



HOUSE EXCLUSIONS POLICY

Controversial Weapons:

We do not invest in any companies which are involved with the production or sale of anti-personnel mines and cluster bombs, or of chemical, biological and depleted uranium weapons.

Global Compact:

We exclude any company which violates, repeatedly and seriously, one or more of the ten principles of the Global Compact.

Tobacco:

We do not invest in companies which obtain more than 5% of their revenues from manufacturing complete tobacco products.

Coal:

We exclude companies which receive a substantial proportion of their revenues from coal mining or coal-fired power generation or which are developing new coal mines, coal-fired power generation, or transport facilities exclusively dedicated to coal.

Detail:

- In the case of coal extraction (mining), we exclude companies with more than 50% of revenues coming from extraction or – after a qualitative and prospective analysis – that produce more than 100m tons of coal per year. We also exclude companies with revenues between 25% and 50% if they have a poor transition path.
- For coal-fired electricity generation, we exclude companies with more than 50% of revenues coming from this activity. We also exclude companies with revenues between 25% and 50% if they have a poor transition path.
- We exclude coal developers. These are companies which are adding to coal capacity, either via developing a coal mine (with more than 20% ownership) or building a coal-fired electricity generation facility of more than 300MW, or by building transport facilities exclusively dedicated to coal. A company is not excluded if it is *considering* coal development – it is only excluded after a decision is made. A company which buys an existing coal facility is not excluded – it is not adding to coal capacity, just changing the ownership of the existing capacity. A company which buys coal assets in order to close them down will not be excluded provided it commits to closing them within two years.