

Controversial Weapons

Policy Statement

April 2023
redwheel.com

Redwheel Controversial Weapons Policy Statement

The Redwheel Controversial Weapons Policy applies to all pooled and segregated mandates managed by Redwheel entities. It has been developed in recognition of our responsibilities as a fiduciary of our clients' assets.

The policy does not seek to define the approach to be followed in relation to all weaponry, nor parts thereof, but instead focuses on weapons technologies considered to be by nature indiscriminate as defined under International Humanitarian Law.

Within this broad scope, we look to focus in on those technologies in respect of which there is evidence that governments internationally have reached or are reaching consensus on prohibition. The key mechanism we use to identify the existence of consensus is the signing and subsequent ratification of international treaties relating to relevant controversial weapons technologies. Where we see clear consensus emerge through ratification/ accession/succession of treaties, this is considered a strong indicator that investment in companies making associated weaponry would be inappropriate. We do not require the specific mention of investment in such companies within treaties in order to reach this determination.

Following this approach, companies will be subject to our non-investment policy where they are involved in the manufacture or production of the following types of controversial weapons:

- Biochemical weapons
- Chemical weapons
- Anti-personnel mines
- Cluster munitions

More particularly, those companies considered to be involved in the manufacture and production of related munitions/warheads, or the manufacture and production of ancillary equipment purposively designed to facilitate delivery of those munitions/warheads, will be ineligible for investment.

The list of companies considered to be involved in controversial weapons technologies will be reviewed on a quarterly basis and updated, as appropriate, with reference to the terms set out above. Any subsequent investment in the securities of companies considered at that time to be involved in controversial weapons technologies will be prohibited.

In the event of a passive breach arising (where an issuer is added to the list whose securities are already held), the Redwheel Breaches Policy will apply.

As a point of clarification, involvement in the manufacture or production of more generic delivery systems (e.g. rockets, launchers, platforms, planes, tanks etc.) will only lead to a company becoming subject to our non-investment policy where those systems are purposively designed to facilitate delivery of munitions/warheads for controversial weapons. Dual-use systems are not considered to be in scope.

Version Control

Version	Date:	Author:	Approved by:	Detail of Change
v.01	19 Jan 22	Chris Anker	Sustainability Committee	Creation, to replace pre-existing Cluster Munitions Policy
v.02	14 Feb 22	Chris Anker	Sustainability Committee	Insertion of additional RWC entities in base policy
v.03	30 Apr 23	Chris Anker	Sustainability Committee	Reframe application to Redwheel entities that manage money in base policy

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