The Green Room

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SHAREHOLDER ACTIVISM

Supporting Market Forces campaigns to shift finance out of fossil fuels

We have continued to support Market Forces' campaigns to remove financing fossil fuels, and the impact is becoming increasingly visible. A further 12 banks have ruled out financing the proposed $15 billion Papua LNG project, in which Santos is a major investor. This builds on 15 banks and credit agencies, including CBA, ANZ, NAB and Westpac, that had already committed not to fund the TotalEnergies-led project.

Market Forces CEO Will van de Pol said many major banks, including Australia's big four, are recognising the project's risks. The final investment decision has been delayed for several years and is now expected later in 2026, while MUFG and other Japanese banks are increasingly isolated.

The campaign has also helped elevate community voices. With support from 175 donors, Market Forces helped two PNG community representatives attend the Santos AGM, where local concerns about Papua LNG were publicly voiced for the first time. Peter Bosip, executive director of PNG's Centre for Environmental Law and Community Rights, warned that financing the project was like borrowing against the future: "Our land, sea, forests, reefs and communities will pay the debt long term after gas is gone," he said.

Market Forces has also kept pressure on the APA Group, which is linked to new fossil fuel expansion. Australia's largest gas pipeline company, remains central to plans for widespread fracking in the Northern Territory's Beetaloo Basin. A Market Forces video of the action went viral, reaching 683,192 views.

The campaign also gained attention when Market Forces presented Macquarie with a "Quiet Achiever Award" for backing fracking in the Beetaloo Basin.

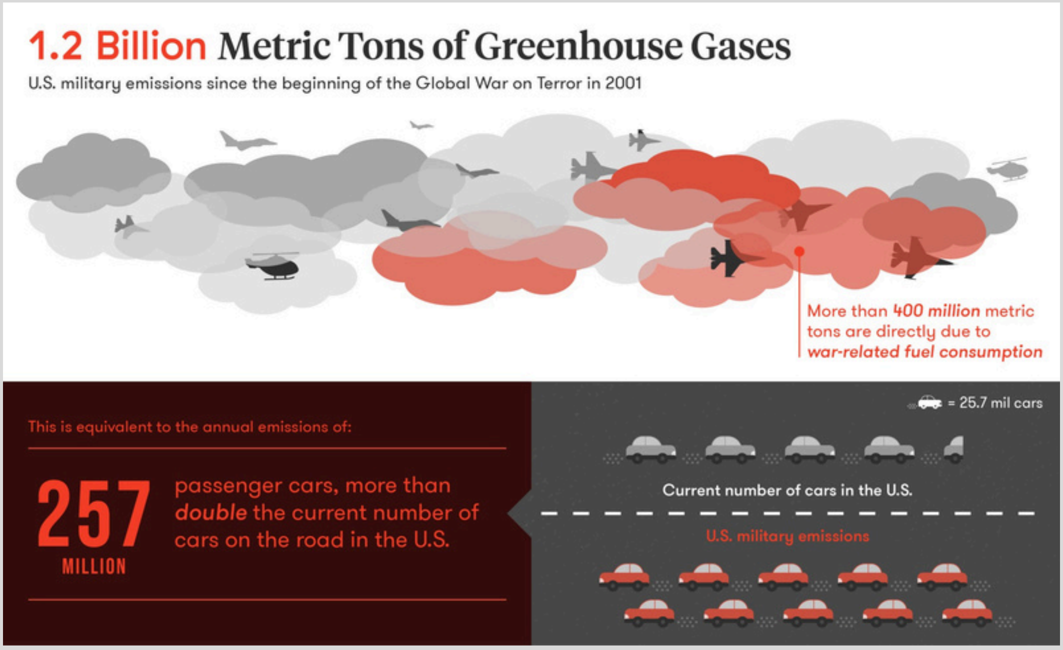
Momentum has continued through the AustralianSuperPolluter campaign, which focuses on AustralianSuper's Whitehaven Coal shareholding and has attracted coverage from CHOICE, The Guardian Australia and Guardian UK.

The Green Dream podcast: 'Not Simply Black or White: Exploring Shades of Grey

When it comes to ethical investing, the choices aren't always as straightforward as they seem. What qualifies as 'green'?

How can investors distinguish between genuine positive impact and greenwashing? And where do the shades of grey sit within an increasingly complex investment landscape? To explore these questions, James was joined by Ethical Investment Advisers team member, Luke Price, to look beyond simple labels and better understand the nuances of ethical investing.

Listen here



PODCAST – Revolutionary optimism amid systems of mass destruction

Green Dreamer's Kaméa Chayne speaks with independent journalist Abby Martin about her feature film Earth's Greatest Enemy, exploring the climate and ecological footprint of militarism.

"The Pentagon actually lobbied for exemption for all military emissions at the Kyoto Treaty, and ever since then they've been exempt. Every other country followed suit."

The U.S. military is described as one of the world's largest institutional fossil fuel users, with emissions reportedly exceeding those of many countries.

Martin argues this still understates the full impact, excluding weapons production, supply chains, base operations, deployment, war damage and reconstruction.

The discussion also covers contamination around military bases, toxic waste from aircraft and machinery maintenance, weapons pollution, and damage to land, water, forests, wetlands and biodiversity in conflict zones.

Listen to the full podcast here: The Green Dreamer

Reference sources: The Guardian and The Watson School of International & Public Affairs

GOVERNANCE

Australia remains a global deforestation hotspot with the world's highest rate of mammal extinction. ACF investigations have linked large-scale land clearing to bank lending, yet despite engagement, tougher laws and customer pressure, CBA and ANZ have made limited progress.

In CBAs annual report, CBA tries hard to reassure its shareholders around deforestation, but with further scrutiny, ACF and SIX have filed a shareholder resolution on deforestation at CBA's AGM.

CBA's ESG assessment found customers with significant clearing represented less than 0.2% of group total committed exposure, or under 0.5% after data adjustments. However, ACF notes this equates to around 30% of CBA's Australian agricultural lending and about half its livestock book.

ACF argues CBA's figure should be treated as a floor, not a ceiling, and that exposure equivalent to almost one in three agricultural lending dollars warrants stronger action than the limited changes proposed.

The analysis also does not disclose whether cleared areas were important habitat, whether any clearing was illegal, or provide investors with enough detail to assess risk and due diligence quality.

FUND MANAGER NEWS

NorthStar Impact Fund

Letter to Stakeholders

The Fund returned a great result over the year. Over the twelve months to June 30, 2026, the Fund returned approximately 23.4% net of fees, while the S&P/ASX Small Ordinaries Industrials Index - the benchmark fell around 4.55% over the same period. This marks one of the strongest periods of relative performance in the Fund's history.

Its aim is to create a style-agnostic fund that is factor aware but with investments made based on each company's business fundamentals. The aim of the fund is to create strong risk adjusted returns for shareholders whilst creating a safer, cleaner and more inclusive economy.

AFR NorthStar article: how-to-beat-the-market-by-20pc

'STOCK IN FOCUS'

Impact investment manager NorthStar Impact first invested in Janus Electric via the company's reverse takeover of ReNu Energy in May 2025, describing Janus's swappable battery solution as one of the only plausible heavy duty transport decarbonisation solutions that was coming to the market.

Janus Electric is an Australian Company specialising in heavy-vehicle electrification. Janus convert diesel trucks to electric using a patented conversion kit, battery-swap technology, charging/swap stations, and fleet management software. By retrofitting existing vehicles rather than replacing them, the company aims to lower the upfront cost of fleet electrification while extending the life of existing assets. Its technology can be applied to any truck brand in a fleet, supporting the decarbonisation of heavy road transport while reducing running costs for operators. The model is gaining traction in markets such as California, where emissions standards for heavy vehicles are becoming increasingly stringent.

California has a net zero emissions target for transportation and the company has secured a 118-truck conversion order book of around $50 million to be delivered mostly in FY27.
Onimpact

PENGANA WHEB SUSTAINABLE IMPACT FUND

Guinness Global Investors ("GGI") will acquire the investment manager of the Pengana WHEB Sustainable Impact fund and take over management of the Fund. The transition is designed to preserve the strategy's established impact philosophy and investment process, while adding greater depth across listed equity research, risk management and portfolio construction. GGI has more than US$11 billion under management and a longstanding focus on sustainable investing, including strategies dating back to 2006. The core impact framework, including the Impact Engine and the strategy's focus on companies addressing environmental and social challenges, will remain unchanged, while GGI's broader capabilities are expected to support a stronger emphasis on competitive long-term investment returns.

COMPANIES

Ethical Investment Australian Equities holdings

Ramsay shares surge as CEO's strategic overhaul boosts profit

Ramsay Health Care chief executive Natalie Davis says she is confident admissions will keep growing despite a rise in the number of patients downgrading to cheaper health insurance products. Ramsay shares rose almost 14 per cent to their highest level in more than two years after the company posted a 23 per cent increase in full-year net profit due to higher hospital admissions and improved margins.

Earnings at Ramsay's United Kingdom hospitals and mental health businesses also improved. In November, investors will vote on plans to jettison the group's underperforming French business, Ramsay Sante. AFR

Xero

Xero chairman David Thodey has conceded that the decision by the accounting software company's chief executive to sell millions of shares while renegotiating a compensation package was a poor look for investors, and said new measures are in place to avoid it happening again. More than 70 per cent of investors voted against Xero's new remuneration report at its annual general meeting. AFR

NextDC

Australia data centre firm NextDC reports rising water, energy use with profit beat.

NextDC said water and energy consumption rose in the past year as demand for computing capacity drove profit ahead of forecasts, figures which may feed public disquiet about the AI boom's draw on resources. A growing number of governments, regulators and cities around the world are moving to freeze, restrict or ban new data centre construction, as concerns mount over electricity costs, strained water supplies, land scarcity and the burden on local communities.
Reuters