300 Accum Index to 65% ASX 100 Total Return Index & 35% ASX Small Ordinaries Total Return Index from 30 Sep 2023. Previously, benchmark changed from S&P/ASX Small Industrials Index to S&P/ASX 300 Accum Index from 13 Aug 2019. The historical benchmark returns are calculated by linking these indices.

Past performance is not a reliable indicator of future performance

References to 'Wholesale' funds indicate the class of pricing above a minimum investment threshold, which varies by fund



Emerging Companies Fund

Has outperformed the benchmark for all periods of 5 years and above.

The Fund has a small-cap strategy with investments spread across small and microcap companies in Australia and New Zealand.

Short term underperformance largely attributable to poor performing Healthcare sector and underweight position in strongly performing Consumer Discretionary sector.

Information Technology contributed positively to investment performance as did significant underweight position in Real Estate which performed relatively poorly.

	6 months	1Y	3Y (%pa)	5Y (%pa)	7Y (%pa)	Since inception (%pa)
Retail*	4.8%	9.7%	(2.4%)	12.7%	10.2%	11.6%
Benchmark^	7.4%	11.4%	(0.3%)	5.5%	5.1%	6.3%
Relative Performance	(2.6%)	(1.7%)	(2.1%)	7.2%	5.2%	5.2%
Wholesale*	5.0%	10.2%	(1.9%)	13.3%	10.9%	12.3%
Benchmark^	7.4%	11.4%	(0.3%)	5.5%	5.1%	6.3%
Relative Performance	(2.4%)	(1.2%)	(1.6%)	7.8%	5.8%	5.9%

Table reflects performance after all fees (including performance fees) for the Emerging Companies Fund. Performance calculated in accordance with FSC standard 6 and standard 10, and is as at 31 December 2023
 ^ Benchmark is S&P/ASX Small Industrials Accum Index
 * Inception Date: 30/06/2015
 Past performance is not a reliable indicator of future performance

References to 'Wholesale' funds indicate the class of pricing above a minimum investment threshold, which varies by fund

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Disclaimer

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Thank you

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