

First Sentier International Funds II Annual Report For the year ended 30 June 2023

This annual report covers the following First Sentier International Funds II:

First Sentier Responsible Listed Infrastructure Fund

ARSN 649 845 090

Stewart Investors Worldwide Leaders Sustainability Fund

ARSN 649 844 002

(the "First Sentier International Funds II")

First Sentier International Funds II

Annual Report

For the year ended 30 June 2023

Contents	Page
Directors' Report	2
Auditor's Independence Declaration	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	41
Independent auditor's report to the unitholders of the First Sentier International Funds II	42

These financial statements cover First Sentier Responsible Listed Infrastructure Fund and Stewart Investors Worldwide Leaders Sustainability Fund as individual entities.

The Responsible Entity of the Funds is The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235 150). The Responsible Entity's registered office is Level 18 Angel Place, 123 Pitt Street, Sydney, NSW 2000.

Directors' Report

The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150) is the responsible entity (the "Responsible Entity") of First Sentier International Funds II (the "Funds"). The directors of the Responsible Entity (the "Directors") present their report together with the financial statements of the Funds for the year ended 30 June 2023.

Principal activities

The Funds are registered managed investment schemes domiciled in Australia.

The principal activities of the Funds are to invest in accordance with the investment objectives and guidelines as set out in the current Product Disclosure Statements of the Funds and in accordance with the provisions of the Funds' Constitutions.

Please refer to the current Product Disclosure Statements on <https://www.firstsentierinvestors.com/> for more information.

First Sentier Responsible Listed Infrastructure Fund was constituted on 28 April 2021 and commenced operations on 2 August 2021.

Stewart Investors Worldwide Leaders Sustainability Fund was constituted on 28 April 2021 and commenced operations on 27 September 2021.

The Funds did not have any employees during the year.

There were no significant changes in the nature of the Funds' activities during the year.

Directors

The Directors of The Trust Company (RE Services) Limited during the year and up to the date of this report are shown below. The Directors were in office for this entire period except where stated otherwise:

Name

Christopher Green	Appointed as Director on 23 January 2023
Glenn Foster	
Vicki Riggio	
Phillip Blackmore	Alternate Director for Vicki Riggio
Simone Mosse	Resigned as Director on 23 January 2023

Review and results of operations

During the year, the Funds invested in accordance with the investment objective and guidelines as set out in the governing documents of the Funds and in accordance with the provisions of the Funds' Constitutions.

Directors' Report (continued)

Results

The performance of the Funds, as represented by the results of their operations, was as follows:

	First Sentier Responsible Listed Infrastructure Fund	Stewart Investors Worldwide Leaders Sustainability Fund		
	Year ended 30 June 2023	Period from 2 August 2021 to 30 June 2022	Year ended 30 June 2023	Period from 27 September 2021 to 30 June 2022
Operating profit/(loss) (\$'000)	<u>(6,472)</u>	<u>41</u>	<u>3,318</u>	<u>(1,200)</u>
Distributions - Class W				
Distributions paid and payable (\$'000)	<u>161</u>	<u>141</u>	<u>97</u>	<u>-</u>
Distributions (cents per unit)	<u>1.51</u>	<u>1.56</u>	<u>0.53</u>	<u>-</u>
Distributions - Class H				
Distributions paid and payable (\$'000)	<u>28</u>	<u>286</u>	<u>-</u>	<u>-</u>
Distributions (cents per unit)	<u>0.05</u>	<u>4.19</u>	<u>-</u>	<u>-</u>

Significant changes in the state of affairs

On 26 September 2022, the Unit registry services transitioned from State Street Australia Ltd (SSAL) to Link Fund Solutions Pty Limited.

On 23 January 2023, Simone Mosse resigned as Director and Christopher Green was appointed as Director.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Funds that occurred during the year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect:

- (i) the operations of the Funds in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Funds in future financial years.

Likely developments and expected results of operations

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

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Funds in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the Funds. So long as the officers of the Responsible Entity act in accordance with the Funds' Constitutions and the *Corporations Act 2001*, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

Directors' Report (continued)

The auditors of the Funds are in no way indemnified out of the assets of the Funds.

Fees paid to and interests held in the Funds by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of the Funds' property during the year are disclosed in Note 16 to the financial statements.

No fees were paid out of the Funds' property to the Directors of the Responsible Entity during the year.

The number of units in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 16 to the financial statements.

Units in the Funds

The movement in units on issue in the Funds during the year is disclosed in Note 9 of the financial statements.

The value of the Funds' assets and liabilities is disclosed in the Statements of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

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

Rounding of amounts to the nearest thousand dollars

The Funds are entities of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with the *ASIC Corporations Instrument*, unless otherwise indicated.

Single Financial Report

The Funds are of the kind referred to in *ASIC Corporation Instrument 2015/839* dated 1 October 2015 issued by ASIC and in accordance with that *ASIC Corporation Instrument*, funds with a common Responsible Entity can include the financial statements in adjacent columns in a single financial report. Proceeds from redeeming units in a fund can be applied to acquire units in other funds included in this financial report.

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 5.

This report is made in accordance with a resolution of the Directors of The Trust Company (RE Services) Limited.



Director
The Trust Company (RE Services) Limited

Sydney
20 September 2023



Auditor's Independence Declaration

As lead auditor for the audit of First Sentier International Funds II for the year ended 30 June 2023, I declare that 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; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Paul Collins', is written over a light blue horizontal line.

Paul Collins
Partner
PricewaterhouseCoopers

Sydney
20 September 2023

Statement of comprehensive income

	Notes	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
		Year ended 30 June 2023 \$'000	Period from 2 August 2021 to 30 June 2022 \$'000	Year ended 30 June 2023 \$'000	Period from 27 September 2021 to 30 June 2022 \$'000
Investment income					
Interest income from financial assets at amortised cost		14	-	9	-
Dividend/Trust distribution income		1,602	182	171	53
Net gains/(losses) on financial instruments at fair value through profit or loss		(7,472)	14	3,250	(1,278)
Net foreign currency gains/(losses) on financial instruments not at fair value through profit or loss		(28)	(74)	(28)	64
Other income		142	112	102	87
Total investment income		(5,742)	234	3,504	(1,074)
Expenses					
Management fees	16	527	62	56	24
Responsible Entity's fees	16	7	1	2	1
Administration and custody fees		86	81	60	57
Transaction costs		59	19	11	8
Other expenses		51	30	57	36
Total operating expenses		730	193	186	126
Operating profit/(loss) before finance costs		(6,472)	41	3,318	(1,200)
Finance costs attributable to unitholders					
Distributions to unitholders*		189	411	-	-
Increase/(decrease) in net assets attributable to unitholders		(6,661)	(553)	-	-
Profit/(loss) for the financial year/period*	9	-	183	3,318	(1,200)
Other comprehensive income		-	-	-	-
Total comprehensive income for the financial year/period		-	183	3,318	(1,200)

*First Sentier Responsible Listed Infrastructure Fund's net assets attributable to unitholders were reclassified from equity to financial liability from 10 May 2022. As a result, for the comparative period, the profit/(loss) is for the period 2 August 2021 to 9 May 2022. Additionally, the Fund's distributions from 10 May 2022 are classified as finance costs in the Statement of comprehensive income, rather than distributions paid and payable in the Statement of changes in equity.

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

Statement of financial position

	Notes	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
		As at		As at	
		30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Assets					
Cash and cash equivalents	11	988	469	660	506
Due from brokers		231	22	-	-
Receivables	14	145	81	44	35
Financial assets at fair value through profit or loss	6	64,991	16,177	19,116	6,426
Total assets		66,355	16,749	19,820	6,967
Liabilities					
Due to brokers		383	30	-	-
Management fees payable	16	104	23	14	5
Responsible Entity's fees payable	16	2	-	1	-
Administration and custody fees payable		16	23	11	21
Other payables	15	46	34	40	38
Distributions payable	10	159	411	97	-
Financial liabilities at fair value through profit or loss	7	616	236	-	-
Total liabilities		1,326	757	163	64
Net assets attributable to unitholders - liability	9	65,029	15,992	-	-
Net assets attributable to unitholders - equity	9	-	-	19,657	6,903

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

Statement of changes in equity

	Notes	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
		Year ended 30 June 2023 \$'000	Period from 2 August 2021 to 30 June 2022* \$'000	Year ended 30 June 2023 \$'000	Period from 27 September 2021 to 30 June 2022 \$'000
Total equity at the beginning of the financial year/period	9	-	-	6,903	-
Comprehensive income for the financial year/period					
Profit/(loss) for the financial year/period		-	183	3,318	(1,200)
Total comprehensive income for the financial year/period		-	183	3,318	(1,200)
Transactions with unitholders					
Applications	9	-	7,913	9,928	8,103
Redemptions	9	-	-	(395)	-
Units issued upon reinvestment of distributions	9	-	7	-	-
Distributions paid and payable	9	-	(16)	(97)	-
Total transactions with unitholders		-	7,904	9,436	8,103
Reclassification from equity to financial liability		-	(8,087)	-	-
Total equity at the end of the financial year/period		-	-	19,657	6,903

*Effective from 10 May 2022, First Sentier Responsible Listed Infrastructure Fund issued a second class of units, named Class H. As a result, the Fund no longer satisfies all criteria of puttable financial instruments as equity under AASB 132 *Financial Instruments: Presentation*. Consequently, the Fund's net assets attributable to unitholders have been reclassified from equity to financial liability during the period ended 30 June 2022. As a result, equity transactions, including distributions, are disclosed for the period 2 August 2021 to 9 May 2022. There was no unitholder funds classified as equity at the end of the financial period ended 30 June 2022 and throughout the year ended 30 June 2023.

Changes in net assets attributable to unitholders are disclosed in Note 9.

The above Statements of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	Year ended 30 June 2023 \$'000	Period from 2 August 2021 to 30 June 2022 \$'000	Year ended 30 June 2023 \$'000	Period from 27 September 2021 to 30 June 2022 \$'000
Notes				
Cash flows from operating activities				
Proceeds from sale of financial instruments at fair value through profit or loss	66,503	4,227	1,458	1,498
Payments for purchase of financial instruments at fair value through profit or loss	(73,913)	(20,220)	(10,913)	(9,134)
Dividends/distribution received	1,575	133	149	40
Interest received	12	-	8	-
Management fees received/(paid)	(304)	48	70	49
Administration and custody fees paid	(93)	(58)	(70)	(36)
Responsible Entity's fees paid	(5)	(1)	(1)	(1)
Payment of other expenses	(133)	(22)	(70)	(8)
Net cash inflow/(outflow) from operating activities	(6,358)	(15,893)	(9,369)	(7,592)
12(a)				
Cash flows from financing activities				
Proceeds from applications by unitholders	18,205	16,417	9,918	8,097
Payments for redemptions by unitholders	(10,938)	(46)	(395)	-
Distributions paid	(392)	(9)	-	-
Net cash inflow/(outflow) from financing activities	6,875	16,362	9,523	8,097
Net increase/(decrease) in cash and cash equivalents	517	469	154	505
Cash and cash equivalents at the beginning of the year/period	469	-	506	-
Effects of foreign currency exchange rate changes on cash and cash equivalents	2	-	-	1
Cash and cash equivalents at the end of the year/period	988	469	660	506
11				
Non-cash financing activities	48,431	7	10	6
12(b)				

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

Contents of the notes to the financial statements

	Page	
1	General information	11
2	Summary of significant accounting policies	11
3	Financial risk management	17
4	Offsetting financial assets and financial liabilities	25
5	Fair value measurement	26
6	Financial assets at fair value through profit or loss	30
7	Financial liabilities at fair value through profit or loss	30
8	Derivative financial instruments	30
9	Net assets attributable to unitholders	32
10	Distributions to unitholders	34
11	Cash and cash equivalents	35
12	Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	35
13	Remuneration of auditors	36
14	Receivables	36
15	Other payables	37
16	Related party transactions	37
17	Significant events during the year	39
18	Events occurring after year end	39
19	Contingent assets and liabilities and commitments	40

1 General information

These financial statements cover First Sentier Responsible Listed Infrastructure Fund and Stewart Investors Worldwide Leaders Sustainability Fund (the "Funds") as individual entities.

First Sentier Responsible Listed Infrastructure Fund was constituted on 28 April 2021, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 13 May 2021 and commenced operations on 2 August 2021. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

Stewart Investors Worldwide Leaders Sustainability Fund was constituted on 28 April 2021, registered by Australian Securities and Investments Commission (ASIC) as a managed investment scheme on 13 May 2021 and commenced operations on 27 September 2021. The Fund will terminate in accordance with the provisions of the Fund's Constitution.

The Trust Company (RE Services) Limited (ABN 45 003 278 831) is the responsible entity of the Funds (the "Responsible Entity"). The Responsible Entity's registered office is Level 18 Angel Place, 123 Pitt Street, Sydney, NSW, 2000.

The investment manager of the Funds is First Sentier Investors (Australia) IM Limited (the "Investment Manager").

The principal activities of the Funds are to invest in accordance with the investment objectives and guidelines as set out in the current Product Disclosure Statements of the Funds and in accordance with the provisions of the Funds' Constitutions.

The financial statements of the Funds are for the year ended 30 June 2023. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the directors of the Responsible Entity (the "Directors of the Responsible Entity") on 20 September 2023. The Directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of significant accounting policies

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia. The Funds are for-profit unit trusts for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated.

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 assets and financial liabilities at fair value through profit or loss and net assets attributable to unitholders.

The Funds manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within twelve months, however, an estimate of that amount cannot be determined as at year end.

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However, unitholders typically retain units for the medium to long-term. As such, the amount expected to be settled within twelve months cannot be reliably determined.

(i) Compliance with International Financial Reporting Standards

The financial statements of the Funds also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(ii) *New and amended standards adopted by the Funds*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2022 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

(iii) *New standards, amendments and interpretations effective after 1 July 2023 and have not been early adopted*

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Funds.

(b) Financial instruments

(i) *Classification*

- **Assets:**

The Funds classify their investments based on their business models for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Funds' portfolios of financial assets are managed and their performance are evaluated on a fair value basis in accordance with the Funds' documented investment strategies. The Funds' policies are for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For equity securities and derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

Derivative, equity instruments and listed unit trusts are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. The financial assets are subject to the expected credit loss ("ECL") impairment model under AASB 9.

- **Liabilities:**

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

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (Responsible Entity's fees payable, management fees payable, administration and custody fees payable, due to brokers, distributions payable and other payables).

(ii) *Recognition/derecognition*

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

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

The Funds derecognise a financial liability when the obligation under the liability is discharged, cancelled or expired.

(iii) *Measurement*

At initial recognition, the Funds 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.

2 Summary of significant accounting policies (continued)

(b) Financial instruments (continued)

(iii) Measurement (continued)

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 of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statements of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise. This also includes dividend expense on short sales of securities, which have been classified at fair value through profit or loss.

Further details on how the fair values of financial instruments are determined are disclosed in Note 5.

(iv) 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. Refer to Note 4 to the financial statements for further information.

(v) Impairment

At each reporting date, the Funds shall measure the loss allowance on financial assets at amortised cost (cash, due from broker and receivables) at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Funds shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Funds at any time for cash based on the redemption price.

The units are carried at the redemption amount that is payable at balance sheet date if the unitholder exercises the right to put the units back to the Funds. This amount represents the expected cash flows on redemption of these units.

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

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Funds' 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 Funds, and it is not a contract settled in the Funds' 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.

Stewart Investors Worldwide Leaders Sustainability Fund's units have been classified as equity as they satisfied all the above criteria. This has been consistently applied during the year.

Effective from 10 May 2022, First Sentier Responsible Listed Infrastructure Fund classifies the net assets attributable to unit holders as liabilities as it does not satisfy all the above criteria.

2 Summary of significant accounting policies (continued)

(d) Cash and cash equivalents

Cash comprises deposits held at custodian bank(s). Cash equivalents are short-term, highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Payments and receipts relating to the purchase and sale of financial instruments are classified as cash flows from operating activities, as movements in the fair value of these securities represent the Funds' main income generating activity.

(e) Investment income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the Statements of comprehensive income within dividend income and distribution income when the Funds' right to receive payments is established.

Dividend and distribution income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Funds currently incur withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the Statements of comprehensive income.

Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2(b) to the financial statements. Other income is recognized on an accruals basis.

(f) Expenses

All expenses are inclusive of GST, including management fees, Responsible Entity's fees, administration fees and custody fees, are recognised in the Statements of comprehensive income on an accruals basis.

(g) Income tax

Under current legislation, the Funds are not subject to income tax provided they attribute the entirety of their taxable income to their unitholders.

(h) Distributions

Distributions are payable as set out in the Funds' offering documents. Such distributions are determined by the Responsible Entity of the Funds. Distributable income includes capital gains arising from the disposal of financial instruments. Unrealised gains and losses on financial instruments that are recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any realised capital gains.

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

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

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

2 Summary of significant accounting policies (continued)

(i) Increase/decrease in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. As Stewart Investors Worldwide Leaders Sustainability Fund's units are classified as equity, movements in net assets attributable to unitholders are recognised in the Statement of changes in equity. As First Sentier Responsible Listed Infrastructure Fund's units are classified as financial liabilities, movements in net assets attributable to unitholders are recognised in the Statement of comprehensive income as finance costs.

(j) Foreign currency translation

(i) Functional and presentation currency

Items included in the Funds' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and is regulated. The Australian dollar is also the Funds' presentation currency.

(ii) Transactions and balances

Assets and liabilities in foreign currencies are translated into the functional currency at the prevailing exchange rate at the valuation date. Transactions denominated in foreign currencies are translated into the functional currency at the prevailing exchange rate on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statements of comprehensive income. The Funds' income earned and expense incurred on foreign denominated balances are translated into the functional currency at the prevailing exchange rate on the date of such activity.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statements of comprehensive income on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

(k) Due from/to Brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and consequently measured at amortised cost.

(l) Receivables

Receivables include amounts for dividends, interest and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Interest is accrued at each dealing date in accordance with the policy set out in Note 2(e) above. Amounts are generally received within 30 days of being recorded as receivables.

Receivables also include such items as Reduced Input Tax Credits ("RITC") and application monies receivable from unitholders.

Receivables are recognised at amortised cost using the effective interest method, less any allowance for ECL. The Funds have applied a simplified approach to measuring ECL, which uses a lifetime expected loss allowance. To measure the ECL, receivables have been grouped based on days overdue.

The amount of the impairment loss, if any, is recognised in the Statements of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Statements of comprehensive income.

2 Summary of significant accounting policies (continued)

(m) Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting year. Payables may include amounts for redemptions of units in the Funds where settlement has not yet occurred. These amounts are unsecured and are usually paid within 30 days of recognition.

The distribution amount payable to unitholders as at the end of each reporting year is recognised separately in the Statements of financial position when unitholders are presently entitled to the distributable income under the Funds' Constitutions.

(n) Applications and redemptions

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

(o) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as audit fees, custodian services and management fees have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits ("RITC") at a rate of 55% or 75%, hence Management fees, Administration and custody fees and other expenses have been recognised in the Statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office ("ATO"). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the Statements of financial position. Cash flows relating to GST are included in the Statements of cash flows on a gross basis.

(p) Use of estimates

The Funds make estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives, are fair valued using valuation techniques determined by the Investment Manager, in accordance with the valuation procedures approved by the Responsible Entity. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager, 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 Investment Manager to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other balances reported on Statements of financial position, including amounts due from/to brokers, accounts payable and accrued expenses, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

(q) Rounding of amounts

The Funds are entities of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars in accordance with that *ASIC Corporations Instrument*, unless otherwise indicated.

2 Summary of significant accounting policies (continued)

(r) Comparative information

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3 Financial risk management

(a) Overview

The Funds' activities expose them to a variety of financial risks. The management of these risks is undertaken by the Funds' Investment Manager who has been appointed by the Responsible Entity under an Investment Management Agreement to manage the Funds' assets in accordance with the Investment Objective and Strategy.

The Responsible Entity has in place a framework which includes:

- The Investment Manager providing the Responsible Entity with regular reports on their compliance with the Investment Management Agreement;
- Completion of regular reviews on the Service Provider which may include a review of the investment managers risk management framework to manage the financial risks of the Funds; and
- Regular reporting on the liquidity of the Funds in accordance with the Funds' Liquidity Risk Management Statement.

The Funds' Investment Manager has in place a framework to identify and manage the financial risks in accordance with the investment objective and strategy. This includes an investment due diligence process and on-going monitoring of the investments in the Funds. Specific controls the Investment Manager applies to manage the financial risks are detailed under each risk specified below.

(b) Market risk

(i) Price risk

Financial assets are either directly or indirectly exposed to price risk. This arises from investments held for which prices in the future are uncertain. They are classified on the balance sheet at fair value through profit or loss. Some of the securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

An Investment Manager may mitigate price risk through diversification and a careful selection of securities and other financial instruments within specified limits and guidelines in accordance with the Product Disclosure Statement/Information Memorandum or Constitutions and monitored by the Investment Review Services Department of the Responsible Entity.

At 30 June 2023, First Sentier Responsible Listed Infrastructure Fund's overall exposure to securities which are subject to price risk include equities securities and listed unit trusts, totaled to \$64,942,000 (2022: \$16,171,000).

At 30 June 2023, Stewart Investors Worldwide Leaders Sustainability Fund's overall exposure to securities which are subject to price risk include equities securities, totaled to \$19,116,000 (2022: \$6,426,000).

The table at Note 3(c) to the financial statements summarises the impact of an increase/decrease of the global indexes on the Funds' net assets attributable to unitholders at the end of the reporting periods. The analysis is based on the assumptions that the relevant indexes increased or decreased as tabled with all other variables held constant and that fair values of the Funds move according to the historical correlation with the indexes.

(ii) Foreign exchange risk

The Funds may 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 not foreign exchange risk. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuates due to changes in exchange rates. The risk is measured using sensitivity analysis.

3 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign exchange risk (continued)

The Funds may manage this risk by entering into foreign exchange forward contracts to hedge the risks. The terms and conditions of these contracts rarely exceed twelve months and are contracted in accordance with the investment guidelines.

The tables below summarises the Funds' assets and liabilities, monetary and non-monetary, that are denominated in a currency other than the Australian dollar.

First Sentier Responsible Listed Infrastructure Fund

	United States Dollar \$'000	European Euro \$'000	Canada Dollar \$'000	British Pound \$'000	All other foreign currencies \$'000
As at 30 June 2023					
Monetary					
Cash and cash equivalents	464	137	90	140	23
Due from brokers	112	-	-	73	-
Receivables	49	11	-	-	-
Due to brokers	-	(55)	-	(328)	-
Payables	(11)	-	-	-	-
Non-monetary					
Financial assets at fair value through profit or loss	47,908	7,982	3,327	1,298	2,091
Financial liabilities at fair value through profit or loss	(373)	(136)	(47)	(26)	(34)
	<u>48,149</u>	<u>7,939</u>	<u>3,370</u>	<u>1,157</u>	<u>2,080</u>
Foreign currency exchange contracts exposure	<u>(39,826)</u>	<u>(6,612)</u>	<u>(2,788)</u>	<u>(843)</u>	<u>(1,743)</u>
	<u>8,323</u>	<u>1,327</u>	<u>582</u>	<u>314</u>	<u>337</u>

3 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign exchange risk (continued)

As at 30 June 2022	United States Dollar \$'000	European Euro \$'000	Canada Dollar \$'000	Hong Kong Dollar \$'000	All other foreign currencies \$'000
Monetary					
Cash and cash equivalents	64	15	10	3	24
Due from brokers	-	-	-	-	22
Receivables	12	3	-	9	6
Due to brokers	(14)	(16)	-	-	-
Payables	(3)	-	-	-	-
Non-monetary					
Financial assets at fair value through profit or loss	8,838	2,662	1,041	618	1,415
Financial liabilities at fair value through profit or loss	(175)	(25)	(9)	(13)	(14)
	<u>8,722</u>	<u>2,639</u>	<u>1,042</u>	<u>617</u>	<u>1,453</u>
Foreign currency exchange contracts exposure	(3,574)	(1,127)	(437)	(249)	(632)
	<u>5,148</u>	<u>1,512</u>	<u>605</u>	<u>368</u>	<u>821</u>

Stewart Investors Worldwide Leaders Sustainability Fund

As at 30 June 2023	United States Dollar \$'000	European Euro \$'000	Indian Rupee \$'000	Japanese Yen \$'000	All other foreign currencies \$'000
Monetary					
Cash and cash equivalents	29	-	-	-	1
Receivables	-	8	4	3	3
Payables	-	-	(1)	-	-
Non-monetary					
Financial assets at fair value through profit or loss	<u>7,036</u>	<u>4,196</u>	<u>3,655</u>	<u>1,526</u>	<u>2,122</u>
	<u>7,065</u>	<u>4,204</u>	<u>3,658</u>	<u>1,529</u>	<u>2,126</u>
Foreign currency exchange contracts exposure	-	-	-	-	-
	<u>7,065</u>	<u>4,204</u>	<u>3,658</u>	<u>1,529</u>	<u>2,126</u>

3 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign exchange risk (continued)

As at 30 June 2022	United States Dollar \$'000	Indian Rupee \$'000	European Euro \$'000	Japanese Yen \$'000	All other foreign currencies \$'000
Monetary					
Cash and cash equivalents	72	4	-	-	-
Receivables	-	4	3	1	1
Payables	-	(1)	-	-	-
Non-monetary					
Financial assets at fair value through profit or loss	<u>2,417</u>	<u>1,305</u>	<u>1,075</u>	<u>496</u>	<u>889</u>
	<u>2,489</u>	<u>1,312</u>	<u>1,078</u>	<u>497</u>	<u>890</u>
Foreign currency exchange contracts exposure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,489</u>	<u>1,312</u>	<u>1,078</u>	<u>497</u>	<u>890</u>

(iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The majority of the Funds' financial assets are non-interest-bearing. Interest-bearing financial assets comprise solely of cash at bank. As a result, the Funds are subject to limited exposure to interest rate risk due to fluctuations in the prevailing levels of market interest rates.

3 Financial risk management (continued)

(b) Market risk (continued)

(iii) Interest rate risk (continued)

The tables below summarise the Funds' exposure to interest rate risk.

First Sentier Responsible Listed Infrastructure Fund

30 June 2023	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets				
Cash and cash equivalents	988	-	-	988
Due from brokers	-	-	231	231
Receivables	-	-	145	145
Financial assets at fair value through profit and loss	-	-	64,991	64,991
Total assets	988	-	65,367	66,355
Financial liabilities				
Due to brokers	-	-	(383)	(383)
Management fees payable	-	-	(104)	(104)
Responsible Entity's fees payable	-	-	(2)	(2)
Administration and custody fees payable	-	-	(16)	(16)
Other payables	-	-	(46)	(46)
Distributions payable	-	-	(159)	(159)
Financial liabilities at fair value through profit and loss	-	-	(616)	(616)
Total liabilities	-	-	(1,326)	(1,326)
Net assets attributable to unitholders	988	-	64,041	65,029
30 June 2022				
Financial assets				
Cash and cash equivalents	469	-	-	469
Due from brokers	-	-	22	22
Receivables	-	-	81	81
Financial assets at fair value through profit and loss	-	-	16,177	16,177
Total assets	469	-	16,280	16,749
Financial liabilities				
Due to brokers	-	-	(30)	(30)
Management fees payable	-	-	(23)	(23)
Administration and custody fees payable	-	-	(23)	(23)
Other payables	-	-	(34)	(34)
Distributions payable	-	-	(411)	(411)
Financial liabilities at fair value through profit and loss	-	-	(236)	(236)
Total liabilities	-	-	(757)	(757)
Net assets attributable to unitholders	469	-	15,523	15,992

3 Financial risk management (continued)

(b) Market risk (continued)

(iii) Interest rate risk (continued)

Stewart Investors Worldwide Leaders Sustainability Fund

	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
30 June 2023				
Financial assets				
Cash and cash equivalents	660	-	-	660
Receivables	-	-	44	44
Financial assets at fair value through profit and loss	-	-	19,116	19,116
Total assets	660	-	19,160	19,820
Financial liabilities				
Management fees payable	-	-	(14)	(14)
Responsible Entity's fees payable	-	-	(1)	(1)
Administration and custody fees payable	-	-	(11)	(11)
Other payables	-	-	(40)	(40)
Distributions payable	-	-	(97)	(97)
Total liabilities	-	-	(163)	(163)
Net assets attributable to unitholders	660	-	18,997	19,657
30 June 2022				
Financial assets				
Cash and cash equivalents	506	-	-	506
Receivables	-	-	35	35
Financial assets at fair value through profit and loss	-	-	6,426	6,426
Total assets	506	-	6,461	6,967
Financial liabilities				
Management fees payable	-	-	(5)	(5)
Administration and custody fees payable	-	-	(21)	(21)
Other payables	-	-	(38)	(38)
Total liabilities	-	-	(64)	(64)
Net assets attributable to unitholders	506	-	6,397	6,903

An analysis of financial liabilities by maturities is provided under "Liquidity risk" of Note 3 to the financial statements.

3 Financial risk management (continued)

(c) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Funds' operating profit or loss and net assets attributable to unitholders to interest rate risk, foreign exchange risk and other price risk. The reasonably 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 and foreign exchange rates, historical correlation of the Funds' investments with the relevant benchmark and market volatility. 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 and/or correlation between the performance of the economies, markets and securities in which the Funds invest. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

First Sentier Responsible Listed Infrastructure Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/Net assets attributable to unitholders					
	-100bps	+100bps	-10.00%	+10.00%	-25.00%	+25.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2023	10	10	5,111	(5,111)	(16,236)	16,236
30 June 2022	5	5	588	(588)	(4,043)	4,043

Stewart Investors Worldwide Leaders Sustainability Fund

	Interest rate risk		Foreign exchange risk		Price risk	
	Impact on operating profit/Net assets attributable to unitholders					
	-100bps	+100bps	-10.00%	+10.00%	-15.00%	+15.00%
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2023	7	7	(5)	5	(2,867)	2,867
30 June 2022	5	5	(8)	8	(964)	964

(d) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when they fall due. Credit risk primarily arises from investments in debt securities and derivative products. Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions, amounts due from brokers and other receivables.

Some funds may transact in derivatives in the over the counter (OTC) markets. OTC derivatives are entered into directly with the counterparty as there is no Clearing House arrangement. Such transactions are only dealt through suitably credit-worthy counterparties. The maximum exposure to credit risk for these OTC derivatives is the contract/notional amount, as shown in Note 8 to the financial statements.

Derivatives may be traded on an exchange (exchange traded) or they may be privately negotiated contracts, which are referred to as Over The Counter (OTC) derivatives. The Funds' OTC derivatives are cleared and settled either through central clearing counterparties (OTC-cleared), or bilateral contracts between two counterparties.

The exposure to credit risk for cash and cash equivalents, assets held with the custodian and derivative financial instruments is low as all counterparties have a credit rating of at least A+.

3 Financial risk management (continued)

(e) Liquidity risk

The Funds are exposed to daily cash redemptions of redeemable units. They therefore primarily hold investments that are traded in an active market and can be readily disposed. Only a limited proportion of their assets are held in investments not actively traded on a stock exchange.

The Funds' listed securities are considered readily realisable, as they are listed on either the Australian Stock Exchange or other recognised International Stock Exchanges.

Certain funds may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Funds may not be able to quickly liquidate their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer or counterparty.

The Funds' financial liabilities, excluding derivative financial liabilities, comprise trade and other payables and are contractually due within 30 days.

(i) Maturities of net settled derivative financial instruments

The table below analyses the Funds' net settled derivative financial instruments based on their contractual maturity. The Funds may, at their discretion, settle financial instruments prior to their original contractual settlement date, in accordance with their investment strategy, where permitted by the terms and conditions of the relevant instruments.

First Sentier Responsible Listed Infrastructure Fund

	Less than 1 month \$'000	1-6 months \$'000	6-12 months \$'000	Over 12 months \$'000	Not stated maturity \$'000
At 30 June 2023					
Net settled derivatives					
Foreign currency exchange contracts	(567)	-	-	-	-
At 30 June 2022					
Net settled derivatives					
Foreign currency exchange contracts	(230)	-	-	-	-

4 Offsetting financial assets and financial liabilities

The following tables present the Funds' gross OTC derivative assets and liabilities by contract type, net of amounts available for offset under netting arrangements and any related collateral received or pledged by the Funds as of 30 June 2023 and 30 June 2022.

First Sentier Responsible Listed Infrastructure Fund

Financial assets	Effects of offsetting on the Statement of financial position			Related amounts not offset		
	Gross amounts of financial assets \$'000	Gross amounts set off in the Statement of financial position \$'000	Net amount of financial assets presented in the Statement of financial position \$'000	Amounts subject to master netting arrangements \$'000	Cash collateral received \$'000	Net amount \$'000
30 June 2023						
Forwards	49	-	49	(45)	-	4
Total	49	-	49	(45)	-	4
30 June 2022						
Forwards	6	-	6	(6)	-	-
Total	6	-	6	(6)	-	-
Financial liabilities	Effects of offsetting on the Statement of financial position			Related amounts not offset		
	Gross amounts of financial liabilities \$'000	Gross amounts set off in the Statement of financial position \$'000	Net amount of financial liabilities presented in the Statement of financial position \$'000	Amounts subject to master netting arrangements \$'000	Cash collateral received \$'000	Net amount \$'000
30 June 2023						
Forwards	616	-	616	(45)	-	571
Total	616	-	616	(45)	-	571
30 June 2022						
Forwards	236	-	236	(6)	-	230
Total	236	-	236	(6)	-	230

(a) Master netting arrangement – not currently enforceable

Agreements with derivative counterparties are based on the ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Funds do not presently have a legally enforceable right of set-off, these amounts have not been offset in the Statements of financial position, but have been presented separately in the above tables.

5 Fair value measurement

The Funds measure and recognise the following assets and liabilities at fair value on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (FVTPL) (see Note 6 and Note 7)
- Derivative financial instruments (see Note 8)

The Funds have no assets or liabilities measured at fair value on a non-recurring basis in the current reporting year. AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value hierarchy:

- 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 or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

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

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting year without any deduction for estimated future selling costs.

The Funds value their investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of these investments, information provided by independent pricing services is relied upon for valuation of investments.

The quoted market price used to fair value financial assets and financial liabilities held by the Funds is the last-traded prices.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(ii) Valuation techniques used to derive level 2 and level 3 fair value

The fair value of financial assets and liabilities that are not exchange-traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This may be the case for certain unlisted shares, certain corporate debt securities and managed funds with suspended applications and withdrawals.

Where discounted cash flow techniques are used, estimated future cash flows are based on the Investment Manager's best estimates and the discount rate used is a market rate at the end of the reporting year 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 year. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Funds would receive or pay to terminate the contract at the end of the reporting year taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

5 Fair value measurement (continued)

(ii) Valuation techniques used to derive level 2 and level 3 fair value (continued)

Investments in other managed funds are recorded at the redemption value per unit as reported by the investment managers of such funds. The Funds may make adjustments to the redemption value based on considerations such as liquidity of the fund or its underlying investments, or any restrictions on redemptions and the basis of accounting.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Funds for similar financial instruments.

The determination of what constitutes 'observable' requires significant judgment by the Investment Manager. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

5 Fair value measurement (continued)

Recognised fair value measurement

The following tables present the Funds' financial assets and liabilities measured and recognised at fair value as at 30 June 2023 and 30 June 2022.

First Sentier Responsible Listed Infrastructure Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2023				
Financial assets at fair value through profit or loss				
Foreign currency exchange contracts	-	49	-	49
Equities securities	58,634	-	-	58,634
Listed unit trusts	6,308	-	-	6,308
Total financial assets at fair value through profit or loss	64,942	49	-	64,991
Financial liabilities at fair value through profit or loss				
Foreign currency exchange contracts	-	616	-	616
Total financial liabilities at fair value through profit or loss	-	616	-	616
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Foreign currency exchange contracts	-	6	-	6
Equities securities	15,125	-	-	15,125
Listed unit trusts	1,046	-	-	1,046
Total financial assets at fair value through profit or loss	16,171	6	-	16,177
Financial liabilities at fair value through profit or loss				
Foreign currency exchange contracts	-	236	-	236
Total financial liabilities at fair value through profit or loss	-	236	-	236

5 Fair value measurement (continued)

Recognised fair value measurement (continued)

Stewart Investors Worldwide Leaders Sustainability Fund

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2023				
Financial assets at fair value through profit or loss				
Equities securities	19,116	-	-	19,116
Total financial assets at fair value through profit or loss	19,116	-	-	19,116
As at 30 June 2022				
Financial assets at fair value through profit or loss				
Equities securities	6,426	-	-	6,426
Total financial assets at fair value through profit or loss	6,426	-	-	6,426

(i) Transfers between levels

The Funds' policies are to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

There were no transfers between levels for the year ended 30 June 2023 and period ended 30 June 2022.

(ii) Fair value measurements using significant unobservable inputs (level 3)

The Funds did not hold any financial instruments with fair value measurements using significant unobservable inputs during the year ended 30 June 2023 or period ended 30 June 2022.

(iii) Valuation processes

Portfolio reviews are undertaken regularly by the Investment Manager to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities.

Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, the Investment Manager performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting year.

(iv) Fair values of other financial instruments

The Funds did not hold any financial instruments which were not measured at fair value in the Statements of financial position. Due to their short-term nature, the carrying amounts of receivables and payables are assumed to approximate fair value.

6 Financial assets at fair value through profit or loss

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	As at		As at	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Financial assets at fair value through profit or loss				
Foreign currency exchange contracts	49	6	-	-
Equities securities	58,634	15,125	19,116	6,426
Listed unit trusts	6,308	1,046	-	-
Total financial assets at fair value through profit or loss	64,991	16,177	19,116	6,426

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in Note 3.

7 Financial liabilities at fair value through profit or loss

	First Sentier Responsible Listed Infrastructure Fund	
	As at	
	30 June 2023 \$'000	30 June 2022 \$'000
Financial liabilities at fair value through profit or loss		
Foreign currency exchange contracts	616	236
Total financial liabilities at fair value through profit or loss	616	236

An overview of the risk exposures relating to financial liabilities at fair value through profit or loss is included in Note 3.

8 Derivative financial instruments

In the normal course of business the Funds may enter into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include a wide assortment of instruments such as futures, forwards and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Funds' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Funds against a fluctuation in market values or to reduce volatility;
- as a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

8 Derivative financial instruments (continued)

Certain derivative transactions provide the economic effect of financial leverage by creating additional investment exposure, as well as the potential for greater loss. The Investment Manager targets a level of volatility and sets leverage accordingly.

The Funds hold the following derivative instruments:

(a) Foreign currency exchange contracts

Foreign currency exchange contracts are primarily used by the Funds to hedge against foreign currency exchange rate risks on their non-Australian dollar denominated trading securities. The Funds agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Foreign currency exchange contracts are valued at the prevailing bid price at the reporting date. The Funds recognise a gain or loss equal to the change in fair value at the reporting date.

The Funds' derivative financial instruments at year end are detailed below:

First Sentier Responsible Listed Infrastructure Fund

	Contract/ Notional \$'000	Fair Values	
		Assets \$'000	Liabilities \$'000
As at 30 June 2023			
Foreign currency exchange contracts	<u>56,878</u>	<u>49</u>	<u>616</u>
	<u>56,878</u>	<u>49</u>	<u>616</u>
As at 30 June 2022			
Foreign currency exchange contracts	<u>7,241</u>	<u>6</u>	<u>236</u>
	<u>7,241</u>	<u>6</u>	<u>236</u>

9 Net assets attributable to unitholders

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain strict criteria are met. Stewart Investors Worldwide Leaders Sustainability Fund has elected into the AMIT tax regime and consequently the Fund's Constitution has been amended. The Fund does not have a contractual obligation to pay distributions to unitholders. Therefore, the net assets attributable to unitholders of the Fund meet the criteria set out under AASB 132 and are classified as equity.

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

	First Sentier Responsible Listed Infrastructure Fund			
	Year ended	Period from	Year ended	Period from
	30 June	2 August	30 June	2 August
	2023	2021 to 30	2023	2021 to 30
	No.'000	June	\$'000	June
		2022*		2022*
		No.'000	\$'000	\$'000
Net assets attributable to unitholders - Class W				
Opening balance	9,445	-	9,537	-
Applications	5,104	9,438	5,053	9,545
Redemptions	(3,844)	-	(3,817)	-
Units issued upon reinvestment of distributions	48	7	49	7
Distributions paid and payable	-	-	-	(16)
Profit/(loss) for the year/period	-	-	-	183
Increase/(decrease) in net assets attributable to unitholders	-	-	(390)	(182)
Closing balance	<u>10,753</u>	<u>9,445</u>	<u>10,432</u>	<u>9,537</u>
Net assets attributable to unitholders - Class H				
Opening balance	6,827	-	6,455	-
Applications	62,898	6,873	61,534	6,872
Redemptions	(7,999)	(46)	(7,121)	(46)
Increase/(decrease) in net assets attributable to unitholders	-	-	(6,271)	(371)
Closing balance	<u>61,726</u>	<u>6,827</u>	<u>54,597</u>	<u>6,455</u>
Total net assets attributable to unitholders			<u>65,029</u>	<u>15,992</u>

*Effective from 10 May 2022, First Sentier Responsible Listed Infrastructure Fund issued a second class of units, named Class H. As a result, the Fund no longer satisfies all criteria of puttable financial instruments as equity under AASB 132 *Financial Instruments: Presentation*. Consequently, the Fund's net assets attributable to unitholders have been reclassified from equity to financial liability during the period ended 30 June 2022. As a result, equity transactions, including distributions, are disclosed for the period 2 August 2021 to 9 May 2022. There was no unitholder funds classified as equity at the end of the financial period ended 30 June 2022 and throughout the year ended 30 June 2023.

9 Net assets attributable to unitholders (continued)

Stewart Investors Worldwide Leaders Sustainability Fund

	Year ended 30 June 2023 No.'000	Period from 27 September 2021 to 30 June 2022* No.'000	Year ended 30 June 2023 \$'000	Period from 27 September 2021 to 30 June 2022* \$'000
Net assets attributable to unitholders - Class W				
Opening balance	8,103	-	6,903	-
Applications	10,465	8,103	9,928	8,103
Redemptions	(387)	-	(395)	-
Distributions paid and payable	-	-	(97)	-
Profit/(loss) for the year/period	-	-	3,318	(1,200)
Closing balance	<u>18,181</u>	<u>8,103</u>	<u>19,657</u>	<u>6,903</u>
Total net assets attributable to unitholders			<u>19,657</u>	<u>6,903</u>

*For the period from 27 September 2021 to 30 June 2022, Class S in Stewart Investors Worldwide Leaders Sustainability Fund received applications of \$10 (units: 10) and paid redemptions of \$10 (units: 10). These were presented as nil due to rounding in thousand dollars.

As stipulated within the Funds' Constitutions, each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds. First Sentier Responsible Listed Infrastructure Fund has two separate classes of units and each unit within the same class has the same rights attaching to it as all other units within that class. During the period from 27 September 2021 to 30 June 2022, Stewart Investors Worldwide Leaders Sustainability Fund closed the Seed class of units, named Class S. As at 30 June 2023 and 30 June 2022, there are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Capital risk management

Stewart Investors Worldwide Leaders Sustainability Fund classifies its net assets attributable to unitholders as equity. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

First Sentier Responsible Listed Infrastructure Fund considers its net assets attributable to unitholders as capital, notwithstanding that net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets by the Responsible Entity. Under the terms of the Funds' 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 the unitholders.

10 Distributions to unitholders

Distributions are determined by reference to the net taxable income of the Funds. The distributions for the year/period were paid/payable as follows:

First Sentier Responsible Listed Infrastructure Fund

	Year ended 30 June 2023 \$'000	Year ended 30 June 2023 CPU*	Period from 2 August 2021 to 30 June 2022 \$'000	Period from 2 August 2021 to 30 June 2022 CPU*
Distributions - Class W				
5 September**	30	0.29	-	-
31 December	-	-	16	0.24
30 June (payable)	<u>131</u>	<u>1.22</u>	<u>125</u>	<u>1.32</u>
	<u>161</u>	<u>1.51</u>	<u>141</u>	<u>1.56</u>
Distributions - Class H				
30 June (payable)	<u>28</u>	<u>0.05</u>	<u>286</u>	<u>4.19</u>
	<u>28</u>	<u>0.05</u>	<u>286</u>	<u>4.19</u>
Total distributions to unitholders	<u>189</u>		<u>427</u>	

* Distribution is expressed as cents per unit amount in Australian Dollar.

** First Sentier Responsible Listed Infrastructure Fund made a special distribution on 5 September 2022.

Stewart Investors Worldwide Leaders Sustainability Fund

	Year ended 30 June 2023 \$'000	Year ended 30 June 2023 CPU*	Period from 27 September 2021 to 30 June 2022 \$'000	Period from 27 September 2021 to 30 June 2022 CPU*
Distributions - Class W				
30 June (payable)	<u>97</u>	<u>0.53</u>	-	-
Total distributions to unitholders	<u>97</u>		-	

* Distribution is expressed as cents per unit amount in Australian Dollar.

11 Cash and cash equivalents

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	As at		As at	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Cash at bank	988	469	660	506
Total cash and cash equivalents	988	469	660	506

12 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	Year ended	Period from	Year ended	Period from
	30 June 2023 \$'000	2 August 2021 to 30 June 2022 \$'000	30 June 2023 \$'000	27 September 2021 to 30 June 2022 \$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities				
Profit/(loss) for the year/period	-	183	3,318	(1,200)
Increase/(decrease) in net asset attributable to unitholders	(6,661)	(553)	-	-
Distributions to unitholders	189	411	-	-
Proceeds from sale of financial instruments at fair value through profit or loss	66,503	4,227	1,458	1,498
Payments for purchase of financial instruments at fair value through profit or loss	(73,913)	(20,220)	(10,913)	(9,134)
Dividends/Trust distributions income reinvested	-	-	(13)	(5)
Management fee rebate reinvested	-	-	10	6
Net (gains)/losses on financial instruments at fair value through profit or loss	7,472	(14)	(3,250)	1,278
Net change in receivables	(64)	(81)	(9)	(35)
Net change in payables	88	80	2	64
Net foreign exchange (gains)/losses	28	74	28	(64)
Net cash inflow/(outflow) from operating activities	(6,358)	(15,893)	(9,369)	(7,592)
(b) Non-cash financing activities				
During the year/period, the following applications were satisfied by an in specie asset transfer	48,382	-	-	-
During the year/period, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plan	49	7	-	-
Management fee rebate reinvested	-	-	10	6
Total non-cash financing activities	48,431	7	10	6

12 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities (continued)

As described in Note 2(i), income not distributed is included in net assets attributable to unitholders. The change in this amount during the year/period (as reported in (a) above) represents a non-cash financing cost as it is not settled in cash until such time as it becomes distributable.

13 Remuneration of auditors

During the year/period, the following fees were paid or payable for services provided by the auditors of the Funds:

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	Year ended 30 June 2023 \$	Period from 2 August 2021 to 30 June 2022 \$	Year ended 30 June 2023 \$	Period from 27 September 2021 to 30 June 2022 \$
PricewaterhouseCoopers				
Audit of financial statements	19,666	17,400	19,666	17,400
Audit of compliance plan	2,512	2,284	2,512	2,284
Total remuneration for audit and other assurance services	22,178	19,684	22,178	19,684
Taxation services				
Taxation services (KPMG)	6,900	8,991	6,900	14,714
Total remuneration for taxation services	6,900	8,991	6,900	14,714
Total remuneration	29,078	28,675	29,078	34,398

The auditors' remuneration fees are stated exclusive of GST.

14 Receivables

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	As at 30 June 2023 \$'000	As at 30 June 2022 \$'000	As at 30 June 2023 \$'000	As at 30 June 2022 \$'000
Interest receivables	2	-	1	-
Dividends/distribution receivable	87	52	18	9
Management fee reimbursement receivable	25	25	20	25
Other receivable	31	4	5	1
Total receivables	145	81	44	35

15 Other payables

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	As at		As at	
	30 June 2023 \$'000	30 June 2022 \$'000	30 June 2023 \$'000	30 June 2022 \$'000
Remuneration of auditors	32	31	37	37
Withholding tax payable	11	3	1	1
Other payables	3	-	2	-
Total other payables	46	34	40	38

16 Related party transactions

For the purpose of these financial statements, parties are considered to be related to the Funds if they have the ability, directly or indirectly, to control or exercise significant influence over the Funds in making financial and operating disclosures. Related parties may be individuals or other entities.

Responsible Entity

The Responsible Entity of the Funds is The Trust Company (RE Services) Limited (ABN 45 003 278 831) (AFSL 235150).

Key Management Personnel

(a) Directors

Key management personnel include persons who were Directors of the Responsible Entity at any time during the financial year as follows:

Name

Christopher Green	Appointed as Director on 23 January 2023
Glenn Foster	
Vicki Riggio	
Phillip Blackmore	Alternate Director for Vicki Riggio
Simone Mosse	Resigned as Director on 23 January 2023

(b) Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling the activities of the Funds, directly or indirectly, during the financial year.

Key management personnel unitholdings

During or since the end of the year, none of the Directors or Director related entities held units in the Funds, either directly, indirectly or beneficially.

Neither the Responsible Entity nor its affiliates held units in the Funds at the end of the year.

16 Related party transactions (continued)

Key management personnel compensation

Key management personnel do not receive any remuneration directly from the Funds. They receive remuneration from a related party of the Responsible Entity in their capacity as Directors or employees of the Responsible Entity or its related parties.

Consequently, the Funds do not pay any compensation to its key management personnel. Payments made from the Funds to the Responsible Entity do not include any amounts attributable to the compensation of key management personnel.

Key management personnel loan disclosures

The Funds have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting year.

Other transactions within the Funds

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Funds since the end of the previous financial period and there were no material contracts involving Director's interests existing at year end.

Responsible Entity's/Investment Manager's fees and other transactions

Under the terms of the Funds' Constitutions, the Responsible Entity is entitled to receive a fee per annum calculated as a percentage of the gross asset value of the Funds. The Investment Manager of the Funds is First Sentier Investors (Australia) IM Limited. The Investment Manager is entitled to receive a management fee at the rates stipulated in the Funds' governing documents.

The management fees rate charged during the year/period were as follows:

Name of Funds	Year ended 30 June 2023 %	Period ended 30 June 2022 %
First Sentier Responsible Listed Infrastructure Fund - Class W	0.90	0.90
First Sentier Responsible Listed Infrastructure Fund - Class H	0.95	0.95
Stewart Investors Worldwide Leaders Sustainability Fund	0.57	0.57

16 Related party transactions (continued)

Responsible Entity's/Investment Manager's fees and other transactions (continued)

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

	First Sentier Responsible Listed Infrastructure Fund		Stewart Investors Worldwide Leaders Sustainability Fund	
	Year ended 30 June 2023 \$	Period from 2 August 2021 to 30 June 2022 \$	Year ended 30 June 2023 \$	Period from 27 September 2021 to 30 June 2022 \$
Management fees for the year/period paid and payable by the Fund to the Investment Manager	527,355	61,682	55,925	24,482
Management fees reimbursement received for the year/period	141,872	112,317	101,436	87,422
Responsible Entity's fees paid and payable for the year/period	6,951	859	1,571	690
Aggregate amounts payable to the Investment Manager at the end of the year/period	104,078	22,722	14,128	4,988
Aggregate amounts receivable from the Investment Manager at the end of the year/period	24,856	25,155	20,169	24,798
Aggregate amounts payable to the Responsible Entity at the end of the year/period	2,304	486	607	244

Related party unitholdings

Parties related to the Funds (including The Trust Company (RE Services) Limited, their related parties and other funds managed by The Trust Company (RE Services) Limited), held no units in the Funds.

Investments

The Funds did not hold any investments in The Trust Company (RE Services) Limited, its related parties or other funds managed by The Trust Company (RE Services) Limited as at 30 June 2023 (2022: Nil).

17 Significant events during the year

On 26 September 2022, the Unit registry services transitioned from State Street Australia Ltd (SSAL) to Link Fund Solutions Pty Limited.

On 23 January 2023, Simone Mosse resigned as Director and Christopher Green was appointed as Director.

There were no other significant events during the year.

18 Events occurring after year end

The Directors are not aware of any event or circumstance since the end of the financial year not otherwise addressed within this report that has affected or may significantly affect the operations of the Funds, the results of those operations or the state of affairs of the Funds in subsequent years. The Funds continue to operate as a going concern.

19 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2023 and 30 June 2022.

Directors' declaration

In the opinion of the Directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 40 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 Funds' financial positions as at 30 June 2023 and of their performance for the financial year ended on that date,
- (b) there are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- (c) Note 2(a)(i) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors of The Trust Company (RE Services) Limited.



Director
The Trust Company (RE Services) Limited

Sydney
20 September 2023



Independent auditor's report

To the unitholders of First Sentier International Funds II

Our opinion

In our opinion:

The accompanying financial report of First Sentier International Funds II (each a Registered Scheme) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of each Registered Scheme's financial position as at 30 June 2023 and of their financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2023
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- director's declaration.

for each of the following Registered Schemes:

- First Sentier Responsible Listed Infrastructure Fund
- Stewart Investors Worldwide Leaders Sustainability Fund

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

Independence

We are independent of the Registered Schemes in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

PricewaterhouseCoopers, ABN 52 780 433 757

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation



Other information

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2023 but does not include the financial report and our auditor's report thereon.

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 on the other information that we obtained prior to the date of this auditor's report, 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 ability of the Registered Schemes to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intend to liquidate the Registered Schemes 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that appears to read 'Paul Collins'.

Paul Collins
Partner

Sydney
20 September 2023