



Ethical Advisers Funds Management Corporate Engagement, 2020

- ✓ Engaged with Australian Ethical Fixed Income fund manager on working to expand the corporate green bond market in Australia and using their FM influence on corporates – provided him with some ASX listed company suggestions. February 2020
- ✓ Engaged with PIMCO on using their influential impact as a large bond manager to engage with Australian corporates to expand the green bond market including meeting their US based bond team, February 2020
- ✓ Engaged with Australian Super via EAC member on their socially aware fund, providing feedback on the concerns we have on their screening. February 2020
- ✓ Engaged with Lonsec on their Adviser symposium with recommendations to make responsible investment sessions more suited to what financial advisers are asking for and the information they need. February 2020
- ✓ Engaged with the FPA on their Responsible Investment session for financial planners and the lack of representation from ethical investment financial planners within the information session. February 2020
- ✓ Engagement with a global sustainable ETF, providing feedback on revised screens and suggesting further exclusions including uranium, armaments, human rights, board gender diversity, detention of asylum seekers, animal cruelty, tobacco, fossil fuels, gaming and a number of concerning holdings at odds with an ethically screened fund - fossil fuels exposure, military weapons and civilian armaments and alcohol. May 2020
- ✓ Engaged with an international fund manager regarding two holdings, Nike and L'Oréal, to ensure that labour practices and supply chain issues had been taken into account. June 2020
- ✓ Engaged with Australian Unity regarding holdings in a property investment with exposure to gambling, as well as their mandate for investment in fossil fuels. June 2020
- ✓ Provided feedback to Alphinity regarding their ethical screens, in particular their high materiality thresholds for tobacco, gambling and armaments. June 2020
- ✓ Engaged with a large Australian fixed income manager regarding their sustainable fixed income fund. We asked them to tighten their negative screens for fossil fuels, as there was one holding in the fund (Origin Energy) which we felt was in contrast with the other holdings, particularly the green bonds and climate bonds in the portfolio. June 2020
- ✓ Engaged with an Australian listed company regarding their carbon capture and storage procedures. August 2020
- ✓ Pandal Group meeting with Alison George Head of Research at Regnan and George Bishay on bond exposures in Toll Roads, Airports and their research rationale on social and environmental contribution from these exposures. August 2020
- ✓ Australian Ethical Australian Shares, concerns raised by a number of CAR's directly with Australian Ethical on their inclusion of Major 4 banks in most of their Australian Share funds. Concerns raised on WBC Austrac issue with Stuart Palmer, Quyen Dam. We have communicated to AE that we are

moving clients from their managed funds because of client concerns and lack of action on these concerns over a long period. August 2020

- ✓ Engaged with an international fund manager regarding a holding in Daikin, which has exposure to military applications. Satisfied with response that defence makes up 0.8% of total revenue and 0.05% of operating revenue and believe it is not material. The defence aspect is oxygen therapy equipment, aircraft fire extinguishers and precision machining technology that is used to machine components for military use. The positives of the stock are avoiding 60 million tonnes of CO2 per annum with their efficiency in air conditioning products. Daikin uses 30% less energy than other AC systems and refrigerant that has 60% less impact on global warming compared to standard competitors. Plan to reduce emissions to zero by 2050. September 2020
- ✓ First Sentier Investors. Discussed their Global Responsible Infrastructure Fund. Questions on sustainability in respect to Toll Road, Airports. Further information provided on US electricity power generation sector and renewables as well as carbon footprint methodology. September 2020
- ✓ Nanuk Asset Management, Tom King portfolio manager discussed stocks in the fund and no stocks of concern. September 2020
- ✓ Pimco and Adani – Market forces and client concerns over Allianz owned Pimco and business relationships with Adani. ESG Pimco fund does not hold Adani Bonds, BDM checking Pimco's other bond holdings. November 2020
- ✓ Meeting with Quit Nukes, Medical Association for Prevention of War, Australia and International Campaign to Abolish Nuclear Weapons. Provided this group with industry contacts in order to lobby for divestment and sign up to the Treaty on the Prohibition of Nuclear Weapons.

Direct company shareholdings ASX listed

- ✓ Communicated directly to Cleanaway that we have divested from their company for Ethical Investment Mid Cap fund due to environmental fines and CEO behaviour. Based this on discussion with another fund manager who engaged with Cleanaway directly and were not satisfied with the response. Communicated our concerns on Cleanaway to client direct shareholders for them to decide on whether to continue to hold. October 2020
- ✓ Spoke to Betashare FAIR about their Cleanaway shareholding and whether they were engaging with the company
- ✓ Assisted Market Forces by having client sign up to EGM resolution for Beach Energy, Whitehaven Coal and Hope Energy - voted for resolution September 2020
- ✓ Origin – arranged shareholder clients to vote for Market Forces resolution October 2020