

## Goodments company and fund ratings

Goodments provides sustainability rating to over 7,000 global companies, 2,300 of which are currently available to trade on Goodments as individual listed shares and via responsible publicly listed Funds [Exchange Traded Funds (ETFs)].

Working from a framework of covering Planet [Environmental], People [Social] and Ethics [Ethical] issues, Goodments empowers user to build a portfolio of companies based on their sustainable preferences and exclusions.

- Providing an overall 'Goodness score' out of 100 and three key scores for Environmental, Social and Ethical considerations, companies are categorized across four risk levels: fantastic, good, okay and bad.
- An investment is analyzed and scored based on its actions, policy, awareness of and management of ESE risk, across its entire supply chain, partnerships and product lines.
- Goodments identifies companies involved in a range of products, services and business activities for screening purposes as well as identifies companies involved in incidents that may negatively impact the environment, society, employees and stakeholders.
- A company is measured against its industry peers and against the global universe.
- Companies are exposed to different PPE issues to different degrees. The assessment to this exposure is driven by sub-industry and company-specific factors.
- The magnitude to which a company is exposed to PPE risk and how well the company is managing that risk is measured and incorporated into the scoring.

Our data is sourced from Independent ratings agencies, brand and parent company annual reports and websites, credible third-party reports (e.g. Clean 200) and industry standards bodies (e.g. PRI – Principles of Responsible Investing, CDP – Carbon Disclosure Project)

Awarded rankings are based on scores and do consider product or service involvement (exclusion screens). This is done for the specific reason, that it is up to the customer to decide what to exclude from their portfolio. At a minimum we have designed the score to promote a 'best of breed' approach to selection e.g. a customer may want to purchase a lithium mining stock due to the importance of lithium in electric vehicle production. The holistic scoring and ranking approach will promote the highest scoring company based on their broad sustainability.



- Goodness Score of 80+ (Fantastic)
- Goodness Score of 60- 80 (Good)
- Goodness Score of 40 – 60 (Okay)
- Goodness Score of less than 40 (Bad)

Companies are show in the Goodments app as;

- A Match – If the investment matches your People, Planet of Ethical profile and is not excluded
- Not a Match – If the investment does not match you profile and is not excluded
- Not Yet Scored – Sometimes new investment are made available before a full score has been applied.
- Excluded - If the company is excluded from your profile based on areas of business and incidents that company of funds is involved in.

### **Incidents**

We also show “Incidents” which are short term and / or one -off issues that the company has had exposure to, which can be controversial in nature. An example of an Incident could be being involved in unethical conduct, being linked to legal disputes, or operating in countries with poor human rights records.

Leading with a positive approach to assessing company's performance, we assess the positive contribution companies are having to the following areas, categorized across PPE.

People	
Preference category (example)	Areas measured (example)
Recycling and Waste Reduction	Recycled Material Use
	Hazardous Waste Management
	Hazardous Products
	Food & Beverage Sustainability Initiatives
	Sustainable Food Programs
Renewable energy and clean tech	Renewable Energy Use
	Clean Technology Revenues
Protection of natural environment	Environmental Impact of Products
	Environment - Supply Chain - Energy Use and Greenhouse Gas Emissions
	Emissions, Effluents and Waste - Discharges and Releases (Water)
	Emissions, Effluents and Waste - Degradation & Contamination (Land)
	Sustainable Products & Services
	Green Logistics Programs
	Green Procurement Policy
	Supplier Environmental Programs
	Supplier Environmental Certifications
	Green Outsourced Logistics Programs

Planet	
Preference category	Areas measured (example)
Community development	HIV/Aids Programs
	Community Involvement Programs
	Access to Medicine Programs
	Access to Health Care
	Community Development Programs
Human rights and employee conditions	Collective Bargaining Agreements
	Employee Turnover Rate
	Percentage of Temporary Workers
	Employee Training
	LTIR Trend

	Employee Fatalities
	Human Rights Policy
	Indigenous Rights Policy
Diversity and equality	Board Diversity
	Diversity Programs
	Diversity Commitments

Ethics	
Preference category	Areas measured (example)
Corporate transparency	Bribery & Corruption Policy
	Bribery & Corruption Programs
	Whistle-blower Programs
	Money Laundering Policy
Animal Welfare Practices	Animal Welfare Policy
Transparency and accountability	Board Structure-Score
	Ownership & Shareholder Rights-Score
	Board Remuneration Disclosure
	Audit & Financial Reporting-Score
	Stakeholder Governance-Score
	Anti-competitive Practices
Corporate sustainability policies	Responsible Investment Policy
	ESG Governance
	ESG Performance Targets
	ESG Reporting Standards
	Verification of ESG Reporting

Exclusions are based on a zero-tolerance approach, linking a company to the exclusion based on any involvements in the behavior either through revenue production or supply chain.

Exclusions
Exclusion categories currently available
Tobacco
Animal testing
Fossil Fuels
Banking
Stem Cell Research
Predatory lending
Alcohol

Adult entertainment
Gambling
GM Plants and Crop
Fur and Speciality leather
Military and weapons
Palm Oil
Nuclear
Slavery
Big Pharam and Opiods
Pesticides