

## SmartCap ESG Exclusion List

SmartCap aims to ensure that its investees would not finance or otherwise engage in any activity, production, use, distribution, business, or trade involving the below sectors and activities:<sup>1</sup>

1. Production or activities involving forced labour<sup>2</sup> or child labour<sup>3</sup>;
2. Any business that intentionally or knowingly violates the OECD Guidelines for Multinational Enterprises on Responsible Business, or that causes or contributes to human rights violations or discrimination;
3. Any product or activity prohibited under applicable law<sup>4</sup> and/or international conventions and agreements, or subject to international sanctions, phase outs or bans<sup>5</sup>;
4. Production or trade in tobacco or liquor;
5. Any business relating to gambling, casinos, or payday loans.

---

<sup>1</sup> The Exclusion List applies regardless of the country of a specific investment and that country's signatory status with regard to, e.g., ILO Conventions.

<sup>2</sup> Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

<sup>3</sup> Employees may only be taken if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2).

<sup>4</sup> Law applicable to SmartCap as well as the target investee.

<sup>5</sup> For example, certain pharmaceuticals, pesticides, herbicides, and other toxic substances (under the Rotterdam Convention, Stockholm Convention and WHO "Pharmaceuticals: Restrictions in Use and Availability"), ozone depleting substances (under the Montreal Protocol), protected wildlife or wildlife products (under CITES / Washington Convention), prohibited transboundary trade in waste (under the Basel Convention).

