

# Alphinity Investment Management Managed Trusts Annual Financial Report for the Year Ended 30 June 2023

This annual financial report covers the following Alphinity Investment Management Pty Limited managed Trusts as individual entities:

**Alphinity Australian Equity Fund**

ARSN 107 016 517

**Alphinity Global Equity Fund**

ARSN 609 473 127

**Alphinity Sustainable Share Fund**

ARSN 093 245 124

**Alphinity Australian Share Fund**

ARSN 092 999 301

**Alphinity Concentrated Australian Share Fund**

ARSN 089 715 659

**Alphinity Global Sustainable Equity Fund**

ARSN 649 969 228

The Responsible Entity of the above mentioned Trusts is Fidante Partners Limited (ABN 94 002 835 592) (AFSL 234 668).

The registered office of the Responsible Entity is Level 2, 5 Martin Place, Sydney NSW 2000.

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## Directors' report

The Directors of Fidante Partners Limited, the Responsible Entity of the below listed Trusts (the Trusts), present their report together with the annual general purpose financial reports for the Trusts for the year ended 30 June 2023.

- Alphinity Australian Equity Fund
- Alphinity Global Equity Fund
- Alphinity Sustainable Share Fund
- Alphinity Australian Share Fund
- Alphinity Concentrated Australian Share Fund
- Alphinity Global Sustainable Equity Fund

The Trusts are Australian Registered Managed Investment Schemes. Fidante Partners Limited, the Responsible Entity of the Trusts, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is Level 2, 5 Martin Place, Sydney NSW 2000.

### Directors

The following persons held office as Directors of Fidante Partners Limited during the year and up to the date of this report, unless otherwise stated:

A Bofinger	Director	
J Coomer	Director	(Resigned 26 June 2023)
R Grimes	Director	(Resigned 22 November 2022)
A Judin	Director	(Appointed 13 July 2023)
J O'Keeffe	Director	
V Rodriguez	Director	(Appointed 9 December 2022)
T Roxburgh	Director	(Appointed 13 July 2023)
Y Sodhi	Director	(Resigned 30 May 2023)

### Principal activities and significant changes in the state of affairs

The Asset Manager of the Trusts is Alphinity Investment Management Pty Limited (the Asset Manager).

## Directors' report (continued)

On 17 January 2023, the classes of the following funds were admitted to trading status on the ASX and are now active ETFs and quoted on the ASX:

- Class A in the Alphinity Global Equity Fund as Alphinity Global Equity Fund (Managed Fund) (ticker code XALG)
- Class A in the Alphinity Global Sustainable Equity Fund as Alphinity Global Sustainable Equity Fund (Managed Fund) (ticker code XASG)

The principal activity of the Trusts during the year was to invest in accordance with the provisions of the Trusts' governing documents. The individual investment strategies of the above mentioned Trusts are:

Trust name	Principal activity
Alphinity Australian Equity Fund	The Trust invests in shares and unit trusts listed on the Australian Securities Exchange, and derivatives.
Alphinity Global Equity Fund	The Trust invests in equities listed on international (ex-Australia) stock exchanges.
Alphinity Sustainable Share Fund	The Trust invests in shares listed on the Australian Securities Exchange, either directly or indirectly through other wholesale unit trusts and derivatives including futures as detailed below.
Alphinity Australian Share Fund	The Trust invests in shares listed on the Australian Securities Exchange, either directly or indirectly through other wholesale unit trusts and derivatives including futures.
Alphinity Concentrated Australian Share Fund	The Trust invests in 20 to 35 shares listed on the Australian Securities Exchange, either through listed equities or listed unit trusts.
Alphinity Global Sustainable Equity Fund	The Trust invests in listed equity securities and hybrid equity securities of companies with activities and operations compatible with the Trust's governing documents. The Trust invests in 25 to 40 companies, selected based on the sustainability of their activities and operations.

### Alphinity's approach to sustainable investing

The Asset Manager aims, through the Alphinity Sustainable Share Fund, to play a role in achieving sustainable development through their investment selections. The Asset Manager seeks investments in companies which, along with offering attractive financial returns, have good environmental, social and governance (ESG) practices and, where possible, have the capacity to make a positive impact on society in the areas of economic, environmental and social development by contributing towards the advancement of the United Nations' Sustainable Development Goals. The Asset Manager also seeks to avoid companies that are materially involved in activities it considers harmful to society and are inconsistent with the achievement of the Sustainable Development Goals, and/or display poor practices in their management of ESG issues.

The Asset Manager uses the research databases of independent research organisations along with the insights of the Alphinity Sustainable Share Fund Compliance Committee to gain further insights in the activities and ESG characteristics of companies. The Alphinity Sustainable Share Fund Compliance Committee is responsible for reviewing the investable universe to ensure the Trust complies with the Alphinity Sustainable Share Fund Charter.

The investment process is implemented through the following three step process:

## Directors' report (continued)

**Step 1:** Define the investable universe - identifying companies that perform activities compatible with the Alphinity Sustainable Share Fund Charter, with strong ESG practices and, where possible, can contribute to achieving the Sustainable Development Goals.

**Step 2:** Find compelling sustainable companies that fulfil the Asset Manager investment philosophy: quality, undervalued companies entering earnings upgrade cycles.

**Step 3:** Construct a balanced portfolio of 35-55 stocks.

On 6 April 2023, Alphinity Global Equity Fund issued the first units for Class P.

There were no other significant changes in the nature of the Trusts' activities or to the state of affairs of the Trusts during the year.

### Operating and financial review

The results of the operations of the Trusts for the year include the distributions paid and payable on a cents per unit (CPU) basis. The CPU represents the distribution paid by the Trusts to unitholders for each individual unit held in the Trusts.

The table below shows historical discrete annual return performance of the Trusts for the past two years. Performance is calculated after all fees, except any entry fees that have been deducted, and assumes that all distributions were reinvested during that year. The total return is the aggregate of capital growth and distribution of income.

The Indirect Cost Ratio (ICRs) represent the annualised percentage of indirect costs incurred by the Trusts over the Trusts' average net assets attributable to unitholders for the year.

The results of the Trusts were as follows:

	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>For the year ended 30 June</b>								
Net profit/(loss) before finance costs for the year attributable to unitholders	3,967	(1,736)	58,078	(16,309)	79,508	(75,987)	28,773	(12,065)
Distributions paid and payable	1,258	1,706	7,182	15,375	23,993	37,534	9,431	10,424

## Directors' report (continued)

	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
<b>For the year ended 30 June</b>				
Net profit/(loss) before finance costs for the year attributable to unitholders	44,953	(19,726)	8,074	(5,077)
Distributions paid and payable	15,807	18,501	374	140

	Alphinity Australian Equity Fund Class A		Alphinity Global Equity Fund Class A		Alphinity Global Equity Fund Class F		Alphinity Global Equity Fund Class P	
	2023	2022	2023	2022	2023	2022	2023	
<b>For the year ended 30 June</b>								
Capital growth (%)	8.52	(9.41)	17.87	(11.74)	17.33	(14.00)	5.03	
Distribution of income (%)	4.31	4.28	2.02	6.69	2.94	9.79	0.58	
<b>Total return (%)</b>	<b>12.83</b>	<b>(5.13)</b>	<b>19.89</b>	<b>(5.05)</b>	<b>20.27</b>	<b>(4.21)</b>	<b>5.61</b>	
ICR (%)	0.90	0.90	0.83	1.36	0.25	0.25	0.65	
Distributions paid and payable (CPU)	6.64	8.20	16.21	12.13	4.14	16.05	0.58	

	Alphinity Sustainable Share Fund Class A		Alphinity Sustainable Share Fund Class B (Closed)		Alphinity Australian Share Fund Class A		Alphinity Australian Share Fund Class B (Closed)	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>For the year ended 30 June</b>								
Capital growth (%)	8.67	(14.89)	8.50	(15.32)	8.52	(9.13)	8.45	(9.23)
Distribution of income (%)	3.71	5.20	3.80	5.50	4.34	4.06	4.39	4.10
<b>Total return (%)</b>	<b>12.38</b>	<b>(9.69)</b>	<b>12.30</b>	<b>(9.82)</b>	<b>12.86</b>	<b>(5.07)</b>	<b>12.84</b>	<b>(5.13)</b>
ICR (%)	0.95	0.95	0.95	0.95	0.90	0.90	0.90	0.90
Distributions paid and payable (CPU)	6.65	12.28	6.07	11.68	14.08	16.36	14.00	16.22

## Directors' report (continued)

	Alphinity Australian Share Fund Class P		Alphinity Australian Share Fund Class X		Alphinity Concentrated Australian Share Fund Class A		Alphinity Concentrated Australian Share Fund Class B (Closed)	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>For the year ended 30 June</b>								
Capital growth (%)	9.99	(7.18)	8.36	(9.38)	8.05	(9.20)	7.78	(9.44)
Distribution of income (%)	3.50	3.39	4.78	4.52	4.59	4.32	3.94	4.06
<b>Total return (%)</b>	<b>13.49</b>	<b>(3.79)</b>	<b>13.14</b>	<b>(4.86)</b>	<b>12.64</b>	<b>(4.88)</b>	<b>11.72</b>	<b>(5.38)</b>
ICR (%)	0.70	0.70	0.70	0.70	0.80	0.89	1.40	1.40
Distributions paid and payable (CPU)	3.45	4.07	4.58	5.39	6.35	7.34	9.52	12.11

	Alphinity Concentrated Australian Share Fund Class I		Alphinity Concentrated Australian Share Fund Class P		Alphinity Global Sustainable Equity Fund Class A		Alphinity Global Sustainable Equity Fund Class F	
	2023	2022	2023	2022	2023	19 May 2021 to 30 June 2022	2023	19 May 2021 to 30 June 2022
<b>For the year ended 30 June</b>								
Capital growth (%)	7.81	(9.39)	7.81	(9.57)	16.16	(0.61)	15.99	(0.44)
Distribution of income (%)	4.57	4.62	5.28	5.38	0.30	0.07	0.99	0.57
<b>Total return (%)</b>	<b>12.38</b>	<b>(4.77)</b>	<b>13.09</b>	<b>(4.19)</b>	<b>16.46</b>	<b>(0.54)</b>	<b>16.98</b>	<b>0.13</b>
ICR (%)	0.80	0.80	0.20	0.20	0.80	0.97	0.25	0.25
Distributions paid and payable (CPU)	4.50	5.55	5.59	6.99	1.52	0.36	4.90	2.98

## Directors' report (continued)

	Alphinity Global Sustainable Equity Fund Class I	
	2023	19 May 2021 to 30 June 2022
<b>For the year ended 30 June</b>		
Capital growth (%)	15.69	(1.36)
Distribution of income (%)	0.30	0.29
<b>Total return (%)</b>	<b>15.99</b>	<b>(1.07)</b>
ICR (%)	0.90	0.94
Distributions paid and payable (CPU)	1.48	1.55

The indirect costs can include management fees and other costs as indicated in the Trusts' governing documents. Indirect costs may also include performance fees if permitted by the Trusts' governing documents. These costs are typically deducted from the Trusts' assets rather than paid directly by the unitholders of the Trusts.

The fluctuation in the ICR for each class is a result of performance fees incurred as follows:

For the year ended 30 June Trust name	Class	Performance Fees	
		2023 %	2022 %
Alphinity Global Equity Fund	Class A	0.08	0.41
	Class P	0.00	0.00
Alphinity Concentrated Australian Share Fund	Class A	0.00	0.09
Alphinity Global Sustainable Equity Fund	Class A	0.07	0.07

Other classes of units not shown above are not subject to performance fees.

### Significant events after the balance date

At the date of this financial report, no matter or circumstance has arisen that has affected, or may significantly affect the Trusts' operations, the results of those operations or the Trusts' state of affairs in future financial years, which has not already been reflected in this report.



## Directors' report (continued)

### Likely developments and expected results

At the time the Directors approved this report, they were not aware of any developments likely to have a significant effect upon the operations or the result of the Trusts in subsequent financial years, which have not been adequately dealt with in this report or in the financial report.

The Trusts will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Trusts and in accordance with the provisions of the Trusts' Constitutions.

Further information on likely developments in the operations of the Trusts and the expected results of those operations have not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trusts.

### Indemnification and insurance of directors and officers

No insurance premiums are paid for out of the assets of the Trusts in regards to insurance cover provided to the officers of Fidante Partners Limited. So long as the officers of Fidante Partners Limited act in accordance with the Trusts' Constitutions and the Corporations Act 2001, the officers remain indemnified out of the assets of the Trusts against losses incurred while acting on behalf of the Trusts. The auditors of the Trusts are in no way indemnified out of the assets of the Trusts.

### Fees paid to and interests held in the Trusts by the Responsible Entity or its related entities

Fees paid to the Responsible Entity and its related entities out of the Trusts' assets during the year are disclosed in note 10 to the financial statements.

No fees were paid out of Trusts' assets to the Directors of the Responsible Entity during the year.

Interests in the Trusts held by the Responsible Entity or its related entities as at the end of the financial year are disclosed in note 10 to the financial statements.

### Interests in the Trusts

The movement in units on issue in the Trusts during the year is disclosed in note 2 to the financial statements.

### Value of Trusts' assets

The value of the Trusts' assets and liabilities are disclosed in the statements of financial position and derived using the basis set out in note 1.2 to the financial statements.

## Directors' report (continued)

### Environmental regulation and performance

The operations of the Trusts are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

### Single set of financial reports

The Trusts are entities of the kind referred to in ASIC Corporations (Related Scheme Reports) Instrument 2015/839 issued by the Australian Securities and Investments Commission (ASIC) and in accordance with that Instrument, Trusts with a common Responsible Entity (or related Responsible Entities) can include their financial reports in adjacent columns in a single financial report.

### Rounding of amounts to the nearest thousand dollars

Unless otherwise stated, monetary amounts contained in this report and the financial report have been rounded to the nearest \$1,000 under the option available to the Trusts under ASIC Corporations Instrument 2016/191.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

### Authorisation

Signed in accordance with a resolution of the Directors of the Responsible Entity.



**A Judin**  
**Director**

**Sydney**  
**15 September 2023**



**Building a better  
working world**

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## Auditor's independence declaration to the directors of Fidante Partners Limited

For the following Alphinity Investment Management Managed Trusts (the "Trusts"):

- Alphinity Australian Equity Fund
- Alphinity Global Equity Fund
- Alphinity Sustainable Share Fund
- Alphinity Australian Share Fund
- Alphinity Concentrated Australian Share Fund
- Alphinity Global Sustainable Equity Fund

As lead auditor for the audit of the financial report of the above Trusts for the financial year ended 30 June 2023, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Rita Da Silva  
Partner

15 September 2023

## Statements of comprehensive income

For the year ended 30 June

	Notes	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Income</b>									
Interest income from financial assets measured at amortised cost		24	—	409	10	833	19	280	4
Dividend income		1,465	2,078	4,100	2,526	28,722	21,459	10,690	13,207
Distribution income		37	32	—	230	918	665	281	208
Other operating income		3	—	94	—	4	2	13	—
Net gains/(losses) on financial instruments at fair value through profit or loss		2,769	(3,458)	43,941	(28,139)	56,761	(91,330)	19,925	(23,048)
Net foreign exchange gains/(losses)		—	—	13,269	12,559	—	—	—	—
<b>Total net income</b>		<b>4,298</b>	<b>(1,348)</b>	<b>61,813</b>	<b>(12,814)</b>	<b>87,238</b>	<b>(69,185)</b>	<b>31,189</b>	<b>(9,629)</b>
<b>Expenses</b>									
Management fees	10	293	338	2,472	1,796	6,834	5,638	2,148	2,122
Performance fees	10	—	—	244	733	—	—	—	—
Interest expense from financial assets measured at amortised cost		—	—	—	—	—	3	—	1
Transaction costs		29	38	505	286	663	898	204	238
Other expenses		9	12	514	680	233	263	64	75
<b>Total expenses</b>		<b>331</b>	<b>388</b>	<b>3,735</b>	<b>3,495</b>	<b>7,730</b>	<b>6,802</b>	<b>2,416</b>	<b>2,436</b>
<b>Net profit/(loss) before finance costs for the year attributable to unitholders</b>		<b>3,967</b>	<b>(1,736)</b>	<b>58,078</b>	<b>(16,309)</b>	<b>79,508</b>	<b>(75,987)</b>	<b>28,773</b>	<b>(12,065)</b>

## Statements of comprehensive income (continued)

For the year ended 30 June

	Notes	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	3	—	—	(7,182)	(15,375)	(23,993)	(37,534)	(9,431)	(10,424)
Movements in net assets attributable to unitholders	2	—	—	(50,896)	31,684	(55,515)	113,521	(19,342)	22,489
<b>Net profit/(loss) after finance costs for the year attributable to unitholders</b>		<b>3,967</b>	<b>(1,736)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Other comprehensive income/(loss) for the year		—	—	—	—	—	—	—	—
<b>Total comprehensive income/(loss) for the year attributable to unitholders</b>		<b>3,967</b>	<b>(1,736)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

## Statements of comprehensive income (continued)

For the year ended 30 June

	Notes	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
<b>Income</b>					
Interest income from financial assets measured at amortised cost		302	8	32	2
Dividend income		17,682	21,624	848	265
Distribution income		205	226	—	23
Other operating income		153	—	—	—
Net gains/(losses) on financial instruments at fair value through profit or loss		29,904	(37,878)	4,773	(6,157)
Net foreign exchange gains/(losses)		—	—	3,054	974
<b>Total net income</b>		<b>48,246</b>	<b>(16,020)</b>	<b>8,707</b>	<b>(4,893)</b>
<b>Expenses</b>					
Management fees	10	2,789	2,736	361	67
Performance fees	10	—	298	21	2
Interest expense from financial assets measured at amortised cost		—	3	—	—
Transaction costs		436	550	123	52
Other expenses		68	119	128	63
<b>Total expenses</b>		<b>3,293</b>	<b>3,706</b>	<b>633</b>	<b>184</b>
<b>Net profit/(loss) before finance costs for the year attributable to unitholders</b>		<b>44,953</b>	<b>(19,726)</b>	<b>8,074</b>	<b>(5,077)</b>

## Statements of comprehensive income (continued)

### For the year ended 30 June

		Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	Notes	2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
<b>Finance costs attributable to unitholders</b>					
Distributions to unitholders	3	(15,807)	(18,501)	(374)	(140)
Movements in net assets attributable to unitholders	2	(29,146)	38,227	(7,700)	5,217
<b>Net profit/(loss) after finance costs for the year attributable to unitholders</b>		—	—	—	—
Other comprehensive income/(loss) for the year		—	—	—	—
<b>Total comprehensive income/(loss) for the year attributable to unitholders</b>		—	—	—	—

The statements of comprehensive income should be read in conjunction with the accompanying notes.

## Statements of financial position

As at 30 June

	Notes	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Assets</b>									
Cash and cash equivalents	11	394	1,055	13,716	7,159	39,749	14,870	4,897	7,670
Collateral and margin accounts		—	30	—	—	2,399	344	195	149
Receivables	4	258	190	473	1,791	5,396	4,171	2,045	1,450
Financial assets at fair value through profit or loss	5	32,246	33,346	409,555	208,353	750,741	634,978	251,128	217,376
<b>Total assets</b>		<b>32,898</b>	<b>34,621</b>	<b>423,744</b>	<b>217,303</b>	<b>798,285</b>	<b>654,363</b>	<b>258,265</b>	<b>226,645</b>
<b>Liabilities</b>									
Collateral and margin accounts		—	7	—	—	147	78	14	34
Distributions payable	3	170	645	7,182	15,375	1,996	26,065	1,349	4,173
Payables	6	61	167	519	359	1,976	3,980	638	1,022
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>231</b>	<b>819</b>	<b>7,701</b>	<b>15,734</b>	<b>4,119</b>	<b>30,123</b>	<b>2,001</b>	<b>5,229</b>
<b>Net assets attributable to unitholders - Equity</b>	2	<b>32,667</b>	<b>33,802</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net assets attributable to unitholders - Liability</b>	2	<b>—</b>	<b>—</b>	<b>416,043</b>	<b>201,569</b>	<b>794,166</b>	<b>624,240</b>	<b>256,264</b>	<b>221,416</b>



## Statements of financial position (continued)

As at 30 June

	Notes	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Assets</b>					
Cash and cash equivalents	11	15,225	6,438	2,621	1,705
Collateral and margin accounts		1,043	—	—	—
Receivables	4	4,111	1,865	87	757
Financial assets at fair value through profit or loss	5	369,433	352,251	81,029	29,461
<b>Total assets</b>		<b>389,812</b>	<b>360,554</b>	<b>83,737</b>	<b>31,923</b>
<b>Liabilities</b>					
Distributions payable	3	2,207	7,972	374	140
Payables	6	2,800	1,850	131	896
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>5,007</b>	<b>9,822</b>	<b>505</b>	<b>1,036</b>
<b>Net assets attributable to unitholders - Liability</b>	2	<b>384,805</b>	<b>350,732</b>	<b>83,232</b>	<b>30,887</b>

The statements of financial position should be read in conjunction with the accompanying notes.

## Statements of changes in unitholder funds

### For the year ended 30 June

The following Trusts are single or multi-class and respectively classify net assets attributable to unitholders as equity or liability as set out in note 2.

	Notes	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>		<b>Equity</b>	<b>Equity</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July - Opening Balance</b>		<b>33,802</b>	<b>39,743</b>	<b>201,569</b>	<b>113,253</b>	<b>624,240</b>	<b>448,520</b>	<b>221,416</b>	<b>232,005</b>
Applications for units		2,715	2,695	223,594	168,447	199,032	353,588	38,747	48,901
Units issued upon reinvestment of distributions		40	27	2,088	427	8,937	3,295	4,315	2,541
Redemptions of units		(6,599)	(5,221)	(62,104)	(48,874)	(93,558)	(67,642)	(27,556)	(39,542)
Distributions paid and payable	3	(1,258)	(1,706)	—	—	—	—	—	—
Total comprehensive income/(loss) for the year attributable to unitholders - Equity		3,967	(1,736)	—	—	—	—	—	—
Movements in net assets attributable to unitholders - Liability		—	—	50,896	(31,684)	55,515	(113,521)	19,342	(22,489)
<b>As at 30 June - Closing Balance</b>	2	<b>32,667</b>	<b>33,802</b>	<b>416,043</b>	<b>201,569</b>	<b>794,166</b>	<b>624,240</b>	<b>256,264</b>	<b>221,416</b>

## Statements of changes in unitholder funds (continued)

### For the year ended 30 June

The following Trusts are single or multi-class and respectively classify net assets attributable to unitholders as equity or liability as set out in note 2.

	Notes	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>		<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July - Opening Balance</b>		<b>350,732</b>	<b>337,997</b>	<b>30,887</b>	—
Applications for units		59,081	86,336	54,527	38,446
Units issued upon reinvestment of distributions		8,656	5,870	8	—
Redemptions of units		(62,810)	(41,244)	(9,890)	(2,342)
Movements in net assets attributable to unitholders - Liability		29,146	(38,227)	7,700	(5,217)
<b>As at 30 June - Closing Balance</b>	2	<b>384,805</b>	<b>350,732</b>	<b>83,232</b>	<b>30,887</b>

The statements of changes in unitholder funds should be read in conjunction with the accompanying notes.

## Statements of cash flows

For the year ended 30 June

	Notes	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities</b>									
Proceeds from sale of financial instruments at fair value through profit or loss		15,567	19,735	350,698	187,308	309,663	380,614	84,544	109,972
Purchase of financial instruments at fair value through profit or loss		(11,851)	(17,312)	(494,746)	(304,552)	(374,912)	(672,983)	(99,621)	(124,109)
Dividends received		1,513	2,064	3,649	2,085	29,353	19,613	10,870	12,946
Interest received		23	—	358	5	719	6	263	1
Distributions received		35	36	—	—	792	552	244	212
Other income received		28	28	297	194	553	406	182	164
Interest paid		—	—	—	—	—	(3)	—	(1)
Management fees paid		(325)	(376)	(2,581)	(1,935)	(7,417)	(6,014)	(2,345)	(2,329)
Performance fees paid		—	—	(244)	(1,156)	—	—	—	—
Other expenses paid		(33)	(38)	(506)	(284)	(727)	(990)	(225)	(260)
<b>Net cash inflows/(outflows) from operating activities</b>	11	<b>4,957</b>	<b>4,137</b>	<b>(143,075)</b>	<b>(118,335)</b>	<b>(41,976)</b>	<b>(278,799)</b>	<b>(6,088)</b>	<b>(3,404)</b>
<b>Cash flows from financing activities</b>									
Proceeds from applications by unitholders		2,711	2,693	223,915	167,864	199,010	353,568	38,835	48,777
Payments for redemptions by unitholders		(6,636)	(5,187)	(62,082)	(48,661)	(93,030)	(67,625)	(27,580)	(39,384)
Distributions paid		(1,693)	(1,268)	(13,287)	(1,663)	(39,125)	(10,687)	(7,940)	(5,019)
<b>Net cash inflows/(outflows) from financing activities</b>		<b>(5,618)</b>	<b>(3,762)</b>	<b>148,546</b>	<b>117,540</b>	<b>66,855</b>	<b>275,256</b>	<b>3,315</b>	<b>4,374</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(661)</b>	<b>375</b>	<b>5,471</b>	<b>(795)</b>	<b>24,879</b>	<b>(3,543)</b>	<b>(2,773)</b>	<b>970</b>

## Statements of cash flows (continued)

For the year ended 30 June

	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash and cash equivalents at the beginning of the year	1,055	680	7,159	7,754	14,870	18,413	7,670	6,700
Effects of exchange rate changes on cash and cash equivalents	—	—	1,086	200	—	—	—	—
<b>Cash and cash equivalents at the end of the year</b>	<b>394</b>	<b>1,055</b>	<b>13,716</b>	<b>7,159</b>	<b>39,749</b>	<b>14,870</b>	<b>4,897</b>	<b>7,670</b>

## Statements of cash flows

For the year ended 30 June

	Notes	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
<b>Cash flows from operating activities</b>					
Proceeds from sale of financial instruments at fair value through profit or loss		198,543	227,007	71,101	19,919
Purchase of financial instruments at fair value through profit or loss		(188,314)	(285,502)	(115,049)	(54,434)
Dividends received		17,966	21,301	723	188
Interest received		251	4	21	—
Distributions received		203	200	4	19
Other income received		248	211	25	3
Interest paid		—	(3)	—	—
Management fees paid		(3,059)	(2,984)	(365)	(63)
Performance fees paid		(15)	(133)	(21)	(2)
Other expenses paid		(478)	(608)	(124)	(50)
<b>Net cash inflows/(outflows) from operating activities</b>	11	<b>25,345</b>	<b>(40,507)</b>	<b>(43,685)</b>	<b>(34,420)</b>
<b>Cash flows from financing activities</b>					
Proceeds from applications by unitholders		59,058	86,413	54,507	38,418
Payments for redemptions by unitholders		(62,700)	(41,233)	(9,817)	(2,327)
Distributions paid		(12,916)	(6,538)	(132)	—
<b>Net cash inflows/(outflows) from financing activities</b>		<b>(16,558)</b>	<b>38,642</b>	<b>44,558</b>	<b>36,091</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,787</b>	<b>(1,865)</b>	<b>873</b>	<b>1,671</b>

## Statements of cash flows (continued)

### For the year ended 30 June

	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
Cash and cash equivalents at the beginning of the year	6,438	8,303	1,705	—
Effects of exchange rate changes on cash and cash equivalents	—	—	43	34
<b>Cash and cash equivalents at the end of the year</b>	<b>15,225</b>	<b>6,438</b>	<b>2,621</b>	<b>1,705</b>

The statements of cash flows should be read in conjunction with the accompanying notes.

## Notes to the financial statements

### 1. Basis of preparation and overarching significant accounting policies

These financial statements cover the below listed Trusts (the Trusts) as individual entities. The Trusts are Australian registered managed investment schemes and were constituted on the below dates. The Trusts will terminate on the below dates unless terminated earlier in accordance with the provisions of the Trusts' Constitutions:

Trust name	Constitution date	Termination date
Alphinity Australian Equity Fund	10 November 2003	10 November 2083
Alphinity Global Equity Fund	7 December 2015	7 December 2095
Alphinity Sustainable Share Fund	29 September 1994	29 September 2074
Alphinity Australian Share Fund	29 September 1994	29 September 2074
Alphinity Concentrated Australian Share Fund	31 December 1982	31 December 2062
Alphinity Global Sustainable Equity Fund	4 May 2021	4 May 2101

The financial report of the Trusts for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 15 September 2023.

The nature of the operating and principal activities of the Trusts are described in the Directors' report.

#### 1.1. Basis of preparation

##### Basis of preparation

The accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Furthermore the financial statements have been prepared on a going concern basis as the Trusts are expected to generate sufficient funds to enable them to pay their debts as and when they fall due.

The Trusts are for-profit entities for the purposes of preparing financial statements.

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months, except for investments in financial instruments, and in instances where a Trust treats unitholder funds as a liability, net assets attributable to unitholders. The amounts expected to be recovered or settled beyond twelve months after the end of each reporting period cannot be reliably determined.



## 1. Basis of preparation and overarching significant accounting policies (continued)

Unless stated otherwise, the financial report is presented in Australian dollars and has been prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

### Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

### New accounting standards and interpretations

All new accounting standards that are applicable to the Trusts for the 30 June 2023 reporting period have been adopted and do not have a material impact on the financial statements.

There are no new accounting standards and interpretations that have been issued, but not yet effective, that are material to the financial statements or have been early adopted for the 30 June 2023 reporting period.

### Foreign currency

Both the presentation currency and the functional currency of the Trusts are Australian dollars.

Transactions in foreign currency are translated into the Trusts' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into Australian dollars at the foreign exchange rate ruling at the statements of financial position date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the historical exchange rate as at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated to the functional currency using the exchange rate ruling at the date when the fair value was determined.

### Comparatives

The Alphinity Global Sustainable Equity Fund was constituted on 4 May 2021, and commenced its operations on 19 May 2021, hence the comparative values cover the period from 19 May 2021 to 30 June 2022, which is for a period of more than 12 months. Hence, the comparative information is not completely comparable.

Where necessary, comparative figures have been reclassified to conform to any changes in presentation made in this financial report.

### Rounding of amounts

Unless otherwise stated, monetary amounts contained in this report and the Directors' report have been rounded to the nearest \$1,000 under the option available to the Trusts under Australian Securities and Investments Commission (ASIC) Corporations Instrument 2016/191.

## 1. Basis of preparation and overarching significant accounting policies (continued)

### Including different registered scheme financial reports in a single document

The registered schemes have applied ASIC's Corporations Instrument 2015/839, which allows registered schemes with a common, or related, Responsible Entity to include their financial statements in adjacent columns in a single financial report.

### 1.2. Summary of significant accounting policies

#### Investment income and interest expense

Investment income may include net gains or losses from financial instruments. Where applicable, these net gains include all realised and unrealised fair value changes. Any foreign exchange differences, interest, dividends and distributions are recorded as separate line items in the statements of comprehensive income. Where applicable, interest income and interest expense are recognised using the effective interest method, and dividend and distribution income are recognised when the Trusts' right to receive payment is established.

The Trusts have not applied hedge accounting.

#### Expenses

Expenses are recognised on an accrual basis at the fair value of the consideration paid or payable for services rendered.

Expenses may include management fees, operation costs and transaction costs. Expenses may also include performance fees if permitted by the Trusts' governing documents. Expenses are recognised in the statements of comprehensive income.

#### Taxes

Under the current legislation, the Trusts are not subject to income tax as all assessable income, exempt income and non-assessable income will be attributed to unitholders under the AMIT regime.

Financial instruments at fair value may include unrealised capital gains. Should such a gain be realised, the portion of the gain that is subject to capital gains tax will be attributed so that the Trusts are not subject to capital gains tax.

Realised capital losses are not attributed to unitholders but are retained in the Trusts to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is attributed to unitholders.

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

The Trusts currently incur withholding tax on investment income imposed by certain countries. Such income is recorded gross of withholding tax in the statements of comprehensive income.

#### Goods and services (GST)

The Trusts qualify for Reduced Input Tax Credits (RITC) at various applicable rates.

## 1. Basis of preparation and overarching significant accounting policies (continued)

Revenues, expenses and assets are recognised net of the amount of GST, except when the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statements of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

### **Cash and cash equivalents**

Cash and cash equivalents are financial assets with fixed or determinable payments and comprise of cash at bank, cash held with custodian and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recognised at fair value. For the purposes of the statements of cash flows, cash and cash equivalents are stated net of any outstanding bank overdrafts.

Payments and receipts relating to the purchase and sale of investment securities at fair value are classified as cash flows from operating activities, as movements in the fair value of these securities form a part of the Trusts' income generating activity.

### **Collateral and margin accounts**

Collateral and margin accounts represent short term investments which are not held for the purpose of meeting short term cash commitments. They may also include restricted deposits for derivative financial instruments and/or for securities sold short. Margin accounts represent cash deposits held by or due to brokers as collateral against open derivative contracts.

Collateral and margin accounts are measured at amortised cost using the effective interest method less any expected credit losses.

### **Financial instruments**

#### *Classification*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### *Recognition/derecognition*

The Trusts recognise financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognise changes in fair value of the financial assets or financial liabilities from this date.

## 1. Basis of preparation and overarching significant accounting policies (continued)

Investments are derecognised when the right to receive cash flows from the investments have expired or the Trusts have transferred substantially all risks and rewards of ownership.

### *Measurement*

At initial recognition, the Trusts measure financial assets and financial liabilities at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statements of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value are presented in the statements of comprehensive income. For further details on how the fair values of financial instruments are determined please refer to note 9.

### *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### **Financial assets at fair value through profit or loss**

Financial assets are categorised as financial assets - fair value through profit or loss. The classification depends on the definition and the purpose for which the investments were acquired. The classification of investments is determined at initial recognition and evaluated at each reporting date.

Purchases and sales of financial assets are recognised on the date on which the Trusts commit to purchase or sell the asset. A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Trusts have transferred their rights to receive cash flows from the asset, or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Trusts have:

- Transferred substantially all of the risks and rewards of the asset; or
- Neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

### **Financial assets measured at amortised cost**

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Trusts include in this category short-term non-financing receivables including cash collateral posted on derivative contracts, accrued income and other receivables.

### **Financial liabilities at fair value through profit or loss**

Derivative contracts that have a negative fair value are presented as financial liabilities at fair value through profit or loss.

## 1. Basis of preparation and overarching significant accounting policies (continued)

### Net assets attributable to unitholders

Units issued by the Trusts are redeemable for cash at the unitholders' option at any time based on the redemption price. The fair value of redeemable units are measured using the redemption unit price at the reporting date if unitholders were to exercise their right to redeem units in the Trusts.

Units are classified as equity when they satisfy the following criteria under AASB 132 Financial Instruments: Presentation (AASB 132):

- the puttable financial instrument entitles the holder to a pro rata share of net assets in the event of the Trusts' liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Trusts, and it is not a contract settled in the Trusts' own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss and cannot be guaranteed.

As at 30 June 2023, unitholder funds are classified as equity when they satisfy all the criteria under AASB 132 and as a liability when they do not satisfy all the criteria under AASB 132.

### Use of estimates

The Trusts may hold financial instruments for which quoted market prices are readily available. The Trusts may also hold certain financial instruments, for example over-the-counter derivatives or unquoted securities, that are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Models are calibrated by back testing to actual transactions to ensure that outputs are reliable.

## 2. Net assets attributable to unitholders

As stipulated in the Trusts' Constitutions, each unit represents a right to an individual share in the respective Trusts and does not extend to a right to the underlying assets of the Trusts.

The number of separate classes of units in the below listed Trusts are as follows;

## 2. Net assets attributable to unitholders (continued)

Trust	Separate classes of units
Alphinity Australian Equity Fund	One
Alphinity Global Equity Fund	Three
Alphinity Sustainable Share Fund	Two
Alphinity Australian Share Fund	Four
Alphinity Concentrated Australian Share Fund	Four
Alphinity Global Sustainable Equity Fund	Three

Each unit in the Trust has the same rights, preferences and restrictions attaching to it as all other units of each respective Trust.

Applications received for units in the Trusts are recorded net of any entry fees payable prior to the issue of units in the Trusts. Redemptions from the Trusts are recorded gross of any exit fees payable after the cancellation of units redeemed.

Income not distributed is included in net assets attributable to unitholders. Where unitholder funds are classified as a liability, movements in net assets attributable to unitholders are recognised in the statements of comprehensive income as finance costs. Where unitholder funds are classified as equity, movements in net assets attributable to unitholders are recognised in the statements of changes in unitholder funds.

### Terms and conditions on units

Each unit issued confers upon the unitholder an equal interest in the Trusts, and is of equal value per class. A unit does not confer any interest in any particular asset or investment of the Trusts. Unitholders have various rights under the Constitution and the Corporations Act 2001, including the right to:

- have their units redeemed;
- receive income distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Trusts.

The rights, obligations and restrictions attached to each unit are identical in all respects.

## 2. Net assets attributable to unitholders (continued)

Movements in the number of units and net assets attributable to unitholders during the year were as follows:

Net assets attributable to unitholders	Alphinity Australian Equity Fund Class A		Alphinity Global Equity Fund Class A		Alphinity Global Equity Fund Class F		Alphinity Global Equity Fund Class P	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Equity</b>	<b>Equity</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2022 - Opening Balance</b>	<b>20,621</b>	<b>33,802</b>	<b>124,143</b>	<b>198,737</b>	<b>2,008</b>	<b>2,832</b>	—	—
Applications for units	1,556	2,715	59,943	223,424	107	168	2	2
Units issued upon reinvestment of distributions	24	40	1,121	1,794	208	294	—	—
Redemptions of units	(3,832)	(6,599)	(141,488)	(62,084)	(12)	(20)	—	—
Distributions paid and payable	—	(1,258)	—	—	—	—	—	—
Total comprehensive income/(loss) for the year attributable to unitholders - Equity	—	3,967	—	—	—	—	—	—
Movements in net assets attributable to unitholders - Liability	—	—	—	50,347	—	549	—	—
<b>As at 30 June 2023 - Closing Balance</b>	<b>18,369</b>	<b>32,667</b>	<b>43,719</b>	<b>412,218</b>	<b>2,311</b>	<b>3,823</b>	<b>2</b>	<b>2</b>

## 2. Net assets attributable to unitholders (continued)

Net assets attributable to unitholders	Alphinity Sustainable Share Fund Class A		Alphinity Sustainable Share Fund Class B (Closed)		Alphinity Australian Share Fund Class A		Alphinity Australian Share Fund Class B (Closed)	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2022 - Opening Balance</b>	<b>323,302</b>	<b>619,781</b>	<b>2,611</b>	<b>4,459</b>	<b>60,271</b>	<b>208,180</b>	<b>1,354</b>	<b>4,595</b>
Applications for units	96,928	199,002	16	30	7,472	27,582	11	38
Units issued upon reinvestment of distributions	4,477	8,669	156	268	1,183	4,173	41	142
Redemptions of units	(45,628)	(93,319)	(130)	(239)	(6,380)	(23,602)	(163)	(591)
Movements in net assets attributable to unitholders - Liability	—	55,121	—	394	—	18,038	—	390
<b>As at 30 June 2023 - Closing Balance</b>	<b>379,079</b>	<b>789,254</b>	<b>2,653</b>	<b>4,912</b>	<b>62,546</b>	<b>234,371</b>	<b>1,243</b>	<b>4,574</b>

Net assets attributable to unitholders	Alphinity Australian Share Fund Class P		Alphinity Australian Share Fund Class X		Alphinity Concentrated Australian Share Fund Class A		Alphinity Concentrated Australian Share Fund Class B (Closed)	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2022 - Opening Balance</b>	<b>493</b>	<b>511</b>	<b>7,984</b>	<b>8,130</b>	<b>105,374</b>	<b>154,928</b>	<b>9,607</b>	<b>24,647</b>
Applications for units	9,578	10,693	407	434	35,440	55,600	4	10
Units issued upon reinvestment of distributions	—	—	—	—	734	1,073	350	910
Redemptions of units	(397)	(453)	(2,696)	(2,910)	(37,289)	(59,417)	(703)	(1,920)
Movements in net assets attributable to unitholders - Liability	—	285	—	629	—	13,403	—	1,946
<b>As at 30 June 2023 - Closing Balance</b>	<b>9,674</b>	<b>11,036</b>	<b>5,695</b>	<b>6,283</b>	<b>104,259</b>	<b>165,587</b>	<b>9,258</b>	<b>25,593</b>



## 2. Net assets attributable to unitholders (continued)

Net assets attributable to unitholders	Alphinity Concentrated Australian Share Fund Class I		Alphinity Concentrated Australian Share Fund Class P		Alphinity Global Sustainable Equity Fund Class A		Alphinity Global Sustainable Equity Fund Class F	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2022 - Opening Balance</b>	<b>111,327</b>	<b>116,011</b>	<b>49,028</b>	<b>55,146</b>	<b>1,717</b>	<b>8,526</b>	<b>4,492</b>	<b>22,360</b>
Applications for units	3,131	3,471	—	—	8,157	44,160	1,928	10,367
Units issued upon reinvestment of distributions	2,684	2,835	3,361	3,838	—	—	2	8
Redemptions of units	(1,288)	(1,473)	—	—	(16)	(88)	(1,844)	(9,802)
Movements in net assets attributable to unitholders - Liability	—	9,269	—	4,528	—	4,232	—	3,468
<b>As at 30 June 2023 - Closing Balance</b>	<b>115,854</b>	<b>130,113</b>	<b>52,389</b>	<b>63,512</b>	<b>9,858</b>	<b>56,830</b>	<b>4,578</b>	<b>26,401</b>

Net assets attributable to unitholders	Alphinity Global Sustainable Equity Fund Class I	
	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2022 - Opening Balance</b>	<b>1</b>	<b>1</b>
Applications for units	—	—
Units issued upon reinvestment of distributions	—	—
Redemptions of units	—	—
Movements in net assets attributable to unitholders - Liability	—	—
<b>As at 30 June 2023 - Closing Balance</b>	<b>1</b>	<b>1</b>

**2. Net assets attributable to unitholders (continued)**

Net assets attributable to unitholders	Alphinity Australian Equity Fund Class A		Alphinity Global Equity Fund Class A		Alphinity Global Equity Fund Class F		Alphinity Sustainable Share Fund Class A	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Equity</b>	<b>Equity</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2021 - Opening Balance</b>	<b>21,972</b>	<b>39,743</b>	<b>60,685</b>	<b>109,996</b>	<b>1,987</b>	<b>3,257</b>	196,937	<b>443,364</b>
Applications for units	1,481	2,695	88,192	168,230	125	217	154,803	353,563
Units issued upon reinvestment of distributions	15	27	179	324	63	103	1,381	3,185
Redemptions of units	(2,847)	(5,221)	(24,913)	(48,598)	(167)	(276)	(29,819)	(67,617)
Distributions paid and payable	—	(1,706)	—	—	—	—	—	—
Total comprehensive income/(loss) for the year attributable to unitholders - Equity	—	(1,736)	—	—	—	—	—	—
Movements in net assets attributable to unitholders - Liability	—	—	—	(31,215)	—	(469)	—	(112,714)
<b>As at 30 June 2022 - Closing Balance</b>	<b>20,621</b>	<b>33,802</b>	<b>124,143</b>	<b>198,737</b>	<b>2,008</b>	<b>2,832</b>	<b>323,302</b>	<b>619,781</b>

## 2. Net assets attributable to unitholders (continued)

	Alphinity Sustainable Share Fund Class B (Closed)		Alphinity Australian Share Fund Class A		Alphinity Australian Share Fund Class B (Closed)		Alphinity Australian Share Fund Class P	
<b>Net assets attributable to unitholders</b>	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2021 - Opening Balance</b>	<b>2,558</b>	<b>5,156</b>	<b>56,069</b>	<b>213,079</b>	<b>1,387</b>	<b>5,184</b>	—	—
Applications for units	13	25	12,340	47,688	6	22	493	543
Units issued upon reinvestment of distributions	53	110	628	2,441	26	100	—	—
Redemptions of units	(13)	(25)	(8,766)	(33,808)	(65)	(242)	—	—
Movements in net assets attributable to unitholders - Liability	—	(807)	—	(21,220)	—	(469)	—	(32)
<b>As at 30 June 2022 - Closing Balance</b>	<b>2,611</b>	<b>4,459</b>	<b>60,271</b>	<b>208,180</b>	<b>1,354</b>	<b>4,595</b>	<b>493</b>	<b>511</b>

	Alphinity Australian Share Fund Class X		Alphinity Concentrated Australian Share Fund Class A		Alphinity Concentrated Australian Share Fund Class B (Closed)		Alphinity Concentrated Australian Share Fund Class I	
<b>Net assets attributable to unitholders</b>	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2021 - Opening Balance</b>	<b>12,233</b>	<b>13,742</b>	<b>81,429</b>	<b>131,848</b>	<b>9,856</b>	<b>27,919</b>	<b>99,841</b>	<b>114,806</b>
Applications for units	573	648	35,423	58,168	18	52	14,191	16,786
Units issued upon reinvestment of distributions	—	—	533	876	186	536	1,407	1,645
Redemptions of units	(4,822)	(5,492)	(12,011)	(19,586)	(453)	(1,283)	(4,112)	(4,545)
Movements in net assets attributable to unitholders - Liability	—	(768)	—	(16,378)	—	(2,577)	—	(12,681)
<b>As at 30 June 2022 - Closing Balance</b>	<b>7,984</b>	<b>8,130</b>	<b>105,374</b>	<b>154,928</b>	<b>9,607</b>	<b>24,647</b>	<b>111,327</b>	<b>116,011</b>

## 2. Net assets attributable to unitholders (continued)

Net assets attributable to unitholders	Alphinity Concentrated Australian Share Fund Class P		Alphinity Global Sustainable Equity Fund Class A		Alphinity Global Sustainable Equity Fund Class F		Alphinity Global Sustainable Equity Fund Class I	
	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000	No. '000	\$'000
<b>Classification of net assets attributable to unitholders as at 30 June</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>	<b>Liability</b>
<b>As at 1 July 2021 - Opening Balance</b>	<b>50,996</b>	<b>63,424</b>	—	—	—	—	—	—
Applications for units	8,602	11,330	1,883	10,498	4,766	27,947	1	1
Units issued upon reinvestment of distributions	2,224	2,813	—	—	—	—	—	—
Redemptions of units	(12,794)	(15,830)	(166)	(911)	(274)	(1,431)	—	—
Movements in net assets attributable to unitholders - Liability	—	(6,591)	—	(1,061)	—	(4,156)	—	—
<b>As at 30 June 2022 - Closing Balance</b>	<b>49,028</b>	<b>55,146</b>	<b>1,717</b>	<b>8,526</b>	<b>4,492</b>	<b>22,360</b>	<b>1</b>	<b>1</b>

	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total net assets attributable to unitholders</b>	<b>32,667</b>	<b>33,802</b>	<b>416,043</b>	<b>201,569</b>	<b>794,166</b>	<b>624,240</b>	<b>256,264</b>	<b>221,416</b>

	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>Total net assets attributable to unitholders</b>	<b>384,805</b>	<b>350,732</b>	<b>83,232</b>	<b>30,887</b>

## 2. Net assets attributable to unitholders (continued)

On 6 April 2023, Alphinity Global Equity Fund issued the first units for Class P.

Effective 27 April 2012, Class B of Alphinity Australian Share Fund, and Alphinity Concentrated Australian Share Fund were closed to new investors. Effective 27 April 2014, Class B of Alphinity Sustainable Share Fund was closed to new investors. Existing investors in Class B (Closed) of Alphinity Australian Share Fund, Alphinity Concentrated Australian Share Fund and Alphinity Sustainable Share Fund are still able to make additional investments into or withdraw from the class.

### Capital risk management

The Trusts consider their unitholder funds as capital. The amount of unitholder funds can change significantly as the Trusts are subject to applications and redemptions at the discretion of unitholders. Applications and redemptions are reviewed relative to the liquidity of the Trusts' underlying assets by the Responsible Entity. Under the terms of the Trusts' Constitutions, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

Generally, Alphinity Global Equity Fund and Alphinity Global Sustainable Equity Fund's strategy is to hold liquid investments. Liquid assets include cash and cash equivalents and listed investments. The following units can be redeemed direct via unit registry or via ASX AQUA trading:

- Units of Class A in the Alphinity Global Equity Fund as Alphinity Global Equity Fund (Managed Fund) (ticker code XALG).
- Units of Class A in the Alphinity Global Sustainable Equity Fund as Alphinity Global Sustainable Equity Fund (Managed Fund) (ticker code XASG).

Alphinity Global Equity Fund and Alphinity Global Sustainable Equity Fund are described as hybrid exchange traded managed funds. As such, the Trusts have dual features of an unlisted fund and an active ETF within a single unit within the Trusts. Investors are managed by the Registry provider, effectively on an issuer sponsored sub-registry, and transact using a Shareholder Reference Number ("SRN"). Alternatively, investors can trade on the exchange (i.e. ASX) through their broker, using their holder identification number ("HIN").

### Net realised capital losses

At the end of the reporting period, the Trusts had net realised capital losses available to offset against future net realised capital gains. Net realised capital losses are not finalised for taxation purposes, and may change due to calculation adjustment, denial, offset or recoupment and are as follows:

<b>As at 30 June</b>	<b>2023</b>	<b>2022</b>
<b>Net realised capital losses</b>	<b>\$</b>	<b>\$</b>
Alphinity Australian Equity Fund	48,366,500	49,614,661
Alphinity Sustainable Share Fund	12,555,967	—
Alphinity Australian Share Fund	68,800,337	73,464,267
Alphinity Concentrated Australian Share Fund	94,041,314	100,104,335
Alphinity Global Sustainable Equity Fund	3,235,190	2,606,414

Trusts not mentioned above do not have net realised capital losses.

### 3. Distributions to unitholders

In accordance with the Trusts' Constitutions, the Trusts distribute income adjusted for amounts determined by the Responsible Entity to unitholders by cash or reinvestment. Where unitholder funds are classified as a liability, these distributions are recognised in the statements of comprehensive income as finance costs. Where unitholder funds are classified as equity, distributions to unitholders are recognised in the statements of changes in unitholder funds.

The distributions for the year are presented below in dollars ('000) and cents per unit (CPU) for each class.

	Alphinity Australian Equity Fund Class A		Alphinity Global Equity Fund Class A		Alphinity Global Equity Fund Class F		Alphinity Global Equity Fund Class P	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
<b>Distributions</b>								
Distributions paid - September 2022	516	2.68	—	—	—	—	—	—
Distributions paid - December 2022	268	1.40	—	—	—	—	—	—
Distributions paid - March 2023	304	1.63	—	—	—	—	—	—
Distributions payable - June 2023	170	0.93	7,086	16.21	96	4.14	—	0.58
<b>Total distributions - 30 June 2023</b>	<b>1,258</b>	<b>6.64</b>	<b>7,086</b>	<b>16.21</b>	<b>96</b>	<b>4.14</b>	<b>—</b>	<b>0.58</b>
Distributions paid - September 2021	506	2.39	—	—	—	—	—	—
Distributions paid - December 2021	268	1.29	—	—	—	—	—	—
Distributions paid - March 2022	287	1.39	—	—	—	—	—	—
Distributions payable - June 2022	645	3.13	15,053	12.13	322	16	—	—
<b>Total distributions - 30 June 2022</b>	<b>1,706</b>	<b>8.20</b>	<b>15,053</b>	<b>12.13</b>	<b>322</b>	<b>16</b>	<b>—</b>	<b>—</b>

### 3. Distributions to unitholders (continued)

	Alphinity Sustainable Share Fund Class A		Alphinity Sustainable Share Fund Class B (Closed)		Alphinity Australian Share Fund Class A		Alphinity Australian Share Fund Class B (Closed)	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
<b>Distributions</b>								
Distributions paid - September 2022	11,001	3.13	78	2.88	3,375	5.48	74	5.42
Distributions paid - December 2022	5,143	1.44	35	1.30	1,884	3.03	40	3.03
Distributions paid - March 2023	5,703	1.56	37	1.41	2,254	3.60	47	3.59
Distributions payable - June 2023	1,983	0.52	13	0.48	1,234	1.97	24	1.96
<b>Total distributions - 30 June 2023</b>	<b>23,830</b>	<b>6.65</b>	<b>163</b>	<b>6.07</b>	<b>8,747</b>	<b>14.08</b>	<b>185</b>	<b>14.00</b>
Distributions paid - September 2021	5,150	2.12	57	2.24	2,715	4.67	63	4.63
Distributions paid - December 2021	4,370	1.55	38	1.48	1,485	2.53	34	2.50
Distributions paid - March 2022	1,840	0.61	14	0.56	1,600	2.66	36	2.63
Distributions payable - June 2022	25,871	8.00	194	7.40	3,916	6.50	88	6.46
<b>Total distributions - 30 June 2022</b>	<b>37,231</b>	<b>12.28</b>	<b>303</b>	<b>11.68</b>	<b>9,716</b>	<b>16.36</b>	<b>221</b>	<b>16.22</b>

### 3. Distributions to unitholders (continued)

	Alphinity Australian Share Fund Class P		Alphinity Australian Share Fund Class X		Alphinity Concentrated Australian Share Fund Class A		Alphinity Concentrated Australian Share Fund Class B (Closed)	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
<b>Distributions</b>								
Distributions paid - September 2022	39	1.03	124	1.80	2,900	2.56	410	4.25
Distributions paid - December 2022	46	0.87	63	0.99	1,389	1.34	172	1.79
Distributions paid - March 2023	66	1.00	70	1.13	1,652	1.55	221	2.36
Distributions payable - June 2023	53	0.55	38	0.66	937	0.90	104	1.12
<b>Total distributions - 30 June 2023</b>	<b>204</b>	<b>3.45</b>	<b>295</b>	<b>4.58</b>	<b>6,878</b>	<b>6.35</b>	<b>907</b>	<b>9.52</b>
Distributions paid - September 2021	—	1.65	166	1.60	1,983	2.22	352	3.58
Distributions paid - December 2021	—	1.05	77	0.84	911	0.97	152	1.56
Distributions paid - March 2022	—	0.85	75	0.88	965	0.95	163	1.68
Distributions payable - June 2022	3	0.52	166	2.07	3,373	3.20	508	5.29
<b>Total distributions - 30 June 2022</b>	<b>3</b>	<b>4.07</b>	<b>484</b>	<b>5.39</b>	<b>7,232</b>	<b>7.34</b>	<b>1,175</b>	<b>12.11</b>



## 3. Distributions to unitholders (continued)

	Alphinity Concentrated Australian Share Fund Class I		Alphinity Concentrated Australian Share Fund Class P		Alphinity Global Sustainable Equity Fund Class A		Alphinity Global Sustainable Equity Fund Class F	
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
<b>Distributions</b>								
Distributions paid - September 2022	2,131	1.88	1,117	2.22	—	—	—	—
Distributions paid - December 2022	1,019	0.89	584	1.14	—	—	—	—
Distributions paid - March 2023	1,289	1.11	716	1.38	—	—	—	—
Distributions payable - June 2023	719	0.62	447	0.85	150	1.52	224	4.90
<b>Total distributions - 30 June 2023</b>	<b>5,158</b>	<b>4.50</b>	<b>2,864</b>	<b>5.59</b>	<b>150</b>	<b>1.52</b>	<b>224</b>	<b>4.90</b>
Distributions paid - September 2021	1,726	1.55	1,100	1.83	—	—	—	—
Distributions paid - December 2021	905	0.80	644	1.06	—	—	—	—
Distributions paid - March 2022	965	0.84	663	1.12	—	—	—	—
Distributions payable - June 2022	2,630	2.36	1,461	2.98	6	0.36	134	2.98
<b>Total distributions - 30 June 2022</b>	<b>6,226</b>	<b>5.55</b>	<b>3,868</b>	<b>6.99</b>	<b>6</b>	<b>0.36</b>	<b>134</b>	<b>2.98</b>

	Alphinity Global Sustainable Equity Fund Class I	
	\$'000	CPU
<b>Distributions</b>		
Distributions payable - June 2023	—	1.48
<b>Total distributions - 30 June 2023</b>	<b>—</b>	<b>1.48</b>
Distributions payable - June 2022	—	1.55
<b>Total distributions - 30 June 2022</b>	<b>—</b>	<b>1.55</b>

### 3. Distributions to unitholders (continued)

	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total distributions paid and payable - 30 June</b>	<b>1,258</b>	<b>1,706</b>	<b>7,182</b>	<b>15,375</b>	<b>23,993</b>	<b>37,534</b>	<b>9,431</b>	<b>10,424</b>

  

	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>Total distributions paid and payable - 30 June</b>	<b>15,807</b>	<b>18,501</b>	<b>374</b>	<b>140</b>

Class I of Alphinity Global Sustainable Equity Fund distributed \$3 (2022: \$3) (rounded to \$Nil) above.

Class P of Alphinity Global Equity Fund distributed \$12 (rounded to \$Nil) above.

The component of the final distribution for the year which was unpaid at the reporting date is shown in the statements of financial position.

### 4. Receivables

Receivables may include GST RITC, application monies, interest, dividends, trust distributions and other income accrued and unsettled trade purchases. They are recognised when the right to receive payment is established and are generally recovered within 30 days. The Trusts measure expected credit losses on a 12-month basis. Given the nature of the Trusts' receivables and the limited exposure of the Trusts to credit risk, no material expected credit losses have been recognised.

Amounts recoverable from related entities have no fixed repayment term and are non-interest-bearing.

All receivables are considered current.

## 4. Receivables (continued)

As at 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Application for units receivable	6	2	294	615	465	443	143	231
Distributions receivable	20	19	—	25	518	392	160	123
Dividends receivable	113	161	56	78	2,512	3,175	872	1,051
GST receivable	6	4	66	36	147	150	45	42
Interest receivable	3	2	57	6	125	11	19	3
Outstanding trade settlements	110	2	—	1,031	1,629	—	806	—
<b>Total receivables</b>	<b>258</b>	<b>190</b>	<b>473</b>	<b>1,791</b>	<b>5,396</b>	<b>4,171</b>	<b>2,045</b>	<b>1,450</b>

As at 30 June	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Application for units receivable	120	97	48	28
Distributions receivable	115	113	—	4
Dividends receivable	1,313	1,581	15	14
GST receivable	64	71	12	4
Interest receivable	54	3	12	1
Outstanding trade settlements	2,445	—	—	706
<b>Total receivables</b>	<b>4,111</b>	<b>1,865</b>	<b>87</b>	<b>757</b>

## 5. Financial assets at fair value through profit or loss

As at 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Equity securities</b>								
Equity securities	30,670	31,676	409,555	193,785	709,907	597,292	238,820	206,448
Listed unit trusts	1,576	1,670	—	14,568	40,834	37,686	12,308	10,928
<b>Total equity securities</b>	<b>32,246</b>	<b>33,346</b>	<b>409,555</b>	<b>208,353</b>	<b>750,741</b>	<b>634,978</b>	<b>251,128</b>	<b>217,376</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>32,246</b>	<b>33,346</b>	<b>409,555</b>	<b>208,353</b>	<b>750,741</b>	<b>634,978</b>	<b>251,128</b>	<b>217,376</b>

As at 30 June	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Equity securities</b>				
Equity securities	354,010	337,327	81,029	27,152
Listed unit trusts	15,423	14,924	—	2,309
<b>Total equity securities</b>	<b>369,433</b>	<b>352,251</b>	<b>81,029</b>	<b>29,461</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>369,433</b>	<b>352,251</b>	<b>81,029</b>	<b>29,461</b>

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in notes 8 and 9 respectively.

## 6. Payables

Payables represent unsecured non-derivative, non-interest-bearing financial liabilities in respect of goods and services provided to the Trusts prior to the end of the financial year. Payables may include redemptions payable, accrued expenses and unsettled purchases of financial instruments which are unpaid by the Trusts at the reporting date. Amounts are generally paid within 30 days.

## 6. Payables (continued)

Amounts payable to related entities have no fixed repayment term and are non-interest-bearing.

All payables are considered current.

As at 30 June	Notes	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Amounts owing to the Responsible Entity	10	26	28	273	135	657	557	200	182
Outstanding trade settlements		35	102	—	—	694	3,326	288	666
Redemptions of units payable		—	37	246	224	625	97	150	174
<b>Total payables</b>		<b>61</b>	<b>167</b>	<b>519</b>	<b>359</b>	<b>1,976</b>	<b>3,980</b>	<b>638</b>	<b>1,022</b>

As at 30 June	Notes	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Amounts owing to the Responsible Entity	10	254	409	43	11
Outstanding trade settlements		2,401	1,406	—	870
Redemptions of units payable		145	35	88	15
<b>Total payables</b>		<b>2,800</b>	<b>1,850</b>	<b>131</b>	<b>896</b>

## 7. Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. As at 30 June 2023 there are no financial assets and financial liabilities that have been offset in the statements of financial position (2022: \$Nil). As at 30 June 2023, the Trusts have no netting arrangements which, if applied, would have a material impact on the disclosure of financial assets and liabilities.

## 8. Financial risk management

### Overview

The Trusts' activities can expose the Trusts to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Trusts' overall risk management program focuses on ensuring compliance with the Trusts' governing documents and seeks to maximise the returns derived for the level of risk to which the Trusts are exposed. The Trusts may use derivative financial instruments to alter certain risk exposures. The Responsible Entity is responsible for identifying the financial risks that arise from these financial instruments and for ensuring there are mechanisms in place to manage these risks.

The allocation of assets between the various types of financial instruments are determined by the Trusts' Asset Manager who manages the Trusts' assets to achieve the Trusts' investment objectives.

Divergence from target allocations and the composition of the assets are monitored on a regular basis.

The Responsible Entity has a Risk Management Strategy in place for managing risk and the key elements of the Risk Management Framework (RMF). The risks covered by the RMF include, but are not limited to, financial risks, for example: market, investment, pricing risks, funding, liquidity and counterparty risk; as well as regulatory, strategic and operational risks. The key elements for managing these risks include:

- Documented policies and procedures;
- Post trade investment compliance monitoring by teams not involved in the dealing and investment management activity;
- Segregation of the dealing and investment management function from the investment administration and settlement function;
- Independently sourced valuations for securities;
- A risk and compliance team and Responsible Entity management team with separate reporting lines;
- Clearly defined reporting lines and accountability for managing risks;
- Clearly defined responsibility for maintaining the RMF and monitoring compliance with it; and
- Oversight of risk management activity and the risk profile of the business by the Board of the Responsible Entity and various risk and compliance and committees that the Responsibility Entity, and its ultimate parent, have established.

As part of its Risk Management Strategy, the Trusts may use derivatives including exchange traded derivatives, to manage exposures resulting from changes in index prices, equity risks and exposures arising from forecast transactions.

### Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk includes (amongst others) three types of risk: interest rate risk (due to fluctuations in interest rates), currency risk (due to fluctuations in foreign exchange rates), and equity price risk (due to fluctuations in market prices).

The Trusts are exposed to market risks influencing investment valuations. The Trusts may utilise derivatives to manage this risk.

## 8. Financial risk management (continued)

### Price risk

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The summarised sensitivity analysis section below sets out how this component of price risk is managed and measured. Investments are classified in the statements of financial position at fair value through profit or loss.

As the majority of the Trusts' investments are carried at fair value with fair value changes through profit or loss, changes in market conditions will directly affect net investment income.

The Asset Manager mitigates this price risk through diversification and a rigorous selection of securities and other financial instruments within specified limits as disclosed in the Trusts' governing documents. Price risk mainly arises from the possible change in the fair value of the Trusts' equity holdings. Price risk sensitivity on the Trusts' equity holdings are disclosed in the summarised sensitivity analysis section of this note. The analysis assumes the price of these investments increased/decreased by 10% (2022: 10%).

Daily monitoring of trade restrictions and derivative exposure against limits is undertaken with any breach of these limit restrictions reported in accordance with the RMF.

### Foreign exchange risk

Trusts that invest in international assets are exposed to foreign exchange risk. Foreign exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Asset Manager may enter into derivatives contracts (such as forwards, swaps, options and futures) through approved foreign exchange dealers to minimise risk. However, the use of these contracts must be consistent with the investment strategies and restrictions of the Trusts, and agreed acceptable level of foreign exchange risk.

The Trusts hold both monetary and non monetary assets denominated in currencies other than the Australian dollar. The foreign exchange risk relating to non monetary assets and liabilities is a component of price risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Trusts also enter into forward currency contracts principally to hedge the foreign exchange risk implicit in the value of the portfolio securities denominated in foreign currencies and to secure a particular exchange rate for a planned purchase or sale of securities. The term of these contracts rarely exceeds 12 months and may not necessarily indicate the total effect on the Trusts' net assets attributable to unitholders of future movements in foreign exchange rates.

The Trusts' underlying investments are primarily foreign currency fixed interest securities. To manage foreign exchange risk, the Trusts may be fully or partially hedged back to Australian dollars as outlined in the Trusts' governing documents.

The table below summarises the Trusts' exposure to foreign exchange risk. Alphinity Global Equity Fund holds investments in foreign currencies other than those noted in the table, which have been grouped under the 'other' heading. These investments relate to amounts held in SEK and DKK and are individually immaterial to the financial statements.

## 8. Financial risk management (continued)

Trusts not included in the tables below do not have significant exposure to foreign exchange risk.

### Alphinity Australian Equity Fund As at 30 June 2023

	AUD A\$'000	USD A\$'000	NZD A\$'000	Total A\$'000
<b>Assets</b>				
Cash and cash equivalents	394	—	—	394
Collateral and margin accounts	—	—	—	—
Receivables	255	—	3	258
Financial assets at fair value through profit or loss	32,246	—	—	32,246
<b>Total assets</b>	<b>32,895</b>	<b>—</b>	<b>3</b>	<b>32,898</b>
<b>Liabilities</b>				
Distributions payable	170	—	—	170
Payables	61	—	—	61
<b>Total liabilities</b>	<b>231</b>	<b>—</b>	<b>—</b>	<b>231</b>
<b>Net assets attributable to unitholders</b>	<b>32,664</b>	<b>—</b>	<b>3</b>	<b>32,667</b>



## 8. Financial risk management (continued)

### Alphinity Global Equity Fund

As at 30 June 2023

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	SEK A\$'000	CHF A\$'000	Total A\$'000
<b>Assets</b>							
Cash and cash equivalents	758	12,958	—	—	—	—	13,716
Receivables	418	55	—	—	—	—	473
Financial assets at fair value through profit or loss	—	344,251	49,257	6,390	9,657	—	409,555
<b>Total assets</b>	<b>1,176</b>	<b>357,264</b>	<b>49,257</b>	<b>6,390</b>	<b>9,657</b>	<b>—</b>	<b>423,744</b>
<b>Liabilities</b>							
Distributions payable	7,182	—	—	—	—	—	7,182
Payables	519	—	—	—	—	—	519
<b>Total liabilities</b>	<b>7,701</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,701</b>
<b>Net assets attributable to unitholders</b>	<b>(6,525)</b>	<b>357,264</b>	<b>49,257</b>	<b>6,390</b>	<b>9,657</b>	<b>—</b>	<b>416,043</b>

## 8. Financial risk management (continued)

### Alphinity Global Sustainable Equity Fund As at 30 June 2023

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	KRW A\$'000	SGD A\$'000	OTHER A\$'000	Total A\$'000
<b>Assets</b>								
Cash and cash equivalents	2	2,616	3	—	—	—	—	2,621
Receivables	60	27	—	—	—	—	—	87
Financial assets at fair value through profit or	—	64,099	12,941	1,273	2,716	—	—	81,029
<b>Total assets</b>	<b>62</b>	<b>66,742</b>	<b>12,944</b>	<b>1,273</b>	<b>2,716</b>	<b>—</b>	<b>—</b>	<b>83,737</b>
<b>Liabilities</b>								
Distributions payable	374	—	—	—	—	—	—	374
Payables	131	—	—	—	—	—	—	131
<b>Total liabilities</b>	<b>505</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>505</b>
<b>Net assets attributable to unitholders</b>	<b>(443)</b>	<b>66,742</b>	<b>12,944</b>	<b>1,273</b>	<b>2,716</b>	<b>—</b>	<b>—</b>	<b>83,232</b>

## 8. Financial risk management (continued)

### Alphinity Australian Equity Fund As at 30 June 2022

	AUD A\$'000	USD A\$'000	NZD A\$'000	Total A\$'000
<b>Assets</b>				
Cash and cash equivalents	1,055	—	—	1,055
Collateral and margin accounts	30	—	—	30
Receivables	185	5	—	190
Financial assets at fair value through profit or loss	33,346	—	—	33,346
<b>Total assets</b>	<b>34,616</b>	<b>5</b>	<b>—</b>	<b>34,621</b>
<b>Liabilities</b>				
Collateral and margin accounts	7	—	—	7
Distributions payable	645	—	—	645
Payables	167	—	—	167
<b>Total liabilities</b>	<b>819</b>	<b>—</b>	<b>—</b>	<b>819</b>
<b>Net assets attributable to unitholders</b>	<b>33,797</b>	<b>5</b>	<b>—</b>	<b>33,802</b>

## 8. Financial risk management (continued)

### Alphinity Global Equity Fund

As at 30 June 2022

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	SEK A\$'000	CHF A\$'000	Total A\$'000
<b>Assets</b>							
Cash and cash equivalents	307	6,852	—	—	—	—	7,159
Receivables	1,683	108	—	—	—	—	1,791
Financial assets at fair value through profit or loss	—	166,926	31,112	—	—	10,315	208,353
<b>Total assets</b>	<b>1,990</b>	<b>173,886</b>	<b>31,112</b>	<b>—</b>	<b>—</b>	<b>10,315</b>	<b>217,303</b>
<b>Liabilities</b>							
Distributions payable	15,375	—	—	—	—	—	15,375
Payables	359	—	—	—	—	—	359
<b>Total liabilities</b>	<b>15,734</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>15,734</b>
<b>Net assets attributable to unitholders</b>	<b>(13,744)</b>	<b>173,886</b>	<b>31,112</b>	<b>—</b>	<b>—</b>	<b>10,315</b>	<b>201,569</b>

## 8. Financial risk management (continued)

### Alphinity Global Sustainable Equity Fund As at 30 June 2022

	AUD A\$'000	USD A\$'000	EUR A\$'000	GBP A\$'000	KRW A\$'000	SGD A\$'000	OTHER A\$'000	Total A\$'000
<b>Assets</b>								
Cash and cash equivalents	82	1,623	—	—	—	—	—	1,705
Receivables	737	20	—	—	—	—	—	757
Financial assets at fair value through profit or	—	23,027	5,412	—	—	589	433	29,461
<b>Total assets</b>	<b>819</b>	<b>24,670</b>	<b>5,412</b>	<b>—</b>	<b>—</b>	<b>589</b>	<b>433</b>	<b>31,923</b>
<b>Liabilities</b>								
Distributions payable	140	—	—	—	—	—	—	140
Payables	896	—	—	—	—	—	—	896
<b>Total liabilities</b>	<b>1,036</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,036</b>
<b>Net assets attributable to unitholders</b>	<b>(217)</b>	<b>24,670</b>	<b>5,412</b>	<b>—</b>	<b>—</b>	<b>589</b>	<b>433</b>	<b>30,887</b>

The table in the summarised sensitivity analysis section of this note summarises the sensitivities of the Trusts' financial instruments to foreign exchange risk. The analysis is based on the assumption that the Australian dollar weakened or strengthened by 10% against the material foreign currencies to which the Trusts are exposed.

#### Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Alphinity Australian Equity Fund and Alphinity Sustainable Share Fund have established limits on the total interest rate exposure, which are monitored on a daily basis. The Trusts may use derivatives to hedge unexpected increases in interest rates.

The summarised sensitivity analysis section of this note demonstrates the sensitivity of the Trusts' net profit to possible changes in interest rates, with all other variables held constant. The analysis is based on the assumptions that interest rates increased by 100 bps (2022: 100 bps) or decreased by 100 bps (2022: 100 bps).

The sensitivity of the statements of comprehensive income is the effect of the assumed changes in interest rates on:

- the interest income for one year, based on the floating rate financial assets held at 30 June 2023; and
- changes in the fair value of investments for the year based on revaluing fixed rate financial assets at 30 June 2023.

## 8. Financial risk management (continued)

### Summarised sensitivity analysis

The following table summarises the sensitivity of the Trusts' net profit and net assets attributable to unitholders to applicable market risks. The possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, foreign exchange rates and market prices. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Trusts invest. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

#### Alphinity Australian Equity Fund

	Impact on net profit/Net assets attributable to unitholders			
	Price risk		Interest rate risk	
	-10%	+10%	-100bps	+100bps
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(3,227)	3,227	—	—
30 June 2022	(3,368)	3,368	(1)	1

#### Alphinity Global Equity Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk				Foreign exchange risk							
	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
			USD	USD	EUR	EUR	CHF	CHF	GBP	GBP	SEK	SEK
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(40,969)	40,969	(35,744)	35,744	(4,925)	4,925	—	—	(639)	639	(967)	967
30 June 2022	(20,826)	20,826	17,382	(17,382)	3,213	(3,213)	1,032	(1,032)	—	—	—	—

## 8. Financial risk management (continued)

### Alphinity Sustainable Share Fund

	Impact on net profit/Net assets attributable to unitholders			
	Price risk		Interest rate risk	
	-10%	+10%	-100bps	+100bps
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(77,831)	77,831	(59)	59
30 June 2022	(63,897)	63,897	(8)	8

### Alphinity Australian Share Fund

	Impact on net profit/Net assets attributable to unitholders			
	Price risk		Interest rate risk	
	-10%	+10%	-100bps	+100bps
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(25,346)	25,346	(5)	5
30 June 2022	(21,908)	21,908	—	—

### Alphinity Concentrated Australian Share Fund

	Impact on net profit/Net assets attributable to unitholders			
	Price risk		Interest rate risk	
	-10%	+10%	-100bps	+100bps
	A\$'000	A\$'000	A\$'000	A\$'000
30 June 2023	(37,934)	37,934	(22)	21
30 June 2022	(35,239)	35,239	—	—

## 8. Financial risk management (continued)

### Alphinity Global Sustainable Equity Fund

	Impact on net profit/Net assets attributable to unitholders											
	Price risk		Foreign exchange risk									
	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%	+10%
	A\$'000	A\$'000	USD A\$'000	USD A\$'000	EUR A\$'000	EUR A\$'000	GBP A\$'000	GBP A\$'000	KRW A\$'000	KRW A\$'000	SGD A\$'000	SGD A\$'000
30 June 2023	(8,105)	8,105	(6,677)	6,677	(1,294)	1,294	(127)	127	(272)	272	—	—
30 June 2022	(2,944)	2,944	2,392	(2,392)	542	(542)	—	—	—	—	59	(59)

### Alphinity Global Sustainable Equity Fund

	Impact on net profit/ Net assets attributable to unitholders	
	Foreign exchange risk	
	-10%	+10%
	OTHER A\$'000	OTHER A\$'000
30 June 2023	—	—
30 June 2022	99	(99)

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause financial loss to the other party by failing to discharge an obligation. The Trusts aim to ensure that at all times they have appropriate credit risk management policies and practices in place and that the Board and senior management are appropriately informed of the Trusts' credit risks.

Credit risk is not considered to be a significant risk to the Trusts as the Trusts do not hold any direct investments in debt securities or have significant receivables.



## 8. Financial risk management (continued)

### Liquidity risk

Liquidity risk is the risk that the Trusts will encounter difficulty in raising funds to meet cash commitments associated with financial instruments. This may result from either the inability to sell financial assets at their fair values, a counterparty failing on repayment of a contractual obligation, or the inability to generate cash inflows as anticipated.

The Trusts aim to ensure that they have sufficient liquidity to meet their obligations on a short term, medium term and long term basis. In the current and preceding year, all payables have no fixed repayment term. The current balance of amounts payable to related entities will be repaid in full within 1 year of the reporting date.

The Trusts' governing documents allow for redemptions of units. The Trusts are therefore exposed to a liquidity risk of meeting unitholders' redemptions at any time.

This risk is controlled through the Trusts' investment in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Trusts maintain sufficient cash and cash equivalents to meet normal operating requirements.

The Trusts' investments are considered to be readily realisable.

The investment management process includes the consideration of liquidity, both in terms of market quality and cash flow. In asset construction, securities/investments (including derivatives) are only purchased that meet investment criteria and this includes the assessment of saleability in different market conditions. Before entering into a transaction, consideration is given to (not limited to):

- whether the purpose of the investment is consistent with the investment strategies of the Trusts;
- the ease of selling the security should market conditions change unfavourably;
- whether there are sufficient assets to cover the underlying liabilities of that transaction; and
- the overall liquidity levels for the Trusts.

Under the terms of the Constitutions, the Trusts have the ability to manage liquidity risk by delaying redemptions to unitholders, if necessary, until the funds are available to pay them.

## 9. Fair value measurement

### Fair value in an active market (level 1)

The fair values of financial assets and liabilities traded in active markets are based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at current bid prices at the reporting date, while financial liabilities are priced at current offer prices.

The quoted market price used for financial assets held by the Trusts is the current bid price; the appropriate quoted market price for financial liabilities is the current asking price. When the Trusts hold derivatives with offsetting market risks, they use mid-market prices as a basis for establishing fair value for the offsetting risk positions and apply this bid or asking price to the net open position, as appropriate.

## 9. Fair value measurement (continued)

### Fair value in an inactive or unquoted market (level 2 and level 3)

The fair values of financial assets and liabilities that are not traded in an active market are determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of other substantially similar instruments, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the reporting date applicable for an instrument with similar terms and conditions. For other pricing models, inputs are based on market data at the end of the reporting period.

The tables below set out the Trusts' financial assets and liabilities measured at fair value through profit or loss according to the fair value hierarchy.

	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
As at 30 June	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>								
<b>Level 1 financial assets</b>								
Equity securities	30,670	31,676	409,555	193,785	709,907	597,292	238,820	206,448
Listed unit trusts	1,576	1,670	—	14,568	40,834	37,686	12,308	10,928
<b>Total level 1 financial assets</b>	<b>32,246</b>	<b>33,346</b>	<b>409,555</b>	<b>208,353</b>	<b>750,741</b>	<b>634,978</b>	<b>251,128</b>	<b>217,376</b>

	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023	2022	2023	2022
As at 30 June	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<b>Level 1 financial assets</b>				
Equity securities	354,010	337,327	81,029	27,152
Listed unit trusts	15,423	14,924	—	2,309
<b>Total level 1 financial assets</b>	<b>369,433</b>	<b>352,251</b>	<b>81,029</b>	<b>29,461</b>

All financial assets and financial liabilities included in the statements of financial position are carried at fair value.

In accordance with AASB 13 Fair Value Measurement the Trusts are required to disclose fair value measurements by level using the fair value hierarchy. The fair value hierarchy has the following levels:

## 9. Fair value measurement (continued)

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

## 10. Related party transactions

### Responsible Entity

The Responsible Entity of the Trusts is Fidante Partners Limited whose immediate parent company is Challenger Funds Management Holdings Pty Limited and ultimate parent company is Challenger Limited.

### Key management personnel

#### Directors

Key management personnel includes persons who were Directors of Fidante Partners Limited at any time during the financial year and up to the date of the report as follows:

A Bofinger	Director	
J Coomer	Director	(Resigned 26 June 2023)
R Grimes	Director	(Resigned 22 November 2022)
A Judin	Director	(Appointed 13 July 2023)
J O'Keeffe	Director	
V Rodriguez	Director	(Appointed 9 December 2022)
T Roxburgh	Director	(Appointed 13 July 2023)
Y Sodhi	Director	(Resigned 30 May 2023)

#### Other key management personnel

The Responsible Entity is considered to be the key management personnel with authority for the strategic direction and management of the Trusts.

The Asset Manager, Alphinity Investment Management Pty Limited, is a related party to the Trusts as it is a member of the same group as the Responsible Entity.

### Key management personnel unitholdings

At 30 June 2023 no key management personnel held units in the Trusts (2022: Nil).

## 10. Related party transactions (continued)

### Key management personnel compensation

No amount was paid by the Trusts directly to the Directors of the Responsible Entity.

Compensation is paid to the Responsible Entity in the form of fees and is disclosed below.

### Responsible Entity's fees and other transactions

Under the terms of the Trusts' Constitutions the Responsible Entity is entitled to receive management fees, calculated by reference to the average daily net assets (excluding net assets attributable to unitholders). For the year ended 30 June 2023 these rates are as follows:

For the year ended 30 June Trust name	Class	Fee Rate	
		2023 %	2022 %
Alphinity Australian Equity Fund	Class A	0.90	0.90
Alphinity Global Equity Fund	Class A	0.75	0.75
	Class F	0.25	0.25
	Class P	0.65	0.00
Alphinity Sustainable Share Fund	Class A	0.95	0.95
	Class B (Closed)	0.95	0.95
Alphinity Australian Share Fund	Class A	0.90	0.90
	Class B (Closed)	0.90	0.90
	Class P	0.70	0.70
	Class X	0.70	0.70
Alphinity Concentrated Australian Share Fund	Class A	0.80	0.80
	Class B (Closed)	1.40	1.40
	Class I	0.80	0.80
	Class P	0.20	0.20

## 10. Related party transactions (continued)

For the year ended 30 June	Trust name	Class	Fee Rate	
			2023 %	2022 %
	Alphinity Global Sustainable Equity Fund	Class A	0.75	0.75
		Class F	0.25	0.25
		Class I	0.90	0.75

These fees are inclusive of GST, net of RITC available to the Trusts per annum.

In addition to the management fee, the Responsible Entity is also entitled to receive performance fees for various classes in the Trusts. The performance fees are calculated at the below listed benchmark. For the year ended 30 June 2023, in accordance with the Trusts' Constitutions, the Responsible Entity received performance fees as listed below (inclusive of GST, net of RITC, available to the Trusts) per annum.

For the year ended 30 June	Trust name	Benchmark	Class	Performance Fees	
				2023 %	2022 %
	Alphinity Global Equity Fund	10% of the difference between the Trust's daily return (after fees and expenses and after adding back distributions paid) and the performance benchmark, being the MSCI World ex-Australia Net Total Return Index.	Class A	0.08	0.41
			Class P	0.00	0.00
	Alphinity Concentrated Australian Share Fund	15% of the Trust's daily return (after fees and expenses, and after adding back distributions paid) above its benchmark return, plus 0.25% p.a. Performance fees for Class P are capped at 0.6% of the Trust's gross return.	Class A	0.00	0.09
			Class P	0.00	0.00
	Alphinity Global Sustainable Equity Fund	10% of the difference between the Trust's return (net of management fee) and the MSCI World Net Total Return Index (AUD).	Class A	0.07	0.07

Other classes of units not shown above are not subject to performance fees.

## 10. Related party transactions (continued)

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable at year end between the Trusts and the Responsible Entity were as follows:

For the year ended 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023	2022	2023	2022	2023	2022	2023	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Management fees for the year	293,318	337,925	2,471,964	1,796,380	6,833,615	5,637,894	2,147,803	2,121,888
Performance fees for the year	—	—	243,619	732,943	—	—	—	—
Management fees payable	25,941	28,175	272,555	134,867	657,096	556,798	200,220	182,463

For the year ended 30 June	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023	2022	2023	2022
	\$	\$	\$	\$
Management fees for the year	2,789,467	2,735,525	360,929	66,835
Performance fees for the year	—	298,321	21,159	2,460
Management fees payable	253,515	244,562	43,265	10,584
Performance fees payable	—	164,895	—	—

### Related party unitholdings

Parties related to the Trusts (including Fidante Partners Limited, its related parties and other schemes managed by Fidante Partners Limited), held units in the Trusts as follows:

#### Alphinity Australian Equity Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Limited	296	16	—	312	—	20
<b>Total related party unitholdings</b>	<b>296</b>	<b>16</b>	<b>—</b>	<b>312</b>	<b>—</b>	<b>20</b>

**10. Related party transactions (continued)**

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Limited	286	10	—	296	—	24
<b>Total related party unitholdings</b>	<b>286</b>	<b>10</b>	<b>—</b>	<b>296</b>	<b>—</b>	<b>24</b>

Alphinity Global Equity Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Alphinity Investment Management Pty Ltd	1,269	96	(1,092)	273	—	—
<b>Total related party unitholdings</b>	<b>1,269</b>	<b>96</b>	<b>(1,092)</b>	<b>273</b>	<b>—</b>	<b>—</b>

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Alphinity Investment Management Pty Ltd	1,247	22	—	1,269	—	154
<b>Total related party unitholdings</b>	<b>1,247</b>	<b>22</b>	<b>—</b>	<b>1,269</b>	<b>—</b>	<b>154</b>

## 10. Related party transactions (continued)

### Alphinity Sustainable Share Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
One Managed Investment Funds Limited ACF Centuria Alphinity Sustainable Aust Share Fund	118,674	59,712	(463)	177,923	0.05	9,699
BNP Paribas Nominees Pty Ltd ANF BNP Paribas Securities Services ACF Alphinity Sustainable Share Fund (L5ASSF)	355,411	364,710	(70,322)	649,799	0.17	146,798
<b>Total related party unitholdings</b>	<b>474,085</b>	<b>424,422</b>	<b>(70,785)</b>	<b>827,722</b>	<b>0.22</b>	<b>156,497</b>

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
One Managed Investment Funds Limited ACF Centuria Alphinity Sustainable Aust Share Fund	41,110	77,564	—	118,674	0.04	12,436
BNP Paribas Nominees Pty Ltd ANF BNP Paribas Securities Services ACF Alphinity Sustainable Share Fund (L5ASSF)	70,457	310,141	(25,187)	355,411	0.11	39,445
<b>Total related party unitholdings</b>	<b>111,567</b>	<b>387,705</b>	<b>(25,187)</b>	<b>474,085</b>	<b>0.15</b>	<b>51,881</b>

### Alphinity Australian Share Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Funds Management Holdings Pty Limited	5	—	—	5	—	1
Alphinity Investment Management Pty Ltd	21	1	—	22	—	1
<b>Total related party unitholdings</b>	<b>26</b>	<b>1</b>	<b>—</b>	<b>27</b>	<b>—</b>	<b>2</b>



## 10. Related party transactions (continued)

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Funds Management Holdings Pty Limited	5	—	—	5	—	1
Alphinity Investment Management Pty Ltd	20	1	—	21	—	1
<b>Total related party unitholdings</b>	<b>25</b>	<b>1</b>	<b>—</b>	<b>26</b>	<b>—</b>	<b>2</b>

Alphinity Concentrated Australian Share Fund

For the year ended 30 June 2023

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Funds Management Holdings Pty Limited	2,228	120	—	2,348	—	220
<b>Total related party unitholdings</b>	<b>2,228</b>	<b>120</b>	<b>—</b>	<b>2,348</b>	<b>—</b>	<b>220</b>

For the year ended 30 June 2022

Unitholder	No. of units held opening (Units)	No. of units acquired (Units)	No. of units disposed (Units)	No. of units held closing (Units)	Interest held (%)	Distributions paid/payable by the Trust (\$)
Challenger Funds Management Holdings Pty Limited	2,167	61	—	2,228	—	267
<b>Total related party unitholdings</b>	<b>2,167</b>	<b>61</b>	<b>—</b>	<b>2,228</b>	<b>—</b>	<b>267</b>

**10. Related party transactions (continued)****Alphinity Global Sustainable Equity Fund**

For the year ended 30 June 2023

<b>Unitholder</b>	<b>No. of units held opening (Units)</b>	<b>No. of units acquired (Units)</b>	<b>No. of units disposed (Units)</b>	<b>No. of units held closing (Units)</b>	<b>Interest held (%)</b>	<b>Distributions paid/payable by the Trust (\$)</b>
Alphinity Investment Management Pty Ltd	40,247	—	—	40,247	0.28	1,972
<b>Total related party unitholdings</b>	<b>40,247</b>	<b>—</b>	<b>—</b>	<b>40,247</b>	<b>0.28</b>	<b>1,972</b>

For the year ended 30 June 2022

<b>Unitholder</b>	<b>No. of units held opening (Units)</b>	<b>No. of units acquired (Units)</b>	<b>No. of units disposed (Units)</b>	<b>No. of units held closing (Units)</b>	<b>Interest held (%)</b>	<b>Distributions paid/payable by the Trust (\$)</b>
Alphinity Investment Management Pty Ltd	—	40,247	—	40,247	—	—
<b>Total related party unitholdings</b>	<b>—</b>	<b>40,247</b>	<b>—</b>	<b>40,247</b>	<b>—</b>	<b>—</b>

## 11. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

### Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities

For the year ended 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Reconciliation of profit/(loss) to operating cash flow</b>								
Net profit/(loss) before finance costs for the year attributable to unitholders	3,967	(1,736)	58,078	(16,309)	79,508	(75,987)	28,773	(12,065)
Net (gains)/losses on financial instruments at fair value through profit or loss	(2,769)	3,458	(43,941)	28,139	(56,761)	91,330	(19,925)	23,048
Net foreign exchange (gains)/losses	—	—	(13,269)	(12,559)	—	—	—	—
Proceeds from sale of financial instruments at fair value through profit or loss	15,567	19,735	350,698	187,308	309,663	380,614	84,544	109,972
Purchase of financial instruments at fair value through profit or loss	(11,851)	(17,312)	(494,746)	(304,552)	(374,912)	(672,983)	(99,621)	(124,109)
Net change in receivables and other assets	45	(4)	(33)	20	426	(1,959)	123	(255)
Net change in payables and other liabilities	(2)	(4)	138	(382)	100	186	18	5
<b>Net cash inflows/(outflows) from operating activities</b>	<b>4,957</b>	<b>4,137</b>	<b>(143,075)</b>	<b>(118,335)</b>	<b>(41,976)</b>	<b>(278,799)</b>	<b>(6,088)</b>	<b>(3,404)</b>

## 11. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities (continued)

For the year ended 30 June	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
<b>Reconciliation of profit/(loss) to operating cash flow</b>				
Net profit/(loss) before finance costs for the year attributable to unitholders	44,953	(19,726)	8,074	(5,077)
Net (gains)/losses on financial instruments at fair value through profit or loss	(29,904)	37,878	(4,773)	6,157
Net foreign exchange (gains)/losses	—	—	(3,054)	(974)
Proceeds from sale of financial instruments at fair value through profit or loss	198,543	227,007	71,101	19,919
Purchase of financial instruments at fair value through profit or loss	(188,314)	(285,502)	(115,049)	(54,434)
Net change in receivables and other assets	222	(354)	(16)	(22)
Net change in payables and other liabilities	(155)	190	32	11
<b>Net cash inflows/(outflows) from operating activities</b>	<b>25,345</b>	<b>(40,507)</b>	<b>(43,685)</b>	<b>(34,420)</b>

### Components of cash and cash equivalents

As at 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash at bank, on hand and at custodian	394	1,055	13,716	7,159	39,749	14,870	4,897	7,670
<b>Total cash and cash equivalents</b>	<b>394</b>	<b>1,055</b>	<b>13,716</b>	<b>7,159</b>	<b>39,749</b>	<b>14,870</b>	<b>4,897</b>	<b>7,670</b>

As at 30 June	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash at bank, on hand and at custodian	15,225	6,438	2,621	1,705
<b>Total cash and cash equivalents</b>	<b>15,225</b>	<b>6,438</b>	<b>2,621</b>	<b>1,705</b>

## 11. Reconciliation of profit/(loss) to net cash inflows/(outflows) from operating activities (continued)

### Non-cash investing and financing activities

For the year ended 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Reinvestment of unitholder distributions	40	27	2,088	427	8,937	3,295	4,315	2,541

For the year ended 30 June	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023 \$'000	2022 \$'000	2023 \$'000	19 May 2021 to 30 June 2022 \$'000
Reinvestment of unitholder distributions	8,656	5,870	8	—

## 12. Remuneration of auditor

For the year ended 30 June	Alphinity Australian Equity Fund		Alphinity Global Equity Fund		Alphinity Sustainable Share Fund		Alphinity Australian Share Fund	
	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$	2023 \$	2022 \$
<b>Amounts received or due and receivable by Ernst &amp; Young for:</b>								
Audit and review of the financial report of the Trusts	7,800	7,400	7,800	7,400	7,800	7,400	7,800	7,400
<b>Total remuneration of auditor</b>	<b>7,800</b>	<b>7,400</b>	<b>7,800</b>	<b>7,400</b>	<b>7,800</b>	<b>7,400</b>	<b>7,800</b>	<b>7,400</b>

**12. Remuneration of auditor (continued)**

	Alphinity Concentrated Australian Share Fund		Alphinity Global Sustainable Equity Fund	
	2023	2022	2023	19 May 2021 to 30 June 2022
For the year ended 30 June	\$	\$	\$	\$
<b>Amounts received or due and receivable by Ernst &amp; Young for:</b>				
Audit and review of the financial report of the Trusts	7,800	7,400	7,800	7,400
<b>Total remuneration of auditor</b>	<b>7,800</b>	<b>7,400</b>	<b>7,800</b>	<b>7,400</b>

The cost incurred for auditing the financial report of the Trusts is paid directly by the Responsible Entity.

**13. Events occurring after the reporting period**

No significant events have occurred since the reporting date which would impact on the financial position of the Trusts as at 30 June 2023 or on the results and cash flows of the Trusts for the year ended on that date.

**14. Contingent assets and liabilities and commitments**

At balance date the Trusts have no contingent assets, liabilities or commitments (30 June 2022: Nil).

## Directors' declaration

In the opinion of the Directors of the Responsible Entity for the below listed Trusts:

- Alphinity Australian Equity Fund
  - Alphinity Global Equity Fund
  - Alphinity Sustainable Share Fund
  - Alphinity Australian Share Fund
  - Alphinity Concentrated Australian Share Fund
  - Alphinity Global Sustainable Equity Fund
- a. the financial statements and notes set out on pages 12 to 70 are in accordance with the Corporations Act 2001, including:
- i. complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - ii. giving a true and fair view of the Trusts' financial position as at 30 June 2023 and of their performance for the financial year ended on that date;
- b. the financial statements and notes comply with International Financial Reporting Standards as disclosed in note 1.1; and
- c. there are reasonable grounds to believe that the Trusts will be able to pay their debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors.

On behalf of the Board of Fidante Partners Limited.



**A Judin**  
**Director**

**Sydney**  
**15 September 2023**



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## Independent auditor's report

To the unitholders of the following Alphinity Investment Management Managed Trusts (the "Trusts"):

- Alphinity Australian Equity Fund
- Alphinity Global Equity Fund
- Alphinity Sustainable Share Fund
- Alphinity Australian Share Fund
- Alphinity Concentrated Australian Share Fund
- Alphinity Global Sustainable Equity Fund

### Opinion

We have audited the financial report of the Trusts, which comprises the statements of financial position as at 30 June 2023, the statements of comprehensive income, statements of changes in unitholder funds and statements of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Trusts is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Trusts' financial position as at 30 June 2023 and of their financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Trusts in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed address the matters below, provide the basis for our audit opinion on the accompanying financial report.

### 1. Investment existence and valuation

Funds with classes trading on the ASX	Why significant	How our audit addressed the key audit matter									
<ul style="list-style-type: none"> <li>Class A in the Alphinity Global Equity Fund trading as Alphinity Global Equity Fund (Managed Fund) (MIAGEF) (ticker code XALG);</li> <li>Class A in the Alphinity Global Sustainable Equity Fund trading as Alphinity Global Sustainable Equity Fund (Managed Fund) (ASX code XASG)</li> </ul> <p>(collectively "Exchange Traded Managed Funds" or "ETMFs")</p>	<p>The ETMFs have significant investment portfolios consisting primarily of listed equity securities. As at 30 June 2023, the value of these financial assets were as follows:</p> <table border="1" data-bbox="725 901 1429 1166"> <thead> <tr> <th>Trust</th> <th>Value of financial assets \$000</th> <th>Financial assets as a percentage of total assets held by the ETMFs</th> </tr> </thead> <tbody> <tr> <td>MIAGEF</td> <td>409,555</td> <td>96.7%</td> </tr> <tr> <td>MIAGSE</td> <td>81,029</td> <td>96.8%</td> </tr> </tbody> </table> <p>As detailed in the ETMFs' accounting policy, disclosed in Note 2 of the financial report, these financial assets are recognised at fair value through profit or loss in accordance with the requirements of Australian Accounting Standards. Pricing, exchange rates and other market drivers can have a significant impact on the value of these financial assets and the financial report.</p> <p>Accordingly, valuation and existence of the investment portfolio was considered a key audit matter.</p>	Trust	Value of financial assets \$000	Financial assets as a percentage of total assets held by the ETMFs	MIAGEF	409,555	96.7%	MIAGSE	81,029	96.8%	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Assessing the effectiveness of the controls relating to the existence and valuation of investments.</li> <li>Agreeing all investment holdings, including cash accounts, to third party confirmations at 30 June 2023.</li> <li>Assessing the fair value of all financial assets held at 30 June 2023. For listed equity securities, the values were verified against independently sourced market prices.</li> <li>Assessing the adequacy of the disclosures in Note 5 of the financial report.</li> </ul>
Trust	Value of financial assets \$000	Financial assets as a percentage of total assets held by the ETMFs									
MIAGEF	409,555	96.7%									
MIAGSE	81,029	96.8%									



### Information other than the financial report and auditor's report thereon

The directors of Fidante Partners Limited as the Responsible Entity of the Trusts (the "Responsible Entity") are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the directors of the Responsible Entity for the financial report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the Trusts' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intend to liquidate the Trusts or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trusts' internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Responsible Entity.
- ▶ Conclude on the appropriateness of the directors of the Responsible Entity use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trusts' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trusts to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors of the Responsible Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



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From the matters communicated to the directors of the Responsible Entity, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

*Ernst & Young*  
Ernst & Young

*Rita Da Silva*  
Rita Da Silva  
Partner  
Sydney  
15 September 2023

## Directory

### Responsible Entity

Fidante Partners Limited  
ABN 94 002 835 592  
AFSL 234 668

### Registered office and principal place of business

Level 2  
5 Martin Place  
Sydney NSW 2000

### Custodian

Citigroup Pty Limited  
Level 23  
2 Park Street  
Sydney NSW 2000

### Auditor

For the Responsible Entity and the Trusts  
Ernst & Young  
200 George Street  
Sydney NSW 2000

### Asset Manager

Alphinity Investment Management Pty Limited  
Level 12  
179 Elizabeth Street  
Sydney NSW 2000





