

3 November 2017

Dear Fellow Shareholder,

**Morphic Ethical Equities Fund Limited – Notice of Annual General Meeting**

It is my pleasure to invite you to our inaugural Annual General Meeting (**AGM**) as an ASX listed company.

The AGM will be held at 11.00 am on Tuesday, 5 December 2017 at **Room 1.17, Level 1, Karstens Conference Centre, 111 Harrington Street, Sydney**.

The AGM will be followed by a presentation from the Company's investment manager, Morphic Asset Management, on investment performance.

At the AGM you will be asked to vote on the items included in the attached Agenda and can raise any questions you may have regarding the Company with the Board and Morphic's investment management team.

Enclosed are the following:

1. Our Agenda for the AGM, Explanatory Notes and some important information about how you can vote on the items on the Agenda.
2. Proxy Form.

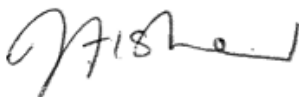
Our 2017 Annual Report will be sent to you shortly (if you have elected to receive a printed copy). The Annual Report will also be available on Morphic's website at [www.morphicasset.com](http://www.morphicasset.com).

I recommend that you read these documents carefully. If you are unable to attend the meeting, we invite you to appoint a proxy to vote on your behalf using the enclosed Proxy Form.

If you plan to attend the meeting, please bring the enclosed Proxy Form to facilitate your registration which will commence at 10.30 am. You are then invited to join the Board for refreshments at the conclusion of the AGM.

I look forward to welcoming you at the AGM.

Yours faithfully,



JoAnna Fisher  
Chairman

## Notice of Annual General Meeting 2017

Notice is given that the inaugural Annual General Meeting of Morphic Ethical Equities Fund Limited ABN 52 617 345 123 (**Company**) will be held as follows:

**Date and Time:** 11.00am (AEDT) Tuesday, 5 December 2017

**Venue:** Room 1.17, Karstens Conference Centre  
Level 1, 111 Harrington Street  
Sydney NSW 2000

## Agenda

### General Business

#### Consideration of Financial Statements and Reports

To receive the Financial Report, Directors' Report and Auditor's Report for the Company for the financial year ended 30 September 2017.

There is no requirement for shareholders to approve these reports.

#### Resolution 1: Remuneration Report

To receive, consider and, if thought fit, to pass the following resolution as a non-binding ordinary resolution:

*"That the Remuneration Report of the Company (which forms part of the Directors' Report) for the financial year ended 30 September 2017 be adopted."*

Please note that the vote on the Remuneration Report is advisory only and does not bind the Directors or the Company.

***Note: A voting exclusion applies to this resolution.***

#### Resolution 2: Re-election of JoAnna Fisher as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Ms JoAnna Fisher, who retires by rotation in accordance with rule 6.7 of the Company's Constitution and, being eligible, offers herself for re-election, be re-elected as a director of the Company."*

#### Resolution 3: Re-election of Jack Lowenstein as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Mr Jack Lowenstein, who retires by rotation in accordance with rule 6.7 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."*

#### Resolution 4: Appointment of Auditor at First AGM

To consider and, if thought fit, to pass the following as an ordinary resolution:

*"That for the purposes of section 327B of the Corporations Act (Cth) 2001 and all for all other purposes, Pitcher Partners, having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor be appointed as auditor of the Company, on the terms and conditions set out in the Explanatory Memorandum with effect from the close of the meeting."*

**By the Order of the Board**

A handwritten signature in black ink, appearing to read "J. O'Donnell", written in a cursive style.

Justin O'Donnell  
Company Secretary  
3 November 2017

# Voting Information

## Explanatory Notes

The Company's shareholders should read the Explanatory Notes accompanying, and forming part of, this Notice of Meeting for more details on the resolutions to be voted on at the Meeting. The information provided is intended to assist shareholders in understanding the reasons for and the effect of the resolutions, if passed.

## Proxies

If you are unable to attend and vote at the Meeting and wish to appoint a person who is attending as your proxy, please complete the enclosed Form of Proxy. The instrument appointing a proxy must be in writing under the hand of the appointer or their attorney duly authorised in writing, or if such appointer is a corporation, under its common seal or under the hand of its duly authorised officer or attorney.

A shareholder entitled to attend and vote is entitled to appoint a proxy and if entitled to cast two or more votes at the Meeting, may appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If no such proportion or number is specified, each proxy may exercise half of the shareholder's votes. A proxy can be an individual or a body corporate and need not be a member of the Company.

Subject to any applicable voting restrictions, where an appointment specifies the way the proxy is to vote on the resolution:

- the proxy is not required to vote on a show of hands, but if the proxy does so, the proxy must vote that way;
- if the proxy has two or more appointments that specify different ways to vote on the resolutions, the proxy must not vote on a show of hands;
- if the proxy is not the Chairman, the proxy need not vote on a poll but if the proxy does so, the proxy vote must vote that way; and
- if the proxy is the Chairman, the proxy must vote on a poll and must vote that way.

In addition, there are now some circumstances where the Chairman will be taken to have been appointed as a shareholder's proxy for the purposes of voting on a particular resolution even if the shareholder has not expressly appointed the Chairman as their proxy. This will be the case where:

- the appointment of proxy specifies the way the proxy is to vote on a particular resolution;
- the Chairman is not named as the proxy;
- a poll is being called on the resolution; and
- either of the following applies:

(i) the proxy is not recorded as attending the Meeting; or

(ii) the proxy attends the Meeting but does not vote on the resolution.

Shareholders should consider directing their proxy as to how to vote on each resolution by crossing either a "For" or "Against" box when lodging their proxy form to ensure that their proxy is permitted to vote on their behalf in accordance with their instructions.

The proxy form together with the authority (if any) under which it is signed or a notarially certified copy of that authority must be received at the Company's registered office or by the Company's share register, Computershare Investor Services Pty Ltd (Ph: 1300 850 505) no later than **11.00am (AEDT)**,

**Sunday, 3 December 2017.** Please note that the Company's registered office and the Company's share registry office are closed outside of regular business hours.

The completed Form of Proxy may be lodged:

ONLINE:	Share Registry	<a href="http://www.investorvote.com.au">www.investorvote.com.au</a> or by scanning QR Code found on the enclosed Proxy Form with your mobile device.
IN PERSON:	Share Registry	Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia
	Registered Office	Morphic Ethical Equities Fund Limited Level 3, 139 Macquarie Street, Sydney NSW 2000
BY MAIL:	Share Registry	Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001, Australia
BY FAX:	Share Registry	(within Australia) 1800 783 447 (overseas) +61 3 9473 2555

### Custodian Voting

For Intermediary Online subscribers only (custodians), please visit [www.intermediaryonline.com](http://www.intermediaryonline.com) to submit your voting intentions.

### Voting Entitlement Cut-offs

In accordance with section 1074E(2)(g)(i) of the *Corporations Act 2001* (Cth) and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purpose of the meeting, all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at **11.00 am (AEDT) on Sunday, 3 December 2017**. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the AGM.

## Explanatory Memorandum

### Introduction

This explanatory memorandum provides shareholder with important information in relation to each item of business for the AGM, including the proposed resolutions to be considered by shareholders of the Company.

### Financial Statements and Reports (Not voted on)

The Company's financial statements, together with the Directors' Report and the Auditor's Report for the financial year ended 30 September 2017 (**Reports**) will be laid before the AGM as required by section 317 of the Corporations Act. The Corporations Act does not require a vote of Shareholders on the Reports.

During this item of business, shareholders will be given reasonable opportunity to ask questions and make comments in relation to the Reports, and the business and management of the Company.

Shareholders will also be given reasonable opportunity to ask a representative of the Company's auditor, Pitcher Partners, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in preparation of the financial statements or the independence of the auditor in relation to the conduct of the audit.

### **Resolution 1: Remuneration Report**

Resolution 1 provides shareholders the opportunity to vote on the Company's Remuneration Report. Under section 250R(2) of the Corporations Act, the Company must put the adoption of its Remuneration Report to the vote at its AGM. The Remuneration Report forms part of the Directors' Report and is set out in the Company's 2017 Annual Report. The vote is advisory only and does not bind the directors or the Company.

If 25% or more of the votes cast are against the adoption of the Remuneration Report, the next Directors' Report must include an explanation of the Board's proposed action in response or, if the Board does not propose any actions, the Board's reason for inaction.

If 25% or more of the votes cast are against the adoption of the Remuneration Report at two consecutive AGMs, the Company will be required to put to shareholders at the second AGM a resolution on whether another meeting should be held (within 90 days) at which all directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election. If more than 50% of the votes are cast in favour of the resolution, a separate re-election meeting must be held within 90 days.

### **Voting Exclusions**

Section 250R(4) of the Corporations Act prohibits any votes being cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the key management personnel (**KMP**) of the Company (including the Directors and the Chairman) or a closely related party of that KMP. Their closely related parties are defined in the Corporations Act and include certain family members, dependants and companies they control.

However, such a person may cast a vote on Resolution 1 as a proxy for a person who is permitted to vote if:

- the appointment of the proxy specifies the way in which the proxy is to vote on the resolution; or
- such a person is the Chairman of the meeting and the appointment of the proxy expressly authorises the Chairman of the meeting to exercise the undirected proxies even if the resolution is connected with the remuneration of a member of the KMP.

The directors encourage all shareholders read the Remuneration Report and vote on this important resolution. The Chairman will vote all undirected proxies in favour of this resolution. If you wish to vote 'against' or 'abstain', you should mark the relevant box in the attached proxy form.

### **Recommendation**

The directors recommend that shareholders vote in favour of Resolution 1.

### **Resolution 2: Re-election of JoAnna Fisher as a Director**

Rule 6.7 of the Constitution requires that at every annual general meeting, one third, or the number nearest to one third (rounded up to the nearest whole number) of the Company's longest serving directors (**Retiring Directors**) since last being elected or re-elected, excluding any director appointed by the remaining directors to either fill a casual vacancy or as an addition to the existing directors,

must retire from office. Each retiring director is eligible for re-election in accordance with the Constitution.

The Board of directors has agreed for JoAnna Fisher to retire from office and to offer herself for re-election.

A summary of JoAnna Fisher's qualifications and experience is detailed below.

### **JoAnna Fisher**

JoAnna has a long-standing and international career in the financial sector in investment management, wholesale banking and capital markets.

She is presently a Member of the Investment Committee Australian Catholic Superannuation and Retirement Fund, a Member of the Finance Audit and Risk Committee of the Australian Chamber Orchestra and a Non Executive Director of Quantum Funds Management

She is a former General Manager – Strategy and Marketing for the Commonwealth Bank. She also spent 12 years at Bankers Trust Corporation in the USA, Japan, the UK and Australia, managing funds and developing the institutional funds management businesses.

Her more than 20 years of experience encompasses business performance improvement, governance, compliance and risk management.

She holds a Bachelor of Economics (Accounting) and Bachelor of Arts (Asian Studies), and is a graduate of the Australian Institute of Company Directors.

### **Recommendation**

The directors (other than the relevant director in relation to their re-election) recommend that shareholders vote in favour of Resolution 2.

### **Resolution 3: Re-election of Jack Lowenstein as a Director**

As noted above, Rule 6.7 of the Constitution requires one third of the Retiring Directors to retire from office at every AGM. Accordingly, a second director other than JoAnna Fisher must retire at this year's AGM.

The Board of directors has agreed for Jack Lowenstein to retire from office and to offer himself for re-election.

A summary of Jack Lowenstein's qualifications and experience is detailed below.

### **Jack Lowenstein**

Jack has 27 years experience in financial markets. Jack co-founded Morphic Asset Management in 2012 and is currently the firm's Joint CIO and Managing Director. He was previously Deputy Chief Investment Officer at Sydney based global equity manager Hunter Hall with responsibility for risk management and portfolio construction.

He joined Hunter Hall when it had just \$13m under management in 1997 and played a key role in building it to a peak of just under \$3 billion in FUM. In his ten years as a Portfolio Manager with Hunter Hall he generated substantial out-performance.

Prior to joining Hunter Hall, Jack had careers in corporate finance and as an international financial journalist and has been involved in the research and investment of global equities and other Securities for more than 30 years.

Jack has a BA and a MA from Oxford University and in 2009 he completed the three year part time Owner/President Management Course at Harvard Business School.

### **Recommendation**

The directors (other than the relevant director in relation to their re-election) recommend that shareholders vote in favour of Resolution 3.

### **Resolution 4: Appointment of Auditor at First AGM**

Pitcher Partners was appointed as the auditor of the Company by the Board (having received the required written consent from Pitcher Partners) in accordance with section 327A(1) of the Corporations Act on 8 March 2017. In accordance with section 327A(2) of the Corporations Act, that appointment will lapse at the Company's first AGM, and section 327B(1)(a) of the Corporations Act requires shareholders of the Company to approve the appointment of the auditor at the first AGM and thereafter fill a vacancy in the office of auditor at each subsequent AGM.

Accordingly, the Company is seeking the shareholders' approval of the appointment of Pitcher Partners as the Company's auditor. Pitcher Partners has been nominated for appointment as the Company's auditor by a member of the Company, as required by section 328B(1) of the Corporations Act. Pitcher Partners has provided its written consent to act as the auditor of the Company subject to Shareholder approval of this Resolution 4.

On passing of this Resolution, the appointment of Pitcher Partners as auditor of the Company will take effect at the close of this AGM.

### **Recommendation**

The Directors recommend that shareholders approve Resolution 4 for the appointment of Pitcher Partners as the Auditors of the Company.

### **Definitions**

**Annual Report** means the Directors' Report, the Financial Report and Auditor's Report for the year ended 30 September 2017.

**Auditor's Report** means the auditor's report on the Financial Report.

**AGM** means the annual general meeting convened by this notice of meeting including the accompanying explanatory memorandum and proxy form.

**Board** means the current Board of directors of the Company.

**Constitution** means the Company's constitution.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors' Report** means the annual directors' report prepared under Chapter 2M of the Corporations Act.

**Financial Report** means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

**Remuneration Report** means the Remuneration Report set out in the Directors' Report section of the Company's annual Financial Report for the year ended 30 September 2017.



## Lodge your vote:



**Online:**

[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

## For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

MEC

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

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### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 11:00am (AEDT) on Sunday 3 December 2017**

## How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

## Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

## Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

#### Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Morphic Ethical Equities Fund Limited hereby appoint

☐

the Chairman  
of the Meeting OR



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Morphic Ethical Equities Fund Limited to be held at Room 1.17, Level 1, Karstens Conference Centre, 111 Harrington Street, Sydney on Tuesday, 5 December 2017 at 11:00am (AEDT) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Item 1 (except where I/we have indicated a different voting intention below) even though Item 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Item 1 by marking the appropriate box in step 2 below.

### STEP 2

#### Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of JoAnna Fisher as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Jack Lowenstein as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Appointment of Auditor at First AGM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### SIGN

#### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date

/ /

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