KBI Global Investors

RESPONSIBLE INVESTING
2020 Annual Report

2020 ANNUAL REPORT on Responsible Investing

Message from our CEO

Responsible Investing is a very broad church and takes many forms - but at the heart of it is a belief that investors should consider the impact that their investments are having on society and the environment - and vice versa. We estimate that the managers of more than 30% of professionally managed global investments now consider these issues at some level, and many, including our firm, incorporate them into each and every investment decision we make.

That's a lot of financial muscle and it's starting to work to a meaningful extent tackling cross border challenges such as climate change, resource scarcity and biodiversity as well as industry and company specific issues relating to equality, labour conditions and of course corporate governance which is increasingly in the spotlight.

Why have we seen this change of investor behaviour? After all, capitalist investors are not usually seen by the public as being leading lights in the fight against climate change, or for greater diversity or for consideration of all stakeholders and not just shareholders.

While government policy and regulation - such as the EU's Sustainable Finance Disclosure Regulations which came into effect recently - has certainly been a factor, I believe that the real drive for change is coming first and foremost from the asset owners - whether they are institutions or individuals.

And very importantly it is primarily motivated by the principles of risk and return, not regulation or indeed philanthropy or a desire to advance social justice and ideology which accounted for the interest in what was called ethical investing in past decades.

Crucially what has changed is that many long-term investors have now decided that what is bad for society and the environment is also bad for their investments.

For example investing in fossil fuel companies that are doing little to address the issue of climate change is not only bad for the global economy in the long-term (climate change surely represents the single biggest risk to the global economy and thus to investments), it may also be a poor investment in the short-term as the entire business model of those companies comes under severe threat.

So mindsets and behaviour are changing as corporate leaders recognise that those who do not consider the long-term impact of their actions will be punished by markets (investors) and those that do will be rewarded.

This shift is supported by the evolution of thinking on fiduciary responsibility which in the past was seen as a reason not to adopt responsible investing principles. It is now widely accepted that it may be a violation of fiduciary duty not to consider ESG factors in building portfolios because if not adequately addressed these long-term societal challenges will impact on corporate profitability and valuations.

One feature we particularly notice is the extent to which 'millennial momentum' is a factor.

Younger decision makers are more engaged on sustainability issues than their predecessors and as the millennial generation moves up in seniority and influence within organisations they are bringing a different outlook essentially embracing capitalism without compromising ideals and looking for ways to make money and at the same time use the investments as a force for positive change. Not surprisingly this is leading to strong growth in Impact investing where the investors are looking to generate and quantify specific beneficial societal or environmental results alongside financial returns.

We see this first hand: we have an active programme of engagement with the companies in which we invest on a variety of sustainability issues, sometimes on a one-to-one basis and sometimes working in collaboration with like-minded investors. Time and again we have made tangible progress to an extent that would have been almost unimaginable just a few short years ago. Most significantly we are now asked by many of our clients to quantify and report on the impact that these investment strategies are having relative to benchmarks such as the UN Sustainable Development Goals.

We know that there has been a huge shift towards Responsible Investing.

We know that it has been driven not by regulation but by sound investment principles - seeking return and managing risk.

We know that the millennial generation is even more interested in this topic than previous generations and we know that it is already changing corporate behaviour more quickly than we could ever have expected.

That's a welcome message in these times of difficulty and uncertainty!

Sean Hawkshaw
Chief Executive Officer

Commitment and Governance

Long-standing firm-wide commitment to Responsible Investing

KBI Global Investors (KBIGI) has a strong commitment to Responsible Investing (RI) issues, and has managed Responsible Investment strategies for more than two decades. The firm was established in 1980 and is headquartered in Dublin (Ireland) with a Representative Sales office in Boston in the U.S.

Responsible Investing at this firm began in part because of our original Irish client base, which required a faith-based approach to investing. As such, we implemented negative screens into our process as far back as the mid 1980s, in order to incorporate various ‘ethical’ criteria such as humanitarian and animal welfare issues for our clients. Today, our investment process has evolved from the simple negative screens utilised for our original faith-based clients to a fully integrated, decisive commitment to Responsible Investing, serving endowments, foundations, and institutional investors across the globe.

We implement Responsible Investing principles firstly because we believe that the use of ESG factors has positive effects on the risk and return of investments, and secondly because the use of RI principles in managing investments can help to achieve ESG goals which are worthy of achievement in their own right, and which are also in the best interests of long-term investors.

Responsible Investing can be incorporated into the investment process in three ways. Screening involves excluding stocks that ‘fail’ ESG criteria. A Thematic ESG approach means investing in certain industries or sectors that have strong ESG credentials throughout the sector. Integration is where ESG information about a company is directly built into the investment process. Our two product suites - Natural Resources and Global Equities - both use Screening and Integration, while our Natural Resources strategies additionally use a Thematic approach.

Responsible Investing Committee

Our Responsible Investing Committee has responsibility for all aspects of Responsible Investing, including philosophy, policies, operational issues relating to the implementation of RI factors across existing products, selection of relevant service providers, development of new RI products, Proxy Voting, Engagement, and liaison with external RI organisations and groups.

It is co-chaired by two executive directors of the firm, Chief Investment Officer, Noel O’Halloran and Head of Business Development, Geoff Blake. The Committee is made up of senior staff members including our Head of Responsible Investing, our Head of Compliance and various senior product specialists. While the Committee and its co-chairs have ultimate responsibility within the terms of reference, we have designated ownership for tasks within the committee to ensure efficiency, compliance and ownership.

Responsible Investing Committee

Specialist Team

Long-serving experienced investment

Oversees all aspects of Responsible Investing policy and implementation

Key Staff	Title	Experience (years)	In firm (years)
Noel O’Halloran	Chief Investment Officer	33	29
Geoff Blake	Head of Business Development	26	26
Eoin Fahy	Head of Responsible Investing	32	32
Derval Murray	Head of Compliance & Risk	22	20
Niall Murphy	Senior Vice President - Business Development & Client Services, Europe	29	29
Matt Sheldon	Senior Portfolio Manager	19	10
Michael Gray	Head of Middle Office	31	31
Michael Keane	Senior Vice President - Business Development & Client Services, North America	19	16
Peter Fox	Senior Vice President - Business Development & Client Services, North America	23	22
James Collery	Senior Portfolio Manager - ESG Strategies	20	20
Jeanne Chow Collins	Vice President, Responsible Investing	20	7

UNPRI and other Responsible Investing Organisations

We have been signatories to the United Nations Principles for Responsible Investment (UNPRI) since 2007.

As a signatory, we fully subscribe to the six Principles, as below. We submit a detailed Transparency Report to the UNPRI, annually, setting out our compliance with the principles and this report is publicly available via the UNPRI website.

1. We will incorporate ESG issues into investment analysis and decision making processes
2. We will be active owners and incorporate ESG issues into our ownership policies and practices
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest
4. We will promote acceptance and implementation of the Principles within the investment industry
5. We will work together to enhance our effectiveness in implementing the Principles
6. We will each report on our activities and progress towards implementing the Principles

The PRI organisation carries out an annual Assessment of our Responsible Investing activities, and as the table below shows, we are very proud to have achieved the **maximum possible rating** (A+) in the three modules on which we are assessed in each of the last four years.[1]

Consistent Annual PRI Assessment Scores

	2016	2017	2018	2019	2020
Strategy and Governance	A+	A+	A+	A+	A+
Listed Equity - Incorporation	A	A+	A+	A+	A+
Listed Equity - Active Ownership	B	A+	A+	A+	A+

We also formally support the aims of the Paris Agreement on Climate Change, and we participate in or are signatories to or are formal supporters of several other responsible investment organisations and initiatives as below.

- CERES Investor Network on Climate Risk
- Institutional Investors Group on Climate Change (IIGCC)
- CDP (Carbon Disclosure Project)
- Climate Action 100+
- Building a Sustainable Investment Community (BASIC)
- SIF Ireland
- The Taskforce on Climate related Financial Disclosures (TCFD)

[1] The full PRI Assessment of our firm is available to clients on request. The PRI is the world's leading proponent of responsible investment, with over 3,000 signatories managing more than $100 trn of assets under management. More details on the Principles are available at https://www.unpri.org/pri

Active Ownership

Proxy Voting

The firm has a strong commitment to Active Ownership, and our policy is to vote all securities that we are entitled to vote on behalf of our client portfolios. A Proxy Voting Policy is in place, published on our website, and reviewed annually. We employ the services of Institutional Shareholder Services (ISS), the leading provider of proxy voting services, who provide voting recommendations to us based on a pre-agreed set of principles. Those principles are formulated to align our corporate governance philosophies and investment objectives with our proxy voting activities.

Vote recommendations are made using ESG risk indicators to identify moderate to severe ESG risk factors at public companies, and holding culpable board members accountable for failure to sufficiently oversee, manage, or guard against material ESG risks. Those risk indicators cover several topics including the environment, human rights and impacts of business activities on local communities, labour rights and supply chain risks, consumer product safety, bribery and corruption, and governance and risk oversight failures. The guidelines are generally supportive of shareholder proposals that promote greater disclosure and transparency with regard to corporate environmental and social policies, and reporting on sustainable business practices.

We disclose our full proxy voting record on our website with details of **all** votes, including our voting rationale. https://www.kbiglobalinvestors.com/proxy-voting/

In the 12 months to December 2020, as a firm, we voted on 5,551 resolutions at 1,032 meetings worldwide for all our strategies.

We voted against management in 8% of all proposals and we also supported the shareholder proposals shown below, and voted against management in 39% of all shareholder proposals. Shareholder proposals are initiatives put forward by shareholders, usually requesting management to take action on particular issues.

Lack of Gender Diversity: We voted against certain board members of the following companies due to a lack of gender diversity on the board: Takeuchi Manufacturing, BYD Electronic, Espec corp, Nissin, SEC Carbon, V Technology, China Aoyuan Group, Elematec Corp, Mars Group Holdings, Prima Meat Packers, Ube Industries, Tosei, Also Holdings, BGF Retail, GS Holdings, Nippon Carbon, Tokai Carbon, SITC International Holdings, The Hackett Group, Morguard REIT, Xinyi Glass Holdings, Showa, Southern Copper, Golden Ocean and Atlantica Yield.

Poor oversight of ESG Controversies: We voted against certain board members of the following companies due to poor board and management oversight of ESG risk exposures: Siemens, Iberdrola, Bayer, Repsol, Royal Dutch Shell, Lukoil, Companhia Energetica de Minas Gerais SA, AGL Energy, BHP Group.

Climate Change Related: Enel, Chubu Electric Power, Bank of Montreal, QBE Insurance, Nedbank Group, Absa Group, Royal Dutch Shell, Total, Chevron, BHP Group, Beach energy, ANZ Banking Group

Human Rights report: Chevron, Bank of Nova Scotia, Loblaw companies

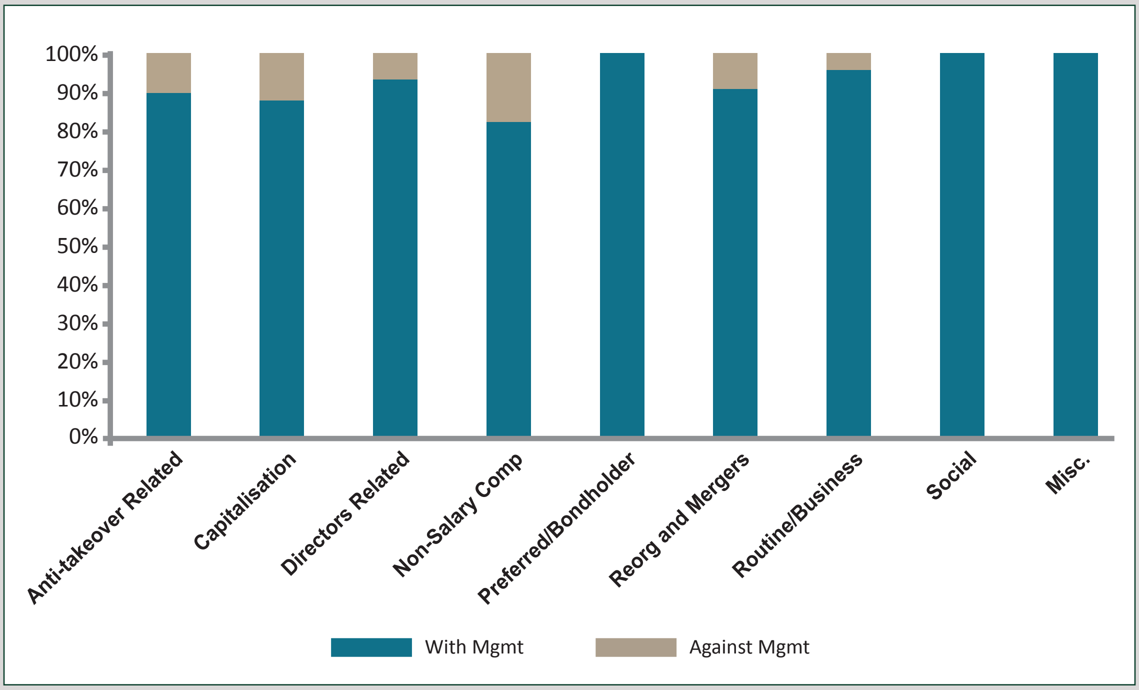
Integrating Risks Related to Drug Pricing into Senior Executive Compensation: Abbvie

Lobbying Payments and Political Contributions: The Western Union, The Home Depot, Activision Blizzard, Maximus Inc, Verizon Communications, Abbvie, Chevron, Comcast, McKesson Corporation, NextEra Energy

Employment Diversity Report/Gender Pay Gap: Expeditors International of Washington, The Home Depot

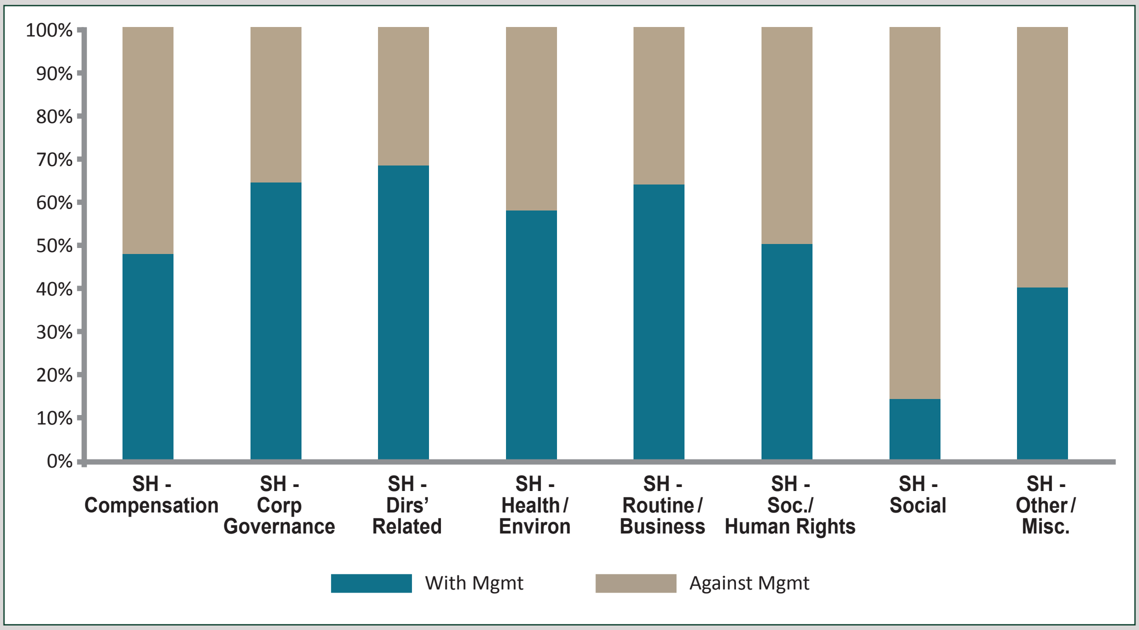
Require Independent Board Chairman: Chevron, AT&T, IBM, Abbvie, Colgate-Palmolive, Prudential-Financial, Amgen, Cisco Systems

KBIGI votes on Management Proposals



Source: KBI Global Investors and ISS for the year 2020

KBIGI votes on Shareholder Proposals



Source: KBI Global Investors and ISS for the year 2020

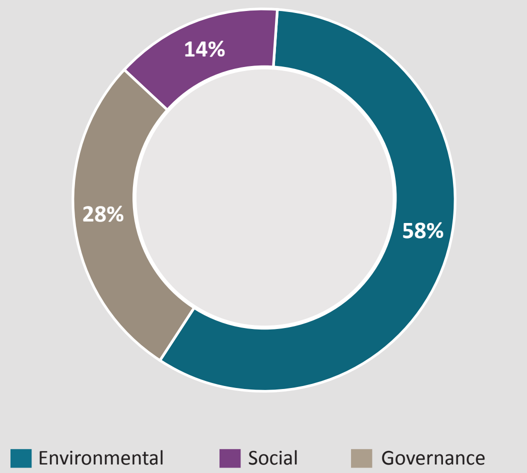
Engagement

There are many reasons for commencing Engagement, including but not limited to concerns regarding board structure and governance, excessive or inappropriately-structured executive compensation, management's intention or ability to deliver shareholder expectations, disclosure of environmental information, and breaches of best practice with regard to stakeholder management. However, while any of these factors may lead to commencement of Engagement, we have decided to particularly focus on companies in relation to which we have particular ESG-related concerns, or which do not publish adequate environmental information, or which are 'laggards' with regard to a commitment to address climate change issues.

In addition, we participate in collaborative engagement efforts. We participate in these collaborative engagements at a firm level based on materiality and items prioritised by the Responsible Investing Committee. As a specialist boutique asset manager with focused resources, we endeavour to leverage relationships to engage in collective engagement when appropriate. We have decided to particularly focus on initiatives related to Climate Change and Carbon Risk and have been involved in a number of initiatives in this area. We are members of the Collaboration Platform (formerly the UNPRI Clearinghouse) which is a forum that allows PRI signatories to pool resources, share information and enhance influence on ESG issues.

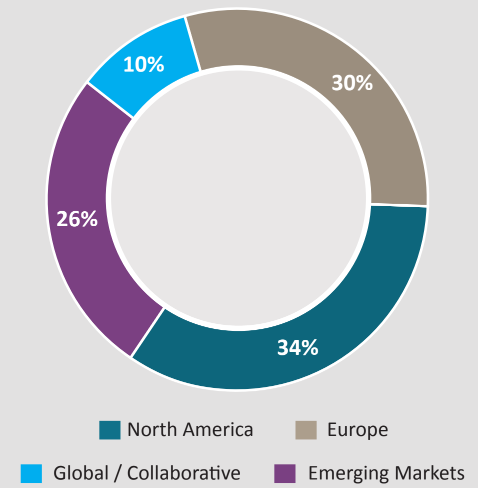
During 2020, we directly engaged with thirty eight companies, and were involved with the leading investor groups for collaborative engagement with seven companies, and on five issues, as well as with a much larger number of companies as part of group collaborative engagements where we were not among the leading investor group.

2020 Engagement: Direct and Collaborative



Source: KBI Global Investors

2020 Engagement: Regional Breakdown



Source: KBI Global Investors

Company Engagement Examples:

Environment:

Northwestern Corporation: We engaged with this small cap U.S. utility which provides energy to customers in Montana, South Dakota and Nebraska, asking it to disclose environmental data to the CDP and to take advantage of the opportunities linked to the development of renewable power production, by increasing the contribution from renewable energy to total installed capacity. The company responded that it discloses emissions and other sustainability data coordinated by the Edison Electric Institute, and that in 2019, 58% of its electricity generation[2] was from carbon free sources. We asked the company if it had any plans to reduce its dependence on coal generation and asked for the company's rationale for the additional investment in the Colstrip 4 Plant, which is fuelled by coal.

Atlantica Sustainable Infrastructure: We spoke with the Head of ESG at Atlantica Sustainable infrastructure. We discussed the company's reporting on ESG, carbon emissions and on the EU Taxonomy. We also engaged with it on recycling wind turbines, asking the company to outline its plans. The company will need to address the recycling of blades to be compliant with the EU Taxonomy. We also asked about its grid assets in Peru and Uruguay and if the company has more than 67% of capacity below the generation threshold value of 100 gCO2e/kWh. The company said that it is working on the complex issue.

Aalberts: We engaged with this Dutch company on positive and negative impact that the company has in relation to the UN Sustainable Development Goals (SDGs)

6 (*Clean Water and Sanitation*) | 13 (*Climate Action*) | 14 (*Life Below Water*) | 15 (*Life on Land*)

1) We asked the company to quantify the percentage of product sales across the business related to water and sanitation, and also the percentage of sales across the business that are sold into the fossil fuel and/or coal power generation initiatives.
2) We asked the company about carbon reduction associated with the efficiencies of the thermal management products as well as the surface technologies products sold into the transportation industry.
3) With the share of renewable energy consumption increasing from 10% in 2018 to 14% in 2019[3], we asked for the company's longer-term targets.

Social:

VTB Bank: We engaged with this Russian financial institution asking it to implement ESG due diligence processes in the company's corporate lending activities.

United Utilities: We engaged with this UK Water utility on positive and negative impact that it has in relation to the UN Sustainable Development Goals (SDGs)

6 (*Clean Water and Sanitation*) | 13 (*Climate Action*) | 14 (*Life Below Water*) | 15 (*Life on Land*)

1) Tackling water affordability, asking for the company's views on the service 'shut off' approach due to delayed bill payment. We wanted to know how advanced the dialogue is on this topic in the industry, which has been brought into focus as a result of the COVID-19 pandemic.
2) We asked for more information on the biodiversity impacts of its business on the local water resources (rivers, lakes, oceans etc.). Has the company undertaken any studies to ascertain negative impact on the environment?
3) Given the low percentage of the company's network that is currently metered, we asked it to articulate its metering strategy over the coming AMP cycle, and to disclose its current leakage rate and future targets.

Governance:

Hyundai Department Store: We engaged with this Korean company on board diversity and board independence. The company responded that it will be making changes to board composition in line with Korean regulations in August 2022 and we urged it to do it sooner, citing the importance of board composition and independence.

Covanta: We asked this company to cut its dividend given the uncertainty of the Covid-19 Pandemic. The company had elevated debt levels and we asked it to reduce its dividend and pay down debt levels. Subsequently, in April 2020, the company announced a dividend cut. Thereafter, we asked the company to identify a sustainable leverage range where it would initiate a clear and sustainable dividend policy.

[2] https://www.northwesternenergy.com/docs/default-source/documents/carbon_statement_2019.pdf

[3] https://aalberts-website.s3.eu-west-1.amazonaws.com/media/App/Models/Download/000/000/273/attachment/original/Aalberts%20annual%20report%202019.pdf

Collaborative Engagement Examples:

Our collaborative engagement efforts during 2020 were largely, though not exclusively, focussed on climate change issues.

Collaborative Group	Engagement Overview
PRI Principles for Responsible Investment	We signed a Statement of Investor Commitment to Support a Just Transition on Climate Change.
BBFAW Business Benchmark on Farm Animal Welfare	We supported an investor initiative to encourage improvements in corporate practice and performance on farm animal welfare through commending good practice and encouraging poor performers to improve. Joined the Business Benchmark on Farm Animal Welfare. As part of BBFAW collaboration, we wrote to 150 benchmarked food companies commenting on their performance in the 2019 BBFAW assessment and suggesting ways in which the companies can improve in the 2020 assessment.
PRI Principles for Responsible Investment	We endorsed a statement of investor expectations re the Responsible Sourcing of Cobalt. Cobalt is used in lithium ion batteries that form an integral part of mobile phones, laptops and electric cars. The Democratic Republic of Congo holds close to 50% of the world's reserves. 20% of the country's cobalt is extracted by miners where serious systemic human rights violations are commonplace; including child labour, health hazards from toxic metals and lack of safety in the mines.
Ceres	We signed a letter coordinated by PRI and Ceres asking companies to commit to and increase efforts to eliminate deforestation in their operations and supply chains in Brazil and around the globe.
IIGCC	We co-signed a letter to EU leaders, ahead of a key EU summit meeting, requesting that the EU adopt a near zero emissions target for 2050 at the latest.
IIGCC	We co-signed a letter to EU policymakers regarding methane emissions. We asked that a legislative proposal be drawn up which would specify a threshold for the intensity of upstream supply for all gas sold in the EU by 2025, the pursuit of a high level of accuracy in emissions measurements, and the incorporation of robust corporate disclosures to support investor confidence and decision making.
Ceres	We endorsed an investor statement to support the mining sector in its transition towards more responsible water management. The statement recommends various measures covering disclosure, implementation, site level water management, accountability and collaboration.
CDP DRIVING SUSTAINABLE ECONOMIES	We signed up to a collaborative engagement initiative by the COP, targeting 1900 high impact companies regarding committing and setting Science Based Targets aligned with 1.5°C temperature scenarios.

Source: KBI Global Investors for the year to 31st December 2020

Collaborative Engagement as part of Climate Action 100+

Enel SpA: As part of CA 100+, we are part of the lead investor group engaging with this large Italian manufacturer and distributor of electricity and gas. We have had several interactions with the company, including an interesting discussion in particular on the political implications of closing its coal-fired power plants. We supported the slate of board candidates filed by CA100+ shareholders at the Enel AGM, who were appointed to the board in June 2020. On a call with the company in September 2020, Enel committed to a Scope 1 emissions cut of 70% per kWh by 2023 relative to 2017, with a cap of 125g/kWh, and full decarbonisation by 2050. It also committed to cut scope 3 emissions by 16% to 2030, and is compliant with the Science Based Target Initiative standards.

CNOOC: We joined the lead investor group of CA100+ to engage with this Chinese oil company. The group sent a letter to the CNOOC President and CEO in February requesting a meeting to discuss TCFD recommendations, the new Hong Kong Stock exchange ESG reporting expectations and the company's ranking within the Transition Pathway Initiative framework. The company's Sustainability Report 2019 included more reporting on climate risks in its operations. The investor group met with the company in November 2020 at which time the company was in the process of drafting its own 5-year plan and strategy to meet the country's low carbon 2060 pledge. The company's plan was to announce ESG targets in 2021, which included low carbon development such as to increase the percentage of gas production in its mix , to develop new energy business focusing on offshore wind power and to adopt new technologies such as onshore power, smart oil fuels. CNOOC in its latest ESG report had produced an environmental assessment which was close to TCFD recommended reporting.

LyondellBasell: We joined the lead investor group of CA100+ to engage with the commodity chemicals company. We participated in a meeting with the company's Head of Investor Relations and SVP R&D, Technology and Sustainability in December 2019 to discuss CA100+ objectives and goals and the company's plans. We met with the company again in May 2020 to discuss its climate change commitments, disclosure and reporting, and governance framework. The company had made some progress and expanded its enterprise risk framework to include climate change. It also confirmed that it will be doing a gap analysis, and will be working on Scope 3 and TCFD. The investor group could not accept the company's reasons for not setting targets aligned with the Paris Agreement, and consequently made a statement at the LYB AGM in June 2020. The CEO, in his response, mentioned TCFD and Science Based Targets, as well as including climate change in its enterprise risk framework. Our lead investor group met with the company again in November 2020, and discussed its emissions targets, and the CA100+ Net Zero benchmark. The company again acknowledged that its carbon emissions reduction target isn't aligned with the Paris Agreement, and that the execution and implementation of the climate strategy has not been as effective as its efforts on the circular economy. There are intentions to make commitments and the company is looking to develop its post 2030 strategy.

Weyerhaeuser: As part of CA 100+, we are part of the lead investor group engaging with this forest/paper company. We participated in a meeting with the company in December 2019 with group IR and Head of Sustainability. The company had released its new Sustainability Plan which was approved by the company's board in H1 2020. We participated in a conference call with the company at the end of November 2020, and discussed the company's new Sustainability plan and its efforts on carbon, as a large owner of land, forest, and wood products. We also asked the company to consider divesting its oil and gas properties given that it generates less than 1% of revenues.

Screening

We do not invest in any companies which are involved with the production or sale of anti-personnel mines and cluster bombs, or of chemical, biological and depleted uranium weapons, and we also exclude any company which violates, repeatedly and seriously, one or more of the ten principles of the Global Compact. In 2020, we also excluded companies involved in large scale coal extraction (mining) or coal-fired electricity generation, and tobacco manufacturers. This applies to all clients and all portfolios.

As at the end of December 2020, we excluded a total of 483 companies in all portfolios.
The breakdown is as follows:

Controversial Weapons:	**107 companies**
Global Compact:	**28 companies**
Coal:	**274 companies**
Tobacco:	**74 companies**

Our Integris Global and Emerging Market Equity strategy also exclude companies that have material connections to certain controversial industries, e.g. fossil fuels, tobacco and weapons. These portfolios also exclude companies that score the worst overall ESG score ('CCC') as calculated by an independent external ESG research company, MSCI ESG Research, and at the end of December 2020, there were 612 companies excluded from the investible universe of these portfolios as a result of this ESG screen.

It is our policy to facilitate clients who wish to exclude investment in certain companies or sectors, on a separate account basis, using either lists of securities supplied by the client or using negative screens based on MSCI ESG Research inputs.

Other developments during 2020

- For the fourth year in a row, the UNPRI awarded us the maximum "A+" rating for all firm-wide and equity-related components (Strategy and Governance, Listed Equity - Integration, Listed Equity - Active Ownership) in its annual assessment of our Responsible Investment activities. The methodology and full report are available on request.[4]

- We continue to actively support the work of Climate Action 100+, and joined the lead investor group to engage with four companies asking for greenhouse gas reductions in line with the Paris Agreement, integration of climate change issues into the governance structure of the company, and high-quality reporting on climate issues, in line with the reccomendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

- Our proxy voting activities support the goals of Climate Action 100+, voting against management and supporting the climate related resolutions at the annual meetings of eleven companies.

- We decided to broaden the list of activities in which we will not invest by adding companies which obtain more than 5% of their revenues from manufacturing complete tobacco products, and also companies which receive a substantial proportion of their revenues from coal mining or coal-fired power generation or which are developing new coal mines, coal-fired power generation, or transport facilities exclusively dedicated to coal.

- We participated in a number of collaborative engagements, usually on the topics of climate change and the disclosure of environmental information which have been identified by us as being our strategic areas of focus for engagement, both collaboratively and on a bilateral basis.

- KBI's Head of Responsible Investing, Eoin Fahy, is a member of the steering committee of CDP (formerly known as the Carbon Disclosure Project) in Ireland, which is coordinating efforts by Irish institutional investors to encourage Irish companies to submit data to CDP. In 2021, Eoin was appointed Chairperson of CDP Ireland.

- We conducted climate change scenario testing on all of our strategies, using the Paris Aligned Capital Transition Assessment tool provided by the Two Degree Investing Initiative and the PRI.

- We published a whitepaper on 'ESG distribution and performance', based on a region by region analysis of MSCI ESG ratings and performance.

- We now consider carbon intensity in the investment process for our Global Equity Strategies, and we published a whitepaper on 'Decarbonisation, ESG and the important role of value investors'.

- We released the end-2019 update of our Revenue Aligned SDG Scores, measuring the Impact of our Natural Resource Strategies in terms of how the portfolios' revenues are aligned with achieving the United Nations Sustainable Development Goals.

- KBI gave comments to Institutional Shareholder Services (ISS) and MSCI ESG Research on their annual consultation on their policies.

- In 2020, as part of our climate action programme to reduce the impact of our firm's carbon footprint, we offset our travel-related carbon emissions via the Vita Green Impact Fund. The Fund supports rural African communities with high-impact low-carbon energy and water solutions, delivering measurable results on UN SDGs Nos. 3, 6 and 7 relating to improved health and access to water and energy. Nearly half the wells in Africa are broken. Women and children have to walk miles and use a lot of wood to gather and boil dirty water. Vita run a large community water well programme in both Ethiopia and Eritrea, such that so when they fix a water pump it saves thousands of trees from being burnt, reducing emissions significantly. Traditionally, women in Africa cook on an open fire using huge amounts of wood and leaves. Vita's improved cookstove programme reduces the wood required by over 60%, which means emissions are reduced by 60%.[5]

[4] The full PRI Assessment of our firm is available to clients on request. The PRI is the world's leading proponent of responsible investment, with over 3000 signatories managing more than $100trn of assets under management. More details on the Principles are available at https://www.unpri.org/pri

[5] Investment Memorandum for the Vita Green Impact Fund, available at https://vitagreenimpactfund.com/wp-content/uploads/2016/03/Investment-Memorandum.pdf

DISCLAIMERS:

ALL MARKETS

KBI Global Investors Ltd is regulated by the Central Bank of Ireland and deemed authorised and regulated by the Financial Conduct Authority. The nature and extent of consumer protections may differ from those for firms based in the UK. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website.
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