

Fiducian Diversified Social Aspirations Fund



Monthly Report - December 2021

Fund description

The Fund invests in a diversified group of Australian and global socially responsible shares listed on the ASX and other major global stock exchanges. The Fund utilises the Fiducian “Manage the Manager” process, carefully selecting managers to provide diversification with the aim of achieving superior returns with reduced risk.

Managers in the Fund may exclude companies from investment that are seen to have a negative social impact. This could lead to periods where returns could deviate from the indices the Fund uses to compare its returns.

Share investment can be volatile over the short term, and the recommended holding period for the fund is at least 5 to 7 years.

Fund facts

Portfolio manager: Conrad Burge

ARSN: 607 881 050

APIR code: AAA003AU

Benchmark: 60/40 ASX 300 Accumulation & MSCI World ex-Australia Index

Current fund size: \$12 million (December 2021)

Management cost: 1.35%

Total management costs: 1.72%

Application/Exit fee: Nil

Inception Date: February 1997

Manager

Solaris

Candriam

Style

Value

Core

Growth

Sector

Aus

Int



Performance and Risk

After fee returns as at 31 December 2021

| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 2 Yrs | 3 Yrs | 5 Yrs |
|--------|-------|-------|-------|-------|-------|-------|-------|
| Fund | 2.3% | 4.1% | 7.8% | 20.1% | 9.1% | 13.2% | 9.5% |
| Index | 2.3% | 4.2% | 7.0% | 22.4% | 12.4% | 16.6% | 12.0% |
| Excess | 0.0% | -0.1% | 0.8% | -2.2% | -3.3% | -3.4% | -2.5% |

Risk Exposure

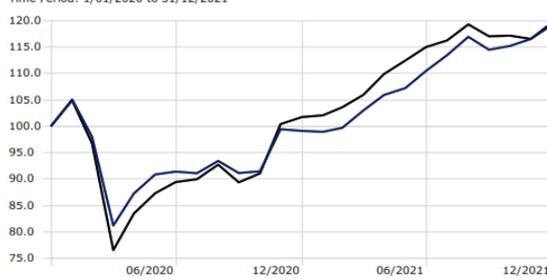
| | 1 Yr | 3 Yrs | 5 Yrs |
|-----------------------------|------|-------|-------|
| Fund Volatility (Std Dev %) | 5.6% | 14.9% | 12.4% |

Overall Morningstar Rating™

★★

Investment Growth

Time Period: 1/01/2020 to 31/12/2021



Risk-Reward

Time Period: 1/01/2020 to 31/12/2021

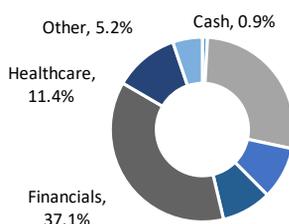
Calculation Benchmark: S&P/ASX 300 TR



—Fiducian Diversified Social Aspirations —S&P/ASX 300 TR

● Fiducian Diversified Social Aspirations ● S&P/ASX 300 TR ▲ MSCI World Ex Australia PR AUD

Sector exposures and current manager weights



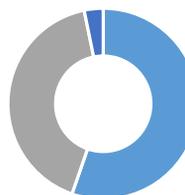
Materials, 27.4%

Industrials, 9.2%

Consumer, 8.8%

Cash, 3.2%

Candriam,...



Solaris, 55.3%

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Market Commentary and Outlook

The rapid spread through the month and into 2022 of the latest variant of the COVID-19 coronavirus (Omicron) has the potential to slow global economic growth for a time. So far, however, indications are that despite being highly contagious, this strain is less virulent or deadly than previous versions of the virus. Combined with high vaccination rates in most developed nations, the need for restrictive lockdowns is largely being avoided. Against this backdrop, the positive economic momentum seen across most of the world in 2021 is likely to be sustained in 2022.

Global equity markets ended 2021 on a positive note, with most indices recording gains for the month. For the year, the US market (S&P 500) finished 28.7% higher. European markets (MSCI Europe ex UK) were 24.4% higher for the year and the Australian market (ASX 200) gained 17.2%. Emerging markets (-2.2%) trailed developed markets (+22.3%), and property stocks outperformed the broader market. Government bond yields also moved higher over the year, as the scaling down of emergency stimulus programmes and recent higher than expected inflation data has brought forward the timeline for interest rate increases.

Looking ahead, leading indicators remain supportive of a continued economic recovery through 2022, with the IMF forecasting global GDP growth of around 5% for the year. The risk of further disruption caused by lockdowns to counter the pandemic remains but is lessening as vaccine rollouts continue and restrictions become more targeted.

Fund Commentary

The Fiducian Diversified Social Aspirations rose by 2.3% in December which was in line with the return of the composite index. Over the last 12 months to the end of December, the Fund rose by 20.1% compared to 22.4% for the index. Both managers performed broadly in line with their respective indices during the month, and over the last 12 months, Candriam has outperformed their benchmark, whilst Solaris has underperformed.

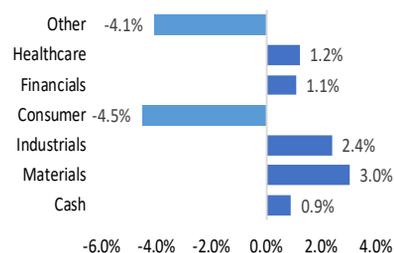
The Australian equity market had a positive month in December, rising by 2.7%. The top performing sectors were Utilities (+7.9%), Materials (+6.5%) and Real Estate (+4.9%). IT (-5.3%) and Healthcare (-2.3%) were the weakest.

Within the Solaris Australian equity portfolio the top contributors for the month were overweight positions in South32 and Atlas Arteria, and the top detractors for the month were underweight positions in Commonwealth Bank and Fortescue.

In the Candriam equity portfolio, the top contributors were overweight positions in IT stocks Qualcomm and Seagate, and an underweight position in Meta (Facebook). The key detractors were overweight positions in PayPal and DocuSign, and well as an underweight position in Pfizer.

Top stock holdings and sector tilts

| Solaris Top Holdings | Weight | Candriam Top Holdings | Weight |
|-------------------------|--------|-----------------------|--------|
| CSL Limited | 8.2% | Microsoft | 4.8% |
| BHP Group | 7.8% | Apple | 4.0% |
| Macquarie Group | 5.7% | Alphabet | 4.0% |
| National Australia Bank | 5.5% | Tesla | 1.6% |
| Commonwealth Bank | 5.0% | Accenture | 1.6% |
| Westpac | 3.5% | Procter & Gamble | 1.6% |
| James Hardie | 3.2% | Costco Wholesale | 1.3% |
| Atlas Arteria | 3.0% | Mcdonalds | 1.3% |
| Woolworths | 2.9% | Nvidia | 1.3% |
| Goodman Group | 2.8% | Adobe | 1.3% |



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