

Australian Ethical Investment

Stephen Gibbs, Chairman, AGM Speech 2015

Ladies and gentlemen,

Before I begin, I would like to acknowledge the Gadigal people of the Eora Nation as the traditional owners of this land on which we are meeting and pay my respects to their Elders both past and present and the Elders from other communities who may be here today.

I'm pleased to be here today, at my third Australian Ethical AGM, with a very positive story to talk about. The work we have undertaken in the past two to three years, to modernise the company and set it up for future growth, is largely complete. And it's delivering benefits to the Company, our shareholders and our customers.

Australian Ethical is a business built on a Charter whose purpose is to invest for a better world. In fact, we now have more than \$1.2 billion invested in companies that are making a positive difference, and these investments are achieving very good returns for our customers.

At the same time, we've delivered positive returns for you, our shareholders, with strong share price growth and a fully franked dividend of \$2 per share. In addition, we donated 10% of our pre-tax profits to charity, with \$370,000 distributed through our Community Grants program.

This success is important not just for you as shareholders or us as a company - we are also proving that an ethical company, built on a vision of doing good can deliver performance year in, year out. That's a really important message to be getting out to investors, businesses, government and the community.

Overall, the Company is in excellent shape - ready to grow and to continue its role as the leader in ethical investing in this country. There is plenty more to do, as we look towards our goal of reaching \$5 billion in funds under management by 2020. True, this is an ambitious goal but one that we are all committed to work towards.

At this point, I'd like to take a moment to recognise the great work that the Australian Ethical team has been doing to achieve these results. Success doesn't simply happen by itself, but is the result of many people working hard to achieve it.

This includes:

- Our Managing Director and CEO, Phil Vernon who we announced a little while ago has agreed to a further 3 year contract with AEI
- The investment team who have delivered consistently good performance with many first and second quartile results
- The marketing team, who have increased customer numbers while driving down the costs of acquisition through smart strategies that make the most of technology

- The management team comprising our CFO, CIO, Company Secretary/General Counsel and Head of Business Development and Client Relations who under the leadership of our MD and CEO, have developed a long-term strategy for the Company and are delivering on it
- And last but certainly not least all of the staff of the Company who do a fantastic job as part of a committed team

I also thank you, our shareholders' for supporting us in achieving our vision for the future. We have our sights set firmly on growth and I am sure you will continue to see the benefits of this growth.

Finally, I would like to acknowledge the work of, and applaud, the contribution of the Board of Directors and thank each Director for the considerable amount of work that they do and for maintaining focus and providing advice and ideas to the management team in developing and implementing the strategy which is clearly paying off.

About Australian Ethical

Australian Ethical is Australia's leading ethical wealth manager. Since 1986, Australian Ethical has provided investors with wealth management products that align with their values and deliver strong returns. Investments are guided by the Australian Ethical Charter which both shapes its ethical approach and underpins the Company's culture and vision.

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