

EXCLUSION LIST

CMCF does not finance any activity, production, use of, trade in, distribution of or involving:

1 Forced labour or child labour.

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 conventions¹

2 Any product or activity deemed illegal

Under host country laws or regulations or international conventions and agreements.

3 The following products or activities:

- weapons and munitions;
- tobacco; except solely for a renewable energy or energy efficiency project for such company
- hard liquor;
- Radioactive materials (*Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODs and their target reduction and phase-out dates.*);
- Gambling, casinos and equivalent enterprises.

Financing of these products or activities is exceptionally possible only after early stage internal approval as long as these are not considered as a substantial part of a project sponsor's primary operation.

4 Pornography or prostitution.

5 Wildlife or wildlife products regulated under CITES².

6 Hazardous materials

Such unbounded asbestos fibres and products containing PCBs³.

7 Cross-border trade in waste and waste products

Unless compliant with the Basel Convention and the underlying regulations.

8 Drift net fishing

In the marine environment using nets in excess of 2.5 km in length.

9 Pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances and other hazardous substances subject to international phase-outs or bans; except solely for a renewable energy or energy efficiency project for such company

Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODs and their target reduction and phase-out dates.

¹ ILO Fundamental Human Rights Conventions, Minimum Age Convention C138, Art. 2

² CITES Convention on International Trade in Endangered Species or Wild Fauna and Flora.

³ PCBs: Polychlorinated biphenyls, a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

10 Significant conversion or degradation of Critical Habitat.

Significant conversion or degradation means the (1) elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water use; or (2) modification of a habitat that substantially reduces the habitat's ability to maintain viable population of its native species. Critical habitat is a subset of both natural and modified habitat that deserves particular attention. Critical habitat includes areas with high biodiversity value that meet the criteria of the World Conservation Union (IUCN) classification, including habitat required for the survival of critically endangered or endangered species as defined by the IUCN Red List of Threatened Species or as defined in any national legislation; areas having special significance for endemic or restricted-range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers of individuals of congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes or provide key ecosystem services; and areas having biodiversity of significant social, economic or cultural importance to local communities. Primary Forest or forests of High Conservation Value shall be considered Critical Habitats.

Purchase of logging equipment, commercial logging operations, for use in primary tropical moist forests or trade in wood or other forestry products from Virgin Forests.

11 Racist and anti-democratic media.

12 Significant alteration, damage, or removal of any critical cultural heritage.

Critical cultural heritage consists of (i) the internationally recognized heritage of communities who use, or have used within living memory the cultural heritage for long-standing cultural purposes; and (ii) legally protected cultural heritage areas, including those proposed by host governments for such designation.

13 Relocation of Indigenous Peoples from traditional or customary lands.

The term "Indigenous Peoples" is used in a generic sense to refer to a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of the dominant society or culture;

An indigenous language, often different from the official language of the country or region.

14 Activities involving live animals for experimental and scientific purposes except when in compliance with the Council of Europe's Convention for the Protection of Vertebrate Animals Used for Experimental and other Scientific Purposes (Strasbourg 18.3.86), EU Directives (I.A.Council Directive 86/609/EEC).

15 Purchase of land or real-estate investment except where it is directly associated with Investments (e.g. land for the construction of a power plant) or Real-estate activities with the aim of making profit on sales in the short or medium term. Housing, except for social housing in connection with programs for urban renewal and/or urban regeneration schemes.

16 Any investment that benefits or is related to nuclear power projects.

17 Carrying out any lobbying activity.

18 Detention facilities e.g. prisons, Police stations, schools with custodial functions.

19 Sectors and activities with a strong ethical dimension considered to carry significant reputation risk (and for which the Cornerstone Investors should unanimously agree on their eligibility) such as:

- Health or research projects involving human embryo testing or cloning;
- Genetically modified plants/organisms;
- Religious organizations;
- Psychiatric hospitals involving custodial functions;
- Abortion clinics, euthanasia services; or
- Crematoria.