



Australian Ethical[®]
Investment + Superannuation
for investors, society and the environment

Media Release

20 October 2005

Australian Ethical gives back to the community

Australian Ethical is widely considered a national leader in ethical investment. As a requirement of the company's constitution, Australian Ethical donates 10% of its profits back to the community through its Community Grants Program.

Following Australian Ethical's most successful year ever, a record Community Grant of \$98 227 has been paid. Grants were awarded to 44 organisations involved in a wide range of social and environmental activities. Groups receiving donations reflect Australian Ethical's grass roots approach to achieving a sustainable society. Donations ranged in size from \$1200 to \$6000. For many smaller organisations the grants are essential in ensuring the continuation of their positive work.

Australian Ethical once again challenges larger companies to follow its lead and return more back to the communities from which they profit.

The CEO of Australian Ethical, Anne O'Donnell, said, "I'm proud that Australian Ethical's success is helping to continue the extraordinary work of so many worthwhile groups."

For more information:

Anne O'Donnell – (02) 6201 1988
CEO, Australian Ethical Investment Ltd

About Australian Ethical Investment

Australian Ethical Investment is a listed public company dedicated to the growth of ethical investment in Australia. It manages public funds of approximately \$380 million and serves a growing client base of over 13,000 investors and superannuation members. See attached company profile for more details.

Continued over page



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\$6000 category

Kingfisher Centre – Aspley Special School
Tasmanian Conservation Trust
Volunteers for Isolated Students Education (VISE)
Deadly Treadlies – Alice Springs Youth
Accommodation and Support Services

\$3500 category

The Fred Hollows Foundation
Midlands Initiatives for Local Enterprises
The Wilderness Society
Clean Ocean Foundation
Australian Bush Heritage Fund
Huon Valley Environment Centre

\$2500 category

TEAR
Asylum Seeker Resource Centre
Australian Wildlife Conservancy
Medecins Sans Frontieres
Hopetreet – Cleaners with a Mission
Australian Marine Conservation Society
Brotherhood of St Laurence
Amnesty International
NSW Wildlife and Information Service (WIRES)
Engineers Without Borders Australia WA Chapter

\$1200 category

International Women's Development Agency
Wyalong and District Transport Group
The Australia Institute
Pedal Power ACT
Alternative Technology Association – Solar
Power for East Timor
The Coastwatchers Association
Youth off the Streets
Greening Australia – South Australia
Conservation Council of Western Australia
Blue Mountains Wildplant Rescue Service
The Queensland Conservation Council
Australian Breastfeeding Association –
North East Region Victoria
African Enterprise
New Internationalist
Barefoot Economy
Tarkine National Coalition
Australian Conservation Foundation
Rainforest Rescue
Dharmapala Buddhist Centre
Conservation Council of the South East Region
and Canberra
Camp Ichthus
Medical Association for the Prevention of War
(Australia)
International Volunteers for Peace
AID/Watch



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Australian Ethical Investment Ltd **Background to the management company and its range of public investments**

Australian Ethical Investment Ltd was established in 1986 for the purpose of pooling investor savings, specialising in environmental and socially responsible investment. It originally managed a private ethical trust, until 1989, when what is now the Australian Ethical Balanced Trust opened for public subscription. Australian Ethical Investment became a publicly listed company on the Australian Stock Exchange in December 2002. Australian Ethical currently has over \$380 million in funds under management (as at October 2005).

Australian Ethical Investment Ltd (AEI) is an independent funds manager based in Canberra. It is owned by investors with a shared commitment to improve the ethics of corporate Australia and promote ecologically sustainable and socially just enterprises through judicious investment in Australasia, North America and Europe. The Australian Ethical Balanced Trust is spread across all asset classes in cash and securities (term deposits and small business loans), equities (shares listed on the stock exchange) and property. The Australian Ethical Equities Trust (launched in November 1994) focuses on the stockmarket and unlisted company shares. The Australian Ethical Income Trust and the Australian Ethical Large Companies Share Trust (both established in September 1997) specialise as their names suggest. In 2003 AEI introduced international shares to the portfolios.

Since 1998, AEI's wholly-owned subsidiary, Australian Ethical Superannuation Pty Ltd, has managed four superannuation strategies – each being modelled on one of the four Australian Ethical Trusts.

Investments in all Trusts and Superannuation Strategies are selected in simultaneous pursuit of a just and sustainable society, the protection of the natural environment and the provision of a competitive financial return to investors. The attainment of these objectives is founded upon the Australian Ethical Charter - the principles guiding the assembly and expansion of a premier portfolio of around 100 broadly based environmental and socially responsible investments.

Australian Ethical goes beyond the more common ethical investment practice of avoiding investment in repressive regimes, militarism, uranium mining, tobacco and alcohol production, gambling, rainforest/old growth logging, woodchipping, or animal exploitation. Its strong pro-active principles (codified in the Charter), provides investment support to environmentally and socially positive activities such as recycling, conservation, energy efficiency, preservation of endangered species, animal welfare, workplace relations and a range of related issues.

Importantly, Australian Ethical has no parallel in its locally based investment loans and equity partnerships which bring participation in the early phases of innovation in the "green economy".

The Australian Ethical Charter is unique in the Australian investment scene in two important ways. Firstly, it combines twelve facets of corporate activity to be actively sought out and supported with investment. These provide a positive balance to the eleven facets, which it lists as things to be avoided. In this way, Australian Ethical is more than just a "capital boycott" of the undesirable. Secondly, the Charter is incorporated into the Trust's constitution, entrenching its ethics in the Trusts and Superannuation Strategies by requiring adherence of both the trustee and the management company.

Australian Ethical is unique in the extent of information it offers to the investing public. Its Product Disclosure Statements and half-yearly newsletter, Aim High, include ethical profiles of each investment, permitting critical review by individual investors. Comment is actively sought.

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