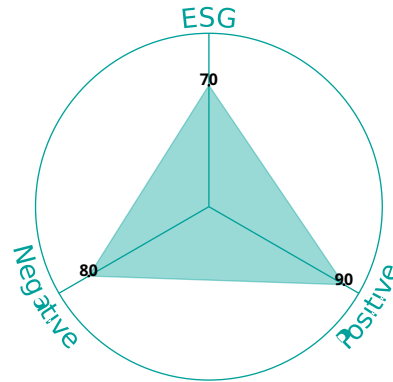


FP WHEB Sustainability Impact Fund

Fund Provider	WHEB Asset Management
Manager Name	Ted Franks, Claire Jervis & Ty Lee
SDR Label	Impact
Structure	OEIC/Unit Trust
Asset Class	Equity
Sector	Global
Website	https://www.whebgroup.com/



Summary The aim of the Fund is to achieve capital growth over 5 years and contribute to positive sustainability impact over this period. For these purposes positive sustainability impact includes:

supporting a stable climate and healthy ecosystems through activities that:

- a) deliver Cleaner Energy and avoid the production of greenhouse gases (GHGs);
- b) provide Environmental Services that reduce the generation of waste and avoid the production of greenhouse gases (GHGs);
- c) enable improved Resource Efficiency in order to avoid the production of GHGs;
- d) enable Sustainable Transport that avoids the production of GHGs;
- e) enable effective Water Management through reductions in the use of freshwater and treatment of polluted water; and enabling more productive and healthy lives through activities that:
- f) deliver more Education;
- g) deliver improved Health through the reduction of both communicable and non-communicable diseases;
- h) improve Safety by making sure products are safe and by directly protecting people from hazards;
- i) improve Well-being for people through preventative care; and
- j) deliver new and better positive impact technologies related to the above activities

Negative Criteria

Alcohol Production & Retailing

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the production or retail of alcoholic beverages.

Animal Testing Non-Medical

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of cosmetics where animal testing has been involved.

Animal Welfare Food & Farming

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of intensive farming or fishing practices.

Animal Welfare Fur

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the fur industry.

Armaments

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of weapons, including controversial weapons (where a 0% threshold applies).

Climate Change & Fossil Fuels

The Fund does not invest in companies that own carbon reserves or are involved in the exploration, extraction, distribution, refining or production of fossil fuels (defined as more than 5% of revenue), including thermal coal and tar sands (where a 1% threshold applies).

Environmental Impact

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of unsustainable timber products or palm oil production.

Gambling

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of gambling products or services.

Genetic Modification

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of GMOs, where they are released into the natural environment.

Nuclear Power & Services

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of nuclear power generation.

Pornography

The Fund does not invest in companies with activities substantially related to (defined as more than 5% of revenue) the provision of pornographic materials.

Tobacco Production & Retailing

The Fund does not invest in companies with activities substantially related to (a 0% threshold applies) the production or retail of tobacco or cannabis products for recreational use (where a 5% threshold applies).

Positive Criteria

Climate Change Positive

The fund seeks investment in companies that offer solutions to problems of environmental sustainability including resource efficiency, cleaner energy and sustainable transport.

Corporate Governance Positive

A core part of the stock-level analysis includes explicit consideration of the company's governance and business ethics. WHEB considers the robustness of company risk management systems, its governance processes, the extent of any involvement in controversial issues or activities, and overall company alignment with sustainability issues and themes.

Engagement Approach

A critical input throughout the Fund's investment process is on-going engagement with investee companies and other stakeholders such as other investors, non-governmental organizations, policy-makers, academics and regulators, in order to:

- Generate additional insights into company practice or into particular issues, which in turn feed into investment decisions; and/or
- Exercise influence in order to improve corporate management and performance over the long-term.

The team at WHEB actively monitors companies to satisfy themselves as to the environmental, social and governance (ESG) performance of portfolio companies. Where appropriate they enter into dialogue with company management, either through meetings or correspondence, to encourage improved performance. This activity is structured around five key objectives that align with the overall sustainability and financial objectives of the fund. All engagement activity is monitored and assessed against a series of objective milestones. The ultimate milestone for each engagement activity is to deliver positive change in the real world and to support the long-term success of our investments.

Environment Management Positive

In a world of growing resource scarcity and increasingly strict environmental standards, WHEB believes that effective environmental management is an essential aspect of successful company management. The process of selecting suitable investments includes a review of the quality of environmental management systems and of relevant performance information. This ensures that the fund is investing in companies that are managing their environmental impacts effectively, and positioning their businesses for a world where these issues are ever more important.

Environment Technology Positive

The fund seeks investment in companies that offer solutions to problems of environmental sustainability:

- **Resource Efficiency** - including energy storage, low energy lighting, process management, energy services, insulation and building efficiency.
- **Environmental Services** - including environmental consulting, waste treatment and recycling, and pollution control and monitoring.
- **Water Management** - including utilities and purification, desalination, irrigation and water treatment technologies.
- **Cleaner Energy** - including solar and wind energy, marine energy, geothermal, biomass and waste-to-energy.
- **Sustainable Transport** - including in bus and rail operators, infrastructure development, novel hybrid and electric vehicle technologies, as well as ways of avoiding transport such as video-conferencing.

Community Positive

WHEB's investment research process looks for evidence that companies recognise the importance of good relationships with key stakeholder groups. Relations with local communities can be an important issue in certain sectors in which the fund invests, such as waste management and water utilities. WHEB looks for evidence of responsible, long-term practices and active engagement with local communities as a route to underpinning a company's long-term right to operate.

Education & Knowledge Positive

The fund seeks investment in companies providing educational products and services. Focusing on a range of sectors, the theme includes:

- Information technologies;
- Corporate and professional training;
- Academic publishers and providers of text-books;
- Language schools; and
- Providers of technology for schools.

Employees Positive

As part of the investment research process WHEB looks for evidence that companies recognise the importance of good relationships with key stakeholder groups. For the sectors in which the fund invests, WHEB regards good employee relations, strong health and safety practices and training as often critical issues in ensuring the company is able to compete effectively in its market. These issues are examined to ensure that companies in which the fund invests in are managing them responsibly and are thereby well-placed to deliver strong financial performance.

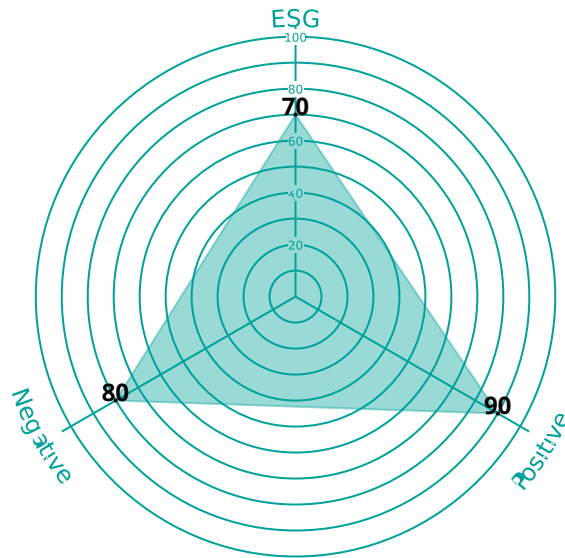
Health Positive

The growing demand for healthcare services is matched by growing pressure on healthcare budgets in both developed and emerging economies. Running parallel to this are growing industries in health, well-being, fitness and palliative care, driven, in part, by rising

levels of obesity associated with more affluent lifestyles, and an ageing population. WHEB seeks investments in solutions to these problems, prioritising companies delivering cost controls and technological advances, including:

- Healthcare IT;
- Diagnostics;
- Care and support for the elderly;
- Fitness; and
- Healthy and 'ethical' food.

Fund Scorecard



Fund Rating Summary

Sustainability is recognised as having both environmental and social characteristics. The Investment Manager targets specific business activities that it believes lead to positive environmental and social impacts as set out in the investment objective.

The Investment Manager's overarching theory of change is that the Fund's investments and investment activities (investor contribution) directly contribute to faster or greater deployment of selected products and services that help solve critical environmental and social problems, leading to improved impacts compared with the present circumstances. The Fund's sustainability objective can be split into the following four areas:

- (i) supporting a stable climate,
- (ii) supporting healthy ecosystems,
- (iii) enabling productive lives and
- (iv) enabling healthy lives.

Examples of how the Investment Manager expects the Fund's investments and its investment activities to contribute to achieving a positive environmental and/or social impact (as set out in the objective) are set out below.

Impact of companies held

Supporting a stable climate through GHG emission reduction

Power generation, energy use in buildings, manufacturing and transport account for three quarters of global GHG emissions.

The Investment Manager identifies and invests in companies that sell products and services that deliver material reductions in GHG emissions in these critical sectors (KPIs include tonnes of CO₂e avoided, MWhs of renewable energy generated, and £'s spent on R&D equipment supplied by portfolio companies and used in positive impact research).

The Investment Manager helps to reduce GHG emissions by investing in and supporting companies that generate renewable power such as solar and wind power and other forms of cleaner energy and that replace carbon intensive power generation. This includes companies that manufacture trackers and optimisation technologies that increase renewable power production from solar modules.

The Investment Manager helps to make buildings and manufacturing processes more resource efficient by investing in and supporting companies that provide automation and control technologies, insulation, energy efficient heating and cooling and more energy efficient products. These activities help to reduce energy use and their associated GHG emissions. This includes companies that manufacture controls and sensors that are used to precisely control lighting, heating and pumping activities thus reducing energy use and associated CO₂e emissions.

The Investment Manager helps to reduce GHG emissions from transportation by investing in and supporting companies that make electric vehicles, public transportation systems and other forms of low impact transport which replace high carbon forms of transport. This includes companies that manufacture semiconductors and high voltage wiring and charging systems for battery electric vehicles.

Supporting healthy ecosystems

The greatest threats to biodiversity stem from climate change, environmental pollution, invasive species and disease, overexploitation of wild species and changes in land and sea use.

The Investment Manager specifically targets companies that sell products and services that address these areas (KPIs include tonnes of CO₂e avoided, tonnes of waste recycled or reused, litres of wastewater treated and litres of water saved).

The Investment Manager helps to support healthy ecosystems by investing in and supporting companies that recycle and treat waste materials and that reduce the volume and toxicity of waste materials that enter the natural environment and in companies that provide environmental consulting and monitoring services that reduce the negative impacts of economic activities on natural ecosystems. This includes companies that manufacture products made from recycled and/or more sustainable materials that reduce negative impacts on biodiversity including by reducing waste generation and by replacing virgin and/or environmentally damaging alternatives.

The Investment Manager supports healthy ecosystems by investing in and supporting companies that reduce demand on limited freshwater resources by increasing the efficiency of water use and by reducing the volume and toxicity of wastewater entering the natural environment. This includes companies that manufacture and operate technologies for filtering hazardous materials from wastewater and that help save water through more efficient washing and cleaning systems in manufacturing.

Enabling productive lives

Education is the process of learning and expanding culture and contributes to the improvement of the human condition. As well as having social value, education also empowers individuals to lead more productive lives, specifically through higher levels of employment.

The Investment Manager targets educational products and services that contribute to better knowledge, health, living conditions, social equity and productivity (KPIs include days of tertiary and vocational education). The Investment Manager helps people to lead more productive lives by investing in and supporting companies that provide education and training and that supply technologies that improve the quality of – or access to – education. This includes companies that offer full-time and/or part-time academic qualifications and continuing professional development courses.

Enabling healthy lives

Preventing and treating illness and disease is central to protecting and enhancing quality of life and the human condition.

The Investment Manager targets the treatment of illnesses and diseases that contribute significantly to the global burden of disease covering both communicable and non-communicable diseases.

The Investment Manager also identifies products and services that support healthy lifestyles and resilient communities and that reduce injuries (KPIs include number of people receiving healthcare, numbers of people with improved well-being and £'s spent on R&D equipment supplied by portfolio companies and used in positive impact research).

The Investment Manager enables individuals and communities to have healthy lives by investing in and supporting companies that prevent or treat communicable and non-communicable illnesses and diseases that contribute significantly to the global burden of disease. This includes companies that improve healthcare outcomes through products and services, that enable medical research, and that provide healthcare diagnostics, medical devices and therapies. This includes a variety of diagnostic products such as imaging technology and the analysis of biological samples. It also includes the therapies themselves including radiography and pharmaceutical products for treating life-threatening diseases such as cancer as well as medical devices for treating conditions such as heart disease.

The Investment Manager invests in and supports companies that support well-being through a variety of preventative care products and services. This for example includes providing care for vulnerable groups, providing products and services that improve hearing, visual and oral health and that enable healthy levels of exercise and a nutritious diet. This includes companies that manufacture hearing aids as well as companies that provide support and care services to the elderly.

The Investment Manager enables people to stay safe by investing in and supporting companies that ensure products are safe and that directly protect people. This includes companies that provide testing and inspection services to ensure consumer products are safe, cybersecurity services, climate adaptation technologies and services and companies that manufacture safety equipment such as gas sensors and self-contained breathing apparatus for firefighters (KPIs include numbers of people with improved well-being).

ESG Application

Are ESG policies applied across all Funds from this provider, or is there an additional ESG approach applied to this Fund in particular?


ESG Applied: Fund Level










SDG Analysis

Impact strategies can include analysis of the fund against the UN Sustainable Development Goals (SDG)


SDG Analysis Applied: Yes

Negative Criteria

 Indicates where the Fund has a policy to avoid investing

Alcohol Production & Retailing		Environmental Impact	
Animal Testing Non-Medical		Gambling	
Animal Testing Medical		Genetic Modification	
Animal Welfare Food & Farming		Human Rights	
Animal Welfare Fur		Nuclear Power & Services	
Armaments		Pornography	
Banking & Finance		Product Stewardship Negative	
Climate Change & Fossil Fuels		Sharia Non-Compliance	
Corporate Governance Negative		Tobacco Production & Retailing	

Positive Criteria

 Indicates where the Fund has a policy to seek investment

Animal Welfare Positive		Human Rights Positive	
Climate Change Positive		Product Stewardship Positive	
Corporate Governance Positive		Community Positive	
Engagement Approach		Education & Knowledge Positive	
Environment Management Positive		Employees Positive	
Environment Technology Positive		Health Positive	