

IML SUSTAINABLE FUTURE FUND

MONTHLY REPORT



31 OCTOBER 2023

The **IML Sustainable Future Fund** has a simple purpose: to invest in companies that aim to deliver attractive long-term returns for investors and a more sustainable future.

Using the same investment philosophy and fundamental bottom-up research as all of IML's funds, the fund has the same focus on lower volatility and downside protection, however it only invests in companies listed on the ASX that meet its additional ESG investment criteria. The Fund uses both positive and negative ESG screening and aims for emissions intensity of at least 30% better than its benchmark.

FUND PERFORMANCE

- The Fund was down a disappointing -3.6% in October, although it performed slightly better than the benchmark ASX 300 which fell -3.8%.
- Markets continued their poor run in October, with both the S&P 500 and ASX 300 down more than -10% from their most recent highs as rising bond yields and an uncertain economic environment weighed on investor sentiment.
- Most stocks fell over the month and many fell heavily, although Resources stocks, especially iron ore, held up well which hurt the fund's relative performance. Telstra and Medibank were among the fund's more resilient stocks and Newcrest rose as the merger with Newmont completed and it paid a large fully-franked dividend. Domain was down -15.5%, on fears rising interest rates would continue to impact housing transactions, and Brambles fell -8.5%, despite a positive trading update.
- We continue to act cautiously, focusing on industry-leading companies with strong competitive advantages and recurring earnings that are likely to perform well in a range of economic conditions, while actively looking for new opportunities.

	1 MONTH	3 MONTHS	6 MONTHS	SINCE INCEPTION
Income	+0.0%	+0.0%	+1.5%	+1.6%
Growth	-3.6%	-6.8%	-7.7%	-0.7%
Total return*	-3.6%	-6.8%	-6.2%	+0.8%
Benchmark**	-3.8%	-7.3%	-5.4%	-0.1%

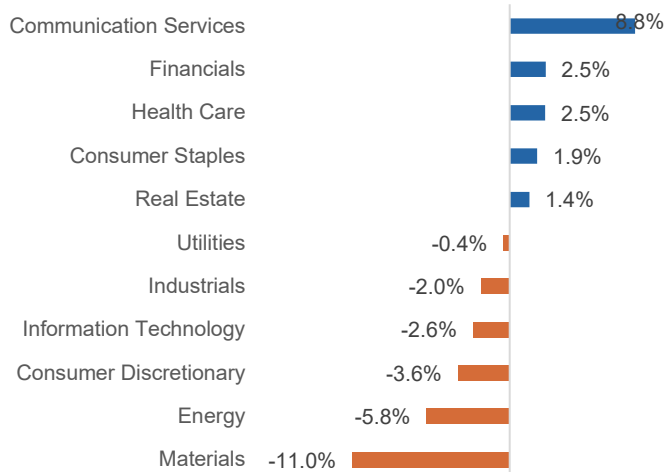
*Fund returns are calculated net of management fees, and assuming all distributions are re-invested. Investors should be aware that past performance is not a reliable indicator of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments.
**The benchmark for this Fund is the S&P/ASX 300 Accumulation Index (ASX300)

PORTFOLIO EMISSIONS (BELOW BENCHMARK)

47.81%*

* Carbon emissions for the Fund are calculated each month and updated against the disclosed emissions for each company. Currently for the prior 12-month period to 14 December 2022. Calculations are made and monitored through IML's portfolio management system, in line with The Global GHG Accounting and Reporting Standard for the Financial Industry. Data may be sourced from third parties which report historic numbers and we assume that these are accurate and reflective of current numbers. There is a risk that the emissions reported by third parties may be inaccurate or change materially from time to time. Please read our Carbon Emission Data Policy available on our website for more information.

ACTIVE SECTOR WEIGHTS



TOP 10 HOLDINGS

ASX CODE

National Australia Bank	NAB
BHP	BHP
CSL	CSL
Telstra	TLS
Commonwealth Bank	CBA
Medibank Private	MPL
Suncorp	SUN
Charter Hall Retail REIT	CQR
Brambles	BXB
Orica	ORI

Since inception: 20 December 2022: Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX 300 Accumulation Index, Source: IML,Factset

FUND FACTS	
ARSN	663 590 243
APIR	IML1194AU
Inception	20 December 2022
Benchmark	S&P/ASX 300 Accumulation Index
Investment Horizon	4-5 years
Minimum Initial Investment	A\$50,000
Minimum Additional Investment/ Redemption	A\$5,000
Distributions	Generally semi-annual
Performance Fee	Nil
Management Fee	0.993% p.a. of the net assets of the fund (includes net effect of GST)
Asset Classes and Allocation Range	Aust Equities (80-100%) Cash (0-20%)

PORTFOLIO CHARACTERISTICS	FUND	BENCHMARK
No. of stocks	27	300



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