

Controversial Weapons Screening[®]

Controversial Weapons Screening[®] is a well-established analysis methodology that helps investors make decisions regarding companies directly or indirectly involved in the development, production, maintenance or sale of weapons that are illegal—as their production and use is prohibited by international legal instruments—or deemed particularly controversial because of their indiscriminate effects and the disproportionate harm they cause.

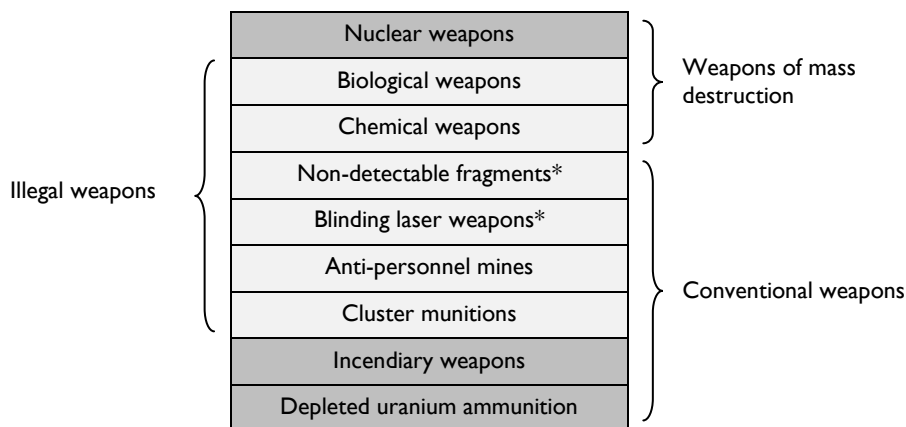
Controversial Weapons Screening[®] can be used as a standalone product – as a basis for screening portfolios and also for company dialogue and engagement programmes – or can be integrated into an overall sustainability analysis. Controversial Weapons Screening[®] is conducted through a structured process carried out by Ethix’s professional team of analysts organized according to research areas and industry sectors, and with expertise in military technologies, arms industry structures and International Humanitarian Law.

SCOPE AND CRITERIA

Controversial Weapons Screening[®] can be customized in order to adequately respond to different investment policies and underlying values or requirements (e.g. legal requirements, national law, or civil society pressure). Screening criteria cover development, production, testing and maintenance and includes prime contractors/system integrators, subcontractors and suppliers.

WEAPONS COVERED

Controversial Weapons Screening[®] covers the following weapons:



* No known development or production

COVERAGE AND RESULT

Controversial Weapons Screening[®] covers companies within developed and emerging markets, e.g. within the MSCI World and Emerging Market Indexes. The analysis results are categorized according to Ethix’s traffic-light system, formally updated semi-annually and ad-hoc when new information provides the basis for revision.

Assessment signal	Description
●	Verified present involvement in controversial weapons
●	Strong indications of present involvement in controversial weapons
●	Verified termination of involvement in controversial weapons
!	Fragmentary allegations of involvement in controversial weapons