



EIC HUMAN RIGHTS VALUE

Socially Responsible Investing (SRI) Screening Process

In areas targeted for **DIVESTMENT** based on violations of United Nations and United States guidelines, our negative screening process excludes companies, as follows:

ECONOMIC INJUSTICE

- financial institutions receiving “needs to improve” or “substantial noncompliance” on the Community Reinvestment Act examination

FOREIGN GOVERNMENTS

- equity or military ties to or provisioning of military equipment in countries under U.S. trade sanctions (e.g. Burma, Cuba, North Korea, Sudan and Syria)
- Foreign Corrupt Practices Act (FCPA) or Office of Foreign Assets Control (OFAC) violations history

HUMAN RIGHTS

- human rights controversies (e.g. civil liberties, human rights concerns and local community impacts)
- companies with major controversies, based on a grading system provided by MSCI, Inc.

INTERNATIONAL INCLUSIVITY

- participation in the Arab League boycott of Israel
- compliance with the MacBride Principles

LABOR RIGHTS

- labor rights controversies (e.g. child labor, collective bargaining, discrimination and supply chain)
- companies with major controversies, based on a grading system provided by MSCI, Inc.

SUPPLY CHAIN SOURCING

- sourcing of raw materials from regions with poor human rights and labor rights records

WEAPONS

- five percent or greater of revenue derived manufacturing or retailing civilian firearms and/or ammunition
- five percent or greater of revenue derived manufacturing conventional weapons
- manufacturers of unconventional weapons (e.g. landmines, cluster munitions, nuclear weapons...)

In areas of concern for **ADVOCACY**, investment eligibility is determined using positive and negative Environmental, Social and Governance (ESG) screens, as follows:

- negative screening identifies companies with relevant significant environmental, social, or corporate governance (ESG) controversies
- positive screening overlays MSCI’s future-facing ESG risk-management analysis to allow investment in companies with high correlating management scores compared to peers
- ESG risk-management analysis scores are weighed against identified controversies to determine final investment eligibility

Holdings in EIC Human Rights Value are subject to change. The inclusion or exclusion of securities is not intended as recommendation, nor is there any implication about past or future performance or profitability. Because the social screens applied to an SRI account/portfolio may exclude securities of certain issuers, industries and sectors for non-financial reasons, EIC may forgo some available market opportunities. As a result, the account/portfolio investment returns may be affected. In addition, since EIC will generally sell the securities of a company that no longer meets the social screens, its portfolio turnover rate may be higher than it would otherwise, and securities may be sold when not otherwise beneficial to do so. EIC votes proxies for SRI portfolio securities consistent with social and environmental guidelines except where doing so would be potentially harmful to shareholder value.