



Diversity and Inclusion Policy

23 April 2019

Introduction

U Ethical's vision is to improve our world through the power of purposeful investing. This underpins our investment approach, our business policies and practices, and our commitment to investors.

We believe diversity and inclusion are at the core of creating better business. U Ethical defines workplace diversity as:

Creating an inclusive environment that accepts differences and similarities of perspective or approach in the workplace, both on an individual level or relating to a broader group. These include (but are not limited to) differences in learning styles, personality types, ideas and perspectives, cultural backgrounds and/or ethnicity, spirituality, gender or sexual identity, and age.

Diversity enables people with different ideas, approaches and perspectives to work together towards better outcomes. Diversity leads to:

- Better connections
- Better problem solving and decision making
- Better team member engagement and morale
- Better business practices and procedures
- Better reflection and improvements

1. Objectives

U Ethical aims to create a diverse and inclusive workplace through:

- Encouraging a culture that values all team members, roles and contributions
- Actively fostering diversity and open communication, where different thoughts, ideas and contributions are welcomed
- Treating all people fairly and with dignity and respect
- An inclusive workplace that is responsive to people's needs
- A culture that fosters collaboration to utilise strengths and diverse talents
- Creating a workplace where all staff and their work flourish
- Actively removing discrimination

2. Implementation

U Ethical is committed to creating an inclusive and diverse workplace by:

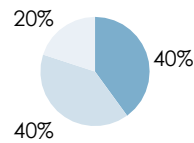
- Setting measurable targets for achieving gender diversity at a board and staff level (see targets below)
- Ensuring recruitment, retention, development, management, promotion and succession practices encourage diversity and inclusion
- Actively encouraging and supporting flexible working arrangements
- Measuring engagement and reviewing feedback through an annual independent team member survey
- Offering opportunities to individuals with disabilities, indigenous people and asylumseekers
- Leadership proactively seeking out different perspectives when making decisions
- Conducting annual remuneration reviews

- Providing equal access for all team members to remuneration (for similar work), benefits, working arrangements, opportunities for advancement and training and development based on role and responsibility.

Targets

Board gender diversity

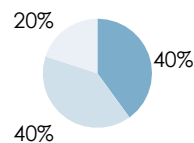
■ Male membership ■ Female membership ■ Either gender



If retirements and resignations cause membership to fall below 30 per cent for male or female membership, the board will rectify the situation within 12 months. The board has delegated responsibility to the Remuneration and Nomination Committee to lead this response.

Workplace gender diversity

■ Male employees ■ Female employees ■ Either gender



The board supports working towards this representation at both management and non-management levels, noting that this may create practical difficulties given the small number of team members at the management level. Achieving and maintaining this representation is the responsibility of the CEO, with the Remuneration and Nomination Committee overseeing its application.

3. Accountability and reporting

The board will be accountable for monitoring its achievement of this Diversity and Inclusion Policy through reporting its performance in the U Ethical annual report, including the results of the staff survey and relevant diversity statistics.

The Remuneration and Nomination Committee will review and recommend measurable objectives for achieving workplace diversity on an annual basis, assessing outcomes against peers and other market leaders.