

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 7 - Affordable and clean energy, 2 - Zero hunger, and 3 - Good health & well-being.



### Greening the grid

The UK has committed to a decarbonisation path leading to net-zero emissions by 2050.

At the moment, just 27% of the UK's electricity demand is met by renewable energy sources like wind or solar. To meet our climate targets our electricity generation needs to decarbonise fully, with the greatest progress made in the next decade.

A green grid can power the decarbonisation of other sectors, like transport, and therefore is a big lever to combat climate change. This challenge is helped by the fact that renewable energy is becoming very price competitive to traditional fossil-fuel based electricity production and innovation in battery storage.

### FUND IN FOCUS

#### Foresight UK Infrastructure Income Fund

## Foresight

FOR A SMARTER FUTURE

NextEnergy Solar received investment from Foresight UK Infrastructure Income Fund, which invests in renewable and essential public infrastructure trusts, including [Greencoat UK Wind](#) and [JLEN Environmental Assets](#).

### COMPANY

#### NextEnergy Solar

# NEXTENERGY

NextEnergy Solar is an investment company that invests in primarily UK-based solar energy infrastructure assets. By channelling capital to the acquisition, maintenance and operation of solar energy farms, NextEnergy Solar contributes to the incremental increase in the proportion of green electricity sources in the UK grid. In 2021, NextEnergy Solar's assets produced 539GWh, enough to power circa 180 thousand typical households. Through replacing fossil fuel energy, the renewable electricity generated helps to [avoid approximately 229 thousand tonnes](#) of carbon dioxide a year.

Further, NextEnergy Solar aims to [support local biodiversity](#) around the solar farms. It audits the onsite species diversity to create a baseline, and manages assets to improve this over time.





## Meeting food demand within planetary boundaries

The agricultural sector is amongst the greatest consumers of energy, land and water. Agriculture and related land-use also contributes

about [1/4 of global greenhouse gas emissions](#) and has resulted in significant local depletion of natural resources and biodiversity.

It is also the reason why we have overstepped the safe [planetary boundary of some biochemical cycles](#) because of fertiliser use.

We need to find solutions to meet the world's food demand and needs of a balanced diet while reducing these adverse effects on ecosystems and resources. One way to reduce the agricultural sector's impact is through shifting to more sustainable food sources, eating local and seasonal. The other is to apply technology to manage farms more sustainably.

### FUND IN FOCUS

**Impax Asian Environmental Markets fund**

**IMPAX** Asset Management

Kubota received investment through the Impax Asian Environmental Markets fund, which invests in Asia-listed businesses contributing to environmental impact themes, including climate change mitigation and sustainable agriculture. Another holding that helps reduce food's environmental impact is [Joyoung](#), a supplier of soya milk machines, with much lower carbon footprints than cow's milk production.

### CASE STUDY

**Kubota**

**Kubota**

Kubota is a Japanese company focusing on machinery for agriculture and water management. The company is set up to provide solutions that aim at providing a stable food supply with greater farm efficiency – directly translating into lower pressure on natural and ecosystem resources.

Among its [“smart agriculture” products](#) is precision farming software, which helps farmers via smartphones to integrate all farm data and minimise fertiliser use, manage labour distribution, soil health, and Kubota machinery efficiency. Kubota is also a leading innovator in agricultural machinery, creating the most eco-efficient tractors that link with their precision farming software to create the best outcomes for farmers, food supply and the environment.







## Caring for an ageing population

Population ageing is often cited as a major economic challenge for the developed world. But shifting demographics pose an

even greater threat to the growth prospects of many emerging economies. More emerging markets are going through a demographic transition with lower fertility rates and increasing life expectancy.

In 2019, 1 in 11 people in the world were over 65. In 2050 it will be 1 in 6.

Among other impacts on the economy, it also means that our world's demand for ongoing care for chronic illness, inpatient care and home support will increase significantly. To elongate happy livelihoods, not just life-years, we need to invest in solutions to deliver care to the ageing population of tomorrow.

### COMPANY

**Encompass Health**  **Encompass Health**

Encompass Health is a leading US-based provider of inpatient rehabilitation and home-based care. The company manages post-surgery, or traumatic accident care facilities where about 180 thousand patients learned to live independent again last year through personalised therapies. Encompass's skilled nurses, speech and physical therapists also look after 190 thousand patients in the comfort of their own homes, providing critical care over the covid pandemic.

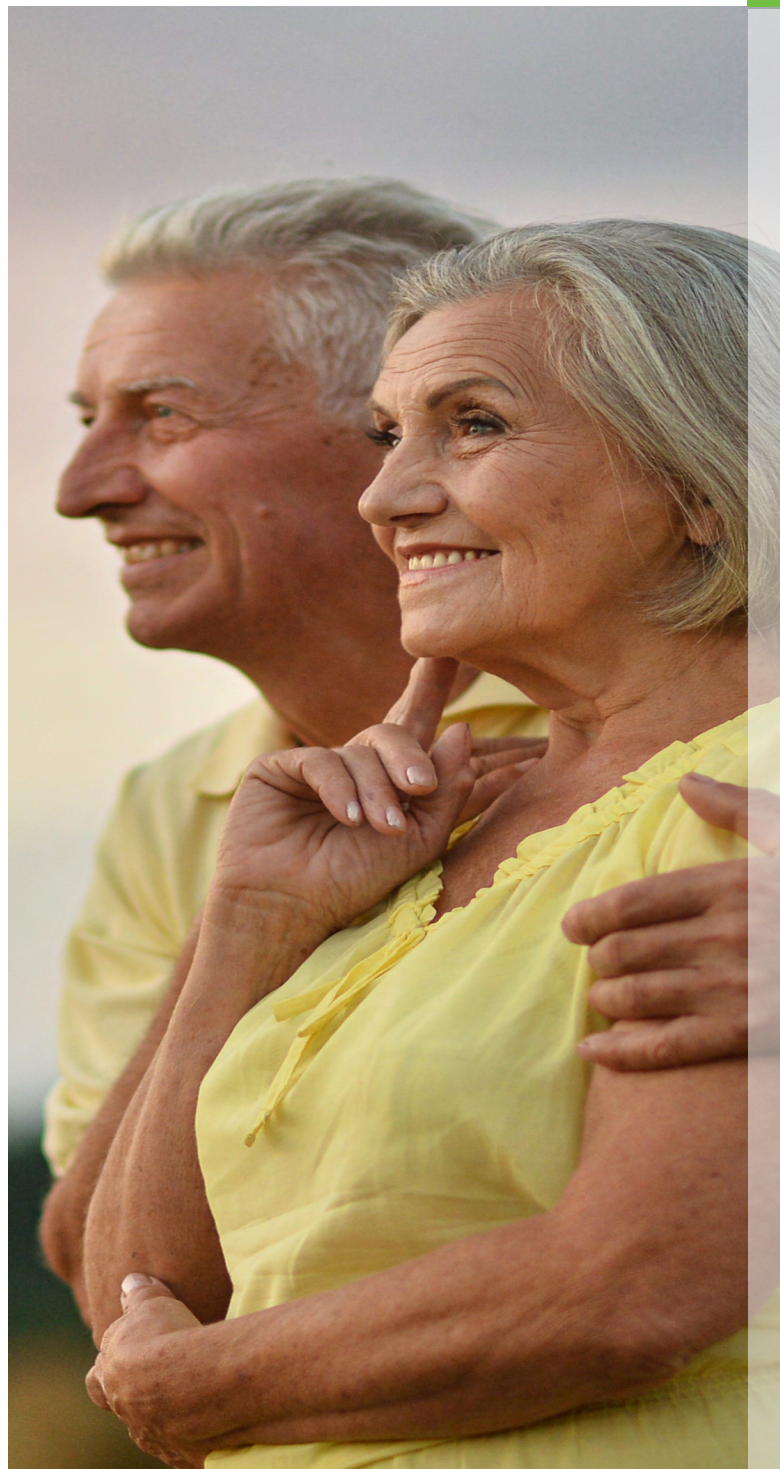
With an ageing demographic pressuring healthcare costs in the US, Encompass Health is benefiting from its ability to offer more cost-effective solutions over traditional senior nursing facilities, while also improving patient outcomes by allowing them to continue life in local familiar communities.

### FUND IN FOCUS

**Janus Henderson Global Sustainable Equity**

**Janus Henderson**  
INVESTORS

Encompass Health has received investment from Janus Henderson Global Sustainable Equity. This fund also invests in other businesses that create enhanced healthcare outcomes, including ICON, the largest global clinical research organisation helping commercialise cutting edge treatments.



*Want to learn more about the UN Goals, and why we use them? Ask your financial adviser for a copy of our annual Impact Report and a statement from our online impact calculator.*

## 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.

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