For 37 years Australian Ethical has been restricting investments in negative activities like fossil fuels, nuclear, tobacco, and supporting positive ones such as renewable energy, healthcare, and IT.

To pass our ethical screen, our Ethics Research team must first assess an investment as having positive activities against the principles of our <u>Ethical Charter</u>, providing a positive contribution to people, planet and animals. If investments meet these requirements but have other negative impacts from their products or operations, including revenue from fossil fuel activity, we look at where their revenue comes from, and assess this against our revenue tolerance thresholds and other <u>Ethical Criteria</u>.

Our view is we need to move to renewable energy as quickly as possible so we will invest in renewable companies like Contact Energy, for example, a New Zealand-based renewable energy company producing electricity from renewable hydro and geothermal power stations, with fossil fuels used as a back-up as required, but still within our tolerance thresholds.