



Arjuna Capital, LLC
353 West Main Street
Durham, NC 27701
(919) 794-4794
www.arjuna-capital.com

**PART 2A OF FORM ADV
FIRM BROCHURE**

March 28, 2024

This brochure provides information about the qualifications and business practices of Arjuna Capital, LLC (“Arjuna Capital” or “Adviser”). If you have any questions about the contents of this brochure, please contact us at (919) 794-4794. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Arjuna Capital, LLC is available on the SEC’s website at www.adviserinfo.sec.gov.

Arjuna Capital, LLC is registered as an investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). SEC registration does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

This brochure dated March 28, 2023 replaces the brochure previously filed by Arjuna Capital on May 16, 2023. We will provide you with an updated brochure, as required, based on the changes or new information, or upon request, at any time without charge. The following material changes have been made since the previous amendment:

- Item 4 – Updated to correct assets under management as of December 31, 2023.
- Item 8 – Clarified language regarding investment strategies.

ITEM 3 – TABLE OF CONTENTS

ITEM 2 – MATERIAL CHANGES	2
ITEM 3 – TABLE OF CONTENTS	3
ITEM 4 – ADVISORY BUSINESS	4
ITEM 5 – FEES AND COMPENSATION.....	5
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT.....	7
ITEM 7 – TYPES OF CLIENTS	7
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	7
ITEM 9 – DISCIPLINARY INFORMATION	13
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	13
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	14
ITEM 12 – BROKERAGE PRACTICES	16
ITEM 13 – REVIEW OF ACCOUNTS	19
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION.....	19
ITEM 15 – CUSTODY	19
ITEM 16 – INVESTMENT DISCRETION	20
ITEM 17 – VOTING CLIENT SECURITIES	20
ITEM 18 – FINANCIAL INFORMATION	21

ITEM 4 – ADVISORY BUSINESS

4.A. Advisory Firm Description

Arjuna Capital was formed in 2013 as a part of Baldwin Brothers, LLC, and became independent in 2016. Arjuna Capital is owned by Frank Farnum Brown, Jr. and Natasha Lamb. Arjuna Capital's mission is to provide state-of-the-art investment solutions that meet or exceed clients' financial needs, and lead to a more just and healthy planet.

4.B. Types of Advisory Services

Arjuna Capital provides investment advisory and financial planning services to individuals, high net worth individuals, charitable organizations, business entities and pooled investment vehicles. Arjuna Capital provides investment advisory services to clients on a discretionary basis. Investment in private pooled investment vehicles (the "Private Funds") is generally limited to persons who are "accredited investors" under the Securities Act of 1933, as amended, and, in the case of some of the funds, "qualified purchasers" under the Investment Company Act of 1940, as amended ("Investment Company Act"). Private Funds are not made available to the general public and are not registered investment companies.

Arjuna Capital seeks to build sustainable wealth for its clients working with partners and using proprietary sustainable investment strategies which focus on climate solutions, economic opportunity, and healthy communities. Arjuna Capital offers advice on private equity securities, and publicly-traded securities, including exchange-listed securities, securities traded over-the-counter, and securities of foreign issuers. Arjuna Capital also provides advice on investing in alternative investments, corporate debt securities, commercial paper, municipal securities, mutual funds, United States government securities, option contracts on securities, and futures contracts on intangibles.

Arjuna Capital's financial planning services focus on a client's particular financial objectives and circumstances and may address cash flow needs, retirement or other long-term plans. Arjuna Capital will develop a financial plan which may be updated from time to time as the clients' needs and circumstances change.

4.C. Client Investment Objectives/Restrictions

Arjuna Capital shapes each client's portfolio to suit their needs and values and to respond to global investment opportunities and risks. Clients may impose restrictions on investing in certain securities or types of securities. Any limitations and restrictions requested by clients for their accounts must be presented to Arjuna Capital in writing.

4.D. Wrap-Fee Programs

Arjuna Capital does not participate in a wrap fee program.

4.E. Assets under Management

As of December 31, 2023 Arjuna Capital's assets under management were \$458,055,999 managed on a discretionary basis.

ITEM 5 – FEES AND COMPENSATION

5. A. Adviser Compensation

Arjuna Capital's fees are described generally below and detailed in each client's advisory agreement. Fees for services may be negotiated with each client on an individual basis, and may be different from Arjuna Capital's stated fee schedules. Arjuna Capital may group multiple accounts of a client (or group of related clients) together for fee billing purposes.

Fees may change over time and as discussed below, different fee schedules may apply to different types of clients, strategies and advisory arrangements. In such cases, Arjuna Capital reserves the right to waive or reduce the fees charged to a particular client in its sole and absolute discretion. In determining the value of an account for purposes of calculating fees, securities that are not publicly traded are valued at cost unless otherwise disclosed to the client.

Arjuna Capital's standard fee schedule for separately managed accounts appears below:

1.00% per year for the first \$2,000,000;
0.75% per year for the next \$3,000,000;
0.50% per year for the next \$5,000,000;
0.45% per year for the next \$40,000,000; and
0.40% per year for amounts over \$50,000,000

Other Advisory Fee Arrangements. Arjuna Capital reserves the right, in its sole discretion, to negotiate and charge different advisory fees for certain accounts based on the client's particular goals, needs, overall financial condition, risk tolerance, and other factors unique to the client's particular circumstances.

5. B. Direct Billing of Advisory Fees

Clients may request that fees owed to Arjuna Capital be deducted directly from the clients' respective custodial accounts. In instances where a client has authorized direct billing, Arjuna Capital takes steps to ensure that the client's qualified custodian sends periodic account statements, no less frequently than quarterly, showing all transactions in the account, including fees paid to Arjuna Capital, directly to the client. Generally, Arjuna Capital will invoice clients for their advisory fees whether direct billing is used or

not. Clients have the option to be billed by invoice to make a direct payment for fees rather than having fees deducted from their account.

5. C. Other Non-Advisory Fees

Arjuna Capital's advisory fee is generally exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. If a client invests in a third-party manager, there may be additional fees charged by the manager.

Clients may incur certain charges imposed by custodians, brokers and other third parties, including but not limited to, fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. A client's portfolio may include positions in mutual funds or exchange traded funds which also charge internal management fees, which are disclosed in those funds' prospectuses. Such charges, fees and commissions are exclusive of, and in addition to, Arjuna Capital's fee, and Arjuna Capital will not receive any portion of these commissions, fees, and costs. Item 12 further describes the factors that Arjuna Capital considers in selecting or recommending broker-dealers for client transactions and determining the fairness and reasonableness of commissions and service charges.

5. D. Advance Payment of Fees

Advisory fees for some separately managed accounts are billed quarterly in advance and are payable upon receipt, commencing upon opening of the account. Certain advisory clients may be billed quarterly in arrears. Fees are normally based on the level of total assets under management, including cash, securities, and accrued income, as of the last business day of the prior calendar quarter. Generally, advisory agreements are terminable by the client or Arjuna Capital upon written notice to the other. In the event that an advisory agreement is terminated prior to the conclusion of a billing period, Arjuna Capital will refund a pro rata portion of any pre-paid fees, or if billed in arrears, bill the account pro rata based on the date of termination.

5. E. Compensation for Sale of Securities or Other Investment Products

Arjuna Capital's supervised persons do not accept compensation for the sale of securities or other investment products to clients, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Arjuna Capital does not charge performance fees.

ITEM 7 – TYPES OF CLIENTS

Arjuna Capital provides services to a number of types of clients:

- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations

For separately-managed accounts, Arjuna Capital generally requires a minimum dollar value of assets under management of \$2,000,000 for starting or maintaining the account or relationship. Arjuna Capital may group certain related client accounts for purposes of achieving the minimum account size or may waive the minimum account size in its sole discretion.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

8. A. Methods of Analysis and Investment Strategies

In addition to fundamental and technical analysis, Arjuna Capital integrates Environmental, Social and Governance (“ESG”) factors into its investment approach in an effort to enhance returns and lower risk. Some investments are managed directly by Arjuna Capital personnel, and some are handled by outside managers, who have been vetted carefully to provide a particular expertise in certain asset classes. In some instances, certain client accounts will hold securities that do not fit an ESG strategy, at client discretion. The objectives of Arjuna Capital’s strategies are growth as well as preservation of capital.

8. B. Material Risks of Investment Strategies

There can be no guarantee of success for the strategies offered by Arjuna Capital. These factors may affect the level and volatility of security pricing and the liquidity of an investment.

Trading in the portfolios may affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Concentration. While Arjuna Capital seeks to adequately diversify client portfolios, the portfolios may be more heavily invested in certain sectors, which may cause the value of their shares to be especially sensitive to factors and economic risks that affect those

particular sectors and may cause the value of the portfolios to fluctuate more widely than a comparative benchmark. Because Arjuna Capital may invest a greater portion of client portfolio assets in securities of a single issuer or a limited number of issuers than a more diverse portfolio, client portfolios may be more susceptible to one or more adverse occurrences affecting one or more of these issuers.

ESG and Impact Investing Risks. Arjuna Capital's investment approach is focused on ESG and impact investing strategies. Arjuna Capital will invest in securities screened for ESG and impact criteria as well as traditional financial criteria. It should be noted that Arjuna's ESG and impact approaches may exclude certain companies or industries in the public markets, such as the traditional energy/fossil-fuel sector. At times, exclusions could result in client portfolios not having exposure to companies or industries that perform well in certain time periods and could increase the relative value of the portfolio during such time periods.

Counterparty Risk, Financial Difficulties of Institutions and Custodians. Some of the instruments in which client portfolios may be invested may be traded in markets in which performance will be the responsibility only of the individual counterparty and not of an exchange or clearinghouse. In these cases, the assets will be subject to the risk of the inability of, or refusal by, the counterparty to perform with respect to such contracts. There is the possibility that institutions, including brokerage firms and banks with whom Arjuna Capital does business, or to which securities have been entrusted for custodial purposes, will encounter financial difficulties that may impair the operational capabilities or the positions in the portfolio.

Currency Risk. Investments in securities or other instruments that are valued in a foreign currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of comparable assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

Dependency on Third-Party Information. Arjuna Capital selects investments, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the adviser by the issuers or through sources other than the issuers. Although Arjuna Capital evaluates such information and data and typically seeks independent corroboration when Arjuna Capital considers it is appropriate and reasonably available, Arjuna Capital is not in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

General Economic and Market Conditions. The success of a portfolio's activities may be affected by general economic and market conditions, such as interest rates, availability

of credit, inflation rates, economic uncertainty, changes in laws and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of certain investments. Unexpected volatility or illiquidity could impair a portfolio's profitability or result in losses.

Illiquidity. Portfolios may invest in private market securities or other illiquid investments, which may make it difficult or impossible to dispose of such investments at desired times, thereby increasing the risk of loss.

Leverage. Arjuna Capital may recommend that clients utilize leverage, which involves the borrowing of funds from brokerage firms, banks and other institutions in order to be able to increase the amount of capital available for investments. Performance may be more volatile when a client account employs leverage, because leverage has the potential to magnify the gains or losses in a client's portfolio. Furthermore, clients that utilize leverage may not be able to successfully close their leveraged positions on time or at all, which may lead to client losses.

Management Risk. Arjuna Capital's assessments about the value and potential appreciation of a particular security may not be right, and there is no guarantee that individual securities will perform as anticipated.

Market Competition. Portfolio companies have market competitors that may offer or develop more diverse or successful product lines, technology advancements, and/or management or business approaches that are more successful than those issuers selected by Arjuna Capital.

Market Risk. There is the possibility that the value of equity securities may decline due to fluctuations in the securities markets generally. Stock prices may change daily as a result of many factors, including, but not limited to, developments affecting the condition of both individual companies and the market in general. The price of a stock may even be affected by factors unrelated to the value or condition of its issuer, such as changes in interest rates, national and international economic and/or political conditions and general equity market conditions. In a declining stock market, prices for all companies may decline regardless of their long-term prospects.

Portfolio Turnover. There may be instances when portfolios are subject to frequent trading and, thus, the brokerage -commission -to -assets ratio may significantly exceed those of other investment entities. High rates of portfolio turnover could lower performance of Arjuna Capital portfolios due to these increased costs and may also result in the realization of short-term capital gains.

Short Sales. Client portfolios may sell securities short, which involves the sale of the security that the client account does not own and must borrow in order to make delivery

in the hope of purchasing the same security at a later date at a lower price. Securities sold short are subject to unlimited risk of loss because there is no limit on the price that a security may appreciate before the short position is closed.

8. C. Material Risks of Securities Used in Investment Strategies

Early-Stage Company Risk. Companies selected for investment may be privately-held companies in early stages of growth (“early-stage companies”). The performance of early-stage companies may be more volatile due to their limited product lines, markets and financial reserves or their susceptibility to competitors’ actions, major economic setbacks or downturns. These companies may depend on the management talents and efforts of a small group of persons and, as a result, the death, disability, resignation or termination of one or more of those persons could have a material adverse impact on their business and prospects and the investment made. Early-stage companies may require significant investment of capital to support their operating or finance the development of their products or markets, and they may be highly leveraged and subject to significant debt service obligations. Early-stage companies may have limited financial resources and may be unable to meet their obligations under their securities, which may be accompanied by a deterioration in the value of their equity securities or any collateral or guarantees provided with respect to their debt, and there may be little public information about the early-stage companies.

Equity Investments. The prices of equity securities will fluctuate over time, and a client portfolio could lose a substantial part, or even all, of its investment in a particular issue.

Equity Securities – Other Risks. In addition to common stocks, the equity securities in a client portfolio may include preferred stocks, convertible preferred stocks, convertible bonds, and warrants. Like common stocks, the value of these equity securities may fluctuate in response to many factors, including, but not limited to, the activities of the issuer, general market and economic conditions, interest rates, and specific industry changes. Convertible securities entitle the holder to receive interest payments or a dividend preference until the security matures, is redeemed, or the conversion feature is exercised. As a result of the conversion feature, the interest rate or dividend preference is generally less than if the securities were non-convertible. Warrants entitle the holder to purchase equity securities at specific prices for a certain period of time. The prices do not necessarily move parallel to the prices of the underlying securities, and the warrants have no voting rights, receive no dividends, and have no rights with respect to the assets of the issuer.

Exchange-Traded Products. Arjuna Capital may invest the assets of a client’s portfolio in (or sell short) exchange-traded funds (“ETFs”), exchange-traded notes (“ETNs”) and other exchange-traded products (“ETPs”). The shares of an ETF may be assembled in a block (typically 50,000 shares) known as a creation unit and redeemed in kind for a portfolio of the underlying securities (based on the ETF’s net asset value) together with a cash

payment generally equal to accumulated dividends as of the date of redemption. Conversely, a creation unit may be purchased from the ETF by depositing a specified portfolio of the ETF's underlying securities, as well as a cash payment generally equal to accumulated dividends of the securities (net of expenses) up to the time of deposit. Arjuna Capital's ability to redeem creation units may be limited by the Investment Company Act, which provides that the ETFs will not be obligated to redeem shares held by Arjuna Capital in an amount exceeding one percent of their total outstanding securities during any period of less than 30 days. ETPs other than ETFs are issued in shares or units, and trade on exchanges like ETFs.

There is a risk that the underlying ETPs in which Arjuna Capital invests may terminate due to extraordinary events that may cause any of the service providers to the ETPs, such as the trustees or sponsors, to close or otherwise fail to perform their obligations to the ETPs. Also, because the ETPs in which Arjuna Capital invests may be granted licenses by agreement to use various indices as a basis for determining their compositions and/or otherwise to use certain trade names, the ETPs may terminate if such license agreements are terminated. In addition, an ETP may terminate if its net assets fall below a certain amount. Although Arjuna Capital believes that, in the event of the termination of an underlying ETP, it will be able to invest instead in shares of an alternate ETP with a similar strategy, there is no guarantee that shares of an alternate ETP would be available for investment at that time.

Investments in ETPs involve certain inherent risks generally associated with investments in conventional registered investment companies (e.g., mutual funds) that hold a portfolio of securities including, without limitation: (1) risks that the general level of security prices for the ETP's investment strategy may decline, thereby adversely affecting the value of each share or unit of the ETP; (2) an index-based ETP may not fully replicate the performance of its benchmark index because of the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETP and the index with respect to the weighting of securities or number of stocks held; and (3) an index ETP may also be adversely affected by the performance of the specific index, market sector or group of industries on which it is based. In addition, ETPs are subject to the following risks that do not apply to conventional funds: (1) the market price of an ETP's shares may trade at a discount to its net asset value; (2) an active trading market for an ETP's shares may not develop or be maintained; (3) trading of an ETP's shares may be halted if the listing exchange deems such action appropriate; and (4) ETP shares may be delisted from the exchange on which they trade, or activation of "circuit breakers" (which are tied to large decreases in stock prices) may halt trading temporarily. ETPs are also subject to the risks of the underlying securities the ETP is designed to track or invest in.

Foreign Securities. Investments in foreign securities may be volatile and can decline significantly in response to foreign political, regulatory, market or economic developments. Foreign securities are also subject to interest rate and currency exchange

rate risks. These risks may be magnified in securities originating in emerging markets. Foreign securities may also be subject to taxes of the issuer's country and other complex tax issues.

Private Investment Vehicles. Client portfolios may be invested in other private funds, such as private equity funds, venture capital funds or other private pooled vehicles. Investments in a private fund may be subject to wide swings in value and may employ the use of leverage or hold illiquid securities. An investment in the private fund will not be liquid and may not have limitations on particular sectors, industries, countries, regions or securities. Because private investment vehicles are not registered investment companies, they are not subject to the same regulatory reporting or oversight as registered entities.

Small- and Mid-Cap Issuer Risk. Portfolios may contain the securities of small- or mid-cap issuers. Small-cap issuers generally have less demand for their products and services and more limited managerial and financial resources than larger, more established issuers. As a result, securities of small- and mid-cap issuers may be more sensitive to market downturns than those of large-cap issuers, thereby causing the value of the client portfolios to also be more sensitive to market downturns.

Risks Related to Fixed Income Investments

Credit Risk. Credit risk is the risk that the issuer or guarantor of a debt security or counterparty to the portfolio's transactions will be unable or unwilling to make timely principal and/or interest payments, or otherwise will be unable or unwilling to honor its financial obligations. If the issuer, guarantor, or counterparty fails to pay interest, the portfolio's income may be reduced. If the issuer, guarantor, or counterparty fails to repay principal, the value of that security and the value of the portfolio may be reduced.

Fixed Income Securities. Fixed income securities are subject to the risk of an issuer's ability to meet principal and interest payments on the obligation (credit risk), and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). The market values of fixed income securities tend to vary inversely with the level of interest rates. Notwithstanding the foregoing, when economic conditions appear to be deteriorating, medium to lower rated securities may decline in value due to heightened concern over credit quality, regardless of prevailing interest rates.

Interest Rate Risk. The value of a portfolio's fixed income investments will generally vary inversely with the direction of prevailing interest rate movements. Generally, when interest rates rise, the value of a portfolio's fixed income investments can be expected to decline.

Municipal Securities. Investments may be made in municipal securities. Municipal securities consist of (1) debt obligations issued by state and local governments or by public authorities to obtain funds to be used for various public facilities, for refunding outstanding obligations, for general operating expenses and for lending such funds to other public institutions and facilities, and (2) certain private activity and industrial development bonds issued by or on behalf of public authorities to obtain funds to provide for the construction, equipment, repair or improvement of privately operated facilities. Prices and yields on municipal bonds are dependent on a variety of factors, such as the financial condition of the issuer, general conditions of the municipal bond market, and the size of a particular offering, the maturity of the obligation and the rating of the issue.

Rating Agencies. Ratings assigned by Moody's and/or S&P and/or Fitch to securities acquired in a portfolio reflect only the views of those agencies. Explanations of the significance of ratings should be obtained from Moody's, S&P and Fitch. No assurance can be given that ratings assigned will not be withdrawn or revised downward if, in the view of Moody's, S&P or Fitch, circumstances so warrant. A lower rating may adversely affect the value of the security acquired by a portfolio, thereby adversely affecting the value of the portfolio.

These strategies may not be suitable for all clients including investors in private funds. Investors in a private partnership, who are subject to income tax, should be aware that the investment in the partnership may create taxable income or tax liabilities in excess of cash distributions to pay such liabilities.

Investment in these types of securities involves risk and potential loss of capital. Investing in securities involves risk of loss that clients and private fund investors should be prepared to bear.

ITEM 9 – DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of them or the integrity of their management. Arjuna Capital has no information applicable to this Item.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

10. A. Registered Representatives

Arjuna Capital's management persons are not registered, nor do any management persons have an application pending to register, as a broker dealer or a registered representative of a broker dealer.

10. B. Other Registrations

Arjuna Capital's management persons are not registered, nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

10. C. Material Relationships or Arrangements

New Summit, an exempt reporting adviser, is an affiliate, and is partially owned by representatives of Arjuna Capital. New Summit manages private funds that Arjuna Capital will recommend to its clients. In one private fund managed by New Summit, if Arjuna Capital's client becomes an investor in that private fund, the client will also be subject to their pro rata portion of the private fund research fee and expenses in addition to the advisory fee they pay to Arjuna Capital. Natasha Lamb and Farnum Brown, Jr. collaborate with New Summit to provide investment advice.

10. D. Recommendation of Other Investment Advisers

Arjuna Capital may recommend other investment advisers, but it does not receive any compensation related to its recommendation of other investment advisers.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**11. A. Code of Ethics Document**

Arjuna Capital has adopted a Code of Ethics pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, as amended. A basic tenet of Arjuna Capital's Code of Ethics is that the interests of clients are placed first. The Code of Ethics includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment advisor owes to its clients. Arjuna Capital will provide a copy of its Code of Ethics to any client or prospective client upon request.

11. B. Recommendations of Securities and Material Financial Interests

As a matter of policy, Arjuna Capital does not engage in principal transactions or agency cross transactions. Any exceptions to this policy must be approved in advance by the Chief Compliance Officer.

11. C. Personal Trading

Arjuna Capital has adopted a Code of Ethics to ensure that personal investing activities by Arjuna Capital's employees are consistent with Arjuna Capital's fiduciary duty to its clients. The Code of Ethics includes standards of business conduct requiring covered

persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. For purposes of its Code of Ethics, Arjuna Capital has determined that all employees are access persons.

Access persons are required to notify Arjuna Capital's Chief Compliance Officer to pre-clear certain personal securities transactions. Access persons are permitted to buy or sell securities that it also recommends to clients consistent with Arjuna Capital's policies and procedures. In order to avoid potential conflicts that could be created by personal trading among Arjuna Capital access persons, access persons must provide quarterly reports of their personal transactions within 30 days of the end of each calendar quarter, which may consist of monthly brokerage statements for reportable accounts in which they have a beneficial interest, to the CCO. Access persons may direct their brokers to send copies of brokerage confirmations relating to reportable personal securities transactions in which they have a beneficial ownership interest. Access persons must also submit statements of their personal holdings in reportable securities as well as information about brokerage accounts to Arjuna Capital's CCO within 10 days after becoming subject to the Code of Ethics and on an annual basis thereafter.

The Code also requires that all access persons comply with ethical restraints relating to clients and their accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading.

11. D. Timing of Personal Trading

Since Arjuna Capital access persons may invest in the same securities or related securities (e.g., warrants, options or futures) that Arjuna Capital recommends to clients, Access Persons may not transact in a Reportable Security on the same day any trades in the security are made for client accounts, except as provided for in the Code of Ethics. The price paid or received by a client account for any security should not be materially affected by a buying or selling interest on the part of an access person, or otherwise result in an inappropriate advantage to the access person.

ITEM 12 – BROKERAGE PRACTICES

12. A. Selection of Broker/Dealers

Arjuna Capital generally recommends that clients utilize the brokerage and clearing services of Charles Schwab & Co. ("Schwab"). Schwab allows for Arjuna Capital to transact in securities at a negotiated rate. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other broker-dealers.

In recommending Schwab, or any other broker-dealer to its clients, Arjuna Capital will consider their respective financial strength, reputation, execution, pricing, research and service in addition to the best net price, giving effect to brokerage commissions, spreads

and other costs. Arjuna Capital may also apply a number of other judgmental factors deemed relevant. In applying these factors, Arjuna Capital recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities. The factors include, but are not limited to:

- Arjuna Capital's knowledge of negotiated commission rates and spreads currently available;
- the nature of the security being traded;
- the size and type of the transaction;
- the nature and character of the markets for the security to be purchased or sold;
- the desired timing of the trade and speed of execution;
- the activity existing and expected in the market for the particular security;
- the broker-dealer's access to primary markets and quotation sources;
- the ability of the broker-dealer to effect transactions when a large block of securities is involved or where liquidity is limited;
- confidentiality;
- the execution, clearance and settlement capabilities and history as well as the reputation;
- Adviser's knowledge of actual or apparent operational problems of any broker-dealer;
- the broker-dealer's execution services rendered on a continuing basis and in other transactions;
- the broker-dealer's access to underwriting offerings and secondary markets;
- the broker-dealer's reliability in executing trades, keeping records and accounting for and correcting trade errors;
- the broker-dealer's ability to accommodate Arjuna Capital's needs with respect to one or more trades including willingness and ability to maintain quality execution in unusual or volatile market conditions and to commit capital by taking positions in order to complete trades;
- the quality of communication links between Arjuna Capital and the broker-dealer; and
- the reasonableness of spreads or commissions.

Arjuna Capital may pay more than the lowest commission rate available to brokers whose proprietary research, services, execution abilities, or other legitimate and appropriate services are particularly helpful in Arjuna Capital's investment decision making process. As part of this determination, Arjuna Capital recognizes that some brokerage firms are better at executing some types of orders than others. Therefore, it may be in the best interest of the client to utilize a broker whose commission rates are not the lowest, but whose executions result in lower overall transaction costs. Arjuna Capital may engage in commission-sharing arrangements to seek best execution and combine commissions in order to obtain research and other services that are eligible to be paid by commissions

under Section 28(e) safe harbor. These other products and services may benefit Arjuna Capital but may not benefit its clients' accounts.

Arjuna Capital receives from broker-dealers certain research products or services that it also uses for business purposes unrelated to research - so-called "mixed use" products or services. For example, certain services are provided as a part of a product that bundles many separate and distinct brokerage, execution, investment management, custodial and recordkeeping services into one package. The acquisition of mixed use products and services causes a conflict of interest for Arjuna Capital, in that clients pay for this type of research product or service while the product or service also directly benefits Arjuna Capital. For this reason, and in accordance with general Securities and Exchange Commission guidance, Arjuna Capital will make a good faith effort to determine what percentage of the product or service is used for non-brokerage and research purposes and will pay cash ("hard dollars") for such percentage of the total cost of any such product or service. To ensure that its practices are consistent with its fiduciary responsibilities to its clients, and to address the conflict of interest inherent in mixed use products and services, the CCO determines whether mixed use items may be acquired and, if so, what the appropriate allocation is between soft dollar and hard dollar payments for such products and services. These determinations represent a conflict of interest, as Arjuna Capital has a financial incentive to allocate a greater proportion of the cost of mixed use products to soft dollars. The overriding consideration in selecting brokers for executing portfolio orders is the maximization of client returns through a combination of controlling transaction and securities costs and seeking the most effective uses of brokers' research and execution capabilities.

The research products and services that Arjuna Capital receives from broker-dealers supplement Arjuna Capital's own research activities. As a practical matter, in some cases Arjuna Capital could not, on its own, generate all the research that broker-dealers provide without materially increasing expenses. Soft dollar arrangements create a potential conflict by possibly giving an investment adviser an incentive to trade frequently to generate commissions to pay for these products or services, which may not be in the best interests of an adviser's clients, or, in some cases, to trade actively in certain accounts to obtain research used primarily by other, less frequently traded accounts. Arjuna Capital attempts to mitigate these potential conflicts through oversight of the use of commissions by the CCO.

Clients may select a broker/dealer or account custodian different from one recommended by Arjuna Capital and direct Arjuna Capital to use that broker/dealer or custodian to maintain custody of their assets. Arjuna Capital has discretion to reject the client's request for directed brokerage. When a client directs the use of a particular broker/dealer or other custodian, Arjuna Capital may not be able to obtain the best price and execution for the transaction. Clients who direct the use of a particular broker/dealer

or custodian may receive less favorable prices than would otherwise be the case if clients had not designated a particular broker/dealer or custodian. Further, directed trades may be placed by Arjuna Capital after effecting non-directed trades.

12.B. Aggregation of Orders

In making investment decisions for the client accounts, securities considered for investment by one account may also be appropriate for another account managed by Arjuna Capital. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one client account, Arjuna Capital may, but is not required to, aggregate trade orders for the purchase or sale of securities for these accounts to the extent consistent with best execution and the terms of the clients' investment advisory agreements. Such combined or blocked trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

Aggregation of transactions will occur only when Arjuna Capital believes that such aggregation is consistent with Arjuna Capital's duty to seek best execution and best price for clients and is consistent with Arjuna Capital's investment advisory agreement with each client for which trades are being aggregated. Client accounts with certain restrictions and directed brokerage clients may be unable to participate in aggregated transactions.

Arjuna Capital generally will not aggregate trades for clients that may have limited Arjuna Capital's brokerage discretion or other client accounts that it manages to the extent that those clients have directed their trading to a particular broker-dealer. Orders for such clients will generally be aggregated only with similar clients and allocated in the same manner as described above. The same process described above will be implemented for these accounts if random allocation would result in a partial fill for the last account selected.

Arjuna Capital may include proprietary accounts (including the Private Funds in which Arjuna Capital or its affiliates have significant ownership interests, if any) in such aggregate trades subject to its duty of seeking best execution and to its Code of Ethics.

ITEM 13 – REVIEW OF ACCOUNTS

13.A. Frequency and Nature of Review

Farnum Brown, Jr. and Natasha Lamb are responsible and have ultimate authority for all trading and investment decisions made on behalf of client accounts. At least quarterly, client portfolios are reviewed by Mr. Brown and Mrs. Lamb or other senior portfolio managers to ensure compliance with client objectives and restrictions as stated in the

client's account paperwork.

13.B. Factors That May Trigger an Account Review Outside of Regular Review

Generally, client accounts are reviewed as needed depending on factors such as cash flows in or out of the account, changes in client objectives or restrictions, and changing market conditions.

13.C. Content and Frequency of Reports

For separately managed accounts, clients should receive an account statement at least quarterly from the custodian maintaining their account. In addition, Arjuna Capital prepares quarterly reports with a cover letter for clients. These reports generally include a summary of assets and account valuation.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Arjuna Capital may have referral arrangements with individuals who may be compensated, directly or indirectly, in compliance with applicable law. This presents a potential conflict of interest since solicitors have an incentive to recommend Arjuna Capital because they are being compensated by Arjuna Capital. To mitigate this risk, fee sharing arrangements will be disclosed to clients, and such clients will not bear any higher fees regardless of whether Arjuna Capital pays a referral fee.

ITEM 15 – CUSTODY

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. Arjuna Capital takes steps to ensure that the client's qualified custodian sends periodic account statements to the client, no less frequently than quarterly, showing all transactions in the account, including fees paid to Arjuna Capital.

Arjuna Capital urges clients to carefully review and compare official custodial records to the account statements that Arjuna Capital provides. Arjuna Capital statements may vary slightly from custodial statements based on accounting procedures, reporting dates, and/or valuation methodologies of certain securities.

ITEM 16 – INVESTMENT DISCRETION

Arjuna Capital is generally authorized to make the following decisions according to the specified investment objectives:

- which securities to buy or sell;
- the broker or dealer through whom securities are bought or sold;

- the total amount of securities to buy or sell; and the prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

ITEM 17 – VOTING CLIENT SECURITIES

Arjuna Capital votes proxies on behalf of client accounts and has adopted Proxy Voting Policies and Procedures. Where Arjuna Capital has proxy voting authority for securities of its advisory clients, Arjuna Capital will vote such securities for the exclusive benefit, and in the best economic interest, of those clients and their beneficiaries, as determined by Arjuna Capital in good faith, subject to any restrictions or directions from the client. Arjuna Capital will not have the ability to accept direction from clients on a particular solicitation.

Arjuna Capital has written proxy voting policies and procedures (“Proxy Procedures”) as required by Rule 206(4)-6 under the Advisers Act. Such voting responsibilities are exercised in accordance with the general anti-fraud provisions of the Advisers Act, as well as with Arjuna Capital’s fiduciary duties under federal and state law to act in the best interests of its clients. Arjuna Capital will maintain voting records as well as any document created by Arjuna Capital that was material in making a determination of how to vote a case-by-case proxy or that memorializes the basis for that decision.

Arjuna Capital acknowledges its responsibility for identifying material conflicts of interest related to voting proxies. In order to ensure that Arjuna Capital is aware of the facts necessary to identify conflicts, senior management of Arjuna Capital must disclose to the CCO any personal conflicts such as officer or director positions held by them, their spouses or close relatives, in any portfolio company. Conflicts based on business relationships with Arjuna Capital or any affiliate of Arjuna Capital will be considered only to the extent that Arjuna Capital has actual knowledge of such relationships. If a conflict may exist which cannot be otherwise addressed by the CIO or CCO, Arjuna Capital may choose one of several options including: (1) “echo” or “mirror” voting the proxies in the same proportion as the votes of other proxy holders that are not Arjuna Capital clients; (2) if possible, erecting information barriers around the person or persons making the voting decision sufficient to insulate the decision from the conflict; or (3) if agreed upon in writing with the client, forwarding the proxies to affected clients and allowing them to vote their own proxies.

Clients may choose to vote their own proxies for securities held in their account or designate a third-party to vote proxies. If this is the case, the Client must notify Arjuna Capital and proxy solicitations will be sent directly to clients or the third-party designee who will then assume responsibility for voting them. If Arjuna Capital does not have the

authority to vote proxies on behalf of the client, the client may contact Arjuna Capital with questions about a particular solicitation.

Arjuna Capital will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

Clients may obtain information from Arjuna Capital about how their securities were voted and obtain a copy of Arjuna Capital's proxy voting policies and procedures upon request by contacting us at (919) 794-4794.

ITEM 18 – FINANCIAL INFORMATION

Arjuna Capital does not require prepayment of fees of both more than \$1,200 per client and more than six months in advance.

Arjuna Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of any claim, bankruptcy or other financially related proceeding.

Arjuna Capital has not been the subject of a bankruptcy petition.