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Ausbil Active Sustainable Equity Fund - Active ETF

Quarterly performance update

June 2026

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'As the world moves past the oil supply shock, Ausbil's outlook for economic growth for the US and Australia remains supportive of equities'

Performance Review

Fund performance for the quarter ending June 2026 was +5.88% (net of fees), versus the benchmark return of +4.05%, as measured by the S&P/ASX 200 Accumulation Index.

At a sector level, the overweight positions in the Information Technology and Real Estate sectors contributed to relative performance. The underweight positions in the Energy, Materials, Financials and Utilities sectors also added value. Conversely, the overweight positions in the Health Care and Communication Services sectors detracted from relative performance. The underweight positions in the Industrials, Consumer Discretionary and Consumer Staples sectors also detracted value.

At a stock level, the overweight positions in Life360, Pro Medicus, Sandfire Resources, Charter Hall Group, James Hardie, NextDC, BlueScope Steel and Macquarie Group added to relative performance. The underweight position in Westpac bank and, the nil position in Woodside Energy Group also added value. Conversely, the overweight positions in CSL, Judo Capital, Evolution Mining, HUB24, Brambles and Telstra detracted from relative performance. The nil positions in BHP Group, Aristocrat Leisure, Computershare and QBE Insurance also detracted value.

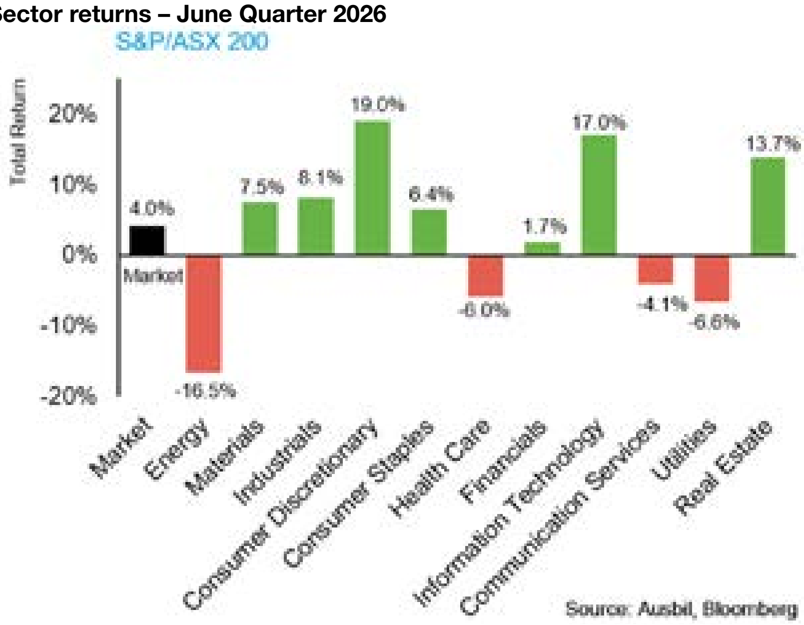
Market Review

The June quarter was positive for markets as hostilities in the Middle appeared to be easing towards a resolution following a temporary ceasefire. The market returned +4.05% for the quarter (for the S&P/ASX 200 Accumulation Index), bringing the 1-year return to +6.11%.

In global equity markets, Emerging Markets (MSCI EM) outperformed Developed Markets (MSCI World), though both delivered positive returns. Global markets ended the quarter strongly, with Japan up on its reflationary outlook, and Nasdaq up on strength in technology and the IPO of SpaceX. The only exceptions that experienced a fall this quarter was Hong Kong.

In terms of sectors, Energy, Utilities and Health Care were the main negative performers on the market, with Consumer Discretionary, Information Technology and Real Estate leading those that added significantly to the returns for the quarter, as shown in the chart.

Sector returns – June Quarter 2026



Fund Characteristics

Returns[1] as at 30 June 2026

Period	Fund Return[1] %	Benchmark[2] %	Out/Under Performance %
1 month	2.80	0.67	2.13
3 months	5.88	4.05	1.83
6 months	-0.05	2.37	-2.42
1 year	1.37	6.11	-4.74
2 years pa	10.91	9.89	1.01
3 years pa	12.18	10.62	1.55
4 years pa	11.63	11.65	-0.02
5 years pa	7.37	7.76	-0.39
7 years pa	9.68	8.01	1.67
Since inception pa Date: 31 Jan 2018	9.68	8.61	1.06

Top 10 Stock Holdings

Name	Fund %	Benchmark[2] %	Tilt %
Commonwealth Bank	9.14	10.32	-1.18
Rio Tinto	7.28	2.40	4.88
ANZ Group	6.46	3.99	2.47
CSL	6.32	2.09	4.24
Macquarie Group	4.79	3.32	1.47
Wesfarmers	4.34	3.85	0.49
Cochlear	4.13	0.30	3.83
Goodman Group	3.84	2.38	1.46
Sandfire Resources	3.61	0.34	3.27
Evolution Mining	3.57	0.89	2.68

Sector Tilts

Sector	Fund %	Benchmark[2] %	Tilt %
Energy	0.00	4.25	-4.25
Materials	23.22	25.37	-2.15
Industrials	4.22	6.72	-2.49
Consumer Discretionary	5.69	7.25	-1.55
Consumer Staples	2.90	3.85	-0.95
Health Care	14.83	5.54	9.29
Financials	27.75	34.12	-6.36
Information Technology	10.34	2.90	7.44
Communication Services	3.37	2.62	0.74
Utilities	0.00	1.40	-1.40
Real Estate	7.01	5.99	1.02
Cash	0.66	0.00	0.66
Total	**100.00**	**100.00**	**0.00**

1. Fund returns are net of fees but before taxes and assume distributions are reinvested. Past performance is not a reliable indicator of future performance.
2. The benchmark is S&P/ASX 200 Accumulation Index.

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Outlook

The oil supply shock that commenced at the end of February 2026, as the Strait of Hormuz closed in response to Iranian conflict, reached a resolution of sorts in June. In mid-June, the US and Iran agreed a 60-day ceasefire with an agreement to terminate hostilities and reopen the Strait of Hormuz immediately. Across June, the oil price declined as the details of a deal became a reality, buoying markets, and underscoring the potential for global and US economic growth to remain strong. At the height of the crisis, Brent crude oil scaled to around US$120/bbl, but had returned to pre conflict levels, ~US$70/bbl by the end of June.

Ausbil's economic growth outlook for Australia in 2026 is currently +2.3%. With cessation of the oil supply crisis, we see potential upside to our economic growth forecasts for the US and globally, while a steadier growth profile for Australia. On interest rates, Ausbil's projection for three Australian rate rises this tightening cycle at 25bps each was realised with the third-rate hike in May, and the RBA electing to hold in June confirms our view that rates are likely to remain on stable in CY26. Despite recent tightening by the RBA, rates are at equilibrium levels which we believe is not a material risk to earnings growth in FY26 or FY27. However, tax changes on CGT and negative gearing at the Federal Budget are expected to add a dampener on consumer demand, particularly in Australia's key real estate sector.

As the world moves past the oil supply shock, Ausbil's outlook for economic growth for the US and Australia remains supportive of equities and positive earnings growth. Underpinning our outlook for earnings growth are major secular growth themes, including the ongoing strength of metals and critical minerals, Australia's leading technology companies monetising AI, and domestic productivity and inflation challenges favouring global earnings streams over local.

ESG Review

During June, Ausbil continued its engagement work through the World Benchmarking Alliance's Collective Impact Coalition for Ethical Artificial Intelligence. For instance, Ausbil engaged with SPK on their responsible AI framework and participated in a group meeting on the same topic with TLS. Ahead of the meeting, Ausbil worked with TLS on the questions, drawing on materials from the World Benchmarking Alliance's Collective Impact Coalition for Ethical Artificial Intelligence. The discussion focused on the evolution of Telstra's AI implementation and use, the guardrails and processes in place to manage AI-related risks, and the company's approach to managing AI-related human rights risks.

During the month, Ausbil also travelled to WA to meet with a number of mining companies to discuss a wide range of ESG matters and Ausbil also attended the Global Sourcing Expo in Sydney, which was an event for sourcing professionals to discover manufacturers and suppliers from around the world in the categories of apparel, footwear, accessories, textiles and home furnishings. Ausbil attended the event to seek intel on the latest developments on ESG issues in global supply chains, including discussions with suppliers from China, Hong Kong, Bangladesh and India.

In June, Ausbil also had several individual meetings with companies held in the portfolio. For instance, Ausbil engaged with FPH's management about the underlying demand drivers for their products, such as ageing of population, and we also discussed FPH's AI strategy and initiated discussions with FPH on modern slavery risk management. Also, Ausbil engaged with REA broadly on the sector outlook, as well as into succession planning for Hamish McLennan and Ausbil discussed with TNE the commercial benefits of early adoption of Responsible AI guardrails as part of a broader discussion on the role that AI plays for TNE's business. Further, Ausbil attended a group Sustainability Briefing with EVN, where we discussed their emissions targets, fleet electrification progress, water management at their sites, as well as safety, Ausbil organised a meeting with WOW's Senior Manager of Sustainability, specialising in Nature and Agribusiness, to discuss WOW's approach to nature-related risks and opportunities. Ausbil participated in a group meeting with WES's sustainability team, dedicated to modern slavery / ethical sourcing. Ausbil's contributions to the discussion included the new laws in China (Decree 834 - Provisions on the Security of Industrial and Supply Chains) and how WES will address that, further conversations about supply chain traceability technologies (as a follow-up from previous engagements).

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1. Ausbil is a member of the Responsible Investment Association Australasia (**RIAA**). RIAA's RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that Ausbil Active Sustainable Equity Fund adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Ausbil Active Sustainable Equity Fund's methodology, performance and stock holdings can be found at ww.responsiblereturns.com.au, together with details about other responsible investment products certified by RIAA. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.

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