



# Ethical Advisers Funds Management

## Ethical Investment Mid-Cap Portfolio 2021 IMPACT REPORT





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1 Photo credit Signs of recovery Eucalyptus Orbost and Goongerah, VIC

2 Mouse ears bush WA longest-lived seeds of any Australian species

3 Shy feather flower, an endangered Myrtaceae subspecies WA. Its long-lived seeds germinate well following a bushfire.

## Report highlights

Investment Process and ESG Metrics  
Portfolio Analysis  
SDG Alignment  
Impact Highlights  
Engagement  
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## Acknowledgement of Country

**“Galang nguruindhau” – (“Ga-lung ngoo-rroo-win-dha-woo”)** ‘Hello’ (local Turrbal dialect of Brisbane).

Ethical Investment Advisers acknowledges the Traditional Owners of the land, sea and waters, of the area that we live and work on across Australia. We acknowledge your continuing connection to culture and pay our respects to the Elders past and present.

Ethical Investment Advisers head office is situated in Meanjin (Brisbane area), ‘place shaped like a spike’. This is a reference to the ‘spike’ of land where the Brisbane central business district is now located, shaped by a bend in the Brisbane River.

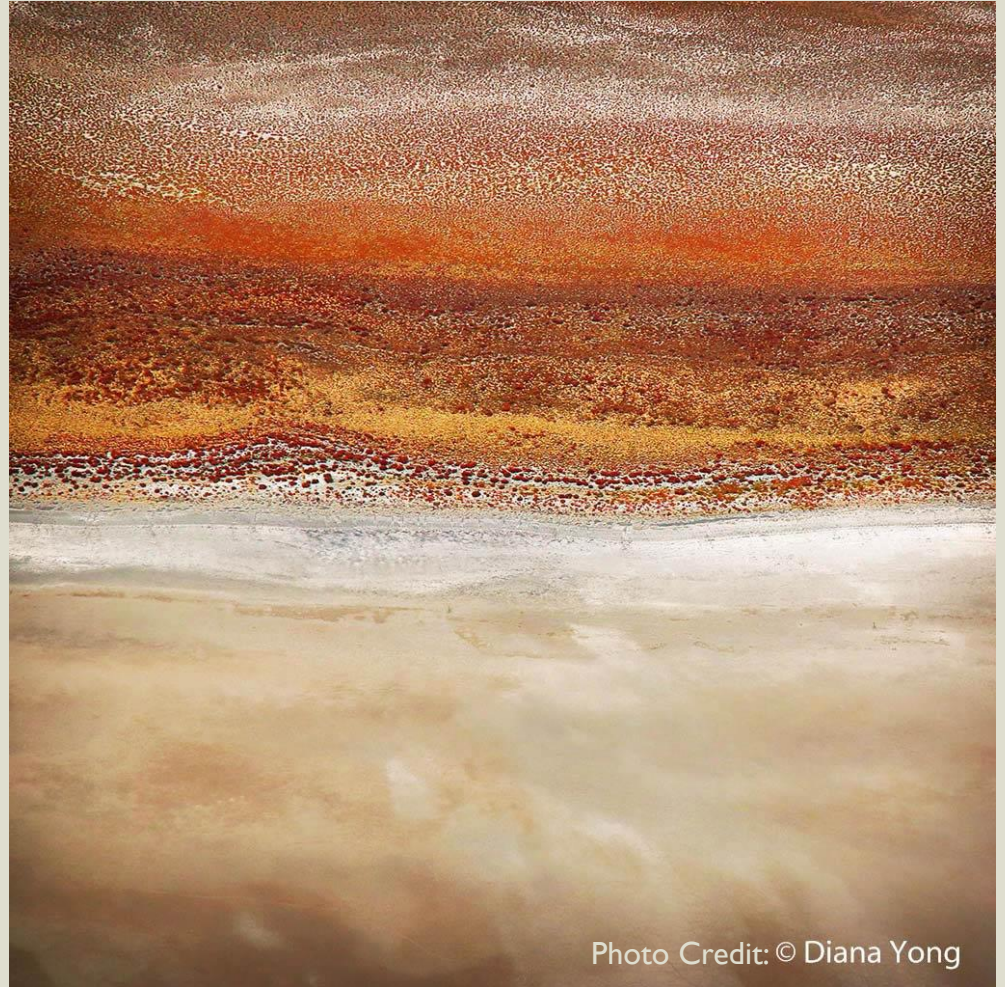


Photo Credit: © Diana Yong





## Introduction

We are pleased to share our first annual assessment of sustainability and impact for the Ethical Investment Mid-Cap Portfolio. Our intention is to provide meaningful and multidimensional views of our portfolio's sustainability metrics and of our Environmental, Social and Governance (ESG) impact.

This report has utilised data and tools we have available to analyse relevant sustainability issues, recognising that these are also developing and not fully standardised or complete. We have referenced company reports and public disclosures to help inform this report. In a field that is actively growing and developing, we recognise the inherent limitations that point-in-time analysis presents and the limited data we have. Therefore, we view this report as part of an ongoing dialogue with our investors and part of our research process. In years to come, we look forward to sharing continued progress with you.

## Ethical Advisers Funds

**Management** seek to invest in companies which are having a positive impact on the environment and/or society.

Ethical Advisers Funds Management (EAFM) is a wholly owned subsidiary of Ethical Investment Advisers Pty Ltd. In 2004, financial planners Louise Edkins and Terry Pinnell, who were among the pioneers of ethical investment advice in Australia during the 1990s, established Ethical Investment Advisers so they could offer specialist advice on ethical investing.

As advisers, we are mindful that the financial planning community needs affordable and ethical investment product offerings for their clients. Our vision is to help all investors incorporate their values with their investment objectives.

Against the backdrop of the Portfolio's goals of long-term growth appreciation, we aim to generate sustainable investment returns hand in hand with strict environmental and socially responsible impact.

We believe that business-relevant sustainability leadership and solutions-focused innovation often creates compelling investment opportunities.



The Ethical Investment Mid-Cap portfolio is Fossil Fuel Free, aiming to reduce climate-related risks and participate in the low carbon energy transition.

[Learn more](#)

*The Fund has been recognised as a responsible investment leader by RIAA.*



# Investment Process



Environmental Social and Governance ratings are designed to show how well the company manages their Environmental, Social and Governance impact.

Environmental criteria considers how a company performs as a steward of nature. Social criteria examines how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.



We focus on research that highlights investment-relevant ESG issues and forward-looking thematic trends. To complement our internal research, we utilise external providers and tools for any financial and ethical analysis, which includes research from Ethos, Sustainable Platforms and IAA ESG (Institutional Shareholder Services). In addition we call on the guidance of our Investment Committee members, who are independent peers specialising in ethical investing.

EAFM use ESG scores to assess the risks associated with individual companies, as well as for engagement purposes. We encourage companies to consider and improve their environmental and social impact, to help align outcomes with the long-term interests of our investors.

By integrating the social, environmental, and financial aspects of an investment, we believe that a more sustainable investment return is possible. For Ethical Advisers Funds Management, it is about 'how' companies are making the money, not just about the amount of money they make.

# Portfolio Management

The Ethical Investment Mid-Cap portfolio specifically targets investments in companies who we believe have products or services which have positive environmental or social aspects and provide solutions to essential sustainability challenges while excluding investments which damage the environment or cause harm to society.



Photo Credit Tim Wrate Bynoe Harbour, NT, Low tide exposes the seabed and rock shelf

# Ethical Screening

We apply a rigorous ethical screen to the investments selected in the portfolio.



Coal



Tobacco



Gas



Weapons



Gambling



Heavy Polluters



Oil



Logging



Human Abuse

Negative Screening - to avoid investing in companies which are involved in activities that are harmful to the environment and/or society. 0% threshold for fossil fuel involvement.

Positive Screening - We also actively seek out investments which are making a positive impact on the environment and/or society. At least 75% of revenue must be derived from a positive source.



Aged Care



Clean Energy



Clean Transport



Education



Energy Efficiency



Healthcare



Innovation



Recycling



Responsible Banking

Shareholder Resolutions - Where possible we vote on shareholder resolutions to help influence outcomes aligned with the long-term interests of our investors.



## Positive Impact

Increased our influence and reach with more investors using our fund.

In 2021, Ethical Advisers Funds Management joined forces with Ethos, an independent and specialist ethical research company to launch our range of Impact Calculators which can be used to calculate the tangible positive impact that the investments are having on the environment and society.

Ethos aggregates more than 2.2 million data points from 260+ sources to calculate the potential impact. The impact calculators show the 'net' impact a client's investments are having in the portfolio compared with a mainstream index.

Estimated total net positive environmental and social impact achieved in 2021 across the Ethical Investment Mid-cap portfolio with Funds Under Management of \$99,911,561



The Impact Calculations shown above are based on the actual amount invested in the fund as at 31 December 2021 and benchmarked against the S&P/ASX 200 index. The impact shown is indicative only. <https://www.ethosesg.com/impact-calculator>



## United Nations Sustainable Development Goals

The 2030 Agenda for Sustainable Development was adopted on 25 September 2015 at the United Nations Sustainable Development Summit. The resulting Sustainable Development Goals (SDGs) established a globally accepted set of 17 overarching goals (underpinned by 169 specific targets, and 232 indicators by which they are measured) for real-world outcomes in areas such as water, health, poverty, gender equality and biodiversity.



# Portfolio Analysis

We have chosen to map the holding companies' strategies to the UN SDG's to indicate their level of alignment with this framework. This is based on identifying the proportion of portfolio companies' revenue related to activities described by the targets within each Goal.

We have used independent SDG and ESG data provider Sustainable Platforms to evaluate their exposure to positive impact.



Source: Sustainable Platforms  
([www.sustainableplatform.com](http://www.sustainableplatform.com))



All portfolio analysis as at 31  
December 2021.

## Mapping of company revenue to SDG targets



- Prevention of disease (diagnostics, testing, vaccines)
- Bio-pharmaceuticals
- Medical technology

- Access to quality education
- Provision of vocational training

- Renewable energy generation

- Pollution control solutions

- Sustainable and efficient agriculture
- Sustainable land management

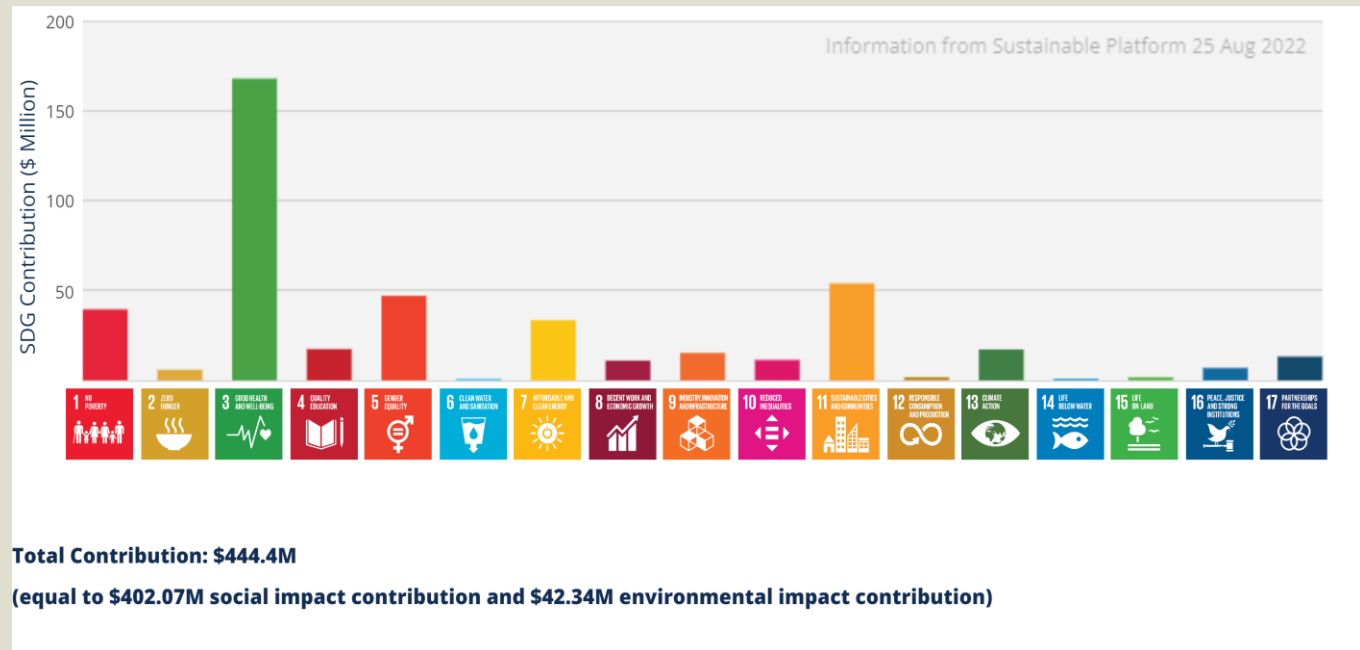
SDG-related reporting is generally anecdotal, pertaining to specific projects and initiatives and lacking a full assessment of a companies' impact on society and the environment throughout the value chain. Several frameworks seek to set a standard on impact reporting, yet market participants have not agreed on a common reporting and measurement tool that offers the comparability and scalability needed to understand how different companies measure impact.<sup>1</sup>

<sup>1</sup> msci.com

# The Portfolio supports 17 of the Sustainable Development Goals

Largely contributing to:  
SDG3 Health and Well-being, with the portfolio's large allocation to quality healthcare companies.

SDG11 Sustainable Cities and Communities, by providing access to social infrastructure properties, enabling education and healthcare needs.



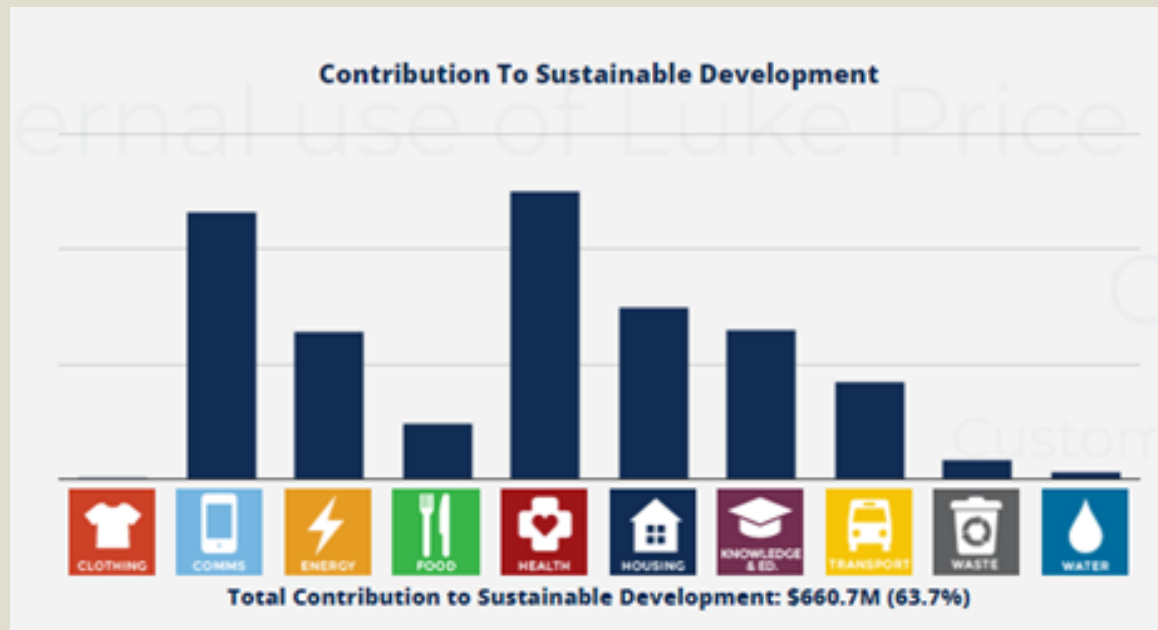
Sustainable Platform's assessed the Portfolio's alignment with the delivery of 10 Basic Needs and the UN SDGs during 2021 as shown above. Sustainable Platforms utilises a proprietary approach to estimate the contribution of a company's products and services to the delivery of 10 basic needs. Sustainable Platforms then uses proprietary mapping of the basic needs contributions to the delivery of each SDG.



# Basic Needs

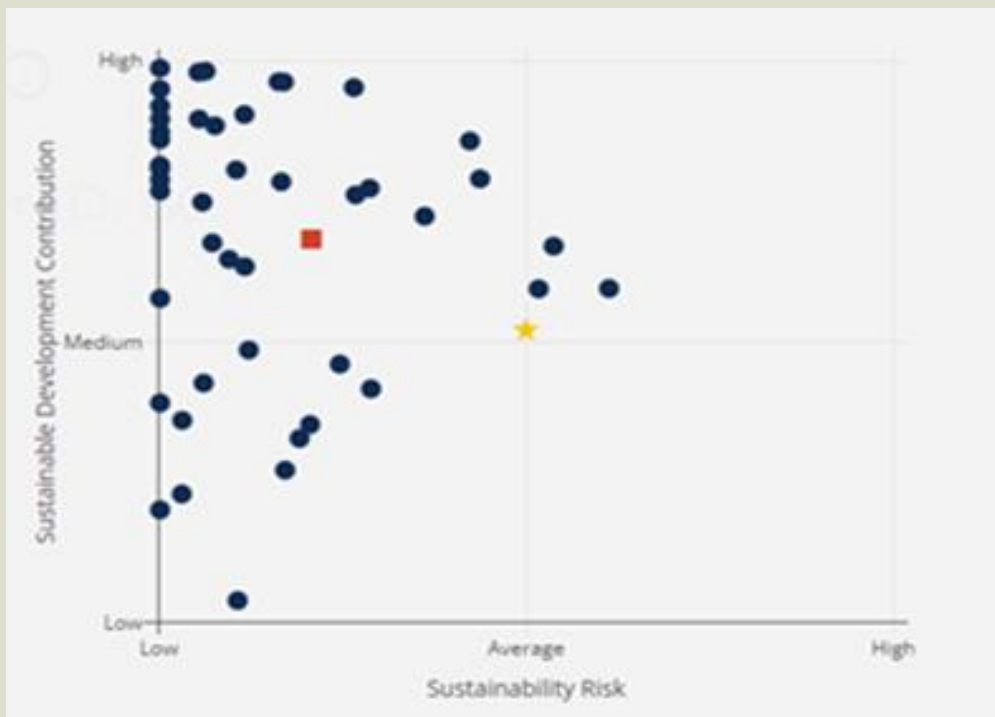
Ethical Investment Mid-Cap Portfolio contributed to 9 Basic Needs, the highest being **Health Needs**.

The total portfolio's weighted average proportion of revenue attributable to products and services contributing to Basic Needs and the UN SDGs was 63.70%.



# Sustainable Development Contribution vs Sustainability Risk

The Portfolio demonstrates lower than average Sustainability Risk with an average 30% higher SDG contribution than the universe of more than 22,000 global companies Sustainable Platforms has listed in its database.



Sustainability Risk is a measure of the extent to which companies activities compromise sustainable development. It includes an assessment of exposure to Environmental and Socially controversial industries such as deforestation, fossil fuels, tobacco, gambling, as well as factors such as environmental and corporate fines and wage dispersion within companies.

1. Yellow Star represents the Sustainable Platform average score across approximately 22,000 companies globally.
2. Red Dot represents the weighted average for the Ethical Investment Mid-Cap portfolio.



# Impact Highlights

Analytics related to ESG data continue to develop, with data availability and accuracy progressively improving. For some areas, companies have comprehensive data and well-established metrics to evaluate, while for others, information is still a work in progress. As researchers and active investors, we view this diverse landscape as being full of opportunity.



# Impact Assessment

For the purpose of this report, we have selected 9 holding companies to measure their impact across six thematic areas, and how this translates into social and environmental impact.

We have relied on company reports, public disclosures and Independent research providers to compliment our internal research for the financial year 2021.

We strive to be transparent and conservative with our reporting on impact. and recognise this type of data representation may be imperfect, and that there is always more nuanced ways to explore as new issues arise.

We welcome your questions as an opportunity for advancement and ongoing dialogue.



## Renewable Energy, Energy Storage & Efficiency helping to reduce the impact of climate change



**Meridian Energy** is Aotearoa's largest renewable electricity generator, generating 100% renewable energy, from five wind farms, 6 hydro power stations and solar installations.

### 2021 Impact Highlights

Generated 13,430 GWh of hydro and wind energy

Powering 2.1 million homes

40% the total workforce being female

50% board representation and 40% of senior executive held by female.

80,000 tree stems planted under Forever Forests program.

### UN SDG contribution



**Genex Power** is an Australian company focused on the production and storage of solar and wind energy. Genex is currently developing three innovative clean energy projects located in Northern Queensland.

### 2021 Impact Highlights

100 MW renewable energy capacity (100% ↑from FY20) – Kidston Solar Project commissioned.

45,826 houses powered (72.9% ↑from FY20).

### UN SDG contribution



*The latest paper from the Intergovernmental Panel on Climate Change (IPCC) on climate change mitigation has made clear that limiting global warming to 1.5 degrees Celsius is still possible, but only if we act immediately to address the climate emergency.*



# Emissions Reduction - reducing CO2 and the impact of climate change



**Calix** is an Australian company using carbon capture technology to reduce carbon in the lime and cement industries by separating the carbon dioxide from the cement production process to be used or stored. Cement and lime production currently account for up to 8% of global CO2 emissions.

Projects Calix is supporting:

Developing next-generation lithium battery technology.

Patented a zero emissions iron and steel production process, where the electricity for heating is sourced from renewables.

Developing bioactive materials to help replace polluting methods in agriculture.

## 2021 Impact Highlights

The companies pilot LEILAC-I Project completed its operational test campaign and output report to the EU, aimed at demonstrating the efficient capture of around 20% of unavoidable industrial process CO2 emissions at low cost.

Joint venture with Pilbara minerals for the processing of spodumene to lithium salts for the lithium battery industry using renewable energy.

Advanced Battery business demonstrated excellent cycling stability and significantly lower cost production potential.

Proven and effective integrated crop treatment schedules based on Calix bioactive materials resulted in 87% reduction in marine fouled areas, providing growers with a critical, viable alternative to conventional now banned products.

## UN SDG contribution



## Health & wellbeing - improving health outcomes



**4DMedical** is a global medical technology company that has developed four-dimensional lung imaging technology (XVD Scanner™). The world's first dedicated lung scanner that is integrated with XV Technology™ to provide detail for diagnosing and monitoring respiratory conditions for patients with lung disease using its respiratory imaging and ventilation analysis.

### 2021 Impact Highlights

\$28.9 million in funding to 4DMedical's wholly-owned subsidiary, the Australian Lung Health Initiative Pty Ltd by the Australian Federal Government's Medical Research Future Fund (MRFF) Frontier initiative.

First commercial use of XV LVAS (XV Lung Ventilation Analysis Software) to a patient based in Victoria, Australia.

Partnership with Respiratory Compromise Institute (RCI), to implement XV LVAS at eight clinical sites across the US.

UN SDG contribution



*As most of the world transitions out of the Covid-19 pandemic, the disruption and loss of life it caused leaves a reminder of the importance of our health and having robust healthcare systems.*



**CSL** is a biopharmaceutical company that develops and delivers medicines that help people with rare and serious life-threatening conditions live full lives through its plasma-derived and recombinant therapeutic products including conditions in immunology, haematology, cardiovascular, respiratory and transplant therapeutic areas.

### 2021 Impact Highlights

Brought 28 new products to the market.

50 million doses of the AstraZeneca COVID-19 vaccine delivered.

Acquired the exclusive global license rights to a late stage gene therapy candidate for the treatment of haemophilia B.

Commenced a Phase II study for an adjuvant QIV cell based influenza vaccine.

Waste down 33% from 66.75 to 59.02 kilo tonnes.

Scope 1 and 2 Greenhouse Gas emissions down 5% from 344,000 to 326,000t CO<sub>2</sub>e.

Waste consumption was up 4% from 4.25 to 4.44 Giga-litres.

43% Female Representation at Board level.

US\$55.2 million in global community investments.

CSL invested more than \$1 billion in R&D for the first time in the company's 100+ year history.

UN SDG contribution



## Health & wellbeing



**Cochlear** is a global leader in implantable hearing solutions. They provide implantable devices, helping people of all ages to lead full and active lives.

According to the WHO World Report on Hearing, 1.5 billion people live with some degree of hearing loss including around 60 million people who live with severe or higher hearing loss. The World Health Organisation (WHO)'s first ever World Report on Hearing released on 3 March 2021 articulated the need for promoting ear and hearing care to serve the SDG agenda. It highlighted that definitive action on hearing care was relevant to SDGs 3 (good health and wellbeing), 4 (quality education), 8 (decent work and economic growth) and 10 (reduced inequalities)<sup>1</sup>.

### 2021 Impact Highlights

650,000+ hearing aids deployed.

Formalised first Reconciliation Action Plan Group established.

Awarded the Torres Strait Islander Hearing Health Cochlear Scholarship at Macquarie University.

WHO released its first World Report on Hearing  
First ever global consensus on use of cochlear implants as the minimum standard of care for adults with severe to profound hearing loss.

30% Board Gender Target achieved.

### UN SDG contribution



<sup>1</sup> World Report on hearing Pg 2

## Land and Resource Management – ensuring the conservation, restoration, and sustainable use of land, animals and ecosystems



**Wide Open Agriculture's (WOA)** has identified carbon as its key measure of impact, and is committed to sequestering carbon through regenerative farming practices to tackle accelerating climate change. Its portfolio centres around food and drink products that come from regenerative farming, ensuring a healthy ecosystem continues to thrive while producing nutritious food at accessible prices.

### 2021 Impact Highlights

Regenerative farmland under management has grown from 90 to 300 hectares in 2021.

Two of its farmer suppliers participated in Phase 1 of a full Natural Capital Accounting (NCA) assessment which includes soil and water that grow crops and pastures, vegetation that provides food and shelter for livestock and regulates the micro-climate for crops, and the native animals (e.g., insects, reptiles, mammals, birds) that provide services such as pollination, nutrient cycling, pest control and waste decomposition.

WOA has worked with NSI (Networked Society Institute) for its new Oatmilk factory. As a regeneratively farmed oat milk with reduced transport-miles, WOA is targeting to manufacture the world's lowest carbon oat milk with a target of 0.40 kg CO2-e per litre of milk.

Registered WOA Corporate and OatUp as carbon neutral with Climate Active.

### Forward-Looking

A further five of its farmers are undertaking Phase 2 of a full Natural Capital Accounting (NCA) assessment by the end of 2022.  
Committed to become carbon neutral operationally by 2023.

### UN SDG contribution





Education – ensuring inclusive and equitable education for all



**Janison's** online examination platform is used globally to deliver exams and learning solutions for global corporations, governments and education bodies, ensuring equitable access to education for all.

2021 Impact Highlights
Janison delivered over 6.5 million digital assessments to over 4.5 million students in FY21, ensuring education continuity in response to lockdowns.
Saves approximately 4 million hours or 40% of teacher time.
Reduces the carbon footprint of printing and transporting test papers.
Gender Diversity 50:50.
Accredited as National Service Provider of PISA for Schools in the UK, Australia and USA.

UN SDG contribution



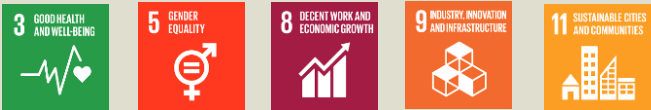
Affordable Housing – for development and social equality



**Ingenia** Communities Group owns, manages and develops a diversified portfolio of quality land lease communities and holiday parks across Australia. Its core focus is the provision of community based, affordable living for Australian seniors.

2021 Impact Highlights
Approx \$1.8m invested in solar across 41 communities.
20% of waste diverted from landfill.
Ranked 2nd for women in executive leadership roles in the 2021 CEW Senior Executive Census.
Forward-looking
Installing battery storage at Hervey Bay development project Continue solar investment Constructing first 'green' home under the Green Building Council of Australia pilot program Extending Green Star Communities ratings to additional communities and targeting carbon neutral outcomes for future developments

UN SDG contribution



*“Leave no one behind.”*

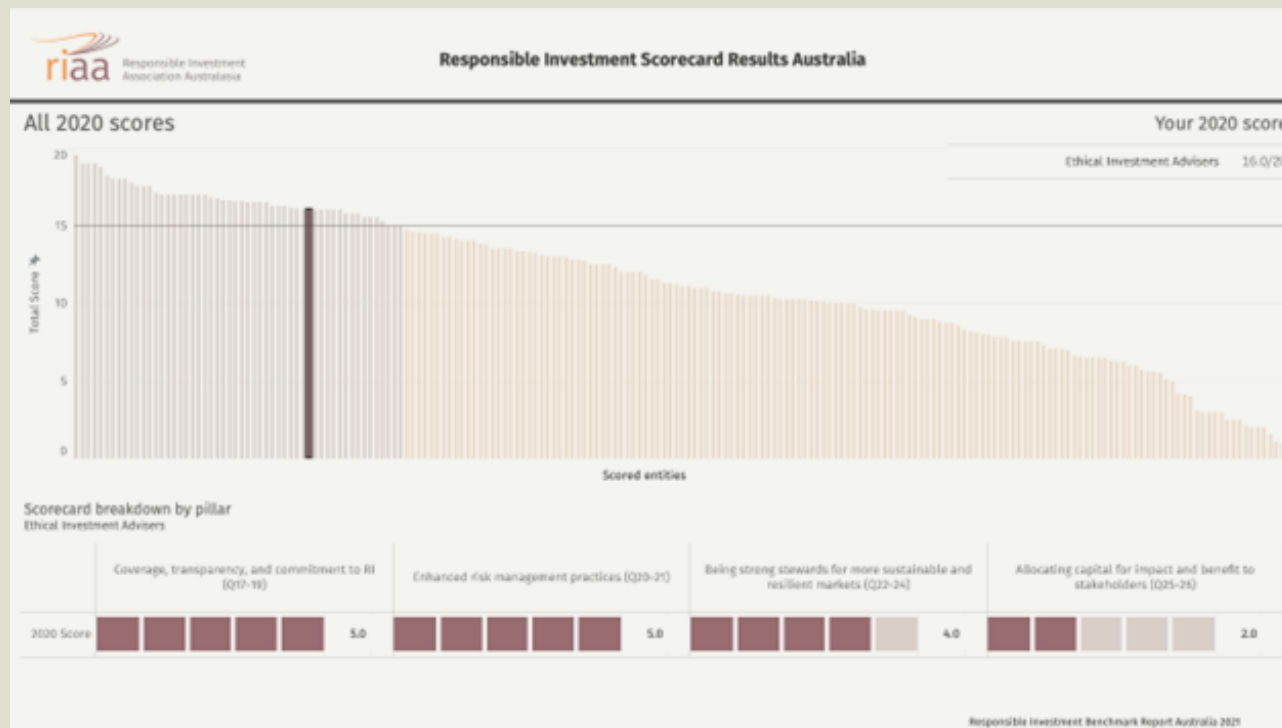
*This was the pledge of 193 United Nations member states when they adopted the 2030 Agenda for Sustainable Development. Despite the significant advances that society has made over the past few hundred years, such as dramatically improving living standards, prosperity, literacy and longevity, these are not development gains that have been experienced universally.*

# RIAA (Responsible Investment Association Australasia) Certified

The Ethical Investment Mid-Cap Portfolio was assessed as a Responsible Investment Leader by RIAA Responsible Investment Association Australasia and is proud to be recognised again as a Responsible Investment Leader in 2021.

This acknowledges our commitment to investing responsibly, ensuring no harm to the environment or society in the investments we purchase, our transparency of investments and fees, a clear ethical charter and seeking investments that have a positive environmental or social impact.

[RIAA media announcement](#)



Responsible Investment Leaders are investment managers that achieve a score of 15 out of 20 or above on RIAA's Responsible Investment Scorecard. The Portfolio received a score of 16 out of 20. It's these leaders whose assets under management (AUM) are used to size the responsible investment market each year in our Benchmark Reports. In 2020, the responsible investment AUM of the 54 Australian leaders was AU\$1,281 billion.

# Ethical Investment Mid-cap portfolio compared to the All Ordinaries Accumulation Index

SP Carbon Risk is a single metric used as a representation for combined company Scope 1, 2 & 3 (Direct/Indirect) emissions reporting. It is calculated from fossil fuel exposure within a portfolio as a proportion of revenue.

Portfolio Reputation Risk is measured by the number of companies that have more than the global database average exposure to controversial industries or have more than the average number of corporate or environmental fines.

Percentage of contribution (products/services) to the SDGs.

Greenwashing is the process of conveying a false impression or providing misleading information about how a company's products are more environmentally sound.



87% Less Carbon Risk



88% Less Reputational Risk



34% Higher Net SDG Contribution

0 companies with Greenwashing Risk vs 80 companies in the benchmark (All Ordinaries)



A close-up photograph of two bees. The bee in the foreground is in sharp focus, showing its yellow and black striped abdomen, fuzzy thorax, and large green compound eyes. It has a long, reddish-brown proboscis. The second bee is in the background, out of focus, showing similar yellow and black stripes. The background is a soft, out-of-focus light brown.

# 2021 Engagement

Progress towards enhancing impact

We aim to consistently disclose our progress towards enhancing impact - throughout the year we used engagement and public speaking as a tool to encourage companies and fund managers to consider and improve their environmental and social impact, to help align outcomes with the long-term interests of our investors.

# Engagement Highlights

## Thought leadership

Our advisers participate in ethical investment-building events and working groups, contributing the perspective of active managers to encourage best-practice development in sustainable investing and the investment and strategic relevance of ESG considerations. Collaborations increase the weight of our voice and working groups also provide important learning opportunities for our team.





## Volunteer Work

A number of our advisers volunteer with climate change NGOs in Australia, including the Queensland Conservation Council and the Cubberla Witton Landcare Group where they along with support staff recently volunteered their time as part of a number of tree planting mornings.



## Public Speaking

Speaking at the IMAP Portfolio Management Conference, our adviser, Karen McLeod addressed some common misconceptions that advisers have about ESG and ethical investing and the role of advisers in providing advice on ESG investing.

Director and Adviser Louise Edkins presented at the Responsible Investment Association Australasia (RIAA) Conference on EAFM SMA's (separately managed account) and the ESG benefits to advisers on using these products.





# Company Engagement

Shareholders are increasingly holding corporate leaders accountable for ESG performance. As responsible investors we are committed to voicing concerns with the issuers of the securities we hold in our clients' portfolios. In 2021 we engaged with a number of fund managers and holding companies to understand how companies perceive their own risks and opportunities and to improve how we price these into our investment decision-making process.



TO ACHIEVE GENDER EQUALITY AND ENSURE WOMEN'S FULL AND EFFECTIVE PARTICIPATION AND EQUAL OPPORTUNITIES FOR LEADERSHIP AT ALL LEVELS.

ACCORDING TO THE UN SDG'S IT WOULD TAKE ANOTHER 40 YEARS FOR WOMEN AND MEN TO BE REPRESENTED EQUALLY IN LEADERSHIP AT THE CURRENT PACE.

## Company: Dubber



Dubber is a unified call and conversation recording platform (UCR) inside leading Service Provider networks & communications solutions globally. Provisioned with a click, UCR enables voice data to be generated from every conversation - voice, video and chat - and delivered to Dubber's infinitely scalable Voice Intelligence Cloud.

Female representation	FY21
Women on the Board	0%
Women in management positions	0%

**Engagement** - Our independent analyst contacted holding company Dubber to advocate on the lack of gender diversity on their board with feedback from us on this concern.

**Outcome** - During FY21, the company launched refreshed principles to guide its diversity and inclusion (D&I) goals and initiatives into the future.



PROTECT LABOUR RIGHTS AND PROMOTE SAFE AND SECURE WORKING ENVIRONMENTS FOR ALL WORKERS.

ACCORDING TO THE UN SDG'S 16 MILLION PEOPLE ARE EXPLOITED IN GLOBAL SUPPLY CHAINS IN THE PRIVATE ECONOMY.

## Solar Holding Companies

China has placed millions of indigenous Uyghur and Kazakh citizens from the Xinjiang Uyghur Region (XUAR or Uyghur Region) into what the government calls “surplus labour” and “labour transfer” programmes.

95% of solar modules rely on one primary material – solar-grade polysilicon. Polysilicon manufacturers in the Uyghur Region account for approximately 45% of the world's solar-grade polysilicon supply.<sup>1</sup>

<sup>1</sup> [In Broad Daylight: Uyghur Forced Labour](#)

**Engagement** - Last year we engaged with various fund managers on their solar holding companies and our concerns on the manufacturing of solar components and modern slavery risks in China with evidence that a large number of solar componentry is sourced from China and manufactured in the Xingiang region, involving forced labour of Uyghurs. Evidence is highlighted in the white paper from Professor Laura Murphy (Professor of Human Rights and contemporary slavery) at Sheffield Hallam University, UK.

**Outcome** - The funds are engaging with S&P their index provider on this issue in the hope the direct stock engagement from S&P will have more influence on solar companies sourcing policy.





DEVELOP EFFECTIVE, ACCOUNTABLE, AND TRANSPARENT INSTITUTIONS AT ALL LEVELS.

## Company: Cleanaway



Cleanaway is a total waste management, industrial and environmental services company that collects, processes, treats, recycles and safely disposes of any type of waste.

**Engagement** - EIA contacted holding company Cleanaway to state our concerns on the report of the then CEO's bullying behaviour towards employees. Our concerns on the company's environmental fines and our divestment of the stock at that time in light of these concerns were also viewed. Client shareholders were contacted to update them on this issue.

**Outcome** - The CEO of concern has since resigned.

## Company: Australian Ethical Group



Australian Ethical is an ethical funds manager and superannuation company, seeking out companies that are making a positive contribution.

**Engagement** - We engaged with holding company Australian Ethical Ltd on our clients concerns as investors regarding the company's investment holdings in Westpac and NAB in light of corporate governance issues founded by an Austrac investigation.

**Outcome** - Continuing consistent ongoing dialogue.





ENCOURAGE COMPANIES, ESPECIALLY LARGE AND TRANSNATIONAL COMPANIES, TO ADOPT SUSTAINABLE PRACTICES

## Company: Infigen Energy



Infigen renewable energy (rebranded to become Iberdrola Australia) company operates more than 800 MW of solar, wind and storage batteries in Australia.

**Engagement** - We engaged with then holding company Infigen Energy with regards to them acquiring a gas asset alongside their renewables portfolio and its misalignment with our zero exposure threshold to fossil fuel assets within the portfolio.

**Outcome** - We divested from this company as it was not in line with the portfolio's fossil fuel free investment exposure. We contacted the company and informed them of our actions and on their asset acquisition.

# Looking Forward

We recognise the important role culture plays in our organisation's ability to adapt, collaborate and improve. We have commenced our commitment to recognition and reconciliation with First Nations People through a Reconciliation Action Plan (RAP) to grow a culture that challenges mindsets, lifts capabilities and celebrates curiosity.

We have employed an Engagement Analyst to enhance our ESG engagement with the fund managers and companies we invest in on behalf of our clients.

We look forward to continuing our journey with you in moving assets towards building a lower carbon, more sustainable, and more resilient economy.

We aim to progress towards SDG 2, (Zero Hunger) SDG 6 (Clean Water and Sanitation), SDG 12 (Responsible Consumption and Production) and SDG 14 (Life Below Water) over time, by targeting to increase our exposure to companies most aligned with these goals.



Photo credit: Jake Wilton Reef manta ray cruises with small fish offering a nursery to grow Coral Bay WA

## Portfolio holding companies as at 31 December 2021

### Care and Support

Charter Hall Social  
Arena REIT  
Hlthcohcwellnsreit  
Invocare Ltd

### Well-being: Healthcare services

Integral Diagnostics  
Sonic Healthcare  
CSL  
Lumos Diagnostics  
Recce Pharmaceutical

### Well-being: Medical Devices

Volpara Health Tech  
4DMedical  
Cochlear Ltd

### Well-being: pharmaceuticals

Medical Developments  
Sigma Healthcare  
Mesoblast  
Polynovo Ltd

### Emissions Reduction

Calix  
Allkem  
Hazer Group

### IT Services

Dubber Corp  
Hansen Technologies  
Technology One  
Nextdc Limited Ordinary  
Xero

### Renewable Energy

Meridian Energy  
Mercury NZ  
Genex Power

### Land and Resource Management

Wide Open Agriculture

### Affordable Housing

Ingenia Group

### Education

Janison Education Group

### Communications

Macquarie Telecom  
Superloop Limited  
TPG Telecom  
Chorus

### Technology

Hub24 Ltd  
Link Admin Hldg  
Australian Ethical Group

### Financial Inclusion

Wizr  
Auswide Bank  
Bendigo And Adelaide

### Sustainable communities

Stockland  
Charter Hall Group  
Centuria Capital