

ETHICAL INVESTMENT GUIDE



In order to provide more information about investing ethically and sustainably, the Ethical Advisers' Co-op has put together some key sources of information and resources which we believe you will find helpful.

Ethical Investment Week

Each year the Ethical Advisers Co-op connects with advisers globally in promoting **Ethical Investment Week**.

Themes for the week in recent years have embraced "**The Sustainability Revolution**" and "**Making an Impact**", reflecting the growing need for active engagement that investors now demand.

Every year more investors use the events around Ethical Investment Week to help them identify the most appropriate investment options within which to invest for their future.

Many now use aids, such as the EAC 'Green Leaf' ratings system to help identify those funds which are deemed 'best of breed'.

**SEE ALL
SUPERANNUATION
FUNDS**

**SEE ALL
INVESTMENT
FUNDS**

The Ethical Advisers' Cooperative

A not-for-profit organisation, the Ethical Advisers Co-operative (EAC) has built an outstanding reputation as a vocal representative for advisers and the growing number of investors who are actively seeking ethical alternatives.

First established in 2011, the Co-op has now grown to encompass a membership of 31 advisers, located around Australia and New Zealand. These experienced advisers operate within ethically focused Financial Planning practices to help promote the benefits of sustainable and ethical investing. They now collectively manage over **\$2 Billion** of investments on behalf of their clients.

Discover the benefits of working with an Ethical Adviser..

[Click Here To Find An Adviser Near You](#)

'GREEN LEAF' Ratings System & How It Works, ethicaladviserscoop

The Ethical Advisers Co-operative has developed the Ethical Fund Ratings to assist people in making choices for their investments and superannuation that are in line with their ethical values.

Since not all funds deliver the same depth of ethical value, we want investors to understand just how each fund compares against its peers within the ethical sector.



WHAT CAN I DO TO INVEST ETHICALLY?

1

Change my bank to a fossil fuel free bank. See: marketforces.org.au

2

Change my super fund to an ethical (or sustainable) allocation. See: ethicaladviserscoop.org

3

Talk to an ethical adviser about reinvesting my portfolio into more ethical investments. See: ethicaladviserscoop.org

4

Write to companies that you invest in and ask them what they are doing about environmental and social issues.

5

Encourage others to join in the ethical investment revolution.

6

Write to federal, local & state governments to get them involved in alternative energy and protection of the environment.

7

Join a not-for-profit group and take action on these issues.

Responsible Investment

Simon O'Connor, CEO of peak responsible investing body, the Responsible Investment Association of Australasia (RIAA), has good news for those of us seeking to both profit from and change the world, by using our money to support the good and starve the bad. Simon explains, *'The evidence is incredibly strong. Investors no longer need to sacrifice returns to do the right thing. That old myth is dead and buried. Over the past three years, the consumer has risen and their preferences are changing the world of super funds and corporations for the better.'*

[Visit Responsible Investment Association Australian for further information.](#)



Want To Grow Your Money Responsibly?

Responsible Returns helps you find responsible or ethical banking, superannuation and investment products matching your values and interests. For further information: responsiblereturns.com.au

[Glossary of Terms]

What Is Ethical (or Sustainable) Investing?

Ethical (or Sustainable) investing encompasses a range of strategies that can be used in combination, for example:

- **ESG:** Environmental, Social, Governance – the three pillars widely used to assess sustainable or ethical behaviours
- **Negative/exclusionary screening:** Eliminating companies in industries or countries deemed objectionable
- **Norms-based screening:** Eliminating companies that violate some set of norms, such as the Ten Principles of the UN Global Compact
- **Positive/best-in-class screening:** Selecting companies with especially strong ESG performance
- **Sustainability-themed investing:** Such as in a fund focused on access to clean water or renewable energy
- **ESG integration:** Including ESG factors in fundamental analysis
- **Active ownership:** Engaging deeply with companies
- **Impact investing:** Looking for companies that make a positive impact on an ESG issue while still earning a market return

Source: <https://hbr.org/2019/05/the-investor-revolution>



THIS ETHICAL INVESTMENT WEEK, JOIN THE SUSTAINABILITY REVOLUTION AND DISCOVER WHETHER YOUR INVESTMENTS MATCH YOUR VALUES.

FURTHER READING



The Discovery of Compelling Sustainable Investment Opportunities



Interview with Mark Lewis, Global Head of Research, Carbon Tracker

Interview with Jane Ambachtsheer, Global Head of Sustainability, BNP Paribas Asset Management

Interview with Portfolio Manager, David Li, The impact of Software on Environmental Markets



Key Questions An Investor Should Ask Their Fund Manager



Sustainable Investing

Esg Investors Reap Improved Returns



Stuart Barry, Ethical Adviser & Author

“If we don’t want to invest in, say fracking prime agricultural land, or building coal ports in the Barrier Reef World Heritage Area, we must ensure that our super doesn’t. It’s our money and we can exercise the choice.”

“By saying ‘no’ we help to starve bad projects of funds, especially as more and more of us come on board.”

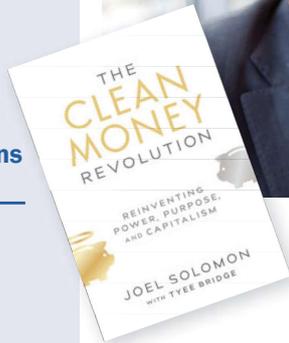
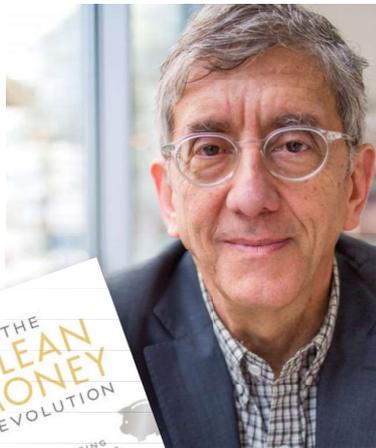
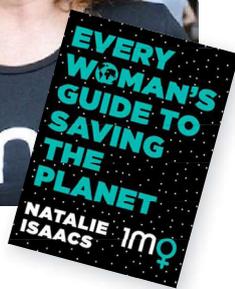
richgreenie.com

Natalie Isaacs - Conservationist & Author

“Imagine the difference a million women or more would make if they all changed their lifestyles to reduce their impact on the planet.

Switching my money to a fossil-fuel free bank I’ve since realised has been one of the most powerful actions I’ve ever taken - while also one of the easiest.

1millionwomen.com.au



Joel Solomon - Futurist, Author & Sustainability Investor

“With each purchase, we vote for the world we believe in. Where we bank chooses others to vote our money. When we invest our savings in Super, buy insurance, use a Wealth Adviser, we give our power to express our values. Even our smallest financial choices, ripple across the planet.”

joelsolomon.org