

Australian Ethical Investment Limited

Ethical investment leader Phil Vernon steps down as Managing Director

ASX ANNOUNCEMENT

Leading ethical wealth manager Australian Ethical Investment (ASX:AEF) today announced that long-time Managing Director and CEO Phil Vernon will be stepping down after nine years in the role.

Mr Vernon joined Australian Ethical in December 2009 and over the past decade has overseen substantial growth for the business as Australians increasingly consider the social, ethical and environmental impact of their investment dollar.

Mr Vernon said: "I am proud to have been part of such a special company that has been at the forefront of responsible investing and the profit with purpose movement in this country.

"However, after nine years at the helm I feel now is the right time to hand over to fresh leadership to take Australian Ethical to the next level.

"I leave the business in the hands of a very strong team who are perfectly positioned to help the growing number of Australians who want to use their money to do good."

Steve Gibbs, Chair of Australian Ethical, said: "On behalf of the Board, I wish to extend my sincere thanks and gratitude to Phil for his significant contribution to Australian Ethical. He has led the organisation through unparalleled growth and success over the past decade.

"Under his leadership Australian Ethical funds under management have increased from \$600m to over \$3 billion¹, the market capitalisation of the company has grown from \$20m to \$200m and the company regularly ranks among Australia's fastest growing superannuation funds²."

Australian Ethical is known as one of Australia's leading purpose-driven organisations. In 2014, it was the first publicly listed company in the country to be certified as a B Corporation and one of only a handful worldwide. The Australian Ethical Foundation, which manages the organisation's Community Grants program, has delivered more than \$3 million to support organisations building strong and vibrant communities across Australia and overseas³.

¹ As at 31 March 2019 https://www.australianethical.com.au/wp-content/uploads/2019/04/Earnings-Guidance-Quarterly-FUM_Jan-to-Mar2019.pdf

² <https://home.kpmg/content/dam/kpmg/au/pdf/2018/super-insights-report-2018.pdf>

³ Australian Ethical donates 10% of its yearly profits (after tax and before bonus) to charitable organisations and social impact initiatives through the Australian Ethical Foundation

In March 2019, Australian Ethical was included in the All Ordinaries Index for the first time and it has picked up a number of awards in recent months⁴ for delivering both competitive returns alongside positive change for society and the environment.

Mr Vernon said: “It has been an honour to have worked with so many inspiring people both within the company and throughout the industry who are dedicated to reshaping the financial system and making the world a better place.”

Mr Vernon will work closely with management to ensure a smooth transition until his departure date of 31 August 2019. The Board has started a search for Mr Vernon’s successor and Mr Gibbs will step in as Acting CEO following Mr Vernon’s departure.

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About Australian Ethical

Australian Ethical is Australia’s leading ethical wealth manager. Since 1986, Australian Ethical has provided investors with wealth management products that align with their values and deliver strong returns. Investments are guided by the Australian Ethical Charter which shapes our ethical approach and underpins our culture and vision.

Australian Ethical has \$3.13 billion in funds under management across superannuation and managed funds⁵.

⁴ <https://www.australianethical.com.au/news/weve-been-winning-awards-lots-of-them/>

⁵ As at 31 March 2019 <https://www.australianethical.com.au/wp-content/uploads/2019/04/Earnings-Guidance-Quarterly-FUM-Jan-to-Mar2019.pdf>