

GRI Content Index

Disclosure	Description	Reference
	General Standard Disclosures	
Strategy and Analysis		
G4-1	Statement from the Managing Director	Managing Director and Chairman's Review, pages 2 and 3
G4-2	Key impacts, risks and opportunities	Managing Director and Chairman's Review, pages 2 and 3
Organisational Profile		
G4-3	Name of the organization	Front cover
G4-4	Primary brands, products, and services	Australian Ethical's main products and services include super, pension and managed funds. Additional information is available at: https://www.australianethical.com.au/#
G4-5	Location of headquarters	Sydney, Australia
G4-6	Countries located	Australia only

<p>G4-7</p>	<p>Nature of ownership and legal form</p>	<p>The diagram, titled "Our Company Structure", illustrates the corporate governance and ownership. At the top, "Australian Ethical Managed Investment Funds" and "Australian Ethical Retail Superannuation Fund (Australian Ethical Super)" are shown in circles. Dashed arrows indicate their relationship to "Australian Ethical Investment Ltd (AEI)", a "Listed Company Responsible Entity (RE)" shown in a yellow box. Below AEI is "Australian Ethical Superannuation Pty Limited (AES)", a "Wholly owned subsidiary of AEI Responsible Superannuation Entity (RSE) Licensee", also in a yellow box. Dashed arrows from AEI point to six boxes at the bottom: "Audit, Compliance and Risk (ACR) Committee", "Insurance Committee", "People, Remuneration and Nominations (PRN) Committee", "Investment Committee", "Ethical Advisory Group (EAG)" (highlighted in blue), and another "Audit, Compliance and Risk (ACR) Committee". Dashed arrows also connect AES to the first three committees on the left.</p>
<p>G4-8</p>	<p>Markets served</p>	<p>Australian Ethical’s clients are values driven and care about how their funds are invested. Our key client groups are superannuation members and managed fund investors, employers that select Australian Ethical as their default superannuation fund, and financial advisers. Our clients are located in every state and territory of Australia.</p>
<p>G4-9</p>	<p>Scale of the organisation</p>	<p>About this Report; Financial Performance pages 4 to 7; Our People, page 31</p>
<p>G4-10</p>	<p>Employee profile</p>	<p>Total Employees = 49 of which six are supervised fixed-term contractors</p>
<p>G4-11</p>	<p>% of employees covered by collective bargaining agreements</p>	<p>No employees (0%) are covered by collective bargaining agreements</p>
<p>G4-12</p>	<p>Supply chain</p>	<p>Inputs into our supply chain comprise two key groups: major outsourced functions to comply with regulatory requirements and ethical best practice, and companies that we invest in to make up</p>

G4-12 continued		our investment portfolios. In our day to day operations; we have changed some of our suppliers to certified B-Corporations. A list of the companies we invest in is available at: https://www.australianethical.com.au/companies-we-invest-in/
G4-13	Significant changes in the reporting period	There were no significant changes in the reporting period
G4-14	Precautionary approach/principle	Our Ethical Charter is aligned with the Precautionary Principle.
G4-15	Commitments to externally developed economic, environmental and social charters, principles, or other initiatives	Pages 2, 7, 14, 22, 26-29
G4-16	Memberships	<ul style="list-style-type: none"> • Association for Sustainable & Responsible Investment in Asia (ASRIA) – founding member • Association of Superannuation Funds of Australia Limited (ASFA) • The Financial Services Council (member and involvement in various working groups) • Responsible Investment Association Australasia (RIAA) – certified funds manager • United Nations Principles for Responsible Investment • The Global Investor Coalition on Climate Change • Investor Group on Climate Change • Future Economy Group • UN Women’s Empowerment Principles • Portfolio Decarbonisation Coalition • Montreal Pledge (signatory) • Future Business Council (FBC) • Sustainable Business Australia (SBA) • B Corp • Organisational Stakeholder – Global Reporting Initiative

Identified Material Aspects and Boundaries

G4-17	Entities included in reporting	About this report
G4-18	Process for defining the report content and the Aspect Boundaries and implementation of the Reporting Principles for Defining Report Content	The GRI Reporting Principles of Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness have been incorporated through our ongoing stakeholder engagement activities (pp 36-38); application of the Australian Ethical Charter through all of our investment and operational decisions; materiality assessment (p.30) and the range of topics identified as material for the reporting year (disclosed in this table).
G4-19	Material Aspects identified in the process for defining report content	Disclosed in this table
G4-20	Internal Aspect Boundaries	Disclosed in this table
G4-21	External Aspect Boundaries	Disclosed in this table
G4-22	Restatements from previous reporting periods	There are no restatements from the previous reporting periods
G4-23	Significant changes from previous reporting periods in Scope and Aspect Boundaries.	The only change from previous reporting periods was that environmental topics were not deemed material

Stakeholder Engagement

G4-24	Stakeholder groups engaged by Australian Ethical	Reporting what matters most page 30				
G4-25	Basis for identification and selection of stakeholders	Our key stakeholder groups are those groups that our business may have an impact upon and those that have an impact on Australian Ethical - either in a positive or negative way.				
G4-26	Approach to stakeholder engagement	<table border="1"> <thead> <tr> <th>Stakeholder group</th> <th>Engagement activity in FY17</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Stakeholder group	Engagement activity in FY17		
Stakeholder group	Engagement activity in FY17					

Social media community	Our more than 110,000 followers on social media include members; shareholders; advisers; employers and the general public. We are also active on Instagram; LinkedIn and Twitter. In FY17 the main concerns expressed by this community were: understanding our investments in banking; salmon farming and property companies; along with information about any exposure to fossil fuels and companies involved in live animal export. We respond to these concerns directly on social media or by reference to our blogs and the “Our position on topical issues” page on our website.
Our clients	In FY17 we welcomed around 1,000 new super members each month with an email and/or call and an information kit. Our members receive an annual and half-yearly statement and two editions of Good Money per year. Our managed funds clients receive two investor updates; two Good Money Magazines; and monthly/quarterly trust reports. In FY17 our NPS rating was conducted by Pollinate Research in February 2017 was +55. Through this survey and a in-depth customer journey mapping exercise in FY17, our customers told us they love the values of the company, while opportunities for improvement were: better information on performance; a better on-boarding process; and that our website is difficult to navigate. Our Wow the customer programme has captured all this feedback and a number of initiatives planned for FY18 are designed to address these issues.
Advisers	Phone and face to face meetings, presentations and information sessions by the Australian Ethical investment team. In FY17 added new team members to lift our support for this important group. Advisers value our strong ethical values and the depth of our screening process. They want us to provide better fund and performance information; better pricing for our wholesale funds (which we addressed in July 2017) and the introduction of a wholesale balanced fund which is planned for FY18.
Employers	We provide employers with a welcome pack and access to an online portal. Information sessions with employer groups through regular phone communication, one on one visits and tailored induction groups. Our employers want a better service proposition from us. We commenced building a new support structure in FY17 and will deliver a new portal and dedicated support team in 2018.
Shareholders	We engage with our shareholders through our annual General Meeting; two shareholder updates; ongoing disclosure via the ASX website and the shareholder section on our own website. We did not survey our shareholders in FY17.

Key topics and concerns raised through stakeholder engagement, and responses

Reporting what matters most page 30; Table above
Our employees page 35

G4-27		
Report Profile		
G4-28	Reporting period	1 July 2016 - 30 June 2017
G4-29	Previous report	Australian Ethical Investment Limited Annual and Sustainability Report 2016
G4-30	Reporting cycle	Annual
G4-31	Contact details	About this report
G4-32	'In accordance' option	About this report
G4-33	Policy and current practice in seeking external assurance for the report, including scope and basis of any external assurance	Data relevant to selected material indicators has been assured using the ASAE3000 Assurance standard. KPMG has issued an independent limited assurance report
Governance		
G4-34	Governance structure and committees	Principle 2 in the Corporate Governance Statement pages 5 to 7 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf
G4-35	Process for delegating authority for sustainability topics from the highest governance body to senior executives and other employees	Principle 7 in the Corporate Governance Statement, pages 13 and 14 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf
G4-36	Executive level position with responsibility for sustainability topics	Dr. Stuart Palmer, Head of Ethics Research
G4-37	Processes for consultation between stakeholders and the highest governance body on sustainability topics	An ethics report is prepared by the Head of Ethics Research, which, coupled with the Managing Directors Report provides information on sustainability topics which is presented to the Board.
G4-38	Composition of the highest governance body and its committees	Principle 2 of the Corporate Governance Statement pages 5 to 7 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf
G4-39	Chair as an executive officer and his function	Principle 2 of the Corporate Governance Statement page 7 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf

		Statement-2017-FINAL.pdf
G4-40	Nomination and selection processes for the highest governance body and its committees	Principle 2 of the Corporate Governance Statement, pages 5 and 6 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed and communication to stakeholders	Principle 3 in the Corporate Governance Statement, page 8 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf
G4-42	Highest governance body's and senior executives' roles in the development, approval and updating of the organisation's purpose, value or mission statements, strategies, policies and goals related to sustainability impacts.	Principle 7 in the Corporate Governance Statement, page 14 https://www.australianethical.com.au/wp-content/uploads/2017/Corporate-Governance-Statement-2017-FINAL.pdf Board's role is described in the Board Charter https://www.australianethical.com.au/wp-content/uploads/2017/07/AEI-Board-Charter-FINAL-20072017.pdf
	Measures taken to develop and enhance the highest governance body's collective knowledge of sustainability topics	Updates on ethical frameworks and ethical reports are provided by Head of Ethics Research. Updates on ethical frameworks and ethical reports are also provided by Head of Ethics Research. Board members have significant professional experience in sustainability topics as described in the Board biographies on pages 42 to 44.
G4-43	Processes for evaluating the highest governance body's performance with respect to the governance of sustainability topics, and independence and frequency. Actions taken in response to evaluation of the body's governance performance on sustainability topics.	No formal processes exist for evaluating the Board's governance of sustainability topics.
G4-44	Highest governance body's role in identifying and managing sustainability impacts, risks and opportunities, including the highest governance body's role in Implementing due diligence processes and the role of stakeholder consultation in supporting the body	The Board manages sustainability risks, impacts and opportunities through the risk register and corporate strategy. Due diligence is undertaken monthly by the senior management team and Ethical Advisory Group and reported to the Board.
G4-45	Highest governance body's role in reviewing the effectiveness of the organisation's risk	The Board manages sustainability risks, impacts and opportunities through the risk register and corporate strategy. Due diligence is undertaken monthly by the senior management team and

	management processes for sustainability topics	Ethical Advisory Group and reported to the Board.
G4-46	Frequency of the highest governance body's review of sustainability impacts, risks and opportunities	Reviews take place at a minimum annually as per requirements of the risk management strategy. Strategic planning takes place biannually.
G4-47	Highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered.	The Managing Director and General Counsel approve the material aspects to be reported on and provide final approvals of the sustainability report.
G4-48	Process for communicating critical concerns to the highest governance body	The Managing Director has the authority to escalate critical matters to the Board. Board meetings take place four to six times per year. If the concern is related to a compliance issue, the Compliance Manager has a reporting line and obligation to report to the Chair of the Audit Committee, who in turn is a Nonexecutive Director. The Company Secretary has a reporting line to the Chair of the Board.
G4-49	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanisms used to address and resolve them	There were no critical concerns that needed to be communicated to the Board during the reporting year.
G4-50	Remuneration policies for the highest governance body and senior executives	Remuneration Report, pages 51 and 52
G4-51	Process for determining remuneration and relationship with remuneration consultants if used	Remuneration report, page 64
G4-52	Process to seek stakeholder views on remuneration, including the results of votes on remuneration policies and proposals	Remuneration report, page 64
G4-53	Ratio of the annual total compensation for the organisation's highest paid individual to the median annual total compensation for all employees	Ratio of the annual total compensation for the organisation's highest paid individual to the median annual total compensation for all employees is 3.09:1.
G4-54	Ratio of % increase in annual total compensation for the organisation's highest paid individual to the median % increase in	The highest paid individuals salary increased by 15% and the median salary increased by 2%

annual total compensation for all employees

Ethics and Integrity

G4-56	Code of ethics	www.australianethical.com.au/wp-content/uploads/2016/11/AEI-Group_Code-of-Conduct_Final_13-Oct-2016.pdf
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity such as helplines or advice lines	Employees are consulted on changes that may impact their work and/or the business. Every two years, an employee representative is elected by employees. In accordance with the formal grievance procedure, employees can discuss any concerns, issues or complaints around their employment, regardless of their nature of severity. The employee representative can choose to discuss these issues with the management team and escalate the issue to the Board if required. No grievances were reporting during the year. All employees are notified of operational changes by either the Managing Director or their direct manager, as soon as is reasonably practicable. Our grievance process is reviewed on an as needs basis.
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour and matters related to organisational integrity through line management, whistleblowing mechanisms or hotlines	All employees have a responsibility to report breaches of the Code of Conduct. Australian Ethical has a Whistleblowing Policy and procedures for reporting breaches of the Code or concerns about unethical practices.

Specific Standard Disclosures	Reference	Notes	Internal/External Boundary (I/E)
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Economic

Economic Performance

G4-DMA		Financial Performance Page 4		I & E
G4-EC1	Direct economic value generated and distributed	Financial Performance Pages 4 to 7	Australian Ethical has no matched giving process. Where staff or customers donate this is not tracked. There are also no community partnerships in place nor in-kind contributions. Management costs are not accounted for in our community giving activities	
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Towards net zero Pages 20 to 21; Making it happen page 22		I & E
G4-EC3	Coverage of the organisation's defined benefit plan obligations		Not relevant as staff members are free to choose their own superannuation fund. The company's liability is limited to make the Superannuation guarantee contributions.	
G4-EC4	Financial assistance received from government		No financial assistance is received from the government	

Social

Financial Services Disclosures

Product Portfolio

G4-DMA		Investment Performance pages 18 to 19	Complete	I&E
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FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector	Investment Performance page 19	
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business unit broken down by purpose	Investment Performance page 19	
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.		All of Australian Ethical's products and services are designed to benefit society and the environment; however, they are not broken down by purpose

Active Ownership

G4-DMA		Our ethical charter in action page 26		I & E
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues		We do not track this percentage because our investment portfolio changes throughout the year; some collaborative engagements extend to large groups of companies; and our engagements include companies we don't invest in.	
FS11	Percentage of assets subject to positive and negative environmental or social screening		All (100%) of our investments must meet the Australian Ethical Charter which includes both positive elements (that we expect our investee companies to support) and negative elements (that we expect our investee companies to avoid).	

Product Responsibility

Product and Service Labelling

G4-DMA
(incl. FFSD)

Australian Ethical is bound by the requirements contained in the Corporations Act (2001), the Superannuation Industry (Supervision) Act (1993), the Regulatory Guidance produced by the Australian Securities and Investments Committee (ASIC) and the Financial Services Council (FSC) Standards when determining the marketing plans for its products. All (100%) of Australian Ethical's investment and superannuation fund products are accompanied by a product disclosure statement, and any changes to products are communicated to our clients via our website and when appropriate, in more targeted letter or email campaigns.

Legal, Risk and Compliance managers monitor responsible marketing compliance by reviewing all disclosure documents before they are released. The Board approves all new products and associated product disclosure statements prior to their release to the market. Australian Ethical is committed to respecting our clients' right to privacy and protecting our clients' personal information. We are bound by the provisions of the Privacy Act (1988) (Cth) which regulates how we collect, use, disclose and keep personal information secure. Our key policies are:

- [Corporate Governance Statement](#)
- [Code of Conduct www.australianethical.com.au/wp-content/uploads/2016/11/AEI-Group-Code-of-Conduct-Final-13-Oct-2016.pdf](http://www.australianethical.com.au/wp-content/uploads/2016/11/AEI-Group-Code-of-Conduct-Final-13-Oct-2016.pdf)
- [Super Governance www.australianethical.com.au/super/governance/](http://www.australianethical.com.au/super/governance/)
- [Continuous Disclosure Policy www.australianethical.com.au/wp-content/uploads/2017/03/AEI-Continuous-Disclosure-Policy-final-web-version-03.03.17.pdf](http://www.australianethical.com.au/wp-content/uploads/2017/03/AEI-Continuous-Disclosure-Policy-final-web-version-03.03.17.pdf)
- [Whistleblowing Policy www.australianethical.com.au/wp-content/uploads/2016/11/AEI-Group-Whistleblowing-Policy-Final-13-October-2016.pdf](http://www.australianethical.com.au/wp-content/uploads/2016/11/AEI-Group-Whistleblowing-Policy-Final-13-October-2016.pdf)
- [Pricing Discretions Policy www.australianethical.com.au/wp-content/uploads/2015/05/AEI-Group-Pricing-Discretions-Policy-24-February-2016.pdf](http://www.australianethical.com.au/wp-content/uploads/2015/05/AEI-Group-Pricing-Discretions-Policy-24-February-2016.pdf)
- [Investor Relations Policy www.australianethical.com.au/wp-content/uploads/2017/07/AEI-Investor-Relations-Policy-FINAL-072017.pdf](http://www.australianethical.com.au/wp-content/uploads/2017/07/AEI-Investor-Relations-Policy-FINAL-072017.pdf)
- [Board Renewal Policy www.australianethical.com.au/wp-content/uploads/2017/07/Group-Board-Renewal-Policy-FINAL-](http://www.australianethical.com.au/wp-content/uploads/2017/07/Group-Board-Renewal-Policy-FINAL-)

			<p>072017.pdf</p> <ul style="list-style-type: none"> • Privacy Policy www.australianethical.com.au/privacy-policy/ 	
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements		100% of Australian Ethical's super and managed fund products are covered by relevant product disclosure statements. Product compliance is assessed on a regular basis by Australian Ethical's Legal, Compliance and Risk team, which conducts internal/external audit and periodic regulator audits. Copies of Australian Ethical's product disclosure statements can be found at: Super: www.australianethical.com.au/wp-content/uploads/2017/06/Super-AIB-1-July-2017_Sec.pdf Managed funds: https://www.australianethical.com.au/managed-funds/pds/	
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes		There were no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	
G4-PR5	Results of Surveys measuring customer satisfaction	Our clients page 36		
Compliance				
G4-DMA		Our approach to ethical investing pages 12 and 13		I
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services		There were no fines for non-compliance with laws and regulations	

Employment

G4-DMA		Our people pages 31 and 32		1																																																																								
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region		<p>Age range of new hires</p> <table border="1"> <thead> <tr> <th></th> <th>M</th> <th>F</th> <th>% M</th> <th>% F</th> </tr> </thead> <tbody> <tr> <td><30</td> <td>0</td> <td>3</td> <td>0%</td> <td>100%</td> </tr> <tr> <td>30-40</td> <td>2</td> <td>6</td> <td>25%</td> <td>75%</td> </tr> <tr> <td>40-50</td> <td>4</td> <td>4</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>>50</td> <td>3</td> <td>1</td> <td>75%</td> <td>25%</td> </tr> </tbody> </table> <p>Note: 100% of the new hires were employed at Sydney office.</p> <ul style="list-style-type: none"> • Australian Ethical experienced a turnover rate of 29% • 4% of this was involuntary turnover which was due to a termination of employment and a redundancy termination • All resignations were in the Sydney office <p>Employee turnover by gender</p> <table border="1"> <thead> <tr> <th></th> <th>M</th> <th>F</th> </tr> </thead> <tbody> <tr> <td>Involuntary</td> <td>1</td> <td>1</td> </tr> <tr> <td>End of contract</td> <td>1</td> <td>3</td> </tr> <tr> <td>Resignation</td> <td>3</td> <td>5</td> </tr> </tbody> </table> <p>Employee turnover by age</p> <table border="1"> <thead> <tr> <th>All Staff</th> <th>No.</th> <th>%</th> <th>F</th> <th>M</th> </tr> </thead> <tbody> <tr> <td>Under 30</td> <td>4</td> <td>8%</td> <td>3</td> <td>1</td> </tr> <tr> <td>30-40</td> <td>4</td> <td>8%</td> <td>4</td> <td>0</td> </tr> <tr> <td>40-50</td> <td>5</td> <td>11%</td> <td>2</td> <td>3</td> </tr> <tr> <td>50-60</td> <td>1</td> <td>2%</td> <td>0</td> <td>1</td> </tr> <tr> <td>60+</td> <td>0</td> <td>0%</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>14</td> <td>29%</td> <td>9</td> <td>5</td> </tr> </tbody> </table>		M	F	% M	% F	<30	0	3	0%	100%	30-40	2	6	25%	75%	40-50	4	4	50%	50%	>50	3	1	75%	25%		M	F	Involuntary	1	1	End of contract	1	3	Resignation	3	5	All Staff	No.	%	F	M	Under 30	4	8%	3	1	30-40	4	8%	4	0	40-50	5	11%	2	3	50-60	1	2%	0	1	60+	0	0%	0	0	Total	14	29%	9	5	
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G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part time employees, by significant locations of operation		Part time employees enjoy benefits at a pro-rata level. Independent contractors are not eligible for benefits.	
G4-LA3	Return to work and retention rates after parental leave, by gender		We enjoy a 100% retention rate after parental leave	

Training and Education

G4-DMA			Training, education and career development employee training needs at Australian Ethical are determined by a variety of inputs, such as annual performance management or discussions, and manager recommendations. We ensure that the learning and/ or development need is genuine and then define the competency or skill that needs to be improved on. Our human resources manager presents various learning and development options, which include not only formal training, but connecting with industry and various other initiatives. Employees are set annual Key Performance Indicators (KPIs) that reflect critical success factors to Australian Ethical. Regular formal and informal feedback on performance and KPIs, and formal performance and career development reviews take place up to two times per year. All (100%) of Australian Ethical employees are included in the performance management system which includes a focus on career development, strengths building and focus.	I
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Our people page 35		
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings		All new Directors and employees are required to complete a series of eLearning modules within two months of coming on board. These ensure all participants are well-versed on current financial services requirements. We also hold annual refresher training for current Directors and employees. Modules include: Share trading; Privacy; Conflict management; Whistleblowing; Code of conduct; Expenditure and accounts payable; Incident and breach management ; Complaints handling; IT acceptable use; Anti-money laundering and counter-	

		terrorism financing; and Risk management A transitional assistance program for employees leaving Australian Ethical does not formally exist, however, would certainly be provided if deemed necessary.
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	All our employees (100%) receive regular performance and career development reviews

Diversity and Equal Opportunity

G4-DMA		<p>Age range of new hires</p> <table border="1"> <thead> <tr> <th></th> <th>M</th> <th>F</th> <th>% M</th> <th>% F</th> </tr> </thead> <tbody> <tr> <td><30</td> <td>0</td> <td>3</td> <td>0%</td> <td>100%</td> </tr> <tr> <td>30-40</td> <td>2</td> <td>6</td> <td>25%</td> <td>75%</td> </tr> <tr> <td>40-50</td> <td>4</td> <td>4</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>>50</td> <td>3</td> <td>1</td> <td>75%</td> <td>25%</td> </tr> </tbody> </table> <p>Note: 100% of the new hires were employed at Sydney office.</p> <ul style="list-style-type: none"> • Australian Ethical experienced a turnover rate of 29% • 4% of this was involuntary turnover which was due to a termination of employment and a redundancy termination • All resignations were in the Sydney office <p>Employee turnover by gender</p> <table border="1"> <thead> <tr> <th></th> <th>M</th> <th>F</th> </tr> </thead> <tbody> <tr> <td>Involuntary</td> <td>1</td> <td>1</td> </tr> <tr> <td>End of contract</td> <td>1</td> <td>3</td> </tr> <tr> <td>Resignation</td> <td>3</td> <td>5</td> </tr> </tbody> </table> <p>Employee turnover by age</p> <table border="1"> <thead> <tr> <th>All Staff</th> <th>No.</th> <th>%</th> <th>F</th> <th>M</th> </tr> </thead> <tbody> <tr> <td>Under 30</td> <td>4</td> <td>8%</td> <td>3</td> <td>1</td> </tr> <tr> <td>30-40</td> <td>4</td> <td>8%</td> <td>4</td> <td>0</td> </tr> <tr> <td>40-50</td> <td>5</td> <td>11%</td> <td>2</td> <td>3</td> </tr> <tr> <td>50-60</td> <td>1</td> <td>2%</td> <td>0</td> <td>1</td> </tr> <tr> <td>60+</td> <td>0</td> <td>0%</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>14</td> <td>29%</td> <td>9</td> <td>5</td> </tr> </tbody> </table>		M	F	% M	% F	<30	0	3	0%	100%	30-40	2	6	25%	75%	40-50	4	4	50%	50%	>50	3	1	75%	25%		M	F	Involuntary	1	1	End of contract	1	3	Resignation	3	5	All Staff	No.	%	F	M	Under 30	4	8%	3	1	30-40	4	8%	4	0	40-50	5	11%	2	3	50-60	1	2%	0	1	60+	0	0%	0	0	Total	14	29%	9	5	I
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G4-LA12	Composition of governance bodies and	Part time employees enjoy benefits at a pro-rata level. Independent																																																																									

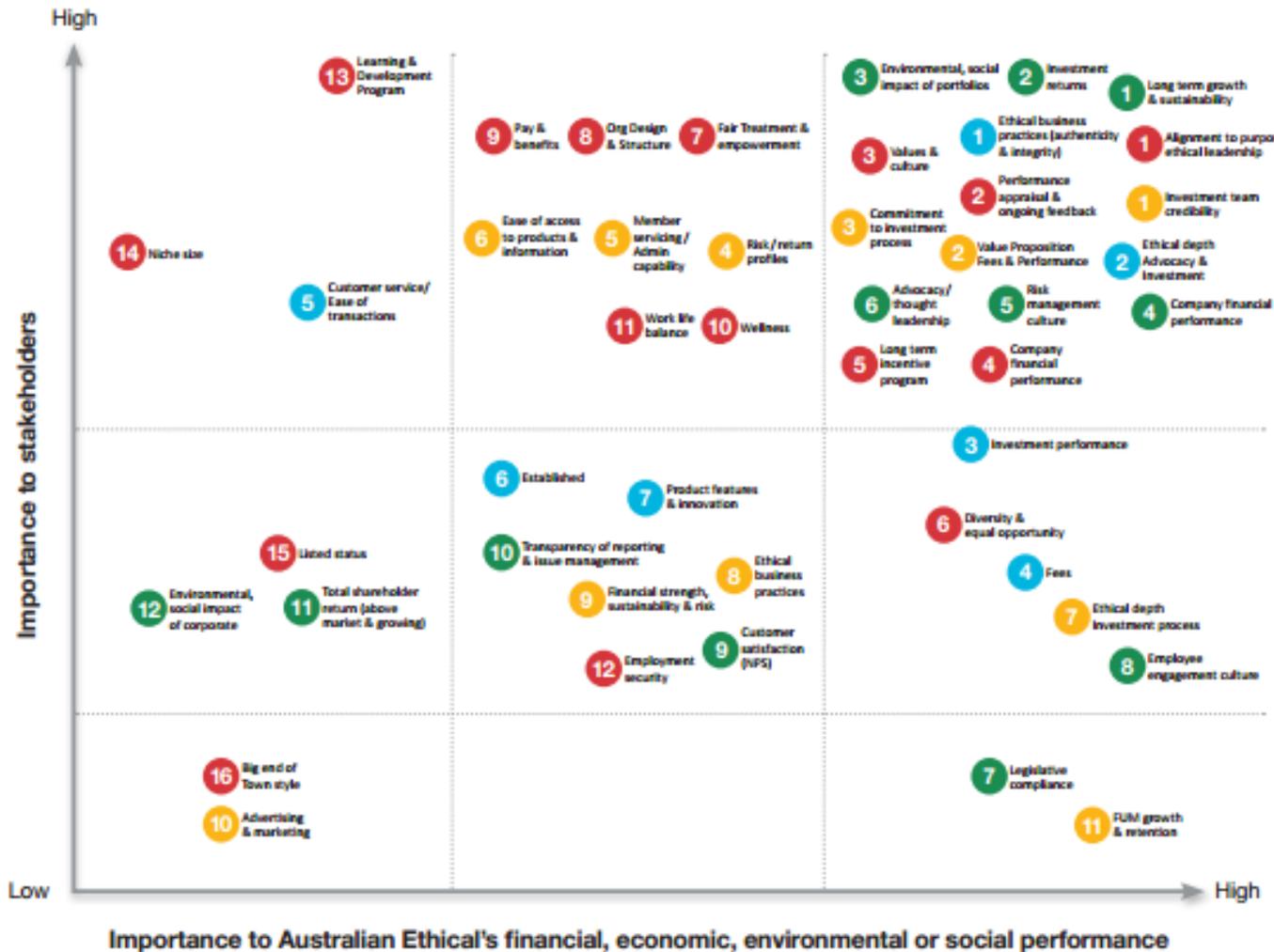
	breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity		contractors are not eligible for benefits.	
Equal Remuneration for Women and Men				
G4-DMA		See page 32 of Our People		I
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	See page 32 of Our people	All staff located in Sydney.	
Labour Practices Grievance Mechanisms				
G4-DMA			Australian Ethical's management approach is to consult with employees around changes that may impact their work and/or the business. Every two years, an employee representative is elected by employees, with whom employees can choose to discuss any concerns, issues or complaints around their employment, regardless of their nature of severity, in accordance with the formal grievance procedure. The employee representative can choose to discuss these issues with the management team and escalate the issue to the Board if required. No grievances were reporting during the year. All employees are notified of operational changes by either the Managing Director or their direct manager, as soon as is reasonably practicable. Our grievance process is reviewed on an as needs basis.	I
G4-LA16	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms		There were no grievances filed.	

Human Rights

Non-discrimination

G4-DMA			Our People, page 32	I
G4-HR3	Total number of incidents of discrimination and corrective actions taken		Nil	

COMPLETE MATERIALITY MATRIX



There are 4 main stakeholder groups we need to keep happy for continued success:

- Customers
- Shareholders
- Employees
- Intermediaries (employers, advisers, ratings agencies, asset consultants)

Numbers are in order of priority. For example, number 1 priority for customers is 'ethical business practices'.