Sustainable investing is not just excluding undesirable stocks, although that is one way to do it. There are many strategies used by fund managers that are available to you.

**Negative/Exclusionary Screening:** the exclusion from a fund or portfolio of certain sectors, companies or practices based on specific ESG (environmental, social and governance) criteria.

**Positive/Best-In-Class Screening:** investment in sectors, companies or projects selected for positive ESG performance relative to industry peers.

**Norms-Based Screening:** screening of investments against minimum standards of business practice based on international norms, such as those issued by the OECD, ILO, UN and UNICEF.

**ESG Integration/Responsible Investment:** the inclusion of environmental, social and governance factors into financial analysis as a means to assess and reduce financial risk.

**Sustainability Themed Investing:** investment in themes or assets intentionally supportive of sustainability goals such as the Sustainable Development Goals (for example clean energy, water, gender balance or sustainable agriculture).

**Impact:** Impact investments are investments made with the intention to generate positive and easily measurable social and environmental impacts alongside a financial return.

**Ethical:** Ethical investments are usually exclusionary and are strongly values driven. Ethical investors will often risk lower returns to ensure their money is aligned with their values.

**Corporate Engagement and Shareholder Action:** also known as ‘stewardship’ this strategy is the active use of shareholder power to influence corporate behaviour, including through direct corporate engagement (i.e. communicating with senior management and/or boards of companies), filing or co-filing shareholder proposals, and proxy voting guided by comprehensive ESG guidelines.

Many funds use more than one strategy at a time to maximise their positive impact and deepen their protection of investment value.