SPECIAL EDITION
SEPTEMBER 2025

NORDSIP
NORDIC SUSTAINABLE INVESTMENTS

# GLOBAL LEADERS

## GLOBAL FUND SEARCH 2025

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NOT FOR PUBLIC DISTRIBUTION

GLOBALFUND SEARCH

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# Introducing
# **The Global Leaders**

The global investment environment in 2025 is shaped by historic contrasts: rising geopolitical tension and economic uncertainty sit alongside some of the most transformative innovation and capital expenditure cycles in modern history. While macro risks multiply — from trade fragmentation to interest rate divergence and political volatility — so do the opportunities, notably in AI, infrastructure, and global reindustrialisation.

To support institutional investors navigating this new reality, Global Fund Search presents the 2025 edition of the Global Leaders Handbook. This publication brings together leading managers in listed equity and fixed income, selected based on institutional demand and relevance in current search activity.

Our aim is not to predict the future, but to provide allocators with a structured, comparable view of managers prepared to meet it. In a more uncertain world, discernment matters more than ever.

Kasper Steen Andersen
Founder & CEO
Global Fund Search

Aline Reichenberg
Gustafsson, CFA
Editor-in-Chief
NordSIP

In 2025, more than ever before, leadership in asset management demands a balance of vision, adaptability, and integrity. The most effective managers combine strong governance, innovative thinking, disciplined processes, and a longterm perspective, ensuring that performance, stewardship, and sustainability are not separate goals, but integrated parts of a coherent whole. Amid volatile markets, evolving regulations, and changing societal expectations, maintaining this balance has never been more critical.

Reflecting this broader view of what it takes to excel, this publication (previously known as Sustainability Leaders) is now presented as Global Leaders. Sustainability remains a core component of leadership, but it sits alongside other vital qualities that drive enduring success.

To highlight these qualities, NordSIP has once again partnered with Global Fund Search to present this updated handbook. As before, institutional demand remains the key criterion for inclusion: only managers who have distinguished themselves in searches across multiple dimensions, including sustainability, are invited to participate.

We continue to use a standardised template to help readers assess and compare managers' claims, providing a clear view of how they define, implement, and measure their commitments. Recognising that investors' needs are diverse, the handbook presents a wide range of approaches and strategies.

By providing a platform for Global Leaders to showcase their capabilities in a consistent and comparable format, we aim to empower you to make confident, well-informed decisions in an increasingly complex world.

# GLOBAL LEADERS
## EQUITY

- Allianz Global Investors
- Harding Loevner
- Mirova – An affiliate of Natixis Investment Managers
- Stewart Investors
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- Janus Henderson Investors
- PineBridge Investments
- Union Investment
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- Sands Capital
- Van Lanschot Kempen Investment Management
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- MFS
- Schroders

# Diversified Mix of Investment Styles

***"With data being at the core of Best Styles, the increased availability of sustainability-related data has made our approach uniquely adept at reliably and robustly incorporating sustainability considerations into our analytical framework."***

**Patrick Vosskamp**
**Co-Head of Portfolio Management Systematic Equity**
Allianz Global Investors

Patrick Vosskamp is the team's Co-Head of Portfolio Management and serves as the team lead for Sustainable Investments within the Systematic Equity team. He joined the team in April 2018.

**What our clients are looking for**

Our investors are generally result-oriented and, as such, the stable and consistent outperformance over time is top of the list here. Clients also really appreciate the flexibility that our Best Styles fund franchise offers them to target their individual needs. Increasingly popular examples include, of course, sustainable investment solutions like Best Styles SRI (Sustainable and Responsible Investments), where in recent years we have been able to win new clients and to help existing ones meet their extended set of goals.

**Best Styles in a nutshell**

The objective of the Best Styles strategy is to achieve stable outperformance relative to the benchmark largely independent of the economic and market environment, while preserving the risk characteristics of the benchmark. We aim to achieve this through a well-diversified mix of successful investment styles, such as Value, Momentum or Revisions.

The aim of the strategy is to achieve stable, active performance with comparable risk over a medium to long-term period. Allianz Best Styles Global Equity (SRI) therefore may be suitable for investors who wish to utilise a modern investment strategy based on a scientific foundation in order to achieve attractive and stable relative returns over the long term with a global equity mix.

**Integration of sustainability aspects**

With data being at the core of Best Styles, the increased availability of sustainability-related data has made our approach uniquely adept at reliably and robustly incorporating sustainability considerations into our analytical framework. Best Styles has been successfully extended to objectives such as $CO_2$ reduction, improved sustainability ratings or exposure to the Sustainable Development Goals (SDGs).



**Allianz Global Investors in Numbers**

| | |
|---|---|
| Total AUM (€m) | 561 000 |
| Total institutional AuM (€m) | 396 000 |
| Sustainability team | 45 people |

**About Allianz Global Investors**

Allianz Global Investors is a leading active asset manager with more than 700 investment professionals in over 20 offices worldwide, and managing EUR 561 billion in assets. We believe that with every change comes an opportunity. Our goal is to actively shape the future of investing for all our clients, wherever their location and whatever their objectives.

**Member / Signatory**

- UN PRI
- CDP
- Climate Action 100+
- Net Zero Asset Manager Initiative
- Institutional Group on Climate Change (IIGCC)
- Global Impact Investing Network (GIIN)
- 30% Club France & Germany

**Investment Commitment**

Our approach is to be guided by a long-term vision, enabling and shaping investment goals and outcomes for our clients and other stakeholders. This commitment frames not only our views but our complete approach – our processes, infrastructure, product development and client support.

Managing assets with sustainability objectives on behalf of our clients means:

- Demonstrating conviction
- Scaling up active stewardship

**Stewardship & Proxy voting**

With our investee companies, we address material topics of particular importance to us as a firm – defining clear engagement objectives and then assessing whether companies have implemented our requirements. Our proxy voting is linked to these engagements, ensuring full transparency of how we act as stewards of our clients' assets, while giving them confidence that we are meeting our fiduciary duty. In cases where companies are still lagging in certain areas our vote decision is likely to reflect these shortcomings.

**Integration & Resources**

Currently, the team comprises 19 investment professionals covering the strategy with six team members having a stronger focus on research. The team members interact on a daily basis, and there are also a variety of forums and meetings in which all our investment professionals exchange ideas. Through our global collaboration platform, we link the insights of our companywide sustainability research, informing the portfolio management decision-making process.

**Product Performance**

As per 30. April 2025, the Allianz Best Styles Global Equity SRI mutual fund has outperformed its benchmark, MSCI World Extended SRI 5% Issuer Capped, by +1.04% (YTD), +1.51% (1Y), +1.85% (3Y p.a.) +1.83% (5Y p.a.) and +1.65% (since inception 16.10.2019, p.a.).

The fund has also outperformed its benchmark in all full calendar years since inception: +1.83% (2024), +1.80% (2023), +1.21% (2022), +3.23% (2021) and +0.97% (2020).

Past performance does not predict future returns.

# Fusing Fundamental Analysis with Systematic Rigour

***"Through our proprietary risk model, MultiFRAME, risk is dynamically managed to ensure portfolios are diversified with exposure across the style spectrum, helping negotiate market volatility."***

**Louise Dudley**
Portfolio Manager
**Federated Hermes Limited**

Louise Dudley is a co-portfolio manager of Federated Hermes Global Equity ESG strategy. She leads the ESG and responsible investment research strategy within the Global Equities team. Building on her experience developing factor testing platforms and enhancing the factor modelling capabilities of the team's systems, Louise has applied this comprehensive analysis to ESG applications. The portfolio management team consists of Geir Lode, Head of Global Equities, and Lewis Grant and Louise Dudley who are co-portfolio managers.

**ESG – not just a 'feel-good factor'**

One of the cornerstones of the Global Equity ESG strategy is the belief that companies with poor standards of ESG tend to underperform over the long-term, while those that are improving can unlock significant shareholder value. This belief is based on the team's pioneering research that linked ESG to investment performance. It also led to the creation of proprietary, leading-edge ESG tools, the QESG Score and the ESG Dashboard, which combine unique engagement insights generated by 'EOS', our dedicated stewardship arm, with a wide range of third-party ESG vendors.

**Pragmatism over perfection**

The Global Equity ESG strategy aims to achieve consistency by taking a pragmatic view of the investment universe. We believe that finding stocks which are broadly solid, with no material weaknesses, allows us to generate outperformance. Our models are designed to identify a diverse range of companies with an attractive blend of long-term fundamentals that have good or improving ESG characteristics. Through our proprietary risk model, MultiFRAME, risk is dynamically managed to ensure portfolios are diversified with exposure across the style spectrum, helping negotiate market volatility. The team is also highly experienced in delivering bespoke solutions for institutional clients, such as our Low Carbon and Screened ESG strategies.

Federated Hermes Limited

**About Federated Hermes Limited**

Federated Hermes is a global investment manager focused on active, responsible investment. We offer equities, fixed income, liquidity solutions, and private markets investments. EOS at Federated Hermes Limited is one of the world's largest stewardship resources. Headquartered in Pittsburgh, USA, clients across EMEA and Asia-Pacific regions are represented by Federated Hermes Limited. We help people invest and retire better, achieve better risk-adjusted returns, and contribute to positive outcomes.

**Investment Commitment**

At Federated Hermes Limited, we are guided by the conviction that responsible investing is the best way to create long-term wealth. Seeking outperformance with positive outcomes, we aim to deliver enduring wealth creation that enriches our stakeholders, by investing responsibly. Our groundbreaking work in ESG integration and stewardship, and our key role in developing the original Principles for Responsible Investment (PRI) all underline our long-standing commitment to doing business the right way.

**Integration & Resources**

Federated Hermes Limited combines high-active-share investing, best-practice ESG integration and pioneering stewardship, with the aim to provide excellent long-term investment performance and improve lives. We have long been developing ESG-analysis tools and continue to innovate. We don't only integrate quantitative ESG information from third-party data sources but investment teams also integrate qualitative engagement insights from our Stewardship arm to build a complete picture of a company or an asset. Globally, Federated Hermes has over 2,074 employees and 445 investment and stewardship professionals (as at 31.03.2025).

**Federated Hermes in Numbers**

| | |
|---|---|
| Total AUM (€m) | 776, 600 |
| Total institutional AuM in asset class (€m) | 250, 111 |
| Sustainable team | 46 people |
| Investment products available since | [1] |

[1] Federated Investors Inc. was established in 1955. In 1983, Hermes' predecessor is established and starts engaging UK companies.

**Member / Signatory**

- ICGN – International Corporate Governance Network
- Climate Action 100+
- Principles for Responsible Investment: founding member and chair of the drafting committee that created the PRI in 2006
- PRI Advance
- PRI Spring
- Nature Action 100
- Asian Corporate Governance Association
- FAIRR Investor Action on AMR initiative
- Investor Alliance for Human Rights
- Institutional Investors Group on Climate Change

**Stewardship & Proxy voting**

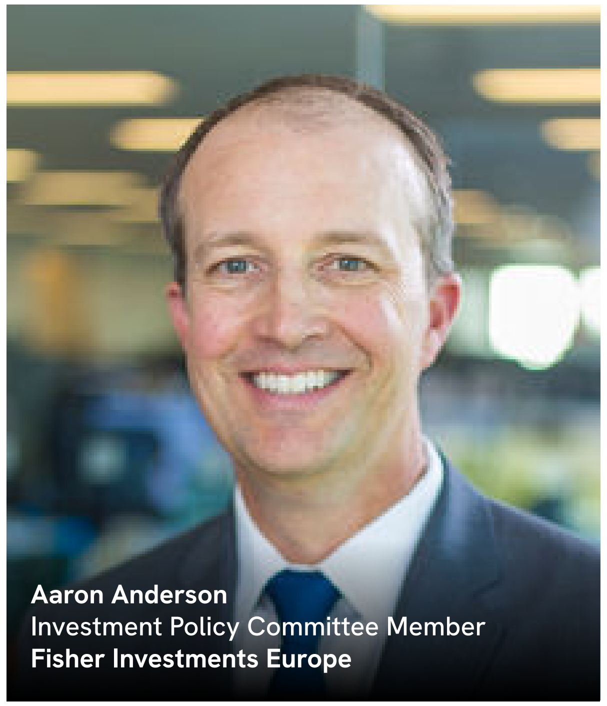
EOS at Federated Hermes Limited, engages with companies on financially material issues regarding long-term sustainability, helping investors be active owners and achieve better financial and societal outcomes. EOS' international stewardship team also engages on market best practice and public policy. We make voting recommendations that are engagement-led and involve communicating with company management and boards around the vote. This ensures that our rationale is understood by the company and lead to change where necessary.

**Product Performance**

Since its inception in April 2013, the Federated Hermes Global Equity ESG strategy has returned 10.06% (gross, as at 31 March 2025) outperforming the MSCI ACWI (net) index which returned 8.98%. The excess return is testament to our diversified, fundamental approach and dynamic risk management that has enabled the strategy to successfully negotiate an often-volatile market environment.

# Achieving Client Goals Through Combining Top-Down Convictions with Bottom-Up Analysis

***"We have extensive experience building custom sustainability targets, goals, and restrictions within portfolios for our clients."***



**Aaron Anderson**
Investment Policy Committee Member
**Fisher Investments Europe**

As a member of Fisher's Investment Policy Committee (IPC), I am jointly responsible for the management of the Fisher Investments Institutional Group (FIIG) US Global Equity ACWI strategy. We believe the strategy has a very unique investment process crafted over the last three decades of Global Equity investing (our first global strategy incepted in 1994). We believe our experience and team continuity gives us a key competitive advantage versus peers.

The FIIG Global Equity ACWI strategy investment process is based on a combined top-down and bottom-up approach to discover securities with high probabilities of outperforming. Our strategy uses a three-step investment process seeking to identify strategic attributes (competitive and comparative advantages) in companies undervalued by the marketplace. FI actively manages portfolio risk through procedural and mechanical controls and is continuously cognisant of the composition of the relevant benchmark and the relative risks we engineer into portfolios against the benchmark.

The three basic decisions we ultimately focus on are as follows:

- Global Macro Theme and Forecasts: Identify where we are in the market and economic cycle and mispriced macro themes for the portfolio.
- Top-Down Allocations: Identify in country, sectors, size, and style characteristics most likely to outperform or underperform versus the benchmark.
- Security Selection: Identify the security or group of securities within a particular category most likely to outperform peers.

We believe that our unique integration of top-down factors into global equity investing gives our strategy a major competitive advantage. We focus on economic, political and sentiment drivers and their impact on supply and demand for different market segments add the most value over time. We are able to identify unique opportunities and avoid pitfalls by creating new proprietary research tools which enables us to identify factors others have not yet or to interpret widely known information differently than others.

**Sustainable integration**

Yes, our flexible top-down and bottom-up investment process is very well placed to fully integrate ESG, both qualitatively and quantitatively, to help achieve our clients' responsible investment and sustainability goals. As the ESG lead on the IPC, I am responsible for the sustainable investment integration efforts at Fisher. We have extensive experience building custom sustainability targets, goals, and restrictions within portfolios for our clients. Additionally, as an active owner we frequently engage with companies on ESG issues including both direct and collaborative engagements with our clients and other industry participants.

Integrating ESG analysis at the country, sector, industry, and security levels consistent with clients' investment goals and ESG policies increases the likelihood of achieving desired performance and improving environmental and social conditions worldwide. As of 31 December 2024, the firm managed over €20,297.27 million for 88 institutional client accounts with specific SRI & ESG considerations.



FISHER INVESTMENTS EUROPE®

### About Fisher Investments Europe

Fisher Investments Ireland Limited, trading as Fisher Investments Europe (FIE), is a wholly-owned subsidiary of Fisher Asset Management, LLC, trading as Fisher Investments (FI). As a leading independent investment adviser, our culture is deeply rooted in developing new, innovative approaches to asset management and delivering unparalleled service to our clients. The firm serves a variety of corporate, public and industry-wide pension funds, foundations and endowments, insurance companies, healthcare organisations, governments, and high-net-worth individuals across the globe.

### Investment Commitment

The sole focus of the firm is asset management, with the aim of achieving our client goals. Our clients' goals largely centre around capital accumulation and, as applicable, responsible investment. Our investment commitment and commitment to our clients is engrained throughout the firm, with the core tenant of our company visions being "delivering unparalleled service, continuous education, and appropriate solutions to our clients and considering their interests first".

### Integration & Resources

We use a unique investment approach focusing on top-down macroeconomic analysis to guide thorough bottom-up individual security selection. Our focus on economic, political, and sentiment drivers and their impact on supply and demand for different market segments represents a significant driver of our differentiated approach. Fisher's portfolio managers (the IPC) are supported by a large Research group of 76 Research Analysts (as of 31 December 2024) who conduct top-down and bottom-up research to aid the portfolio managers' decision making efforts.

*Performance data: The provided information is based on composite data in USD. For full GIPS composite performance and disclosures, please find a GIPS report attached. Please note that figures, valuations and returns in these disclosures are computed in US Dollars and will vary where they are converted to a different currency. Returns may increase or decrease as a result of currency fluctuations. We are able to convert the information contained in these disclosures into your local currency upon your request.

**Peer ranking data: Universe: eVestment Global Large Cap Core Equity. Based off monthly returns in USD, Gross of fees. Source: eVestment as of 31 December 2024. Excess Returns calculated using the MSCI ACWI index.

### Fisher Investments in Numbers

| | |
|---|---|
| Total AUM (€m) | 288, 775.50 |
| Total institutional AuM in asset class (€m) | 55, 431.49 |
| Total European institutional AUM (€m) | 22, 789.77 |
| Total institutional ESG & SRI AUM (€m) | 20, 297.27 |

### Member / Signatory

- UNPRI
- Acceptance of the Japanese Stewardship Code
- UN Global Compact
- Carbon Disclosure Project (CDP)
- Climate Action 100+
- UK Stewardship Code
- Institutional Investors Group on Climate Change (IIGCC)
- Responsible Investment Association Australasia (RIAA)

### Stewardship & Proxy voting

We believe strongly in engaging with firms to exercise our clients' rights as shareholders. Our Investor Responsibility and Engagement team works with Research Analysts to identify ESG risks/opportunities and conduct engagement. Our engagement selection methodology produces insights that shape our engagement objectives. We hold meetings with company management to discuss issues we feel are critical to analysing the company or better understanding peers/relevant industry factors. We also engage with companies on proxy voting issues and we are partnered with Institutional Shareholder Services Inc. to create a voting policy consistent with FI's ESG policies, which is made available to clients.

### Product Performance

| | FIIG Global Equity ACWI strategy composite excess return vs. the MSCI ACWI (gross of fees, annualised, as of 31 December 2024): | FIIG Global Equity ACWI strategy eVestment peer ranking** (based on the above performance data, as of 31 December 2024): |
|---|---|---|
| **1Y** | 6.54% | 8th percentile (27 of 335) |
| **3Y** | 3.26% | 8th percentile (26 of 323) |
| **5Y** | 4.95% | 3rd percentile (9 of 285) |
| **Inception** | 3.59% | 4th percentile (8 of 197) |

# QIS: Leveraging Data for Alpha Generation

*" In most previous cases, we found that our portfolios naturally adjusted to the evolving market environment as our dynamic alpha models pick up shifts in sentiment and trends."*

**Osman Ali**
Global Co-Head of Quantitative Investment Strategies
**Goldman Sachs**

Osman is a global co-head of QIS. He oversees a team of researchers and portfolio managers including all aspects of team activities across investment research, portfolio management, trading and client strategy. He was named managing director in 2011 and Partner in 2022.

The QIS team is led by Osman Ali and Dennis Walsh, co-Heads of QIS. The Team comprises over 50+ investment professionals supported by 100+ engineers and traders (March 31 2025). Our senior portfolio managers include Osman Ali, Dennis Walsh, Len Ioffe, and Takashi Suwabe, have been collaborating since 2009, bringing extensive experience and expertise in identifying alpha opportunities and effectively managing risk. The Team is supported by our wider Sustainable Investing Platform, Global Stewardship Team, Engineering and Trading teams that are shared across the Public Investing franchise.

The Team combines fundamental insights with quantitative techniques and seeks to deliver a portfolio solution that over the long term is style-pure, benchmark-aware, risk-managed, and where the predominant focus is on superior bottom-up stock selection. Our focus has been towards the research and development of more nuanced, alternative investment insights, reflecting changes in the market environment, enhanced machine learning capabilities, and the availability of new sources of largely unstructured data.

We started using alternative data in 2008 and incorporated Machine Learning into our process in 2010. Our non-traditional data sources include vast quantities of unstructured data, such as job postings data, texts in analyst reports, etc., have proven to be particularly useful in materializing an informational advantage. We also manage pooled vehicles incorporating sustainability considerations and have well-rounded experience and expertise in delivering tailor-made investment solutions to help clients achieve their investment objectives across traditional portfolio management (active risk, expected return, transaction costs) and we seek to fulfil sustainability considerations as well.

Earlier in 2025, we adopted a more defensive stance across our investment portfolios ahead of the latest tariff news. Elevated uncertainty underscores the importance of maintaining diversification and adopting a dynamic approach to capitalize on market corrections.

Risk management is an essential part of our team's daily portfolio monitoring. Specific to the recent market developments around US tariffs, the Team has leveraged the efforts of our sell-side research colleagues over the past several months, utilizing thematic baskets to measure our portfolios' sensitivity to pertinent macroeconomic themes.

In most previous cases, we found that our portfolios naturally adjusted to the evolving market environment as our dynamic alpha models pick up shifts in sentiment and trends. However, our Portfolio Managers may deviate from our expected return forecasts when they believe our factors cannot accurately capture the true nature of an individual stock or country, or a particular anomalous market event.

Goldman Sachs Asset Management

### Goldman Sachs in Numbers

| | |
|---|---|
| Total AUM (€m) | 2636669.77 |
| Total institutional AuM in asset class (€m) | 602409.7 |
| Sustainable team | 200+ |
| Investment products available since | 1988 |

### About Goldman Sachs

Goldman Sachs Asset Management B.V. is one amongst the various entities within our Asset Management Business incorporated in The Netherlands and is an indirect wholly owned subsidiary of the Goldman Sachs Group, Inc., a company incorporated in The United States. Goldman Sachs' 156-year reputation is built around a unique culture of teamwork, adherence to high ethical standards, and a deeply rooted commitment to long-term relationships and client service. Goldman Sachs Asset Management is a globally-integrated asset management firm committed to delivering strong, consistent results and an outstanding client experience

### Investment Commitment

QIS investment commitment involves dedication to strategically expanding its resources in line with potential growth of assets by focusing on key areas such as Portfolio Management, Research, Trading, Risk, Technology. Building on our 35+ year legacy, the goal is to ensure that QIS is positioned to continue delivering leading quantitative research by leveraging the resources of the broader Goldman Sachs organization to deliver differentiated performance for our clients in a fiduciary manner.

### Integration & Resources

The Portfolio is managed by 38 members within QIS Equity alpha team with 150+ professionals dedicated to client portfolio management, trading, information technology and the development of analytical tools. We seek to design portfolios that are style-pure, risk-aware, by combining our alpha model (i.e. stock selection), risk management and transaction cost considerations leveraging proprietary investment signals, risk model and portfolio optimization platform allowing us to maximize portfolio's target excess returns, net of transaction costs subject to the target tracking error.

### Member / Signatory

- Climate Bonds Initiative
- One Planet Sovereign Wealth Fund Framework
- International Capital Market Association
- Institutional Investors Group on Climate Change
- Sustainability Accounting Standards Board
- Japan Stewardship Code
- Singapore Stewardship Principles
- 30% Club Japan
- UK Stewardship Code
- Asia Corporate Governance Association
- Council of Institutional Investors
- ESG Disclosure Study Group
- International Corporate Governance Network
- Japan Stewardship Initiative
- EDCI, GRESB, TCFD, CDP
- OS-Climate
- The Climate Group
- PRI, PRI Nature Reference Group
- Impact Capital Managers
- Global Impact Investing Network

### Stewardship & Proxy voting

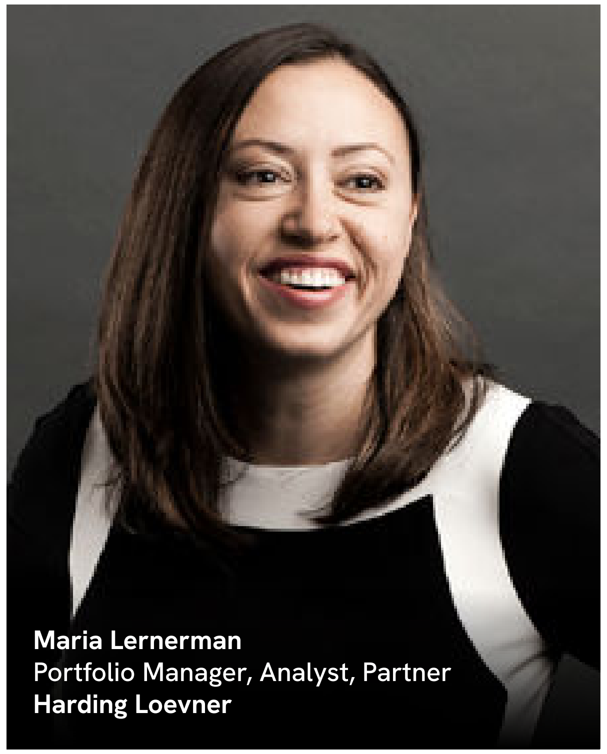
Engagement is a key component of our approach to stewardship. It provides us with a forum to share our views and provide feedback to company management and/or directors on the material issues that we believe can drive long-term value creation. It may also help our investment teams make more informed investing decisions on behalf of our clients. The Global Stewardship Team oversees our approach to engagement and leads most of our thematic and proxy-related engagements. Please see [Our Approach to Stewardship] document on our website.

### Product Performance

The Portfolio returned +17.07% during the 5-year period, outperforming its benchmark by 96 bps on a gross basis.

# Seeking Sustainable Growth Worldwide

***"At Harding Loevner, we work to grow clients' capital by only investing in financially strong, well-managed companies with sustainable competitive advantages."***



**Maria Lernerman**
Portfolio Manager, Analyst, Partner
**Harding Loevner**

Analyst and Portfolio Manager Maria Lernerman, CFA has over 20 years of industry experience. Prior to joining Harding Loevner in 2015, Maria held vice president and equity research positions at Franklin Templeton, and she has also worked as an equity research associate at Citigroup Asset Management. Maria graduated from The Wharton School of the University of Pennsylvania with a BS in economics. She holds a GARP Sustainability and Climate Risk Certificate and a CFA UK Certificate in ESG investing.

**Our Approach to Sustainability**

"At Harding Loevner, we work to grow clients' capital by only investing in financially strong, well-managed companies with sustainable competitive advantages. To identify companies belonging to this rarified group, we use a research-intensive, bottom-up investment process that combines the expertise of our industry and regional analysts with a highly structured analytical framework designed to ensure we cover key factors that impact returns on capital over the long term.

We think environmental and social risks and opportunities, as well as the quality of company's governance, are among those factors that may impact the long-term sustainability of a company's business and cash flows. Our research therefore includes assessing such financially material issues that may influence the ability of a company to meet our high-quality, durable-growth criteria. Our strategies have lower exposure to the companies with the largest unmitigated risks related to environmental, social, and governance factors (as measured by MSCI ESG ratings), while investing in companies benefiting from multiple sustainability trends."

**Helping Clients Achieve Their Goals**

"For over 30 years, we've applied our fundamental knowledge of companies to customize separately managed accounts to help clients pursue their individual investment goals. Harding Loevner also offers the Global Carbon Transition (GCT) Equity and International Carbon Transition Equity strategies, in which we hold only companies that we believe have a viable path toward achieving net zero greenhouse gas emissions by 2050. The GCT Equity strategy is available via a UCITS.

Across all strategies at Harding Loevner, we adhere to the same rigorous fundamental research process to invest in quality growth companies. In the GCT Equity strategy, we exclude companies with fossil-fuel reserves or significant fossil-fuel-related revenues. We also have developed analytical tools, including a net zero investment framework adapted from the IIGCC, to assess companies' ongoing alignment with the Paris Agreement goals, and have adopted targets for the pace of decarbonization and science-based target setting by the investee companies. Once we select companies for the GCT portfolio, we continue to assess their progress toward alignment with the Paris Agreement and engage with management to help ensure their continued progress."

HARDING LOEVNER

### About Harding Loevner LP

Since 1989, Harding Loevner has specialized in equity investing across global, international, and emerging markets for institutions and individuals worldwide. We seek to achieve superior risk-adjusted returns for our clients by building portfolios that meet four key criteria: Competitive Advantage; Quality Management; Financial Strength; and Sustainable Growth. Environmental and social risks and opportunities and governance quality are among the factors that may impact a company's continued ability to meet these criteria. Our analysts therefore consider these factors at each stage of their research.

### Investment Commitment

- We seek to invest in companies committed to sustainable business practices in the pursuit of long-term growth.
- We engage with managements to understand the potential impact of all material risks and opportunities on long-term returns.
- We design strategies, customize portfolios, and vote proxies to meet client needs.
- We recruit and develop our staff with a belief that having employees with diverse professional and personal backgrounds improves collaboration, mitigates cognitive biases, and helps us deliver strong results for clients.
- We seek to minimize our own contributions to climate change - we offset our entire Scope 1 and 2 emissions, as well as those from business travel.

### Integration & Resources

The assessment of environmental and social risks and opportunities and of governance quality is integrated into our investment process. We use proprietary research tools and checklists including our "ESG Scorecard" to systematically assess the potential impact of concerns like carbon emissions, labor practices, and board independence on each business's sustainability. Our ESG Dashboard helps PMs stay aware of key sustainability factors in their portfolios. Harding Loevner's single, centralized team of analysts, not a separate team, is responsible for incorporating sustainability issues into our research. Two responsible-investing subject matter experts support the team.

### Harding Loevner LP in Numbers

| | |
|---|---|
| Total AUM (€m) | 37,800 |
| Total institutional AuM in asset class (€m) | 27,260 |
| Sustainable team | 31 |
| Investment products available since | 1989 |

### Member / Signatory

- PRI
- UK Stewardship Code
- Task Force on Climate-Related Financial Disclosures (TCFD)
- CDP Worldwide
- CFA Institute's DEI Code
- Active Managers Council

### Stewardship & Proxy voting

We engage with company managements to understand the potential impact of sustainability- and governance-related risks and opportunities on their companies' long-term returns. We encourage them to adopt practices that foster sustainable growth and to consider issues like energy transition, diversity, and cybersecurity when doing so preserves or enhances shareholder value. Additionally, we promote high standards of corporate behavior and disclosure when casting proxy votes. We also seek to help clients achieve their own sustainability goals. Our clients can request their shares be voted according to their own values and priorities.

### Product Performance

The Global Carbon Transition Equity strategy was launched in 2022. In the past 1 year ending 31 March 2025, portfolio returns lagged the MSCI All Country World Index, hurt by the Information Technology sector where a few holdings got swept up in market uncertainty around the future of artificial intelligence. Our underweight in the surging Financials sector further detracted. Strong stocks in Communication Services and Health Care boosted relative returns. The portfolio's lack of Energy holdings was also helpful.

# Harnessing ESG for Long-Term Returns

***"Investing in sustainability is not just about doing good; it's about the systemic integration of financially material ESG risks to deliver superior performance and future-proof returns."***

**Hamish Chamberlayne, CFA**
Head of Global Sustainable Equities
**Janus Henderson Investments**

With over twenty years in the financial industry and an academic background in chemistry from New College, Oxford, Hamish champions the transition towards sustainable investment strategies.

**Navigating ESG integration**

At Janus Henderson, our Responsible Investment Policy exemplifies our dedication to embedding Environmental, Social, and Governance (ESG) factors in our investment processes. Our strategies bifurcate into ESG Integrated and JHI Brighter Future Funds. ESG Integrated funds weave ESG considerations into traditional investment frameworks, while JHI Brighter Future Funds pursue explicit ESG objectives alongside financial returns. This strategic division enables dynamic, customised investment approaches that adapt to shifting market conditions.

Engagement with companies remains a pivotal element of our strategy. Through active dialogue with firms, we foster sustainable corporate behaviours that catalyse long-term value creation. This method not only adheres to our ethical standards but also positions the companies we invest in for enduring success.

**Anticipating the future: A vision for sustainable investing**

As we look to the future, enhancing transparency in our ESG processes and exploring innovative solutions to global challenges is paramount. Our investment strategies align with the UN Sustainable Development Goals, paving new paths for investment and ensuring our portfolios are robust and future-ready.

Setting the standard in ESG integration is central to my vision. Sustainable investing is crucial for achieving superior financial performance and securing the ethical impact and longevity of our investments. As Janus Henderson continues to innovate and evolve, we aspire to be the leading choice for investors seeking responsible and impactful investment opportunities.



### About Janus Henderson Investments

Janus Henderson integrates ESG and sustainability into our core ethos, driving innovation and excellence across investment strategies. With over $375 billion in assets under management, we prioritize responsible investment through data transformation and strategic partnerships, such as our collaboration with UC Berkeley. We enhance ESG capabilities using tools like ESG Explore, fostering transparent decision-making. By actively engaging with companies, we promote high corporate responsibility standards, ultimately investing in a brighter future for our clients and the communities we serve.

### Investment Commitment

Our key goals focus on integrating ESG factors into investment strategies to address global challenges like climate change and resource scarcity. We actively engage with investee companies to promote high corporate responsibility standards, believing that our practices should mirror these expectations. Our partnership with UC Berkeley Executive Education is pivotal, as it develops a curriculum to enhance our teams' understanding of climate and biodiversity risks, combining academic expertise with our investment experience, and reinforcing our commitment to forward-looking, responsible investing.

### Integration & Resources

We integrate financially material ESG factors into our investment process through proprietary models and firm-wide committees, ensuring comprehensive oversight. Our ESG integrated assets encompass equities, fixed income, and multi-asset strategies. We've invested significantly in dedicated staff and advanced systems to provide robust ESG insights. By implementing metrics at both the product and team levels, we align with our fiduciary duty, optimizing risk management and opportunities for clients. Our ongoing partnership with UC Berkeley highlights our continuous commitment to ESG integration

### Janus Henderson Investments in Numbers

| | |
|---|---|
| Total AUM (€m) | 345,500 |
| Total institutional AuM in asset class (€m) | 33,440 |
| Sustainable team | 29 |
| Investment products available since[1] | 1991 |

[1] Janus Henderson Global Sustainable Equity strategy inception date 1 August 1991'.

### Member / Signatory

- Access to Medicine Index
- CDP
- Climate Action 100+ (CA100+)
- Global Impact Investing Network (GIIN)
- Institutional Investors Group on Climate Change (IIGCC)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Task Force on Nature-related Financial Disclosures (TNFD)
- Transition Pathway Initiative
- UK Stewardship Code
- UN Principles for Responsible Investment (PRI)

### Stewardship & Proxy voting

Our engagement strategy is designed to emphasize long-term value creation through active stewardship, integrating ESG considerations into our investment management approach. Collaborating closely with the Responsibility Team, we engage with company management on crucial ESG issues, including climate change, diversity, and sustainable governance. Our voting practices are meticulously aligned with sustainable matters, effectively addressing ESG risks. Through collaborative engagements, we enhance companies' financial success, ultimately maximizing risk-adjusted returns for clients. Our voting record consistently demonstrates our unwavering commitment to sustainable outcomes.

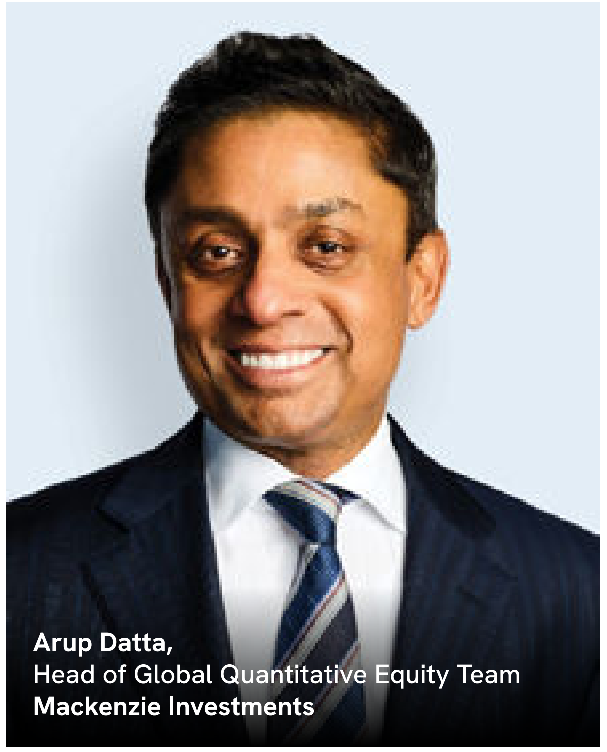
### Product Performance

Our investment horizon can be described as being ~5 years, our portfolio turnover averages out at around 20% per annum so in 5 years our portfolio will fully turnover. We encourage clients to assess our performance over this time frame. On a rolling five year basis we've outperformed the benchmark 90% of the time: if you invest with us for five years and stay committed, there is a 90% chance that you will outperform the benchmark. Our most recent 5 year number (as of end May 2025) is that we are ahead of the benchmark by almost 150bps annualised on a gross of fee basis.[1]

[1] Janus Henderson Investors, as at 31 May 2025

# A Holistic Approach to Quantitative Investing

*"Mackenzie's GQE strategies span world, North America, and emerging markets equities—across both small and large cap segments—delivered through a consistent, research-led process."*



**Arup Datta,**
Head of Global Quantitative Equity Team
**Mackenzie Investments**

Led by Arup Datta, who has over 30 years of experience in quantitative investing and founded the team in 2017, Mackenzie's Global Quantitative Equity (GQE) Team applies a "holistic quant" approach. This is defined as any investment process relying heavily on quantitative methods in seeking to generate alpha and manage risk, while simultaneously incorporating elements such as active positioning, idiosyncratic stock risk, fundamental perspectives, forward- and rearward-looking signals, multi-style—including core—positioning, and an awareness of the impact of portfolio implementation. The strategy emphasizes a core, all-weather philosophy that doesn't overemphasize a particular style but provides balanced exposures to value, growth and quality factors at the total portfolio level.

**Contextualization and Daily Implementation**

The GQE Team uses daily contextual and quantitative rankings of global equities, applying a proprietary alpha model to select stocks. "Contextualization" ensures stocks are ranked on metrics relevant to their characteristics, such as liquidity, volatility, size, and growth. Stocks are ranked daily within their regions and sectors based on one-year alpha forecasts relative to peers. The team incorporates predictive transaction cost models, custom risk models, and daily rebalancing to maximize signal realization and implementation efficiency.

**Nimble and Fully Integrated**

The 10-member team includes 4 senior portfolio managers who have worked together for a decade or more, supported by 5 analysts(including 2 directors) and a dedicated trader. A flat structure and daily meetings allow cohesive and rapid deployment of research insights, while human oversight remains central to trade vetting and portfolio integrity.

**ESG Integration in Practice**

The GQE Team integrates ESG data where it demonstrates materiality and predictive power, such as governance strength, capital discipline, and environmental liabilities. ESG risk factors are evaluated and incorporated into portfolio construction and implementation processes where they can materially affect risk-adjusted return expectations. Discretionary intervention is applied where ESG risk is not fully captured by data.

**Precision-Focused, Implementation-Led**

The team has invested in infrastructure to support daily rebalancing of every portfolio, enabling timely execution of alpha signals and minimizing signal decay. A dedicated trader, proprietary transaction cost models, and active broker oversight ensure the link between model forecasts and real-world execution remains strong. Implementation is fully integrated into the investment process—not an afterthought—supporting alignment between conviction and capital deployment.

Mackenzie's GQE strategies span world, North America, and emerging markets equities—across both small and large cap segments—delivered through a consistent, research-led process. The team works closely with institutional investors to ensure alignment with portfolio objectives and evolving sustainability priorities, offering a transparent and disciplined approach to long-term global equity allocation.



MACKENZIE Investments

### About Mackenzie Investments

Mackenzie Investments, founded in 1967, is a leading global asset manager, headquartered in Toronto with additional investment teams in Boston, Dublin and Hong Kong. As part of IGM Financial Inc., a subsidiary of Power Corporation with a history dating back to 1925, Mackenzie benefits from the financial stability of a deep corporate structure while maintaining a multiboutique investment management profile. We provide investment management and related services through diversified investment solutions relying on proprietary investment research and experienced investment professionals to deliver various product offerings. Mackenzie has institutional clients in Canada, the US, Europe, and China.

### Investment Commitment

Mackenzie Investments aims to deliver long-term, client-aligned growth by expanding its capabilities in global equities, alternatives, sustainable investing, and retirement solutions. The firm fosters intellectual capital through internal research, strategic innovation, and contributions to global investment dialogue. Mackenzie participates in industry working groups and investor coalitions, helping shape market standards and best practices. Its multi-boutique structure supports a focused and disciplined investment culture, backed by the stability of IGM Financial and Power Corporation.

### Integration & Resources

Mackenzie's 16 autonomous investment teams operate within a multi-boutique structure, maintaining full ownership of their investment philosophies, processes, and research. Integration is achieved through firm-wide governance, CIO-led investment committees, and shared portfolio management systems. The platform is supported by robust centralized functions including risk oversight, trading, compliance, and ESG resources. Performance and risk metrics are monitored at both the team and product levels to ensure alignment with client objectives and to maintain consistent accountability across the platform.

### Mackenzie Investments in Numbers

| | |
|---|---|
| Total AUM (€m) | 140,552 |
| Total institutional AuM in asset class (€m) | 96,314 |
| Sustainable team | 12 |
| Investment products available since | 1967 |

### Member / Signatory

- UN PRI
- RIA Canada
- Ceres
- CDP
- Climate Engagement Canada
- Net Zero Asset Manager Alliance
- Climate Action 100+
- Transition Pathway Initiative
- Women's Empowerment Principles (WEP)
- BlackNorth Initiative
- ICGN
- Canadian Chamber of Commerce: Green and Transition Finance Council
- IFRS Sustainability Alliance

### Stewardship & Proxy voting

**Integrated Stewardship:** In 2024, Mackenzie improved stewardship by creating feedback loops to share engagement and proxy voting insights.

**Stewardship Disclosure:** We released our first Proxy Season Review, enhancing transparency in voting decisions and engagement activity.

**Proxy Voting:** We vote at AGMs on board elections, auditors, sustainability, and proposals in Mackenzie investee companies.

**Engagements:** Company-specific, programmatic, and collaborative efforts address material and systemic risks.

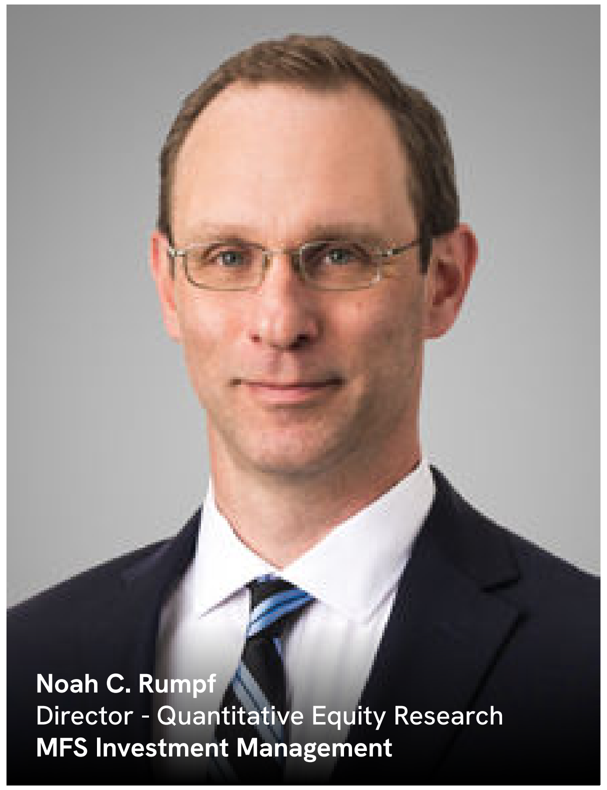
**Advocacy:** We support sustainable markets and disclosure via input to standard-setters through IFIC, Ceres, and RIA.

### Product Performance

See appendix

# Building A Systematic Approach to Identify Stock Sell Signals

***"We believe our sell model is a useful risk tool to have in portfolio management. It identifies stocks that are vulnerable and likely to underperform in the next few months."***



**Noah C. Rumpf**
Director - Quantitative Equity Research
**MFS Investment Management**

Noah leads the equity research efforts for MFS' quantitative investment team and blended research strategies He also serves as quantitative research analyst on the MFS quantitative investment team.

**Identifing stocks that are vulnerable and likely to underperform**

Choosing which stocks to buy and when is difficult. Deciding when to sell out of a stock can be equally difficult and may have a bigger impact on performance.

It is important to emphasize that the stock selection models are designed to rank stocks from best to worst, but the sell model focuses on stocks likely to underperform, using factors that have historically worked on the downside (as opposed to on both sides for the stock selection models).

To help understand when a security may be worth consideration for selling, the MFS Quantitative Solutions team designed a sell model to evaluate stocks across multiple factors that are specifically focused on downside risk. We believe it is a useful addition to any investment process, especially during challenging macro environments when stocks identified as "at risk" are most vulnerable and likely to underperform or experience a dramatic price decline. It's worth noting that our sell model is distinct from our stock selection model which uses different factors as input.

The factors in our quant model are generally seen as alpha generators that have historically worked well at picking both buy and sell ideas. There are, however, some often overlooked factors that have historically had an asymmetric return profile. They have been effective at predicting stocks that will likely underperform but do not necessarily work when selecting which stocks to buy, which makes them generally a bad fit for the stock selection model.

After consulting a range of academic, industry and in-house research pieces, we constructed a separate model that effectively incorporates those factors with an asymmetric nature and created a sell signal that is differentiated from our stock selection model.

We believe our sell model is a useful risk tool to have in portfolio management. It identifies stocks that are vulnerable and likely to underperform in the next few months. For those stocks, our portfolio managers can choose to keep a closer watch, limit their position size or avoid them entirely. Our research indicates that including the sell model in our portfolio construction process helps us improve portfolio performance and reduce volatility. Risk management is important for active managers; we believe that winning over time by not losing is a way to generate alpha and help investors pursue their long-term goals.



MFS®

### About MFS Investment Management

Founded 100 years ago, MFS is an investment manager with capabilities spanning equity, fixed income and multi-asset class portfolios. Serving institutional investors and consultants for over 40 years, we manage over US$605 billion for clients (as of 06/30/25). MFS has investment professionals based in Boston, Hong Kong, London, Sao Paulo, Singapore, Sydney, Tokyo and Toronto gaining on-the-ground perspective.

### MFS Investment Management in Numbers

| | |
|---|---|
| Total AUM (€m) | 605,058 |
| Total institutional AuM in asset class (€m) | 185,238 |
| Sustainable team | 21 |
| Investment products available since | 1924 |

### Investment Commitment

What sets MFS apart from other managers is that we have aligned our active investment approach and how we serve clients with a sole purpose: to create long-term value responsibly. Through that sense of responsibility and the strength of our investment platform, we strive to protect our investors' assets and our clients' reputations. Our powerful investment approach combines collective expertise, thoughtful risk management and long-term discipline to uncover investment opportunities that drive value for investors. We support this approach with our distinct culture of shared values and collaboration.

### Member / Signatory

- PRI
- CII (Council of Institutional Investors)
- Thinking Ahead Institute
- TCFD
- CERES

### Integration & Resources

At MFS, we believe that a successful approach to sustainability requires the participation of our entire firm. Sustainability is integrated into our fundamental investment process; it is not a separate discipline with different inputs or outcomes. As such, our process requires that all our investment professionals be actively engaged in, and responsible for, its success. To facilitate the adoption, implementation and enhancement of sustainability-related practices across the firm, we task certain people with providing strategic leadership and supporting the effective integration of sustainability topics across teams and disciplines.

### Stewardship & Proxy voting

Our goal when engaging is to exchange views on ESG topics that may represent material risks or opportunities for companies or issuers, and to effect positive change on such issues where needed. We believe that long-term-oriented asset managers who engage with companies can positively influence a multitude of better business practices, which will ultimately accrete value for our clients. Our engagement approach is driven by strong collaboration between all members of our investment platform. Our engagements take place consistently, and in a number of different forms, often through mutual dialogue with company management, formal letters, ESG-focused board meetings and more.

# Generational Shifts and Changing Consumer Preferences

Soliane Varlet
Global Equity Portfolio Manager¨
**Mirova**

***"Companies that adapt to these trends, focusing on sustainable practices and leveraging digital platforms, stand to thrive in this evolving landscape."***

Generational shifts and the rising middle class are driving significant changes in global economic dynamics. These transitions impact sectors like healthcare, consumer products, and financials. The emergence of a rising middle class in developing economies, the substantial transfer of wealth, and technological advancements are transforming consumer preferences and spending habits.

**Investment Opportunities**

Approximately two-thirds of the global population resides in emerging markets, where the middle class is expected to double in the next decade. Emerging markets, such as India and China, are key drivers of growth for consumer products companies. Businesses offering tailored products to meet local needs can capture these expanding opportunities. By 2045, Millennials and Generation Z are projected to inherit over $84 trillion[1], creating a shift in consumer trends and purchasing power. To appeal to the new, younger consumer, companies must understand their trends and preferences.The digital transformation, including the rise of social media and digital platforms, is further shaping consumption patterns. Companies must adapt to these shifts, creating strategies that resonate with younger consumers who value interactive digital content and convenience.

**Key Enablers**

**E-Commerce:** With global internet usage expanding, e-commerce platforms like eBay and Shopify are crucial in connecting buyers and sellers worldwide. **Consumer Staples:** Companies like Colgate and Unilever leverage diverse product ranges to reach consumers across various markets. Colgate generates roughly half its sales from emerging markets, while Unilever has invested in e-commerce to improve its reach and promote sustainability. **Health & Wellness:** Younger generations are drawn to brands emphasizing health and sustainability. Symrise and EssilorLuxottica are leaders in their sectors, focusing on consumer demand for health-conscious products.

**Risk Management & Responsible Practices**

Increased social media scrutiny means brands must manage their reputations carefully. Consumer boycotts highlight the importance of responsible practices in advertising and manufacturing. Companies must adopt sustainable practices to mitigate risks, including using recycled materials, addressing water usage, and ensuring fair trade conditions. Consumers are willing to spend an average of 9.7% more on sustainably sourced goods.[2] To meet rising demand, businesses must secure long-term resource access. E-commerce companies, dependent on consistent power for data centers, face vulnerability in high water-stress regions. Consumer goods companies must carefully source raw materials like cotton and palm oil to avoid reputational, operational, and financial challenges.

In summary, the ongoing demographic shifts and digital transformation present vast opportunities for businesses. Companies that adapt to these trends, focusing on sustainable practices and leveraging digital platforms, stand to thrive in this evolving landscape. Understanding these dynamics is crucial for businesses aiming to succeed in a rapidly changing economic environment.

[1] Source: Cerulli Associates
[2] Source: PwC 2024



## About Natixis IM - Mirova

Mirova is a global asset management company dedicated to sustainable investing and an affiliate of Natixis Investment Managers. At the forefront of sustainable finance for over a decade, Mirova has been developing innovative investment solutions across all asset classes, aiming to combine long term value creation with positive environmental and social impact. Headquartered in Paris, Mirova offers a broad range of equity, fixed income, multi-asset, energy transition infrastructure, natural capital and private equity solutions designed for institutional investors, distribution platforms and retail investors in Europe, North America, and Asia-Pacific.

## Sustainable Investment Commitment

Mirova is fully dedicated to responsible investing. Its philosophy is based on the conviction that the integration of sustainable development makes it possible to offer investors solutions that create long-term value, not only through better risk management, but also to identify investment opportunities in a constantly changing world. Whether it is investments in stocks or bonds, listed or unlisted, in companies or projects, all of Mirova's investments share the same approach: to reconcile the creation of economic, environmental and social value. Mirova's investable universes at the heart of the investment process focus exclusively on companies and projects with satisfactory ESG performance

## Integration & Resources

All of Mirova's resources are allocated towards taking ESG criteria into account in its investment strategy. Mirova's Sustainability Research team has developed proprietary Impact and ESG assessment methodology.

## Natixis IM - Mirova in Numbers*

| | |
|---|---|
| Total AUM (€m) | 32 bn |
| Sustainable team | 24 |

*All data as of 31 March 2025

## Member / Signatory

- **International:** UN PRI, Ceres, GIIN, US SIF, HK Green Finance
- **Europe:** EUROSIF, Spain SIF, EVPA, IIGCC
- **France:** AFG, Fair, FIR
- **Green & Social bonds:** ICMA, The Green Bonds Principles, Climate Bonds Initiative
- **Unlisted investments:** France Invest, Solidarité renouvelables
- **Low-carbon investments:** CDP, ICROA, IETA, TCFD, NZAM, GFANZ, Climate 100+, SBTi
- **Natural capital and biodiversity:** Act4Nature, CPIC, TNFD, Finance for Biodiversity pledge, Tropical Forest Alliance, Sustainable Markets Initiative, Ocean Risk and Resilience Action Alliance (ORRAA), Verra Nature Framework Development Group NFDG, Organisation for Biodiversity Certificates OBC, 1000 Ocean Start-Ups, Wetlands International

## Stewardship & Proxy voting

Mirova firmly believes that a financial services company must have an impact on the economy not only through the allocation of capital, but also through engagement actions, both collective and individual, targeting companies and regulators alike. In general, we use our expertise to encourage the adoption of strategies and policies in line with the Sustainable Development Goals (SDGs). Finally, Mirova targets regulators, local and professional organisations and, increasingly, civil society. Our aim is to advocate for regulations and standards conducive to the development of top-quality sustainable finance.[1]

[1] The reference to a ranking or a label does not prejudge the future performance of the funds or its managers. Source: Mirova 2024.

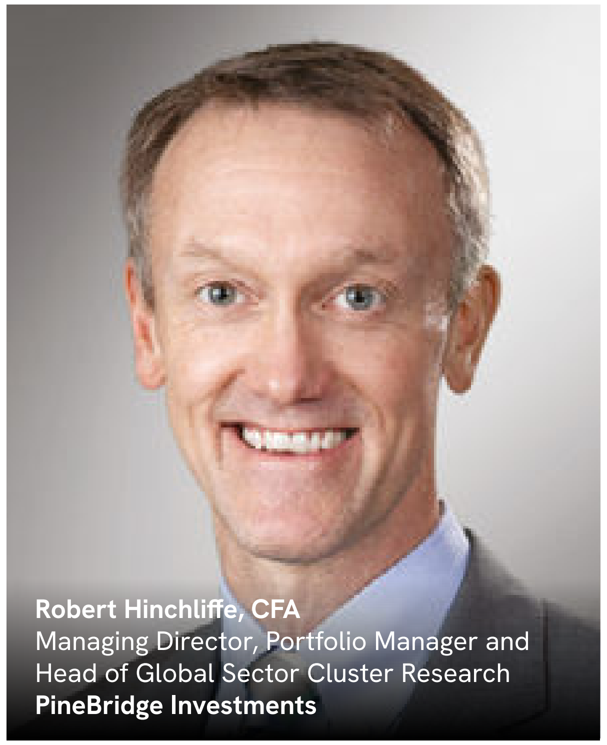
## Product Offering

All our funds[1] are classified Article 9 under SFDR regulation. The firm has developed a global approach to responsible investing covering all asset classes and investment solutions. Mirova's fund range is designed for all types of investors, both professional and non-professional.

[1] For the funds exclusively managed by Mirova and covered by the SFDR regulation.

# A Singular Approach to More Sustained Alpha

*"We aim to generate alpha solely from stock-specific sources. To do this, we rely on our distinctive framework, Lifecycle Categorization Research."*



**Robert Hinchcliffe, CFA**
Managing Director, Portfolio Manager and Head of Global Sector Cluster Research
**PineBridge Investments**

A portfolio of 30 to 50 high-conviction stocks. Our strategy is supported by 50+ investment professionals globally seeking medium- to longer-term alpha from mispriced expected improvements in company fundamentals.

A benchmark-agnostic, high-active-share portfolio. The top holdings of the fund typically diverge from the MSCI AC World Index and the broader active equity universe of managers in terms of composition and weight, providing differentiated alpha exposure and diversification from core global equity holdings.

Stock selection bolstered by time-tested, proprietary analysis frameworks with ESG integration. Rather than a traditional approach, the fund applies two proprietary analytical frameworks – Lifecycle Categorization Research and Equity Risk Assessment – which integrate ESG considerations and evaluate companies based on their stage in the business growth and maturity cycle. A stable and experienced investment team with a long track record. Our bottom-up approach benefits from interconnected insights, with an on-the-ground presence supporting global industry knowledge.

**Achieving alpha goal**

We aim to generate alpha solely from stock-specific sources. To do this, we rely on our distinctive framework, Lifecycle Categorization Research. Rather than focusing on sector or geography, we select individual stocks according to their cyclicality and stage of business development. In this way, we seek to identify a company's prospects and growth potential, which the market may have overlooked.

**The benefit is twofold:**

1. Comparing stocks by their Lifecycle category rather than their sector allows for a superior basis for like-to-like company comparisons. This provides a more accurate reading of a company's potential relative to the market's perception of it. For instance, Tesla and Toyota are two stocks in the same sector but are in very different growth stages. Some of the biggest mispricing opportunities arise when we identify the potential for a shift in a company's Lifecycle category. When the market catches up to our view and re-rates the stock, it results in significant alpha.

2. By classifying all portfolio and benchmark constituents into one of six lifecycle categories (Exceptional Growth, High Stable Growth, High Cyclical Growth, Mature Cyclical, Mature Stable, and Turnaround), our framework also serves as an effective portfolio construction tool by allowing us to manage our active exposure to growth and cyclicality relative to the benchmark.

We map the benchmark's alignment to Lifecycles and limit our active exposures per those categories, making for a more rigorous and active form of risk control. Because Lifecycle groupings are a truer representation of a company's characteristics, our tracking error is relatively low, meaning we are not introducing additional sources of volatility over and above the benchmark.

At the same time, we do not have to invest in an unattractive sector simply to maintain a minimum sector weight if we can get the same characteristics elsewhere.



PineBridge® INVESTMENTS

### PineBridge Investments in Numbers

| | |
|---|---|
| Total AUM (€m) | 188,885.08 |
| Total institutional AuM in asset class (€m) | 73,923.94 |

### About PineBridge Investments

PineBridge Investments is a private global asset manager focused on active, high-conviction investing with strategies spanning developed and emerging markets, as well as traditional and alternative asset classes. We are committed to strengthening and refining our ESG approach and remain convinced that the deferral to individual teams to establish specific policies and processes most appropriate to their investment activity is key to our success.

### Investment Commitment

PineBridge engages in a number of external commitment frameworks that are aligned with our internal corporate responsibility priorities and policies. We believe that working with industry partners and initiatives can help drive desired outcomes beyond what any one firm can do, particularly in codifying standards and norms. PineBridge carefully considers each global and regional commitment framework for alignment with our approach and the best interests of our clients.

### Integration & Resources

Delegation of ESG responsibilities to individual investment teams reflects PineBridge's belief that the most effective consideration of individual ESG factors can differ materially across asset classes, geographies, sectors and specific investments. PineBridge investment teams incorporate ESG into their investment process in line with their objectives and specific investment opportunities. Where investment teams integrate ESG scoring within their due diligence this is done using internal and external resources.

### Member / Signatory

- Principles for Responsible Investment (PRI)
- UN Global Compact (UNGC)
- UK Stewardship Code
- UK Modern Slavery Act
- Australian Modern Slavery Act
- Japan Stewardship Code
- Taiwan Stewardship Code
- Institutional Limited Partners Association (ILPA) Diversity in Action
- Swiss Sustainable Finance Initiative
- The Institutional Investors Group on Climate Change (IIGCC)
- Sustainability Accounting Standards Board's (SASB)

### Stewardship & Proxy voting

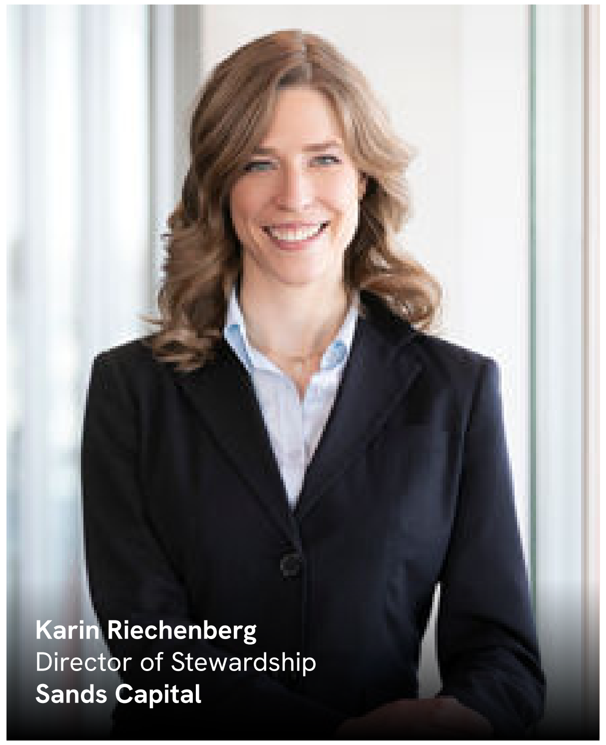
PineBridge believes change drives investment performance, and our role as active managers is to nurture change through corporate engagement to enhance investment results. Stewardship is a vital aspect of managing assets on behalf of our clients and it is an important component of ESG incorporation that benefits both PineBridge and the companies and entities in which we invest. PineBridge views proxy voting as an important right of shareholders and clients and votes proxies in the best interest of its clients.

### Product Performance

As of 31 March 2025, the Fund has outperformed the benchmark over 3 and 5 years and since inception (Y USD share class, net of fees).

# Integrating ESG Factors in Investment Decisions

*"We seek to identify the most material issues in the portfolio and then work intensively on those issues with the analysts and the portfolio management team to create a research and engagement strategy"*



**Karin Riechenberg**
Director of Stewardship
**Sands Capital**

Director of Stewardship Karin Riechenberg joined Sands Capital in 2020. She primarily focuses on guiding the execution of the stewardship program across the firm. Riechenberg is responsible for overseeing the environmental, social, and governance (ESG) analysis conducted by investment professionals, providing accountability and context in that process. "We seek to identify the most material issues in the portfolio and then work intensively on those issues with the analysts and the portfolio management team to create a research and engagement strategy," Riechenberg explains.

#### Incorporating Material ESG Issues

The potential of material ESG factors to affect the sustainability of a company's value-creating capacity is considered during the investment decision-making process. Sands Capital uses a systematic, teamwide approach to analyze ESG issues in investments. "Our approach contrasts starkly with the more formulaic system of box- checking used in some of the industry. That approach is often viewed as backward-looking and may not factor in the nuances associated with actual companies," says Riechenberg. While it uses third-party research to flag areas of concern, Sands Capital believes third-party research sometimes lacks context. "We believe our analysts are best able to judge how they should evaluate our portfolio businesses," Riechenberg continues. "We think it is far more important to understand the intentions behind practices and actions. And, these intentions can only be measured by fundamental research and actual engagement, not simply metrics."

The company's research analysts prepare proprietary ESG reports on the relevant factors affecting each business held in our client portfolios. Based on the materiality assessment, these analysts identify opportunity and risk topics that will be addressed during their engagements with management teams. Research analysts are expected to update these reports regularly or in response to a significant controversy or ESG-related impairment to the business.

#### Leveraging Domain Expertise

Voting decisions are typically directed by the lead research analyst at Sands Capital and often informed by supporting members of the investment research team and core stewardship team. The firm believes its lead analysts are the most knowledgeable about the companies they cover and, consequently, are best suited to evaluate each proposal in the context of its long- term investment case. The research analysts at Sands Capital carefully consider the short- and long-term implications of each proposal and seek to vote shares in the best interest of their clients and other long-term shareowners.

To form the voting decisions, analysts typically consider company proxy documents, proprietary research on the business, recent discussions with management, and third-party analysis throughout the process. "We receive reports from several independent proxy advisors that may help us summarize information from the companies' proxy documents," Riechenberg mentions. "While we do consider proxy advisors' guidance, we do not delegate our voting or default to their recommendations in our voting decisions. Instead, we make decisions based on our research and according to our proxy voting policy."

SANDS CAPITAL

#### About Sands Capital

Sands Capital is a specialist investment manager that focuses on active, long-term growth investing. We employ deep, fundamental, business-focused research to seek to identify high-quality, leading growth franchises featuring sustainable business models and typically operating in attractive areas of innovation. Through a range of investment strategies, we primarily serve institutional asset owners through separately managed-accounts and pooled-fund portfolios designed to concentrate investment in a relatively small, select group of businesses in which we have a high level of conviction.

#### Investment Commitment

As a steward of long-term client capital, we have a fiduciary responsibility to consider the full range of risks and opportunities that have the potential to influence investment outcomes. We believe ESG practices may play a material role in shaping a company's growth trajectory, among other factors. Therefore, we seek to own exceptional businesses that recognize and thoughtfully manage ESG impacts with an aim of maximizing shareholder value creation over the long term.

#### Integration & Resources

ESG research and active ownership responsibilities are horizontally integrated across our global research team. We believe that keeping ESG research, engagement, and proxy voting in the hands of the research analysts aligns with our deep understanding of our portfolio companies and yields positive outcomes. Our research analysts prepare ESG reports on the relevant factors affecting the businesses they cover. We employ five dedicated ESG professionals. Four are investment professionals who act as consultants to our global research team. A fifth member of the team supports the development and production of marketing and client reporting for the stewardship program.

#### Sands Capital in Numbers

| | |
|---|---|
| Total AUM (€m) | 45B |
| Sustainable team | 5 |
| Investment products available since | 1992 |

#### Member / Signatory

- UN PRI
- IFRS Sustainability Alliance
- CII
- ICGN
- TCFD
- CDP
- UK Stewardship Code
- II-HRD

#### Stewardship & Proxy voting

We primarily engage with the management teams and board members of companies through one-on-one meetings.We have one or more of the following objectives when we engage with a company:

- Inform our investment cases, enabling us to help build conviction in businesses.
- Exchange perspectives on matters relevant to the interests of long-term shareholders.
- Highlight corporate change when we believe it is in the best interest of our clients.
- Discuss ballot proposals and inform the company of our voting decisions.

#### Product Performance

Sands Capital has five UCITS Funds which classify as Article 8.

# A Dynamic Approach to Investing

***"Passive investing can be a cost-effective way to gain exposure to equity markets. But at the current juncture, investors might consider an active approach."***

Lukas Kamblevicius joined the Quantitative Equity Products (QEP) Investment Team in 2017 and serves as co-Head of the QEP business at Schroders. He leads the flagship Schroder QEP Global Core strategy, which celebrates 25 years of operation this year as an actively managed enhanced index strategy designed to deliver modest incremental outperformance while maintaining limited index-relative risk. The strategy focuses on consistent performance across various market cycles by analysing approximately 15,000 companies to pinpoint attractive investment opportunities, ensuring effective diversification and robust risk management.

**Integrating ESG**

Classified as an SFDR Article 8, the strategy highlights the deep integration of ESG principles into the QEP Investment Team's processes. Over the past decade, ESG considerations have been incorporated across all investment strategies, with governance as a critical driver in stock selection. Lukas' team uses a proprietary tool to assess company sustainability, combining traditional financial measures with external ESG data for a comprehensive view of potential investments.

ESG integration is facilitated through tools like the QEP Country Risk Monitor, which evaluates the corporate environment and adjusts portfolio exposure based on political and ESG-related factors. The QEP Thematic Monitor researches current ESG themes, applying penalties or rewards based on stock exposures, showcasing the team's commitment to sustainable investing. Active engagement with the Schroders Sustainable Investment Team further enhances this approach.

**Lukas Kamblevicius**
Co-Head QEP Investment Team
**Schroders**

**Seeking Solutions**

As Lukas states, "Passive investing can be a cost-effective way to gain exposure to equity markets. But at the current juncture, investors might consider an active approach." He notes high valuation multiples across various regions, particularly in the US and some emerging markets, alongside rising index concentration and increased volatility throughout 2025. "Navigating these factors requires robust risk management and the ability to tilt away from concentrated and overvalued sectors," he adds.

Lukas highlights the dominance of the Mag 7 in the US, which accounts for about 30% of the overall index, cautioning against viewing the US as the only region with concentration risk. "Many high-quality businesses are trading at substantial discounts," he observes. The increase in market volatility has led investors to reassess allocations to overcrowded, richly valued sectors and seek opportunities in less concentrated markets.

He concludes, "Our primary goal is to deliver positive returns for our clients. It's challenging to see the Mag 7 continuing to deliver on historic growth rates. I believe investors will explore opportunities beyond these stocks, particularly in European markets, where valuations are more attractive." He emphasises signs of earnings growth convergence between the US and mid-sized companies globally, potentially enabling overlooked sectors to start performing, highlighting the importance of an active investment strategy in a rapidly evolving market landscape.

**About Schroders**

Schroders is an investment manager with broad Figures as at expertise across public and private markets, investing on behalf of savers and investors globally. Schroders has over 200 legal entities operating in over 38 locations across Europe, Middle East and Africa, the Americas and the Asia Pacific region. Our international presence supports us in understanding the needs of our clients and delivering them the right expertise from across the business.

Our continued product innovation programme helps us to maintain our strong position in sustainability – a key ambition along with being a strong solutions provider for our clients globally.

**Investment Commitment**

Our purpose is to provide excellent investment performance to our clients through active decision making. In our view, sustainability risks and industrial trends are intrinsically linked to the performance of many investments over the long term. Investee companies and assets face competitive pressures from a wide range of sources, on a larger scale and at a faster pace than ever before. Investment teams no longer have a choice over whether to seek exposure to sustainability risks and opportunities; all portfolios may be impacted. We believe that considering sustainability factors across the investment strategies we manage, in line with those strategies' investment objectives.

**Integration & Resources**

We integrate ESG considerations into our research and investment decisions across Investment teams and asset classes with the aim of maximising risk-adjusted returns for our clients. For us, ESG integration is the process of identifying, analysing and incorporating relevant and material ESG factors into investment decisions as well as the ongoing monitoring of portfolios and engagement with investee company or assets' management teams.

**Schroders in Numbers**

| | |
|---|---|
| Total AUM (€m) | 915,480 |
| Total institutional AuM in asset class (€m) | 256,334 |
| Sustainable team | 45 |

**Member / Signatory**

- CDP
- Climate Action 100+
- Climate Financial Risk forum
- IFRS ISSB Investor Advisory Group (IIAG)
- Institutional Investors Group on Climate
- Change (IIGCC)
- International Corporate Governance
- Network (ICGN)
- Investors Against Slavery and Trafficking
- (APAC)
- Investor Alliance for Human Rights
- Net Zero Asset Managers Initiative
- Principles for Responsible Investment (UN
- PRI)
- PRI Advance
- Science Based Targets initiative (SBTi)
- UN Global Compact
- UN Race to Net Zero

**Stewardship & Proxy voting**

Active ownership encompasses our engagement and voting activities. We manage investments across a wide range of asset classes, which bring different ownership rights and opportunities for influence. As an active manager, with hundreds of experienced and insightful analysts and fund managers around the world, we engage thoughtfully and constructively with the companies in which we invest. Our active ownership priorities seek to reflect the combined perspectives of our clients, fund managers, investment analysts and sustainability specialists across the firm, supported centrally by our Sustainable Investment team.

**Product Performance**

QEP Global Core maintains a consistent track across various market regimes, outperforming the MSCI World Index in 20 of the last 25 calendar years with an annualized relative return of +0.9% since inception (+1.2% p.a. over 3yrs, +1.7% p.a. over 5yrs). Our focus on valuations and quality with disciplined risk management has yielded broad-based alpha generation across stocks, sectors and regions. The strategy ranks in the top decile of managers in its Morningstar category over a range of rolling periods.

# Leadership and Long-term Thinking

***" We want to invest alongside owners and managers – stewards – who share our goal of creating value over the long term."***

**Sashi Reddy**
Senior Portfolio Manager
**Stewart Investors**

We believe that leading companies are defined by their quality rather than their size. We don't necessarily want to invest in the world's biggest companies. Rather, we want to find businesses whose shares we want to hold onto for a decade or longer. Finding those leaders is a subjective process: we don't have a formal checklist. But we tend to find that leading companies share a number of common characteristics. One of those qualities is financial strength. The companies that we regard as leaders tend to have strong, resilient and growing cashflows. They also tend to take a conservative approach to managing their balance sheets. That financial strength allows them to weather economic downturns and ride out volatility in financial markets. it also means they can invest counter-cyclically, growing while their competitors are forced to make cutbacks.

#### Key Leadership Qualities in Our Portfolio Companies

Assessing the way in which a company is managed is fundamental to our role as investors. We believe there is a clear relationship between the competence and integrity of the people who run a company and shareholder returns. We want to invest alongside owners and managers – stewards – who share our goal of creating value over the long term. These stewards are patient, reinvesting the cashflows their businesses generate today back into their future growth, thereby generating compound returns for long-term investors. Many of these leaders are founders, descendants of its founders or employees who have spent most of their working lives in the same company. That tends to promote the type of long-term thinking that we prize.

While some of the companies in the Stewart Investors Worldwide Leaders strategy are household names, others, such as Watsco, may be less familiar. This is the largest distributor of heating, ventilation and air conditioning (HVAC) equipment in the United States. Demand for HVAC equipment is increasing in response to global warming. And, by replacing older air conditioners with more efficient equipment, Watsco is delivering meaningful reductions in energy consumption across North America. The company is still run by its founder and controlling shareholder, Alfred Nahmad.

The unusual way in which it rewards employees for performance underscores the company's patient approach: its long-term incentive plan takes the form of awards of restricted stock that only vest once those employees are nearing retirement. Under Mr Nahmad's careful stewardship, Watsco has compiled an impressive track record of investing counter-cyclically, using the strength of its balance sheet to grow through cyclical downturns by buying up smaller, family-owned HVAC distributors. In our eyes, Watsco exemplifies one of our core investment beliefs: there are no short cuts to becoming a leader.



### About Stewart Investors

Founded in 1988, Stewart Investors manage Worldwide, Emerging Markets, Asia Pacific, European and Indian Subcontinent equity investment strategies. Pioneers of sustainable investing, the team launched their first sustainability fund in 2005 and to this day sustainability remains integral to their investment process. They believe companies that deliver benefits to society and the environment face fewer risks over the long term and are therefore better placed to deliver positive returns to shareholders. Their investment philosophy centres around the principle of good stewardship - careful, considered and responsible management of clients' funds - with sustainability at the heart of this process.

### Investment Commitment

At Stewart Investors, we believe that companies that deliver benefits to society and the environment face fewer risks over the long term and are therefore better placed to deliver positive returns to shareholders. Sustainability is fully integrated into the management of risk and return. We only invest in high-quality companies that contribute to, and benefit from, sustainable development, achieving positive social and environmental outcomes. All members of the investment team sign our Hippocratic Oath, pledging to uphold the principles of stewardship. We avoid companies that do not contribute to sustainable development and we engage with companies to improve sustainability outcomes.

### Integration & Resources

Sustainability is core to our investment philosophy and integrated into our investment process. We do not have a separate team that looks at sustainability. We have 13 analysts / Portfolio Managers, and three portfolio specialists – the investment team are all ESG specialists and are responsible for all company analysis including sustainability, identifying engagement priorities, monitoring and engaging investee companies and making all voting decisions. They focus on the sustainability of each company's products and services as well as operational ESG factors. All investee companies contribute to improving human development, while many also contribute to positive environmental outcomes.

### Stewart Investors in Numbers

| | |
|---|---|
| Total AUM (€m) | €15,298m |
| Sustainable team | 13[1] |
| Investment products available since | 2005 |

[1] Excludes 3 portfolio specialists

### Member / Signatory

- Access to Medicine Foundation
- India Plastics Pact
- Project Drawdown
- The Responsible Minerals Initiative
- The Initiative for Responsible Mining Assurance
- The Big Exchange
- Net Zero Asset Managers Initiative
- UN Principles for Responsible Investment[1]
- FAIRR Initiative
- Confluence Philanthropy

[1] via our parent company; First Sentier Group

### Stewardship & Proxy voting

Engagement is fully integrated into the responsibilities of the investment team and is not outsourced to an external provider or separate team. Our engagement efforts contribute invaluable insights into our understanding of each company. Our conviction in each company is influenced by our engagement activities and the response of management to our engagement efforts. We vote on all proposals at annual and extraordinary general meetings. We consider each proxy vote individually and on its own merits in the context of our knowledge about that particular company. We vote against management to influence companies to improve E, S and G issues, particularly when engagement has been unproductive.

### Product Performance

The Worldwide Leaders strategy provided a negative return over the 3 years to end December 2024, underperforming the benchmark by 3.2%[1]. We continue to look to invest in high-quality companies that are aligned with sustainable development. We look for stewards who are low profile, competent, long-term decision makers, franchises free from political agendas and financials that are resilient, not frail. Our focus is on quality and we remain indifferent to many of the large, well-known companies, regardless of lower valuations.

[1] *Gross in GBP

# Lasting Leadership Demands Constant Innovation

***"We invest in companies whose leaders demonstrate a combination of two qualities: integrity and competence."***

**Jack Nelson**
Senior Portfolio Manager
**Stewart Investors**

Viewed from a distance, the 'leaders' in our portfolio – who range from Taiwanese semiconductor companies through to pharmacy chains in Brazil and banks bringing financial services to financially excluded communities in the Philippines – might appear to have relatively little in common. Look beneath the surface, however, and we believe that high-quality companies – leaders – tend to share a number of attributes. One is that they continually innovate and reinvest. We are long-term investors, so we want to invest in companies that seem likely to be thriving a decade or more from now. To do that, they need to evolve constantly to ward off the threat of commoditisation. By repeatedly reinvesting their cashflows to refine their processes, to maintain their technological edge and to tap new markets, the companies that we regard as 'leaders' can future-proof their businesses.

We invest in companies whose leaders demonstrate a combination of two qualities: integrity and competence. Integrity without competence can lead to stagnation and lacklustre shareholder returns. Competence without integrity, however, brings its own risks, from short-termism through to outright fraud. Interestingly, we often – although not exclusively – find this combination of integrity and competence in family-controlled businesses. We also look for evidence of long-term thinking. When conditions in an industry get tough or when economies suffer downturns, the best leaders invest counter-cyclically rather than throttling back investment to hit quarterly earnings targets. That's sometimes easier for family-owned companies, whose leaders have the freedom to look beyond the quarterly earnings cycle and to think in generational terms.

Mahindra & Mahindra is an automaker that owns India's biggest and best-known tractor brand. Making tractors may not be glamorous – but it's a great business. Because time spent away from the field has an immediate and measurable cost, farmers need immediate access to spares. Repairs are time-critical and local service is essential. So, once a agricultural-equipment manufacturer has established a leading position in a particular area, its dominance tends to become self-reinforcing. And while Mahindra & Mahindra is a great business today it has also shown its willingness to innovate and evolve: it is reinvesting part of the cashflows generated by its tractor business into becoming one of India's leading manufacturers of electric vehicles.

### About Stewart Investors

Founded in 1988, Stewart Investors manage Worldwide, Emerging Markets, Asia Pacific, European and Indian Subcontinent equity investment strategies. Pioneers of sustainable investing, the team launched their first sustainability fund in 2005 and to this day sustainability remains integral to their investment process. They believe companies that deliver benefits to society and the environment face fewer risks over the long term and are therefore better placed to deliver positive returns to shareholders. Their investment philosophy centres around the principle of good stewardship - careful, considered and responsible management of clients' funds - with sustainability at the heart of this process.

### Investment Commitment

At Stewart Investors, we believe that companies that deliver benefits to society and the environment face fewer risks over the long term and are therefore better placed to deliver positive returns to shareholders. Sustainability is fully integrated into the management of risk and return. We only invest in high-quality companies that contribute to, and benefit from, sustainable development, achieving positive social and environmental outcomes. All members of the investment team sign our Hippocratic Oath, pledging to uphold the principles of stewardship. We avoid companies that do not contribute to sustainable development and we engage with companies to improve sustainability outcomes.

### Integration & Resources

Sustainability is core to our investment philosophy and integrated into our investment process. We do not have a separate team that looks at sustainability. We have 13 analysts / Portfolio Managers, and three portfolio specialists – the investment team are all ESG specialists and are responsible for all company analysis including sustainability, identifying engagement priorities, monitoring and engaging investee companies and making all voting decisions. They focus on the sustainability of each company's products and services as well as operational ESG factors. All investee companies contribute to improving human development, while many also contribute to positive environmental outcomes.

### Stewart Investors in Numbers

| | |
|---|---|
| Total AUM (€m) | €15,298m |
| Sustainable team | 13[1] |
| Investment products available since | 2005 |

[1] Excludes 3 portfolio specialists

### Member / Signatory

- Access to Medicine Foundation
- India Plastics Pact
- Project Drawdown
- The Responsible Minerals Initiative
- The Initiative for Responsible Mining Assurance
- The Big Exchange
- Net Zero Asset Managers Initiative
- UN Principles for Responsible Investment[1]
- FAIRR Initiative
- Confluence Philanthropy

[1] via our parent company; First Sentier Group

### Stewardship & Proxy voting

Engagement is fully integrated into the responsibilities of the investment team and is not outsourced to an external provider or separate team. Our engagement efforts contribute invaluable insights into our understanding of each company. Our conviction in each company is influenced by our engagement activities and the response of management to our engagement efforts. We vote on all proposals at annual and extraordinary general meetings. We consider each proxy vote individually and on its own merits in the context of our knowledge about that particular company. We vote against management to influence companies to improve E, S and G issues, particularly when engagement has been unproductive.

### Product Performance

The GEM Leaders strategy provided a negative return over the 3 years to end December 2024, underperforming the benchmark by 2.0%[1].We continue to look to invest in high-quality companies that are aligned with sustainable development. We look for stewards who are low profile, competent, long-term decision makers, franchises free from political agendas and financials that are resilient, not frail. Our focus is on quality and we remain indifferent to many of the large, well-known companies, regardless of lower valuations.

[1] Gross in GBP

# Behavioural Arbitrage of Fundamental Inflection Points

***"As our investment decisions are based on a data-based analysis of these fundamental turning points relative to the past, we are less influenced by market sentiment compared to other market participants."***

**Christopher Schaefer, CFA**
Senior Portfolio Manager, Strategy Lead
Global Concentrated Equity Strategy
**Union Investment**

Christopher Schaefer, CFA is the strategy lead of our Global Concentrated Equity strategy that focusses on the identification of fundamental inflection points to buy and sell stocks. He joined the Concentrated strategy team in 2012 and became strategy lead in 2017. Prior to joining Union Investment in 2010, Christopher worked for two different investment firms in the US as a research analyst for seven years. Since taking over the strategy in 2017, Christopher – who is also a certified yoga teacher – has refined our fundamental change approach and currently oversees close to EUR 8 bn of strategy AuM.

In our Global Concentrated Equity strategy, we seek to identify superior investment opportunities through our in-depth bottom-up research process and the strategy's rigorous focus on fundamental change.

In our general research process, the responsible sector analysts of our Equity platform carry out a thorough fundamental analysis based on company contacts and data, looking particularly at the three selection criteria quality, valuation and fundamental change.

Building on this general research process, the Concentrated strategy team that consists of seven dedicated portfolio managers analyses and prioritises/weighs the three selection criteria in the context of the Concentrated investment strategy. Fundamental change plays a key role in the strategy's selection process. With the help of company-specific Key Performance Indicators (KPIs) and information from company meetings, we are able to exploit certain behavioural biases that we observe in the market by buying and selling stocks at the relevant fundamental inflection points. Resistance to change, anchoring and recency effect as the market tries to extrapolate what has happened last are examples of such biases. At inflection points, these biases tend to have the most meaningful impact. Inefficiencies that we exploit may also result from market cycles moving in waves while stock prices imply linear growth assumptions.

"If a company's sales have been poor for a long time, market participants extrapolate the resulting growth path and underestimate the probability that the business will eventually improve. We look for changes in the relevant data points indicating a fundamental improvement in the business and buy or sell as soon as we consider these changes to be persistent. As our investment decisions are based on a data-based analysis of these fundamental turning points relative to the past, we are less influenced by market sentiment compared to other market participants."

"The relevant KPIs can vary significantly depending on the business model or industry: for asset managers, for example, changes in net flows would be an important indicator. For reinsurers, volume growth and changes in reinsurance prices are the most relevant. Movements in gross margins can be an important indicator for pricing power. For each company, we track the relevant KPIs, seeking to identify changes versus past performance. In addition to quantitative KPIs, we look for qualitative indicators such as statements from management about a promising product development or a successful management change."

### About Union Investment

Union Investment is the asset manager within the German cooperative financial network, which holds an S&P long-term rating of A+. Our largest shareholder – DZ BANK AG – is the second largest German bank. Our focus on active management, our growth path, and the stability of our cooperative ownership structure are compelling. Our equity platform is characterised by the combination of the resources of a global manager with the short communication channels of a boutique. We manage a broad range of asset classes, in particular equities, fixed income, multi-asset, alternatives and real estate.

### Investment Commitment

We believe that alpha generation is best achieved through an investment process based on fundamental bottom-up stock selection that includes rigorous data analysis and regular and intensive dialogue with company decision-makers. By continually testing our investment theses from the different perspectives of not only our equity, but also our fixed income, macro and ESG experts, we are able to identify the most promising investment themes and individual stocks. The combination of our portfolio managers' individual responsibility and the team culture in our strategy teams leads to a strong identification with their strategies and ultimately to better investment decisions.

### Integration & Resources

We follow a consistent and transparent investment process. It involves a continuous cycle of comprehensive research, considered portfolio construction, cost-efficient execution and independent risk controlling, with integrated risk management throughout the process. The investment process is carried out by our Concentrated strategy team: Lead portfolio manager Christopher Schaefer, Co-PM Michael Schaefer and five further Equity PMs who all contribute to the success of the strategy. The team draws on the expertise of 35 equity portfolio managers and 260 investment professionals across all asset classes. The absence of investment committees makes our decision-making agile and fast.

### Union Investment in Numbers

| | |
|---|---|
| Total AUM (€m) | 499.700 |
| Total institutional AuM in asset class (€m) | 32.900 |
| Sustainable team | 23 |
| Investment products available since | 1956 |

### Member / Signatory

- UN Global Compact
- UN PRI
- LuxFlag
- Corporate Human Rights Benchmark
- Transition Pathway Initiative (TPI)
- Climate Action 100+
- The Institutional Investors Group on Climate Change (IIGCC)
- Net Zero Asset Managers Initiative
- Access to Medicine Foundation
- NatureAction 100

An overview of all memberships and initiatives is available on our website: Membership | Union Investment (union-investment.com).

### Stewardship & Proxy voting

In our role as a responsible and active asset manager, we maintain a constructive dialogue with the companies in which we invest. Our primary aim is to exert influence on companies with regard to opportunities and risks linked to ESG factors. This enables us to help companies to increase their value over the long term and to run their businesses responsibly. Our engagement process comprises voting at annual general meetings (UnionVote) and maintaining a constructive dialogue with companies (UnionVoice).

### Product Performance

Our GIPS Composite Equities Global Blend Fundamental Change has outperformed its benchmark by 2% p.a. over 3 years, 1.3% p.a. over 5 years and 1.6% p.a. over 10 years (gross of fees as of end-April 2025).

# Small Caps, Smart Discipline

*"What sets our approach apart is our focus on niche companies with strong positions in their markets, often under-researched and overlooked, where we believe disciplined analysis can uncover long-term value."*

**Jan Willem Berghuis**
Head of Small-Caps
**Van Lanschot Kempen Investment Management**

I'm Jan Willem Berghuis, Managing Director Equity Portfolio and Head of Small-Caps at Van Lanschot Kempen Investment Management. I've worked in the financial industry for over 17 years and lead a team focused on identifying opportunities in small caps. Our strategy is based on a clear philosophy: we look for quality companies at an attractive price. That means profitable businesses with strong positions in their niche, solid returns on capital employed, and safe balance sheets.

**Approach to small caps**

We often hear concerns about small caps being riskier or lower quality, but we don't believe that's justified. When you compare companies on a like-for-like basis, small caps can demonstrate similar capital efficiency to larger peers. What sets our approach apart is our focus on niche companies with strong positions in their markets, often under-researched and overlooked, where we believe disciplined analysis can uncover long-term value.

**Managing risk in a dynamic segment**

We don't have to invest in loss-making companies. We focus on profitable firms with strong positions and sound financials. We look at quality in terms of return on capital employed and financial strength. Our portfolios show lower financial risk and lower balance sheet risk than the benchmark, supported by metrics such as lower average leverage and a higher proportion of net cash positions which helps us build resilience across market cycles. This disciplined approach is central to how we manage risk.

What we can control in our portfolios is our philosophy and our process. We focus on quality companies at an attractive price, those with strong positions in their niche and solid fundamentals. We avoid loss-makers and companies with excessive leverage. Our global and European portfolios are built with a focus on quality and valuation. We aim for companies with solid fundamentals and attractive pricing, which we believe helps reduce risk compared to the broader market. This helps us build resilient portfolios that are well-positioned for long-term investors.

**Small caps offering a compelling long-term opportunity**

Small caps represent one of the most inefficient and under-researched areas of the equity market, creating a broad opportunity set for active managers. With significantly fewer analysts covering these companies, there is greater potential to uncover mispriced assets. Small cap businesses are often more entrepreneurial, agile, and focused on niche markets, which can support long-term growth. Combined with our disciplined, bottom-up approach and our focus on quality and valuation, we believe this segment offers differentiated return potential for long-term investors.

VAN LANSCHOT KEMPEN
INVESTMENT MANAGEMENT

### About Van Lanschot Kempen IM

Van Lanschot Kempen Investment Management is a specialist asset manager focused on niche markets, with strong expertise in small caps, real estate, dividend equities, fixed income and hedge fund solutions. We seek underexplored opportunities where our teams can add meaningful value. Through active and responsible investing, we support the global transition to a more sustainable economy. Our conviction-led approach, collaborative culture and alignment with clients, by investing alongside them, form the foundation of long-term partnerships built on trust, transparency and performance.

### Investment Commitment

Van Lanschot Kempen seeks to deliver long-term value through high-conviction, research-driven investing in underexplored areas of the market. Our goals include fostering sustainable value creation, advancing responsible investment practices, and contributing to industry knowledge. We invest in thought leadership across ESG, investment innovation, and stewardship, supported by in-house expertise and collaborative research. Through active ownership and alignment with global standards, we aim to shape better outcomes for clients, companies, and society.

### Integration & Resources

The small caps strategy follows a disciplined, process to identify high-quality, under-researched companies with strong fundamentals and leadership. A dedicated team of Portfolio Managers conducts deep fundamental research, supported by proprietary valuation models and firm-wide collaboration. Research is centrally documented and shared across teams. The strategy spans Dutch, European, and Global small-caps. Integration includes long-term ownership, active engagement, and regular portfolio reviews. Key performance, risk, and sustainability metrics are monitored at the product level to support consistent, high-conviction decision-making.

### About Van Lanschot IM in Numbers

| | |
|---|---|
| Total AUM (€m) | 167,600 |
| Total institutional AuM in asset class (€m) | 3,626 |
| Sustainable team | 17 |
| Investment products available since | 18 |

### Member / Signatory

- Climate Action 100+
- Dutch Fund and Asset Management Association (DUFAS)
- IIGCC, GIIN
- GRESB
- Nature Action 100
- Net Zero Asset Managers Initiative
- Platform for Biodiversity Accounting Financials (PBAF) PRI Advance
- Principles for Responsible Investment (PRI)
- UN Global Compact

### Stewardship & Proxy voting

We believe that effective stewardship adds financial value to our clients. We engage with our portfolio companies, encouraging positive change.

Aiming to be a net-zero investor by 2050, we have directed a substantial part of our voting and engagement efforts towards climate-related issues. Although the easiest way to reach our target would be to disinvest from the most polluting companies, we prefer to take the more impactful route through active ownership and invest with an objective to achieve positive impact.

### Product Performance

Over the five years to 31/03/2025, the Kempen Global Small-Cap Strategy delivered a strong annualised gross return of +16.5%, outperforming both its benchmark (+13.8%) and the MSCI World Small Cap Value Index (+15.6%). This performance reflects the team's disciplined, high-conviction approach to global small-cap investing.[1]

[1] Van Lanschot Kempen.Performance figures based on a representative account before fees as at 31/03/2025.

*Annualised figures. The value of your investment may fluctuate. Past performance is no guarantee for future results.

# GLOBAL LEADERS

## FIXED INCOME

- aegon asset management
- Capital Group
- Allspring Global Investments
- Federated Hermes Limited
- BNP Paribas Asset Management
- Fidelity International
- Goldman Sachs Asset Management
- nuveen A TIAA Company
- Janus Henderson Investors
- polen capital
- MFS
- State Street Investment Management

# European Asset Backed Securities

***"We developed a proprietary, flexible framework for analyzing structured credit, focusing on identifying risks and opportunities, including those related to ESG factors."***

**Egbert Bronsema**
**Senior Portfolio Manager European ABS**
Aegon Asset Management

Egbert Bronsema is a portfolio manager in the European ABS team. Prior to joining the firm, he worked for 11 years as a portfolio manager and an analyst in the structured finance team at IMC Asset Management. Egbert has been in the industry since 2005 and joined the firm in 2016.

Aegon Asset Management has established a strong presence in European Asset-Backed Securities (ABS) since its inception over two decades ago, offering institutional investors diversified, actively managed portfolios focused on consumer-backed assets and strong risk-adjusted returns. Today, we are one of the largest dedicated ABS teams in Europe with 20+ experienced investment professionals.

Financial markets experienced a volatile year due to ever changing expectations on interest rates due to lacklustre growth (Europe) or stubbornness of inflation (Europe and US). In the mean time, ongoing tensions in the Middle East, the ongoing conflict in Ukraine, a weak Chinese economy, election results in various European countries and the US presidential elections, markets had a lot to digest. Amidst this environment European ABS showed a positive performance and spreads tightened across the board for most of the year. Primary issuance volume meanwhile, has been setting records but was met with high demand for European ABS. In addition, fundamental performance of European ABS has held up well. The market has been pleasantly surprised by consumer resilience of meeting payment obligations. Given the rapid adjustment in interest rates coupled with high inflation, one could have expected that consumers would have suffered from the decrease in disposable income. A combination of excess savings, healthy wage growth, a change in spending habits, and stability in unemployment rates have helped borrowers manage higher debt repayment burdens and mitigate decelerating growth. For 2025, as rates have declined, European ABS is expected to benefit from improved credit conditions and high carry.

Ultimately, in an uncertain environment high carry provides stability of returns and limits drawdowns at times when sentiment is turning negative and markets are taken by surprise. And that's something that ABS inherently has owing to its floating rate and exposure to the front end of the curve.

**ESG Integration in ABS**

Unlike equities or corporate bonds, formal ESG integration is comparatively nascent within ABS and structured credit more broadly. There is limited third- party ESG research and few industry standards for private securitized issuers. As a result, assessing ESG factors for securitized assets requires a more hands on approach.

We developed a proprietary, flexible framework for analyzing structured credit, focusing on identifying risks and opportunities, including those related to ESG factors. The process evaluates how ESG issues might affect collateral, structure, or issuer performance, and seeks mitigants or value-creation opportunities. It centers on three key questions:

1. Environmental: Are there relevant environmental or climate-related risks?
2. Social: Does the issuer provide long-term value to stakeholders?
3. Governance: Is the deal structured to ensure fair economics and incentives?



aegon asset management

**About Aegon Asset Management**

Aegon is an asset management firm with a global client base within Institutional, intermediary and wholesale markets, and specializes in active management. Our team has expertise in fixed income, equities, real assets, alternatives, and multi-asset strategies. Aegon is a responsible investor, having been a signatory of the UN supported PRI since 2011. Since then, we have continually expanded ESG integration across investment strategies, strengthened our engagement and voting activities, increased our ESG capability and developed client-centric responsible investment strategies. More recently in 2022, our focus was on managing climate-related risks and accelerating the low carbon transition.

**Investment Commitment**

Aegon AM is committed to:

- Integrating ESG factors and sustainability elements into the bottom-up, fundamental research process.
- Being an active and engaged investor, both by directly engaging the companies we invest in and by collaborating with other investors to increase our influence on priority topics such as climate change.
- ▪ Providing innovative and credible RI solutions to meet our clients' ESG objectives.

**Integration & Resources**

Our research and investment teams integrate financially material ESG factors into the bottom up research process for fixed income and equity holdings. Aegon AM has a dedicated team of RI specialists involved throughout various stages of research, product development, ESG integration, active ownership activities and RI policies and reporting. The team acts as a source for all RI matters and works closely with the various investment teams to provide training, insights, information and data that would otherwise not be available in order to build holistic analysis for all investment research. The AM Management Board oversees the implementation of the RI Framework and associated policies.

**Aegon Asset Management in Numbers**

| | |
|---|---|
| Total AUM (€m) | 332 000 |
| Total institutional AuM (€m) | 325 000 |
| Stewardship team | 18 people |
| Investment products available since | 1988 |

**Member / Signatory**

- UNPRI
- Climate Action 100+
- Net Zero Asset Managers Initiative
- CDP
- Global Impact Investing Network (GIIN)
- Institutional Investors Group on Climate Change (IIGCC)
- Dutch Association of Investors for Sustainable Development

**Stewardship & Proxy voting**

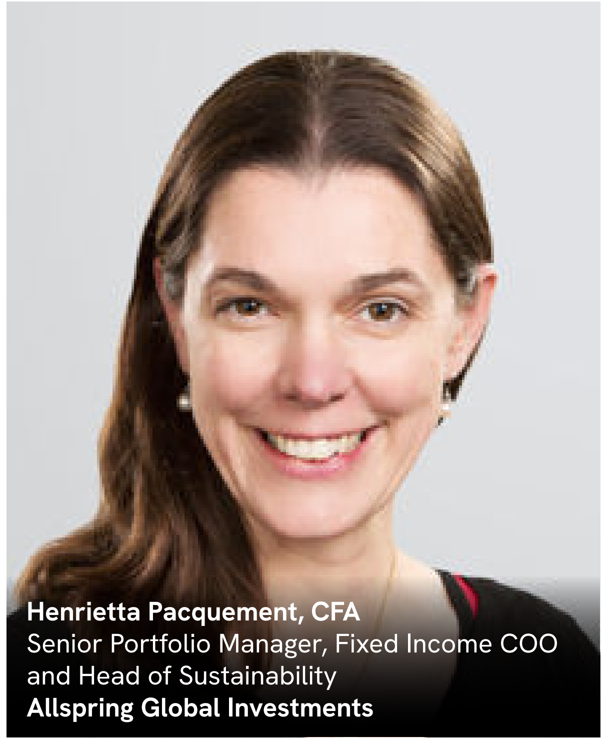
Our Active Ownership Policy aims to enhance long-term value creation by our investee companies and improve our clients' long term risk-adjusted returns. We seek to work with relevant stakeholders and the companies in which we invest to address complex ESG challenges that are in line with our clients' interests. Our approach consists of four key pillars: screening and monitoring, engagement, voting and shareholder litigation. Our engagement is based on the UK and Dutch Stewardship Codes and the PRI. We consider and vote all shareholder meetings of UK and Dutch companies in which we invest, as well as companies from other countries where we hold >0.1% of the outstanding share capital.

**Product Performance**

- In nominal terms and gross of fees, the European Asset Backed Securities composite has outperformed its benchmark, resulting in an annualized excess return of 2.0% since its inception in 2011. From a risk-adjusted perspective, it achieved information ratios of 0.99, 1.18, 0.83 and 1.21 over three, five, ten years and since inception, respectively.

# Navigating Climate Risks While Funding the Transition

*"As we experience more climate change-driven amplification of natural phenomena, companies will continue to assess investments required for both transition and adaptation, providing a wealth of opportunity for fixed income investors."*



**Henrietta Pacquement, CFA**
Senior Portfolio Manager, Fixed Income COO and Head of Sustainability
**Allspring Global Investments**

Henrietta Pacquement is both COO of the fixed income platform and head of the Sustainability team at Allspring Global Investments. She is also responsible for the portfolio management of the innovative, decarbonising Climate Transition credit strategies alongside its Global and EU investment grade strategies.

**Listening to clients**

Considering material climate and wider sustainability themes contributes to our top priority: generating positive investment outcomes for our clients. Understanding long-term environmental and social challenges – related to adaptation, technological innovation, shifting societal trends, regulatory changes, and competitor behaviour, among others – helps us better capture opportunities and identify risks. It also helps us meet the many needs of a diverse, global client base, including real-world climate outcomes. Ultimately, our goal is to listen to our partners and create solutions built for the long term.

**Building on strengths**

Allspring's proprietary, purpose-built sustainability frameworks help our investment professionals formulate a rounded assessment of their investment universe from a sustainability perspective and achieve specific client objectives. We believe ESG and climate risk analysis are critical to fully assess risk of corporate issuers and have constructed in-house systems to assess ESG and climate risk and opportunities—which we refer to, respectively, as ESGiQ and Climate Transition Framework. The Climate Transition Framework forms the backbone of our Climate Transition suite of global credit products, which offer broad exposure across industry and risk profiles. The suite was recently expanded to include new Climate Transition Buy and Maintain sub-funds with backing from a global consultant.

**Navigating change**

Looking ahead, geopolitics and redefined global trade relations are likely to impact financial markets and the shape of climate policy. We see climate change as a systemic risk, a complex challenge, and a source of opportunity. That means evaluating companies with an eye to both climate's physical effects, such as floods and droughts on business costs, as well as strategic and competitive effects like decarbonization's impact on market economics.

After the warmest year on record, 2025 is proving to be a mixed environment for climate-focused investors. Challenges exist in the U.S., where policy priorities on climate action have changed dramatically, while other areas have shown promise. Falling prices have made clean energy more affordable in developing countries, led by China's rapid deployment of renewable energy capacity. In fact, BNEF found that last year more than 75% of global investments into green tech manufacturing was in China. Low-carbon sources even provided >40% of the world's electricity generation in 2024, even as many countries prioritized energy security over decarbonization.

In 2025 our position is not shifting - we aim to help clients navigate the future and make informed financial decisions by evolving our products and solutions for what we see ahead.



Allspring Global Investments

## About Allspring Global Investments

At Allspring, we believe in the power of active investing and the insights gleaned from deep fundamental research. Furthermore, we believe an organisation of independent and specialised investment teams can enable us to achieve consistent outperformance and positive risk-adjusted returns. We bring together 24 investment teams and more than 400 investment professionals to address the varied goals of our clients. This approach unites independent thinking and diverse perspectives to deliver on our goal of achieving returns that expand beyond financial gains. In this way, we aim to combine the value of specialisation with the benefits of scale. We call this approach Allview.

## Investment Commitment

Allspring's vision is to inspire a new era of investing that pursues both financial returns and positive outcomes. Diverse perspectives power our investment strategies through a unified platform and a commitment to our clients. Our goal is generating successful client outcomes and creating an industry-leading client experience delivered across the entire organisation. We seek to deeply understand our clients' goals and objectives, inclusive of their sustainability preferences, and align our actions to their needs through customized and transparent investment solutions.

## Integration & Resources

Our investment platform benefits from the knowledge of our 15 Sustainable Investment professionals who support effective integration of sustainability issues. To assess ESG and climate risks, we have built and continue to evolve proprietary frameworks—ESGiQ and Climate Transition Framework, respectively—which embed insights gleaned from our deep fundamental research into our investment process. The cross-functional Climate Change & Water Working Group provides differentiated research to distil climate, water, natural capital, and other sustainability themes into actionable investment ideas.

## Allspring Global Investments in Numbers

| | |
|---|---|
| Total AUM (€m) | ~494,200 |
| Total institutional AuM in asset class (€m) | ~119,800 |
| Sustainable Investing team | 15 people |
| Sustainable strategies available since | 2020 |

## Member / Signatory

- Principles for Responsible Investment since 2015
- IFRS Sustainability Alliance and ISSB Investor Advisory Group
- Institutional Investors Group on Climate Change
- Advisory Group for Assessing Sovereign Climate-related Opportunities and Risks
- Carbon Disclosure Project
- Task Force on Nature-related Financial Disclosures Forum
- FAIRR Initiative
- Investor Network Members at Ceres

## Stewardship & Proxy voting

As responsible owners of the companies in which we invest, stewardship is an integral component of our investment process. Our motivation originates from a strong desire to deepen our knowledge of investee companies we allocate capital to and, where appropriate, recommend action to protect invested capital. Our stewardship team prioritises proxy voting and engagement with issuers, leveraging in-house tools and frameworks, such as Climate Transition, while partnering with our specialised investment teams to create alignment and share perspectives. In 2024 our Stewardship team led 101 engagements and covered 455 key ESG topics, representing $41bn of invested assets.

## Product Performance

Our Fixed Income Climate Flagship Strategy:[1]

| | 1M | 3M | YTD | 1Y | 3Y | Inception |
|---|---|---|---|---|---|---|
| **Composite (Gross)** | 1,42 | 2,09 | 4,05 | 7,52 | 5,41 | 0,11 |
| **Composite (Net)** | 1,40 | 2,03 | 3,93 | 7,26 | 5,13 | -0,16 |
| **Benchmark** | 1,41 | 1,99 | 3,79 | 7,30 | 5,03 | -0,02 |

[1] Source: Climate Transition Global Investment Grade Credit Strategy

# A Solution for Uncertainty

***"We believe absolute return bond strategies offer investors a compelling risk-return profile which compares favourably to that of other fixed income assets over the long term."***

**James McAlevey**
Head of the Global Aggregate and Absolute Return Fixed Income
**BNP Paribas Asset Management**

James McAlevey is the Head of the Global Aggregate and Absolute Return team. He joined the company in 2021 and his team are backed by BNP Paribas's Global Fixed Income Platform, helping ensure a global approach that considers all investment possibilities. By creating portfolios capable of exploiting multiple return streams, the team can maximise diversification and manage risk.

Traditional long-only strategies, managed against a benchmark reflecting the composition of a segment of the bond market, generally aim to track or outperform this index. They tend to rise or fall as interest rates and the broader bond market move. So, if interest rates rise, these strategies are likely to lose value – sometimes significantly – as they mimic the performance of the index.

By contrast, absolute return strategies are managed against a cash benchmark. They can invest in the broader market without constraints, aiming to generate positive returns regardless of what is happening in the broader market, so regardless of whether interest rates are rising or falling, corporate bond spreads are widening or tightening, etc.

We believe absolute return bond strategies offer investors a compelling risk-return profile which compares favourably to that of other fixed income assets over the long term.

Instead of investing in a strategy with, for example, only government or corporate bonds, absolute return bond strategies enable investors to obtain exposure to income streams from several fixed income segments within one vehicle.

Collaboration with specialist teams for the different sectors within global bond markets means an absolute return bond manager has a wide range of tools at their disposal. As a result, the returns of these strategies are generally uncorrelated with those of traditional fixed income strategies, making them a good source of portfolio diversification.

That's attractive, particularly at a time when the risks of a surge in inflation cannot be dismissed and preserving capital matters.

In recent years, we've seen a spike in inflation, rapid interest rate hikes by central banks and heightened economic uncertainty. Many investors were caught out when their bond investments, which were supposed to be the 'safe' part of their portfolios, suffered significant losses. Rising interest rates caused bond prices – especially those of long-term government and corporate bonds – to fall sharply.

Many central banks are now cutting interest rates, which is good news for traditional bond strategies, but it's still unclear what comes next.

In this kind of unpredictable environment, the flexibility that absolute return bond strategies provide can be a significant benefit. Managers can adopt defensive positioning when they see trouble ahead or quickly increase risk whenever they identify opportunities.



BNP PARIBAS ASSET MANAGEMENT

### About BNP Paribas Asset Managemement

BNP Paribas Asset Management (BNPP AM) manages EUR 602 billion of assets and benefits from the expertise of 500+ investment professionals and around 400 client servicing specialists, serving individual, corporate and institutional clients in 67 countries, as at 31 March 2025. Sustainability is core to BNPP AM's strategy and investment philosophy. Among the leaders in thematic investment in Europe[1], BNPP AM intends to contribute to a successful Energy transition, healthy Ecosystems, and greater Equality in our societies (our "3Es").

[1] 2nd in Europe on sustainable thematic strategies, according to an analysis made by BNP Paribas Asset Management based on Morningstar data as at 31/12/2024

### Investment Commitment

BNPP AM's Global Sustainability Strategy (GSS), launched in 2019 and updated in 2024, outlines our approach to sustainability. In the GSS, we stated our objective "to make a substantive contribution to the low carbon energy transition", and that one of the ways to do so was by encouraging our investee companies to align their strategies with the goals of the Paris Agreement. We contribute to several industry initiatives, including the Global Research Alliance for Sustainable Finance and Investment (GRASFI), among others.

### Integration & Resources

We accomplish ESG integration through our ESG Integration Guidelines and through the development of proprietary sustainability research. Our proprietary ESG scoring framework is covering more than 13,000 issuers and is helping to generate robust ESG insights for better-informed decisions. We monitor the ESG score and carbon footprint of investments against their benchmarks with the aim of outperforming on each. We also developed several proprietary methodologies, such as our Sustainable Development Goals (SDG) scoring framework.

### BNP Paribas Asset Managemement in Numbers

| | |
|---|---|
| Total AUM (€m) | 602,000 |

### Member / Signatory

- Principles for Responsible Investment (PRI)
- Climate Action 100+
- Net Zero Asset Managers initiative
- Nature Action 100
- CDP
- Asia Investor Group on Climate Change
- AIGCC)
- Global Network Initiative (GNI)
- ICGN
- IIGCC
- Partnership for Biodiversity Accounting
- Financials (PBAF)

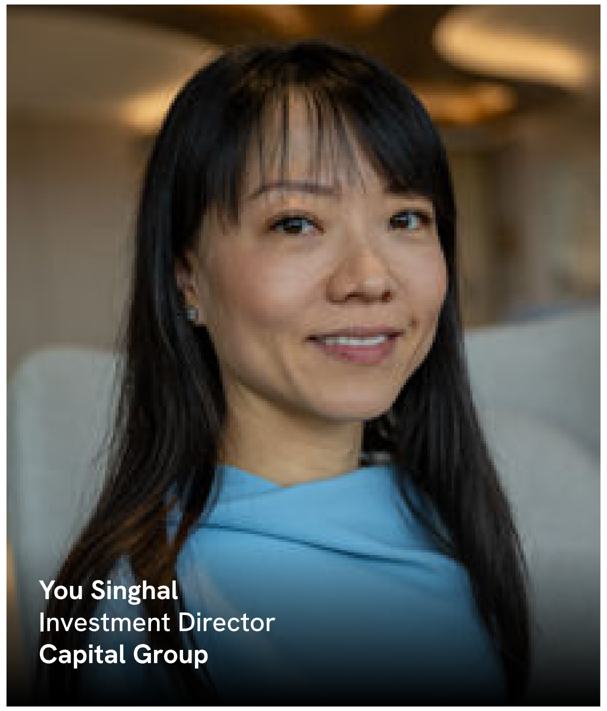
We are part of more than 40 initiatives.

### Stewardship & Proxy voting

We are committed to contributing to a successful energy transition, healthy ecosystems, and greater equality in our societies. We use the tools of voting, and engagement with issuers and policymakers, to realise this ambition. To ensure that our activities are effective, consistent and support our objectives and duties as fiduciaries, they are not only rooted in our GSS but also codified in our Stewardship Policy, which incorporates our detailed Governance and Voting Policy. Our engagement encompasses our public equity holdings and extends beyond them. We regularly engage with issuers of various types of bonds, and sovereign issuers and agencies, on material ESG issues.

# Investing for Future Generations

***"We believe that companies contributing positively to environmental and social objectives through their products and services can deliver superior long-term investment results."***




You Singhal is an Investment Director at Capital Group and has 17 years of industry experience. She covers Capital Group's Future Generations strategies, including Capital Group Future Generations Global Corporate Bond strategy.

Our sustainable investment philosophy is an extension of Capital Group's investment philosophy of investing with a genuine long-term perspective and basing investment decisions on fundamental, bottom-up research. We believe that companies contributing positively to environmental and social objectives through their products and services can deliver superior long-term investment results. At the heart of sustainable development is balancing the needs of present and future generations. A long-term investment focus is therefore crucial to align with the time horizons over which sustainable investment themes will unfold.

Our Future Generations strategies are intentionally global and designed to capture multiple sustainable investment themes, rather than maintain a narrow focus. This provides access to a larger opportunity set and enables us to build diversified portfolios, which offer the potential for better risk-adjusted returns relative to a single-themed approach.

Our themes include: Health & Wellbeing, Energy Transition, Sustainable Cities & Communities, Responsible Consumption, Education & Information Access, Financial Inclusion, and Clean Water & Sanitation. Over time, as existing global challenges are addressed and new ones emerge, our themes may evolve to capture new investment opportunities.

We explored the intersection between the progress required to move toward a more sustainable future — informed by priorities outlined in the UN Sustainable Development Goals (UN SDGs) — with the universe of issuers that could be a part of moving the world forward. We identified seven sustainable investment themes that we believe positively align to the UN SDGs and offer compelling long-term investment opportunities, while utilising a sufficiently large investment universe for us to add value through our research-driven investment approach.

The Future Generations strategies invest in both 'aligned companies' - those that currently have significant positive impacts on environmental and social challenges - and also 'transitioning companies' - those making meaningful changes that will likely have a growing contribution.

We believe that investing in these transitioning companies, which are focused on hard-to-abate areas or making significant investments in innovative solutions, is critical to achieving the significant ambitions of the sustainable development goals.



CAPITAL GROUP™

### About Capital Group

Capital Group is one of the world's largest independent investment managers. Since 1931, Capital Group has been dedicated to improving people's lives through successful investing. Our commitment to that mission has fostered lasting relationships with investors and financial intermediaries built on trust, integrity, excellent service and investment results. As a privately owned company with a strong financial foundation, we have been free to prioritise our clients' best interests and objectives for nearly a century.

### Sustainable Investment Commitment

We believe our detailed, hands-on, case-by-case practice of engagement with issuers serves an important role in our investment process. By engaging with executives and non-executives on important issues, we can both better understand and explore potential risks to our investments. We can also gain a better understanding of management teams, as well as their strategies and stances on key issues and how they are overseen. We may use engagement to encourage disclosure on matters that we believe can impact the issuers' ability to generate long-term returns. We will generally engage in direct dialogue with the issuers privately. We believe this is a more effective and constructive approach to understanding how issuers are managing material ESG risks and opportunities.

### Integration & Resources

Our ESG integration process builds on our 90+ year legacy of deep fundamental research. We believe that considering material ESG issues as a part of our research and analysis can help us better understand long-term risks and opportunities for our clients. Our investment professionals are responsible for integrating ESG into our investment approach, The Capital SystemTM. They leverage our 40+ ESG team, including Global Stewardship & Engagement professionals and 20+ data scientists and product developers. Investment professionals have access to leading third-party ESG research and our proprietary sector investment frameworks, which reflect material ESG considerations in 25+ sectors.

### Capital Group in Numbers

| | |
|---|---|
| Total AUM (€m) | 2.5 trn + |
| Total AUM in "Article 8" or "Article 9" strategies | €27bn |
| Sustainable team | 40+ people |
| Dedicated ESG engagements with issuers in 2024: | 1,200+ |

### Member / Signatory

- Principles for Responsible Investment (PRI)
- UN Global Compact
- Task Force on Climate-related Financial Disclosure (TCFD)
- CDP (formerly the Carbon Disclosure Project)
- The FAIRR Initiative
- International Sustainability Standards Board (ISSB)
- UK Stewardship Code
- Eumedion Corporate Governance Forum

Please note: this list is not exhaustive

### Stewardship & Proxy voting

Effective stewardship exemplifies our commitment to strong ESG practices. Our approach is made more powerful by the fact that our engagement and proxy voting is led by our investment professionals. Our commitment to rigorous global research and individual accountability means only the highest conviction ideas make it into our portfolios. As such, our starting point is generally to be supportive of management. We aim to vote all proxies in accounts for which Capital Group has proxy voting authority wherever possible.

### Product offering

We offer 14 Luxembourg-domiciled Sustainable Finance Disclosure Regulation Article 8 funds (€27bn AUM; over 60% of our Luxembourg fund AUM) that extend beyond our ESG integration process to implement ESG and norms-based screens and, in some cases, a carbon footprint target. We also offer three multi-thematic Future Generations strategies – global equity, global corporate bond and global balanced – that seek to achieve investment objectives by investing in issuers that contribute positively to environmental and social objectives through their current or future products and services.[1]

[1] All data as at 31 December 2024, source: Capital Group
**Invested capital is at risk.**

# Diversify Your Portfolio with Trade Finance

*"Our strategy offers investors the potential for a source of uncorrelated return, with low volatility and high return that adjusts with inflation."*

**Chris McGinley**
Head of Trade Finance
**Federated Hermes**

Chris McGinley is the Head of Trade Finance at Federated Hermes and responsible for portfolio management and research in the global fixed income area. He joined the firm in 2004.

**What is trade finance and why invest**

Trade finance can best be viewed as a sub-set of the loan market. It is relatively short-term loans used to finance the physical flow of goods, using those goods as the primary source of collateral within the loan. Our strategy offers investors the potential for a source of uncorrelated return, with low volatility and high return that adjusts with inflation.

**Our differentiated approach**

Our approach to trade finance is different than what we see in the market, based upon two main factors. One is the type of loans that we're doing. We typically co-invest with banks in the very large – I'd say 'bankable' – end of the trade finance market. Within a corporate trade loan, our typical borrower is doing a US$500m to US$1.5bn loan. These are companies with an average US$1bn-plus EBITDA and leverage ratios of one to maybe three times. These are large loans to big companies that have very healthy balance sheets.

The second key differentiator is diversification – and we take that very seriously. We diversify on multiple factors. One is just underlying borrower size and position size. Our typical position size will be under 1% of the portfolio. We diversify geographically, in regions and countries, by sector and subsector, and by the types of trade finance loan structures that we invest in. So, a lot of other trade finance products in the market are going to be concentrated on one specific part of the trade finance market, but we invest in both the supply-chain-finance-type of transactions, financial institution loans, corporate loans, a little bit of project finance and loans to sovereigns.

**Wider benefits**

Trade finance has a critical role to play in addressing snags in global supply chains and ensuring that vital commodities continue to flow. Short-term loans to facilitate physical cross-border transactions can reconcile the divergent needs of an exporter and importer.



## About Federated Hermes

Federated Hermes is a global investment manager focused on active, responsible investment. We offer equities, fixed income, liquidity solutions, and private markets investments. EOS at Federated Hermes Limited is one of the world's largest stewardship resources. Headquartered in Pittsburgh, USA, clients across EMEA and Asia-Pacific regions are represented by Federated Hermes Limited. We help people invest and retire better, achieve better risk-adjusted returns, and contribute to positive outcomes.

## Investment Commitment

At Federated Hermes Limited, we are guided by the conviction that responsible investing is the best way to create long-term wealth. Seeking outperformance with positive outcomes, we aim to deliver enduring wealth creation that enriches our stakeholders, by investing responsibly. Our groundbreaking work in ESG integration and stewardship, and our key role in developing the original Principles for Responsible Investment (PRI) all underline our long-standing commitment to doing business the right way.

## Integration & Resources

Federated Hermes Limited combines high-active-share investing, best-practice ESG integration and pioneering stewardship, with the aim to provide excellent long-term investment performance and improve lives. We have long been developing ESG-analysis tools and continue to innovate. We don't only integrate quantitative ESG information from third-party data sources but investment teams also integrate qualitative engagement insights from our Stewardship arm to build a complete picture of a company or an asset. Globally, Federated Hermes has over 2,074 employees and 445 investment and stewardship professionals (as at 31.03.2025).

## Federated Hermes in Numbers

| | |
|---|---|
| Total AUM (€m) | 776, 600 |
| Total institutional AuM in asset class (€m) | 250, 111 |
| Sustainable team | 46 people |
| Investment products available since | [1] |

[1] Federated Investors Inc. was established in 1955. In 1983, Hermes' predecessor is established and starts engaging UK companies.

## Member / Signatory

- ICGN – International Corporate Governance Network
- Climate Action 100+
- Principles for Responsible Investment: founding member and chair of the drafting committee that created the PRI in 2006
- PRI Advance
- PRI Spring
- Nature Action 100
- Asian Corporate Governance Association
- FAIRR Investor Action on AMR initiative
- Investor Alliance for Human Rights
- Institutional Investors Group on Climate Change

## Stewardship & Proxy voting

EOS at Federated Hermes Limited, engages with companies on financially material issues regarding long term sustainability, helping investors be active owners and achieve better financial and societal outcomes. EOS' international stewardship team also engages on market best practice and public policy. We make voting recommendations that are engagement-led and involve communicating with company management and boards around the vote. This ensures that our rationale is understood by the company and lead to change where necessary.

## Product Performance

The Federated Hermes Trade Finance strategy has outperformed its benchmark on a net basis in the past 1, 3-, and 5-year periods up to 31st of March 2025. The most significant factors positively affecting the strategy performance relative to the ICE BofA U.S. Dollar 1-Month Deposit Offered Rate Constant Maturity Index were the selection of individual securities within each sector, sector diversification and the relatively elevated Secured Overnight Financing Rate.

# Fixed Income and Active ETFs: A More Sustainable Recipe

*"Our proprietary multi-factor approach to credit selection is built on over 15 years of historical data, unique to Fidelity."*


Ilia Chelomianski
Portfolio Manager, Fixed Income Portfolio Engineering
Fidelity International

Gordon Ramsay once wrote, "Adapting a recipe's ingredients is completely in your hands. But the method is what really matters." We believe the same is true of active ETFs in fixed income. Global net inflows into this space are growing, with $155bn inflows during 2024 compared to $43bn during 2023, highlighting the importance of a robust approach in this space.

As the effects of climate change become clearer, the regulatory landscape, industry practices, and risk frameworks are evolving in tandem. Investors are increasingly expected to incorporate sustainability into their mandates - not just as a compliance exercise, but as a core driver of long-term performance and risk management.

Basic approaches such as exclusions or UN Sustainable Development Goals alignment can provide a foundation. However, investors seeking to optimise both financial outcomes and sustainability objectives require more advanced integrated strategies. Fidelity's range of active Systematic Fixed Income ETFs are designed with this dual objective in mind. Six of the seven ETFs are benchmarked against EU Paris-Aligned Benchmarks, ensuring that each portfolio targets a minimum 50% reduction in carbon intensity and follows a defined decarbonisation trajectory. The remaining ETF is managed against an ESG benchmark, maintaining a strong sustainability profile even outside of the PAB framework.

This comprehensive approach makes ESG integration systematic and measurable, enabling robust optimisation and delivering portfolios that are aligned with clients' evolving sustainability goals, without compromising on investment discipline or return potential.

**Leveraging Fidelity's global research capability**

An efficient way to construct an active fixed income ETF is through a systematic, research-informed approach designed to outperform a benchmark over time. In Fidelity's active fixed income ETFs, this involves defining a clear risk budget and applying disciplined constraints. These include calibrated exposure to credit ratings, as well as a tilt towards issuers with stronger ESG profiles. This framework enables consistent, scalable portfolio construction that integrates both financial and sustainability considerations.

Our proprietary multi-factor approach to credit selection is built on over 15 years of historical data, unique to Fidelity. While multi-factor models have long been used to generate alpha in equities, their application in fixed income is a relatively recent development. Fidelity is well-positioned thanks to the depth and longevity of its quantitative research capabilities. Our long-standing investment in data infrastructure and analytics, along with the scale of our global research platform, provides an advantage in developing and implementing robust data-driven models for credit markets.

**A sustainable edge to active fixed income ETFs**

Combining cutting-edge quantitative techniques with proprietary research and a deep commitment to sustainability, Fidelity's active fixed income ETFs offer a forward-looking solution for modern portfolio construction. In an asset class undergoing structural change, this approach delivers both precision and purpose - empowering investors to align long-term financial goals with a changing world.



**About Fidelity International**

Our purpose is to build better financial futures for our clients by investing over the long-term. As a family and management-owned company, we think generationally in terms of the services we build and provide, as well as the way in which we invest on our clients' behalf. Our focus is on delivering sustainable investment returns for our clients, while managing our impact on society and the environment. To do this, we work with investee companies to help them operate more sustainably. Through our rigorous bottom-up research process we gain an in-depth understanding of ESG issues at a company level before they escalate and potentially threaten the value of our clients' investments.

**Fidelity International in Numbers**

| | |
|---|---|
| Total AUM (€m) | 651, 900 |
| Total institutional AuM in asset class (€m) | |
| Sustainable team | 30 people |
| Investment products available since | 2015 |

**Member / Signatory**

- UN PRI
- CDP
- Science-Based Target Initiative
- Climate Action 100+
- Net Zero Asset Manager Initiative
- Finance for Biodiversity Pledge

**Investment Commitment**

Halve the carbon footprint of our investment portfolios by 2030, from a 2020 baseline, starting with equity and corporate bond holdings; and reach net zero for holdings by 2050. Specific emissions reduction targets for real estate and our default workplace retirement solution FutureWise. Achieve net zero emission across Fidelity's own corporate operations by 2030. We are involved in external governance related organizations and hold positions in the Investment Association, the Panel on Takeovers and Mergers, the Confederation of British Industry and the International Corporate Governance Network. Fidelity is an active member or licensee of many initiatives supporting ESG related topics.

**Stewardship & Proxy voting**

We aim to vote all of our shares in the best interests of our clients, to support improved client returns, sustainable business behaviours, and our purpose to build better financial futures. We will apply discretion in the application of our voting principles and guidelines to ensure that our approach to voting is effective but also aligned to the best interests of our clients. We use the information gathered during these meetings to inform our investment decisions and also to encourage company management to improve procedures and policies.

**Integration & Resources**

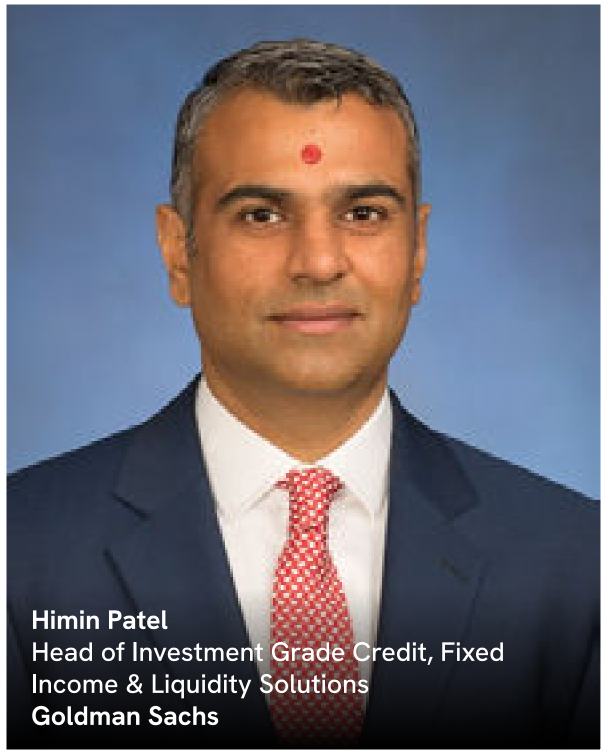
A range of tools are integrated into our research platform to identify non-financial risks and opportunities, serving as an additional source of insight to support investment decisions. We consider insights from third parties, but proprietary fundamental research sits at the heart of our approach. This also supports the prioritisation of our stewardship activities and the development of solutions that meet our clients' objectives and evolving regulatory requirements. Our three key proprietary tools - ESG Ratings, SDG Tool and Climate Rating - are complementary with our financial research and rating.

**Product Performance**

Fidelity Fund Global Equity Income ESG Fund Y-ACC-USD has outperformed its relative benchmark by an annualised +0.2%. The funds focus is on owning quality dividend payers, companies where we have a high level of confidence in the resilience of their earnings, regardless of the macroeconomic scenario. Additionally, well-governed businesses that effectively manage environmental and social risks are well placed to deliver long-term earnings resilience. This has supported long-term dividend and share price growth, leading to cross-cycle outperformance.

# IG Credit: Resilience in Uncertain Times

*"IG-rated companies entered the current environment—with higher tariffs and uncertainty—armed with strong credit metrics such as leverage, debt servicing, and liquidity."*



**Himin Patel**
Head of Investment Grade Credit, Fixed Income & Liquidity Solutions
**Goldman Sachs**

Himin is a managing director in Fixed Income and Liquidity Solutions at Goldman Sachs Asset Management and heads Investment Grade Credit. He oversees a global team of credit analysts, traders, and portfolio managers while managing Global and Sterling Investment Grade Credit portfolios. He joined Goldman Sachs in 1998, became managing director in 2015, and earned an MEng in Chemical Engineering from University College London in 1998.

**How has recent market volatility impacted investment grade corporate credit yields?**

Market volatility has pushed IG corporate credit yields upward. This is driven by a reset in US interest rates—spurred by reduced foreign investor demand—and wider credit spreads compared to earlier in the year. These attractive yields provide appealing income and significant total return potential as improved valuations enhance risk-adjusted returns.

**What are the fundamentals supporting IG corporate credit resilience?**

IG-rated companies entered the current environment—with higher tariffs and uncertainty—armed with strong credit metrics such as leverage, debt servicing, and liquidity. Many BBB-rated companies preserved cash flow to cushion downside risks. Ongoing trade policy uncertainty may restrain capital investment, buybacks, and M&A, helping companies maintain liquidity. Conservative financial management reinforces IG corporate credit's resilience in a challenging setting.

**Why is active alpha generation favored over passive beta exposures now?**

Volatile markets create dislocations and attractive risk premiums for skilled active managers. By focusing on bottom-up security selection, active strategies exploit valuation improvements and high income potential in IG corporate credit while managing risks from tariffs and slower growth.



Goldman Sachs Asset Management

### About Goldman Sachs

Goldman Sachs Asset Management B.V. is one amongst the various entities within our Asset Management Business incorporated in The Netherlands and is an indirect wholly owned subsidiary of the Goldman Sachs Group, Inc., a company incorporated in The United States. Goldman Sachs' 156-year reputation is built around a unique culture of teamwork, adherence to high ethical standards, and a deeply rooted commitment to long-term relationships and client service. Goldman Sachs Asset Management is a globally-integrated asset management firm committed to delivering strong, consistent results and an outstanding client experience

### Investment Commitment

At Goldman Sachs Asset Management, our investment commitment is grounded in a forward-thinking, research-driven approach that puts clients' needs and long-term value at the center of everything we do. Our dedicated credit team combines deep expertise with innovative technology, enabling us to identify opportunities and manage risks across global corporate bond markets. We go beyond traditional ESG integration by offering sustainable and impact fixed income solutions—like Green and Biodiversity bonds—that deliver measurable positive outcomes alongside financial returns. Through active collaboration, disciplined risk management, and a culture of stewardship, we strive to build resilient portfolios that support both our clients' goals and broader societal progress. Our unwavering focus on partnership, integrity, and excellence continues to drive real-world impact and lasting value for investors and communities alike.

### Integration & Resources

Our robust and repeatable investment process is built upon the global reach, insight, proven skill and experience of our analysts, traders, and portfolio managers. Our research analysts cover 95% of the global IG universe, identifying the key data fields that influence credit quality and spreads/yields.Traders are the eyes and the ears of the market, providing market intelligence to portfolio managers and analysts, and ensuring best execution. PMs bring it all together, balancing multiple ideas from credit team members and employing a general diversification policy that includes typical exposure ranges for sector and credit quality exposures.

### Goldman Sachs in Numbers

| | |
|---|---|
| Total AUM (€m) | 2636669.77 |
| Total institutional AuM in asset class (€m) | 1102664.31 |
| Sustainable team | 200+ |
| Investment products available since | 1988 |

### Member / Signatory

- Climate Bonds Initiative
- One Planet Sovereign Wealth Fund Framework
- International Capital Market Association
- Institutional Investors Group on Climate Change
- Sustainability Accounting Standards Board
- Japan Stewardship Code
- Singapore Stewardship Principles
- 30% Club Japan
- UK Stewardship Code
- Asia Corporate Governance Association
- Council of Institutional Investors
- ESG Disclosure Study Group
- International Corporate Governance Network
- Japan Stewardship Initiative
- EDCI, GRESB, TCFD, CDP
- OS-Climate
- The Climate Group
- PRI, PRI Nature Reference Group
- Impact Capital Managers
- Global Impact Investing Network

### Stewardship & Proxy voting

Engagement is a key component of our approach to stewardship. It provides us with a forum to share our views and provide feedback to company management and/or directors on the material issues that we believe can drive long-term value creation. It may also help our investment teams make more informed investing decisions on behalf of our clients. The Global Stewardship Team oversees our approach to engagement and leads most of our thematic and proxy-related engagements. Please see on our website for information related to our approach to engagement.

### Product Performance

Our flagship strategy outperformed its benchmark over the past 1, 3 and 5 years and in 4 out of the last 5 years, demonstrating consistent and strong performance. Our process has been developed to identify opportunities and dislocations in investment grade credit using a combination of rigorous fundamental bottom-up credit research and top-down market analysis. Our credit analysts' and portfolio managers' experience, research and insights, harnessed to our market leading technology, risk and trading systems, delivered sustainable market outperformance.

# Navigating ESG in EM Sovereigns

***"Good governance is crucial for a country's economic and financial affairs. Our research reveals an opportunity cost in terms of missed investment performance of failing to reflect current governance dynamics in sovereign risk evaluation."***

**Sorin Pirău, CFA**
Portfolio Manager, Emerging Market Debts Hard Currency Team
**Janus Henderson Investments**

Sorin Pirau, CFA, Portfolio Manager on the Emerging Markets Debt Hard Currency Team at Janus Henderson Investors, brings a wealth of experience to the diverse arena of sovereign debt investments. He holds the Chartered Financial Analyst designation, the CESGA certification and the CFA Institute Sustainable Investing Certificate and is also a member of the Principles for Responsible Investment's Sovereign Debt Advisory Committee.

With a robust background spanning over 13 years in the financial industry, including significant roles at Danske Bank Asset Management on the EMD HC team, Sorin's expertise is pivotal in steering our sovereign debt strategies.

#### Integrating ESG

In our view ESG considerations should be an integral component of sovereign credit assessment, not merely an additional layer applied after traditional macroeconomic analysis is performed. We advocate for an active approach to ESG integration in sovereigns, which must be comprehensive and forward-looking to capture improvement in ESG trajectories as well as provide a full picture of financially-material ESG risks. In that respect, we have developed an extensive sustainability framework designed to cover a broad spectrum of sovereign ESG topics.

ESG integration requires a distinct perspective when applied to sovereigns compared to corporations. Our research shows governance factors exhibit a strong correlation with credit risk. However, social and environmental factors may occasionally conflict with governance or with each other. Our approach is thus twofold: we use quantitative framework enhanced by qualitative analysis to gain a comprehensive understanding of the factors influencing sovereigns both now and into the future.

#### Active and forward-looking strategy

Engagement can help drive better ESG outcomes, which can contribute to more efficient, accessible capital markets. We believe that collective engagement in the case of sovereigns is much more credible and effective than one-to-one engagements.

In our opinion, active, forward-looking ESG integration in EM sovereigns can unlock investment opportunities and enhance investment returns, outperforming static, backward-looking approaches.

#### Fostering change

Our integrated ESG approach takes a positive stance in identifying and encouraging change, rather than simply excluding countries. In this way, we seek to capture better risk-adjusted returns by investing in countries that are actively improving their ESG profiles and mitigating financially-material ESG risks. This is not just about achieving superior financial returns; it's about ensuring the longevity of our investments. As we continue to innovate and adapt, Janus Henderson aims to remain the preferred choice for investors seeking ESG aware EM sovereign debt investment opportunities.



### About Janus Henderson Investments

Janus Henderson's mission is to help clients define and achieve superior financial outcomes through differentiated insights, disciplined investments, and world-class service. Being a global asset manager comes with important responsibilities. At Janus Henderson, our approach to Responsibility includes our own corporate responsibility as well as responsible investment practices. We engage with our investee companies, encourage them to adhere to high corporate responsibility standards as a key driver of financial performance. Consequently, we believe our own standards should mirror those expectations.

### Investment Commitment

In the face of global challenges like climate change, we believe integrating financially material ESG factors is instrumental to fulfilling our fiduciary duty. To support the consideration of ESG, we've developed tools and processes for our investment teams and provide direct access to ESG insights. This includes our proprietary ESG data tool, and our strategic climate-focused partnership with Berkeley. We have robust governance mechanisms to help oversee our approach to Responsibility, our ESG Oversight Committee provides direct oversight of ESG investment-related matters

### Integration & Resources

We leverage our history of fundamental research to approach integration in a thoughtful, practical, research-driven, and forward-looking manner. In our view ESG is best integrated by our investment teams. We take an asset-class approach to ESG integration, recognizing that environmental, social, and governance considerations vary significantly across different asset types, such as sovereign investments. Our Responsibility Team supports investment teams on research and engagement. We believe this partnership leads to enhanced research and decision-making.

### Janus Henderson Investments in Numbers

| | |
|---|---|
| Total AUM (€m) | 345,500 |
| Total institutional AuM in asset class (€m) | 26,942 |
| Sustainable team | 29 |
| Investment products available since | [1] |

[1] Emerging Markets Debt Hard Currency team joined Janus Henderson 1 September 2022. Strategy is unchanged since inception on 1 August 2013.

### Member / Signatory

- UN-supported PRI signatory
- Task Force on Climate-Related Disclosures (TCFD)
- Climate Action 100+
- UK & Japan Stewardship Code
- Emerging Markets Investors Alliance (EMIA)
- Transition Pathway Initiative
- The Investment Association
- Global Impact Investing Network (GIIN)
- European Sustainable Investment Forum

### Stewardship & Proxy voting

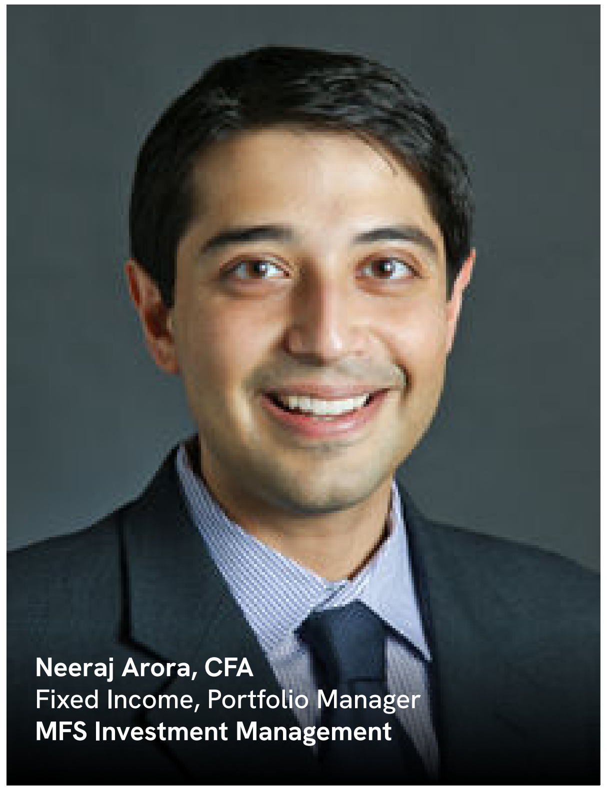
Engagement and stewardship are integral and natural parts of our long-term, active approach to investment management. We believe engagement is vital to understanding and promoting practices that position the issuers we invest in for future financial success. We prefer an engagement-focused approach to a firm-level exclusion or divestment policy for issuers where we have identified financially material ESG risks. We believe this approach is best for maximising risk-adjusted returns for our clients.

### Product Performance

The strategy's track record spans almost 12 years and has delivered consistent performance both in risk-on and risk-off markets, with an annualised active return of 133bps since inception in August 2013, 141bps over the past 10 years, 114bps over the past 3 and 5 years and 142bps over the past 12 months as of May 2025.[1] Our philosophy of avoiding large concentrated bets delivered the best risk adjusted return among our peers with an information ratio of 1.09 since inception.[1]

[1] eVestment, Janus Henderson Investors, at 31 May 2025.

# Navigating EMD in Trump 2.0



**Neeraj Arora, CFA**
Fixed Income, Portfolio Manager
**MFS Investment Management**

*"We favor sovereigns with improving fiscal and external balance sheets and those implementing growth enhancing reforms."*

Neeraj Arora, CFA, is an investment officer and fixed income portfolio manager for MFS Investment Management. He is co-manager of the firm's emerging markets debt strategies, which include both USD-denominated and local currency strategies.

**Emerging markets debt**

Despite risks, fundamentals in emerging markets are relatively strong. The external sector is healthy with EM countries in aggregate running positive basic balances (sum of current account balance and foreign direct investment) with most EM countries boasting a more than adequate level of foreign exchange reserves. Moreover, the level of foreign currency denominated debt is low, which reduces their vulnerability to strong dollar appreciation and higher global interest rates. Finally, flexible exchange rates across most EM countries should work as shock absorbers and modest EM currency depreciation can help offset some of the impact of trade tariffs. On the fiscal side, most EM countries are in the process of reducing their primary fiscal deficits (budget deficit excluding interest payments) which is helping to stabilize public debt dynamics.

In our view investors should focus on higher quality sovereigns such as Chile and Poland, which will be better able to withstand global shocks. We favor sovereigns with improving fiscal and external balance sheets and those implementing growth enhancing reforms. These are countries typically at the higher rated end of high yield (rated around BB) and with a high likelihood of achieving investment grade over a multi-year time horizon. Examples include the debt of Latin American economies such as Costa Rica, the Dominican Republic and Paraguay. In Europe, Serbia similarly shows a strong balance of payments profile with a significantly improving fiscal framework and Morocco stands out in North Africa. We also incorporate several ESG criteria into the investment process to identify sovereigns that are on an improving ESG trajectory (e.g. Costa Rica, Chile, Morocco).

EM corporates provide significant diversification benefits to a standard EM sovereign portfolio by lowering risk and enhancing return. Selecting the right corporates matters so it is crucial to focus on companies with sound and improving credit fundamentals. In addition, the focus should be on selecting corporates in the more defensive sectors and exporters in stable emerging market economies such as Chile, Mexico, Poland, Indonesia, and India. As always in any emerging market segment, it is important to diversify across geographies and sectors.

When looking at local currency government debt we believe investors should look at opportunities that offer relatively high yields accompanied by falling inflation and monetary policy easing. We find these profiles in countries such as the Czech Republic, Poland, India and Mexico. Such an approach allows an investor to add further alpha and is entirely focused on bond fundamentals as if one doesn't find the currency attractive then one can decide not to take the exchange rate risk and hedge the currency.



### About MFS Investment Management

Founded 100 years ago, MFS is an investment manager with capabilities spanning equity, fixed income and multi-asset class portfolios. Serving institutional investors and consultants for over 40 years, we manage over US$605 billion for clients (as of 06/30/25). MFS has investment professionals based in Boston, Hong Kong, London, Sao Paulo, Singapore, Sydney, Tokyo and Toronto gaining on-the-ground perspective.

### MFS Investment Management in Numbers

| | |
|---|---|
| Total AUM (€m) | 605,058 |
| Total institutional AuM in asset class (€m) | 185,238 |
| Sustainable team | 21 |
| Investment products available since | 1924 |

### Member / Signatory

- PRI
- CII (Council of Institutional Investors)
- Thinking Ahead Institute
- TCFD
- CERES

### Investment Commitment

What sets MFS apart from other managers is that we have aligned our active investment approach and how we serve clients with a sole purpose: to create long-term value responsibly. Through that sense of responsibility and the strength of our investment platform, we strive to protect our investors' assets and our clients' reputations. Our powerful investment approach combines collective expertise, thoughtful risk management and long-term discipline to uncover investment opportunities that drive value for investors. We support this approach with our distinct culture of shared values and collaboration.

### Stewardship & Proxy voting

Our goal when engaging is to exchange views on ESG topics that may represent material risks or opportunities for companies or issuers, and to effect positive change on such issues where needed. We believe that long-term-oriented asset managers who engage with companies can positively influence a multitude of better business practices, which will ultimately accrete value for our clients. Our engagement approach is driven by strong collaboration between all members of our investment platform. Our engagements take place consistently, and in a number of different forms, often through mutual dialogue with company management, formal letters, ESG-focused board meetings and more.

### Integration & Resources

At MFS, we believe that a successful approach to sustainability requires the participation of our entire firm. Sustainability is integrated into our fundamental investment process; it is not a separate discipline with different inputs or outcomes. As such, our process requires that all our investment professionals be actively engaged in, and responsible for, its success. To facilitate the adoption, implementation and enhancement of sustainability-related practices across the firm, we task certain people with providing strategic leadership and supporting the effective integration of sustainability topics across teams and disciplines.

### Product Performance

We have a deep commitment to delivering superior risk-adjusted returns for our clients, with a particular focus on managing downside risk. Our approach is grounded in the belief that outperformance should be driven by alpha—through careful bottom-up country selection—rather than through market timing or beta calls. Our track record reflects the effectiveness of this approach. Over the past decade, our Emerging Markets Debt Hard Currency stratgey has outperformed 80% of our peers in down markets, while also delivering top-quartile alpha, Sharpe ratio, and information ratio within our Morningstar peer group.

# Scaling Impact Through Bond Markets

**Stephen M. Liberatore, CFA**
**Portfolio Manager, Head of ESG/Impact, Global Fixed Income**
**Nuveen**

*"We believe our expertise and experience in the impact market allows us to focus on deals and projects that others don't consider."*

Stephen is the lead portfolio manager for Nuveen's fixed income strategies that incorporate environmental, social and governance (ESG) criteria and impact investments. He served two terms on the ICMA Green Bond Principles (GBP) Advisory Council and was a member of the initial executive committee that drafted the GBP. In this publication last year, Stephen discussed how investors can achieve impact goals with diversified, core bond allocations. This year, he discusses the latest developments in the impact bond market.

### Funding the energy transition

A key pillar of our approach is that the debt market offers a path to financing transition and related activities, infrastructure buildouts and modernization, R&D and innovation for technologies like battery storage and carbon capture and storage, and margin-enhancing capital expenditures across industries globally, including the hardest-to-abate companies and operating models. Often, the cheapest source of funding is the debt capital markets.

When an energy, utility, or industrial company issues use of proceeds debt, we consider it. Use of proceeds bonds, designated for specific, clearly defined projects and outcomes, are key to rapid capital deployment. For example, public utilities often seek funding to apply proven technologies at scale. In contrast, impact investments at private equity and venture capital firms are often for new early-stage technologies with meaningfully higher operational risk and volatility. Such R&D efforts are essential, but the opportunity to finance "shovel-ready" capital expenditures is primarily the domain of debt markets.

### Green hushing

"Green hushing" describes issuers purposefully downplaying sustainable projects or goals, ostensibly in response to the Trump administration's anti-ESG notions. We expect this to continue until there is more visibility into U.S. executive and congressional policy priorities, and the judicial branch's approvals/reversals.

While U.S. corporate labeled issuance may face near-term headwinds, our portfolios are diversified across corporate issuers globally as well as noncorporate sectors. Labeled issuance across both borrower types continues to positively trend on a global basis, which broadens the impact opportunity set. Issuance now spans the globe and most key market sectors.

Our team doesn't rely on green, social, or sustainability labels to identify or select impact investments. We evaluate opportunities through our direct and measurable framework, which promotes the principles of transparency and disclosure with respect to use of proceeds and outcomes. Our expertise and experience in the impact market allows us to focus on deals and projects that others might not consider. This approach was recently recognized by my team's inclusion on BlueMark's 2025 Practice Leaderboard, which highlights impact investors with best-in-class impact management systems and practices.



### About Nuveen

Stewards of $1.3 trillion AUM globally[1], Nuveen is committed to driving long-term investment value for our clients. Nuveen's sustainable investing initiatives seek to enhance outcomes and, when consistent with client mandates, finance social and environmental outcomes. Empowered investment teams, robust client-focused impact reporting, data capabilities, product innovation, and high conviction advocacy with industry stakeholders each contribute to our sustainable investing approach. The fixed income team won Impact Report of the Year (for investors) at Environmental Finance's Sustainable Debt Awards 2025[2].

[1] as of 30 June 2025
[2] Sustainable Debt Awards 2025

### Investment Commitment

Nuveen implements sustainable commitments through a series of core asset class specific activities: stewardship, ESG integration and, when consistent with client mandates, driving positive impact across portfolios. These activities are supported by proprietary data and technology resources focused on impact measurement, climate analytics, reporting and transparency. Nuveen has Net Zero commitments covering our own operations (2024), assets managed by Nuveen Real Estate (2040), and assets owned and managed in the General Account of our parent company TIAA (2050).

### Integration & Resources

Our global fixed income impact framework is designed so that we control the proceeds. We seek to include bonds that support decarbonization and transition (and myriad other societal/environmental) outcomes, rather than looking for reasons to exclude something. We identify impact investments for client portfolios, rather than creating a process of elimination (or exclusion list) to back into potential holdings. Since 2007, two strict criteria qualify a bond as an impact investment: use of proceeds and measurable outcomes.

*For the full disclaimer please refer to page 81.

### Nuveen in Numbers

| | |
|---|---|
| Total AUM (€m) | $1.3T[1] |
| Sustainable team | 30 |
| Investment products available since | Various strategies and vehicles with a focus on securities that demonstrate ESG leadership and/or direct and measurable environmental and social impact, available to financial professional investors since 2015. |

[1] as of 30 June 2025

### Member / Signatory

- CDP
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Japanese and UK Stewardship Codes
- Operating Principles for Impact Management
- Orange Bond Initiative
- Responsible Investment Association Australasia
- Taskforce on Nature-related Financial Disclosures (TNFD)
- UN Principles for Responsible Investment (PRI)

### Stewardship & Proxy voting

Nuveen's approach to stewardship is rooted in our fiduciary duty to clients and is designed to gain investment-relevant insights which we believe can support long-term value creation. We set clear expectations for companies and for ourselves on what we seek to achieve through targeted engagement initiatives. In 2024, we engaged with 458 companies across 612 total engagements. Our proxy voting follows the same framework, and, since 2020, our rationales for shareholder proposal votes at S&P 500 companies are publicly available on our website.

### Product Performance

**Building income expertise for 125 years**
Nuveen builds portfolios for today's investors and future generations, drawing on our long history of delivering income. Our active management approach uncovers diverse opportunities for yield spanning public and private markets, seeking to provide reliable and long-lasting income for clients. We embed responsible investing standards into actively managed fixed income for potential alpha and direct, measurable environmental and social benefits. For more information about performance visit our website.

# Expanding Our High Yield Offering

*"We aim to leverage our experience to identify mispriced securities with an embedded margin of safety and construct a portfolio that captures a yield advantage through the economic cycle, without incurring excessive credit risk."*

**Ben Pakenham**
**High Yield Portfolio Manager**
**Polen Capital**

Ben Pakenham joined Polen Capital in June 2025 as a High Yield Portfolio Manager. Ben, who was formerly Head of European High Yield and Global Leveraged Loans at Aberdeen, has over 18 years' experience managing high yield bond funds. He joins Polen alongside a team of three experienced high yield investment professionals to lead a new European and Global High Yield strategy that will complement the firm's existing $6.8bn[1] US High Yield and CLO credit platform.

### European High Yield as part of a Global Asset Allocation

Over the last 20 years, the European high yield market has matured significantly with approximately €400bn now outstanding across 700 bonds from 400 different issuers. It has grown to roughly 1/3 of the size of the US high yield market, and offers a broad, liquid opportunity set for active managers. Average credit quality is higher in Europe with almost 2/3 of the market rated BB vs. 54% in US high yield, and average duration (and therefore interest rate risk,) lower at 2.6y vs. 3.3y. Although high yield spreads are tight by historic standards, we believe that outright yields remain attractive and offer compelling long-term, risk adjusted return opportunities. The European high yield market yields just over 6%, some 150bp above its 10-year average of 4.5%, which we estimate to equate to a yield of over 8% once currency hedged into USD.

Given the current geopolitical environment favors a diversified approach, we also believe that Europe represents an attractive opportunity for global investors. Although the long-term outcomes and second-order consequences of US tariff policy are hard to predict, we expect that the European economy should be somewhat insulated from tariff-related pressures. Goods exported to the US accounted for 3% of EU GDP in 2024 and were largely concentrated in the Pharma and Automotive sectors where many European corporates already have local US manufacturing footprints. Additionally, both monetary and fiscal levers are available to help cushion the blow from any adverse tariff developments. Inflation has returned to target levels in the EU and allowed the ECB to cut rates faster than in the US, with the German economy in particular set to benefit from new defense and infrastructure spending packages.

### Investment Philsophy

Our approach, driven by bottom-up, deep fundamental credit research, aligns closely with the existing framework employed by Polen's Credit franchise. We aim to leverage our experience to identify mispriced securities with an embedded margin of safety and construct a portfolio that captures a yield advantage through the economic cycle, without incurring excessive credit risk. We believe that a deep understanding of the companies in which we invest is essential to navigating periods of heightened geopolitical risk, like today, and will further enable us to identify risks and opportunities in the event that spread volatility rises. Whilst a top-down, macro aware overlay will inform our fund level rating, sector and duration exposures, we would nonetheless expect individual security selection to drive most of our total return contribution over time.

[1] AUM for Polen Capital's US High Yield and CLO credit platform as of March 31, 2025. The size and yield of the European high yield market is based on the ICE BofA Euro Fixed & Floating Rate High Yield Constrained Index (HEAC) as of April 30, 2025



### About Polen Capital

Polen Capital is a global investment manager specializing in high-quality, active equity and credit strategies. With experienced investment teams across North America, Europe, Asia, and Latin America, Polen manages concentrated, long-term portfolios driven by rigorous fundamental research. The firm distinguishes itself through disciplined growth—offering a diverse suite of equity and credit solutions designed for a wide range of clients' needs. As of March 31, 2025, Polen manages about $53bn on behalf of institutions, family offices, and high-net-worth individuals worldwide.

### Polen Capital in Numbers

| | |
|---|---|
| Total AUM (€m) | 49,306.28 |
| Total institutional AuM in asset class (€m) | 6,282.63 |
| Sustainable team | 1 |
| Investment products available since | 1989 |

### Member / Signatory

- UN PRI
- CDP
- TCFD
- ACGA

### Investment Commitment

The firm's key goals are to deliver strong long-term investment results while providing exceptional client service. Polen has invested significant resources to satisfy areas of growing client demand. For example, we recently launched our CLO platform, and we are building a specialized private credit team. We also advanced our technology infrastructure by integrating AI and advanced analytics for research and risk oversight, and have expanded our global presence by opening offices in Hong Kong and Abu Dhabi.

### Stewardship & Proxy voting

The Credit team actively engages with portfolio companies on issue materiality, often ESG-related, aiming to mitigate risks and encourage improved disclosures through ongoing dialogue with management. If the risk/reward of an investment changes following assessment of a sustainability issue, divestment is considered. Proxy voting, which is infrequent for the Credit franchise, is managed internally, with the Operations team coordinating reviews and submissions to ensure timely, informed voting on behalf of clients.

### Integration & Resources

Our independent investment teams, including our Credit franchise, drive their own research and portfolio construction, using centralized systems and resources for collaboration and best practices. Performance, risk, and attribution are evaluated at both team and product levels to align with client goals and support continual improvement. Our Credit analysts build proprietary models using data primarily from Bloomberg, Morningstar, and MSCI. The team also leverages advanced platforms for ongoing compliance, trade operations, and fixed income performance analytics.

### Product Performance

Since its inception in 1998, the U.S. Opportunistic High Yield strategy, the flagship product for Polen's Credit franchise, has delivered compelling returns with an attractive risk profile. The net annualized return of 6.95% for the Composite as of 31 March, 2025 places it in the top decile of products investing primarily in below-investment grade bonds in the U.S. over the period[1]. The Composite's Sharpe Ratio of 0.61[2] places it in the top quintile of all products within the same universe.

[1] As reflected in the U.S. High Yield Universe within eVestment. Exact inception of the U.S. Opportunistic High Yield Strategy was 31 March, 1998.
[2] Sharpe Ratio figure is calculated using net returns.

# Solutions that Empower Investors

*"To help investors meet investment needs and objectives, we offer a wide spectrum of investment strategies from which our clients may choose."*

**Kushal Shah**
Climate Specialist, Vice President
**State Street Investment Management**

Kushal is a Climate Specialist and Vice President with the Sustainable Investing Strategy team at State Street Investment Management. In this role, he is the subject matter expert on climate-related investment topics and works closely with clients on climate-aware solutions across asset classes. He was previously a senior quantitative researcher, responsible for research and development of equity index products with a focus on incorporating climate and sustainability factors in the portfolio construction process.

We believe in providing choice and that all investors deserve the opportunity to build investment strategies matched to their goals and preferences. Whether our clients are focused on risk management, responding to new regulations, making investments that align with their values, or seeking to enhance long-term performance, our sustainable investing capabilities can support clients in achieving their sustainability objectives and investment goals.

Most notably for us as an asset manager, when it comes to climate-thematic investing, there is no one approach to the investment framework that works for all investors. For investors who are seeking climate risk-aware investment solutions, we partner with them to develop tools and solutions to implement sustainable investment strategies such as climate-related screens and indexes; investment strategies focusing on climate solutions or green technologies; and climate reporting for client portfolios.

While some investors may be familiar with the proprietary State Street Climate Transition Developed Equity Beta Strategy and the State Street Climate Transition US and Euro Corporate Bond Beta Strategies, these are just some examples of the climate-thematic index investment solutions which we offer.

Similarly, we also offer alpha seeking investment solutions such as the State Street Global Climate Transition Equity Strategy a high conviction portfolio that is managed by our Fundamental Equity Team.



STATE STREET INVESTMENT MANAGEMENT

### About State Street Investment Management

We see ourselves as a strategic partner and an enabler to our clients with sustainable investment objectives. Our process includes inputs from across the organization, not just the sustainable investment strategists team. We include insights and expertise from research teams, traders and portfolio managers, investment strategists, risk management, data analytics and reporting.

### Investment Commitment

Our sustainable investing capabilities and solutions are driven by our commitment to supporting clients on their unique investing journeys. We partner with clients to help them achieve their objectives through thoughtfully constructed strategies and products. Our sustainable investing capabilities and solutions are based on investment expertise, deep research, proprietary tools and robust reporting to give investors the range of choices and information they need to achieve their goals and invest with confidence. We recently conducted in-depth research projects on the use of forward-looking climate metrics and Scope 3 emissions data in investment decision-making.

### Integration & Resources

We provide a wide range of thoughtfully designed and precisely executed sustainable investing options across pooled vehicles, including our global ETF platform, and fully customizable separately managed accounts (SMAs). This breadth allows investors to build exposures that align with their specific objectives and views. With our advanced analytics, investment insights, and reporting capabilities, we seek to ensure investors have access to the information and tools they need to assess sustainability characteristics in their portfolios.

### State Street IM in Numbers

| | |
|---|---|
| Total AUM (€m) | 4,359,174.72 |
| Total institutional AuM in FI asset class (€m) | 426,228.35 |
| Sustainable team | 51 |
| Investment products available since | 2021[1] |

[1] State Street Climate Transition World Equity Beta Fund - 20 April 2022 State Street Climate Transition Euro Corporate Bond Beta Fund - 20 May 2021

### Member / Signatory

- Climate Bonds Initiative (CBI)
- IFRS Sustainability Alliance
- ISSB Advisory Group
- Institutional Investors Group on Climate Change (IIGCC)
- Net Zero Asset Managers Initiative
- One Planet Asset Manager Initiative
- Transition Pathway Initiative
- UN Principles for Responsible Investment (PRI)
- Farm Animal Investment Risk & Return (FAIRR)

### Stewardship & Proxy voting

Our Asset Stewardship program is centered on the pursuit of long-term value for our clients' portfolios through voting at shareholder meetings and engaging with the companies in which we invest on behalf of our clients. We expect our portfolio companies to exercise effective oversight and governance of opportunities and risks that they identify as material to their businesses, and to disclose how they are overseeing such risks and opportunities to investors. This expectation reflects the three pillars of our stewardship program: effective board oversight, disclosure, and shareholder protection.[1]

[1] View our Stewardship Report

### Product Performance

**State Street Climate Transition World Equity Beta Fund Performance - Product Performance as of April 2025**

| | Benchmark | Fund Gross | Difference | Fund Net | Difference |
|---|---|---|---|---|---|
| **1Y (%)** | 12.16 | 12.31 | 0.16 | 11.88 | -0.27 |
| **3Y (%)** | 11.06 | 10.57 | -0.49 | 10.15 | -0.91 |
| **Inception (%)** | 8.48 | 7.94 | -0.55 | 7.54 | -0.95 |

**State Street Climate Transition Euro Corporate Bond Beta Fund Performance**

| | Benchmark | Fund Gross | Difference | Fund Net | Difference |
|---|---|---|---|---|---|
| **1Y (%)** | 6.18 | 6.25 | 0.07 | 5.94 | -0.23 |
| **3Y (%)** | 2.25 | 2.29 | 0.04 | 2.00 | -0.25 |
| **Inception (%)** | -0.27 | -0.22 | 0.05 | -0.52 | -0.25 |

# GLOBAL LEADERS

## LIQUID ALTERNATIVES

BNP PARIBAS ASSET MANAGEMENT

CBRE Investment Management

nuveen A TIAA Company

# Investing in Sustainable Forestry Takes Off

*"When managing risks, specifically for natural capital, diversification is essential, not only in terms of geography, but also in terms of species, markets, and end-products."*

**Céline Claudon**
Chief Commercial Officer
**BNP Paribas Asset Management**

Céline Claudon is Chief Commercial Officer at International Woodland Company (IWC), a leading specialist in natural capital investments. She has 20 years of experience in natural capital investing. IWC is majority-owned by BNP Paribas Asset Management.

**Role in an investment portfolio**

Investors should be aware that natural capital is a long-term asset with a specific risk and impact profile. Some investors opt for sustainable forestry in developed, low risk, core markets, others for reforestation in emerging markets. These are completely different investment profiles.

**Financial value and ecological value**

There is a difference between financial value and ecological value. For the financial side, there are valuation standards, such as USPAP in the US, and various valuation methodologies. For the ecological part, we define a number of KPIs for each asset that we want to monitor. To do this, we use various tools such as eDNA sampling, camera traps, bioacoustics, and visual inspections. We also use GIS and satellite imagery. We incorporate all of this into our ESG reports. Within each mandate, we work with investors to determine which indicators to track and how exactly we will do so. Many things are still in development. With natural systems, it is always better to report over a longer period of time. We report annually but look at the impact over five years in terms of results and trends.

**Managing risks**

'When managing risks, specifically for natural capital, diversification is essential, not only in terms of geography, but also in terms of species, markets, and end-products. For us, with real assets, natural risks are important. When we looked at damages caused by hurricanes, forest fires, insects, diseases, drought, floods, ice storms, etc., on a USD 14 billion portfolio over 8 years, we saw that average loss is less than 0.2 per cent per year. That is relatively limited, but the impact on a single asset can of course be considerable. That is why we insure our assets if possible.

**Four factors working in our favour**

Firstly, the willingness to invest - more and more people are aware that forest nature capital investments can help solve the climate change and biodiversity loss crises. Secondly, the income side: new revenue streams have and will emerge, supporting attractive returns in the future too. Thirdly, technology - AI, remote sensing, and blockchain are huge steps forward for our sector. And finally, regulation - There is an increasing regulatory framework in place that supports natural capital as an asset class.



**BNP PARIBAS**
**ASSET MANAGEMENT**

### About BNP Paribas Asset Managemement

International Woodland Company Asset Management+ (IWC AM+), a leading natural capital specialist in which BNP Paribas Asset Management holds a majority stake. IWC AM+ is a team of 15 experienced timberland investment professionals holding on average two decades of investment and forest industry experience. BNP Paribas Asset Management (BNPP AM) manages EUR 602 billion of assets and benefits from the expertise of 500+ investment professionals and around 400 client servicing specialists, serving individual, corporate and institutional clients in 66 countries, as at 31 March 2025. Sustainability is core to BNPP AM's strategy and investment philosophy.

### Investment Commitment

BNPP AM's Global Sustainability Strategy (GSS), launched in 2019 and updated in 2024, outlines our approach to sustainability. In the GSS, we stated our objective "to make a substantive contribution to the low carbon energy transition", and that one of the ways to do so was by encouraging our investee companies to align their strategies with the goals of the Paris Agreement. We contribute to several industry initiatives, including the Global Research Alliance for Sustainable Finance and Investment (GRASFI), among others.

### Integration & Resources

By integrating Environmental, Social and Governance (ESG) factors into our investment decisions, we can identify and assess areas of hidden risks and opportunities. We accomplish this through our ESG integration Guidelines and through the development of proprietary sustainability research. Our proprietary ESG scoring framework is covering more than 13,000 issuers and is helping to generate robust ESG insights for better-informed decisions. We monitor the ESG score and carbon footprint of eligible investments against their benchmarks with the aim of outperforming on each. We also developed several proprietary methodologies, such as our Sustainable Development Goals scoring framework.

### BNP Paribas Asset Managemement in Numbers

| | |
|---|---|
| Total AUM (€m) | 602,000 |
| Sustainable team | 36 |
| Investments products available since | 2002 |

### Member / Signatory

- Principles for Responsible Investment (PRI)
- Climate Action 100+
- Net Zero Asset Managers initiative
- Nature Action 100
- CDP
- Asia Investor Group on Climate Change
- AIGCC)
- Global Network Initiative (GNI)
- ICGN
- IIGCC
- Partnership for Biodiversity Accounting
- Financials (PBAF)

We are part of more than 40 initiatives.

### Stewardship & Proxy voting

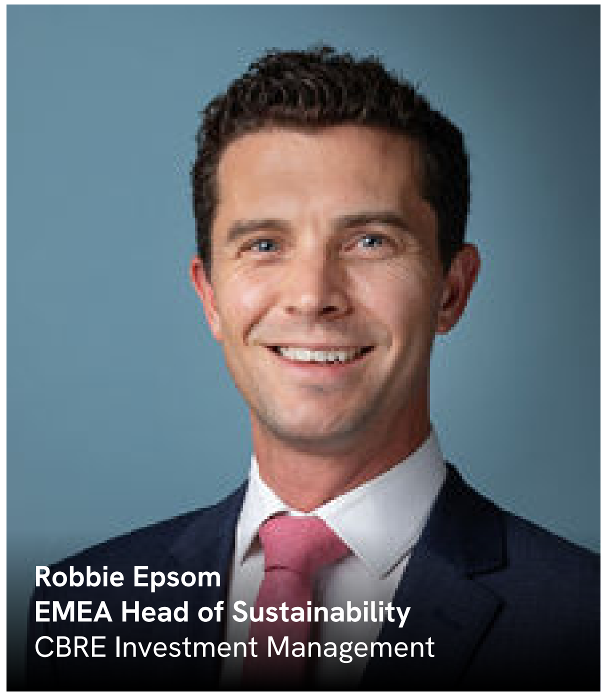
We engage with corporate, agency, (sub-) sovereign issuers as well as regulators and policymakers across all regions on key ESG issues and in line with our 3Es[1]. We undertake our engagement individually, as well as collaboratively. Our approach to voting is governed by a set of principles which underpin our expectations of the companies we invest in and act as our guidance in carrying out our ownership duties.

[1] Energy transition', 'Environmental sustainability', 'Equality and inclusive growth

### Product Performance

# Real Asset Portfolios for the Future

***"By decarbonizing our buildings, we inherently decarbonize all those who engage with them - residents, occupiers, suppliers, customers, and commuters, among others"***



**Robbie Epsom**
**EMEA Head of Sustainability**
CBRE Investment Management

As the EMEA Head of Sustainability at CBRE IM, Robbie Epsom is responsible for implementing CBRE IM's sustainability vision, which underscores the firm's commitment to being a leader in the field. Working closely with the global Sustainability Team and all EMEA investor/operator teams, his priority is the continued integration and harmonisation of sustainability practices and leadership across all of CBRE IM's business lines in the EMEA region: Direct Real Estate Strategies, Indirect Real Estate Strategies, Private Infrastructure, and Listed Real Assets. Robbie is a member of the INREV ESG Committee, ULI Sustainability Product Council and Vice Chair of the Institute of Corporate Responsibility & Sustainability. He is also an Expert Advisory Panel member for The Earthshot Prize.

**Real estate decarbonization**

Two years ago COP28, the UN's flagship climate summit, signalled the beginning of the end of the fossil fuels era with the transition away from fossil fuels included in the summit's text for the first time. More than in previous meetings, COP28 turned the spotlight on the built environment as a focal point for necessary transformative change. The economy is intrinsically linked to real assets and all businesses operate within it. By decarbonizing our buildings, we inherently decarbonize all those who engage with them - residents, occupiers, suppliers, customers, and commuters, among others. With the global operations of buildings being responsible for approximately 30% of all energy demand, according to IEA, and contributing more than 25% of annual global GHGs, the real estate industry has a critical role to play in decarbonization. As real estate owners, we must implement clear plans to transition assets towards zero emissions buildings (ZEB).

**The pathway to ZEB**

Central to the built environment transition is the responsible electrification of buildings, which demands strategic planning and stakeholder collaboration. While the imperative to transition to renewable energy sources is clear, the path forward is nuanced. At the asset level, to reduce emissions we have to electrify buildings, ensuring electric consumption is as efficient as possible, while sourcing electricity from renewable energy sources whether on-site or via credible off-site solutions. Landlords and investors must navigate technological feasibility, economic viability and environmental impact to ensure a seamless transition. Coordination with investors, occupiers and lenders is paramount, as is adherence to existing industry benchmarks and standards, such as the European Commission's definition of zero-emission buildings.

**How is CBRE IM addressing these issues?**

At CBRE IM, our ZEB roadmap uses a 4Es hierarchy: energy efficiency, electrification, energy procurement and embodied carbon. We aim to electrify and make buildings energy-efficient, sourcing electricity from credible renewable sources, providing a pathway to becoming ZEBs. As such, since 2024 we have commenced an extensive decarbonization audit program across our collective EMEA portfolio. The aim of these audits is to identify the future capex required for buildings to move along the pathway to ZEB status, and ensure these aspects are incorporated into long-term asset business plans. By undertaking this level of scrutiny we are better informed about how long term sustainability risks interact with our asset management plans and how we can manage those risks over the life-cycle of an asset.



CBRE Investment Management

### About CBRE Investment Management

CBRE Investment Management (CBRE IM) delivers sustainable real assets investment solutions across a range of strategies and risk profiles in the Americas, Europe and Asia. One of the world's leading real assets managers, our team is responsible for $149.1 billion (€137.8 billion) of assets under management for approximately 900 institutional investors, as of March 31, 2025. We specialize in holistic real assets solutions within and across five real asset investment categories, with a distinct multidimensional approach, which creates enduring outcomes for our clients by driving end-to-end value, transforming knowledge into action and focusing on the future.

### Investment Commitment

Our Sustainability Vision focuses on three key areas:

- **Climate:** We seek to address climate risks and enhance investment return opportunities by focusing on reducing greenhouse gas emissions and improving physical resilience.
- **People:** We are committed to our RISE values (respect, integrity, service and excellence), which underpin everything we do. We strive to build and maintain meaningful relationships with a broad range of stakeholders including clients, tenants, suppliers and partners.
- **Influence:** We seek to engage and positively influence key stakeholders where we do not have direct management control in alignment with global stewardship principles.

### Integration & Resources

We integrate sustainability factors into our investment process including portfolio construction, risk management and identification of opportunities to create alpha. Our Global Sustainability Council provides strategic direction and the firm's five Sustainability Committees (covering corporate operations, direct private real estate, indirect private real estate, private infrastructure and listed securities) provide guidance and best practices with leadership, portfolio management, acquisitions and asset management teams.

### CBRE Investment Management in Numbers

| | |
|---|---|
| Total AUM (€m) | 137 800 |
| Total institutional AuM in asset class (€m) | 137 800 |
| Sustainability team | 15 people |
| Investment products available since | 1972 |

### Member / Signatory

- PRI
- GRESB
- TCFD
- UK Stewardship Code
- Net Zero Asset Managers Initiative
- INREV
- Association of Real Estate Funds
- The Aldersgate Group
- Urban Land Institute

### Stewardship & Proxy voting

We believe that the right kind of engagement creates a multiplier effect of positive change. The purpose of sustainability engagement is to promote positive action, identify and manage risks and opportunities and help ensure continued performance improvement. We engage with investee companies, managers and funds for our indirect strategies and with occupiers and property managers for our direct private real estate strategies.

### Product Performance

CBRE IM offers global and regionally focused funds and separate accounts for institutional investors for direct private real estate, indirect private real estate, private infrastructure and listed real assets. As at March 31, 2025, the firm has seven Article 8 funds, of which five are actively fundraising. These include four direct real estate funds, one indirect real estate fund and an private infrastructure fund. CBRE IM also manage two Article 9 funds both specialising in impact investment in the residential markets of the UK and Western European cities. CBRE IM also engages via leading industry bodies and their committees, including INREV and the Urban Land Institute (ULI). We regularly support industry thought leadership, for example as a key contributer to the Aligning Real Estate Sustainability Indicators (ARESI) initiative.

# Real Estate's Critical Role in Climate Action

*"The transition to sustainable real estate is not just an environmental imperative but a financial necessity."*

**Crispin Royle-Davies**
Managing Director, Portfolio Manager Real Assets
**Nuveen**

Real estate plays a pivotal role in global sustainability efforts, accounting for approximately 40% of carbon emissions through building operations (9%) and building materials and construction (28%). For the real estate industry, reducing reliance on fossil fuels and overall energy usage is critical in tackling climate change.[1]

**Driving sustainability in real estate**

The investment thesis for sustainable real estate is driven by:

- **Tenant behaviour:** Research shows that tenants are willing to pay higher rents for energy-efficient buildings with lower operating emissions and certified environmental credentials.[2]
- **Regulatory compliance:** Real estate assets worldwide face increasingly stringent regulatory requirements related to energy efficiency. For example, in the United Kingdom, commercial property owners cannot sign new leases unless buildings meet specific energy efficiency criteria. Similar regulations are expected to expand across other markets in the coming years.[3]

**Addressing carbon reduction**

Real estate companies can reduce their carbon emissions through:

- Efficient lighting systems, including sensor-controlled LED lights and smart energy meters, reduce operational costs significantly while improving tenant satisfaction.
- Enhanced heating systems, which reduce energy consumption and can also improve tenant comfort and satisfaction.
- Removing gas boilers from buildings and transitioning to electric heating systems can reduce a building's carbon footprint.

**Investment implications**

For institutional investors, sustainable real estate investments offer key advantages:

- **Enhanced returns:** Real estate companies that demonstrate strong environmental credentials potentially command higher rents and valuations from tenants and investors.
- **Future-proofing assets:** Properties with strong environmental credentials can have greater resilience to market downturns and changing regulations.

**Looking ahead**

The transition to sustainable real estate is not just an environmental imperative but a financial necessity. By 2050, approximately $275 trillion globally will be required to achieve net-zero targets, representing a significant investment opportunity in the sustainable transformation of real estate.[3]

[1] Global Status Report, 2017, UN Environment
[2] Nuveen Real Estate Sustainability Report 2024
[3] The net-zero transition: What it would cost, what it could bring. McKinsey & Company. January 2022



nuveen
A TIAA Company

### About Nuveen

Stewards of $1.3 trillion AUM globally[1], Nuveen is committed to driving long-term investment value for our clients. Nuveen's sustainable investing initiatives seek to enhance outcomes and, when consistent with client mandates, finance social and environmental outcomes. Empowered investment teams, robust client-focused impact reporting, data capabilities, product innovation, and high conviction advocacy with industry stakeholders each contribute to our sustainable investing approach.

[1] as of 30 June 2025

### Investment Commitment

Nuveen implements RI commitments through a series of core asset class specific activities: stewardship, ESG integration and, when consistent with client mandates, driving positive impact across our portfolios. These activities are supported by proprietary data and technology resources focused on impact measurement, climate analytics, reporting and transparency. Nuveen has Net Zero commitments covering our own operations (2024), assets managed by Nuveen Real Estate (2040), and assets owned and managed in the General Account of our parent company TIAA (2050).

### Integration & Resources

In collaboration with the RI team's asset class specialists, the investment team implements the firm's ESG integration program across their platform, and drive ESG incorporation across the research/due diligence, portfolio management, monitoring and reporting stages of investment. Specifically for this strategy, the investment team has constructed and maintains a proprietary carbon emissions reduction database for its investment universe. This is fed with published emissions and related data as well as data obtained from companies via engagement on carbon emissions reduction policies and disclosure.

*For the full disclaimer please refer to page 81.

### Nuveen in Numbers

| | |
|---|---|
| Total AUM (€m) | $1.3T[1] |
| Sustainable team | 30+ |
| Investment products available since | Capitalising on potential sources of long-term demand, durability and stable cash flows to help diversify, complement and enhance investor portfolios since 2007. |

[1] as of 30 June 2025

### Member / Signatory

- CDP
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Japanese and UK Stewardship Codes
- Operating Principles for Impact Management
- Orange Bond Initiative
- Responsible Investment Association Australasia
- Taskforce on Nature-related Financial Disclosures (TNFD)
- UN Principles for Responsible Investment (PRI)

### Stewardship & Proxy voting

Nuveen's approach to stewardship is rooted in our fiduciary duty to clients and is designed to gain investment-relevant insights which we believe can support long-term value creation. We set clear expectations for companies and for ourselves on what we seek to achieve through targeted engagement initiatives. In 2024, we engaged with 458 companies across 612 total engagements. Our proxy voting follows the same framework, and, since 2020, our rationales for shareholder proposal votes at S&P 500 companies are publicly available on our website.

### Product Performance

**Building income expertise for 125 years**
Nuveen builds portfolios for today's investors and future generations, drawing on our long history of delivering income. Our active management approach uncovers diverse opportunities for yield spanning public and private markets, seeking to provide reliable and long-lasting income for clients. We embed responsible investing standards into actively managed fixed income for potential alpha and direct, measurable environmental and social benefits. For more information about performance visit our website.

## Disclaimers

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All information referred to in the present document is available on www.bnpparibas-am.com

Allspring Global Investments

Assets under advisement (AUA): Total assets: EUR 556 B

Total AUM in Article 8 strategies: EUR 4.16B

All provided data are as of 31 March 2025

Allspring Climate Transition Suite:

- Climate Transition Global Investment Grade Credit
- Climate Transition Global High Yield Credit
- Climate Transition Global Buy and Maintain Credit
- Climate Transition Global Equity

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Sample of other strategies offered by Federated Hermes:

**Equities:**
Asian ex Japan
China
US SMID
SDG Engagement

**Fixed Income:**
SDG Engagement High Yield
Climate Change High Yield
US High Yield
Sustainable Global IG
Emerging Markets Debt
Global Short Duration Bond

**Money Markets:**
Euro Money Market fund
USD Money Market fund

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Environmental, Social and Governance ("ESG") strategies may take risks or eliminate exposures found in other strategies or broad market benchmarks that may cause performance to diverge from the performance of these other strategies or market benchmarks. ESG strategies will be subject to the risks associated with their underlying investments' asset classes. Further, the demand within certain markets or sectors that an ESG strategy targets may not develop as forecasted or may develop more slowly than anticipated.

This material contains information that pertains to past performance or is the basis for previously-made discretionary investment decisions. This information should not be construed as a current recommendation, research or investment advice. It should not be assumed that any investment decisions shown will prove to be profitable, or that any investment decisions made in the future will be profitable or will equal the performance of investments discussed herein. Any mention of an investment decision is intended only to illustrate our investment approach and/or strategy, and is not indicative of the performance of our strategy as a whole. Any such illustration is not necessarily representative of other investment decisions.

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Portfolio holdings and/or allocations shown above are as of the date indicated and may not be representative of future investments. The holdings and/or allocations shown may not represent all of the portfolio's investments. Future investments may or may not be profitable.

Index Benchmarks

Indices are unmanaged. The figures for the index reflect the reinvestment of all income or dividends, as applicable, but do not reflect the deduction of any fees or expenses which would reduce returns. Investors cannot invest directly in indices.

The indices referenced herein have been selected because they are well known, easily recognized by investors, and reflect those indices that the Investment Manager believes, in part based on industry practice, provide a suitable benchmark against which to evaluate the investment or broader market described herein.

Past performance does not guarantee future results, which may vary. The value of investments and the income derived from investments will fluctuate and can go down as well as up. A loss of principal may occur.

Tracking Error (TE) is one possible measurement of the dispersion of a portfolio's returns from its stated benchmark. More specifically, it is the standard deviation of such excess returns. TE figures are representations of statistical expectations falling within "normal" distributions of return patterns. Normal statistical distributions of returns suggests that approximately two thirds of the time the annual gross returns of the accounts will lie in a range equal to the benchmark return plus or minus the TE if the market behaves in a manner suggested by historical returns. Targeted TE therefore applies statistical probabilities (and the language of uncertainty) and so cannot be predictive of actual results. In addition, past tracking error is not indicative of future TE and there can be no assurance that the TE actually reflected in your accounts will be at levels either specified in the investment objectives or suggested by our forecasts.

Please see appendix for full RFI document with disclaimers.

HARDING LOEVNER

Notes for Firm in Numbers

Sustainable team of 31 professionals represents all of the firm's analysts and PMs, including 2 responsible investing subject-matter experts.

All of Harding Loevner's analysts assess sustainability-related risks and opportunities, engage with companies, and cast proxy votes as part of their research and monitoring of companies.
The firm's 15 strategies include two climate-related products:

Global Carbon Transition (2022)
International Carbon Transition Equity strategy (2022)
We also manage customized portfolios for separate accounts invested in our strategies.

Five strategies (including Global Equity, Global Carbon Transition Equity, and Global Small Companies Equity) are available via UCITS vehicles.

Janus Henderson INVESTORS

In accordance with the Sustainable Finance Disclosure Regulation, Portfolios within this strategy are classified as Article 9 and have sustainability as their objective.

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Quantitative World Large Cap Composite
For the period December 1, 2020 to December 31, 2024

| Year | Gross Composite Return (%) | Net Composite Return (%) | Benchmark Return (%) | Number of Portfolios | Internal Dispersion (%) | Composite 3 Yr Std Dev (%)[1] | Benchmark 3 Yr Std Dev (%)[2] | Composite Assets (€ mil) | Total Firm Assets (€ mil) |
|---|---|---|---|---|---|---|---|---|---|
| 2024 | 31.03 | 30.31 | 25.96 | ≤5 | N/A | 14.27 | 14.08 | 441 | 140,662 |
| 2023 | 22.99 | 22.31 | 20.05 | ≤5 | N/A | 14.61 | 14.20 | 107 | 132,344 |
| 2022 | -12.72 | 13.20 | 12.99 | ≤5 | N/A | N/A | N/A | 94 | 127,201 |
| 2021 | 37.73 | 36.98 | 30.74 | ≤5 | N/A | N/A | N/A | 118 | 144,280 |
| 2020 | 2.47 | 2.43 | 1.82 | ≤5 | N/A | N/A | N/A | 95 | 118,863 |

[1] For 2020, data presented from December 1, 2020 (inception date) through December 31, 2020.
[2] The three-year annualized standard deviation is not presented as of December 31, 2020, December 31, 2021 and December 31, 2022 because the composite does not have 36 monthly returns as of this date.

| | Gross Composite Return (%) | | | | Net Composite Return (%) | | | | Benchmark Return (%) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Year | 1 Year | 3 Year | 5 Year | 10 Year | 1 Year | 3 Year | 5 Year | 10 Year | 1 Year | 3 Year | 5 Year | 10 Year |
| 2024 | 31.03 | 12.04 | N/A | N/A | 30.31 | 11.43 | N/A | N/A | 25.96 | 9.58 | N/A | N/A |
| 2023 | 22.99 | 13.92 | N/A | N/A | 22.31 | 13.30 | N/A | N/A | 20.05 | 10.95 | N/A | N/A |
| 2022 | -12.72 | N/A | N/A | N/A | -13.20 | N/A | N/A | N/A | -12.99 | N/A | N/A | N/A |
| 2021 | 37.73 | N/A | N/A | N/A | 36.98 | N/A | N/A | N/A | 30.74 | N/A | N/A | N/A |

NOTES TO THE SCHEDULE:
Firm Overview
Mackenzie Financial Corporation, Mackenzie Investments Corporation, Mackenzie Investments Europe Limited and Mackenzie Investments Asia Limited (collectively "Mackenzie Investments") provide investment management and related services through multiple distribution channels. Assets under management as at December 31, 2024 were €140.7 Billion. We provide our investment management through mutual funds, pooled funds, segregated accounts, and separate accounts for retail and institutional investors. Mackenzie Investments is dedicated to generating consistent long-term investment returns for its clients. The Firm is a member of the IGM Financial Inc. (TSX:IGM) group of companies.
On December 22, 2020, Greenchip Financial Corp. became part of Mackenzie Investments. On December 31, 2020 GLC Asset Management Group Ltd. became part of Mackenzie Investments.
Compliance Statement
Mackenzie Investments claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Mackenzie Investments has been independently verified for the periods January 1, 2008 through December 31, 2021. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Quantitative World Large Cap composite has had a performance examination for the periods December 1, 2020 through December 31, 2021. The verification and performance examination reports are available upon request. See "Contact Information" below.
Composite Description
The Quantitative World Large Cap Composite seeks to provide long-term capital appreciation and outperform its benchmark while maintaining a lower volatility. The strategy applies a quantitative, bottom-up stock selection investment process, based on fundamental insights, to large and mid cap stocks in developed markets countries. The investment process focuses on a succinct, high conviction set of factors, which are applied within the context of a region/sector/industry relative model. Prior to February 28, 2025, the composite was known as the World Large Cap composite. The composite inception and creation date is December 1, 2020.
Benchmark Description
The benchmark is the MSCI World Index net of withholding taxes. The MSCI World Index is a free float adjusted, market capitalization weighted index that is designed to measure the large and mid cap performance of stocks across 23 developed markets countries.
Reporting Currency
Valuations and composite performance are reported in Euros. The composite includes Canadian dollar portfolios that have been converted to Euros.
Internal Dispersion
Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns of those portfolios that were included in the composite for the entire year. Internal dispersion is only calculated for those composites which have at least 6 accounts for the full year.
Ex-Post Standard Deviation
The 3-year annualized standard deviation measures the variability of the gross composite and benchmark returns over the preceding 36-month period.
Fees
The maximum fee for the strategy is 0.55% per annum.
List of Composites and Pooled Funds
adistribution funds is available upon request. See "Contact Information" below. Performance Calculations
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# GLOBAL LEADERS 2025

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