

Active Super

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



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 considers the 7 actively managed, multi-asset investment options available within Active Super (previously called Local Government Super.) AS takes a whole-of-fund sustainable and socially responsible investment approach, and receives investment advice from external asset consultants and fund managers. Investments are based on the fund's Sustainable and Responsible Investment (SRI) Policy which includes negative and positive screening, together with an active ownership approach.

Ethical Concerns

Investments

- ✗ The fund does not exclude companies that derive less than 33% of their revenue from high carbon sensitive activities including coal mining, oil tar sands and coal fired electricity utilities.
- ✗ The fund does not exclude investing in companies that derive less than 10% of their revenue from armaments, gambling, old growth logging, uranium.
- ✗ Where it is not possible to avoid indirect investment in restricted products, the fund limits screening to only the largest companies
- ✗ Some investments in the Fund may be problematic for ethical investors, such as:
 - o Fossil-fuel intensive industries: Woodside Petroleum, Caltex, Santos
 - o Uranium: Rio Tinto, BHP
 - o Tailing intensive mining exposures: Newcrest, Alkane Resources, OzMinerals
 - o Other holdings that may present ethical concerns: big four banks; buy now-pay later sector

Other concerns

- ✗ Invests in companies named by Market Forces as undermining efforts to meet the Paris Agreement on Climate Change.
- ✗ Limited transparency of holdings: Only top 30 Australian and International holdings on website.

Good Points

- ✓ Fund excludes controversial weapons and tobacco.
- ✓ The fund has committed to ensure that sustainable practices are used in its Direct Property Investments to minimise environmental impacts.
- ✓ Positive Impact: The fund seeks investments to offset long-term environmental and social risks, and is measuring impact across all asset classes using active return attribution and Sustainable Development Goals (SDG) metrics.
- ✓ Committed Active Ownership approach, directly engaging as a shareholder to ensure companies deliver on ESG commitments
- ✓ Commitment to transparency by being UNPRI (LINK) signatory and RIAA certified.
- ✓ Excellent proxy voting and engagement disclosure available via [proxy voting page](#) on website (updated bi-annually). AS aims to vote on 100% of investee company meetings and discloses voting decisions before company meeting are held (as per ACCR 2020 report: [Two Steps Forward, One Step Back](#)).

This survey, and the information contained in this document, consider ethics only and do not include ANY analysis of fees, performance of 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.

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](#).

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 updated 15th June 2021

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