

Our quarterly update focuses on specific investments made by the funds within the Positive Impact Portfolios. As well as avoiding harmful investments, we continually seek to find funds which aim to make a positive contribution to society or the environment, alongside an attractive financial return.

We assess every fund in the portfolio against 41 criteria for impact. This update will concentrate on three; clean fuels, healthcare and sustainable food production.

With this update we are working on aligning our impact reporting with broader international standards. The United Nations' Global Goals were adopted in 2015 as part of the 2030 Agenda for Sustainable Development.<sup>1</sup> They provide a holistic framework for action around the issues seen as the most critical for the planet and humanity.

A subset of these goals map well onto our positive impact criteria, so we are highlighting them in this update for the first time.



### 1 CLEAN FUELS

#### Reducing vehicle emissions



In 2016, greenhouse gas emissions in the UK totalled 466Mt, of which 374Mt was carbon dioxide equivalent.<sup>2</sup> Although this is 42% lower than 1990 levels, considerable reductions still need to be made if the UK is going to contribute to the Paris Agreement Goal to limit the global temperature increase to 2°C.<sup>3</sup> The transport sector in the UK currently contributes 24% of the total greenhouse gas emissions.

## SOLUTION:

### Sustainable transport – Biofuel buses

Stagecoach is one of the largest bus companies in the UK serving over 3 million passengers every day on 2,200 routes.<sup>4</sup> As part of its plans to continue to reduce its carbon emissions (and building on a 30% reduction in carbon intensity since 2007/08) Stagecoach has introduced biofuel buses in Kilmarnock, Scotland.<sup>5</sup> Containing two fuel tanks, these buses are turned on with diesel before switching to fuel produced from used cooking oil and running on this fuel for the rest of the day. As a result CO<sub>2</sub> emissions from the buses have been reduced by 80% and 70 tonnes of cooking oil recycled. This oil would otherwise have been disposed of in landfill (or dumped in sewage systems). Local residents have also been able to trade their own used cooking oil for reduced tickets as part of the BioBus scheme.

## FUND IN FOCUS:

### Rathbone Ethical Bond

**Rathbones**  
Look forward

Stagecoach received investments from the Rathbone Ethical Bond fund which invest in companies or institutions helping to tackle social and environmental issues mainly in the UK. Sustainable transport alongside renewable energy projects either owned or financed help solving the “Affordable and Clean Energy” Sustainable Development Goal.

Find out more via the EQ rated funds page:

[eqinvestors.co.uk/eq-rated-funds/](http://eqinvestors.co.uk/eq-rated-funds/)

## 2 HEALTHCARE Providing specialist cancer care



Cancer is the leading cause of death in the UK, with almost 163,000 people dying from it every year.<sup>6</sup> 980 cases of cancer are diagnosed every day, and there are currently 2.5 million people in the UK living with cancer. Of these, about 50% will recover and live more than ten years.<sup>7</sup>

## SOLUTION:

### Dedicated healthcare centres



Leeds Cancer Centre is one of the largest specialist cancer treatment centres in the UK and treats patients from all across the north of England.<sup>8</sup> In addition to offering normal cancer treatments, such as chemotherapy and radiotherapy, the Leeds Centre is also leading the way in a number of pioneering and additional treatments. These include advanced surgery, complementary natural healing methods, hair loss support groups and workshops in meditation and relaxation. For example, recent investment has allowed an ageing Linac machine – which delivers external beam radiation treatments – to be replaced with a new state-of-the-art model.<sup>9</sup> The new technology contained within the machine means the radiation is able to target the cancerous tumours whilst sparing the surrounding healthy tissue and thereby causing less harm to the patient.

## FUND IN FOCUS:

### Royal London Sustainable Managed Income



Leeds Cancer Centre received investments from the Royal London Sustainable Managed Income Trust which invest in companies or institutions helping to tackle social and environmental issues mainly in the UK. To find out more please visit:

[eqinvestors.co.uk/eq-rated-funds/](http://eqinvestors.co.uk/eq-rated-funds/)



### 3 SUSTAINABLE FOOD PRODUCTION

#### Organic food production



With the mechanisation of agriculture in the late nineteenth and early twentieth century the methods, yields and products produced for human consumption underwent a radical evolution.<sup>10</sup> The use of pesticides, herbicides and fertilisers dramatically increased crop yields whilst intensive rearing techniques of animals meant many more could be reared for slaughter at a much faster rate. However, these improvements were not without issues with debates now raging around the potential dangers of pesticides – with conflicting studies debating whether they are carcinogenic<sup>11</sup> – an increased public awareness of animal welfare standards and a desire to be able to trace the source of the food we consume.<sup>12</sup> The new technology of GMO (genetic modification) has also caused anxiety over the possibility that GMO seeds could ‘escape’ into the wild and ‘infect’ wild varieties, damaging ecosystems and native plant varieties.<sup>13</sup>

#### SOLUTION: Sustainable farming



Wessanen sells organic, Fair Trade and non-GMO products in the European Market. Whilst not without critics,<sup>14</sup> organic food helps to combat soil degradation through practices such as crop rotation or intercropping and also avoids the as yet unproven risks and/or benefits of GMO food. With 97% of products classified as vegetarian, Wessanen aims to reduce the over-consumption of meat (which generates issues such as methane production by cows) by providing people with healthier alternatives.<sup>15</sup> In addition to selling these products, the company also does its best to link people to the source of their food through campaigns; its partnership with the Youth Food Movement Academy saw it seek to educate young people about the food production system in order to better appreciate the effort it takes to produce their food.<sup>16</sup>

#### FUND IN FOCUS: Liontrust Sustainable Future European Growth



Wessanen received investments from the Liontrust Sustainable Future European Growth fund which supports European companies that are making our environment and society more sustainable and resilient. Organic food is a relatively small allocation to the fund but achieving the Sustainable Development Goal number 12 called “Responsible Consumption and Production” is a common objective for many of the companies held within the fund. To find out more please visit:

[eqinvestors.co.uk/eq-rated-funds/](http://eqinvestors.co.uk/eq-rated-funds/)

#### NOTES

1. *Transforming our world: the 2030 Agenda for Sustainable Development*, United Nations
2. *2016 UK Greenhouse Gas Emissions, Provisional Figures*, Department for Business, Energy & Industrial Strategy
3. *The Paris Agreement*, United Nations Framework Convention on Climate Change
4. *About Stagecoach*, [www.stagecoachbus.com](http://www.stagecoachbus.com)
5. *Case studies*, [www.stagecoach.com](http://www.stagecoach.com)
6. *Statistics fact sheet*, Macmillan Cancer Support
7. *Cancer Statistics for the UK*, Cancer Research UK
8. *Leeds Cancer Support*, Leeds Cancer Centre
9. *Cancer patients to benefit from latest state-of-the-art technology*, Leed Cancer Centre
10. *Mechanization of Agriculture: Meaning, Benefits and Progress*, [www.economicdiscussion.net](http://www.economicdiscussion.net)
11. *Insecticide lindane found to cause cancer*, The Guardian
12. *The Organic Market Report*, Soil Association
13. *Arguments for and against GMOs*, Debating Europe
14. *Serving McDonalds to food experts?*, Lifehunters (YouTube)
15. *Our purpose*, [www.wessanen.com](http://www.wessanen.com)
16. *2016 Recap*, [www.wessanen.com](http://www.wessanen.com)

## Next steps:

You can download a Positive Impact Portfolio brochure, view factsheets and invest online via the EQ website. Please get in touch for further information:



[eqinvestors.co.uk](http://eqinvestors.co.uk)

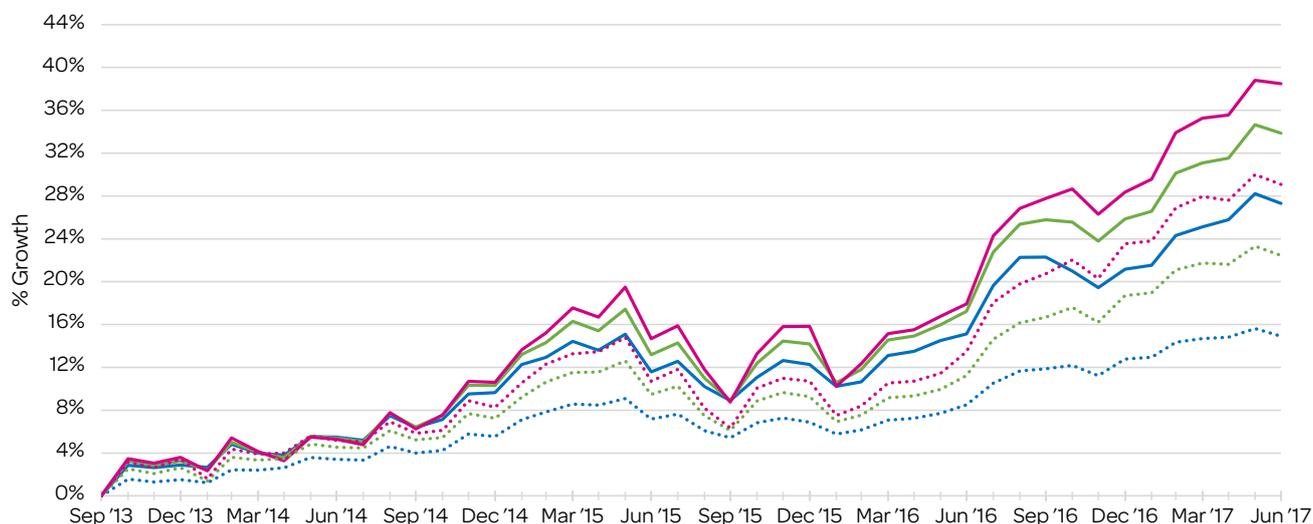


020 7488 7110



[positive@eqinvestors.co.uk](mailto:positive@eqinvestors.co.uk)

Cumulative performance since inception 30/09/2013 to 30/06/2017



Annual performance	Jul 16 - Jun 17	Jul 15 - Jun 16	Jul 14 - Jun 15
Positive Impact Cautious	10.59%	3.18%	5.76%
ARC Cautious *	5.91%	1.26%	3.63%
Positive Impact Balanced	14.18%	3.58%	7.39%
ARC Balanced *	10.11%	1.59%	4.71%
Positive Impact Adventurous	17.45%	2.82%	8.92%
ARC Steady Growth *	13.78%	2.49%	5.24%

### Risk warning

Past performance is not a guide to future performance. The value of investments and the income derived from them may go down as well as up and investors may get back less than they originally invested. The Positive Impact Portfolios are available in seven different risk profiles, of which three are shown here. Inception dates may vary; please see factsheets for full details.



020 7488 7110



[enquiries@eqinvestors.co.uk](mailto:enquiries@eqinvestors.co.uk)



@eqinvestors



EQ Investors

EQ Investors Limited, Centennium House, 100 Lower Thames Street, London EC3R 6DL

EQ Investors Limited is authorised and regulated by the Financial Conduct Authority. Registered in England & Wales at 6th Floor, 60 Gracechurch Street, London EC3V 0HR. Company Number 07223330.

This document has been drafted solely to keep investors informed and does not constitute a personal recommendation. These model portfolios are not suitable for all investors: investments may only be undertaken based on a recommendation from a financial adviser. Example holdings and funds included in the Positive Impact Portfolios on 30/06/2017. Model performance is shown in sterling, net of underlying fund charges and an EQ management fee of 0.59% (including VAT) per annum, but excludes platform and advice fees. Underlying fund charges may vary depending on platform. All income reinvested; actual returns may vary. \* We use Asset Risk Consultants (ARC) to benchmark the performance of our portfolios. ARC benchmark figures are based on participating investment managers' actual performance data, net of fees, following the last quarter end. This document may contain opinions that represent our assessment and interpretation of information with which we have been provided and no representation or warranty, expressed or implied, is given as to its accuracy or completeness.