PANARCHY PARTNERS

THE GLOBAL PANVEST® FUND

THREE-YEAR

PURPOSE AND IMPACT REPORT 2022

DISCLAIMER

Structure of Panarchy Partners - Panarchy Partners Pte. Ltd. (the "Investment Manager") is a Singapore private limited company formed in December 2018, and serves as the investment manager to Panarchy Global Panvest Fund (the "Fund"), an exempted company with limited liability in the Cayman Islands. The Investment Manager is a registered fund management company with the Monetary Authority of Singapore. The Investment Manager is majority owned and controlled by Munib Madni, who serves as the portfolio manager to the Fund. The Investment Manager and the Fund are subject to all of the risks of a "start-up" operation, as they have limited operating history. Investment in the Fund-The Fund may employ a variety of investment techniques although the focus will be on investing across all markets and in all sectors (except gambling, tobacco and defense). The Fund does not intend to use leverage, will not trade on margin and will not take short positions. The Fund will have the ability to use futures and derivatives on a limited basis, in the sole discretion of the Investment Manager, exceptional circumstances warranting. Each type of security involves special investment and risk considerations. Shares of the Fund are illiquid and generally non transferable; therefore, investors must be able to bear the risk of an investment in the Fund for an indefinite period of time. Investments in the Funds are intended for sophisticated investors only, who are accredited investors and qualified clients, as defined by law. Depending on the share class in which they invest, certain investors in the Fund may be subject to different terms. The Investment Manager has broad discretion to increase or decrease industry and sector exposure in the Fund in its sole discretion. Thus, while industry and sector exposures presented are accurate as of the date of this presentation, the exposure ranges may vary widely from time to time. The information in this presentation is for discussion purposes only and is qualified in its entirety by reference to the confidential private offering memorandum and articles of association of the Fund and the subscription agreements relating to the purchase of Shares in the Fund (collectively, the "Offering Documents"), all of which are or will be available upon request and should be reviewed carefully prior to making an investment decision. Nothing contained herein is intended to be, nor should it be construed as, an offer to sell, or a solicitation of an offer to buy or sell any security or investment strategy, which may only be made in the Offering Documents. Before making an investment decision with respect to the Fund, prospective investors are advised to read the Offering Documents carefully, which contain important information, including a description of the Fund's risks, conflicts of interest, investment program, fees, expenses, redemption limitations, standard of care and exculpation, etc. Nothing in this document constitutes accounting, legal, regulatory, tax or other advice, and prospective investors should consult with their tax and financial advisors as well as legal counsel. Any decision to subscribe for Shares in the Fund must be made solely on the basis of information contained in the Offering Documents. The information contained in this document, including any data, projections and underlying assumptions are based upon certain assumptions, management forecasts and analysis of information available as at the date of this document and reflects prevailing conditions and our views as of the date of the document, all of which are accordingly subject to change at anytime without notice and the Fund and the Investment Manager are under no obligation to notify you of any of these changes. In preparing this document, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was otherwise reviewed by us. While the information provided herein is believed to be reliable, the Fund and the Investment Manager make no representation or warranty whether express or implied, and accept no responsibility for its completeness or accuracy or reliability. This overview is being furnished on a confidential basis solely to a limited number of sophisticated prospective investors who are accredited investors and qualified clients and who are considering the purchase of Shares in the Fund. Any reproduction or distribution of this overview, in whole or in part, or the disclosure of its contents, without the prior written consent of the Investment Manager, is prohibited. These materials are not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use is contrary to local law or regulation. The Investment Manager does not offer the Fund for sale in Switzerland or any EU country or to any resident or citizen of Switzerland or any EU country. Accordingly, distribution by the recipient of these materials to anyone in Switzerland or the EU or to any Swiss or EU resident or citizen is strictly prohibited.

Front Cover Photo -
We'd like to thank photographer Ian Gibb for providing the cover photo for this report.

HIGHLIGHTS

Impact snapshots over the past three years

GLOBAL PANVEST® FUND

Portfolio companies' Scope 1 and 2 absolute GHG emissions performance

12.9% reductions in GHG emissions from 2019 to 2021

Credible roadmap to decarbonisation - proportion of porfolio with

SBTi[1]-approved targets increased from 34% to 62% from 2019 to 2021

Quality disclosures on climate management data

Portfolio companies with an 'A' score for CDP Climate Change increased from 56% to 57% from 2019 to 2021

Renewable energy use across the portfolio

Share of renewable energy increased from 21% to 25% from 2019 to 2021

Portfolio companies committing to 100% renewable electricity

An average of 50% RE100 companies in the portfolio from 2019 to 2021

The portfolio average for the proportion of women on Boards

Increased from 33% to 38% from 2019 to 2021

The percentage of portfolio companies with

Boards with at least three women increased from 82% to 87% from 2019 to 2021

Assessing supply chains for social and environmental risks and opportunities

100% of our portfolio companies conducted a supplier assessment in the past three years

Notes: Impact performance was tracked over three years, from FY2019 to FY2021.
[1]Science-based targets show companies and financial institutions how much and how quickly they need to reduce their greenhouse gas (GHG) emissions to prevent the worst effects of climate change and limit warming to 1.5˚C. https://sciencebasedtargets.org

A LETTER FROM PANARCHY PARTNERS' CEO AND FOUNDING PANVESTOR

Our Purpose at Panarchy Partners is *to help capital owners and users come together for a better world*. As the world and investors are becoming more inclusive of broader stakeholders, we are all looking for returns with impact from our investments. History has shown that seismic shifts in investing approaches do not happen in a vacuum. Investors shifted from a simple return focus to risk-adjusted returns in the 1950s when risk metrics were developed and shared. Once again, investors are moving towards an evolved approach to investing where returns with impact matter. This will only happen as impact gets measured, monitored, standardised and reported.

Achieving financial returns with impact is what the Global Panvest Fund was created for. Our Panvesting philosophy is founded on respecting human, social and environmental capital stakeholders as much as a shareholder. Our investing process looks to identify companies, that have a purpose to positively change their ecosystem and deliver solid financial returns whilst beneficially impacting their stakeholders. Our investment research intention is to seek out areas of profitable impact. Our active engagement with portfolio companies contributes towards constructive outcomes at a global level. Finally and most importantly, this impact report is aimed at sharing some of the positive (and negative) impacts our companies are responsible for.

When putting this report together we asked you, our Panvestors, for your views regarding impact. 64% of you believed that as an investor, the lack of knowledge on non-financial capital is the biggest setback to having an impact. It is this information gap that we intend to start filling with our first Fund Impact Report. Whilst proud of the Panarchy team for what we have been able to disclose here, I can assure you that the impact information is only going to become much more detailed and sophisticated in the coming reports. This is just the start.

There is a growing feeling that impact is an overused word with no clear definition. Many of you may have settled on an acceptable interpretation. For the purpose of this report, we want to remind the reader that listed companies, while potentially very impactful because of size and scale, have disclosures which can be very different from the traditional impact frameworks well understood within the project and social enterprise space. We therefore request patience and understanding as we try to collate and report the impact of our portfolio companies.

Finally, as the portfolio manager of the Global Panvest Fund, it is with great pleasure, some trepidation and immense excitement that I introduce your Fund's three-year Impact Report.

Munib Madni,
PM Global Panvest Fund
September 2022

PANARCHY PARTNERS

THE PANARCHY PARTNERS TEAM

FROM LEFT TO RIGHT:

Kaia Tan
Sustainability Panvestor

Conrad Werner
Financial Panvestor

Ella Yeoh
Future Panvestor

Ben Yeoh
Chief Operating Officer

Riley Yeoh
Future Panvestor

Davina Ho
Stewardship and Partnership Panvestor

Munib Madni
Lead PM and Financial Panvestor

Shanzae Madni
Future Panvestor

Esther Wee
Sustainability Panvestor

Wei Xiong Loh
Sustainability Panvestor

WHY DO WE EXIST? - OUR PURPOSE

"Together with capital owners and users we aim for a better future for the world"

WHAT DO WE DO?

"We help redefine wealth and how it is created"

HOW DO WE DO THAT?

"By Panvesting and partnering"

OUR MISSION
"BE THE CHANGE YOU WANT TO CREATE"

The mission of Panarchy Partners is to be one of the world's leading Panvestors, ensuring that human, social, environmental and financial capital are respected equally. Using our team's diversity and skills, engagement with partners and proprietary Resilience Framework, our portfolio seeks to provide progress and return on all forms of capital. We help redefine wealth and how it is created, sustainably.

WHAT OUR PORTFOLIO COMPANIES THINK ABOUT PANVESTING

In funds management, when it comes to engagement, size matters or at least it used to. Since the launch of the Global Panvest Fund, the Panarchy team has been privileged to have engaged with some of the most seasoned and experienced sustainability change makers across the globe. The reason for this is the need to share and learn. Our purpose-driven portfolio companies, as good as they are, also have blind spots in their sustainability strategies and by engaging with us they find a curious but supportive partner in their journey. Below, we share some feedback from our portfolio companies' management teams on how this partnership works.

"It's a pleasure to collaborate with a company like Panarchy Partners, who shares our passion and dedication for enacting best practices in sustainability. From environmental, social and financial capital to governance and innovation, we are boldly challenging what's possible for a better and more sustainable future."

W. Scott Tew
Vice-President, Sustainability and Managing Director, Center for Energy Efficiency & Sustainability at Trane Technologies

"It has been very encouraging to see how much effort Panarchy Partners are putting in sustainability, with thorough research and with a genuine target of driving more sustainable practices in the portfolio. The positive push from the capital markets further strengthens the key role of sustainability in business."

Salla Ahonen
Vice President, Sustainability, Neste

"Over the years, our conversations with Panarchy Partners (PP) have always been insightful and dynamic. Their keen interest and expertise on matters around ESG and sustainability drive companies to learn and do better. We always look forward to the dialogue with PP as the collaborative process allows us to constructively reflect on our own journey. By doing so, we future proof the business, inspire innovation, and build resilience. We are glad to engage with a company that shares Ayala's commitment to value creation and improving the lives of our many stakeholders."

Victoria Tan
Head, Group Risk Management and Sustainability Unit, Ayala Corp

"The discussions are constructive for us in strengthening our areas of activity and disclosure, particularly on emerging issues such as biodiversity. There is robust challenge and discussion on our approach, which helps us frame activity for the future."

David Croft
Global Head of Sustainability, Reckitt Benckiser

WHAT YOUR FELLOW PANVESTORS THINK ABOUT IMPACT

Before we dive into the rest of the report, we want to share more on what you as a Panvestor has to say about purpose and impact. Earlier this year, we surveyed our current investors on their thoughts on impact.

"*As an investor, how do you define impact*?" was the question that provided the most interesting answers as it allowed our Panvestors to describe impact in their own words. We believe one of the most important factors missing from the current discussion on impact is why are we doing this. One Panvestor anonymously wrote about the over-emphasis on quantitative metrics and the importance of 'qualitative measures of overall well-being and happiness.' While these intangibles have yet to be explored here in today's report, it is a reminder to us of why we do what we do.

Panvestor quotes on defining impact:

> "*Impact is where conscious action can result in a more positive trajectory for our planet and her people in the immediate term through advocacy and influence and future through results.*"

> "*Enriching the lives of customers by providing useful solutions while remaining responsible to the environment, workers, and society.*"

> "*Balanced allocation of capital to address social and environmental issues.*"

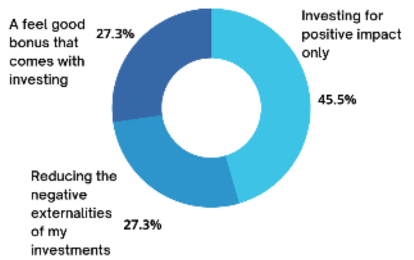
> "*Impact in investing is about growing wealth through companies with net positive outcomes for their employees, society and environment.*"

> "*It is a difficult concept, hard to define, but you will know it when you see it.*"

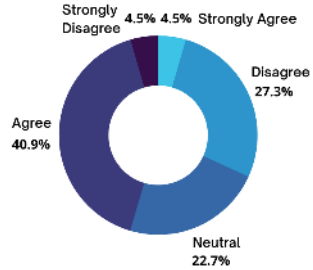
Another area we sought to better understand is the non-financial capital aspects our Panvestors consider important when investing in a company. We provided a list of some metrics we currently use in our process, as well as others which we are considering for future engagement, such as mental health and nutritional content. We were surprised to find diversity ranked further down the list than we expected, and we hope that our section on human capital illustrates why we have spent so much time on this subject in the last 12 months. The even lower ranking for volunteering and CSR donations are less of a surprise, as our Panvestors reasonably place a greater emphasis on a business's overall operations being sustainable, for which 'feel good' donations are an inadequate substitute.

Rank	Overall ranking of importance when making an investment decision
1	Climate change targets
2	Use of renewable energy
3	Health and safety of workers
4	Supply chain – e.g. modern slavery
5	Use of water
6	Plastic packaging and recycling
7=	Respect of biodiversity
7=	Learning and development of workforce
8	Mental health of workforce
9	Nutritional standards (sugar, salt, calories)
10	Gender diversity
11	Racial diversity
12=	Volunteering hours
12=	A company's donations to charity

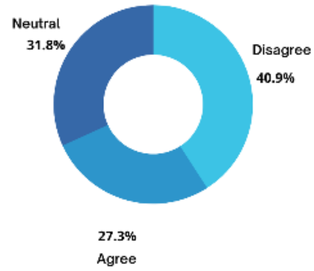
Impact is...



Incorporating impact into a business lowers financial returns in the short run



Impact should be measured with reference to the positive or negative influence it has on financial returns



AN INTRODUCTION TO OUR PURPOSE AND IMPACT REPORT

Gatorade moment for Sustainable/Impact investing and reporting
While ESG (environmental, social and governance), Sustainable and Impact investing seem to be in a media bubble and second only to climate change in news headlines, let us be clear that this form of investing is still in its early days and will evolve over time.

If we were to draw a comparison with another global, albeit less impactful, phenomenon, this form of investing is having its ‘Gatorade moment’. The history of sports drinks started with Lucozade in 1927, but the category’s watershed occurred in 1965 when Gatorade emerged as the first sports drink for the average athlete. Sports drinks prior to Gatorade were limited to elite athletes, but Gatorade made sports drinks everyone’s need. Moreover, while Gatorade started as a humble concoction of just sugar, salt and some lemon juice, the rise in its appeal has led to significant innovation and enhancement.

Similarly, ESG, Sustainable and Impact investing and reporting are only now becoming accessible to the average investor. As an investment asset class, these will need much more refinement before they are well understood and appreciated by investors. To stick with the above comparison, we are not at the isotonic, hypotonic and customised sports drinks stage yet.

We are seeing reporting regulations, analytical frameworks, and impact methodologies evolving in real-time, as investors and stakeholders build on their knowledge. While we are keeping abreast of all of these changes, this report is based on what our portfolio companies have disclosed over the last three years in terms of impact and will look very different in future versions.

Panarchy Partners prepared for the future

From our founding day, we aimed to create a process that avoids the pitfalls which other investors have had to overcome in the last few years, bolting an ESG/Sustainability overlay onto their portfolios 'after the fact,' in order to avoid what is now commonly being referenced to as 'greenwashing.'

We did several things to avoid such pitfalls:

1. Assembled a team of finance and sustainability professionals who understand the complexities of the four forms of capital.

2. We only invest in companies that have performed a stakeholder engagement with publicly disclosed material issues.

3. From Day 1, we upended the traditional investing approach by prioritising a sustainability audit at the beginning of the process, and not bolting it on at the end. This ensured that only companies respecting all forms of capital - human, social, environmental and financial capital could be considered for our portfolio.

4. We never relied on externally sourced sustainability data or 'black box' ratings from sustainability data providers. Instead, our team collect and analyse the data in-house and score companies based on our own proprietary Resilience Analysis.

5. We created an internal, data-driven and engagement-backed process with our investee companies, thus holding them accountable for their actions.

PANVESTING PHILOSOPHY, PROCESS AND PURPOSE

CORPORATE RESPONSIBILITY	INVESTMENT PROCESS	ACTIVE OWNERSHIP	IMPACT MEASUREMENT	INTERNATIONAL FRAMEWORKS
• Stewards of Purpose • B Corp® certified • UN PRI Signatory • Panarchy's stakeholder engagement	• Stakeholder engagement requirement • Governance filters • Resilience framework • Financial and business analysis	• Engagement and voting • Collaboration, advocacy and best practice sharing • UK Stewardship Code • Singapore Stewardship Principles (SSP)	• Company and aggregate portfolio impact data on systemic issues • Individual company Purpose data	• SBTI • TCFD • GRI • SASB • CDP • UN SDGs

Source: Panarchy Partners

Panarchy Partners was created to help investors evolve their capital allocation to incorporate other stakeholders and thus deliver returns with impact. Traditional investing was, and still is, without a common standard to measure, monitor and report best practices for all stakeholders. Having identified this gap early on, we developed our own sustainable investing philosophy, Panvesting. In short, while traditional investing focuses on one form of capital, namely financial, our Panvesting approach focuses on all (Pan) forms of capital: human, social, environmental and financial.

In order to put our philosophy into practice, we further developed a proprietary analytical framework which seeks to gauge a company's resilience. Specifically, our 'Resilience Analysis' ascertains the degree to which management teams respect, measure and target improvement across the four forms of capital mentioned above. Our analysis is regularly updated, thus allowing us to track a company's evolution over time. As of this writing, we are pleased to report that our comprehensive database of resilience scores encompasses close to 440 companies across a wide range of industries and geographies.

The end result of our Panvesting philosophy and Resilience Analysis is that all of our investee companies exhibit a Purpose. Purpose can mean different things to different audiences. For us, the hallmark of a purposeful company is that it is changing its ecosystem in a positive way. That could be Trane Technologies, a global leader in the Heating, Ventilation and Air-conditioning (HVAC) space removing 1bn metric tons of carbon emissions (CO_2e) for clients. It could be Neste delivering the world's largest volumes of renewable diesel. Or even Edenred's efforts in facilitating employee benefit accessibility during COVID-19. All are positive change makers in their own unique way.

Is the Global Panvest® Fund an impact fund?

There is ongoing debate as to what defines a true impact fund. In the unlisted and social enterprise space, the impact frameworks that have been created tend to focus on an investment's intentionality, contribution and measurement towards an impact. We often get asked whether the Global Panvest Fund with listed equities is an impact fund.

We cannot deny that if the three yardsticks mentioned above were to be strictly applied to listed equities, any impact claims made by a listed equity investor could be dismissed as feeble. In listed equities, demonstrating intentionality would not be an issue in most cases. Contribution to and measurement of impact, however, is where listed equity investors could be challenged versus their unlisted peers.

Sources: 2021 Sustainability Reports for Trane Technologies, Neste, Edenred

At Panarchy Partners we show intentionality through our research and filtering process, whereby companies are only considered investable if they have canvassed their broader stakeholders (human, social and environmental capital), identified material issues and put targets in place to deliver on. As far as contribution to change goes, what control we may lack by being a minority shareholder, we make up for in our advocacy through engagement with portfolio companies. Lastly, measurement of impact through listed equities may not be as granular as that of unlisted and social enterprises, but the size and scale of the impact can be global, as you will read in the coming pages.

Is the Global Panvest Fund an impact fund? We will let you be the judge. Impact is in the eye of the beholder.

Improved standards for sustainability reporting are coming

Rarely do governments, policymakers and the private sector align behind a common cause. However, all agree on the importance of high-quality, globally comparable sustainability information for the capital markets. These proposals define what information to disclose, and where and how to disclose it.

Emmanuel Faber
Chair of the International Sustainability Standards Board (ISSB)

The direction is clear. Regulators globally from the ISSB, U.S. Securities and Exchange Commission (SEC), European Securities and Markets Authority (ESMA), Australian Securities and Investments Commission (ASIC) and, in our own backyard, the Monetary Authority of Singapore (MAS) are converging in raising the requirements for general sustainability/ESG and specific climate-related disclosures for investors. These disclosures are pertinent to both corporates as well as fund managers. Whilst progress has been made in 2022 on standard setting, the level of compliance required will only intensify in 2023/2024 as we are still in the progressive phase-in period. The challenge for portfolio managers is the reliance on their investment companies to provide the necessary information for reporting, and hence, to justify the claims they are making for their portfolio.

In our opinion, the EU Sustainable Finance Disclosure Regulation (SFDR) is currently the most rigorous and stringent protocol and as such, we would look to attain that level of transparency and disclosure for all of the Panarchy product/s as soon as practically possible. We hope to play our part in achieving best industry practice, regardless of our domicile.

Why should we want returns with impact?
As a shareholder, incorporating the consequences or impact of business operations on all relevant stakeholders should positively impact our investments' underlying value. We believe that the intrinsic value of a firm that has historically been determined purely on cashflows, assets and liabilities should be adjusted for a firm's progress on human, social and environmental capital. Some of this progress will come through in a firm's profit and loss statement, the remainder could become part of its balance sheet as intangibles. Why and how?

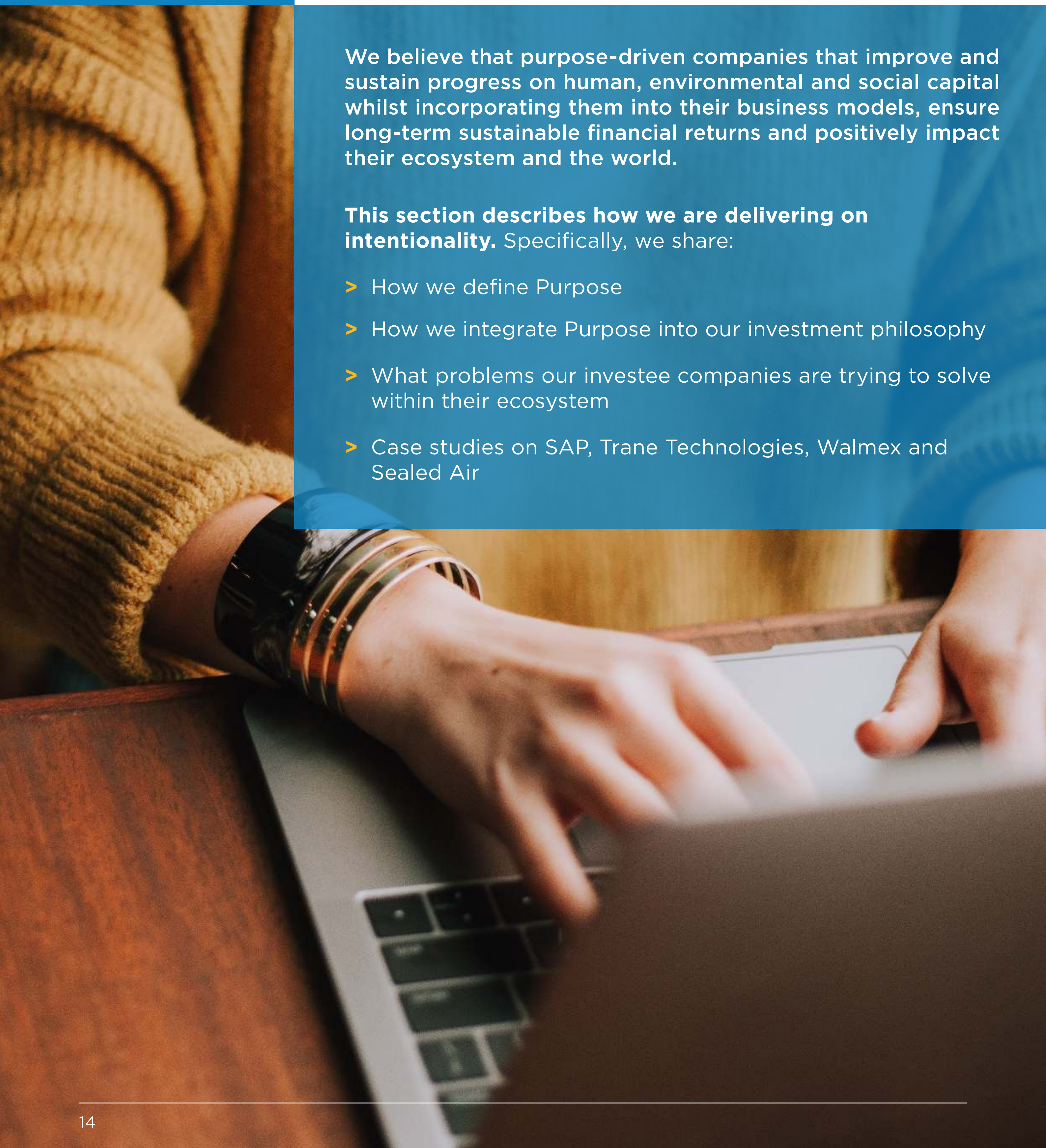
Listed companies generally have more stakeholders than shareholders. Significantly more, in fact. And they now vote en masse as consumers, suppliers, regulators and civic society, and can drown out opposing shareholders' interests and returns. Furthermore, new and improving accounting methods are allowing us to reflect a firm's progress (or negative impact) for all stakeholders on its profit and loss statements and balance sheet. This should make it possible to understand these consequences as a matter of sustainable financial returns, thus separating the sustainable and thus profitable business models from the riskier ones.

The rest of this report has been split into three sections:
Purpose, **Process** and **Impact**.

01	PURPOSE	We believe that purpose-driven companies that improve and sustain progress on human, environmental and social capital whilst incorporating them into their business models, ensure long-term sustainable financial returns and positively impact their ecosystem and the world.
02	PROCESS	We have upended the traditional investing process by putting sustainability first. Our process is aimed at identifying companies that deliver on their purpose, driving positive change at the margin on all four forms of capital.
03	IMPACT	Since there is no single, globally accepted definition or standardised metric to show impact, we rely on companies to show their impact through their own efforts. As investors, we have not only evolved our risk-return framework to include impact, but also augmented our process, seeking progress and impact on non-financial capital.

SECTION

01 PURPOSE



We believe that purpose-driven companies that improve and sustain progress on human, environmental and social capital whilst incorporating them into their business models, ensure long-term sustainable financial returns and positively impact their ecosystem and the world.

This section describes how we are delivering on intentionality. Specifically, we share:

> How we define Purpose

> How we integrate Purpose into our investment philosophy

> What problems our investee companies are trying to solve within their ecosystem

> Case studies on SAP, Trane Technologies, Walmex and Sealed Air

PURPOSEFUL PANVESTING

How do we define 'Purpose'?

> **Purposeful companies exert significant positive impact on their extended ecosystem. We seek Purpose alongside Respect for all forms of capital, including human, social, environmental and financial. Purpose not only provides the balance between planet, people and profits but also becomes a source of growth.**

Purpose is **WHY** you do something and sustainability is **HOW** you go about doing your business, while impact is the **OUTCOME** of your actions, which can be positive or negative.

Purpose is a constant - it is a way of being that influences everything in an organisation. It comes from within and describes a culture that is fueled by passion and gives meaning to everything that is done within a company.

At Panarchy Partners:

We find purposeful companies through our Panvesting philosophy and process. This is achieved by focusing on the four forms of capital that deliver returns for all stakeholders.

NESTE CASE STUDY

One of the companies that has completely transformed its purpose is Neste. Founded in 1948 with the purpose to secure Finland's oil supply, the company's ambition is now to become the world's largest producer of renewable diesel. That said, its purpose statement does not mention anything about this goal at all. It simply states...

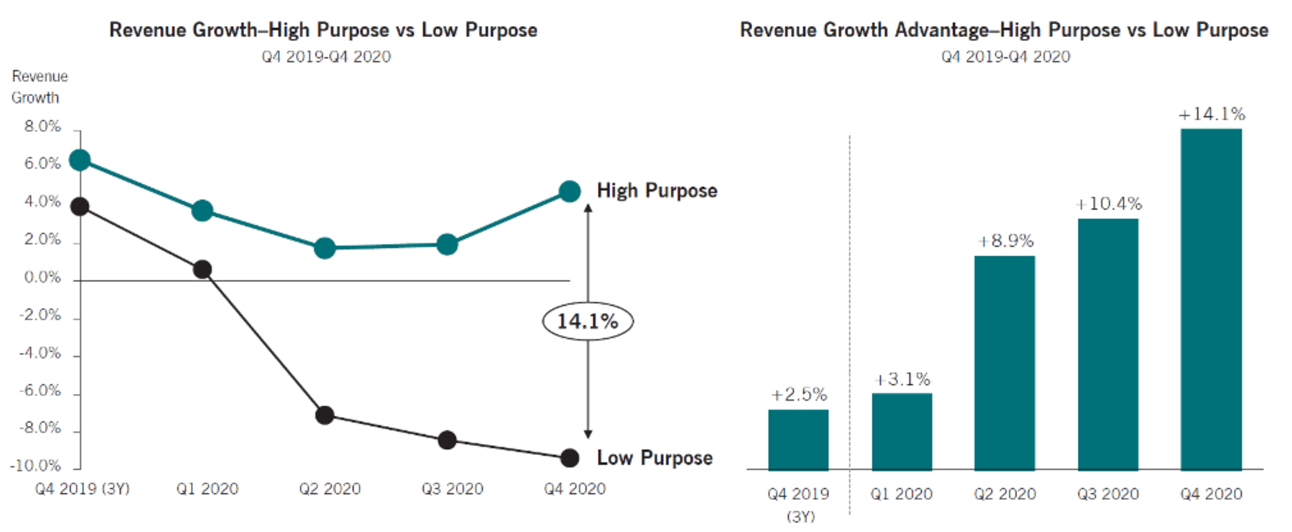
Everything we do at Neste serves one purpose: to create a healthier planet for our children.

How do purpose-driven companies generate long-term returns?

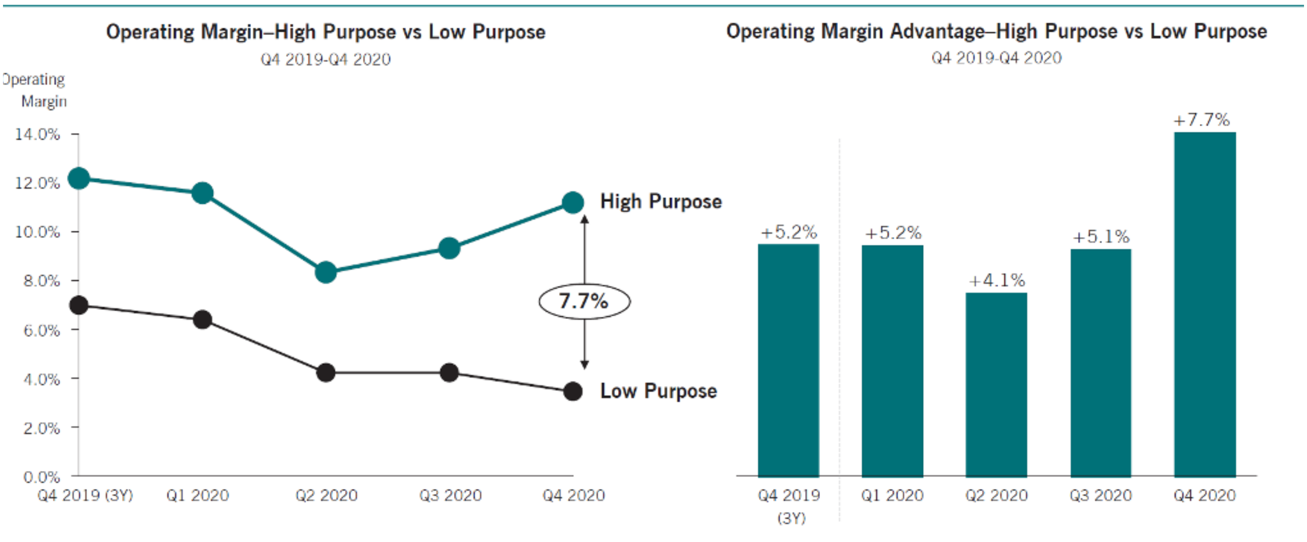
A case study during the COVID-19 pandemic

A recent report in the Journal of Applied Corporate Finance looked into the returns of companies they deemed ‘purposeful’ before and during the COVID-19 pandemic. As the Global Panvest Fund launched 12 months before the pandemic began, we do not have a data set long enough to prove the resilience of our companies. But, as you can see from the following charts, companies that derived a higher score on BERA’s purpose score (which looks at four dimensions and 13 attributes related to purpose) delivered higher revenue and operating margins during 2020. Their conclusion is that companies need to demonstrate they have an authentic purpose and show how they interact with key stakeholder groups to deliver resilient returns over the long-term and through crises.

Revenue Growth Advantage of High Purpose Companies



Profitability Advantage of High Purpose Companies



Source: BERA, https://bera.ai/brand-purpose.

https://fortuna-advisors.com/wp-content/uploads/2021/08/A-Deeper-Look-at-the-Return-on-Purpose-JACF.pdf

HOW DO WE IDENTIFY PURPOSE IN AN INVESTMENT?

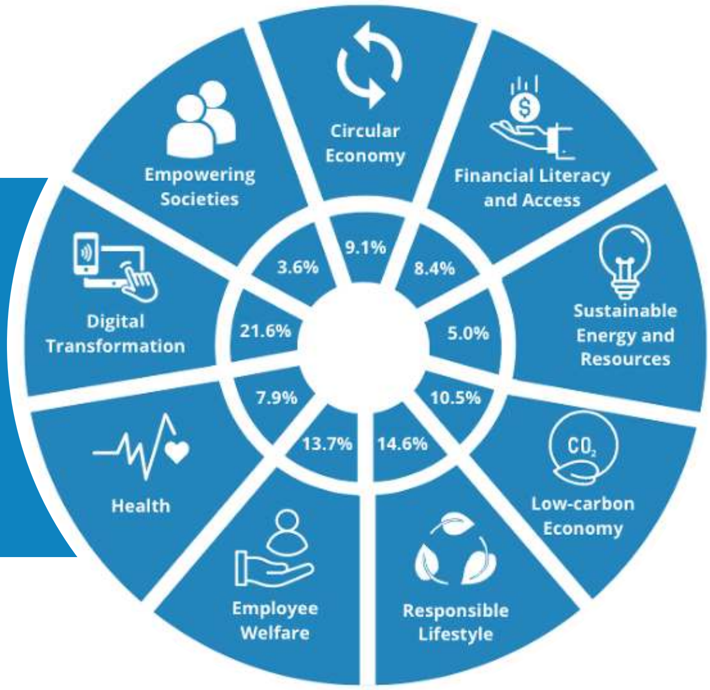
Stakeholder engagement is the first requirement for a company to even make it into our investable universe. By conducting a genuine stakeholder engagement, it signals to us that a company cares about the ecosystem it operates in, and that management understands that its influence extends beyond its direct operations and impacts others (positively or negatively) in the short as well as long-term.

The AccountAbility 1000 Stakeholder Engagement Standard defines stakeholders as:
"... those groups who affect and/or could be affected by an organisation's services and associated performance. This does not include all those who may have knowledge of or views about the organisation. Organisations will have many stakeholders, each with distinct types and levels of involvement, and often with diverse and sometimes conflicting interests and concerns."

A stakeholder engagement is defined as:
"... the process used by an organisation to engage relevant stakeholders for a purpose to achieve accepted outcomes."

We have found that reporting our portfolio purpose themes (below), signals to our Panvestors where the overall impact focus of the portfolio is, moreso than any breakdown by GICS sectors. We do not tell our investee companies what their purpose is. We assess whether they execute on their purpose as you will see in some of the case studies below. Moreover, we do not select stocks based on the purpose thematic, so over time these can change depending on the ecosystem our portfolio companies are operating in.

Our portfolio companies are solving these problems through their purpose



*Portfolio purpose breakdown (excluding cash) as of March 2022

PURPOSE	PURPOSE IMPACT - SOLUTIONS	COMPANY EXAMPLE
Sustainable Energy and Resources	Using alternative energy sources that are renewable and low carbon for climate change mitigation and energy security	Neste
Digital Transformation	Using digital technology to improve business processes and providing value to customers through innovation	SAP
Low-carbon Economy	Finding solutions for a decarbonised economy	Trane Technologies
Responsible Lifestyle	Providing products and services that reduce waste and improve consumer well-being	Unilever
Health	Delivering products and services in health and well-being for all	Zoetis
Employee Welfare	Delivering products and services for the betterment of employees	Edenred
Financial Literacy and Access	Enabling society with the flow of financial capital (the ability to transact, store and have access to cash)	Kasikornbank
Empowering Societies	Enabling affordable goods and services that societies need to function as they develop and grow	Walmex
Circular Economy	Providing innovative packaging solutions that minimises environmental impact and optimises the use of renewable or recycled sources of materials	Sealed Air

Source: Panarchy Partners

PURPOSE CASE STUDIES

01

Purpose:
"...to help the world run better and improve people's lives with sustainability at the core."

Digital Transformation - SAP, revolutionising business processes through software

How does SAP contribute to positive impacts through digital transformation?

To SAP, climate action and social engagement are intrinsically tied to the company's success. It has a Purpose of "helping the world run better and improve people's lives with sustainability at the core" and a mission of "powering opportunity through digital inclusion". SAP's digital products and services help customers worldwide work together more efficiently. Leveraging its expertise in connecting financial and non-financial metrics, SAP is at the frontier of developing new methods for measuring the environmental, human, social and financial value companies provide to society. The brainchild behind these efforts is the Value Balancing Alliance, which SAP co-founded in collaboration with leading companies and institutions such as BASF, Deutsche Bank, Novartis, OECD, Harvard Business School and others.

Positive impact on environmental capital

SAP's Climate 21 programme is one example where SAP enables customers to operate more sustainably. It provides visibility, thereby creating opportunities to address the environmental impacts of its products and operations along its value chains. Moreover, all of its **data centres run with 100% renewable electricity, creating a green cloud for its customers**. This is also an essential step towards achieving Net Zero along its value chain in 2030.

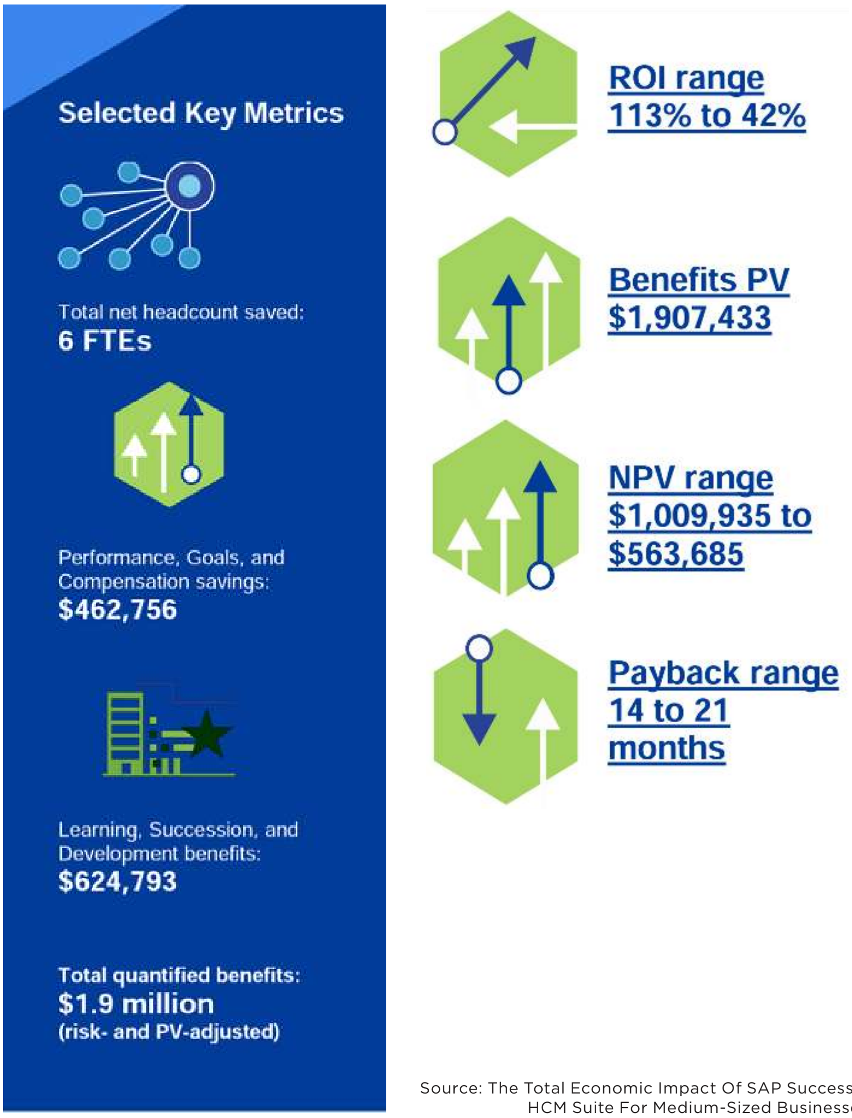
Positive impact on social capital

One of SAP's strategic areas for social impact is to build up digital skills amongst underrepresented groups in society. For instance, **in 2021 SAP's digital skill-building and coding programmes trained 119,000 teachers and engaged 3.5mn underserved people and youth, of which 50% were girls**. With strategic partners such as UNICEF, scalable education models were developed to equip and empower young people with essential digital and life skills to thrive. This partnership paved the way for impacting 1.5mn young people across India, Turkey, and Vietnam. SAP is also maximising impact through its significant procurement spend, targeting 5% of procurement spend on social enterprises and 5% with socially diverse suppliers globally by 2025. Diverse spend in 2021 was €200.9mn (3.9%) in the U.S.

Source: SAP Integrated Report 2021

Positive impact on human capital

SAP is developing methods of pricing previously unquantified long-term net benefits with its SAP SuccessFactors Human Capital Management Suite. In a study, the benefits and cost savings for a medium-sized organisation were $1,907,433 over a three-year period when implementing SAP's Suite related to employee recruitment, payroll, performance and learning & development. The payback range for the Suite was 14 to 21 months.



Source: The Total Economic Impact Of SAP SuccessFactors HCM Suite For Medium-Sized Businesses, 2019

Examples of KPIs we use to track progress and impact: Energy consumption from renewable sources (SAP has been using 100% renewable energy to power all its data centres since 2014)

> Water consumption for cooling purposes in HQ data centres (By at least 1,200m^3 per year, 100% achieved in 2021)

> Absolute Scope 1, 2 and 3 GHG emissions reductions (18.5% reduction from 2020 levels as of end 2021)

> Cumulative cost avoidance from climate action (€743.5mn in 2021 from 2019)

> Digital skill-building and coding programmes (Trained 119,000 teachers and engaged 3.5mn young or underserved people of which 50% were girls in 2021 from 2019)

Source: SAP Integrated Report 2021

Walmart México y Centroamérica

02

Purpose:
"We work every day with the purpose of helping people save money and live better."

Empowering Societies -
Walmex, the largest retailer in Latin America

How does Walmex contribute to empowering societies?

Walmart de México y Centroamérica, also known as Walmex, is the Mexican and Central American division of Walmart and the biggest retailer in Latin America.

Positive impact on human capital

Walmex has identified significant impacts and opportunities to develop human and social capital across its value chain. The company strives to support its associates, provide access to low-cost essential products, keep its customers safe and help its suppliers and the wider community. **The company is tackling income inequality where it operates by setting its minimum wage for associates at 12% higher than average in the region**. During the COVID-19 pandemic, Walmex implemented initiatives such as granting permission for absence without pay for vulnerable persons and paying out special bonuses to operations associates. To further promote good health and well-being, Walmex has expanded its Integral Assistance Programme (PAI) with a 24/7 channel for free medical and psychological counselling, financial counselling and legal counselling for associates and direct family members.

Positive impact on social capital

The need for access to essential products and remote delivery services became critical during times of COVID-19 restrictions. In response, Walmex started to expand its omnichannel business more aggressively, to **ensure a guaranteed supply of low-cost products despite the inflation to help families manage their household budgets**. In addition, in 2020 the company selected 300 basket items, which were deemed essential and kept at the lowest prices on the market. That same year, Walmex and partnering non-governmental organisations also **supported over 2.7mn beneficiaries via its social impact programmes in Mexico and Central America**. For example, one such programme aims to facilitate substantial food donations through food banks.

Walmex is investing in many commendable initiatives which benefit its employees, suppliers, customers and communities. Although it has a robust set of metrics to track its contribution to the UN SDGs, we need to see more evidence of positive impact through quality impact indicators with targets for human and social capital. This is particularly important for a company like Walmex and something we highlight during our engagement calls with its teams.

Examples of KPIs we use to track progress and impact:

- Percentage of associates with access to PAI (100% as of end 2021)
- Percentage of executive positions filled by women (40% as of end 2021)
- Percentage difference between Walmex's minimum wage vs minimum wage in the country (12% in 2021)
- Number of beneficiaries from community support programmes (2,093,085 in 2021)
- Total number of children from 0 to 12 years of age benefited by Food Security Programmes (402,049 in 2021)

Sources: Walmex Integrated Report 2021; Walmex 'Our Contribution SDGs' Report 2021

TRANE TECHNOLOGIES™

03

Purpose:
"To boldly challenge what is possible for a sustainable world. As a global climate innovator, we work every day for the bright future we all envision."

Low-Carbon Economy -
Trane Technologies, a leading innovator in HVAC and refrigeration systems

How does Trane Technologies contribute to a low-carbon economy?

Project Drawdown (https://drawdown.org) has identified refrigerant management as one of the top climate solutions with immense potential to reduce global GHG emissions. Trane Technologies designs, manufacturers and sells HVAC products, services and transport refrigeration.

Positive impact on environmental capital

Trane Technologies' innovative products reduce emissions in the heating and cooling of buildings, which globally account for approximately 15% of total GHG emissions. Another interesting area that the company is focusing on is helping customers reduce food loss and waste by providing cleaner and better refrigerated transport, also resulting in an immediate reduction of GHG emissions.

Trane Technologies has set several ambitious climate targets not only for itself, but also for its clients. The company has SBTi-approved targets, committing to reduce its own emissions by 50% by 2030 and 90% by 2050 in its operations from base year 2019. Another science-based target is to reduce (Scope 3) emission intensity from the use of sold products by 97% per cooling ton by 2050.

In a bold promise with **the Gigaton Challenge, Trane Technologies also pledges to reduce 1bn metric tons of CO_2e from their customers' footprint by 2030**. The company is confident it will deliver on this by offering customers next generation high-efficiency chillers, HVAC systems, and refrigeration for transport with their advanced refrigerants. Trane Technologies is continuously expanding its range of products designed to reduce emissions through low GWP (global warming potential) refrigerants.

Examples of KPIs we use to track progress and impact:

- Absolute Scope 1 and 2 GHG emissions reductions (25% reduction from 2019 levels as of end 2021)
- Absolute Scope 3 GHG emission intensity reductions per cooling ton from use of sold products (5.3% reduction from 2019 levels as of end 2021)
- The Gigaton Challenge - Reducing customers' absolute carbon footprint by 1bn metric tons CO_2e (Achieved 50mn tCO_2e emissions avoided from 2019 levels as of end 2021)
- Net positive water use in water-stressed locations (18% reduction from 2019 levels as of end 2021)
- Zero waste to landfill across the company (54% of global manufacturing footprint from 2019 levels with zero waste to landfill as of end 2021)

Source: Trane Technologies 2021 ESG Report

04

Purpose:
"We are in business to protect, to solve critical packaging challenges, and to make our world better than we found it."

Circular Economy -
Sealed Air, evolving packaging materials and automation solutions

How is Sealed Air contributing to sustainability in packaging?

Sealed Air provides packaging materials, equipment and services. As evident from the pandemic, the acceleration of e-commerce has led to an increase in packaging and its raw derivatives, which consequently increases packaging waste. Sealed Air contributes to sustainability in packaging through its innovative solutions. Acting upon its purpose statement, Sealed Air has made a Sustainability and Materials Pledge **to design or advance 100% of its packaging solutions to be recyclable or reusable and to incorporate an average of 50% recycled or renewable content into its solutions by 2025**. The company also aims to advance recycling technology and infrastructure through collaboration.

Positive impact on environmental capital

Sealed Air's ubiquitous BUBBLE WRAP® has evolved to become more cost-efficient, automated and convenient. For example, BUBBLE WRAP® used to be inflated at the various Sealed Air factories and shipped to customers, but with the BWI-1001 inflation system, customers can now inflate and produce over 80 types of BUBBLE WRAP® on demand at their premises. This not only saves on transportation and freight costs, but also reduces turnaround time since the packaging can be produced whenever required. In addition, it is made with at least **90% recycled content, sourced from post-industrial materials that would otherwise end up in landfills, reducing carbon footprint by 30%**.

Sealed Air is a member of the Alliance to End Plastic Waste and has committed to investing in projects that help solve the plastic waste challenge. For example, it has invested in Plastic Energy, which is an advanced recycling technology company and, more recently, packaging solutions company Foxpak, which pioneered the development of digital printing on flexible packaging.

Examples of KPIs we use to track progress and impact:

- Diversion of all manufacturing waste from landfill and external incineration (79% diverted from 2019 levels as of end 2020)
- Recyclable, reusable or renewable content (27% of portfolio designed for recyclability or reuse as of end 2019)
- Reduction of water use intensity by revenue (13% water intensity reduced as of end 2021)
- Absolute Scope 1 and 2 GHG emissions reductions (5% reduction from 2019 levels as of end 2021)
- Absolute Scope 3 GHG emissions from purchased goods and services, and use of sold products (14% reduction from 2019 levels as of end 2021)

Sources: Sealed Air ESG Global Impact Report 2020, CDP Climate Change Report 2022, CDP Water Security Report 2021

SECTION

02 PROCESS

We have upended the traditional investing process by putting sustainability first. Our process is aimed at identifying companies that deliver on their purpose, driving positive change at the margin on all four forms of capital.

This section describes our own way of delivering on contribution. Specifically, we share:

> Our Panvesting process

> How we differ from traditional ESG funds

> How our process re-engineers portfolio construction

OUR PANVESTING PROCESS

Our proprietary Panvest process has been developed to take into account all forms of capital a company uses. Panvesting describes how we think investing is evolving. As a shareholder, to Panvest is to be vested in all (Pan) four forms of capital: human, social, environmental and financial. Traditional investing focuses on financial capital - Panvesting goes much further, by requiring returns and impact on all forms of capital.

How do we differ from traditional ESG funds?

ESG is a good starting point for many investors. However, we believe that *ESG is only a start and not enough for sustainable growth, returns and impact. To make it sufficient, we introduce a relentless focus on all four forms of capital.*

Panvesting expands on ESG in two ways:

1. ESG analysis focuses on Risk Mitigation. Panvesting treats the four forms of capital as assets and not expenses, thus requiring progress and returns just as a financial asset would.

2. ESG is a historical point in time analysis, Panvesting is about the journey over time and with a focus on the change at the margin.

The Fund expects to deliver on its stated aim by investing in companies that are change-makers in sectors and industries needing solutions.

Our process re-engineers portfolio construction

Exclusions – Minimising harm

We exclude gambling, tobacco, pornography, defence/weapons and alcohol because we view their purpose as socially questionable at best and, at worst, socially destructive. Over time we could add other industries and sectors to this list.

We do not exclude environmentally challenging sectors such as fossil fuels. We see them as necessities for human development and economic growth, until they can be viably replaced with environmentally cleaner and sounder alternatives. Selectively, we will allocate capital only to companies in transition which have active, concrete and meaningful targets to reduce their environmental impact.

Our Panvesting process consists of five phases to identify portfolio candidates.

Phase 1 – Augmented Governance

We believe that proper governance is the bedrock of sustainable and profitable growth. Using our six-factor governance analysis, we remove corporates that do not pass our standards relating to governance. One of the ways that we ensure all stakeholders are considered by a company is through the requirement of having done a stakeholder engagement. Any company that has not done a stakeholder engagement is un-investable in our opinion as they have not fully considered the impact their business has on the wider ecosystem.

Phase 2 – Country and Sector Analysis

This step aims to de-risk the investable universe by excluding unattractive sectors and countries, both of which may change over time. In developed markets, we look out for mean-reversion risk and aim to avoid sectors where margins have risen well above historical levels and therefore have a high risk of normalising, while in emerging markets we look to avoid overheating economies and those with declining structural growth.

This helps us further fine-tune our universe of potential portfolio candidates.

Phase 3 – Resilience Analysis

The Resilience Framework is the cornerstone of our Panvesting process

Through this framework, we walk the talk by evaluating and assessing companies on their sustainability practices and journey. There are three key outcomes of the Resilience Analysis: The first is identifying companies' progress and rate of change. Secondly, the Resilience Analysis determines where a company is on its sustainability journey. Thirdly, from the findings of the Resilience Analysis we uncover salient multi-stakeholder engagement topics.

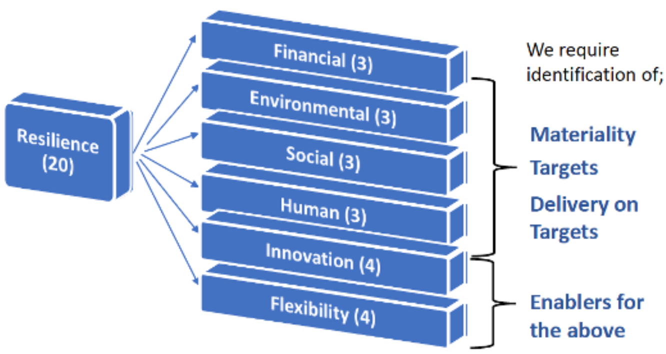
Our in-house sustainability analysts scrutinise and score the companies based on the three factors we deem critical to attaining resilience:

> Managements' actions with respect to identifying, defining, prioritising and pursuing targets on all forms of capital

> The capacity and willingness to innovate (helps stay competitive and retain pricing power)

> The degree of organisational flexibility (lack thereof can place them in the Rigidity Trap)

This analysis helps us to not only better quantify the rate of change in returns and progress we should expect from all four forms of capital, but also identify those companies that are more likely to have resilient returns in the face of change. In other words, sustainable returns and progress over time – precisely what we seek as Panvestors.



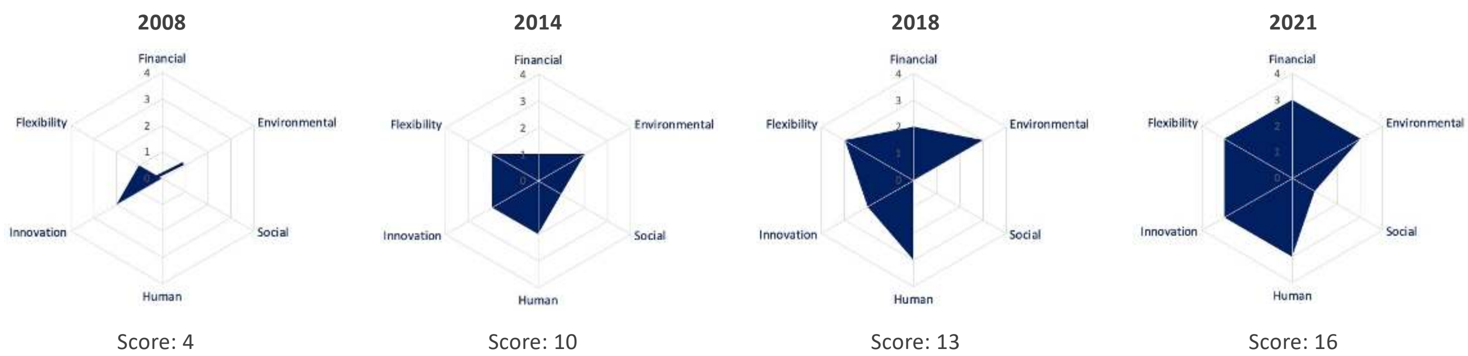
Source: Panarchy Partners

Our expectation is that companies set targets for financial, environmental, social and human capital performance, and that these targets are Specific, Measurable, Achievable, Relevant and Timely, or S.M.A.R.T. targets.

For climate-related targets, we evaluate the robustness of targets, such as whether these are science-based and approved by SBTi. In our engagements, we regularly ask for insights into actions and roadmaps on how companies will deliver on their targets as a way to differentiate between real practices from baseless claims.

NESTE CASE STUDY

The spidergrams below show the progress of Neste as per our proprietary Resilience Framework since the company conducted its first stakeholder engagement in 2008. Neste has shown gradual but consistent progress on all forms of capital with an increase in setting S.M.A.R.T. targets over the last 13 years. It is important to note that any gaps and changes in scores are used as a basis for discussion during our engagement with the company. For example, on a recent engagement call we highlighted that we would welcome better targets and delivery for social capital. We also discussed with them what the positive impact of their 2020 launch of Neste RE Renewable & Recycled™ product was (a new product delivering 100% renewable and recycled raw material for plastics and chemicals production).



Sources: Panarchy Partners. Company Data

Our proprietary resilience database

Within the world of ESG investing there has been a lot of criticism on the quality of the data used to construct ESG funds. We do not outsource anything we deem critical to Panvesting, and our resilience team does all of our data collecting and analysis using company integrated sustainability reports and other public sources of information such as SBTi and CDP, formerly known as the Carbon Disclosure Project.

In the last three years, we have compiled a database of close to 440 companies, on which we have conducted a Resilience Analysis. For these database constituents, we have analysed at least two or more years worth of relevant data, thereby creating a time series. As of today, the database encompasses 24,000+ data points across the four forms of capital, as well as innovation and flexibility. All of these metrics continue to grow as more companies enter our universe.

Phase 4 – Financial Analysis and Valuation

Once we have identified our candidate universe of well-governed companies that screen well in our proprietary resilience database, we conduct a rigorous bottom-up business, financial and valuation analysis.

We scrutinise, amongst others, competitive positioning, the attractiveness of their business models, balance sheet strength, management track record, capital deployment history and policies, returns, cashflows, future capital requirements and earnings capacity.

Phase 5 - Portfolio Construction and Review

Our process culminates in the construction of a portfolio of 20-30 companies. Having passed through phases 1 to 4 above, these portfolio constituents are decided based on our conviction of them delivering on their financial return targets whilst ensuring progress for all other stakeholders.

Our five-phase process as shared above is aimed at delivering a concentrated portfolio of companies that are well governed, with a clear and demonstrable 'North Star' purpose, thus delivering progress for all stakeholders. Furthermore, these portfolio companies are also well managed from a financial standpoint, and attractively valued from a stock market perspective.

SECTION

03 IMPACT

Since there is no single, globally accepted definition or standardised metric to show impact, we rely on companies to show their impact through their own efforts. As investors, we have not only evolved our risk-return framework to include impact, but also augmented our process, seeking progress and impact on non-financial capital.

This section describes how we are delivering on measurement. Specifically, we share:

> A definition of investing with Impact and returns

> How we incorporate Impact into our process

> The challenges of measuring Impact

> How we manage for negative Impact

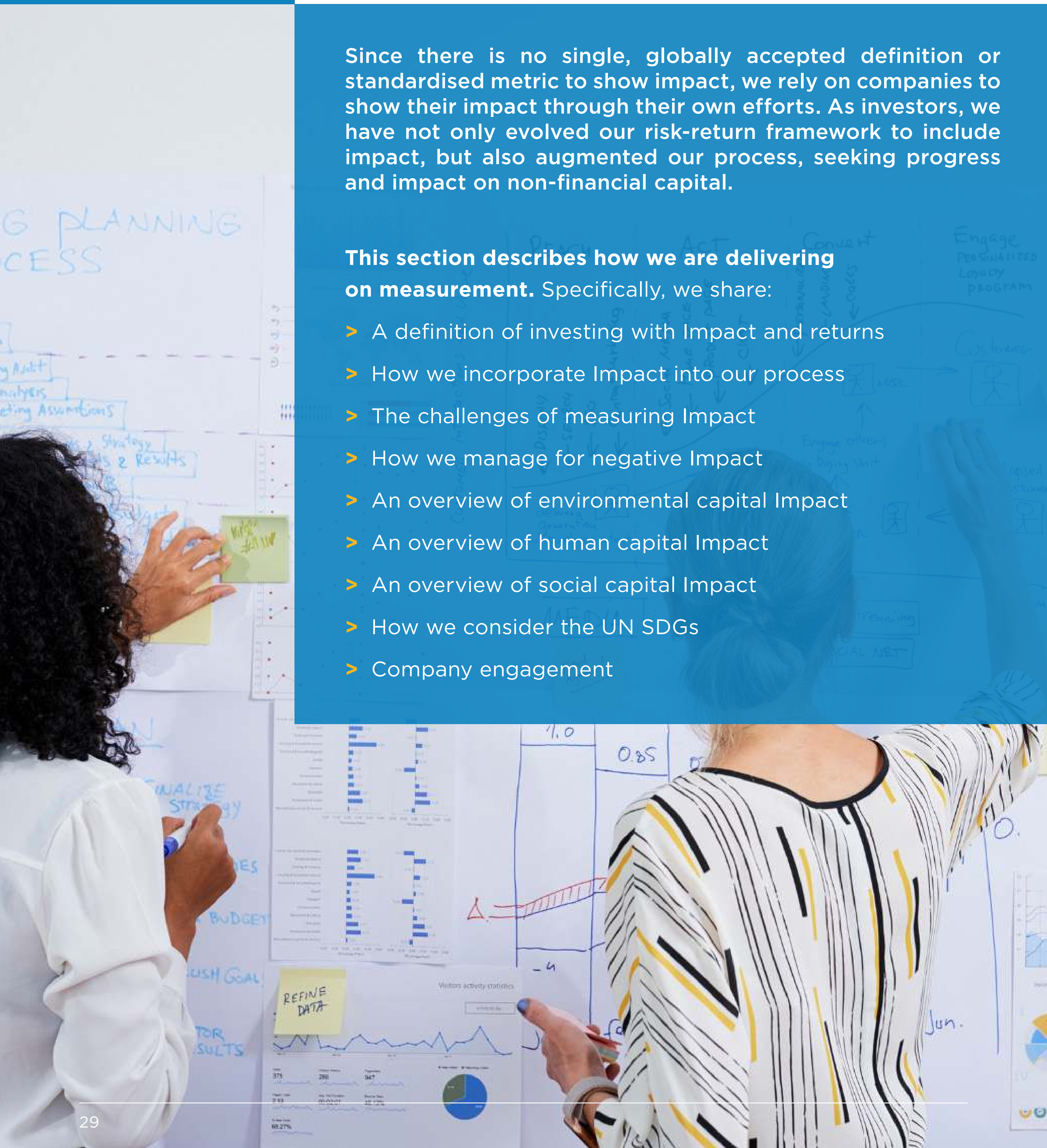
> An overview of environmental capital Impact

> An overview of human capital Impact

> An overview of social capital Impact

> How we consider the UN SDGs

> Company engagement



PORTFOLIO IMPACT

As managers of the Global Panvest Fund, our impact can manifest itself in two ways. First, is the obvious impact that our portfolio companies have. The second is the impact Panarchy Partners has in engaging with the companies we invest in by being a shareholder. How do we hold them accountable? And if they are creating a negative impact, how do we then steer them on the correct course and manage this? This is done through our engagement with portfolio companies, with some examples shared in this report.

In this report, we have predominantly covered the first type of impact with the section on engagement with companies providing a glimpse of what we can achieve through partnership and dialogue.

How do we define and measure portfolio impact?

Impact can be positive or negative as well as intended and unintended. Our philosophy on investing in purposeful companies defines how we believe our intended investments can impact the wider ecosystem.

Unlike objective financial returns, the definition and utility of impact is subjective and can vary from investor to investor. For the sake of simplicity, we see both positive and negative externalities from a profit making enterprise as its impact.

However, when impact becomes a social/legal consensus, it starts finding an objective measure like returns. As an example, CO_2 emissions are finding national and regional pricing consensus, thus giving them an objective value (cost) relevant enough for investors. In the coming decade, we will see more negative externalities and positive actions being objectively measured, monitored and accounted for.

Impact can be looked at from a positive and negative perspective. This comes down to the products and services that companies create; what is happening in their supply chains; how they are treating their employees; are they contributing to the society they operate in and paying the right government taxes, etc.

Impact investing has been defined by the Global Impact Investing Network (GIIN) as:

> "investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return."

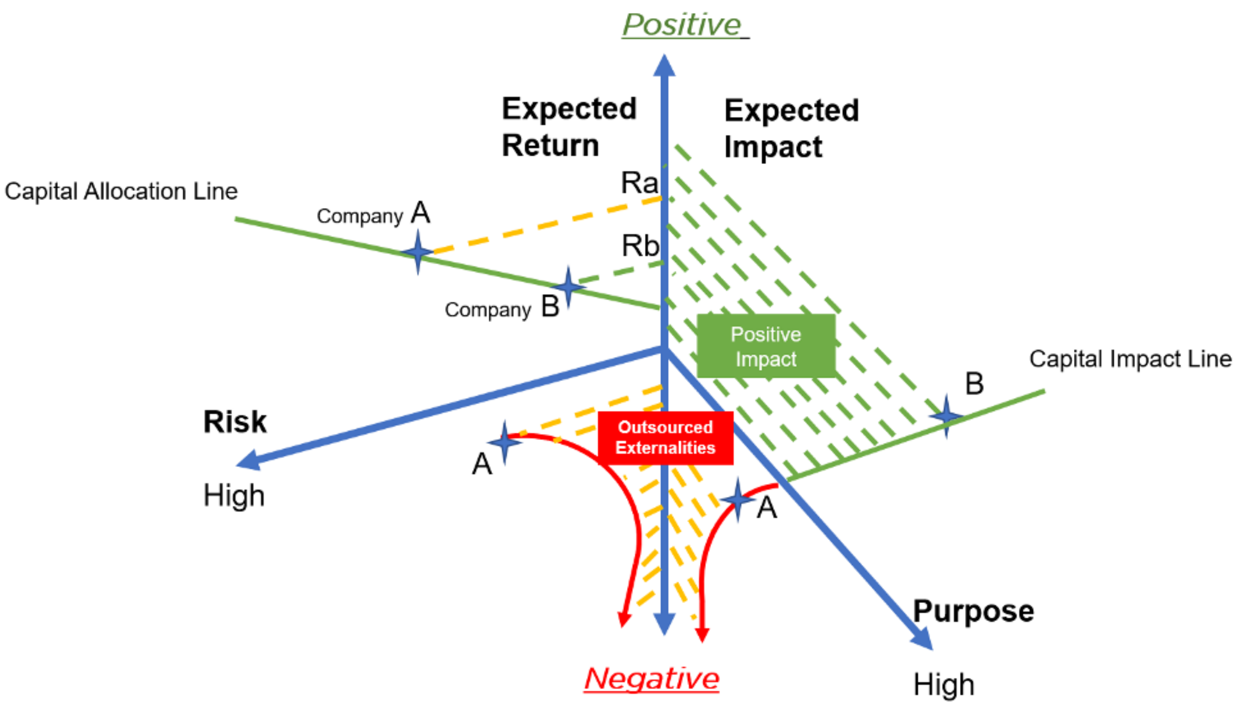
Let us start with how we philosophically look at returns and impact.

Investing for returns with Impact

Over the last few years we have often been asked by capital allocators "how to adjust for impact when allocating capital?" and "if risk drives returns, what drives impact?" Many of these allocators have maintained their two dimensional Risk/Return Capital Allocation Line framework when recommending or executing for impact. Panarchy Partners humbly proposes an expansion into a three dimensional risk, return and impact approach to answer the above questions.

At Panarchy Partners as we aim to invest with impact, we have extended the traditional Risk Return Capital Allocation framework (shown below) to incorporate the Capital Impact line. This not only allows us to consider our risk tolerance, returns and time horizon but also our investments' purpose-driven impact. If risk determines financial capital returns – purpose drives impact. We believe that companies who have done a stakeholder engagement demonstrate that they care about their purpose and other stakeholders, not just shareholders, and thus will over time focus on creating a positive impact and minimise negative externalities.

Eventually, negative externalities will need to be internalised into the company's profit and loss as we are currently seeing with carbon costs. We believe companies who are already focused on providing solutions to minimise negative externalities for themselves and clients, and creating positive impact will be resilient and deliver improving financial returns as well as impact for all stakeholders.



Sources: Panarchy Partners
For a detailed explanation of the capital impact line frameworks please watch this video.
https://vimeo.com/458833395

Incorporating impact into our process

While recognising impact as defined by the likes of GIIN and IMP, we believe defining impact of listed companies requires a broader perspective that still takes into account company-specific aspects. Listed companies are required to disclose their financial statements, thus allowing us to assess their financial capital returns. However, as Panvestors we start by requiring companies to also communicate their non-financial capital targets and progress (human, social and environmental).

As far as non-financial capital targets go, companies generally have different baselines as a starting point. Hence, we define impact as a company's incremental progress towards its non-financial capital S.M.A.R.T. targets.

We look at the impact of our portfolio and companies at various levels:

PORTFOLIO LEVEL

Portfolio's collective S.M.A.R.T. targets, specifically focused on human, social and environmental capital

Portfolio's impact according to globally recognised standards, such as GRI Standards, CDP Disclosures, SBTi adoption and GHG emissions reduction

Systemic issues, such as diversity, employee engagement, climate, renewable energy, water and supply chain assessments

Portfolio's UN SDGs footprint

Portfolio Climate Mapping Framework assessments

COMPANY LEVEL

Impact is measured by how well a company is delivering on its own S.M.A.R.T. targets related to human, social, and environmental capital. These targets are often guided by material issues that are identified through stakeholder engagement

The company's sustainability data quality is validated through third-party external assurance. We encourage portfolio companies to have in place external assurance of sustainability disclosures

Portfolio companies should determine their own capacity and commitment. Our role is to help them achieve their targets (impact) by asking the right questions and guiding them with global best practices from our portfolio and global peers

The challenges in measuring impact

As discussed above, measuring impact in equity investing is challenging. Unlike financial capital, measuring standardised performance metrics for human, social and environmental capital is still a work in progress. Non-financial capital impact is reported less frequently (annually) and can take years to see a meaningful improvement. Prime examples are a reduction in a company's environmental footprint or an improvement in the diversity of its workforce.

One of the biggest challenges we face is the harmonisation of data across the portfolio. For individual sectors, there are varying metrics and even differences when it comes to reporting requirements on a country-by-country basis.

As a simple example, racial diversity in the U.S. is tracked and measured for all private sector companies with more than 100 employees across race/ethnicity and job categories through the submission of an EEO-1 form (it does not need to be made public but many companies do). Yet in Europe, it is illegal in countries such as France and Germany to ask employees to disclose their race/ethnicity, so nationality is disclosed instead. So if you want to look at your portfolio's racial diversity before investing in companies across Europe and North America you would not have a harmonised metric to look at.

Although improving, data quality is another challenge. The proportion of companies with assurance of sustainability data in our portfolio has remained above 75% since inception. As our portfolio companies are at various stages of their sustainability journey, it is understandable that some do not have assurance yet. We do, however, encourage all our companies to provide a timeline for when they are likely to have their data third-party verified.

So while we will share with you metrics across the entire portfolio, we believe that impact extends well beyond a surface-level headline number and should be evaluated through a much deeper analysis of what the companies are doing to improve their ecosystems.

How do we manage negative impact?

As mentioned, impact can be both positive and negative. This report would not be complete without talking about the negative impact our portfolio companies have on their ecosystems and stakeholders. In the past three years, our portfolio companies have met with difficulties such as litigation, social PR challenges, environmental degradation, health and safety scandals and socially unfair practices. In our view, it is impossible to operate in the world without having some form of negative impact, the question is how much, how is it dealt with and how is it managed going forward.

Our Resilience Analysis flags negative impacts as much as it does positive progress, and we actively engage on both topics. However, there are still instances where we have been surprised by an issue, underestimated the extent of the issue's impact, or discovered that the company has handled the issue poorly with its stakeholders.

As purpose-driven investors, how do we address this when we are trying to limit negative impact? This is where ESG ratings fail, as they often only take into account a single snapshot in time. Our multi-year Resilience Analysis picks up on a company's progress over time. Through engagement, we give companies an opportunity to clarify any issue and explain their corrective measures. Where we do not find satisfactory answers or manageable risks, then we are willing to part ways.

A CASE STUDY ON 3M -
NEGATIVE IMPACT DESPITE BEST INTENTIONS

Our investment thesis for holding 3M was sound with respect to the four forms of capital. 3M is respectful towards all its stakeholders whose interests are appropriately considered within its business model. However, despite their strong Panvesting credentials, we recently decided to exit the position.

At the time of original investment, we were aware of the negative environmental impact from its legacy PFAS business and its commitment to be part of the global solution. For example, 3M has put in place new and aggressive environmental targets for itself. Moreover, 3M made it a point of rolling out solutions for clients to mitigate their own environmental impact. In fact, we believed that the past environmental challenges 3M faced had become its motivation to ensure that all of its new products would meet stringent environmental and sustainability targets.

Unfortunately during their FY21 results, it was disclosed that some of their legacy production facilities in Europe were not meeting more stringent and upgraded regional environmental standards. Despite 3M's best intentions with its aggressive company-wide targets, the fact remains that the company has thousands of SKUs being produced via legacy processes that are being challenged in this new environmentally conscious world. Going forward, we are uncertain about the outcome of further tightening of environmental standards on 3M's environmental and financial resiliency.

This demonstrates that time horizon plays an important role in impact analysis. Sustainability data can materially impact a company's financial performance and reputation when viewed over a longer period than most financial investors take into account.

Source: 3M Global Impact Report 2022

ENVIRONMENTAL CAPITAL

ENVIRONMENTAL CAPITAL

Portfolio Environmental Capital key performance indicators

	Data coverage	Units	Portfolio performance As at 31 December 2019	2020	2021
Assurance					
Third party assurance of sustainability disclosures	100%	Portfolio weight	80%	88%	80%
Environmental Capital					
GHG emissions*					
S.M.A.R.T. targets, Environmental Capital	100%	Portfolio weight	91%	100%	88%
SBTi targets	100%	Portfolio weight	34%	36%	62%
CDP score of 'A' for Climate Change	100%	Portfolio weight	56%	58%	57%
Portfolio companies' total GHG emissions Scope 1 and 2	88%	mn tCO_2e	13.8	14.5	12.1
Portfolio total GHG emissions Scope 1 and 2** (not comparable y-o-y)	88%	tCO_2e by weight	63	90	402
Weighted Average Carbon Intensity by revenue***	88%	tCO_2e/mn $	33	44	25
Weighted Average Carbon Intensity by EBITDA	88%	tCO_2e/mn $	137	197	145
Renewable energy					
Renewable energy share of total energy consumption	90%	Portfolio weight	21%	26%	25%
RE100 (commitment to 100% renewable electricity)	100%	Portfolio weight	52%	51%	48%
Water					
CDP score of 'A' for Water Security	100%	Portfolio weight	30%	28%	29%

Notes:

*Portfolio emissions data covers 93% of the portfolio by weight. Two companies' emissions data sets were excluded due to insufficient or inaccurate disclosures on emissions.

**Metric recommended by the Task Force for Climate Related Financial Disclosures (TCFD) for calculating portfolio carbon footprint. The portfolio total GHG emissions metric measures the absolute Scope 1 and 2 GHG emissions of the portfolio expressed in tCO2e. Emissions are allocated to investors based on an equity ownership approach (if an investor owns 0.01% of a company's total market capitalisation, then they own 0.01% of the company's emissions.

***Weighted average emission intensity (Scope 1 and 2) per $mn sales for the portfolio companies, whereby emission intensity is weighted by percentage exposure to each company.

Climate action failure, biodiversity loss and human environmental damage are negative environmental impacts that made it to the Top Ten Global Risks, ranked by the World Economic Forum in 2022. As a fund manager vested in environmental capital, we are serious about creating change and playing our part in addressing the many environmental challenges in the world today.

There are two main deliverables of our environmental analysis:

1. Understanding the environmental risk and opportunities that exist within portfolio companies and candidates

2. Measuring, monitoring and reporting the environmental impact and progress of our portfolio companies and portfolio as a whole

1. Understanding environmental risk and opportunities

Environmental risks and opportunities can be divided into two broad, but interlinked categories: i) Climate change and decarbonisation and ii) Others which include, but are not limited to, circular economy and waste, water and effluents, and green revenue.

For climate change, our team has worked to monitor climate-related risks and opportunities of our portfolio in tandem with the rapidly evolving regulatory landscape and our clients' climate reporting requirements. We also conduct in-depth research to uncover investment opportunities that support not only climate solutions, but also other environmental challenges.

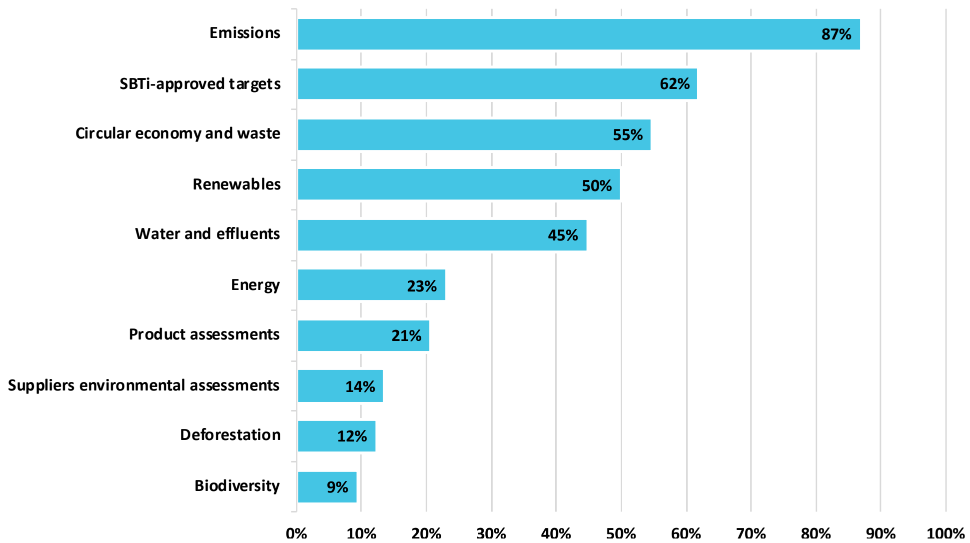
An example of identifying opportunities was a thematic exercise around Circular Economy. We followed the principle that companies should aim to design and make products that eliminate waste, keep materials in use and regenerate natural systems. From this, we found the containers and packaging industry to be prospective and narrowed in on the company Sealed Air. Sealed Air, the pioneers behind BUBBLE WRAP®, has leveraged its knowledge of materials technology and product applications to implement recyclable, more cost-efficient and lower carbon-emitting attributes to solutions in its portfolio, such as its Jiffy Shurtuff poly mailer that uses 80% post-consumer recycled content. In 2020, Australia's government-run postal service, Australia Post, switched to Sealed Air's sustainable poly mailer solution, which is expected to divert 240 tonnes of plastic waste from landfills annually and is recyclable in Australia through any soft plastics recycling stream.

2. Measuring, monitoring and reporting the environmental impact and progress of our portfolio companies and portfolio as a whole

We track our portfolio companies' progress on their environmental targets and monitor key metrics for GHG emissions. The performance of our portfolio is tracked and reported on a quarterly basis across 10 KPIs, including, but not limited to, S.M.A.R.T targets, SBTi-approved targets, reductions in portfolio absolute Scope 1 and 2 GHG emissions, the share of renewable energy and CDP scores for Climate Change and Water Security. We also indirectly assess companies' comprehensive environmental capital expectations by reviewing their significant and relevant material topics with the Sustainability Accounting Standards Board (SASB)'s industry mapping.

In the past three years, an average of 93% of portfolio companies set targets for environmental capital. This chart shows the environmental capital S.M.A.R.T. targets of our portfolio companies broken down by theme.

Portfolio companies' targets on environmental capital



Sources: Panarchy Partners, Company Data, Sealed Air Global Impact Report 2020

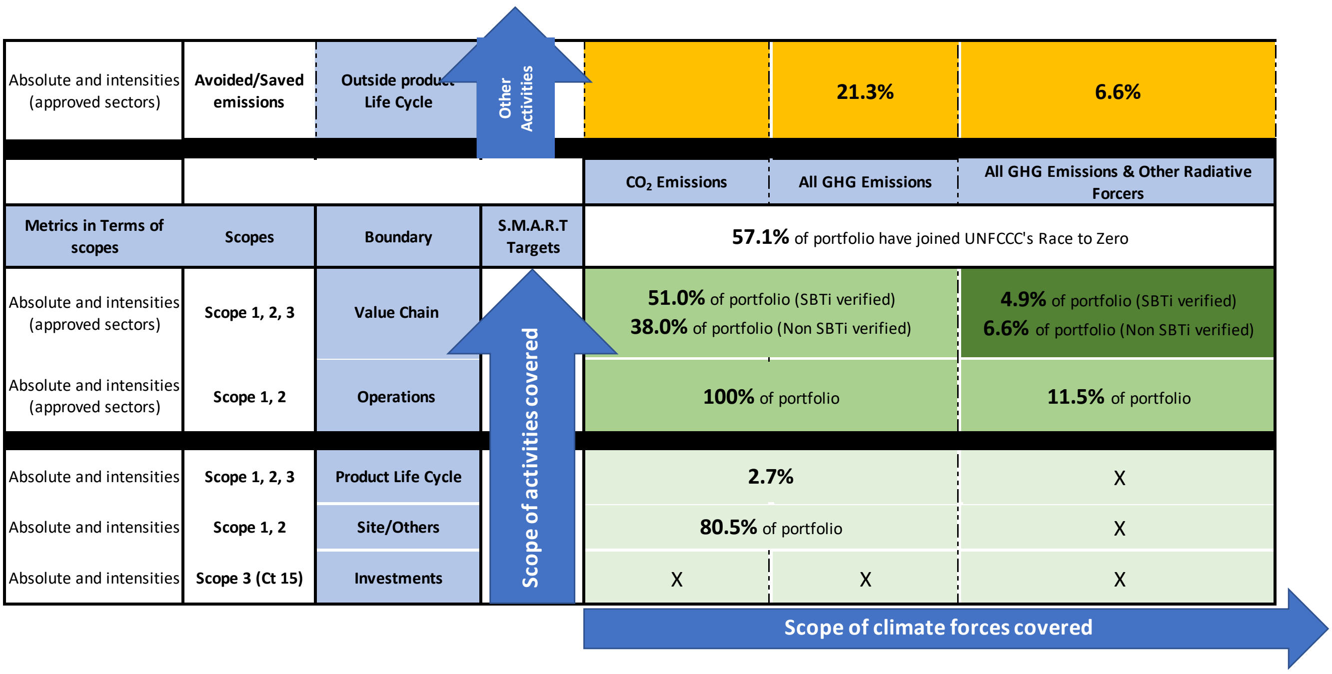
CLIMATE CHANGE

Climate target mapping

We have designed our own Portfolio Climate Target Mapping (depicted below), which assesses our portfolio companies' climate actions and carbon inventories. This is a must-have analysis for portfolios going forward. This analysis not only helps us understand each company's individual climate status, but also provides a holistic picture of our total portfolio and its ambitions.

Under our Climate Target Mapping, we pay particular attention to where the companies set their impact boundaries: For the entire value chain, for their own operations only, or somewhere in between - mostly due to partially available Scope 3 data. To monitor progress towards achieving climate targets, we track their absolute Scope 1, Scope 2, Scope 3 and, in some cases, avoided/saved GHG emissions. To ensure that we do not let climate claims go unchecked, we follow companies' commitments to, or approval of, science-based targets by SBTi. The main benefit of this mapping framework is that it drives our engagement, as it allows us to understand the challenges and positive impacts created by companies on their decarbonisation journey. We envisage this mapping to become more sophisticated and detailed over time as environmental data disclosures from companies become more advanced.

Our portfolio climate target mapping lays out the climate footprint and handprint for individual companies, as well as the overall portfolio



Sources: Panarchy Partners, Company Data, SBTi Database

Alignment with global ambitions and Net Zero

Many asset owners, asset managers and portfolios are being compelled to position themselves alongside global initiatives. In the context of the many initiatives and alliances nudging financial institutions to reduce portfolio emissions, our climate mapping of companies and our portfolio is most consistent with delivering on the Paris Alignment Investment Initiative (PAII) and the Net Zero Asset Owner Alliance (NZAOA). The key ambitions associated with these initiatives are shown below.

	SBTi Financial Institution Net-Zero Standard Draft (SBTi FI NZ)	Net-Zero Asset Owner Alliance (NZAOA)	Paris Aligned Investment Initiative Net Zero Investment Framework (PAII)	Net-Zero Asset Manager Initiative (NZAM)	Glasgow Financial Alliance for Net-Zero
Coverage	All operational and financed emissions (FI's Scope 1,2 and 3)	All financed emissions (Portfolio's scope 1 & 2, to include scope 3 if data is available). Setting targets for operational emissions, if material, is encouraged			Dependent on FI
Temperature pathway	1.5°C. Additional sectoral pathways are planned			1.5°C	
Commitments, targets	Sector-level % emissions intensity reductions, engagement-based methods, considering climate financing targets	Absolute and intensity emissions reductions, corporate engagement, encourages climate financing targets	Absolute and intensity emissions reductions, transition alignment (70% AUM for material sectors alignment to NZ), finance tracking	To choose methodologies from SBTi FI NZ, NZAO or PAII	Dependent on FI
Reporting timeframe	TBC	5-year targets engagement, sector decarbonisation and financing; 2050 net-zero commitment	<10 year emission targets, <5 year portfolio coverage targets	5-year emission targets, including % of portfolio AUM covered by targets	Interim target by 2030, 2050 net-zero commitment
Scenario-based reporting	No		Yes		No

Sources: Panarchy Partners, SBTi Criteria and Recommendations for Financial Institutions 2021, U.N. NZAOA Inaugural 2025 Target Setting Protocol, Net Zero Investment Framework Implementation Guide 2021, Net Zero Asset Managers Initiative Commitment (website), Minimum criteria required for participation in the Race to Zero campaign www.unfccc.int

Almost every day we hear about global organisations or companies committing to *Net Zero*. *Net Zero* is achieved by not adding new CO2 or other greenhouse gases to the atmosphere and reducing absolute GHG emissions until equilibrium in the atmosphere has been reached. In our four years of interviewing companies from different sectors and across the world, "How to get to Net Zero?" is still unclear. We see companies making genuine efforts to create plans to get to Net Zero, but not many can claim to have a convincing roadmap for this ambition. Therefore, over the last few years we have given our full attention to GHG emission reduction efforts, and announcing a Net Zero target while commendable has not been a prerequisite for our portfolio companies.

We believe our portfolio companies should determine their own capacity and commitments to climate action. Our role is to ensure such efforts are ambitious yet practical, and then help them achieve their targets by asking the right questions and guiding them with global best practices.

As of 31 December 2021, 62% of our portfolio companies by weight and 52% by number had SBTi-approved climate targets for Scope 1, 2 and selected Scope 3 GHG emissions. It should be noted that currently only 1,730 companies and financial institutions globally have SBTi-approved targets, hence we are proud to have a significant portion of our portfolio in this elite group of climate change makers.

Source: The Science Based Targets Initiative
https://sciencebasedtargets.org/companies-taking-action

Our active management approach is to continuously engage companies on how they manage their climate-related impacts (refer to the section on engagement). During our regular engagement calls in 2021 alone, we had more than 40 discussions across all our portfolio companies on the topic of GHG emissions. Through our proxy voting, we also set a clear stance on our support for decarbonisation, such as voting for Unilever's climate action plan at their AGM in May 2021.

Portfolio climate ambition and performance

To track companies' environmental data, we refer to their CDP responses, where available. CDP is a not-for-profit charity that runs the de facto global disclosure system on environmental issues. In terms of providing transparent and good quality climate disclosures, **more than 75% of our portfolio companies have had their carbon inventories assured by external auditors**. Moreover, 57% of our portfolio companies scored 'A' for their CDP Climate Change responses. Only two companies did not respond to CDP disclosures, and we have shared with them best practices from other companies during our engagement in order to encourage more transparency.

GLOBAL PANVEST FUND highlights

Portfolio companies' Scope 1 and 2 absolute GHG emissions performance	Credible roadmap to decarbonisation - proportion of portfolio with	Quality disclosures on climate management data
12.9% reductions in GHG emissions from 2019 to 2021	**SBTi-approved targets increased from 34% to 62% from 2019 to 2021**	**Portfolio companies with an 'A' score for CDP Climate Change increased from 56% to 57% from 2019 to 2021**

As recommended by TCFD, we monitor our portfolio's absolute and Weighted Average Carbon Intensity (WACI). The former describes the portfolio's carbon footprint, while the latter indicates the portfolio's potential exposure to carbon-intensive companies and thus transition risks. It is also important to take note that in the case of WACI, any reduction in carbon intensity may be misleading, because using revenue as the normalising factor (denominator) can mask increasing emissions. Analysing both metrics together can give a better picture of a portfolio's incremental carbon actions.

The portfolio-level absolute Scope 1 and Scope 2 GHG emissions allow us to track our companies' year-on-year emissions reductions. As at December 2021, the total absolute Scope 1 and Scope 2 GHG emissions of our portfolio companies have reduced by 12.9% since 2019. Our portfolio carbon intensity as measured by WACI remained low[1] at an average 33.7 tCO_2e/mn$ over the past three years.

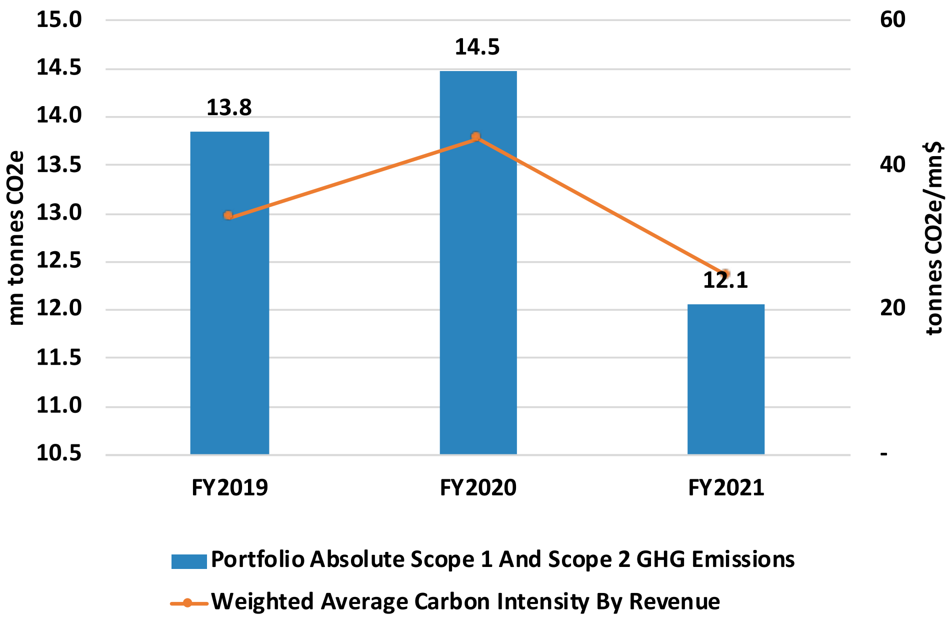
1 E.g. relative to the MSCI World WACI of 132.1 tCO_2e/mn$ (October 2021)

Portfolio decarbonisation challenges

Decarbonising a global portfolio of companies which are at different stages of carbon accounting and climate strategy implementation, is not easy. As mentioned above, we do not set any specific carbon reduction targets for our companies. Instead, **we expect our companies to commit to practical yet ambitious targets, followed up with best efforts to deliver on them**. Over time, we do expect our portfolio companies to become industry best practice in terms of decarbonisation.

The first portfolio-wide decarbonisation challenge we have encountered stems from the concentrated nature of our portfolio (20-25 companies). Whenever we add or exit a company, or one of our portfolio companies has material carbon movements, it can lead to demonstrable fluctuations in the year-on-year portfolio data. Like many sustainability targets, this is where a medium-term trend rather than annual change needs to be observed and understood.

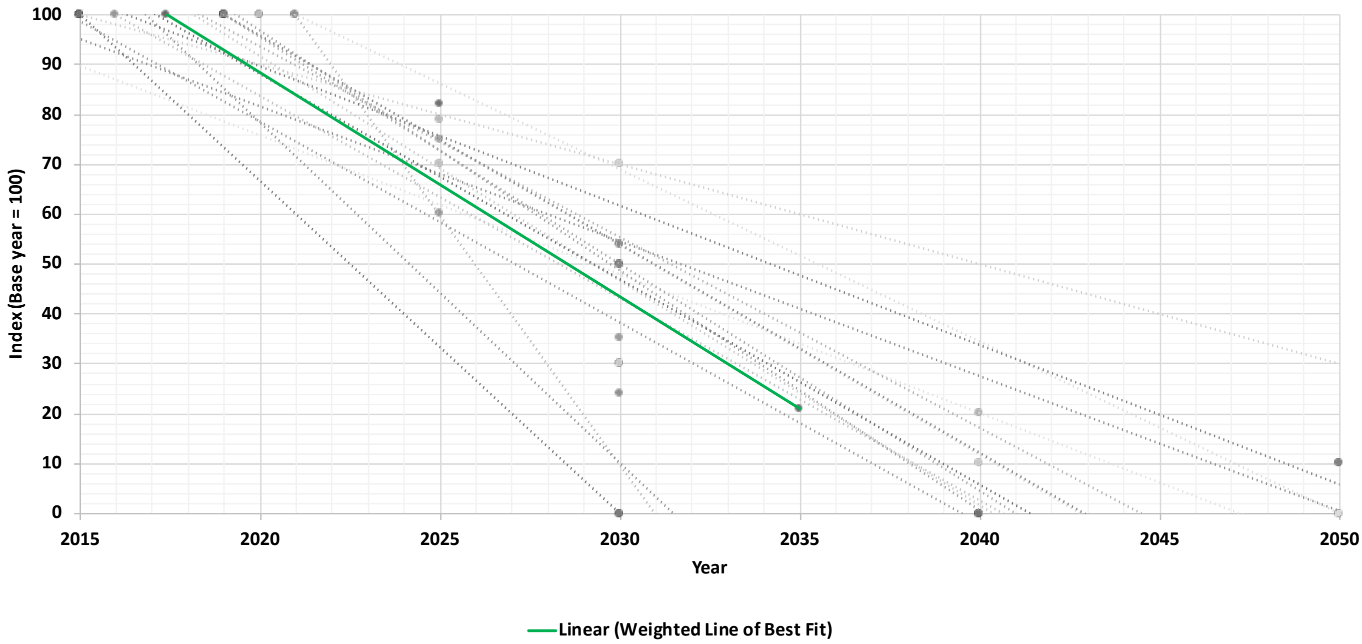
Portfolio's total absolute GHG emissions and WACI



In the chart above, we show how our portfolio companies' total Scope 1 and 2 absolute emissions decreased between 2019 and 2021, but with a temporary spike in 2020. Closer examination of the numbers shows the addition of a few industrial companies and exit from banks led to this increase. In particular, the addition of the renewable fuel company Neste, and its legacy oil refining businesses increased GHG emission and intensity in 2020. Neste was included in the portfolio due to its global leadership in renewable diesel and sustainable aviation fuel, and a plan to transition non-crude oil refining and into a renewable and circular solutions site.

What gives us confidence is the collective commitment to SBTi targets from our companies. This commitment can lead to significant emission reductions as projected below. **78% of our portfolio by weight can deliver a 80% reduction in GHG emissions (Scope 1 and 2) by 2035**, based on their targets.

Projected Scope 1 and 2 GHG emissions of portfolio companies with reduction targets



Notes: All S.M.A.R.T. targets and SBTi-approved targets have been included. 17 out of 23 portfolio companies have emissions reduction targets for Scope 1 and 2. This makes up 78% of our portfolio (weights as of 31 December 2021).

Another challenge when decarbonising a portfolio is the granularity of carbon accounts, especially as it pertains to Scope 3. Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly impacts in its value chain. There is still much room for improvement in terms of Scope 3 emissions disclosures and accountability for companies, given that Scope 3 emissions are on average 11.4 times higher than their own operational emissions[3]. We track our portfolio's Scope 3 emissions, but engagement with our companies yield similar feedback - that companies, especially larger ones, face inherent challenges with the availability and quality of this data. Large corporations can have thousands of Tier 1 suppliers, each having numerous downstream suppliers. In 2022, only 11,280 (24%) of the 47,000 suppliers in the CDP Supply Chain Membership disclosures responded with Scope 1 and 2 disclosures.

Portfolio renewable energy and water performance

There are several strategies that companies implement in order to reduce their direct or indirect energy consumption, such as replacing technologies and systems that run on fossil fuels with clean alternatives, developing new product offerings and accelerating the shift to renewable energy. Our portfolio companies are at different stages in shifting to renewable energy. For example, SAP is sourcing all of its electricity from renewable energy sources, whereas Compass Group's renewable energy use is still below 1% of total energy consumption. Through our engagement, companies share with us their short to medium-term plans to ramp up renewable energy purchase agreements and expand self-generated renewable energy from solar and wind projects. **On average, the proportion of renewable energy within the total energy consumption of our portfolio is growing steadily, from a 21% share for renewable energy in 2019 to 25% in 2021.**

Source: CDP's 2021 Global Supply Chain Report Company Data

GLOBAL PANVEST FUND highlights

Renewable energy use across the portfolio	Portfolio companies committing to 100% renewable electricity
Share of renewable energy increased from 21% to 25% from 2019 to 2021	An average of 50% RE100 companies in the portfolio from 2019 to 2021

Monitoring water use and effluents is becoming increasingly important for us to better understand our portfolio's environmental impacts. We are noticing a downward trend in water use for 57% of the portfolio, with the remaining companies showing either increased or no change in this area. Our focus for this reporting cycle is on companies' quality of their water-related disclosures, whereby 29% of the portfolio scored 'A' for the CDP Water Security questionnaire on a weighted average basis for FY2019-FY2021.

Portfolio companies highlights

Neste	Reckitt Benckiser	Danone
From 2019 to 2021, the renewable diesel company	The consumer goods company increased the share of energy use from renewable sources to	Danone, a multinational food-products corporation achieved
reduced GHG emissions by 31.4% or 1,068,000 tCO_2e	49% share of renewable energy	50% reduction in water intensity
equivalent to removing 76,710 gasoline-powered passenger cars driven each of those years	equivalent to providing electricity for 50,565 homes for one year	In their production processes, since 2000

Source: Company Data, https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

HUMAN CAPITAL

HUMAN CAPITAL

Portfolio Human Capital key performance indicators

	Data coverage	Units	Portfolio performance As at 31 December 2019	2020	2021
Human Capital					
S.M.A.R.T. targets, Human Capital	100%	Portfolio weight	87%	89%	86%
Diversity					
Women on Boards	100%	Portfolio average	33%	37%	38%
Boards with at least 3 women	100%	% of portfolio of co's	82%	90%	87%
Boards with no women	100%	% of portfolio of co's	5%	0%	0%
Women CEOs	100%	% of portfolio of co's	14%	10%	13%
Women in senior leadership	82%	Portfolio average	29%	30%	29%
Women in workforce	86%	Portfolio average	40%	40%	42%
Non-local Board members‡	43%	Portfolio average	21%	19%	21%
Board members with experience from outside industry	77%	Portfolio average	39%	41%	40%
Companies with targets to increase women in leadership	96%	Portfolio weight	64%	75%	65%

Notes:
‡ There is limited data available on the diversity in Board members' ethnicity/nationality due to variations in reporting practices across different regions, e.g. US vs Europe.

A distinct difference between our Resilience Analysis versus those of other ESG funds is the treatment of the "S" social capital, in ESG. We distinguish human capital from social capital as companies themselves have dedicated teams to address these stakeholders. One group is the workforce that a company has direct financial influence over, its human capital, i.e. employees. The other group is the people outside of the company's direct financial influence, such as suppliers, customers and local communities, their social capital.

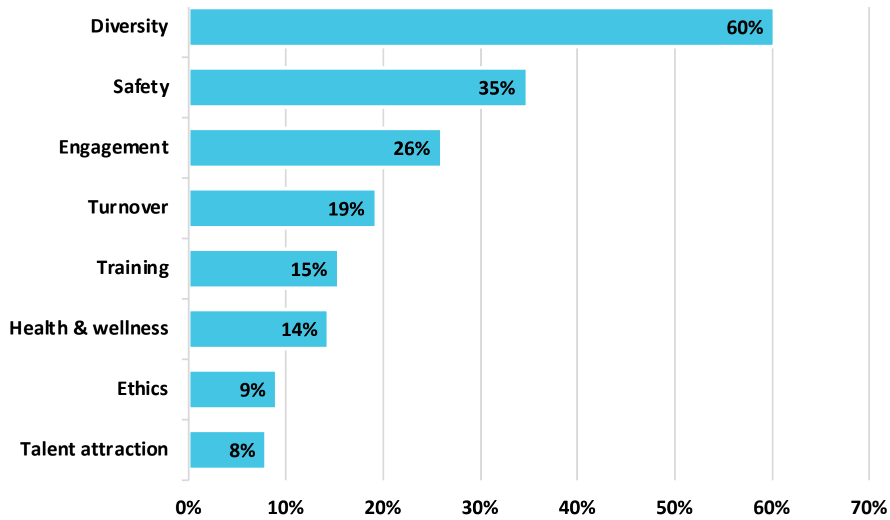
Human capital is not as easy to analyse as environmental capital, as harmonised disclosures remain out of investor's reach. However, we have found different metrics to show how portfolio companies have made an impact on their human capital. In this report, we have primarily focused on diversity and how companies treated employees during the COVID-19 pandemic. In future reports, we hope to have more data from our portfolio companies on topics such as fair wages, culture, engagement, mental health and learning and development.

Evolution of human capital reporting

For us, human capital focuses on the employees within a company. Traditionally, metrics such as health and safety, learning and development and employee turnover were the data points used to determine good employment practices. **More recently, indicators on diversity, fair wages and psychologically-safe workplaces have become just as important**. This is evident in the evolution of portfolio companies' materiality matrices, where more of such topics have surfaced over time. Unlike environmental capital, human capital throws up challenges because companies are less likely to report standardised metrics, as we discussed with the challenges of analysing racial diversity earlier. This means our analysis becomes more of an art rather than a science.

When looking at human capital we look at reported data, how that data has changed over time, executive compensation KPIs, targets, policies, whistle-blowing incidents, health and safety statistics, remuneration across the workforce and employee engagement. In the past three years, an average of 87% of portfolio companies set targets on various human capital metrics. The chart below shows the human capital targets of the portfolio companies broken down by theme.

Portfolio companies' targets on human capital



Source: Panarchy Partners

Employees should be treated as assets

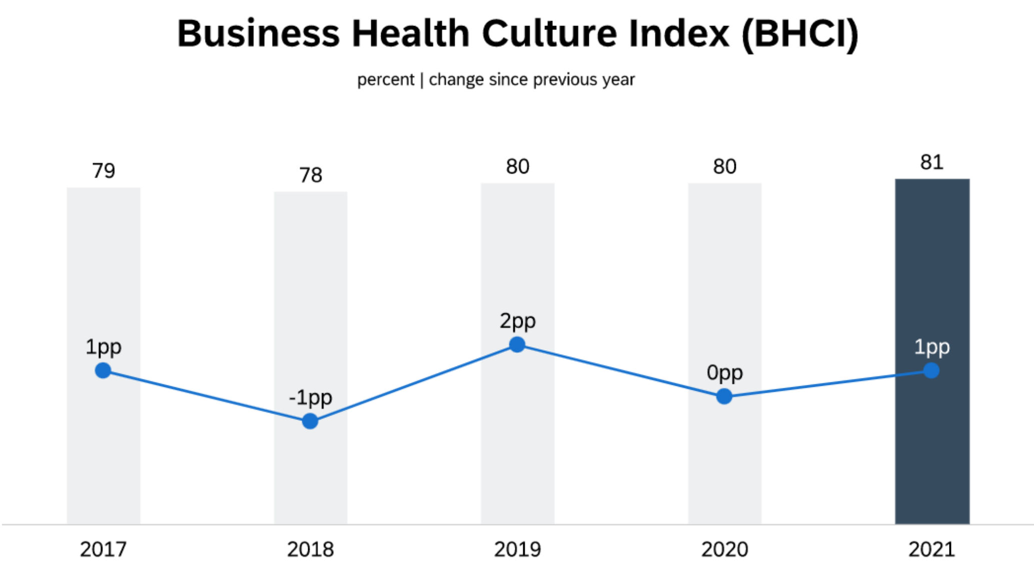
We believe employees are an asset to companies, yet the cost of employees is treated as an expense on the income statement. In fact, personnel expense is often one of the highest costs a company incurs. In times of hardship, employees are one of the first expenses to be cut. **During the COVID-19 pandemic, we voted against share buybacks for this reason, preferring companies to keep their employees rather than to repurchase their shares**.

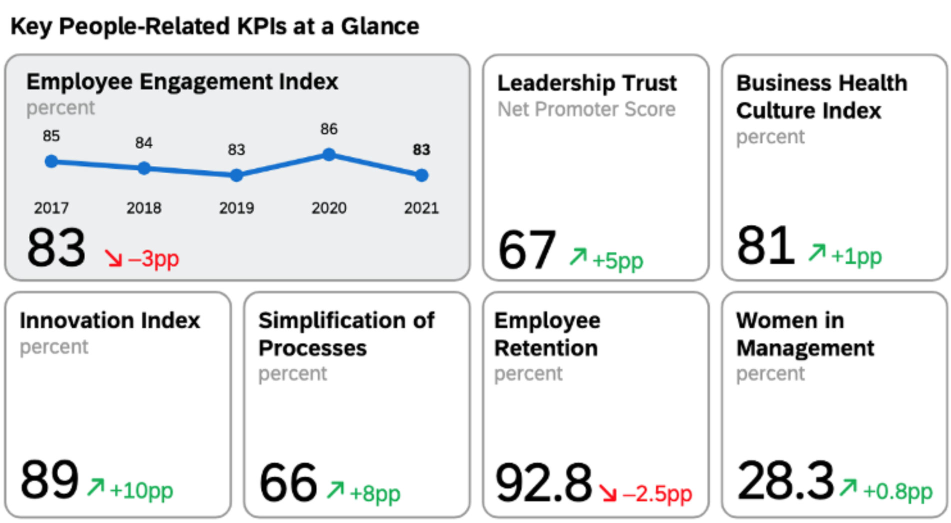
A CASE STUDY ON SAP -
INVESTING IN EMPLOYEES AS ASSETS

We think people are a key asset, especially for any successful software company. SAP's comprehensive reporting of employee metrics, ranging from retention to innovation and leadership trust, clearly demonstrates the company's appreciation of its staff.

SAP has been using data to measure the impact employees have on the bottom line through the Business Health Culture Index (BHCI), which measures individual and organisational efficiency. The questionnaire has nine questions on topics such as work-life balance, productivity, and other human capital related topics. When we spoke to SAP in 2019, it shared that this index started as a qualitative approach in 2014, but then gradually developed into a quantitative model, which looks at retention cost, cost of recruiting, employee surveys, and high/low performance of employees. **In 2018, it disclosed that roughly a 1% change in the index had an impact of €90-100mn on profits**. While SAP has stopped disclosing the financial impact of the BHCI since 2018, they still continue to track this internally showing how human capital is an asset to them.

Source: SAP 2018 Integrated Report





Source: SAP
2021 Integrated Report

Diversity

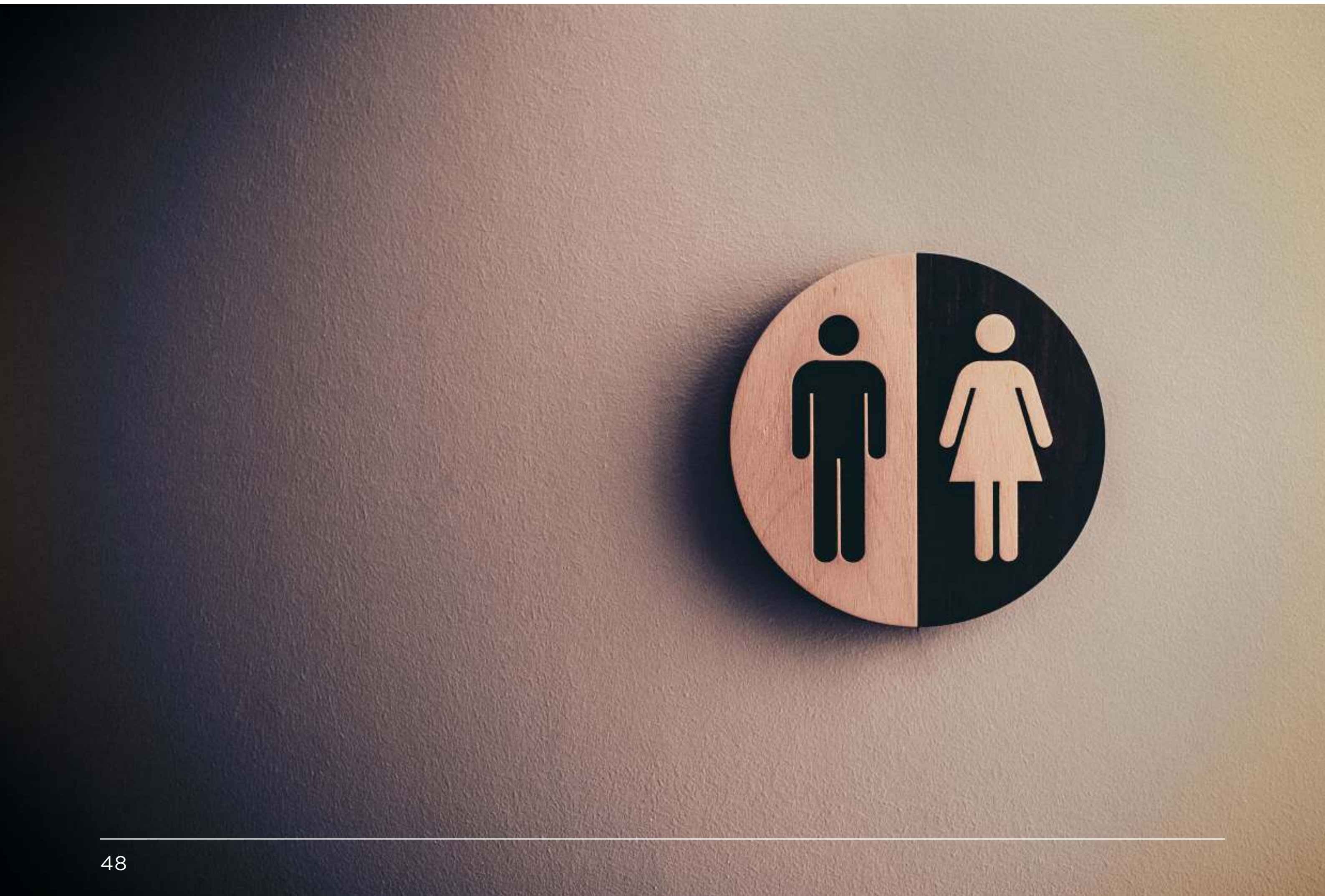
Diversity is a tricky subject to analyse. As discussed previously, racial diversity data is legally required in the U.S., but illegal to collect in some European countries. There are also many different aspects of diversity in a population, such as gender, disability, race, age, social status, neurodiversity and LGBT+. While we would love to have data and S.M.A.R.T. targets set on all of these metrics, we know that the task is onerous. Currently we have selected gender and racial/nationality diversity as areas to analyse in depth at our portfolio companies.

Why focus on gender diversity?

The world needs to act quicker to achieve progress on diversity, equity and inclusion (DEI) as the COVID-19 pandemic and resulting economic fallout have caused major setbacks in this area. For example, gender equality at work has been negatively impacted with women's job security 1.8 times more precarious than men's[1]. In 2019 women represented 39% of the global workforce, but during the global pandemic in 2020, 45% of women were made redundant. Over 100mn women aged 25-54 years with small children at home were out of the workforce globally in 2020, including the more than 2mn who left the labour force owing to the increased pressures of unpaid care work.[2] The potential benefits of diversity amidst an uncertain future underlines the importance for us as investors to monitor and report companies' progress on DEI, keeping them accountable for identifying gaps and devising strategies to advance DEI.

[1] https://www.dialglobal.org/_files/ugd/dd63e2_32cc0e0e2fe148a78c6bfa3ae2496113.pdf

[2] https://sdgs.un.org/goals/goal5



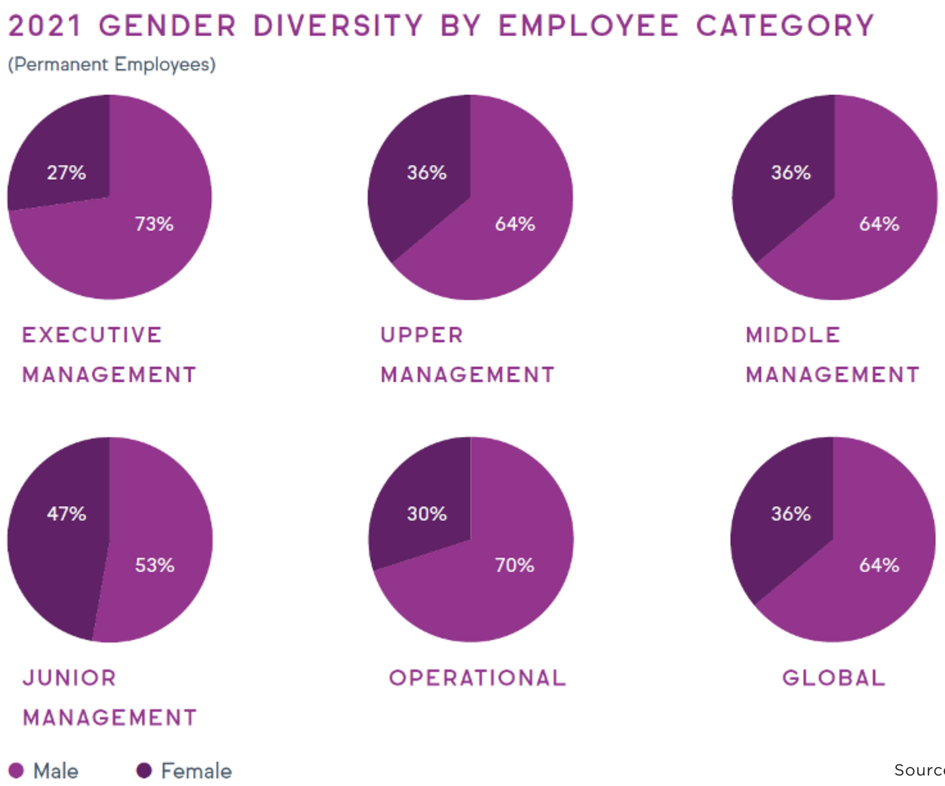
How are our portfolio companies promoting diversity in their workforce?

Setting diversity targets at IFF

In late 2021, as guided by their last materiality assessment, IFF set a new sustainability roadmap called the ESG 2030 “Do More Good Plan,” which included specific S.M.A.R.T. targets on diversity. Ultimate accountability for IFF’s diversity sits with the CEO and CHRO. They approve the company’s global DE&I Steering Committee’s strategy. Their targets are key for us to track as we monitor progress over the coming years and engage with IFF. One area that requires further engagement is the inclusion of these KPIs into both executives’ compensation plans. Ultimately, we believe that this will ensure accountability at the highest level of management.

IFF’s 2030 human capital S.M.A.R.T. targets:

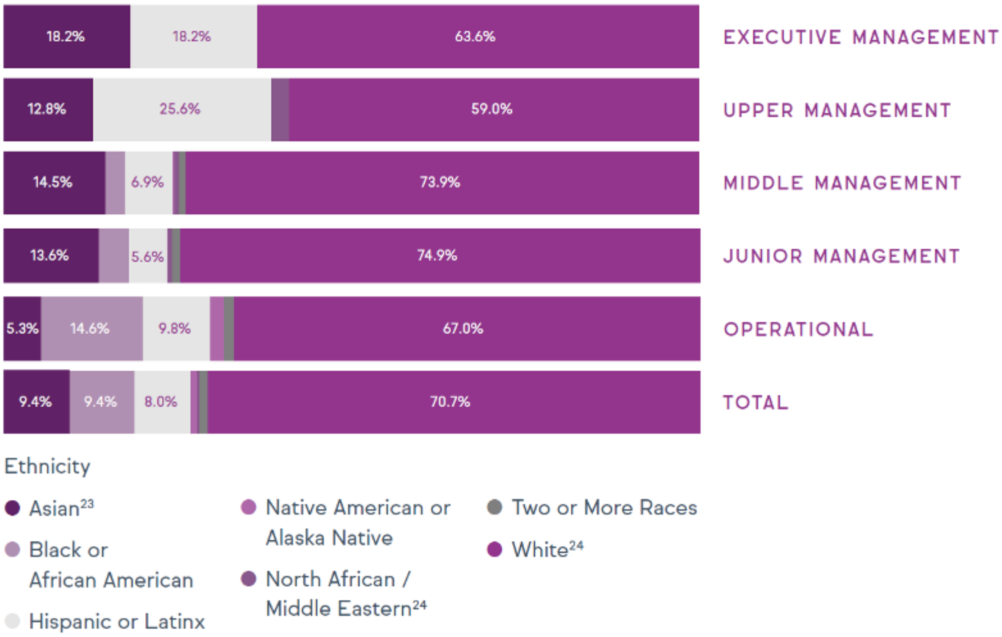
- **50% women at all organisational levels**, including the Board of Directors - as you can see from the chart below, IFF has some way to go for reaching its targets with 36% women across its global workforce and only 27% in executive management roles
- **40% people of colour in management roles in the U.S.**, with equitable representation in other markets globally - the chart below shows that currently IFF has good representation at senior management levels but has to improve at the middle management level
- All global and local policies and practices are fully **inclusive of LGBTIQ+ colleagues**, with a focus on transgender inclusive healthcare
- **5% of our workforce will be people with disabilities** and 100% of physical locations, internal and external technology, policies, and processes will be fully accessible for people with disabilities



Source: IFF 2021 ESG+ Report

2021 ETHNIC DIVERSITY[22] BY EMPLOYEE CATEGORY (U.S. ONLY)

(Permanent Employees)



Source: IFF 2021 ESG+ Report

A CASE STUDY ON UNILEVER - GENDER DIVERSITY BEST PRACTICE

The following case study from Unilever demonstrates the depth and breadth of policies specifically aimed at achieving gender equality in the workplace (refer to the two tables below). We wanted to understand how Unilever achieved improvements in women representation in senior management roles and on the Board.

GENDER DIVERSITY STATISTICS	2019	2020	2021
Women in managerial positions	51%	50%	52%
Women on the Board	38%	42%	46%
Women in senior management	20%	22%	27%
Women in total workforce	36%	35%	36%

Sources: Panarchy Partners, Unilever Annual Reports and Accounts 2019-2021

We share some of the initiatives the company has implemented in the table below. What we have learnt is that setting targets and collecting data with feedback were key to Unilever achieving its targets. For example, Unilever used a metric called the Gender Appointment Ratio (GAR) to present senior leaders with their track record on appointments over a five-year period. This served to both raise their awareness and help them make unbiased choices. Our aim with this type of analysis is to understand more than just the surface numbers a company reports and thus use this knowledge to better engage and share with other portfolio companies.

<table>
<tr><th></th><th>2019</th><th>2020</th><th>2021</th></tr>
<tr><td>Aspiration</td><td colspan="3">Be a beacon for diversity, inclusion and values-based leadership</td></tr>
<tr><td rowspan="2">Commitments and Targets</td><td rowspan="2">Unilever believes that a truly diverse and inclusive organisation benefits business, as diversity leads to better innovation and performance</td><td colspan="2">DEI commitments for their workforce include:
• Achieve an equitable and inclusive culture by eliminating any bias and discrimination in their practices and policies
• Accelerate diverse representation at all levels of leadership
• 5% of the workforce to be made up of people with disabilities by 2025</td></tr>
<tr><td>D&I was a focus this year and a standing item on the ULE agenda</td><td>Gender is 1 of 4 D&I priorities - global focus to address under-representation and overcome possible challenges in career progression and to foster a greater sense of inclusion. Building capabilities of business leaders and HR practitioners to support equity advocacy, diversity awareness and psychological safety in their teams</td></tr>
<tr><td>Board Involvement</td><td colspan="3">• Board evaluation of its own performance e.g. composition, diversity and effectiveness of both the Board and the Committees
• At least once every 3 years an independent third party facilitates the evaluation</td></tr>
<tr><td>Highlights</td><td>• Milestone in Dec 2019 - 51% of managerial positions held by women
• 45% of Non-Executive Directors were women and 9 nationalities represented on the Board, 20% women in senior management, 36% women in total workforce</td><td>• Hit gender balance target at management level 1 year early and maintained at 50% in 2020
• 50% of Non-Executive Directors and 42% of all Directors were women and 9 nationalities were represented on the Board, 22% women in senior management, 35% women in total workforce
• CEO's priority - achieve greater gender representation in senior management and above</td><td>• Women accounted for 52% of all management employees
• 55% of Non-Executive Directors and 46% of all Directors were women and 8 nationalities were represented on the Board, 27% women at senior management level, 36% women in total workforce</td></tr>
<tr><td rowspan="2">Key Initiatives and Policies</td><td colspan="3">• Pay and overall reward are gender neutral, with any differences between employees in similar jobs reflecting performance and skill
• Framework for Fair Compensation used to review average pay differences between genders at both a country level, and at each work level within each country. They continue to improve relevant gender pay gaps at various levels and in various countries throughout the business
• Global paid maternity leave policy of 16 weeks and global paid paternity leave policy of 3 weeks</td></tr>
<tr><td>• 2 targeted programs to develop their senior women and create a healthy pipeline of talent
• Employee surveys highlight sentiment for a greater push towards diversity, particularly at the most senior levels
• UniVoice - extensive annual survey (82% of those invited, responded), approach to diversity and inclusion at 79%</td><td>• Launched a new online coaching programme by INSEAD coaches to help women leaders progress their careers
• Started an inclusive leaders training programme
• Now offer paid paternity leave in all of their workplaces</td><td>• Awareness-raising tool for senior leaders' hiring patterns and unconscious bias in decision-making
• #Unstereotype our workplaces campaign and framework of inclusive policies to advance women in leadership, equal pay, and gender pay gap
• Sustained leadership accountability and awareness building - clear targets and measurement, programmes for female talent, communications and engagement, and DEI champions network
• Gender Appointment Ratio metric to tackle bias and address gender balance
• Hiring managers use 'balanced slates'
• Gender Equity Framework assesses the extent to which gender is considered in all initiatives and promotes follow-up measures</td></tr>
</table>

Sources: Panarchy Partners, Unilever Annual Reports and Accounts 2019-2021

Human Capital and the COVID-19 pandemic response

The profound impact of the COVID-19 pandemic underscored the need for resiliency in human capital. We analysed each portfolio company's public response and supplemented our findings through engagement. Our portfolio companies prioritised the wellbeing of their workforce and families, where new policies and initiatives such as greater flexibility in working, accessibility to vaccines, and the provision of mental health resources were introduced to help navigate a new work-life balance. The following are case studies of companies which went above and beyond to support and bolster human capital during these trying times.

A CASE STUDY ON TRANE TECHNOLOGIES

In addition to expanding mental health resources, providing back-up daycare options and other forms of support, Trane Technologies also provided monetary relief to employees facing hardships during the pandemic. Through its Helping Hand Fund, $1.4mn was given to 1,083 employees in 2020. Trane Technologies' then CEO and Chairman, Mr Michael Lamach contributed $500,000 (~35% of base salary in 2020) to the Fund and members of the Enterprise Leadership Team and the Board of Directors contributed approximately $315,000 in aggregate. In 2021, 411 employees received assistance from the Fund.

Sources: Panarchy Partners, Trane Technologies ESG Report, 2020 and 2021

A CASE STUDY ON EDENRED

In line with its CSR strategy of sharing the benefits of growth fairly, Edenred created a relief plan in 2020 named "More than Ever" to support its ecosystem amidst the impacts of the pandemic. The plan comprised a commitment of up to €15mn, funded by the 20% reduction in the 2019 dividend and the waiver by the Chairman and CEO and members of the Board of Directors and Executive Committee of 25% of their compensation (as per conditions laid out by French business association AFEP). The plan aims to provide assistance for Edenred employees in countries with little or no healthcare coverage or social safety net, among other stakeholders who would also benefit such as partner merchants, clients and other users of Edenred products.

Sources: Panarchy Partners, Edenred Integrated Report 2020-2021

Conclusion on human capital

While material issues around human capital have been the focus of company management for decades, more needs to be done. Most companies still hide behind the Human Resource (HR) department's confidentiality wall and share limited information. We believe that in the coming decade, granular details of initiatives and progress on human capital will need to be disclosed by companies. One way to see if management is paying enough attention to its employees, is to look for human capital linked KPIs in executive pay packages. Financial incentives can significantly help to drive an employee sensitive agenda forward.

As an example, Neste included non-financial measures of Group Safety (TRIF) and Group Process Safety (PSER), with a weighting of 10% each in its short-term incentives' measures for the President and CEO since 2019. Similarly Compass Group's directors' remuneration in 2019-2020 included strategic KPIs such as Lost Time Incident Frequency Rate (LTIFR), reinforcing the importance of health and safety culture as a core pillar to the company's strategy. Notwithstanding the above examples, we have observed that only a handful of companies have taken this step of implementing human capital focused KPIs and incentive schemes. We, therefore, endeavour to continue monitoring and engaging with companies on this alignment of management teams with the overall employee base of a firm.

Sources: Neste Annual Report 2020
Compass Group Annual Report 2020

SOCIAL CAPITAL

SOCIAL CAPITAL

Portfolio Social Capital key performance indicators

	Data coverage	Units	Portfolio performance As at 31 December 2019	2020	2021
Social Capital					
S.M.A.R.T. targets, Social Capital	100%	Portfolio weight	71%	79%	74%
Supplier assessments					
Supplier assessments in the past 3 years	100%	Portfolio weight	94%	93%	100%
Supplier audits in the past 3 years	100%	Portfolio weight	67%	60%	49%
Social Capital policies					
Human rights policy	100%	Portfolio weight	76%	83%	86%
Grievance mechanism	100%	Portfolio weight	100%	100%	100%
Anti-corruption policy	100%	Portfolio weight	93%	100%	96%
Anti-bribery policy	100%	Portfolio weight	93%	100%	96%

As a reminder, at Panarchy Partners we break down the Social "S" in ESG, into human and social capital. This separation is because companies also manage these two stakeholders as overlapping but distinct stakeholders with their own needs. Social capital refers to the people outside a firm's direct financial influence, such as suppliers, customers, local communities and society as a whole.

How social capital progress is evolving

CSR set its roots during the industrial revolution. Early leaders recognised that healthy employees led to better productivity. Some were also inspired to give back and help the less fortunate. Companies expanded their CSR initiatives, in particular for the Second World War efforts. From the 1980s, CSR reports evolved into disclosures on corporate sustainability performance as companies dedicated more resources to embedding sustainability initiatives into core business practices.

As investors, we now have extensive insights into companies' environmental performance, including financial implications of risks and opportunities. However, social capital disclosures seem stuck in the past, presenting mostly qualitative narratives with little in terms of targets or impact measurement. Unlike social enterprises, listed company management is either unmotivated or realise it is too complex and costly to develop robust methodologies that measure social progress and impact.

In an engagement call with Unilever, their team shared with us the challenges faced when measuring progress under the Unilever Sustainable Living Plan (USLP) 2010-2020. Their learnings prompted a new approach with better suited targets to measure impact for this decade's Unilever Compass.

Unilever recommends the following lessons when setting out new ways of measuring social impact:

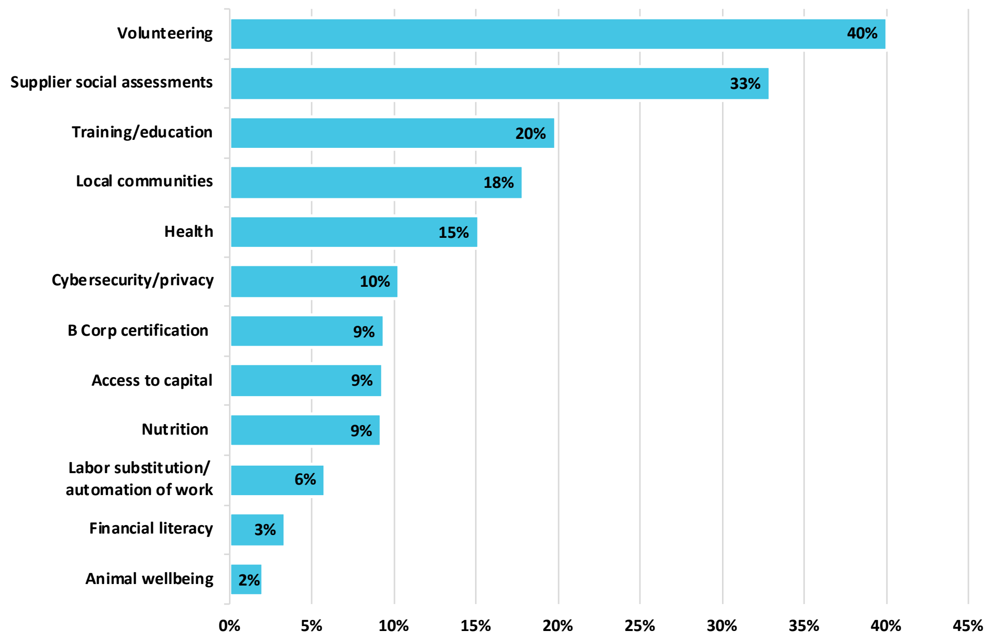
LESSONS FROM THE PAST	TARGETS FOR THE FUTURE
Consider additional or alternative metrics to ‘people reached’	**Raise living standards:** Ensure that everyone who directly provides goods and services to Unilever will earn at least a living wage or income by 2030
Examine bespoke social indicators for specific interventions	**Future of work:** Help equip 10mn young people with essential skills by 2030
Encourage the standardisation of measurement tools, indicators and benchmarks	**Equity, diversity and inclusion:** Spend €2bn annually with diverse businesses worldwide by 2025

Sources: The 2021 Unilever Compass
USLP Summary Of 10 Years Progress, www.unilever.com

In our experience, comparing social impact initiatives across the portfolio can be challenging as companies tend to have decentralised or regional social investments so as to fit local needs. Hence, we track progress mostly on a company-by-company basis. We monitor portfolio companies’ social capital targets, supply chain assessments and relevant company policies. In 2021, we had over forty conversations with portfolio companies on social capital topics, such as charitable donations, responsible and diverse sourcing and nutrition during our regular engagement calls (refer to the engagement section below).

In the past three years, an average of 75% of portfolio companies set targets for social capital. The chart below shows the social capital targets of our portfolio companies broken down by theme.

Portfolio companies’ targets on social capital



Source: Panarchy Partners

Monitoring impact of portfolio companies' supply chains

Companies increasingly require suppliers to adhere to criteria set out in codes of conduct or scorecards. These expectations are often aimed at top-tier suppliers only, and the notion is that improved standards will cascade down to suppliers throughout the supply chain.

We track companies' social and environmental assessments of their suppliers to ensure that the portfolio's wider social impact is monitored for human rights abuses, labour management issues and environmental degradation. **On average, 96% of the portfolio implemented supplier social and/or environmental assessments in the past three years. 59% went a step further and conducted audits. Supply chain assessments and audits are important for securing sustainability best practices and knowledge transfer to a wider group of stakeholders in the value chain**. For companies, it may be about avoiding scandals and protecting their brand but for people on the ground it may make a difference to their day-to-day lives.

For example, Trane Technologies audited 1,500 suppliers for sustainability and business risks through on-site audits over three years. The company sees these audits as an opportunity to ensure that its suppliers share Trane Technologies' values in working towards the betterment of society and our planet. The on-site assessment (OSA) audits risks, such as quality management, human rights, modern slavery, product & safety compliance and labour relations. Approximately 28% of the OSA focuses on ESG-related topics. Trane Technologies also reduces procurement risks by implementing a robust approach on sourcing conflict-minerals responsibly. In compliance with the Modern Slavery Act in the UK and in Australia, Trane Technologies uses a risk-based approach to survey suppliers in areas and industries that have a higher risk of modern slavery and human trafficking.

Source: Trane Technologies ESG Report 2021, Modern Slavery Act Statement

A CASE STUDY ON AYALA CORP - SOCIAL CAPITAL INITIATIVES

Poverty, unemployment and lack of education are some of the pressing social concerns in the Philippines. Ayala Corp has a long history of improving people's lives and aligning its interest with the social agenda of the country. The following are some examples of their ongoing social capital initiatives:

Ayala Corp has set social capital targets for poverty reduction, education, healthcare, and financial services. Access to affordable housing, financing and universal internet access are pathways to achieving some of the above goals. For example, by 2030, Ayala Land aims to increase the number of launched affordable housing units sevenfold by 2030 (18% of this target was reached in 2021) and BPI is expanding access to banking and financial services to 25% of the Philippines' underbanked population (7% of this target was reached in 2021). These two targets illustrate how Ayala Corp's social capital targets align with its core business strategies.

The company joined the World Business Council commission to tackle inequalities in the Philippines with six workstreams, and special focus on human rights, employee welfare, supply chain and communities where they operate. Ayala Corp is still in the early stages of mapping out its strategy; the company has engaged a third party to decipher their social return on investments (SROI).

The Ayala Foundation (AFI), a social arm of Ayala Corp, has set long-term targets for reducing extreme poverty in AFI project areas. **In 2021, Ayala Foundation reached 8.1mn beneficiaries, significantly higher than their target of 3.1mn. After Typhoon Odette hit the Philippines, the Ayala Group provided food relief for affected communities, reaching 131,000 persons**. Public support or donations reached ₱519mn, ₱379mn above the target. By stepping up programs, they were able to raise ₱447mn from the Ayala Group, representing 86% of the funds raised by year-end.

Education is one of Ayala Corp's social causes. The company set a target "**to ensure equal access to for all women and men for 85% (1,258,095) of the nonworking population aged (15 to 24) to affordable and quality secondary and tertiary education**". They plan to achieve this through their own schools and helping other institutions by 2030. In 2021, 10% of the targeted population was reached based on enrolments and the total number of students.

Source: Ayala Corp Integrated Report 2021

Social capital and the COVID-19 pandemic

Similar to our discussion on human capital and the COVID-19 pandemic, we analysed our portfolio companies' actions on social capital and were impressed. We saw two significant areas of support - one for suppliers and one for communities.

In March 2020, for example, Unilever made €50mn donations in products such as soap and hand sanitiser to the World Economic Forum and €500mn in cash relief to support livelihoods across the extended supply chain. Likewise, Danone provided financial support of €250mn for the 15,000 small businesses in their global ecosystem.

Reckitt Benckiser, launched the 'Right For Access' Fund at the start of the pandemic in March 2020, where it committed 1% of annual operating profit to improve access to health, hygiene and nutrition. In addition, it committed £32mn in addition to address the fight against COVID-19 supplying products such as Lysol and Dettol around the world to medical institutions and families in need including 15mn masks and 10mn bars of soap.

"We have a 200 year history of making a material difference to the lives of our consumers. Dettol was born 70 years ago in Hull, in Northern England, with the ambition of improving maternal health. Dettol took on the challenge in 1932 to reduce the incidence of sepsis by 50%. Lysol was first introduced in 1889 and has played a part in major public health challenges ever since. Our brands have a critical role to play in promoting hygiene and health in the fight against the current COVID-19 pandemic. I have been witness to heroic efforts across the company to live our purpose and our fight. I am in awe of the 'can do' attitude across the RB organization and the relentless pursuit by my colleagues to make the world cleaner and healthier."

LAXMAN NARASIMHAN, CEO,
Reckitt Benckiser

Sources: Unilever https://www.aim.be/insight/unilever-together-against-covid-19/.
Danone, https://www.danone.com/egypt/overview.html. Reckitt Benckiser Press Release 28.07.2020

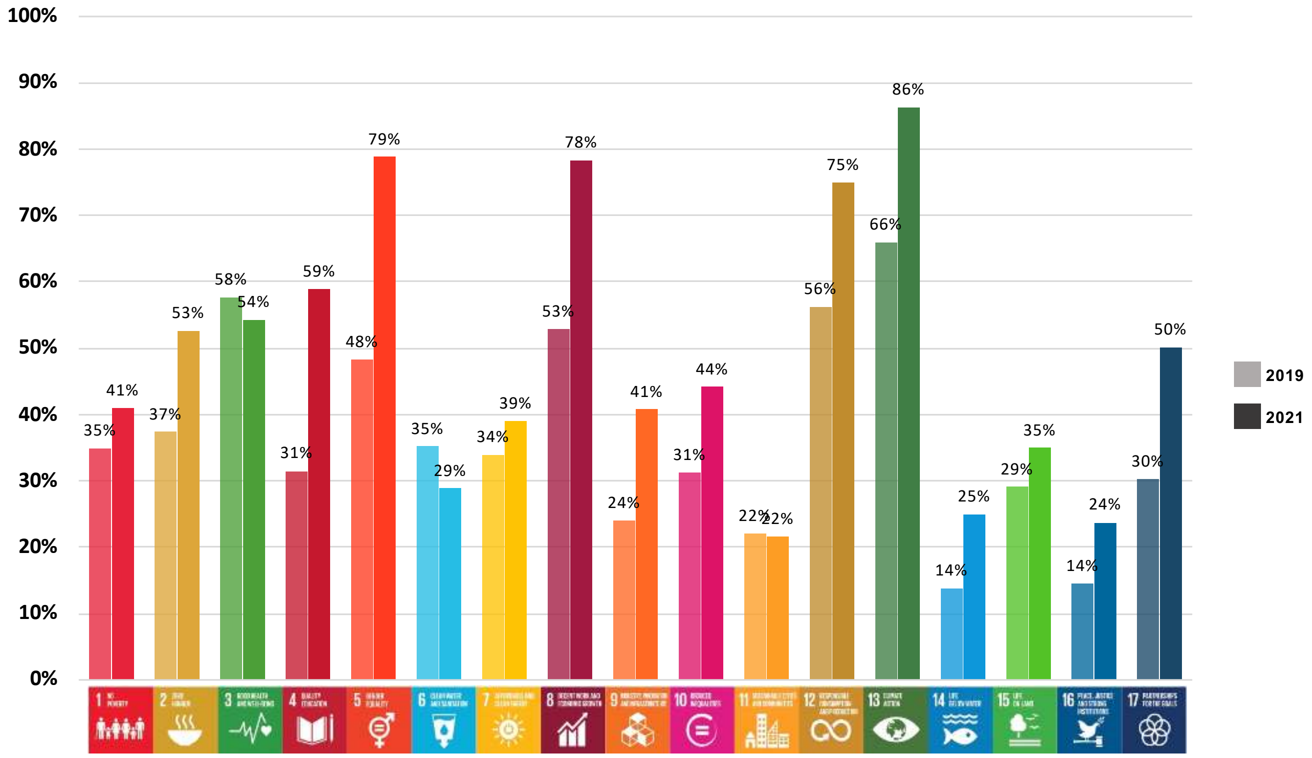
MEASURING IMPACT THROUGH THE UN SDGS

The 17 UN SDGs are not a formalised part of our investment process; i.e., we do not use the UN SDGs to select stocks or to create an impact towards a specific UN SDG goal. Nonetheless, we have engaged with all our portfolio companies on their selection and progress towards their stated UN SDG goals.

One concern we have around the UN SDGs is "rainbow-washing". First coined in 2018 by Professor Dr Wayne Visser, rainbow-washing refers to the over-eager use of the colourful UN SDGs mosaic or rainbow wheel by companies to enhance their brands and over-emphasise their impact. It may also involve cherry-picking selective UN SDGs, which are easier to accomplish but far from relevant to the company.

A UN SDGs Insights report from B Lab in 2021 on the UN SDGs shared data that the private sector's contribution to sustainable development has declined in recent years. And the COVID-19 pandemic has had severe negative impacts on most SDGs and shifted the priorities of businesses.
Source: https://www.bcorporation.net/en-us/sdgs/17-days-17-goals

Changes in portfolio SDG exposure from 2019 to 2021



Source: Panarchy Partners, Company Reports

At Panarchy Partners, we use engagement with our portfolio companies to check that any UN SDGs claims made by them are also appropriately monitored by them. Our research has made it clear that there is no universally accepted method of UN SDG impact verification and we have to consider a series of frameworks and methodologies used by companies in relation to the UN SDGs.

A CASE STUDY ON WALMEX - PURSUING THE UN SDGS

Walmex is an excellent case study on the UN SDGs. It provides data over the last five years showing how its business has impacted each of the UN SDGs, including detailed descriptions of the initiatives and programmes they have in place to meet each target.

Using UN SDG 11 Sustainable Cities and Communities as an example, UN SDG 11.6 has a 2030 target to reduce the adverse per capita environmental impact of cities, with special attention to municipal and other waste management. Walmex's initiative 'Zero Waste Goal' aims to send zero waste to landfill by 2025. Taken from the company's latest UN SDG report, one can see how the company has progressed over the last five years. While progress has taken a step back in 2021 due the pandemic, we can continue to track and monitor Walmex's progress through this report.

Source: Walmex 'Our Contribution SDGs' Report 2021

CREATING IMPACT THROUGH ENGAGEMENT

How does engagement work at Panarchy Partners?

Engagement is an integral part of Panarchy Partners' investment process. In the past three years, we conducted over a hundred engagement calls with all of our portfolio companies and candidates. We believe that effective stewardship comes from active engagement and sharing of best practices with our portfolio companies. Through dialogue with our portfolio companies, we gain a better understanding of where they are on their sustainability journey and seek to influence their teams to embed sustainability practices with impact where we see gaps in performance.

Our engagement process complements and supports our proprietary Resilience Analysis as described in the Process section above. We leverage the research inputs from our resilience analysis on the four forms of capital to curate engagement questions for all of our portfolio and candidate companies.

Before each engagement call, the results of our Resilience Analysis along with relevant questions are sent to the companies. In these calls, we engage on broad topics such as governance, purpose, regulations and the four forms of capital with discussions on a range of sub-topics such as emissions, circular economy, diversity, product assessments (e.g. green revenue generating products) and supply chains. The answers we receive add valuable inputs to our assessments of the company. It is in these meetings that we also aim to uncover any financial impacts of their sustainability efforts.

In the tables below, we share the various topics covered in our engagement calls over the last two years.

Engagement discussions by topic

Discussions by topic	2021	2022
Financial Capital	79	99
Environmental Capital	69	60
Social Capital	42	26
Human Capital	31	22
Flexibility/Innovation	36	12
Governance	23	12
Regulation	13	8
Purpose	8	5
Materiality/SE	6	5
Others	16	6

Discussions by sub-theme *Top 10 only*	2021
Emissions	42
S.M.A.R.T. targets	16
Circular economy & waste	11
Suppliers	11
Training	11
Diversity	9
R&D	7
Health & wellness	6
KPIs in remuneration	6
Product assessments	6

Discussions by sub-theme *Top 10 only*	YTD 2022
Emissions	52
S.M.A.R.T. targets	10
Suppliers	8
Diversity	7
Engagement	7
Health & wellness	6
KPIs in remuneration	4
Circular economy & waste	3
R&D	3
Turnover	3

Source: Panarchy Partners

COMPANY ENGAGEMENT ON AVOIDED EMISSION CLAIMS 2021

An increasingly popular but controversial concept of emissions that sits outside the now well accepted standards (Scope 1, 2 and 3) is avoided emissions. Avoided emissions refer to the emissions reductions that occur through the use of a certain product or service. Buying an electric rather than gasoline powered vehicle will lead to lower emissions, thus avoiding what would have occurred with a gasoline vehicle. Many companies with lower emission intensity products such as electric vehicles (EVs) can claim to have helped users of their products avoid emissions. A commendable effort no doubt. Where this can become controversial is if the EV company helping its customers avoid emissions starts to account for the avoided emissions in its own carbon footprint, as an offset. GHG protocols on emissions accounting do not allow for such offsetting.

In 2021, we invited portfolio companies pursuing targets (not offsets) on avoided emissions to a round of insightful engagement calls. The aim was to assess their approach, methodology and rationale for this additional categorisation of emissions. The companies who participated included Neste, Schneider Electric, Trane Technologies and 3M.

From our engagement with these four companies, it is clear that there is currently no universally accepted method of calculating avoided emissions. This leaves the actual avoided emissions claims to be subjective and company specific. Despite this, we have seen positive steps being taken by our portfolio companies to help advance the conversation on avoided emissions. One of our portfolio companies has taken inspiration from existing carbon accounting standards and developed an open-sourced avoided emissions methodology that one day may become available for industry adoption. In the same vein, our learnings from these calls have enabled us to share best practices with other companies aspiring to make similar claims.

INDUSTRY BANKING ENGAGEMENT 2019

In November 2019, it was disclosed that a portfolio company, an Australian bank, had fallen short of the regulator's standards in their customer due diligence procedures that led to alleged child exploitation issues, among other failings.

Even with the best intentions, oversights do happen and we expect our portfolio companies to have a plan to deal fairly and promptly with the issue for the benefit of all stakeholders.

In this case, the bank provided a public response with immediate fixes as well as a statement that "the Short Term Variable Reward will be withheld for the full Executive team and several members of the general management team subject to the assessment of accountability." The CEO stepped down and an external expert was hired to provide independent oversight into the investigation.

At Panarchy Partners, our response was to evaluate the bank's measures to determine whether they had appropriately addressed the issues. We also wanted to share the bank's response to such failings with the rest of our portfolio banks and understand their procedures with regard to financial crimes and regulatory oversight. As a partner for positive change we engaged with our portfolio bank holdings and asked them to respond to the questions enumerated below. This engagement was well received by the portfolio banks as it helped them strengthen their internal risk management frameworks.

Question
Which regulatory body in your jurisdiction monitors you for financial crimes?
Are there any pending investigations regarding your services and potential AML, Counter Terrorism, Financial crimes etc? If so, what has been your response so far?
What standards do you maintain for customer due diligence, especially in relation to funding for anti social activities?
What systems and controls do you have in place to prevent your services being exploited for financial crimes – Please share any process flow that will help us understand your systems.
Can you share the organisational structure/reporting around financial crimes?
Is there a bank policy or roadmap for stakeholder engagement as and when such events occur? Maybe an example of a past event and how you dealt with it will help us understand.

Source: Panarchy Partners

DIVERSITY ON THE BOARD - AYALA CORP ENGAGEMENT

In this engagement you can see our discussion between Ayala Corp's Chief Financial Officer in 2020 and Chief Sustainability Officer for the entire group, TG Limcaoco and with Founding Panvestor, Munib Madni, about Ayala Corp's approach to sustainability.

ENGAGEMENT WITH AYALA CORP

Link to https://vimeo.com/373241952

CONCLUSION

This first Impact Report of the Global Panvest Fund comes at a time when financial capital returns for most investments are suffering. Many investors are questioning the current and future financial capital returns prospects of their investments. At the outset the Global Panvest Fund was created to broaden investors' investment expectations beyond financial returns to also cover human, social and environmental progress and impact. We believe that with this broad purpose-driven lens, investing through these challenging markets can become meaningful.

The last few years have seen an incredible increase in sustainability data from listed companies, thus allowing us to provide these impact metrics you see here. I believe that in the coming years and future impact reports, the Panarchy team will be sharing more granular and therefore impactful outcomes from our portfolio companies. This is just the start of what you should expect to see from your investments.

I want to thank the Panarchy team who walk the talk daily through the Global Panvest Fund and the companies we invest in. What you see here in this report does not do justice to the team's effort in selecting our portfolio companies and then engaging with them to achieve these portfolio impact outcomes. At this point I would like to also thank our portfolio companies' sustainability teams, without whom we would be Panvesting in the dark. Their willingness to share and accept constructive criticism whilst still delivering on ever-expanding targets is not an easy ask, but one that we very much appreciate.

Last, but not least, we would like to thank you, the Global Panvest Fund investor, for your support. I have once been told "Impact is in the eye of the beholder." I hope this Global Panvest Fund's first Impact Report provides enough information on human, social and environmental capital for you to be the judge of whether the portfolio companies have been impactful for all stakeholders, including yourself.

Munib Madni,
PM Global Panvest Fund

PANARCHY PARTNERS

PANARCHY PARTNERS

Illustrator - Natalie Song, Year 11 Student UWC Singapore, Panarchy Partners Intern

Panarchy Partners Pte. Ltd. | 7A Jalan Klapa | Singapore 199319 | t. +65 9726 1565
www.panarchypartners.com