

# Bendigo Socially Responsible Growth Fund

## Monthly fund update - November 2020

### Investment objective and return

The Fund has been designed to invest via a selection of high quality investment managers that specialise in managing specific asset classes which incorporate socially responsible investment elements into the overall investment philosophy. We target that at a minimum, 75% of the Fund will be allocated to investment managers who incorporate applying a range of socially responsible investment selection criteria, including environmental, social, ethical and governance (ESG) considerations.

ESG considerations are primarily applied to listed shares (both Australian and International) and fixed interest. The investment portfolio is constructed in a manner that Sandhurst believes will meet the investment return objective of a return after fees in excess of 4% above inflation over a full market cycle (typically 7 to 10 years). Inflation is measured by the Australian Consumer Price Index (CPI) as published by the Australian Bureau of Statistics.



### RIAA Certification

The Fund has been certified by the Responsible Investment Association of Australasia (RIAA) according to the strict disclosure practices required under the Responsible Investment Certification Program<sup>2</sup>

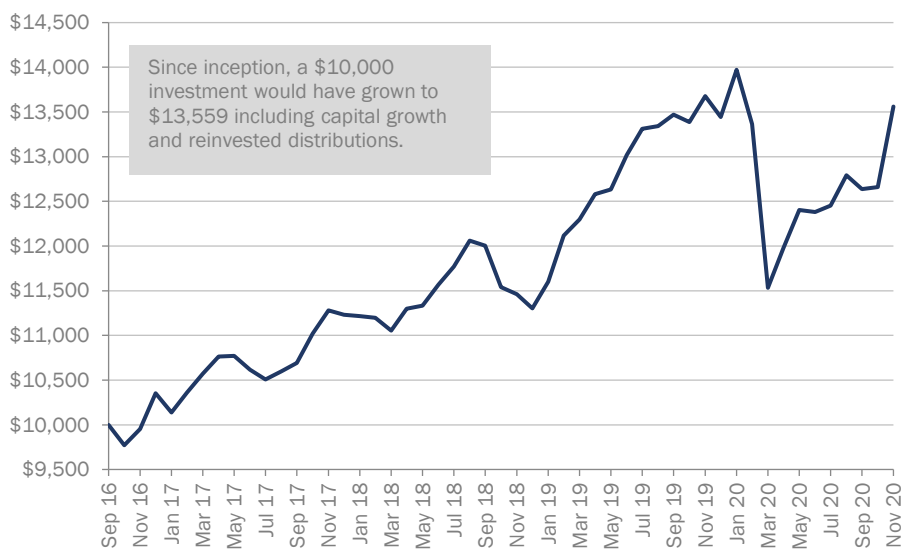
For more information about the RIAA Certification program please visit [www.responsibleinvestment.org](http://www.responsibleinvestment.org)

### Fund performance<sup>1</sup>

as at 30 November 2020	Fund return
3 months %	6.01
6 months %	9.33
1 year %	-0.85
3 years %p.a.	6.33
Since inception %p.a.	7.58
<b>Morningstar Rating™ Overall<sup>3</sup></b>	37 / 207
<b>Morningstar Category Rank - 3 year<sup>3</sup></b>	★★★★

### An example of how your investment grows

Growth of \$10,000<sup>1</sup>  
(Based on historic Fund performance since inception)



### Fund facts

Fund APIR code	STL0055AU
Fund inception date	20 September 2016
Distribution frequency	Half yearly
Management costs <sup>4</sup>	0.99% p.a.
Buy / Sell spread <sup>4</sup>	+0.10% / -0.12%
Investment return objective	CPI + 4%
Minimum investment / minimum balance	\$5,000
Recommended investment timeframe	5 years +
Risk level	Medium to high

### Unit price




















as at 30 November 2020	
Application price	\$1.06759
Withdrawal price	\$1.06524

### Distribution details (cents per unit)

31 Dec 2019	\$0.00900
30 Jun 2020	\$0.03738

### Benefits of investing

- ▶ a responsible investment focus;
- ▶ a diversified solution investing across a range of asset classes including equity and fixed interest;
- ▶ access to leading professional and specialist investment managers;
- ▶ an investment that aims for long term capital growth with moderate income.

Asset allocation		Weight %	Weight % $\Delta$ /mth		Key
	Russell Australia RI ETF*	33.2%	1.3%		 Australian Shares
	AXA IM SmartBeta ESG Global Equity*	36.8%	-0.9%		 International Shares (Unhedged)
	Pendal Property Securities Fund*	6.7%	0.2%		 Property and Infrastructure (Australian)
	Altius Sustainable Bond Fund*	5.7%	-0.4%		 Australian Fixed Interest
	Vanguard Australian Inflation-Linked Bond Index Fund	7.5%	-0.5%		
	Vanguard Government Bond	4.2%	-2.3%		
	Sandhurst Strategic Income Fund^	5.9%	2.5%		 Cash
Total		100.0%			

\* These funds incorporate ESG considerations.  
^ Includes small amounts of cash that are held in Bendigo Bank operating accounts.

## Top 10 holdings of ESG investment managers<sup>5</sup>

Portfolio	Weight %
Australian Inflation Linked Government Bond	8.3%
Australian Government Bond	4.7%
Commonwealth Bank	2.8%
CSL Ltd	2.0%
Goodman Group	1.8%
National Australia Bank	1.6%
ANZ Banking Group	1.5%
Westpac Banking Corp	1.4%
Wesfarmers Ltd	1.3%
Stockland	1.2%

## Make the most of your investment

### ► The power of compounding

Compounding can be a powerful tool in wealth creation. Reinvesting distributions can be one of the easiest and cheapest ways to increase your holdings over time. You're compounding your investment's growth by continually adding more units which, in turn, will generate distributions of their own.

**Why not reinvest your half yearly distributions?**

### ► The benefits of making it regular

Making regular contributions to your investment can both grow your investment and smooth the effects of market highs and lows.

**Why not add a Regular Savings Plan to your investment? Establish one from as little as \$50 per month.**

You can also use BPAY® to add to your investment at any time with as little as \$500. See your statement for your BPAY reference number.

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## Do you have any questions?

For further information contact us on 1800 634 969 or visit [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au)

## Portfolio Performance

The Bendigo Socially Responsible Fund experienced strong performance over the month of November, investments within the Australian listed managers relatively outperformed their international counterparts. Russell Investments Australian Responsible Investments was the largest contributor as their large financial company bias rode the tailwinds of upbeat investor sentiment due to the announcements of high efficacy Covid-19 vaccines. These vaccine announcements from Pfizer, Moderna and AstraZeneca boosted markets especially those beaten down over the shut-down period. The other large contributor to relative performance was from Pandal, our Australian Property manager, increasing the hopes of back-to-normal life boosted the likes of the listed retail and office property trusts who were majorly affected by previous restrictions. The Fund is now 0.4% ahead of its peer group over the past quarter.

## Economic commentary

Risk on investor sentiment characterised the month of November. Risk assets bounced back from a mixed October. The US presidential election held in the first week of November dictated market movements early in the month. US equities ended the month 10.4% higher as investors were buoyed by the split powers in government moderating expectations of sweeping tax reforms which would have had a negative impact on corporate earnings. In Australia, lower infections resulted in easing of restrictions which fuelled a reopening rotation trade. This resulted in many beaten down sectors such as Australian Property recording large gains in the month of November. Australian property measured by the S&P/ASX 300 A-REIT Index appreciated 12.9% while the Australian share index appreciated 10.2% (S&P/ASX 300 Index).

US quarterly corporate earnings also concluded in November. For the quarter, a large majority of companies in the broad US equity index reported positive earnings surprises, and positive revenue surprises. This indicates median analyst expectations for earnings and revenue were beaten for most companies and provides a better than expected backdrop of the health of businesses in the US despite rising infections. However, it should be noted that year over year blended earnings growth for the index was negative, so despite better than expected outcomes, companies have certainly felt the economic impacts of restrictions around the world.

Challenges remain on the horizon, with recent data pointing to an increase in infections around the globe. Positive developments in vaccines are supportive of the recovery and positive news flow of efficacy and safety of vaccine trials continues to keep investors optimistic. The investment team is cognisant of the importance of diversification in portfolios and pragmatic risk management will be required through the various stages of the recovery.

### Footnotes

1. Fund Performance figures are calculated before tax and after fees and costs; using withdrawal prices and assumes distributions are reinvested. Past performance is not an indication of future performance.
2. The Responsible Investment Certification Program does not constitute financial product advice. Neither the Certification Symbol nor RIAA recommends to any person that any financial product is a suitable investment or that returns are guaranteed. Appropriate professional advice should be sought prior to making an investment decision. RIAA does not hold an Australian Financial Services Licence.
3. Bendigo Socially Responsible Growth Fund received a 4-Star Overall Morningstar Rating™ out of 207 Multisector Growth funds as of 30 November 2020 and a 4-Star Three year rating out of 207 Multisector Growth funds as of 30 November 2020.

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The 'Morningstar Rating' is an assessment of a fund's past performance based on both return and risk which shows how similar investments compare with their competitors. A high rating alone is insufficient basis for an investment decision. 'Morningstar Category Rank' is the Fund's performance rank relative to all funds in the same Morningstar Category. Investments are placed into Morningstar Categories based on their compositions and portfolio statistics so that investors can make meaningful comparisons. Source: [www.morningstar.com.au/Funds/FundReport/41513](http://www.morningstar.com.au/Funds/FundReport/41513)

4. Other fees and costs may apply. See the Product Disclosure Statement for full details.
5. The top 10 holdings outlined above are a representation of the largest indirect exposures of the Bendigo Socially Responsible Growth Fund as at 30 September 2020 which may change from time to time. The information has been calculated by Sandhurst based on the cumulative weighted average of each security held by the underlying managers within the Fund. Only indirect exposures greater than 1.2% are included in the above table; investors will have additional exposure to other assets not represented.

The Bendigo Socially Responsible Growth Fund (Fund) is issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (the Bank) ABN 11 068 049 178 AFSL 237879. Sandhurst and the Bank receive remuneration on the issue of the Fund or the service they provide, full details of which are contained in the Product Disclosure Statement (PDS). Investments in the Fund are not deposits with, guaranteed by, or liabilities of the Bank or any of its related entities. Economic and outlook forecasts are not guaranteed to occur. Sandhurst has prepared this document based on information available to it. The information and opinions provided in this document have not been verified and Sandhurst has no obligation to notify you in the event that any information or opinion changes. No representation is made to the fairness and accuracy of the information, opinions and conclusions contained in this document. This update is provided by Sandhurst and contains general advice only. Please consider your situation and read the PDS available at [www.sandhursttrustees.com.au/pds](http://www.sandhursttrustees.com.au/pds), any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision.

This information is current as at 30 November 2020 (unless stated otherwise) and is subject to change without notice.

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