

## Australian Ethical launches World Trust

Australian Ethical intends to expand its product range with the launch of the Australian Ethical World Trust and corresponding superannuation strategy currently scheduled for mid-2007.

The World Trust will provide an opportunity for investors to participate in and support international companies. This higher risk/potentially high return investment continues the positive, deep-green approach of the existing four trusts (**see page 4 for an example of the indicative asset allocation for the trust**).

Chief executive officer Anne O'Donnell said, 'Many of the companies which will initially appear in the World Trust have been intertwined within Australian Ethical's existing portfolios for over four years. We thought it was time to offer a specialist fund for those wanting exposure to global markets in our unique style.'

With the Australian stock market representing less than 2% of global stocks, the World Trust provides an opportunity for investors to access a world of companies with superior environmental and financial credentials.

The World Trust will be launched with a portfolio of around 30 stocks, and aims for a complete portfolio of 35 to 40 stocks over time.

Investments of the world trust will be diverse in industry sectors covered and geographic location. A strong foundation already exists in the current crop of international investments including Norwegian recycling company TOMRA, US organic food chain Whole Foods Market, Japanese bicycle component manufacturer Shimano, Spanish renewable energy company Gamesa and Swiss hearing device company Phonak.

At a global level there are a number of companies engaged in groundbreaking activities to address environmental concerns such as climate change and water shortages. The World Trust's approach to investment selection will emphasise those sectors which Australian Ethical is well recognised for supporting domestically – renewable energy, recycling and waste management, water conservation, efficient transport and environmental technologies. Australian Ethical has always identified the Australian leaders in these fields and can now expand to support leading companies at an international level.

The Equities Trust and Large Companies Trust are likely to gain increased international exposure through crossholdings in the World Trust. Two members of our highly experienced investment team will focus on this asset class.

Our next product disclosure statement (PDS) will offer investment into the World Trust. If you would like to pre-register your interest in receiving the new PDS please contact us on **1800 021 227** (let us know if you want the PDS for the trusts, super or both).

## Super rollover discount

Australian Ethical is offering a fee discount on all superannuation rollovers. The discount is open to everyone\*. The discount applies to all rollovers and all application forms for rollovers which are received between 1 February 2007 and by the close of business Thursday 31 May 2007. The discount does not apply to the Australian Ethical Income Strategy.

The discounted contribution fee is 1.025%. The fee is normally up to 4.1%.

If you are not a member of the Australian Ethical Retail Superannuation Fund and you want to take advantage of the rollover discount, you first need to join the fund. To join the fund, read the product disclosure statement (PDS) and complete Form A. To authorise a rollover complete Form D. Both forms must be received by close of business, Thursday 31 May 2007.

If you are an existing member, complete Form D from the PDS and ensure we receive it by close of business, Thursday 31 May 2007.

We can help you complete the required forms. We will also liaise with your existing super fund to ensure that the rollover process is as hassle free for you as possible.

Please contact our superannuation team if you require a PDS, have any questions or if you wish to discuss the rollover discount further, phone **1300 134 337** or email [aes@australianethical.com.au](mailto:aes@australianethical.com.au).

### What is a super rollover?

A rollover is the transfer of funds between one superannuation fund to another.

\* Subject to normal rules relating to eligibility to make superannuation contributions.



# Planning for a comfortable retirement

While most people know they need to save for their retirement, few people know exactly how much money they will need each year to fund a comfortable lifestyle. With the average life expectancy increasing, Australians should consider that we may be in retirement for a lot longer than originally thought.

The amount of money you will need in retirement depends on things like your health, whether you own your home, your current lifestyle and your retirement expectations.

The Association of Superannuation Funds of Australia (ASFA) says the average person can live comfortably on 60 to 65% of their pre-retirement income.

Research indicates the compulsory 9% employer super contribution will generally leave you well short of the target. This is shown in the table below. Many commentators suggest a super contribution equal to 15% of your salary is necessary.

A number of options are available for those who want to top up their super to ensure they retire comfortably, such as salary sacrifice and personal contributions.

## Salary sacrifice

Salary sacrifice involves an agreement between you and your employer to reduce your before-tax salary and to contribute

this deducted amount into your superannuation fund. Salary sacrifice is mainly beneficial to those employees in higher tax brackets. As the amount is deducted from your gross salary, you may be able to benefit from tax savings because of a lower taxable income. Salary sacrifice contributions are considered employer contributions, not personal contributions.

From 1 July 2007, age-based limits will be abolished and a concessional amount of \$50 000 per person per year will apply. This is particularly useful for those under 35 years old who can currently contribute only \$14 603 at the low tax rate.

## Personal contributions

Personal, or undeducted, contributions are made from after-tax money. That is the money you have after tax has been deducted from your salary or money from another source such as an inheritance or an asset sale. By making a personal contribution, you may be entitled to the Government co-contribution. The co-contribution scheme is aimed at low and middle income earners where the sum of the tax payer's assessable income plus reportable fringe benefits is less than \$58 000. For every \$1.00, that you



contribute in personal contributions to your super fund the Government will contribute up to \$1.50, with a maximum co-contribution of \$1500 a year. The government will make its co-contribution to your super automatically based on your tax return and information received from your super fund.

Australians with a capacity to make much bigger contributions to their super can contribute up to \$1 million before 30 June 2007. From 1 July 2007, a cap of \$150 000 will be placed on undeducted contributions per person each financial year, however, you will have the ability to make a contribution of \$450 000 which will then be averaged over the next three years. For example, a person under age 65 could contribute \$450 000 in 2007–08 but would then not be able to contribute further until 2010–11.

It is a good idea to discuss your personal contribution intentions with us well before 30 June, so that we can properly attribute contributions into the correct financial year.

## Supply your tax file number

From 1 July 2007, where a tax file number is not provided, the top marginal tax rate plus the Medicare levy will apply to taxable contributions received where a superannuation account was in existence at 30 June 2007 and where that taxable contribution is greater than \$1000. For accounts opened on 1 July 2007 onwards, the top marginal rate will apply for every dollar of taxable contribution.

For Australian Ethical super members check your member statement issued in March 2007 to confirm if your tax file number has been provided.

## Percentage of income over and above the 9% superannuation guarantee required to be saved to achieve 60% of pre-retirement income\*

(adapted from *The Association of Superannuation Funds of Australia Ltd* publication: *Planning and Saving Now*)

Years to retirement	Final income (Retirement income sought)		
	\$35000 (\$21000)	\$50000 (\$30000)	\$75000 (\$45000)
10	37%	51%	59%
15	19%	29%	35%
20	10%	17%	22%
25	5%	10%	14%
30	2%	6%	10%
35		3%	6%
40		1%	3%

\*Projections based on fund net earning rate (after tax and fees) of 7% nominal and growth in average earnings of 3.75% pa with contributions also being made by the employer and subject to 15% tax.

# Australian Ethical Investment Ltd to 'hit the heights'

Although Australian Ethical Investment Ltd has been listed on the Australian Stock Exchange for four years recently the spotlight has been turned on the company as a stock to watch.

In November 2006 *The Bulletin* ran an article, *Small wonders*, which rated Australian Ethical as a top 10 'emerging company promising to hit the heights in 2007.' The article said 'Australian Ethical's unique approach to investing has not only provided strong returns but also has been a successful marketing pitch.'

An article titled *Uncovering gems in the microcosm of nano-caps*, appeared in *The Australian Financial Review* in January 2007 which mentioned Australian Ethical Investment Ltd as 'a small cap stock that's

about to step into the big league.' Frank Villante of Soul Funds Management was quoted saying Australian Ethical was one of his favourites and 'the company has been an exceptional performer for quite a few years.'

This recognition of Australian Ethical Investment Ltd as a company further demonstrates its success in pushing ethical investment into the mainstream.

Australian Ethical Investment Ltd's share price, which was around \$34 in November 2006, increased to as much as \$50 in February 2007. The shares traded at \$46.50 on 28 February 2007.

Investors in Australian Ethical's shares should be aware that the company is a small listed stock and that its share price can be quite volatile. Share prices can fall as well as rise.



## Understanding your trust statements

In late January trust investors were sent their distribution and periodic statements. The **distribution statement** covers your distribution that was paid in January based on your investment as at 31 December 2006. In the January distribution only income that the trust earned in that period is distributed. In the July distribution any income and realised capital gains for the year are distributed.

The **periodic statement** lists all your transactions in the period of 1 April to 31 December 2006 as well as the return on investment for the trusts in which you have invested. It is important to note that the media report performance based on twelve month returns, while the periodic statement is only reporting returns for a nine month period. Please be aware that the return figure is calculated on the assumption that you have the same investment for the entire period and your distribution payments are reinvested. If either of these is not true for you then your actual return may be different.

## 2007 community grants

Application information for the Australian Ethical community grants will be available on our website from early April 2007.

[www.austethical.com.au/company\\_information/community\\_grants](http://www.austethical.com.au/company_information/community_grants)



2006 grant recipients *Engineers Without Borders*

## Change of superannuation administrator

Australian Ethical Superannuation is changing its outsourced provider of superannuation administration services to Pillar Administration. The transition is planned to occur in early 2008. We will be working closely with the new administrator to minimise any disruption to member services and will keep members informed throughout the transition.

**WARNING:** This newsletter is not advice and provides you with general information only. This document does not take into account your personal investment objectives, financial situation or needs and, because of this, you should consider the appropriateness of the content to your circumstances before making an investment decision. You should also obtain a copy of our current product disclosure statements and consider seeking independent advice from an accredited financial adviser.

**NOTIFICATION:** While Australian Ethical Investment Ltd endeavours to provide an accurate and up to date newsletter, no express or implied guarantee is given as to the accuracy or completeness of the information it contains. Australian Ethical Investment Ltd and its directors may hold shares in the companies reviewed in this newsletter.

© Registered trademark of Australian Ethical Investment Ltd.

# Trusts performance in the six months to December 2006

## - A discussion with the Investment Manager



**David Ferris, Investment Manager**

**Q: A good half-year?**

A: I think so. Returns were good across all trusts and we added some great new investments. Also the Australian Ethical indoor cricket team had a couple of good wins.

**Q: What were the returns and how did the results compare with the conventional market?**

A: The returns lined up pretty well for the six months with the risk-return profiles we set out in our product disclosure statement.

Our most aggressively-managed trust, the Australian Ethical Equities Trust, which is willing to take positions in smaller companies closer to the cutting edge, earned 17.2% for the half-year to December. That's 17.2% over just six months! I was looking through the Standard and Poors league tables at the back of my 1 February issue of *Money Management* and over the last six months (which doesn't quite line up with the six months to December) – only one other trust out of about 125 funds in the Australian Equity General category did better. At the same time, the trust's measured volatility was one of the lowest in the category.

The Australian Ethical Large Companies Trust, which also invests only in shares but which generally sticks to more established companies with a market capitalization of \$1 billion or over, earned 11.4% over the second half of 2006. In those same league tables it was first out of about 20 funds in the Multisector Equity category for the last six months.

The Australian Ethical Balanced Trust, which has a mix of safer yield assets and riskier growth assets like shares and property, put on 6.8% – well above the average for like funds (the Multisector 60 category) which put on 5.1% over the last six months.

The Australian Ethical Income Trust, our lowest-risk trust, earned 2.6% for the half-year. It has one of the lowest measured volatilities – meaning it has a consistent return – of any fund in Australia. The Income Trust was in the top quartile of Australian Fixed Interest funds listed in *Money Management* – about 20 funds including funds managed by BT, Suncorp, Macquarie and the like.

**Q: To what do you attribute these nice numbers?**

A: Well, I would like to say consummate skill, courage and good looks, but that wouldn't be (completely) honest. We do have a very good team of highly experienced professionals at Australian Ethical, but some of what we are seeing in these numbers is just the flip side of the phenomenon we've experienced the last few years.

We always try to emphasise to people that because of the Australian Ethical Charter, our portfolios are structurally very different from most other funds. For most other funds you might expect up to 50% or more to be in the big mining companies, the big banks, the big retailers, and maybe the odd alcohol producer. We don't hold any of these and instead tend to hold more in the healthcare sector, in utilities, and in environmentally-related companies. The result is that you will always get periods where we perform differently from the mainstream funds – either on the upside or the downside.

With the resources boom over the last few years our returns have suffered relative to the mainstream. The last six months of calendar 2006, however, saw pretty poor returns from mining stocks whereas healthcare and utilities did well. So for that period, we have done a bit better. If you extend our market comparisons back a couple of years we haven't done as well as many other fund managers.

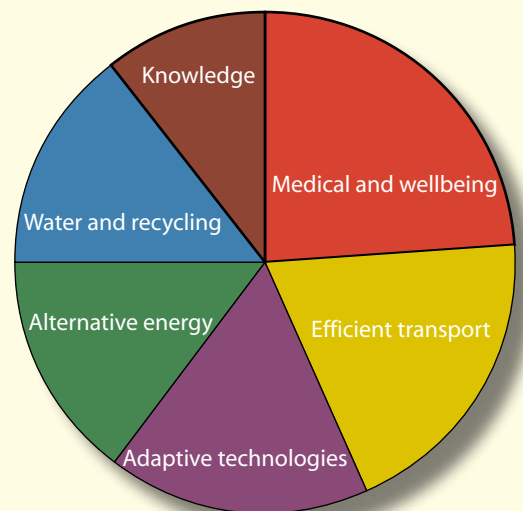
But if you take a long-term view, over extended periods we have shown that investing ethically can generate a risk/return profile that is certainly comparable to the mainstream. I think most of our investors do take a long-term view.

Naturally, with the latest data coming out on climate change, we see our avoidance of the big coal and oil players as more important than ever, especially with the possibility of a carbon tax.

**Q: Are those structural differences from mainstream funds the only reason for the recent out-performance?**

A: It still helps to pick the right stocks. The Equities Trust did particularly well with some good picks. I assigned two of our more experienced analysts to focus on this area and gave more authority over the running of this Trust to Alistair Clark – my predecessor and key stock

### Australian Ethical World Trust indicative asset allocation



See *Australian Ethical launches World Trust* on page 1

advisor. So far that seems to be working a treat (touch recycled wood).

We got particularly good returns over the last half-year from stocks like waste to energy player Energy Developments (recently a bit weaker), water company Envirozel, Ceramic Fuel Cells, and Blackmores. Also with the big push on renewable energy given the focus on greenhouse, our two international wind investments Vestas (Denmark) and Gamesa (Spain) did extremely well, as did our US public transport company Laidlaw.

**Q: You mentioned some great new investments?**

A: Yes, we added US metering company Itron. Metering of gas, water and electricity usage is going to be extremely important for demand management in the future. We also recently bought shares in three UK-based public transport companies – Arriva, National Express and Stagecoach.

Trustpower NZ, an electricity utility with a large windpower component (the rest is hydro) is another recent investment.

Probably the one I liked best from an ethical perspective was US carpet maker Interface. It has long been known as one of the world leaders in corporate sustainability. We have followed it carefully for a few years and this year decided its financial position justified an investment in the Equities Trust.

In the small caps area, among a bunch of new stocks we added Viridis Clean Energy Group and Green Rock Energy, another geothermal power company.

Within our debt security portfolio we added investments in Community CPS Credit Union and the Territory Insurance Office, and on the property front the Balanced Trust bought what will be a state-of-the-art, green, government-tenanted warehouse in the ACT region.

**Q: Any last words?**

A: As you know, it isn't appropriate for me to give advice. I will say that we have been experiencing what has been one of the longest and strongest bull runs in the history of the share market. I think it is now four years in a row of double-digit rises and I am guessing that most people are happy with their returns over that period. But I worry that after a long period like that people start to assume that the run will go on forever and that investing in equities portfolios like the Equities Trust and the Large Companies Trust doesn't involve risk. It does. Sooner or later we will run into a downturn. So I want to emphasise that investing is a long-term endeavor and that people should be prepared for ups and downs over the life of an investment.

## Hope and design innovation for an ethical future

### Investor Profile – Nicola Cerini

My early childhood was spent at Tower Hill in Western Victoria, a wildlife sanctuary and game reserve my father managed for the Fisheries and Wildlife Department.

In the 1870s Tower Hill's forest was cleared for grazing, the bald hills resembled nothing of its original beauty and diversity shown in Von Gerard's painting of 1855. From 1960, my dad's main project was to oversee its revegetation and wildlife recovery. These early experiences really shaped my environmental values and my appreciation of the earth.

My passion for colour, pattern and textiles led me to study textile design at RMIT and then to start my own business in 1995. I've often felt that the concept of business was at odds with the preservation of the earth and have tried to lower the environmental impact of my business wherever possible. I used hemp for my first range of furnishing fabrics. Over the past three years we have donated a percentage of the sales from our bags depicting native flora to the Tree Project, an organization dedicated to land revegetation in Victoria. Not only has this enabled the planting of approximately 25 000 trees to date, but our customers can enjoy their bag knowing that its production has been offset.



Many of us feel the recent government acknowledgement of the serious environmental challenges ahead is well overdue. For me it also brings a sense of hope for the future. As a designer I strongly feel it is an incredible opportunity for innovation and ethical investment in our future. I see my ethical superannuation as an avenue for making real positive change, my super's support of new design innovations that will sustain us is appealing to me.

Just like the daily bucketing of grey water, our ethical contributions will slowly but surely make a difference!

# Calling all *Artists!*

Australian Ethical is branching out into the artistic realm with the first Australian Ethical Investment Art Prize.

The Ethical Art Prize is being run in partnership with the TAP Gallery in Darlinghurst, Sydney.

Entry is open to all artists and all entries will be exhibited at the TAP Gallery from 14-20 May 2007. Each work will explore an ethical theme

and artists will use the Australian Ethical Charter as a guide. There is a \$1000 prize to be awarded at the presentation night to be held on Saturday 19 May.

The TAP Gallery is an 'open policy, artist-run collective' staffed totally by volunteers. Their aim is to support emerging artists and community groups by providing a forum to exhibit their work. The gallery runs a number of other art prizes on themes such as freedom and the environment.

The TAP Gallery is located at level 1, 278 Palmer Street, Darlinghurst and is open from 12 to 6pm every day. Application forms for the Ethical Art Prize are available at [www.austethical.com.au](http://www.austethical.com.au) and [www.tapgallery.org.au](http://www.tapgallery.org.au).



The people behind Australian Ethical



## Vineet Koshy

Vineet joined Australian Ethical in August 2006 as a graduate trust accountant. He assists the trust accounting manager in the valuation process and helps out in the day to day activities of the trusts.

Vineet completed a Bachelor of Commerce in Information Systems from the Australian National University in July 2006. He says he could not ask for a better start than at Australian Ethical where he gets to learn from highly motivated individuals from the finance and investment sections, and he thoroughly enjoys being exposed to both of these fields. Vineet started his chartered practising accountant programme in 2007 and would like to study an MBA in the future.

Vineet is a sports freak and enjoys cricket, basketball, tennis, table tennis and snooker. Vineet derives inspiration from music and in his free time he likes music by him at all times.



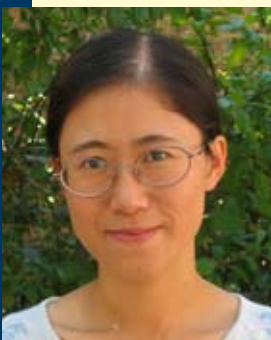
## Adam Verwey

Adam Verwey joined Australian Ethical in September 2005. He works in the marketing department and as an assistant to two of the directors. He especially enjoys the contact his work provides with community groups doing such positive things all around the country.

Adam previously worked for a number of youth focussed non-profit organisations. He spent quite a few years as a student advocate while completing a public relations degree, including a year as president of the University of Canberra Students' Association.

In spite of a complete lack of musical talent, Adam still anticipates his two man band the HonkRock Project will lead him to fame and fortune. Their first two albums were released to no acclaim.

In his spare time Adam is a keen Adelaide Crows supporter, an enthusiastic gardener, and likes to read Russian literature but only after it has been translated to English.



## Jemma Wu

Jemma Wu joined Australian Ethical in August 2005 as an application developer and Linux support person. She is responsible for daily system backups and assists with Linux server administration. She is involved in the development of a new version of Unitholder, Australian Ethical's database system.

In 2006 Jemma completed her PhD in Computer Science from the Australian National University. She worked as a system administrator for one year at a university in China before she started her PhD study.

Jemma is married and has two lovely kids. Her interests include cooking, reading and walking. However, she prefers to spend her free time with her kids.

# Water, climate change and investment

Australia is the driest inhabited continent in the world and is suffering perhaps the worst drought in more than 100 years.

Water shortage will have a major long term impact on investment in Australia. Investments are likely to be influenced by increased spending on infrastructure assets, the creation of tradeable water rights and introduction of water efficient consumer products, to name a few.

Although Australia is one of the driest places on earth it has placed great reliance on water resources for economic development, in particular in rural areas. Overuse of water resources has elevated the real problem of water scarcity. Awareness of this has increased as the effects of climate change become harder for politicians and the media to ignore.

By 2030 rainfall in major capitals could drop by 15% because of climate change. Perth could lose up to 20% of rainfall according to a 2001 CSIRO report. At the same time rising temperatures will increase evaporation, making water stored in reservoirs a vanishing resource. Population pressures will simply exacerbate the problem.

## How we use our water

Of the water available for Australians to use, one quarter of the rivers and lakes are already allocated for drinking, irrigation and agriculture, and a third of underground water is pumped to the surface and used for the same purposes.

Since the 1930s water diversions from the Murray-Darling Basin have increased threefold and farming intensity and output has also increased. Recent figures from the Australian Bureau of Statistics confirm that of water consumed in Australia:

- up to 70% is used by agricultural irrigators;
- industry demand varies between 5-10% depending on region; and
- approximately 25-30% can be attributed to households.

Water catchments are hovering around 30% of capacity in many major cities. Recycled water is about to become a reality in Queensland following a recent

Government announcement. And in NSW a tender process has begun for a desalination plant in Sydney.

Talk of new dams and desalination plants do not address the problem of current water consumption levels. Rather, it attempts to maintain inappropriate consumption. Perth's new desalination plant will contribute only 17% of the city's water while consuming enormous amounts of electricity. Less often considered solutions are water recycling and stormwater harvesting.

Whatever the approach, infrastructure is going to be a rapidly developing area, and some will be suitable for Australian Ethical to invest in, but this does not provide a complete answer either. Desalination plants, for example, are capable of desalinating megalitres of sea water each day but the root cause also needs to be addressed: over consumption and unsustainable water management techniques. We need to learn to do more with less water as climate change takes hold.

## What we can do

Each of us can act within our circle of influence to make a change. The simplest and most reliable solution is to reduce consumption and lower the demand for water. Australians need to start treating water as the precious resource that it is and, for instance, consider the best kinds of crops to grow on farms, especially in marginal areas. For example, should cotton be grown on Australian farms?

Similarly water needs to be priced at its true value. This should factor in infrastructure costs, maintenance costs, water quality and, most importantly, account for the natural capital that water provides to the whole planet and its inhabitants. Inevitably the price of water will continue to rise.

In cities like greater Sydney 70% of water is used domestically and two thirds is used inside the home. So there are easy ways to effect change on a personal level, for example by replacing showerheads with low-flow heads – which save both energy (hot water) and water (reduced flow). Ultra efficient toilets with dual flush can use as little as 3 litres of water per flush compared with up to 11 litres for a standard toilet. The

Water Efficiency Labeling and Standards scheme provides an indicator of the performance of fixtures and appliances, see [www.waterrating.gov.au](http://www.waterrating.gov.au).

Households can benefit from the rebates available when purchasing rainwater tanks for household use. Planting drought tolerant species of plants and using thick mulch can reduce water demand in gardens.

Ethical investments in water saving technologies can be seen in our support of Australian companies like Envirozel, and until they recently sold their product range, CDS Technologies.

CDS Technologies developed a non-powered, self cleaning alternative to traditional storm water screening systems. The development of this Australian invention made CDS Technologies a market leader in stormwater pollution control.

Other CDS products treat stormwater, and even raw sewerage to 'Class A' level, suitable for most forms of re-use.

Envirozel's activities are focused on efficient use of water. They manufacture roof drainage systems that promote water reuse, and produce membrane-based water treatment systems for effluent and runoff. In Australia 97% of city runoff and 86% of effluent water is currently unproductive.

Water will no doubt be a key area for debate in investment circles in Australia as we face a future of water scarcity and climate change over the course of this century.



CDS Unit, courtesy of CDS Technologies

# Key performance indicators to 28 February 2007

TRUST	FUND SIZE \$M	1 YEAR RETURN %	3 YEAR RETURN %p.a.	5 YEAR RETURN %p.a.	SINCE INCEPTION %p.a.	INCEPTION YEAR
Income	22.2	5.1	5.1	5.1	4.6	1997
Balanced	224.5	10.2	12.3	10.1	8.3	1989
Large Companies	129.8	15.9	19.7	14.4	13.2	1997
Equities	169.7	21.8	18.9	13.1	11.5	1994
<b>SUPER</b>						
Income	10.2	4.4	4.3	4.2	3.9	1998
Balanced	101.1	9.4	11.3	8.9	9.2	1998
Large Companies	52.6	14.7	18.2	13.0	13.8	1998
Equities	70.1	20.1	17.4	11.4	12.4	1998
<b>PENSION</b>						
Income	<1	5.2	4.9	5.1	5.1	1999
Balanced	10.9	10.4	12.5	9.9	10.0	1999
Large Companies	3.3	16.3	19.5	14.0	12.9	1999
Equities	3.3	22.4	18.9	12.3	12.8	1999

**Past performance is not a reliable indicator of future performance.** Total returns are calculated using exit prices. Total returns take into account ongoing management fees and trust or fund expenses, except that the annual super fund member fee of \$41 is not included. For the trusts, total returns are calculated as if distributions of income have been reinvested. They do not take into account tax that may be payable on the distribution of income. For the fund, total returns are calculated taking into account taxation on fund earnings and capital gains. Neither the return of capital nor the performance of a trust or the fund is guaranteed. Figures showing a period of less than one year have not been adjusted to show an annual total return. Figures for periods of greater than one year are on a per annum compound basis. The latest available performance figures can be obtained from our website [www.austethical.com.au](http://www.austethical.com.au) or by calling 1800 021 227. Units in the trusts are offered and issued by Australian Ethical Investment Ltd (AEI) ABN 47 003 188 930, AFSL 229949. Interests in the superannuation fund are offered by AEI and issued by the trustee of the fund, Australian Ethical Superannuation Pty Ltd ABN 43 079 259 733, RSEL L0001441. Product disclosure statements are available from our website [www.austethical.com.au](http://www.austethical.com.au) or by calling 1800 021 227 and should be considered before deciding whether to acquire, or continue to hold, units in the trusts or interests in the fund.

## International stock profiles\*

### Arriva Plc

Arriva Plc is a leading European transport services organisation, operating a fleet of nearly 13 000 vehicles and employing nearly 33 000 people. The Group reduces the environmental impact of operations by using a range of fuels, including ultra low sulphur diesel and compressed natural gas. The company delivers around one billion passenger journeys across eight European countries annually.

### Interface Inc

Under the leadership of its charismatic founder and chairman Ray Anderson, the last decade has seen Interface transform itself from a simple carpet manufacturer into one of the world's leading exponents of sustainable business practice. The company has revolutionised its manufacturing processes generating a range of positive environmental outcomes including reductions in waste and energy use, increased use of renewable energy and recycled content, and reduced overall greenhouse gas emissions. In 2004 the company became a corporate member of the National Minority Supplier Development Council, with a policy to actively seek out diverse suppliers, including small, minority-owned, women-owned, disabled-owned, and veteran-owned businesses, and encourage them to become a part of the Interface supply chain.

### Conergy AG

Conergy AG is a solar energy company headquartered in Hamburg, Germany. The company's 800 employees manufacture products under two broad headings: Photovoltaics, including solar panels, mounting systems and power inverters; and Solar Thermal, including flat plate collectors, pump assemblies and storage tanks. Conergy covers all main stages of the solar value chain to provide products to solar wholesalers, installers, owners of commercial or private roofs, and investors in solar funds. The company aim is to offer every energy consumer worldwide the most suitable technologies in those markets where renewable energy is an attractive option.



\*USE OF INVESTMENT EXAMPLES: By including the investment examples in this newsletter, we seek to further our transparency to investors and inform you about the nature of the Australian Ethical trust portfolios. The examples are provided by way of illustration only and you must not treat them as advice or recommendations about any particular item or asset class.

AIM HIGH is published by Australian Ethical Investment Ltd, whose directors appreciate feedback of all kinds. Please make your views known to them.

Printed on 100% recycled paper using vegetable based inks.

POST GPO Box 2435 Canberra ACT 2601

TELEPHONE 1800 021 227

FACSIMILE 02 6201 1987

EMAIL [trustadmin@austethical.com.au](mailto:trustadmin@austethical.com.au)

WEB [www.austethical.com.au](http://www.austethical.com.au)

*Please note our new contact details!*