

Australian Ethical acquires minority stake in Sentient Impact Group

ASX ANNOUNCEMENT

Australian Ethical Investment today announced it has acquired a minority stake in impact investment business Sentient Impact Group Pty Ltd ("Sentient"). The investment is \$5.2 million and will be funded from cash reserves. The stake is part of Australian Ethical's high growth strategy as it responds to the demand for ethical investing and the opportunity to build a bigger, more impactful business.

Sentient will continue to manage and control its business operations and investment processes; with Australian Ethical taking a non-executive seat on the Sentient board.

John McMurdo, Australian Ethical CEO, said: "This is a strategic opportunity that brings together two deeply aligned organisations who are committed to using money as a force for good.

"As was made clear at COP26, shifting capital flows is an essential part of the decarbonisation process and there's no solution that doesn't involve the financial sector deploying capital to support the transition.

"Our stake in Sentient is an important step in extending our own capability in the impact investing arena while delivering on our purpose of investing for a better world.

"For our customers who have long prioritised measurable impact alongside financial returns, we believe that our relationship with Sentient will lead to more opportunities to make money matter in addressing the environmental and social challenges the world faces."

Sentient's CEO, Oliver Yates, said: "We are delighted to be working closely with Australia's leading ethical fund manager to create additional opportunities for investors to deploy capital into initiatives that reduce emissions, value nature and enhance biodiversity, and support equality and a better quality of life for all Australians."

Further information will be provided with Australian Ethical's half year accounts due to be released on 23 February 2022.

This announcement is authorised by the Board.

About Australian Ethical

Australian Ethical is Australia's leading ethical investment manager. Since 1986, Australian Ethical has provided investors with investment 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 over \$6 billion in funds under management across managed funds and superannuation.

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