

The screening process considers a company's exposure to a range of industries/activities deemed inconsistent with responsible investment considerations. The percentage of the company's revenue derived from each industry/activity is assessed against a specified threshold.

The following exposure limit guidelines are applied to the FAIR portfolio:

Industry / Activity	Exposure limit guidelines (% of total revenue)	Explanatory notes
Fossil Fuels – direct	0%	Companies which have fossil fuel reserves, fossil fuel infrastructure, produce petrochemicals, or are involved in the mining, extraction, or burning of fossil fuels.
Fossil Fuels – High Dependency	5% for products and services. Excludes the largest global financiers and insurers of fossil fuel companies, projects and infrastructure.	Companies which provide products, services, finance or insurance which is specific to and significant for the fossil fuel industry; as well as companies with very high use of fossil fuels*. *Mining companies engaged in the extraction of critical minerals, as defined by Geoscience Australia, and companies with demonstrated use of sustainable business practices, are exempt from this exclusion.
Fossil Fuels - Service Providers	5% for products and services	Companies which provide products or services which are specific to and significant for the fossil fuel industry.
Fossil Fuels – Finance and Underwriting	Exclude the largest global financiers of fossil fuel companies, projects and infrastructure.	Companies which provide lending to fossil fuel companies or otherwise provide significant financing to fossil fuel project or infrastructure.
	Exclude the largest global insurers of fossil fuel companies, projects and infrastructure	Companies that provide significant insurance or re-insurance of fossil fuel companies or projects.
Gambling	0% for casinos and manufacture of gaming products 5% for distribution of gambling products	
Tobacco	0% for production or manufacture 5% for sale of tobacco products	
Uranium and Nuclear Energy	0% for uranium mining and nuclear energy 5% for products and services to nuclear energy	
Armaments and Militarism	0% for manufacture of armaments and weapons 5% for specific and significant services to military and armaments manufacture	
Destruction of Valuable Environments	0%	Companies which have direct negative impact on recognised World Heritage and High Value Conservation areas.
Animal Cruelty	0%	Companies involved in live animal export, animal testing for cosmetic purposes, factory farming, or controversial animal products (ivory, foie gras etc).
Chemicals of Concern	0%	Companies which produce or use chemicals of concern recognised by UN Environmental Programs, or controversial agricultural chemicals.
Mandatory Detention of Asylum Seekers	0%	Companies which operate detention centres or for-profit prisons.
Alcohol	5% for production of alcohol 20% for sale of alcohol	
Junk Foods	33%	Production or sale of junk foods.
Pornography	0% for production of pornography 5% for sale of pornography	Companies which produce or sell pornography.
Human Rights	n/a	Evidence of human rights violations including child labour, forced labour, sweatshops, bribery and corruption.
Board Diversity	n/a	No women on board of directors.
Predatory Lending	0%	Lending practices that impose unfair or abusive terms on borrowers.

There are risks associated with an investment in FAIR, including market risk, non-traditional index methodology risk and sector concentration risk.

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