Australian Ethical Emerging Companies Fund

FUND PROFILE - 31 MAY 2019

Australian Ethical is one of Australia’s leading ethical fund managers. By investing responsibly in well-managed ethical companies, we deliver competitive financial performance to our clients and positive change to society and the environment. Since our inception in 1986, our Ethical Charter has guided all investment decisions and underpinned our business practices. Every year 10 per cent of our profits* are distributed to charitable organisations and social impact initiatives through The Australian Ethical Foundation.

**Investment objective**
To provide long-term growth by investing in small capitalisation companies that meet the Australian Ethical Charter.

**Price information**

<table>
<thead>
<tr>
<th>Pricing frequency:</th>
<th>Daily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy/Sell spread:</td>
<td>0.20%/0.20%</td>
</tr>
</tbody>
</table>

**Fund facts**

| Fund size: | $5.16m |
| Benchmark: | S&P ASX Small Industrials |
| Asset class: | Equity |
| Inception date: | 30/06/2015 |
| Minimum investment timeframe: | 7 Years |
| Risk level: | Very high |

**Identifiers**

| APIR code: | AUG0026AU |

**Distributions**

| Frequency: | 2 |
| Dates: | 30/06, 31/12 |

**Fees**

| Management costs - PDS: | 1.99% |
| Performance fee: | 20% |

| Minimum initial investment: | $1,000 |
| Additional transactional and operational costs: | 0.00% |

A full explanation of all the fees and costs that you may be charged for investing in the Fund is provided in the Fund’s Product Disclosure Statements available from our website australianethical.com.au

*(after tax, before bonus expense)

**Investment strategy**
The opportunity to invest in a diversified portfolio of shares in small capitalisation companies on the basis of their social, environmental and financial credentials. The Fund utilises an active stock-picking management style with stocks selected for growth rather than income. All stocks are chosen on the basis of relative value where we deem the risks are being adequately priced.

**Cumulative performance (as at 31/05/2019)**

<table>
<thead>
<tr>
<th>1m</th>
<th>3m</th>
<th>6m</th>
<th>1y</th>
<th>3y</th>
<th>5y</th>
<th>10y</th>
<th>Since inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>1.7%</td>
<td>11.3%</td>
<td>15.7%</td>
<td>15.2%</td>
<td>12.0%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Benchmark</td>
<td>-1.3%</td>
<td>5.3%</td>
<td>13.7%</td>
<td>7.3%</td>
<td>9.2%</td>
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<td>-</td>
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**Calendar Performance (as at end 2018)**

<table>
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<tbody>
<tr>
<td>Fund</td>
<td>-2.4%</td>
<td>11.4%</td>
<td>10.1%</td>
<td>-</td>
</tr>
<tr>
<td>Benchmark</td>
<td>-6.5%</td>
<td>15.7%</td>
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Source: FE.

Total returns are calculated using the sell (exit) price, net of management fees and gross of tax as if distributions of income have been reinvested at the actual distribution reinvestment price. The actual returns received by an investor will depend on the timing, buy and exit prices of individual transactions. Return of capital and the performance of your investment in the fund are not guaranteed. Past performance is not a reliable indicator of future performance. Figures showing a period of less than one year have not been adjusted to show an annual total return. Figures for periods of greater than one year are on a per annum compound basis. The current benchmark may not have been the benchmark over all periods shown in the above chart and tables. The calculation of the benchmark performance links the performance of previous benchmarks and the current benchmark over the relevant time periods.
Australian Ethical Emerging Companies Fund

FUND PROFILE - 31 MAY 2019

Top 10

- Australian Finance Group Ltd. 3.8%
- Bigtincan Holdings Ltd 3.7%
- Healius Limited 3.7%
- Contact Energy Limited 3.3%
- Mach7 Technologies Ltd. 3.3%
- Rhipe Limited 3.1%
- EROAD Limited 3.1%
- Janison Education Group Ltd. 3.0%
- Capitol Health Limited 2.9%
- GBST Holdings Ltd 2.8%

Ratings and awards

RIAA rating: 

UNPRI signatory:

Why invest ethically?

Portfolio diversification: Diversify your portfolio by investing in companies and sectors not well covered by other fund managers and brokers.

Help build a better world: Invest in the new, low-carbon economy, fund medical and technology breakthroughs, efficient transport and more.

Promote human rights: We strive to avoid any investment in companies involved in the poor treatment of asylum seekers or the exploitation of workers through poor working conditions.

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Australian Ethical Investment Ltd
c/o Boardroom Pty Ltd
GPO Box 3993
Sydney NSW 2001

Sector allocation

- Information Technology 26.1%
- Health Care 24.5%
- Financials 16.7%
- Utilities 9.2%
- Consumer Discretionary 6.4%
- Communication Services 5.4%
- Materials 2.9%
- Real Estate 2.3%
- Consumer Staples 2.1%
- Other 4.4%

Asset allocation

- Australian & NZ Small Cap 95.8%
- Unlisted Equity 0.7%
- Cash 3.5%

Australian Ethical Investment Ltd (ABN 47 003 188 930, AFSL 229949) is the Responsible Entity of the Australian Ethical managed funds. This 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. Before acting on the information, consider its appropriateness to your circumstances and read the Financial Services Guide (FSG) and relevant product disclosure statement (PDS) available at www.australianethical.com.au/managedfunds/pds. You may wish to seek independent financial advice from a licensed financial adviser before making an investment decision. The performance of your investment in the Australian Ethical is not guaranteed; past performance is not a reliable indicator of future performance. The information contained in this document is believed to be accurate at the time of compilation.

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**Fund facts**

- **Fund size:** $52.04m
- **Benchmark:** S&P ASX Small Industrials
- **Asset class:** Equity
- **Inception date:** 30/06/2015
- **Minimum investment timeframe:** 7 Years
- **Risk level:** Very high

**Identifiers**

- **ISIN code:** AU60AUG00275
- **APIR code:** AUG0027AU

**Distributions**

- **Frequency:** 2
- **Dates:** 30/06, 31/12

**Fees**

- **Management costs - PDS:** 1.20%
- **Performance fee:** 20%
- **Minimum initial investment:** $25,000
- **Additional transactional and operational costs:** 0.06%

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**Investment strategy**

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**Cumulative performance (as at 31/05/2019)**

![Cumulative performance chart]

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<tr>
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