

**Australian  
Ethical**

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# Notice of Meeting

**Annual General Meeting**

10am Tuesday, 12 November 2024



# Notice of Meeting

Notice is given that the Annual General Meeting (Meeting) of the shareholders of Australian Ethical Investment Limited (the Company) (ACN 003 188 930) is to be hosted is a hybrid meeting both virtually and in person:

Date: Tuesday, 12 November 2024

Time: 10:00am (AEST)

Venue: Online at  
<https://meetings.linkgroup.com/AEF24>

In person at The Gold Melting Room,  
The Mint, 10 Macquarie Street, Sydney  
NSW 2000

Shareholders will have the opportunity to attend and participate in the Meeting either in person or through the Link virtual meeting platform, which allows shareholders attending virtually to watch and listen to the Meeting and ask questions in relation to the business of the meeting both orally and by submitting written questions using the online facility and to vote online in real time during the Meeting.

Explanatory notes for the business to be conducted are attached to and form part of this Notice and should be read carefully (Explanatory Notes).

## Attendance via online platform

We recommend logging in to our online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

Enter: <https://meetings.linkgroup.com/AEF24> into a web browser on your computer or online device.

Shareholders will need their Shareholder Reference Number (SRN) or Holder Identification Number (HIN) printed at the top of the Voting Form.

**PLEASE NOTE IF YOU HAVE MORE THAN ONE SHAREHOLDING YOU WILL ONLY BE ABLE TO VOTE FOR ONE SHAREHOLDING WHEN PARTICIPATING ONLINE. IT IS RECOMMENDED THAT FOR ANY ADDITIONAL HOLDINGS THAT YOU SUBMIT A DIRECTED PROXY OR VOTE ONLINE BEFORE THE MEETING TO ENSURE YOUR VOTES ARE COUNTED (SEE APPOINTING A PROXY IN THE ADDITIONAL INFORMATION AT THE END OF THIS NOTICE).**

Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Further information on how to participate virtually is set out in this Notice and the Online Voting Guide which are located at <https://www.australianethical.com.au/shareholder/#2024>.

## Attendance in person

The Meeting will also be held in person at The Gold Melting Room, The Mint, 10 Macquarie Street, Sydney NSW 2000.

We will advise if any changes impact the Meeting location or other arrangements regarding the AGM.

## Ordinary Business

### 1. Accounts

To receive and consider the financial statements of the Company and its Controlled Entities for the year ended 30 June 2024 and the related Directors' Report, Directors' Declaration and Auditor's Report.

### 2. Re-elect Julie Orr

To consider and if thought fit pass the following resolution as an ordinary resolution:

That Julie Orr, Director, be re-elected as a Non-executive Director of the Company.

### 3. Elect Richard Brandweiner

To consider and if thought fit pass the following resolution as an ordinary resolution:

That Richard Brandweiner, Director, be elected as an Executive Director of the Company.

### 4. Increase of the Director Fee Pool

To consider and if thought fit pass the following resolution as an ordinary resolution:

That for the purposes of ASX Listing Rule 10.17, the Company reward persons who undertake the duties and responsibilities of being a Non-Executive Director (including attendance at meetings of the Board of

Directors and Board Committees) by approving payments in total aggregate of no more than \$1.3 million.

*A voting exclusion applies to this resolution.*

**5. Grant of long-term Hurdled Performance Share Rights to the Chief Executive Officer**

To consider and if thought fit pass the following resolution as an ordinary resolution:

That for the purpose of ASX Listing Rule 10.14 and all other purposes, approval is given for the grant of long-term Hurdled Performance Share Rights to Australian Ethical Investment Limited's Managing Director and CEO, John McMurdo, under the Australian Ethical Executive Long Term Incentive Plan and on the terms described in the Explanatory Notes included in the Notice of Meeting.

*A voting exclusion applies to this resolution.*

**6. Adoption of Remuneration Report**

To consider and if thought fit pass the following resolution as an ordinary resolution:

That the Remuneration Report as set out in the Annual Report for the financial year ended 30 June 2024 be adopted.

*In accordance with section 250R of the Corporations Act 2001 (Cth) (Corporations Act) the vote on Resolution 6 will be advisory only and does not bind the directors or Australian Ethical Investment Limited.*

*A voting exclusion applies to this resolution.*

**7. Contingent Spill Resolution**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That, as required by the Corporations Act:

- a. a meeting of the Company's members be held within 90 days of the date of the 2024 Annual General Meeting (the spill meeting);
- b. each of Stephen Gibbs, Richard Brandweiner\*, Kate Greenhill, Sandra McCullagh and Julie Orr\* cease to hold office immediately before the end of the spill meeting; and

- c. resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting.

\*This assumes the director is elected/ re-elected at the AGM.

*A voting exclusion applies to this resolution.*

**By order of the Board**



**Karen Hughes**  
**Company Secretary**

# Explanatory notes

## **Resolution 1 Accounts**

The financial statements of the Company for financial year 2024 have been lodged with the Australian Securities Exchange and with the Australian Securities and Investments Commission in accordance with statutory lodgement timetables and requirements. The financial statements are tabled at the AGM to be received and considered by shareholders. No formal resolution on the financial statements and reports is required.

## **Resolution 2 Re-election of a Director – Julie Orr**

**The Board recommend shareholders vote FOR Resolution 2.**

**The Chairman of the Meeting intends to vote all available proxies FOR Resolution 2.**

Ms Orr is standing for re-election, details of her qualifications and experience are:

### **Julie Orr**

Non-Executive Director since February 2018  
BEc, MCom, MCom (Hons), CA, GAICD

Julie is a Member of the People, Remuneration and Nominations Committee, the Audit, Risk & Compliance Committee and the Investment Committee. She is also a director of Australian Ethical Foundation Limited.

Her other roles include directorships with SAAFE Limited and Artistic Swimming Australia Limited, and she is also a member of the NSW Biodiversity Conservation Trust Audit & Risk Committee.

She has over 20 years of experience in executive and board roles including experience with superannuation, investments, financial planning, stockbroking, research, insurance, audit, finance, acquisitions and business integration.

Julie's most recent executive experience was as Group General Manager Corporate Development and General Manager Operations for Insignia. She was previously Director of Finance India and Asia Pacific for Standard and Poor's, Head of Research for Morningstar, Chief Operating Officer at Intech, and Senior Audit Manager with EY. Julie's prior board experience includes AvSuper, Perennial Value Management, Ord Minnett and Masters Swimming NSW.

## **Resolution 3 Election of Director – Richard Brandweiner**

**The Board recommend shareholders vote FOR Resolution 3.**

**The Chairman of the Meeting intends to vote all available proxies FOR Resolution 3.**

Mr Brandweiner is standing for election, details of his qualifications and experience are:

### **Richard Brandweiner**

Executive Director since September 2024  
BEc, CFA Charterholder

Richard was appointed to the Board of Australian Ethical Investment Limited on 1 September 2024.

Richard has spent almost thirty years working across all asset classes in the investment management industry. Most recently he was Chief Executive Officer of Pandal Australia (formerly BT) and prior to this was Chief Investment Officer of Aware Super (formerly First State Super) and Group Executive at Perpetual Investments. During this time, he contributed extensively to the industry's professional bodies by being President of CFA Society of Sydney and serving on a number of boards at the Financial Services Council and ASFA.

Richard currently holds a range of non-executive director roles, including as Chair of Impact Investing Australia, Investment Committee Director of the Northern Territory Aboriginal Investment Corporation and as a member of the NSW Government Social Impact Expert Advisory Group.

## **Resolution 4 Remuneration of Directors - increase of the Director Fee Pool**

**The Chairman of the Meeting intends to vote all available proxies FOR Resolution 4.**

**Subject to the Voting Exclusion Statement below the Chairman of the Meeting intends to vote all available proxies FOR Resolution 4.**

For the purposes of ASX Listing Rule 10.17 (i.e. the Non-Executive Director fee pool), the Directors propose an increase in the remuneration fee pool of \$300,000 from an amount of \$1million per year to an aggregate amount of \$1.3 million per year. The Company does not issue securities to Non-Executive Directors.



The Non-Executive Director fee pool was last increased three years ago at the 2021 AGM. Following that increase in the pool Director fees were increased with effect from 1 November 2021 following a benchmarking review conducted by AON and since then have been increased by 3.5% with effect from 1 November 2022, 4% with effect from 1 November 2023, with a further increase of 3.5% to take effect on 1 November 2024. Superannuation Guarantee Contributions were increased by 0.5% on 1 July 2024.

A process of Board renewal is currently underway which may lead to an increase in the number of Non-Executive Directors.

It should be noted that, if the Board decides not to appoint any additional Non-Executive Directors, the Board will not use all of the approved increase in the Director fee pool to increase fees paid to current Directors.

**Resolution 5**  
**Grant of long-term Hurdled Performance Share Rights to the Chief Executive Officer**

**Subject to the Voting Exclusion Statement below the Chairman of the Meeting intends to vote all available proxies FOR Resolution 5.**

The Company has an Executive Long Term Incentive Plan (ELTI) which has been in operation since 2021 and is outlined in the Remuneration Report. The plan seeks to incentivise and reward the achievement of challenging long-term targets for the Company, aligning performance of Key Management Personnel (KMP's) and shareholders.

The Company's preferred method to provide the ELTI incentive is to grant Hurdled Performance Share Rights (HPSRs). Each HPSR is a conditional right to receive one ordinary fully paid share in the Company at no cost subject to meeting applicable performance and employment conditions.

ASX Listing Rule 10.14 requires the Company to obtain shareholder approval for the issue of shares (which would include the HPSRs) to a Director under an employee incentive scheme. Accordingly, this resolution is being put to Shareholders to seek approval for a grant of HPSRs to be made to the Chief Executive Officer and Managing Director, Mr John McMurdo.

While shares granted to Mr McMurdo on vesting may be acquired on-market, which the Company has done in recent years, shareholder approval is being sought as this is good governance practice. If shareholders approve Resolution 5 this will give the Company the ability to issue shares or buy those shares on market (if the performance hurdles are met) depending on the circumstances at the time. If new shares are issued in order to satisfy the HPSRs (if they vest), that issue will fall within ASX Listing Rule 10.14 because Mr McMurdo is a director of the Company, and therefore approval under ASX Listing Rule 10.14 is required.

If Resolution 5 is passed, the Company will proceed with the grant of HPSRs outlined in this Notice of Meeting. If Resolution 5 is not passed, the Board will consider alternative arrangements to appropriately remunerate and incentivise Mr McMurdo, which may include amending the terms of and/ or the quantum of the award.

Mr McMurdo's current total annual remuneration package comprises the following elements:

- total fixed remuneration (TFR) of \$573,900 per annum (inclusive of statutory superannuation contributions and any salary sacrifice items), reviewable annually;
- a short-term incentive target of 75% of TFR (potential range zero to 150% maximum of TFR), which if earned, based on the Company's current Remuneration Policy, is payable 50% in cash and 50% in deferred shares; and
- a long-term incentive in the form of HPSRs.

The Company grants the long-term incentive in the form of HPSRs to ensure a significant proportion of Mr McMurdo's total reward is 'at risk' and directly linked to shareholder outcomes.

**Hurdled Performance Share Rights**

Mr McMurdo is eligible for a long-term incentive award each year. The face value of this award has previously been set at 50% of TFR. The Board has increased the face value of the 2024 ELTI award to 75% of Mr McMurdo's TFR and at the same time has removed the Employee Share Plan entitlement (10% of TFR). The performance hurdles for the 2024 ELTI have been expanded and made more stretching. This change has been made considering the expectation of the Financial Accountability Regime (FAR) which requires material levels of total variable remuneration to be

# Explanatory notes

deferred for at least 4 years. The only long term incentive program applicable to Mr McMurdo, for vesting consideration in 2028, is the ELTI.

The number of HPSRs has been calculated by dividing 75% of TFR (being \$430,425) by the 20-day volume weighted average price (VWAP) of the Company's shares traded (post the 'ex-dividend' date of 3 September 2024) over the 20 trading

days from 4 September 2024 to 1 October 2024 (being \$4.25). This is the same allocation price used for other KMP.

Vesting criteria for the ELTI 2024 HPSRs will only occur if one or more (in proportion) of the following conditions are satisfied over the performance period to 30 June 2028:

	<b>Objective</b>	<b>Target</b>	<b>Achievement scale</b>
50% of HPSRs	Net-flows	\$6bn over the 4-year period (including no more than 50% from Merger & Acquisition (M&A) activity)	Rights that vest: - Less than 70% of target = 0% - 70% to 100% of target = Straight-line vesting from 50% to 100% - 100% or above = 100%  Noting that the organic and inorganic flows proportion rule must apply at any level of the achievement scale for rights to vest.
25% of HPSRs	Diluted Earnings Per Share (EPS) growth (adjusted NPAT pre-performance fees)	15% p.a. Compound Annual Growth Rate (CAGR) of diluted EPS	Rights that vest: - Less than 10% CAGR = 0% - 10% to 15% CAGR = Straight-line vesting from 50% to 100% - 15% or above CAGR = 100%
25% of HPSRs	TSR (absolute)	10% p.a. CAGR	Rights that vest: - Less than 7% CAGR = 0% - 7% to 10% CAGR = Straight-line vesting from 50% to 100% - 10% or above CAGR = 100%
Moderator	Non-financial measures. i.e Median NPS (net promoter score) for Financial Services companies in Australia Median employee engagement score for Financial Services companies in Australia Continued compliance with the aims of our Ethical Charter.		Used as a downward moderator (only), applied by Board for non-compliance with any of the non-financial measures.  The Board cannot use non-financial measures to increase ELTI where some or all financial measures are not met.

The weighting to the long-term incentive in Mr McMurdo's reward mix and the use of both financial measures and the non-financial moderators as metrics support a continued focus by Mr McMurdo on long-term performance outcomes and ensures a direct link between Mr McMurdo's realised reward and long-term shareholder outcomes.

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Any HPSRs that do not vest at four years following the performance period start date will lapse. The performance period start and end dates applicable to Mr McMurdo's proposed grant at HPSRs are the same as those applicable to other KMP.

## **POST-VESTING RESTRICTIONS**

### **Cessation of employment**

The subsection titled '4.9 Contract Terms' set out on page 84 of the 2024 Annual Report sets out the notice periods and payments which apply to Mr McMurdo upon termination.

### **Change of control**

If a takeover bid is made to acquire all of the issued Shares of the Company, or a scheme of arrangement, selective capital reduction or other transaction is initiated (such as acquisition of a relevant interest<sup>1</sup>) which has an effect similar to a full or partial takeover bid for Shares in the Company, then Employees are entitled to accept the takeover bid or participate in the other transaction in respect of all or part of their Hurdled Performance Share Rights. The Board may, in its discretion, waive unsatisfied Vesting Conditions in relation to some or all Hurdled Performance Share Rights in the event of such a takeover or other transaction and Hurdled Performance Share Rights that have been awarded may vest in part or full at the discretion of the Board.

### **Malus**

The Board has the discretion to reduce or cancel any Hurdled Performance Share Rights in the ELTI Plan for:

- Fraudulent or dishonest conduct;
- Material misstatements or omission in the financial statements; or
- Circumstances occur that the Board determines to have resulted in unfair or inappropriate benefit.

### **Material terms of HPSRs**

In addition to the terms described in this explanatory note for Resolution 5, the following terms apply to the HPSRs until the HPSRs vest and convert into ordinary securities:

- the HPSRs are not transferrable;
- the HPSRs do not confer any right to vote;
- the HPSRs do not confer any entitlement to a dividend;
- the HPSRs do not confer any right to participate in the surplus profit or assets of the Company on winding up; and
- the HPSRs do not confer any right to participate in new issues of securities such as bonus issues or entitlement issues.

### **Additional information**

The following additional information is relevant to the proposed grant of securities

- There is no cost payable by Mr McMurdo, and no loan made by the Company to Mr McMurdo in relation to the grant of the HPSRs or the allocation of shares on vesting of the HPSRs.
- Mr McMurdo is the only Director (or associate of a Director) entitled to participate in the ELTI.
- The HPSRs that are the subject of this approval will be granted to Mr McMurdo following the AGM and no later than 12 months from the AGM.
- A total of 136,958 HPSRs have been granted to Mr McMurdo under the ELTI in prior years (commencing from 2021), with vesting subject to performance measures as per section 4.7.1 on page 78 of the Annual Report. These awards were granted to Mr McMurdo as his long-term incentive for no cost. As the ELTI commenced in 2021 and has a four year performance hurdle no HPSRs granted to Mr McMurdo under the ELTI scheme have vested.
- Details of any securities issued under the ELTI will be published in the Company's Annual Report relating to the period in which they were bought on market/ were issued, along with a statement that approval for the issue was obtained under ASX listing Rule 10.14. Any additional persons covered by ASX listing Rule 10.14. who become entitled to participate in an issue of securities under the ELTI after this resolution is approved and who are not named in the Notice of Meeting, will not participate until approval is obtained under ASX listing Rule 10.14.

<sup>1</sup> An acquisition of a relevant interest occurs when greater than 20% of the issued voting shares are purchased by a party.

# Explanatory notes

## Recommendation

The Board (with Mr McMurdo abstaining) unanimously recommends that shareholders vote in favour of the grant of long-term Hurdled Performance Share Rights to Mr McMurdo.

## Resolution 6 Remuneration Report

**Subject to the Voting Exclusion Statement below the Chairman of the Meeting intends to vote all available proxies FOR Resolution 6.**

Section 250R(2) of the Corporations Act requires directors to provide shareholders an opportunity to vote on a resolution to accept the Remuneration Report included in the Directors' report in the Annual Report. The Remuneration Report outlines the Company's remuneration arrangements for Directors, the Managing Director and certain Company executives for the financial year ended 30 June 2024. A reasonable opportunity for discussion of the Remuneration Report will be provided at the AGM. Under section 250R(3) the vote on the resolution is advisory only and does not bind the Directors or the Company.

At the 2023 Annual General Meeting, the Company's Remuneration Report received a 'no' vote of 27.01% cast on the resolution that the Remuneration Report be adopted. This constituted a 'first strike'.

2023 voting participation was low with shareholders holding only 35% of the issued shares of the Company voting on the resolution to approve the Remuneration report. The 27% vote against the approval of the report therefore represented less than 10% of shares eligible to vote on the resolution.

The Board has undertaken the following initiatives, which also address the proxy adviser suggestions raised in 2023:

- Weightings have been applied to the performance measures in the Short Term Incentive (STI) Balanced Scorecard to improve the transparency of STI achievement, with 50% assigned to financial measures to align closely with shareholder outcomes.
- Increased transparency of STI achievement through improved disclosure of achievement outcomes.

- Implemented a change to the determination of Employee Share Plan (ESP) vesting that directly addresses last year's proxy adviser concerns regarding board discretion. In FY24, ESP vesting outcome is determined against a pre-approved metric, being 'Adjusted NPAT pre performance fee'.
- Improved disclosure relating to the Executive Long Term Incentive (ELTI) program, the long term incentive scheme relevant for Executive KMPs as distinct from the broader and smaller employee share ownership program (ESP) which applies to all employees.
- Shareholder approval will be sought for the CEO's Long Term Incentive grant (equity rights) under the ELTI (refer to Resolution 5).

The Company's remuneration structure for the CEO and Key Management Personnel is a matter that the Board actively engages with through detailed reviews of the structure by the Board's People, Remuneration and Nominations Committee. This is done to ensure that we continue to reward employees fairly and provide a direct link between their effort and contribution and the long term performance of the Company. Our remuneration policy aligns to the philosophy of the Company that sees our people as key stakeholders in the Company's success.

The Board is confident that the current structure is fair, equitable and appropriate and that it has been a significant factor in the recent record performance of the Company.

Under the Corporations Act 2001, if 25% or more of the votes cast at this AGM and the 2023 AGM are against the adoption of the Remuneration Report, shareholders will be required to vote at the 2024 AGM on a "spill" resolution. If the spill resolution is passed in 2024 the Company will be required to convene another meeting within 90 days for the purpose of the re-election of all of the Company's then Directors.

**The Directors recommend that shareholders vote for the adoption of the Remuneration Report.**



**Resolution 7  
Contingent Spill Resolution**

**Subject to the Voting Exclusion Statement below the Chairman of the Meeting intends to vote all available proxies AGAINST Resolution 7.**

**Condition for Resolution 7:** This Resolution will be considered if at least 25% of the votes cast on resolution 6 are against the adoption of the Remuneration Report.

If the condition (described above) is satisfied the votes cast on Resolution 7 will have effect.

That, as required by the Corporations Act:

- a. a meeting of the Company's members be held within 90 days of the date of the 2024 Annual General Meeting (the spill meeting);
- b. each of Stephen Gibbs, Richard Brandweiner\*, Kate Greenhill, Sandra McCullagh and Julie Orr\* cease to hold office immediately before the end of the spill meeting; and
- c. resolutions to appoint persons to offices that will be vacated immediately before the end of the spill meeting be put to the vote at the spill meeting.

\*This assumes the director is elected/ re-elected at the AGM.

# Voting exclusion statements

## **Resolution 4 Remuneration of Directors - increase of the Director Fee Pool**

As required by the Corporations Act 2001 (Corporations Act) no member of the Company's Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of any such member, may vote in any capacity (e.g. as a shareholder, proxy or corporate representative) on proposed Resolution 4 unless:

- the person votes as a proxy appointed by writing that specifies how the person is to vote on proposed Resolution 4; and
- the vote is not cast on behalf of any such member or closely related party of any such member.

The prohibition in the Corporations Act on members of the Company's Key Management Personnel voting does not apply to the Chairman of the Meeting as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the Meeting to vote in that capacity on Resolution 4 (see the Explanatory Notes for AGM Agenda items for further information).

## **Resolution 5 Grant of long-term Hurdled Performance Share Rights to the Chief Executive Officer**

As required by the Corporations Act 2001 (Corporations Act) Mr McMurdo, or a closely related party of Mr McMurdo, or any member of the Company's Key Management Personnel on the date of the Meeting, may not vote in any capacity (e.g. as a shareholder, proxy or corporate representative) on proposed Resolution 5 unless:

- the person votes as a proxy appointed by writing that specifies how the person is to vote on proposed Resolution 5; and
- the vote is not cast on behalf of any such member or closely related party of any such member.

The prohibition in the Corporations Act on Mr McMurdo, or a closely related party of Mr McMurdo, or members of the Company's Key Management Personnel voting does not apply to the Chairman of the Meeting as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the Meeting to vote in that capacity on Resolution 5 (see the Explanatory Notes for AGM Agenda items for further information).

## **Resolution 6 Remuneration Report**

As required by the Corporations Act 2001 (Corporations Act) no member of the Company's Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of any such member, may vote in any capacity (e.g. as a shareholder, proxy or corporate representative) on proposed Resolution 6 unless:

- the person votes as a proxy appointed by writing that specifies how the person is to vote on proposed Resolution 6; and
- the vote is not cast on behalf of any such member or closely related party of any such member.

The prohibition in the Corporations Act on members of the Company's Key Management Personnel voting does not apply to the Chairman of the Meeting as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the Meeting to vote in that capacity on Resolution 6 (see the Explanatory Notes for AGM Agenda items for further information).

## **Resolution 7 Contingent Spill Resolution**

As required by the Corporations Act 2001 (Corporations Act), no member of the Company's Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or a closely related party of any such member, may vote in any capacity (e.g. as a shareholder, proxy or corporate representative) on proposed Resolution 7 unless the:

- person votes as a proxy appointed by writing that specifies how the person is to vote on the proposed resolution in Resolution 7; and
- vote is not cast on behalf of any such member or closely related party of any such member.

The prohibition in the Corporations Act on members of the Company's Key Management Personnel voting does not apply to the Chairman of the Meeting as proxy for a member entitled to vote where the proxy appointment expressly authorises the Chairman of the Meeting to vote in that capacity on Resolution 7.

# Additional information

## Annual report

The Company's annual report is available from its website at:

<https://www.australianethical.com.au/shareholder/>

## Voting entitlements

The Directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the AGM will be as it appears in the share register at 10 am on Sunday, 10 November 2024 (Section 1074E; Regulation 7.11.37 Corporations Act 2001, ASTC Settlement Rules, Section 5.6).

## Recording of proceedings

Please note that the AGM will be recorded.

## All Resolutions by Poll

The Chair intends to call a poll on each of the resolutions proposed at the AGM. The Chair considers voting by poll to be in the interests of the shareholders as a whole and ensures the representation of as many shareholders as possible at the meeting.

## How to Vote

A Shareholder who is entitled to attend and vote at the Meeting may do so:

- a. using the online platform
- b. by Proxy
- c. by corporate representative (if the Shareholder is a corporation)
- d. by Attorney

### a. Voting online before the meeting

This can be done here:

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder

Identifier" – Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

**PLEASE NOTE IF YOU HAVE MORE THAN ONE SHAREHOLDING YOU WILL ONLY BE ABLE TO VOTE FOR ONE SHAREHOLDING WHEN PARTICIPATING ONLINE. IT IS RECOMMENDED THAT FOR ANY ADDITIONAL HOLDINGS THAT YOU SUBMIT A DIRECTED PROXY OR VOTE ONLINE BEFORE THE MEETING TO ENSURE YOUR VOTES ARE COUNTED (SEE APPOINTING A PROXY BELOW).**

### b. Using the online platform during the AGM

We recommend logging in to the online platform at least 15 minutes prior to the scheduled start time for the Meeting using the instructions below:

- Enter <https://meetings.linkgroup.com/AEF24> into a web browser on your computer or online device;
- Securityholders will need their SRN or HIN (printed at the top of the Voting Form); and
- Proxyholders will need their proxy code which Link Market Services will provide via email no later than 48 hours prior to the Meeting.

Online voting will be open between the commencement of the Meeting at 10am (Sydney time) on 12 November 2024 and the time at which the Chair announces voting closure.

**PLEASE NOTE IF YOU HAVE MORE THAN ONE SHAREHOLDING YOU WILL ONLY BE ABLE TO VOTE FOR ONE SHAREHOLDING WHEN PARTICIPATING ONLINE. IT IS RECOMMENDED THAT FOR ANY ADDITIONAL HOLDINGS THAT YOU SUBMIT A DIRECTED PROXY OR VOTE ONLINE BEFORE THE MEETING TO ENSURE YOUR VOTES ARE COUNTED (SEE APPOINTING A PROXY BELOW).**

More information about online participation in the Meetings is available in the Online Guide at <https://www.australianethical.com.au/shareholder/#2024>

**c. Appointing a Proxy**

A shareholder has the right to appoint a proxy, who need not be a shareholder of the Company. If a shareholder is entitled to two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

To appoint a proxy, ordinary shareholders should complete the proxy form distributed with this notice of meeting. The proxy form must be deposited at the share registry, Link Market Services Limited, or at the Company's Registered Office not later than 48 hours before the commencement of the meeting (i.e. by 10 am on Sunday, 10 November 2024). Any proxy received after that time will not be valid for the scheduled meeting.

**Proxies can be delivered as follows:**

**By hand** Link Market Services  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

**By mail** Australian Ethical  
Investment Limited  
C/- Link Market Services  
Locked Bag A14  
Sydney South NSW 1235

**By facsimile** + 61 2 9287 0309

**Online** <https://investorcentre.linkgroup.com>

**If posting your proxy, please ensure you mail it sufficiently in advance so that it arrives by the required time.**

In appointing a proxy, ordinary shareholders should consider how they wish to direct the proxy to vote. A shareholder can direct a proxy to vote "for" or "against" or abstain from voting on each proposed resolution; or they can leave the decision to the appointed proxy after discussion at the Meeting. If shareholders complete and return their proxy form but do not nominate the identity of the proxy, they will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf.

If the Chairman of the Meeting is appointed as your proxy or may be appointed by default, and you do not wish to direct your proxy how to vote in respect of Resolution 6 (Remuneration Report), please mark the box in Step 1 on the proxy form. By marking this box, you acknowledge that the Chairman of the Meeting may vote as your proxy even if they have an interest in the outcome of Resolution 6. If you do not mark this box on the proxy form and you have not directed your proxy how to vote the Chairman of the Meeting will not cast your votes on Resolution 6 and your votes will not be counted in calculating the required majority if a poll is called.

The Chair will vote all undirected proxies in favour of Resolutions 2, 3, 4, 5, 6 and against for Resolution 7 (if required).

**If you appoint the Chairman of the Meeting as your proxy and wish to vote differently to how the Chairman of the Meeting intends to vote on any of the items, you must mark "For", "Against" or "Abstain" on the proxy form for the relevant resolution.**

**LODGE YOUR VOTE**

- ONLINE**  
<https://investorcentre.linkgroup.com>
- BY MAIL**  
Australian Ethical Investment Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia
- BY FAX**  
+61 2 9287 0309
- BY HAND**  
Link Market Services Limited  
Parramatta Square, Level 22, Tower 6,  
10 Darcy Street, Parramatta NSW 2150
- ALL ENQUIRIES TO**  
Telephone: 1300 554 474      Overseas: +61 1300 554 474



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**PROXY FORM**

I/We being a member(s) of Australian Ethical Investment Limited and entitled to attend and vote hereby appoint:

**APPOINT A PROXY**

**the Chairman of the Meeting (mark box)**

**OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy. An email will be sent to your appointed proxy with details on how to access the virtual meeting.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (Sydney time) on Tuesday, 12 November 2024 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Meeting will be conducted as a hybrid event. You can participate by attending in person at **The Gold Melting Room, The Mint, 10 Macquarie Street, Sydney NSW 2000** or by logging in online at <https://meetings.linkgroup.com/AEF24> (refer to details in the Virtual Meeting Online Guide).

**Important for Resolutions 5 & 6:** If the Chairperson of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairperson of the Meeting to exercise the proxy in respect of Resolutions 5 & 6, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

**The Chairman of the Meeting intends to vote undirected proxies in favour of resolutions 2, 3, 4, 5, 6 and against for resolution 7 (if required).**

**VOTING DIRECTIONS**

**Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.**

**Please read the voting instructions overleaf before marking any boxes with an .**

**Resolutions**

	For	Against	Abstain*		For	Against	Abstain*
<b>2</b> Re-election of Ms Julie Orr as a Non-executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>6</b> Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Election of Mr Richard Brandweiner as an Executive Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>7</b> Contingent Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>4</b> Increase of the Director Fee Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
<b>5</b> Grant of long-term Hurdled Performance Share Rights to the Chief Executive Officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED**

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

For personal use only

STEP 1

STEP 2

STEP 3





## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting virtually the appropriate "Certificate of Appointment of Corporate Representative" must be received at [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au) prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (Sydney time) on Sunday, 10 November 2024**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Shareholder Reference Number (SRN) or Holder Identification Number (HIN).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

Australian Ethical Investment Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
Parramatta Square  
Level 22, Tower 6  
10 Darcy Street  
Parramatta NSW 2150

\*During business hours Monday to Friday (9:00am - 5:00pm)

### IMPORTANT INFORMATION

Link Group is now known as MUFG Pension & Market Services. Over the coming months, Link Market Services will progressively rebrand to its new name MUFG Corporate Markets, a division of MUFG Pension & Market Services.