



# Impact Dashboard

## W H I T E P A P E R

### Introduction

Always on the leading edge of innovation, we are excited to introduce the Impact Dashboard, designed to help you evaluate and invest in companies whose business principles align with your personal values. It's free to all clients, and sets a new standard for tools that support socially responsible and impact investing.

### The Data

The Socially Responsible Investing (SRI) data behind the Impact Dashboard comes from top-tier, third-party providers Refinitiv and Truvalue Labs, who collect unstructured data and compute scores within common frameworks, including ESG<sup>1</sup> and SASB<sup>2</sup> among others. Offering reliability, broad global coverage and transparency, these providers calculate scores using thousands of company and non-company resources including annual reports, regulatory filings, trade blogs, industry publications and social media.

Our proprietary dashboard technology overlays the SRI data, your value preferences, and your portfolio holdings to provide you with a single, Portfolio Impact Score letter grade.

### How it Works

The Impact Dashboard allows you to personalize your responsible investing experience by selecting the values you want companies to support and the practices you want companies to avoid. Once you have clarified what's important to you, the dashboard grades your portfolio and shows how positions are either helping or hurting your portfolio grade. It also "red flags" companies that engage in the practices you want to avoid. Armed with this knowledge, you can now choose whether to adjust your holdings to improve your portfolio grade.

---

<sup>1</sup> Source: Refinitiv ESG Data, <https://www.refinitiv.com/en/financial-data/company-data/esg-data>

<sup>2</sup> Source: SASB, <https://www.sasb.org/>



# Impact Dashboard

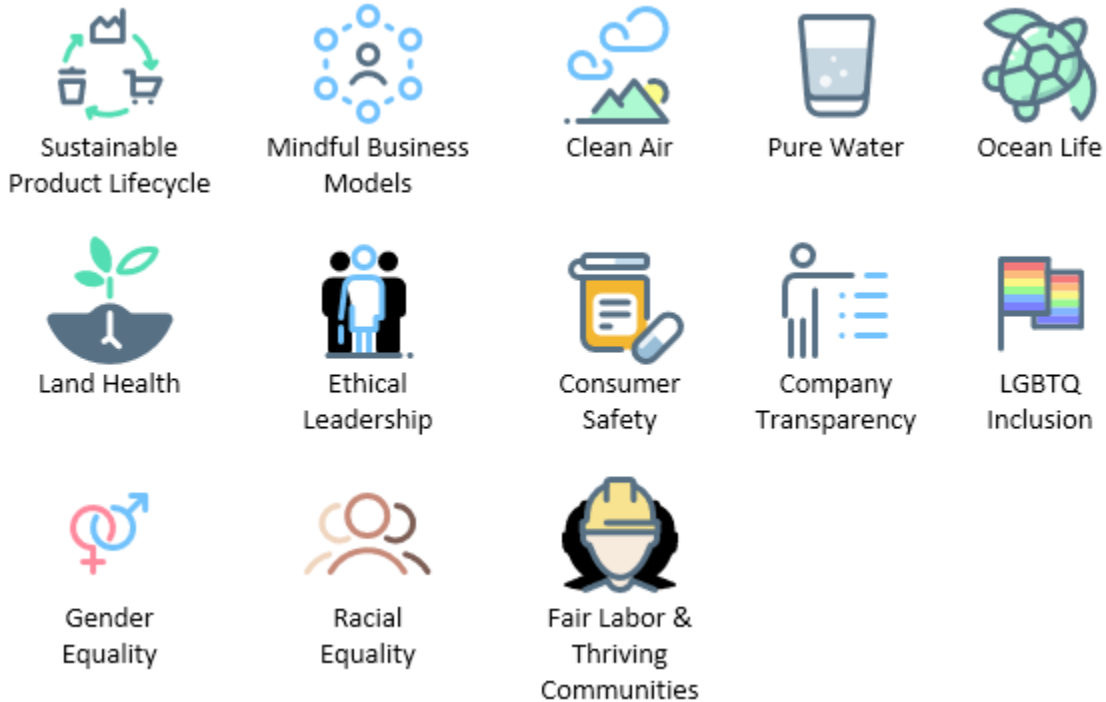
## WHITEPAPER

We also offer tools that can help you find assets offered by companies whose values are better aligned with yours:

- The **Impact Effect** column is available to add to your Watchlists and other tools. The green “thumbs up” will identify potential investments that could improve your Portfolio Impact Score.
- The **Impact Tab** in Fundamentals Explorer lets you see the effects of buying or selling a product short, and shows you whether the product aligns with your stated ESG values.

### Define your Principles

Start by choosing from a list of 13 Impact Values. You can tag a value as “Important” or “Very Important”. Make your selections carefully, as they are used in the Portfolio Impact Score calculation and selecting too many will weaken their impact. We believe these values represent the top 13 most significant universal principles in business conduct.



Find out more about each principle in [Appendix A](#).



# Impact Dashboard

## WHITEPAPER

### Identify Practices to Avoid

Next choose the practice you want to avoid. These are not included in the portfolio score calculation, so you can select as many as you want. Instead we “red flag” all companies that engage in the practices you select. The small number in the red circle tells you how many companies in your portfolio engage in that practice.



Find out more about each practice in [Appendix B](#).

### See your Portfolio Grade

Once you have selected the values you support and the practices you oppose, the tool analyzes and grades your portfolio. The chart on the left shows your overall Portfolio Score. Hold your mouse over slices around the outside to see the weight of companies in the green (Helping), red (Hurting) and yellow (Neutral) categories.

Directly under the doughnut chart we show you what percent of your portfolio has impact data. This is a weighted calculation based on the contribution of holdings to the total portfolio. For example, if you have a \$1000 portfolio with 10 positions, and only two of the 10 have impact data but those two are worth \$900, that means that 90% of your holdings have impact data.



# Impact Dashboard

## WHITEPAPER

### Values You Support



To the right of the doughnut chart we show the **Values You Support** and their individual letter grade. In the image above you can see that Gender Equality was tagged as **Important**, and received a grade of “A.” This means that value is well-supported among companies in your portfolio. Ocean Life was tagged as **Very Important**, but this value got a grade of “B.” Since it’s tagged as Very Important, it carries more weight in the calculation. This explains why, even if the same number of companies support Ocean Life as support Gender Equality, Ocean Life only receives a “B.” See the next image where we modified the importance of these values and got different grades as a result.



# Impact Dashboard

## WHITEPAPER



Click a value like “Gender Equality” to see more detail, such as how each individual company scored on the specific value. The image below shows the detail for the Gender Equality value tagged as Very Important.



# Impact Dashboard


## WHITEPAPER

IMPACT DASHBOARD DU1800

[Back](#)

### Gender Equality Very Important

This value points to the importance of diversity and inclusion in the workplace similar to the LGBTQ Inclusion and Racial Equality values. Specifically, Gender Equality centers on a company's ability to achieve gender parity by encouraging equal pay, active recruiting, and promotion of women. This can also include an embracing culture with tailored benefit packages and mentorship programs.



#### Your Portfolio scored a **C** for Gender Equality

Based on Your Preferences

**87.8%** of your total portfolio has data for this value

#### Positions

How your positions scored for Gender Equality

##### Long Positions

INSTRUMENT	EFFECT	MKT VALUE	INDUSTRY	ANALYST RATING
<b>NVDA</b> NVIDIA Corporation	Helping	3,645,530.36 USD 4.15%	Semiconductors - NEC	Buy
<b>MSFT</b> Microsoft Corporation	Helping	2,225,788.73 USD 2.559%	Software - NEC	Buy
<b>IBM</b> International Business Machines Corp.	Helping	415,579.28 USD 0.478%	IT Services & Consulting - NEC	Hold
<b>TYL</b> Tyler Technologies, Inc.	Helping	12,614.49 USD 0.015%	Software - NEC	Buy
<b>DOW</b> Dow Inc.	Neutral	393.57 USD 0%	Plastics	Hold
<b>UIS</b> Unisys Corporation	Neutral	59.48 USD 0%	IT Services & Consulting - NEC	Hold
<b>GOOG</b> Alphabet Inc.	Hurting	11,616,977.07 USD 13.54%	Search Engines	Buy
<b>TSLA</b> Tesla Inc.	Hurting	7,631,191.48 USD 8.772%	Electrical (Alternative) Vehicles	Hold
<b>AAPL</b> Apple Inc.	Hurting	3,853,011.11 USD 4.429%	Phones & Smart Phones	Buy
<b>FB</b> Facebook Inc.	Hurting	1,885,634.91 USD 2.168%	Social Media & Networking	Buy
<b>HELE</b> Helen of Troy Limited	Hurting	583,769.03 USD 0.671%	Appliances, Tools & Housewares - NEC	Buy
<b>ISRG</b> Intuitive Surgical, Inc.	Hurting	441,864.04 USD 0.505%	Advanced Medical Equipment & Technology - NEC	Buy
<b>SMG</b> Scotts Miracle-Gro Co	Hurting	347,769.4 USD 0.4%	Agricultural Chemicals - NEC	Buy
<b>COST</b> Costco Wholesale Corporation	Hurting	339,229.36 USD 0.39%	Discount Stores - NEC	Buy

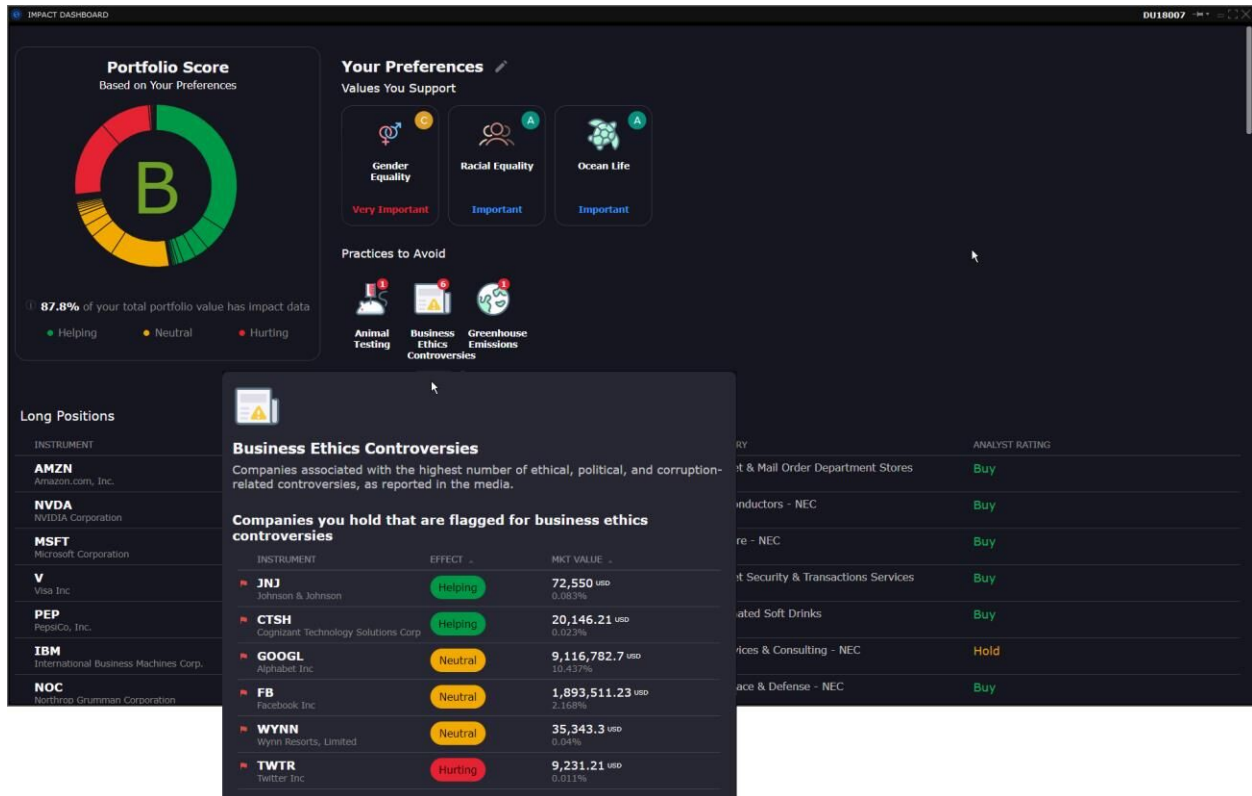


# Impact Dashboard

## WHITEPAPER

### Practices to Avoid

Below the **Values You Support** we list the **Practices to Avoid** and use small numbers in the top right corner of each to show how many companies in your portfolio engage in these practices. Click a practice to see which of your portfolio companies have been flagged.



All the positions in your portfolio are listed below the chart, and show their effect - Helping, Neutral, or Hurting - on your portfolio impact score.



# Impact Dashboard

## WHITEPAPER

91 out of 159 (94.3%) of your holdings have impact data

● Helping ● Neutral ● Hurting

Hazardous Waste Fossil Fuels Greenhouse Emissions Animal Testing

### Long Positions

INSTRUMENT	EFFECT	MKT VALUE	INDUSTRY	ANALYST RATING
<b>AMZN</b> Amazon.com, Inc.	Helping	138,905,625 USD 74.943%	Internet & Mail Order Department Sto	Buy
<b>NVDA</b> NVIDIA Corporation	Helping	923,950 USD 0.498%	Semiconductors - NEC	Buy
<b>IBM</b> International Business Machines Corp.	Helping	399,810.2 USD 0.216%	IT Services & Consulting - NEC	Hold

Dive deeper by selecting a position. We'll show you if a company is aligned with your ESG values, and red flag the company if it is not. Toggle the **If You Buy** and **If You Sell Short** tabs to see how buying or short selling this company could affect your Portfolio Impact Score.

### AMZN

Amazon.com, Inc.

Fundamentals

✓ **AMZN aligns with your ESG values**

If You Buy... If You Sell Short...

#### Effect of a long AMZN position

 Your overall impact would <b>improve</b> .	 Clean Air Helping	 Gender Equality Helping
 Racial Equality Neutral		

Close

### AMZN

Amazon.com, Inc.

Fundamentals

✓ **AMZN aligns with your ESG values**

If You Buy... If You Sell Short...

#### Effect of a short AMZN position

 Your overall impact would <b>worsen</b> .	 Clean Air Neutral	 Gender Equality Neutral
 Racial Equality Hurting		

Close





# Impact Dashboard

## WHITEPAPER

The image displays two side-by-side screenshots of the JNJ Impact Dashboard. Both screenshots show a dark-themed interface with a 'Fundamentals' tab selected. A red flag icon indicates 'JNJ is flagged for:' with two categories: 'Business Ethics Controversies' (represented by a warning icon) and 'Corporate Political Spending and Lobbying' (represented by a dollar sign icon). Below this, there are two toggle buttons: 'If You Buy...' (highlighted in blue on the left) and 'If You Sell Short...' (highlighted in red on the right). The main content area shows the 'Effect of a long JNJ position' (left) and 'Effect of a short JNJ position' (right). Each effect is shown with three categories: 'Your overall impact would improve./worsen.', 'Racial Equality', and 'Gender Equality'. The 'Your overall impact' category has a green up arrow for the long position and a red down arrow for the short position. The 'Racial Equality' category has a green 'Helping' button for the long position and a red 'Hurting' button for the short position. The 'Gender Equality' category has a yellow 'Neutral' button for the long position and a red 'Hurting' button for the short position. A 'Close' button is located at the bottom right of each screenshot.

By allowing you to decide what values and practices are important to you, the Impact Dashboard can help you shape the world on your own terms, one trade at a time.



# Impact Dashboard

## WHITEPAPER

### Scoring Methodology

Results from the Impact Dashboard are personalized, founded on the values that are important to you. We derive the Portfolio Score and Impact Effect score based on the underlying ESG metric that aligns to a specific Impact Value, such as Ocean Life, then scale the effect of the metric based on your preference.

The process starts with defining a target benchmark. You do this when you set your preferences. A company's ESG performance is measured against this benchmark to determine if it is exceeding your expectations (Helping), performing far below your expectations (Hurting) or just meeting your expectations (Neutral). We call these Helping, Hurting and Neutral labels the company's Impact Effect. Each company's Impact Effect and portfolio weight are factored to derive the Portfolio Score.

### Impact Effect

At the security level, Impact Dashboard calculates the Impact Effect, which essentially indicates whether a specific company is Helping, Hurting, or is neutral with respect to your overall impact values.

The Impact Effect is based on the level of importance you selected for each of your values along with the score of the security.

See an example of Impact Effect on a set of securities in a portfolio in the image to the right:

The SRI and ESG worlds are still evolving as companies report on these metrics for the first time, so occasionally we won't have data for a company. In that case, the Impact Dashboard will exclude that security from the analysis.

In the image below, you can see that 87.8% of this portfolio has impact data. Since 64 of 162 positions are excluded for not having data, we can tell that 98 of 162 positions make up that

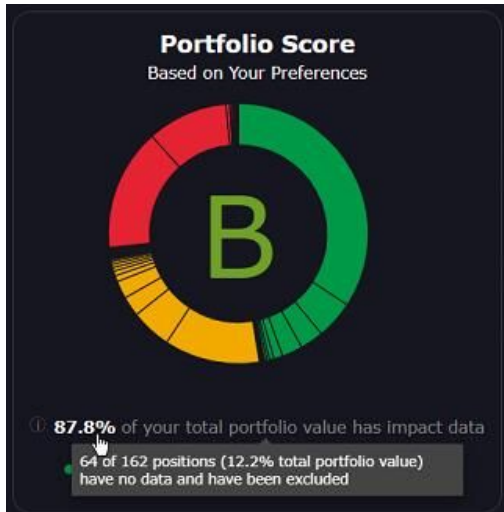
Long Positions	
INSTRUMENT	EFFECT ▾
CVS CVS Health Corp...	Helping
QCOM Qualcomm, Inc.	Helping
USB U.S. Bancorp	Helping
F Ford Motor Co.	Neutral
GM General Motors Co...	Neutral
INTC Intel Corporation	Neutral
TWTR Twitter Inc.	Neutral
GE General Electric Co...	Hurting



# Impact Dashboard

## WHITEPAPER

87.8% of your total portfolio value by weight. The remaining 64 positions comprise only 12.2% of your total portfolio value by weight.



## Portfolio Score

The Portfolio Impact Score is the weighted average of your Impact Effect score for each position in your portfolio. If this weighted score is greater than the benchmark score derived from your preferences, the portfolio receives an “A” grade. If the weighted score is lower, the portfolio receives a score of B, C, D or F depending how far the score is below the preference benchmark.



# Impact Dashboard

W H I T E P A P E R

## Appendix A

### Impact Values



Sustainable  
Product  
Lifecycle

This value considers the design, quality and safety of products and services, focusing on the entire supply chain and the materials used in manufacturing products. It examines how companies consider the demand of customers for sustainable products including recycling, product testing and environmental effects. The value also comprises the value companies and suppliers place on labor practices and human rights.



Mindful  
Business  
Models

Mindful Business Models captures the ability of companies to incorporate ESG elements into long-term planning. It includes transition to low carbon and climate friendly economies and to serve underrepresented populations. Considerations include the handling of a company's assets and their impact on the environment and society. Management's willingness to abide by the legal and regulatory requirements while respecting the views of investors, customers and society at large is also an important part of the value.



Clean Air

Management of air quality by companies is key for this value. It includes emissions from factories, plants, offices, machines, and methods of transport used to manufacture and deliver products and services. Specifically, these emissions are oxides of nitrogen, sulfur, and heavy metals in addition to greenhouse gases (GHG) such as carbon dioxide. Another component of this value is how companies manage the sustainability of their energy specially when it is derived from third party sources.



## Impact Dashboard

### W H I T E P A P E R



Pure Water

The Pure Water value centers around how companies manage their water use and consumption when making products, specifically on avoiding contamination and toxic waste. Being mindful of the communities where companies operate is also significant, including the members access to clean water.



Ocean Life

The way companies oversee their water use when making products is an important factor for this principle. Yet the primary consideration is the value and respect placed on the ocean and its marine life. Of note is the strength of companies' waste management and recycling initiatives. Crucial are also controls and systems that companies have in place to avoid significant disasters that can impact ocean life.



Land Health

Land Health considers the environmental concerns of harmful land waste when creating products. Specifically, how companies manage solid waste derived from agriculture and other land processes. It includes its safe treatment, storage and disposal while observing local and universal regulations. Lastly, this value also considers how companies handle the impact from the extraction of natural resources such as deforestation, biodiversity damage and habitat loss.



Ethical Leadership

Ethical Leadership is driven by how management handles its company's behavior towards customers, suppliers, peers, and society. It comprises monopolistic and anti-competitive behavior such as collusion, price fixing, fraud, corruption, and bribery. Management's ability to interact with regulators, resolve conflict between corporate and societal interests, and to act responsibly in times of crises are also important factors for this value.



# Impact Dashboard

## W H I T E P A P E R



### Consumer Safety

The safety of consumers involves different layers that companies must take into consideration. These include the use and protection of personal information, transparency and accurate marketing, the safe use of products and services, and broad access to universal needs such as healthcare & food. Failing to address these factors may lead to misuse of personal data, product recalls from harmful practices, deceptive labeling, and predatory selling, to name a few.



### Company Transparency

Emphasizes the importance of a transparency but most importantly, the disclosure of policies and strategies aimed to always protect the consumer's wellbeing. This includes openness in the making of products such as ingredients, nutritional value, use of chemicals or antibiotics and the ability to prevent any harmful imitations. It also considers the cyber security of all personal information from data breaches and misappropriation by third parties or hackers.



### LGBTQ Inclusion

This value focuses on the significance of diversity & inclusion in the workplace with a focus on the LGBTQ community. It includes a company's ability to incorporate plans that ensure the recruiting, retention and safety of LGBTQ employees and their families. This can be done through workplace policies, hiring practices, employee resource groups, executive sponsorships, benefits, and training programs.



### Gender Equality

This value points to the importance of diversity and inclusion in the workplace. Specifically, Gender Equality centers on a company's ability to achieve gender parity by encouraging equal pay, active recruiting, and promotion of women. This can also include an embracing culture with tailored benefit packages and mentorship programs.



## Impact Dashboard

### W H I T E P A P E R



#### Racial Equality

Racial Equality forms part of a company's diversity & inclusion considerations, along with LGBTQ Inclusion and Gender Equality. Racial equality will occur when companies practice equal hiring and offer employment opportunities to persons of all races regardless of skin color, background, and ethnicity in an environment that is free from discrimination.



#### Fair Labor & Thriving Communities

Fair Labor & Thriving Communities considers the relationship between companies and the societies in where they operate. It accounts how management interacts and gives back to local communities. This includes companies' contact with indigenous populations and how they value their rights and respect their land. The value also accounts for the health and safety of employees including universally accepted labor standards and laws.



## Appendix B

### Practices to Avoid



#### Animal Testing

Companies selling personal and household products and services that are tested on animals.



#### Business Ethics Controversies

Companies associated with the highest number of ethical, political, and corruption-related controversies, as reported in the media.



#### Corporate Political Spending and Lobbying

Companies that donate the most in support of political parties/candidates and spend the most on lobbying, relative to size.



#### Energy Intensive

Companies with the highest total energy usage.





# Impact Dashboard

## W H I T E P A P E R



### Fossil Fuels

Companies that operate in the coal industry and/or are among the largest oil producers.



### Greenhouse Emissions

Companies with the highest reported direct and indirect CO2 emissions.



### Hazardous Waste

Companies responsible for creating the largest volume of hazardous waste.



### High Water Usage

Companies with the highest level of water withdrawals.



### Tobacco, Alcohol and Gambling

Companies that derive revenue from the sale of tobacco and alcohol or from gambling activities.



## Impact Dashboard

### W H I T E P A P E R



#### Weapons and Gun Manufacturers

Companies that derive revenue from the sale of military equipment and weapons.

International Custodian *LLC is a member of NYSE, FINRA, SIPC.*

*Any trading symbols displayed are for illustrative purposes only and are not intended to portray recommendations.*