

# Magellan Core ESG Fund

(MANAGED FUND) (TICKER: MCSE)

A diversified global equities portfolio of 70-90 high quality global equities with ESG risk integration

ARSN 645 514 110

APIR MGE8722AU

AS AT 29 FEBRUARY 2024

## Fund Features

- A portfolio of high-quality securities that is actively constructed and rebalanced quarterly
- Integrated quality framework to identify companies with sustained competitive advantages, and with a forward-looking view to the evolution in technology, consumer behaviour and other fundamental impacts to businesses
- Rebalanced quarterly, and continuously monitored, to ensure relevant and updated views on ESG, quality and risk
- Investors can buy or sell units on the Cboe securities exchange like any other listed security or apply and redeem directly with the Responsible Entity

## ESG Philosophy and integration

- Integrated proprietary ESG risk assessment process and low carbon framework
- The fund excludes companies whose activities in our view may have wide-ranging detrimental impacts on society for example tobacco production, controversial weapons and mining of coal<sup>^</sup>
- Companies are reviewed and scored for the materiality of their exposure to environmental, social and governance factors. The assessment is a direct input into portfolio management
- Exposure to industry exclusions is assessed by reference to the total (gross) revenue<sup>+</sup> of the company provided by MSCI ESG Manager
- We overlay our proprietary low carbon framework to deliver a portfolio with meaningfully lower carbon intensity than broader equity markets<sup>\*\*</sup>

## Fund Facts

<b>Portfolio Manager</b>	Elisa Di Marco	
<b>Structure</b>	Global Equity Fund, A\$ Unhedged	
<b>Objective</b>	Achieve attractive risk-adjusted returns over the medium to long term, through investment in a diversified portfolio of high-quality companies. This objective incorporates consideration of environmental, social and governance (ESG) risks and the application of a proprietary low carbon framework.	
<b>Investment Risks</b>	All investments carry risk. While it is not possible to identify every risk relevant to your investment, we have provided details of the risks that may affect your investment in the relevant Product Disclosure Statement. You can view the PDS for the fund at <a href="http://www.magellangroup.com.au">www.magellangroup.com.au</a> .	
<b>Inception Date</b>	11 December 2020	
<b>Management Fee<sup>1</sup></b>	0.51% per annum	
<b>Buy/Sell Spread<sup>2</sup></b>	0.10%/0.10%	
<b>Minimum Investment<sup>2</sup></b>	AUD\$10,000	
<b>Fund Size/NAV Price</b>	AUD \$17.3 million / \$4.6063 per unit	
<b>Distribution Frequency</b>	Semi-annually	
<b>Cboe Ticker</b>	MCSE	
<b>Tickers</b>	<b>Solactive iNAV</b>	<b>ICE iNAV</b>
<b>Bloomberg (MCSE AU Equity)</b>	MCSEAIV	MCSEAIUV Index
<b>Refinitiv (MCSE.CHA)</b>	MCSEAUDINAV=SOLA	MCSEAIUV.P
<b>IRESS (MCSE.CXA)</b>	MCSEAUDINAV	MCSE-AUINAV.NGIF
<b>Carbon Intensity<sup>3</sup> (CO<sub>2</sub>t/US\$1m revenues)</b>	Fund: 22	Index <sup>**</sup> : 106
Visit <a href="http://www.magellangroup.com.au">www.magellangroup.com.au</a> for more information, including: fund performance, unit prices and iNAV, investment insights, PDS & forms		

<sup>1</sup> Transaction costs may also apply – refer to the Product Disclosure Statement. All fees are inclusive of the net effect of GST;

<sup>2</sup> Only applicable to investors who apply for units directly with the Responsible Entity

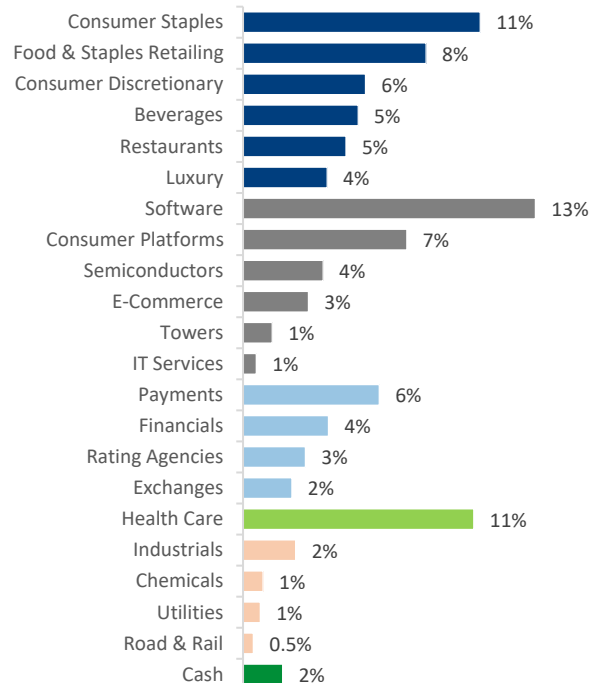
<sup>3</sup> As at 31 December 2023. Carbon intensity data available on a quarterly basis. Certain information ©2024 MSCI ESG Research LLC. Reproduced by permission. The Fund's carbon intensity score is calculated using MSCI data. In a limited number of circumstances, where data is not available or Magellan deems it appropriate, manual adjustments are made to the MSCI carbon intensity score for certain investments held by the fund.

## Performance\*

	Fund (%)	Index (%)**	Excess (%)
1 Month	4.4	5.8	-1.4
3 Months	10.8	12.7	-1.9
6 Months	11.1	11.9	-0.8
1 Year	30.3	29.4	0.9
3 Years (p.a.)	14.5	15.1	-0.6
Since Inception (p.a.)	12.7	14.3	-1.6

Past performance is not a reliable indicator of future performance.

## Portfolio Snapshot<sup>#</sup>



<sup>^</sup> Please see the PDS for a full list of industry exclusions and revenue thresholds for exclusion.

<sup>+</sup> Net revenue or an estimate of gross (or net) revenue will be used where gross revenue is not available.

<sup>\*\*</sup> Our low carbon framework aims to limit the carbon intensity of the portfolio to one-third of the weighted average carbon intensity of the MSCI World Index, as reported by MSCI. Please see the PDS for further detail.

<sup>\*</sup> Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Fund Inception 11 December 2020. Returns denoted in AUD.

<sup>\*\*</sup> Benchmark is the MSCI World NTR Index (AUD). All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in [www.magellangroup.com.au/benchmark-information/](http://www.magellangroup.com.au/benchmark-information/).

<sup>#</sup> Sectors are internally defined. Exposures may not add to 100% due to rounding.

## Performance Chart growth of AUD \$10,000\*



Past performance is not a reliable indicator of future performance.

## Top 10 Positions (alphabetical order)

Company	Sector <sup>#</sup>
Alphabet Inc	Consumer Platforms
Amazon.com Inc	E-Commerce
ASML Holding NV	Semiconductors
Coca-Cola Company	Beverages
Hermes International	Luxury
Home Depot Inc	Food & Staples Retailing
Mastercard Inc	Payments
Microsoft Corporation	Software
Novartis AG	Health Care
Procter & Gamble	Consumer Staples

**Important Information:** Units in the fund(s) referred to herein are issued by Magellan Asset Management Limited ABN 31 120 593 946, AFS Licence No. 304 301 ('Magellan'). This material has been prepared for general information purposes only and must not be construed as investment advice or as an investment recommendation. This material does not take into account your investment objectives, financial situation or particular needs. This material does not constitute an offer or inducement to engage in an investment activity nor does it form part of any offer documentation, offer or invitation to purchase, sell or subscribe for interests in any type of investment product or service. You should obtain and consider the relevant Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') and consider obtaining professional investment advice tailored to your specific circumstances before making any investment decision. A copy of the relevant PDS and TMD relating to a Magellan financial product or service may be obtained by calling +61 2 9235 4888 or by visiting [www.magellangroup.com.au](http://www.magellangroup.com.au). Past performance is not necessarily indicative of future results and no person guarantees the future performance of any fund, the amount or timing of any return from it, that asset allocations will be met, that it will be able to implement its investment strategy or that its investment objectives will be achieved. No representation or warranty is made with respect to the accuracy or completeness of any of the information contained in this material. Magellan will not be responsible or liable for any losses arising from your use or reliance upon any part of the information contained in this material. Further information regarding any benchmark referred to herein can be found at [www.magellangroup.com.au/benchmark-information](http://www.magellangroup.com.au/benchmark-information). This material and the information contained within it may not be reproduced, or disclosed, in whole or in part, without the prior written consent of Magellan.

MCSE45351