

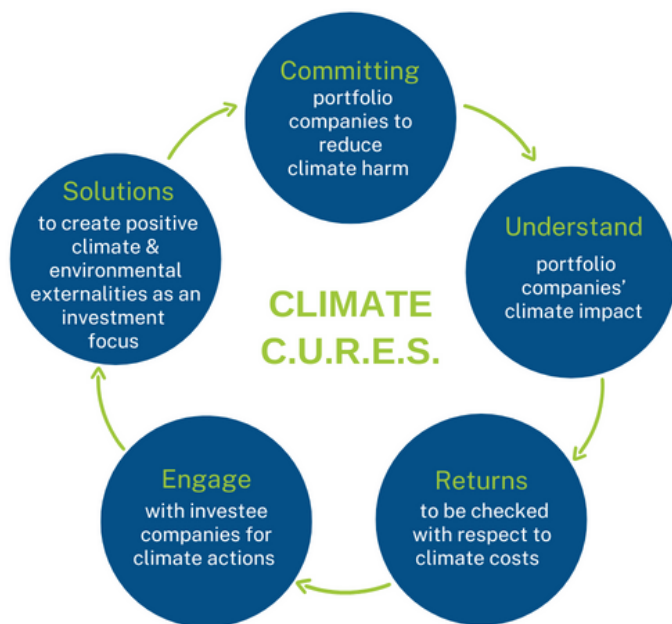


A CLIMATE-CONSCIOUS STRATEGY

WHY HAVE PORTFOLIO CLIMATE GOALS?

The Global Panvest Fund invests in Purpose-driven companies across multiple industries around the globe. In addition to delivering robust financial returns, our portfolio seeks progress, on three additional forms of capital that we believe will determine investment outcomes over time: human, social and environmental. In the context of the latter, our strategy adopts a climate-conscious approach, which embeds investment guardrails that we call our portfolio climate C.U.R.E.S. This methodology helps us deliver strong outcomes for our clients while also taking into account the just transition towards a low-carbon economy. Our proprietary in-house assessments not only evaluate actions that companies are implementing for environmental impact, but also drive our active engagement with management teams seeking to achieve best-in-class performance.

OUR PORTFOLIO CLIMATE C.U.R.E.S.



DEDICATED TEAM WITH STRONG SUSTAINABILITY CREDENTIALS

Our team works in tandem on all four forms of capital, not just financial and environmental capital, but also human and social capital. Having purpose and respect for the four forms of capital lay the foundation of our process.

Our in-house sustainability specialists, three of which have MSc degrees in Environmental Management and one with a BA in Environmental Engineering, are continuously upgrading and integrating our processes for climate action.

In addition to monitoring and evolving our portfolio's climate credentials, the team has designed in-house proprietary frameworks and databases. Examples include our:

- Resilience Framework, which objectively analyzes companies' sustainability journey and performance
- Climate Target Mapping tool, and
- Global database of over 500 companies with climate investment potential and impact

SELECTION OF OUR INVESTMENT GUARDRAILS

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100% of portfolio companies to have SBTi approved, committed or aligned targets by 2030

U

100% of portfolio companies need to have completed a Stakeholder Engagement covering environmental capital

R

Aim for carbon adjusted earnings growth to be higher than financial earnings growth

E

We shall engage with 100% of portfolio companies annually on their climate actions and share global best practice

S

100% of portfolio companies to have S.M.A.R.T climate/environmental targets within 3 years of investing

Notes:
S.M.A.R.T. - Specific. Measurable. Attainable. Relevant. Time-based
SBTi - Science Based Targets that have been approved by the Science Based Targets Initiative
CDP is a not-for-profit charity that runs the global climate disclosure system

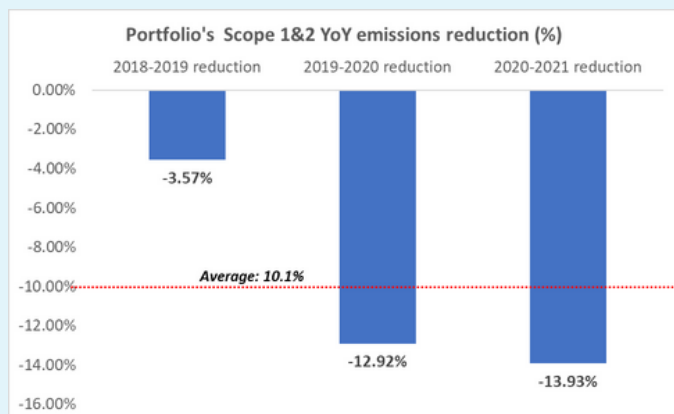


CLIMATE CREDENTIALS

Selected portfolio climate credentials, as at 31 June 2023:

- The Weighted Average Carbon Intensity (WACI) by revenue was **29.7 tCO₂ per mn\$** compared to the MSCI World Index of 132.1 tCO₂e per mn\$
- The proportion of portfolio companies with Science Based targets (SBTi approved or committed) nearly doubled, from **34%** in 2019 to **76%** in 2022

PORTFOLIO DECARBONIZATION JOURNEY*



*On a rolling 12 month basis

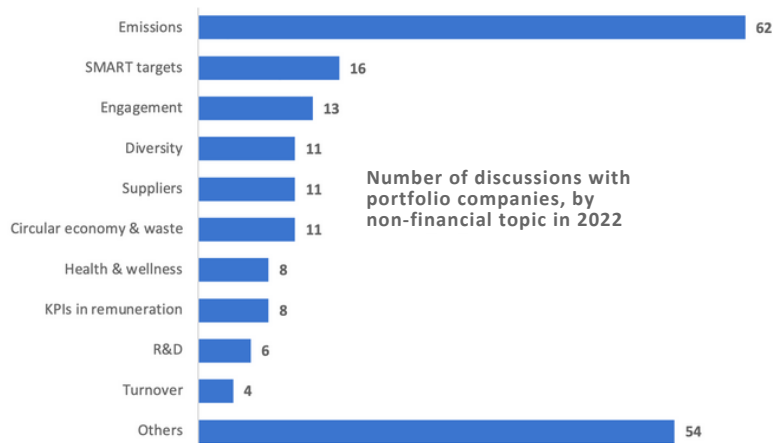
PRACTICAL USES OF THE CLIMATE TARGET MAP

Drives engagement on individual companies' climate claims

Identifies climate target gaps within the portfolio

ACTIVE ENGAGEMENT FOR EFFECTIVE STEWARDSHIP

Through active engagement, we get a better sense of the challenges and opportunities facing our portfolio companies. We seek to exert our influence where we see gaps between our expectations and their performance. In 2022, the non-financial topic most discussed during engagement calls was company actions on emissions.



PORTFOLIO'S DECARBONIZATION AMBITIONS

Our current portfolio companies' climate targets call for a 33% reduction in GHG emissions by 2030 from base year 2021, corresponding to 3.7% reduction on an annualized basis versus SBTi's 4.2% required reduction.

CLIMATE TARGET MAPPING

Our Climate Target Mapping sets out the distinct boundaries of emission targets, both at the portfolio and company level and provides a comprehensive assessment of companies' decarbonization roadmaps.

Having such a comprehensive tool ensures that we can identify companies that are already traveling within our climate guardrails, and enables us to elicit engagement topics for those that are not. Sharing this analysis with all our portfolio companies informs those that are new on their decarbonization journey of our anticipation to prepare for a low carbon future.

CLIMATE ENGAGEMENT

An increasingly popular but potentially controversial concept of emissions not included in current carbon accounting standards is **avoided emissions**. These are emissions savings that sit outside the value chain. In 2021/2022, our portfolio companies such as Trane Technologies and Schneider Electric who are pursuing avoided emissions targets were engaged on the topic. From these discussions, it appeared that avoided emissions claims are subjective and company-specific due to the lack of a universally accepted method of calculation. Despite this, one company developed an open-sourced avoided emissions methodology that is available for industry adoption. In 2023, we have been engaging our portfolio companies on **carbon offsets/credits**, specifically on their approach and methodology in sourcing and using these instruments. We will be publishing an analysis of the carbon markets and a summary of our findings by the end of 2023.