

Emerging Companies Fund

Monthly Report | February 2018

About Emerging Companies Fund

- Modelled from the Ex S&P/ASX 100 component of the flagship Australian Ethical Australian Shares Fund.
- Only consists of companies that have passed Australian Ethical's positive and negative screens, based on the Ethical Charter.
- Certified by the Responsible Investment Association Australasia.



CERTIFIED BY RIAA

Performance Returns

	1 month (%)	3 months (%)	1 year (%)	2 years (% p.a.)	Since Inception (% p.a.)
Fund (Retail)*	0.0	5.0	14.1	16.6	14.6
S&P/ASX Small	-0.1	1.0	17.7	14.5	12.6
Relative Performance	+0.1	+4.0	-3.6	+2.1	+2.0
Fund (Wholesale)^	0.1	5.3	15.1	17.6	15.5
S&P ASX Small Industrials	-0.1	1.0	17.7	14.5	12.6
Relative Performance	+0.2	+4.3	-2.6	+3.1	+2.9
<i>Alternative benchmarks</i>					
S&P/ASX 200	0.4	1.7	10.1	16.0	8.5
S&P/ASX Small	0.0	2.7	20.8	18.8	14.8
S&P/ASX 200 Industrials	0.6	0.5	7.3	12.6	7.6

* Inception Date (Retail and Wholesale): 1 July 2015

Past performance is not an indicator of future performance.

Top Holdings

Australian Finance Group Ltd.	4.2%
Contact Energy Limited	4.0%
3P Learning Ltd.	4.0%
Trilogy International Limited	3.9%
Auswide Bank Ltd.	3.9%
Bigtincan Holdings Ltd	3.5%
Rhipe Limited	3.4%
Australian Pharmaceutical Industries Ltd	3.3%
Macquarie Telecom Group Limited	3.3%
EQT Holdings Ltd.	3.2%

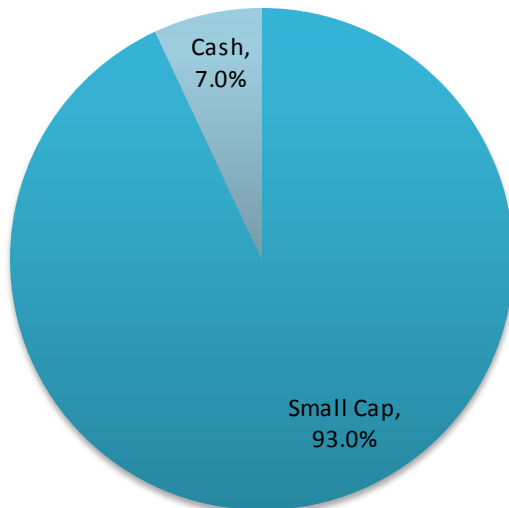
Significant Performers (For the month)

Our Ethical Approach

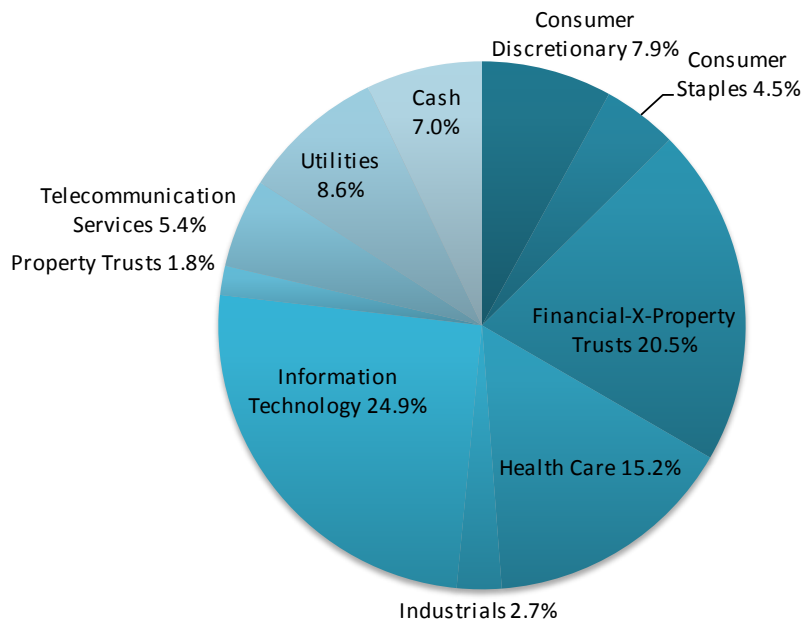
Australian Ethical is a specialist ethical fund manager. By investing responsibly in well-managed ethical companies, we believe we can deliver competitive financial performance to our clients and positive change to society and the environment.

Best	Total Return	Contribution	Worst	Total Return	Contribution
Nearmap Ltd.	29.2%	0.5%	Genworth Mortgage Insurance Australia Ltd	-13.4%	-0.4%
Australian Finance Group Ltd.	9.4%	0.4%	RXP Services Limited	-28.3%	-0.3%
Pharmaxis Ltd	16.7%	0.3%	Bigtinca Holdings Ltd	-8.9%	-0.3%

Asset Allocation



Sector Allocation



Why invest ethically?

Aligning values with investments

You probably already understand the importance of having a portfolio that matches your appetite for risk, but equally, if not more important, is holding a portfolio that reflects your values. For example, if you value the provision of fair working conditions (and no child labour) then it's important to invest in funds that negatively screen out stocks on this basis.

Portfolio diversification

Ethical funds in particular, often invest in stocks that are not covered by many fund managers and brokers.

Good for the world

Your investments can help build a new low-carbon economy, fund medical and technology breakthroughs, efficient transport and more.

Key Information



Portfolio Manager Andy Gracey

Andy is portfolio manager of the Emerging Companies Fund. He has been managing portfolios at Australian Ethical for over 9 years.

Responsible entity:	Australian Ethical Investment Ltd
Minimum initial investment:	\$1,000 (retail) \$25,000 (wholesale)
Distribution:	Six-monthly
APIR:	AUG0026AU (retail) AUG0027AU (wholesale)
ARSN:	606 254 157
Contribution fee:	None
Establishment fee:	None
Withdrawal fee:	None
Termination fee:	None
Performance fee:	20% of the difference between the Fund's daily return and its performance hurdle.
Management fee:	2.20% (retail) 1.20% (wholesale)
Buy-sell spread:	0.20%
Platforms:	To be advised
Fund size:	\$ 58.1 Million
Objective:	To provide long-term growth by investing in small capitalisation companies that meet the Australian Ethical Charter.
Structure:	The Fund is an open-ended public unit trust.

A full explanation of all of 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.

For more information

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