

7 July 2020

Australian Ethical Investment Limited

# Updated Earnings Guidance

ASX ANNOUNCEMENT

## Earnings guidance updated following Emerging Companies Fund's performance fee

Australian Ethical Investment (ASX:AEF) advises that its Emerging Companies Fund returned 13.9% after all fees (including performance fees) for wholesale investors<sup>1</sup> for the year to 30 June 2020 against its Benchmark<sup>2</sup> of negative 7.4%.

A performance fee of \$3.64 million, calculated as 20% of the Fund's one year outperformance over its Benchmark, was earned by Australian Ethical in its capacity as the Responsible Entity of the Fund.

The performance fee revenue, less tax and after a proportionate increase in the contribution to the Australian Ethical Foundation, adds to the expected Underlying Profit after Tax (UPAT) announced on 22 June 2020. The UPAT for the year ending 30 June 2020 is now expected to be between \$9.0 and \$9.5 million, a mid-point increase of 41% on the 12 months ended 30 June 2019.

The Australian Ethical Emerging Companies Fund has been very successful since it launched in 2015, producing consistent outperformance for investors. The Fund invests in a diversified portfolio of small capitalisation companies and combines ethics with investment expertise to deliver market leading returns and a positive impact.

More information will be provided when full year results are announced in late August 2020.

This announcement is authorised by the Board.

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### About Australian Ethical

Australian Ethical is Australia's leading ethical investment manager. Since 1986, Australian Ethical has provided investors with wealth management products that align with their values and provide competitive 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 \$3.92 billion in funds under management as at 31 May 2020 across managed funds and superannuation. Visit: [www.australianethical.com.au](http://www.australianethical.com.au)

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<sup>1</sup> Wholesale investor: investment greater than \$25,000

<sup>2</sup> S&P ASX Small Industrials