ESG **Report**	
Eco Venture Capital LLC 25847 Sustainable Finance – Spring 2024 By Maitrya Anupam, 14237693	

	"*We aim to become carbon neutral by 2050 and use our active management to align our investments with the same*"		
EcoV enture inte grates ESG f actors thro ughout our inve stment pr ocess, al igning with the UN's Prin ciples for Respo nsible Inves tment. We: • A nalyze ESG using robust tools and me trics. This can be ob served t hrough our meth odolgy and our m apping for dif ferent indsu tries. • Ac tively engage with com panies on ESG i ssues. Stake holder			

mana gement t hrough fee dback, su rveys, vhange manag ement, pro moting div ersity and other strat egies. • Ad vocate for standa rdized ESG discl osure. This is t hrough our proxy inf luency and t hrough our f unding policy • P romote respo nsible inv esting pra ctices within the ind ustry. • Colla borate with			

others to e nhance ef fectiv eness.

- Report t ranspa rently on

  our

  ESG

  acti vities

  and

  pro gress.

By priori tizing ESG, EcoV enture de livers strong r eturns while fos tering a susta inable f uture.

Ou

r Port foilio

EcoV enture a pplies an exc lusion list to align inves tments with our respo nsible inv esting princ iples. We e xclude com panies within each sector based on the fol lowing cri teria:

- ** Modern

Slav ery:**

Com panies w ithout a

Mode rn-Day S lavery

Sta tement

are

exc luded.

- **GRI C omplia nce:**

  Com panies

  with no

record of GRI comp liance r eports are exc luded. • **MSCI In dex:** Com panies with a rating of BBB or lower are exc luded. This i nitial scr eening e nsures a foun dation of respo nsible bu siness pra ctices within our port folio. Furthe rmore, there are more excl usions sector wise based on our expect ations and stan dards. T icker Name			

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— —			
M PWR US MONO LITHIC POWER Eq uity SYSTE MS INC			
TYL US TYLER TECHNO LOGIES			
Equity INC			
ROP US ROPER TECHNO LOGIES			
Equity INC			
FTN T US FORTIN ET INC Equ ity			
GL W US CORNI NG INC Equ ity			
AAPL U S APP LE INC Equ ity			
FICO U S FAI R ISAA C CORP Equ ity			
SM CI US SUPER MICRO Equ ity COMPUT ER INC			
F CX US FREE PORT-M CMORAN			
Equity INC			
APD U S AI R PROD UCTS & Equi ty C HEMICA LS INC			
CT VA US CORTE VA INC Equ ity			
CE U S C ELANES E CORP Equ ity			
PK G US PACKA GING C ORP OF Equi ty A MERICA			

CF U S C F INDU STRIES Equ ity HOLDIN GS INC A BBV US ABBV IE INC Equ ity TMO US T HERMO FISHER Equit y SC IENTIF IC INC ABT US ABBOTT Equ ity LABORA TORIES SYK US STRYKE R CORP Equ ity MDT US M EDTRON IC PLC Equ ity BS X US BOSTO N SCIE NTIFIC E quity CORP CVS US CVS HEALT H CORP Equ ity B DX US BECT ON DIC KINSON Equ ity AND CO MR NA US MODER NA INC Equ ity CRL US C HARLES RIVER Equ ity LABORA TORIES U HS US UNIV ERSAL HEALTH E quity SERV ICES-B BIO US B IO-RAD Equit y LA BORATO RIES-A MDT US M EDTRON IC PLC Equ ity RV TY US REVVI TY INC Equ ity NRG U S NR G ENER GY INC Equ ity			

CEG US C ONSTEL LATION Equ ity ENERGY PPL U S PP L CORP Equ ity F E US FIRS TENERG Y CORP Equ ity PCG US P G & E CORP Equ ity PSA U S PU BLIC S TORAGE Equ ity CPT US CAM DEN PR OPERTY Eq uity TRUST I NVH US INVI TATION HOMES Equity INC MA A US MID-A MERICA Equit y AP ARTMEN T COMM KI M US KIMCO REALT Y CORP Equ ity VICI U S VIC I PROP ERTIES Equity INC ARE US ALE XANDRI A REAL Equ ity ESTATE EQUIT V TR US VENT AS INC Equ ity SPG U S SI MON PR OPERTY Equity GRO UP INC — —— —— —— —— Here’s a list of few firms that have been exc luded, for a more exha ustive list please refer to the excel file pro vided.			

An in ternal ESG Score is const ructed using a we ighted a verage of re levant e nviron mental (E), social (S), and gove rnance (G) data p oints. They vary across the in dustry s ectors and unde rlying bu siness and its implic ations on b roader so ciety. **Me thodol ogy:** Our ESG Score co mbines in ternal data an alysis with a we ighted a verage of key me trics. The wei ghting re flects our prio rities (e.g., higher weight for social fac tors). The e nviron mental f actors and govern mental f actors are same across the dif ferent indu stries albeit with dif ferent we ights. These are m ainly: Net GHG emis sions, GHG Mana gement Score and C limate Change p olicy. The weight for each of these f actors are dep endent on the in dustry they are in for e.g. These are the w eights for the 3 f actors in the energy s ector. A higher focus is on emi ssions as the in dustry itself has poor perfo rmance in ma intain their emi ssions under l imits. The w eights for each in dustry and f actors are cons idered sim			

ilarly and can be found in our excel.

—-

w1 w2 w3

—-
0.5
0.3
0.2

—-

The social f actors are the ones whose data was most incons istent and dy namic, and we appr oached it sector wise. Ass igning more wei ghtage to issues re levant to the sector for eg. Data se curity score was used for s ectors like IT and C ommuni cation in place of Occupa tional Health and Safety scores for indu stries like uti lities and mate rials. The lack of data pre vented us from using ore ad vanced an alysis on these me trics. A multi br anched tree aggr egator was used for s coring . Here’s how we did it

We start by ident ifying the key m etrics that are c rucial for the evalu ation. These in cluded f actors like board c ompens ation, Perc entage of women on board, OHS score, labour mana gement or any other cr iteria re levant to my goals. Next was ass igning w eights to each metric based on their impor tance. I made sure that the total of all w eights adds up to 1 (or 100%). Then, I score each option a gainst these me trics. We also used a s caling fu nction to nor malize the dif ferent ranges into a cons istent s coring rank to agg regate and co mpare, The lower the b etter. For the first layer, I cal culate the we ighted a verage by multi plying each score by its c orresp onding weight and s umming them up. If t here’s a second layer of me trics, I repeat the s coring and wei ghting pr ocess. This layer could repre sented each of the E, S and G factor which are equal in our an alysis as we had a higher level of integ ration in the pr evious layer.			

Fi nally, we agg regate the scores from both layers to get a final score for each firm. Then they are rated based on their s cales. Using the final s cores, we co mpared our o ptions and made dec isions that a ligned with our str ategic objec tives. The r atings are based on qu artile basis with the top 25 perc entile being rated as good.			
Int egrati on and Metho dology The s coring metho dology for ESG integ ration was dev eloped inte rnally on the ba ckbone of ESG metho dology MSCI uses. S everal key f actors have been iden tified in the GICS indu stries and a unique s coring metric has been a dapted with the impo rtance of each factor se lected on a d iscret ionary level. We have used a bot tom-up ap proach to create our ra tings. We b elieve in maxi mizing stake holder value not just s hareho lders.			

Our Stock Sele ctions for Long Term Value Cre ation.			
We id entify top ESG perf ormers within each GICS sector based on our ESG Rating s ystem. We prio ritize at least one se curity per sector for dive rsific ation, even if the pool of qua lified o ptions is li mited. In such cases, we may co nsider enga gement with com panies to enc ourage po sitive ESG transi tions. **S** &P 500 • —— —— ESG S CORE STO CK Rating - —— —— —-— – —— 7.7 333333 33 A WK US GOOD Equ ity 7.9 5 E VRG US GOOD Equ ity 9 L NT US GOOD			

Equ ity 1. 316666 67 E IX US GOOD Equ ity 5.5 166666 67 M TCH US GOOD Equ ity 7.8 666666 67 V Z US GOOD Equ ity 8.5 666666 67 D IS US GOOD Equ ity 8.7 T MUS US GOOD Equ ity 9.0 833333 33 I PG US GOOD Equ ity 1. 666666 67 E XPD US GOOD Equ ity 1. 75 J US GOOD Equ ity 1. 758333 33 C HRW US GOOD Equ ity 6.8 5 H SY US GOOD Equ ity 9.3 583333 33 C LX US GOOD Equ ity 1. 2 C PB US GOOD			

Equ ity 1. 083333 33 M KC US GOOD Equ ity 1. 4 W YNN US GOOD Equ ity 1. 591666 67 C ZR US GOOD Equ ity 7.0 5 M RO US GOOD Equ ity 8.8 833333 33 E QT US GOOD Equ ity 9.1 333333 33 B KR US GOOD Equ ity 1. 908333 33 C BOE US GOOD Equ ity 1. 008333 33 S YF US GOOD Equ ity 1. 825 F DS US GOOD Equ ity 6.8 `E` SS US GOOD Equ ity 8.8 5 D OC US GOOD Equ ity 9.1 166666 67 U DR US GOOD			

Equ ity 1. 266666 67 A DSK US GOOD Equ ity 1. 25 I NTU US GOOD Equ ity 1. 508333 33 A DBE US GOOD Equ ity 5.0 333333 33 N EM US GOOD Equ ity 6.5 166666 67 A LB US GOOD Equ ity 9.1 5 F MC US GOOD Equ ity 9.7 333333 33 C E US GOOD Equ ity 1. 025 M RK US GOOD Equ ity 1. 233333 33 L LY US GOOD Equ ity 1. 825 J NJ US GOOD Equ ity - —— —— —— —— ——			

Recommendations:

- Continuously refine the ESG scoring methodology based on new data and market trends.
- Increase engagement efforts with companies on the cusp of exclusion to promote ESG improvements.

- Advocate for industry-wide adoption of standardized ESG reporting frameworks.

By integrating ESG factors throughout our investment strategy, Eco Venture aims to deliver strong returns for clients while fostering a sustainable future.

Fixed Income	
Although we do not have an active position in the fixed income space now due to a lack of issuances and the complexity of assessing YTM sensitivities to ESG factors.	

	Greenium (bps) = (Yield of Conventional Bond - Yield of Green Bond) * 100	

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adipiscing elit. Etiam aliquet eu mi quis
lacinia.*
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