

ASX ANNOUNCEMENT

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First Quarter FUM update – 30 September 2025

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Australian Ethical reaches \$14.28 billion in funds under management, up 2.4%

Australian Ethical reports a 2.4% increase in funds under management (FUM) during the first quarter of FY26, to reach \$14.28 billion on 30 September 2025. The increase in FUM was driven by continued positive net flows and investment performance.

Managing Director John McMurdo said today:

“It’s pleasing to build on the strong results of the previous financial year with another quarter of growth. While the first quarter of the financial year tends to be lower for flows, we continue to acquire new superannuation members, and have seen an uptick in rollovers this quarter. Combined with continued positive investment performance across our portfolios, we are delighted to have reached and exceeded \$14 billion of funds under management.”

Retail and wholesale net flows

Q1 retail and wholesale net flows of \$0.13 billion were primarily attributable to superannuation, which was supported by a continued uplift in rollovers compared to FY25, as well as ongoing superannuation guarantee contributions.

Institutional net flows

Institutional net flows for Q1 were \$0.04 billion, attributable to new flows into fixed income funds.

Fund movements relating to client capital management

During Q1, client capital management activities¹ led to a movement of (\$0.11) billion in FUM. This reduction was associated with low margin funds, and as a result, the impact on annualised revenue is minimal (estimated at approximately 0.1% of total annual revenue).

Investment Performance

Strong investment performance across the portfolio resulted in \$0.28 billion of FUM growth.

* One of Australian Ethical’s institutional clients utilises Australian Ethical fixed income funds for capital management requirements. These FUM movements are typically subject to variability and cyclical trends, and have a small revenue impact given the low margin on these funds. Previously reported within net flows, these movements are now reported separately for clearer and more transparent reporting of FUM drivers.

FUM and flows for the three months to 30 September 2025:

Product Category (\$bn)	FUM Jun 25	Net flows		Capital management fund movements ²	Market & other ³	FUM Sep 25
		Retail & Wholesale ¹	Institutional			
Investments ⁴	4.42	0.01	0.04	(0.11)	0.02	4.38
Superannuation	9.52	0.12	-	-	0.26	9.90
Total	13.94	0.13	0.04	(0.11)	0.28	14.28

¹ Retail & wholesale includes net flows from direct, advised, employer and values-aligned channels.

² Reflects changes in FUM relating to an institutional client's capital management requirements.

³ Includes changes in asset value due to market movements, net income and cash distributions.

⁴ Investments includes Managed Funds, SMA, ETF and mandates.

⁵ Variances in totals may occur due to rounding.

This announcement is authorised by Karen Hughes, Company Secretary.

About Australian Ethical

Australian Ethical is one of Australia's leading ethical investment managers[^]. Since 1986, Australian Ethical has provided investors with investment management products that align with their values and provide long-term, risk adjusted returns. Investments are guided by the Australian Ethical Charter which shapes its ethical approach and underpins both its culture and its vision. Australian Ethical has over \$14 billion in funds under management across investments and superannuation. Visit: www.australianethical.com.au

[^] Please refer to <https://www.australianethical.com.au/why-ae/investment/#awards> for specific awards Australian Ethical has won, including the specific categories.

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