

The EQ Positive Impact Portfolios invest in companies that are making a positive impact on society and the environment by providing solutions to real world problems. We use the United Nations Sustainable Development Goals as a way to map the impact of their products and services.

Our quarterly updates feature examples of these companies and funds; here we will focus on three relating to Goals 6 - Clean water and sanitation; 2 - Zero hunger; and 9 - Industry, innovation and infrastructure.



Breaking new ground on protecting our waterways

The UK's freshwater waterways provide important natural corridors by bringing the countryside into the heart of most populous cities, and linking fragmented wildlife communities together.

The UK's canals, rivers and reservoirs are some of the most bio-diverse spaces in the country. 30% of them have been officially recognised for their special environmental value. Despite their importance to biodiversity conservation and providing valuable spaces to learn about nature, their protection is no given – pollution, vandalism, and illegal waste disposal are some reoccurring challenges.

FUND IN FOCUS

Rathbone Ethical Bond

Rathbones

The Canal and River Trust received investments in their bond issue from the Rathbone Ethical Bond Fund. This UK-focused bond fund invests in fixed income securities from sustainable businesses and projects, while avoiding investments in those doing harm. Another holding in the fund that is benefiting freshwater ecosystems is the utility Yorkshire Water.

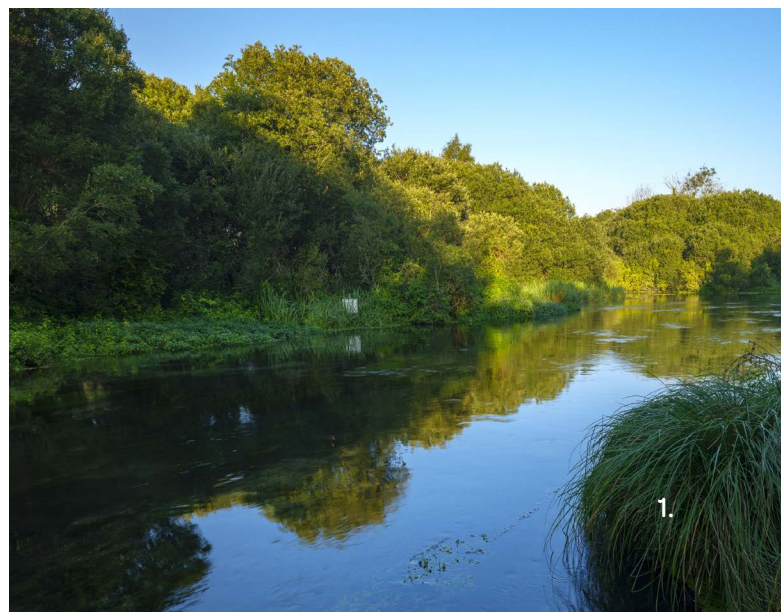
EXAMPLE HOLDING

Canal and River Trust



The Canal and River Trust holds the guardianship for over 2000 inland waterways in the UK. Through the bond, the EQ Positive Impact Portfolios contribute to ongoing work to protect these freshwater ecosystems.

Activities of the Trust's environmental team include improvements made to connectivity of water courses for better fish movement, dealing with invasive plant species, and cleaning up industrial spills. To protect these spaces for generations to come, the Trust is increasingly using the canals and rivers as 'outdoor classrooms', engaging adults and children in education about their natural history.



2 ZERO HUNGER



Dine with the planet in mind

Food production carries environmental footprints, and it is now widely known that diets high in animal products are associated

with more severe levels of carbon emissions and natural resource use.

The [largest driver of tropical deforestation is land clearance for cattle ranches](#), and [14.5% of all global greenhouse gas emissions are related to animal farming](#).

There are differences between the carbon footprint of different animal protein sources. Cattle, raised both for meat and dairy, present the greatest emissions driver – [with about 65% of the livestock sector's emissions](#). Behavioural changes at the consumer level, including a move to more plant-based diets, are seen as the most powerful drivers to reduce the environmental harm from animal farming.

FUND IN FOCUS

Baillie Gifford Positive Change Fund



Beyond Meat received investments from the Baillie Gifford Positive Change fund, which focuses on identifying companies with strong long term growth opportunities through solving pressing social or environmental challenges.

Other companies in the fund that benefit climate mitigation are Tesla, leading electric vehicle manufacturer, and Orsted, global leader in offshore wind energy.

EXAMPLE HOLDING

Beyond Meat



BEYOND MEAT®

Beyond Meat is a US-based consumer product company that is disrupting food as we know it, by providing plant-based patties and mince - designed to look, cook and taste like fresh ground beef. Their Beyond Meat burgers and mince are based on pea protein and is considered nutritionally and functionally similar to beef – but pack just a fraction of the associated environmental footprints in production.

Based on [thorough academic research](#), the Beyond Burger generates 90% less greenhouse gas emissions, has over 99% less impact on water scarcity and 93% less impact on land-use compared to a quarter pound of U.S. beef. The company wants to appeal to all consumers, and makes it easier to choose a more environmental way of eating.

As a pioneer in the food tech space, the company is rapidly expanding its global footprint and increasing accessibility – with products now readily available in UK supermarkets.





Reducing the impact of transport

Within our globalised economies, transport is still highly dependent on fossil-fuelled engines. Aeroplanes, ships and the majority of passenger cars all use petroleum products – converting chemical to mechanical energy in order to produce movement. Many industrial and manufacturing processes are also still fossil-fuel dependent. All of these machines emit greenhouse gases – the driver of global climate change.

One of the largest opportunities to combat climate change in the transport and industrial sectors is to re-design these systems to use electrical energy input where possible. Through stabilising the grid infrastructure, greening the grid mix and electrifying motors, the goal of a net-zero carbon world is possible.

EXAMPLE HOLDING

WEG



WEG is a Brazilian manufacturer of energy efficient electric motors, power and distribution transformers, and renewable energy solutions. Traditionally focusing on improving the energy efficiency of electrical motors and generators, the company is well placed to benefit from major green economy trends that will place new demands on electric power systems.

Its motor technologies can power cars, trains and even heavy-duty vehicles. Capitalising on this trend, WEG now also owns electric vehicle charging stations – enabling EV transport in Brazil's urban environments. Additionally, the company contributes to greening the electricity grids, by providing solar, hydro and wind turbine technologies to its customers.

With a clear business strategy and research agenda, WEG is well placed to benefit from and contribute to a low carbon world.

FUND IN FOCUS

Stewart Global Emerging Markets
Sustainability Fund



Stewart Investors

WEG received investment through the Stewart Global Emerging Markets Sustainability fund. This fund invests in companies that are set to benefit from and contribute to sustainable development of emerging market countries.

Other companies in the fund that are helping our move away from fossil fuels are Voltronic Power, specialising on solar power inverters, and Chroma, electrical safety testing specialist.



Want to learn more about the UN Goals, and why we use them? Take a look at our annual Impact Report – and calculate the impact of your own portfolio online – at: eqinvestors.co.uk

SUSTAINABLE DEVELOPMENT GOALS



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.

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