
Ethical Investment Mid-Cap Portfolio

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About this Managed Portfolio Disclosure Document

This Managed Portfolio Disclosure Document (Disclosure Document) has been prepared and issued by Diversa Trustees Limited (ABN 49 006 421 638, AFSL 235153, RSE Licence No. L0000635) (Trustee, we, us) as Trustee of the HUB24 Super Fund (ABN 60 910 190 523, RSE R1074659) (Fund).

The information contained in this Disclosure Document is incorporated by reference into the Product Disclosure Statement Part I and Part II (PDS) for the Fund and should be read in conjunction with the PDS, Additional Information Booklet, Investment Booklet, individual insurance policies (as applicable) and the relevant underlying disclosure documents (if any) for each investment option.

This Disclosure Document is intended only for the purpose of providing an overview of the key features of the managed portfolio available through the Fund. The information contained in this Disclosure Document is not intended to be a definitive statement nor an endorsement that this managed portfolio is appropriate for you, and should not be solely relied upon in making a decision to invest.

All dollar amounts are in Australian dollars unless otherwise indicated. All fees include GST (where applicable) unless otherwise specified. Information in this document is subject to change from time to time. Other fees and costs apply. To understand all the fees payable when you select a particular investment option, you must refer to the PDS (including the information incorporated into the PDS) and the product disclosure statement (or other disclosure document) for the investment option. Refer to Part II of the PDS and, if applicable, the disclosure document for the particular investment option(s) for details.

This managed portfolio is comprised of a number of underlying financial products. By selecting this managed portfolio, you instruct the Administrator to purchase on your behalf the underlying financial products that make up the managed portfolio.

Any statement made by a third party or based on a statement made by a third party in this Disclosure Document has been included in the form and context in which it appears with the consent of the third party, which has not been withdrawn as at the date of this Disclosure Document.

General Advice Warning

The information in this Disclosure Document is general information only and does not take into account your personal objectives, financial situation, needs or circumstances. Before acting on this information, you should consider its appropriateness, having regard to your personal objectives, financial situation, needs and circumstances.

Before making an investment decision about the product, including about whether to acquire or continue to hold the Ethical Investment Mid-Cap Portfolio, you should consider the PDS (including incorporated information). These documents are available free of charge by contacting your financial adviser or the Administrator or through the product website shown in the front cover of the PDS. When designing the portfolio, the portfolio manager does not take into account any potential investor's investment objectives, financial situation or needs.

You should also consider the product disclosure document (or other disclosure document) for any underlying investment acquired under this managed portfolio before making any investment decision. Upon request, your financial adviser must give you (free of charge) a copy of this documentation.

If you'd like to request a free printed copy of this Disclosure Document or have any questions or would like any more information about the Fund or the Ethical Investment Mid-Cap Portfolio, please contact your financial adviser or HUB24 Custodial Services Limited (ABN 94 073 633 664, AFSL 239122) (HUB24, Administrator).

Eligibility

You can only invest in the Fund if you are advised by a financial adviser (adviser), unless otherwise approved by us, so you can receive financial advice for each investment you are considering, including investments held through the managed portfolio described in this Disclosure Document.

Managed portfolio	Ethical Investment Mid-Cap Portfolio
Portfolio manager	The portfolio manager is Ethical Investment Advisers Pty Ltd (ABN 26 108 175 819, AFSL 276544) ('Ethical Investment Advisers'). The portfolio manager is responsible for designing and managing the composition of this managed portfolio to meet the investment objectives and investment strategy detailed below.
Execution of investment strategy	<p>HUB24 has been appointed by the Trustee to provide various services in relation to the Fund, including promoter, administration, investment management and custody services.</p> <p>HUB24 is responsible for implementing the investment instructions of the portfolio manager by buying and selling shares, taking into consideration timing, trading costs (such as brokerage and currency costs, if applicable) and the mandate of the portfolio. HUB24 has the right to vary the managed portfolio, as set out in the Additional Information Booklet.</p> <p>By investing in this managed portfolio, you instruct HUB24 to buy and sell on your behalf the underlying financial products that make up the managed portfolio as advised by the portfolio manager</p>
Code	EIA001
Inception date	25/05/2015
Minimum initial investment amount	No minimum
Holding limits	<p>Up to 100% of your account</p> <p>For more information refer to 'Investment Holding Limits' in the Investment Booklet.</p>
Designed for	<p>The Ethical Investment Mid-Cap Portfolio is designed for investors who want:</p> <ul style="list-style-type: none"> - access to predominantly small and mid-cap stocks which meet their ethical requirements; and - a mixture of long-term growth opportunities and income.
Investment objective¹	The objective of the Ethical Investment Mid-Cap Portfolio is to outperform the S&P/ASX All Ordinaries (TR) index over rolling 5 year periods, while providing investors with access to predominantly small and mid-cap stocks which meet environmental and socially responsible standards. The portfolio can also hold largecap stocks when considered suitable. Risk will be managed by ensuring the portfolio is well diversified across sectors.
Investment strategy	<p>Ethical Investment Advisers utilises a two stage screening process for the portfolio. Firstly, a negative screen is applied to companies which are involved in harmful environmental activities and socially hazardous activities such as tobacco and weapons manufacture, uranium or other mining, fossil fuels, coal seam gas or gambling. Companies which do not pass the negative screen are excluded from the portfolio. Secondly, a positive screen is applied to companies which are involved in positive environmental activities or which provide benefits to society, such as healthcare, energy efficiency, recycling, renewable energy, fair trade, community finance and social welfare. All companies which pass the negative screen will be considered for investment.</p> <p>Refer to the 'Investment strategy and process' section below for further details.</p>

¹ The investment objective is expressed before the deduction of investment management fees and tax.

Investment universe

The Ethical Investment Mid-Cap Portfolio invests across a diversified range of Australian shares, Listed Investment Companies (LIC), Exchange Traded Funds (ETF), and Real Estate Investment Trusts (REIT's) and cash. The portfolio does not invest in derivatives.

Benchmark

S&P/ASX All Ordinaries (TR)

Asset allocation ranges

	Minimum	Maximum
Australian shares	80%	100%
Cash	0%	20%

Portfolio income

All income derived from this portfolio will be retained in the portfolio.

Typical number of securities

25-50 stocks

Turnover aim

The aim of the portfolio is to keep turnover to a minimum. Turnover is generally expected to be in the range of 20% to 40% p.a.

Minimum suggested timeframe

5 years

Risk level (Standard Risk Measure)

High. The estimated likelihood of a negative annual return is 4-6 years in 20 years.

The Standard Risk Measure is a way of describing the level of risk of different investment options and provides a guide on the expected number of negative annual returns over any 20-year period. It does not consider all form of investment risk. Please refer to the Investment Booklet for more information about the Standard Risk Measure.

Investment fee**- Investment management fee**

0.66% p.a.inclusive of GST of the balance in the managed portfolio.

The investment management fee is calculated as a percentage of the managed portfolio calculated daily and deducted from your cash account monthly in arrears.

This fee is paid to HUB24 and is used to remunerate the portfolio manager for its services in relation to the Fund and to meet the cost of asset consulting and investment management services associated with the portfolio. This fee is not paid to your adviser. This fee will only be deducted where you have consented to the amount of the fee and its deduction from your cash account. If you do not provide your consent you cannot invest via this portfolio.

- **Investment performance fee**

N/A

Other fees and costs

In addition to the Investment fee described above, there may be other fees and costs relating to the underlying investments that make up the managed portfolio, including, but not limited to, a cash management rate² and transaction fees.

For more information refer to Part II of the Super PDS and, if applicable, the product disclosure document (or other disclosure document) for any underlying investments acquired under this managed portfolio.

² A cash management rate will apply to the cash account portion you hold in this managed portfolio. The cash management rate is the amount that the Administrator earns from its cash management activities and is not a separate fee payable by you. Refer to Part II of the Super PDS for more information.

About the portfolio manager

Ethical Investment Advisers Pty Ltd

Ethical Investment Advisers are passionate about offering advice on ethical investment choices to all investors. At present, they help clients from around Australia and overseas. Ethical Investment Advisers believe everyone should be able to invest according to their values.

The vision of Ethical Investment Advisers is to help all investors incorporate their values with their investment objectives. By integrating the social, environmental and financial aspects of an investment, they believe that a more sustainable investment return is possible.

The directors of Ethical Investment Advisers have been ethical investment specialists since the 1990's. In 2004, they decided to establish Ethical Investment Advisers, so that they could offer specialist advice on ethical investing.

Investment strategy and process

Investment philosophy and process

Ethical Investment Advisers aims to provide investors with access to a portfolio of stocks which meet environmental and socially responsible standards.

Ethical Investment Advisers screen investments on environmental and social grounds, utilising Environmental, Social and Governance (ESG) research from CAER, additional ethical research from Eco Investor, as well as their own internal research.

In addition, Ethical Investment Advisers access financial research from a number of brokers and research houses.

Investment approach

The ethical screening process for the portfolio has two stages. Firstly, a negative screen is applied to companies which are involved in harmful environmental activities and socially hazardous activities such as tobacco and weapons manufacture, uranium or other mining, fossil fuels, coal seam gas or gambling. Companies which do not pass the negative screen are excluded from the portfolio.

Secondly, a positive screen is applied to companies which are involved in positive environmental activities or which provide benefits to society, such as healthcare, energy efficiency, recycling, renewable energy, fair trade, community finance and social

welfare. All companies which pass the negative screen will be considered for investment.

A diversified portfolio of between 25 and 50 stocks will be maintained. The manager will show a tendency toward small and mid-cap stocks, however large -cap stocks can also be added when suitable.

Ethical Investment Advisers continuously monitor all investments to ensure they continue to meet their environmental and socially responsible standards. If a company contravenes the ethical screening process, the Ethical Investment Advisers will attempt to divest as soon as prudently possible.

All stocks must have a market cap greater than \$50m and the portfolio will also have the following restrictions:

- a maximum weighting of 25% for each share within the ASX Top 10;
- a maximum weighting of 20% for each share within the ASX300;
- a maximum weighting of 5% for each share outside the ASX300.

Undervalued stocks and stocks with above-average growth potential can be added to the portfolio once they pass the ethical screening process.

Environmental, Social and Governance (ESG) practises are also taken into account when identifying potential stocks for the portfolio.

The portfolio will be well diversified at all times by investing across many market sectors as well as property investments and companies with international revenues.

Ethical Investment Advisers continuously monitors the portfolio and makes changes to the investments as required. However, the underlying investment strategy is to find good companies at good prices and invest for the long-term.

How the portfolio manager manages risk?

The portfolio manager is unable to eliminate all investment risks, but does analyse, research, manage and aim to reduce the impact of risks on investments by actively monitoring investment markets and the portfolio and use carefully considered investment and risk management guidelines.

Labour standards and environmental, social and ethical considerations

The Trustee does not take into account labour standards, environmental, social or ethical considerations when making the investments available.

This investment strategy directly measures and incorporates labour, environmental, social and ethical standards as part of the investment decision making process. Negative screens are put in place to exclude companies which are involved in harmful environmental activities and socially hazardous activities such as tobacco and weapons manufacture, uranium or other mining, fossil fuels, coal seam gas or gambling. The portfolio manager is aware that these issues can influence social, business and investor outcomes, and consider these issues when making an investment decision. The portfolio manager's consideration of labour, environmental, social or ethical considerations is in its own right and not on behalf of the Trustee. See the 'Investment Strategy and process' section in this Disclosure Document for more information around the portfolio manager's consideration of labour, environmental, social or ethical considerations.

The underlying investment managers of this managed portfolio, as chosen by Ethical Investment Advisers, may take labour standards or environmental, social or ethical considerations into account when making investment decisions but do so in their own right.

Risks

Before you consider investing in this portfolio, it's important you understand the risks that can affect your investments.

A summary of key risks is in the PDS. See the 'Risks' section in the PDS. Please note this is not an exhaustive list of all the risks. The risks relevant to this portfolio reflect the underlying investments. For information about risks with regard to your personal situation speak to your adviser.

Trade notifications

HUB24 may send you an email notifying you of a set of pending investment instructions if the portfolio manager is planning to perform a rebalance or reallocation on your investment. This is called a 'trade notification'.

The specific details of the investment instructions will be set out on InvestorHUB. You have a minimum of 24

hours from the time and date of the trade notification to cancel these pending investment instructions.

If you do not respond or take any action in relation to the pending investment instructions, the portfolio manager will submit the investment instructions on or around 10.00 am the next business day. If you opt out (i.e. do not consent) to the portfolio manager's proposed rebalancing or reallocation your investment in the managed portfolio will be withdrawn and be deposited into your cash account.

If you cannot contact your adviser to cancel the pending investment instructions, you can give HUB24 verbal and/or written instructions directly, as long as the verbal and/or written instructions are received by HUB24 within the time frame mentioned above. The rebalance and reallocation of managed portfolios may occur regularly and you may receive a trade notification each time a rebalance or reallocation occurs.

Note: The trade notification feature has been developed to provide transparency and the right to veto any pending investment instructions within the agreed timeframe with your adviser or HUB24.

Universe of investments

A managed portfolio can only be made up of asset classes and underlying assets and securities from the approved list of investments in the Fund.

The portfolio manager will select from the approved list to construct this managed portfolio.

The actual list of assets and securities acquired in all of the above asset categories will be set out in your Statement of Advice.

By investing in this managed portfolio, you instruct HUB24 to buy and sell on your behalf the underlying financial products that make up the managed portfolio as advised by the portfolio manager.

Contact details

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