

RESPONSIBLE AND SUSTAINABLE INVESTMENT STATEMENT

Updated March 2021



NANUK
ASSET MANAGEMENT
Investing Sustainably, Managing Responsibly

Purpose

This document summarises Nanuk's approach to responsible and sustainable investment, details how this approach is implemented and how it aligns with the various approaches adopted within the broadly defined areas of ESG and Responsible Investment.

The approach is formalised in the firm's Sustainability, ESG, Climate Change and Stewardship Policies, which are available on request, and the outcomes of the approach are detailed in the firm's annual ESG and Sustainability Report.

An Introduction to Responsible and ESG Investment

The terms "Responsible Investment" and "ESG Investment" typically describe investment strategies that have attributes or outcomes of a 'responsible' nature. Confusingly the terms are also used more broadly to describe the concept of "ESG Integration" - the consideration of environmental, social and governance factors within an investment process - which does not necessarily confer that an investment strategy is 'responsible' in nature.

Responsible Investment can be segmented into several, potentially overlapping, approaches with different non-financial outcomes. The approaches can be simplistically divided into a set of approaches that are directed towards investing in "better companies" (or "less bad" companies) and a set of approaches that are directed towards investing in companies that are contributing towards a "better world". In turn, these approaches can be implemented using a variety of different methods potentially resulting in significantly different outcomes. The approaches include:

- ***Ethical** strategies seek to align investment with values and are typically, but not necessarily, implemented through negative screening or removal of non-complying companies or industries.*
- ***ESG** strategies are varied but involve the systematic consideration of ESG factors typically with the goal of lowering risk. They can be implemented using a variety of different methods with quite different results.*
- ***Engagement** strategies, as the name suggests, have a focus on improving corporate behavior and decision making and necessarily involve resource intensive direct engagement with companies.*
- ***Sustainably themed** strategies focus on investment in companies and industries whose activities are associated with improving environmental sustainability and/or social equality, with an increasing focus on the United Nations Sustainable Development Goals (the "UN SDGs").*
- ***Impact** strategies are intended to provide intentional and measurable positive environmental and social outcomes. Historically the incidental positive impact of investments in listed companies has not been considered sufficient to qualify listed strategies as impact investments. It is now becoming more common for listed strategies to be promoted as impact investments, based on a more generic definition supported by the UN PRI. Whilst it is entirely plausible to have impact*

investments that provide appropriate financial returns, the line between traditional impact investing and philanthropy is potentially grey.

It is important to note that these approaches are not mutually exclusive. A Fund's strategy will typically align clearly within one category but that need not preclude it from falling within one or more other category.

The majority of ESG and ethical funds fall within the first three of these categories and are typically the outcome of ESG or screening approaches being applied to passive or conventional active strategies.

Nanuk's New World Fund and any similar, sustainably themed, strategies typically result from more deeply integrated approaches that incorporate ethical screening, ESG integration and responsible stewardship activities alongside a clear focus on sustainably themed or impactful investments.

ESG & RESPONSIBLE INVESTMENT STRATEGIES



		← Better Companies →		← Better World →		
		Ethical	ESG	Engagement	Sustainably Themed	Impact
		Investment aligned with values	Reduced exposure to ESG risks	Improving corporate behavior	Favour investments related to improving E&S sustainability	Measurable positive E & S outcomes
Nanuk's Investment Approach	Negative screening	Governance and Sustainability incorporated into company analysis, risk assessment, valuation	Comprehensive proxy voting and selective engagement activities	Positively screened investment universe	Identifiable contribution of companies to improving sustainability	

30

The different aspects of Responsible or ESG Investment outlined above cannot be assessed with a single metric or score. Traditional ESG ratings or scores may be relevant to assessing strategies intended to invest in 'better companies' that could be expected to rate better on these measures of conformance with best practice governance and ESG practices but may not be relevant to strategies investing in companies contributing to a 'better world'.

Introduction to Nanuk

Nanuk Asset Management was formed in 2009 to develop world-class investment expertise in the investment implications of sustainability and to assist its clients address the related opportunities and risks.

Nanuk is exclusively focused on sustainably themed responsible investment - specifically, investing globally in listed companies whose activities and practices contribute to or benefit from the transition to greater global sustainability.

We believe that successful investment in these areas will deliver attractive investment outcomes for clients and will facilitate the global sustainability transition, through improving the efficiency of capital allocation and facilitating better long-term decision-making through broad engagement with stakeholders, including corporate leaders, government, and the public.

Nanuk has a holistic and comprehensive approach to sustainable investment that is focused on delivering strong investment outcomes from a clearly defined opportunity set that will, by definition, result in ethical, impactful portfolios that are aligned with global sustainability outcomes.

Our approach is reflected in the following broad principles, set out in our Sustainability Policy.

- We only invest in companies that we believe are contributing to improving global sustainability
- We do not invest in companies whose activities are unsustainable
- We do not invest in companies whose relationships with stakeholders are unsustainable
- We take into account the governance and sustainability of businesses in our investment analysis and decisions
- Where practical and aligned with our clients' interests we seek to influence companies to improve both global and intrinsic sustainability
- We seek to operate our own business in a sustainable manner

Nanuk's Beliefs and Approach

Our investment philosophy and approach are centred around the investment implications of sustainability.

We believe the global economy, and society more generally, will inevitably change to become more sustainable and these changes will have a material impact on the structure of the economy and the economics of individual companies.

More specifically, we believe resource constraints and environmental challenges like climate change necessitate significant structural changes in the global economy in coming decades. Large parts of the global economy are transforming as a broad range of more efficient and sustainable technologies and practices replace incumbent solutions. The resultant changes and disruption are presenting, and will continue to present, a significant set of investment opportunities and risks.

At a broad level the industries benefiting from these changes are likely to outperform industries being negatively impacted. Additionally, the complexity associated with ongoing structural and technological changes leads to inefficiencies in equity markets that can be exploited by specialist, research based, active management.

At Nanuk we invest within a self-selected investment universe that is constructed through a combination of both positive and negative ESG related screening. The universe is comprised only of companies whose activities are assessed to be contributing to improving global environmental sustainability and resource efficiency. Additionally, any companies with a material level of involvement in activities that are not consistent with the firm's focus on sustainability, are operating in severe, or potentially severe, contravention of established norms for responsible business practices or that are involved in areas of significant environmental or ethical concern are excluded and ineligible for investment.

Our investment approach within this investment universe is focused on constructing well-diversified portfolios with high active shares that deliver superior risk adjusted investment returns, primarily from stock selection.

Nanuk's investment process incorporates a consistent valuation-based approach coupled with

fundamental insights into industries and investee companies. The approach is predicated on a belief that, over time, equity market prices typically reflect the future prospects and perceived economic value of the underlying businesses and assets, usually best estimated as the discounted value of their expected future cash flows. For many reasons, shares often trade at prices that don't reflect future prospects and at significant discounts or premiums to their intrinsic economic value. We believe that shares priced at significant discounts to their intrinsic value are likely to provide excess returns as their future prospects are better understood and priced by the market, particularly if companies are able to generate increasing economic value over time. Conversely, declining economic value presents a significant investment risk.

Corporate governance practices and aspects of sustainability can materially impact the future performance of companies and the extent to which any economic value created will accrue to shareholders. More specifically, we believe that investment outcomes are likely to be influenced by the quality and capability of the board and management, the alignment of interest between management and shareholders, the sustainability of a company's activities (products and services) and the sustainability of relationships with stakeholders (investors, creditors, customers, employees, suppliers, communities, governments and society).

Consequently, we favour investment in businesses capable of generating increasing economic profits that are well managed in the interests of minority shareholders, as they are likely to present lower investment risk and greater potential for shareholder value creation. Furthermore, we seek to encourage better governance and sustainability of investee companies through active management of our investments (proxy voting and engagement activities).

Conversely, we seek to avoid exposure to companies where there is excessive uncertainty about the sustainability of returns or doubt about the prioritization of shareholder's interests in management decision making, and we consider these risks in the assessment and valuation of all potential investments.

ESG and ESG Integration

Nanuk has a holistic approach to sustainable investment that is reflected in all aspects of our investment activities. ESG integration is inherent in the approach, rather than an adjunct to it. Nanuk's approach is implemented using a combination of positive thematic screening, negative exclusionary screening, ESG integration in investment decision making and our stewardship activities. These elements of the approach are described in more detail below.

Positive Screening

Nanuk invests exclusively in companies that have a material part of their value related to activities that are contributing to improving global sustainability and efficiency. This is implemented through the construction of an investment universe by positive screening for exposure to selected industries, technologies, products and services based on their contribution to improving global sustainability.

The investable universe for the Nanuk New World Fund comprises companies with greater than 25% of their value related to activities in one or more of the following areas related specifically to environmental sustainability and resource efficiency:

Sustainable Energy	Renewable energy technologies Grid infrastructure and grid modernization Energy storage Sustainable Fuels
Sustainable Food & Agriculture	Higher Yielding/Lower Impact Production Precision Agriculture Sustainable Production Controlled Environment Agriculture Healthier/Sustainably Produced Foods Efficient Processing Sustainable Packaging

	Efficient Supply Chains and Logistics Reduced Wastage
Sustainable Cities & Infrastructure	Building Energy Efficiency and Pollution Reduction Sustainable/Low Impact Design and Development Sustainable Construction Materials Smart Home/Smart Energy Management
Sustainable Transport	Electrification Low Emission Fuels Energy/Fuel Efficiency Modal Shifts MaaS/TaaS Solutions ADAS/Autonomous Driving Safety Efficient Logistics
Sustainable Industry	Industrial Internet of Things (IIoT) Robotics and Automation Advanced Manufacturing Process Efficiency Solutions Sustainable Processes and Feedstocks Energy Efficiency Advanced Materials Safety
Sustainable Healthcare	Diagnostic Technologies Mobile/Wearable Diagnostics (mHealth) Data Management Digital Solutions for Healthcare (eHealth) Digital Solutions for Process Efficiency Surgical Robotics and Automation Therapeutic Devices Genomic Diagnostics and Treatment
Sustainable Consumption	Recycling Sustainable Materials Recyclable Materials Recyclable and Reusable Products Energy Efficient Products
Efficient Business and Economies	Cloud Computing AI/Machine Learning Applications Information Services Financial Technology Process Efficiency Online Retail and Services
Sustainable Environment	Waste Management Pollution Control Sustainable Water Usage Environmental Management Environmental Remediation Carbon Sequestration

Note: This framework replaces a previous framework defined around eight core sectors - namely clean energy, energy efficiency, industrial efficiency, food and agriculture, waste management and recycling, water, advanced materials and healthcare technology. The change has been made for clarity and does not impact the included technologies and activities.

Positive screening is undertaken based on internal analysis of each proposed company but is facilitated by the use of external data sources providing relevant categorizations of company activities.

Alignment with UN Sustainable Development Goals

The activities of companies within Nanuk's investment universe typically demonstrate a clear connection with the delivery of the UN's Sustainable Development Goals (SDGs). Nanuk utilizes the services of an independent research house (Sustainable Platform) to analyse individual company and portfolio contribution to the delivery of the SDGs and exposure to controversial industries.

The Nanuk New World Fund demonstrates a substantially higher average contribution to the UN SDGs and lower exposure to controversial industrial and lower sustainability related risk than traditional global equity benchmarks. Additionally, the Nanuk New World Fund demonstrates substantially lower exposure to Carbon Related Assets and direct and indirect exposure to carbon intensive industries than broader global equity benchmarks.

Please refer to Nanuk's annual Sustainability & ESG Report for further details.

Negative Screening

Nanuk's specific focus on companies whose activities are contributing towards improving global sustainability naturally avoids investment in many areas of ethical, social or environmental concern.

This is formalized through a comprehensive Sustainability and ESG-based Negative Screening Framework that precludes investment in

- Companies operating in severe, or potentially severe, contravention of established norms for responsible business practices (including Human Rights, Labour Standards, Environmental Practices, Business Malpractice)
- Companies involved in ethically contentious activities at odds with Nanuk's values and sustainability focus (including Weapons and Defense, Alcohol, Tobacco, Gaming, Pornography, Animal Welfare Abuses, Predatory Lending, Cannabis)
- Companies involved in areas of significant environmental concern (including Oil & Gas Exploration and Production, Coal and Uranium Mining, Hazardous Pesticides, non-RSPO Palm Oil)
- Companies with a material level of involvement in activities not consistent with the firm's focus on longer term global sustainability (including fossil fuel generation, natural gas, equipment and services provided to excluded industries above)

A summary of the firm's Sustainability and ESG-based Negative Screening Framework is included in Appendix A.

Negative screening is undertaken systematically in the construction of the firm's investment universe using external analysis and data sources. Compliance with the negative screening is reviewed in detail during company analysis and portfolio reviews and any areas of potential non-compliance investigated directly.

The application of the Sustainability and ESG-based Negative Screening Framework results in over 2,100 companies being excluded from potential investment by Nanuk.

ESG Integration in Investment Analysis and Decision Making

We believe that corporate governance and sustainability can materially impact the future performance of companies and the extent to which any economic value created will accrue to shareholders. Companies with unacceptably high levels of governance or sustainability risk are likely to be excluded by Nanuk's Sustainability and ESG based negative screen.

Consideration of governance and sustainability is an intrinsic component of assessing companies' future financial profiles, risks and valuation.

Nanuk's analytical framework focuses specifically on the following governance and sustainability factors:

- The quality and capability of the board and management
- The alignment of interest between management and shareholders
- The sustainability of a company's activities (products and services)
- The sustainability of relationships with stakeholders (creditors, customers, employees, suppliers, communities, governments and society)

ESG data relating to these factors is aggregated in a proprietary ESG framework and these factors are integrated into our standard research framework that guides analysis and assessment of companies and are considered in relation to all investments.

An extract of Quality factors considered within Nanuk's Research Framework is shown below.

Quality - Franchise	<p><i>Is it a good business?</i></p> <ul style="list-style-type: none"> - <i>Is it a leader in its market(s)?</i> - <i>Does the business have pricing power?</i> <p><i>Does the company have sustainable competitive advantages?</i></p> <p><i>Is its position improving or deteriorating?</i></p>
Quality - Governance	<p><i>Is the company likely to be well managed?</i></p> <ul style="list-style-type: none"> - <i>Do the board and management have requisite skills and experience and demonstrate good commercial acumen?</i> - <i>Is management capable and effective?</i> <p><i>Are the ownership and governance structure and practices aligned with our interests?</i></p> <ul style="list-style-type: none"> - <i>Ownership - controlling shareholders, special rights</i> - <i>Governance - board independence, separation of duties</i> - <i>Compensation - level, alignment of incentive structures</i> - <i>Transparency - independent audit, qualifications, adjustments</i> - <i>Corruption - exposure to corrupt economies</i>
Quality - Sustainability	<p><i>Are the company's products and services sustainable?</i></p> <p><i>Are the company's operations sustainable?</i></p> <p><i>Are the company's relationships with stakeholders likely to impact on the value of the business in the future?</i></p> <ul style="list-style-type: none"> - <i>Customers - product quality, safety, pricing, privacy</i> - <i>Employees - OHS, labour rights, discrimination, workplace relations, modern slavery</i> - <i>Suppliers/Partners</i> - <i>Communities - environmental/health issues, human rights</i> - <i>Government - compliance with laws/regulation, tax avoidance</i> - <i>Society - environmental issues, corruption</i>
Quality - Financial	<p><i>Is the company able to generate increasing economic value?</i></p> <ul style="list-style-type: none"> - <i>Are returns on incremental capital investment attractive?</i> - <i>Is the financial profile improving? Why?</i> <p><i>Is profitability stable and predictable?</i></p> <p><i>Is the financial position sound?</i></p>

As shown above, these ESG factors are considered in the assessment of risk and return alongside other factors potentially influencing longer term economic outcomes. The relative importance of individual ESG factors (or the ESG factors as a whole) will depend on the circumstances and nature of the individual company.

Uncertainty about the sustainability of a company's returns or doubt about the prioritization of shareholder's interests in management decision making is considered in investment decisions. This may result in adjustments to valuations (typically through incorporation of risk factors into discount rates or adjustments to financial forecasts), and/or a lower conviction based on higher risks (and therefore lower position size), and/or a risk-based decision not to invest.

Companies for which there are significant concerns regarding any of the four key ESG considerations above are likely to be precluded from investment through either ESG based negative screening or during subsequent investment analysis.

Some ESG factors can be shown to have statistical significance as indicators of future relative out performance and are suitable for integration into quantitative assessments of valuation and/or risk. Other factors may not have broad statistical significance but in combination with other factors may indicate misalignment of interest and greater risk.

Assessment of these factors is necessarily qualitative and may take into consideration other factors such as the historical actions and performance of directors and management. An issue or concern related to a single factor may not of itself indicate inherently higher or unacceptable risk. Considerations such as materiality and context (cultural and geographic biases, subsequent actions, historical performance etc) are made in conjunction with assessment of other relevant governance factors. For example, the risks potentially associated with an Executive Chairman may not be of concern if the board contains a majority of appropriately experienced independent directors.

Nanuk's approach allows for recognition that improvements in governance and sustainability are likely to be more significant as an indicator of future outperformance than the absolute or relative measures of a company's present governance and sustainability. The approach also allows for recognition that appropriate governance structures may vary depending upon the nature and stage of development of a company, as well as the individual entities and people involved.

Consideration of the key ESG related factors outlined above is undertaken internally but is aided by a proprietary ESG framework and comprehensive ESG research and data from a variety of sources.

Portfolio construction is directly impacted through the selection and sizing of positions based directly on valuations and risk assessments that incorporate ESG factors in the manner described above.

Portfolio construction decisions prioritise investment performance and are not explicitly directed towards achieving high ESG scores. Nanuk's 'whole of process' approach incorporating ESG considerations in both the selection of the eligible investment universe and the subsequent company analysis and stock selection dictates that the ESG and sustainability characteristics of the resultant portfolio will align with intended outcomes.

Proxy Voting

We believe shareholder voting provides an important opportunity to participate in corporate decision making and encourage better governance and more sustainable corporate behaviour in the interests of both longer-term value creation and more sustainable outcomes.

Nanuk undertakes proxy voting according to a sustainability and ESG aligned voting policy that is consistent with the firm's sustainability focus. Voting recommendations are made by individual portfolio managers responsible for each company and are supported by proxy voting research provided by ISS.

ISS's Sustainability Voting Guidelines are accessible via the following links:

<https://www.issgovernance.com/file/policy/active/specialty/Sustainability-International-Voting-Guidelines.pdf>

<https://www.issgovernance.com/file/policy/active/specialty/Sustainability-US-Voting-Guidelines.pdf>

Voting decisions typically follow these guidelines, however we may vote differently on items that we consider material to economic outcomes and minority shareholders' interests. In this regard we pay particular attention to issues such as compensation and incentive arrangements, capital raisings and acquisitions and divestments.

A summary of Nanuk's proxy voting activities is provided in our annual ESG & Sustainability Report. A detailed proxy voting report is available to clients on request.

Direct Engagement

Engagement activities provide an opportunity to encourage better governance and more sustainable corporate behaviour in the interests of both longer term value creation and more sustainable outcomes.

Company engagement is a core part of Nanuk's investment approach and we speak with representatives of most of the companies in which we invest. The interactions typically focus on gaining deeper understanding of the management structures, strategies and economic drivers of companies. Concerns about governance issues or the sustainability of a company's activities or relationships with stakeholders will be raised when we have specific concerns and, in selected cases, our concerns and/or recommendations may be conveyed formally in written correspondence.

Nanuk has also engaged an external engagement services provider (ISS) to undertake ESG related engagement activities with selected investee companies on our behalf and in conjunction with other investors.

Climate Change and Carbon Risks

The assessment of climate change related risks and opportunities is central to the firm's existence.

We believe that the transition of the global economy to a sustainable form will take many decades. However, the investment risks and some of the opportunities related to these transitions are likely to manifest on much shorter timeframes and are already evident at this early stage of the transition away from current unsustainable technologies and business practices. The timing is industry and technology specific and will be influenced significantly by government policy development (particularly the implementation of 2050 net zero emissions targets), business strategies and changing public and consumer behaviour. Similarly, physical risks are likely to appear over many decades and the timeframes will be, to some extent, determined by the course of actions taken by government, businesses and consumers.

Nanuk's focus on investing in companies that are likely to benefit from climate change related transition risks ensures limited exposure to these risks inherent in the broader global equity universe.

Further to this, the construction of the firm's investment universe precludes, through negative screening, investment in companies with direct involvement in industries susceptible to climate related transition risks - such as oil & gas exploration and production and companies with substantial indirect exposure to these industries.

Our approach recognizes that low carbon intensity or low carbon emissions do not imply a positive contribution to reducing global emissions and, conversely, many companies engaged in activities that are contributing to reducing global emissions will have meaningful carbon emissions, particularly as a result of the energy requirements of industrial processes. For example, banks or social media companies are likely to have low carbon intensity, whereas a wind turbine or battery manufacturer will have higher carbon intensity that does not indicate their potential positive contribution to reducing global emissions. Carbon emission and carbon intensity

are therefore not explicit inputs to the investment process but are relevant considerations in company analysis and the assessment of valuations and risks.

Nanuk's investment process does not specifically target low portfolio carbon emissions or carbon intensity outcomes, however portfolio investments are likely to be aligned with reducing global carbon emissions.

Transparency and Reporting

We believe in providing high levels of transparency to our clients in relation to all aspects of our investment activities and outcomes, including ESG related activities and outcomes.

Details of our holdings and analysis of portfolio characteristics and performance are available to clients on request. Lagged holdings data is available through disclosures made via the RIAA.

We currently provide the following ESG related reporting

- Quarterly portfolio Sustainability, Impact and ESG analysis
- Semi-annual reporting of proxy voting elections
- Annual Sustainability & ESG Report
- Annual carbon intensity reporting (in accordance with TCFD standards)

Additional reporting is available to clients on request.

Promotion of Sustainability and ESG Principles

We believe we have both an opportunity and responsibility to promote more sustainable outcomes within the investment management industry and the economy more broadly. Where practical and meaningful, we support organisations with aligned sustainability principles and goals.

Nanuk is currently a member of the following industry groups

- UNPRI (United Nations Principles for Responsible Investment)
- IGCC (Investor Group on Climate Change)
- RIAA (Responsible Investment Association Australasia)

Nanuk supports and endorses the approach and goals of the UN Framework Convention on Climate Change and the Paris Agreement.

Nanuk supports the adoption of the recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) in relation to climate related reporting for companies and asset managers.

Nanuk supports the objectives and use internationally recognized for responsible business practices and sustainability including the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights and the UN Sustainable Development Goals.



Independent Assessment

UNPRI

Nanuk commenced reporting as a signatory to the UN PRI in 2018.

The aggregate scores for each module in the 2020 Assessment Report are shown below.

Summary Scorecard

AUM	Module Name	Your Score	Your Score	Median Score
	01.Strategy & Governance	A		A
Direct & Active Ownership Modules				
>50%	10. Listed Equity - Incorporation	A		A
>50%	11. Listed Equity - Active Ownership	C		B

RIAA Certification

The Nanuk New World Fund has been certified by the RIAA as a Responsible Investment according to the strict operational and disclosure practices required under the Responsible Investment Certification Program. See www.responsibleinvestment.org for details.

Lonsec Sustainability Rating

The Nanuk New World Fund has been a Sustainability Score of 5 'Bees', the highest level. The Sustainability Score of five bees indicates this Fund is in the top 10% of all Lonsec-rated Global equity funds, based on the Lonsec Sustainability model. The model measures the overall 'net goodness' in a portfolio by combining the contribution of the Fund to the Sustainable Development Goals, netted against the Fund's controversial activities measure into a single, peer ranked score.

Ethical Adviser Cooperative

The Nanuk New World Fund has been awarded a '4 leaf' rating (out of a possible score of 5), indicating that the fund meets most ethical objectives of an average ethical investor.

Appendix A - Nanuk's Sustainability and ESG-based Negative Screening Framework

Nanuk's ESG based exclusions framework is summarized below. The full framework including definitions is included within Nanuk's ESG Policy.

Companies violating the thresholds set out in the framework are ineligible for investment and are excluded from Nanuk's eligible investment universe. Investments held in companies that are assessed to violate the framework will be divested in a timely manner.

Environmental	
Coal & Coal-Based Energy	Mining, Exploration & Extraction >0% Coal Fired Generation >0% (10% with divestment plan)
Oil & Gas	Exploration, Extraction, Production & Refining >0% Oil-fired Generation >0% (5% with divestment plan) Gas Generation >0% (10% with divestment plan) Gas Distribution >10%
Fossil Fuels	Services and Equipment >30% Financing >0%
Uranium	Mining and Refining >0%
Nuclear Generation	Nuclear Generation >10% and Nuclear > Renewable Generation
Severe Environmental Damage	Deforestation, non-RSPO Palm Oil, Hazardous Pesticides > 0% Case by case assessment of specific violations
Weapons	
Controversial / Nuclear Weapons	Production & Distribution >0%
Weapons & Small Arms (including Civilian Firearms)	Production & Distribution >0%
Military Combat Equipment (military specific products only)	Production & Distribution >0%
Military Equipment	Services & Non-Combat Equipment >10%
Ethical	
Adult Entertainment	Production, Manufacturing, Sales & Distribution >0%
Alcohol	Production & Manufacturing > 0%
Animal Welfare	Commercial Fishing, Hunting, Fur >0% Animal Testing (except in accordance with accepted standards for pharma/medical/food) > 0% Factory Farming >0%
Correctional Facilities	Ownership, Management, Operation & Service Provision >0%
Gambling	Ownership, Management & Operation >0%
Predatory Financing	High interest products, predatory financing >0%
Tobacco, non-medicinal Cannabis	Production & Manufacturing >0%
Responsible Business Practices	
Human Rights, Labour Standards, Environmental, Business Malpractice	Verified failure to respect established norms, with severe consequences and no remediation measures announced or undertaken

Notes:

Exceptions may be made where the relevant businesses are marked for sale or closure, or the nature of the involvement is trivial and unrelated to the primary operations of a company. Exclusions related to fossil fuel based generation do not apply to cogeneration or backup power supply for business whose primary activities do not include electricity generation. The threshold for involvement in distribution and services related to the fossil fuel industry() is an aggregate threshold covering involvement in all forms of fossil fuels and all types of related service.*