

CEFC invests up to \$125m with Australian Ethical in new partnership supporting a net-zero future

A leading ethical fund manager, Australian Ethical, today announced the expansion of its private markets offering with the launch of its Australian Ethical Growth Opportunities Fund providing institutional grade ethical private markets investment to wholesale investors.

Australian Ethical's Growth Opportunities Fund has received Australian Government backing via the Clean Energy Finance Corporation (CEFC) with a cornerstone commitment up to \$125 million, alongside a \$500 million seed investment from Australian Ethical.

The Fund provides wholesale investors access to an institutional grade, scalable, diversified portfolio of private markets investments designed to deliver both market rate returns and measurable impact. It is an open-ended fund that blends investments alongside like-minded institutional capital, delivering purposeful, long-term exposure to unlisted real assets.

It follows five key thematic: decarbonisation, digitalisation, urbanisation, circular economy and changing demographics, and employs impact measurement to assess the net benefit of each investment. Initial investments include recycling infrastructure, renewable energy and battery storage, renewable data centres, and aged care facilities.

In addition, every investment is aligned to Australian Ethical's Ethical Charter, which guides how capital is allocated to create positive outcomes while avoiding unnecessary harm to people, planet and animals.

Australian Ethical Chief Investment Officer Ludovic Theau said: *"The biggest opportunity to capitalise on and support Australia's net zero transition is in private markets. We're leveraging our expertise, capability and networks to partner with some of the best specialists and managers to democratise access to these opportunities for wholesale channels, and we're co-investing capital to take advantage of and support these opportunities together."*

"We're pleased to receive the support of the Australian Government through the partnership with the CEFC on this Fund. With the road to net-zero before us, this Fund allows investors to capitalise on the long-term growth opportunity this presents and feel good about where their money is invested."

According to a McKinsey report for the Business Council of Australia, a 2035 climate target north of 60 per cent will require more than \$400 billion in new capital investment from government and industry.

CEFC Executive Director, Heechung Sung said: *"This investment demonstrates how the CEFC can use its existing assets to help catalyse new market offerings and support the next phase of growth for sustainable finance."*

"By backing a new institutional vehicle with CEFC investments, we are helping to establish a scalable platform for climate-focused assets, crowding in capital and expanding the reach of sustainable finance to a broader audience to accelerate Australia's decarbonisation."

Australian Ethical's Head of Private Markets Adam Roberts said: *"Australian Ethical's Growth Opportunities Fund gives wholesale investors access to a wide range of impactful private investments providing immediate diversity without having to commit and tie-up large amounts of capital in a single private equity or venture capital investment."*

"Drawing on two decades of impact investing experience, we apply institutional rigour and active industry engagement to identify solutions to global challenges. We invest where we see enduring tailwinds and the potential for attractive long-term, risk adjusted returns."

The Fund has an Impact Advisory Forum that is separate to the Fund's investment team, who review and monitor the impact reporting across the portfolio. It aims to deliver 11-13% per annum (after fees and expenses) over 7-year periods whilst providing quarterly liquidity.

Ends

Notes to editors

Impact Investing definition

Impact investing is an investment strategy where investments are made with the intention of generating positive social and/or environmental impact that is measurable alongside a financial return.

About Australian Ethical

Australian Ethical is one of Australia's leading ethical investment managers. Since 1986, Australian Ethical's investments have been guided by the same Ethical Charter which has shaped its approach and underpinned its purpose and vision. Australian Ethical has over \$14 billion in funds under management across managed funds and superannuation. Visit: www.australianethical.com.au

¹ Please refer to <https://www.australianethical.com.au/about/our-awards/> for specific awards Australian Ethical has won, including the specific categories.

This information has been prepared by Australian Ethical Investment Ltd (ABN 47 003 188 930, AFSL 229949) (Australian Ethical) in its capacity as trustee of the Australian Ethical Growth Opportunities Fund (ABN 82 679 220 828) (Fund) and is intended solely for Wholesale Clients as defined in sections 761G and 761GA of the Corporations Act 2001 (Cth) and, for New Zealand resident investors, by Wholesale Clients who are also wholesale investors as defined by clause 3(2) of Schedule 1 Financial Markets Conduct Act 2013 (NZ).

The information is of a general nature and is not intended to provide you with financial advice or take into account your personal objectives, financial situation, or needs. Past performance is not a reliable indicator of future performance. Before acting on the information, consider its appropriateness to your circumstances and read the Financial Services Guide and the Fund's Information Memorandum available on our website, australianethical.com.au. You should read the IM in full entirety and consider consulting with a financial adviser or tax adviser. An investment in the Fund should be considered in the context of the risks outlined in the IM.

About the CEFC

The CEFC is Australia's specialist climate investor, helping cut emissions in the race towards net zero by 2050. We invest in the latest technologies to generate, store, manage and transmit clean energy. Our discounted asset finance programs help put more Australians on the path to sustainability, in their homes and on the road. CEFC capital is also backing the net zero transformation of our natural capital, infrastructure, property and resources sectors, while providing critical capital for the emerging climate tech businesses of tomorrow. With access to more than \$33 billion from the Australian Government, the CEFC invests with commercial rigour and is governed by an independent board.

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