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# EQ Investors | Sustainable World

Q2 2025 update

This quarterly update for the EQ Sustainable World portfolio showcases case studies from the three key pillars: Impact Solutions, ESG Leaders & Climate Focus.

## Impact Solutions

We select specialist impact fund managers that invest in companies whose core products & services contribute towards the UN Development Goals.

## ESG Leaders

By focusing on ESG Leaders, these funds invest in companies that are best managing environmental, social and governance risks (ESG).

## Climate Focus

Invest in funds investing in companies that show climate change leadership.

This includes climate solutions, low carbon leaders and those on a science-based pathway to transition.

### Impact Solutions

## Accelerating building efficiency

Buildings account for [nearly 40% of global energy use](#), making them a major source of emissions.

At the same time, cities need more affordable, high-quality housing.

Prefabricated and modular homes – which are built offsite in a factory – offer a solution as they can be built in half the time of traditional homes and generate up to [90% less on-site waste](#).

When paired with smart technologies and energy-saving features, these homes can also [cut energy use by up to 30%](#).

### FUND IN FOCUS

#### CT Sustainable Global Equity Income



Daiwa Housing Group receives investment through the CT Sustainable Global Equity Income Fund, which seeks to invest in companies that make a positive contribution to society and/or the environment.

Other holding companies involved in improving energy efficiency of buildings include [Schneider Electric](#) and [Compagnie de Saint-Gobain](#).

### COMPANY

#### Daiwa Housing Group



**Daiwa House Group**

Daiwa Housing Group, a Japanese developer and homebuilder, is tackling these challenges with a modern approach. The company builds prefabricated homes using modular techniques that reduce construction waste and [shorten build times](#). These homes are designed with energy efficiency in mind, including features like double-glazed windows, strong insulation, and efficient heating and cooling systems.

Smart technology also plays a role. Daiwa includes systems that allow homeowners to monitor and manage energy use—from lighting to indoor climate control—helping them [save energy and reduce bills](#).

Daiwa's buildings are designed to last. Originally developed to withstand earthquakes in Japan, its construction methods now offer durability and resilience in a wide range of environments. The company also supports the long-term sustainability of its homes by offering regular maintenance and renovation services.

By focusing on smart, resilient, and efficient construction, Daiwa is helping to make cities more liveable and sustainable.



## Digging down into electric mining systems



[Epiroc](#) is a Swedish manufacturer of mining and infrastructure equipment, specialising in rock excavation and drilling tools. They provide equipment for both surface and underground mining, construction, well drilling, and geotechnical applications.

### FUND IN FOCUS

[Federated Hermes Sustainable Global Equity Fund](#)



Epiroc receives investment from the Federated Hermes Sustainable Global Equity Fund which invests in a mixture of impact, ESG leaders, and ESG improving companies. Other examples of ESG leaders held in the fund include [Mastercard](#) and [Unilever](#).



### Environment

Mining is energy-heavy by nature. To reduce its environmental footprint, Epiroc is expanding its line of battery-electric equipment. A major breakthrough was its battery-powered trolley truck system, [deployed at Boliden's Rävliiden mine in Sweden](#). This move marked an important step toward zero-emissions underground mining.

Epiroc has also committed to reducing its Scope 1, 2, and 3 emissions by 50% by 2030. Its targets have been validated by the [Science Based Targets initiative \(SBTi\)](#). These efforts help Epiroc's customers (mining companies) make their own operations cleaner and more sustainable.



### Social

Safety is a top priority in mining, and Epiroc made major progress on that front in 2024. It recorded its lowest injury rate in years, thanks in part to its [Collision Avoidance System Level 9 \(CAS 9\)](#).

This tech automatically stops vehicles if drivers don't respond to alerts, preventing serious accidents. Over 100 units of this system have already been deployed, showcasing Epiroc's leadership in mining safety.



### Governance

In 2024, [Epiroc linked executive pay to ESG performance through a new incentive plan approved by shareholders](#). The plan rewards progress on sustainability goals, helping align leadership decisions with long-term environmental and social outcomes.

The company also requires all employees and suppliers to follow its Code of Conduct, which outlines its expectations for ethical, responsible behaviour. These measures help Epiroc maintain trust while pushing for sustainable growth.



## Cleaning up the healthcare supply chain

# Lonza

[Lonza](#) is a global leader in healthcare manufacturing, supporting pharmaceutical, biotech, and nutrition companies in bringing therapies to market. Operating across four divisions (Biologics, Small Molecules, Cell & Gene, and Capsules & Health Ingredients)

Lonza's greenhouse gas emissions are spread across its own operations (Scope 1 and 2) and its broader supply chain (Scope 3). Most of its energy comes from natural gas and electricity, and the company has taken strong steps to clean up both.



### Science Based Targets

By 2030, Lonza aims to [cut its Scope 1 and 2 emissions by 42%](#), using 2021 as the baseline. The goal is to reach net-zero emissions by 2050 or earlier. These targets have been validated by the [Science Based Targets initiative \(SBTi\)](#).

One of the company's biggest wins was its shift to renewable electricity. In 2024, [52% of its power use came from renewables](#). Lonza also signed a 10-year solar energy deal to cover operations in Switzerland and the EU and secured a clean energy contract in China, helping to slash emissions in key regions.

### FUND IN FOCUS

[Aviva Global Climate Aware Fund](#)



Lonza receives investment through the Aviva Global Climate Aware Fund, which looks to invest in a blend of climate solution and transition-orientated companies responding to climate change by orientating their business models to a lower carbon economy. Other examples of transition-oriented holdings include [CRH Plc](#) and [ATS Corp.](#)

Tackling Scope 3, Lonza introduced a [Supplier Decarbonisation initiative](#), asking its partners to set their own climate goals. By 2028, it wants 79% of its supply chain emissions to come from suppliers with science-based targets. This includes updating its Supplier Code of Conduct and running assessments to ensure alignment with its environmental commitments.

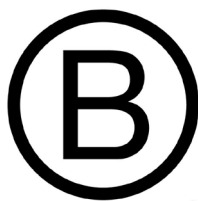
By integrating sustainability across its operations and value chain, Lonza is moving towards a low-carbon future, while still supporting global health innovation.





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**Certified**



**Corporation**

Past performance is not a guide to future performance. The value of investments and the income derived from them can go down as well as up, so you could get back less than you originally invested.

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