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Karner Blue Capital Creates Opportunity for Humane-Minded Investors to Act on their Values

Recent United Nations Report, Forecasting a Million Species At Risk, Reminds Us that Citizens Must Drive Change through Business and the Capital Markets

(Bethesda, Maryland) -- Karner Blue Capital ("KBC"), the nation's first registered investment advisor to evaluate publicly-traded companies on animal welfare and biodiversity criteria, is using its proprietary research to enable investors to take action through the capital markets that's consistent with their values.

At this time, its primary portfolio consists of 123 companies demonstrating attention to animal issues in their operations, supply chains, research and development practices, policy advocacy, and other performance-based criteria. Its newest entry tapped for the portfolio is Beyond Meat, Inc., which went public in early May. By offering consumers a plant-based alternative to beef, pork, and chicken, Beyond Meat has the potential to upend the conventional meat industry and spare animals the pain of factory farming confinement and feedlots, reduce risks from the overuse of antibiotics on industrial farms, minimize greenhouse gas emissions and the discharge of massive volumes of animal waste, and obviate the need for ranchers to target and kill wolves, grizzly bears, horses and burros, and other wildlife on our public lands.

The portfolio also includes Vanda Pharmaceuticals, which, as a publicly traded company, is targeting the Food and Drug Administration for requiring outdated and inhumane animal testing protocols for risk assessment for new drugs. And it includes Tesla, the car company that is a pioneer in electric vehicles and also offers customers vegan interiors for its cars. "People who are alert to animal suffering make conscious food choices, buy products not tested on animals, and take other actions to minimize any harm they might do to animals," said Vicki Benjamin, co-founder of KBC. "But, for some people, when it comes to how they put most of their money to work, they've not had an animal-friendly option when it comes to their investments. Now they have that option."

KBC is benchmarking 15 different industries with exposure to animals – from food and agriculture to pharmaceuticals and chemical companies to forestry and forest products and metals and mining – and evaluating what it means for a company in any one of these industries to perform in an animal-friendly way. The investment firm is formulating standards in each industry and measures their animal welfare and conservation performance based on these metrics. "KBC believes that the combination of innovation and problem solving, combined with an unhesitating embrace of best practices when it comes to animal protection, will reduce their reputational and workforce risks and position these companies for growth and success in the marketplace," adds Wayne Pacelle, a partner at KBC.

KBC's careful evaluations mean that many companies do not make the cut and those that do are subject to regular ongoing assessments for corporate controversies that may subject them to

removal from the portfolio. Carnival Cruise Lines was removed earlier this year following news reports that it dumped toxic effluent into sensitive ocean habitats in violation of a court order. Smucker's is out of the portfolio because news outlets conducted testing revealing that some of its pet food products contained sodium pentobarbital, a drug mainly used for euthanizing dogs and cats. And, following a refinement of KBC's approach to animal testing, a decision was made to remove DowDuPont which was subsequently implicated for testing pesticides on beagles (according to an undercover investigation).

Entrepreneurs are emerging in many of these sectors to produce plant-based proteins, cellular meat, safer pet food, high-end fashion, and other products and services that provide alternatives to hurting animals, but the vast majority of these companies are privately held, start-ups. KBC is not a venture investor, but deeply interested in this work and will track the progress of these companies and promote their good works, in the hopes they succeed and disrupt the marketplace in ways that are beneficial to animals.

Rather than focus on venture – a worthy and brisk arena of corporate activity – KBC's purpose is to influence the biggest companies in the world, which have the largest supply chains, workforces, marketing efforts, and footprints when it comes to animal impacts and environmental effects. KBC and its sister organization, the Karner Blue Center for a Humane Economy ("the Center"), are working in tandem to build a humane economic order. The Center engages with corporations through animal advocacy campaigns and programs in a culture where consumers, investors, and other key stakeholders abhor cruelty and the degradation of the environment and embrace innovation as a means of eliminating both. Together, they give investors and donors an opportunity to use capital to foster more humane corporate policies in the United States and across the globe.

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