



Ethical
Managed Funds

Hunter Hall Investment Management Limited

*Regional Insight
from Australia's Leading
Ethical Fund Manager*

June 2010

The Hunter Hall Advantage

- Specialist focus on actively managed Australian, Asian and Global strategies
- Australia's largest dedicated ethical fund manager
- Manager of Australia's best performing fund over a 15 year period[^]
- Sole business and focus is asset management
- 17 year track record in responsible investments in undervalued companies
- Established and experienced investment team with an average 14 years experience
- Investment offices in Sydney and London
- \$1.8b assets under management

Hunter Hall Investment Management Limited (HHIML), is a leading Australian domiciled global equities manager and Australia's largest ethical fund manager. The company was founded in 1993 and today manages more than A\$1.9b (US\$1.7b) for over 29,000 investors.

Hunter Hall, through its unique deep value investment style, invests in undiscovered, under researched and out of favour international and Australian companies. Hunter Hall Investment Management is a fully owned subsidiary of Hunter Hall International Limited (HHL), a company which is publicly listed on the Australian Securities Exchange (ASX).

HHIML offers its investment capabilities through four ethically screened investment Trusts, a superannuation fund and also manages Hunter Hall Global Value Limited (HHV), a Listed Investment Company, which is listed on the Australian Securities Exchange.

In addition, Hunter Hall offers the Hunter Hall International Ethical No.1 Fund (IEF), an offshore UCITS fund registered in Ireland and regulated by the Irish Financial Regulator.

Investment Management Team

Hunter Hall's investments are managed by a team of Portfolio Managers and supporting Analysts with an average of 14 years investment experience. The team, led by Executive Chairman and

Chief Investment Officer Peter Hall, is located in Sydney and London and has a broad range of global investment experience.

The Investment Team is structured as a Federation of Portfolio Managers. This means that each Portfolio Manager is responsible for managing an individual portfolio of their best stock ideas. These portfolios are then aggregated to establish the various Trusts' final portfolios. Portfolio Managers carry full authority and full accountability for their individual portfolios within a set of risk controls, and their remuneration is strongly linked to the performance of their investments.

Investment Philosophy

Hunter Hall's investment portfolios are managed using a deep value investment philosophy based on fundamental analysis of individual companies.

Analysis is focused on assessing the economics of a business and its cash generation potential, return on operating capital, forward capital expenditure, balance sheet strength and growth potential. This allows for a careful assessment of the intrinsic value of a stock and then investing at a price well below that value, in the expectation that the share price will rise towards intrinsic value over time.

We believe that buying at a discount to intrinsic value reduces risk and allows greater potential reward. This is a fundamental part of our investment philosophy, which we believe exposes investors to less risk than the market whilst at the same time increasing the investor's probability of earning above market returns.

Portfolio Structure

As a result of our investment philosophy, investment is generally focused on small and medium sized global manufacturing, service and distributions businesses. In general, it is these stocks which fulfil the Investment Team's criteria of undervalued shares and high quality businesses.

Hunter Hall's portfolios generally comprise between 50 and 100 stocks. The total cost of an investment in any one company will not exceed 15% of the book value of each portfolio.

The Portfolio Managers also apply country and regional limits to their portfolios.

Hunter Hall Product Summary

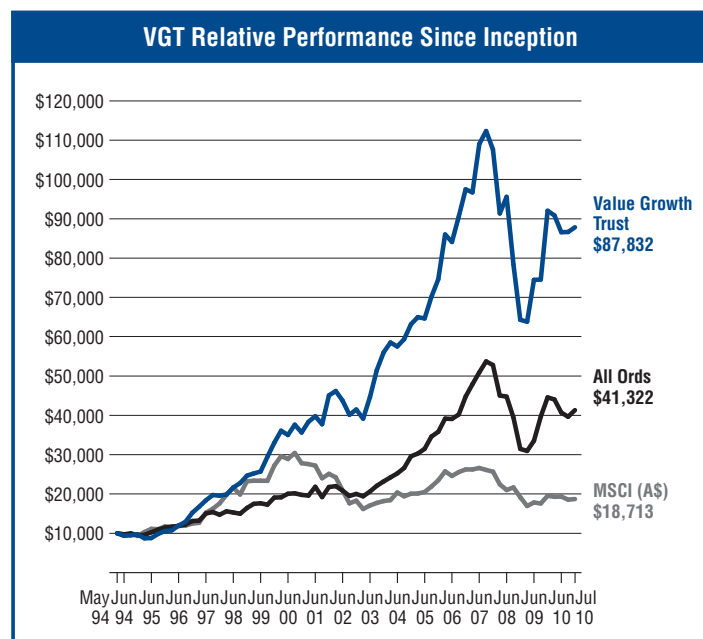
| | Hunter Hall Value Growth Trust (VGT) | Hunter Hall Global Ethical Trust (GET) | Hunter Hall Australian Value Trust (AVT) | Hunter Hall Global Deep Green Trust (GDG) | Hunter Hall Global Value Limited (HHV) | Hunter Hall International Ethical Fund (IEF)* |
|--|--------------------------------------|--|--|---|--|---|
| Date of Inception | 2 May 1994 | 29 November 2001 | 29 November 2001 | To be launched H2 2007 | 19 March 2004 | 31 December 2002 |
| Investment Universe | Global | Global (excluding Australia & New Zealand) | Australia & New Zealand | Global | Global | Global |
| Fund Currency | AUD | AUD | AUD | AUD | AUD | USD |
| Currency Hedging | Yes | No | No | Yes | Yes | No |
| Ethical Screen | Negative Screen | Negative Screen | Negative Screen | Positive Screen | Negative Screen | Negative Screen |
| Fund Size (A\$) | \$1,097m | \$314.7m | \$86.3m | \$8.9m | \$273.9m ¹ | \$25.1m |
| Compound Annual Returns to 31/07/10 | | | | | | |
| Fund since Inception | +14.3% | +3.7% | +9.6% | -2.9% | +5.7% | +10.5% ² |
| MSCI since inception | +3.9% | -3.3% | +7.9% | -11.3% | +0.2% | +6.8% ² |
| AOAI since inception | +10.4% | +7.0% | +1.7% | +8.4% | +5.5% | +3.7% |

*The IEF is a UCITS3 product. 'MSCI World': MSCI World Total Return Index, Net Dividends Reinvested = VGT, GET, HHV Benchmark in A\$ and IEF Benchmark in US\$. 'AOAI': Australian All Ordinaries Accumulation Index = VGT Benchmark for Performance Fee calculation and AVT Benchmark. 1 Pre-tax Net Tangible Assets to 30/06/07. 2 Returns in US\$.

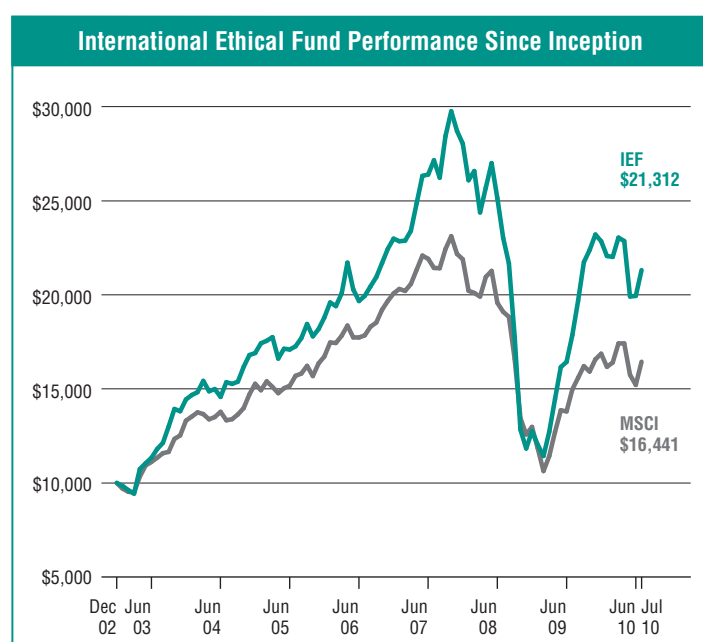
[^] Performance of the VGT, compound annualised return. Source: Morningstar.

Performance Track Record

Over its 16 year history, Hunter Hall has built a reputation as one of Australia's best performing fund managers. Hunter Hall's flagship fund, the Hunter Hall Value Growth Trust (VGT) achieved compound annual Australian Dollar returns of 14.3% (US dollar: 16%) from its inception on 2 May 1994 to 31 July 2010. In comparison, world markets as represented by the MSCI World Total Return Index, Net Dividends Reinvested, produced compound annual Australian dollar returns of 3.9% (US dollar: 5.5%) over the same time period.



The graph above illustrates the value of a net investment of A\$10,000 invested in the VGT on 2 May 1994, compared to a net investment of A\$10,000 in the MSCI World Total Return Index, Net Dividends Reinvested in A\$. The VGT result is net of fees including, but not limited to, the management fee of 1.6% per annum and the 15% performance fee.



All Hunter Hall portfolios are managed using the same investment methodology and process as the successful VGT.

The Hunter Hall International Ethical Fund (IEF) a clone of the VGT, with slight changes to meet UCITS3 requirements.

The IEF achieved compound annual US Dollar returns of 10.5% (Euro: 3.7%) from its inception on 18 August 2008 to 31 July 2010. In comparison, world markets as represented by the MSCI in US\$ produced compound annual US returns of 6.8% (Euro: -0.3%) over the same time period.

Ethical Investment Policy

Hunter Hall is committed to the concept of 'responsible investing'. We believe that investors should know that their funds are not supposed to support activities that the Directors of Hunter Hall consider unethical or irresponsible.

Hunter Hall implements its ethical policy by restricting investment in businesses that are, in its opinion, involved in activities that are harmful to people, animals and the environment. Specifically, this involves the use of a 'negative screen' which restricts investment in companies that derive operating revenues from direct and material business involvement in the manufacture or sale of weapons and weapons components, tobacco manufacture, gambling outlets or systems, intensive animal farming, animal testing for cosmetics, activities that give rise to human rights violations, unremediated destruction of the environment and uranium mining and nuclear reactors.

Principles

Hunter Hall's principles of kindness, excellence, respect, integrity and generosity are reflected throughout the company by way of the daily activities of the business. Employees are involved with various charitable organisations and the company makes annual charitable donations by way of the Hunter Hall Shareholder Nominated Charitable Donations Scheme.

The Hunter Hall Global Deep Green Trust complies with the above screen and further applies the following exclusions:

- the nuclear power industry,
- biofuels that are produced in a way that contributes to an unsustainable reduction in biomass and biodiversity,
- any countries that support commercial whaling
- any country which is developing nuclear weapons or weapons of mass destruction, and
- any country which conducts systemic abuse of human rights.

Charitable Giving

As part of Hunter Hall's ethical investment policy, HHL, our parent company, donates 5% of its pre-tax profits to charities or charitable purposes.

The Hunter Hall Shareholder Nominated Charitable Donations Scheme allows HHL Shareholders, on a basis proportional to the number of shares they own, to nominate Australian registered charities for the receipt of donations. For the year to 30 June 2010 HHL donated over A\$1m (US\$0.9m) to various charitable causes, bringing the total amount of charitable donations to A\$7.4m (US\$6.7m) since listing on the ASX in February 2001.



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Important Information:

Hunter Hall Investment Management Limited is incorporated and registered in Australia and holds an Australian Financial Services Licence issued and regulated by the Australian Securities and Investments Commission. Initial applications for units in the Hunter Hall Trusts can only be made on an application form attached to the current Product Disclosure Statement (PDS) for the Hunter Hall Value Growth Trust, Global Ethical Trust and Australian Value Trust. Copies of the PDS may be obtained from Hunter Hall Investment Management Limited or Hunter Hall International (UK) Limited.

The Hunter Hall International Ethical No. 1 Fund (IEF) is an umbrella fund incorporated as a variable capital investment company in Ireland, with the registered number of 353073, and authorised by the Irish Financial Services Regulatory Authority under the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2003, as amended. Initial applications for shares can only be made on an Application Form attached to the current Prospectus of the Hunter Hall International Ethical No.1 Fund. Copies of the PDS may be obtained from Hunter Hall Investment Management Limited, Hunter Hall International (UK) Limited or Bank of Ireland Securities Services Limited.

Investment returns have been calculated in accordance with normal industry practice utilising movements in Net Asset Value per share and assuming reinvestment of all distribution of income and realised profits. Changes in exchange rates may have an adverse effect on the value price or income of the IEF. Hunter Hall Investment Management Limited or any related entity does not guarantee the repayment of capital or any particular rate of return from the Trusts or the Fund. Past performance is no guarantee of future performance and may not be a reliable guide to future performance. This document does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered as investment advice and should not be relied on as an investment recommendation.