

Dear Investors,

We are pleased to share with you the Impact Report for the Martin Currie Improving Society Strategy. Following Improving Society's launch in June 2023, this inaugural report provides a baseline in which we share with you the ethos and aims of the Strategy. The report will introduce the companies in the portfolio and the positive social impact they are creating in more depth. In future reports, you will be able to see how the companies' impact on society evolves and learn more about how we engage with them to improve corporate behaviour and drive even greater impact.

When we established the Impact Equities Team in late 2022, our intention was to develop a platform for products which generate intentional, measurable positive change in the world while also generating long-term financial returns for our clients – the Improving Society Strategy is the first such product. We firmly believe that public equities offering impactful, innovative solutions can drive real world change at scale which is vital given the large funding gap in most social causes globally. We can positively contribute to the evolution of the sustainable investment industry by presenting clear evidence of measuring both engagement activity and impact outcomes. Both are weaknesses in the broader landscape and we want to raise the bar.

“ Our intention was to develop a platform for products which generate intentional, measurable positive change in the world while also generating long-term financial returns for our clients ”

Our team has developed a robust process with impact at its heart which allows us to identify those companies with innovative products and solutions which are both helping to make the world a better place and creating the opportunity for long duration growth and financial returns. The focus on products and services as a driver of impact allows us to measure the change being created in the real world, through company-specific impact key performance indicators (KPIs). This allows us to report to you, our investors, the impact your investments are making in a robust, authentic way. In the coming pages you will have the opportunity to get to know the companies and their impact KPIs.

Stewardship is another important element of this report. We have committed to engage with every company in the portfolio to facilitate improvements in corporate behaviour and to amplify the level of impact being generated. We look forward to working alongside our portfolio companies to recognise and capitalise on this opportunity.

We hope you find this inaugural Impact Report for the Improving Society Strategy useful and informative. It is the culmination of an enormous amount of careful work to create a robust measurement and reporting process. This is because we feel it is absolutely vital that you are clear on the impact being generated by investee companies and how this impact develops over time. We are very happy to have you on this journey with us and we look forward to a long and impactful relationship.

Warm Regards,

Lauran Halpin

Head of Impact Equities

John Gilmore

Portfolio Manager, Impact Equities

Eoghan McGrath

Investment Analyst, Impact Equities

The Martin Currie Impact Equity Team

We are a team of three, brought together with the explicit goal of launching impactful investment solutions. Coming from diverse professional backgrounds and experiences, we all share a passion for investing in an impactful way to drive real-world change. It is our privilege to be able to bring you our combined vision of Impact Investing in public equities - doing our part to help solve the world's biggest social problems.



Direct Experience in managing Sustainable Mandates



Significant Experience in Global/International Investing



Different backgrounds for diverse insights



Research coverage

Templeton Global Climate Change Strategy
Glenfinlas Global Healthcare Strategy

Martin Currie
FT Global Equity Group
Edinburgh Partners
Baillie Gifford

Biology and Ecological Economics



Lauran Halpin

Portfolio Manager,
Head of Impact Equities
Climate Change, EAFE,
Healthcare
17 years' experience

BNYM Sustainable US Equity Strategy

Martin Currie
Newton Investment Management
Aegon Asset Management
Alliance Trust

International Relations



John Gilmore

Portfolio Manager,
Impact Equities
Global, Sustainable
19 years' experience

Martin Currie

Actuarial Studies



Eoghan McGrath

Investment Analyst
2 years' experience




Contents

The Improving Society Strategy at a Glance	5
Improving Society: Contributing to Positive Social Change	6
The SDGs and How We Use Them	10
Using Our Voice to Accelerate Impact	12
An Anthology of Impact Stories	16
Looking to the Future	44

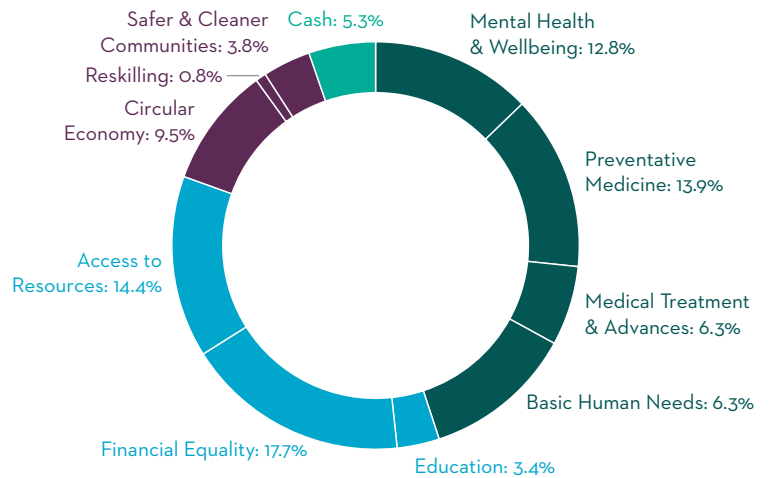


The Improving Society Strategy at a Glance

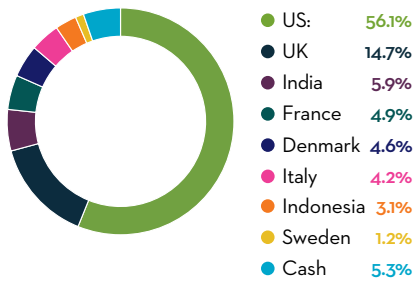
Improving Society Portfolio Exposure

Impact pillar	Number of companies with exposure to theme
 Improving Wellbeing	11
 Improving Inclusion	10
 Supporting a Just Transition	6

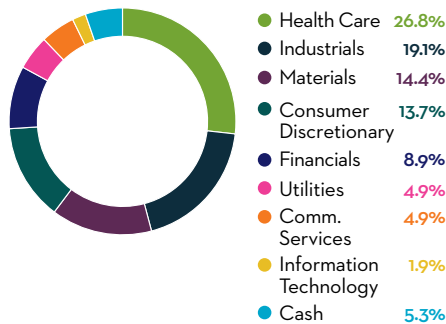
Impact Focus



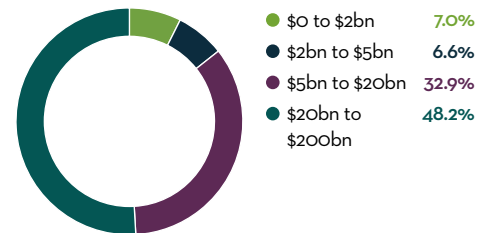
Geography



Sector



Market Cap



Top 10 Stocks Held	Impact pillar	Impact focus	Weight (%)
Intuitive Surgical	Improving Wellbeing	Medical Treatment & Advances	6.3
HDFC Bank	Improving Inclusion	Financial Equality	5.9
Xylem	Improving Wellbeing	Basic Human Needs	5.5
Revvity*	Improving Wellbeing	Preventative Medicine	5.3
Valmont	Improving Inclusion	Access to Resources	5.1
Veolia Environnement	Just Transition	Circular Economy	4.9
Airtel Africa	Improving Inclusion	Access to Resources	4.9
Ecolab	Improving Wellbeing	Basic Human Needs	4.9
Croda	Improving Wellbeing	Preventative Medicine	4.9
Mercadolibre	Improving Inclusion	Financial Equality	4.7

The information provided should not be considered a recommendation to purchase or sell any particular strategy / fund / security. It should not be assumed that any of the securities discussed here were or will prove to be profitable.

It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

*Previously PerkinElmer Inc.

Source: Martin Currie, as of 30 September 2023. Data presented is for the representative Martin Currie Improving Society account.

Improving Society: Contributing to Positive Social Change

Societal and social challenges remain chronically underfunded

In its most recent status report on the Sustainable Development Goals (SDGs), the UN estimates that they remain chronically underfunded and as such are behind schedule. 50% of targets are behind schedule and 30% have gone backwards since they were established in 2015.¹ We think equity markets and particularly impact products can have a role in solving these social challenges. Our premise for this strategy is two-fold:

- The private sector and equity markets are instrumental in incentivising innovation, accelerating investment and providing scalable solutions to support these challenges; and
- The biggest funding gap is on social issues. This is because impact capital to date has predominantly been directed towards environmental or climate challenges rather than social challenges.

We choose to focus on the seven SDGs which we believe to have the most significant shortfall in delivery, SDGs 1, 2, 3, 4, 5, 6 and 10.² We want to play our part in promoting solutions to these areas.

Progress assessment for the 17 Goals based on assessed targets, 2023 or latest data (percentage)



Source: United Nations, 'The Sustainable Development Goals Report 2023'.³

¹Source: UN Sustainable Development Goals, The Sustainable Development Goals Report, 10 July 2023 – Special Edition. <https://unstats.un.org/sdgs/report/2023/The-Sustainable-Development-Goals-Report-2023.pdf>, pp.8,60-76.

²For further information, please refer to our publication 'The Seven Sustainable Development Goals', July 2023. This is available upon request.

³Source: UN Sustainable Development Goals, The Sustainable Development Goals Report, 10 July 2023. <https://unstats.un.org/sdgs/report/2023/The-Sustainable-Development-Goals-Report-2023.pdf>, p.8.

Investing to improve lives

Our aim for the Improving Society strategy is to deliver long-term capital growth while positively addressing the problem of human inequity. To achieve this, we invest in companies whose products and services fall into one of three **Impact Pillars**.



Improve Wellbeing



Improve Inclusion



Just Transition

As purposeful stewards of capital with a focus on social impact, we have a commitment to engage with each company to improve fair treatment, access, opportunity, and accelerate impact.

Impact at scale through public markets can be achieved by investing in companies whose innovative products and services contribute to solving societal challenges while, as investors, we do our part to accelerate that impact through engagement with our investee companies. In doing so, we help develop the wider impact investing ecosystem – creating a response function in public markets that rewards companies solving key societal challenges and creating a step change in allocations to social impact.

Impactful companies can deliver exceptional long-term returns

A focus on impact should not lead to a sacrifice of returns for investors. In fact, we firmly believe that impact and financial performance are positively interrelated. Companies that create impactful and innovative products which meet the unmet societal needs of consumers, businesses and governments, can access attractive growth opportunities through the scale that only public markets can offer. Quality companies should attract additional capital, thereby expanding as a force for good in the world with profit generation allowing for reinvestment to generate further impact and compound returns for shareholders.

For impact investors, 'additionality' has typically been tied to financial additionality – the provision of new capital in the form of equity or debt to companies. This narrative has developed over time though, and the role secondary market investors can have in generating additional impact is becoming more defined. We see our additionality manifesting in three key areas.

- 1 The additional impact of investee companies:** Company additionality can be viewed as the effective deployment of innovative business models to create products and services that provide a meaningful, additive, and measurable contribution towards identified societal challenges. Our research is organised by, and focuses on, businesses that help achieve the socially-focused SDG targets.
- 2 The additional impact from our actions as investors:** We see ourselves as supportive long-term capital partners to the businesses in which we invest. We commit to engage with every investee company to accelerate impact, increase the transparency of delivered impact and drive meaningful and measurable impact outcomes. We report these engagement topics and outcomes clearly and transparently to you, our end investors.
- 3 The additional systemic impact from impact investing in public equities:** The size of the public equities market provides a unique opportunity to deliver impact at scale. While private markets have a clear role in providing catalytic capital for companies solving societal challenges, it is within secondary equity markets that a path is often created in which companies and solutions can grow and more effectively scale to meet unmet societal needs. From an impact perspective, the role of a well-functioning market is to help better direct flows of capital to those businesses that can both achieve attractive returns and effectively contribute to societal challenges. This is delivered through greater transparency and visibility of impact, and through internal reinvestment. Reinvestment allows these businesses to grow and expand the impact footprint, and to ultimately be rewarded by attracting new capital – it drives down funding costs and creates an enduring competitive advantage. We play our part within a system which rewards companies that are growing and creating impact at scale by intentionally committing the capital to operators best placed to achieve this. The more interest and investment that impactful companies attract, the larger their potential for growth, and, importantly, the greater impact they can make in improving society.



How do we achieve this impact?

We think deeply about best practice and how to be intentional in our own actions and product design to maximise impact that can be delivered. We have therefore aligned many of the specific actions that define our process with the four key characteristics of impact investing as set out by Global Impact Investing Network (GIIN).⁴

These four characteristics are:



Intentionality



Evidence and impact data in investment design



Manage impact performance



Contribute to the growth of impact investing

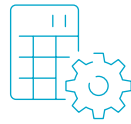
These characteristics are the foundation of our strategy, process and behaviours as investors. We set out to achieve intentional, additional and measurable change in the real world through the actions and products of our investee companies. Our actions as investors aid this aim through engagement, support and ecosystem building. Key elements of our process⁵, which evidence these four characteristics, are detailed opposite.

⁴Source: Global Impact Investing Network, Core Characteristics of Impact Investing, December 2023. <https://thegiin.org/characteristics/>

⁵Please refer to our strategy guide for an overview of our process. This can be accessed online here: https://www.martincurrie.com/_data/assets/pdf_file/0018/32526/ImprovingSocietyStrategyGuideDB-June.pdf

“ We think deeply about best practice and how to be intentional in our own actions and product design to maximise impact that can be delivered. ”





Intentionality

Evidence and impact data in investment design

Manage impact performance

Contribute to the growth of impact investing

Impact focused objective:

Intentional and measurable social impact to address fairness and inequity alongside financial returns.

Solutions focus:

We only invest in businesses whose products and services make a clear and measurable contribution to solving societal challenges.

Impact first:

Our process starts with the identification of material and measurable impact as a pre-condition for inclusion. We then optimise for the highest combination of impact and returns.

SDG-focused research:

Both the creation of our research universe and how we cover potential investments is organised by SDG.

Detailed impact analysis:

We address five dimensions in our analysis which focus on the key elements of impact (what, who, how much, contribution and risk).

Portfolio construction:

Impact conviction and investment conviction drive position sizing and are weighted 50/50.

Tailored KPIs:

We set meaningful and measurable impact KPIs for each investment.

Impact conviction ratings:

We express the outcome of our impact research with an impact conviction rating which captures proximity to impact, materiality of impact, and performance against impact KPIs. These directly impact portfolio construction.

Engagement:

We engage with 100% of portfolio, covering sustainability issues and impact performance.

Transparency:

We report the progress of our engagements and KPIs through our annual impact report.

Outcomes focus:

Optimise portfolio outcomes for contribution of impact at scale, measurement of impact and delivery of compelling financial returns. Success is positive outcomes for all stakeholders.

Transparency:

We are transparent with our investors around the challenges and successes we face in delivering impact and financial returns.

Innovation:

Be innovative in our thinking about how to broaden the appeal of impact investing and broaden its focus in public equities to include a more significant consideration of social impact.

Partnership:

Be a long-term capital partner for businesses and seek to reward long-term impactful decision making by the companies in which we invest.

We commit to share the progress that we and our investee companies have made over time. Our impact reporting charts our progress towards generating measurable societal outcomes. This baseline report sets out our starting point for impact measurement through stock stories, including our theory of change for each company, impact KPIs and priority areas of engagement. It marks the first step on our journey to Improving Society.

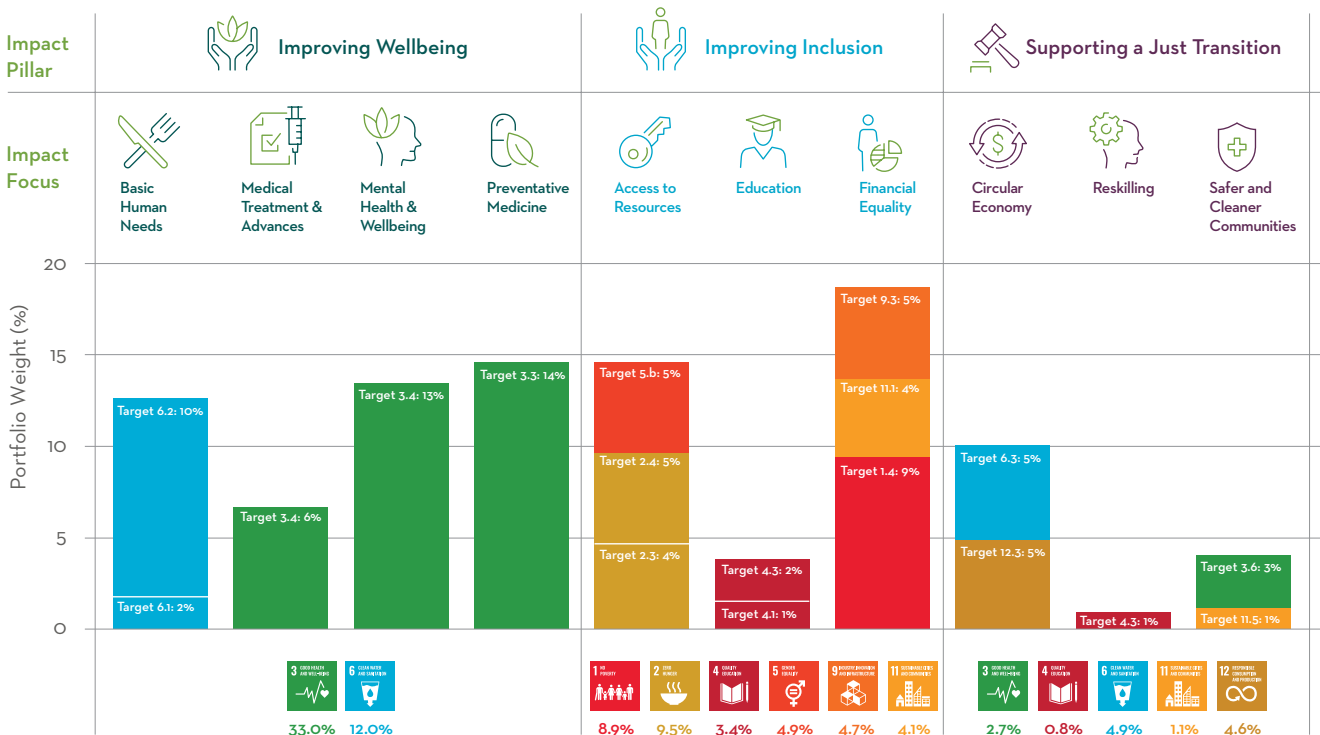
The SDGs and How We Use Them

When we talk about the SDGs it is important to understand the perspective we are coming from. The SDGs were framed in 2015 as the blueprint to achieving a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice.⁶ This takes the form of a series of 169 targets covering 17 goals, focused on delivering specific and measurable progress by 2030.

We use the SDGs to make our actions as investors more specific and intentional.

- 1 **Constructing our primary research universe:** we identify companies whose products and services make a significant contribution to the SDGs.
- 2 **Research coverage:** Many investors split coverage by sector or geography - this is misplaced in an impact fund. We organise our research by SDG so we can find businesses that effectively solve the identified challenges rather than exhibiting simply broad alignment.
- 3 **Outcomes focus:** We use the underlying SDG targets to be more specific about the outcome being targeted and to identify where this should fit within our broader impact framing for the strategy. For each investee company, we focus on a 'primary' SDG target so we can be specific about the impact outcome and how we will go about measuring this. We combine the contributions to the primary SDG targets to address ten impact focus areas within three impact pillars. This framework enables us to assess whether we are meeting our ambition of delivering broad based social impact across our impact pillars. We show these in more detail below.

Our Impact Framework



Source: Martin Currie, 30 September 2023.

As can be seen in our impact framework above, the companies in which we invest help to contribute to several SDGs. By virtue of synergies between the underlying targets, this means that although we focus on seven goals, our portfolio also contributes to goals outwith those seven, highlighted here. In the following section we describe our framework in more detail.

⁶Source: UN Sustainable Development Goals, The 17 goals, December 2023. <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Three impact pillars drive our approach

The Improving Society Strategy seeks to generate broad-based positive social impact across several key areas. We ensure a wide reach by sorting our investee companies into three key impact pillars according to the primary SDG to which each company contributes. These three pillars are: **Improving Wellbeing**, **Improving Inclusion**, and **Supporting a Just Transition**. Ensuring adequate exposure to each of these pillars allows us to avoid drifting towards a particular theme or impact area. However, we do not target a specific distribution among the pillars – this is an outcome of our impact-led investment process. The dispersion reflects where we identify the companies to have the highest impact, and our investment conviction.

We want to engender positive change for people and communities across all stages of their biological and economic lives and the three impact pillars allow us to view the impact the portfolio creates in an holistic way.

Improving Wellbeing is comprised of companies which help individuals get to the starting line in life – the basic necessities needed to ensure people feel safe and well enough to think about accessing opportunities available to them. Companies in this pillar are those contributing to positive mental and physical health and wellbeing as well as providing basic human needs such as clean water, reliable sanitation, and access to nutritious food.



After individuals gain access to safe and effective healthcare and reliable basic needs, they can begin to think about self-actualisation – what type of life do they want to lead and what tools are required to make this a reality? **Improving Inclusion** aims to provide everyone with the tools and resources needed to make the most of their opportunities – education, access to reliable and reputable finance, and access to resources which improve economic circumstances. Improving inequalities in modern finance, education, and access stimulates economic growth, creates jobs and helps in breaking the vicious cycle of exclusion and poverty.



In a changing world, economic actualisation can become precarious. One of the greatest challenges currently facing society is how to support the transition towards a more climate aware society without leaving people behind economically. **Supporting a Just Transition** acknowledges that climate change-related adverse weather events are likely to continue, and policy makers will continue to act to ‘green’ the economy in response. Companies in this pillar help society adapt and become more resilient – physically and economically speaking – to the uncertainty that lies ahead. They do this by re-skilling workers, increasing the efficiency of resource usage, and improving the safety and resiliency of communities.



Using Our Voice to Accelerate Impact

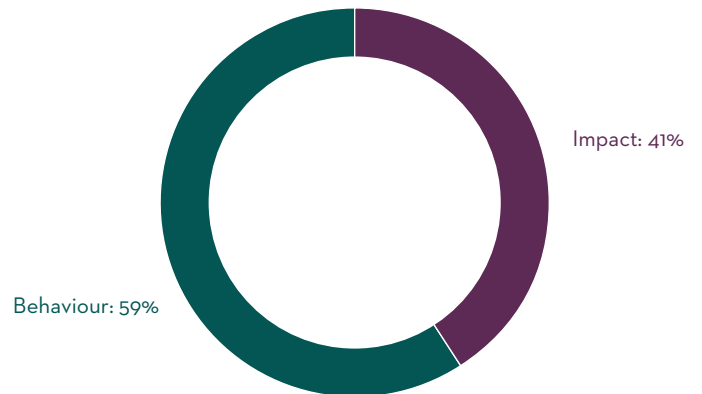
We recognise the power of active ownership including engagement and voting practices to generate change.

As a long-term capital partner with our investee companies, it is our responsibility to do what we can to encourage positive change. In the pursuit of this, we use objective-led stewardship to engage across two lenses:

1. Engaging to accelerate the positive impact being created by the company's products and services, and
2. Engaging to improve corporate behaviour.

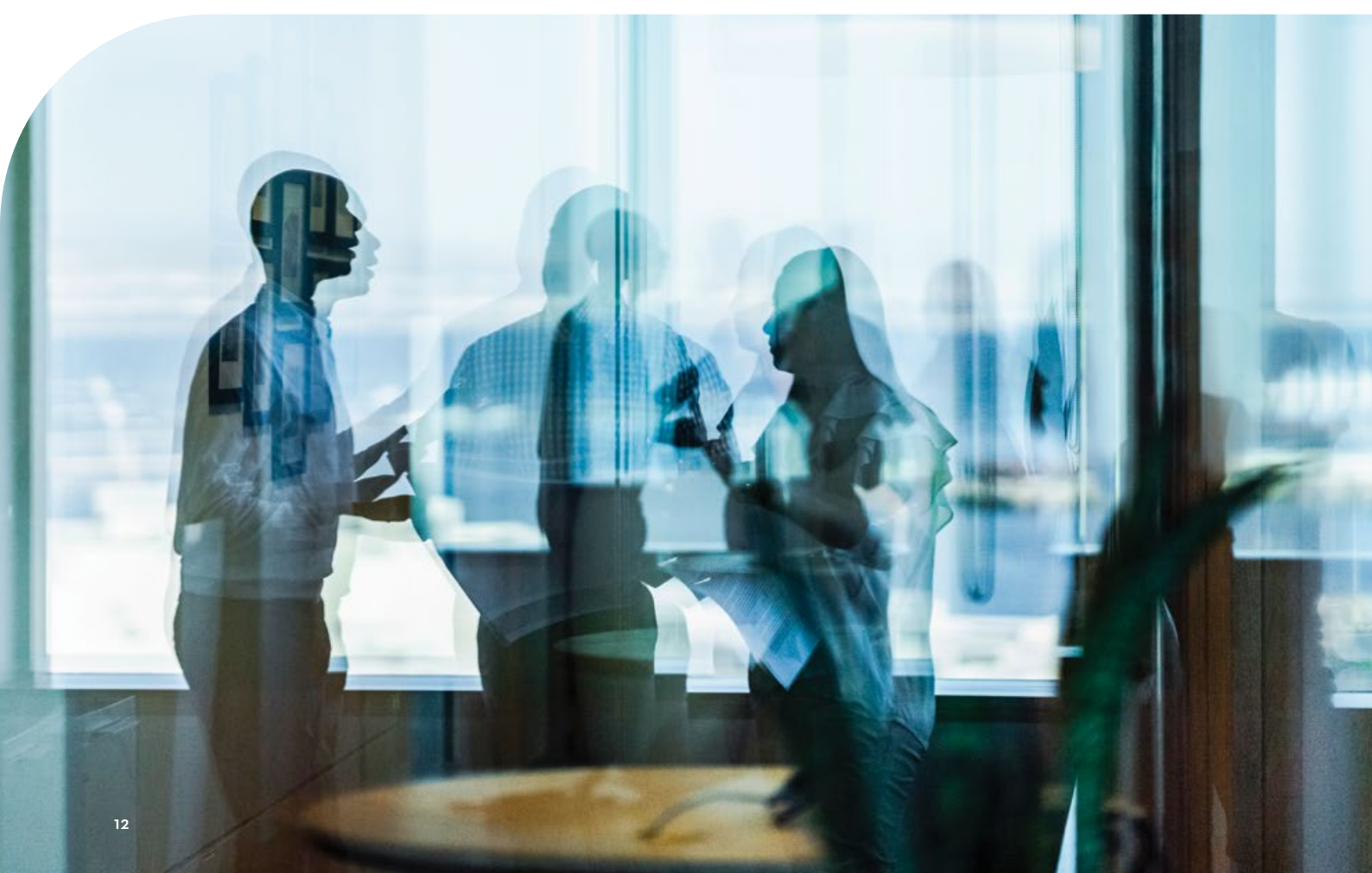
Since launching the strategy, we have set out our engagement priorities for each company and written letters to each of them, outlining specific objectives where we would like to see change. In total, we have recorded 41 engagements with investee companies, with the split between the two lenses above shown below.

Lens split for engagements to date



Source: Martin Currie, December 2023.

As a long-term capital partner with our investee companies, it is our responsibility to do what we can to encourage positive change.



Our engagement on impact can be broadly split into three main axes of impact. We describe each below, why we see them as important, and provide a real-life example of what these types of engagement entail.



i) **Impact Disclosure:** We set impact KPIs for each portfolio company. These KPIs form a vital part of the impact case and impact conviction, and influences how we consider the company within our portfolio. What is not measured, is not managed - consistent measurement and transparency around impact is a valuable tool for us. It allows us to contextualise the scale of a company’s real-world impact, build a time series of this data for accountability, and creates a more tangible metric that we see as critical to high impact conviction. Recently, we held discussions with a US-listed mobility technology solutions company on how best they can articulate their real-world impact, without compromising commercially sensitive information. The company welcomed our perspective and shared that they were planning on releasing updated disclosures in the next year. Actioning this may meet our requirements.



ii) **Accessibility of Impact:** One of the five components of our impact analysis is, “Who is the focus of the impact?”. While we recognise that scale of impact is important, it is vital that solutions be directed to those that stand to benefit most. This may not only be an individual, but a community or other cohort. An Italian-domiciled hearing care retailer that we are invested in has prioritised access to its products through the provision of free hearing tests to its customers. It recently expanded into Latin America, and as an area of particular need we would like to see revenues from this region growing at a faster rate than the overall group. Additionally, the company provides free hearing tests to all prospective customers, reducing an important barrier to adoption. We monitor the value of free hearing tests administered, and a priority when speaking with management is the assurance that this initiative is rolled out across acquired stores, as well as its existing store footprint.

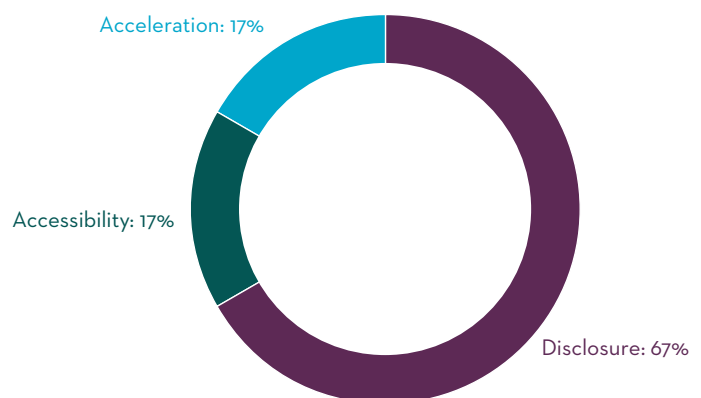


iii) **Acceleration of Impact:** Finally, part of our role as investors is to understand capital allocation decisions at a company and how this is likely to influence long-term impact achievement. This is much simpler for a company that produces a single good or service, and much more challenging for companies whose impactful product or service represents only a portion of their total revenue. For one investee company that sells leading helmet-based technology that protects against rotational forces, it has achieved success in the area of sport safety. While we recognise this importance, we are optimistic that through broadening its pioneering technology to ‘whole of helmet’ technology, it can unlock new markets such as construction and other industrial uses. It is our role to understand the opportunity here, and if credible, send a signal to the company that we see this as an important and valuable use of company resource.

The examples represent only a small proportion of our engagement priorities going forward, and we will update you on our progress in future editions of our Impact Report.

We have seen the recent improvements in disclosure around environmental, social and governance topics. Impact reporting is related but distinct and this disclosure is still developing. Recognising this, a lot of our initial engagement work has been around disclosure and measurement of company impact.

Breakdown of impact-focused engagement work



Due to percentages being rounded up, absolute value will not equal 100%.

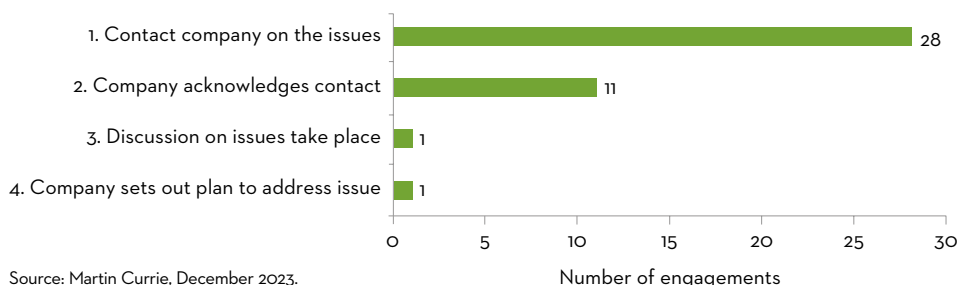
Source: Martin Currie, December 2023.

“ We have seen the recent improvements in disclosure around environmental, social and governance topics. Impact reporting is related but distinct and this disclosure is still developing. ”



We record two key aspects across all our engagements that encompass governance, sustainability-related behaviour and impact. Firstly, the topic of engagement and secondly, the stage of completion of engagements for change. By tracking this information, it gives us a sense of emerging and consistent areas where we are engaging and provides a perspective in measuring the success of our engagement efforts. Below is a breakdown of the current stage of completion of our engagements over the first six months of the strategy.

Status of engagements to date



Source: Martin Currie, December 2023.

One aspect we think sets us apart in terms of the impact we are trying to drive is the intentionality of our engagement activities across objectives associated with impact and sustainability behaviour. We are committed to engaging with each company in the portfolio and, to promote transparency and accountability within our process, we are also committed to reporting on our engagement activities as they progress.



We define and track company specific KPIs and establish whether each company is meeting, exceeding, or lagging these expectations. Where companies are lagging or where we see significant opportunity to accelerate impact, this forms part of our engagement objective.



Where our analysis surfaces opportunities for behavioural improvements, we engage with companies to drive positive change in these areas of corporate practice.

We track the proportion of the portfolio at each engagement stage of completion. This is assessed on a scale from 1-5 with 1 representing initial contact on the issue to 5 being the engagement has reached conclusion.

We recognise that change does not happen overnight, and we are committed to ongoing dialogue with our investee companies on the topics highlighted above, and many more. We look forward to providing you with updates on our engagements, outcomes, challenges and, ultimately, how this leads to real-world impact.

“ One aspect we think sets us apart in terms of the impact we are trying to drive is the intentionality of our engagement activities across objectives associated with impact and sustainability behaviour. ”





An Anthology of Impact Stories

Measuring impact is nuanced – it is difficult, and to compare across different investee companies can be misleading. There is no broad way of aggregating social impact to a single measure in the way we could focus on an item like avoided emissions if we were a climate fund. The specific actions of our investee companies are varied by the focus, intensity and breadth of the impact being generated. How does one compare lifesaving orphan drugs that may only have patient numbers in the hundreds with technology that enhances food security for billions of people across the world? Generic data may tell a story but it may be wholly irrelevant for the impact aims of our strategy.

Our focus is real-world, measurable social impact from products and services. That is why we have bespoke measures, tailored to each company, in order to gauge progress. And why we provide transparency on our impact measurement metrics for each company in which we invest. We use these to measure and report on the nature and quantum of impact being generated by our investee companies. Future impact reports will showcase changes in the metrics over time because we believe that accountability and transparency of an impact-focused process are vital.

We therefore present to you the collection of ‘short stories’ on social impact which make up the Improving Society Strategy. Each company tells the story of the positive impact it is making in the world through its own specific impact analysis and key performance indicators. In the following pages, we share these short stories with you, providing an overview of each portfolio company and key information:



Primary SDG the company is contributing to,



Snapshot of our Five Dimensions of Impact analytical framework, and



Company-specific impact KPIs.

Companies are grouped by the Impact Pillar their products and services positively impact: **Improving Wellbeing**, **Improving Inclusion**, and **Supporting a Just Transition**.



Why do we own this business?

Amplifon is an Italian hearing aid manufacturer and retailer. It is the largest hearing aid company in the world with a 12% market share and operating in 29 countries around the world with nearly 10,000 hearing professionals. Its products improve the lives of people with hearing loss and the company is publicly committed to expanding access and inclusion by breaking stigmas and running outreach programmes to reach more people with hearing loss. Growth trends such as an aging global population, newer technology making hearing aids smaller/easier to wear, and changing views about hearing care are likely to drive attractive organic revenue growth. Organic growth is likely to be augmented by continued M&A roll-up as other operators with less scale continue to sell up to Amplifon as labour costs increases. An excellent operator in terms of rapid integration of newly purchased retail branches and extracting scale benefits, which should support margin expansion over the coming years.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Mental Health & Wellbeing

UN SDGs:



3.4: Reduce premature mortality from non-communicable diseases



Product innovation is bringing next generation hearing care to individuals across the spectrum of hearing loss



Amplifon personalises the offering at its branches to maximise efficacy and affordability for locals



The company conducts community outreach through the Amplifon Foundation which helps bring hearing products and services to underprivileged individuals

Impact Framework: Five dimensions of impact



What: Hearing loss is the fourth highest cause of disability globally and costs governments and healthcare systems an estimated \$750bn a year. The provision of hearing testing services, outreach programmes, and hearing aids allow those affected by hearing loss to live healthier, safer, more actualised lives.



Who: Around 1.5bn people live with some form of hearing loss and 430m of those are considered to have disabling loss. By 2050, it is estimated this figure will grow to 700m individuals.



How Much: 100% of Amplifon's revenues are generated from hearing products and services as this allows revenues to be considered impactful. 2022 revenues were EUR 2.12m and have been growing at a 5-year compound annual growth rate of 10.8%.



Contribution: If the company were not providing its products or services, a significant portion of the 20m hearing aid devices sold each year would not only affect individuals with hearing loss but also economic productivity. This is because those Amplifon have served over its history may be unable to fully participate in the workforce.



Risk: New surgical or medical advances which render hearing aids obsolete, competition from other retailers and poor capital allocation when opening new retail branches.

Impact KPIs:



Group revenue growth of at least 7% per year
Is the business continuing to grow its organic sales and generating positive growth from M&A?



Revenue growth of Americas and Asia growing faster than group
These regions are all significantly less penetrated and represent areas of greater social need than the developed markets in which Amplifon operates.



5% growth in value of free hearing tests offered each year
Amplifon's commitment to its customers and communities is evidenced through the provision of thousands of free hearing tests each year. We'd like to see this programme grow each year, especially in underserved markets.

Source: Martin Currie and company published data, as at 31 July 2023, and Amplifon company data.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Croda is a British high-performance ingredients company that primarily serves the consumer care and life sciences industries, with the latter generating 33% of firm revenues in 2022. This segment is involved in the development of high-grade ingredients, including components that deliver the active pharmaceutical ingredients of next generation drugs and vaccines, and where we are most interested from an impact perspective.

The company was instrumental in the delivery of the Covid-19 mRNA vaccine, providing the nanolipid delivery systems that made the vaccine possible. This served as a proof-of-concept, for this vaccine type, with an array of lipid-based mRNA vaccines and drugs in clinical trials, the consistent synthesis of high-quality lipid nanoparticles for these will be essential. The mRNA category of vaccine has the potential to prevent or treat many diseases prioritised by the World Health Organisation (WHO).

Impact Pillar:



Improve Wellbeing

Impact Focus:



Preventative Medicine

UN SDGs:



3.3 End key communicable diseases by 2030



Manufacturer of vaccine adjuvants, which increase the body's immune response and vaccine effectiveness



Innovator of high-quality drug delivery systems



Solar protection ingredients help prevent skin cancer and other related illnesses

Impact Framework: Five dimensions of impact



What: Croda creates essential ingredients for drugs, therapeutics, and vaccines such as adjuvants and excipients. These ingredients are vital for the development and manufacture of effective medicines.



Who: The key beneficiary is the recipient of these vaccines or medicines, who may be medically vulnerable.



How Much: Difficult to get a read on the total impact, however given its scale, the company's ingredients are likely used by millions of people - many of whom do not realise it.



Contribution: The company's innovation is a core part of the impact story as Croda has developed new systems that are advancing research and development. Its contribution to the mRNA Covid-19 vaccine cannot be overstated. There is a clear additionality from its products.



Risk: Product recalls or safety concerns, even if unrelated to Croda's ingredients could dampen the company's impact. Secondly, reduced research into medication or vaccines will have a knock-on effect on demand for the company's ingredients.

Impact KPIs:



WHO-prioritised vaccine projects

We expect the company to continue to contribute to the development of vaccines aiming to address WHO-prioritised diseases. This is integral to achieving the Sustainable Development Goals.



Growth in impact revenue

The Life Sciences segment can be split into Pharmaceuticals and Crop Science. Both are impactful, and we therefore track revenue growth in this segment.



Phase III clinical trial stage vaccines

By increasing the number of vaccines reaching Phase III stage, there is clear indication of the successful development that Croda is involved in.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Ecolab is a global leader in products and services for water management, food safety, and hygiene/sanitation. From an impact perspective, we are most interested in Ecolab's institutional segment which provides specialised cleaning and sanitising products, foodservice utensils, and kitchen equipment as well as the healthcare and life sciences segment which provides sanitisation and sterilisation products to the healthcare, personal care, and life science industries. The products and services from these business segments allow improved cleanliness, safety across a variety of industrial and institutional settings and reduce wastage in food and water supplies. The company will benefit from increasingly stringent regulations regarding resource intensity and evolving hygiene and sanitation standards. Furthermore, increasing its efforts to innovate in areas such as digitisation, customer productivity, and healthcare should continue to drive further sales growth.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Basic Human Needs

UN SDGs:



6.2: Achieve access to adequate and equitable sanitation and hygiene for all



Ecolab's products and services keep workers and customers safe across institutional, hospitality, healthcare, and life sciences industries



The company has a significant and growing footprint in EM where availability of sanitation and hygiene may lag



Places significant importance on innovating to underpin future growth and this focus on the future is likely to continue to drive the impact story going forward

Impact Framework: Five dimensions of impact



What: Ecolab's products and services impact the cleanliness and safety of lived and industrial environments as well as the health, safety, and conservation of the global food and water supply.



Who: The company's impact is felt by a broad swathe of customers and consumers in many different end markets on a global basis. The three biggest impact customer groups are institutional clients (hospitality, municipal, etc), healthcare providers, and pharmaceutical companies. Around a quarter of sales is generated in Emerging Markets (EM).



How Much: Ecolab's cleaning, sanitation, and sterilisation businesses accounted for \$5.9bn or 42% of the 2022 revenues.



Contribution: Ecolab is the world leader in end-to-end sanitation, sterilisation, and cleaning systems products for the food and beverage, hospitality, governmental institutions, and healthcare industries. An absence of their products would undoubtedly result in a less safe lived environment and more food-borne infections.



Risk: Competition in the form of newer, advanced products and technologies.

Impact KPIs:



EM revenue growth faster than group

Engagement with the company to more fully report on EM sales growth will be a priority.



Impact revenue growth

Impact revenue is comprised of Ecolab's cleaning, sanitation, and sterilisation segments. Future growth here is key to the evolution of the impact story.



Strong return on incremental invested capital

Ecolab acquires frequently and understanding the level to which they generate returns on these acquisitions could help bolster future impact.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Energy Recovery

Why do we own this business?

The US industrial engineering company has been groundbreaking in the development of large scale 'megaproject' seawater desalination plants (>50k litres per day), through its prized technology, the PX pressure exchanger. With operations in 11 countries, its business allows large scale, efficient, and economic desalination of seawater to bolster the supply of fresh water. An increasingly stressed resource due to climate change, desertification, severe weather events, and population growth.

It is the leading player in the desalination, a market that should continue to grow strongly given increased recognition of the need to shore up water supplies. This is combined with the attractive economics, and political certainty of desalination versus transporting water potentially across borders via pipeline or roads. The company has recently been moving its PX technology into other fluid-based industrial uses which it believes will create a sustained platform for long-term growth, and making inroads into newer growth areas of wastewater treatment and CO2 refrigeration.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Basic Human Needs

UN SDGs:



6.1 universal and equitable access to safe and affordable drinking water for all



Pressure Exchange technology allows for affordable desalination at scale due to extremely low electricity needs, virtually non-existent fail rates, and low ongoing servicing



Localised desalination dramatically improves the long-term stability of a country's drinking water supply

Impact Framework: Five dimensions of impact



What: Energy Recovery's products create affordable freshwater at scale, when 3 in 10 people currently do not have safe, reliable access to drinking water.



Who: Water stressed countries, nearly 90% of sales are generated from the Middle East, Africa, and Asia.



How Much: Positive social impact derived from desalination business which accounts for nearly all of group revenues. In 2022, desalination revenues have been increasing by at least 20% per annum over 3 years.



Contribution: Made large scale desalination economical (25-33% cheaper than thermal methods), greater affordability for governments to finance plant construction. Had products not existed, populations in water stressed regions would not have as much access to safe, affordable water.



Risk: Emerging competition in pressure exchanging technology, product obsolescence due to new technology, changes in government or municipal spending on desalination projects.

Impact KPIs:



Impact Revenue growth of at least 10% per year
Impact revenue is comprised of the sale of pressure exchangers for desalination which currently accounts for almost all of group revenue.



Growth in pressure exchange unit installed base of at least 10% per year
Allows quantification of new project developments and customer wins. Monitors whether volume continues to lead price as a constituent of revenue growth.

Source: Martin Currie and company published data, as at 31 August 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

illumina is an American genetics and genomics company which provides sequencing machines, reagents/consumables, and services to over 9,000 customers worldwide. The company is the leader in the genomic sequencing market with 90% of all data ever generated from genomic sequencing delivered on an illumina machine. Revenue is highly recurring with 68% of sales generated from consumables, 17% from services (machine servicing and outsourced sequencing), and 15% from hardware. The machines and reagents have been highly influential in developing the field of 'third generation' genomic sequencing which has enabled advances in many key areas of population science and healthcare. These advances have led to breakthroughs in understanding the molecular basis of diseases, the development of more targeted diagnostic and treatment regimes, and, as a result, more positive health outcomes for those patients with a variety of different diseases and conditions. illumina machines are highly accurate and result in high volume, economical sequencing. The scale and scope of the organisation aids illumina in continuing its history of innovation and smart capital allocation in order to invest for the future growth and impact of the business.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Medical Treatment & Advances

UN SDGs:



3.4: Reduce premature mortality from non-communicable diseases



Genomic analysis allows improved understanding of the basis of disease



Clinical applications of genomics generate faster, more accurate diagnoses



Genomic studies can help life sciences companies create more effective, more individualised treatments

Impact Framework: Five dimensions of impact



What: Products and services help provide a better understanding of human genetics and genomics which enables more efficacious and targeted diagnostic tools and treatment regimes to be developed. This helps improve health outcomes for patients and healthcare economics for governments and healthcare systems.



Who: Every individual worldwide has the potential to be impacted by genomic sequencing due to its direct impact on drug development, diagnostics, and population-level studies.



How Much: In 2022, illumina estimated that over 1bn lives are covered by its products and services through either direct sequencing of genomes or the secondary benefits of genomics' advancements in drug development and population studies.



Contribution: If illumina did not exist, we would have significantly less knowledge on the genetic makeup of humans and a less clear understanding of many diseases. This would likely result in less advanced diagnostic and treatment regimes especially in areas such as cancer and autoimmune conditions where genomic sequencing has been particularly revolutionary.



Risk: The main risks are competition and technological obsolescence.

Impact KPIs:



High single digit group revenue growth

Continuing to grow with the market or is falling behind/losing share.



R&D investment growing at high single digit rate

Reinvesting for the future success and impact of the business.



Success of new products

Revenue derived from newer focus areas such as oncology and clinical genomics growing at a rate faster than those of the group as a whole.

Source: Martin Currie and company published data, as at 31 July 2023, and illumina company data.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Intuitive Surgical

Why do we own this business?

Intuitive Surgical is the global leader in robot assisted surgery with c.80% of the market share and over 7,500 da Vinci systems installed in 69 countries. The company still has room to grow through consistent R&D spending and expanding the range of surgical operations it can carry out, all of which will help increasing its total addressability in the market.

The da Vinci system remains its flagship product, however continued innovation has led to the release of the Intuitive Ion and the da Vinci SP. Its surgeon-partnership method of going to market, coupled with its ergonomic design means it should remain the preferred system for hospitals globally.

All this serves to unlock surgical potential, expanding the range of procedures it can be used for and improving the likelihood of better patient outcomes.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Medical Treatment and Advances

UN SDGs:



3.4: Reduce premature mortality from non-communicable diseases



Pioneering robotic surgery system manufacturer enhancing capabilities globally



Continuing product development to open up new procedures to laparoscopic alternatives



Surgeon training and support creates partnerships that ultimately benefit patients

Impact Framework: Five dimensions of impact



What: The company manufactures the da Vinci surgical robot and accompanying ecosystem, which allows more procedures to be completed laparoscopically, reducing risks during surgery.



Who: The primary beneficiary is the patient due to few surgical complications. However, surgeons will also benefit from more optimised equipment, and the healthcare system will also benefit due to lower costs from shorter hospital stays.



How Much: The da Vinci system was used in approximately 1.9m procedures during 2022 and this continues to grow, indicating the magnitude of its impact.



Contribution: The company has a market leading position, indicating clear additionality. The intentionality is clear, the company has pushed boundaries, worked with surgeons and innovated to open new possibilities in surgery.



Risk: Risks include greater industry competition, capital expenditure within hospitals on surgical equipment being cut back, and a negative sentiment to robot assisted surgery which could inhibit adoption.

Impact KPIs:



Procedure growth

We would like to see procedure growth continuing at its current pace.



da Vinci utilisation

Machine utilisation increasing as surgeons become more adept at using the equipment.



R&D intensity

An indicator of Intuitive's innovation pipeline to increase future impact.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Masimo is an American medical technology company that develops, manufactures, and markets a variety of non-invasive healthcare monitoring technologies and consumer healthcare products such as wearables, and consumer audio products. Masimo is a leading provider of pulse oximetry monitoring devices which can be utilised in hospitals and outpatient settings and provides vital statistics about patient health and condition. The company's mission is, through its products, to improve life, improve patient outcomes, and reduce the cost of care by taking non-invasive monitoring to new sites and applications.

Over the long term, the company hopes to become the leader in connected care which will allow individuals, healthy or unwell, to take control of their healthcare journeys and, should it be required, receive dignified and efficient remote care.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Mental Health & Wellbeing

UN SDGs:



3.4: Reduce premature mortality from non-communicable diseases



Masimo's monitoring devices provide essential real time information to care givers to allow efficient healthcare decision making



A focus of growth is the at-home monitoring market which allows patients to leave hospitals for the comfort of their own homes without sacrificing quality of care



The company's focus on R&D should support an attractive level of innovation to help drive improved patient experiences over the long term

Impact Framework: Five dimensions of impact



What: Masimo's monitoring products allow accurate, real time data about a patient to generate quick and efficient care decisions for doctors, emergency medical services, and care workers. This ability to generate rapid decisions should improve patient care and remove cost from the healthcare system.



Who: Most patients in hospital or receiving home care over the long term receive at least some form of patient monitoring. The most common type is blood oxygen which is one of Masimo's largest product categories.



How Much: The company estimates that around 100m patients are monitored using its blood oxygen monitoring systems each year.



Contribution: Masimo produces devices across the patient monitoring spectrum which provide vital, timely, and accurate data to aid in clinician decision-making. Without this data, especially in the blood oxygen space where Masimo holds second position, decision-making would be impeded and patient care and outcomes would suffer.



Risk: The market is fragmented with several credible operators and therefore competition is the high.

Impact KPIs:



Healthcare revenue growth of at least 8% per year

Is Masimo maintaining its competitive position in monitoring devices and penetrating newer markets such as at home monitoring?



R&D /sales of at least 9% per year

Is Masimo committed to developing new products to support future sales growth and impact?



Return On Invested Capital of at least 8% per year

How effective is Masimo's capital allocation at creating value and impact?

Martin Currie and company published data, as at 31 July 2023, and Masimo company data.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Planet Fitness is an American fitness company which owns and franchises gyms in all 50 US states, Canada, Panama, Mexico, and Australia which cater to over 18m customers. The company operates a mission-based model aimed at creating a welcoming, 'judgement free' zone in which first-time gym members can work out for around \$10 a month. The company's model is aimed at bringing fitness to everyone to drive improvements in physical and mental health. The previous CEO is quoted as saying 'we're going after the 80% of the population that doesn't have a gym membership.' Planet Fitness has attractive scale, a high-quality franchisee base, an excellent market reputation, and plenty of opportunities for domestic and international expansion.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Mental Health & Wellbeing

UN SDGs:



3.4: Promote mental health and wellbeing



The low-cost membership model allows people of all demographics to access the benefits of gym memberships in an inclusive environment



Physical activity is not only good for the body but also benefits mental wellbeing



Location growth in the US and internationally will allow Planet Fitness to bring low cost inclusive fitness to many more people in the coming years

Impact Framework: Five dimensions of impact



What: Planet Fitness believes it can positively impact its members' health and wellbeing by focussing on mental health as well as physical health.



Who: Around 77% of the American population lives within 10 miles of a Planet Fitness location meaning most people in one of the most obese nations in the world could be positively impacted by a Planet Fitness gym. 20% of gyms are in areas the US government deems 'low income' which allows Planet Fitness to provide health and wellbeing to underserved communities across the country.



How Much: 100% of group revenues can be considered impactful given the revenue model is centred on franchising and fitting out new locations as well as taking a cut of membership fees.



Contribution: 40% of Planet Fitness' membership base self-describe as first-time gym goers. It is highly likely that many of these individuals have been drawn to Planet Fitness' low cost, high quality, and welcoming environment and would not have joined a competitor gym that does not offer these benefits to such a degree.



Risk: Sensitivity to the economic cycle could be felt in two ways. Members cutting back on discretionary spending or members having to take on more hours or additional employment.

Impact KPIs:



Group-wide membership growth

Helps us judge whether Planet Fitness is attracting and keeping members.



Growth in member visits per month

Increasing gym usage by the average member is an important indication of expanding impact.



Growth of locations in underserved areas

How well is Planet Fitness creating impact in areas of unmet need? The company does not currently report membership by geography and this is an aspiration KPI that forms part of our engagement with the company.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Revvity is an American MedTech company with segments devoted to diagnostics and life sciences research. The company's products and services function to directly Improve Wellbeing. They allow more diseases and genetic conditions to be diagnosed efficiently and cost effectively, allowing intelligent and timely treatments. And, aid the biopharmaceutical industry develop drug therapies which improve and/or prolong patients' lives.

Even in this age of extreme technological progress, the diagnosis and treatment of disease is not always straightforward or effective. Diagnoses are often still based on physical examination, symptom analysis, family history, etc. taking time to deliver a 'best guess' rather than a firm, final answer. Treatment regimens often lack effectiveness. Either allowing the patient to live with the disease rather than eradicating it, or are tailored to population-level needs rather than the specific needs of more specific patient groups. Therefore treatments are not as optimised as they could be, resulting in lower response rates and the burden of higher side effects.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Preventative Medicine

UN SDGs:



3.3 End key communicable diseases by 2030



Test kits allow quick and accurate diagnoses to allow treatments to begin as soon as possible



Life sciences products allow new, targeted drug therapies to be developed to combat an increasing array of diseases and conditions



A strong focus on R&D is coupled with strategic M&A, continuing new product launches and magnifying impact

Impact Framework: Five dimensions of impact



What: Revvity's diagnostic tests allow a greater number of diseases and conditions to be quickly and accurately diagnosed. The Life Science products and services allow biopharmaceutical companies to develop more personalised and effective therapeutics.



Who: Patients, from improved testing, treatment plans, and drug therapies. Societies and governments benefit over the longer term from cost savings associated with early detection and efficient treatment of conditions. 30% of group revenues are emerging markets derived, an area of growing importance for the company.



How Much: Revvity's products and services improve the wellbeing of millions of people each year. For example, worldwide to date, 75 million people have been tested for the Covid-19 virus and 735 million new-borns have been screened using Revvity's diagnostic testing products.



Contribution: If no intervention had occurred, disease diagnosis and effective treatment planning would occur less frequently and/or more slowly potentially leading to fewer novel therapeutics being developed.



Risk: Revvity's ability to continue to develop new and innovative products and services, achieve market impact with existing products, and undertake relevant M&A.

Impact KPIs:



Continuing focus on R&D

New product development and release is an important driver to Revvity's long-term impact, therefore it is important to track R&D spend as a percentage of revenues.



Group revenue growth

Essentially all Revvity's revenues are related to providing impact by Improving Wellbeing, so it is relevant to track group revenue growth year-on-year.



Strong return on incremental invested capital

M&A spend is tracked on an absolute and an incremental return basis to track acquisitiveness over time as well as the success of each acquisition.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Veeva is an American cloud computing company focused on pharmaceutical and life sciences industry applications. The company provides end-to-end SaaS systems to healthcare companies to improve the efficiency of the entire life sciences value chain. This takes place from early molecule screening right the way through to post-approval commercialisation and ongoing quality management. Products include software to streamline clinical operations, clinical data management, patient and trial site management, and real-time intelligence analytics. Life sciences research, particularly drug discovery and development, are difficult to approve, highly technical, and, often, a lengthy process. It is estimated that, on average, it takes 10-15 years and US\$1bn to bring a new drug to market and that only 10% of all drug candidates that enter trials gain final regulatory approval.

Veeva's software products help life sciences research, product development, regulatory approval, post-approval safety and quality monitoring. This increases the amount and speed of safer drugs being brought to market for less total investment.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Mental Health & Wellbeing

UN SDGs:



3.4: Reduce premature mortality from non-communicable diseases



Software products allow an holistic view of the entire drug development process, allowing real-time assessment of progress



The knowledge gained from these data tools allow smarter, faster, more efficient decisions to be made in the development, approval, and monitoring process



A long history of product innovation and focus on R&D should allow future impact growth to be underpinned by new products and technologies

Impact Framework: Five dimensions of impact



What: Veeva's software and consultancy services help companies in the life sciences and healthcare industries to utilise the data they generate more effectively. This helps to increase efficiency in the drug development process and improve post-approval monitoring processes.



Who: Veeva has nearly 1,400 customers across the life sciences and healthcare industries who develop therapies, manage data, or administer health plans for millions worldwide.



How Much: It is relevant to include all Veeva's revenues in generating an impact revenue figure. Revenues in the 2023 financial year were US\$2.1bn and have been growing by at least mid-teens percentage points for the last several years (2020-2023).



Contribution: There are 30-50 new drugs approved each year in the US with a total of 20,000 approved drug therapies on the market. Less than 20 drugs have been removed from the market in the US since 1997. Without the cloud computing services that Veeva offers, new approval rates may be lower, and more drugs could be removed from the market during post-approval monitoring.



Risk: Competition or significant changes in the drug development, approval, or post-approval processes.

Impact KPIs:



Net new customer growth

This KPI attempts to illustrate the scope of Veeva's impact by examining the evolving size of the customer base.



Impact revenue growth

The entirety of Veeva's revenue base, which consists of software to improve drug development efficiency and safety, is impactful. With regards to growth, we have a preference to see revenue driven by volume as opposed to pricing increases.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Xylem is an American water company which supplies products and services across the entire water cycle. The company reports revenues across three segments which include water infrastructure (40%), measurement and control solutions (30%), and applied water (30%).

Xylem supplies to three main customer groups: utilities, industrial, and commercial and residential. Products and services revolve around three main long-term trends to ensure adequate supply, the protection and improvement of water infrastructure, and decreasing wasted water. These trends should support the company in becoming a leader to many of its end markets and provide sustained demand for its solutions in the future.

Impact Pillar:



Improve Wellbeing

Impact Focus:



Basic Human Needs

UN SDGs:



6.2: Achieve access to adequate and equitable sanitation and hygiene for all



Provides users with reliable, resilient access to water and sanitation



Reduced wastage improves efficiency and lowers costs for all users



Increased resiliency and reduced waste will allow communities to support those negatively impacted climate change

Impact Framework: Five dimensions of impact



What: Products and solutions to help secure the supply of affordable clean water. This is increasingly important as climate change affects global weather patterns and infrastructure.



Who: 3 in 10 people are currently unable to access safe drinking water. By 2050, 2bn may not have access to adequate sanitation, with over 200m displaced by a lack of water infrastructure.



How Much: In 2022 revenues were US\$5.4bn and growing at a 3% compound annual growth rate (CAGR) despite challenges due to Covid-19.



Contribution: Reduced water scarcity, increased infrastructure resiliency from weather events/sanitation failures, and reduced incidences of broken or unauthorised infrastructure potentially increasing water prices.



Risk: Competition, changes in infrastructure spending by governments and local authorities.

Impact KPIs:



Mid-single digit revenue growth per year

We want to see steady organic growth from stronger competitive positioning and bolt-on M&A.



Increase growth in water, sanitation and hygiene (WASH) access per year

Provided by Xylem and NGO partners. We want to see an expansion of this initiative, which improves infrastructure and distributes essential supplies to underserved communities.



R&D/Sales at least 3.5% per year

This demonstrates whether the company is reinvesting in its future revenue and impact growth through its profit and loss.



Emerging markets revenue growing faster than group revenue

We would like to see Xylem's sales growth in emerging markets to be faster than the group to ensure a focus on vulnerable communities.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Providing access to affordable telecommunications and money services across 14 African countries, Airtel Africa is driven by a vision to bridge the digital divide and increase financial inclusion in the markets where it operates. Africa's second largest telecommunication provider primarily operates in sub-Saharan Africa, bringing communication and financial services to populations often lacking essential infrastructure. Although penetration rates remain low, Airtel Africa currently has 140 million customers, and it is investing to produce a high quality, reliable network, offering 4G communications in each of the markets it serves. The mobile money service includes digital wallet payment systems microloans, savings and international money transfers. These are helping economic development by allowing more people to participate in employment and commerce.

Through expanding the network and increasing its products and services, millions of people have access to digital communications, banking and payment solutions, and education resources for the first time in their lives. The company has a strategic goal of increasing financial inclusion through affordable products, key to driving equality and economic growth. This includes extending the services to women, enabling greater independence, security and the opportunity to develop businesses.

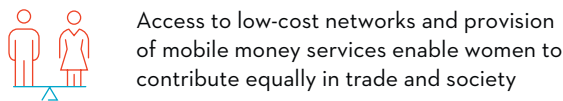
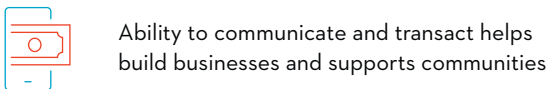
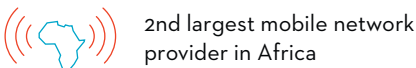
Impact Pillar:



Impact Focus:



UN SDGs:



Impact Framework: Five dimensions of impact



What: Affordable and innovative mobile services. Committed to making the lives of millions easier by creating a digitally connected world. The company is supporting growth in connectivity, investing in building a reliable network.



Who: C.140 m customers, grown from 121 m in last three years. With a focus on sub-Saharan Africa. Africa as a whole only has c.43% population connected to internet*. Airtel Africa aims to provide up to 90% coverage in the countries it covers.



How Much: Increasing the number of subscribers is a clear measure of direct impact, increasing the percentage of population with internet connectivity, enabling payments and commerce from unbanked individuals.

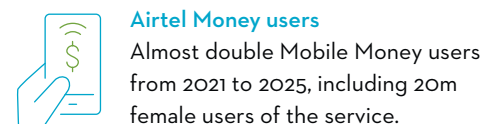
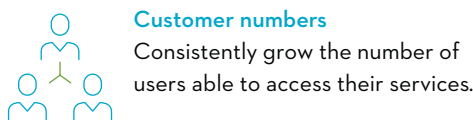
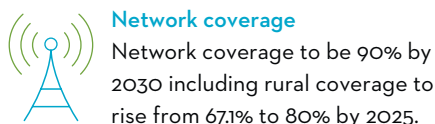


Contribution: Capex in improving the quality of the network and development of mobile banking services is providing new infrastructure and economic development in the countries it operates.



Risk: The ability to reinvest in the business through returns and cashflow generation is key. There is some regulatory and political risk from the market structures and licence renewals.

Impact KPIs:



Source: Martin Currie and company published data, as at 31 August 2023.

*Statista and Internet World Stats. (April, 2022). Internet penetration rate in Africa as of December 2021, compared to the global average.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

The MSME (Micro Small and Medium Enterprises) segment in Indonesia is highly important to sustainable development, accounting for 96.9% of employment and over 60% of gross domestic product. Bank Rakyat helps support this key section of the economy by providing MSME loans of 849.2trn Indonesian Rupiahs (IDR) to 14m micro entrepreneurs. The bank has multiple empowerment platforms and credit schemes tailored to the development of micro-entrepreneurs to support their business growth towards a feasible and bankable level. They also provide various financing products that are in accordance with the customer's business capacity.

Through various platforms and products, they seek to present a complete and integrated banking ecosystem to accelerate the potential of micro-businesses and empower the communities as business actors at the same time. Through the distribution of PNM Mekaar (pre-prosperous micro lending) financing, the company has empowered more than 13.9m underprivileged women customers, supporting the achievement of SDG 5 of gender equality in addition to the primary SDG impact we have identified of supporting equal rights to economic resources and financial inclusion as part of SDG target 1.4.

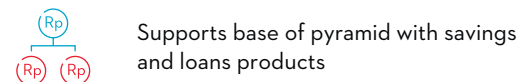
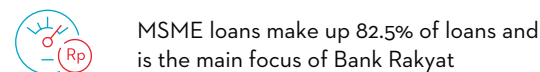
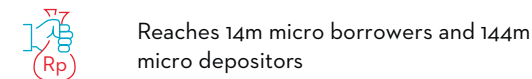
Impact Pillar:



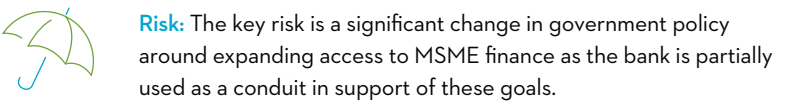
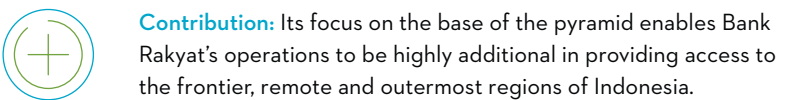
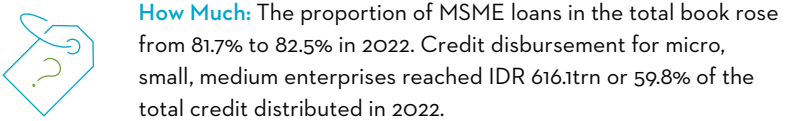
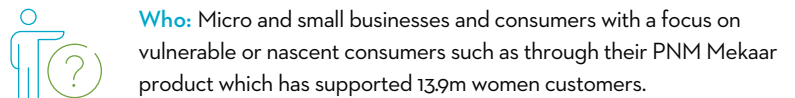
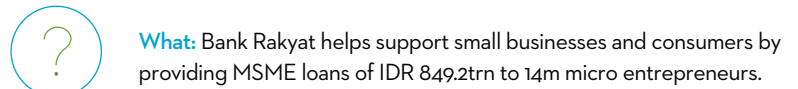
Impact Focus:



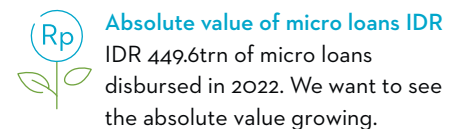
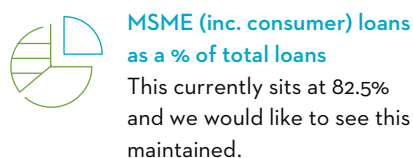
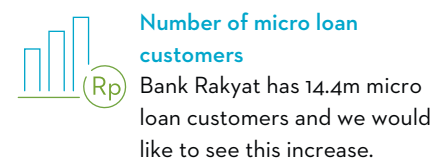
UN SDGs:



Impact Framework: Five dimensions of impact



Impact KPIs:



Source: Martin Currie and company published data, as at 30 September 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Coursera is a US-based Massive Open Online Course (MOOC) provider, hosting a range of courses from well-known industry partners, in fields such as data science, project management, and AI. The company is capitalising on two major trends including online learning and a skills-based economy. Coursera broadens access to high-quality educational content, allowing learners to upskill and reskill. Many learners report positive career and personal outcomes, increasing the conviction of impact.

Through its degrees segment, the company offers fully online degrees from respected universities around the world. This allows additional flexibility for students and provides savings versus the additional costs associated with attending university.

Impact Pillar:



Improving Inclusion

Impact Focus:



Education

UN SDGs:



4.3 Equal access to quality and affordable tertiary education



Online access to quality education from recognised companies and universities



Accredited courses in demanded skills such as data and computer science



Online access to degrees from leading universities

Impact Framework: Five dimensions of impact



What: Offers access to online courses allowing learners to upskill and reskill in in-demand fields, with content from well-known and respected industry and education partners.



Who: Learners are diverse geographically with users in developed and emerging markets including in Asia Pacific, Middle East and North Africa, and Sub-Saharan Africa. The age of learners varies by region, with median learner age ranging from late 20s to late 30s.



How Much: The number of registered learners is the clearest indicator of the scale of impact. As at end Q2 2023 the company had 129 million registered learners.



Contribution: As the largest MOOC provider globally, Coursera's impact is additional, especially given its penetration in regions where the market is less developed.



Risk: Risks include a lack of adoption of the platform, or that courses on the platform are not recognised by employers due to online learning prejudices.

Impact KPIs:



Number of registered learners

The growth of the 'top of funnel' is an important metric in considering the reach of the company.



Number of education partners

Additional partnerships lead to increased growth in quality content available to learners on the platform.



Number of degrees students

An important indication of the number of students accessing third-level education.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Deere & Co is a farm technology company which has a broad and significant impact in addressing food security, zero hunger and agricultural productivity. The company also has a construction equipment business that helps build modern and safe infrastructure, but our key interest resides in its farm technology segment. This is split between precision agriculture (c.40% sales) and small agriculture (30% sales). These support SDG target 2.3 to double the agricultural productivity and incomes of small-scale producers, which is key to the social aspect of delivering better wellbeing and also better inclusion through access to resources. This is augmented by the social climate resilience aspect of SDG target 2.4 by 2030, ensuring sustainable food production systems and implementing resilient agricultural practices that increase productivity and production, help maintain ecosystems, and strengthen capacity for adaptation to climate change.

Resilience of food supply has wider benefits. They impact this through production tools that help increase yields and reduce resource use. The wider social aspect that is also positively impacted is the problem of high food prices through increasing production and reducing variance in crop yields to extreme weather.

Impact Pillar:



Impact Focus:



UN SDGs:



2.3 Double agricultural productivity of small scale producers



Efficiency benefits for small farmers



Increased efficiency and support to farm incomes drives better food security



Reduced need for pesticides and nitrogen - positive for farm income and environment

Impact Framework: Five dimensions of impact



What: Deere & Co's agricultural technology and production tools increase yields, reduce resource use, and improve food security.



Who: The primary stakeholder group being impacted by the company is farming customers through more effective resource use.



How Much: We measure impact using KPIs associated with 'highly engaged acres', revenue growth in small agriculture associated with increasing profitability for small farmers, and Deere's impact in reducing nitrogen and fertiliser usage.



Contribution: The share of countries burdened by high food prices rose to 47% in 2020. Increasing production (in addition to more effective distribution) can help solve this. This involves boosting production of crops, improving resilience of harvests through precision agriculture techniques, and improving soil quality from lower chemical and nitrogen use.



Risk: The risks are that Deere & Co is ultimately more focused on farmer economics (input use for economics rather than overall yield enhancement). We would prefer to be able to point to a direct link to increased crop output.

Impact KPIs:



Increase 'highly engaged' acres

Use of a wide range of Deere & Co enabled techniques to deliver impact.



Grow the small agriculture segment

In our view the most prominent impact will be generated from this segment of the business.



Reduce nitrogen use and increase crop protection efficiency

Target a 20% reduction in use of nitrogen and 20% increase in crop protection efficiency enabling US\$8-10bn annual savings for farmers.

Source: Martin Currie and company published data, UN SDG Indicators as at 30 September 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

HDFC exists to help every Indian person make better financial decisions, today and tomorrow. The pursuit of long-term value creation for all stakeholders involves a strong focus on rural finance and accounts for over 12,000 companies, 20,000 banking outlets and a fifth of its branches. This has had positive influence on increasing financial inclusion by providing access to finance, both in loans and in terms of rapid expansion of the branch network, particularly in rural communities. The impact from their priority loan provision is clear, intentional and direct. Their unique position in rural banking puts them in a strong position to be one of the most significant players in expanding access to finance and its associated benefits to rural and semi-rural India. In addition, the bank's commercial and rural banking group was set up 2021 to cater to the needs of the Micro, Small and Medium Enterprises (MSMEs), emerging corporates, commercial agriculture, small and marginal farmers, healthcare finance, equipment finance and commercial transport companies. While these businesses are diverse in nature, the common thread binding them together is that they all have a huge footprint in semi urban and rural (SURU) India.

Impact Pillar:



Improving Inclusion

Impact Focus:



Financial Equality

UN SDGs:



1.4 Equal rights to economic resources



Strong rural focus for banking



Support financial inclusion



Significant overall impact growth with assets growing 20% per annum

Impact Framework: Five dimensions of impact



What: The three key impact areas for HDFC in relation to priority lending sectors are in mortgage provision, agriculture loans, education and MSME lending.



Who: The beneficiaries are those receiving improved access to finance in either under-represented areas, in terms of more stable access to finance and in rural communities in regards to modernisation of finance.



How Much: The 2022 annual report has stated to have impacted 96m lives (direct lending and downstream) as well as 71m customers. This is closely associated with the expansion in rural banking operations both through the provision of loans but also through the doubling of the branch network footprint that they are targeting.

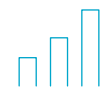


Contribution: While the government targets on priority sector lending are sector wide, the success of HDFC is in its growing scale and doing so with good profitability. This has inevitably accelerated their ability to reach more areas with this lending.



Risk: Areas to monitor include cyber security, fraud and evolution of their environmental targets.

Impact KPIs:



Absolute loan growth in priority sectors

Loans in priority sectors grew to 3.9 billion Indian Rupees in 2022.



Proportion of advances to priority sectors (%)

Advances to priority sectors grew to 29% in 2022 from 23% the year prior.



Number of branches opened

Opening branches broadens financial inclusion and HDFC has now set a target of opening 1500-2000 branches per annum.

Source: Martin Currie and company published data, as at 30 September 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Mears is the largest social housing management and maintenance contractor in the UK. The firm works with central and local government to tackle homelessness and poor living standards. Mears has always operated with a strong social purpose and a compelling impact story exists with all revenue directly linked to affordable housing services.

The business model is underpinned by an emphasis on quality, this is paramount considering the company houses particularly vulnerable individuals such as asylum seekers. The company is working to provide accommodation beyond hotels, which are widely acknowledged as a suboptimal solution. Its impact expands well beyond this though. It maintains and manages a portfolio of at least 1 million homes in the UK. Ensuring that vital repairs are completed, its residents, such as ex-military and rehabilitating offenders, have the amenities they require.

Impact Pillar:



Improving Inclusion

Impact Focus:



Financial Equality

UN SDGs:



11.1: Access for all to affordable and safe housing



Housing assurance and support for vulnerable tenants



Maintenance activity ensures social housing stock remains safe and habitable



Planned and unplanned maintenance includes retrofitting to improve energy efficiency of UK's old housing stock

Impact Framework: Five dimensions of impact



What: Mears maintains and manages the UK's aging yet expensive social housing stock, ensuring a safe and habitable residence for individuals vulnerable to homelessness.



Who: The residents themselves include welfare recipients, asylum seekers, armed forces personnel and low risk ex-offenders.



How Much: Mears conducts maintenance on around one million homes and reaches over one million end service users.



Contribution: Without Mears' specialist expertise many housing management and maintenance services would have likely remained with local authorities. Potentially resulting in inhabitable living conditions and tragic circumstances from uncompleted vital works.



Risk: The largest risk is reputational as the mishandling of public services often generates negative media attention. Potentially compromising Mears' ability to deliver impact.

Impact KPIs:



Delivery of social value

Mears reports annually the social value delivered according to independent metrics.



Reported service users

The service users metric is a direct measure of how many lives Mears' services are impacting.



Daily repairs

This measures the number of repairs conducted across both planned and unplanned maintenance.

Source: Martin Currie and company published data, as at 31 August 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

MercadoLibre began as an online marketplace in Latin America. It has since expanded to become a driving force behind the digitalisation of commerce in the region. With small and medium-sized enterprises (SMEs) representing approximately 90% of businesses in the region, the broader economy is dependent on the health of local enterprises.

It has inserted itself into the ecosystem and reduced friction for these key operators. This is through both its e-commerce division, which expands the market available for SMEs to sell into, and its fintech segment. This is where our impact focus lies. Through on-platform data collected, the company has a greater ability to underwrite loans to these businesses, many of which have had no previous access to credit. This allows them to expand and generate new employment opportunities. While the recipient of the loan is the core beneficiary of MercadoLibre's products and services, its impact spreads well beyond a single business into the wider economy. With significant optionality on how it can expand going forward, we see a company that can continue to build out its offering to maintain its dominant market position.

Impact Pillar:



Improving Inclusion

Impact Focus:



Financial Equality

UN SDGs:



9.3: Access to financial services



Facilitating entrepreneurship in a region with a thriving small business economy



Provider of first-time business loans for many SMEs



Encouraging banking adoption in an underbanked region

Impact Framework: Five dimensions of impact



What: Through the data it collects, MercadoLibre can better underwrite loans to SMEs to promote expansion. This is often the first access to credit many of these businesses receive.



Who: Owners and operators of the businesses that receive the loans are the primary benefactors. It should be recognised that this initial impact has a ripple effect through the wider economy.



How Much: According to company surveys, over 900,000 families use MercadoLibre as their primary source of income. There is also a thriving economy of SMEs, whose businesses are facilitated by MercadoLibre's existence.



Contribution: With a dominant market share, the company has played a massive role in the democratisation of e-commerce in the region. It has broken down many barriers to adoption where others have not been able, implying significant additionality.



Risk: Failure to understand local markets as expansion occurs could reduce the reach of their products and services. Prohibitive interest rates or unsustainable expansion of the credit business may have long-term detriments.

Impact KPIs:



Entrepreneur first-time loans granted

SMEs represent a large proportion of the economy, but without readily accessible credit options. Provision of credit is the first time many businesses access a loan to expand.



SMEs on the platform

MercadoLibre reduces friction for SMEs, with many using the platform as their primary source of income. This is used as a broad proxy for scale of impact.



Items sold by SMEs and entrepreneurs

We would expect to see the number of products sold by SMEs and entrepreneurs to increase, indicating more income for these sellers.

Source: Martin Currie and company published data, as at 30 September 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

While virtual education remains a niche part of the broader education system, the Covid-19 pandemic accelerated its adoption and served as something of a proof of concept for an alternative to traditional schooling. As the largest provider of online schools in the US, Stride has a core role in providing quality virtual or blended education to students of all ages, through both public and private channels.

Through Stride's general education segment (a direct substitute for the typical school curriculum), and career learning (focus on developing skills to succeed in specific industries), students are taught and assessed in much the same way as their peers. The company has begun to offer adult learning in fields such as healthcare and technology, and we continue to monitor this development, but the core impact remains in the education of children in kindergarten to grade 12.

We are excited by the innovation the company brings to an industry that moves relatively slowly, and provides an alternative to students that are not as well served by the in-person school system, as they would be in a virtual or blended environment.

Impact Pillar:



Improving Inclusion

Impact Focus:



Education

UN SDGs:



4.2 Access to early education



The company provides virtual and blended learning for all ages



It provides a valuable alternative to traditional brick-and-mortar schools



It offers career learning options for students that benefit from a more job-specific education

Impact Framework: Five dimensions of impact



What: The company provides products and services to facilitate virtual or blended learning.



Who: The students are the key beneficiaries. For many of these students, traditional schooling was not the correct learning environment due to safety concerns, additional academic support requirements or physical or health restrictions.



How Much: Over the financial year 2023, total enrolments were approximately 178,000. This includes 112,000 in kindergarten to grade 12.



Contribution: A report from the US National Education Policy Centre put the number of students in full time or predominantly virtual education at 673,000. Given that Stride Inc enrolled 178,000, additionality is evident.



Risk: The key risk is that student outcomes are no better in virtual schools than brick-and-mortar. There continues to be emerging research in this area, and it is something that we monitor.

Impact KPIs:



Number of students enrolled in K-12

The number of students enrolled in kindergarten through to grade 12 across general education and career learning.



Number of adult learners

Most students are in grades kindergarten to grade 12, however the company is expanding into adult learning, which we also track.



Number of graduates

The company appears to have discontinued reporting on this. Resuming reporting of this metric will form part of our engagement agenda.

Source: Martin Currie and company published data, as at 31 July 2023, and US National Education Policy Centre.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Valmont Industries is the world's leader in providing irrigation solutions predominantly in the form of its irrigation business, Valley Irrigation. Valley creates products that save water, increase food security in vulnerable climates, and increase farm productivity. These impact not just the efficiency of agricultural production in developed markets but also crucially in increasing resilience and improving production profiles in developing nations. This can be seen in their case study on installing 1500 pivots in Sudan and their expansion into Kazakhstan. Finally, their equipment is not just used to help production of key US staples (soy/corn) but also has application in increasing efficiency of globally-grown crops, as is the case in rice production, which they make more efficiently from a water use perspective and safer due to reduced arsenic content when compared to flooded rice.

Impact Pillar:



Improving Inclusion

Impact Focus:



Access to Resources

UN SDGs:



2.4 Sustainable food production systems



Food security and water conservation from irrigation products



Reduces water use, increases yields, resilience and efficiency



Supports food security in climate stressed regions

Impact KPIs:



Gallons of water saved

Valmont's irrigation products save four trillion gallons of water annually.



Center pivots in service

There are over 228,000 Valley center pivots operating globally.



Connected devices

The 146,000 connected devices produce valuable insights to increase efficiency.

Impact Framework: Five dimensions of impact



What: Valmont enhances food security and resource conservation by reducing water use, increasing crop yields and resilience.



Who: Growers benefit from water and efficiency savings from deployment. Communities benefit from increased number of viable acres, food security and employment opportunities.



How Much: The company helps save 4trn gallons of water annually through the 228,000 pivots operating globally.



Contribution: Intentional impact generated through expanding irrigation technology geographically to more climate stressed regions such as Africa, Brazil and Kazakhstan.



Risk: The key risk in generating impact would be the stalling of geographic expansion with greatest savings made in water use when replacing traditional irrigation methods.

Source: Martin Currie and company published data, as at 31 August 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Vistry is the UK's largest builder of social and affordable housing and has undertaken a strategic pivot to become a pure-play social impact company, with 100% of revenue from the end of 2023 coming from its partnership operations. By focusing on the provision of affordable and social housing, Vistry makes a key contribution to SDG 11 to make cities and human settlements inclusive, safe, resilient, and sustainable.

The UK has two key housing-related issues which Vistry helps solve through its partnership business. There is an affordability and access crisis in UK housing. The UK has a deficit of affordable housing with housebuilding increasingly reliant on private homebuilders. The cost of private sector housing that meets acceptable standards, compared with the level and distribution of incomes and assets, means significant numbers of households lack the resources to make demand for decent housing effective in the market. By solving these challenges, Vistry makes a significant social impact, generates robust growth, and targets a return on capital employed (ROCE) of 40%.

Impact Pillar:



Improving Inclusion

Impact Focus:



Financial Equality

UN SDGs:



11.1: Access for all to affordable and safe housing



Partnership businesses focus on the provision of affordable and social housing



Works alongside housing associations and local authorities on projects that fulfill critical housing needs and aid regeneration of communities



Provides land and expertise in constructing these communities

Impact Framework: Five dimensions of impact



What: Vistry is now fully focused on housing partnerships to solve the UK's housing crisis. Demand for affordable housing is estimated to be 75,000 to 150,000 per annum, well in excess of recent build rates of 50-60,000 per annum. There is a clear need in the UK for increased provision.



Who: The key stakeholders benefiting from increased provision of high quality affordable and social housing are the occupiers of the housing itself, the government and wider communities.



How Much: Vistry built over 6,000 partnership and affordable units in 2022. This is expected to rise over time as they increase this business to be 100% of operations.



Contribution: Significant additionality relative to traditional homebuilding. There is an expectation of 100% additionality for new built submarket rented housing (new build affordable rent and new build social rent).



Risk: Impact delivery could be affected by the funding environment, government relations and any controversies around build quality.

Impact KPIs:



Number of partnership and affordable housing units delivered

The provision of new and upgraded affordable housing for communities is our key KPI.



Social value created (£)

Increasing social value from their operations including job creation and social value created, which will be measured through use of the social value portal.



Growth in partnerships revenue

This is expected to grow 6-8% over the medium term as they expand their partnerships operations.

Source: Martin Currie and company published data, as at 31 August 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

When natural disasters or other public safety events occur, one of the key elements in management is the dissemination of messaging, responding to the event and reaching everyone, especially the most vulnerable in society.

Everbridge's public safety system allows an early warning to be sent to authorities and enables them to co-ordinate emergency responses, communicate to those effected and mark them safe through public messaging and geotagging.

They operate national public safety systems to respond to these events in over 25 countries worldwide and allow corporates and local authorities to manage critical events and risks to their staff through Everbridge's software.

Impact Pillar:



Supporting a Just Transition

Impact Focus:



Safer and Cleaner Communities

UN SDGs:



11.5 Reduce the impact of catastrophes



Warn and inform the public before, during and after critical events



Coordinate the response to emergencies



Help communities recover and return to normal

Impact Framework: Five dimensions of impact



What: Everbridge's public safety system allows for early warning to be sent to authorities and enables them co-ordinate emergency responses, reach everyone and mark them safe through public messaging and geotagging.



Who: When natural disasters or other public safety events occur one of the key elements in management is dissemination of messaging, responding to the event and reaching everyone especially the most vulnerable.



How Much: Everbridge operates public safety systems in 25 countries. These mass notification and public safety platforms reach almost 800m people.



Contribution: They are the broadest and deepest public safety provider and in many places are providing a solution where one was not deployed before.



Risk: Risk to impact being delivered is that focus on core public safety is lost if they continue to target corporate businesses.

Impact KPIs:



Number of public safety systems run
Currently operating 25 public systems.



Population covered by public safety systems
Their public safety systems reach nearly 800m people.



Government revenue growth
Government segment is predominantly the public safety business.

Source: Martin Currie and company published data, as at 30 September 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

FDM is a UK-based global operator. It maintains robust processes around hiring and training to ensure that employees have the requisite skills to succeed in the modern workplace. What makes the company impactful is its hiring through a talent-led approach; it employs from diverse areas of the labour market, discovering individuals in untapped talent pools such as ex-military, those on a career break, or apprentices. Social mobility is even included as a factor in executive remuneration.

Alongside its graduate programme, these cohorts are trained and deployed at FDM's clients, earning while learning and integrating into the workforce. At the end of the consultation period, many FDM employees are hired directly by the client, providing opportunities they would otherwise likely not have had access to. As businesses modernise and digital skills continue to become more relevant in the workforce, FDM is well paced to provide a skilled and diverse pool of talent with a view to improved career prospects going forward.

Impact Pillar:



Supporting a Just Transition

Impact Focus:



Reskilling

UN SDGs:



4.3 Equal access to quality and affordable tertiary education



Upskilling and reskilling of employees in high-demand sectors



Hiring streams including ex-military personnel, those on a career break, and apprenticeships



Work to bridge the digital skills gap through comprehensive training and on-the-job education

Impact Framework: Five dimensions of impact



What: FDM recruits and trains individuals in high-demand skills areas such as IT and business management, which continue to be vital to success in the modern workplace.



Who: FDM has an incredibly diverse hiring pool, providing opportunities to many overlooked cohorts. It has specific hiring streams for ex-military personnel and career returns to reintegrate them into the workforce.



How Much: At the end of 2022 the company had placed 4,905 consultants globally. 431 of these were from the hiring streams mentioned above, with 56 more in the apprenticeship programme.



Contribution: FDM opens opportunities to many individuals, many of whom would not be afforded these opportunities elsewhere. The impact of the company is certainly additional, particularly as the skills they focus on become more relevant.



Risk: The company is exposed to the economic cycle and therefore a downturn may reduce hiring and consultant placements, detracting from impact. It is worth noting that this is not a risk exclusive to FDM.

Impact KPIs:



Number of consultants deployed
The number of consultants that are currently placed with clients - an indication of client demand for talent.



Number of training completions
An indication of the strength of FDM's pipeline and anticipated end-market demand for consultants.



Ex-forces and career returners
A key focus of our impact is on former military personnel and those returning from a career break.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

MIPS stands for Multi-directional Impact Protection and is an 'ingredient' safety technology that over 120 brands incorporate into their helmets across sport and safety applications. The core MIPS system is designed to reduce rotational force on the brain in the event of a crash, developed through many years of extensive product development and research. This enables them to help fulfil their purpose to 'reduce head injuries and save more lives'. According to the European Road Safety Observatory (ERSO), almost 1 in 10 European road fatalities is a cyclist*, furthermore fatalities from cycling unlike other road users has not fallen over the last decade. Ensuring better safety from crashes can have a significant impact, and help meet the firm's ambition of reducing both the number and severity of road accidents. MIPS's capital light model and high returns allow the firm to invest extensively in research and development and move into new markets.

From an impact perspective, we are excited that the firm have made the move to expand into the safety helmet market which is another significant opportunity to improve safety outcomes and save lives.

*Source: European Road Safety Observatory, Facts and Figures - Cyclists - 2020, December 2020.

Impact Pillar:



Supporting a Just Transition

Impact Focus:



Safer and cleaner communities

UN SDGs:



3.6 reduction of road traffic accidents by half



1 in 10 road fatalities is a cyclist



MIPS helmets can be up to 70% safer (minimum 10%, most 20-70%)



Expansion from sport into safety market broadens impact

Impact Framework: Five dimensions of impact



What: The MIPS safety system is designed to add protection in helmets against rotational motion, that can cause shearing and/or stretching of brain tissue. This reduces the risk of brain injuries from impact.



Who: The wearer of the helmet.



How Much: Up to 20-70% improvement in effectiveness. Have sold in excess of 40 million MIPS safety systems over last decade.



Contribution: Without MIPS adoption safety standards would be lower, and potential impact of accidents would be greater in terms of increased long-term brain injuries.



Risk: Fundamental risks to the firm's positive impact would be increased competition, a lack of wider adoption in safety channels, and a limit on the addressable market because of the US\$10-20 price point differential versus traditional helmets.

Impact KPIs:



Total MIPS safety systems sold
The company have sold in excess of 40 million units over last decade.



Number of customers
MIPS now works with over 150 business customers to integrate its technology.



Total company revenue growth
Given the business is 100% impact revenue we would like to see 5-year growth of >10% CAGR.

Source: Martin Currie and company published data, as at 31 August 2023, and ERSO, trade press, MIPS company data.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Novozymes is the global market leader in biological solutions, producing a wide range of industrial enzymes and microorganisms to help improve the efficiency and resiliency of industrial processes. They operate in a variety of end markets such as food and beverages, human health, agriculture, grain processing, and bioenergy, which allows for the transformation of food systems to enable healthier lives.

Novozyme's biosolutions can help improve the taste, shelf life, nutritive value, and performance of end products while also allowing industrial producers to do more with less raw materials and energy inputs. This helps to shore up the resiliency of production processes in the face of uncertainties created by climate change and enables customers to meet the needs of a growing population while reducing the stress their products place on the natural world.

Impact Pillar:



Supporting a Just Transition

Impact Focus:



Circular Economy

UN SDGs:



12.3 Halving of global per capita food waste



Products help improve agriculture efficiency and improve nutritive value of food, beverages, and additives



Allows customers to maximise efficiency of production processes to do more with the same or fewer inputs



Long history of innovation driving the development of impactful new products to shore up future resiliency of food production process

Impact Framework: Five dimensions of impact



What: Novozymes' biosolutions make processes and products better by reducing pollution and making them more efficient and healthier. Industrial processes can become more robust, and individuals can be well nourished despite increasing pressures from the effects of climate change and a growing population.



Who: The Impact is broad with consumers all over the world benefitting from Novozyme's products. Biosolutions are found in a wide variety of everyday products and power the processes by which the products are created.



How Much: The most socially impactful revenues totalled \$1.25bn in 2022 and were generated by the following three segments: 1) Food, Beverages, and Human Health, 2) Grain & Tech Processing, and 3) Agriculture, Animal Health, and Nutrition. These segments comprise just over half of group revenues.



Contribution: Without the advances Novozymes has made, we would likely be far less advanced in our usage of enzymes and microorganisms to improve efficiency and quality in many socially impactful products.



Risk: Poor execution such as Novozyme's ability to generate impactful new products or if there is a degradation in its reputation for being mission-focussed. New product innovation must continue, given the presence of competition from credible players in various industries.

Impact KPIs:



Growth in tonnes of food ingredients gained per year

This target reports on food ingredients gained through Novozymes' solutions in grain and vegetable oil processing which unlock additional starch, protein, and oils from feedstocks and improve agricultural efficiency.



Impact revenue growth

Continued growth in most impactful revenue segments is key to increasing social benefit over time.



Emerging market revenue growth faster than group

Strong revenue growth in Latin America and Asia Pacific is an important indicator of increasing impact over time in less advanced areas.

Source: Martin Currie and company published data, as at 31 July 2023 and Novozymes company data.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Veolia is a French environmental company that provides clean, safe drinking water, removes household and municipal waste, and undertakes wastewater purification to allow the population of thousands of towns and cities around the world to live in comfort and safety. The 2022 acquisition of Suez means Veolia will now face less competition during a decade where governments, companies, and consumers are becoming increasingly focussed on water usage, recycling, waste management, and energy efficiency. Veolia is the market leader in a fragmented global water/waste industry globally and has the potential to gain share as regulation increases.

Impact Pillar:



Supporting a Just Transition

Impact Focus:



Circular Economy

UN SDGs:



6.3: Improve water quality



World leader in provision of basic services to support healthy, clean communities



Waste and water services provide a baseline of liveability for millions of people globally



Focus on innovation to allow evolution with a changing planet

Impact Framework: Five dimensions of impact



What: The world produces 2.12bn tonnes of waste each year with 99% of all items purchased thrown away within 6 months. Yearly global water requirements are 4tn m³ and municipalities generate 380bn m³ of wastewater. Veolia's services provide a safe-lived environment through basic utility services including provision of clean water and the removal and landfilling/recycling of household and municipal waste.



Who: Private households, businesses, and municipal locations worldwide with Europe being its largest market.



How Much: From a social impact perspective, the water and waste businesses are the most relevant and currently comprise 76% of revenues (excluded revenues are derived from the energy provision segment).



Contribution: Without basic services such as water provision and waste removal and processing, the lived environment would significantly deteriorate for people all over the world. Diseases could spread, and sanitation quality would suffer.



Risk: Macro environment deterioration, failure to renew contracts on expiration, difficult Suez integration which draws management attention away from strategy planning.

Impact KPIs:



Customers served

Veolia is to continue to grow its customer base and monitor customers served by its water provision, waste water, and waste collection segments.



Revenue growing faster than group revenues

Capture growth in markets outwith core Europe which may better model the provision of service to areas of higher unmet need.



Impact revenue growth

Increased impact revenue that is generated by water and waste segments with the objective to grow by at least 2% per year.

Source: Martin Currie and company published data, as at 31 July 2023.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Why do we own this business?

Our interest in Verra stems from its suite of safety-enhancing technologies that can be deployed in different ways to substantially improve road safety outcomes for vulnerable locations and communities. They develop, permit, install and run safety-focused technology on roads across the US and internationally. These include speed enforcement, red light cameras, school bus arms and bus lane enforcement.

Where deployed, these types of systems have shown a significant decrease in accident frequency and severity. For example, at automated speed safety enforcement sites, the National Highway Traffic Safety Administration (NHTSA) estimates fatal injury crashes can be reduced by as much as 70%, significantly contributing to SDG3.6 which aims to reduce road traffic accidents by half.

Impact Pillar:



Supporting a Just Transition

Impact Focus:



Safer and cleaner communities

UN SDGs:



3.6 reduction of road traffic accidents by half



Technology reduces accident frequency and severity



NHTSA estimates up to 70% reduction in fatalities



Opportunity for broad deployment of technology now to improve driver behaviour and save lives

Impact Framework: Five dimensions of impact



What: Verra works with customers to identify problematic traffic areas and install, maintain, and manage technology platforms in school zones, crossings, busy intersections and on school buses. This helps promote community safety and preserve human life.



Who: Vulnerable road users and communities at large are positively impacted by their services.



How Much: Use of Verra's technology can be effective in reducing fatalities by up to 70% where deployed.



Contribution: Verra is the #1 provider of road safety cameras in the world, partnering with 300 jurisdictions and school districts.



Risk: Regression in the legislative environment on the use of automated traffic enforcement mechanisms.

Impact KPIs:



Number of vehicle safety programmes

The company operates over 300 programmes currently across its product range.



Installed safety devices

Verra has over 10,000 installed sites across 26 US states and 15 countries internationally.



Government solutions revenue growth (%)

Their vehicle safety division comprises the vast majority of the government services division.

Martin Currie and company published data, as at 30 September 2023, and NHTSA, Company Disclosure.

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Looking to the Future

John, Eoghan, and I hope you have found our inaugural Impact Report for the Improving Society Strategy useful in learning more about the investment philosophy and process we utilise to help drive positive social change in the world.

This report is just the beginning of a longer journey to deliver impact and investment return through our holdings and we look forward to sharing our progress with you, our investors, in future Impact Reports over the coming years.

The data we have provided acts as a useful baseline for measurement of the social change we are attempting to generate through the impact KPIs we have set for each portfolio company and we look forward to updating you as to how each company is performing against these indicators over time. We will also be sharing with you the progress we make in our engagements with each portfolio company on both accelerating impact and improving corporate behaviour.

The Impact Equities Team would like to thank our investors for their interest in the Improving Society Strategy. It is your support that allows us to generate positive social change and, hopefully, leave the world a better place than we found it.

Sincerely,



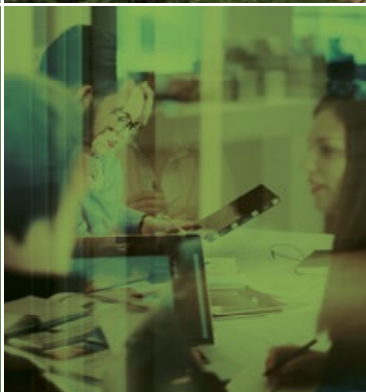
Luran Halpin

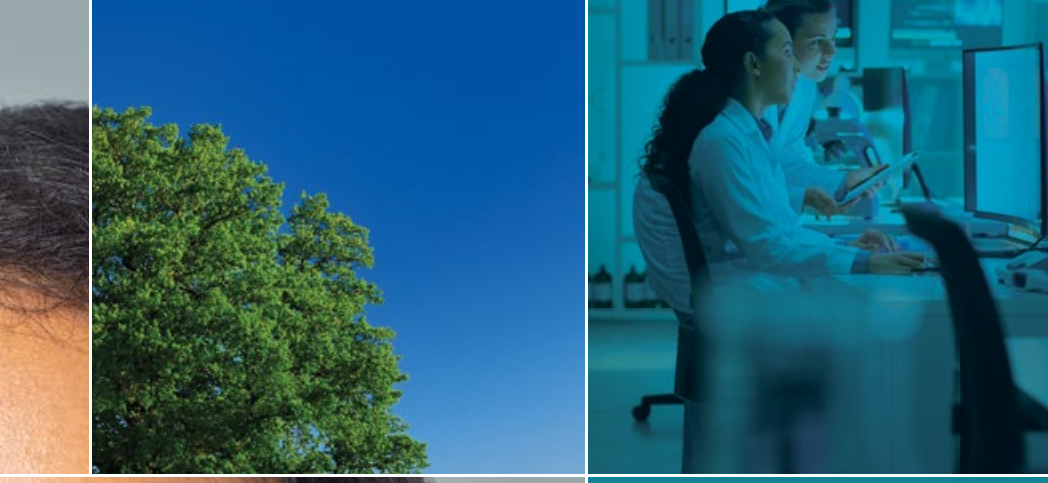
Head of Impact Equities

“ This report is just the beginning of a longer journey to deliver impact and investment return through our holdings and we look forward to sharing our progress with you. ”









INVESTING TO
IMPROVE LIVES™

Important information

This information is issued and approved by Martin Currie Investment Management Limited ('MCIM'), authorised and regulated by the Financial Conduct Authority. It does not constitute investment advice. Market and currency movements may cause the capital value of shares, and the income from them, to fall as well as rise and you may get back less than you invested.

The information contained in this document has been compiled with considerable care to ensure its accuracy. However, no representation or warranty, express or implied, is made to its accuracy or completeness. Martin Currie has procured any research or analysis contained in this document for its own use. It is provided to you only incidentally and any opinions expressed are subject to change without notice.

This document may not be distributed to third parties. It is confidential and intended only for the recipient. The recipient may not photocopy, transmit or otherwise share this presentation, or any part of it, with any other person without the express written permission of Martin Currie Investment Management Limited.

This document is intended only for a wholesale, institutional or otherwise professional audience. Martin Currie Investment Management Limited does not intend for this document to be issued to any other audience and it should not be made available to any person who does not meet this criteria. Martin Currie accepts no responsibility for dissemination of this document to a person who does not fit this criteria.

The document does not form the basis of, nor should it be relied upon in connection with, any subsequent contract or agreement. It does not constitute, and may not be used for the purpose of, an offer or invitation to subscribe for or otherwise acquire shares in any of the products mentioned.

Past performance is not a guide to future returns.

The distribution of specific products is restricted in certain jurisdictions, investors should be aware of these restrictions before requesting further specific information.

Martin Currie has procured any research or analysis contained in this presentation for its own use. It is provided to you only incidentally, and any opinions expressed are subject to change without notice.

The views expressed are opinions of the portfolio managers as of the date of this document and are subject to change based on market and other conditions and may differ from other portfolio managers or of the firm as a whole. These opinions are not intended to be a forecast of future events, research, a guarantee of future results or investment advice.

Please note the information within this report has been produced internally using unaudited data and has not been independently verified. Whilst every effort has been made to ensure its accuracy, no guarantee can be given.

The information provided should not be considered a recommendation to purchase or sell any particular strategy / fund / security. It should not be assumed that any of the securities discussed here were or will prove to be profitable.

It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Risk warnings - Investors should also be aware of the following risk factors which may be applicable to the strategy shown in this document.

- Investing in foreign markets introduces a risk where adverse movements in currency exchange rates could result in a decrease in the value of your investment.
- This strategy may hold a limited number of investments. If one of these investments falls in value this can have a greater impact on the strategy's value than if it held a larger number of investments.
- Smaller companies may be riskier and their shares may be less liquid than larger companies, meaning that their share price may be more volatile.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. Accordingly, investment in emerging markets is generally characterised by higher levels of risk than investment in fully developed markets.
- The strategy may invest in derivatives, Index futures and FX forwards to obtain, increase or reduce exposure to underlying assets. The use of derivatives may result in greater fluctuations of returns due to the value of the derivative not moving in line with the underlying asset. Certain types of derivatives can be difficult to purchase or sell in certain market conditions.
- The integration of sustainability risks in the investment decision process may have the effect of excluding profitable investments from the investment universe of the strategy and may also cause the strategy to sell investments that will continue to perform well.

For wholesale investors in Australia:

This material is provided on the basis that you are a wholesale client within the definition of ASIC Class Order 03/1099. MCIM is authorised and regulated by the FCA under UK laws, which differ from Australian laws.