

# Australian Ethical Foundation

## Impact Report

# About the Australian Ethical Foundation

Every year, Australian Ethical Investment Limited (Australian Ethical) donates 10% of profits<sup>1</sup> to the Australian Ethical Foundation Limited (The Foundation) to create environmental and social impact in Australia and overseas. Since the year 2000, Australian Ethical has donated over \$9 million, driving positive outcomes for the planet, people and animals.

The Foundation's vision is to direct as much philanthropy to effective solutions addressing the climate emergency. This is because we believe a sustainable planet — free

from climate disaster — underpins all of Earth's systems (from biodiverse ecosystems to capital markets) and allows for people and animals to thrive. We do this by utilising and funding leading research, reporting and analysis to unearth and support highly effective charities addressing climate change.

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<sup>1</sup> After tax and before bonuses



Since the year 2000, Australian Ethical has donated over \$9 million, driving positive outcomes for the planet, people and animals.

# FY23 in review

The Australian Ethical Foundation allocated \$1.1M in funding support to over 25 charities fighting climate change and protecting our natural ecosystems across our strategic priority areas: stopping sources of carbon pollution, supporting carbon sinks and empowering women and girls.

Our public grant round, [Visionary Grants](#), unearthed a suite of projects and organisations undertaking innovative and high impact work to mitigate climate change. \$500,000 was awarded across 12 winning projects, ranging from showcasing the capabilities

of electric utes across regional Australia, to converting unused cane farms to wetlands for carbon sequestration in Queensland. Each organisation utilised the funding to test or scale their projects and we're excited to see where they will progress to. The 2023 Visionary Grant winners will be named in December 2023 and can be found on the website [here](#).

The Foundation's strategic grant program continued to fund proven and effective charities working across our focus areas. Projects spanned from progressing alternative protein markets, developing clean tech

investment hubs, empowering First Nations women rangers in Arnhem Land and advancing environmental accounting standards.

We're looking forward to another year of funding high impact organisations and projects doing their bit to address the climate crisis.

# 2022 Strategic Grants

# 10%

yearly profits donated through the Australian Ethical Foundation<sup>2</sup>

# \$1.1M

provisioned for donations in FY23

# \$500,000

funded through Visionary Grants program<sup>3</sup>

# 25+

charities supported fighting climate change

# \$9M+

donated since 2000

<sup>3</sup> After tax and before bonuses

<sup>4</sup> Included in the allocation of \$1.1 million

# Our ‘Theory of Change’

We believe that without a sustainable planet free from the worst effects of climate change, the systems that underpin a healthy life for people and animals with fail. As such, the core focus of The Foundation’s work is to fight climate change as effectively as possible.

With less than three per cent of global philanthropy being utilised towards climate and nature work, it is imperative the funding directed to these causes goes to the most effective charities in the space. That’s why we’re applying effective altruism principles to help inform part of our strategy and grant-making.

Paul Hawken’s ‘Project Drawdown’ provides an accumulation of leading global research that highlights the most effective solutions to address climate change. By using this information, along with other research, The Foundation specifically targets initiatives across people, planet and animals that all directly and practically address climate change. Funding for these initiatives is targeted at both systemic and advocacy efforts, as well as grassroots projects.

The Foundation’s key focus areas for funding are:

- Stopping sources of carbon
- Supporting carbon sinks
- Educating and empowering women and girls



## Stopping sources of carbon

Australia is a global leader in the export of fossil fuels and livestock agriculture, so it’s important we shift domestic energy policies, energy creation and food supply towards cleaner solutions - while ensuring this process is equitable and empowering for all. We also need to ensure emissions from other important sectors, like transport, buildings and food are rapidly reduced.

### Currently, our key funding priorities include:

- Supporting the adoption of new forms of energy production (renewables)
- Supporting the prevention of new fossil fuel projects
- Supporting the development of alternative proteins markets (plant-based meat and cellular agriculture), to reduce deforestation pressures, carbon emissions and animal suffering.



## Supporting carbon sinks

Temperate and tropical forests (green carbon) and seagrass meadows, tidal marshes and mangrove forests (blue carbon) sequester large amounts of atmospheric carbon. They also provide vast biodiversity benefits for the planet, supporting most ecosystems that underpin life on earth. We’re funding initiatives to protect and restore these important areas, helping them recuperate and function to absorb and store more carbon over time.

### Currently, our key funding priorities are:

- Protecting and restoring temperate and tropical forests (and the biodiversity they support)
- Protecting and restoring oceans (and the biodiversity they support)



## Educating and empowering women and girls

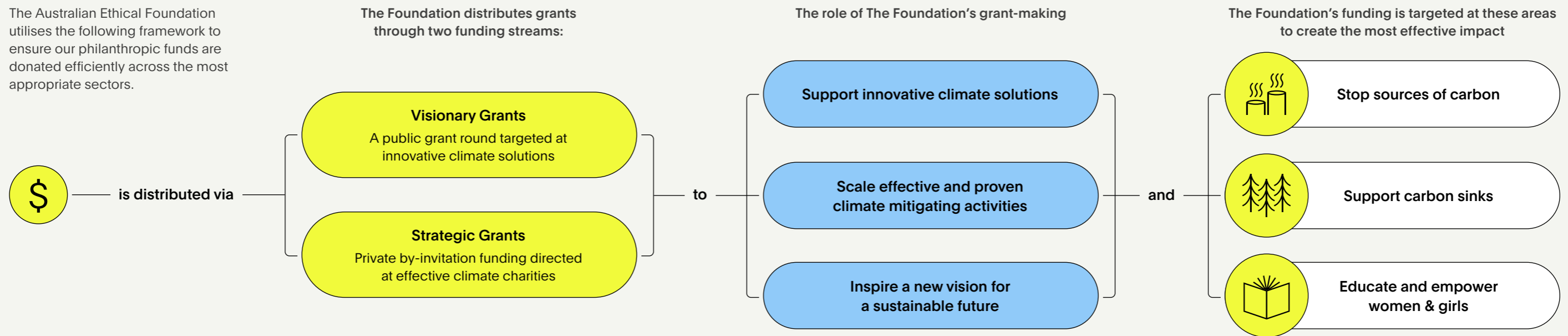
Securing gender equality and advancing women’s wellbeing is one of the leading solutions to address climate change.<sup>4</sup> When levels of education rise, access to reproductive health care improves and women’s political, social and economic empowerment expand, women can control their family size and their lives, curbing population growth and building healthier more inclusive societies.

That’s why we commit our funding to women’s education, health, wellbeing, safety and economic empowerment.

<sup>4</sup> Table of solutions reviewed and assessed by Project Drawdown, [drawdown.org/solutions/table-of-solutions](https://drawdown.org/solutions/table-of-solutions)

# Process of change

The Australian Ethical Foundation utilises the following framework to ensure our philanthropic funds are donated efficiently across the most appropriate sectors.



# How we assess our grants

The Australian Ethical Foundation utilises an impact measurement framework to assess and award all its funding. Within it there are four main components that are assessed and scored:

- 1 Theory of Change:** Explores how well has a project considered the change it is seeking to create.
- 2 Outcomes Measurement:** Understands how well an organisation measures the impact it is generating and how they are learning from it.
- 3 Organisation and Team:** assesses how experienced and capable a team and their governance structures are.
- 4 Effectiveness:** measures how effectively a charity utilises its funding to generate the impact it is seeking to have (which draws on effective altruism principles, further outlined on the right).

## Effective altruism

The Foundation utilises effective altruism principles in how it assesses grants, and also how it aims to progress the climate philanthropy sector as a whole.

Effective altruism is about doing the most good for every dollar donated, by using evidence and analysis to determine the best issues to work on, and which interventions have the greatest potential for impact. Effective altruism research is guided by three questions:

1. Is the issue large in scale? How many people are affected, and to what extent?
2. Is the issue highly tractable? How much progress can we make with additional resources?
3. Is the issue neglected? How many resources are already being directed toward the problem?

## Effective climate funding: Giving Green

Beyond incorporating effective altruism ideas into part of our assessment framework, The Foundation is also funding leading Australian research, utilising effective altruism principles, to unearth Australia's most effective charities fighting climate change.

The research work was led by Giving Green, a subsidiary of IDinsight, in partnership with The Life You Can Save Australia, both leading proponents of effective giving in Australia and the United States.

Giving Green was formally launched in December 2021, providing public recommendations for Australian donors to effectively fund the climate crisis.

To read more about Giving Green and how the research was conducted, please visit the [Giving Green website](#).

# Impact case studies

## Original Power



The Australian Ethical Foundation has been a supporter of Original Power's ambitious initiative, the First Nations Clean Energy Network (Network), initiated in November 2021 in Alice Springs. The Network's establishment was fueled by the imperative to empower First Nations communities and enable them to seize opportunities arising from Australia's thriving renewables sector.

Throughout 2022, the Network organised specialised working groups focused on community, policy, and industry. Notably, they collaborated with national organisations to host the First Nations Clean Energy Symposium in Melbourne and secured a pivotal commitment from the Federal government and Energy Ministers to jointly craft a transformative First Nations Clean Energy Strategy. They also launched resources to empower communities in navigating the renewables industry.

In 2023, the Network maintains its focus on vital initiatives, including energy security, rights, capacity building, and promoting inclusivity in renewable energy. Noteworthy achievements include the successful launch of Best Practice Principles and Clean Energy Negotiations Guides. The Network's impressive growth, marked by a substantial increase in members and supporters, underscores their dedication. Their ongoing efforts include creating a comprehensive 'How to Guide' for communities entering solar projects and advocating for streamlined policy reforms to expedite regulatory approvals for community solar projects, aligning with their mission to drive positive change in the renewables landscape.

See this video for more information about Original Power's mission or go to their website [Original Power](#).



## Environmental Justice Australia

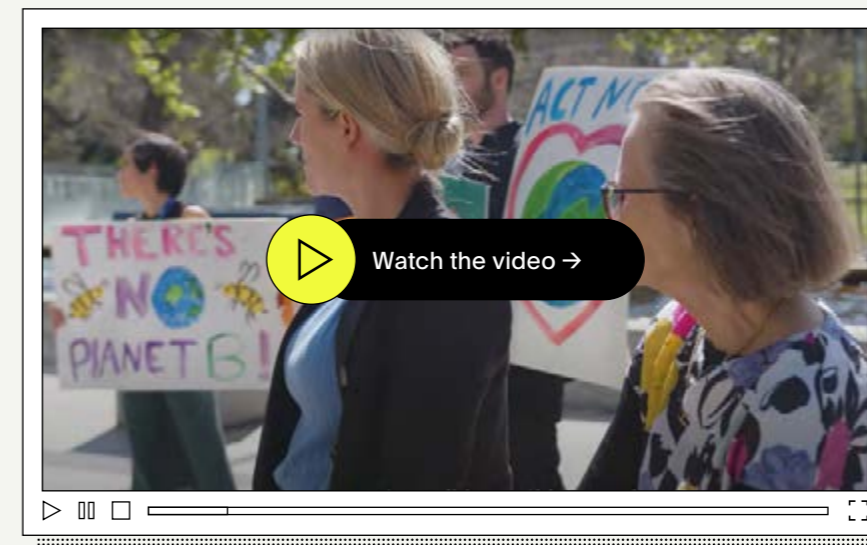


In a groundbreaking move to protect Australia's unique biodiversity and combat climate change, the Environment Council of Central Queensland (ECoCeQ) is taking Environment Minister Tanya Plibersek and major mining companies, MACH Energy and Whitehaven's Narrabri Coal, to the Federal Court. This legal action seeks to hold the Minister accountable for her failure to address the climate harm posed by coal mining expansions, such as Whitehaven's Narrabri and MACH's Mount Pleasant projects.

ECoCeQ, supported by Environmental Justice Australia, argues that these expansions jeopardize not only our climate but also thousands of threatened species, plants, and ecosystems. They contend that Minister Plibersek's refusal to acknowledge the scientifically established climate risks was unlawful. If successful, this litigation could set a precedent, compelling Environment Ministers to consider climate risk in every coal or gas project.

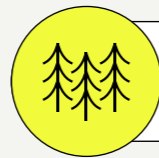
Australia is home to an astonishing array of wildlife, landscapes, and cultural heritage, including iconic marsupials like koalas and pristine ecosystems such as the Great Barrier Reef. Amid a worsening climate crisis, new coal and gas ventures threaten to exacerbate environmental degradation and species extinction. ECoCeQ's legal action is a plea to halt this dangerous course and redefine environmental decision-making in Australia.

See this video for more information about the legal action by ECoCeQ which was supported by [Environmental Justice Australia](#).





## Australian Climate and Biodiversity Foundation



Supporting carbon sinks

The Foundation has been supporting the work of the Australian Climate and Biodiversity Foundation (ACBF) which was established to cut through and deliver their forest futures mission to rapidly protect, restore, and better manage Australia's native forests, with the goal to stop native logging by 2030.

ACBF has worked closely with various leading nature organisations and relevant Federal government departments to infuse nature-positive principles into key government initiatives, including draft national environment standards, the innovative Nature Repair Market, and the new federal Environmental Protection Authority (EPA) and Environment Information Australia (EIA).

Additionally, ACBF worked to bolster and facilitate the passage of the Safeguard Mechanism and have actively contributed to shaping the reformed carbon market, ensuring it generates high-integrity carbon credits by safeguarding crucial forests.

ACBF's efforts have transcended policy reform as we've harnessed the transformative momentum generated by the Chubb reforms and new biodiversity protection laws. This has enabled ACBF to forge a pioneering alliance to advocate for a multi-Ministerial taskforce aiming to craft a new national forest policy. This strategic shift promises to offer long-term protection, enhanced management, and the restoration of our severely depleted forests.

Looking ahead, ACBF priorities include advocacy for the establishment of a national forest policy task force, forging research partnerships, exploring 'Nature Positive' policy and legislative reforms, informing the future design of the new federal EIA and EPA, launching targeted research projects, exploring corporate levers for private sector leadership, and implementing our multi-regional 'Forest Futures' communication strategy—a key driver of change.

## Accounting for Nature



Supporting carbon sinks

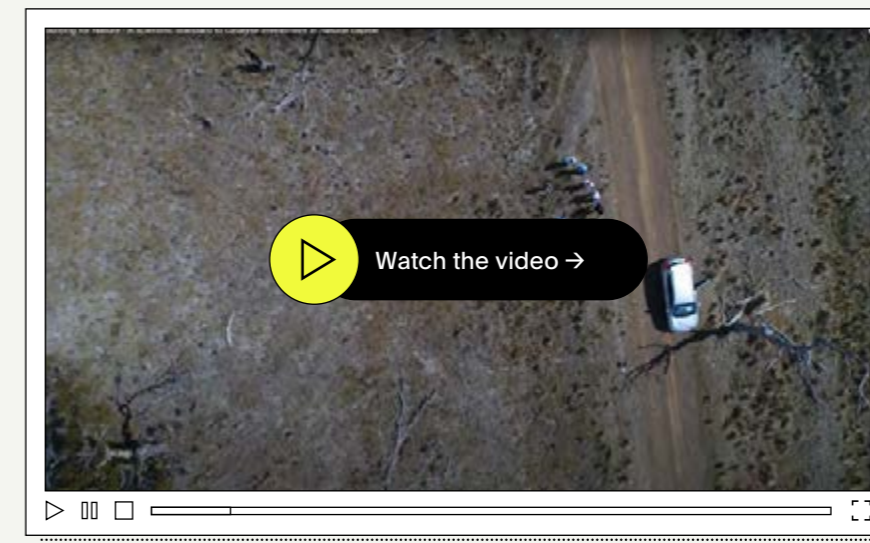
The Foundation has been funding the work of Accounting for Nature to help deliver on a transparent, affordable, verifiable and certifiable environmental accounting framework to inform better investment, policy and management decisions in natural capital. These include carbon co-benefits, green bonds, environmental offsets and impact investments.

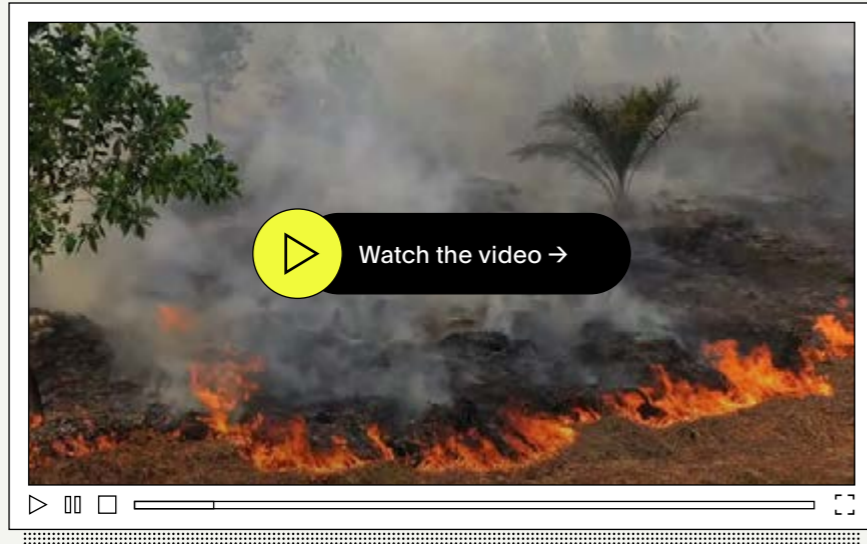
This project is an innovative response to the growing demand for "nature-based" carbon offset solutions driven by global agreements like the Paris Agreement and Aichi Targets. These agreements have spurred governments and private-sector organizations to seek offsetting strategies that not only mitigate carbon emissions but also yield positive environmental outcomes, such as landscape restoration and biodiversity preservation.

The project builds upon the acclaimed Accounting for Nature® (AfN) Framework and aims to create an online environmental accounting technology platform. This platform will enable organizations to import remote sensing and field data, establish and verify environmental accounts, and link them to carbon offset registries. Once certified by Accounting for Nature Ltd, these environmental accounts can be seamlessly integrated into financial accounting packages, aligning financial reporting with carbon and environmental metrics.

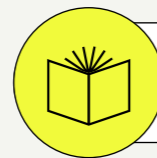
The primary goal is to provide a transparent and standardized system for measuring ecosystem health and environmental improvement, helping organizations substantiate their environmental claims related to carbon offsets and carbon neutrality. This not only aids in avoiding greenwashing but also ensures that claims are backed by credible evidence of enhanced natural capital.

Learn more about how Accounting for Nature works in this video or at [accountingfornature.org](https://accountingfornature.org)





## Human Rights Watch



**Educating and empowering women & girls**

In collaboration with the Australian Ethical Foundation, Human Rights Watch is dedicated to safeguarding the rights of Indigenous women in Indonesia and addressing the pressing issue of deforestation. The focus of their work lies in Indonesia's Papua region, where the rapid depletion of forests presents significant challenges to Indigenous communities, particularly women.

Despite the protections outlined in the United Nations Declaration on the Rights of Indigenous Peoples, Indonesian Indigenous communities face challenges in managing their own land. Recent amendments to the Special Autonomy Law have further weakened the autonomy of Indigenous Papuans, leading to an increase in human rights violations.

Human Rights Watch has conducted in-depth research into the intersection of climate change and gender discrimination in the context of land rights. Through this research, they have identified structural barriers within Indonesia's laws and policies that result in violations of the rights of Indigenous women. Despite international obligations to respect Indigenous rights, these laws are often left unimplemented or disregarded, creating an environment of impunity for rights abuses.

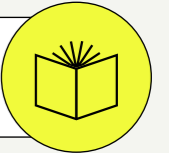
As they progress into the project's second year, Human Rights Watch aims to deepen the evidence base regarding land rights violations and the exclusion of women from land-related decision-making processes. Their advocacy efforts will focus on urging the Indonesian government, financial institutions, corporations, and other stakeholders to implement laws that protect land rights and strengthen national climate action plans. Additionally, they seek to raise awareness about the exclusion of women from forest governance and natural resource management, ensuring that Indigenous women's voices are heard and their rights upheld. This collaborative effort between Human Rights Watch and the Australian Ethical Foundation plays a pivotal role in driving positive change in Indonesia.

The organisation's efforts have centered on a comprehensive analysis of Indonesia's legal framework concerning land-based investments, including the production of oil palm and environmental management practices. By gaining a profound understanding of the weaknesses in these laws and their impact on Indigenous peoples, particularly women, Human Rights Watch seeks to exert pressure on the Indonesian government to enact policies that respect rights. The goal is to ensure consistent monitoring and oversight of land clearance and plantation development.

You can learn more about the impact of land clearing on indigenous people in Indonesia in this video or go to [Human Rights Watch \(hrw.org\)](https://www.hrw.org)

## Fistula Foundation

**Educating and empowering women & girls**



The Fistula Foundation, with support from the Australian Ethical Foundation, has undertaken a remarkable mission to combat obstetric fistula and support women's health in Pakistan, particularly in rural areas with limited access to maternal healthcare. The project is centered around the Koochi Goth Women's Hospital in Karachi, South Asia's sole charity fistula treatment center.

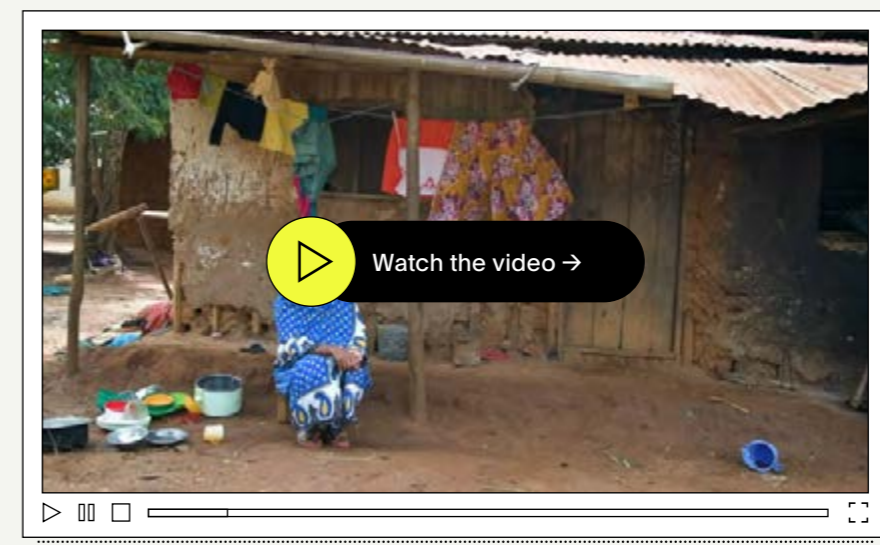
Recognising the shortage of experienced fistula surgeons in the region, the project developed partnerships with local hospitals to ensure continued access to surgical care. In response to the devastating floods in Pakistan during the summer of 2022, PNFWH initiated a Flood Response program, particularly targeting pregnant women and screening for fistula patients, offering essential support and referrals for further treatment.

In 2022, the project set an ambitious goal of performing 600 fistula surgeries at a remarkably low cost of \$250 per surgery, thanks in part to government support for the hospital's operating expenses. The results were astounding, with 840 surgeries conducted, surpassing their target by 40%, and at an average cost of just \$182. The Foundation's funding specifically facilitated free surgeries for 189 women, exceeding the initial goal by 35%.

This collaborative effort between the Fistula Foundation and the Australian Ethical Foundation has not only provided critical medical care but also enhanced community awareness and empowerment, underscoring the profound impact of their work in improving the lives of women in Pakistan.

There is more information about [Fistula.org](https://www.fistula.org) in this video.

Beyond these surgical achievements, the team engaged in extensive educational and outreach activities to raise awareness about fistula and reduce its incidence. Additionally, they supported surgical outreach efforts and provided essential training for healthcare providers to identify and refer obstetric fistula cases.





# 2022 Visionary Grant Winners

Our public funding round, Visionary Grants, provides early stage philanthropic funding for ideas that could change the game in the fight against climate change.

Australian Ethical Foundation Ltd (ACN 607 166 503) Registered as a charity with the Australian Charities and Not-for-profits Commission (ACNC) since August 2015.

We have done our best to ensure the information contained in this document is current and accurate as at the date of issue. This document contains information and material provided by third parties, such as the amazing organisations we support, and while such material is published with their permission, we are not responsible for the accuracy or completeness of that information.

If you have any feedback on this report, please email [foundation@australianethical.com.au](mailto:foundation@australianethical.com.au)

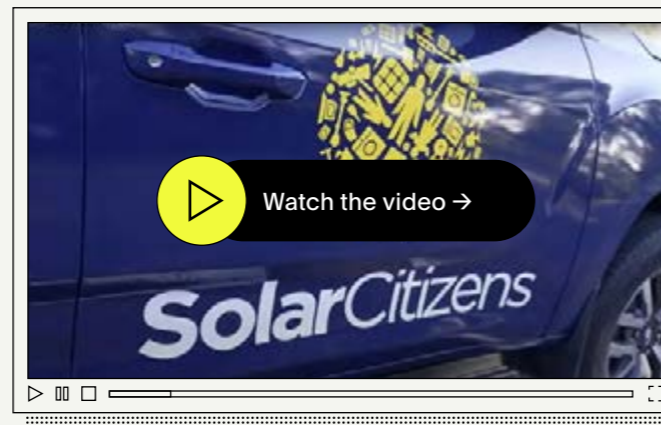


## Solar Citizens

Solar Citizens are a people-powered campaign that work to demonstrate that action on climate change has broad benefits for all Australians – whether someone is saving on power bills with rooftop solar or slashing harmful pollution using electric transport. Their mission is for a fast and fair transition to 100% renewable energy and clean transport.

Solar Citizens' Electric Ute Roadshow demonstrated the benefits of electric utes to everyday regional Australians by driving an electric ute to strategic rural and regional areas, hosting community events to engage the general public; critically, tradies, farmers, and campers. Solar Citizens aim to build a positive story about the benefits of EVs right across the country to get Australia up to speed and enable the movement to win strong clean transport policies.

This video has more information about the Solar Citizens Electric Ute Roadshow



## Cellular Agriculture Australia

Cellular Agriculture Australia is dedicated to developing a future-fit workforce, open access research and an enabling environment for a thriving cellular agriculture industry in Australia.

Cellular agriculture creates animal-derived products using cell-based biotechnologies, instead of whole animals. It presents a once in a lifetime opportunity to rewrite animal agriculture and have a positive impact on climate change, biodiversity loss, animal suffering and public health.

Cellular Agriculture Australia's sector-building and advocacy program will advance Australia's cellular agriculture sector and enable its impact potential to be realised. Their work will centre around five common and non-competitive priority areas in collaboration with the sector:

- Securing a future-fit talent pipeline for the sector
- Enabling a consistent and accessible regulatory framework
- Influencing the policy environment
- Social acceptance of cellular agriculture (cellag)
- Ensuring infrastructure is accessible

## Rahma Health

Rahma Health aim to support and empower the most vulnerable group of parents, including refugees and migrants, to give the next generation the best possible start in life by creating the first patient-centric, medically reliable Arabic pregnancy and baby resource in the world.

The online resource will empower parents to have a safe journey through pregnancy and child rearing, ensuring women have healthy pregnancies, positive birth experiences and be confident in nurturing their child's wellbeing. Rahma Health seeks to be the go-to online resource for all Arabic-speaking parents who want medically reliable information.



A woman in a red patterned dress stands in a field at sunset, looking towards the horizon. The scene is bathed in warm, golden light.

## Image credits

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### Find out more

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