EVENTIDE

Guide to Screening: Rationale & Methodology

JULY 2025

This document provides examples of Eventide's ethical screening considerations. While Eventide screens for involvement in the areas noted within this document, we also integrate this quantitative screening data with our own qualitative research and human discernment, varying at times from the quantitative data in our final assessment of any given company or permitting certain de minimis exposure. Vendors change their data and Eventide likewise adjusts its methodology from time-to-time.

INTRODUCTION

Eventide's approach to investing is grounded in a biblical worldview. We believe God designed work, and therefore business and investing, to be a blessing to the world. This understanding led to our mission: to honor God and serve our clients by investing in companies that create compelling value for the global common good.

As part of this mission, we seek to avoid companies that have bad products and bad practices that harm people or creation. This document outlines the bad products and practices that we strive to avoid investing in.

We believe our avoidance of these bad products and practices gives us the opportunity to embrace the good products and good practices that are advancing human flourishing and bringing blessing to the world. This may include companies that develop life-changing medications, restore debilitated areas, or sustain natural resources.

The representative examples that follow will help exemplify how Eventide ties its investment ideals to our screening methodology. These ideals play a key role in our multi-layered, fundamental research process, which includes in-house data gathering research and discernment and peer review.

INVESTMENT IDEALS

- *Respecting the value and freedom of all people:* this includes the right to life at all stages and freedom from addictive behaviors caused by gambling, pornography, tobacco, and alcohol.

- *Demonstrating a concern for justice and peace:* this includes fair and ethical relationships with customers, suppliers, and business partners and avoiding products and services that promote weapons production and proliferation.

- *Promoting family and community:* this includes protecting children from violent forms of entertainment and serving low-income communities.

- *Exhibiting responsible management practices:* this includes fair dealing with employees, communities, competitors, suppliers, and customers as demonstrated by a company's record regarding litigation, regulatory actions against the company, and its record of providing products and services that improve the lives of people.

- *Practicing environmental stewardship:* this includes practices considered more sustainable than those of industry peers, reduction in environmental impact when compared to previous periods, and/or the use of more efficient and cleaner energy sources.

Controversy

RATIONALE

As Eventide pursues our investment ideals, we seek to **avoid exposure to companies involved in incidents that negatively impact key stakeholders.**

METHODOLOGY

Eventide examines companies for material controversies tied to key stakeholders. Examples include, but are not limited to:

- **Customers,** which includes anti-competitive behavior, false or deceptive practices, and the quality and safety of products and services
- **Employees,** which includes labor relations and standards, human rights,* discrimination and harassment, and workplace health and safety
- **Supply chains,** which includes community relations, human rights, and responsible use of natural resources and the environment
- **Communities,** which includes predatory behavior, local and indigenous relations, and philanthropic involvement
- **Environment,** which includes emissions, effluents, and waste, and the broader ecological impact of products
- **Society,** which includes the broader impact of products and services
- **Management teams and corporate governance,** which includes abusive behavior, bribery and corruption, and unethical conduct

*Human rights include child labor, forced labor, and other related abuses

Abortion, Abortifacients, Contraceptives

RATIONALE

As Eventide **respects the value and freedom of all people**, including the **right to life at all stages**, beginning at conception, we seek to avoid exposure to abortion, abortifacients, or contraceptives.

METHODOLOGY

For abortion, Eventide examines companies for involvement* in:

- Providing abortions (including acute care providers, surgical centers)
- Using or disposing of fetal tissue (e.g., in a waste-to-energy plant)
- Donating to organizations supporting abortions (e.g., Planned Parenthood)
- Promoting abortion (e.g., advertising, marketing)

For abortifacients**, Eventide examines companies for involvement* in:

- Producing, distributing, or servicing of abortifacients or drugs with abortifacient properties, as well as
- Manufacturing birth control methods that act as abortifacients by preventing implantation or by causing premature delivery
- Promoting or marketing abortifacients

For contraceptives, Eventide screens for involvement* in

- Producing, distributing, or servicing contraceptives, including emergency contraceptives, such as the morning-after pill (e.g., "Plan B")
- Promoting or marketing contraceptives

*This screen includes risk of involvement.

**Eventide may not screen out certain drugs with a wide variety of other uses, such as to treat diseases.

Alcohol

RATIONALE

As Eventide **respects the value and freedom of all people**, including freedom from addictive behaviors, we seek to avoid exposure to alcohol given its potential for abuse, addiction, and excessive use.

METHODOLOGY

- **For alcohol,** Eventide examines companies for involvement in:
- Producing or distributing alcoholic beverages or related products and services.*
    - Production includes brewers, vintners, distillers, and owners and operators of vineyards
    - Distribution includes supermarkets, restaurants, and other settings where alcohol is sold.
    - Products and services include licensing and marketing alcoholic beverages as well as suppliers of key raw materials or packaging (e.g., customized labels)

*While Eventide considers involvement in the areas noted, we also integrate this quantitative screening data with our own qualitative research and human discernment. This may vary from the quantitative data in our final assessment of a company and allow for de minimis exposure.

Bioethics — Animal Harm

RATIONALE

As Eventide **practices environmental stewardship**, we seek to avoid exposure to animal harm.

METHODOLOGY

For Bioethics — Animal Harm, Eventide examines companies for involvement in:

- **Live animal testing** for non-pharmaceutical products:
    - Non-pharmaceutical applications include (but are not limited to): cosmetics, personal care, and other kinds of industrial and chemical products*
- **Manufacturers** of products made from inhumanely-derived fur, specialty leather, or non-sustainable practices. This considers animals that are purely hunted or bred and killed for their skin or fur (e.g., mink farms or crocodiles hunted for leather)
- **Factory farming,** which is a method of farming that concentrates a large number of animals in a confined and inhumane space

*We may consider whether the testing is required by law, whether a company supports investment and research into animal testing alternatives, and whether or not the testing harms animals.

Bioethics — Stem Cell

RATIONALE

Eventide **respects the value and freedom of all people.** This includes the right to life at all stages, beginning at conception. We seek to avoid exposure to destructive forms of stem cell research.

METHODOLOGY

For Bioethics — Stem Cell, Eventide examines companies for involvement in:

- **Biomedical research** or development that uses fetal tissue
- The development and/or commercialization of medicines based off **human embryonic stem cells** or derived from in vitro fertilization
- **Gene editing** for genetic enhancements
- **Human germline** (eggs, sperm, embryo) editing
- **Specialized equipment and technology*** which is customized for stem cell research* and/or materially enables it

Eventide carefully considers the use of historical cell lines. This primarily includes human embryonic kidney, lung, or retinal cells derived from abortions donated with consent to science in the 1960s and 70s.

These situations are researched and discussed on a case-by-case basis to ensure non-infringement of our values. Eventide takes a strict zero tolerance policy on use of human embryonic stem cells that could become a human life, or use of human embryonic stem cell lines derived in the last ten years.*

*See FAQ for additional information.

Corporate Discrimination

RATIONALE

Eventide **respects the value and freedom of all people**. This includes the right to an inclusive environment where all people can hold to their core beliefs. Eventide **values responsible management practices**, which includes fair dealing with employees. We seek to avoid exposure to companies with evidence of corporate discrimination. This includes oppression based on race, religion, faith, gender, sexuality, age, color, national origin, disability, etc.

METHODOLOGY

For corporate discrimination, Eventide examines companies for involvement in:

- Workplace practices or corporate cultures of **discrimination, oppression, or harassment**
- Corporate endorsement of **policies, legislation, or initiatives** that discriminate or oppress, such as legislation seeking to limit religious freedoms
- **Corporate philanthropy** to organizations that support discriminatory policies, legislation, or initiatives

Gambling

RATIONALE

As Eventide **respects the value and freedom of all people**, which includes freedom from addictive behaviors, we seek to avoid exposure to gambling.

METHODOLOGY

For gambling, Eventide examines companies for involvement in:

- **Production,** which includes the ownership or operation of any activity or establishment that facilitates money wagers on a game or event. This includes casinos, racetracks, lotteries, and online or mobile gambling. interactive television gaming, and sporting events that permit betting. It also includes the manufacture of equipment or software specialized for gambling

- **Distribution,** which also includes lottery ticket sales

- **Supporting services,** which includes products, technology, or support fundamental to gambling operations. This includes software design, licensing, installation, cash solutions, printing, and consulting services.

Pornography & Explicit Content

RATIONALE

Eventide **respects the value and freedom of all people**. This includes freedom from addictive behaviors caused by pornography. Eventide also **promotes family and community**. We seek to avoid exposure to explicit content and sexual exploitation.

METHODOLOGY

For pornography, and explicit content, Eventide examines companies for involvement in:

- The **production and distribution** of pornography or explicit content*
- **Ownership**/operation of explicit establishments
- **Donations** to explicit events
- **Advertising** (e.g., on shows, websites) or authorizing brand name use to produce or market explicit content . This includes television, music, gaming, and other media.
- **Platforms** (e.g. Social Media) that can be used to propagate sexual exploitation.

* This also includes television, music, gaming, and other media that portray themes like drugs and violence.

Predatory Lending

RATIONALE

Eventide promotes **family and community** and supports fair dealing with communities. We seek to serve low-income communities and avoid predatory lending practices.

METHODOLOGY

For predatory lending, Eventide examines companies for involvement in:

- **Predatory products or services**, including:
    - High interest credit cards
    - Payday lending
    - Pawn brokering
    - Rent-to-own financing
    - Title loans

- **Predatory lending** consists of unfair or deceptive practices, such as:
    - Excessive interest rates
    - Hidden fees
    - Lack of transparency
    - Misleading marketing practices
    - Abusive collection tactics
    - Equity stripping
    - Predatory products that target minorities, low-income consumers and veterans

Tobacco & Cannabis

RATIONALE

Eventide **respects the value and freedom of all people.** This includes freedom from addictive behaviors, such as cannabis and tobacco. We seek to avoid these exposures.

METHODOLOGY

For tobacco, Eventide examines companies for involvement in:

- The **production, distribution, or related products and services**, which includes:
    - Cigarettes
    - Cigars
    - Smokeless products like snuff, dip, and e-cigarettes
    - Growing or processing raw tobacco leaves
    - Related products such as cartons, filters, and other packaging
- **Services,** which include key suppliers necessary for producing tobacco, as well as marketing, promotion, or licensing related to tobacco

Eventide also screens for involvement in the production or distribution of recreational cannabis.

Weaponry

RATIONALE

Eventide **demonstrates a concern for justice and peace**. We seek to avoid products and services that promote weapons production and proliferation.

METHODOLOGY

For weaponry, Eventide examines companies for involvement in:

- The **production, distribution, or services** for both lethal and non-lethal direct and indirect weaponry applications, which includes:
    - Ammunition
    - Combat equipment
    - Components that materially facilitate warfare
    - Nuclear weapons
    - Weapons systems
- The **manufacture** or **distribution** of assault weapons or firearms
- Supportive **products or services** provided to the military or defense sector which typically support functions such as infrastructure, maintenance, testing, and other related operational areas.

FREQUENTLY ASKED QUESTIONS

What does "involvement" mean?

What does "involvement" mean? Eventide examines companies for any ties to concerning activities, both material and immaterial.[1] In addition to our Business 360® research framework, we can implement screening guidelines as requested by discretionary clients serviced through separate accounts, such as the Socially Responsible Investment Guidelines for the United States Conference of Catholic Bishops (the "USCCB Guidelines").[2] We believe in and recommend our approach, which we have designed for both depth and breadth through a process of robust data and human discernment, but we welcome a discussion of, and may be able to implement, other faith-based perspectives.

Does Eventide invest in Treasury Bonds?

Under normal circumstances, and where we have discretion, we avoid United States Treasuries in our funds. We do this because the government engages in certain activities that we do not want to facilitate (e.g., abortion, warfare).

When I look at Eventide on a third-party fund screener, I see some flags for issues I believe Eventide aims to avoid. Why is that?

Our research team constantly monitors screening data so that we are aware of flags as they arise. We work closely with both the companies in our portfolio and with our data vendors to research controversies and exposures. After further investigation and discussion as a team, we may come across information on flags which would not preclude investment. These include company changes, new management, and remedial actions. Additionally, we may find that data from third parties is outdated or inaccurate.

At Eventide, we integrate third-party data from multiple data vendors, publicly available data, and our own qualitative analysis to inform our analysis of a company. Our independent research sometimes leads us to different conclusions than what we receive from data vendors. As of June 30, 2025, there were 3,200 instances where we had overridden our vendors based on our independent qualitative research. This includes both reversing a "pass" rating to "fail" and changing a "fail" rating to "pass."

Our holdings are subject to change, and we cannot comment on portfolio changes (or lack thereof) that are not public to our filings yet.

Does Eventide screen for use of historic stem cell lines in vaccine development?

Eventide maintains a strict zero tolerance policy on human embryonic stem cells that could become human life and on the use of historical cell lines derived in the last 10 years.

We do not screen out companies that use historical cell lines in their drug development if they fulfill several considerations. This includes if these cell lines are more than 10 years old, were donated with consent of the parents at no cost or profit, and have no potential to become human life.

Eventide reviews equipment and technology which enable human embryonic stem cell research or in vitro fertilization but are not customized for it. These situations are researched and discussed on a case-by-case basis to ensure non-infringement of our values. We review whether these technologies are specialized for stem cell research.

1. As noted in this document, for some areas, while Eventide considers involvement in the areas noted, we also integrate quantitative screening data with our own qualitative research and human discernment. This may vary from the quantitative data in our final assessment of a company and allow for de minimis exposure.
2. Eventide's Business 360® process does not specifically incorporate the USCCB Guidelines or other Catholic-focused investment guidelines, such as guidelines offered by industry vendors. However, Eventide can implement such guidelines as requested by discretionary clients serviced through separate accounts.

What diseases and conditions does Eventide seek to target in its investments?

Eventide discloses its healthcare holdings as of our most recent quarterly disclosure on our website.

What is your approach to investing in conventional energy sources and providers?

Eventide looks for companies that create value for their stakeholders, which includes responsible stewardship of the environment. We do not rule out investments in particular sources of energy but instead look for companies that reduce emissions and pollution and move the world toward a more efficient and sustainable energy supply.

How does Eventide screen for companies that use forced labor or source conflict minerals in their supply chains?

Eventide uses a combination of multiple data vendors, each with different approaches, as well as our own manual investigative research techniques to stay informed on these important issues. Additionally, we regularly engage with companies to learn more of their corporate compliance and governance programs and work to stay on top of new developments with respect to news, laws, and regulations.

How does Eventide approach potential investments in companies based in countries outside the United States?

Through use of our proprietary screening software, third-party vendors, and in-house research team, we employ a variety of safeguards to stay current and aware of risks and idiosyncrasies related to each country. This includes largely screening out certain countries and regions, as well as relying on country-specific judicial and regulatory guidance in others.