

Australian Ethical International Shares Fund

Ethical Survey, as voted by members of the Ethical Advisers Co-Op on 7 October 2026



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 actively managed global shares fund; a managed fund option of Australian Ethical (AE). Holdings must be consistent with AE's Ethical Charter, comprising (principles-based) positive and negative screening. Active ownership overlay. AE donates 10% of profits each year to charities and social impact initiatives.

Ethical Concerns

Investments

- ✖ Some investments in the Fund may be problematic for ethical investors, such as:
 - Animal testing/studies: Eli Lilly & Co. (has Animal Care and Use policies that commit to ethical treatment and to applying the 3Rs (Replacement, Reduction, Refinement))
 - Governance risk/data privacy/ social amplification of misinformation: Alphabet Inc. and Meta Platforms
 - Carbon intensive industry: Veolia Environnement SA (utilities) through its transportation (diesel)(Veolia maintains a climate target approved by the Science Based Target Initiative (SBTI), a strong indicator of climate ambition).
 - Customer data breaches: T-Mobile

Other Concerns

- ✖ Governance risk and transparency – Eli Lilly & Co. (legal actions related to insulin pricing, allegations of unethical advertising)

Good Points

- ✓ Australian Ethical Funds Management only specialise in ethical investments.
- ✓ Provides an [Ethical Charter](#) containing 23 general principles which guide a more detailed [Ethical Criteria](#).
- ✓ Zero-revenue threshold to companies making weapons or tobacco products and nuclear fission energy generation & uranium mining, company conducting or commissioning animal testing for cosmetic products.
- ✓ Exclude companies who log old growth forest except for conservation, fire risk or other acceptable forest management purposes.
- ✓ The fund preferences sustainability leaders, selecting companies from several positive industries including Renewable energy, Environmental services, healthcare, Real estate, Sustainable Food, Sustainable transport.
- ✓ The company actively *monitors investee companies, engages with management, and uses its voting rights to influence corporate behaviour*.
- ✓ Commitment to transparency by being a signatory to the UNPRI and RIAA certified.
- ✓ Australian Ethical is a [Certified B Corporation](#).
- ✓ [Reflect Reconciliation Action Plan](#).
- ✓ Transparency – a full listing of all shareholdings including top ten holdings and voting history available on website.
- ✓ Strong record of [Ethical Stewardship](#) activities on climate and social issues including cutting off financing to fossil fuel expansion, stopping livestock-driven deforestation in Australia, pursuing science-led climate policy and advancing alternatives to animal research.
- ✓ The carbon intensity (tonnes of CO₂) of its listed share investments at 30 June 2025 is 67% lower than a mainstream share market [benchmark](#).

*This survey, and the information contained in this document, consider **ethics only** and do not include ANY analysis of fees, performance or financial suitability. It is **general advice only**. The ethical score is subjective and benchmarked to each adviser's average ethical client. Your ethics may differ. We recommend you speak to an experienced ethical financial adviser for personalised advice before making any decisions.*

- ✓ Australian Ethical have a registered charity [Australian Ethical Foundation](#), donating 10% of profits which supports effective and high impact climate and nature projects and solutions.
- ✓ Listed companies earn 2.2 times the revenue from sustainable solutions at 30 June 2025 than a mainstream share market [benchmark](#). Listed share investments at 30 June 2025 have 1.3 times the investment in renewables and energy solutions than a mainstream share market [benchmark](#).

Fund Overview

UNPRI Signatory	Yes
Full Holdings Disclosure	Yes
RIAA Certification	Yes
Disclosure of Voting	Yes
Ethical Screening Process	Refer to the CHARTER and website/PDS
Exclusions	Ethical screens × Tobacco × Nuclear fission energy generation & uranium mining × Animal testing for cosmetic products × Old growth forest logging × Human Rights
Materiality/Exposure Limits	(Please refer to the Funds process and thresholds) 1. Alcohol production exclusion if: Mild positive but >5% revenue in alcohol production OR Strong positive but >10% revenue in alcohol production 2. Weapons Production – Exclude if Mild positive but has > 1% revenue from production of weapons components OR Exclude if Strong positive but has > 5% revenue from production of weapons components 3. Coal – Exclude if Mild positive but has >5% revenue from coal mining or power generation OR Exclude if Strong positive but has >10% revenue from coal mining/oil extraction or power generation 4. Oil/Gas – Exclude if Mild positive but has >10% revenue from unconventional oil or gas extraction OR Exclude if Strong positive but has >33% revenue from oil or gas extraction or power generation. Pornography production & distribution – Exclude if > 5% revenue from pornography production or distribution.

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 – You can find details [here](#) on shareholder proposals brought by ACCR and co-filers [on environmental and human rights issues that have been put to Australia's largest 200 public companies](#) which are often found in many of the main stream super funds.

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.

Vote based on information last 7/10/2026.