



Future Leaders Offshore Portfolios

H1 2024 update

future leaders

The EQ Future Leaders Offshore Portfolios invest in the sustainability leaders of tomorrow. The core of the portfolios invests in businesses that are strong performers when measured on environmental, social and governance (ESG) criteria. This is complemented by satellite investments in sustainable sectors, such as clean energy, healthcare, and green bonds. In these bi-annual updates we showcase three examples of companies to which investors gain exposure.



ESG Leader: CRH



CRH is an international building materials company that operates across various segments, including aggregates, cement, asphalt, and ready-mix concrete. It supplies construction products to a global customer base, serving residential and commercial construction industries. CRH is known for its diverse range of products and services, which contribute to developing and maintaining infrastructure and buildings worldwide. CRH holds a AAA rating from MSCI ESG, recognising its commitment to sustainability, responsible business practices and efforts to reduce its environmental impact.

FUND IN FOCUS

Amundi MSCI Europe
SRI PAB Index



CRH PLC receives investment through the Amundi MSCI Europe SRI PAB Index, which holds large and midcap stocks in the European equity market with strong ESG performance and which are not involved in any controversial activities. Examples of some other holdings in the fund are [Givaudan](#) and [GEA Group](#).



Environment

The **environmental** pillar focuses on how a business performs as a steward of our natural environment.

In early 2023, the company revised its targets in line with the 1.5°C science-based framework, validated by the Science Based Targets initiative (SBTi). Beyond its own operations, CRH has been focused extensively on innovating low-carbon construction products. For example, CRH's Innovation Centre for Sustainable Construction has developed a low-carbon concrete solution with [a 65% lower carbon footprint than traditional concrete solutions](#).



Social

The **social** pillar focuses on how a company treats people, such as its employees, its customers, and its local community.

CRH creates positive relationships with the communities it works within by using its expertise in construction. For example, several of the subsidiary construction companies of CRH have partnered with [Habitat for Humanity](#). This non-profit organisation helps families in need build and improve their homes and supplies insulated concrete forms to build houses. These forms are extremely energy efficient and durable, providing excellent protection against severe weather conditions.



Governance

The **governance** pillar focuses on how the business polices itself by integrating policies to prevent corruption and ensure a high governing standard.

CRH has several board committees including the safety, environment and social responsibility committee. The committee meets at least three times per year to monitor health and safety, environmental and social responsibility across CRH. The committee reviews, sets targets and tracks performance on those areas on a regular basis.



ESG Leader:
The Home
Depot



The Home Depot is a retail company specialising in home improvement and construction products. It operates a chain of stores and an online platform, offering a wide range of goods, including tools, building materials, appliances, and garden supplies. Home Depot supplies products and services for homeowners, contractors, and DIY enthusiasts, making it a one-stop shop for various home improvement needs. The Home Depot obtained a AA rating from MSCI ESG due to its focus on improving stakeholder outcomes.

FUND IN FOCUS

Amundi MSCI USA SRI PAB Index

Amundi
ASSET MANAGEMENT

The Home Depot receives investment through Amundi MSCI USA SRI PAB Index, which holds large and midcap stocks in the US equity market with strong ESG performance and which are not involved in any controversial activities. Examples of some other holdings in the fund are [Zoetis](#) and [Illinois Tool Works](#).



Environment

Most of The Home Depot's emissions come from its Scope 3 emissions through both supply chain and products sold. The business has focused on working with its suppliers to improve its products' energy efficiency and promoting the sales of some of the high-efficient and electrified products that the business has. The business aims to help customers save [\\$600 million in energy costs by 2026](#).



Social

One impressive initiative Home Depot runs is The Homer Fund, an employee assistance program funded by employees and the company to help employees in need. Since 1999, [The Homer Fund has granted over \\$200 million to more than 165,000 associates in need](#). Employees struggling due to an unforeseen event causing financial hardship can apply for a grant. In 2022, over 12,000 grants were awarded, helping associates with illnesses or affected by hurricanes and wildfires, amongst other things.



Governance

Home Depot has an extensive list of ESG-related goals with timelines that have been set and are reported on every year in the company's ESG report. The company has an ESG Governance Committee, formed of representatives from across the different business functions, that looks to identify key ESG-related issues and coordinate ESG efforts that support the business and long-term value creation.



Sustainable theme: Healthcare

Lung cancer is the leading cause of cancer-related deaths worldwide. In the UK alone nearly [35,000 people die from the disease each year accounting for roughly a 5th of all UK cancer deaths](#). Although it is most commonly associated with smokers, there are still 6000 non-smokers in the UK that die from the disease every year.

The most common type of lung cancer is non-small cell lung cancer and is typically treated through surgery followed by chemotherapy or radiation therapy to remove any cancer cells left. However sometimes these techniques may prove ineffective, leaving the patient's chance of survival to decrease.

COMPANY

Amgen

AMGEN

Amgen is a US-based biotechnology company that focuses on six therapeutic areas: cardiovascular disease, oncology, bone health, neuroscience, nephrology, and inflammation. As of 2022, Amgen has 27 approved medicines available, and reaches an estimated [10 million patients](#).

Amongst Amgen's more recently approved products is Lumakras, which is used to treat adults with non-small cell lung cancer when chemotherapy and immunology has been unsuccessful, and the tumour had spread leaving it unable to be surgically removed. The drug received accelerated regulatory approval from the U.S. Food and Drug Administration (FDA) in 2021, and so far, [6,500 patients have received the drug through clinical development programs or commercial use](#). In clinical trials the drug has shown to be successful, with [36% of patients experiencing a decrease in the size of their tumour by at least 30%, and 84% of patients had tumours remain stable or shrink while using Lumakras](#), resulting in a significant increase in the long term survival rate.

Currently, Lumakras is also being trialled for other cancers including pancreatic and colon, however trials are still in progress, and it has yet to be approved for treatment on these types of cancers.

FUND IN FOCUS

iShares Healthcare
Innovation ETF

iShares
by BlackRock

Amgen receives investment from the iShares Healthcare Innovation ETF, which holds global equities within the healthcare sector. Examples of other companies held in the fund are [Neurocrine Biosciences](#) and [Boston Scientific](#).



Want to learn more about the UN Goals, and invest in the sustainability leaders of tomorrow? Please do not hesitate to get in touch with your financial adviser.

We're always happy to hear from you.

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 Future Leaders Offshore Portfolios are available in four different risk profiles.

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

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