



# POSITIVE IMPACT REPORT 2025

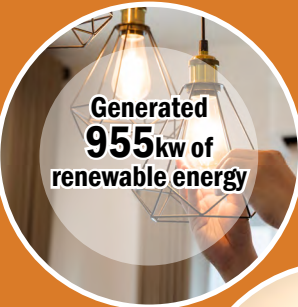




# What positive impacts have the companies in the EQ Positive Impact Portfolios had in the last year?

A £1m investment in the Adventurous portfolio has been associated with the following positive impacts during 2024, organised into four impact themes:

## Climate



Generated **955 kw** of renewable energy



Installed **87 kw** of renewable energy capacity



Avoided **647 tonnes** of CO<sub>2</sub> emissions

- ✓ Energy efficiency equipment
- ✓ Renewable energy
- ✓ Sustainable transportation

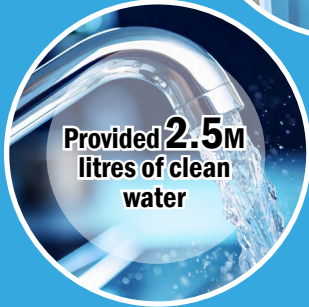
## Natural capital



Treated **7.2M** litres of wastewater



Recycled **19 tonnes** of household waste



Provided **2.5M** litres of clean water

- ✓ Clean water
- ✓ Recycling solutions
- ✓ Sustainable agriculture

## Health & wellbeing



Treated **328** patients



Made **2,306** medical interventions



Reached **221** people with preventative healthcare

- ✓ Pharmaceutical treatments
- ✓ Biotechnology
- ✓ Healthcare delivery

## Social inclusion



Gave **36** people in developing markets digital or mobile network access



Delivered **631** hours of school & adult education



Gave **54** people in developing markets access to financial services

- ✓ Education
- ✓ Financial access
- ✓ Digital access

These impact metrics describe outputs and outcomes generated by the activities of the underlying portfolio company holdings. Investing (e.g. buying shares in a company) does not create these outputs and outcomes. However, an investment can be associated with these impacts based on company disclosures and share of ownership. The EQ Positive Impact portfolios are available in a range of risk profiles, with Adventurous shown here as example. Portfolio weightings as at September 2025. For an in-depth explanation of the measurement methodology see: <https://eqinvestors.co.uk/impact-calculator-methodology>

# Welcome

It's our pleasure to present EQ Investors' ninth impact report, reflecting on the meaningful progress we've achieved since launching the Positive Impact strategy thirteen years ago.

In this year's report, we showcase the broad range of outcome areas, business models, and geographies targeted by our investments.

We continue to map our strategy against the Sustainable Development Goals (SDGs), partnering closely with impact-driven fund managers to tackle the most pressing social and environmental challenges.

Additionally, we highlight our engagement efforts across five key themes, aimed at deepening the positive impact of our investments through active dialogue with portfolio companies.

The past few years have brought a number of challenges for impact investors. In response,

we have taken proactive steps to mitigate downside risks while staying firmly aligned with the core impact philosophy of our portfolios.

Our focus remains on delivering competitive long-term financial returns for our clients by investing in companies that deliver a positive social and environmental impact.

Since launching this strategy, the task has never been more critical, nor the opportunity more compelling.

*Sophie Kennedy*

Sophie Kennedy, Joint CEO  
EQ Investors



#positiveimpact

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**2012**  
Launch of the EQ Positive  
Impact Portfolios



**2015**  
Founding UK B Corp



**2017**  
First annual impact report  
is published



**2020**  
Engagement milestone  
reporting



**2019**  
Principles of  
Responsible Investment



**2018**  
Personalised impact  
calculator launched



**2022**  
Personalised carbon  
calculator launched



**2023**  
New stewardship  
strategy



**2024**  
New voting  
monitoring tool

# EQ's impact strategy

## Driving growth in impact investing

EQ engages with the industry to drive more supply of impact funds, lower fees and strengthened resilience of existing impact investment funds. We collaborate with regulators and industry bodies to establish best practice which helps to pave the way for a future where more capital is deployed with a dual mandate. This helps to deliver both financial returns and positive social and environmental outcomes.

Certified



## Business as a force for good

EQ is a founding certified B Corp and proudly holds one of the highest B Corp scores among UK financial services firms – We don't just talk about responsibility; we're built on it.

Impact from EQ's engagement



Impact from EQ Positive Impact's investments



## Portfolio objective



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The portfolios are designed to achieve long term capital growth by investing in solutions that address the world's major social and environmental issues and engage to scale this impact.



The UN Sustainable Development Goals provide a global framework for addressing the world's most urgent social and environmental challenges.





# Our approach to impact investing

EQ Positive Impact invests in solutions that address the world's major social and environmental challenges, whilst actively engaging with stakeholders to influence change.

## 1 Positive impact solutions

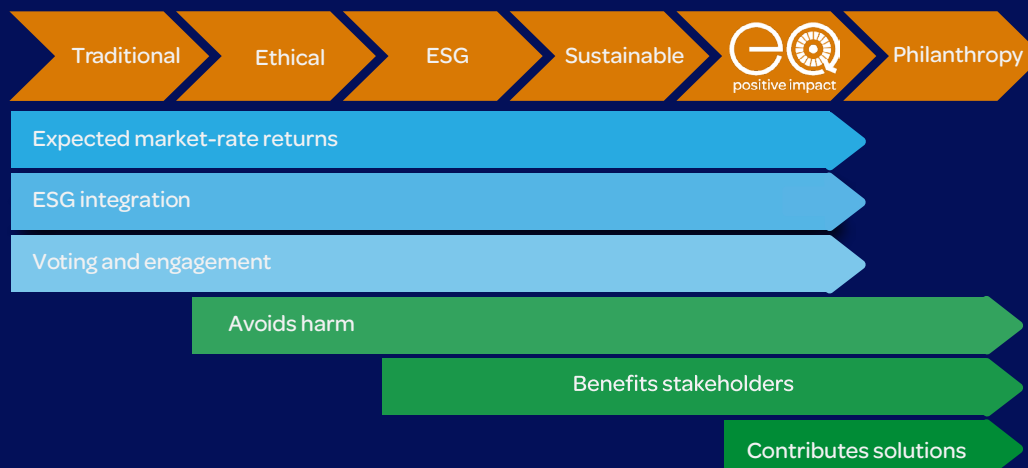
We invest in companies and projects whose core products and services provide solutions to address global sustainability challenges. To achieve this, each investment's impact must be material, additional and measurable.

## 2 Stewards of sustainability

We actively engage for change on behalf of our clients, acknowledging the fact that there is no perfect company or asset manager. This way we continuously improve the positive impact of investments over time. We recognise the power of shareholders and harness it through our stewardship strategy.

### Spectrum of capital

We believe there are many ways to integrate sustainability goals within investments. We view EQ Positive Impact's ambition as being far more ambitious other types of sustainable portfolio while retaining a resolute focus on delivering market rates of return.



## Our stewardship strategy:

**Ensure fund managers have engagement and voting ambition**



**Use portfolio monitoring to engage on emerging flags**



**Engage proactively on strategic themes across all relevant fund managers**



**Collaboratively engage with other investors on companies**



**Practice AGM activism, asking questions directly to company boards**

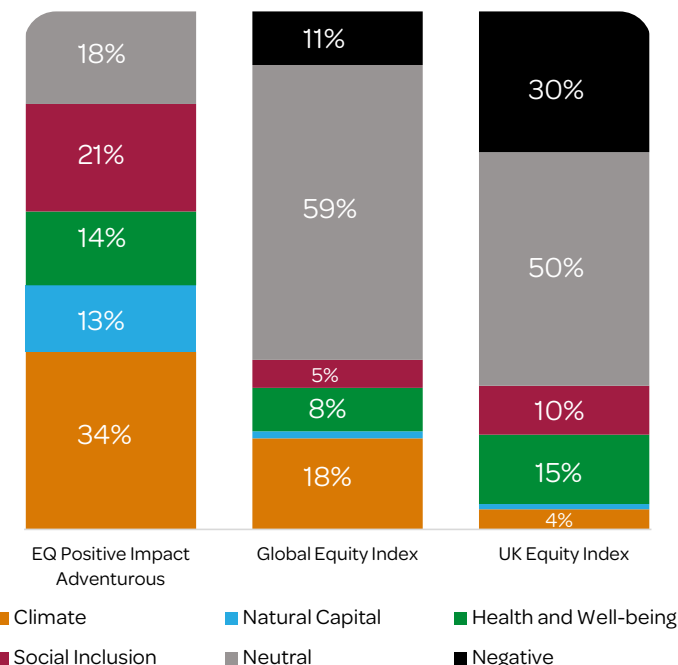


# Positive impact solutions

The EQ Positive Impact portfolio has 82% of its investments in companies whose core products and services contribute to solutions to different SDGs\*.



## Impact theme alignment



## We avoid negative practices

- ✗ Armaments
- ✗ Military contracting
- ✗ Gambling
- ✗ Political corruption
- ✗ Poor governance
- ✗ Human rights abuses
- ✗ Tobacco
- ✗ Alcohol
- ✗ Adult entertainment
- ✗ Unhealthy foods
- ✗ Air travel
- ✗ Animal farming
- ✗ Mining
- ✗ Coal
- ✗ Fossil fuel extraction
- ✗ Fossil fuel servicing
- ✗ Palm oil

*This list is not exhaustive.  
Please read our [full exclusions policy](#).*

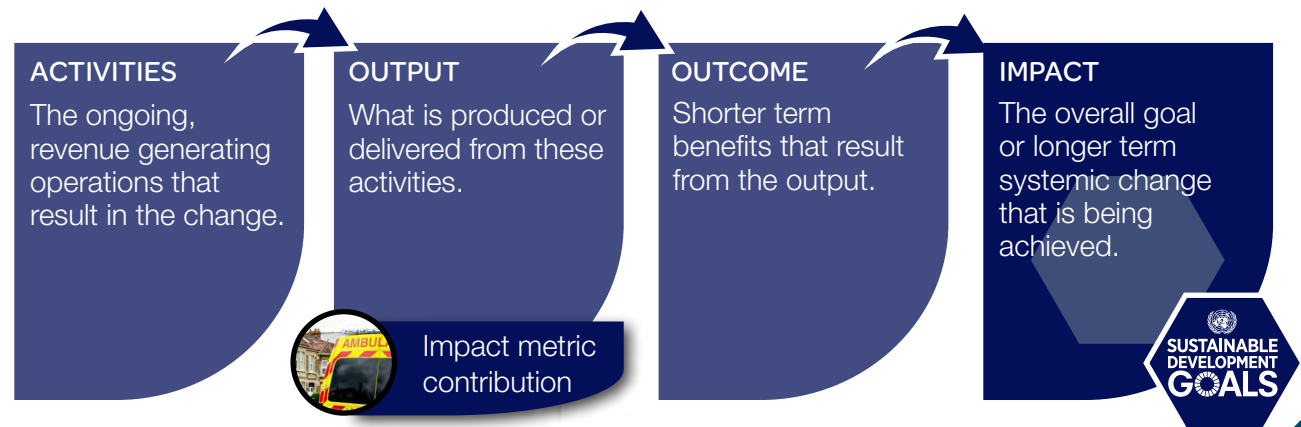


# How we measure impact

## Impact associated with investments

We establish a “theory of change” for all solution companies that we invest in, examples of which are used throughout this report. We link their core products and services to their impact on an SDG target.

Every year we measure their contribution, some of which are aggregated in our overall impact metrics. (page 2)

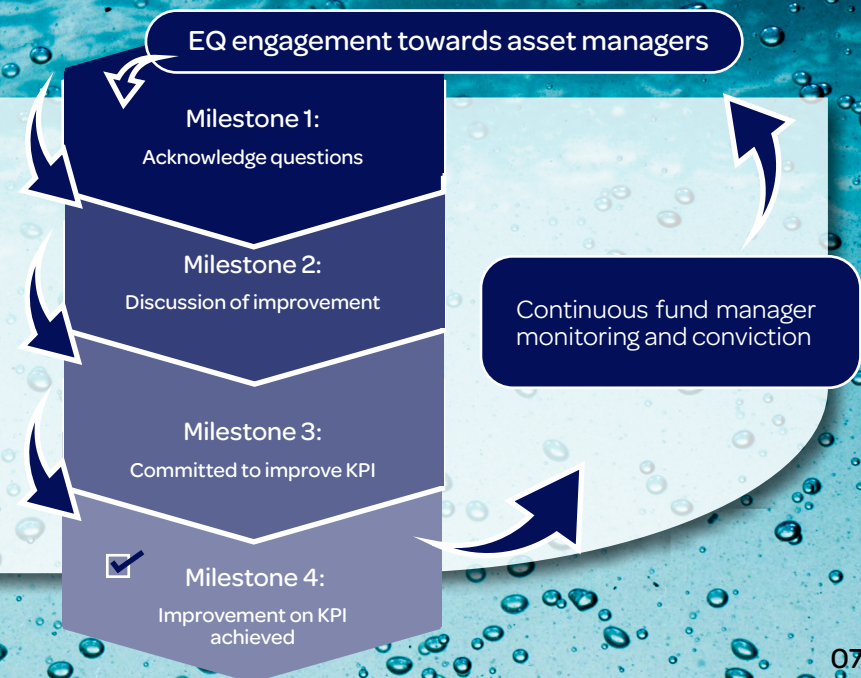


## Impact-driven stewardship with transparent outcomes

EQ's stewardship strategy contributes to impact directly. In 2025, we focused on six themes to support the portfolios' financial and sustainability goals.

For each theme, we create a KPI checklist, and report on these throughout the report.

The EQ engagement progress with fund managers is managed through a milestone framework. We summarise the recent developments made later in the report.



# Solutions to the climate crisis



## Mitigating climate change

The portfolios invest in businesses that are actively helping to advance climate mitigation by providing products and services that avoid carbon emissions, reducing society's dependency on fossil fuels.

This includes the production of renewable energy, grid infrastructure, cleaner methods of transportation and technologies that improve energy efficiency. The portfolios invest in businesses along the value chain, from the key components to the maintenance of the final product.

Aside from investing in companies providing these impact solutions, green bonds are held in the portfolio to allocate capital directly to projects that help mitigate climate change while having the more defensive financial characteristics of a bond.



**The positive impact associated with owning £1 million of the EQ Positive Impact Adventurous portfolios in 2024:**

Generated  
**955mwh** of renewable energy, enough to supply  
**354 homes.**



### ACTIVITIES

Canadian Solar Infrastructure Fund (CSIF) is a closed-end real estate investment trust (REIT) investing in renewable energy facilities and solar solutions all over Japan. Since its inception 24 years ago, CSIF has focused on solar and battery storage, generating 100% of its revenue from renewable energy.

### OUTPUT

As of 2024, CSIF is currently responsible for powering 40 million households with renewable energy. The company has delivered a total of 32GW of Solar modules in 2024. The company has begun to improve its raw material efficiency, remelting leftover cut offs to use in water production.



Contributes to the 'Renewable Energy' impact metric

### OUTCOME

In 2024 alone, CSIF's newly installed solar modules helped the company avoid approximately 230 million tonnes of CO<sub>2</sub> emissions, equivalent to the annual emissions of about 18 million residents in the UK.

### IMPACT

SDG 7.2

By 2030, increase substantially the share of renewable energy in the global energy mix.



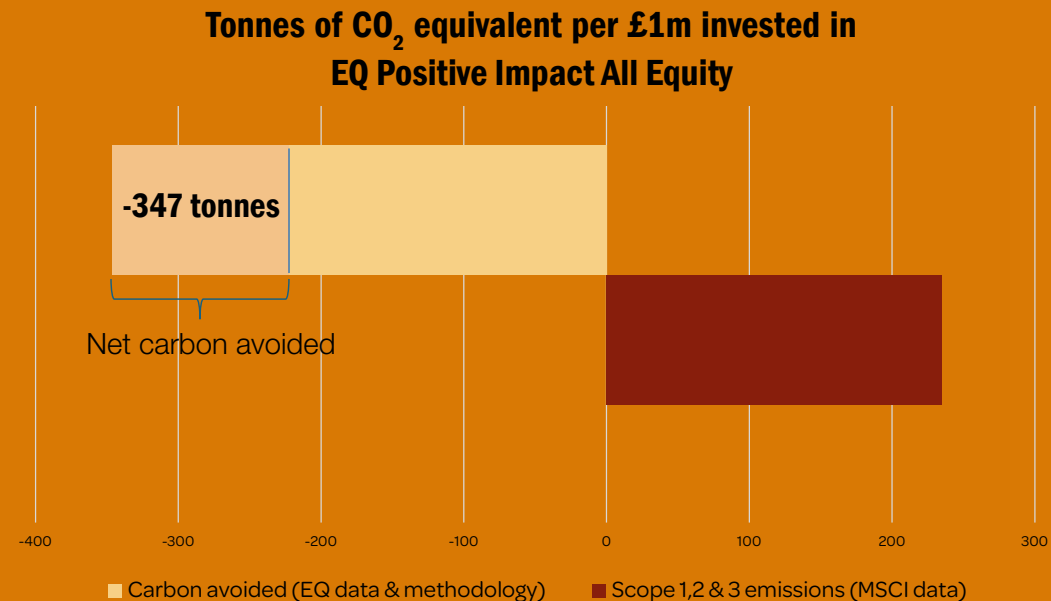


# Avoiding emissions

*Looking past emissions: Rethinking climate contributions in investing.*

The portfolios invest in businesses whose products and services help to avoid real world emissions, thereby helping to tackle the climate crisis. Avoided emissions refer to the emissions saved by substituting a product for a greener or more efficient alternative.

Although precise measurement is challenging, the net climate impact of our portfolio companies' emissions appears to be positive.



Source: EQ analysis, MSCI, 2025



## ACTIVITIES

TE Connectivity is an American-Irish technology company that specialises in electronic and electrical components, as well as wireless systems primarily used in industrial and transportation solutions.

## OUTPUT

In 2024, TE Connectivity manufactured a total of 235 billion products, working alongside customers in approximately 130 countries. The company's primary segment is the automotive industry, where its products help to improve fuel and safety efficiency through electrification and automation.



Contributes to the 'Avoiding Emissions' impact metric

## OUTCOME

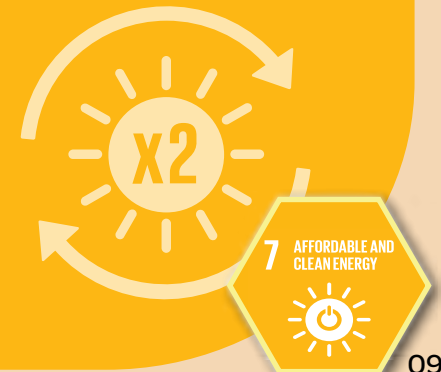
TE Connectivity avoided a total of 344 million tonnes of CO<sub>2</sub> in 2024 through its EV, renewable energy and digital data network products alone.

One example is TE's launch of high-performance charging inlets capable of delivering 350 kilowatts at 500 amps, supporting more efficient low-carbon transportation infrastructure.

## IMPACT

SDG 7.3

By 2030, double the global rate of improvement in energy efficiency.



## Engaging on climate

The chemicals industry contributes 4–6% of global greenhouse gas emissions and underpins nearly all manufactured goods. Decarbonising the sector and shifting away from fossil fuel inputs is therefore critical to meeting climate targets and ensuring long-term sustainability.

**ShareAction»**

EQ has been part of ShareAction's Investor Coalition on chemicals decarbonisation for three years. Over the past year, we engaged with Air Liquide and Linde, also signing an investor letter read at Linde's AGM. Discussions focused on their decarbonisation strategies, with particular emphasis on scaling renewable energy use in production.



EQ is still a signatory of Climate Action 100+ and is a supporting engager for Carrefour, the French supermarket chain.

## Driving change on Physical Climate risk

*As global temperatures rise, investors need to protect against the financial impact of climate change.*

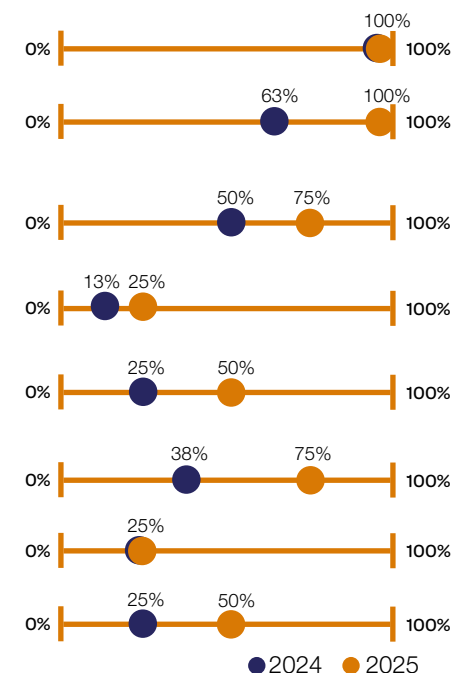
Over the past year, physical climate risks have continued to escalate - including heatwaves, devastating wildfires worsened by drought, and more frequent and intense extreme weather events such as floods and storms. This year we engaged with 8 asset managers on their approach to physical climate risk. We expect fund managers to conduct bottom-up analysis to understand how their investee companies are exposed and whether their response to the risk is adequate or not. The KPIs reflect what we consider as best practice, with year-on-year progress shown on the right.

**The financial case:** Climate related disruptions like extreme weather events are on the rise, and can lead to asset damage, and impacts on operational and insurance costs.

### Best practice checklist

- ☒ **KPI 1:** Group level considerations of physical climate risk
- ☒ **KPI 2:** Tool(s) used to monitor climate risk
- ☒ **KPI 3:** Framework to assess exposure to physical climate risk
- ☒ **KPI 4:** Assess best practices in physical climate risk management
- ☒ **KPI 5:** Integrate physical risks into investment decisions
- ☒ **KPI 6:** Engaged on physical risk in last year
- ☒ **KPI 7:** Advocacy efforts to engage on physical climate impacts
- ☒ **KPI 8:** Invest in climate adaptation opportunities

### % of managers achieving KPI





# Banking on a greener future

*Banks' role in the low-carbon transition remains a key focus for EQ, especially as many have rolled back net-zero commitments.*

EQ urged greater sustainable financing and loan-book decarbonisation of banks including HSBC, Barclays, and Standard Chartered through signing investor statements read out at their respective AGMs. Through ShareAction's investor working group, we also met with the Heads of Sustainability at HSBC and Standard Chartered to reinforce the importance of credible climate action.

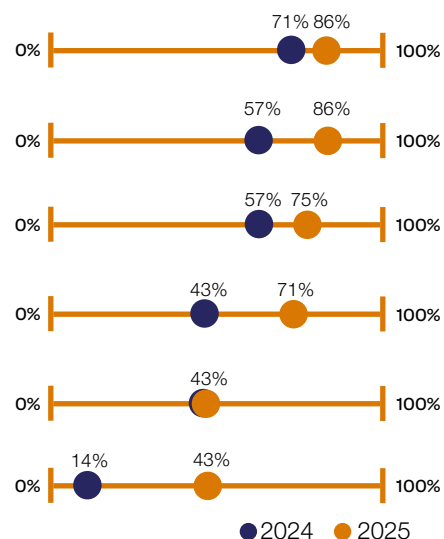
This year we engaged with 7 managers on their approach to banks' climate policies. The checklist below shows a set of KPIs and reflects what we consider best practice. The bars show the year-on-year progress of achieving the KPIs.

**The financial case:** If banks continue to finance carbon-intensive sectors without clear decarbonisation strategies, they face the risk of stranded assets, declining loan values, and reduced profitability as clients in high-emission industries become less practical.

## Best practice checklist

- ✓ **KPI 1:** Baseline assessment on climate policy
- ✓ **KPI 2:** Evidence of strategic engagement on banks and climate
- ✓ **KPI 3:** Escalation plan in place for banking sector
- ✓ **KPI 4:** Divesting or not investing in banks due to climate-related issues
- ✓ **KPI 5:** Only best in class banks being chosen for investments
- ✓ **KPI 6:** Engages on green financing activities

## % of managers achieving KPI

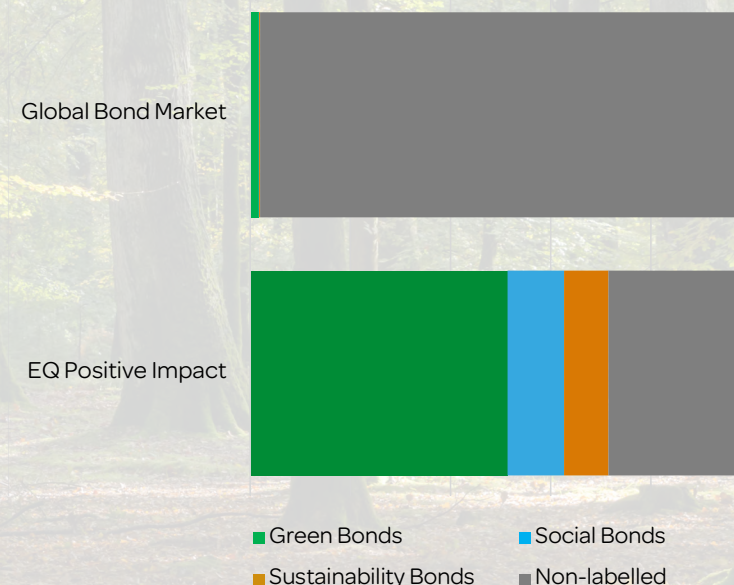


## Investing in labelled bonds

Labelled bonds are financial instruments used to raise money for projects that help the environment or support social good. The main categories of labelled bonds include “green”, “social”, and “sustainability bonds.” Each adheres to principles established by the [International Capital Market Association \(ICMA\)](#).

EQ Positive Impact invests in all three types of labelled bond. In fact, roughly 70% of the fixed income holdings are labelled, showing the portfolio's commitment to providing impactful capital.

## % of labelled bonds



Source: Data taken from EQ Investors, analysis as of August 2025.

# Natural capital and biodiversity protection



## Investing in natural capital preservation

The portfolios target companies providing solutions that prevent pollution, support responsible wastewater management, and are involved in the circular economy, eliminating the need for new raw material extraction and associated environmental harms. Some impact opportunities also exist in restorative or conservation programmes, such as through green bonds.



**The positive impact associated with owning £1 million of the EQ Positive Impact Adventurous portfolios in 2024:**

Treated **72** litres of wastewater, equivalent to **57** homes.



### ACTIVITIES

Xylem offers innovative water technology solutions to improve efficiency, reduce water loss, and support sustainable water management.

These solutions include smart infrastructure, products that help industries and communities use water effectively, and advanced wastewater treatment systems.

### OUTPUT

In 2024, Xylem treated a total of 479 billion litres of wastewater, protecting ecosystems while also preventing pollution.

Through the services and products it offers, it has been able to help customers save a total of 1 billion cubic metres of water, reducing the dependency on freshwater resources.



Contributes to the 'Cleaning Water' impact metric

### OUTCOME

Xylem helps industries and communities reduce their water footprint and mitigating risks in water-scarce areas exacerbated by climate change.

By promoting reuse and efficiency, Xylem advances resilient systems and modern sustainable water management practices.

### IMPACT

SDG 6.4

By 2030, significantly improve water-use efficiency in all sectors, ensure sustainable freshwater withdrawals and supply, and greatly reduce the number of people affected by water scarcity.



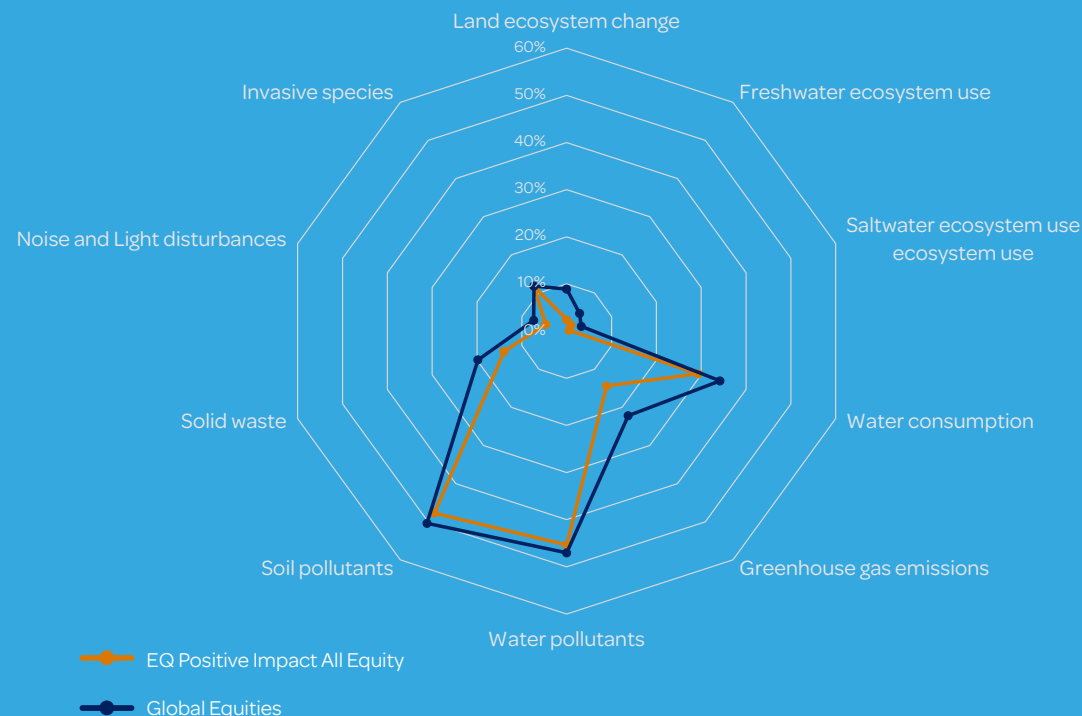


# Biodiversity risk management

While the EQ Positive Impact portfolios avoid some of the largest drivers of biodiversity loss through exclusions, we recognise that we need to manage risks coming from more indirect links too.

To understand this risk and act on it we assess holdings within the portfolio on their exposure to potential material biodiversity impacts, and how this compares to global equities. We use the ENCORE dataset, summarising hundreds of academic papers.

To summarise the findings of our assessment, the companies in the portfolios generally carry far less biodiversity-linked risks when compared to global equities. This stems from the portfolio's general avoidance of largely biodiversity-harmful sectors. Where risks and dependencies are identified, these are assessed and engaged upon by our fund managers, which feeds into our thematic engagement shown on the following page.



## THE CONSERVATION FUND

### ACTIVITIES

The Conservation Fund is an American nonprofit with a dual mission of economic development and environmental preservation. It connects public investment through bonds with private landowners aiming to protect land that might otherwise be developed.

### OUTPUT

In 2024 alone, The Conservation Fund has managed to conserve almost 153,000 acres of land. This land has stored a cumulative total of 256 million metric tons of CO<sub>2</sub>, with an effective annual carbon storage growth rate of 26% between 2020-2023.



Contributes to the 'Avoiding emissions' impact metric

### OUTCOME

One project carried out by The Conservation Fund secured nearly 70,000 acres of the Pelican River Forest, one of Wisconsin's largest unprotected private forests. It will remain intact under private ownership, sustainably managed for timber, with permanent public access, protecting local species like black bears and supporting the state's environment.

### IMPACT

SDG 15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.





## Collaborative engagement UN PRI Spring initiative

We actively engaged with two companies held in the portfolios via a collaborative engagement group called UN PRI Spring.



**Bradesco**

For Banco Bradesco, focus lies on upping their targets from preventing illegal deforestation to align with restorative approaches, and their associated deforestation monitoring is loophole-free, taking on the best practices described in the “Deforestation-Free Finance Roadmap”.



For Reckitt, our assessment and engagement has covered all their deforestation-risk commodities, as well as focusing on findings from InfluenceMap highlighting ways to improve their biodiversity related lobbying.

## Engagement on biodiversity risks

This year marks our third consecutive year of engagement to ensure that deforestation risks do not materialise. We engaged with 10 impact fund managers to discuss their approach to biodiversity risk, engagement, and reporting.

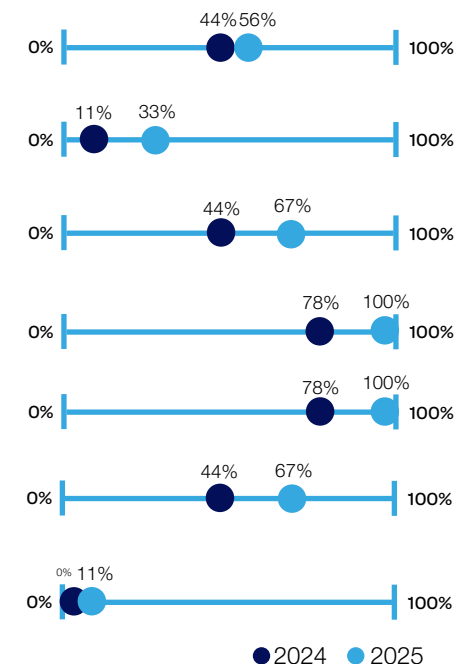
The checklist below outlines a set of KPIs that reflect what we consider best practice, along with the progress made against each of them.

**The financial case:** Biodiversity and nature impacts are no longer separate to the investment case, as these are becoming more financially material based on reputation damage and regulatory pressures on assuring deforestation-free supply chains.

### Best practice checklist

- ✓ **KPI 1:** High level deforestation & biodiversity policy at company level
- ✓ **KPI 2:** Reporting in line with Taskforce for Nature-related Financial Disclosures (TNFD)
- ✓ **KPI 3:** Biodiversity risk assessment using ENCORE academic framework
- ✓ **KPI 4:** Biodiversity integration in fund stock assessment
- ✓ **KPI 5:** Engagement via relevant investor collaborative groups
- ✓ **KPI 6:** Dedicated strategic biodiversity risk engagement theme and reporting
- ✓ **KPI 7:** Positive biodiversity impact measurement and targets

### % of managers achieving KPI





# Health and wellbeing



## Ensuring access to innovative medicine

The portfolios invest across the healthcare treatment value chain, covering the full spectrum of preventative measures, healthcare innovations and treatments. Investments are made into hospitals and surgeries, drug manufacturers, diagnostics technology, biotech research and wellness programmes.

Our approach favours those companies that have fair access-to-medicine approaches to breach the access gaps and are investing into innovative research & development to target World Health Organisation (WHO) priority diseases.

Healthcare companies are well positioned to benefit financially from ageing demographics. They are also less susceptible to economic cycles, making this sector one with a historically stable return profile.



**The positive impact associated with owning £1 million of the EQ Positive Impact Adventurous portfolios in 2024:**

Making 2,306 medical interventions, covering diagnostics, screens and treatments.



### ACTIVITIES

**Gilead** is a leading biopharma company, providing innovative therapies for the treatment of HIV, cancer, inflammation and liver disease. Patient reach is also supported through the forming of partnerships as a means to deconstruct barriers to care and health inequities.

### OUTPUT

Gilead's track record includes the development of 13 HIV antivirals approved across a 23-year period. In 2024 alone, Gilead supplied 14.8 million units of HBV and HIV treatment. Gilead boasts a leading position in the Cell Therapy industry, providing more than 25,000 cancer patients with Kite CAR T-cell therapy across over 40 countries.



Contributes to the 'Preventative Healthcare' impact metric

### OUTCOME

As a result of the considerable progress within the space of HIV treatment and prevention, HIV rates in 2023 were lower than any year from the late 1980s onwards and have even decreased by 39% since 2010. Gilead is now seeking approval for a groundbreaking drug in this space, lenacapavir, which could prove crucial to global HIV prevention.

### IMPACT

SDG 3.3

By 2030, end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases.





## ACTIVITIES

**Bupa** is a global healthcare and health insurance company with over 60 million customers worldwide. Of the company's generated revenue, 73% is represented by health insurance customers, supported by the company's 50,000 dedicated healthcare professionals.

## OUTPUT

In 2024, Bupa covered 37.8 million people with its health insurance and directly treated 22.7 million patients in its healthcare delivery and treatment facilities, thus plugging an important gap in moving societies towards universal health coverage. Early-intervention is essential to drive positive outcomes for their clients.



Contributes to the 'Medical Intervention' impact metric

## OUTCOME

Bupa's 2025 strategy, focusing on three strategic pillars (Connected Care, Cloud, Customer), has led 7.5 million customers this year to use Bluea, Bupa's innovative digitalised health service. This platform makes navigating healthcare more seamless and sustainable, while enabling earlier, ongoing, and preventive interventions.

## IMPACT

SDG 3.8

Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.



## ACTIVITIES

**Bristol Myers Squibb** is a biopharmaceutical company focusing on the development and provision of modern medicines which facilitate the treatment of non-communicable, serious diseases. BMS' advanced technology and research platforms focus on neuroscience, cardiovascular, haematology, immunology and oncology.

## OUTPUT

In 2024, BMS reached a total of 13.1 million patients, with a further 15 million underserved patients benefiting from the company's health equity grants between 2020-2024. BMS researchers have been reengineering drug development using AI, with the eventual hope of doubling average approval rates (currently 1 in 10).



Contributes to the 'Patients Treated' impact metric

## OUTCOME

BMS is expanding access to its medicines for non-communicable diseases in low-income countries. Through its Innovative Medicine Access Program, people in more than 80 such countries can get 14 BMS treatments even where the company doesn't operate commercially. Over 25 new drugs are in development to help prevent these diseases in the future.

## IMPACT

SDG 3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.





# Unlocking better healthcare access

*While treating people for disease or offering preventative healthcare is inherently positive, companies' additional impacts can be further enhanced through engagement.*

While portfolio companies will broadly adhere to responsible marketing and pricing strategies, we see a terrific opportunity to engage on embracing leading practices that address unmet needs more effectively.

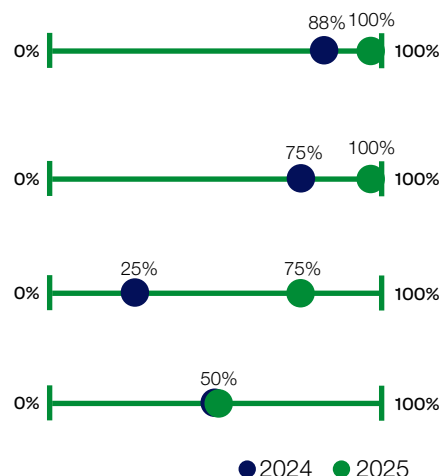
This year, we spoke with 8 fund managers involved in the Positive Impact portfolios about how they handle health access. The checklist below shows key KPIs and our idea of best practice.

**The financial case:** Companies that do not ensure fair access to essential medicines or clinical trials risk facing reputational damage, and loss of market share, particularly in emerging markets where unmet medical needs are significant.

## Best practice checklist

- ✓ **KPI 1:** Have framework to assess "access to medicine" in their fundamental assessment of pharmaceuticals businesses
- ✓ **KPI 2:** Use ATMI explicitly to assess and select leaders
- ✓ **KPI 3:** Evidence for a strategic engagement on pharmaceuticals and their ATMI weaknesses
- ✓ **KPI 4:** Joined collaborative SDG3 initiative, show evidence for leading engagements

## % of managers achieving KPI



## access to medicine FOUNDATION

The foundation published its Access to Medicine Index 2024, which ranks healthcare companies based on the governance and reach of their strategies to bring their treatments to low and middle-income countries.

In 2025, the EQ team attended the AGMs of two UK-based pharmaceutical companies with global reach. While both companies score highly on the Access to Medicine Index 2024, we attended to ask questions that underscored ongoing engagement requests from the SDG 3 initiative.

## GSK

For GSK, we looked at how the company can inspire others by sharing the success of their [GAVI partnership](#). We also asked the board to explain how they will keep up their access plans after closing local offices in important African countries like Nigeria and Kenya.

## AstraZeneca

For AstraZeneca, we encouraged the company to work with global diagnostics firms to tackle barriers to cancer treatment access in low- and middle-income countries with high disease rates. EQ has joined the Access to Medicine Initiative's SDG 3 collaboration to continuously engage with companies like these.

# Social inclusion & empowerment



## Improving access to finance, education and the digital world to reduce inequalities

The portfolios invest in education services, companies extending internet and digital access to the underserved, and responsible banks unlocking financial access to underserved customers and small businesses. Alongside this, we invest in social housing and development bank bonds to help address basic needs globally.

All these solutions pave part of the way to address the inequalities that persist across and with countries. The knock-on effects of enabling basic services also contributes to other impact outcomes.



**The positive impact associated with owning £1 million of the EQ Positive Impact Adventurous portfolios in 2024:**

Gave **36** people in developing markets digital or mobile network access.



### ACTIVITIES

The Schroders Better Society Capital Investment Trust invests in Debt for Social Enterprises, including projects such as The Hightown Housing Association (HHA). The HHA is a charitable housing association which looks to aid individuals in need of support or care regarding their inability to rent or buy homes at market values. This association achieves this by building hundreds of homes and providing supported housing services.

### OUTPUT

In 2024, the HHA was able to provide a total of 664 new homes, and delivered supporting services to over 18,000 residents as well as 800 supported housing service users. Additionally, 70% of new homes were built with the intention of being used for social and affordable rent.

### OUTCOME

A large element of the HHA's day-to-day operations reach the most underserved individuals and directly contribute to ending homelessness. Throughout this year, the association managed to allocate 414 rental homes to people on local housing registers, while equally making 46% of new lettings to statutorily homeless households.

### IMPACT

SDG 11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.





## ACTIVITIES

Pearson is a global company in the education sector which specialises in the provision of assessment and creation of learning experiences, at both a professional and academic level. This is predominantly achieved through the distribution of digital content and qualifications needed for various industries and academic disciplines. The portfolios invest in its equity and social bonds.

## OUTPUT

In 2024, Pearson+, the company's mobile app, totalled 3 million users. Pearson's educational materials are used by 96,000 students in its US partner schools, and 10.1 million higher education students in the US also benefit from its digital platform.



Contributes to the 'Delivering Education' impact metric

## OUTCOME

Proceeds from Pearson's social bond support SDG-focused projects, including Connections Academy, which offers free, high-quality education to U.S. students, especially those who struggle in traditional classrooms. In 2024, 26% of learners had special needs and 44% qualified for Free and Reduced Meals.

## IMPACT

SDG 4.5

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable



## ACTIVITIES

Sanlam is an African company offering a variety of financial services, asset and wealth management to insurance solutions. The company's products managed to impact over 13 million lives in 2024 alone, empowering the futures of many across both Asia and Africa.

## OUTPUT

In 2024, Sanlam operated across 31 emerging markets in Africa and Asia, and remains the largest general and life insurer in Africa. Over 50% of its assets under management were in sustainable investments. It also invested R24.5 billion in empowerment financing, including zero-interest SME loans.



Contributes to the 'Financial inclusion' impact metric

## OUTCOME

Sanlam's focus on stakeholders has helped improve financial inclusion. The Sanlam Easy Retirement Plan supports 28,000 individuals, and 98,000 South Africans have joined Sanlam's financial education workshops. They've also made financial services easier to access for small businesses, boosting the wider economy.

## IMPACT

SDG 8.A

Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.



# Standing up for human rights

*Human rights abuse prevention sounds like a fundamental requirement for sustainable investors; however, complex supply chains and lack of regulatory labour protections mean the risk is still very real.*

As investors we need to use our influence to engage for more transparency in supply chains and improve workforce policies so that weak points can be discovered and addressed. Additionally with the rise of anti-DEI sentiment, we want to remind ourselves that a more inclusive and supported workforce derives better long-term outcomes and productive culture.

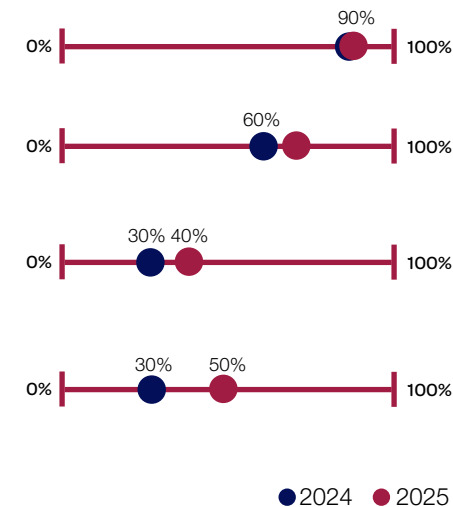
This year we engaged with 10 managers on their approach to managing and preventing human rights risks. The checklist on the right shows a set of KPIs and reflects what we consider to be best-practice.

**The financial case:** If human rights abuses are not prevented, this results in legal and reputational costs to companies when discovered.

## Best practice checklist

- ✓ **KPI 1:** Framework for identifying human rights risks in companies
- ✓ **KPI 2:** Assessment covering WBA's preventative & monitoring measures to, and track record of, any human rights abuse
- ✓ **KPI 3:** Evidence of strategic approach to human rights engagement and voting
- ✓ **KPI 4:** Engagement via relevant investor collaborative groups

## % of managers achieving KPI



**World  
Benchmarking  
Alliance**

We formally support the work of the WBA through using their Corporate Human Rights benchmark research in our assessment and engagement with companies.



**advance**

A stewardship initiative for  
human rights and social issues

**e.on**

We formally joined this collaborative engagement group this year, and are now actively engaging with the electric utility company E.ON on the state of their human rights due diligence of supply chains, their onsite workers' rights and safety.



# Driving responsible AI adoption

*AI technologies have the potential to transform our economy. However, the development and deployment of AI come with serious risks.*

Misinformation, algorithmic bias, and loss of privacy have potential adverse implications for individuals, and societies in general. Ensuring that these technologies are deployed in a responsible manner with the proper guardrails is a key engagement priority for EQ. Companies that do not adopt robust governance policies and disclosures around AI face potential reputational damage, fines, and loss of revenue.

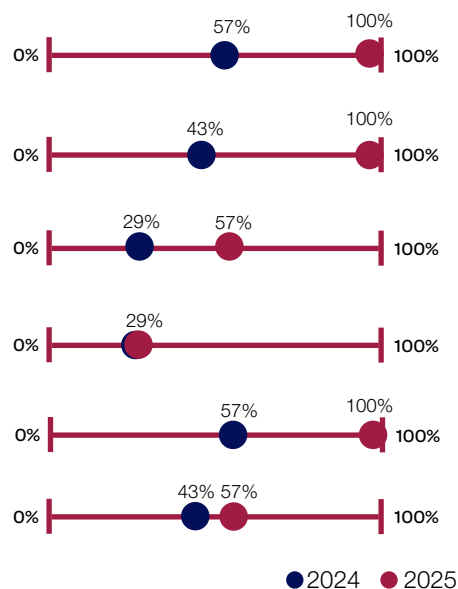
This year we engaged with 7 managers on their approach to ethical AI.

**The financial case:** Companies that deploy AI irresponsibly may be subject to backlash, eroding consumer trust and incoming regulatory costs.

## Best practice checklist

- ☒ **KPI 1:** Identification of companies where AI is material to business
- ☒ **KPI 2:** Framework to assess companies on AI Governance Risk
- ☒ **KPI 3:** Ethical AI engagement questions framework
- ☒ **KPI 4:** Framework integrated into investment process
- ☒ **KPI 5:** Engaging on ethical AI in last year
- ☒ **KPI 6:** Part of WBA Ethical AI CIC

## % of managers achieving KPI



World  
Benchmarking  
Alliance

EQ is part of the World Benchmarking Alliance's (WBA) investor collation on Ethical AI and has been since 2022. The coalition is a coordinated engagement campaign looking to push companies to advance ethical AI policies and practices.



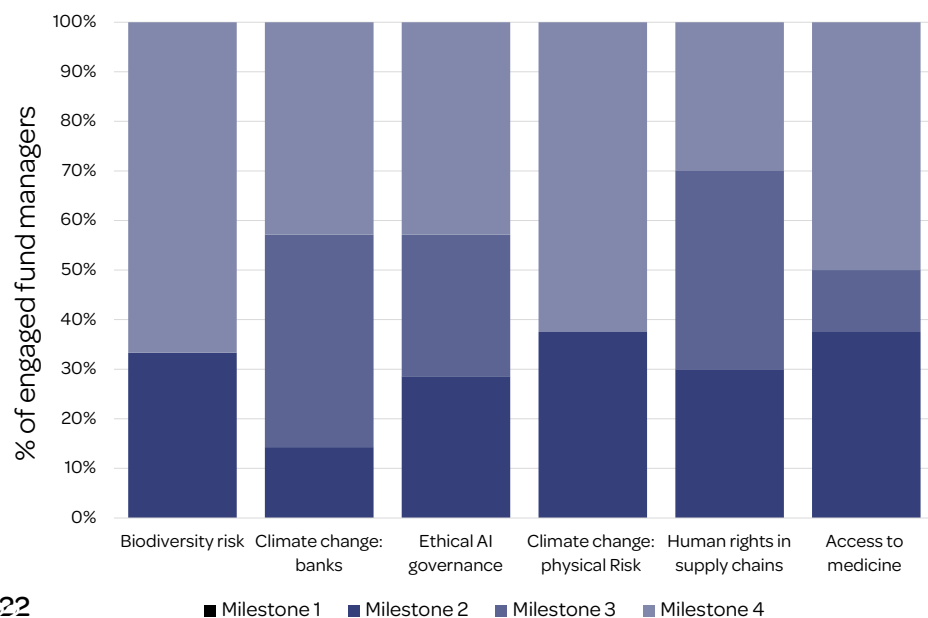
EQ is supporting investors for the Intel, BT Group, PayPal engagements. This year we attended the BT AGM to ask a question on the company's approach to AI. The CEO highlighted how AI will increasingly be used across BT's operations, including both customer-facing applications and the use of telecoms data. It was valuable to push the board on ensuring the business has sufficient guardrails to oversee this increase in AI use.

# Shaping systemic change through fund manager engagement

## Tracking our engagement progress:

- ✓ Held 64 engagements in 2025 with all 16 fund managers held in the EQ Positive Impact portfolios, covering at least one of our 6 key themes.
- ✓ Participated in 8 collaborative investor groups to drive corporate change.
- ✓ Attended 10 UK company AGMs in 2025, raising key sustainability issues with boards.
- ✓ Engaged 15 senior asset manager representatives to push for stronger action on systemic risks like climate change, human rights and voting practices.

### Progress milestones reached per EQ engagement theme



## Engagement on asset manager voting practices

Investing in listed companies carries a responsibility to use shareholder rights wisely. The stewardship toolbox available to each investor includes the right to “vote” at Annual General Meetings (AGMs).

At EQ, we evaluate all fund managers on how effectively they use these votes to address material sustainability challenges within their holdings. For example by looking at the level of support to social and environmental shareholder resolutions – that if passed – commit the company to higher sustainability standards.

In 2024 and 2025, our EQ Sustainability team engaged with 15 heads of stewardship on this issue. We aim to lift the support for social and environmental resolutions across the board.

Leveraging our comprehensive database of manager- level voting records, we are building transparency and exposing gaps between stated policies and actual voting actions. These conversations have already led to tangible improvements in governance, including strengthened DEI commitments and enhanced climate-related voting policies.

While progress has been encouraging, industry-wide momentum remains slow amid mounting pressure in the US against visible shareholder activism. This underscores the importance of assessing each asset manager’s culture and genuine commitment to sustainability in an increasingly polarised environment.

EQ will continue to engage actively with managers on these issues - and where progress falls short, we will reflect this in our fund selection decisions.

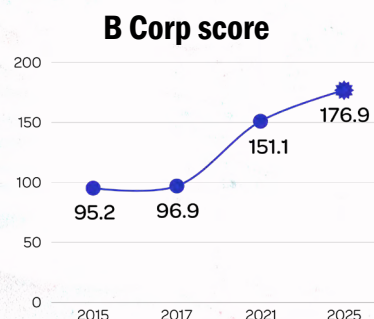


# What makes EQ different?

*EQ Investors was set up as a values-led investment management company, being one of the UK's first Certified B Corporations and owned by The EQ Foundation, our registered charity, and our staff. This means we can manage our business for all stakeholders, and this is locked into our constitutional articles.*

## Verified sustainability leadership

As a Certified B Corporation we undertake a regular, in-depth assessment of our company's impact on all our key stakeholders – including our clients, employees, local community and our impact on the environment. This is verified and audited by the independent B lab.



We are currently among the highest scoring B Corp's in the UK. To learn more about the B Impact Assessment and to view ours online, visit [bcorporation.uk](https://bcorporation.uk).

## Climate action

[EQ has a net-zero commitment](#) by 2030 across its business operations, aligned with the SME Climate Hub and UN Race to Zero standards.



We have made significant advances in reducing operational emissions over the last two years, and offset with high-quality carbon credits to cover any residual emissions annually.

## Designed to give

EQ Investors is partly owned by our staff, and our sister charity, The EQ Foundation. Being part owned by a charity means that a proportion of our profits will always go towards supporting worthy causes.



The EQ Foundation is transforming giving in the UK by making grants to impact focused charities and by creating new initiatives for the charitable sector such as Giving is Great. Visit [eqfoundation.org.uk](https://eqfoundation.org.uk) to learn more.

## Our employees

As a staff-owned business, creating an inclusive culture is paramount to our success. We are an accredited Living Wage employer, we continue to embrace new employee benefits, targeting 40% female representation in senior management by 2026.

We continue to attract diverse talent through our partnerships with 10,000 Black interns programme, and Resurgo Spear programme.



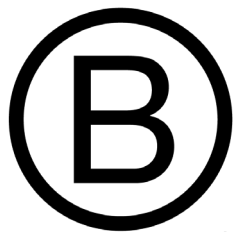




*"Invest to make a positive impact on the world."*

*Louisiana Salge, Head of Sustainability*

**Certified**



**Corporation**

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**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, so you could get back less than you originally invested.

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