

# Ethical Guidelines for selecting customers and business partners at Position Green

1. Position Green believes that the need to shape a more sustainable future is urgent and our goal is to help companies accelerate their sustainability agenda. This will mean working with companies that may have high emissions or perform poorly on social criteria that wish to improve. However, as an organisation that believes in the value of companies doing good, Position Green must operate to its own ethical standards.
2. These ethical guidelines set out our minimum requirements for the customers, business partners and suppliers that we work with:
3. We will adopt the [Norges Bank Investment Management Guidelines](#) and not work with companies that are on its exclusion or observation list.
4. For private companies, we will not work with companies where they themselves or through entities they control:
  - a. Develop or produce weapons or key components of weapons that violate fundamental humanitarian principles through their normal use. Such weapons include biological weapons, chemical weapons, nuclear weapons, non-detectable fragments, incendiary weapons, blinding laser weapons, antipersonnel mines and cluster munitions.
  - b. Produce tobacco or tobacco products.
  - c. Produce cannabis for recreational use.
5. For private mining companies and power producers where they themselves or through entities they control either:
  - a. Derive 30 per cent or more of their income from thermal coal,
  - b. Base 30 percent or more of their operations on thermal coal,
  - c. Extract more than 20 million tonnes of thermal coal per year, or
  - d. Have the capacity to generate more than 10,000 MV of electricity from thermal coal
6. For private companies, where there is an unacceptable risk that the company contributes to or is responsible for:
  - a. Serious or systematic human rights violations
  - b. Serious violations of the rights of individuals in situations of war or conflict
  - c. The sale of weapons to states engaged in armed conflict that use the weapons in ways that constitute serious and systematic violations of the international rules on the conduct of hostilities
  - d. The sale of weapons or military material to states that are subject to investment restrictions on government bonds as described in section 2-1(2)(c) of the Management mandate for the Government Pension Fund Global
  - e. Severe environmental damage
  - f. Acts or omissions that on an aggregate company level lead to unacceptable greenhouse gas emissions
  - g. Gross corruption or other serious financial crime
  - h. Other particularly serious violations of fundamental ethical norms.
7. We will also not work with companies that through themselves or entities they control breach international sanctions including from Norway, the EU and the USA.
8. Although we will be guided by these Ethical Guidelines, we are aware that there may be situations where we have an opportunity to work with a company that currently is in violation of these Guidelines but has a genuine desire to improve. Where such a situation arises, Position Green will convene its Ethical Committee to consider the case. The Committee's make up can be found [here](#). The Committee may also request due diligence to be undertaken which may, among other things, assess the company's desire to change and whether it is sufficiently committed to improving its negative impact. Where the Committee considers that a company both has a genuine commitment to improving and has the capacity to improve, Position Green may work with that company.
9. Following engagement with such a company, should it become apparent that the company's commitment was not genuine or that it does not have the capacity to change sufficiently, Position Green will immediately

terminate the relationship with that company notwithstanding contractual clauses. The same applies to customers, business partners or suppliers who are placed on the exclusion or observation list.