

Aoris – International Fund (Unhedged and Hedged)

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



Disappointing

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, long-only, concentrated global fund. They do not apply a specific negative or positive ethical filter but take a principles-based rather than a rules-based or “box ticking” approach to assessing good ESG behaviour.

Ethical Concerns

Investments

- ✘ Some investments in the Fund may be problematic for ethical investors, such as:
 - Military products: Amphenol
 - Data breach issues: Experian
 - Mining products: Graco (fluid handling)
 - Animal welfare: L’Oréal
 - Alcohol production: LVMH Moët Hennessy Louis Vuitton

Other concerns

- ✘ There is no public disclosure of voting so difficult to gauge the fund’s engagement on climate change and human rights issues.
- ✘ Principles-based approach to ethical investing, and Investment Manager judgements may not align with individual investors.
- ✘ Aoris does not have a predetermined view about what it regards to be an ESG consideration. Aoris does not apply any specific methodology to measure individual companies with respect to their ESG standing or apply any specific weighting system to ESG standards or considerations. Where Aoris believes a company has demonstrated wilful disregard for general ESG principles, it may choose to avoid or divest on a case by case basis. Where Aoris chooses to divest due to ESG principles, it may do so within a timeframe it considers reasonable in all the circumstances.

Good Points

- ✓ Aoris considers a company’s management of its environmental and labour resources, as well as its social and ethical behaviour (ESG) to be important factors in their assessment of its quality, and in turn its suitability for investment.
- ✓ The Fund provides a full list of [holdings](#), focusing on diversification in their approach, with a hard cap of 15 stocks.
- ✓ The Fund explains in detail its [ESG approach](#) which is very different to most Ethical investment funds. The Fund screens out tobacco, gaming companies, banks, insurance companies, businesses that engage in complex tax structures and pay minimal corporate tax.
- ✓ Some Commitment to transparency by being [UNPRI](#) signatory but not RIAA member or certified.
- ✓ They look for not just the absence of bad behaviour in companies but the presence of positive actions including:
 - the efficiency of its use of resources each year;
 - the degree to which its products help its customers to reduce their use of natural resources;
 - the improvement it makes in the frequency of work-site accidents;
 - the investment it makes in training and development of its employees;
 - the degree to which it expands the availability of knowledge and reduces the incidence of cost of fraud.

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.

Vote based on information last updated 1st June 2020