



PENGANA
CAPITAL GROUP



Strategy company profiles

How our companies
contribute to sustainability



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ENTERPRISE VALUE:

£6bn

REGION:

North America

THEME:



RESOURCE EFFICIENCY

WEBSITE:

aosmith.com

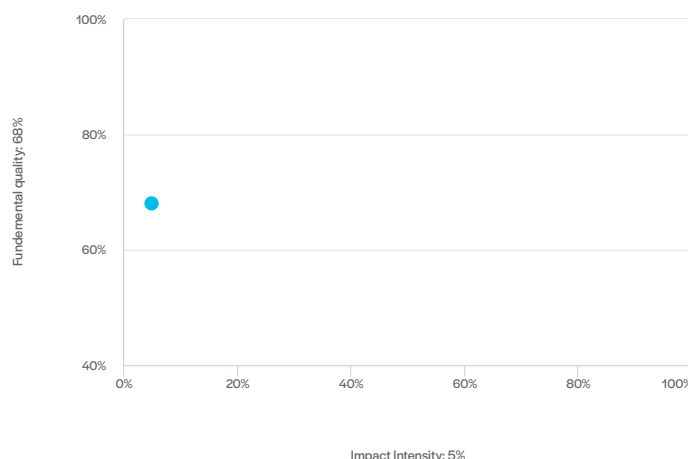
A. O. Smith is recognised as a world leading diversified manufacturer of water heating equipment and water treatment solutions. The company enjoys brand recognition in the US and China especially. A.O. Smith has a comprehensive product line, within which there is a particular focus on the development of efficient products to heat and clean water for both residential and commercial purposes. This includes water heaters, heat pumps, reverse osmosis products, water filtration products, solar tank units and air purification products.

Impact intensity (5%)

A.O. Smith's products play a significant role in reducing the energy demand of buildings that is associated with heating and cleaning water, as well as filtering air. The company's products generally offer higher efficiencies, but not always and while a strong product attribute, it is not currently market critical.

Fundamental quality (68%)

The company is competitively positioned to benefit from tightening regulations in North America whilst a footprint in China and the rest of the world provides an alternative source of growth. Sustainability disclosures point to a commendable safety performance record though disclosure could still be improved on other issues.



Link to UN SDGs



SDG 9 recognises that growth in energy efficiency is a key component of achieving sustainable development. AO Smith's products help improve building energy efficiency.

Impact calculator metric (per £1m invested)

12 tCO₂e emissions avoided

Recent stewardship topics

- Net Zero Carbon strategy
- Prioritisation of heat pumps as a low carbon technology/Product efficiency
- Director & auditor Independence
- ESG incentives & CEO remuneration
- Gender diversity

Useful further links

[From No 10 to BP – it's all moving very fast
Bringing buildings out of the background](#)

[The great smog; London's dirty air](#)

ENTERPRISE VALUE:

£5bn

REGION:

North America

THEME:



WATER MANAGEMENT

WEBSITE:

adspipe.com

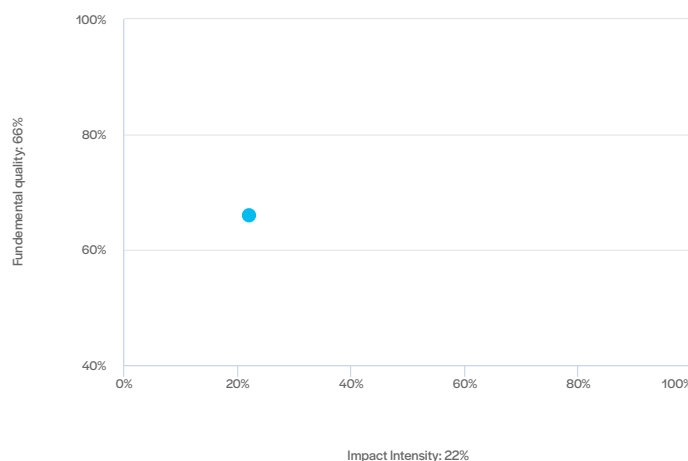
Advanced Drainage Systems is a leading provider of stormwater management systems in the US. It is the leading manufacturer of high performance thermoplastic corrugated pipe, providing a comprehensive suite of water management products and superior drainage solutions for use in the underground construction and infrastructure marketplace. The company's products are generally lighter, more durable, more cost effective and easier to install than comparable alternatives made with traditional materials.

Impact intensity (22%)

ADS systems manage storm and wastewater through the provision of innovative water management solutions. The products are important in helping communities become more resilient to climate change.

Fundamental quality (66%)

As the pipe industry shifts from concrete and steel towards plastic, which has a lower carbon footprint, ADS has a strong competitive position to benefit from an impactful secular growth trend. Many products are made with recycled plastics which is a low cost material in plentiful supply.



Link to UN SDGs



ADS's products directly support SDG6 which is focused on the sustainable management of water resources and ecosystems.

Impact calculator metric (per £1m invested)

800 litres of water use avoided
1 tonne of waste recycled

Recent stewardship topics

- Auditor independence
- Excessive executive remuneration
- Gender diversity

Useful further links

[Portfolio Activity – Q4 2019 Quarterly Review](#)
[COP26: 'More than expected, less than hoped'](#)

[Extreme weather - wake-up call on climate mitigation and adaptation](#)

ENTERPRISE VALUE:

£28bn

REGION:

North America

THEME:



HEALTH

WEBSITE:

agilent.com

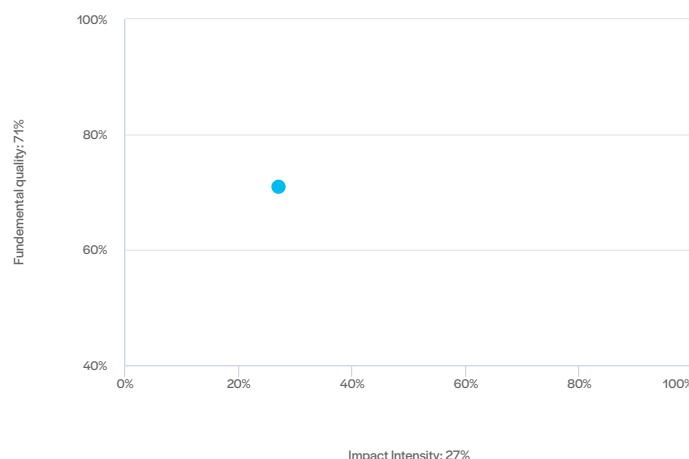
Agilent Technologies is a specialist in the development and manufacture of bio-analytics for the life sciences and chemical analysis industries. The company's mission is to advance quality of life. Within healthcare, its analytical instruments are used in the development and testing of healthcare products. Agilent also has a chemical analysis business which makes equipment for monitoring levels of pollutants in the ambient environment and or measuring contaminants in food and the human body.

Impact intensity (27%)

Agilent's products are used to enable better health and well-being in different end markets. Positive impact is delivered by underpinning critical R&D and improving efficiency and accuracy of analysis. While improvements are likely incremental, Agilent's products play a critical role, as was made apparent during the COVID-19 crisis.

Fundamental quality (71%)

Agilent has a meaningful market share in most of its end markets which provides resilience and multiple sources of growth. The company is also working to increase the sustainability of scientific research and has recently been awarded several "Accountability Consistency and Transparency" ("ACT") labels from the NGO My Green Lab.



Link to UN SDGs



Agilent's products are key tools and systems in developing new healthcare therapies for many of the diseases highlighted by SDG3 and are integral to monitoring and reducing pollutants in the ambient environment.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Auditor independence
- Board accountability for sustainability
- Director overboarding
- Director independence
- Excessive executive remunerations

Useful further links

January storms: heavy rotation in weak markets at the start of 2022
This year's new killer

The broad spectrum of healthcare technologies helping us get out of this Pandemic
The great smog; London's dirty air

ENTERPRISE VALUE:

£23bn

REGION:

North America

THEME:



RESOURCE EFFICIENCY

WEBSITE:

ansys.com

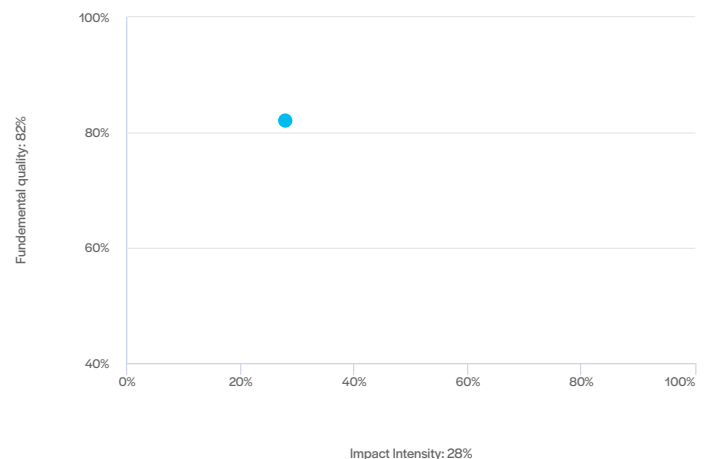
Ansys is a market leader in multiphysics engineering simulation software for product design and optimisation. The company follows a strategy of Pervasive Engineering Simulation to enable innovation. Its software accelerates product time to market, improves engineering and optimises product quality and safety for a variety of products including fuel efficient cars and planes, wind turbines as well as medical technology and consumer products.

Impact intensity (28%)

Simulation enables more efficient design processes and more efficient end products. Ansys tools are market-leading and enable more complex analysis not widely available elsewhere. The client base, however, is primarily responsible for the core IP or development of the products.

Fundamental quality (82%)

Ansys is well positioned to benefit from further development of emergent technologies such as the internet of things, electric and autonomous vehicles. Its software is developed in an open design, allowing compatibility with many platforms and complementing other parts of the design process. It boasts single digit employee turnover.



Link to UN SDGs



Ansys supports SDG 9 by enabling more and better innovation that improves resource efficiency across multiple end markets including transport, energy, ICT and resource management.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Net Zero Carbon strategy/target
- Sustainability reporting
- Tax

Useful further links

[January storms: heavy rotation in weak markets at the start of 2022](#)
[A Tale of Two Revolutions](#)

[The great smog; London's dirty air](#)
["This world... belongs to the strong, my friend!"](#)

ENTERPRISE VALUE:

US\$41bn

REGION:

North America

THEME:



SUSTAINABLE TRANSPORT

WEBSITE:

aptiv.com

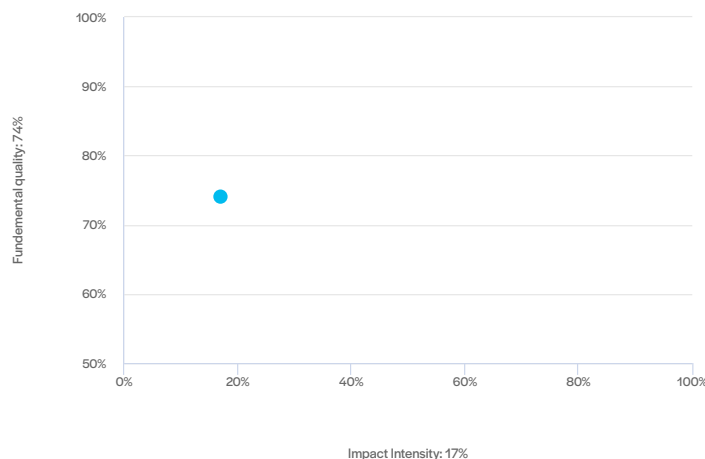
As a key supplier to the automotive industry, Aptiv's mission is to 'enable a safer, greener and more connected future of mobility'. The company's products include high-voltage wiring and electrical centres, power distribution boxes and battery connectors, plug-in chargers and light-weight aluminium wiring all for use in electric vehicles. The company is also a major supplier of active and automated safety systems including collision warning systems, lidar units and other sensing technologies that enable active safety features, such as lane departure warning and auto braking.

Impact intensity (17%)

Aptiv's technology plays a key role in enabling both advanced safety technologies, as well as greater powertrain electrification. Intellectual property in safety applications offers significant improvements in automotive safety benefits. Approximately 80% of revenues are derived from products and services with either environmental or safety benefits.

Fundamental quality (74%)

Supplying automotive components is typically seen as an unattractive market. A focus on electrification and active safety enables Aptiv to grow faster than the market as a whole. A strong competitive position and robust management of ESG issues also enable the company to earn attractive margins for the sector.



Link to UN SDGs



SDG 11 is focused on making cities and human settlements inclusive, safe, resilient and sustainable. It includes targets to provide safe, affordable, accessible and sustainable transport systems.

Impact calculator metric (per £1m invested)

1 tCO₂e avoided (estimated).

Recent stewardship topics

- Auditor independence
- Combined Chair/CEO
- Director independence/overboarding
- Gender diversity

Useful further links

[Why we invest in – Aptiv; driving change](#)
[Russia's invasion of Ukraine – implications for WHEB's investment strategy](#)

ENTERPRISE VALUE:

£2bn

REGION:

Europe

THEME:



ENVIRONMENTAL SERVICES

WEBSITE:

arcadis.com

Arcadis is a design and consulting firm that provides engineering and environmental services particularly focused on buildings, infrastructure and water businesses. The company also specialises in integrating climate adaptation specifically and sustainability more generally into their services. Infrastructure projects are spread across Europe and the Americas and include railroads and renewable energy projects, such as wind energy parks and hydropower plants.

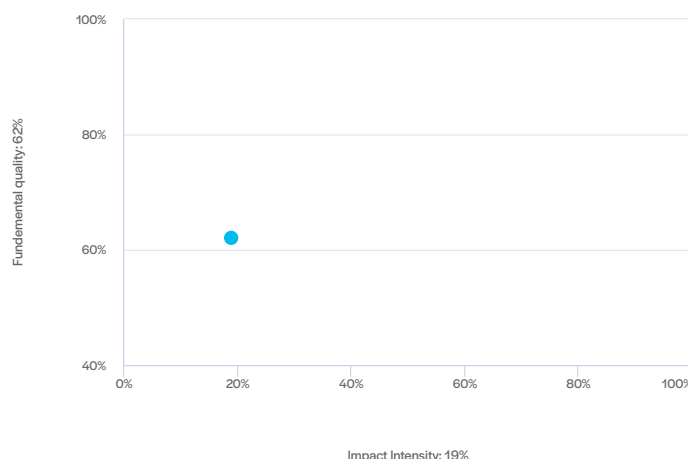
Arcadis also has a large environmental consulting business which advises clients on all aspects of environmental management, including soil and groundwater contamination, land remediation, waste and water management and ecological projects.

Impact intensity (19%)

Arcadis is a specialist in efficient buildings and infrastructure design, saving energy and building materials and improving safety and durability. In some cases, such as protecting buildings from rising sea levels, this can be a critical need. However, similar services are widely available.

Fundamental quality (62%)

Arcadis is well-placed, in our view, to support growing client demand for sustainability solutions and infrastructure work. The company has had a mixed track-record, but under a new management team has been improving quality with better financial performance and much improved management and disclosure of key ESG issues.



Link to UN SDGs



Arcadis has a direct role in supporting sustainable infrastructure development through its work integrating sustainability into building and infrastructure design.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- EU Taxonomy
- Oil and gas exposure

Useful further links

[COP26: 'More than expected, less than hoped'](#)
[WHEB's approach to biodiversity](#)

[Extreme weather - wake-up call on climate mitigation and adaptation](#)

ENTERPRISE VALUE:

£45bn

REGION:

North America

THEME:



RESOURCE EFFICIENCY

WEBSITE:

autodesk.com

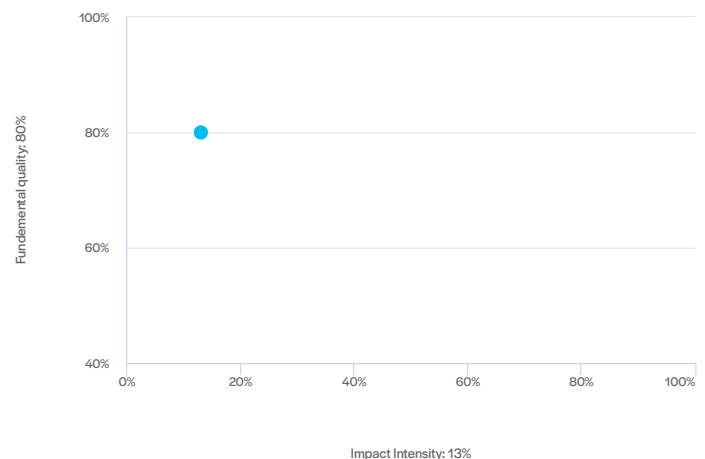
Autodesk is a global leader in 3D design and engineering software and services. Its products are used by architects, engineers and designers to design, develop and manufacture and operate a vast range of products, buildings and services. Autodesk tools are a critical component in the design and operation of more resource efficient products and buildings. They can deliver quite striking resource savings, due to their impressive capabilities and critical position in design process. The product brands include Autodesk 360 cloud services, AutoCAD civil 3D and LT, 3Ds Max, Maya, and Revit.

Impact intensity (13%)

Autodesk software is used to help designers deliver better designs for buildings as well as consumer products. The positive impact includes more efficient design processes as well as more efficient end products. Improvements can be dramatic but are typically more modest.

Fundamental quality (80%)

As one of the original computer-aided (CAD) design companies, Autodesk enjoys a high degree of brand loyalty. Further defensive qualities arise from high switching costs and a network effect. The management is thoughtful and far-sighted with a strong approach to governance and excellent environmental and social credentials.



Link to UN SDGs



Autodesk supports SDG 9 by enabling more and better innovation that improves resource efficiency across multiple end markets including buildings, construction and consumer product design and manufacturing.

Impact calculator metric (per £1m invested)

<1 tCO₂e emissions avoided

Recent stewardship topics

- EU Taxonomy
- Product impact

Useful further links

[WHEB's approach to biodiversity](#)
[A Tale of Two Revolutions](#)

[The circular economy: How industry is emulating nature](#)



ENTERPRISE VALUE:

£30bn

REGION:

North America

THEME:

HEALTH

WEBSITE:

centene.com

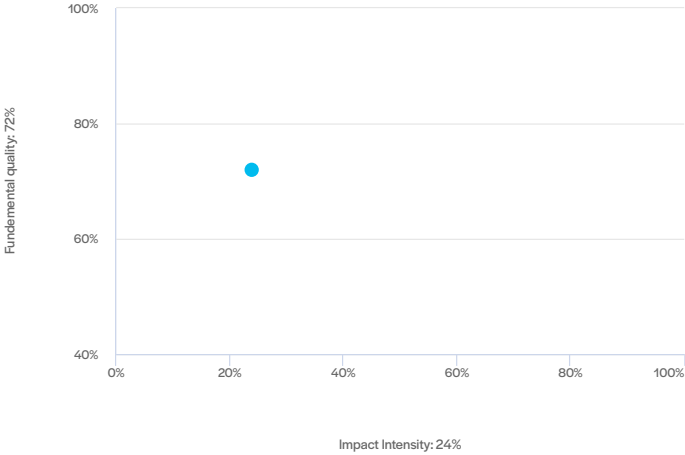
Centene is a managed care organisation, providing health insurance and related services to individuals, companies and especially government programmes in the USA. Focusing on under-insured and uninsured individuals, this includes recipients of the Medicaid (lower income) and Medicare (aged) systems. The company has a particular focus on providing access to value-based healthcare services for poor and vulnerable communities across the US.

Impact intensity (24%)

Services for the Medicaid and Health Insurance Exchange (HIX) markets enable healthcare access for underserved groups and underfunded state plans. Centene is relatively unique in its ability to help these groups. Medicare Advantage, meanwhile, is slightly less impactful due to their being more providers in this space and less vulnerable clients.

Fundamental quality (72%)

Centene has a dominant share in the Managed Medicaid market and continues to gain in the HIX market. The company provides cost efficient coverage to poorer populations generating strong outcomes and allowing it to generate reasonable margins.



Link to UN SDGs

Centene's services directly supports SDG 3 by enabling access to healthcare services in the US and particularly for disadvantaged communities.

Impact calculator metric (per £1m invested)

20 people reached with healthcare


Recent stewardship topics

- Auditor independence
- Director independence
- Vote against the Remuneration Report due to excessive executive remuneration and board accountability for sustainability

Useful further links

- [Addressing Ethnic and Racial Diversity](#)
- [A Fair Price for Drugs](#)
- [The bumpy Trump ride](#)



ENTERPRISE VALUE:	REGION:	THEME:	WEBSITE:
£14bn	North America	 WELL-BEING	coopercos.com

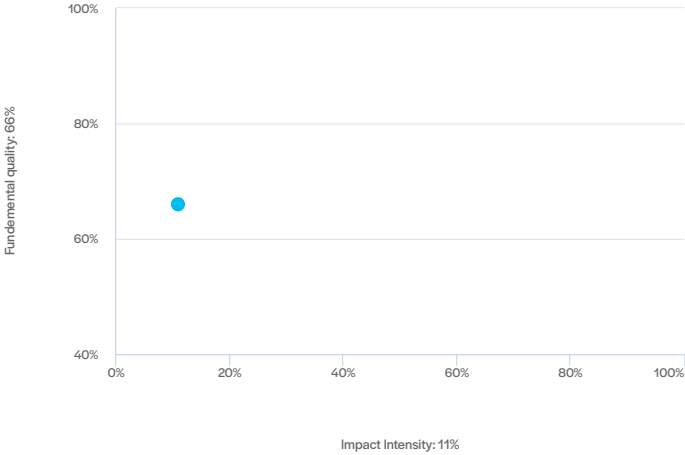
Cooper is a global medical devices company that operates in two segments. Cooper Vision manufactures soft contact lenses. Apart from the usual visual defect-correcting contact lenses, CVI has a small but rapidly growing product suite to improve myopia in children. Cooper Surgical provides medical devices and procedure solutions that improve healthcare delivery in women’s healthcare including medical devices, diagnostic products, and surgical instruments and accessories used primarily by gynaecologists and obstetricians.

Impact intensity (11%)

Cooper Cos products are directly used to correct eyesight (including in treating children) or for IVF or contraception. This impact is somewhat reduced as clients are generally in the developed world and comparable solutions are available on the market.

Fundamental quality (66%)

CSI was originally a challenger in an established market, but through acquisition and a leading position in silicon hydrogel lenses, the company has established a strong competitive position. The company has however been slow to disclose ESG data and published its first report in 2021.



Link to UN SDGs



SDG 3 specifically targets sexual and reproductive health which Cooper Surgical directly addresses. Healthy vision is also considered to be an aspect of good health and well-being.

Impact calculator metric
(per £1m invested)

47 people reached with healthcare

Recent stewardship topics

- Sustainability reporting
- Tax

Useful further links

[Reflections, Soul Searching and Awkward Conversations](#)

[Seeing the bigger picture - Cooper Companies and myopia](#)



ENTERPRISE VALUE:

£75bn

REGION:

Asia Pacific

THEME:

HEALTH

WEBSITE:

csl.com

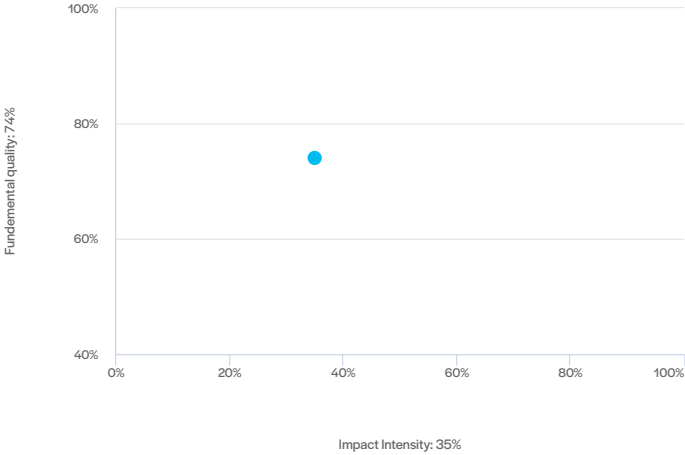
CSL develops medical products for serious and life-threatening diseases. Its core business is as a provider of human blood plasma-derived products to treat bleeding disorders, rare and serious infections and autoimmune diseases. CSL also manufactures vaccines and related products, including for flu and cervical cancer, as well as other products that speed up recovery times for patients that have undergone heart surgery, organ transplants and burns. The company provides these solutions across North America, Europe, Asia, Australia as well as other parts of the world.

Impact intensity (35%)

In many cases CSL’s blood plasma products are lifesaving and the company’s vaccines play a critical role in preventing illness. The company has a large market and provides a number of unique therapies to vulnerable communities around the world.

Fundamental quality (74%)

CSL is a high quality operator of a blood plasma collection network as well as therapy manufacturing facilities. The company has a strong track-record of acquiring and improving businesses and a strong pipeline of therapies. ESG performance and disclosure is solid.



Link to UN SDGs

CSL’s products address major global disease burdens like influenza as well as life-threatening conditions like haemophilia and are aligned with SDG 3.

Impact calculator metric (per £1m invested)

22 people reached with healthcare
£323 of healthcare costs saved

Recent stewardship topics

- Excessive executive remuneration
- Impact data
- Net Zero Carbon strategy/targets
- Sustainability disclosure

Useful further links

- [This year’s new killer](#)
- [A Fair Price for Drugs](#)

ENTERPRISE VALUE:

£11bn

REGION:

Asia Pacific

THEME:



RESOURCE EFFICIENCY

WEBSITE:

daifuku.com

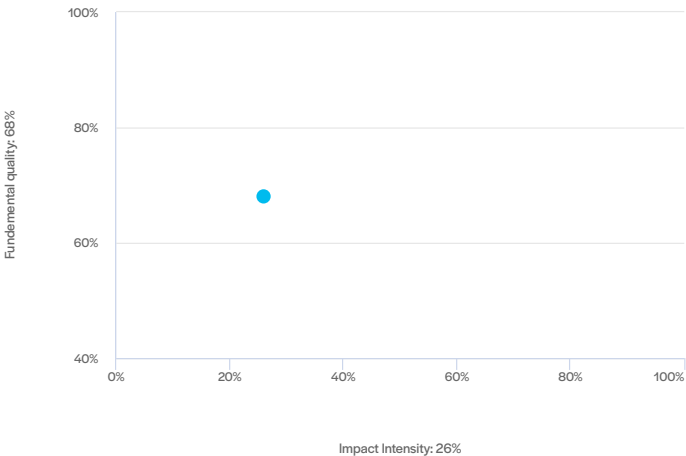
Daifuku is a global material handling systems manufacturer. The company supplies global storage systems, conveyors and automatic sorters. These products support the automation of warehousing and manufacturing helping to reduce energy and resource use in these activities. Daifuku also provides an integrated approach from consulting to engineering, design, manufacturing, sales, installation, and after-sales services for automation.

Impact intensity (26%)

Daifuku directly enables more efficient warehouse and manufacturing systems for business operators around the world. This reduces the energy and resource footprint of these business' operations. The absolute improvements, however, are typically quite modest, and clients are other large businesses.

Fundamental quality (68%)

Daifuku has a track-record of innovation in warehouse automation and has built a strong competitive position on a reputation for quality. The company has a reasonable approach to ESG but would benefit from a more strategic perspective on key issues including GHG emissions and gender diversity.



Link to UN SDGs



SDG 9 promotes resource and energy efficiency, sustainable infrastructure and provision of basic services and green jobs for all. Daifuku's products and services address these issues in warehouses and wider logistics.

Impact calculator metric (per £1m invested)

<1 tCO₂e emissions avoided

Recent stewardship topics

- Net Zero Carbon strategy/targets

Useful further links

January storms: heavy rotation in weak markets at the start of 2022
From just in time to just in case

From No 10 to BP – it's all moving very fast

ENTERPRISE VALUE:

£47bn

REGION:

Asia Pacific

THEME:



RESOURCE EFFICIENCY

WEBSITE:

daikin.co.uk

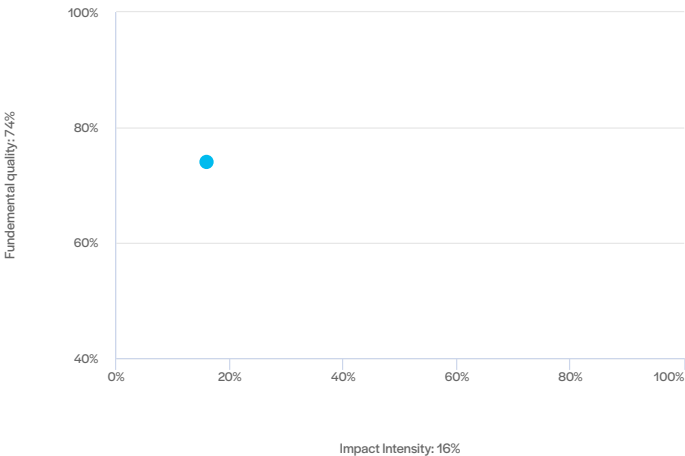
Daikin’s core business is in manufacturing energy-efficient air conditioning and refrigeration equipment including air conditioners, heat pumps, air purifiers and water boilers for both commercial and residential use. The company also produces chemical products including refrigerants used in air conditioning systems, as well as a small business selling hydraulic equipment for industrial machinery. Its chemical business supplies products used in the renewable energy, battery and healthcare sectors. Daikin is headquartered in Japan with a large footprint across North America, Asia, Oceania, the Middle East and Africa.

Impact intensity (16%)

Daikin reports that its products on average reduce the amount of energy required for heating, ventilation, air conditioning (HVAC) and water treatment by c.30% compared to a typical system. The company sells globally including in several emerging and less developed countries.

Fundamental quality (74%)

Daikin has a clear growth strategy with net-zero carbon emissions as a key objective. The company has a track-record of strong financial performance in its home markets, but has not performed as well in its US business. Turning this business around and reducing carbon emissions is a strategic focus.



Link to UN SDGs



SDG 9 explicitly includes upgrading infrastructure to increase resource-use efficiency. With their more efficient HVAC technology Daikin directly supports this goal.

Impact calculator metric (per £1m invested)

30 tCO₂e emissions avoided

Recent stewardship topics

- Auditor/Director independence
- Gender diversity
- Net Zero Carbon strategy/targets

Useful further links

[Delivering carbon reductions - moving beyond the targets](#)
[From just in time to just in case](#)

ENTERPRISE VALUE:

129bn

REGION:

North America

THEME:



HEALTH

WEBSITE:

danaher.com

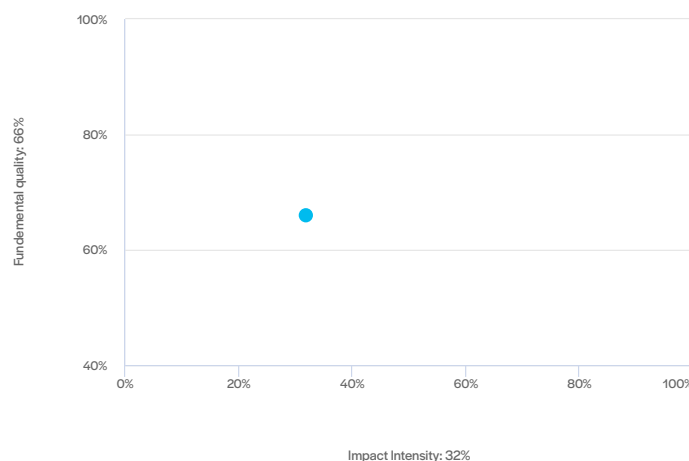
Danaher is a diversified business that designs, manufactures and sells laboratory equipment and consumables to clinical and medical laboratories including microscopes, analytical software and imaging and molecular devices. These tools are used in the development of new drugs and for diagnosing critically ill patients. In addition, the company also designs, manufactures and sells equipment to test and treat water (incl. UV water treatment systems). Overall, Danaher's products offer improved efficiency and reliability.

Impact intensity (32%)

Danaher provides test and measurement equipment for drug R&D, diagnosis, environment testing, food and water testing and academic research. The company's products have a wide range of positive impacts. However, these may be incremental for example, through speeding up research and development or increasing efficiency and accuracy.

Fundamental quality (66%)

Danaher has a strong market position as one of two major life science platforms. It has a focused management team and a clear, proven operational improvement system. Despite being so broadly diversified, there are clear signs of quality and competitiveness, such as ISO13485 certification in the clinical diagnostics business and ambitious executive officer performance goals.



Link to UN SDGs



Danaher's products provide the foundations for research and development of new and improved healthcare therapies supporting the achievement of SDG 3.

Impact calculator metric (per £1m invested)

<100 COVID tests provided

Recent stewardship topics

- Sustainability strategy

Useful further links

[January storms: heavy rotation in weak markets at the start of 2022](#)
[The broad spectrum of healthcare technologies helping to get us out of this pandemic](#)

[This year's new killer](#)

ENTERPRISE VALUE:

£50bn

REGION:

North America

THEME:



WATER MANAGEMENT

WEBSITE:

ecolab.com

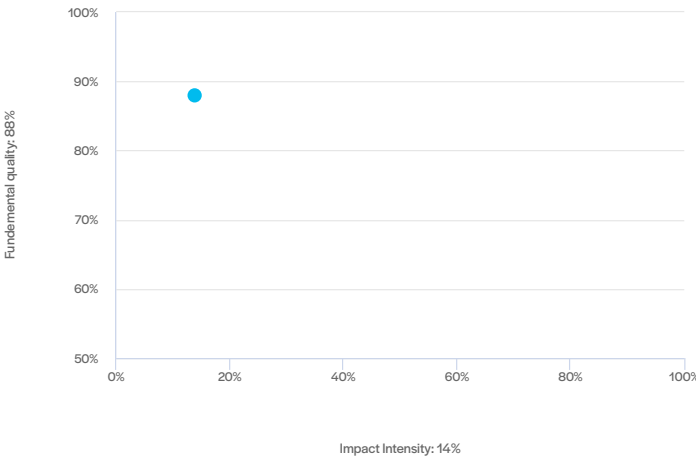
Ecolab sells cleaning products and services to restaurants, hotels, hospitals, food and beverage producers and other businesses. The company has a particular focus on energy and water efficiency. Ecolab has developed a range of products and services that help to reduce, and in some cases even eliminate, the use of water in a wide range of industrial applications. In turn, this helps to lower costs through a reduction of energy and water impacts.

Impact intensity (14%)

The water and energy saving technologies produced by Ecolab provide sanitary benefits at a significantly reduced environmental cost, as well as improved performance, compared with standard alternatives.

Fundamental quality (88%)

Ecolab is a very well-run company that has developed core expertise in providing cleaning and sanitation services to a variety of industries. Its superior products and thoughtful service model, combined with leading technology, provide strong competitive barriers.



Link to UN SDGs



SDG 6 includes a focus on substantially increasing water-use efficiency across all sectors. Ecolab directly supports this through their focus on water efficiency across multiple end markets.

Impact calculator metric (per £1m invested)

530k litres of water use avoided
2 tCO₂e emissions avoided

Recent stewardship topics

- Auditor independence
- Director independence
- Excessive executive remuneration

Useful further links

[Delivering carbon reductions - moving beyond the targets](#)
It may be a cliché but it is true; prevention is better than cure

[Why we do need experts](#)

ENTERPRISE VALUE:

£7bn

REGION:

North America

THEME:



CLEANER ENERGY

WEBSITE:

firstsolar.com

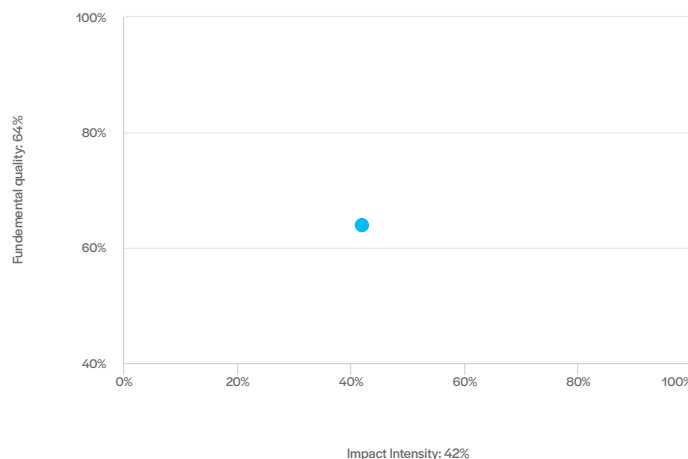
First Solar is a US-based manufacturer of solar photovoltaic (PV) panels. Headquartered in Arizona, the company is the leading supplier of thin-film modules that are used primarily in utility-scale and commercial power plants. The company has manufacturing facilities in Malaysia and Vietnam as well as the United States and operates a sector leading approach to manufacture and recycling of its solar modules.

Impact intensity (42%)

First Solar modules are the key element in a solar farm and represent a critical technology in decarbonizing the global economy. Solar PV is a near-zero emission technology with a dramatically lower carbon footprint than traditional power generation technologies. While FirstSolar is differentiated, the overall market is extremely competitive.

Fundamental quality (64%)

Solar module manufacturing is a commoditized market with intense price competition. First Solar is though the only large-scale solar module manufacturer that uses thin-film technology. The technology provides some level of differentiation as does the company's manufacturing locations which avoid China. The company is conservatively run, has a strong approach to ESG issues and has a solid and experienced management team.



Link to UN SDGs



First Solar's products directly support SDG7 which is focused on the generation and provision of affordable and clean energy.

Impact calculator metric (per £1m invested)

(forthcoming) tCO₂e emissions avoided

Recent stewardship topics

- Biodiversity impacts
- Carbon emissions avoided

Useful further links

January storms: heavy rotation in weak markets at the start of 2022
COP26: 'More than expected, less than hoped'

We've been warned - climate crisis and weak links in the supply chain
Extreme weather events - a wake up call on climate mitigation and adaption

ENTERPRISE VALUE:

NZ\$19bn

REGION:

Asia Pacific

THEME:



HEALTH

WEBSITE:

fphcare.com

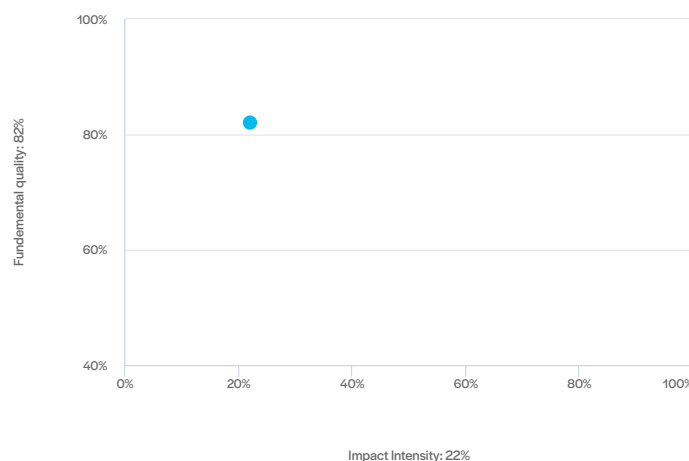
Fisher & Paykel Healthcare is a New Zealand based business that designs and manufactures medical devices that are used in respiratory care, acute care and in the treatment of obstructive sleep apnea. The company has been a pioneer in developing humidified ventilation technology that is used in both acute hospital settings and for treating chronic breathing conditions at home.

Impact intensity (22%)

FPH's technology helps reduce the length of time spent in Intensive Care Units and lower rates of intubation, which contributes to lower cost of treatment per patient. In the homecare setting its products more directly contribute to improved health outcomes for COPD patients. Although the technology has clear health benefits it doesn't generally address the underlying reason condition, with the exception of COPD. Fisher & Paykel provides clear clinical evidence for its impact claims through rigorous trials.

Fundamental quality (82%)

The company has an attractive business model with a high proportion of recurring revenue and a strong market position. It has a clear focus on sustainability with excellent environmental disclosures, internal carbon pricing and net zero. Recent changes to clinical best practice guidelines as well as positive momentum from its use during the Covid-19 pandemic should accelerate adoption and support growth.



Link to UN SDGs



Fisher & Paykel's business support SDG 3, good health and well-being, particularly in relation to quality of care.

Impact calculator metric (per £1m invested)

Number of people reached with healthcare / Healthcare costs saved (£)

Recent stewardship topics

- New portfolio company (as of Q4 2021)

Useful further links

(forthcoming)

ENTERPRISE VALUE:

£16.9bn

REGION:

Europe

THEME:



HEALTH

WEBSITE:

genmab.com

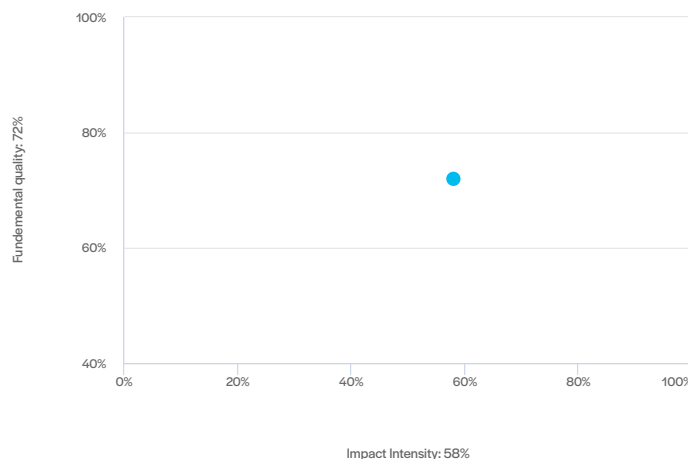
Genmab is a drug therapy company focused on differentiated antibody products in oncology. The company has developed industry-leading antibody discovery technologies which have led to a strong pipeline of potential best-in-class and first-in-class therapies. Through partnerships Genmab has successfully developed several products, including treatments for multiple myeloma, cervical cancer, multiple sclerosis and thyroid eye disease.

Impact intensity (58%)

Genmab's therapies are typically used to treat diseases with very poor outcomes – survival rates are measured in months. Their largest drug has shown significant improvements in progression free survival and remission rates 6x better than the existing treatment regimen. Clinical studies of pipeline drugs also show promising early data.

Fundamental quality (72%)

Genmab's antibody platform technology is industry-leading. To date it has operated under a partnership model which has allowed it to develop a strong pipeline while generating strong margins and building up a net cash balance sheet. The next stage of growth will see Genmab take a greater share of the economics by participating in the commercialisation stage.



Link to UN SDGs



Genmab's therapies support SDG 3 in the context of reducing mortality from non-communicable diseases through treatment.

Impact calculator metric (per £1m invested)

Number of people reached with
healthcare / Healthcare costs saved (£)

Recent stewardship topics

- Drug pricing

Useful further links

[\(forthcoming\)](#)

ENTERPRISE VALUE:

\$8.5bn

REGION:

North America

THEME:



HEALTH

WEBSITE:

globusmedical.com

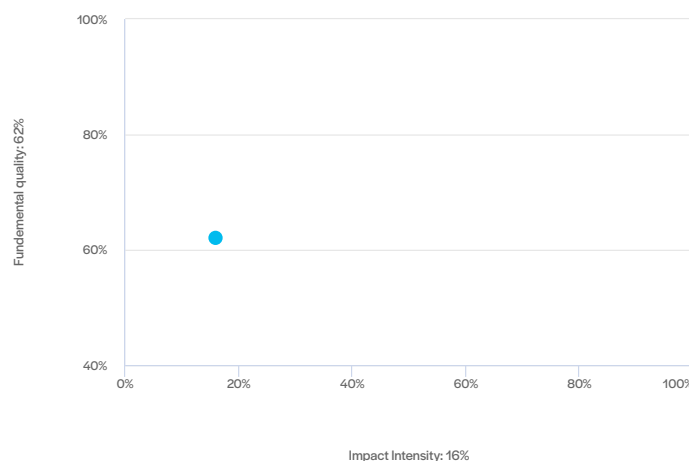
Globus Medical is a best-in-class spinal medical technology company headquartered in Pennsylvania, US. It has a large portfolio of solutions to promote healing in patients with musculoskeletal disorders. A newer, fast growing segment called “Enabling Technologies” centres around ExcelsiusGPS, the world’s first robotic navigation platform which supports surgeons in spinal operations. The company was founded in 2003.

Impact intensity (16%)

Globus Medical’s musculoskeletal products consist of spinal implants, biologics, accessories, and surgical instruments which are essential for surgical interventions to relieve pain and improve mobility regarding mostly spine-related disorders. The ExcelsiusGPS system improves the accuracy of eg screw placements resulting in an improved health outcome and shorter surgery procedures.

Fundamental quality (62%)

Globus Medical is an innovation-driven company with an established core segment addressing musculoskeletal disorders which creates a steady, dependable, recurring revenue stream complemented by a market-leading product in the nascent robotics space which enjoys strong growth. However, we have identified some ESG-related weaknesses since the company is controlled by its founder by votes but not economically with a low board independence.



Link to UN SDGs



Globus Medical’s products directly support SDG3 since its products help patients to return to a healthier, less painful life.

Impact calculator metric (per £1m invested)

Number of people reached with healthcare / Healthcare costs saved (£)

Recent stewardship topics

- New portfolio company (as of Q4 2021)

Useful further links

(forthcoming)



ENTERPRISE VALUE:

£3bn

REGION:

North America

THEME:

EDUCATION

WEBSITE:

gce.com

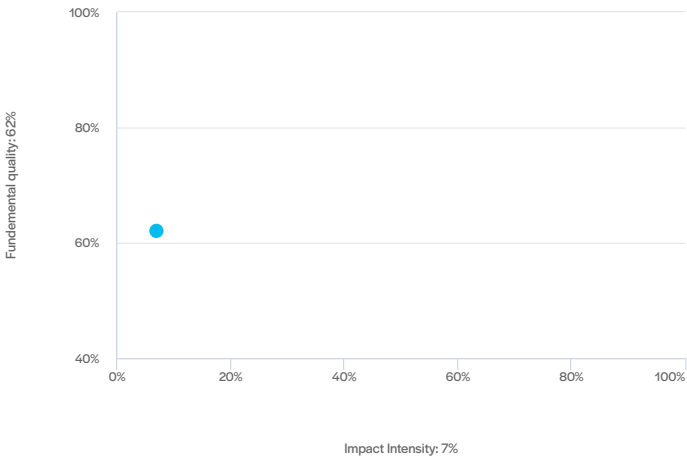
Grand Canyon Education provides a variety of education services to universities and colleges including Grand Canyon University and Orbis. This includes supporting operational functions including enrolment, academic counselling, financial services, learning management system support, student information systems support, compliance, marketing, classroom operations, curriculum development and faculty recruitment and training.

Impact intensity (7%)

The Orbis division of the business is the more impactful and differentiated, providing healthcare education directly to universities. Grand Canyon Education focuses more on marketing and enrolment services for Grand Canyon University.

Fundamental quality (62%)

Grand Canyon has a strong brand which has allowed it to build an equally strong track record of offering degree programmes. The company is well-positioned to benefit from increasing demand for skills at attractive prices, as well as the sector leading software tools it uses to improve efficiency in back office academic processes.



Link to UN SDGs

Grand Canyon’s business enables education providers to operate efficiently and effectively in delivering SDG 4 and its goal of quality education for all.

Impact calculator metric (per £1m invested)

122 days of tertiary education

Recent stewardship topics

- Combined Chair/CEO
- Board accountability for sustainability

Useful further links

“If you think education is expensive, try ignorance.”

ENTERPRISE VALUE:

\$6.6bn

REGION:

Asia Pacific

THEME:



HEALTH

WEBSITE:

hamamatsu.com

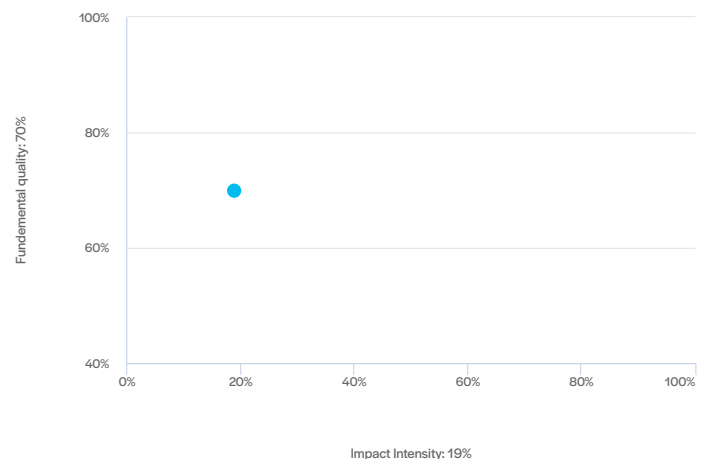
Hamamatsu Photonics is manufacturer of optical sensors / components, light & radiation sources, lasers and cameras for use in medical instruments (eg nuclear medical), medical inspection, industrial instruments (eg non-destructive testing, semiconductor instruments), analytical instruments (water, pollution, materials) and many other niche end markets. The company was founded in 1953 and is headquartered in Hamamatsu-City, Japan.

Impact intensity (19%)

Hamamatsu's products are the core enabling components for a wealth of impactful applications allowing the early detection of diseases, extend the healthy life expectancy, enable efficient manufacturing, support environmental conservation and promote academic research.

Fundamental quality (70%)

Hamamatsu is a leading technology-focussed innovator which often achieves high market shares within the many product niches it serves. For example, it commands 90% market share for photo-multiplier tubes used in spectroscopic analysis eg for water-quality monitoring. The management has a strong track record but, as for many Japanese companies, governance could be stronger. It does publish an unheard-off wealth of ESG data with a distinct lack of explicit targets.



Link to UN SDGs



Hamamatsu's products link to a number of SDGs due to the wide range of applications from medical x-rays (SDG 3), analytical instruments for water (SDG 6), academic research (SDG 9), factory automation (SDG 9) to EV battery testing (SDG 11).

Impact calculator metric (per £1m invested)

(Forthcoming)

Recent stewardship topics

- New portfolio company as of Q1 2022

Useful further links

[Portfolio activity - Q1 2022 Quarterly Review](#)

ENTERPRISE VALUE:

£13bn

REGION:

Europe

THEME:



WELL-BEING

WEBSITE:

hellofreshgroup.com

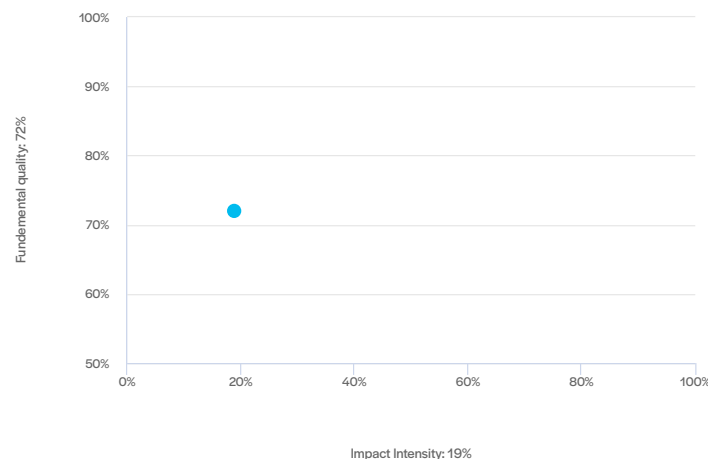
HelloFresh is the leading supplier of fresh food meal kits to consumers in developed markets around the world. The meal kits use fresh ingredients in pre-measured quantities allowing for calorie control with the intention of supporting healthy eating. Customers are provided with a flexible and convenient route to eating more healthily that also offers up to one third less food waste than more traditional food supply models.

Impact intensity (19%)

HelloFresh meal kits make fresh cooking more convenient. Its proprietary front- and back-end platforms enable efficiency thereby reducing food waste. However the company sells direct to consumers in development markets where there is plenty of competition.

Fundamental quality (72%)

HelloFresh has strong market share across mature markets which is growing rapidly. Its proprietary digital platform enables two-way communication between HelloFresh and its suppliers, allowing good supply chain oversight and management. This also positions the company well for an expected doubling in the adoption of food e-commerce.



Link to UN SDGs



SDG 2 includes a focus on improved nutrition which is a core part of HelloFresh's proposition to 'democratize access to high quality food'.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Policies governing the use of palm oil and soya
- Plastic packaging and waste
- Unionisation and employee pay

Useful further links

[Deliveroo – bad timing, bad ESG, or just a bad idea?](#)

ENTERPRISE VALUE:

£7bn

REGION:

North America

THEME:



HEALTH

WEBSITE:

iconplc.com

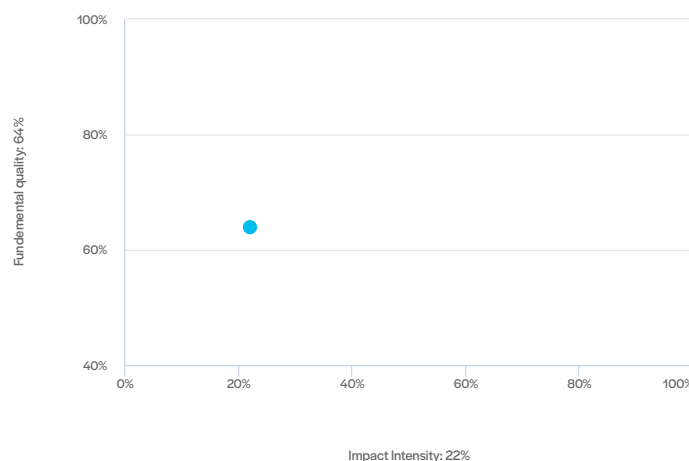
ICON is a clinical research organisation (CRO) which provides outsourced development services on a global basis to the pharmaceutical, biotechnology and medical device industries. The company's mission is to accelerate the development of drugs and devices that save lives and improve the quality of life. ICON specialises in the strategic development, management and analysis of programmes to support all stages of the of the clinical development process.

Impact intensity (22%)

ICON's services result in reduced time and cost in clinical trials. However, their clients in the pharmaceutical and biotech sectors are already well-served and the impact generated is incremental as these processes would otherwise be performed in-house.

Fundamental quality (64%)

ICON is one of a select group of CROs with the expertise and capability to conduct clinical trials in most major therapeutic areas on a global basis. The company also has a strong management team with a high quality management system that ensures all services meet the highest ethical standards.



Link to UN SDGs



By providing contract research services ICON directly supports the development of new therapies and supports the achievement of SDG3.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Animal testing
- Classified board

Useful further links

[The broad spectrum of healthcare technologies helping to get us out of this Pandemic](#)



ENTERPRISE VALUE:

£41bn

REGION:

Europe

THEME:

SUSTAINABLE TRANSPORT

WEBSITE:

infineon.com

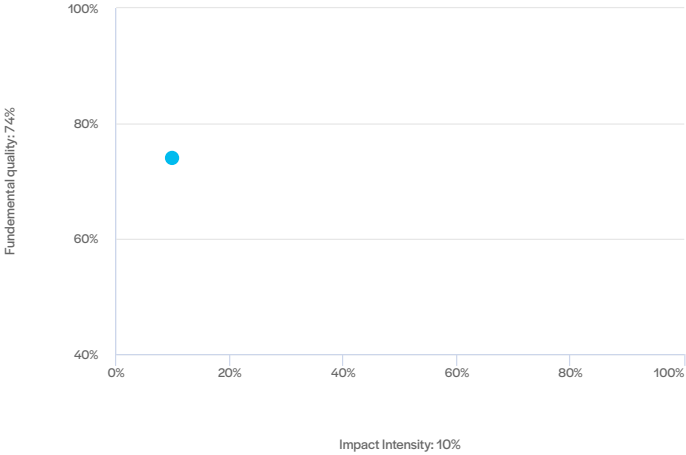
Infineon Technologies manufactures semiconductors and related systems. The company’s products include power semiconductors, as well as microcontrollers and radio frequency products and sensors. The products are key enablers of several important end markets including electric and hybrid road vehicles, renewable power generation including wind turbines, efficient power management in industrial systems and applications and in other types of electrical infrastructure.

Impact intensity (10%)

Infineon’s technology plays a key role in enabling electric vehicles and the more efficient use of electricity across industry. However, components are a small part of the final product and there are several suppliers of equivalent products in the market. About 60% of company revenues are derived from these types of applications.

Fundamental quality (74%)

Infineon is typically #1 or 2 in most of its end markets and has an experienced management team and high quality operations with strong performance across key ESG issues. The company has developed a strong growth strategy which is well-aligned with sustainability objectives.



Link to UN SDGs

Infineon mainly supports the achievement of SDG 11 through its support for more sustainable transport systems through the transition to electric vehicles.

Impact calculator metric (per £1m invested)

1 tCO₂e emissions avoided

Recent stewardship topics

- Conflict minerals
- Net-zero carbon (NZC) target
- Physical climate risk

Useful further links

- [A Tale of Two Revolutions](#)
[From No 10 to BP – it’s all moving very fast](#)
- [COP26: ‘More than expected, less than hoped’](#)

ENTERPRISE VALUE:

£10bn

REGION:

United Kingdom

THEME:



SAFETY

WEBSITE:

intertek.com

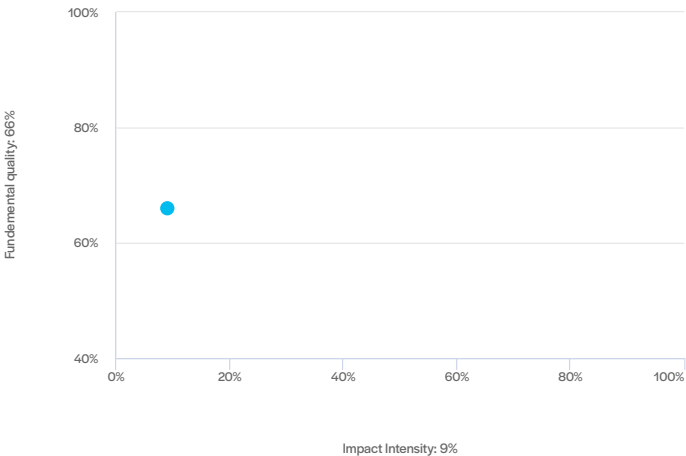
Intertek provides a range of assurance, testing, inspection and certification services (ATIC) to industries worldwide. The company’s largest business is focused on the consumer goods industry where it provides safety testing of a wide range of products including clothes, electronic products, food and beverages and clothes. The company also tests the safety and regulatory conformity of commodities and has established an advisory business providing sustainability assurance and certification services.

Impact intensity (9%)

Intertek plays an important role in assuring and certifying product safety. However, Intertek’s impact is not inherent to the safety of products, is part of a standardized service and is widely available from other providers.

Fundamental quality (66%)

The company benefits from a global footprint, an extensive range of services and a strong brand. Along with a new suite of sustainability advisory services the company is also improving its ESG credentials.



Link to UN SDGs



Safety is embedded in SDG 8 (worker safety), SDG 11 (safe housing) and SDG 3 (roads). Intertek indirectly supports many of these goals.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Net Zero Carbon strategy/target
- Political donations
- Sustainability targets in executive remuneration

Useful further links

[This year’s new killer Greta gets clean away](#)

[The great smog: London’s dirty air
Delivering carbon reductions - moving beyond the targets](#)



ENTERPRISE VALUE:

£11bn

REGION:

North America

THEME:



SUSTAINABLE TRANSPORT

WEBSITE:

jbhunt.com

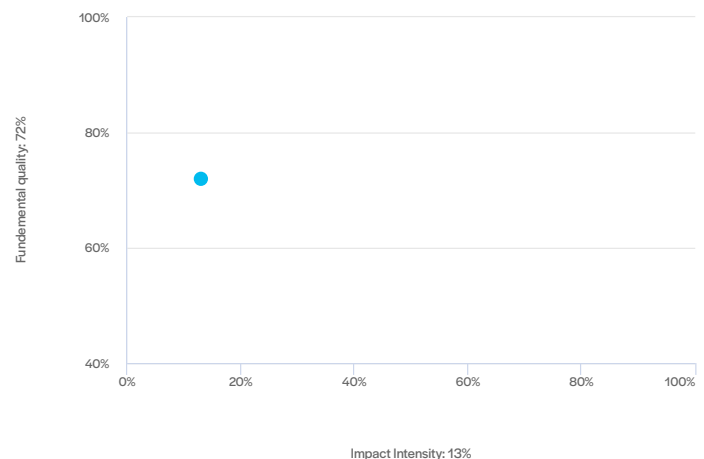
J.B. Hunt provides logistics and transportation services in the US. The company's main service is providing 'intermodal' services, where truckloads are carried by rail over long distances before being transferred back to road for final delivery. Using rail in preference to road in this way results in dramatic emissions savings. J.B. Hunt also provides a technologically-enabled brokerage service which helps to optimise routes and reduce empty haulage miles. This also reduces emissions from freight transport.

Impact intensity (13%)

JB Hunt's positive impact is driven mainly by the radically lower carbon emissions associated with transporting freight by rail rather than by road. The company is one of only a few providers of intermodal services, and its network is key in making this possible. Emissions are also reduced by its freight-matching platform, J.B. Hunt 360.

Fundamental quality (72%)

With significant scale advantages, JB Hunt, as the largest provider of intermodal services, has a strong competitive position. The company has a strong brand and has invested heavily in technology to improve service levels. The company has been slow to fully address its own carbon emissions, but is now focused on this as a strategic issue.



Link to UN SDGs



JB Hunt's intermodal and 360 services deliver significant carbon reductions helping support the development of safe and sustainable transport systems.

Impact calculator metric (per £1m invested)

6 tCO₂e emissions avoided (estimated)

Recent stewardship topics

- Auditor independence
- CEO remuneration
- Director independence
- GHG emissions
- NZC 2030 target

Useful further links

[Code Red from the IPCC
Greta gets clean away](#)

[Delivering carbon reductions - moving beyond the targets](#)

ENTERPRISE VALUE:

£88bn

REGION:

Japan

THEME:



RESOURCE EFFICIENCY

WEBSITE:

keyence.com

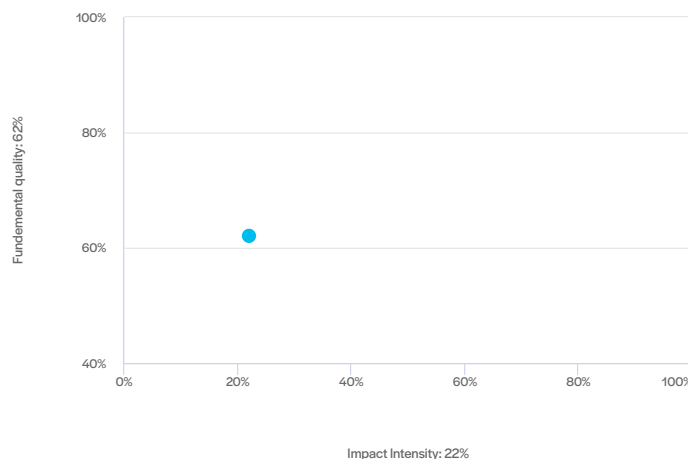
The company's products include machine visions systems including sensors and measuring instruments that are primarily used in the automation of factories. These components help customers achieve higher levels of efficiency, energy-savings, improved material utilisation and reduced wastage and quality management.

Impact intensity (22%)

Keyence's products are a key enabler of factory automation but there are many other components required as well. Clients are large manufacturing businesses and the efficiency gains are broad-based but typically incremental.

Fundamental quality (62%)

Keyence has a strong competitive position in a market with relatively few competitors. Alongside its products it provides high-value consulting support which enables it to charge high margins. The company is famously secretive and provides poor levels of ESG disclosure.



Link to UN SDGs



Keyence's products and services support higher levels of resource efficiency in manufacturing infrastructure which is a key element of SDG 9.

Impact calculator metric (per £1m invested)

Under review (no currently included)

Recent stewardship topics

- Gender diversity
- Board-level responsibility for sustainability
- Board independence
- ESG disclosure

Useful further links

[From Just in Time to Just in Case](#)
[From No 10 to BP – it's all moving very fast](#)



ENTERPRISE VALUE:

£12bn

REGION:

Europe

THEME:

RESOURCE EFFICIENCY

WEBSITE:

kiongroup.com

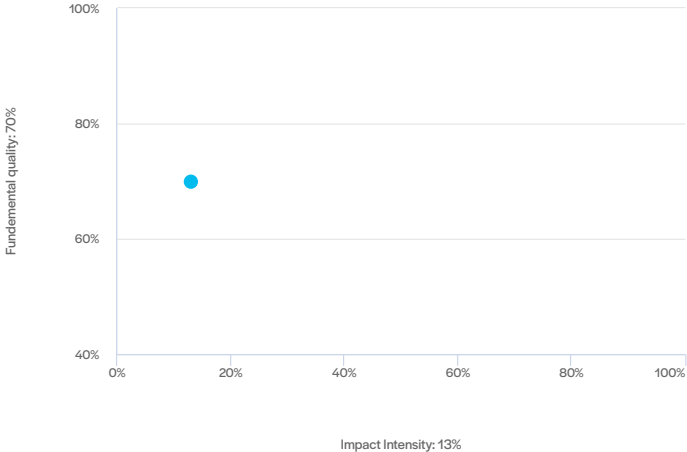
Kion is a German-based company with two divisions focused on warehouse automation and forklift trucks. The warehouse automation business sells equipment to logistics and warehouse operators helping to increase efficiency and optimise material and information flows within warehouses and distribution centres. The forklift truck business has a leading position in electric fork-lift trucks replacing fossil fuel power trucks.

Impact intensity (13%)

Kion’s products directly help to improve efficiency and reduce emissions in warehousing and distributions centres. The environmental benefits though are typically modest (<20%) and impacts are helpful but not critical to customers. About 85% of revenues are linked to products delivering positive impacts.

Fundamental quality (70%)

Kion acquired its factory automation business in 2016 and has since established itself as a leader across factory and warehouse automation. The company has high quality products and is focused primarily on the European market. The company has a growth strategy and a strong approach to key ESG issues.



Link to UN SDGs

Kion supports the development of resource efficient infrastructure supporting the achievement of SDG 9.

Impact calculator metric (per £1m invested)

1 tCO₂e avoided per £1m invested (estimated).

Recent stewardship topics

- Sustainability reporting/ESG disclosure
- Share purchase programme

Useful further links

- Delivering carbon reductions - moving beyond the targets
Is it time to jump on the hydrogen bandwagon?
- From Just in Time to Just in Case

ENTERPRISE VALUE:

£24bn

REGION:

Europe

THEME:



ENVIRONMENTAL SERVICES

WEBSITE:

dsm.com

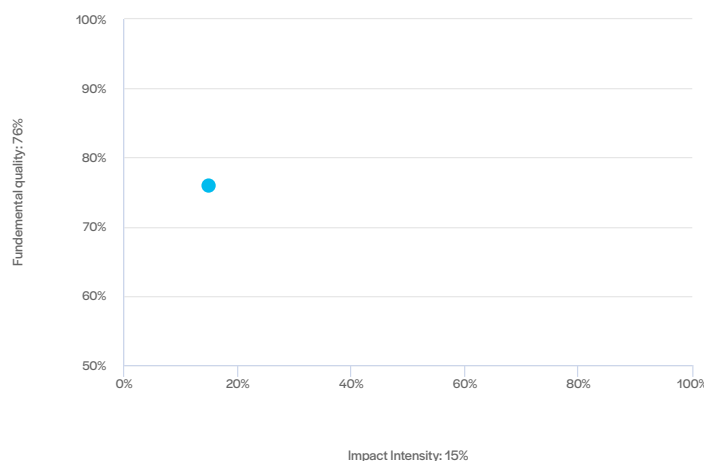
Koninklijke DSM is a science-based company that manufactures and sells a range of nutritional and pharmaceutical ingredients, and industrial materials. The company's main business is in nutrition where it has developed a range of innovative food and feed supplements for human and animal nutrition that support healthy diets, reduce the environmental impacts of food production and support more efficient global food supply chains. The company has also developed a range of engineering materials that help to reduce environmental impacts in a wide range of end markets including in buildings and infrastructure.

Impact intensity (15%)

Approximately two thirds of DSM's products have explicit sustainability benefits. The ingredients or components are typically central to the impact which varies from highly significant to more incremental benefits. Some of the company's IP makes it an almost unique supplier, but much of what they supply is more widely available.

Fundamental quality (76%)

The markets that DSM serves are mature and slow growing, but the company has a good competitive position in many of its markets. It has a very high quality management team and has strong performance in its operations. The company has established itself as a leader on the management of ESG issues.



Link to UN SDGs



DSM supports a range of SDGs through its products and services. A core focus though is on the circular economy and supporting more responsible consumption and production activities.

Impact calculator metric (per £1m invested)

2 tCO₂e emissions avoided

Recent stewardship topics

- Biodiversity impacts
- Carbon emissions avoided
- Excessive CEO remuneration
- Use of toxic chemicals in firefighter clothing

Useful further links

[COP26: 'More than expected, less than hoped'](#)
[Delivering carbon reductions - moving beyond the targets](#)

[Impossible whoppers and impossible valuations](#)

ENTERPRISE VALUE:

£4.6bn

REGION:

North America

THEME:



WELL-BEING

WEBSITE:

lhcgroupp.com

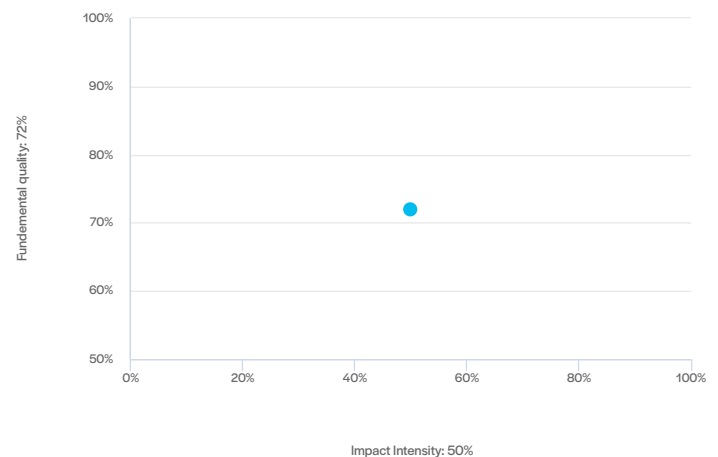
LHC Group provides post-acute healthcare services primarily to Medicare beneficiaries in rural markets in the southern United States. The company provides home-based services through home nursing agencies and hospices and facility-based services through long-term acute care hospitals and outpatient rehabilitation clinics. It operates in 26 states, serving about 150,000 patients.

Impact intensity (50%)

Home health and hospice services offer cost benefits compared to other post-acute settings in many cases. LHC provides high quality services and operates at a larger scale than peers. In the ACO market, LHC was a top performer, with an average home health spend per patient 18% below the average. Its hospice service also improves the quality of life for residents.

Fundamental quality (72%)

The company is well positioned to benefit from growth in health care expenditure related to an ageing population. It is the national leader in the home-based service market and it's JV relationships with hospitals is a competitive advantage and a key growth driver. LHC is a leader in the number of quality accredited facilities Sustainability disclosure is an engagement priority. The company has significant scope 3 carbon emissions which it is developing a strategy to reduce.



Link to UN SDGs



LHC's services directly support SDG 3 which is focused on health and well-being by providing access to quality essential health-care services.

Impact calculator metric (per £1m invested)

420,000 patients in 2020

Recent stewardship topics

- Diversity and culture
- Quality of care and accreditation process
- Human capital challenges from high levels of turnover in the industry
- Regulatory environment around reimbursement

Useful further links

[The role of home health in the pandemic and beyond](#)



ENTERPRISE VALUE:	REGION:	THEME:	WEBSITE:
£112bn	North America	 ENVIRONMENTAL SERVICES	linde.com

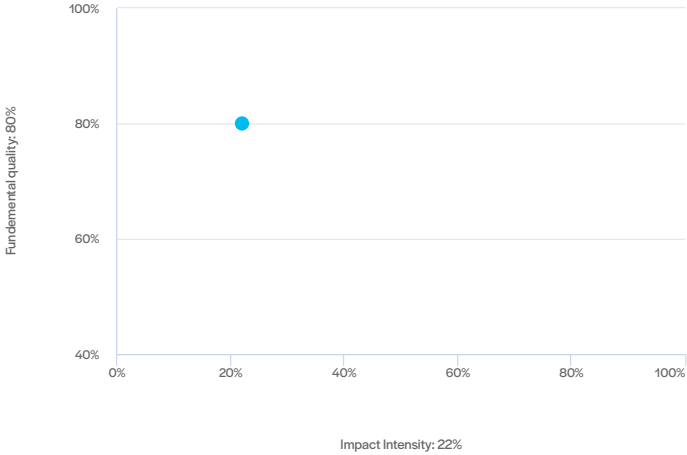
Linde Plc produces and distributes industrial gases. The company operates globally supplying oxygen, hydrogen and other gases to a very wide range of downstream markets including into manufacturing industries, petrochemical and electronics industries. The gases are used in a variety of applications including in making manufacturing processes more efficient and in reducing harmful emissions. The company is establishing a strong presence in the green hydrogen market and also sells oxygen and other gases into the healthcare sector.

Impact intensity (22%)


Approximately 60% of Linde’s revenue is linked with products that help reduce environmental impact. Typically, the use of the gases is required by regulation and they play a central role in delivering positive impact.

Fundamental quality (80%)

Linde is one of only a small number of industrial gas companies globally. The use of industrial gases is growing slowly but the company is well-placed to benefit from stricter environmental and efficiency standards. The company has been a leader on ESG reporting and performance.



Link to UN SDGs



Linde’s products enable higher resource and energy efficiency in industry supporting SDG12. They also help reduce harmful emissions and support healthcare services.

Impact calculator metric (per £1m invested)

26 tCO₂e emissions avoided

Recent stewardship topics

- Auditor independence
- Director independence
- Excessive executive remuneration
- Net Zero Carbon strategy/targets

Useful further links

- Delivering carbon reductions - moving beyond the targets
Investing in breakthroughs
- Is it time to jump on the hydrogen bandwagon?
Greta gets clean away



ENTERPRISE VALUE:

£4bn

REGION:

North America

THEME:



SAFETY

WEBSITE:

msasafety.com

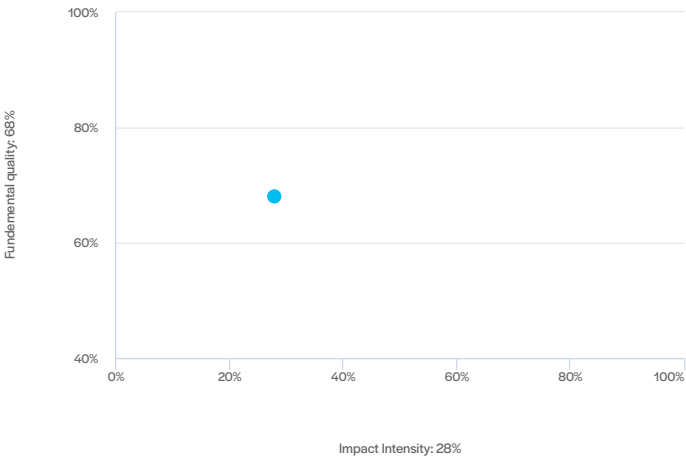
Founded in Pittsburgh in 1914, MSA originally stood for ‘Mine Safety Appliances’. This was changed in 2014 to ‘MSA Safety’ to reflect the broader range of products the company has developed. Today, MSA still manufactures products such as fixed gas and flame detection systems which are used across industry. They are also a leading manufacturer of self-contained breathing apparatus and fire helmets for firefighters as well as fall protection equipment for working at height.

Impact intensity (28%)

MSA Safety is responsible for developing new technologies that directly help to save lives. These products play a critical role in enabling workers and first responders to operate safely. The company has a strong track record of innovation that brings new technologies to market, enhancing the positive impact of its products.

Fundamental quality (68%)

The company’s focus on innovation gives MSA a strong competitive position in an attractive sector with a wide range of different customers. Employee oriented policies (diversity, health and safety) are strong but the company is still developing its approach to wider social and environmental issues.



Link to UN SDGs



Safety is embedded in several SDGs including worker safety (SDG 8), safe housing (SDG 11) and safer roads (SDG 3). MSA directly supports these objectives by providing safety equipment to workers, fire-fighters and first responders.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Board accountability for sustainability
- Classified board
- Combined Chair/CEO
- Hazardous chemicals

Useful further links

- [Fire and Protest](#)
- [Engagement without the punchups](#)



ENTERPRISE VALUE:

\$5bn

REGION:

North America

THEME:

RESOURCE EFFICIENCY

WEBSITE:

power.com

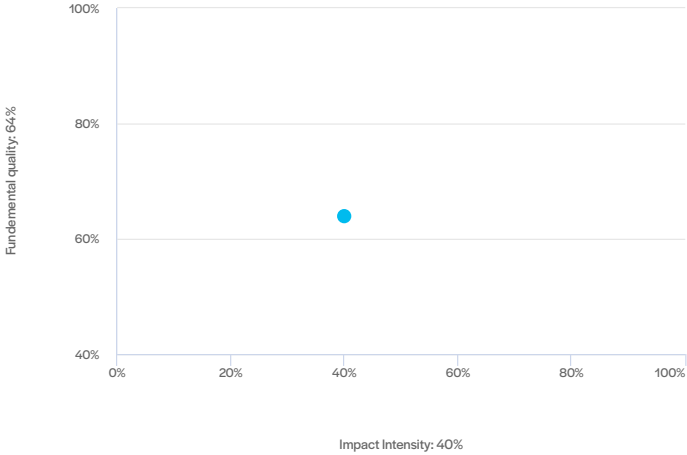
Power Integrations is a pure-play manufacturer of integrated power-conversion components. Unlike traditional power conversion solutions requiring dozens of components, the company’s integrated solutions reduce the bill of materials and the size of the integrated circuit board. Power Integrations has strong market positions across a range of end markets including industrials and renewable energy, and a leading position in consumer appliances in particular.

Impact intensity (40%)

Power Integrations’ market leading EcoSmart chips intelligently manage the flow of power to maintain high efficiency whilst reducing energy waste when an appliance is in standby. This reduces household electricity consumption results from idle load electricity from 23% to almost zero.

Fundamental quality (64%)

The company is a leader in emerging gallium nitride (GaN) technology which delivers strong efficiency gains in power suppliers for consumer goods. Growth is driven by increasing penetration as the portfolio of GaN products broadens, as well as growing exposure in electric vehicles and high voltage applications. We would like to see the company improve its environmental disclosures and continue to engage with management on the topic.



Link to UN SDGs

SDG 9 Power Integrations’ products address the issue of efficiency within a wide range of applications, particularly within consumer applications and increasingly in industrial, EV and renewable energy settings.

Impact calculator metric (per £1m invested)

(Forthcoming) Emissions avoided

Recent stewardship topics

- Tax approach given offshore listing
- Sustainability disclosure
- Emissions targets

Useful further links
(Forthcoming)

ENTERPRISE VALUE:

£4bn

REGION:

North America

THEME:



RESOURCE EFFICIENCY

WEBSITE:

silabs.com

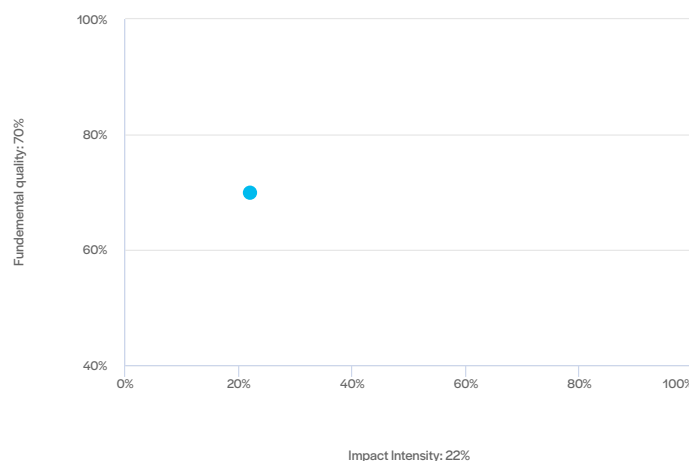
Silicon Laboratories designs and develops analog semiconductors and other electronic components that are used to control and connect devices. The company has particular expertise in ultra-lower power devices. It also develops and sells technologies that play a critical role in the ‘internet of things’ (IoT) which enables greater efficiencies through closer analysis and control of electrical equipment used in the automotive, communications, home and industrial automation, power and retail sectors.

Impact intensity (22%)

While Silicon Labs’ products are key enablers of the IoT, they are a small proportion of the total solution. Efficiency benefits are expected to be widespread but incremental across multiple end markets.

Fundamental quality (70%)

The company has developed a core focus on the IoT and built up significant intellectual property in connectivity applications. With a high quality management team and exemplary employee practices, the company is now also addressing wider ESG issues in the business.



Link to UN SDGs



Silicon Laboratories directly supports the achievement of SDG 9 through its IoT applications which underpin increased efficiency in a wide variety of end markets.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Product impact
- Sustainability reporting

Useful further links

[A Tale of Two Revolutions](#)

ENTERPRISE VALUE:

£11bn

REGION:

Europe

THEME:



ENVIRONMENTAL SERVICES

WEBSITE:

smurfitkappa.com

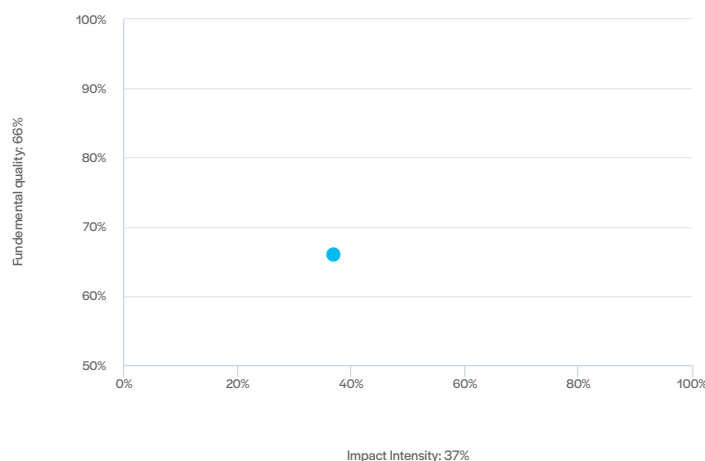
Smurfit Kappa Group Plc collects, manufactures and sells recycled cardboard. The company is headquartered in Ireland and operates throughout Europe and the Americas. Smurfit Kappa is the largest producer of recycled cardboard products in Europe with clients in food, beverages, household consumables and industrial markets.

Impact intensity (37%)

Recycled cardboard is a preferable packaging material in many applications with lower environmental impacts compared to other materials. The company is vertically integrated but recycled cardboard is widely available from different providers.

Fundamental quality (66%)

Since Smurfit Kappa listed in 2007 the company has established itself as a quality operator in the industry. With a focus on design innovation the company benefits from increased use of recycled cardboard in packaging applications. The company has an excellent approach to the significant ESG issues facing the industry.



Link to UN SDGs



As one of the world's largest recyclers of cardboard packaging, Smurfit Kappa directly supports the circular economy goals in SDG 12.

Impact calculator metric (per £1m invested)

15 tonnes of waste recycled
5 tCO₂e emissions avoided

Recent stewardship topics

- Biodiversity impacts
- Carbon reduction targets
- Gender diversity

Useful further links

[WHEB's approach to biodiversity Engagement Case Study](#)

[What is the best way to tackle plastic waste? Smurfit Kappa and the war on plastic](#)

ENTERPRISE VALUE:

£13bn

REGION:

North America

THEME:



CLEANER ENERGY

WEBSITE:

solaredge.com

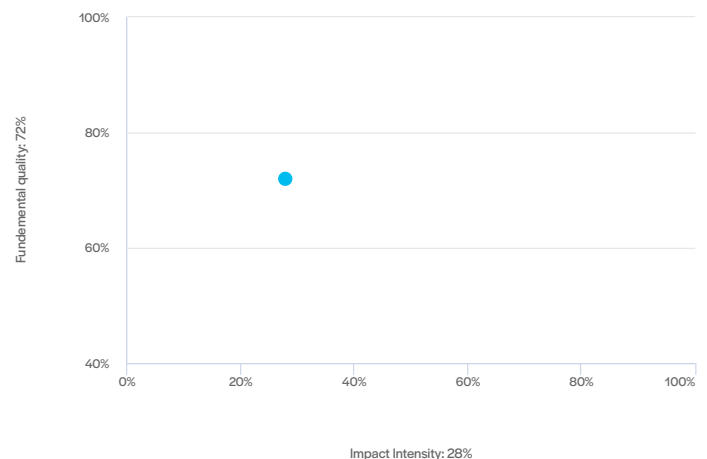
SolarEdge manufactures inverters and power optimisers for residential and commercial solar systems. Solar inverters convert the DC power produced by solar panels to AC, which is used to power electronic appliances and devices. SolarEdge's accompanying power optimisers are fitted to each solar module and track the maximum power point of each individual panel, increasing the energy output of the overall solar system. The company also manufactures energy storage solutions and EV chargers for the home and is also growing its position in electrical powertrain units and batteries for EVs themselves. SolarEdge is headquartered in Israel but listed on the US stock exchange.

Impact intensity (28%)

SolarEdge inverters and power optimisers maximise the energy output of a rooftop solar system compared to older-style string inverters. All of SolarEdge's products are critical technologies for decarbonisation as Solar PV is a near-zero emission technology. As one half of a duopoly in its largest market, and the global leading supplier of power optimisers, SolarEdge is highly differentiated.

Fundamental quality (72%)

SolarEdge is the number one supplier of solar inverters globally and has leveraged its strong value proposition to rapidly take share from incumbents. It has one half of the effective duopoly held by module level power electronics (MLPEs) companies over the American solar market. Its large network of loyal third-party installers, and technological superiority to older-style string inverters, create a moat around its competitive position and should support share gains in its newer markets.



Link to UN SDGs



SolarEdge's products directly support SDG7 which is focused on the generation and provision of affordable and clean energy.

Impact calculator metric (per £1m invested)

(forthcoming) tCO2e emissions avoided

Recent stewardship topics

- New portfolio company as of November 2021

Useful further links

[We've been warned - climate crisis and weak links in the supply chain](#)
[Extreme weather events - a wake up call on climate mitigation and adaption](#)

ENTERPRISE VALUE:

£13bn

REGION:

North America

THEME:



WELL-BEING

WEBSITE:

sonova.com

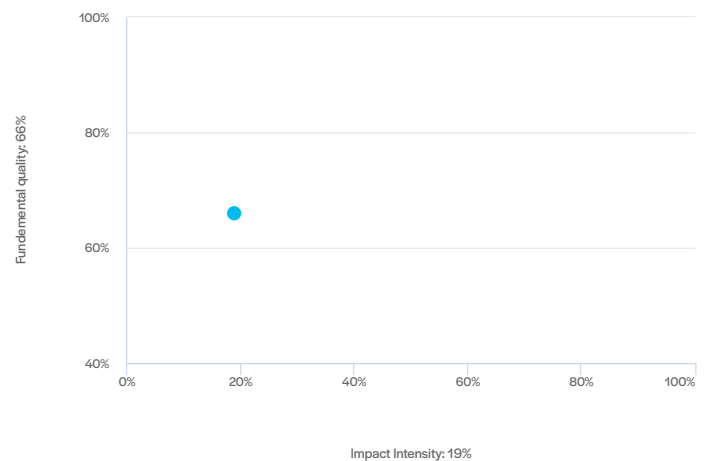
Sonova develops and produces hearing care solutions, including hearing aids and cochlear implants. The company is headquartered in Switzerland and produced the first portable hearing aid in 1950. It operates globally through a number of brands, and offers some of the most technologically advanced devices on the market.

Impact intensity (19%)

Sonova's products combat hearing loss, which has profoundly negative implications for wellbeing and mental health. The company has a key role in this value chain by fitting as well as supplying the devices. Cochlear implants are still more impactful as they are critical for the development of children with cochlear impairments.

Fundamental quality (66%)

As the world ages, the market for hearing instruments has a good growth runway. It has ordered competition from a limited number of players. Sonova has a high quality management team with a track-record of astute innovations and strong operational practices including on ESG issues.



Link to UN SDGs



Sonova's hearing care solutions help support healthy lives and well-being at all ages, a core feature of SDG3.

Impact calculator metric (per £1m invested)

3 people reached with healthcare

Recent stewardship topics

- Overboarding
- Gender diversity
- Board Directors on too many boards (overboarding)

Useful further links

[Hearing Aids: This might sound better for consumers than investors...](#)

ENTERPRISE VALUE:

\$9bn

REGION:

United Kingdom

THEME:



RESOURCE EFFICIENCY

WEBSITE:

spriaxsarco.com

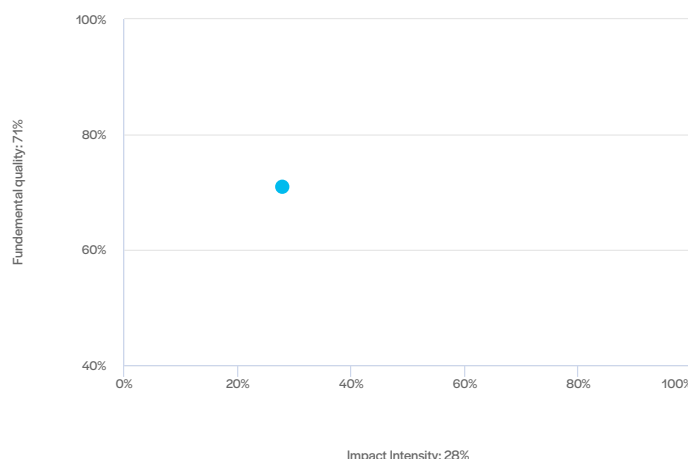
Spirax-Sarco is an industrial engineering business with steam at the heart of it. Steam is a high efficiency, mission-critical tool for diverse and important industries. Its properties make it the preferred choice in a variety of applications, including electrical power generation, humidification, sterilisation, cleaning and cooling/refrigeration. In addition, the company provides electric thermal solutions, used in process heating and temperature management solutions, and fluid control technology through its Watson-Marlow business.

Impact intensity (28%)

The use of steam in industrial processes results in less energy use, contributing to reduced GHG emissions. Steam accounts for 35%-50% of customers' energy bill which makes it an important component of industrial decarbonization. Spirax-Sarco's technology reduces steam use by 5%-10%, a meaningful absolute saving when aggregated across the diverse range of industries the company services. The company is a clear market-leader with an unmatched range of product offerings.

Fundamental quality (71%)

The company operates under a direct sales model and offers not just products but a deep expertise in applied engineering covering systems design, operations and maintenance. The sales engineers work closely with customer, collaborating to solve their productivity and energy efficiency challenges. This results in deep, long-term relationships and a sticky customer base. It also leads to above average margins and returns.



Link to UN SDGs



Spirax-Sarco's products support SDG9 by improving process and resource efficiency across multiple end markets, including food & beverage, pharmaceuticals and machinery manufacturing.

Impact calculator metric (per £1m invested)

New portfolio company as of Q1 2022

Recent stewardship topics

- (Forthcoming)

Useful further links

(Forthcoming)

ENTERPRISE VALUE:

£13bn

REGION:

North America

THEME:



HEALTH

WEBSITE:

steris.com

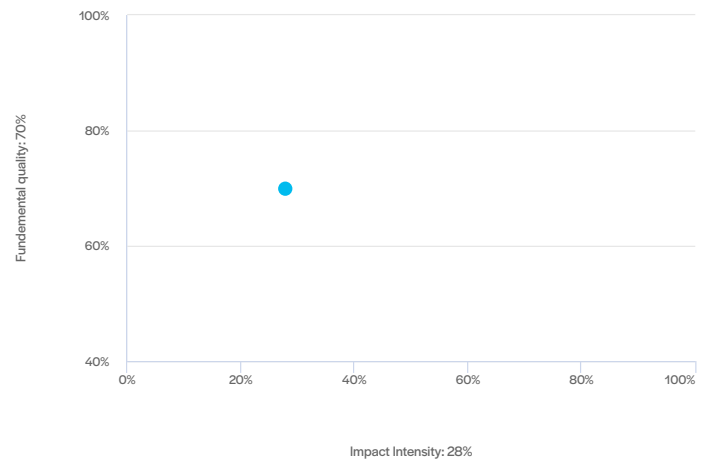
Steris provides a variety of products and services to the healthcare industry including specifically to hospitals, medical device manufacturers, pharmaceutical and biotechnology businesses as well as for food safety and industrial markets. The company's main areas of activity are in providing hygiene, sterilisation and anti-microbial treatment services to these end markets in order to ensure a safe and hygienic operating environment.

Impact intensity (28%)

Steris provides products and services directly to customers that enable them to deliver healthcare safely and efficiently. The use of these products and services is often required by regulation and are widely available.

Fundamental quality (70%)

Steris operates in a market that grows steadily throughout the economic cycle. The company has leading positions and a broad product portfolio with a management team that has a strong record of good execution. ESG disclosure and performance is improving.



Link to UN SDGs



Steris is an enabler of quality healthcare and supports SDG 3 by ensuring hygienic operating conditions in hospitals and other sensitive environments.

Impact calculator metric (per £1m invested)

Under review (not currently included)

Recent stewardship topics

- Auditor independence
- CEO remuneration
- Director independence
- Gender diversity
- Hazardous chemicals
- Sustainability reporting

Useful further links

[Addressing Ethnic and Racial Diversity](#)
[This year's new killer](#)

[It may be a cliché but it is true; prevention is better than cure](#)



ENTERPRISE VALUE:

£32bn

REGION:

North America

THEME:

SUSTAINABLE TRANSPORT

WEBSITE:

te.com

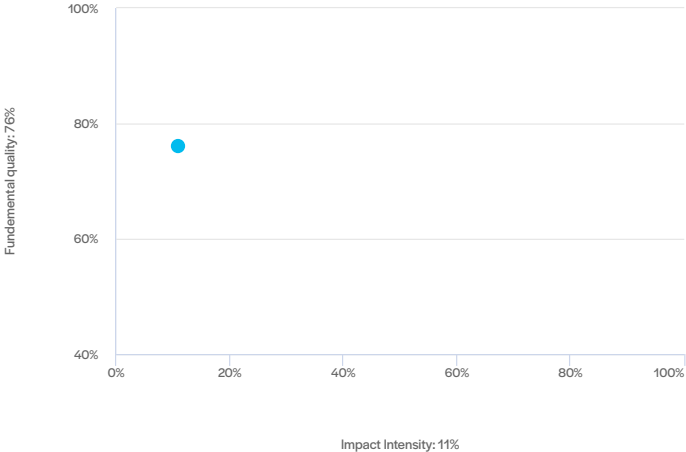
TE Connectivity is a US-based manufacturer of electronic components and wireless systems. The company’s main market is the automotive industry where its products are used to improve safety and fuel efficiency through increased levels of automation and electrification. The company does also sell products into industrial and telecommunications markets where they are often used in applications to help improve energy efficiency and safety.

Impact intensity (11%)

TE Connectivity’s wide range of products are typically used in the management and distribution of electrical power. With more renewable power these products help decarbonize key markets such as the automotive and manufacturing sectors.

Fundamental quality (76%)

Electrification of key markets provides good growth opportunities for TE Connectivity. The company has an experienced management team which has developed a strong franchise in its markets. TE Connectivity also has demonstrated excellent performance on critical ESG issues.



Link to UN SDGs

11

SUSTAINABLE CITIES AND COMMUNITIES

TE Connectivity enables the electrification of automotive and industrial markets. It supports the development of more sustainable transport and infrastructure that is the focus of SDG 11.

Impact calculator metric (per £1m invested)

<1 tCO₂e emissions avoided (estimated)

Recent stewardship topics

- Gender diversity
- Overboarding
- Board accountability for sustainability
- Auditor independence

Useful further links

- [COP26: ‘More than expected, less than hoped’ Addressing Ethnic and Racial Diversity](#)
- [5G and Sustainability](#)

ENTERPRISE VALUE:

£144bn

REGION:

North America

THEME:



HEALTH

WEBSITE:

thermofisher.com

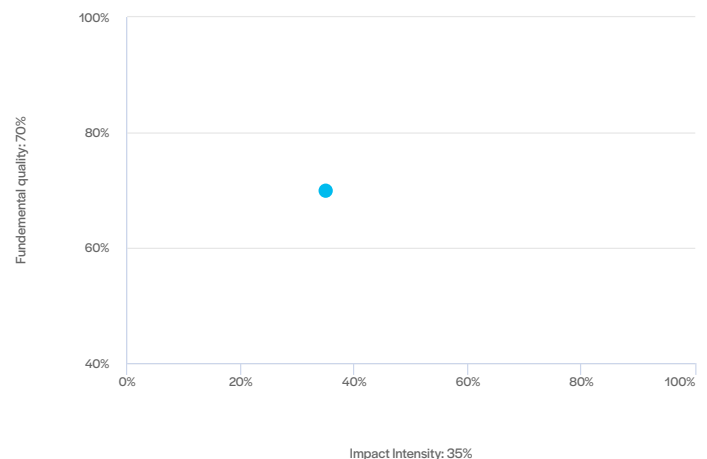
Thermo Fisher Scientific is one of the largest suppliers of analytical instrument, equipment, consumables and software for healthcare and environmental research, analysis, discovery and diagnostics. The company offers a very wide range of products and services including the equipment needed to analyse samples as well as the variety of containers and other consumables needed to handle them.

Impact intensity (35%)

Thermo Fisher's products are essential in enabling healthcare customers to develop and manufacture healthcare therapies, to analyse environmental quality and to diagnose disease.

Fundamental quality (70%)

Thermo Fisher has established an extremely strong competitive position in a market that is dominated by 3-4 large players. The management team has an excellent track-record of strong operational performance and effective capital deployment. ESG disclosure however is moderate.



Link to UN SDGs



Thermo Fisher products are essential enablers in developing better healthcare in support of SDG3 and in analysing environmental quality.

Impact calculator metric (per £1m invested)

90 COVID-19 tests produced

Recent stewardship topics

- Access to COVID-19 tests/ pandemic response
- Net Zero Carbon strategy/target
- Single-use plastic
- Sustainability reporting

Useful further links

[It may be a cliché but it is true; prevention is better than cure
This year's new killer](#)

[Coronavirus Contagion: a Lockdown on Leverage?](#)



ENTERPRISE VALUE:

£37bn

REGION:

North America

THEME:

RESOURCE EFFICIENCY

WEBSITE:

tranetechnologies.com

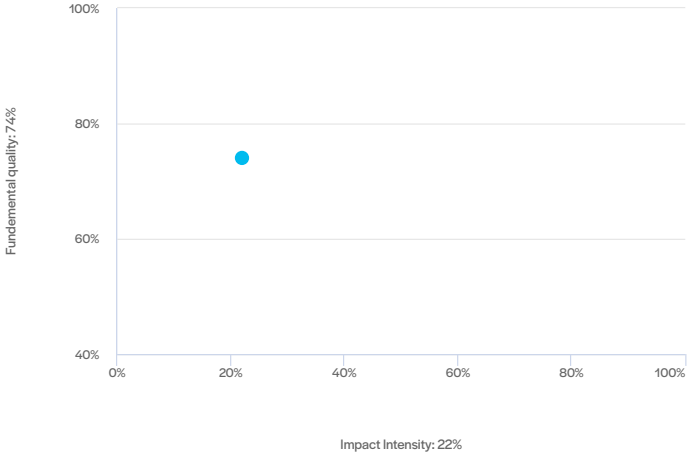
Trane is a world leader in air conditioning systems and services. The company serves engineers, contractors and business owners across an array of markets including education, healthcare, government and manufacturing. It also provides climate-controlled transport solutions to the food and medical industries. It also has an offering in the heat pump space which brings a 300% efficiency gain compared with the system it would replace.

Impact intensity (22%)

Trane’s products directly deliver higher energy efficiency compared to average HVAC systems. For its strong emphasis on innovation and sustainability Trane recieved the top spot for transformative innovation and resilience / risk avoidance to climate change among HVAC manufacturers from the CDP. While the impact is not critical, the improved efficiency is increasingly required by home owners and commercial businesses.

Fundamental quality (74%)

Trane is a world leader in HVAC and refrigerated transport. Many mega trends will drive the growth of the HVAC market for decades to come which, in turn, creates a major challenge in containing GHG growth. Trane’s products and its strong commitment to cut scope 3 emissions make it part of the solution. Its salesforce is comprised of highly trained engineers who can provide engineered applied systems with demonstrable efficiency savings. Incentives for business growth and impact are clearly aligned; 2030 ESG targets are included in compensation.



Link to UN SDGs

Trane’s products directly support SDG9 by focusing on developing and selling higher efficiency HVAC systems and heat pumps.

Impact calculator metric (per £1m invested)

(Forthcoming)

Recent stewardship topics

- New portfolio company as of Q1 2022

Useful further links
(Forthcoming)

ENTERPRISE VALUE:

£18bn

REGION:

North America

THEME:



RESOURCE EFFICIENCY

WEBSITE:

trimble.com

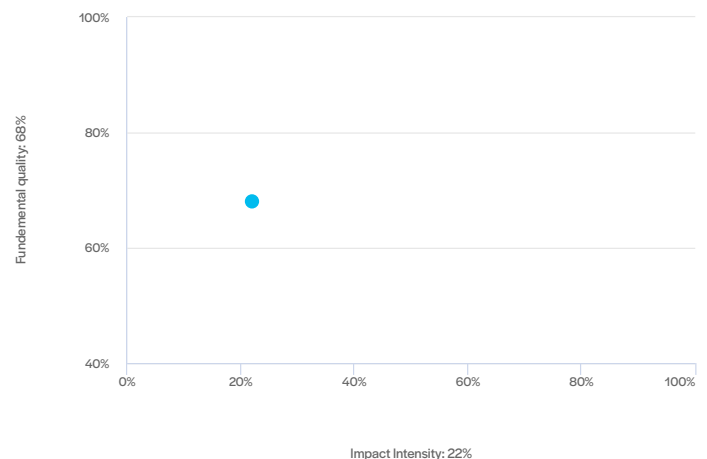
Trimble is the leading provider of location-based solutions which contribute to efficiency and productivity improvements. It operates predominantly in the construction, transport, and agriculture end-markets, where we expect the company to benefit from increasing demand for efficiency improvements. The company is listed in the US but derives around 50% of its sales from countries outside the US.

Impact intensity (22%)

Trimble's portfolio of products and solutions deliver several diverse, positive environmental impacts. Chief among these is the impact of reduced emissions from, for example, improving fuel efficiency and fleet utilisation in transport, and finding efficiencies in agricultural processes. The company also offers solutions to enable reduced waste, more efficient water use, and reduced damage from agricultural products such as pesticides and fertilisers.

Fundamental quality (68%)

In each of its end markets, Trimble is either the global market leader or is in the top two or three providers. The company spends a high proportion of its sales on research and development to drive continued innovation. This serves to defend its market share while driving fundamental growth and positive environmental impact. The company is well positioned to grow organically and has a strong balance sheet to support continued acquisitive growth, as well.



Link to UN SDGs



Trimble supports SDG9 by enabling more and better innovation that improves resource efficiency across multiple end markets including construction, transport, and agriculture.

Impact calculator metric (per £1m invested)

(Forthcoming)

Recent stewardship topics

- New portfolio company as of Q1 2022

Useful further links

(Forthcoming)

ENTERPRISE VALUE:

£33bn

REGION:

Europe

THEME:



CLEANER ENERGY

WEBSITE:

vestas.com

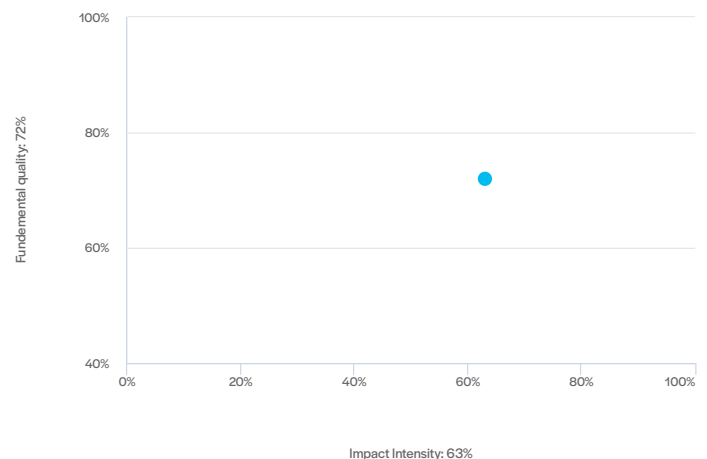
Vestas Wind Systems is the world's largest manufacturer of wind turbines. The company manufactures both onshore and offshore wind turbines. The company also provides operation and maintenance services for wind power parks.

Impact intensity (63%)

Wind power is one of the most important technologies needed to decarbonize electricity supply. Vestas provides this technology to large utility and corporate customers.

Fundamental quality (72%)

Vestas is a quality operator with leading margins in a consolidated sector. Pricing power is limited by market structure and large customers. The company has a high quality approach to its operations and a comprehensive approach to critical ESG issues.



Link to UN SDGs



Increasing renewable energy is a core target of SDG 13. Vestas is a key enabler of more renewable energy by developing, manufacturing and servicing wind turbines.

Impact calculator metric (per £1m invested)

89 tCO₂e emissions avoided
19 MWh of renewable energy

Recent stewardship topics

- Overboarding
- Auditor independence
- Director inde
- Wind blade recycling

Useful further links

January storms: heavy rotation in weak markets at the start of 2022
COP26: 'More than expected, less than hoped'

Market background still positive

ENTERPRISE VALUE:

£15bn

REGION:

North America

THEME:



WATER MANAGEMENT

WEBSITE:

xylem.com

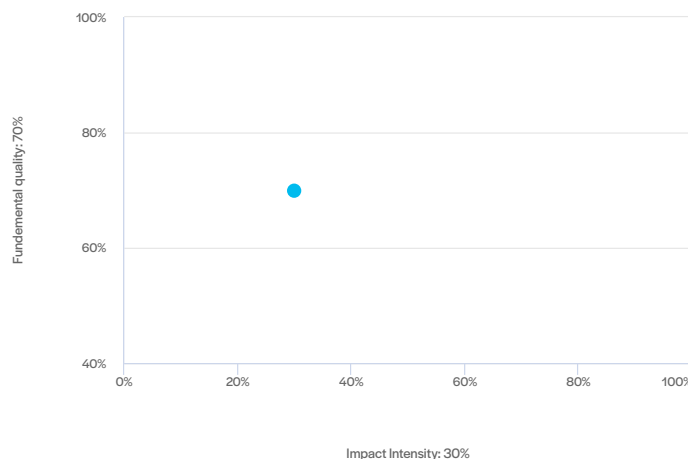
Xylem manufactures a wide range of products and provides services to the water industry. The company's water infrastructure business provides a range of pumps, filtration and testing and treatment equipment to water utilities. The company also supplies commercial, residential markets with water and wastewater systems, and provides measurement and control solutions. Xylem's strategy is characterised by the application of intelligent technology to improve water efficiency, in products such as smart meters and intelligent monitoring equipment.

Impact intensity (30%)

Xylem supplies products and services that enable the efficient collection, treatment and supply of water by its clients. The company has a focus on efficiency and resource conservation and has novel products aimed at improving efficiency in the industry.

Fundamental quality (70%)

Xylem is a strong competitor in a range of defensive slow-moving municipal markets as well as higher margin but cyclical markets in the private sector. The company has a strong management team with a leadership position on ESG issues.



Link to UN SDGs



Xylem is a key enabler of businesses that support the achievement SDG 6 on the sustainable management of water resources.

Impact calculator metric (per £1m invested)

621k litres of water cleaned for reuse
186k litres of water use avoided
<1 tCO₂e emissions avoided

Recent stewardship topics

- Auditor Independence
- Excessive executive remuneration
- Net Zero Carbon strategy/targets

Useful further links

[Code Red from the IPCC](#)
[From No 10 to BP – it's all moving very fast](#)

[5G and Sustainability](#)



The impact people



pengana.com/impactfund