

What is ethical investing

Ethical investment describes a process that incorporates environmental and social factors when selecting investments, in addition to the objective of achieving a competitive financial return.

Green is the new black

In Australia, responsible investing has more than quadrupled over the past three years, with nearly half of Australia’s assets under management now being invested through some form of responsible investment strategy.¹

The growth and adoption of responsible investment is being driven by a new generation of investors who want to align their investment and personal values. And the strong performance of ethical investing makes it possible to invest in a way that helps rather than harms the planet, without sacrificing returns.²

¹ Responsible Investment Association Australasia 2017, *Responsible Investment Benchmark Report 2017*.

² Responsible Investment Association Australasia 2017, *From values to riches, Charting consumer attitudes and demand for responsible investing in Australia*.

Who is Australian Ethical

Australian Ethical has been at the forefront of ethical investing in Australia since 1986.

- Leaders in ethical investing, managing \$2.7 billion for almost 50,000 members and investors as at March 2018
- Wide range of investment options that are focused on ethical, future-building businesses and assets
- Competitive investment performance, while ensuring that the companies we invest in are building a better future and not doing harm to the planet, people or animals.

Advocacy

We actively advocate for more ethical corporate behaviours and more transparent climate change impact reporting. We invest in and support those businesses who are leading the transition to the new economy, especially in the emerging technology, healthcare and renewable energy sectors.

Community grants

Since 2000 we’ve donated 10% of our profits (before bonus and grant expenses) to charities and not-for-profit organisations, which is distributed through the Australian Ethical Foundation. To date, we’ve donated more than \$2.2 million to help the planet, people and animals.

What makes us different

Ethical investing isn’t just a part of what we do – it’s everything we do. Unlike most of our competitors who adopt one or two ethical investment methods, Australian Ethical applies three methods to identify potential investments:



Negative screening – we avoid investment in industries which have a negative impact on society and the environment.



Positive screening – we proactively search for investments that contribute positively to society and the environment.



Corporate engagement – we connect with companies for the purpose of raising issues of concern and advocating positive change to company practices.

How we invest ethically

Our in-house Ethical Research team monitors companies for their ethical behaviours and environmental and social impacts. We won’t consider a company for its investment potential before it passes through our rigorous ethical assessment process. Once it does pass that hurdle, our investment team employs more than 100 years of combined investment expertise to manage investments on behalf of our clients.

“For 30 years Australian Ethical has proven you can make money while doing good.”

Phil Vernon, Managing Director
Australian Ethical Investment

Our Ethical Charter

Every investment we make must meet the requirements of our Ethical Charter, which remains unchanged since 1986. The Charter guides us to invest in companies that support the planet, people and animals, to ensure we don't cause unnecessary harm.

A deeper green

Australian Ethical has always gone beyond ESG (environmental, social and governance criteria) with its unique combination of ethical screening.

Our Charter has both positive and negative screens, which means we don't simply avoid companies with a negative impact but we proactively seek out companies that do good. Companies are selected for the benefits provided by their products and services and for the responsible management of their social and environmental impacts.

Good investments in areas such as:



Clean energy



Sustainable products



Medical solutions



Innovative technology



Responsible banking



Healthcare



Recycling



Energy efficiency



Education



Aged care

We avoid companies involved in:



Coal



Coal seam gas



Oil



Weapons



Tobacco



Old growth forest logging



Exploitation



Gambling



Human rights abuses



Harmful products



100% Post Consumer Waste



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