



COURTIERS

ASSET MANAGEMENT LIMITED



Screening Criteria

Courtiers Ethical Value Equity Fund

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Overview

The screening criteria applied to the Courtiers Ethical Value Equity Fund is the initial stage of the investment process for the fund.

This document should be read in conjunction with the investment process for the Courtiers Ethical Value Equity Fund.

Please note:

The fund is not intended to be an impact fund, nor does this intend to align with a specific accord. The fund provides an opportunity for investors wishing to invest aligned with Courtiers' Value Investing ethos but whom would prefer a more restricted universe of permissible investments (for example, via the exclusion of fossil fuels) than that of existing Courtiers Equity Funds.

The Investment Team understands there is no one-size-fits-all approach to ethical investing. The screening exclusions have been determined based upon the negative social and environmental effects the detailed areas have and/or are perceived to have.

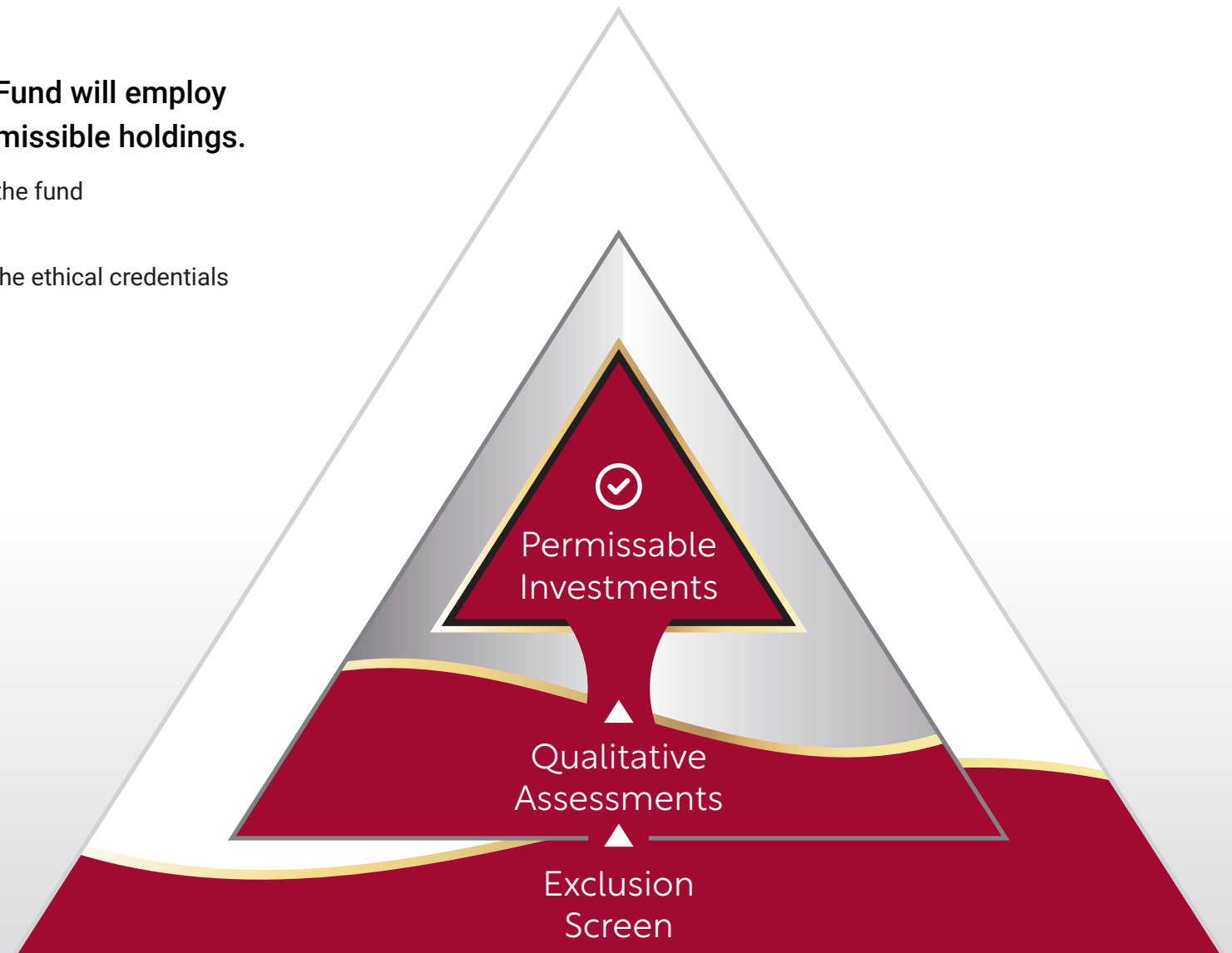
The screen has been designed on a consensus approach. Each individual investor will need to determine whether the screen applied to the fund aligns with their own investment principles.

Screening Summary

The Courtiers Ethical Value Equity Fund will employ a two stage assessment for all permissible holdings.

For any holding to be considered eligible for the fund it will need to pass both levels of screening.

All analysts are responsible for determining the ethical credentials of a company.

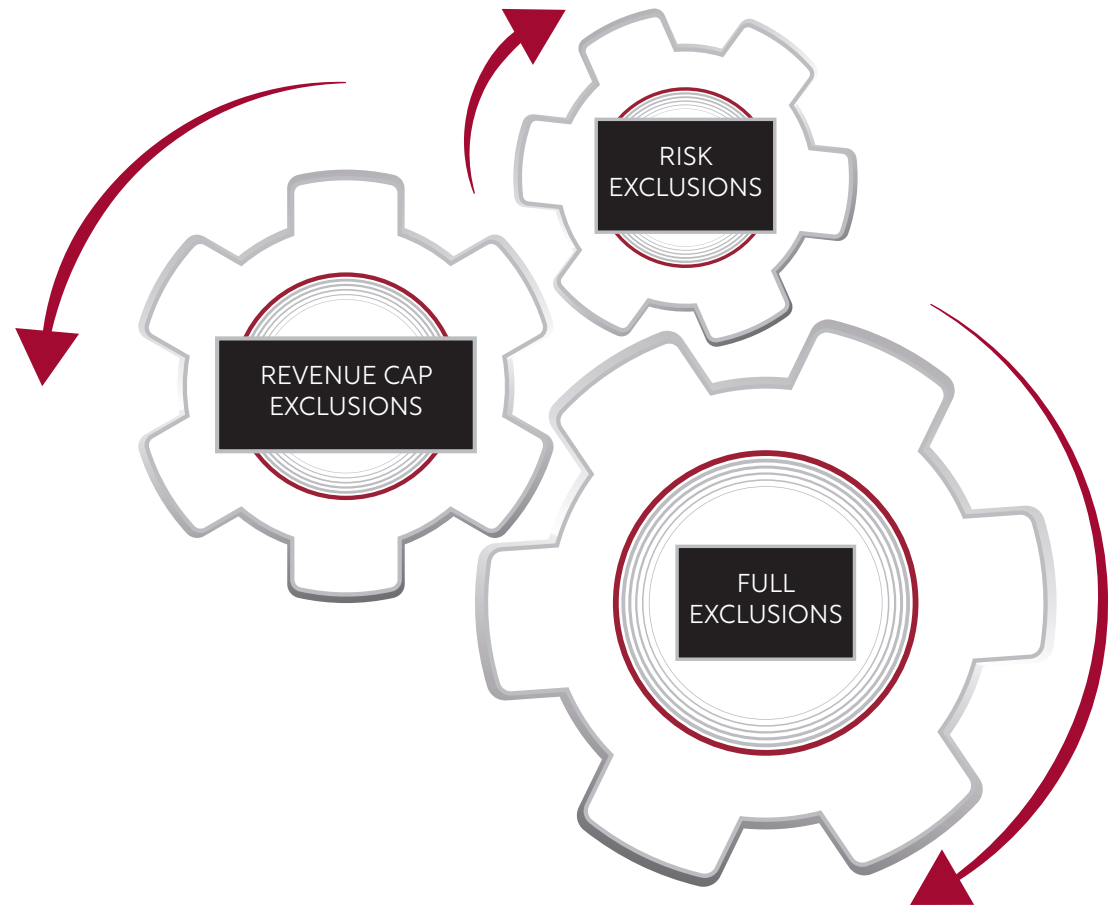


Exclusion Screen

The exclusion screen is completed in conjunction with data provided by an independent third-party provider.

Any company without sustainability data is excluded.

The screen applies three differing levels of exclusions (see right).

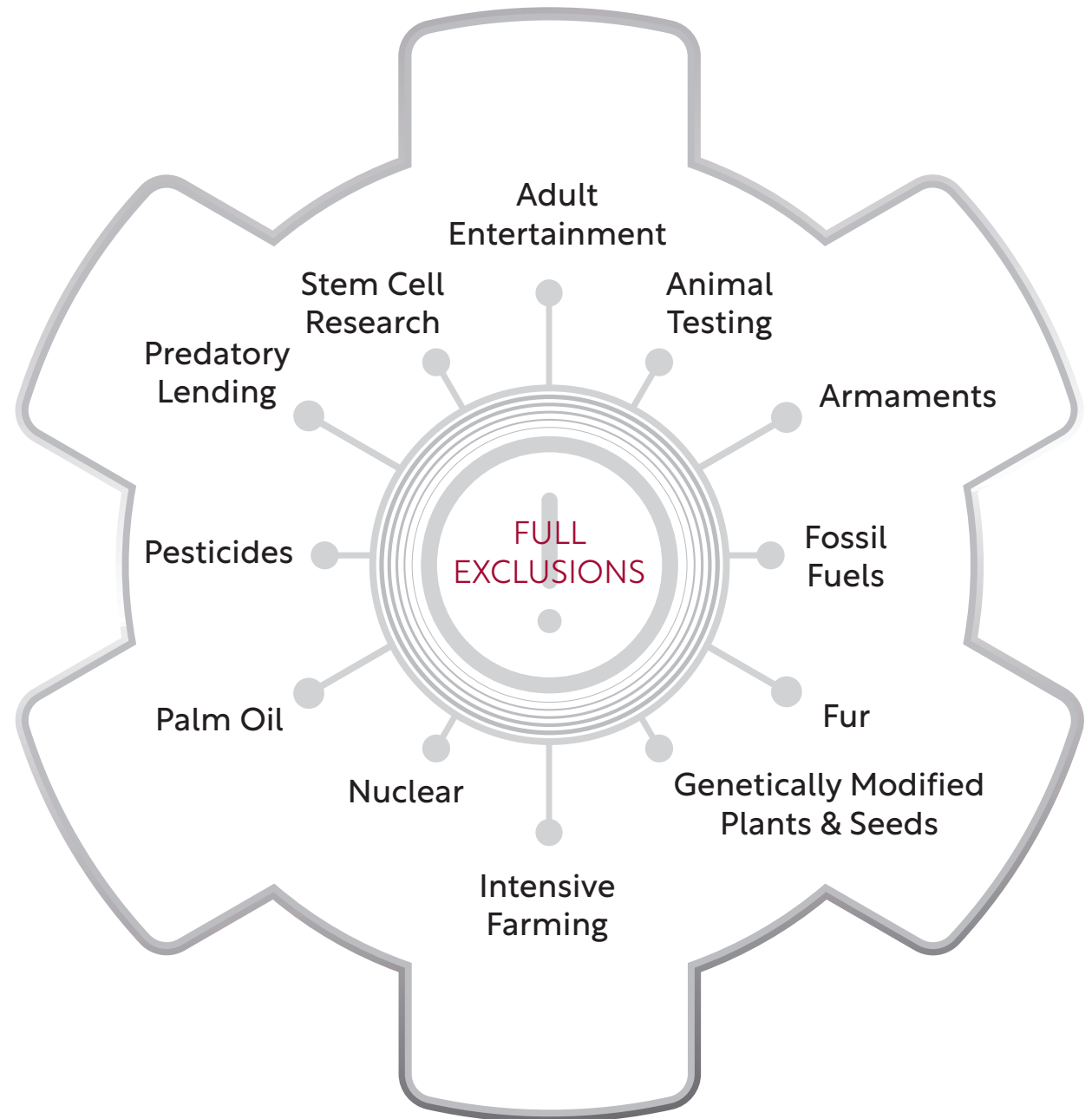


The exclusion screen will be re-run quarterly; aligning with the rebalancing frequency of the underlying index. The screen applied is binary; a company either passes the screen or does not. If a company is flagged in any of these three levels it will not be a permissible investment for the fund.

Full Exclusions

Companies involved in any of these areas will be fully excluded and, therefore, not permitted as investments within the fund.

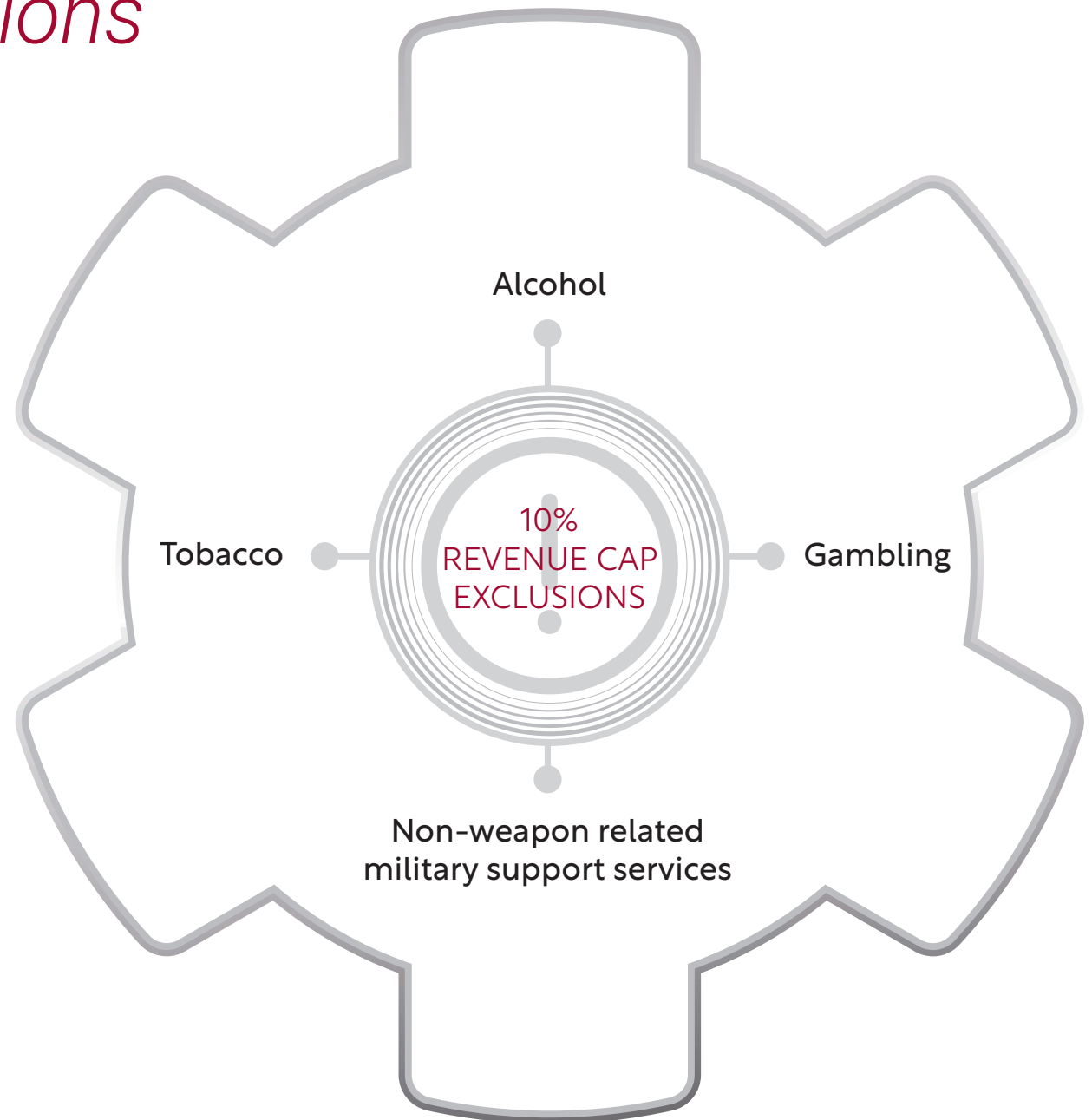
Please refer to the appendix for a full overview of each area and the corresponding methodology.



Revenue Cap Exclusions

Companies that derive more than 10% of their revenue from any of these areas will be excluded and, therefore, not permitted as investments within the fund.

Please refer to the appendix for a full overview of each area and the corresponding methodology.



Risk Exclusions

Companies with any of these characteristics will be excluded as permissible investments in the fund.

Please refer to the appendix for a full overview of each area and the corresponding methodology.



Qualitative Assessment

Following the exclusion screen, the Courtiers sector analyst will consider these areas on a case-by-case basis.



If a company is found to be in breach of any area, it will not be considered as a permissible investment for the fund. For a further overview of each area, please refer to the appendix.

Monitoring

The exclusion screen will be re-run on a quarterly basis, in conjunction with the rebalancing of the underlying index.

The ESG scores of the underlying holdings will be monitored on a monthly basis, aligning with the *ESG Factors in Courtiers Funds* process.

If a position is held in the fund and subsequently found to be in breach of the screening criteria it will be sold from the fund at the earliest opportunity.

If a company is found to no longer breach the screening criteria they may be considered as a permissible investment for the fund in the future.



Screening Evolution

The Investment Team will continue to monitor the screen applied to the fund based upon the actual and perceived negative environmental and social impacts the exclusions may have.



Appendix

Third-Party Data Provider

An independent third-party provider has been chosen following a review of ESG data providers within the market. Alternative third-party providers may be considered in the future. All methodologies and calculations are property of the independent third party.

The independent third party provides both scored values (for example, ESG Risk Score) as well as binary values (for example, a company will either be involved with a specific product area or it will not).

The calculation methodology used to assess each area varies but each calculation will remain constant across all companies (for example, ESG Risk and Carbon Risk will use different methodologies but the same ESG Risk calculation will apply to all companies).

The assessment of companies by the independent third-party data provider will take account of all entities owned by a company.

The standardization of scores allows companies and their relevant peer groups to be assessed.

All data provided will be reviewed by a Courtiers sector analyst.

Full Exclusions

The exclusions below are based on company involvement. Involvement is determined by an independent third-party data provider. The exclusions detailed are binary; a company is either involved in a product area or is not. The independent third-party data provider will conduct a holistic assessment of all entities owned by a company to determine product involvement.

Exclusion	Summary
Adult Entertainment	Excludes all companies involved with the production or distribution of adult entertainment.
Animal Testing	Excludes all companies involved in animal testing for both medical and non-medical purposes (including but not limited to, cosmetics, food additives and pesticides).
Armaments	Excludes all companies involved with the following: <ul style="list-style-type: none"> • Weapon manufacturing (including but not limited to, military, law enforcement and civilian). • Weapon distribution. • Weapon related products and services.
Fossil Fuels	Excludes all companies involved with the extraction, production or power generation from fossil fuels.
Fur	Excludes all companies that derive revenue from Fur, including speciality leather.

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Genetically Modified Plants and Seeds	Excludes all companies which develop, cultivate or derive revenue from genetically modified plants and/or seeds.
Intensive Farming	Excludes all companies involved with or that derive revenue from intensive farming. <ul style="list-style-type: none"> • Whale meat / pork products removed via the exclusion screen. • Additional areas in relation to intensive farming and animal welfare excluded via the qualitative analyst review.
Nuclear	Excludes all companies involved with or that derive revenue from: <ul style="list-style-type: none"> • Production or distribution of nuclear energy. • Providing nuclear support services. • Nuclear related products.
Palm Oil	Excludes all companies that derive revenue from the production and/or distribution of palm oil.
Pesticides	Excludes all companies which manufacture and/or that derive revenue from the marketing of pesticides.
Predatory Lending	Excludes all companies that derive revenue from predatory lending practices. Predatory lending is the practice of imposing abusive and unfair lending terms on borrows (e.g. very high interest rates).
Stem Cell Research	Excludes all companies involved in human embryonic stem cell research.

Revenue Cap Exclusions

The exclusions below are based on company revenue derived from involvement in the following areas. This will include direct (production) and indirect (distribution) involvement. The independent third-party data provider will use a range of sources to assess involvement. This includes, but is not limited to, annual reports, newsfeeds and press releases.

Exclusion	Summary
Alcohol	Excludes all companies that derive more than 10% of their revenue from: <ul style="list-style-type: none"> • Production of alcoholic beverages. • Distribution of alcoholic beverages. • Provide alcohol related products and/or services.
Gambling	Excludes all companies that derive more than 10% of their revenue from: <ul style="list-style-type: none"> • Operation of gambling outlets. • Provision of gambling support services. • Production of gambling products.
Non-Weapon Related Military Support Services	Excludes all companies that derive more than 10% of their revenue from non-weapon related military products and support services.
Tobacco	Excludes all companies that derive more than 10% of their revenue from: <ul style="list-style-type: none"> • Tobacco production, distribution and/or retail sales. • Tobacco related products (e-cigarettes). • Tobacco related services.

Risk Exclusions

The risk exclusions detailed below are determined by an independent third-party data provider.

The calculation methodologies are determined by the third-party provider. Whilst the calculation methodology used to assess each area varies (i.e. ESG Risk Score will be calculated separately from Carbon Risk) the methodology of each calculation will remain constant across all companies (e.g. the ESG risk calculation applied will remain the same across the index). The calculations take account of all entities owned by a company. This standardization of scores allows companies and their relevant peer groups to be assessed.

The high and/or severe categories for the areas detailed below have been excluded as companies receiving these scores have a higher risk of being impacted by poor management of ESG risk, carbon issues and company incidents.

Exclusion	Summary
Severe/High ESG Risk Score	<p>Excludes all companies that have a severe or high ESG Risk Score.</p> <ul style="list-style-type: none"> • The ESG risk rating measures how exposed a company is to ESG risk and will compare this to how well the company is managing their ESG risk. • Companies are ranked against their industry peers as well as the global universe. • For example, deceptive selling techniques could break trust with customers which in turn could cause reputational damage. This would be considered an ESG risk.
Severe/High Carbon Risk Score	<p>Excludes all companies with a severe or high carbon risk rating.</p> <ul style="list-style-type: none"> • The carbon risk rating assesses how exposed a company is to carbon risk as well as how they are managing their carbon related issues. • Companies with severe or high carbon risk will have high exposure to carbon risk and/or poor management of carbon related issues. • Carbon risk takes account of carbon intensity (compared to the industry average), fossil fuel involvement, stranded assets as well as carbon solutions. • For example, a company that has the potential for stranded assets (e.g. a fossil fuel company that does not look to evolve with new technology such as renewables) has the potential for a high carbon risk score.

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Severe/High Controversies	<p>Excludes all companies that have any high and/or severe controversies.</p> <ul style="list-style-type: none"> Controversies evaluate a range of areas inclusive of their potential impact (including but not limited to, human rights, business ethics, employee relations, governance incidents, customer incidents). Controversies' have the potential to cause reputational, environmental as well as business risk. For example, a company that has been involved in previous controversies (such as a historical pattern of environmental destruction via their previous business activities) and has not provisioned for improving these practices would receive a high controversy score).
No Sustainability Data	Excludes all companies that do not have sustainability data available; inability to fully evaluate whether they are consistent with the ethical requirements for the fund.

The areas below will be assessed by a Courtiers sector analyst, in conjunction with data provided by various sources including, but not limited to, a third-party ESG data provider, newsfeeds, company reports and press releases.

Area	Summary
Environmentally Destructive Industries	Any company deemed to be operating in an environmentally destructive manner will be excluded from the fund. Includes but is not limited to; highly carbon intensive companies, companies that do not manage bio-diversity in a sustainable way (e.g. involved in illegal logging, high levels of water pollution and habitat destruction).
Poor Human Rights Records	Any company found to have poor record with regard to human rights (e.g. child labour, forced labour)
Non-compliant or on the watch list of the UN Global Compact	Any company found to be on the watch list of the UN Global Compact or those found to be non-compliant. The UN Global Compact takes account of human rights, labour standards, environmental concerns as well as anti-corruption practices.
Currently Sanctioned	Any company currently sanctioned, either at country or entity level, will be excluded as a permissible investment in the fund.
Poor Management or Governance Practices	Any company with weak management and/or poor governance practices will be excluded as a permissible investment in the fund.

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Important Information

The value of your investments and any income you take from them may fall as well as rise and is not guaranteed. You might get back less than you invest. Please remember that past performance is not a reliable indicator of future returns. The investments are intended as long-term investments. Further details of the risks associated with investing in Courtiers Funds can be found in the Key Investor Information Document or Prospectus, copies of which are available on request or at www.courtiers.co.uk.

Disclaimer

This communication is for information purposes only; it should not be relied upon in making an investment. The views expressed by individuals and the business are based on market conditions at the date of issue and subject to change without notice. Reference to any investment does not constitute advice or a recommendation to buy or sell securities. Should you need advice or if you are interested in any of Courtiers Asset Management Limited's range of funds please seek advice from a financial adviser.

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