

February 2026

Australian Ethical Gender Pay Gap Statement

At Australian Ethical, our commitment to gender equality is embedded in who we are and how we operate. We believe that creating a workplace where all employees have equal opportunities to thrive is not only a moral imperative but also a critical enabler of high performance, innovation, and organisational resilience.

The 2024–25 reporting year reflects continued progress in strengthening gender representation, transparent remuneration practices, and support for parents and carers. Pleasingly our gender pay gap in average total remuneration has improved slightly from 12.1% last year to 11.7% this year. However, a business acquisition resulted in changes in our gender composition across different pay quartiles, and we did not see the same trend across median total remuneration, average base salary, and median base salary. We're continuing to analyse the data to ensure that our action plan appropriately addresses this trend.

Across the organisation, women remain strongly represented, particularly in professional and administrative roles, reflecting the success of our efforts to build balanced pipelines. Our group employs 147 people, with women holding the majority of roles across several categories. At the same time, our data highlights that women continue to be under-represented in upper quartile and upper middle quartile workforce compositions, despite the executive leadership team having equal gender representation. While we have established ambitious targets to lift female representation in management, leadership and male-dominated functions, we recognise this as one of our most important areas of focus. As such, to improve gender representation across pay quartiles, we are focused on sustainable, structural actions including:

- setting internal gender representation targets for each pay quartile; and
- embedding gender considerations into workforce planning and succession planning for senior and critical roles.

Our commitment to gender equality extends into our governance structures. Both governing bodies, the Australian Ethical Investment Ltd Board and the Australian Ethical Superannuation Pty Ltd Board, maintain strong gender representation among members, supported by formal diversity and inclusion policies.

Transparency in remuneration remains a cornerstone of our approach. During the year, we undertook comprehensive remuneration analysis spanning like-for-like comparisons, organisational-wide gender pay gap assessments and reviews of pay decisions across promotion and performance cycles. These insights guided refinements to our remuneration framework, strengthening calibration processes and promotion processes to safeguard against bias.

AUSTRALIAN ETHICAL'S GENDER EQUALITY POLICIES AND PRACTICES

Recruitment

- Our recruitment practices are designed to promote equality. Testing, independent evaluations and behavioural interviewing are used to promote equitable and unbiased selection and promotion decisions.
- Recognising long-term structural diversity imbalances in financial services we aim to redress these inequities by:
 - Proactively working to encourage equal representation by both genders in shortlists for all positions.
 - To the extent permitted by law, in circumstances where candidates are equivalent in all other respects, gender, ethnicity or any other appropriate diversity aspect may be the deciding factor if there are imbalances we wish to address.
 - To the extent permitted by law, in certain circumstances we may specifically seek a candidate of a certain gender to fill a particular role.

Gender Pay Equity

- In line with the Remuneration Policy our remuneration approach is guided by principles, including "we pay fairly and equitably".
- During the annual remuneration review and ongoing we have a particular focus on ensuring gender remuneration equity for like roles.

Flexible Working

- We provide flexible work arrangements for employees to better enable them to achieve a genuine balance between their work and personal commitments, and recognise the benefits a flexible work environment can provide to all AE stakeholders.

Policies

- 20 weeks gender neutral flexible paid parental leave, including one day paid leave per week for the first three (3) months when returning to work
- Superannuation paid for periods of paid and unpaid parental leave for up to 24 months
- Online mandatory training covering DEI topics including: Equal Employment Opportunity, Sexual Harassment, Diversity & Inclusion, Anti-Bullying and Harassment, Discrimination.

Career Development

- We take an open and inclusive approach when it comes to job promotions and allocation of internal job opportunities and are committed to ensuring that career development decisions are made without bias. Management may consider role and structural re-design to ensure no group is discriminated against and there is equal opportunity for all employees.

Partnerships

- Member of the Diversity Counsel of Australia
- Signatory to the FSC Women in Investment Management Charter, introduces accountability and transparency mechanisms to achieve desired, self-nominated, gender diversity targets
- Future IM/Pact, an industry initiative aimed at attracting more diverse talent into the investment teams of fund managers, super funds and industry participants.
- Signatory to the 40:40 Vision, pledging our support to increase the proportion of women in senior leadership across Australia's largest listed companies to at least 40% by 2030.

Targets

- Our targets for achieving gender diversity are:
 - 40% minimum of male and female gender at board level
 - 40% minimum of female and male gender at Senior Management level
 - 50% representation by both genders across the workforce
 - 40% minimum of female gender in Investment team