

BetaShares – Global Sustainability Leaders ETF (ETHI)

Ethical Survey, as voted by members of the Ethical Advisers Co-Op



Appealing

Poor | Disappointing | Average | Appealing | Excellent

As voted by Ethical Adviser Co-op members. Find a specialised ethical adviser near you: www.ethicaladviserscoop.org/find-an-adviser.html

Fund Overview

This is an ETF fund investing in global companies. It has a negative filter and follows a modified index.

Ethical Concerns

Investments

- ✗ Investments in the Fund that may be problematic for ethical investors:
 - Human rights, supply chain issues and promotes consumerist behaviour: Apple
 - Sugar and junk food: Starbucks (meets material exposure limit of 33%)

Other concerns

- ✗ No voting policy is publicly available.
- ✗ BetaShares do not specialise in ethical investments.

Good Points

- ✓ Fund excludes gambling, tobacco, armaments, uranium and nuclear energy, destruction of valuable environments, animal cruelty, chemicals of concern, mandatory detention of asylum seekers, alcohol, junk foods, pornography, recent significant fines or convictions, and human rights and supply chain concerns.
- ✓ Commitment to transparency by being [RIAA](#) certified (but not UNPRI signatory).
- ✓ It has ok transparency with [full holdings](#) publicly available on their website.
- ✓ [Strong screening](#): 0% tolerance on gambling, fossil fuels, tobacco, uranium, weapons, destruction of valuable environments, animal cruelty, and pornography.
- ✓ Tracks a fossil fuel free and ESG screened [portfolio](#).
- ✓ The fund preferences investing in 'Sustainability Leaders,' companies selected on a number of criteria such as; companies with more than 20% revenue derived from a number of positive industries (renewable energy, energy efficiency, water efficiency, recycling, waste remediation, amongst others).
- ✓ The fund preferences investing in 'global [Climate Leaders](#),' companies with a carbon impact which is at least 60% lower than the average carbon impact for a given company's industry, or otherwise superior performers in relation to avoided emissions.

About the 'Ethical Survey'

About the Ethical Advisers Co-Op

The Ethical Advisers Co-op is a group of 35 financial advisers who are passionate about ethics and finance. The Co-op was established as a not-for-profit over 10 years ago to enable likeminded financial advisers to work together to represent the voice of the consumer. We work to shift the super and investment industry into being more ethically aligned with their clients' objectives. The Co-op's nationwide membership of ethical financial advisers help over 3,300 Australians make financial decisions and invest in line with their ethical values.

How the Leaf-System Works

The ethical rating is voted by Australian financial advisers who specialise in ethical investments (Co-op members). The advisers assess if fund ethics suit their average ethical client, and if it matches with the average client's expectations and objectives. The advisers consider how successful the fund is at; 1) removing industries and stocks harmful to the environment and society 2) including companies with environmental or social benefits, and 3) providing evidence of actions from the fund which benefit society and/or the environment. The quality of information the fund provides on its ethical policies, companies invested in, and proxy voting is important in assessing if a fund is as ethical as claimed. The final rating is an average of these votes.

Financial advisers are voluntarily participating to help ethical consumers gain a quick understanding of how the clients of a group of industry professionals view the ethics of each fund. The Co-op and the advisers do not receive any form of remuneration or reward for participating.

Further Research

Does your fund walk the talk?

The Australasian Centre for Corporate Responsibility (ACCR) – a not-for-profit shareholder advocacy organisation – pushes for transparency around whether your super fund 'walks the talk' on issues such as climate and human rights. You can find details on your super fund [here](#).

Is your fund investing in fossil fuels?

Market Forces is a not-for-profit delivering transparency on fossil fuel lending, insuring and investing within super funds, banks and insurance companies. You can see how exposed your super fund, bank or insurance company is to the fossil fuel industry [here](#).

If the fund is certified by the Responsible Investment Association Australasia (RIAA)

You can find more ethical and investment information for certified funds [here](#).

More information on this fund

For exact details of the fund's claimed ethics, costs and legal details see the fund's Product Disclosure Statement - available on their website.