

The EQ Positive Impact Portfolios invest in funds that are making a positive impact on society and the environment by investing in companies that provide solutions to real world problems. We use the United Nations Sustainable Development Goals as a way to map this 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; 3 - Good health & well-being and 10 - Reduced inequalities.



### Decentralised energy for a sustainable future

Decentralised energy broadly refers to energy that is generated off the main grid, for example through solar panels on residential rooftops. It naturally provides efficiency gains as generated electricity needs to travel less far from source to use - this reduces transmission losses.

Petrol and diesel cars are powered by decentralised energy through their engines, but electric vehicles do not have this efficiency advantage as they need to be charged from the grid. In order to transform the transport sector to be climate change-neutral but less dependent on grid infrastructure, a new form of decentralised energy is playing a key role. Combined electric and decentralised hydrogen fuel-powered engines extend the reach of vehicles with zero emissions at the point of use.



#### FUND IN FOCUS

#### Investec UK Sustainability



Ceres Power has received investments from Investec UK Sustainability, which targets UK-based companies championing sustainability through their core business model and their operational behaviour.

Another holding enabling the transition towards the UK's zero carbon economy target is [Nanoco group](#), which leads in developing heavy-metal free semiconductor parts that are essential components in energy efficiency technology.

#### EXAMPLE HOLDING

#### Ceres Power



Ceres Power is a UK-based fuel cell technology company. The company's unique 'SteelCell' technology can [create electricity from both natural gas, hydrogen and sustainable fuel inputs](#). This makes it highly adaptable in the green energy transition.

The SteelCells can also be stacked up, which makes them scalable across different uses - ranging from single cars to big datacentres. By using these fuel cells, Ceres Power enables up to [60% energy efficiency gains](#). As hydrogen gas made from renewables becomes more commercially viable, these fuel cells can power green transport reliably, with no other emissions but water vapour and no added strain on the grid.

London will show the world the [first hydrogen-powered double-decker buses by 2020](#).



## Encouraging healthy lifestyle habits

While innovations in biotechnology and pharmaceuticals are essential to treat some chronic diseases, preventative healthcare is also

essential in enhancing people's 'healthy life expectancy' across the world.

With the prevalence of obesity being [39%](#) and [26%](#) in the USA and UK respectively, we are not only seeing the increasing individual burden of resultant medical illnesses but also huge preventable costs to the healthcare system and wider society. A wealth of research has shown the effects of lifestyles, including activity levels and diets, on [mental](#) and [physical health](#) outcomes across all ages. To achieve real improvements in obesity prevalence, [inequalities in the accessibility of healthier lifestyle choices](#) need to be reduced across ages and socioeconomic groups.

### FUND IN FOCUS

#### Wheb FP Sustainability



Tivity Health has received investments from Wheb FP Sustainability which targets global companies contributing to positive outcomes on themes including healthcare, green transport, education and energy efficiency. Other holding companies that provide solutions to treat diseases are CSL focusing on treating bleeding disorders and infections, and Varian that sells equipment to treat cancers with radiation technology.



### EXAMPLE HOLDING

#### Tivity Health



Tivity Health is a US based business, offering fitness programmes, health benefits management, and accessible physical therapy - particularly to the elderly. All of the programmes and services are especially designed to address health access barriers adults face today.

To introduce a diet for healthy weightloss or managing diabetes, the company offers 'Nutrisystem' home meal deliveries. Within its [network of 16,000 partnered gyms](#), it's 'SilverSneakers' programme extends fitness class access to 15 million American seniors, covered by their normal healthcare plans. On top of [the healthcare benefits the elderly experience](#) through Tivity Health, the community aspect of its programmes aim to help reverse social isolation in rural America too.

*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](http://eqinvestors.co.uk)*

# SUSTAINABLE DEVELOPMENT GOALS





## Promoting diversity and inclusion

The [most recent global gender inequality review](#) found that no single country on Earth is on track to achieve gender equality targets by 2030, as per the agreed UN Sustainable Development Goals. These findings should be seen as a wake-up call to all members of society that are still perpetuating gender inequalities, including the private sector. As impact investors we recognise this responsibility.

We leverage capital towards and engage with businesses to have a net-positive impact on society and environment through their core activities, but also practise their business responsibly. This includes having a workplace that embraces women and minorities with equal opportunity provision.

### FUND IN FOCUS

#### Impax Environmental Leaders



American Water Works received investments from the Impax Environmental Leaders fund which invests in companies whose products and services tackle environmental challenges globally.

Other holding companies which have at least 40% women on the board are global waste and water management firm Suez or German nutrition technology company GEA.

#### EXAMPLE HOLDING

#### American Water Works



AMERICAN WATER

American Water Works is a North American water utility company which presents an example of the importance of gender diversity within a firm. While the core positive impact of the business model is on the 15 million people that it supplies with affordable, safe freshwater and prevents their wastewater from polluting ecosystems in return, the company also champions diversity in its operations.

The female CEO has held the top position since 2014, with the share price rising 150% since her arrival, on top of growing revenues and profits. 50% of the board members and 40% of executives are women – a reflection of company culture and policy. In an effort to influence all related stakeholders and build a business network that works towards societal equality, American Water Works has committed to prioritise sourcing from [‘diverse businesses’ as defined by being minimum 51% owned by a group/groups of minorities, veterans or women.](#)



## Next steps:

You can download a Positive Impact Portfolio brochure, view factsheets and invest online via the EQ website. Please get in touch for further information:



[eqinvestors.co.uk](http://eqinvestors.co.uk)

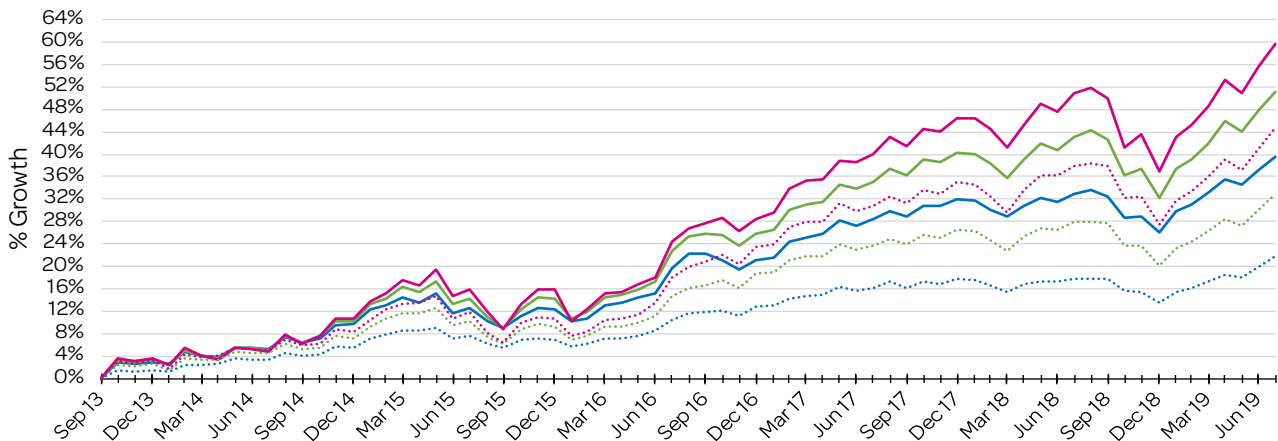


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Cumulative performancesince inception 30/09/2013 to 31/07/2019



Annual performance	Aug 18 - Jul 19	Aug 17 - Jul 18	Aug 16 - Jul 17	Aug 15 - Jul 16	Aug 14 - Jul 15
Positive Impact Cautious	4.88%	3.58%	7.30%	6.29%	7.01%
ARC Cautious	3.32%	1.49%	5.09%	2.67%	4.17%
Positive Impact Balanced	5.63%	5.94%	10.07%	7.41%	8.77%
ARC Balanced	3.88%	3.47%	7.82%	3.97%	5.53%
Positive Impact Adventurous	5.75%	7.70%	12.71%	7.26%	10.58%
ARC Steady Growth	4.94%	5.44%	10.86%	5.57%	6.44%

### 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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