Moving Away from Mass Destruction:

109 exclusions of nuclear weapon producers
Utrecht, July 2023

There remains a marked lack of official information available in the public domain about the use, production, transfer and stockpiling of nuclear weapons, as well as about investments in companies that produce nuclear weapons. PAX has strived to achieve the highest level of accuracy in reporting. The information in this report reflects official information available in the public domain known to PAX. We welcome comments, clarifications, and corrections from governments, companies, financial institutions and others, in the spirit of dialogue, and in the common search for accurate and reliable information on this subject. If you believe you have found an inaccuracy, or if you can provide additional information, please contact: nukes@paxforpeace.nl.

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And all those who work tirelessly to stigmatize, outlaw and eliminate nuclear weapons.

About PAX
PAX means peace. Together with people in conflict areas and concerned citizens worldwide, PAX works to build just and peaceful societies across the globe. PAX brings together people who have the courage to stand for peace. Everyone who believes in peace can contribute. We believe that all these steps, whether small or large, truly matter and will contribute to a just and peaceful world.

About ICAN
ICAN is a global campaign coalition promoting adherence to and implementation of the United Nations Treaty on the Prohibition of Nuclear Weapons. ICAN is comprised of 650 partner organisations in 110 countries. More information about ICAN can be found at: www.ICANw.org

About Profundo
Profundo is an economic research consultancy analysing commodity chains, financial institutions and corporate social responsibility issues. It works predominantly for environmental, human rights and development organisations in the Netherlands and abroad. www.profundo.nl

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Disclaimer
This report has been developed using publicly listed corporate reporting, however this analysis is general in nature and may not provide a full and fair representation of company disclosure. The information in this report should not be interpreted as investment or legal advice, and is provided for general information purposes only.

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Executive summary

109 financial institutions exclude nuclear weapon producers

This report profiles 109 financial institutions that restrict investments in companies involved in the development, production, testing, maintenance and stockpiling of nuclear weapons. By having such policies in place, these banks, pension funds, asset managers and other financial sector actors actively demonstrate the stigma attached to nuclear weapons. 11 new institutions have been added since previously published research.

Of the 109 profiled institutions, 55 comprehensively exclude any financial involvement with nuclear weapon producing companies. They are listed in the Hall of Fame. 54 institutions have a policy that is not all-inclusive. These are listed in the Runners-Up.

Deep concerns around the grave risks posed by nuclear weapons motivated a group of states - including Norway, Mexico and Austria – to organize a series of conferences in 2013 and 2014 on the humanitarian consequences of nuclear weapon use. In 2017, after weeks of intense negotiations, the landmark UN Treaty on the Prohibition of Nuclear Weapons was adopted (TPNW). The Treaty’s entry into force in 2021 and first Meeting of States Parties in the year thereafter have further consolidated the international norm against nuclear weapons.

The growing number of financial institutions listed in this report provides a snapshot of the emerging norm within the financial sector to avoid companies contributing to existential risks. In addition to the increase in identified policies, the application of these policies is becoming more comprehensive, illustrating financial institutional recognition of their role in not condoning the production of inhumane weapons.

Hall of Fame

The Hall of Fame profiles financial institutions that have adopted, implemented and published a policy that comprehensively excludes nuclear weapon producing companies from investment. 55 financial institutions have a public policy that is comprehensive in scope and application. The financial institutions in the Hall of Fame are based in Australia, Belgium, Denmark, Finland, Germany, Ireland, Italy, Luxembourg, New Zealand, Norway, Sweden, Switzerland, the Netherlands, the United Kingdom and the United States.

Of those institutions listed in the Hall of Fame, six are completely new to the report:

- CHANGE FINANCE (UNITED STATES)
- ETHIUS INVEST (SWITZERLAND)
- FISHER FUNDS (NEW ZEALAND)
- NORTHSTAR ASSET MANAGEMENT (UNITED STATES)
- SPAREBANK 1 SR-BANK (NORWAY)
- SVENSKA HANDELSBANKEN (SWEDEN)

Belgian bank VDK Bank substantially improved the scope of application of its weapons policy and was therefore moved from the Runners-Up category to the Hall of Fame.

This norm has similarly gained increased recognition within the financial sector. The number of financial institutions listed in this report has grown steadily over the last decade. The first publication in 2014 listed 35 institutions seeking to avoid investment in the nuclear weapon industry. In 2018, the number rose to 63, and further increased to 77 in 2019. Since the Treaty on the Prohibition of Nuclear Weapons entered into force, the number of known policies has grown to over 100.
Each institution’s policy profiled in the Hall of Fame undergoes a rigorous assessment. Only financial institutions with group level public policies are eligible for inclusion. Only when policies are applied to all types of nuclear weapon producers from all locations excluding them from all the institutions’ financial products and services may an institution qualify for the Hall of Fame. Moreover, findings of outstanding investments in nuclear weapon producing companies require reclassification to the Runners Up list. Nine financial institutions previously listed in the Hall of Fame have been moved to the Runners-Up list, for failing to meet one or more of the above requirements. We look forward to further engagement with these institutions, so that they may be listed again in the Hall of Fame in a future update of this report.

We hope the Hall of Fame will be inspirational to many more financial institutions.

Runners-Up
The Runners-Up section highlights another 54 financial institutions that have taken steps to restrict investments in nuclear weapon producers, but whose policy is not all-inclusive in preventing all types of financial involvement with nuclear weapon companies. The financial institutions in the Runners-Up are based in Aotearoa/ New Zealand, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, Malaysia, Mexico, Norway, Spain, Sweden, Switzerland, the Netherlands, the United Kingdom and the United States.

Five institutions are new to the report with policies falling into the Runners-Up category. These are:

- **BAYERISCHE LANDES_BANK (GERMANY)**
- **CAIXABANK (SPAIN)**
- **FORMA FUTURA (SWITZERLAND)**
- **RESONA GROUP (JAPAN)**
- **SCHWEIZERISCHE NATIONALBANK (SWITZERLAND)**

The Runners-up category is necessarily broad. Financial institutions included range from those with policies nearly eligible for the Hall of Fame, to those with policies that still allow considerable sums of money to be invested in nuclear weapon producers. They are therefore ranked on a four-star scale to illustrate the comprehensiveness of their policies. One or zero-star policies are included to demonstrate that there is a wide and ongoing debate among financial institutions when it comes to including nuclear weapons association criteria in their socially responsible investment standards. However diverse these policies, they all express a shared understanding that involvement in nuclear weapons production is controversial.

The identification of policies for inclusion in this report is based on peer recommendations. The report does not claim to represent an analysis of all financial institution policies on controversial weapons. Rather, it provides a snapshot. Those in a position to recommend additional policies for inclusion are invited to do so. With a significant percentage of new wealth seeking investment in funds with strong environmental, social and governance criteria, along with the growing number of states joining the TPNW, it can be estimated that the number of financial institutions with policies excluding nuclear weapon producers will grow significantly.
Countries of origin of financial institutions in the Hall of Fame and Runners-Up
Introduction
Introduction

As the war in Ukraine drags on with no apparent end in sight, risks of nuclear escalation continue to loom in the background. Overt threats by Russia to use nuclear weapons over the last year have distressingly illustrated the inherent dangers of countries’ ongoing reliance and value placed on nuclear weapons to preserve international peace and security.

Any use of nuclear weapons would be catastrophic. Yet, nuclear armed states continue to expand and modernize their arsenals. In 2022, their overall spending on their nuclear weapons programmes amounted to $82.9 billion, an increase of $2.5 billion compared to the previous year.1

Governments often rely on private contractors to modernize and build up their nuclear forces. Companies like Boeing, General Dynamics, Airbus, Lockheed Martin, Northrop Grumman and BAE Systems spend millions of dollars on lobbying efforts to secure state-issued contracts.2 In addition to the earnings flowing from already awarded contracts, companies need external investments on a regular basis in order to carry out their activities. Some financial institutions continue to seek profit from the nuclear weapon industry by making capital available to nuclear weapon producers, thereby financing the maintenance, testing and modernizing of nuclear arsenals – in spite of the devastating consequences that would arise from any use of these prohibited weapons.

The financial sector can also be an important actor for change. By actively choosing ethically, environmentally and socially responsible investment practices, financial institutions can exert their influence over corporate behaviour. The more banks, pension funds, insurance companies and other investors that decide to end financial relations with companies due to their involvement in nuclear weapon production, the greater the pressure felt by these companies to move away from this problematic activity. In doing so, financial institutions play a key role in further increasing the stigmatization and delegitimization of these weapons of mass destruction.

This report profiles 109 financial institutions with policies against investments in the nuclear weapon industry. Institutions whose policies are comprehensive (i.e. effectively integrate a zero tolerance approach to any investment in nuclear weapon producing companies) are listed in the “Hall of Fame”. The 55 banks, asset managers, pension funds and other institutions listed in this category may serve as an example and inspire other institutions that seek to strengthen their own policies.

54 institutions show up in the “Runners-Up” category. While they have adopted policies to exclude investments in the nuclear weapons industry, there is still room for improvement as one or more loopholes allow for exceptions. Some of these institutions may still have investments in companies involved in nuclear weapon production. Nevertheless, the existence of their policies demonstrates a shared understanding that involvement in nuclear weapon production is at least controversial.

Some financial sector policies are very general, excluding any company involved in any (controversial) weapon. Others specifically cite the Treaty on the Prohibition of Nuclear Weapons (TPNW), such as Banorte (Mexico), Crescent Wealth (Australia), Degroof Petercam Asset Management (Belgium), Ethos (Switzerland), KBC Group (Belgium), Länsförsäkringar (Sweden), NIBC (the Netherlands), PenSam (Denmark), SEB (Sweden), Standard Chartered (United Kingdom) and Storebrand Group (Norway). By doing so, these institutions further build on and reinforce the international norm against nuclear weapons cemented through international law by the entry into force of the TPNW in 2021. At the time of writing, 108 investors or investor alliances have signed a statement in which they explicitly express their support for the TPNW and pledge not to finance or invest in the companies contracted to build key components for nuclear weapons.

Most investors now incorporate Environmental, Social and Governance (ESG) risk factors in their policies. While the mainstreaming of sustainable finance has been a welcome development, the interpretation and application

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2 Ibid.
of such ESG criteria vary considerably across investors and their providers. Nevertheless, while the larger part of such commitments are still made on a voluntary basis, momentum for binding standards for both companies and financial institutions is growing. At the European Union level, legislation is already in place that requires arms producers and financial institutions to disclose if and how possible negative ESG effects of their investments are considered in their decision-making. Furthermore, in June 2023, the European Parliament agreed on its position on the proposed Corporate Sustainability Due Diligence Directive (CSDDD). The text approved by Parliament places mandatory human rights and environmental due diligence obligations on companies and financial institutions. A more detailed update on the upcoming corporate due diligence legislation and its potential implications for financial sector actors can be found below.

This report puts the spotlight on those investors that actively chose to move away from an industry that keeps in existence the most destructive, inhumane and indiscriminate weapons ever created. Strong financial sector engagement in strengthening the norm against nuclear weapons provides a resilient mechanism to decrease their legitimacy and creates an environment for reduction and eventual elimination.

### Le Crédit Mutuel Océan and the TPNW

This report analyses financial institutions policies at a group level. Nevertheless, a strengthening of a group’s policy is often initiated on a subsidiary level first. While thus falling outside the scope of this publication, it is worth noting the language that was adopted by French bank Le Crédit Mutuel Océan (CMO) in its Defense Policy of December 2022, to state that “[n]o financing or banking services will be provided by the CMO to companies whose activities are related to controversial, non-conventional weapons of mass destruction: development, manufacture, production, acquisition, storage, retention, supply, disposal, import, export, trade, brokering, transfer and use - as defined in detail in French law or in the United Nations TPNW treaty.” By doing so, Le Crédit Mutuel Océan – one of the subsidiaries of Le Crédit Mutuel Group - was the first bank in France to publicly express its support for the TPNW. This reference to the TPNW by CMO was subsequently criticized in a report presented to the French Committee on Finance, General Economy and Budgetary Control. In July 2023, the language on the TPNW was suddenly removed from Le Crédit Mutuel Océan’s policy document, which nevertheless maintained December 2022 as the last modified date. Improvements in subsidiaries’ policies are significant and may represent a first step towards similar language being adopted at the group level, in this case Le Crédit Mutuel Group. We therefore encourage Le Crédit Mutuel Océan to rectify this sudden turnaround and reinstate the original reference to the TPNW in its policy.

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Parliamentary vote on Corporate sustainable due diligence directive (CSDDD)

On 1 June 2023, the European Parliament agreed on its position on the proposed Corporate Sustainability Due Diligence Directive (CSDDD). The approval marks a significant step towards the first EU-wide corporate responsibility legislation as the Directive would make human rights and environmental due diligence mandatory for companies. The position by the European Parliament followed earlier proposals by the EU Commission and the European Council.

In the position adopted by the European Parliament, the law would also apply to financial institutions. While the European Council in December 2022 announced it had agreed that the inclusion of financial institutions would be left to the discretion of member states, the legal text agreed upon by Parliament also covers “regulated financial undertakings providing financial services, linked to the conclusion of a contract within a value chain” and adds an additional provision which requires institutional investors and asset managers “to take appropriate measures (…) to induce their investee companies to bring actual adverse impacts to an end (…)”.

Contrary to international standards prescribed under the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, which are applicable to all multinational enterprises, the European Council’s position presented in December 2022 used a formula that would in effect exclude the arms sector from due diligence obligations. The positions presented by Parliament and the Commission, however, do not make such sectoral exemptions.

At the time of writing, trialogue discussions have commenced to reconcile the positions agreed upon by the European Parliament, the European Commission and the European Council. A final text will likely be produced in late 2023. Both the inclusion of the financial sector and the arms industry will most likely remain a key point of contention. The European weapons lobby is pushing hard to make sure their industry is not subject to any sustainability review. The potential implications for financial institutions that seek to invest in nuclear weapon producers are therefore still unclear.

Controversial weapons

Most of the policies included in this report are based on the idea of excluding controversial weapons producers. There is no globally agreed standard of what makes a weapon controversial, but most would agree that a controversial weapon is one that cannot be used without violating the laws of war. Any weapon that is indiscriminate, inhumane or disproportionate is generally considered controversial.

Public exclusions

Many of the financial institutions profiled publish the names of companies with which they will not have financial relationships due to concerns about nuclear or controversial weapons production. Transparency around the reasons for a company’s exclusion from investment contributes to shifting company behaviours and strengthens the impact of excluding them.
Non-Proliferation Treaty exceptions

Some institutions refer to the Nuclear Non-Proliferation Treaty to justify allowing investments in companies involved in the nuclear arsenals of China, France, Russia, the United Kingdom, or the United States, erroneously stating that these countries are ‘permitted’ to develop nuclear weapons, and ignoring these countries’ legally binding obligation to negotiate nuclear disarmament. The financial institutions including this NPT exception in their weapons policies are often large investors in the nuclear weapons industry.

However, a handful of Swedish pension funds (most of the AP funds), have taken a different view. These institutions found that the nuclear armed countries recognised as such under the NPT are not actively pursuing their legally binding obligation to negotiate nuclear disarmament and eliminate their nuclear arsenals. For this reason, Swedish pensions like AP2 have said that “divestments from companies that are involved both in the maintenance and modernisation of nuclear weapons systems are aligned with the intention of long-term disarmament of nuclear weapons in all countries as expressed in the Non-Proliferation Treaty.”

Financial institutions are moreover encouraged to update their policies and refer to the Treaty on the Prohibition of Nuclear Weapons, which entered into force in January 2021 and comprehensively bans nuclear weapons under international law, as a basis for their exclusion criteria.

More xCW index options are needed

The most significant factor keeping financial institutions listed in the Runners-Up from being included in the Hall of Fame is not related to interpretations of the NPT or definitions of controversial weapons, but rather the difficulty in achieving a full scope of application of their policies. Many institutions in the Runners-Up do not apply their policy to all types of investment, because they run into challenges making sure third-party or externally managed funds follow their guidelines. Index-based products are an especially common exception, showing the need for initiatives aimed at making controversial weapons free (xCW) indices, that also exclude nuclear weapon producers, more easily available. In addition, financial institutions are encouraged to engage with index providers and request that they exclude nuclear weapon producers from their mainstream indices.

L3Harris Technologies

In determining which companies to exclude from investment in accordance with their policies, many financial institutions rely on research from providers like Sustainalytics, ISS or MSCI. Conclusions reached by these providers regarding companies’ involvement in the nuclear weapon industry may not always fully align with the findings presented in the Don’t Bank on the Bomb reports. Three financial institutions – Pensioenfonds Zorg & Welzijn, PGGM and Philips Pension Fund – were moved from the Hall of Fame to the Runners Up section. This reclassification was based on outstanding investments by these institutions in L3Harris Technologies. In all other aspects, the policies of these institutions are still comprehensive and meet the requirements to be listed in the Hall of Fame. The decision of these institutions to allow investments in L3Harris was based on findings from their information providers that this company does not provide components or services that are “key for the lethal use of nuclear weapons” (in the case of Philips Pension Fund) or “specifically designed or essential for the use of nuclear weapons” (in the case of Pensioenfonds Zorg & Welzijn and PGGM).

In addition, L3Harris subsidiary Interstate Electronics Corporation provides flight test instrumentation support and services related to the Trident II (D5) nuclear missile. Such flight tests are carried out to ensure a system’s continued reliability, readiness, and accuracy. Based on the above, L3Harris is among the nuclear weapon producers used for the implementation check. We look to engaging with Pensioenfonds Zorg & Welzijn, PGGM and Philips Pension Fund, so that they may be listed again in the Hall of Fame in a future update of this report.

Changes from the previous report

This report profiles more financial institutions with published policies excluding nuclear weapons producers than ever before, and it is still only a snapshot of the global industry.

Changes in this report compared to the 2022 “Rejecting Risk” include the following:

- Australian superannuation fund Christian Super signed a Successor Fund Transfer (SFT), under which all Christian Super members have now been transferred to the latter. Previously, both institutions were listed in the Hall of Fame, where Australian Ethical remains.

- Kiwi Wealth, previously listed in the Hall of Fame, has been acquired by Fisher Funds, who is now listed in the Hall of Fame.
Methodology

To identify financial institutions with a policy on nuclear weapons, a variety of sources was used: NGO reports, screening-agency information, financial institution reports and websites, information from campaigners and other public sources. The list of institutions in the Hall of Fame and Runners-Up is not an exhaustive overview of all financial institutions with policies on nuclear weapons worldwide. We welcome additional information.

Minimum requirements

To qualify for inclusion in the report, the policy must be public and applied at the group level. Every effort is made to contact all profiled institutions before including the policy summary, so for new institutions a response to information requests is required.

- **Publicly available policy or policy summary**
  The financial institutions listed in this report all have publicly available policies – or summaries thereof – excluding investments in nuclear weapons companies. For practical reasons, the scope of this report is limited to those financial institutions that have an investment policy or a summary of that policy in English.

- **Policy at group level**
  We research the group policies only, since the group usually sets the investment policy and since the group directly or indirectly supervises its subsidiaries.

- **Participation in research**
  All efforts were made to contact each financial institution included to verify the scope and content of their policies. For institutions that are included in the report for the first time, or those with larger policy changes, this includes a standardized list of questions. For others that were already included in previous reports, contact focused on any changes and possible impact of those changes. This research was conducted between February 2023 and July 2023.

Hall of Fame and Runners-Up

If these requirements are met, the following criteria are used to determine whether a financial institution’s policy is comprehensive and therefore merits a place in the Hall of Fame. Policies that do not meet one or more of the criteria are listed in the Runners-Up section.

- **Exclude all nuclear weapons associated companies**
  The policy excludes:
  - whole companies, not only nuclear weapons related projects
  - companies associated with nuclear weapons including through joint ventures
  - companies regardless of their country of origin
  - companies regardless of their country of operation

- **Exclude all nuclear weapons associated activities**
  The policy excludes companies associated with:
  - development, testing, production, maintenance or trade of nuclear weapons related technology, parts, products or services.
  - delivery systems such as missiles, that are specifically developed for nuclear tasks. This includes technology that is designed for ‘dual use’ (military and civilian) but excludes technology that is not designed for but can be used in nuclear warfare. It does not include delivery platforms such as bombers and submarines.

- **Apply to all the institution’s products and services**
  The institution applies the policy:
  - across all entities within the group, including all subsidiaries
  - in all markets
  - to all types of financing and investments, including passive and active, internally and externally managed assets.
  - to all existing and future investments.

- **Implementation check**
  The investments of each of the financial institutions listed in the Hall of Fame were reviewed in an implementation check, as any investment in a nuclear weapon producer can be evidence of poor implementation of the exclusion policy. If evidence of financial links with nuclear weapon producers was found, the institution was contacted to check the findings. Outstanding investments in nuclear weapon producing companies require reclassification to the Runners-Up.
Four star ranking system

Institutions listed in the Hall of Fame have in place comprehensive policies to deal with nuclear weapon producers and meet all the criteria described above. Institutions in the Runners-Up category fail to meet one or more of the criteria. They are ranked on a four-star scale to illustrate the comprehensiveness of their policies. One star is awarded for each of the fulfilled criteria.

Nuclear weapon producers

For the purposes of this report, nuclear weapon producers are defined as companies involved in the development, testing, production, maintenance or trade of nuclear weapons related technology, parts, products or services. There are countless companies involved in the broad nuclear weapons complex, and Don’t Bank on the Bomb only details those most heavily involved in the production and maintenance of nuclear warheads and their delivery systems (such as missiles and launch tubes). The report does not include companies involved in the production of delivery platforms (such as nuclear capable bombers and submarines).

The list of nuclear weapon producers used for the implementation check is as follows. More details on the nuclear weapon producers are available at the Don’t Bank on the Bomb website.

- Aerojet Rocketdyne (United States)
- Airbus (the Netherlands)
- BAE Systems (United States)
- Bechtel (United States)
- Bharat Dynamics Limited (India)
- Boeing (United States)
- China Aerospace Science and Technology (CASC) (China)
- Constructions Industrielles de la Méditerranée (CNIM) (France)
- Fluor (United States)
- General Dynamics (United States)
- Honeywell International (United States)
- Huntington Ingalls (United States)
- Jacobs Engineering (United Kingdom)
- L3 Harris Technologies (United States)
- Leidos (United States)
- Leonardo (Italy)
- Lockheed Martin (United States)
- Northrop Grumman (United States)
- Raytheon Technologies (United States)
- Safran (France)
- Textron (United States)
- Thales (France)
- Walchandnagar Industries (India)

What’s included

Each financial institution profile in the Hall of Fame includes a brief description of the institution.

Each profile also includes a summary of the policy. Many financial institutions use exclusion lists to implement their policy, and these are included in some profiles.

If any investments in nuclear weapon producers were found, this is clearly mentioned. For the purposes of this report, findings of “investments in nuclear weapon producers” refer to any financing (in the form of credit, loans or investments) of these companies by the financial institution.

Profiles for the institutions listed in the Runners-Up section also include recommendations to improve the policy so it may be listed in the Hall of Fame in a future update of this report.

Finally, each profile lists relevant website and social media accounts where an institution may be contacted.

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16 The Russian company Rostec also featured in the 2022 Don’t Bank on the Bomb producers report “Risky Returns” as one of the companies involved in nuclear weapon production. While no investments were found for any of the financial institutions listed in this report in Rostec, an additional implementation check to confirm this for each single institution was not carried out. For this reason, Rostec is not included in this list.

17 In September 2022, Groupe REEL took over the operations of Constructions Industrielles de la Méditerranée (CNIM). However, the additional implementation check was for most financial institutions included in this report carried out before this date.
### The list of nuclear weapon producers

<table>
<thead>
<tr>
<th>Company</th>
<th>Country</th>
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<td>Aerojet Rocketdyne</td>
<td>United States</td>
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<td>Airbus</td>
<td>the Netherlands</td>
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<td>BAE Systems</td>
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<td>Bechtel</td>
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<td>Bharat Dynamics Limited</td>
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→ Hall of Fame
New on the list

This year we welcome six completely new financial institutions into the Hall of Fame:

- **Change Finance** (United States)
- **Ethius Invest** (Switzerland)
- **Fisher Funds** (New Zealand)
- **NorthStar Asset Management** (United States)
- **SpareBank 1 SR-bank** (Norway)
- **Svenska Handelsbanken** (Sweden)
Hall of Fame

The financial institutions in the Hall of Fame all have publicly available policies – or summaries thereof – excluding investments in nuclear weapons producing companies. They actively withdraw from past investments, avoid future investments and their exclusion policies have an ‘all-in’ comprehensive scope applied at the highest (group) level.

We found 55 financial institutions with policies that qualify for the Hall of Fame.

Each of these institutions have public policies which meet the four primary criteria: exclusion of all nuclear weapon producers; exclusion of all activities prohibited under the Treaty on the Prohibition of Nuclear Weapons; application to all financial products and services, and they passed an implementation check showing no investments.

This year we welcome six completely new financial institutions into the Hall of Fame:

- Change Finance (United States)
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- NorthStar Asset Management (United States)
- SpareBank 1 SR-bank (Norway)
- Svenska Handelsbanken (Sweden)

We also welcome VDK Bank (Belgium), which moved from the Runners-up to the Hall of Fame after it substantially improved the scope of application of its weapons policy.

These are the best policies identified to prevent the continued financing of the nuclear weapons industry.

We hope these new entries together with the existing Hall of Fame institutions will be inspirational to many more financial institutions.
1. ABP (the Netherlands)

ABP is the pension fund for employers and employees working for the Dutch government and education sector. It provides income security in cases of disability, death and retirement and is based on the principles of solidarity and non-profit. ABP is one of the largest pension funds in the world. APG is the fund asset manager. At the end of 2022, ABP held €459.5 billion in assets under management.

ABP announced in January 2018 that it would exclude companies involved in nuclear weapons from investment. The fund said the adoption of the Treaty on the Prohibition of Nuclear Weapons in 2017 was a key factor in the decision.

The new policy framework adopted in January 2018 excludes companies when their products by definition are harmful to humans, shareholder engagement cannot change that, there would be no negative consequences if the product no longer existed and there is a global treaty prohibiting the product. Based on this framework, ABP excludes companies that are involved in the production of nuclear weapons (and their important components), cluster bombs, anti-personnel mines, and chemical or biological weapons.

The policy is applied to all ABP’s investments. ABP uses an exclusion list to implement its policy. As of 1 June 2023, the exclusion list included 56 companies for controversial weapons involvement.
2. **Active Super** (Australia)

Active Super (formerly Local Government Super) started out as the industry super fund for local government employees in the New South Wales region, but is now open to others.28 As of June 2022, Active Super managed AUD$ 13.5 billion (€8.2 billion) in assets.29

Active Super implements negative screens for investments that pose too great a risk to the environment and the community, including nuclear weapons.30 It excludes companies that derive any revenue from the manufacture or production of controversial weapons such as land mines, cluster bombs and nuclear weapons.31

Active Super applies their exclusion policy to all financial products.32

Active Super does not publish an exclusion list.

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30 Ibid, p. 11.
32 Responsible investment | Active Super (2023). Available at: RESPONSIBLE INVESTMENT | Active Super.
3. AIB Group plc (Ireland)

AIB Group plc is an Irish bank providing corporate, business, private and personal banking services. At the end of 2022, AIB held €129.8 billion in assets on its balance sheet.

In July 2020, AIB published a list of “Excluded Activities” and stated that new term lending and Corporate Finance advisory services would not be provided to any entities, or their subsidiaries engaged in the excluded activities, which include “Weapons of Mass Destruction including the production, maintenance or trade of nuclear, biological, chemical and toxin weapons”.

This list has since been incorporated into AIB’s Group Credit Risk Policy, which supports the management of credit risk across the Group. The rules in the group credit risk policy prohibit providing new money for any term lending facilities to businesses, or any of their subsidiaries, involved in the excluded activities. The policy was approved by AIB’s Board in October 2020 and since 29 January 2021 applies to all business customers with a Gross Connected Exposure of >£/€300k and who are relationship managed.

AIB does not maintain a list of excluded companies.

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34 Ibid, p. 225.
36 Ibid.
38 Ibid.
39 AIB, written correspondence with PAX, dated 1 June 2023.
4. AkademikerPension (Denmark)

AkademikerPension has more than 150,000 members with advanced degrees employed in the public sector at universities and upper secondary schools as well as private sector employees with academic degrees in the above-mentioned areas.40 The fund manages a DKK 130 billion (€17.5 billion) portfolio.41

AkademikerPension’s responsible investment policy states that its investments must not contribute to activities related to anti-personnel landmines, cluster munitions, nuclear weapons, biological weapons or chemical weapons.42 In controversial weapons cases, the fund will exclude a company directly.43

To implement its exclusion policy, AkademikerPension makes use of an exclusion list based on research by EOS at Federated Hermes and Sustainalytics.44 55 companies are currently excluded from the AkademikerPension investment universe for their involvement in controversial weapons.45

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40 Ibid.
43 Ibid., p. 7.
44 AkademikerPension, written response to PAX, dated 3 May 2023.
Aktia is a Finnish asset manager, bank and life insurer. At the end of 2022, Aktia held €12.4 billion in assets under management.

Aktia makes use of a controversial weapons screening policy that also excludes companies involved in the production of nuclear weapons. Companies that are directly or indirectly involved in the development, production or distribution of nuclear weapons are excluded from investments.

The policy applies to all direct equity and direct bond investments. Aktia also seeks to work with third party funds that operate in a responsible way and in line with material ESG factors.

Aktia uses ISS ESG as a screening service provider but does not make any exclusion lists public.

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50 Ibid.
The Alternative Bank Schweiz (ABS) is a Swiss ethical bank founded in 1990. It provides retail banking and SME services for savings, investments, financial security, company financing, real estate and monetary transactions. Loans are issued principally in the area of social or ecological housing, organic agriculture and renewable energy. At the end of 2022, it served over 43,000 customers and held CHF 2.6 billion (€2.7 billion) in assets under management.

ABS' ethical policy states that all companies involved in the production and trade of weapons and armaments and all companies that provide services for the defence industry are excluded from investment or financing. As a result, all nuclear weapon producers are excluded.

ABS manages all its investments in-house. The policy applies to all types of financing.

ABS uses an exclusion list developed by its in-house analysts. The exclusion list is not made public.

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51 Pro-environment, socially responsible and transparent | Alternative Bank Switzerland (no date). Available at: https://www.abs.ch/en (Last accessed: 1 June 2023).
52 Ibid.
54 Ausschliessen | Alternative Bank Schweiz (no date). Available at: Ausschliessen | Alternative Bank Schweiz (abs.ch).
The Andra AP-Fonden, or AP2, is one of the six state-owned pension funds in Sweden. AP2 is one of the six state-owned pension funds in Sweden. Sweden's pension system has two tiers: five buffer funds and a premium pension system. The five buffer funds (AP1-4 and AP6) work on a pay-as-you-go system in which current pension contributions pay current income pension benefits. These buffer funds should provide spare capital for when state pension funds payments exceed tax revenues, when an ageing population increases demands on the pension system. As of the end of 2022, AP2 held 407.1 billion (€37.3 billion). AP2 works together with AP1, 3 and 4 with the Council on Ethics on environmental and ethical issues. The Council on Ethics makes recommendations for companies to be excluded from the investment universe of the AP funds. The Council recommendations are based on international conventions that Sweden has signed, including the Non-Proliferation Treaty (NPT). On 1 January 2019, new legislation took effect that raises the sustainability standard for the funds. It requires the AP funds to “manage their assets in an exemplary way through responsible investments and responsible ownership”. Whereas the Ethical Council interprets the NPT to allow investments in nuclear weapon producers from the five countries obligated to negotiate the disarmament of their nuclear arsenals under the NPT, AP2 states that “divestments from companies that are involved both in the maintenance and modernisation of nuclear weapons systems are aligned with the intention of long-term disarmament of nuclear weapons in all countries as expressed in the Non-Proliferation Treaty”. The exclusion policy applies to all assets managed by AP2. External asset managers are also required to comply with the policy. The Ethical Council has a public list with recommendations for exclusion which is followed by the four funds. As of 2023, this list includes the following companies known to be involved with controversial weapons production: China Spacesat Co Ltd, Larsen & Toubro and Poongsan Corp. However, AP2 uses a more comprehensive exclusion list internally.

7. Andra AP-Fonden AP2 (Sweden)

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59 ibid.
63 Ibid.
64 Andra AP-fonden divests from tobacco and nuclear weapons. AP2, 4 June 2019. Available at: https://ap2.se/en/andra-ap-fonden-divests-from-tobacco-and-nuclear-weapons/
65 AP2, written response to PAX dated 16 September 2021
67 Ibid.
APG is a Dutch asset manager, with €541 billion in assets under management for more than 4.8 million participants in several Dutch pension funds (including ABP, bpfBOUW and SPW). APG’s exclusion policy states that it will “not invest in companies that are involved in the production, sale or distribution of cluster munitions, anti-personnel mines, nuclear, chemical or biological weapons.” APG excludes companies involved in the “components/services of the core weapon system that are considered tailor made (or dedicated) for the weapon or weapons system and essential (key) for the lethal use of the weapons.” For nuclear weapons, the policy also considers companies involved in production, development, sale and/or distribution, as well as those deriving revenues from components or services that are considered tailor-made (or dedicated) or essential for the lethal use of the weapon or weapon system.

The policy applies to all asset activities, managed both internally and externally.

APG uses a public exclusion list to implement its policy. The list is based on research by Sustainalytics and ISS-Ethix. As of June 2022, the following companies were included on the list for involvement in nuclear weapons: Aerojet Rocketdyne Holdings; Airbus SE; Babcock International Group; BAE Systems plc; Bharat Dynamics Limited; Boeing Company; BWX Technologies Inc.; China Aerospace International Holdings; China National Nuclear Power Co., Ltd.; China Shipbuilding Industry Company Limited; China Shipbuilding Industry Group Power Co., Ltd.; China Spacesat; CNIM S.A.; CNNC International Limited; Cohort plc; Dassault Aviation SA; Ducommun Incorporated; Engility Holdings, Inc.; Fluor Corporation; General Dynamics Corp.; GP Strategies Corp.; Honeywell Automation India Limited; Honeywell International Inc.; Huntington Ingalls Industries Inc.; Jacobs Engineering Inc; L3Harris Corporation; L&T Finance Holdings; L&T Technology Services Limited; Larsen & Toubro; Larsen & Toubro Infotech Limited; Learning Technologies Group PLC; Leidos Holdings, Inc.; Leonardo S.p.a.; Lockheed Martin Corporation; MindTree Ltd; Moog Inc.; Northrop Grumman Corp; Raytheon Co; Safran SA; Science Applications International Corp; SGL Carbon SE; Steel Partners Holdings; Textron Inc.; Thales and Walchandnagar Industries Ltd.

69 Asset Management | APG (2023). Available at: Asset management | APG.
70 Summary of Exclusion Approach (Corporate and Sovereign), APG (2022), p. 3. Available at: Microsoft Word - FINAL - Summary of Exclusion approach (corporate and sovereign).docx
71 Ibid.
72 Ibid.
73 Ibid.
74 APG, written response to PAX dated 7 July 2019.
75 Companies and countries excluded by APG. As at June 1 2022. APG (2022). Available at: apg-exclusion-list-1-june-2022.pdf.
ASR is a Dutch insurance company offering a broad range of insurance, savings and investment products. In 2022, ASR asset management managed over €65 billion in assets.

ASR’s Socially Responsible Investment policy states that the insurance company “always excludes companies that produce and/or sell controversial weapons.” Controversial weapons are defined as anti-personnel landmines, cluster munition, nuclear and chemical weapons, and bacteriological weapons. The policy also excludes companies involved in the production of specifically designed delivery systems.

ASR applies its policy to all subsidiary activities. External asset managers are also required to comply with ASR’s criteria regarding nuclear weapons.

ASR’s investment portfolio is screened twice a year by Moody’s ESG and MSCI ESG for companies not complying with its responsible investment policy. It uses a publicly available exclusion list based on research by said ESG providers to implement its policy. As of the second half of 2022, the exclusion list includes more than 90 companies for their association with armaments. This list of excluded companies represents companies from the ASR investable universe, benchmarks and the universe of their data provider. Companies that are not part of any of these, for example private companies or listed companies not identified in those universes, are not explicitly mentioned, but will not be eligible for investment when identified as involved in controversial activities. Examples are companies such as Bechtel or Charles Stark Draper Laboratory which are identified by external sources as involved in controversial weapons.

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79 Ibid.
84 ASR, written correspondence with PAX, dated 22 May 2023.
86 ASR, written correspondence with PAX, dated 22 May 2023.
87 ASR written correspondence with Don’t Bank on the Bomb, dated 20 August 2021.
10. **Australian Ethical** *(Australia)*

Australian Ethical is an Australian investment manager and superannuation fund. On 25 November 2022, members of Christian Super transferred to Australian Ethical Super through a ‘Successor Fund Transfer’ (SFT). As of 31 December 2022, Australian Ethical had AUD 8.37 billion (€5.4 billion) funds under management.

The Australian Ethical Charter states that “Australian Ethical shall avoid any investment which is considered to unnecessarily: create, encourage or perpetuate militarism or engage in the manufacture of armaments”. This also means that Australian Ethical “won’t invest in nuclear or other weapons”.

Australian Ethical does not invest in any nuclear associated companies and applies a 0% revenue threshold for companies for manufacture of weapons, uranium mining and nuclear power generation. Australian Ethical applies the policy to all assets it manages, including third party funds and external managers.

Australian Ethical does not make use of an exclusion list, instead it has an internal ethical inclusion list and publishes its investments on its website.
Banca Banca Etica is a cooperative bank operating in Italy and Spain.\footnote{About Us | Banca Etica (no date). Available at: About us - Banca Etica (Last accessed: 16 March 2023).} It operates on the principles of transparency, participation and attention to the non-economic consequences of economic actions.\footnote{Ibid.} Banca Etica has more than 47,000 members including private individuals and organisations, who are shareholders of the bank.\footnote{I nostri numeri | Banca Etica (no date). Available at: I nostri numeri - Banca Etica (Last accessed: 16 March 2023).} As of March 2023, Banca Etica is managing a share capital of more than €89 million.\footnote{Ibid.}

Article 5 of Banca Etica’s founding charter states: “Any and all financial relations with the economic activities that, even in an indirect manner, inhibit the human development and contribute to fundamental human rights violations are excluded”.\footnote{STATUTO DI BANCA POPOLARE ETICA S.C.P.A., Banca Ética. Available at: Statuto-Banca-Etica.pdf (bancaetica.it).} Banca Etica’s financing policy excludes entire industries, including the arms sector. This means that Banca Etica does not finance nuclear weapon producers or companies that are involved in nuclear weapons in any way.\footnote{Política del Credito | Banca Ética (no date). Available at: Política del Credito | Banca Ética (Last Accessed: 16 March 2023); Banca Etica, written response to Profundo dated 29 April 2014.}

In addition, asset manager Etica Sgr, which is part of Banca Etica, excludes investments in companies that develop, produce, transport, maintain or trade nuclear weapons or delivery systems that are specifically designed for these weapons.\footnote{Selection of securities | Etica Funds (no date). Available at: https://www.eticasgr.com/en/responsible-investment/selection-of-securities (Last accessed 1 June 2023).} Etica Sgr’s external asset managers are also held to a policy that excludes the entire arms sector, including nuclear, chemical and biological weapon producers, from all funds.\footnote{Ibid.} Etica Sgr and its external asset managers only operate actively managed funds.\footnote{Ibid.}

Instead of an exclusion list, Banca Etica makes use of an inclusion list of companies that ensure that their activities have a beneficial social and environmental impact. The full list of loans given by the bank is publicly available.\footnote{Banca Etica, written correspondence with PAX, dated 28 April 2023.}

The Fondazione Finanza Etica (Cultural Foundation of Banca Etica), is part of the Italian network for disarmament (Rete Italiana Disarmo) and actively involved in issues exploring the links between arms and finance.\footnote{Banca Etica, written response to PAX dated 2 November 2017.}
Bank Australia is a customer-owned responsible bank with over 500 staff and 184,000 customers in Australia.\(^{107}\) As of June 2022, it held AU$9.7 billion (€6.5 billion) in total assets.\(^{108}\)

Bank Australia’s responsible banking policy excludes lending to companies that produce or trade in armaments.\(^{109}\) It has this policy because it recognizes the significant harm caused by companies that produce weapons “designed and manufactured to cause maximum harm to people who are often civilians. These include nuclear weapons, cluster munitions, biological and chemical weapons and landmines.”\(^{110}\)

The policy applies to all of Bank Australia’s investments, which consist mostly of lending.\(^{111}\)

Bank Australia uses a list of excluded sectors to implement the policy based on Australian and New Zealand Standard Industry Classification Codes.\(^{112}\)

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\(^{107}\) 2022 Impact Report, Bank Australia (2022), pp. 5 and 42. Available at: Bank Australia 2022 Impact Report (website-files.com).

\(^{108}\) Ibid, p. 3.

\(^{109}\) Arms industry | Bank Australia (no date). Available at: Arms industry | Bank Australia (Last accessed: 16 March 2023).

\(^{110}\) Ibid.

\(^{111}\) Bank Australia, written response to PAX dated 15 August 2019; Bank Australia written response to Don’t Bank on the Bomb 24 August 2021; Responsible Banking Policy, Bank Australia (2021). Available at: Bank Australia Responsible Banking Policy (website-files.com).

\(^{112}\) Bank Australia, written response to PAX dated 9 August 2019.
Bank für Kirche und Caritas (BKC) is a German Catholic Church bank. It offers the whole range of banking and asset management services to institutions in the areas of the Catholic church, mission, and charitable institutions and for their employees. At the end of 2022, it held over €5.3 billion in assets.

BKC’s responsible investment policy excludes producers of all outlawed weapons and weapons of mass destruction and their parts, including nuclear weapons. The policy also excludes investments in countries with nuclear arsenals with no full disarmament plan.

The policy applies to all types of investments managed internally. BKC also takes into account the exclusion criteria for controversial weapons in the selection of externally managed funds and would not invest in third party funds that do not have a policy on controversial weapons in place.

BKC makes use of an exclusion list based on research by MSCI ESG research to implement its policy. The list is not publicly available.

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116 Ibid.
117 BKC, written response to Don’t Bank on the Bomb, 8 July 2021.
118 Ibid.
119 Ibid.
BpfBOUW is the industry-wide pension fund for the Dutch construction industry. It administers pensions for over 743,000 participants. At the end of 2022, it held €60.9 billion in invested capital.

BpfBOUW has expanded its responsible investment policy on nuclear weapons to cover all nuclear weapon producers. The responsible investment and stewardship policy excludes companies involved in the production, sale or distribution of cluster munitions, anti-personnel mines or chemical and biological weapons. BpfBOUW also excludes companies involved in the production, development, sale or distribution of nuclear weapons. This includes companies that derive revenue from components or services specifically (or exclusively) designed for nuclear weapons or nuclear weapon systems, or essential for their lethal use.

The exclusion policy is applied to all bpfBOUW’s investments, as carried out by APG and Bouwinvest.

As of December 2022, bpfBOUW excludes 148 companies from investment.

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121 Ibid, p. 12.
123 Ibid.
124 VERANTWOORD BELEGGEN EN STEWARDSHIP BELEID, p. 12. Available at: Beleid_Verantwoord_Beleggen_Stewardship.pdf (bpfbouw.nl)
Change Finance is an independent investment manager based in the United States, founded "to leverage the power of capital markets to promote a more just and sustainable world while helping investors meet their financial goals". Change Finance is a Public Benefit Corporation (PBC) and a Certified B Corp, which means it has a private certification of its "social and environmental performance". As of 31 December 2022, it held USD 112.7 million in assets under management.

Change Finance will not invest in companies involved in the weapon industry, including those involved in the development, testing, production, trade, maintenance or stockpiling of nuclear weapons.

The policy applies to all types of investments offered by Change Finance.

Change Finance makes use of an exclusion list but it is not publicly available. Change Finance utilizes external research providers to implement its exclusion policy, among others ISS data and weaponfreefunds.com.

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128 Ibid.
131 Ibid.
132 Ibid.
133 Ibid.
The Co-Operative Bank is a British bank offering a range of banking products from current accounts, mortgages and loans to credit cards and saving products. As of 31 December 2022, the bank held £28.1 billion (€32.6 billion) in total assets.

The Co-Operative Bank’s Ethical Policy states that it will not invest in any company that “[m]anufactures or transfers indiscriminate weapons”. Indiscriminate weapons include cluster munitions, anti-personnel landmines, depleted uranium munitions, incendiary munitions, chemical and biological weapons. It also includes “products or services classed as strategic to nuclear weapons”. Companies found to conflict with the policy are excluded.

The policy applies to all asset and liability classes relevant to The Co-Operative Bank. The Co-Operative Bank also declines banking facilities and terminates loan contracts of customers violating its ethical policy.

The Co-Operative Bank utilizes independent research by EIRIS to identify companies in breach of its policy. The list of companies is not publicly available.

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134 The Co-operative Bank (no date). Available at: Personal banking | Online banking | The Co-operative Bank (Last accessed: 5 April 2023).
137 The Co-operative Bank, written response to PAX, dated 1 December 2017.
138 Ibid.
139 Ibid.
Crescent Wealth is Australia’s first Islamic super fund.\textsuperscript{140} It has over 11,900 members.\textsuperscript{141} As at 30 June 2022, Crescent Wealth held AUD$356 million (€237 million) in total assets.\textsuperscript{142}

Crescent Wealth actively avoids all investments in companies involved in the manufacturing, financing or stockpiling of nuclear and other controversial weapons.\textsuperscript{143}

The fund recognizes the Treaty on the Prohibition of Nuclear Weapons and seeks to contribute to an action plan that contributes to the eradication of nuclear weapons.\textsuperscript{144}

Crescent Wealth applies its exclusionary policy to all forms of investment.

In its 2021 Annual Report, Crescent Wealth dedicated significant space to the International Campaign to Abolish Nuclear Weapons and encouraged members to talk to their friends and family and reject nuclear weapons completely. Managing Director Talal Yassine said in the annual report “The Treaty on the Prohibition of Nuclear Weapons (TPNW) makes these weapons illegal from 22 January 2021, as well as immoral, so getting out of the industry that produces them is more important than ever,” he says.\textsuperscript{145} “Even though Australia hasn’t yet joined the treaty, financial institutions should move ahead with a zero tolerance policy for nuclear arms producers, in line with international law and the increasing norms of ‘avoiding harm’ and responsible investment.”\textsuperscript{146}

\begin{footnotesize}
\textsuperscript{140} About Crescent Wealth | Crescent Wealth (2023). Available at: About Crescent Wealth.
\textsuperscript{142} Ibid, p. 13.
\textsuperscript{143} Ibid, p. 6; An ethical stance against the weapons industry and support for the UN Disarmament Treaty. Crescent Wealth, 1 March 2021. Available at: CrescentWealth.com.au.
\textsuperscript{146} Ibid.
\end{footnotesize}
DNB (Den Norske Bank) is Norway’s largest financial services group, serving 2 million retail customers and 229,000 corporate clients in Norway.\footnote{About the Group | DNB (2022). Available at: About the Group - DNB; Annual Report 2022: DNB will be a driving force for sustainable transition, DNB (2023), p. 16. Available at: DNB Group - Annual Report 2022.} It offers a wide variety of financial services, including loans, savings, advisory services, insurance and pension products.\footnote{About the Group | DNB (2022). Available at: About the Group - DNB.} At the end of 2022, DNB group held NOK 3,236 billion (€313.3 billion) in assets.\footnote{Annual Report 2022: DNB will be a driving force for sustainable transition, DNB (2023), p. 5. Available at: DNB Group - Annual Report 2022.}

DNB does not invest in companies that “produce weapons which through normal use violate basic humanitarian principles”.\footnote{Responsible investments - Group instructions, DNB (2022), p. 2. Available at: Group_instructions_responsible_investments.pdf (dnb.no).} This covers anti-personnel landmines, cluster munitions, NBC weapons (nuclear, biological and chemical weapons) and non-detectable fragments, incendiary weapons, and blinding laser weapons.\footnote{Ibid; DNB, written response to PAX dated 28 July 2021.}

The exclusion policy applies to all investments including all assets managed, regardless of whether they are managed by DNB's internal or external asset managers.\footnote{Responsible investments - Group instructions, DNB (2022), p. 2. Available at: Group_instructions_responsible_investments.pdf (dnb.no); DNB, written response to PAX dated 28 July 2021.}

DNB uses an exclusion list to implement its policy, which is based on information from internal research and external research providers Sustainalytics and MSCI ESG.\footnote{DNB, written response to PAX dated 28 July 2021.} The exclusion list contains 18 companies that are excluded for their involvement in nuclear weapons and is published on the DNB website.\footnote{Company dialogues and exclusions | DNB (2022). Available at: Exclusions - DNB.}
Domini is a woman-led US based investment adviser that specializes exclusively in impact investment.\textsuperscript{155} In 2021, the assets managed by Domini grew over $3 billion.\textsuperscript{156}

Domini excludes corporations substantially involved in (nuclear) weapon production across all of its funds.\textsuperscript{157} Its thresholds for exclusion are generally determined by such factors as percentage of revenues, magnitude of involvement (market leadership), or ownership.\textsuperscript{158} Companies that do not meet these threshold are evaluated on a case-by-case basis and may still be excluded “based on the absolute size of their involvement, the trend of their involvement, and the prominence of their role in their subindustry, along with the company’s overall environmental and social record”.\textsuperscript{159}

Domini has never invested in nuclear weapon producing companies since the inception of the funds.\textsuperscript{160} Domini has an additional exclusionary screen for sovereign debt. Domini does not invest in U.S. Treasuries or Russian government debt, in order to avoid financing the maintenance of each country’s nuclear weapons arsenal.\textsuperscript{161}

Domini offers five funds. The exclusion policy is applied to all of these.\textsuperscript{162}

Domini Impact Investments uses an exclusion list to implement its policy but does not make this list publicly available.\textsuperscript{163}

\textsuperscript{155} About Domini | Domini (2023). Available at: Domini - Who We Are - Domini.
\textsuperscript{156} 2021 IMPACT REPORT: Inspiring a greater and greener world, one investment at a time, Domini (2022), p. 2. Available at: Domini Impact Report 2021.pdf; Written correspondence from Domini to PAX, 12 August 2021.
\textsuperscript{158} Exclusionary standards | Domini (2023). Available at: Exclusionary Standards - Domini.
\textsuperscript{159} Ibid.
\textsuperscript{160} Written correspondence from Domini to PAX, 4 October 2019; confirmed 12 August 2021.
\textsuperscript{161} 2021 IMPACT REPORT: Inspiring a greater and greener world, one investment at a time, Domini (2022), p. 20. Available at: Domini Impact Report 2021.pdf; written correspondence from Domini to PAX, 12 August 2021.
\textsuperscript{162} Funds | Domini (2023). Available at: Our Funds - Domini.
\textsuperscript{163} Written response to PAX dated 6 September 2019.
20. **Elo** *(Finland)*

Elo is a large pension insurance company used by about one third of all Finnish companies and about 40% of self-employed people in Finland.\(^{164}\) It currently manages €28 billion in investment assets.\(^{165}\)

The Elo Principles of Responsible Investing state that companies manufacturing controversial weapons, including nuclear weapons, will be excluded from direct investment.\(^{166}\)

For funds invested externally, the service provider (fund manager) must have in place policies and methods for responsible investments in line with ELO’s own principles.\(^{167}\)

Elo does not publish an exclusion list.

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165 Ibid.
167 Ibid, p. 5.
21. Ethius Invest (Switzerland)

Ethius Invest was founded in 2018 as a sustainable and value-oriented independent asset management company in Switzerland.\(^{168}\) The Ethius Global Impact mutual fund was launched in March 2021 and invests in companies belonging to the Global Challenges Index (GCX).\(^{169}\) At the end of December 2022, the Ethius Invest Global Impact Fund held CHF 8.9 million (€9 million) in assets.\(^{170}\)

The exclusion policy of Ethius Invest draws on the Global Challenges Index whose investment concept was developed by an independent expert advisory board. Under the index, the arms sector is excluded from investments.\(^{171}\) This includes any company involved in the development, testing, production, trade, maintenance and stockpiling of nuclear weapons.\(^{172}\)

The policy applies to all types of investments and services offered by Ethius Invest.\(^{173}\)

Ethius Invest does not make use of a public exclusion list.

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169 SFC welcomes Ethius Invest as new member. Ethius Invest, 20 October 2021. Available at: SFC welcomes Ethius Invest as new member (ethius-invest.ch).
173 Ibid.
The Ethos Foundation was created in 1997 to promote socially responsible investments (SRI) among Swiss pension funds. Through the Ethos Services company, it offers products and services which are fully dedicated to SRI, including proxy voting analysis and recommendations, shareholder engagement programmes, sustainability assessments of companies as well as sustainable investment funds and indices. The funds are all managed by banking partners. At the end of 2022, Ethos’ total assets under advisory amounted to CHF 2.9 billion (€2.9 billion).

Ethos excludes all companies whose products are incompatible with the values of the members of the foundation, as listed in the Ethos Charter. As such, Ethos’ exclusion criteria state that companies that generate more than 5% of their turnover from the production of conventional weapons or of their essential components are automatically excluded from investments. Companies active in the production of non-conventional weapons- including chemical, biological and nuclear weapons, as well as cluster munition, anti-personnel mines and depleted uranium munitions- are excluded regardless of their level of involvement or turnover.

The policy clarifies that non-conventional weapons include (i) illegal weapons: arms whose production and/or use are prohibited by international accords and conventions, such as the Treaty on the Prohibition of Nuclear Weapons, and the Swiss Federal Act on War Material; and (ii) weapons that “breach fundamental principles of international humanitarian law”.

The policy applies to all its investment solutions, including passively managed funds. Ethos has launched its own indices that exclude, among others, weapons and controversial weapons.

While Ethos’ exclusion list is mainly based on internal research, external providers and/or databases such as RepRisk are also used to keep the list up to date. The full list is reserved for clients and not publicly available. However, the three main exclusions for each sector are published on Ethos’ website.

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176 Ibid.
177 GESCHÄFTSBERICHT UND JAHRESABSCHLUSS 2022, Ethos (2023), pp. 32-33.
178 Ethos, written correspondence with PAX, dated 22 May 2023.
179 Ethos’ Exclusion Criteria, Ethos (2021), p. 1. Available at: [statuts (ethosfund.ch)](https://ethosfund.ch/).
180 Ibid, p. 2.
181 Ibid.
183 Ethos, written correspondence with PAX, dated 22 May 2023.
184 Ibid.
185 Ibid.
23. **Fisher Funds** *(New Zealand)*

Fisher Funds is one of New Zealand’s largest specialist investment managers offering a wide range of investment products to over half a million clients. In December 2022, Fisher Funds officially acquired Kiwi Wealth, bringing the total market value of managed funds to over AUD 22 billion (€13.8 billion).

Fisher Fund’s Responsible Investment Policy states that “Fisher Funds will not invest in companies that produce core components or systems used in weapons. This includes, but is not limited to, cluster munitions, landmines, chemical and nuclear weapons.”

The policy is applied to all Fisher Fund’s financial products and services. If Fisher Funds holds a security in a company that is subsequently identified as falling under its exclusion policy, the holdings will be divested from the relevant funds as soon as is practicable to do so.

Fisher Funds maintains a “Prohibited Companies List” that identifies companies that do not meet its ESG standards. The list is updated at least quarterly and as of October 2022 contains 97 companies that are excluded for their involvement in the weapon industry.

Fisher Funds’ own research is complemented by information provided by specialist responsible investment research firm MSCI.

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186 Investing with us | Fisher Funds (2023). Available at: Investing with us | Fisher Funds.
187 Fisher Funds welcomes Kiwi Wealth to the family. Fisher Funds, 1 December 2022. Available at: Fisher Funds welcomes Kiwi Wealth to the family | Fisher Funds.
189 Fisher Funds, written correspondence with PAX, dated 28 April 2023.
192 Ibid, p. 3.
194 Fisher Funds, written correspondence with PAX, dated 28 April 2023.
The Fjärde AP-Fonden, or AP4, is one of the six state-owned pension funds in Sweden. Sweden's pension system has two tiers: five buffer funds and a premium pension system. The five buffer funds (AP1-4 and AP6) work on a pay-as-you-go system in which current pension contributions pay current income pension benefits. These buffer funds should provide spare capital for when state pension funds payments exceed tax revenues, when an ageing population increases demands on the pension system. At the end of 2022, it held SEK 460.5 billion (€42.2 billion) in fund capital.

On 1 January 2019, new legislation took effect that raises the sustainability standard for the funds. It requires the AP funds to manage their assets in an exemplary way “by responsible investments and responsible ownership”.

AP4 works together with AP1, 2 and 3 with the Council on Ethics on environmental and ethical issues. The Council on Ethics makes recommendations for companies to be excluded from the investment universe of the AP funds. The Council recommendations are based on international conventions that Sweden has signed, including the Non-Proliferation Treaty (NPT). Whereas the Ethical Council interprets the NPT to allow investments in nuclear weapon producers from the five countries obligated to negotiate the disarmament of their nuclear arsenals under the NPT, “AP4 is of the view that an exemplary interpretation of the Non-Proliferation Treaty supports the decision not to invest in companies involved in nuclear weapons. AP4 assesses that the current upgrades and modernizations of nuclear weapon systems are not aligned with the intention of long-term disarmament as expressed in the Non-Proliferation Treaty.”

The exclusion policy applies to all assets managed by AP4. External asset managers are also required to comply with the policy. The Ethical Council has a public list of companies recommended for exclusion which is followed by the fund. As of June 2023, this list includes the following companies known to be involved in producing controversial weapons: China Spacesat Co Ltd, Larsen & Toubro, and Poongsan Corporation. However, AP4 uses a more comprehensive exclusion list internally.
Folksam is a Swedish insurance company that offers a wide variety of insurance, savings and loan products.²⁰⁹ With about 4 million customers and SEK527 billion (€46.7 billion) in assets under management, it is one of Sweden’s largest investment managers.²¹⁰

Folksam excludes companies that produce illegal weapons.²¹¹ This includes companies that are involved in the development, manufacture and maintenance of nuclear weapons or delivery systems designed for nuclear weapons, as well as companies trading in these weapons.²¹²

The exclusion policy applies to all funds offered by Folksam.²¹³

Folksam’s exclusion list is publicly available based on research by MCSI and Sustainalytics.²¹⁴ As of Q2 2023, the following companies were excluded because of involvement in controversial weapons: Airbus Group, BAE Systems PLC, Boeing, Dassault Aviation, General Dynamics Corp., Honeywell International, Huntington Ingalls Industries Inc., ICL group Ltd., Jacobs Solutions., L3 Harris Corporation, Inc., Leidos Holdings Inc, Lockheed Martin Corp., Northrop Grumman Corp., Raytheon Technologies Corp, Rolls-Royce Group PLC, Safran SA, T Rowe Price Group Inc., Textron Inc., and Thales SA.²¹⁵

²⁰⁹ About Folksam | Folksam (no date). Available at: About Folksam | Folksam (Last accessed: 6 April 2023).
²¹⁰ Ibid.
²¹¹ 2021 Annual and Sustainability Report from the Folksam Group, Folksam (2022), p. 57. Available at: S4342_Ars_hallbarhetsrapport_2021_ENG.pdf (folksam.se).
²¹³ 2021 Annual and Sustainability Report from the Folksam Group, Folksam (2022), p. 57. Available at: S4342_Ars_hallbarhetsrapport_2021_ENG.pdf (folksam.se).
²¹⁴ Ibid, p. 58.
Fonds de Compensation (FDC) was established by law in 2004 to administer the assets of the general pension insurance scheme of the Grand-Duchy of Luxembourg.216 A major part of the reserve allocated to FDC is invested in the financial markets through its SICAV.217 This SICAV, created in 2007 as a specialized investment fund, invests in four asset classes: money market, bonds, equities, and indirect real estate.218 As a public institution, FDC is subject to the supervision of Luxembourg’s Minister of Social Security.219 As of December 2021, FDC manages €26.1 billion.220

Since 2011, in the context of its responsible investment policy, FDC ensured that all its investments through SICAV comply with international conventions, including the nuclear Non-Proliferation Treaty.221 Excluded companies are involved in activities related to controversial weapons, including anti-personnel mines, cluster bombs, nuclear weapons, depleted uranium weapons, white phosphorous weapons as well as chemical and biological weapons.222 FDC excludes all businesses involved in the production, development, maintenance and trade of nuclear weapons or delivery systems that are specifically designed for nuclear weapons.223

FDC outsources all its investments through SICAV to external asset managers. The exclusion policy applies to all external managers.  
FDC’s publicly available exclusion list is revised on a semi-annual basis in collaboration with Sustainalytics.225 As of 4 April 2023, FDC excluded 91 companies for involvement with controversial weapons.226

217 About | Fonds de Compensation (2022). Available at: ABOUT - Fonds de compensation commun au régime général de pension [public.lu].
219 Ibid, p. 11.
220 Ibid, p. 22.
222 Ibid.
226 FDC’s exclusion list | Fonds de Compensation (2023). Available at: FDC’S EXCLUSION LIST - Fonds de compensation commun au régime général de pension [public.lu].
The Första AP-Fonden, or AP1, is one of the six state-owned pension funds in Sweden. AP1 works together with AP2, 3 and 4 with the Council on Ethics on environmental and ethical issues. AP1 has now concluded that it does not “consider the current modernisations and upgrades to existing nuclear weapons to comply with the aim of the Treaty on the Non-Proliferation of Nuclear Weapons, which is for the world to be free of nuclear weapons in the long term”.

The exclusion policy applies to all assets managed by AP1. External asset managers are also required to comply with the policy.

The Ethical Council has a public list of companies recommended for exclusion which is followed by the fund. As of June 2023, this list includes the following companies known to be involved in producing controversial weapons: China Spacesat Co Ltd, Larsen & Toubro, and Poongsan Corporation. However, AP1 uses a more comprehensive exclusion list internally.

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227 More about the pension system | AP Första AP-fonden (no date). Available at: More about the pension system - AP1 (Last accessed: 11 April 2023).
228 The Pension System | Fjärde AP-Fonden (no date). Available at: The pension system - Fjärde AP-fonden (ap4.se) (Last accessed: 6 April 2023).
229 Ibid.
231 Ibid, p. 27.
233 AP4 increases sustainability ambitions – divests from nuclear weapons and oil sand. Fjärde AP-Fonden, 16 January 2019. Available at: AP4 increases sustainability ambitions – divests from nuclear weapons and oil sand - Fjärde AP-fonden.
234 Ibid. 
236 Changes to the AP Funds Act. AP Första AP-fonden, 24 January 2019. Available at: Changes to the AP Funds Act - AP1. See also Exclusion List | AP Första AP-fonden (no date).
237 Sustainability strategy | AP Första AP-fonden (no date). Available at: Sustainability strategy - AP1 (Last accessed: 11 April 2023).
238 Recommended Exclusions | Council on Ethics. Swedish National Pension Funds (2020). Available at: Recommended Exclusions – AP-fondernas etikråd (etikradet.se).
239 Ibid. 
28. Future Super (Australia)

Future Super is an Australian superannuation fund. In 2017, Future Super transferred away from the Grosvenor Pirie Master Super Fund and became a stand-alone superannuation fund. At the end of April 2023, Future Super had over 45,000 members and AU$ 1.4 billion (€860.9 million) in assets under management.

Future Super does not invest in fossil fuels, nuclear energy, producers of tobacco and weapons and other significantly harmful industries that do not contribute to a better society for its members. Companies that produce weapons, including all nuclear weapon producers, are fully excluded from investments across the whole portfolio.

The policy applies to all assets, managed internally or externally. The Future Super Group is also contracted as a service provider and has helped create the investment methodologies and performs the ethical screening for three Exchange Trade Funds of the company Betashares with over AU$4.2 billion (€2.5 billion). These ETFs specifically exclude companies involved in armaments, nuclear energy and uranium.

Future Super does not have a publicly available exclusion list.
29. Government Pension Fund – Norway (Norway)

The Government Pension Fund – Norway (GPFN) is part of the overarching structure of the government pension fund. The GPFN is managed by the Folketrygdfondet, a separate state-owned company. The Folketrygdfondet invests its assets only in the Nordic market: Norway, Sweden, Denmark and Finland. At the end of December 2022, the market value of the fund was NOK 318 billion (€30.8 billion).

Folketrygdfondet shall not invest in companies excluded pursuant to the guidelines on observation and exclusion from the Government Pension Fund Global (GPFG). The Government Pension Fund excludes producers and developers of nuclear weapons based on recommendations provided by the Council on Ethics.

The ethical framework for the GPFG was strengthened by a decision of the Norwegian Parliament in April 2021. The revised guidelines were expanded to also apply now “to platforms produced exclusively for delivery of nuclear weapons”.

The Government Pension Fund – Norway’s nuclear weapons policy applies to all asset management activities carried out by the fund.

The GPFN’s exclusion list is accessible online.

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251. Ibid.
252. Ibid.
253. We manage public assets | Folketrygdfondet (2022). Available at: Forside | Folketrygdfondet.
257. Ibid.
Green Century is a US-based fund manager with a focus on sustainability. It offers one of the first family of fossil fuel free, environmentally responsible mutual funds in the US. It is wholly owned by environmental and public health non-profit organizations. All of the profits it earns managing its funds can be used to support its non-profit owners. As of April 2023, it had more than US $1 billion in assets under management.

Green Century’s prospectus states that companies involved in military weapons are excluded from investment for each of the Green Century funds. Based on this principle, all companies classified as involved in manufacturing “nuclear weapons”, or “nuclear weapons components” are excluded.

In 2019, Green Century was nominated for Arms Control Person of the Year, which is awarded by the Arms Control Association. In October 2019, Green Century sponsored a special concert honouring Hiroshima survivor and life-long disarmament activist Setsuko Thurlow. Proceeds from the concert supported the nuclear abolition work of the International Physicians for the Prevention of Nuclear War & the Greater Boston Physicians for Social Responsibility.

Green Century Capital Management is the investment advisor to the Green Century Funds and offers three funds, which all have a focus on environmentally and socially responsible investment: the Green Century MSCI International Index Fund, the Green Century Equity Fund, and the Green Century Balanced Fund. The policy applies to all funds and all types of assets, including assets managed externally.

Green Century makes use of an exclusion list to implement the policy, based on a variety of research providers, including MSCI, Factset, and Bloomberg. The list is not publicly available.
31. Harrington Investments, Inc (United States)

Harrington Investments is an investor advisory group.272 Harrington Investments uses screening criteria that avoids investment in securities of companies that manufacture weapons.273 The firm goes even further and also screens out finance companies that “directly finance the production of weapons or armaments”. 274

The policy applies to all Harrington Investments products and services.

Harrington Investments conducts research in-house and does not publish an exclusion list.

274 Ibid.
Kommunal Landspensjonkasse (KLP) is Norway's largest pension company. It delivers pension, financial and insurance services to the public sector, businesses associated with the public sector and their employees. At the end of 2022, KLP held NOK 50.5 billion (€4.9 billion) in total assets.

The KLP Guidelines for Responsible Investment state that KLP will exclude investments in companies that develop or manufacture "weapons or central weapons components that with normal use deviates from basic human rights principles, including biological weapons, chemical weapons, nuclear weapons, non-detectable fragments, incendiary weapons, blinding laser weapons, anti-personnel mines and cluster munitions".

KLP guidelines are aligned with the ethical guidelines for the Norwegian Government Pension Fund Global. The policy applies to all assets managed by internal and external asset managers.

KLP uses an exclusion list based on research by MSCI, and the recommendations on the Council on Ethics of the Norwegian Government Pension Fund to implement the policy. As of March 2023, the list contains 40 following companies for activities related to weapons.

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275 About KLP | KLP (no date). Available at: KLP - Norway’s largest pension company (Last accessed: 12 April 2023).
277 Ibid.
278 Guideline for KLP as a responsible investor, KLP (2021), p. 5. Available at: English translation_Retningslinje_for_KLP_som_ansvarlig_investor_Guideline_for_KLP_as_a_responsible_investor
280 Guideline for KLP as a responsible investor, KLP (2021), p. 3. Available at: English translation_Retningslinje_for_KLP_som_ansvarlig_investor_Guideline_for_KLP_as_a_responsible_investor
281 Exclusion and Dialogue | KLP (no date). Available at: Decision to exclude companies that produce controversial weapons, KLP (2021), p. 6. Available at: Decision to exclude companies that produce controversial weapons.pdf (klp.no).
282 List of excluded companies as of 31.03.2023, KLP (2023). Available at: KLP_lista_Q1_2023_english.pdf; written response to Profundo dated 30 May 2014.
Menzis is a Dutch health insurance company serving more than two million people. At the end of 2022, Menzis had €1.3 billion in equity. Menzis excludes investments in companies involved in the development, production or maintenance of or trade in controversial weapons, including nuclear weapons. Menzis also excludes companies producing specifically designed delivery systems.

The exclusion policy applies to all assets managed, including those managed by external asset managers.

NIBC is a Dutch bank that offers corporate and consumer banking activities.\textsuperscript{289} With offices in The Hague, Frankfurt, London and Brussels, NIBC serves around 450 corporate clients and 450,000 retail clients.\textsuperscript{290} NIBC held €22.8 billion in total assets at the end of 2022.\textsuperscript{291}

NIBC’s weapons and defense sustainability policy excludes financing or investment “in companies which manufacture, supply, or develop weapons systems, including highly controversial weapons”.\textsuperscript{292} NIBC considers nuclear weapons to be highly controversial weapons and cites the Treaty on the Prohibition of Nuclear Weapons (TPNW) in its policy.\textsuperscript{293}

NIBC uses the following definition of nuclear weapons: “the term Nuclear weapon includes the weapon as a whole, as well as its key component parts, specifically designed to form part of the nuclear weapon (e.g., nuclear warheads, missiles carrying the warheads, tailor-made electric/electronic systems, enriched plutonium / uranium, specifically designed engines and guidance systems. The ballistic missile submarines which are specifically designed to launch nuclear missiles are also considered to be a key component part of the nuclear weapons in the sense of this policy. Services such as testing and maintaining / upgrading of nuclear weapons qualify as servicing nuclear weapons and therefore are also covered by the armament policy criterion”.\textsuperscript{294}

NIBC applies the policy to its clients and all products and new services offered by NIBC.\textsuperscript{295} The policy applies to whole companies, not only to the activities of producers related to nuclear weapons.\textsuperscript{296} NIBC reviews and updates its policies on a regular basis.\textsuperscript{297} The sustainability policies are reviewed at least annually. NIBC makes use of an exclusion list to implement its policy but does not make the list public.\textsuperscript{298}

289 General | NIBC (no date). Available at: NIBC Bank | About NIBC (Last accessed: 12 April 2023).
293 Ibid, p. 2.
295 Ibid, p.3.
296 Ibid, p. 2.
297 Ibid, p. 4.
35. NorthStar Asset Management, Inc. (United States)

NorthStar Asset Management is a woman-owned and majority women of color-led US-based wealth manager that specializes in socially responsible investing and making social change.\(^{299}\) It is a certified B Corporation.\(^{300}\) As of June 15, 2023, NorthStar manages $666 million in assets under management.\(^{301}\)

NorthStar screens all public equity investments based on five intersectional criteria: race and gender; economic inequality; human rights; corporate governance; and environmental justice.\(^{302}\) NorthStar avoids investments in securities of companies that manufacture weapons, including nuclear weapons.\(^{303}\) The policy excludes companies as a whole involved in any type of nuclear weapon related activity.\(^{304}\) NorthStar's diligence process also applies to non-public impact investment recommendations.\(^{305}\)

The policy applies to all investments and financial services offered by NorthStar.\(^{306}\)

NorthStar conducts research in-house and does not publish an exclusion list.\(^{307}\)

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299 Our story | North Star Asset Management (no date). Available at: https://northstarasset.com/about/ (Last accessed: 30 May 2023).
300 Ibid.
301 North Star Asset Management, written correspondence with PAX., dated 16 June 2023.
303 Ibid; North Star Asset Management, written correspondence with PAX, dated 21 April 2023.
304 North Star Asset Management, written correspondence with PAX, dated 21 April 2023.
305 North Star Asset Management, written correspondence with PAX., dated 16 June 2023.
306 North Star Asset Management, written correspondence with PAX, dated 21 April 2023.
PenSam is a Danish pension fund that manages occupational pension schemes for about 483,000 clients. PenSam also offers banking and insurance products. At the end of 2022, PenSam’s pension held assets valued at DKK 178 billion (€24.1 billion) in assets.

PenSam’s guidelines on ethical investments state that PenSam avoids companies that “contribute to the production or development of cluster bombs, nuclear weapons or any sub-components used exclusively for such weapons”. Pensam excludes companies involved in the production, development, trade, maintenance of nuclear weapons and specifically designed delivery systems for nuclear weapons. PenSam monitors its investments portfolios based on conventions and international agreements, including the Treaty on the Prohibition of Nuclear Weapons.

The exclusion policy applies to all the pension fund’s investments, including those managed by external asset managers.

PenSam maintains a publicly available exclusion list based on research by Sustainalytics to implement its policy. According to the 2022 Annual Report, Pensam currently excludes 351 companies and 35 countries.
Pensioenfonds Horeca & Catering (PH&C) is the Dutch mandatory pension fund for the hospitality and catering industry and serves more than one 1.3 million participants. The total assets under management is around €15.5 billion.

PH&C excludes investments in companies that derive revenue from the production, manufacture, sale, possession, distribution or transport of controversial weapons, including nuclear, chemical and biological weapons, cluster munitions, anti-personnel landmines as well as white phosphorus and depleted uranium used for military purposes. The policy comprehensively covers companies involved in production, research and development, sales/ trade, management/services/ maintenance and specifically designed delivery systems.

PH&C applies its exclusion policy to all its asset classes. PH&C works only with external asset managers who are also required to comply with the policy.

The pension fund makes use of an exclusion list based on research of data provider ISS DataDesk. As of March 2022, PH&C published a list with 262 companies excluded for involvement with controversial weapons.

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319 Maatschappelijk verantwoord beleggen | Pensioenfonds Horeca & Catering (no date). Available at: Maatschappelijk verantwoord beleggen | PHENC.nl (Last accessed: 13 April 2023).
320 Pensioenfonds Horeca & Catering, written correspondence with PAX, dated 28 April 2023.
322 Pensioenfonds Horeca & Catering, written correspondence with PAX, dated 28 April 2023.
323 Ibid.
Pensioenfonds Rail & OV is the Dutch pension fund for past and present employees in the Dutch railway and public transport industry. It has over 108,000 clients and 78 affiliated companies. At the end of 2022, Rail & OV had over €22.3 billion in investments.

Rail & OV excludes investment in all companies that produce weapons that cause disproportionate civilian harm: nuclear weapons, cluster munitions, biological and chemical weapons, depleted uranium weapons, white phosphorus weapons and anti-personnel landmines. All companies that are directly or indirectly involved in the design, production, maintenance, refurbishment and/or sale of and/or research into controversial weapons and/or the greater part of such a weapon and/or essential components are excluded. Also excluded are companies contributing to the life extension of such weapons as well as those that participate in research projects into, among others, the design and/or best potential use of such weapons.

Rail & OV’s exclusion policy applies to all asset management activities. External asset managers are instructed to fully apply the policy.

As of March 2023, the exclusion list includes 63 companies for activities connected to controversial weapons.

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324 Over ons | Pensioenfonds Rail & OV (2023). Available at: Over Pensioenfonds Rail & Openbaar Vervoer (railov.nl).
325 Stichting Pensioenfonds Rail & OV, written correspondence with PAX, dated 3 May 2022.
PFA Pension is a Danish pension fund.\textsuperscript{332} It invests on behalf of more than 1.3 million customers.\textsuperscript{333} At the end of 2022, PFA had more than DKK 736 billion (€98.6 billion) on its balance sheet.\textsuperscript{334}

PFA Pension’s Policy for Responsible Investment and Active Ownership states that the pension fund does not wish to invest in companies that produce controversial weapons, including nuclear weapons.\textsuperscript{335} Involvement in the production of controversial weapons (including nuclear weapons) is evaluated based on external data.\textsuperscript{336}

PFA Pension’s policy applies to all asset management activities, including those managed by external asset managers.\textsuperscript{337}

PFA makes use of an exclusion list.\textsuperscript{338} The list currently contains 38 companies for involvement with controversial weapons.\textsuperscript{339}

\textsuperscript{332} PFA in brief / PFA (no date). Available at: PFA in Brief (Last accessed: 13 April 2023).
\textsuperscript{333} Ibid.
\textsuperscript{334} Ibid.
\textsuperscript{336} Ibid.
\textsuperscript{337} Ibid.
\textsuperscript{338} Exclusion of companies and countries / PFA (no date). Available at: Exclusion of Companies and Countries (pfa.dk) (Last accessed: 13 April 2023).
\textsuperscript{339} Ibid.
Pensioenfonds Metalektro (PME) is the Dutch mandatory pension fund for the Dutch metal and technology industry. PME administers pensions for more than 1,430 employees and approximately 166,000 active participants. At the end of 2022, PME held €49.3 billion in invested capital.

PME will not invest in companies active in controversial weapons, including nuclear weapons. For PME, controversial weapons include anti-personnel landmines, cluster munitions, chemical and biological weapons, nuclear weapons, depleted uranium and white phosphorus.

PME excludes investment in controversial weapons from all of its investments and asset classes.

PME maintains a publicly available exclusion list, which is based on the findings of data provider Sustainalytics. As of April 2023, PME excludes 62 following companies for producing controversial weapons.
PNO Media is a Dutch voluntary pension plan for employees in the Dutch creative and digital sector. At the end of 2022, it served 503 media companies and over 68,311 clients, and managed around €6.67 billion in assets.

PNO Media’s Responsible Investment Policy states that “PNO Media aims to avoid involvement in the production of weapons, weapon systems and essential parts of either, or in the maintenance of any weapons that are prohibited under international law or the use of which violates fundamental humanitarian principles”. These principles include the principle of proportionality (unnecessary suffering must be avoided) and the principle of distinction (military targets and civilian objects must be distinguished). This covers chemical and biological weapons, nuclear weapons, anti-personnel landmines, cluster munitions and depleted uranium ammunition.

The policy refers to nuclear weapons as “any device that is capable of releasing nuclear energy in an uncontrolled manner, and that has set of features that allow its use as a weapon. (Definition as per the UN Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean).”

PNO Media’s exclusion policy applies to all its asset management activities, regardless of whether they are managed internally or by external asset managers. External asset managers are contractually required to comply with the PNO SRI Code.

PNO Media uses an exclusion list based on the advice of Sustainalytics to implement its policy. As of 1 February 2023, 95 companies are excluded for their involvement in controversial weapons.

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348 About us | PNO Media (2023). Available at: About us | PNO Media.
349 PNO Media, written correspondence with PAX, dated 2 May 2023.
350 Responsible Investment Policy, PNO Media, p. 20. Available at: pnomedia-responsible-investment-policy.pdf.
351 Ibid.
352 Ibid.
355 PNO Media, written correspondence with PAX, dated 2 May 2023.
Publica is the Swiss Federal Pension Fund comprising 18 pension plans. As at 31 December 2022 Publica has CHF 39.4 billion (€40 billion) in assets, it is one of the largest pension funds in Switzerland.

Publica has a Responsible Investment Policy, stating that it “does not invest in companies that, through their conduct or their products, engage in systematic and serious breaches of the normative basis”. For Publica, those breaching norms include the “manufacturers of controversial weapons (anti-personnel mines, cluster munitions and nuclear weapons)”. On Dec 15, 2021 Publica announced that it “excluded manufacturers of nuclear weapons (including those based in the five nuclear weapon states) from its portfolio... in line with the UN Nuclear Weapon Ban Treaty, which came into force in January 2021.”

Publica applies the policy to its entire portfolio.

Publica does not publish an exclusion list.
Rabobank Group is a Netherlands based group with operations in 38 countries. It offers services in the field of banking, asset management, leasing, insurance and real estate. At the end of 2022, Rabobank held over €628.2 billion in assets.

According to its Armaments Industry Policy, Rabobank does not provide financial services to companies involved in controversial armaments, nor does it invest its own funds in any activity related to these weapons. The financial group considers nuclear weapons to be controversial weapons. Involvement includes the development, manufacture, maintenance, distribution, and selling of nuclear weapons or key components thereof, and of delivery systems that are specifically designed for nuclear weapons.

The exclusion policy applies to Rabobank’s commercial banking, investment banking, and all asset management activities for the discretionary portfolios. For discretionary managed portfolio’s eight investment funds, the so called “1895-funds” were launched which invest in line with Rabobank ESG-policy for investments. This includes the exclusion of controversial weapons and a strict monitoring on these exclusion rules. With this Rabobank has further implemented its Armaments Industry Policy into its direct investments.

For Rabobank’s execution only platform a broad range of investment funds are available, including sustainable funds in which controversial weapons are excluded.

Rabobank’s exclusion list, which is based on external research, is not publicly available.
AP7 is a Swedish state-owned pension fund. AP7 is the only state actor in the premium pension system, and manages AP7 Såfa, the default option for AP7 pensioners (unless they choose otherwise). At the end of 2022, AP7 had around SEK 900 billion (€82.6 billion) in assets under management.

In line with Swedish government policy, AP7 does not invest in companies deemed to be involved in developing and producing nuclear weapons. AP7 excludes companies involved in all nuclear weapons related weapon systems, including but not limited to ballistic missile submarines and missiles that have the primary purpose of carrying nuclear warheads.

The exclusion policy covers all asset management activities of AP7, including those managed by external asset managers.

AP7 maintains a publicly available exclusion list based on research by ISS- Ethix, accessible through its website. The list is updated twice a year. As of June 2023, the list included 33 companies for involvement with controversial weapons.
SpareBank 1 SR-Bank is Norway’s second largest financial services group. At the end of 2022, the group held NOK 346 billion (€33.5 billion) in total assets.

SpareBank 1 SR’s sustainability policy states that “the group must not contribute to the use, development, testing, production, maintenance, trading, storage or transport of weapons or components exclusively designed for controversial weapons, including cluster bombs, anti-personnel mines, nuclear weapons, chemical weapons and biological weapons in general and for countries that have not ratified the Non-Proliferation Treaty.”

The policy applies to all investments and financial services offered by SpareBank 1 SR-Bank. Sparebank 1 SR-Bank’s standards for sustainability in the corporate market prohibits loans to companies that are in any way involved in the development, testing, production, storage or transportation of controversial weapons or components exclusively intended for controversial weapons, including nuclear weapons.

SpareBank 1 SR-Bank has a 36% stake in SpareBank 1 SR-Forvaltning, whose asset management includes funds by ODIN and Sparebank 1. Until 2022, SpareBank 1 SR-Forvaltning was wholly-owned by SpareBank 1 SR-Bank. Both the ODIN and Sparebank 1 brands follow the exclusion list of the Norwegian Government Pension Fund Global, which excludes producers and developers of nuclear weapons based on recommendations provided by the Council on Ethics. In addition to funds from the ODIN and SpareBank 1 brands, SpareBank 1 SR-Bank offers a wide selection of securities funds from external managers. In the SpareBank 1 Alliance’s guidelines for the responsible distribution of securities funds, the banks forming part of the SpareBank 1 alliance have jointly defined their recommendations, expectations and requirements for these external managers. The guidelines prohibit investments in companies that themselves, or through entities they control, invest in controversial weapons as defined by regulations of the Government Pension Fund Global. The portfolios of the funds must be screened against the Government Pension Fund Global’s exclusion list based on the criteria of the production of nuclear weapons and the government bond exemption.

SpareBank 1 SR-Bank makes use of an exclusion list.
46. Stichting Pensioenfonds voor de Woningcorporaties (the Netherlands)

Stichting Pensioenfonds voor de Woningcorporaties (SPW) is the Dutch pension fund for employees in the rent-controlled housing sector. It manages the pensions for over 72,000 participants and at the end of December 2022 held over €13.7 billion in invested assets.

SPW’s responsible investment and stewardship policy excludes companies that sell products prohibited by Dutch or international law and companies producing nuclear weapons or specific important components thereof. SPW has outsourced the management of its financial assets to APG.

The exclusion policy is applied to all of SPW’s asset management activities, as carried out by APG and other external asset managers.

As of December 2022, SPW’s published exclusion list contained more than 150 companies.
47. SUSI Partners (Switzerland)

SUSI Partners is a fund manager dedicated to investing in sustainable energy infrastructure. The offices in Zug, Zurich, Luxemburg, Frankfurt and Singapore facilitate the specialisation in clean energy infrastructure investments. The firm manages approximately €1.9 billion in investor commitments across five funds.

SUSI Partners Sustainability Policy says that the fund manager will “never knowingly invest in businesses which [...] manufacture or trade ammunition and/or controversial weapons”.

The policy is systematically embedded across all investment and asset management processes at SUSI Partners.

403 Ibid, p. 3.
Svenska Handelsbanken AB (Handelsbanken) was founded in 1871 in Stockholm. The bank offers a wide range of services for both private and corporate customers, and mainly operates in Sweden, United Kingdom, Denmark, Finland, Norway and the Netherlands. At the end of 2022, Handelsbanken held £4 billion (€5.5 billion) assets under management and administration.

Handelsbanken’s Guidelines for the Armaments and Defence Industry state that Handelsbanken must not have business relations with companies that manufacture, maintain or trade in nuclear weapons. The guidelines are applicable throughout the Handelsbanken Group, among others for the provision of credit, other financing, asset management, advice, product development and purchasing. They also apply to subsidiaries “unless binding regulations outside Sweden, or relating to subsidiaries, give rise to deviations”.

Handelsbanken’s main asset management company, Handelsbanken Fonder, responsible for approximately 90% of total assets under management, has its own Policy for Shareholder Engagement and Responsible Investment, which excludes investments in companies involved in the production and distribution of nuclear weapons. Companies involved in the development, testing, maintenance and stockpiling are also excluded. The policy applies to all types of investments offered by Handelsbanken Fonder.

Handelsbanken makes use of an exclusion list, based on findings by ISS Governance.
Storebrand Group is a leading institution in the Nordic market for long-term savings and insurance.\(^\text{413}\) Storebrand manages more than NOK 1000 billion (€88 billion) and is one of the Nordic region’s largest asset managers.\(^\text{414}\)

Storebrand Group’s investment policy, the “Storebrand Standard” states that the group “will not invest in companies involved in the development and/or production of controversial weapons; testing of controversial weapons; production of components to be used exclusively for controversial weapons; or stockpiling and/or transfer of controversial weapons.”\(^\text{415}\) This criterion includes but is not limited to landmines, cluster munitions, nuclear, biological and chemical weapons.\(^\text{416}\) Storebrand follows the Treaty on the Prohibition of Nuclear Weapons (TPNW), which “prohibits the development, testing, production, stockpiling, stationing, transfer, use and threat of use of nuclear weapons, as well as assistance and encouragement to the prohibited activities.”\(^\text{417}\) For nuclear armed states joining the treaty, it provides for a time-bound framework for negotiations leading to the verified and irreversible elimination of its nuclear weapons programme.\(^\text{418}\)

The exclusion policy applies to all asset management activities. External asset managers are instructed to comply with the policy.\(^\text{419}\)

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414 This is Storebrand | Storebrand (2023). Available at: About Storebrand - Storebrand.
416 Ibid.
418 Ibid.
Triodos Bank is a sustainable bank operating in Belgium, Germany, the Netherlands, Spain and the United Kingdom.422 Its mission is to make money work for positive change.423 At the end of 2022, Triodos had €22.6 billion in assets under management through its banking and investment businesses.424

Triodos Bank “does not finance or invest in companies or organisations that produce or sell weapons, specifically designed components for weapons and weapons related services nor in financial institutions that finance these companies and organisations”.425 These include conventional weapons and non-conventional weapons such as nuclear weapons.426 Triodos Bank also excludes companies that “[p]articipate in, have investments in shareholdings or bonds, and/or provide loans to companies that are involved in anti-personnel landmines, cluster bombs, biological weapons, chemical weapons and/or nuclear weapons.”427

Triodos Bank’s exclusion policy applies to all activities including its commercial banking, investment banking and asset management activities.428

Triodos Bank pro-actively supports the banning of nuclear weapons.429 Emphasizing the value of transparency, Triodos publishes all direct investments on its website.430 For its investment funds (Triodos Investment Management), the annual reports of the respective funds provide a yearly overview of the investments. Investment funds in listed equities and bonds are based on Triodos’ own research which uses data from ISS.431

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422 About us | Triodos Bank (no date). Available at: About us (triodos.com) (Last accessed: 17 April 2023).
423 Ibid.
424 Key figures and reports | Triodos Bank (no date). Available at: Financial and impact reporting | Triodos Bank.
426 Ibid.
427 Ibid.
430 Know where your money goes | Triodos Bank (no date). Available at: https://www.triodos.com/know-where-your-money-goes (Last accessed: 17 April 2023); Impact on a global scale | Triodos (no date). Available at: https://www.triodos-im.com/investments-map (Last accessed: 6 June 2023).
431 Know where your money goes | Triodos Bank (no date). Available at: https://www.triodos.com/know-where-your-money-goes (Last accessed: 17 April 2023); Triodos Bank, written response to PAX, dated 27 November 2017; Triodos Bank written response to Don’t Bank on the Bomb dated 23 August 2021.
De Volksbank is a Dutch retail banking group with a focus on mortgages, savings and payment products for private individuals, self-employed persons and smaller companies.\(^{432}\) It also offers insurances and investments. The bank operates through four brands: SNS, ASN Bank, RegioBank and BLG Wonen.\(^{433}\) By the end of 2022, the group had over 3.2 million customers and €73 billion on its balance sheet.\(^{434}\)

In relation to weapons, the sustainability policy of De Volksbank states that it will “refrain from in any way investing in companies that are engaged in the development, manufacture, maintenance, testing, storage and distribution of or trade in weapons”.\(^{435}\) The policy does allow investment in companies that produce dual-use goods “to the extent that these have not been developed mainly for the arms industry and are not applied in the arms industry on a large scale.”\(^{436}\)

As such, nuclear weapon producers are excluded from all investments by de Volksbank.\(^{437}\) The exclusion policies are applied to all asset management activities, including assets managed externally.\(^{438}\)

Instead of an exclusion list, a list of companies approved for inclusion in the investment universe is made available.\(^{439}\)

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\(^{432}\) About de Volksbank | de Volksbank (2023). Available at: de Volksbank.

\(^{433}\) Four financial service providers with their own profile | de Volksbank (2023). Available at: https://www.devolksbank.nl/en/banking.


\(^{437}\) De Volksbank, written correspondence with PAX, dated 22 May 2023.

\(^{438}\) Ibid.

\(^{439}\) Goedgekeurd voor belegging | ASN Bank (no date). Available at: Goedgekeurd voor belegging - ASN Bank (Last accessed: 17 April 2023).
52. **U Ethical** (Australia)

U Ethical is an ethical investment manager. It is a certified B Corporation and has over AUD $1 billion (€615 million) assets under management.

U Ethical’s Investment Principles screens out “investments in enterprises whose products or practices cause or perpetuate injustice and suffering, infringe fundamental human rights or cause unacceptable damage to the natural environment.” U Ethical takes a zero-tolerance approach and excludes investment in securities with any exposure to controversial weapons, including nuclear weapons.

U Ethical applies the screening policy to all forms of investment.

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440 About us | U Ethical (2023). Available at: About us | U Ethical.
441 Ibid.
444 Why U Ethical | U Ethical (2023); Available at: Why U Ethical | U Ethical.
VDK Bank (Belgium)

VDK Bank is a Belgian bank with a focus on sustainability.445 As of the end of 2022, VDK balance total amounted to €5.06 billion.446

VDK Bank maintains a policy of “zero-tolerance” towards the entire armaments industry and excludes from its investments universe any company involved in the production and trade of weapons, including all types of producers of nuclear weapons and its essential components.447

VDK Bank’s policy is applied to its actively managed investment funds and its VDK Sustainable Flex Fund. In 2023, VDK strengthened its policy to also apply to externally managed funds.448 Here, companies must have no activity of manufacturing or of manufacturing tailor-made components, using, repairing, putting up for sale, selling, distributing, importing or exporting, storing or transporting controversial or indiscriminate weapons, including nuclear weapons.449

449 Ibid.
54. Verve Super (Australia)

Verve Super is the first Australian superannuation fund founded by women, led by women, and tailored for women.\(^{450}\) As of June 2022, Verve Super reported AUD$ 1.5 billion (€974 million) in total assets.\(^{451}\)

Verve Super’s investment portfolio is developed using “[n]egative screens which exclude companies linked to the exclusion of women from leadership, fossil fuels, human and labour rights abuses, environmental destruction, offshore detention, gambling, tobacco, live animal export and weapons, armaments, nuclear and uranium”.\(^{452}\) The policy applies to companies manufacturing or selling weapons.\(^{453}\)

Verve Super applies the screening policy to all investments and investment products.

Verve Super does not publish an exclusion list but does publish regularly updated investment lists.\(^{454}\)

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55. Zevin Asset Management (United States)

Zevin Asset Management provides wealth advisory and institutional asset management services with a specialization in socially responsible investing. The firm is 100% employee-owned, majority women-owned firm and is a Certified B Corporation. At the end of 2022, it had approximately USD 672 million in assets under management.

As part of the default exclusionary screens used by Zevin, companies producing weapons including nuclear, chemical and biological weapons, cluster munitions, anti-personnel landmines, incendiary weapons and small arms, are excluded from investment. Nuclear weapon producers are excluded regardless of their country of origin or in which country's nuclear arsenal they are involved.

The scope of the policy covers all investments, including externally managed assets and all investments on behalf of clients.

Zevin does not work with an exclusion list but excludes companies on a case-by-case basis, informed by research by Sustainalytics and internal research.

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455 Who we are | Zevin Asset Management (no date). Available at: Investment Management Boston | Socially Responsible Investing — Zevin Asset Management (Last accessed: 18 April 2023).
456 Ibid.
460 Ibid.
461 Ibid.
Runners-Up
New to the report

- Bayerische Landesbank (Germany)
- CaixaBank (Spain)
- Forma Futura (Switzerland)
- Resona Group (Japan)
- Schweizerische Nationalbank (Switzerland)
Summary table: Imperfect policies

This table shows how each of the financial institutions listed in the Runners-Up score on the key criteria for a comprehensive policy.

- Does the policy exclude all nuclear weapon producers? Are companies as a whole excluded, regardless of size or turnover?
- Does the policy exclude all nuclear weapons associated activities?
- Does the policy apply to all financial products of the financial institution?
- Does the financial institution fully implement the policy and hold no investments in listed nuclear weapon producers?

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<th>Excludes all activities</th>
<th>Applies policy to all financial products</th>
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Runners-Up

The Runners-Up lists financial institutions that have policies preventing investments in nuclear weapon producers, but whose policies have one or more loopholes in scope or application. This year we have included 54 financial institutions.

Five institutions are completely new to the report:

- Bayerische Landesbank (Germany)
- CaixaBank (Spain)
- Forma Futura (Switzerland)
- Resona Group (Japan)
- Schweizerische Nationalbank (Switzerland)

We commend these institutions for adopting policies excluding nuclear weapon producers and we look forward to engaging with these institutions on how to strengthen their policies so they can qualify for a place in the Hall of Fame in a future edition.

By including a Runners-Up category, we aim to contribute to discussions on exclusion policies and their implementation. The Runners-Up category offers a place to some financial institutions that are almost eligible for the Hall of Fame, but also to some institutions with a policy that contains considerable loopholes that still allow for investments in nuclear weapon producers. As a result, some institutions may be listed in this Runners-Up chapter for their policy and at the same time in the Hall of Shame for their investments in nuclear weapon producers.

Each financial institution policy is described, along with recommendations that also clarify why an institution is not (yet) eligible for a place in the Hall of Fame. Each financial institution is furthermore ranked according to the comprehensiveness of its policy, based on the identified criteria above.
ABN AMRO is a Dutch banking group that serves retail, private, commercial, corporate and industrial banking customers in the Netherlands and north-western Europe. The Dutch government owns 56.3% of ABN AMRO’s shares, with the intention to fully reprivatize the bank though no date has yet been announced. At the end of 2022, ABN AMRO Bank reported €379.6 billion in total assets.

ABN AMRO's controversial weapons policy states that the banking group will not finance or invest in companies involved in weapons “that have a disproportionate and indiscriminate impact on civilians.” ABN AMRO defines “controversial weapons” as cluster munitions, nuclear weapons, anti-personnel landmines, biological weapons, chemical weapons, fully autonomous weapons, depleted uranium weapons and white phosphorus weapons. Under this policy, the bank does not finance or invest in companies involved in the “production, selling and/or distribution of (parts of) controversial weapons AND this involvement concerns the core weapon system, or components/services of the core weapon system that are tailor-made and essential for the lethal use of the weapon.” However, nuclear weapon producers are not excluded if they contribute to the nuclear programmes of the United States, United Kingdom or France.

The exclusion policy applies to ABN AMRO’s financial products and services including credit facilities, asset-based finance, participations/investments, cash management, administrative financial services and advisory services. It is not clear whether the exclusion policy applies to passively managed funds offered by ABN AMRO.

ABN AMRO maintains a list of companies excluded from their investment universe based on the findings of Sustainalytics. As of June 2022, 36 companies were excluded.

ABN AMRO was found to have investments in several nuclear weapon producing companies.

We commend ABN AMRO for adopting a public policy on nuclear weapons. As the Treaty on the Prohibition of Nuclear Weapons categorically prohibits all nuclear weapons, regardless of country of origin, we recommend ABN AMRO to extend its policy to include companies producing (key components for) nuclear weapons for France, UK and the US. In addition, ABN AMRO should disinvest from all nuclear weapon producers in its portfolio. We look forward to engaging with ABN AMRO, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
2. **Achmea** (the Netherlands)

Achmea is the largest insurance company in the Netherlands and has over 10 million clients in Greece, Turkey, Slovakia, Canada, Australia and the Netherlands. At the end of 2022, Achmea reported €194 billion assets under management.

According to its exclusion policy, Achmea does not invest in companies that focus, directly or through majority-owned subsidiaries or joint ventures they control, on developing, testing, manufacturing, selling, trading or maintaining nuclear weapons or other controversial weapons. For nuclear weapons, this includes the development, testing, production and maintenance of nuclear ammunition; the development, production and maintenance of missiles predominantly designed to carry nuclear ammunition; and the development, production and maintenance of submarines equipped with ballistic missiles.

Achmea strives to apply the policy across all investments, but about 1% of assets are invested in externally managed funds. Achmea urges external asset managers to comply with the policy but is unable to guarantee their full compliance.

Achmea’s exclusion list is based on the findings of data provider ISS-ESG. As of January 2023, the list included 95 companies for their involvement in controversial weapons.

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475 Ibid.
476 Achmea, written correspondence with PAX, dated 12 June 2023.
478 Achmea, written correspondence with PAX, dated 22 May 2023.
479 List of countries and companies excluded from investment as of March 9, 2022, Achmea (2022). Available at: List of countries and companies excluded from investment as of March 9, 2022 (achmea.nl).
Aegon is an international provider of insurance, pensions and asset management. Aegon is active in more than 20 countries around the world (it is known as Transamerica in the US). At the end of 2022, Aegon counted 29.5 million clients and more than €747 billion in revenue generating investments.

Aegon’s Responsible Investment Policy states that it does not “invest in companies involved in the production and maintenance of nuclear weapons for any countries not identified as nuclear-weapon states under the Treaty on the Non-Proliferation of Nuclear Weapons”. Aegon Nederland and Aegon Asset Management Nederland follow a stricter controversial weapons policy, which excludes all nuclear weapon producers, including those in China, France, Russia the UK and the U.S. Aegon Nederland also takes note of the Treaty on the Prohibition of Nuclear Weapons.

Aegon defines nuclear weapons as “an explosive device that derives its destructive force from nuclear reactions, either fission or a combination of fission and fusion and this category includes but is not limited to: nuclear warheads; intercontinental ballistic missiles and corresponding air- and land-based delivery platforms; and ballistic missile submarines which are capable of delivering nuclear warheads.” Aegon thereby also excludes specifically designed delivery systems. The policy is applied to all investments on Aegon’s General Account, which consists of funds held by the insurance company for its own risk and account. In the Netherlands, the exclusion policy is applied to all assets including those held in funds for insurance linked clients and third parties. However, in jurisdictions outside the Netherlands the policy does not apply to these third-party assets unless mandated by the client. External asset managers are required to comply with the policy.

Aegon uses a public exclusion list, which is compiled annually using available external research accompanied by insights from engagement activities. As of February 2023, Aegon excluded 64 companies and their subsidiaries for association with controversial weapons. Aegon was found to have investments in several nuclear weapon producing companies.

We commend Aegon for adopting a public policy on nuclear weapons. We recommend Aegon to strengthen the policy to exclude any nuclear weapon producer, regardless of country of origin. We also encourage Aegon to apply the policy to all assets under management, regardless of location and to divest from all identified nuclear weapon producers. We look forward to engaging with Aegon, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
AIMCo (Alberta Investment Management Corporation) is one of Canada’s largest and most diversified institutional investment managers and is responsible for the investments of pension, endowment and government funds in Alberta. As of 31 December 2022, AIMCo had CAD$ 158 billion (€112.8 billion) assets under management.

AIMCo’s Investment Exclusion Guidelines prevent direct investments in “companies considered to be manufacturers of nuclear weapons, cluster munitions, antipersonnel mines, weapons systems integration services, or other weapons of mass destruction.”

AIMCo applies the guidelines to both internally and externally managed investments. It also considers these and other ESG factors during the selection of fund partners for both direct and co-investment.

AIMCo does not publish an exclusion list.

AIMCO has investments in the nuclear weapon industry.

We commend AIMCo for adopting a public policy on nuclear weapons. AIMCo was previously listed in the Hall of Fame, but has been moved to the Runners Up section due to findings of investments in companies involved in nuclear weapon production. We recommend AIMCo to divest from all identified nuclear weapon producers. We look forward to engaging with AIMCo, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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492 At a glance | AIMCo (2023). Available at: https://www.aimco.ca/who-we-are/at-a-glance.
493 Ibid.
494 Investment Exclusion Guidelines, AIMCo (2023). Available at: https://assets.ctfassets.net/lyt4cjmefjno/rSo7EOGcUXhyjxTOEG3q0/77b4ac6810aaab3687356ca127c93655d/AIMCo_Investment_Exclusion_Guidelines_Feb_2023.pdf.
495 Responsible Investment Policy, AIMCo (2023), p. 2. Available at: https://assets.ctfassets.net/lyt4cjmefjno/17FDhCHl0IhGMEfXvxLnqQ/6eb45f274eeec9e9fe2d6a0cc8683cf9/Responsible_Investment_Policy_2023.pdf.
AMF is a Swedish life insurance and pension company, owned jointly by the Swedish Trade Union Confederation and the Confederation of Swedish Enterprise. AMF serves around 4 million Swedish customers and manages approximately SEK 715 billion (€65.6 billion) in assets as of November 2022.

AMF’s Board of Director’s ethics and sustainability rules state that it will not invest “in companies that are involved in the production or distribution of so-called controversial weapons (...) that are prohibited by a number of international treaties that Sweden has signed”. This includes anti-personnel landmines, cluster munitions, chemical weapons, biological weapons and nuclear weapons outside the non-proliferation treaty. AMF excludes companies involved in production and development of fissionable materials and warheads, system upgrades and specifically designed delivery systems but does not exclude companies involved in general maintenance contracts.

AMF applies its exclusion policy to the assets it manages itself, and monitors compliance with the policy by the external funds it offers.

AMF uses an exclusion list based on research by Sustainalytics, which is not publicly available.

We commend AMF for adopting a public policy on nuclear weapons and for monitoring external asset managers to comply with the policy. We recommend AMF to strengthen the policy to exclude any nuclear weapon producer, regardless of country of origin. We also recommend AMF apply the policy to cover all nuclear weapons related activities prohibited by the Treaty on the Prohibition of Nuclear Weapons, including stockpiling (maintenance). We look forward to engaging with AMF, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
ATP is Denmark’s largest pension and processing company. ATP reported DKK 678 billion (€90.9 billion) in net assets at the end of December 2022.

ATP does not invest in companies involved in the production of nuclear weapons in contravention of the nuclear Non-Proliferation Treaty. ATP may, however, "invest in companies that are involved in the production of nuclear weapons on the condition that such production takes place within the boundaries of the Non-Proliferation Treaty and as part of Denmark's permanent defense alliances. In practice, this means that companies which contribute to the American, British or French nuclear weapons programs may be included in ATP's portfolio.”

In general, if ATP believes there is a violation of its policy, it will first engage the company involved, however, when it comes to companies that are involved in weapons subject to conventions (e.g., cluster munitions, anti-personnel landmines, Non-Proliferation Treaty), ATP takes a zero-tolerance approach and will generally exclude without engagement first. ATP applies its policies to equity investments in the company itself and all majority-owned subsidiaries as well as loans to the company and its subsidiaries. Exclusions apply to all direct investments made by ATP, including those made on behalf of third parties.

ATP makes use of an exclusion list, which is updated regularly on its site and provides the reasons for exclusions.

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6. ATP (Denmark)

We commend ATP for adopting a policy to exclude producers of nuclear weapons. We recommend that ATP modify the policy to apply to all companies in the nuclear weapons industry, not only those operating outside the nuclear Non-Proliferation Treaty. We look forward to the opportunity to engage with ATP so a comprehensive updated policy may be included in the Hall of Fame in a future update of this report.
Aviso Wealth is a Canadian wealth management company, providing services to many Canadian credit unions and other financial institutions. Earlier updates of this report listed NEI Investments, which became part of Aviso Wealth in 2018 and now manages all of Aviso Wealth’s assets. It has CAD $105 billion (€71.2 billion) in assets under administration and management.

NEI Investment’s investments policies remain in force after the merger. NEI’s responsible investment policy states that companies with direct revenues generated from any involvement in the production, manufacture and sale of cluster munitions, anti-personnel landmines, biological and chemical weapons and nuclear weapons, are automatically excluded from their funds.

The policy applies to NEI branded funds and NEI’s Ethical Funds, which together represent approximately 66% of NEI’s assets under management.

NEI does not make use of an exclusion list.

Aviso Wealth was found to have investments in several nuclear weapon producing companies.

We commend Aviso Wealth for having a policy restricting investments in producers of nuclear weapons. We recommend a policy improvement by applying it to all externally managed assets and to divest from identified nuclear weapon producers. We look forward to engaging with Aviso Wealth, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
8. Aviva (United Kingdom)

Aviva is a savings, retirement and insurance company. It is the largest UK insurer, covering 20% of the UK life and savings market. Aviva also operates in Ireland and Canada. As of 31 December 2022, Aviva Investors held £223 billion (€258.6 billion) assets under management.

In accordance with its ESG Baseline Exclusion policy, Aviva applies exclusions to investment in the manufacture, use and distribution to controversial weapons. Regarding nuclear weapons, Aviva excludes companies “involved in, among others, development, production, use, maintenance, offering for sale, distribution, import or export, storage or transportation of nuclear weapons, where this supplies nuclear states outside of the NPT”. It retains discretion “to additionally exclude companies involved in nuclear weapons, where this supplies nuclear states within the NPT but Aviva Investors consider the state to have undermined widely accepted non-proliferation arms control treaties, conventions and norms. This will predominantly relate to the UN’s Nuclear Non-proliferation Treaty but may extend to other existing conventions where relevant.”

The policy applies to the parent company, not solely subsidiaries.

We commend Aviva for having a policy restricting investments in producers of nuclear weapons. We recommend that Aviva modify the policy to apply to all companies in the nuclear weapons industry, not only those operating outside the nuclear Non-Proliferation Treaty. We also recommend Aviva to apply its policy to all financial products, including third party and passively managed funds, and to divest from identified nuclear weapon producers. We look forward to the opportunity to engage with Aviva so a comprehensive updated policy may be included in the Hall of Fame in a future update of this report.

Aviva was found to have investments in some nuclear weapon producing companies.

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518 Who we are and what we do | Aviva (2023). Available at: Who we are and what we do - Aviva plc.
519 How we’re organised | Aviva (2023). Available at: How we're organised - Aviva plc.
520 Ibid.
521 Ibid.
523 Ibid.
524 Ibid.
525 Ibid.
526 Ibid.
527 Ibid.
528 Ibid.
Azzad Asset Management is a faith-based socially responsible investment firm offering Islamic investment portfolios and mutual funds, financial planning, and retirement plans for individuals and businesses.\textsuperscript{530}

Azzad's ethical investing philosophy screens out companies that profit from weapons.\textsuperscript{531} Companies that derive significant income (defined as more than 5% of their total income) from the processing or sale of weapons of mass destruction are excluded from investment. This also covers companies involved in the production, development, trade or maintenance of nuclear weapons or specially designed delivery systems. Companies that are part of a joint venture involved in the production of nuclear weapons or key components thereof are not excluded.\textsuperscript{532}

Azzad recognises the catastrophic humanitarian consequences of any use of nuclear weapons and the grave risk nuclear weapons continue to pose to humanity and stated so publicly as it joined in global commemorations of the 75th anniversary of the atomic bombings of Hiroshima and Nagasaki.\textsuperscript{533} Azzad joins it voice with all those who say, “never again”\textsuperscript{534}

The policy applies to all types of investments, both managed internally and externally.\textsuperscript{535}

Azzad Asset Management makes use of an exclusion list to implement the policy, but this list is not publicly available.\textsuperscript{536}

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\textsuperscript{530} About us | Azzad Asset Management (2023). Available at: About Us - Azzad Asset Management.

\textsuperscript{531} Ethical Investing Philosophy | Azzad Asset Management (2023). Available at: Investing Philosophy - Azzad Asset Management.

\textsuperscript{532} Azzad Asset Management, written response to PAX, 10 November 2017.

\textsuperscript{533} Azzad rememberes the victims of Hiroshima and Nagasaki. Azzad Asset Management, 6 August 2020. Available at: Azzad remembers the victims of Hiroshima and Nagasaki - Azzad Asset Management.

\textsuperscript{534} Ibid.

\textsuperscript{535} Azzad Asset Management, written response to PAX, 10 November 2017.

\textsuperscript{536} Ibid.
10. Bank of Ireland (Ireland)

Don’t Bank on the Bomb

Bank of Ireland Group is one of the largest financial services groups in Ireland and provides a broad range of banking and other financial services. The Group is organised into four trading segments and one support division. Bank of Ireland has operations in Ireland, the UK, Germany, France, Spain and the USA. At the end of 2022 the Group had total assets of €130.9 billion.

Bank of Ireland has published a Responsible & Sustainable Business (RSB) sector statement clearly setting out the Group’s risk appetite for lending to potentially sensitive sectors which it believes cause environmental and/or social harm to society and communities. Applying to all new non-property lending arrangements within the Group’s Corporate Banking business, it will not provide financing to customers who are deemed to engage in a defined list of excluded business activities. Within the defence sphere, Bank of Ireland’s exclusion list encompasses the lending and financing of companies or projects directly engaged and primarily involved in the “manufacture, sale, trade, service or stockpiling of weapons of mass destruction or highly controversial weapons banned under international agreements including nuclear, biological and chemical weapons, cluster munitions, anti-personnel landmines and blinding laser weapons and the manufacture or sale of bespoke components of such weapons.”

Bank of Ireland has investments in the nuclear weapon industry.

We commend Bank of Ireland for having in place a policy on nuclear weapons. Due to findings of investments in the nuclear weapons producers, Bank of Ireland has been moved from the Hall of Fame to the Runners Up section. We look forward to engaging with Bank of Ireland, so that it may be listed again in the Hall of Fame in a future update of this report.

The policy is applied to all corporate banking activities.

The Bank of Ireland does not publish an exclusion list.

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538 Ibid.
539 Ibid, p. 115.
542 Bank of Ireland, written correspondence with ICAN, 14 December 2021.
Banorte is the second largest financial group in Mexico.\(^{543}\) At the end of 2022, Banorte held $1,121.4 billion Mexican Pesos (€56.6 billion) in assets under management.\(^{544}\)

Banorte implements the ‘Social and Environmental Risk Management System (SEMS)’ as an integral part of the bank’s credit process.\(^{545}\) This includes the application of an exclusion list, which rules out any activity related with radioactive materials production or trade (including storage and treatment of radioactive waste), and military weapons and equipment.\(^{546}\)

Asset holder XXI Banorte recognizes the high reputational, societal and environmental risk of nuclear weapon production and excludes all companies and projects associated with chemical and nuclear weapons, and uranium extraction for nuclear weapons.\(^{547}\) This policy is applicable to listed equity, fixed income and alternative investments in its portfolio as well as those managed by external asset managers.\(^{548}\) Nevertheless, in the latter case, the restriction does not apply for groups or conglomerates whose operations or activities in the nuclear weapon industry represent less than 20% of their total annual income, or the production of generic or dual-use components for weapons systems, military material (such as uniforms, footwear, products and food), support vehicles that do not have offensive capacity and raw materials.\(^{549}\)

The responsible investment policy of asset manager Operadora de Fondos Banorte excludes from investment the production and/or commercialization of chemical weapons, firearms and nuclear weapons; the mining of uranium for weapons; land mines; and the production and/or commercialization of cluster munitions, when such activities represent “10% or more of the issuer’s income”.\(^{550}\) The policy also does not apply to ETF’s and index-related funds.\(^{551}\) In the policy, Banorte also declares to “support and subscribe to the Treaty on the Prohibition of Nuclear Weapons (TPNW), ratified by the Mexican government on January 21, 2021”.\(^{552}\)

Banorte does not have a publicly available list of excluded companies.

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\(^{543}\) A leading financial institution in Mexico | Banorte (2022). Available at: Grupo Financiero Banorte.
\(^{546}\) Ibid, Exclusion List, Grupo Financiero Banorte. Available at: https://investors.banorte.com/~/media/Files/B/Banorte-IR/Sustainability%202021/Exclusion%20List%20Banorte.pdf.
\(^{551}\) Ibid.
\(^{552}\) Ibid.
Barclays is a British universal bank, supporting consumers and small businesses through its retail banking services and larger businesses and institutions through corporate and investment banking services. Barclays’ reported total assets of £1,514 billion (€1,756 billion) at the end of 2022.

Barclay’s Defense and Security Statement outlines the activities for which Barclays has no appetite. These include, but are not limited to providing any financial proposition to companies known to trade in, or manufacture cluster munitions and their components, chemical and biological weapons, and antipersonnel land-mines. It also includes directly financing the manufacture, or trade in nuclear weapons. Here, directly financing refers to project finance, or other lending/underwriting or the arrangement and distribution of debt or equity, where the use of proceeds is known to be for a particular project. Barclays thus does not directly finance any activity relating to the development in or trade of nuclear weapons. Barclays does not exclude companies as a whole for involvement with nuclear weapons, but “conducts enhanced due diligence (EDD) as appropriate on clients in the Defence and Security Sector”.

Individual transactions may also undergo additional EDD review, where deemed to present a higher risk.

Barclays has investments in nuclear weapon producing companies.

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553 Who we are | Barclays (no date). Available at: About Barclays - Who we are | Barclays (home.barclays) (Last accessed: 19 April 2023).
556 Ibid.
557 Ibid.
558 Ibid, p. 2.
560 Ibid.
562 Ibid.
563 Ibid.
The Bayerische Landesbank is a publicly regulated bank and one of the major commercial banks in Germany.\textsuperscript{565} At the end of December 2022, it held €259.3 billion in total assets.\textsuperscript{566}

Bayern LB’s sustainability standards exclude on the transaction level the financing of controversial or outlawed weapons and their key components, including nuclear weapons.\textsuperscript{567}

The policy is applied to all corporate credits and project finance and encompasses all types of nuclear weapons.\textsuperscript{568}

BayernLB’s investment management subsidiary BayernInvest follows a stricter policy, as it excludes as a whole issuers with any relation to controversial weapons, such as cluster munition, and chemical, biological and nuclear weapons.\textsuperscript{569} The standards are integrated across all BayernInvest asset classes and services, with the exception of investments made on behalf of third parties.\textsuperscript{570}

Bayern LB does not publish an exclusion list. BayernInvest monitors its exclusion criteria on the basis of a comprehensive database provided by MSCI ESG Research.\textsuperscript{571}

Bayern LB has several investments in the nuclear weapon industry.

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\textsuperscript{565} Brief Profile, Bayern LB. Available at: kurzportrait.pdf (bayernlb.com).
\textsuperscript{568} Bayern LB, written correspondence with PAX, dated 17 May 2023. See also Bayern LB Leitplanken der Transformation, Bayern LB (2023), p. 5. Available at: Leitplanken_der_Transformation.pdf (bayernlb.de).
\textsuperscript{570} Ibid, p. 7; Bayern LB, written correspondence with PAX, dated 17 May 2023.
\textsuperscript{571} Leitlinie für nachhaltiges und verantwortungsvolles Investieren der BayernInvest, Bayern Invest (2022), p. 9.
BBVA is a Spanish financing group that offers services in retail banking, business banking, investment banking, insurance and asset management. It operates in more than 25 countries, serving over 76 million customers. As of the end of December 2022, BBVA held more than €713.1 billion in total assets.

BBVA's Environmental and Social Framework states: “BBVA will not invest or provide financial services to companies directly involved in the development, production, testing or maintenance of nuclear weapons in countries that have not signed the Non-Proliferation Treaty (NPT) or in countries that do not comply with the NPT.” The policy also excludes manufacturers of other controversial weapons including anti-personnel landmines, biological and chemical weapons, cluster munitions, depleted uranium and white phosphorus. This also includes dual-use items and specifically developed delivery systems.

The exclusion policy applies to BBVA’s commercial banking and investment banking activities. It also covers the investments made for BBVA’s own account. However, the policy does not cover all investments made on behalf of third parties, discretionary mandates, and internal passive funds.

BBVA maintains an exclusion list to implement its policy based on research by Sustainalytics, but the list is not publicly available.

BBVA was found to have several investments in the nuclear weapon industry.

We commend BBVA for adopting a public policy on nuclear weapons. We recommend BBVA exclude all nuclear weapon producers regardless of their country of origin. Also, BBVA should expand the scope of its policy to cover all financial products it offers, including all assets managed, with no exceptions. Finally, BBVA should divest from all nuclear weapon producing companies. We look forward to engaging with BBVA, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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BNP Paribas is a French bank that offers services in corporate and institutional banking, retail banking and investment and protection services. It operates in 65 countries. At the end of 2021, BNP Paribas reported its Insurance and Wealth and Asset Management division with €1,271 billion in assets under management.

BNP Paribas' Defence & Security Sector Policy states that "BNP Paribas will not provide financial products and services to or invest in companies assessed to be involved in 'controversial weapons'." BNP Paribas defines involvement as production, trade or storage of controversial weapons or specifically designed components and critical (key) components, or providing assistance, technologies or services dedicated to controversial weapons. Controversial weapons are defined as "weapons having indiscriminate effects and causing undue harm and injuries." BNP Paribas considers nuclear weapons to be controversial weapons. However, companies that contribute to government controlled nuclear weapon programs in NATO Member States recognized as nuclear weapon states under the NPT are not covered by the exclusion policy. BNP Paribas makes use of an exclusion list to implement the policy but does not publish the list.

We commend BNP Paribas for adopting a public policy on nuclear weapons. We recommend BNP Paribas exclude all companies involved in nuclear weapon programs, regardless of their country of origin. In addition, BNP Paribas should apply its exclusion policy to all financial products and services it offers, including index-linked products and externally managed assets. We look forward to engaging with BNP Paribas, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
CaixaBank is a financial group in Spain, with international branches as well. It serves 20.2 million customers and is active in 27 countries. At the end of 2022, CaixaBank held €592.2 billion in total assets.

CaixaBank’s sustainability policy states that “[n]o Group company shall provide financial services to companies and their economic groups” that “develop, produce, maintain or market controversial weapons (including their essential components).” Controversial weapons are defined as anti-personnel mines; biological weapons; chemical weapons; white phosphorus; cluster bombs; ammunition that contains depleted uranium, and nuclear weapons. With respect to nuclear weapons however, an exception is made for companies residing in countries that have ratified the 1986 nuclear Non-proliferation Treaty. Here, the policy states that on an exceptional basis, financial services may be provided to companies residing in countries that have ratified the 1986 nuclear Non-proliferation Treaty. The policy states that on an exceptional basis, financial services may be provided to companies residing in countries that have ratified the 1986 nuclear Non-proliferation Treaty. The policy applies to all types of investments and services offered by CaixaBank, except for investments made on behalf of third parties in passively managed funds. Specifically, for mutual funds and ETFs of third-party managers, CaixaBank “requires that these vehicles are aligned with corporate policy through due diligence processes, dialogues, controls and specific thresholds.” CaixaBank encourages external asset managers to apply similar standards. The policy applies to past investments. CaixaBank has also set a deadline to terminate existing loan contracts. The exclusion list used by CaixaBank is not made publicly available. CaixaBank has investments in several nuclear weapon producing companies.
CIMB Group is the fifth largest banking group in ASEAN, headquartered in Malaysia. It offers consumer banking, commercial banking, investment banking, Islamic banking and asset management products and services. At the end of December 2022, it reported RM 666.7 billion (€142.7 billion) in total assets.

The Group Sustainable Finance Policy identified, assesses and manages risks arising from financing of non-individual clients, especially in sectors that are most vulnerable to environmental and social risks, and those with activities that have high potential adverse impacts on the environment and society. CIMB will not engage with clients involved in arms and munitions.

The policy applies to non-individual financing customers within Wholesale Banking (including Corporate Banking) and Commercial Banking. Individuals and small and medium enterprises (SMEs) are excluded from policy coverage.

CIMB also ensures that its suppliers are not involved in “transactions linked to the financing of production, sale / purchase, storage or movement of arms and munitions, financing of proliferation of weapons of mass destruction (e.g. nuclear, biological, or chemical weapons), financing of parts mainly or solely used for arms and munitions, as well as financing of related technologies or services for arms and munitions does not do business with entities that are directly linked to arms and munitions”.

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612 About us | CIMB (2023). Available at: About CIMB | Investment Banking Asia | CIMB.
613 Ibid.
614 Ibid.
618 Ibid
Commerzbank is an international commercial bank with branches and offices in almost 40 countries. Its core markets are Germany and Poland. Commerzbank offers banking and capital market services to nearly 11 million private and small business customers and around 26,000 corporate clients. At the end of 2022, Commerzbank held €477.4 billion in total assets.

According to Commerzbank’s ESG framework, the bank “does not participate in the financing of delivery transactions related to controversial weapons”. These include nuclear weapons, cluster munitions, anti-personnel mines, incendiary weapons, permanently blinding laser weapons, depleted uranium, and biological as well as chemical weapons. Commerzbank also does not enter into business relationships with arms manufacturers that produce banned and prohibited weapons. However, the policy only includes in this category cluster munitions, anti-personnel mines, incendiary weapons, permanently blinding laser weapons, depleted uranium, and biological as well as chemical weapons. Commerzbank thus does not categorically exclude nuclear weapon producing companies as a whole, except when they are involved in the nuclear weapon programmes of countries outside NATO.

We commend Commerzbank for adopting a public policy on nuclear weapons. We recommend Commerzbank to strengthen its policy so that it categorically exclude all nuclear weapon producers regardless their country of origin or the nuclear weapon programme they support. Furthermore, Commerzbank’s should apply its exclusion policy to all financial products it offers, including passively managed funds, and requests from clients that explicitly ask for or choose funds that contain controversial weapon producers should be refused. Finally, it should divest from all nuclear weapons producing companies. We look forward to engaging with Commerzbank, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

Commerzbank uses an exclusion list based on findings of data provider Sustainalytics to implement its policy. The list is not publicly available.

Commerzbank has investments in the nuclear weapon industry.

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621 Group | Commerzbank (2023). Available at: Commerzbank AG - Group.
622 Ibid.
623 Ibid.
626 Ibid.
627 Ibid.
628 Ibid.
629 Commerzbank, written correspondence with PAX, dated 11 May 2023.
Crédit Agricole Group is a French banking group operating in retail, corporate and investment banking and offering specialised financial services. It has 53 million customers, and operations in 46 countries. At the end of 2022, Crédit Agricole held €2,415 billion in assets under management.

Crédit Agricole’s policy on the armaments sector classifies nuclear, biological and chemical weapons as “sensitive”, and anti-personnel landmines and cluster bombs as “controversial”. Investments, financing of any sort, and services are forbidden for counterparties involved in controversial weapons. The group forbids the financing of any trade in sensitive weapons or their carriers. In “some exceptional cases”, and if lawful in the jurisdiction in question, investments in companies specializing in sensitive weapons require enhanced due diligence only. The exclusion policy also does not apply to external asset managers.

Amundi, the asset management activity of Crédit Agricole, excludes issuers involved in the production, sale, and storage of nuclear weapons of States that are non-parties to the Treaty on the Non-Proliferation of Nuclear Weapons; issuers that produce nuclear warheads and/or whole nuclear missiles; and issuers that derive over 5% of their total revenue from the production or sale of nuclear weapons.

Crédit Agricole uses an exclusion list based on the findings of external consultants but does not publish the list. Crédit Agricole has investments in the nuclear weapon industry.

We commend Crédit Agricole for adopting a public policy on nuclear weapons. We recommend Crédit Agricole to categorically exclude all nuclear weapon producers. Furthermore, Crédit Agricole should apply its policy to all of its financial products, including all assets managed. We also urge Crédit Agricole to actively divest from all existing financial relationships with nuclear weapon producing companies. We look forward to engaging with Crédit Agricole, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
Credit Suisse is a Swiss bank that provides solutions for private banking, investment banking and asset management.646 At the end of 2022, Credit Suisse had CHF1,294 billion in assets under management (€1,312 billion).647

Credit Suisse’s Controversial Weapons Policy is based on the Swiss Federal War Materials Act. As a result, the bank “will not directly finance the development, manufacture and acquisition of nuclear, biological and chemical weapons, anti-personnel mines and cluster munitions.”648 This definition also covers the maintenance of these weapons. In addition, Credit Suisse does not finance activities related to delivery systems that are specifically designed for nuclear weapons. However, the Bank states it “may provide services to nuclear weapon producers if the financing of the development, manufacture or acquisition of such weapons can be excluded”.649

Credit Suisse also states that it excludes investment banking activities related to nuclear weapon producers and investments in nuclear weapon producers that it makes on its own account. The exclusion policy does not apply to Credit Suisse’s other asset management activities nor to its external asset managers.650

We commend Credit Suisse for adopting a public policy on nuclear weapons. We recommend Credit Suisse to expand the policy further to exclude the financing of nuclear weapon producing companies as a whole, instead of only the nuclear weapons activities. Furthermore, Credit Suisse should apply its policy to all financial products, including assets managed. Credit Suisse should actively divest from any current financial relationships with nuclear weapon producing companies. We look forward to engaging with Credit Suisse, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

The bank does not publish its exclusion list, which is based on information provided by Sustainalytics.651

Credit Suisse has investments in nuclear weapon producers.652

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646 Credit Suisse. Our Company | Credit Suisse (2023). Available at: Our company – Credit Suisse (credit-suisse.com).
649 Credit Suisse, written response to Profundo dated 7 May 2014.
650 Credit Suisse, written response to Profundo 4 June 2014.
651 Ibid.
21. Danske Bank (Denmark)

Danske Bank Group is a Danish financial enterprise, operating in 8 countries mainly in the Nordic region and serving around 3.3 million customers. It is the largest bank in Denmark. At the end of 2022, Danske Bank held DKK3.7 trillion (€497.5 billion) in total assets.

Danske Bank's 2019 Arms and Defence position statement says “nuclear weapons, within the Non Proliferation Treaty are legal. Nevertheless, a potential use of nuclear weapons could have indiscriminate effects and could be a violation of human rights.” Based on this recognition, Danske Bank excludes all companies involved in any activity related to nuclear weapons outside the NPT from investment. Regarding nuclear weapons within the NPT, Danske Bank “will only invest in or grant credit to new customers if their revenue from military business is less than 5% of total revenue.”

The exclusion policy covers investment activities relating to assets managed by Danske Bank on behalf of customers through investment product offerings, such as discretionary mandates, managed portfolios, alternative investment funds, insurance based investment products (IBIPs), pension products/schemes, and UCITS funds. The Policy does not apply to some externally managed funds or “investments in derivatives, including index derivatives or other broad derivatives”.

Danske Bank maintains an exclusion list based on systematic ESG screening. As of March 2022, Danske Bank excluded 76 companies for involvement with controversial weapons.

Danske Bank has investments in nuclear weapon producers.

We commend Danske Bank for having in place a public policy on nuclear weapons. We recommend Danske Bank to categorically exclude all nuclear weapons producers from investments, regardless of country of origin and with no threshold applied. We also encourage Danske Bank to expand the scope of its policy to cover all financial products, including all assets managed internally and externally. Finally, Danske Bank should divest from all nuclear weapon producers. We look forward to engaging Danske Bank, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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653 About us | Danske Bank (no date). Available at: https://www.danskebank.com/about-us (Last accessed: 20 April 2023).
654 Customers and services | Danske Bank (no date). Available at: https://www.danskebank.com/customers-and-services (Last accessed: 20 April 2023).
658 Ibid.
659 Ibid.
Deutsche Bank is a large global bank headquartered in Germany. Its four main divisions cover asset management and corporate, investment and private banking. Deutsche Bank reported €1,337 billion in assets on its 2022 balance sheet.

Deutsche Bank has “[e]nhanced due diligence requirements with exclusions including controversial weapons, conflict countries, private military security companies, as well as civilian use automatic and semi-automatic firearms and human-out-of-the-loop weapon systems.” The controversial weapons policy states that the group will avoid business relationship with “entities” directly involved in controversial weapons, which are defined as weapons that “cause undue suffering and have a disproportionate humanitarian impact on civilian populations.” The policy covers cluster munitions, anti-personnel mines, chemical, biological, radiological and nuclear weapons and weapons covered by the Convention on Conventional Weapons.

Following the Non-Proliferation Treaty, Deutsche Bank excludes all “entities” involved in nuclear weapons regardless of their country of origin. This means that the policy excludes entities, such as subsidiaries, that are directly involved in the manufacture, trade or maintenance of nuclear weapons; it does not exclude companies at the parent level whose subsidiaries are involved in the production of nuclear weapons.

The policy applies to all commercial banking and investment banking activities of the group.

Deutsche Bank makes use of an exclusion list, which is based on the data of research provider ISS-Ethix. The list is not publicly available.

Deutsche Bank has investments in the nuclear weapon industry.

We commend Deutsche Bank for having in place a public policy on nuclear weapons. We recommend that Deutsche Bank exclude companies involved in the production of nuclear weapons at the group level. Deutsche Bank should also expand the scope of its policy to cover all financial products, including all assets managed internally and externally. Finally, Deutsche Bank should divest from all nuclear weapon producers. We look forward to engaging Deutsche Bank, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
23. DeGroof Petercam Asset Management (DPAM) (Belgium)

DPAM is an asset management firm managing investment funds and discretionary mandates. As of June 2022, DPAM held €43.4 billion assets under management.

DPAM's Controversial Activities Policy recognizes that a “prohibition to, inter alia, possess, use, develop and transfer or acquire nuclear weapons is now enshrined in the UN Treaty on the Prohibition of Nuclear Weapons, which was signed on 7 July 2017 and entered into force on 22 January 2021.” DPAM also notes that “nuclear weapons have by design indiscriminate and disproportionate effect on populations (notably through the effects of radiations and radioactive pollution which subsists and causes harm long after the blast).” Therefore it has defined a dedicated nuclear weapon exclusion policy.

The nuclear weapon exclusion policy applies a threshold. For its mainstream strategies DPAM only excludes companies which earn more than 10% revenue from direct involvement in the nuclear weapon industry. If a company is not directly involved but owns an equity or credit stake above 50% in a company directly involved, it too will be excluded under the DPAM policy.

DPAM applies the policy to both actively managed and index-tracked investments.

For its “Sustainable actively-managed strategies” DPAM excludes all issuers deriving any direct revenues either from nuclear-weapons-related activities or from dedicated equipment or services, as well as issuers that own an equity or credit stake above or equal to 10% in an issuer directly involved in nuclear-weapons-related activities or in dedicated equipment or services. For DPAM's Sustainable Index-tracking strategies, DPAM excludes all issuers that manufacture nuclear warheads and/or whole nuclear missiles, as well as components or delivery platforms that can be used in nuclear weapons. Also excluded from DPAM's Sustainable Index-tracking strategies are all companies that provide auxiliary services related to nuclear weapons, or that own an equity or credit stake above or equal to 10% in an issuer directly involved in Nuclear-Weapons-related activities or in dedicated equipment or services.

To apply its exclusionary policy, DPAM uses data from ISS-Ethix. DPAM has several investments in the nuclear weapon industry.

We commend DPAM for adopting a public policy on nuclear weapons. We recommend DPAM close the loophole in the policy by removing the thresholds. We further encourage DPAM to divest from all nuclear weapons producers. We look forward to engaging with DPAM, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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673 About us | DPAM (no date). Available at: About us (degroofpetercam.com) (Last accessed: 20 April 2023).
674 Ibid.
676 Ibid.
677 Ibid.
678 Ibid.
679 Ibid.
680 Ibid.
Erste Group is one of the largest financial services providers in the eastern part of the European Union.\footnote{About us | Erste Group (2023). Available at: About us | Erste Group Bank AG.} At the end of December 2022, Erste Group reported more than €323 billion total assets.\footnote{Annual Report 2022, Erste Group (2023). Available at: AR2022_FINAL_en (erstegroup.com).}

Erste Group is committed to refraining from investments in companies that are involved in controversial weapons.\footnote{Group Responsible Financing Policy, Erste Group (2022), p. 9. Available at: https://cdn0.erstegroup.com/content/dam/at/eh/www_erstegroup_com/de/%C3%9Cber%20uns/corporate-governance/erstegroup-responsible-financing-policy.pdf?forceDownload=1. See also Controversial Weapons Policy, Erste Asset Management (2021), p. 3. Available at: EAM_Controversial_Weapons_Policy.pdf (erstegroup.com).} It defines controversial weapons as those which are currently prohibited under international humanitarian law or recommended to be prohibited by the International Committee of the Red Cross.\footnote{Ibid.} These include biological weapons, chemical weapons, anti-personnel and land mines, cluster munitions, nuclear weapons, and weapons containing depleted uranium and uranium 238 or its essential components.\footnote{Ibid.}

Erste Group will not provide financing, advisory or any other banking service involving controversial weapons.\footnote{Sustainability Report as part of the Annual Report 2020, Erste Group (2021), p. 65. Available at: https://cdn0.erstegroup.com/content/dam/at/eh/www_erstegroup_com/en/Investor_Relations/2020/Reports/AR2020_Non_financial_Report_en.pdf?forceDownload=1.} Erste Asset Management is the asset manager of Erste Group.\footnote{Ibid.} All actively “managed mutual funds and asset management portfolios are not allowed to invest in companies involved in banned weapons such as land mines, nuclear weapons or cluster bombs.”\footnote{Ibid.}

Erste Group does not publish an exclusion list.

We commend Erste Group for having adopted a policy to exclude nuclear weapon producers from investment. We recommend Erste Group to expand the scope of its exclusion policy to all financial products, including index-linked products managed by external managers. We look forward to engaging with Erste Group, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
25. Figure 8 Investment Strategies (United States)

Figure 8 is a certified "B Corp" investment advisory firm based in Boise Idaho (United States). They manage hundreds of millions of dollars for U.S. based clients.

Figure 8 applies investment screens to ‘avoid exposure’ to a number of industries, including ‘guns and other weapons’. Securities that do not meet these criteria are excluded from investment. If a current holding is found to be in violation of this policy, a deadline of 180 days is set to sell the security.

For money market, mutual fund and ETF securities, however, avoidance screens are applied only on a “best efforts” basis, and “may be relaxed if appropriate fully screened options are not available”.

Figure 8 uses multiple ESG data providers, including the Eikon database and As You Sow, for the application of its avoidance screens. Figure 8 does not publish an exclusion list.

We commend Figure 8 Investment Strategies for having adopted a policy to exclude nuclear weapon producers from investment. We recommend Figure 8 Investment Strategies to expand the scope of its exclusion policy to all financial products, including index-linked products. We look forward to engaging with Figure 8 Investment Strategies, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

References:
693 About Figure 8 | Figure Eight (no date). Available at: https://www.figure8investing.com/who-we-are (Last accessed: https://www.figure8investing.com/who-we-are).
694 Ibid
695 Part 2A of Form ADV - Disclosure Brochure, Figure 8 Investment Strategies LLC (2023), p. 6. Available at: https://static1.squarespace.com/static/62796a5b14d6ae0386c7df7c38413848968a4330a217f61e01679000714156/Figure+8+ADV+2A+03-16-23_Final.pdf.
696 Ibid, p. 18.
697 Ibid.
698 Ibid.
Forma Futura AG (Switzerland)

Forma Futura is an independent asset management company, offering asset management mandates for private clients, charitable foundations, family offices, corporate clients and pension funds. Since its foundation in 2006, Forma Futura has been committed to a sustainable financial industry. In order to reach this goal, a multi-stage selection process is followed. Part of this process involves the application of exclusion criteria which, among others, exclude the conventional and controversial weapons industry, including any company involved in the development, testing, production, trade, maintenance and stockpiling of nuclear weapons.

The policy is strictly applied to all financial products and services offered by Forma Futura, with the exception of funds managed by external asset managers. In the latter case, Forma Futura’s application of its exclusion criteria for actively managed funds or ETFs is limited to the top 10.

Forma Futura makes use of an exclusion list but it is not publicly available. In its selection process, Forma Futura makes use of data provided by research partner Sustainalytics.

We commend Forma Futura for having adopted a policy to exclude nuclear weapon producers from investment. We recommend Forma Futura to extend the application of its exclusion criteria for externally managed funds beyond the top 10. We look forward to engaging with Forma Futura, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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699 Asset Management | Forma Futura (2023). Available at: Asset Management | Forma Futura Invest AG
700 Investment Selection Process | Forma Futura (2023). Available at: Investment Selection Process | Forma Futura Invest AG
701 Forma Futura, written correspondence with PAX, dated 24 April 2023.
702 Ibid.
703 Ibid.
704 Investment Selection Process | Forma Futura (2023). Available at: Investment Selection Process | Forma Futura Invest AG
The Norwegian Government Pension Fund Global (GPFG) was established by law in 1990. The Ministry of Finance holds the formal responsibility for the fund. The operational management is carried out by a branch of the Norwegian Central Bank (Norges Bank). The fund serves as a fiscal policy tool to underpin long-term considerations in the phase-in of Norwegian state petroleum revenues into the Norwegian economy, ensuring the revenues benefit both present and future generations in Norway. In 2022, the market value of the fund rose to NOK 12,429 billion (€1,203 billion).

Ethically-motivated exclusion criteria were introduced for the GPFG in 2004. The criteria have since been reviewed and updated on several occasions, last time in 2021. The GPFG’s Guidelines establish that the fund assets “shall not be invested in companies that, themselves or through entities they control: produce weapons that violate fundamental humanitarian principles through their normal use”. Based on these guidelines and recommendations provided by the independent Council on Ethics, Norges Bank decides on the exclusion of nuclear weapon producers from the GPFG’s investment universe. In 2020, an independent committee carried out a comprehensive review of the entire GPFG ethical framework. As a follow-up of the committee’s report, the application of the nuclear weapon criterion was in 2021 expanded to also include certain types of delivery platforms for nuclear weapons, where these have no other use than delivering such weapons. This applies primarily to submarines, but could also be applicable to other types of platforms. The nuclear weapons criterion applies to all internal and external asset management activities carried out by the fund. The exclusion list of the GPFG is available online. As of March 2023, the following companies are excluded based on the weapons criteria: Aerojet Rocketdyne Holdings, Airbus Group Finance B.V., Airbus SE, BAE Systems, Boeing, BWX Technologies Inc, Fluor Corp., Honeywell International, Huntington Ingalls Industries Inc., Jacobs Solutions Inc., Lockheed Martin Corp., Northrop Grumman Corp., Poongsan Corporation, Safran SA, Serco Group PLC, and Textron Inc. The fund also publishes all equity holdings online. The external research provider used by the pension fund is ISS-Ethix. The GPFG was found to have several investments in the nuclear weapon industry.
Ilmarinen is the largest private earnings-related pension insurance company in Finland.\(^{722}\) It is customer owned.\(^{723}\) There are about 1.2 million participants in the Ilmarinen pension fund.\(^{724}\) As at the end of 2022, the fund has investments valued at €56 billion.\(^{725}\)

Ilmarinen’s Responsible Investment Guidelines actively exclude companies that make so-called controversial weapons, including anti-personnel mines, cluster weapons and nuclear weapons.\(^{726}\) The Guidelines define controversial weapons manufacturers as companies whose involvement in the manufacturing process is essential and the component manufactured by the company has no dual purpose.\(^{727}\)

The exclusion criteria apply to all direct equity and fixed income investments.\(^{728}\) Within fund investments, Ilmarinen asks asset managers about their policies and seeks to exclude the same industries in their private equity and debt fund investments as in their direct listed investments.\(^{729}\) The exclusions are defined in asset management contracts at least so that the funds do not participate in such investments. If a company is found to produce controversial weapons, Ilmarinen will not make new investments and will exit from existing investments where possible.\(^{730}\) Ilmarinen “strive[s] to invest in ESG-focused ETFs, when such ETFs are available and competitively priced”.\(^{731}\) However, it does not exclude individual companies “[d]ue to the passive nature of the product”.\(^{732}\)

To generate their internal exclusion list, Ilmarinen works with Sustainalytics.\(^{733}\)
ING Group is a global financial service company with Dutch roots.\textsuperscript{734} ING serves about 37 million customers from more than 40 countries.\textsuperscript{735} ING Group held €967.8 billion total assets as of the end of 2022.\textsuperscript{736}

ING’s “Environmental and Social Risk Framework” states that ING will not finance controversial weapons because of “the likelihood of civilians being injured as these weaponry systems are prone to indiscriminate effects and/or risk causing destruction over a wide area”.\textsuperscript{737} ING recognizes nuclear weapons also have such indiscriminate effects.\textsuperscript{738} However, ING only excludes nuclear weapon producers completely when they have a “clear focus on defence-related activities” or when they “are domiciled in countries that are not a party to the (...) NPT”.\textsuperscript{739} This means ING does not exclude nuclear weapon producers with headquarters in NPT member states if they are “primarily” engaged in civilian activities and guarantee the ING funds will not be used for nuclear weapon related activities.\textsuperscript{740}

The policy applies to ING’s corporate banking and the underwriting of share- and bond issuances, as well as to investments made on its own accounts and active ING fund management.\textsuperscript{741} However, the policy does not apply to funds managed by third-party asset managers or to clients in countries where ING claims it is legally prohibited to enforce the policy.\textsuperscript{742} For its own passively managed funds, ING does not offer index funds which contain over 5% of shares of nuclear weapon producers.\textsuperscript{743} Late 2018, ING joined an open letter calling on index providers to exclude controversial weapons from their mainstream indices, but this open letter did not include nuclear weapons from countries that have signed the NPT within its definition of controversial weapons.\textsuperscript{744}

ING’s exclusion list, which is based on research by Sustainalytics, is not publicly available.\textsuperscript{745} ING has investments in the nuclear weapon industry.\textsuperscript{746}
Intesa Sanpaolo is an Italian bank, the result of the merger of Banca Intesa and Sanpaolo IMI. The Italian company has a strong presence in Central-Eastern Europe and on the Mediterranean market. After the incorporation of UBI Banca in April 2021, the group offers its services to more than 20.7 million clients. As of 31 December 2022, Intesa Sanpaolo had total assets over €975 billion.

Intesa Sanpaolo’s “Rule governing transactions with subjects active in the armament sector” prohibits “any type of banking activity or financing related to the production and/or sale of weapons that are controversial and/ or banned by international treaties”, including nuclear weapons.

The policy covers commercial banking and investment banking. Intesa Sanpaolo also excludes nuclear weapon producers from all the active funds that it manages via its subsidiary asset management company Eurizon Asset Management. Eurizon applies SRI exclusions or restrictions with regards to issuers operating in sectors considered “not socially responsible”, such as companies with an evident, direct involvement in the manufacture of unconventional weapons (including nuclear weapons).

Exclusions are applied to all active management products, while in the case of Limited Tracking Error products (with the exception of those that specifically integrate ESG factors) and index-linked products, the maximum direct investment allowed is equal to the weight of the issuer in the reference benchmark.

Intesa Sanpaolo has investments in the nuclear weapon industry.

We commend Intesa Sanpaolo for adopting a public policy on nuclear weapons. We recommend Intesa Sanpaolo to apply its exclusion policy to companies as a whole, not just on the transaction level. Intesa Sanpaolo should also expand its policy to cover all types of nuclear weapons producing companies. It should furthermore apply its policy to all financial products including all asset classes and should end all existing financial relationships with nuclear weapon producing companies. We look forward to engaging with Intesa Sanpaolo, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

748 ibid.
749 Rules governing transactions with subjects active in the armaments sector, Intesa Sanpaolo (2021) Available at: https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documents/sustainability/CA%20Eng/la/Policy/Rules%20governing%20transactions%20with%20subjects%20active%20in%20the%20armaments%20sector.pdf
750 ibid.
J. Safra Sarasin Group is the fifth largest banking group in Switzerland. It maintains operations in more than 25 locations. At the end of 2022, the group held CHF 197.9 billion (€200.7 billion) assets under management.

The Controversial Weapons Guidelines prevent the Group from investing resources in companies that are active in the domain of controversial weapons, including nuclear weapons.

J. Safra Sarasin’s exclusion criteria are embedded in all its sustainable investment strategies.

J. Safra Sarasin does not publish an exclusion list.

J. Safra Sarasin has several investments in the nuclear weapon industry.

We commend J. Safra Sarasin for adopting a public policy on nuclear weapons. We recommend J. Safra Sarasin to apply its exclusion policy to all financial products and services and to divest from all identified nuclear weapons producers. We look forward to engaging with J. Safra Sarasin, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
KBC Group is a Belgian banking and insurance group. It concentrates on its core markets of Belgium, Czech Republic, Slovakia, Hungary and Bulgaria. KBC serves over 13 million clients worldwide and reported over €283 billion in assets at the end of 2022.

KBC’s “Group policy on arms-related activities” was one of the first in the world to explicitly mention the Treaty on the Prohibition of Nuclear Weapons when it was updated in 2018. The policy excludes all companies involved in the production or development of controversial (including nuclear) weapons from investment.

The KBC Group Sustainability Framework describes the scope of the controversial weapons policy and states “No KBC group entity can engage in business transactions with these companies.” The policy does not apply to transactions in financial instruments of blacklisted companies made on the initiative of the client, index-linked investment funds, and hedge funds or institutional mandates, although KBC Asset Management has joined other investors in calling for controversial weapons to be excluded as a default from mainstream indices.

In 2022 KBC strengthened its policy and cancelled the threshold exceptions related to third party funds.

KBC uses a publicly available exclusion list to implement its policy. As of February 2023, 166 companies were on the KBC blacklist for involvement in controversial weapons.

KBC has investments in nuclear weapon producing companies.

We commend KBC Group for adopting a public policy to exclude nuclear weapon producers. We commend KBC Group for strengthening its policy regarding third party funds. We recommend KBC Group to apply its exclusion policy to all investments, and to divest from all identified nuclear weapons producers. We look forward to engaging with KBC Group, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
Länsförsäkringar AB and its subsidiaries are owned by the 23 local and customer-owned regional insurance companies. Together, they form the Länsförsäkringar Alliance. Länsförsäkringar offers banking services, mutual funds as well as life and non-life insurance solutions. The Länsförsäkringar Alliance serves about 3.9 million clients. At the end of 2022, Länsförsäkringar held SEK 457.2 billion (€41.9 billion) in assets.

Länsförsäkringar excludes companies involved in the production of controversial weapons, which are defined as weapons that cause unnecessary suffering, excessive damage and that cannot discriminate between military and civilians. The policy is based on international conventions and includes biological and chemical weapons, cluster munitions, depleted uranium, landmines, white phosphorus and nuclear weapons. Regarding the latter, the policy states that Länsförsäkringar does not invest in companies that directly contravene the Non-Proliferation Treaty, or in companies mainly involved in the development, upgrade and manufacture of nuclear weapons or their key components and services that are tailored and essential for the use of nuclear weapons.

Länsförsäkringar has also taken note of the Treaty on the Prohibition of Nuclear Weapons. For loans and internally managed investments linked to its institutional portfolios as well as mutual funds, companies involved in controversial weapons are excluded. For externally managed assets, the policy applies to all new fund investments on behalf of institutional portfolios and mutual funds. For existing externally managed assets (in funds), Länsförsäkringar has a process in place to actively encourage managers to exclude producers and suppliers of key components and services to nuclear weapons and other controversial weapons if those holdings are identified.


We commend Länsförsäkringar for adopting a policy on nuclear weapons. We recommend Länsförsäkringar to extend the policy to cover all types of investments, including all assets managed externally. We look forward to engaging with Länsförsäkringar, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
Don’t Bank on the Bomb

Don’t Bank on the Bomb

Landesbank Baden-Württemberg (LBBW) is an institution under public law, owned by the Federal State of Baden-Württemberg, the Savings Bank Association of Baden-Württemberg and the City of Stuttgart. As of 31 December 2022, LBBW had total assets worth €324.2 billion.

The April 2023 Sustainability Practices at LBBW exclude all transactions relating to the production of nuclear weapons (or enrichment facilities). LBBW also excludes general corporate financing from companies generating 5% or more of their revenue from nuclear weapons. General corporate financing for companies that are involved in producing biological or chemical weapons is totally excluded. Specific project financing is wholly excluded for projects to produce key components or enrichment facilities for WMDs.

The policy is applied to all financing activities, but not to investment or asset management activities.

LBBW does not publish an exclusion list.

LBBW has investments in the nuclear weapon industry.

We commend LBBW for adopting a policy on nuclear weapons. We recommend that LBBW extend the policy to apply to whole companies, without a threshold, and to cover all types of investments, including all assets managed internally and externally. We further encourage LBBW to divest from nuclear weapons industry holdings. We look forward to engaging with LBBW, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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[784] Ibid.

[785] Ibid.

[786] LBBW written correspondence with ICAN dated 22 December 2021.

35. NatWest Group (formerly Royal Bank of Scotland) (United Kingdom)

NatWest Group provides a range of banking products and financial services to retail, private, and commercial clients. Ulster Bank (in the Northern Ireland) and Royal Bank of Scotland are also part of the group. At the end of 2022, NatWest Group reported £33.4 billion (€37.75 billion) assets under management and administration.

The Environmental, Social and Ethical Risk Acceptance Criteria for the Defence Sector of NatWest Group recognises “some weapon types can cause mass, indiscriminate and longlasting damage.” The policy excludes companies involved in the manufacture sale, trade, service or stockpiling of nuclear weapons outside of the UK, US or France. Companies that are “officially involved in and accredited to the national nuclear weapons programmes of only UK, US or France” are restricted, but financing is not prohibited. Companies involved in these programmes are evaluated every one or two years.

The policy covers lending and investment banking operations. Coutts, a subsidiary asset manager, takes a stronger approach for assets under management. Coutts will not invest in any company that is involved in controversial weapons and nuclear weapons and does not publish any geographic restrictions, though it does acknowledge not all third party-asset managers may apply the policy consistently.

NatWest has investments in the nuclear weapon industry.

We commend NatWest for adopting a public policy on nuclear weapons. We recommend NatWest exclude all companies involved in the production of nuclear weapons regardless of their location. Moreover, NatWest should be sure to apply its exclusion policy to all financial products including assets managed and should terminate existing investments in nuclear weapons associated companies currently in its portfolio. We look forward to engaging with NatWest, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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789 ibid.
792 ESG Related Exclusions Policy, Coutts (2022), pp. 5-6 and 11. Available at: esg-related-exclusions-policy.pdf (coutts.com).
The New Zealand Superannuation Fund was established to pay for the future cost of providing universal superannuation (pension) to New Zealanders.794 The Fund is managed by Guardians, who are appointed by the New Zealand government.795 As of June 2022, the Fund was worth NZ $55.7 billion (€33.9 billion).796

Since 2008, the New Zealand Superannuation Fund excludes all companies involved in the manufacture and testing of nuclear explosive devices. The Fund draws its definition of nuclear weapons from the New Zealand Nuclear Free Zone, Disarmament and Arms Control Act of 1987, and accordingly defines a nuclear explosive device as “any nuclear weapon or other explosive device capable of releasing nuclear energy, irrespective of the purpose for which it could be used, whether assembled, partly assembled, or unassembled, but does not include the means of transport or delivery of such a weapon or device if separable from and not an indivisible part of it”.797

On 10 June 2013, the New Zealand Superannuation Fund announced an extension of its exclusion policy to companies that are “involved in the operation or management of military bases where nuclear explosive devices are deployed, maintained, refitted, stored or developed”.798 New Zealand Superannuation Fund, however, does not exclude companies that are involved in the production of specifically designed nuclear weapons delivery systems.799

The exclusion policy applies to the portfolios that are managed exclusively for the New Zealand Superannuation Fund. The vast majority of its other funds are covered by the policy as well. However, the policy does not extend to some pooled hedge fund mandates that hold bonds or equities.800 NZSF “endeavours to apply its exclusions policy to Collective Investment Vehicles (CIVs)”.801 The potential for indirect exposure to excluded securities through CIVs is factored into the assessment and selection of access points. CIVs are evaluated on a case-by-case basis and ethical exclusions provisions are included in agreements, “to the extent this is feasible and commercially prudent”.

The NZSF uses an exclusion list to implement its policy. The list is based on information from screening agency MSCI.802 As of June 2022, it contained 38 companies for involvement with controversial weapons including nuclear explosive devices, cluster munitions, anti-personnel mines, and civilian automated and semi-automated firearms.803

The Fund was found to have investments in the nuclear weapons industry.

794 Purpose and mandate | New Zealand Superannuation Fund (no date). Available at: NZ Super Fund - Purpose and mandate (Last accessed: 24 April 2023).
795 Ibid.
801 New Zealand Superannuation Fund, written correspondence with PAX dated 22 May 2023.
NN Group is an international financial services company, headquartered in the Netherlands and active in 11 countries. As of the end of 2022, it showed €217.1 billion in total assets.

NN’s Responsible Investment Policy recognizes the “disproportionate and indiscriminate impact” of nuclear weapons. However, the policy only restricts companies involved in nuclear weapon activities when those companies are either: (i) domiciled in countries that are not a signatory to the NPT, or (ii) contribute to nuclear weapons programmes of non-NATO member states. However, for NN’s Proprietary Assets that are managed on a fully discretionary basis, there is a zero tolerance policy for companies involved in nuclear weapon production, regardless of country of domicile or nuclear weapon programme.

The exclusion applies to all financial instruments (e.g. equity, corporate bonds, loans) in proprietary portfolios managed by or on behalf of NN Group, except for index derivatives. The policy has additional requirements for NN’s assets on own account that are invested via fully discretionary mandates. These mandates represent a large majority of NN’s own assets. For these investments, the policy excludes all companies involved in nuclear weapons, regardless of their country of origin or of which country’s nuclear arsenal they are involved in.

For actively managed funds and passively managed funds (including index trackers) in which also other parties are invested, the policy does not apply. For these funds, NN Group “will consider the respective fund’s restrictions approach to ensure that, where possible and feasible, the approach resembles the intention and objectives of the NN Group RI Framework policy.”

NN makes use of an exclusion list to implement the policy based on research by Sustainalytics. As of May 2023, the list contained 34 companies for their involvement in controversial weapons and/or arms trade.

We commend NN Group for having a public policy on nuclear weapons. As a majority of countries adopted the Treaty on the Prohibition of Nuclear Weapons and find the continued possession of nuclear weapons by any country unacceptable, we recommend NN Group to strengthen the defence sector policy so it includes all nuclear weapon producers, regardless of country of origin. We also recommend NN group to apply its exclusion policy to all investments, including index derivatives and mutual funds. We look forward to engaging with NN Group so a strengthened policy may be included in a future update of this report.

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804 Who we are | NN Group (2023). Available at: NN Group - Who we are (nn-group.com).
807 Ibid.
809 Ibid, p. 10.
810 Ibid.
811 NN Group, written correspondence with PAX, dated 12 July 2023.
Nordea is the largest Nordic bank.\textsuperscript{813} It is active in corporate and institutional banking as well as in retail and private banking.\textsuperscript{814} At the end of December 2022, Nordea Asset Management held €358.9 billion assets under management.\textsuperscript{815} Companies involved in the production or development of nuclear weapons are excluded from investment and financing “given their indiscriminate effect on human populations”.\textsuperscript{816} However, Nordea does not exclude “companies involved in the maintenance of nuclear weapons provided that the total military revenue of the company does not exceed 5%.”\textsuperscript{817} Nordea may, also, conduct business with (not finance or invest in) a company that is a part of a group involved in nuclear weapons provided that such business is appropriately ringfenced and thus limited to a company not involved in nuclear weapons.\textsuperscript{818}

Nordea’s exclusion policy applies to all investment and financing activities, “with the exception of any holdings by such strategies in external funds and index derivatives and selected discretionary mandates on clients’ request”.\textsuperscript{819}

Nordea maintains an exclusion list based on the findings of data provider ISS-ESG.\textsuperscript{820}

As of March 2023, Nordea excluded 88 companies for involvement with controversial weapons.\textsuperscript{821}

\textsuperscript{813} Who we are | Nordea (2023). Available at: Who we are | Nordea.
\textsuperscript{814} Ibid.
\textsuperscript{817} Nordea Sector Guideline: The Defence Industry, Nordea. Available at: Nordea Sector Guideline - The Defence Industry.
\textsuperscript{818} Ibid.
\textsuperscript{820} Nordea, written response to PAX dated 13 August 2019.
\textsuperscript{821} Exclusion List, Nordea (2023). Available at: nordea-exclusion-list-2023-0.pdf.
Nykredit is a large Danish financial services provider focusing on commercial and mortgage banking.\(^{822}\) It is also active in insurance, leasing, pension and estate agency business. At the end of December 2022, the Nykredit Group held DKK406 billion (€54.6 billion) in assets under management.\(^{823}\)

Nykredit’s responsible investment policy states that companies involved in the production or distribution of controversial weapons are excluded.\(^ {824}\) This includes producers of “anti-personnel mines, cluster munitions, biological weapons, chemical weapons, depleted uranium and nuclear weapons outside the Nuclear Non-Proliferation Treaty.”\(^{825}\)

The exclusion policy applies to all corporate banking activities. It also applies to all types of assets managed internally and externally.\(^ {826}\)

Nykredit makes use of a publicly available exclusion list, which is based on research by ISS-Ethix and MSCI ESG Research.\(^ {827}\) As of July 2022, 37 companies were listed for involvement with controversial weapons production.\(^ {828}\)

Nykredit was found to have some investments in the nuclear weapons industry.

822 Together we are more | Nykredit (no date). Available at: About us (nykredit.com).
825 Ibid.
826 Ibid, p. 4.
827 Sparinvest written correspondence with Don’t Bank on the Bomb, dated 26 August 2021.
828 Excluded companies | Nykredit (2022). Available at: Excluded companies (nykredit.com).
Pensioenfonds APF (the Netherlands)

Don’t Bank on the Bomb

Pensioenfonds APF is a Dutch pension fund for employees of AkzoNobel and Nouryon. It serves over 30,000 clients and at the end of 2022, APF managed approximately €5.3 billion in invested assets.

Pensioenfonds APF excludes companies involved in the development, testing, production, maintenance, selling or distribution of nuclear weapons.

The exclusion policy applies to all investments made by the pension fund’s external asset manager, including direct investments in European, U.S. and Japanese assets. Pensioenfonds APF also invests in several Emerging Markets Funds, for which nuclear weapons are not an exclusion criterion. Pensioenfonds APF’s exclusion policy regarding nuclear weapons applies to approximately 93% of its investment portfolio.

APF uses an exclusion list based on the findings of external research organisation ISS-Ethix. As of March 2023, it contained 45 controversial weapons companies.

We commend Pensioenfonds APF for adopting a public policy on nuclear weapons. We recommend Pensioenfonds APF to apply the policy to all of its financial products including investments in Emerging Markets Funds. We look forward to engaging with Pensioenfonds APF, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.

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831 Ibid, p. 32; Pensioenfonds APF written response to Profundo dated 7 July 2014.
Pensioenfonds Zorg en Welzijn (PfZW) is a pension fund for the Dutch healthcare and social sector. It has more than 2 million participants. By the end of 2022, PfZW had €216.5 billion invested capital. PGGM is the dedicated asset manager for PfZW.

PfZW has its own exclusion policy, executed by PGGM. PfZW’s responsible investment policy excludes companies which are involved in the production of and/or trade in weapons which could be used to breach fundamental human rights, notably controversial weapons. The policy covers nuclear weapons, chemical weapons, biological weapons, anti-personnel landmines, cluster bombs and munitions with depleted uranium. Nuclear weapons are defined as “any device which can discharge nuclear energy in an uncontrolled way and which has a number of characteristics making it suitable for use as a weapon”, in line with the UN Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean.

PfZW also excludes specifically designed delivery systems. Companies are also excluded if they have a de facto or practical controlling interest in a subsidiary or joint venture which is substantially involved in the production of or trading in these weapons. Finally, companies that provide services for the maintenance and development of nuclear weapons are also excluded.

PfZW’s asset manager PGGM’s exclusion policy applies to all asset management activities, regardless of whether they are managed internally or by external asset managers.

PfZW maintains an exclusion list that is available online. The companies listed for involvement with controversial weapons are based on research by Sustainalytics. As of 1 February 2023, 29 companies are excluded for involvement with weapons.

PfZW has some investments in the nuclear weapon industry. We commend Pensioenfonds Zorg & Welzijn for having in place a policy on nuclear weapons. PfZW has been moved from the Hall of Fame to the Runners Up section due to findings of investments in L3 Harris Technologies. The decision by PfZW to allow investments in L3Harris was based on findings from its info provider that this company does not provide components or services that are “specifically designed or essential for the use of nuclear weapons”. L3 Harris, however, features in the 2022 Don’t Bank on the Bomb Report “Risky Returns” as one of the companies heavily involved in the nuclear weapon industry. We look forward to engaging with PfZW, so that it may be listed again in the Hall of Fame in a future update of this report.

834 About us | Pensioenfonds Zorg & Welzijn (no date). Available at: About PFZW (last accessed: 13 April 2023).
837 PfZW, written correspondence with PAX, dated 11 May 2023.
838 PfZW, Written response to PAX dated 23 April 2014.
839 In deze bedrijven beleggen we niet | Pensioenfonds Zorg & Welzijn (no date). Available at: Uitsluiting bedrijven - Over PFZW | PFZW (last accessed: 13 April 2023).
840 Ibid.
841 PfZW, written response to PAX dated April 23, 2015.
842 PfZW, written correspondence with PAX, dated 11 May 2023.
843 Ibid.
845 Lijst van bedrijven uit productgroepen waarin we niet beleggen | Pensioenfonds Zorg & Welzijn (no date). Available at: Uitsluiting bedrijven - Over PFZW | PFZW (last accessed: 13 April 2023).
847 Ibid.
848 This concerns investment in L3 Harris Technologies. See Overzicht aandelen | Pensioenfonds Zorg & Welzijn (2023). Available at: Overzicht aandelen - Over PFZW | PFZW.
PGGM is a Dutch pension administrator that provides services in pension administration, communication, board advisement and asset management. As of the end of 2022, it had approximately €227.8 billion assets under management.

PGGM’s “Responsible Investment Implementation Framework” states that “PGGM excludes companies from investment if they are involved in the production of and/or trading in weapons whose use leads to a violation of fundamental human rights”, including nuclear weapons.

PGGM considers proportionality in deciding what weapons to exclude, and “whether the weapon primarily causes military damage and/or casualties or primarily affects the civilian population.” Companies are also excluded “if they have a de facto or practical controlling interest in a subsidiary or joint venture which is substantially involved in the production of or trading in these weapons.” Finally, companies that provide services for the maintenance and development of nuclear weapons are also excluded.

PGGM takes its definition of nuclear weapons from the Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean.

PGGM’s exclusion policy applies to all asset management categories, including those managed by external asset managers.

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849 About PGGM | PGGM (no date). Available at: PGGM is a not-for-profit cooperative pension fund service provider | PGGM (Last accessed: 13 April 2023).
852 Ibid.
853 Ibid, p. 22.
854 Ibid.
855 Ibid, p. 23.
856 Ibid, p. 21.
857 PGGM, written response to PAX, 8 December 2017.
858 Exclusion list companies, PGGM (2023). Available at: pggm-uitsluitingelijst-uk.pdf.

We commend PGGM for having in place a policy on nuclear weapons. PGGM has been moved from the Hall of Fame to the Runners Up section due to findings of investments in L3 Harris Technologies. The decision by PGGM to allow investments in L3Harris was based on findings from its info provider that this company does not provide components or services that are “specifically designed or essential for the use of nuclear weapons”. L3 Harris, however, features in the 2022 Don’t Bank on the Bomb Report “Risky Returns” as one of the companies heavily involved in the nuclear weapon industry. We look forward to engaging with PGGM so that it may be listed again in the Hall of Fame in a future update of this report.

PGGM makes use of a publicly available exclusion list to implement its policy, based on research by MSCI and Sustainalytics. As of February 2023, 27 companies were excluded because of involvement in the production of controversial weapons.

PGGM has some investments in the nuclear weapon industry.
Philips Pension Fund is a Dutch mandatory corporate retirement plan. It offers pension services to employees of Koninklijke Philips N.V. and Signify in the Netherlands. As of the end of 2022, the fund held €17.4 billion in net assets.

Philips Pension Fund’s exclusion policy states that the pension fund does not wish to invest in companies that are involved in the manufacture of controversial weapons. It includes five types of weapons in this category: anti-personnel mines, biological weapons, chemical weapons, cluster munitions and nuclear weapons. It also excludes companies that are in any other way involved in delivery systems specifically designed for nuclear weapons.

Philips Pension Fund’s exclusion policy applies to all asset management activities.

Annually, the Fund draws up a list of excluded companies. The list is based on information from different external research organizations and as of June 2022 excluded 110 companies for their involvement in controversial weapons.

Philips Pension Fund has some investments in the nuclear weapon industry.

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860 Ibid.
862 Responsible choices | Philips pension Fund (2022). Available at: Responsible choices | Philips Pensioenfonds.
863 Ibid.
Pictet is a service company offering wealth management, asset management and related services. Pictet does not engage in investment banking or commercial lending. At the end of December 2022, Pictet had CHF 608 billion (€616.5 billion) assets under management or custody.

Pictet applies its controversial weapons exclusion policy preventing investment in companies involved in certain weapons as these "weapons may cause indiscriminate or disproportionate harm and their use is banned or restricted under international conventions." The policy specifically recognizes treaties on cluster munitions, anti-personnel landmines, biological, chemical and nuclear weapons (the nuclear Non-Proliferation Treaty).

The policy is applied to actively managed assets. Recognising the limitations for the group policy implementation, Pictet worked with Swiss Sustainable Finance to campaign for the removal of controversial weapon manufacturers from mainstream indices and benchmarks.

Pictet was found to have investments in some nuclear weapon producing companies.

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868 Ibid.
869 Ibid.
870 Responsible Investing | Pictet (2023). Available at: Responsible investing: our approach and solutions | Pictet
871 Ibid.
872 Ibid.
873 Ibid.
PKA is managing four Danish pension funds with a total of 335,000 members in the social services and health care sector. At the end of 2022, PKA held €53.7 million assets under management.

PKA does not invest in companies that produce weapons that contravene the UN Convention on Certain Conventional Weapons, Chemical Weapons Convention, Biological Weapons Convention, Convention on Cluster Munitions (the Oslo Convention), Convention on the Prohibition of Anti-Personnel Mines (the Ottawa Convention) and the Treaty on the Non-Proliferation of Nuclear Weapons. PKA’s responsible investment policy excludes all nuclear weapon producers, including those contributing to the nuclear arsenals of countries recognized as nuclear weapon states under the NPT.

The exclusion also applies to subcontractors who supply components, provide services or development specifically developed to achieve the final product.

The exclusion policy applies to all asset management activities, managed both internally and externally. However, there are some exceptions for financial investments based on an equity index, as well as synthetic credit.

PKA’s exclusion list is based on research by MSCI, Sustainalytics and EOS at Federated Hermes. As of May 2023, 51 listed companies and 62 unlisted companies were excluded for involvement with controversial weapons.

We commend PKA for adopting a public policy on nuclear weapons. We recommend that PKA apply the policy to all of its financial products including investments based on an equity index. We look forward to engaging with PKA, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
Resona Group is a Japanese financial services group with over 16 million individual customers and 500,000 corporate customers. At the end of March 2022, Resona held ¥78,155 billion (€602.9 billion) in total assets.

In its “Initiatives for Socially Responsible Investing and Lending”, Resona states it “will not lend to prospective clients involved in the development, manufacture or possession of weapons of mass destruction, such as nuclear weapons, chemical weapons and biological weapons, and / or inhumane weapons such as landmines and cluster bombs”. The policy also applies to companies involved in the testing, trade and stockpiling of nuclear weapons. With respect to companies involved in the maintenance of nuclear weapons, Resona states that “[i]n principle, the project is eligible for exclusion, but [it] will be judged on a case-by-case basis with respect to the minimum maintenance required for the reduction or elimination of nuclear weapons”.

The policy applies to all corporate credits and project finance offered by Resona Group as well as its actively managed funds, but is not applicable to investments made on behalf of third parties, discretionary mandates and passively managed funds, as well as those actively managed funds managed by external asset managers.

Resona Group does not make use of an exclusion list.

Resona Group has investments in the nuclear weapons industry.

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884 Ibid, p. 86.
886 Resona Group, written correspondence with PAX, dated 21 April 2023.
887 Ibid.
888 Ibid.
889 Ibid.
The Royal Bank of Canada (RBC) provides personal and commercial banking, wealth management, insurance, investor services and capital markets products and services around the globe.890 The bank serves more than 17 million personal, business, public sector and institutional clients in 29 countries.891 As of the end of October 2022, RBC held CAD 999.7 billion (€752 billion) in assets under management.892

RBC does not provide financial services to companies manufacturing or trading in equipment or material for nuclear weapons.893 Companies involved in nuclear weapon maintenance and modernisation are not excluded.894

The policy applies to corporate credit granting and project finance895 RBC also terminates existing loan contracts with nuclear weapon producers on a case-by-case basis896. However, the policy does not cover RBC's asset management activities.897

RBC does not make use of an exclusion list.898

RBC has investments in the nuclear weapon industry.899

890 Our Businesses | Royal Bank of Canada (2023). Available at: how we serve clients - RBC.
891 Our Company | Royal Bank of Canada (2023). Available at: Our Company - RBC.
896 Ibid.
The Schweizerische Nationalbank (Swiss National bank -SNB) is the central bank of Switzerland and responsible for the country’s monetary policy. It has two head offices in Switzerland and a branch office in Singapore. As at the end of December 2022, the SNB held CHF 881.4 billion in total assets (€893.7 billion).

The SNB “does not invest in shares and bonds of companies whose products or productions processes grossly violate values that are broadly accepted at a societal level”. As such, it does not purchase securities issued by companies involved in the production of internationally condemned weapons, including biological and chemical weapons, cluster munitions and anti-personnel mines. With respect to nuclear weapons, however, only companies involved in their production for countries that are not among the five nuclear weapon states recognized under the Non-Proliferation Treaty are excluded from investment.

The policy applies to all SNB’s investments, including those managed by external asset managers. SNB makes use of an exclusion list but it is not publicly available.

SNB has investments in the nuclear weapons industry.

We commend SNB for adopting a public policy on nuclear weapons. We recommend that SNB apply its policy to all companies involved in nuclear weapon associated activities, and regardless of their country of origin. SNB should also divest from all holdings associated with the nuclear weapon industry. We look forward to engaging with SNB, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
Skandinaviska Enskilda Banken (SEB) is a Swedish corporate and investment bank operating in the Nordic countries, serving large global corporations and financial institutions with corporate banking, trading and capital markets and global transaction services. At the end of 2022, SEB reported SEK 3,533 billion (€324 billion) in assets.

SEB Investment Management AB (SEB IM)'s sustainability policy excludes “[c]ompanies that contribute to the development of nuclear weapon programmes, or the production of nuclear weapons” from investment. The policy also covers delivery systems, dedicated launch platforms and/or key components for these systems, and could include training software and other vital support services. Corporate involvement includes, but is not limited to, development, production, use, maintenance, sales, distribution, import, export, storage and transportation.

The exclusion policy applies to all funds managed by SEB IM, except for discretionary mandates. Regarding external funds, deviations concerning exclusion may occur, but must be followed up and explained by the fund.

SEB Investment Management AB is not covered by SEB’s Arms and Defence Sector Policy, which “shall be implemented in all parts of the SEB Group” and states that SEB avoids business relationships with companies “involved in the development, testing, production, manufacturing, acquisition, possession or stockpiling of nuclear weapons”. However, an exemption can be made for companies with a legacy business relationship with SEB and “when [t]he financing is ring fenced, or with a structure having similar effect, through adequate written legal provisions in the relevant financing contract so that the financed company represents that only non-nuclear activities of the Company are financed”. In describing prohibited activities, the policy refers to the Treaty on the Prohibition of Nuclear Weapons (TPNW).

SEB IM’s exclusion list is based on the findings of data provider ISS-ESG. As of July 2021, the exclusion list is no longer public due to its length but is available upon request.

SEB has several investments in the nuclear weapon industry.

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908 Our customers | SEB (no date). Available at: [SEB customers | SEB (sebgroup.com)] (Last accessed: 25 April 2023).
909 Annual and Sustainability Report 2022, SEB (2023), p. 74. Available at: [SEB Annual and Sustainability Report 2022 (sebgroup.com)]
911 SEB, written correspondence with PAX, dated 12 May 2023.
912 Ibid.
913 SEB Investment Management: Sustainability Policy 2023, SEB (2023), 4. Available at: [IM_Sustainability_policy_2023_eng.pdf (sebgroup.com)]. SEB, Correspondence with PAX dated 8 May 2015; SEB Correspondence with Don’t Bank on the Bomb, July 2021.
914 Sector Policy on Arms and Defence for the SEB Group, SEB (2023), p. 4. Available at: As a large corporate bank and asset manager SEB have significant indirect impact and recognise our responsibility to contribute (sebgroup.com).
915 Ibid.
917 Ibid.
918 Ibid.
919 SEB, Correspondence with PAX, dated 8 May 2015; SEB Correspondence with Don’t Bank on the Bomb, July 2021.
Standard Chartered is a British banking group offering a wide range of products and services for personal and business clients. Standard Chartered operates in 59 countries. At the end of 2022, Standard Chartered held USD 819.9 billion in total assets.

When considering providing financial services to power generation industries, Standard Chartered indicates that it will only provide financial services to clients that:

- Demonstrate that their operations do not contribute to the manufacture or distribution of nuclear weapons, and that they have a long-term commitment to the use of nuclear technology and equipment for a peaceful purpose.
- Have nuclear operations in locations where the host country is a signatory to the Treaty for Non-Proliferation of Nuclear Weapons, or has in place appropriate IAEA Safeguard Agreements; and where the country of origin of the materials, equipment and technology is a member of the Nuclear Supplier Group Guidelines.

Standard Chartered defines a defence company as one whose primary business interest is manufacturing, selling, brokering or supplying defence goods or services. A 20% threshold on annual turnover derived from defence activities is used to categorise companies with a defence nexus into primary defence companies and minor defence companies. All companies categorized as defence companies require approval by internal committee to ensure there are strong controls in place to prevent involvement in any prohibited good. Standard Chartered welcomes the entry into force of the Treaty on the Prohibition of Nuclear Weapons. The exclusion policy applies to all Standard Chartered’s financial products.

Standard Chartered does not make use of an exclusion list for its responsible investment screening.

Standard Chartered has investments in companies involved in the nuclear weapon industry. We commend Standard Chartered for adopting a public policy on nuclear weapons. We recommend that Standard Chartered apply its policy to all nuclear weapons producing companies as a whole, including those involved in joint ventures, and regardless of any thresholds. We encourage Standard Chartered to disinvest from nuclear weapon producing companies in its portfolio. We look forward to engaging with Standard Chartered, so a strong and comprehensively applied policy may be listed in the Hall of Fame in a future update of this report.
Swedbank is a Swedish financial institution serving 7 million private customers and about 554,000 corporate customers. In addition to its home markets in Sweden, Estonia, Latvia and Lithuania, Swedbank also has offices in China, Denmark, Finland, Norway, South Africa and the USA.932 As of the end 2022, Swedbank held SEK 2,854 billion (€261 billion) in total assets.933

Swedbank’s Position Statement on Defence Equipment defines nuclear weapons as illegal weapons and classifies them in its policy as ‘controversial weapons’ along with anti-personnel mines, cluster bombs, chemical weapons, biological weapons. “Swedbank has zero tolerance for, and does not provide financial services to companies and their holding companies that produce, maintain or trade in controversial weapons.”934

Swedbank may terminate existing financial services if they learn that a company has value chain connections to nuclear weapons.935 Exclusions apply to Swedbank Group’s own products and services, but not third-party funds or funds available through Swedbank’s platforms or channels.936

Swedbank uses an exclusion list based on multiple researchers to implement the policy. As of September 2020, it contained 64 companies for involvement with controversial weapons.937

Swedbank has investments in companies involved in the nuclear weapon industry.938

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935 Ibid
936 Ibid
937 Exclusions List Swedbank, Swedbank (2020) Available at: https://online.swedbank.se/ConditionsEarchive/download?bankid=111&id=WEBDOC-PPE1341984
The Tredje AP-Fonden, or AP3, is one of five buffer funds included in the Swedish pension system. At the end of 2022, AP3 held SEK 468.4 billion (€43 billion) in fund capital.\textsuperscript{939} AP3 works together with AP1, 2 and 4 with the Council on Ethics on environmental and ethical issues. The Council on Ethics makes recommendations for companies to be excluded from the investment universe of the AP funds. The Council recommendations are based on international conventions that Sweden has signed, including the Non-Proliferation Treaty. Following the interpretation of the NPT by the Council on Ethics, AP3 only excludes investments in companies producing nuclear weapons for states that are not signatories to the Non-Proliferation Treaty.\textsuperscript{940} In 2019, new legislation took effect that raises the sustainability standard for the funds. It requires the AP funds to “manage their assets in an exemplary way through responsible investments and responsible ownership”. AP1, 2 and 4 have since decided to exclude all producers of nuclear weapons, regardless of their country of origin, because “the current upgrades and modernizations of nuclear weapons systems are not aligned with the intention of long-term disarmament as expressed in the Non-Proliferation Treaty”\textsuperscript{941}. However, AP3 has not expanded the scope of its exclusion policy.\textsuperscript{942}

Its exclusion policy applies to all assets managed by AP3. External asset managers are also required to comply with the policy.\textsuperscript{943}

\textsuperscript{941} AP4 increases sustainability ambitions – divests from nuclear weapons and sand oil | AP4 website (16 January 2019) Available at: https://www.ap4.se/en/2019/1/ap4-increases-sustainability-ambitions-divests-from-nuclear-weapons-and-oil-sand (Last accessed 26 April 2023)
\textsuperscript{942} AP3 makes its exclusion list public, and as of April 5, 2022, 20 companies are on the list.\textsuperscript{944}

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UniCredit is an Italian banking group that provides corporate, investment and private banking services. It serves clients in 15 million customers worldwide.\footnote{About us | UniCredit website (no date). Available at: https://www.unicreditgroup.eu/en/unicredit-at-a-glance.html?intcid=INT-IG_CTA0019 (Last accessed 26 April 2023)} As of the end of 2022, UniCredit held over €857 billion total assets.\footnote{Annual Report 2022, UniCredit (2023), p.128. Available at: https://www.unicreditgroup.eu/content/dam/unicreditgroup-eu/documents/en/investors/financial-reports/2022/4Q22/2022-Annual-Reports-and-Accounts.pdf} UniCredit's Defence Sector Policy states that “UniCredit Group does not provide any support for activities/projects directly connected with Nuclear or Controversial weapons, their key components, or their key infrastructures and key services, regardless of the fact that the customer is a Defence-related subject or not”.\footnote{UniCredit Position Statement on Defense/Weapons Industry, UniCredit (no date), p. 3. Available at https://www.unicreditgroup.eu/content/dam/unicreditgroup/documents/en/sustainability/our-vision-of-a-sustainable-bank/governance-and-sustainability/UniCredit_Position_Statement_On_Defence_English_new.pdf (Last accessed 26 April 2023)} UniCredit also excludes as a whole companies directly involved in nuclear or controversial weapons, their key components, key infrastructures and key services.\footnote{Ibid.} An exception is made, however, for financial services to or investments in companies “whose nuclear activity is limited to the management of the national nuclear arsenal of democratic Countries”\footnote{Based on the publicly available Democracy Index annually produced by the Economist Intelligence Unit.} whose nuclear activities started before the signature of the Non-Proliferation Nuclear Treaty and whose activity is fully compliant with the Treaty itself”.\footnote{Ibid.} Here, “UniCredit Group is available to evaluate and to maintain the relationship”\footnote{UniCredit, correspondence with PAX, dated 23 May 2023.} as long as the financial support is not provided for activities directly connected with nuclear weapons.\footnote{UniCredit, correspondence with PAX, dated 23 May 2023.} UniCredit considers delivery systems (including missiles) and infrastructure (including launch platforms) specifically designed for nuclear weapons to fall under the nuclear weapons category.\footnote{UniCredit, written response to Profundo dated 28 May 2014.} Nuclear submarines are also covered by the policy.\footnote{UniCredit, written correspondence with PAX, dated 19 June 2023.} UniCredit's nuclear weapons policy applies to its commercial banking and investment banking activities.\footnote{UniCredit Position Statement on Defense/Weapons Industry, UniCredit (no date), p. 7. Available at https://www.unicreditgroup.eu/content/dam/unicreditgroup/documents/en/sustainability/our-vision-of-a-sustainable-bank/governance-and-sustainability/UniCredit_Position_Statement_On_Defence_English_new.pdf (Last accessed 26 April 2023)} For asset management, the policy only strictly applies to investments made on its own account.\footnote{UniCredit, correspondence with PAX, dated 23 May 2023.} The policy does not apply to passively managed funds.\footnote{Ibid.} For investments made through an InfoProvider, a threshold applies of >5%.\footnote{Ibid.} UniCredit makes use of an exclusion list, but the list is not publicly available.\footnote{Ibid.} The list is based on information from specialist advisory firms and tools such as ISS ESG and RepRisk.\footnote{UniCredit, correspondence with PAX, dated 19 June 2023.} UniCredit has investments in companies involved in the nuclear weapons industry.\footnote{PAX & ICAN (2022) ‘Risky Returns: Nuclear weapon producers and their financiers’, pp. 82-83. Available at: PAX_Report_DBotB_Risky-Returns_RNAWeb_spread.pdf (dontbankonthebomb.com)}
Van Lanschot Kempen is the oldest independent financial institution in the Netherlands. It is a specialist, independent wealth manager. It is active in the United States, the United Kingdom, the Netherlands, Belgium, Luxembourg and Switzerland. At the end of 2022, Van Lanschot Kempen held €107.8 billion in assets under management.

Van Lanschot Kempen directly excludes companies from its investible universe when they produce biological, chemical, nuclear, anti-personnel landmines and cluster munitions, or if “effects of the weapons are disproportional and there is a lack of distinguishing between military and civil targets.” Companies with direct involvement in nuclear weapon production are excluded. Direct involvement is established if the company is involved in the production and/or storage of fissile materials used in/for nuclear weapons. It includes companies with contracts to operate/manage facilities involved in the manufacture of fissile materials for nuclear weapons. This ‘nuclear fissile material production’ demonstrates that the company involved has a direct link with the actual nuclear weapon. In its responsible lending policy, Van Lanschot Kempen excludes “organisations or individuals involved in developing, manufacturing, testing, storing and/or maintaining such weapons and munitions. It considers anti-personnel landmines, cluster bombs, nuclear, biological and chemical weapons to be controversial weapons.”

Not all funds controlled by external asset managers on behalf of Van Lanschot are covered by the nuclear weapons policy. However, the bank explains to its clients whether the investments managed by external asset managers comply with its policy and leaves the decision to divest with the client.

Kempen & Co, Van Lanschot Kempen’s asset manager and subsidiary, maintains a public exclusion list on its website. As of the first quarter of 2023, it listed 11 companies for involvement with nuclear weapons, and more companies for involvement with other controversial weapons.
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