GREENPEACE

FONDS DE COMPENSATION'S UNSUSTAINABLE INVESTOR FACTSHEET

TABLE OF CONTENTS

SUMMARY

Integrating sustainability criteria into investment strategies and decision-making has become mainstream and key for forward-looking risk management. Emphasis on climate and human rights aspects is essential to securing a sustainable performance.

Financial market participants recognise increasing regulatory pressure and structural changes in many sectors towards a just, low-carbon economy. Managing financial transformation risks is crucial, requiring the systematic integration of climate and human rights criteria into core business operations.

FDC's Sustainable Investor Factsheet 2022[1], released in late December 2023, suggests that its current investment approach and strategy already incorporate sustainability in general and climate-related issues in particular, successfully.

However, Greenpeace raises concerns about FDC's lack of ambitious and consistent sustainability criteria to support political and societal objectives while addressing adverse impacts on people and the environment. The organisation advocates for more robust and consistent sustainability standards to drive positive change.

An investigation of FDC's investments[2], published in 2022, highlighted significant deficiencies in integrating climate and human rights criteria into its overall investment strategy and decision-making processes.

The latest findings in this report shed light on the fund's investments in a a substantial number of companies that have been excluded by other pension funds and institutional investors due to environmental, social or governance (ESG) issues.

FDC insists on the principles of profitability and diversification in its mission, leaving aside its actual duty to guarantee the security and well-being of current and future pensioners. Greenpeace believes that FDC's mandate must explicitly include the implementation of a truly sustainable investment strategy if it is to secure our future.

1 https://fdc.public.lu/en/actualites/2023/sustainable-investor-factsheet-2022.html
2 https://www.greenpeace.org/static/planet4-luxembourg-stateless/2022/03/c9fc6e24-nextra-consulting_-fdc-sustainability-analysis.pdf

SHORTCOMINGS OF FDC'S SUSTAINABLE INVESTMENT POLICY

FDC, established by the amended law of 6 May 2004, operates as a public entity. Its legal mission is "*to prudentially manage the reserve of the general pension scheme and to earn an effective return while diversifying risks.*"

Luxembourg's private sector employees are required by law to contribute to the state's social insurance and pension scheme. As of 2022, FDC's reserve stood at a remarkable €23.49 billion, with an astounding 93% of this sum (€21.9 billion) invested in financial markets through its SICAV, established in 2007. The SICAV's assets are managed by 16+ external asset managers, spread across 25 sub-funds.

Sustainable criteria and aspects have been integrated into the investment process mainly through a normative exclusion list, an observation list and the incorporation of a sustainable investment approach during a tender for the portfolio management:

- In early 2011, FDC's Board decided to establish and implement a normative exclusion list, based on international conventions ratified by the Grand Duchy of Luxembourg and covering various areas such as **environmental, institutional, social and joint responsibility.**
- Since 2017, the integration of a sustainable approach into the investment strategy offered by a tendering company has been mandatory for FDC's actively managed mandates. The type, scope and impact of such an approach are not predefined by FDC and can therefore take different forms.
- FDC endeavours to implement criteria such as the LuxFLAG label eligibility and the article 8 or 9 classification criteria of the SFDR regulation for certain sub-funds.

In February 2023, FDC released a new directive[1] outlining its investment policy for 2023-2027. According to the directive, FDC's sustainable investor policy is built on the following elements (unofficial translation):

1. *"The investments must comply with the international conventions ratified by the Grand Duchy of Luxembourg. This principle is implemented through a normative exclusion from the authorised investment universe of the UCI of securities of companies which contravene international standards as enshrined in the ten principles of the United Nations Global Compact covering human rights, the environment, international labor standards and anti-corruption, its complementary standards being the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and their underlying conventions and treaties".*

1 https://fdc.public.lu/en/publications/documents-gouvernance-fdc/directive-fdc.html

2. *“In addition, securities of companies with a prolonged «under observation» status and no concrete prospects of improvement are also excluded from the Fund’s authorised investment universe. Observation status is assigned to companies with no confirmed violations but at risk of contributing to breaches of international standards.”*

3. *“Also excluded are companies involved in activities related to controversial weapons, including anti-personnel mines, cluster bombs, nuclear weapons, depleted uranium weapons, white phosphorus weapons and chemical and biological weapons.”*

4. *“For actively managed sub-funds, any mandate is only granted to a portfolio manager whose investment strategy and decision-making processes also take into account sustainable development or socially responsible investment criteria. The type, extent and scope of these criteria to be included are not predefined by the FDC and the sustainable development or socially responsible investment approach implemented may therefore take different forms.”*

5. *“For passively managed sub-funds, implementing a sustainable development or socially responsible investment approach, as mentioned for actively managed sub-funds, would considerably reduce the authorized investment universe and therefore compromise the objective of this type of management, which consists of pure replication of a predefined benchmark index. For the time being, therefore, no consideration is being given to the exclusive use of ‘sustainable’ benchmarks.”*

6. *“The creation of specific sub-funds for so-called «positive impact» investments and investments in clean energy infrastructure and/or sustainable/ESG infrastructure” or «Paris Aligned»*

7. *“a particular focus is placed on engagement, in particular by providing for the definition and implementation at the level of the UCI of a policy of engagement with the main greenhouse gas emitting companies, as well as by requiring the portfolio managers of the UCI to pursue engagement, particularly with regard to the environmental aspect. For the first element, an external service provider specialising in the field of commitment may be used”*

8. *“on an annual basis, the establishment of the weighted average carbon intensity of the consolidated equity and bond portfolios”*

Greenpeace considers that the Directive does not ensure that FDC’s investments in globally operating companies sufficiently take into account the protection of climate, environment and human rights:

- To enable the energy transition, public funds must be invested in line with the overarching objective of the UNFCCC to prevent “dangerous anthropogenic interference with the climate system”. Actions required to achieve this objective must evolve with the best available scientific knowledge. However, in 2022, the Fund’s investments were following a trajectory of +2.7°C. Furthermore, the investment strategy of the fund for 2023-2027 does not contain any explicit requirements for asset managers to respect the UNFCCC provisions.

- Companies that are unwilling or unable to comply with their responsibilities to reduce their greenhouse gas emissions in line with the best available science or operate in environmentally harmful sectors are still not consistently excluded from FDC's investments. Non-transformable companies, including those in the coal industry, not only contribute to climate change, but also present financial risk.

- Progress has indeed been noted in FDC's commitment to align with international human rights standards, especially by incorporating United Nations Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines on responsible business conduct (OECD Guidelines) in FDC's exclusion criteria, which require business actors to conduct human rights and environmental due diligence. However, **it remains unclear how FDC will monitor and assess how managers are actually implementing these standards in the investment activities.**

- In addition to FDC's exclusion list for non-compliant companies with international conventions ("*blacklist*"), the directive mentions a "*grey list*" for companies "*under observation*". The criteria and procedures for these lists remain undisclosed, raising concerns about transparency.

- It is to be welcomed that FDC has decided to develop an engagement policy. In January 2024, FDC announced on its website that *"FDC has defined and implemented an engagement policy put, among others, into practice through a membership of the Institutional Investors Group on Climate Change (IIGCC) and by being signatory to the Climate Action 100+ initiative as a supporting asset owner."* **It seems that the fund has decided to outsource the engagement to external initiatives; however, it is still not clear how the engagement strategy is actually defined.** What about the divestment strategy when companies are unresponsive to engagement? It is crucial to establish clarity on the engagement strategy, including exit strategies, the engagement activities carried out in the respective year, the engagement successes, as well as the voting behavior (i.e. the exercise of voting on ESG-related resolutions at Annual General Meetings), which should always be actively exercised by FDC.

- **FDC's argument regarding the impossibility of excluding non-sustainable sectors while maintaining profitability targets and minimising risks does not stand up to close scrutiny.** The legal text cited by FDC does not explicitly prohibit the exclusion of sectors or mandate maximum diversification.

At the beginning of February 2023, following a debate in the Luxembourg parliament about the fund's investment strategy for 2023-2027, a majority called on the government to ensure the exclusion of nuclear power producers and companies not aligned with the Paris Climate Agreement objectives. It is currently unknown if FDC has incorporated these demands in its 2023 investment decisions.

STILL DIRTY AND DANGEROUS: NEW RESEARCH CONFIRMS SHORTCOMINGS IN SUSTAINABILITY STRATEGY

Greenpeace has conducted a screening of FDC's investments in 2022, **which aims to provide a snapshot of the sustainability of the SICAV's assets by using exclusion criteria defined by other institutional investors including pension funds.**

The fact that a company has been excluded by one or more financial institutions indicates that these actors consider the ESG risks too high to invest in those companies, or provide credit to them. In addition, financial institutions that continue financing companies on the exclusion lists of other financial institutions may be at reputational risk.

The screening of FDC's investments was conducted between the 1st of December 2023 and the 20th of January 2024 and Greenpeace's results **include companies that have been listed by name in the database of Financial Exclusion Tracker as of January 2024.** Financial Exclusion Tracker contains information about the financial exclusions by 87 financial institutions in 16 countries, covering 4,842 companies from 120 countries. Its exclusion lists were retrieved, and compiled into one large dataset. The motivations of exclusions varied in terminology between different financial institutions and the research created standardised motivation categories. Only exclusions that apply to all investments and/or all financing at a financial institution have been included in the database.

Additionally, FDC's investments have been screened against Urgewald's Global Coal Exit list and Global Oil and Gas Exit list, which are updated each year.

Urgewald's **Global Coal Exit List** (GCEL) is the most comprehensive public database on the global coal industry. The GCEL includes over 1,000 companies and 1,800 subsidiaries. Their activities range from coal mining, trading and transport to the conversion of coal to liquids, the operation of coal-fired power stations and the manufacturing of equipment for new coal plants. GCEL lists 490 companies that are still developing new coal power plants, new coal mines, or new coal transport infrastructure.

The **Global Oil & Gas Exit List** (GOGEL) is the most comprehensive publicly available database on the oil & gas industry. GOGEL 2023 covers 1,623 companies active in the upstream, midstream or gas-fired power sector. Companies listed on GOGEL account for 95% of global oil and gas production. GOGEL's forward-looking data on companies' expansion plans makes it easy to assess the credibility of transition strategies. GOGEL is the first tool that makes it possible to systematically analyse (assess repetition) whether a company's activities are in line with the IEA Net-Zero Emissions Scenario (NZE).

The screening shows that despite its commitments to sustainability, FDC has invested in companies that are highly problematic in terms of sustainability:

1,247 COMPANIES

in the Fund's equities and corporate bonds portfolio have been excluded by institutional investors, including pension funds, and/or are on the GCEL and GOGEL of the environmental organisation Urgewald. This is around **10 times the number of companies currently excluded by FDC**.

These companies are excluded due to their adverse impacts on society and the environment, which include implication in climate change, environmental harm, human rights violations and/or their involvement in the arms industry, including controversial weapons.

These companies collectively account for an investment value exceeding **€4.5 billion**, constituting **36%** of the Fund's equity and corporate bond portfolio, and **20,6%** of the overall portfolio.

558 COMPANIES

with an investment value of **€1.5 billion** have been excluded by institutional investors because of their negative impact on climate change (fossil fuels and greenhouse gas emissions, etc.). Currently, FDC **does not exclude any companies** for climate reasons.

153 COMPANIES

with an investment value of **€885 million** have been excluded by institutional investors because of activities linked to the weapons industry. FDC has invested in **42 companies** with an investment value of **€121 million** that have been excluded by institutional investors and pension funds for their involvement in controversial weapons such as cluster munitions, nuclear weapons or white phosphorus weapons. For example, according to the data in the Financial Exclusion Tracker, FDC invests in the company Elbit Systems, which is implicated in controversial weapons including anti-personnel mines and cluster munitions[1]. The law of 4 June 2009 approving the Convention on Cluster Munitions prohibits the financing of such weapons[2].

Research into FDC's investments in controversial weapons also revealed that the Fund invests in companies active in the development of artificial intelligence for weapons systems, such as IBM, Intel, Palantir and Nvidia. FDC's investment strategy does not currently exclude investments in such companies. The question arises as to whether FDC's investment policy is — in its current form — generally sufficiently geared towards discussing controversial technological developments in order to act appropriately when making investment decisions.

1 see search results for elbit systems in financial exclusion tracker
2 https://legilux.public.lu/eli/etat/leg/loi/2009/06/04/n2/jo

130 COMPANIES

with an investment value of **€698 million** have been excluded by other institutional investors due to their negative impact on human rights. At the time of the research, FDC was excluding only 66 companies on human rights issues.

154 COMPANIES

with an investment value of **€560 million** have been excluded by other institutional investors for their negative environmental impact. Only 9 companies were excluded in October 2023 on environmental grounds by FDC.

Unlike many institutional investors, **FDC continues to invest in tobacco companies.** Remarkably, the Fund holds assets in 12 tobacco companies that have each been excluded by over 30 institutional investors.

FDC continues to invest in leading coal, oil and gas companies[1]:

FDC invests in **131** coal companies worth **€197 million,** which should be excluded from investment portfolios according to environmental organisation Urgewald.

FDC invests in **225 oil** and gas companies worth **€760 million**, which should be excluded from investment portfolios according to Urgewald.

1 Based on Urgewald's 2023 Global Coal Exit List and 2023 Global Oil and Gas list

LuxFLAG ESG labeled sub-funds contain substantial amounts of blacklisted companies

- All of FDC's sub-funds granted a LuxFLAG ESG label (12 sub-funds) or LuxFLAG Environment label (1 sub-fund) invested in companies that have been excluded by institutional investors on climate, environmental, human rights or other grounds.
- On average a quarter of the companies in these LuxFLAG-labeled sub-funds have been excluded by institutional investors on climate, environmental, human rights or other grounds, with a range of 16.7-37%.

A compilation of the Top 100 companies in which the FDC invested in 2022 and which are excluded by pension funds and other institutional investors and/or are on the GCEL and/or the GOGEL can be found on page 18.

These findings reinforce the concerns raised by Greenpeace regarding the lack of ambition and flaws in FDC's sustainability strategy. The analysis of FDC's 2022 investments, published in June 2023, sheds light on areas that require improvement (see next page).

Greenpeace's analysis of FDC's 2022 investments published in 2023 revealed that over €3 billion were allocated to industries with a negative impact on the environment and climate, including the nuclear sector, and companies that do not meet the requirements of international standards for human rights due diligence[1].

- In 2022, FDC invested approximately **€888 million** in the world's most climate-damaging companies in the coal, oil and gas sectors[2].
- In 2022, investments in the world's largest drivers of deforestation amounted to **€143 million**.
- Greenpeace also analysed FDC's investments in sectors with a high human rights risk, particularly in the automotive, food and agriculture and computer technology sectors. The result: almost **€2 billion** were invested in 119 companies from these sectors, none of which satisfactorily fulfil the due diligence requirements.
- In addition, FDC's investment of over **€380 million** in 2022 in major banks such as Bank of America, Barclays, Citigroup and JP Morgan Chase raises concerns due to their involvement in financing companies that are known for environmental damage and human rights violations.
- FDC continues to invest in Carbon Majors: In 2022, the Fund invested in 11 of the Top 20 Carbon Majors[3], including **TotalEnergies, Shell, ExxonMobil, Chevron, BP, Coal India, Peabody, ConocoPhillips and BHP**. FDC board members have often justified the investment in Carbon Majors such as TotalEnergies with the argument that these companies also develop renewable energies. A report[4] published by Greenpeace Austria in 2023 analysed the balance sheets and activities of 12 European oil companies and showed that in 2022, on average 92,7% of the investments were made in the continuation of the fossil oil and gas path and only 7.3% towards sustainable energy production and low-carbon solutions. In the case of TotalEnergies, the Group's fossil share in total energy production is around 99% across all energy products.

By continuing to fund fossil fuel companies which are planning for more oil exploration, **the Fund is going against the best available science.** To have a chance of limiting warming below 1.5°C — which is not safe — global CO_2 emissions must decrease by at least 48% from 2019 levels by 2030 and reach net zero around 2050[5]. Even the IEA's net-zero by 2050 pathway, which relies on a more conservative assessment of greenhouse gas emissions reduction, agrees on a narrow but achievable pathway which requires all actors to cease and desist from licensing new oil, gas, and coal exploration and production[6].

1 https://www.greenpeace.org/luxembourg/fr/communiques-de-presse/18793/toujours-aussi-sales-et-dangereux-les-investissements-du-fdc-en-2022/
2 Based on Urgewald's 2022 Global Coal Exit List and 2022 Global Oil and Gas list
3 These 20 companies are responsible for 35% of global greenhouse gas emissions between 1965-2018
4 https://greenpeace.at/uploads/2023/08/report-the-dirty-dozen-climate-greenwashing-of-12-european-oil-companies.pdf
5 IPCC AR6 WGIII, Ch. 3, 3.3
6 https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach

DIRTY INVESTMENTS: A MATTER OF MATERIAL RISKS

In its Sustainable Investor Factsheet 2022, FDC underscores its commitment as an institutional asset manager to environmental and social responsibility, alongside good corporate governance. At the same time, FDC puts its responsibility in terms of sustainability in perspective and points out that its sustainable investment policy must be compatible with the legal requirements of a risk-adjusted return in line with market returns. Thus, FDC indirectly implies that sustainable investing would not be compatible with its legal mandate to achieve a risk-adjusted return in line with the market return:

"As an institutional asset manager, FDC is aware of its ecological, social and good governance responsibilities. When applying the principles of FDC's legal mission to sustainable investments, return on such investments must be in line with the market. In terms of risk management, sustainable criteria and aspects need to be taken into consideration provided that sustainability risks are relevant investment risks. Thus, FDC is conscious of the importance of taking into account sustainable criteria and aspects into the investment process. The latter are analysed in strategic discussions, in the selection process of asset managers as well as in their monitoring. Accordingly, FDC's responsible investor policy has been designed to comply with its legal requirements while at the same time ensuring that the expected risk-adjusted return remains in line with market returns."

FDC’s investment strategy also states:

> *“Investments must respect the principles of appropriate risk diversification. To this end, assets must be spread across different investment categories and economic and geographical sectors.“ (unofficial translation)*

FDC is required by law to invest in a broadly diversified portfolio with optimal risk/return considerations to ensure the long-term viability of the pension system. However, the law does not state that investments must be made in all sectors or that risk diversification must be maximised.

At the same time, the fund is subject to fiduciary duties and must consider the interests of its beneficiaries when investing capital. Sustainability risks are a threat to the environment and society as well as a potential driver of negative financial impacts on the value of an investment and/or the return on that investment. Thus, a systematic integration of sustainability criteria into the investment strategy and the portfolio composition is crucial.

Numerous studies have highlighted that sustainable investments have no systematic disadvantage in terms of return and risk compared to traditional investments. In fact, many studies suggest that there may even be advantages to opting for sustainable investment strategies[1].

The consideration of material climate risks has demonstrably no negative effects and even tends to have positive effects on the risk/return ratio of investment portfolios, while also contributing to environmental preservation and the well-being of communities. Integrating sustainability into FDC investment decisions is not just a moral obligation, it also arises as a duty from the mandate of the pension fund. As an institutional investor and trustee managing the assets of its beneficiaries, FDC even has a special responsibility to integrate sustainability aspects into the investment decisions.

Fiduciary responsibility includes incorporating risks and long-term value drivers into investment decisions. A report published by the UN Principles for Responsible Investment (PRI) and the United Nations Environment Programme Finance Initiative (UNEP FI) concluded that it is a breach of the fiduciary duty not to include long-term value drivers such as ESG issues into investment decisions.

As part of its Action Plan on Financing Sustainable Growth, **the European Commission emphasises the importance of investor responsibility.** It shifts the focus from fiduciary responsibility to a broader notion of investor responsibility[2]. As a first step, the measures proposed by the European Commission require institutional investors to provide full transparency on the extent to which their investments are aligned with ESG objectives and criteria.

1 Gunnar Friede, Timo Busch and Alexander Bassen (2015) ESG and financial performance: aggregated evidence from more than 2000 empirical studies, Journal of Sustainable Finance & Investment, Volume 5, 2015 - Issue 4
2 https://finance.ec.europa.eu/publications/renewed-sustainable-finance-strategy-and-implementation-action-plan-financing-sustainable-growth_en

CONCLUSIONS AND DEMANDS

At the UN Climate Change Conference in Paris in 2015, the international community agreed to "*holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.*"

The 2023 UN Climate Change Conference in Abu Dhabi agreed to transition away from fossil fuels: the parties agreed to phase out fossil fuels in the energy sector by 2050. The decision to transition away from "*fossil fuels*" was the first time the term appeared in a COP's formal outcome since UN climate negotiations began 30 years ago. The outcome marks the beginning of the end of the fossil fuel era.

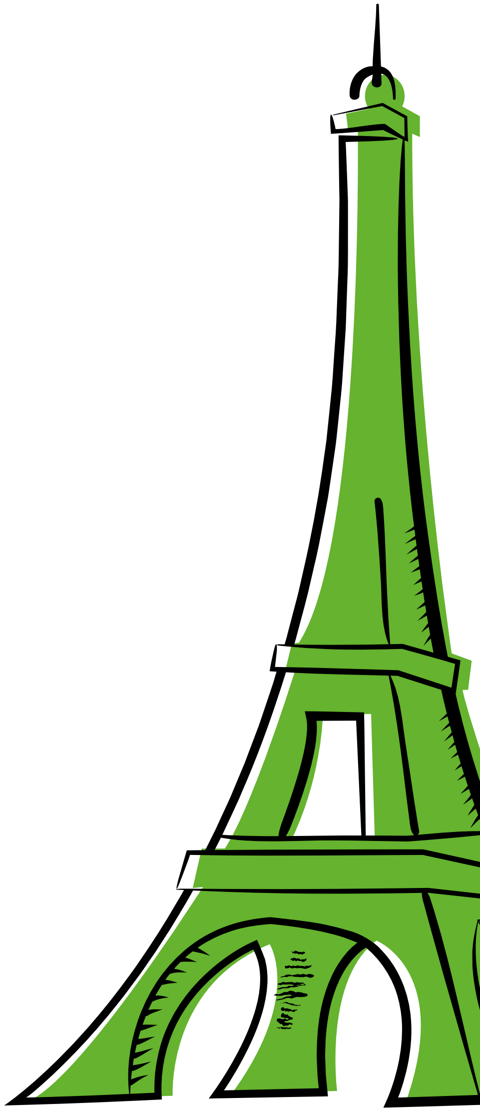
Achieving the objectives of the Paris Agreement requires a comprehensive decarbonisation of the economy. In some sectors, technologies used today will no longer be able to be used in the future. In other sectors, the entire current business model is being called into question.

For investors such as FDC, the necessary transformation will have a significant impact on the future financial performance of the companies currently in the investment portfolios.

However, the alternative — a "*business as usual*" approach, accepting climate change — entails **far greater financial risks due to physical risks,** such as severe droughts and other extreme weather events, but also long-term permanent consequences. At the same time, this approach endangers the livelihoods of countless people and the well-being of the planet. It is therefore not a viable alternative - there is no alternative to economic transformation.

In order to remedy these shortcomings and bring the fund into line with the policy objectives, legal requirements and beneficiaries' preferences, immediate action must be taken by policymakers and FDC management:

- The **implementation of a coherent and ambitious investment strategy** for the fund as a whole and for the individual asset managers and their allocated sub-funds
- FDC's sustainable investment policy must become more ambitious. **Strict criteria and a transparent methodology must be put in place, including significant climate protection and human rights due diligence requirements** for fund managers and investee companies
- **Divestment from all companies that are unable to make the transition to a Paris-compatible business model.** With regard to divestment from fossil fuels, FDC should draw inspiration from



the Global Coal Exit List and the Global Oil and Gas Exit List. Investments in companies whose operations are particularly contentious, such as Arctic drilling, fracking, oil shale extraction, etc., should be stopped immediately

- Similarly, **FDC must refrain from investing in companies active in the field of nuclear energy.** FDC must also divest from companies whose activities have repeatedly violated human rights.
- All investments should be **aligned with the objective of limiting global warming** to well below 1.5°C.
- FDC's policies and any contracts with external fund managers **should also take into account the OECD Guidelines and the UNGPs.** Regular reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the UNGPs Reporting Framework should be put in place.
- FDC must establish a clearly defined, ongoing and publicly available engagement policy with respect to the investee companies. **It must determine how to address the human rights and financial climate risks** and negative impacts of its investment activities, and instruct its asset managers to do the same.
- In terms of governance, **FDC needs to become more inclusive.** The development of the revised investment policy must involve all relevant stakeholders - not only representatives of the government, the employers' federation and the trade unions, but also civil society organisations.

In addition, **Greenpeace Luxembourg is calling on the members of the government and parliament to assume their responsibility for a sustainable sovereign pension fund.** FDC's mandate, defined by the law of 6 May 2004 on the administration of the assets of the general pension scheme, must be modified and explicitly include the integration of sustainability criteria in its investments.

The legislator should amend the legal framework to establish clear investment criteria for FDC that are consistent with the International Bill of Human Rights, the UNGPs, the OECD Guidelines, international conventions ratified by Luxembourg (including the Paris Agreement and the Convention on Biological Diversity), as well as any other international treaty that has been or will be ratified by the Grand Duchy. Such a law should include a provision concerning **the exclusion of investments in specific companies or sectors, including, but not limited to, the nuclear sector.**

As part of the revision of the current legislation, the legislator should consider the creation of an ethics committee responsible for assessing the sustainability of FDC's investment activities and making recommendations. This committee should be made up of experts from various sectors of Luxembourg society, chosen for their knowledge, skills and commitment to sustainable development. **In order to be transparent and accountable to its beneficiaries, all these processes should be communicated and made available to the public.**

Today, FDC insists on the principles of profitability and diversification in its mission, leaving aside its actual duty to guarantee the security and well-being of current and future pensioners. Greenpeace believes that FDC's mandate must explicitly include the implementation of a truly sustainable investment strategy if it is to safeguard our future.

TOP CARBON MAJORS COMPANIES

in which the FDC invested in 2022 and which are excluded by institutional investors and/or are on the Global Coal Exit List and/or the Global Oil and Gas Exit List

Carbon Major	Exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List (GCEL)	Company listed on Global Oil and Gas Exit List
Chevron	Climate, environment, human rights, other	30	40601823		Yes
ExxonMobil	Climate, environment, human rights, business practices	27	56484867		Yes
BP	Climate, other	14	11660091		
Shell	Climate, environment, human rights, other	17	21413346		Yes
Coal India	Climate, environment, human rights	54	612793	Yes	
Peabody	Climate, other	46	220940	Yes	
ConocoPhillips	Climate, other	25	18332699		Yes
TotalEnergies	Climate, environment, Weapons, other	19	59016023		Yes
BHP	Climate, environment, human rights	31	15971251	Yes	Yes
Petrobras	Climate, environment, human rights, other	24	8668558		Yes
Abu Dhabi National Oil Company	Climate, other	8	446787		Yes

TOP 100 UNSUSTAINABLE COMPANIES

in which the FDC invested in 2022 and which are excluded by institutional investors and/or are on the Global Coal Exit List and/or the Global Oil and Gas Exit List

Company	Main exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List	Company listed on Global Oil and Gas Exit List
Altria Group Inc	Product-based exclusion (tobacco)	61	10880181		
Philip Morris International Inc	Product-based exclusion (tobacco)	60	19899886		
KT&G Corp	Product-based exclusion (tobacco)	58	851991		
Cenovus Energy Inc	Climate	56	2835584		Yes
Vector Group Limited	Product-based exclusion (tobacco)	55	105070		
Canadian Natural Resources Limited	Climate	54	7560164		Yes
Coal India Limited	Climate	54	612793	Yes	
Exxaro Ressources Limited	Climate	54	423894	Yes	
Imperial Oil Limited (Exxon Mobile Susbsidiary)	Climate	54	1521429		Yes
Scandinavian Tobacco Group AS	Product-based exclusion (tobacco)	52	93310		
Universal Corp	Product-based exclusion (tobacco)	52	68929		
Adaro Energy Tbk PT	Climate	50	549501		
Elbit Systems	Human rights, weapons	50	839345		

Company	Main exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List	Company listed on Global Oil and Gas Exit List
Inner Mongolia Yitai Coal Company	Climate	50	302509	Yes	
MEG Energy Corp	Climate	49	290857		Yes
Shaanxi Coal Industry Company Limited	Climate	48	315533	Yes	
Whitehaven Coal Limited	Climate	47	461271	Yes	
Peabody Energy Corp	Climate	46	220940	Yes	
United Tractors Tbk PT	Climate	46	384106	Yes	
Japan Tobacco Inc	Product-based exclusion (tobacco)	45	2454682		
Turning Point Brands Inc	Product-based exclusion (tobacco)	45	44567		
Consol Energy Inc	Climate	44	141054	Yes	
Guanghui Energy Company Limited	Climate	44	119589	Yes	
Huadian Power International Corp. Limited	Climate	44	69119	Yes	Yes
New Hope Corp. Limited	Climate	42	156195	Yes	
NTPC Limited	Climate, environment, human rights	41	1009121	Yes	
Pingdingshan Tianan Coal Mining Company Limited	Climate	40	122094	Yes	
China Resources Power Holdings Company Limited	Climate	38	473641	Yes	Yes
Jizhong Energy Resources Company Limited	Climate	38	150212	Yes	

Company	Main exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List	Company listed on Global Oil and Gas Exit List
Electricity Generating Company	Climate	36	185270		
Imperial Brands plc	Product-based exclusion (tobacco)	36	3179594		
PGE Polska Grupa Energetyczna SA	Climate	36	121865	Yes	Yes
Teck Resources Limited	Climate	36	138935		Yes
Arch Resources Inc	Climate	35	167642		
Shanxi Coking Coal Energy Group Company Limited	Climate	35	156509	Yes	
Smoore International Holdings Limited	Product-based exclusion (tobacco)	35	294294		
Yankuang Energy Group Company Limited	Climate	35	889084	Yes	
China Coal Energy Company	Climate	34	341520	Yes	
CLP Holdings Limited	Climate	34	1162270	Yes	Yes
GD Power Development Company Limited	Climate	34	136934	Yes	Yes
Inner Mongolia Dian Tou Energy Corp. Limited	Climate	34	150404	Yes	
Reynolds American	Product-based exclusion (tobacco)	34	725940		
HK Electric Investments & HK Electric Investments Limited	Climate	33	39102	Yes	Yes
Electric Power Development	Climate	32	174148	Yes	

Company	Main exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List	Company listed on Global Oil and Gas Exit List
Reinet Investments SCA	Product-based exclusion (tobacco)	32	374246		
Tenaga Nasional Bhd	Climate	32	619692	Yes	Yes
BHP Group Limited	Climate, environment, human rights	31	15971251	Yes	Yes
Diamondback Energy Inc	Climate	31	2689520		Yes
Evergy Inc	Climate	31	2187765	Yes	Yes
TBEA Company Limited	Climate, human rights	31	173222	Yes	
Chevron Corp	Climate	30	41181554		Yes
Indonesia Asahan Aluminium Persero PT	Climate, environment, human rights	30	157969	Yes	
South32 Limited	Climate	30	1858736		
African Rainbow Minerals Limited	Climate	29	4327782		
Allete Inc	Climate	29	250243	Yes	Yes
Ameren Corp	Climate	29	2331208		
Barrick Gold Corp	Environment, human rights	29	2890581		Yes
Chugoku Electric Power Company Inc	Climate	29	49372	Yes	
Hess Corp	Climate	29	9985641		Yes
Marathon Oil Corp	Climate	29	4410211		Yes
Israel Corp. Limited	Controversial weapons	28	188348		
Pioneer Natural Resources Company	Climate	28	12028860		Yes
Agl Energy Limited	Climate	27	264355	Yes	
EOG Resources Inc	Climate	27	15846339		Yes

Company	Main exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List	Company listed on Global Oil and Gas Exit List
Exxon Mobil Corp	Climate, human rights, business practices	27	58929318		Yes
China Shenhua Energy Company Limited	Climate	26	1483425	Yes	
Coronado Global Resources Inc	Climate	26	84510		
Enbridge Inc	Climate, human rights	26	13885722		Yes
Hokkaido Electric Power Company Inc	Climate	26	32100	Yes	
Matador Resources Company	Climate	26	480769		Yes
PTT pcl	Climate, human rights	26	1228943		Yes
Southwestern Energy Company	Climate	26	386541		Yes
Tourmaline Oil Corp	Climate	26	1606198		Yes
American Electric Power Company Inc	Climate	25	5756354		Yes
ConocoPhillips	Climate	25	18332699		Yes
Devon Energy	Climate	25	4279485		Yes
Hokuriku Electric Power Company	Climate	25	68366	Yes	
Occidental Petroleum Corp	Climate	25	6385170		Yes
Posco Holdings Inc	Climate, environment, human rights, business practices	25	6009713	Yes	
Sasol Limited	Climate, tobacco	25	2288926	Yes	Yes

Company	Main exclusion criteria	Number of excluding institutional investors	Sum Market Value of FDC's investments (in euro)	Company listed on Global Coal Exit List	Company listed on Global Oil and Gas Exit List
Tauron Polska Energia SA	Climate	25	162330	Yes	
Aboitiz Equity Ventures Inc	Climate	24	286411	Yes	
Alliant Energy Corp	Climate	24	1717006	Yes	
Alpha Metallurgical Resource	Climate	24	192581		
Antero Resources Corp	Climate	24	682521		Yes
Cnx Resources Corp	Climate	24	275089		Yes
Marathon Petroleum Corp	Climate, environment, human rights, business practices	24	17747843		Yes
Murphy Oil Corp	Climate	24	478681		Yes
Nisource Inc	Climate	24	1519541	Yes	Yes
Okinawa Electric Power Company	Climate	24	20978	Yes	
Ovintiv Inc	Climate	24	5449740		Yes
Pdc Energy Inc	Climate	24	2834934		Yes
Perusahaan Listrik Negara PT	Climate	24	545374	Yes	Yes
Petróleo Brasileiro SA (Petrobras)	Climate, environment, human rights, business practices	24	11256471		Yes
Walmart Inc	Human rights, weapons	24	22521744		
Comstock Resources Inc	Climate	23	104220		Yes
DTE Energy Company	Climate	23	2373025	Yes	
Firstenergy Corp	Climate	23	2185439	Yes	
Gulfport Energy Corp	Climate	23	55545		Yes
Magnolia Oil & Gas Corp	Climate	23	85540		

GREENPEACE

34, avenue de la Gare
4130 Esch/Alzette
www.greenpeace.lu

First publication: March 2024