

Introduction

Guinness Global Investors is a responsible investor and as such integrates ESG factors into the investment processes used by our investment teams. This includes exclusion of companies involved in the manufacture of cluster munitions and anti-personnel mines, and companies who generate revenue from thermal coal.

Cluster munitions and anti-personnel mines

There are two major international conventions that specifically address cluster munitions and landmines:

- **The Convention on Cluster Munitions (2008):** This Convention restricts the manufacture, use, and stockpiling of cluster munitions and the components of these weapons.
- **The Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (1997):** This Convention, often referred to as the Anti-Personnel Landmines Convention, aims to eliminate anti-personnel landmines around the world.

Consistent with the aims of these two Conventions, Guinness Global Investors commits to excluding active investments in companies that have been identified, by credible third parties, as being directly involved in the design, manufacture or sale of such weapons.

Thermal Coal

We exclude companies that generate more than 30% of revenues via thermal coal extraction or thermal coal power generation.

Policy implementation

To implement our Exclusion Policy, we use exclusion lists of companies based on information provided by independent third-party sources. We update the exclusion lists on an annual basis. The exclusion lists are distributed periodically across the firm.

In the event that we identify a company in our portfolios that does not comply with these policy requirements, we will contact the company directly for confirmation of their involvement in an excluded activity. Following confirmation of their involvement in this activity, we will divest any such holdings within 90 business days.

We monitor compliance in respect of this policy. However, due to the complexity of the issue and the evolution of company business models, there may be occasions when related securities appear in portfolios in error. If and when such instances are identified, we will seek to divest any such holdings within 90 business days.

This policy applies across all asset classes directly managed by Guinness Global Investors. The exclusion does not apply to beneficial holdings in passive funds (such as an equity index), underlying holdings of active funds invested in by our multi-asset funds, ETFs or derivatives, nor to affiliated companies.

Policy on Cluster munitions and anti-personnel mines adopted 1 December 2016 and last reviewed 15 February 2021. Policy on Thermal Coal adopted 10th May 2021.