



Harbour

ASSET MANAGEMENT



IMPACT REPORT

2023

HIGHLIGHTS



1.4 billion m³

WATER SAVED THROUGH
OPERATIONS OR USE
OF PRODUCTS

Number of companies: 6



**669 million
tonnes**

CO₂e EMISSIONS MITIGATED
THROUGH OPERATIONS OR
USE OF PRODUCTS

Number of companies: 24



8904 MW

RENEWABLE ENERGY
CAPACITY ADDED

Number of companies: 4



**155 million
tonnes**

WASTE REDUCED
THROUGH OPERATIONS

Number of companies: 3



**USD 18.5
billion**

BIOTECH R&D SPENDING

Number of companies: 7



622 million

PATIENTS TREATED WITH
DRUGS OR TECHNOLOGY
DEVELOPED

Number of companies: 9



13 million

STUDENT AND EARLY
LEARNING PLACEMENTS

Number of companies: 2



36 million

JOBS SUPPORTED
THROUGH LENDING

Number of companies: 4



17,763

NEW SOCIAL HOUSING
HOMES SUPPORTED BY
LENDING

Number of companies: 2



117 million

BANKING CUSTOMERS IN
UNDERSERVED MARKETS

Number of companies: 4

Data collected for portfolio companies most recent available reporting period. 'Number of companies' refers to the number of portfolio companies contributing to the statistic.

OUR COLLECTIVE CHALLENGE

This is a critical moment for our world. As greenhouse gas emissions continue to rise, primarily driven by the burning of fossil fuels and the depletion of the world's natural resources, our planet faces escalating threats of global warming - sea level rise, ecological disruptions and extreme weather events. Record-breaking wildfires in the Northern Hemisphere have created an estimated total emission of almost 410 megatonnes in 2023¹, and here at home, Cyclone Gabrielle and severe flooding has ravaged the North Island.

This challenge demands a comprehensive and concerted effort from governments, industries, and individuals to transition to sustainable energy sources, adopt resilient agricultural and land-use practices, conserve biodiversity, and implement effective policies that limit emissions. The imperative to mitigate climate change is not just an environmental concern but a social, economic, and moral imperative, as vulnerable communities bear the brunt of its impacts. Addressing the climate challenge requires swift and collaborative action to secure a habitable and thriving future for generations to come.

SUSTAINABLE IMPACT FUND AT A GLANCE

At Harbour we believe that a solely exclusionary approach, whereby some sectors are barred from investment, is not sufficient. The environmental, health and social challenges the world faces cannot be solved by allocating away from companies, but rather by allocating towards change makers. It is with this belief that the Harbour Sustainable Impact Fund was born.



The Fund provides exposure to a mix of domestic and global investments with a focus on the positive impact that these will have on various objectives linked to the United Nations Sustainable Development Goals (SDGs). It aims to exceed the Official Cash Rate + 4% over rolling 5-year periods, investing approximately 20% in domestic impact equities and 40% in domestic impact fixed interest (both managed by Harbour), as well as approximately 35% in global impact equities and 5% in impact private equity (managed by sector specialist managers).



Portfolio holdings contribute to some of the world's most pressing challenges, including decarbonisation and access to affordable health care. We believe the companies that can contribute solutions will be valued by society and financial markets, therefore providing opportunity to add value to investors.



We employ a strategy of integration and company engagement, meaning our team researches the companies we invest in and actively checks for any environmental, social or governance (ESG) risks that may apply. They also develop an impact thesis for each security, linked to at least one UN SDG. This helps our team develop an understanding of each company, and influences not only whether we invest in companies, but also how much. The Fund also utilises external managers, who must meaningfully integrate ESG and impact into their processes.



The Impact Committee, made up of internal and external members, provides guidance and oversight on impact issues and SDGs.



While the Fund has been designed to have a lower carbon footprint than the market benchmark, any carbon held in the Fund is offset by Harbour, through investment in projects which actively prevent carbon release and contribute to multiple UN SDGs.

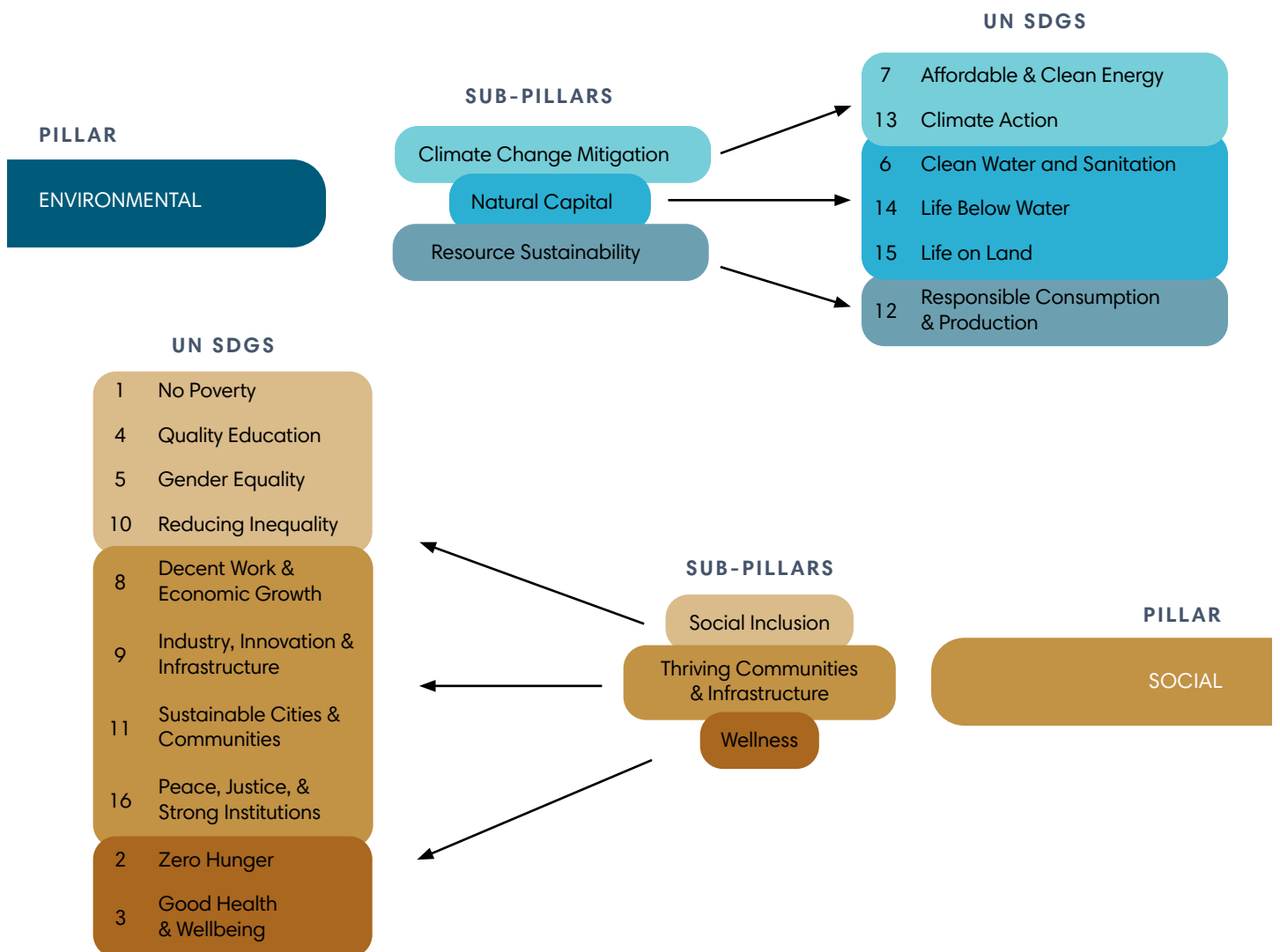
¹ Northern Hemisphere wildfires: A summer of extremes | Copernicus

MAPPING SDGs TO IMPACT PILLARS

The Sustainable Development Goals (SDGs) provide a set of priorities to deliver a more prosperous, sustainable future. The Fund defines investment as impactful if it contributes to at least one SDG, and specifically references the more tangible sub-goals.

History teaches us that the greatest financial rewards accumulate to companies that deliver highly valued solutions to challenges. The SDGs outline some of the greatest challenges facing humanity and we believe the companies that aim to address these issues will not just deliver environmental or social value, but also generate significant financial value.

To simplify the communication of the Fund's impact, we have mapped the SDGs to two 'impact pillars': Environmental and Social. Within these umbrella classifications are six sub-pillars: Climate Change Mitigation, Natural Capital, Resource Sustainability, Social Inclusion, Thriving Communities and Infrastructure, and Wellness.





ABOUT THIS REPORT

The 2023 Impact Report has primarily been prepared to provide transparency into the impact the portfolio makes. It takes a deep dive into Harbour's approach to impact investing and the companies the Impact Fund invests in. This report is divided into five sections:

- 1 The Fund's impact** – how we measure impact across various pillars
- 2 Portfolio highlights** – a selection of case studies
- 3 Active ownership** – how we act as stewards of capital; how we as owners can help shape impact outcomes
- 4 Our approach to impact investing** – our team, philosophy and impact investment process
- 5 Portfolio Holdings** – summary information of all holdings within the Fund

We welcome investor feedback and engagement.

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THE FUND'S IMPACT

Impact measurement provides a proof-point to combat greenwashing. This section outlines how we work to quantify the impact of the Fund.

Impact measurement across different environmental and social pillars can be challenging, especially when trying to compile metrics for the entire portfolio and make meaningful comparisons. Most available data relates to climate metrics, but the Fund's impact is much broader than this. So, alongside presenting various climate related statistics, we also try to quantify the total portfolio impact using an independent impact assessment provided by ISS ESG.

IMPACT MEASUREMENT

Measuring equity vs fixed income carbon emissions

In the Fund's regular monthly reporting, as well as in our inaugural Impact Report, we followed conventional practice and only showed impact and carbon metrics across our listed holdings. This was due, in part, to data availability, but also because when it comes to carbon emissions, typically 100% of the emissions are attributed to the shareholders (or owners) of that company (using market cap as a divisor in the carbon footprint calculation). In our 2023 Impact Report, for the first time, we are extending these measurements to our fixed income holdings where data is available.

This is not without its limitations: many of the bonds we hold are 'labelled issuance' (for example, Green or Sustainability-linked Bonds) and the impact scores provided by ISS ESG are mapped to issuers rather than each specific issue. This means that the impact of labelled issues will not typically be fully captured by this impact score. Being cognisant of this, we are showing the overall impact scores of our equity and fixed income holdings separately to ensure the potential under-read of the fixed income portfolio does not cloud the equity holdings.

Earlier this year we published a [Navigator](#) on measuring and reporting carbon emissions in fixed income portfolios. Consistent with this, we have decided to include fixed income carbon statistics in our report – specifically showing weighted average carbon intensity (WACI), which uses revenue as a divisor to calculate intensity.

The availability of data for our listed equity benchmark means calculation of these carbon metrics is relatively simple. However, when it comes to fixed income, over 60% of the relevant benchmark is government-related securities. Given that these entities do not actively report on emissions data (as detailed in our [Navigator](#)), we feel it is not appropriate to calculate a level for the remaining securities in the benchmark and gross this number up, as it is simply not representative of the universe. This rationale applies to the overall impact scoring as well.

Overall Impact Scoring

For each company we use ISS's SDG alignment score for the company's primary SDG contribution. For ease of interpretation, we normalise to a score from 0-10. We then aggregate individual company data for our portfolio, classifying by impact pillar and sub-pillar (for an explanation of impact pillars please refer to Mapping SDGs to Impact Pillars).

Due to differences in the way that ISS, Harbour and our external partners classify the primary contribution of a company's impact, the ISS mapping to each SDG may differ to our qualitative assessments.

Output for the Fund as of 30 June 2023 is seen below. At the listed equity sleeve level our aggregate score is 7.5/10, while the benchmark score is 7.1/10. Both scores represent an increase of 0.1/10 versus 2022.

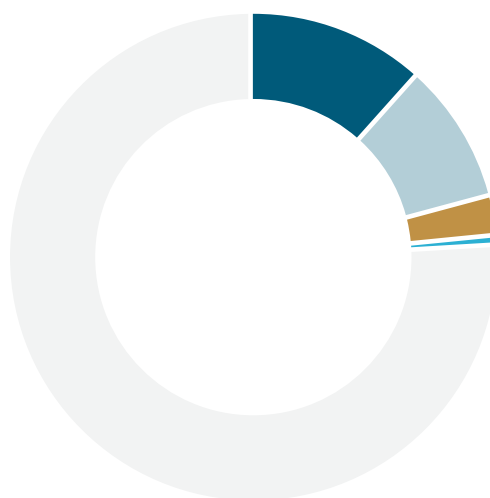
For the fixed income sleeve, we have no comparable benchmark figure, however, the aggregate sleeve score is 7.3. We feel this is somewhat understated due to the labelled issuance dynamic mentioned above.

Sub-pillar scores are seen below as weighted averages based on the weight of securities in the Fund – with the sum of the weights showing a coverage ratio of over 80% of the total portfolio. Our overall portfolio score comes in at 7.4/10.

SOCIAL



ENVIRONMENTAL



	EQUITIES		FIXED INTEREST	
	WEIGHT	IMPACT SCORE	WEIGHT	IMPACT SCORE
Social Inclusion	6.6%	6.5	6.9%	7.5
Thriving Communities & Infrastructure	19.4%	6.8	11.1%	6.6
Wellness	10.7%	6.8	2.2%	6.8
SOCIAL TOTAL	36.7%		20.2%	

	EQUITIES		FIXED INTEREST	
	WEIGHT	IMPACT SCORE	WEIGHT	IMPACT SCORE
Climate Change Mitigation	11.2%	8.3	9.4%	8.1
Natural Capital	2.5%	7.1	0.0%	
Resource Sustainability	0.4%	7.1	0.0%	
ENVIRONMENTAL TOTAL	14.1%		9.4%	

Avoiding significant harm

We also utilise ISS data to flag any companies that may make negative contributions to SDGs beyond their primary area of contribution. As outlined in our philosophy, we seek to avoid companies that confer material negative externalities. For transparency, below lists all companies in the Fund that flag as having a 'significant negative contribution' under ISS' definition as well as a brief explanation of why the company is still held. Use of flags such as this informs our engagement with external managers.

Company	SDG negatively impacted	Explanation
Directly held investments		
Syrah Resources	13: Climate Action	We acknowledge that, as a miner, Syrah Resources has a high carbon footprint. However, its product, graphite, is a key input in the electric vehicle supply chain. This is what underpins our impact thesis. Further, Syrah has recently commissioned the construction of a solar power station at its plant – this is not captured in the ISS historic data.
Manawa Energy	8: Decent Work and Economic Growth	Manawa Energy Limited engages in the ownership and operation of electricity generation facilities in New Zealand. External ESG providers have noted that Manawa scores low relative to global peers with regard to regular employee appraisals and feedback processes. However, this may be a lack in disclosure in the scoring agency's required format rather than non-existence, given the company has been awarded with an Excellence Award in the Health and Wellbeing category of the HRD Awards (New Zealand's leading independent awards programme for the human resources profession).
Third-party investments		
Waste Connections	6: Clean Water	Waste Connections operates landfills. To our knowledge, the company does not have a history of contaminating water supplies, however, some of its facilities are older and therefore more at risk of leaching. Acknowledging this impact risk, focus is on how the company operates its facilities and the third-party manager's impact thesis is predicated on Waste Connections' conversion of landfill gases to energy.
Trimble	12: Responsible Consumption	Trimble provides software used for resource planning, and land and water management in the construction, geo-spatial, transportation and agriculture industries. This software has applications to reduce waste. ISS does not provide details to substantiate its low rating. We have cross-checked this and found it at odds with another ESG score provider.
Keyence	8: Decent Work	We accept that Keyence's robotic vision-sensing products can displace workers, however, judge this factor alone to not offset the benefits of a reduction in manufacturing waste and safety.

Company	SDG negatively impacted	Explanation
Third-party investments		
MSA Safety	12: Responsible Consumption	MSA Safety is a manufacturer of safety equipment. While it has developed products such as a reusable respirator for frontline healthcare products, many safety products are single use. We are engaging further with the third-party manager regarding the degree to which the company strikes the right balance between safety and circularity.
Tesla	8: Decent Work and Economic Growth	We note that, despite industry-typical labour practices, the company is subject to lawsuits alleging racial discrimination and moderate controversy regarding anti-union behaviour. Despite this, we feel that the positive impact of the progress made by Tesla in the electrification of vehicles and battery technology outweighs the negative issues, which, in our opinion, mitigates the risk of negative impact.
Darling Ingredients	8: Decent Work and Economic Growth	Darling Ingredients is the largest publicly traded company turning edible by-products and food waste into sustainable products and is a leading producer of renewable energy. Issues concerning supply chain labour practices were raised as a potential negative impact by ISS, however another provider notes the company has a low reliance on supply chains in regions with poor working conditions, and relatively strong supply chain labour policies and practices.
IDEX	13: Climate Action	One of the areas IDEX delivers positive impact in is products focused on specialty fluid control (incl. pumps, valves, meters). Its equipment can be used for treatment of wastewater and contaminated soil, giving rise to potential toxic releases from its operations. We judge that this risk is moderate and outweighed by the potential for positive impact, given IDEX maintains appropriate ISO standards for relevant operations, and the company's hazardous waste intensity (tons/USD million sales) decreased c. 33% YOY in FY 2022.

CARBON FOOTPRINT

Measurement

Third-party data from ISS is used to measure the weighted-average carbon footprint across the listed equity holdings within the Fund. ISS is a leader in carbon measurement and company coverage is continuing to grow alongside company disclosure.

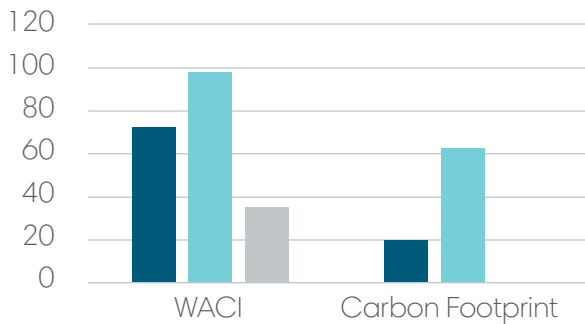
In displaying carbon footprint alongside the Fund's benchmark, we also exclude the small allocation to venture capital owing to data availability. As data availability improves, we hope to also measure private company emissions.

Data coverage as of 30 June 2023:

	Listed Equity		Fixed Income
	Directly Held	External Managers	
Scope 1 & 2	95.2% (ISS)	100% (ISS)	81.2% (ISS), 16.8% (HAML)
Scope 3			88.6% (ISS)

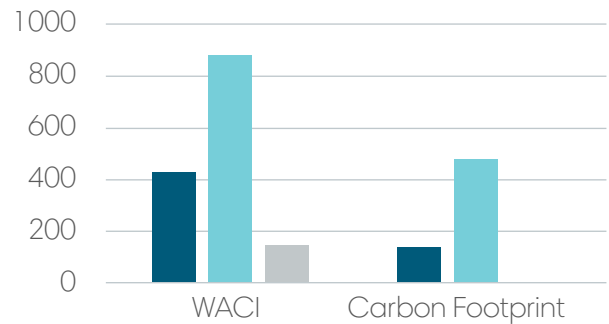
As discussed in the Navigator mentioned earlier in this section, the New Zealand Government (and related entities) is one of the non-reporting issuers in the portfolio when it comes to carbon data. The 16.8% HAML(Harbour) calculation referred to in the above table is our estimation of New Zealand Government scope 1 & 2 emissions.

Scope 1 & 2 Emission (NZD)



■ Equity Portfolio ■ Equity Benchmark
■ Bond Portfolio

Scope 3 Emission (NZD)



■ Equity Portfolio ■ Equity Benchmark
■ Bond Portfolio

Harbour offsets the Fund's owned emissions each year – for a description of this process and the projects used to access credits see the appendix.

TEMPERATURE SCORE AND SCIENCE BASED TARGETS INITIATIVE (SBTi)

Temperature Score

Calculation of the Fund's carbon footprint translates into a weighted-average temperature score, also calculated by data vendor ISS. This is compiled quarterly, included in regular Fund reporting and, as with the carbon footprint, is calculated for the listed equity holdings in the Fund.

The ISS ESG temperature score examines how the issuer's and portfolio's emissions over- or undershoot the Sustainable Development Scenario (SDS)² by year 2050. The score includes the relationship between increase in emissions vs increase in temperature for the scenarios available in the IEA World Energy Report (WEO)³. SDS is a Paris-aligned scenario, and the trajectory is well within the envelope of 1.5°C scenarios used in the IPCC SR 1.5 report⁴. An issuer or portfolio that is aligned with the SDS in year 2050 is also expected to have a temperature score of 1.5°C.



For the month ending 30 June 2023, the temperature score of the Fund¹ was 1.5°C, whilst the Fund's equity benchmark had a score of 2.7°C.

Science Based Targets initiative (SBTi)⁵

The SBTi is an NGO founded in partnership with the United Nations Global Compact, World Resources Institute, CDP and WWF. It provides technical assistance and certification to companies who set science-based targets in line with the latest climate science. We are supportive of the SBTi's work to provide integrity to assessing companies' climate ambitions.

Currently 95 issuers, of the 128 in our portfolio of listed equities and bonds, have committed to a published climate goal, with 65 of these having either committed to the SBTi or having targets approved by SBTi. These high-level numbers are not comparable with those reported in our 2022 Impact Report due to the inclusion this year of our fixed income holdings. To demonstrate the progress made year-on-year we have created the illustration on the next page.

Pleasingly, the general trend within our holdings tends to be of an upwards trajectory, with a total of 24 issuers 'upgrading' from their 2022 outcome (including 15 issuers that had no target in 2022 and now do). It is also worth noting that, of the nine issuers where no data is collected by ISS, five of these are either government / government-related issuers or asset-backed securities.

The issuers with no target or assessed 'non-ambitious' targets by ISS drive our engagement with companies (see section 4).

1 Listed equity and bond exposures covered by ISS (detailed in coverage table on previous page). Benchmark used is Fund's equity benchmark referred earlier.

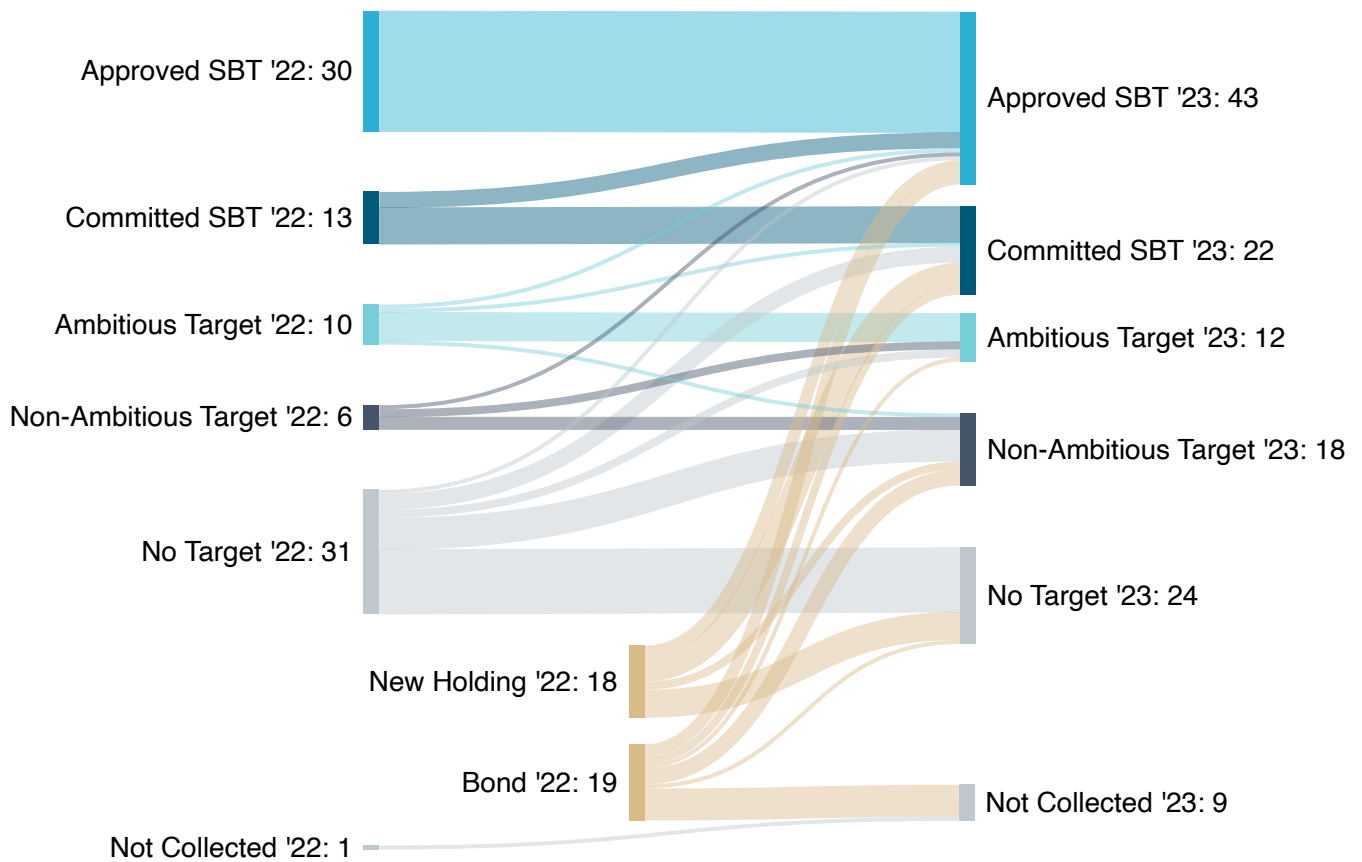
2 <https://www.iea.org/reports/world-energy-model/sustainable-development-scenario-sds>

3 <https://www.iea.org/reports/world-energy-model/understanding-weo-scenarios>

4 <https://www.ipcc.ch/sr15/>

5 <https://sciencebasedtargets.org/>

Investee companies with Science Based Targets: 2023 vs 2022



Since the SBTi was launched in 2015, the uptake has grown exponentially. In 2022, 1097 companies had targets validated, this is more than the previous seven years combined. The total number of companies with approved targets or commitments nearly doubled again in 2022 after more than doubling from 2020 to 2021. Currently these companies comprise over one third of the global equity market capitalisation (as measured by the MSCI ACWI).

Despite this significant take-up on a global scale, there are still regional differences. For instance, Australasia has only 3% of listed companies with approved targets or commitments, in contrast, Europe (the best-performing region) has 55% of listed companies.¹

Putting our portfolio into context with these figures, 65 companies from our portfolio have approved targets or are committed to science-based targets, representing 51% of the total number of companies, while globally this number is 17% of all listed companies. On top of this, we have a further 9% of companies with ambitious emissions reduction targets (albeit not SBTi-committed or approved).

¹ <https://sciencebasedtargets.org/resources/files/SBTiMonitoringReport2022.pdf>



SBTi Net-Zero Case Study¹ – Ørsted

Listed equity holding through external manager Mirova

Ørsted is the first energy company to receive a validated net-zero target aligned with climate science using the Net-Zero Standard. As the energy sector accounts for 73% of global emissions, it is vital for companies like Ørsted to take bold action on decarbonisation and inspire others to commit to credible climate leadership.

The next frontier of Ørsted's climate journey

The company has been on a climate journey for over a decade. It was one of the first companies to set near-term science-based targets with the SBTi, and it is on track to achieve at least a 98% reduction in emissions intensity in scope 1 and 2 by 2025 (compared to 2006).

Ørsted's climate journey has continued and moved into the next frontier: decarbonisation of the supply chain. To meet its science-based reduction targets in scope 3 - including a 50% absolute reduction by 2032 - Ørsted has established a supply chain decarbonisation programme to work with strategic suppliers to increase climate disclosures, set science-based targets, and use 100% green electricity in their manufacturing.

A science-based net-zero

While the company had previously set a net-zero target for 2040, Ørsted took the critical step last year of making it science-based and substantiating it through specific long-term reduction targets. These include:

- A 99% reduction in emissions from its entire energy portfolio in scope 1-3 (compared to 2018).
- A 90% reduction in absolute scope 3 emissions from the use of products sold, including its natural gas portfolio (compared to 2018).
- By 2040, Ørsted will neutralise any limited residual emissions through high-quality, certified carbon removal projects.

The science - and the urgency - is clear: to keep a 1.5°C future in reach, we need rapid action and deep emission cuts. Energy companies have a critical role to play, and more corporates in the sector must join Ørsted in setting science-based net-zero targets.

¹ <https://sciencebasedtargets.org/companies-taking-action/case-studies/net-zero-case-study-orsted>

PORTFOLIO HIGHLIGHTS

ENVIRONMENTAL

Climate Change Mitigation



Air Liquide
Atlassian
Auckland Council Bonds
Basis
Brighte Asset Backed Security
Brookfield Renewable Partners
Calix
Contact Energy
Cetogenix
DocuSign
Hubbell
Humm Asset Backed Security
Iberdrola
Ingersoll Rand
International Finance Corporation Bond
Linde
Manawa Energy Bonds
Mercedes-Benz Group
Mercury NZ Bonds
Meridian Energy
Monolithic Power Systems
New Zealand Government Bond

NextEra Energy Partners
Nibe Industrier
Open Star
Orsted
PG&E
PowerCo Bonds
Red Phase
Rockwool
Schneider Electric
Schneidgen
SolarEdge Technologies
Spark Sustainability-linked Bond
Sunrun
Syrah Resources
Tesla
Trane Technologies
Transpower Bonds
Trimble
UBCO
Vestas Wind Systems
Waste Connections
Woolworths Sustainability-linked Bonds

Natural Capital



American Water Works Co
Ball
CarbonCrop
Croptide
Ecolab
KMD Brands
Mueller Water Products
Watts Water Technologies
Xylem

Resource Sustainability



AGCO
Ashtead Group
Avertana
Badger Meter
Darling Ingredients
Hot Lime Labs
IDEX
Keyence
Mint Innovation
NewFish
Nilo
TOMRA Systems
Trex Co
Unilever
Zincovry

SOCIAL

Wellness



Agilent Technologies
Asian Development Bank Health Bonds
AstraZeneca
Becton Dickinson & Co
CSL
Daiichi Sankyo Co
Danaher
DSM-Firmenich
Edwards Lifesciences
Eli Lilly & Co
EssilorLuxottica
Evotec
Hamamatsu Photonics
HeartLab
Intuitive Surgical

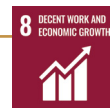
Kerry Group
Metlifecare Bonds
Novo Nordisk
Sartorius
Stryker
Symrise
Takeda Pharmaceutical Co
Terumo
Thermo Fisher Scientific
Toku Eyes
UnitedHealth Group
Veeva Systems
Volpara Health Technologies
Zoetis

Social Inclusion



AIA Group
APM Human Services International
Asian Development Bank Gender Bonds
Bright Horizons Family Solutions
Credit Agricole
Estee Lauder Cos
Housing NZ Bonds
IDP Education
International Bank for Reconstruction and Development Bonds
Legal & General Group
NWB Bonds
Visa

Thriving Communities & Infrastructure



Adobe
Adyen
Aptiv
ASML Holding
Axis Bank
Bank Central Asia Tbk
BDO Unibank
Capitec Bank Holdings
Chailease Holding Co
eBay
Ebos Group
Fortinet
Goodman Property Green Bonds
HDFC Bank
HDFC Life Insurance Co
HubSpot
Intuit
Kanzhun

KBC Group
Macquarie Group
Mastercard
Microsoft
MSA Safety
NU Holdings
NVIDIA
OneMain Holdings
Pacific Edge
Precinct Property Bonds
Roper Technologies
SAP
Sekisui House
Shopify
Synopsis
Taiwan Semiconductor Manufacturing Co
uTecture
Verizon Communications

Woolworths



Woolworths Sustainability-Linked Bonds

ENVIRONMENTAL
Climate Change
Mitigation

Woolworths is Australia and New Zealand's largest grocery retailer across Woolworths (89% of earnings), Countdown NZ (7%), and Big W general merchandise (4%). Woolworths has a market share of almost a third across more than 1,100 stores (25% bigger than Coles), and it is the leading online grocer.

SLB target: Woolworths has set a 2030 scope 1 & 2 GHG emissions reduction strategy in line with a 1.5 degrees Paris Agreement Scenario, as verified by SBTi. This equates to a 63% reduction from its 2015 baseline, a 4.2% reduction each year. The bonds are measured against this target on a straight-line basis at the end of 2025.

Impact thesis: Woolworth's SLBs create an incentive for Woolworths to meaningfully reduce the GHG emissions of its business.

Impact measurement: Woolworths posted a 7.9% reduction in Scope 1 & 2 emissions for the 2023 financial year.

Broader sustainability initiatives: Woolworths has made meaningful progress reducing plastic in its product set, increased the use of renewable power - signing the first PPA with a wind farm in NSW, and continues to have a programme of reducing energy use in stores. It is committed to all properties achieving a 4 Green Star rating currently, and 5 Green Star by 2025 (new buildings).

Impact Fund Qualification: Woolworth's equity or vanilla bonds would not qualify for the Fund; it is the incentive created by the coupon mechanism that qualifies Woolworth's SLBs. **(See Labelled Bonds Explainer for more detail)**

As holders of the company's debt, we have engaged with Woolworths, agitating for greater focus on resource circularity. After taking time to understand their progress and plans we have repeated the following recommendations:

- Reinforcing the most important packaging design principles of 'reduce and reuse' on supplier packaging guidelines. Currently the guidelines focus on types of packaging.
- Favouring including plastic recycling 'numbers' over broad recyclability statements to help consumers navigate local collection rules.
- Finding ways to enforce or incentivise adherence to the supplier guidelines.
- Helping the consumer recycle.



Calix Global

ENVIRONMENTAL
Climate Change
Mitigation

There are a small number of competing technologies trying to decarbonise the **steel industry**, and a similar small group of technologies targeting to decarbonise **cement manufacturing** – between them, they are the two most CO₂-intensive industries, responsible for **15-17% of man-made greenhouse gas emissions**. There is, however, only one company that we are aware of that could have a leading role in decarbonising **both** cement and steel manufacturing – Calix Global.

Calix's technology is transferrable across multiple industries and is already a leader in wastewater treatment. Since our 2022 Impact Report, Calix has reached final investment decision on a pilot plant for lithium spodumene processing alongside joint venture partner Pilbara Minerals.

In Harbour's 2022 Impact Report, we discussed Calix's unique kiln technology in the context of cement, which can, with small engineering adjustments, be applied to numerous other industries.

Spotlight: The Calix Kiln

- Fuel agnostic and can run on renewable energy only, while conventional kilns rely on combustion fuels.
- Captures any greenhouse gases that are produced from chemical reactions when materials are heated up and mixed inside the kiln (avoiding the unavoidable release of CO₂e in a traditional kiln).

Since then, Calix has made several announcements across steel, cement and lithium. Forming key partnerships with industry leaders and announcing its first global licencing agreement with Heidelberg Materials (one of the world's largest cement manufacturers), provides a revenue model that makes sense for licencing the building and usage of Calix's technology.

A month after the Heidelberg Materials' agreement was announced, we also learned about another partnership, this time with CEMEX (one of the world's top three cement manufacturers), for collaboration on three particular projects and a licencing agreement under negotiation.

In lithium, Calix announced a new joint venture with Pilbara Minerals to study the opportunity to process lithium spodumene on Pilbara's mine site and convert it from a 5-6% spodumene to a 35% lithium phosphate salt as a mid-stream product. Lithium is currently exported from Australia with a lithium grade of c.6%, meaning shipping c.94% waste material for processing.

The final investment decision for the lithium project came after the reporting period for this report. However, both parties to the joint venture have shown strong initiative to innovate and disrupt an industry that extracts and exports material in a crude way with significant waste and unnecessary transport emissions along its supply chain.

Finally, Calix's zero emissions steel and iron ore consortium was awarded an Australian federal grant during the year to study the prospects for a low emissions pilot plant.



Mueller Water

ENVIRONMENTAL
Natural Capital

Pressure Points: Global water use has increased by approximately 1% every year since the 1980s, primarily due to rising industrial and domestic demand, creating global pressure on supplies.¹ Approximately 16% of all treated water in the U.S. is lost through leaks and other system inefficiencies, equating to 6.4 billion cubic meters of wasted drinking water. This costs the nation approximately USD 2.6 billion annually.²

Impact Thesis: Mueller Water Products helps municipalities deliver clean, safe drinking water and manufactures fire hydrants to improve the safety of properties and life. We attribute approximately 90% sustainable revenue alignment to water infrastructure and flow control products for use in water distribution networks, water and wastewater treatment facilities, and fire protection piping systems. We exclude exposure to natural gas utilities, which accounts for roughly 10% of company revenues.³

KPI: Water saved from use of products

Five Dimensions of Impact:

What: Improve the conservation of clean, safe drinking water through treatment, distribution, and leak detection solutions.

Who: Planet

How much: Mueller's EchoShore® leak detection product saved approximately 4.9 million cubic meters of water.

Contribution: Mueller's EchoShore® product has saved 10.6 million cubic meters of water for customers since 2020 with a target of 29.1 million cubic meters by 2027.⁴

Risks: Potential product issues and system outages can lead to product quality and safety issues.

Progress Monitoring: The firm is progressing toward its goal to save 29.1 million cubic meters of water by 2027 and impact disclosure has improved, which we welcome. We would like to see additional disclosures and detail related to how the company is achieving its progress. We are keen to see how the company might benefit from the U.S. Infrastructure Investment and Jobs Act, signed into law in 2021.

Impact Journey

Input USD 55 million of investment in 2022 including acquisitions and capital expenditures³

Output Broad range of products and services that increase access to clean and safe drinking water and minimize water loss

Outcome Replacement of aging, and build-out of new, water infrastructure supports resilience to climate change events such as high-volume rainfall or drought

Impact 4.9 million cubic meters of water saved through use of Mueller's EchoShore® leak detection product⁴

1 United Nations World Water Development Report 2023

2 United States Geological Service

3 Mueller 2022 annual report

4 Mueller Water 2022 ESG Report



Key figures: 10% revenues from sustainable agriculture tools and services

Sustainability opinion: Positive

Transition: Environment

Contributing to: a transition of agriculture practices that support farmers' livelihood through virtuous practices

AGCO Corporation

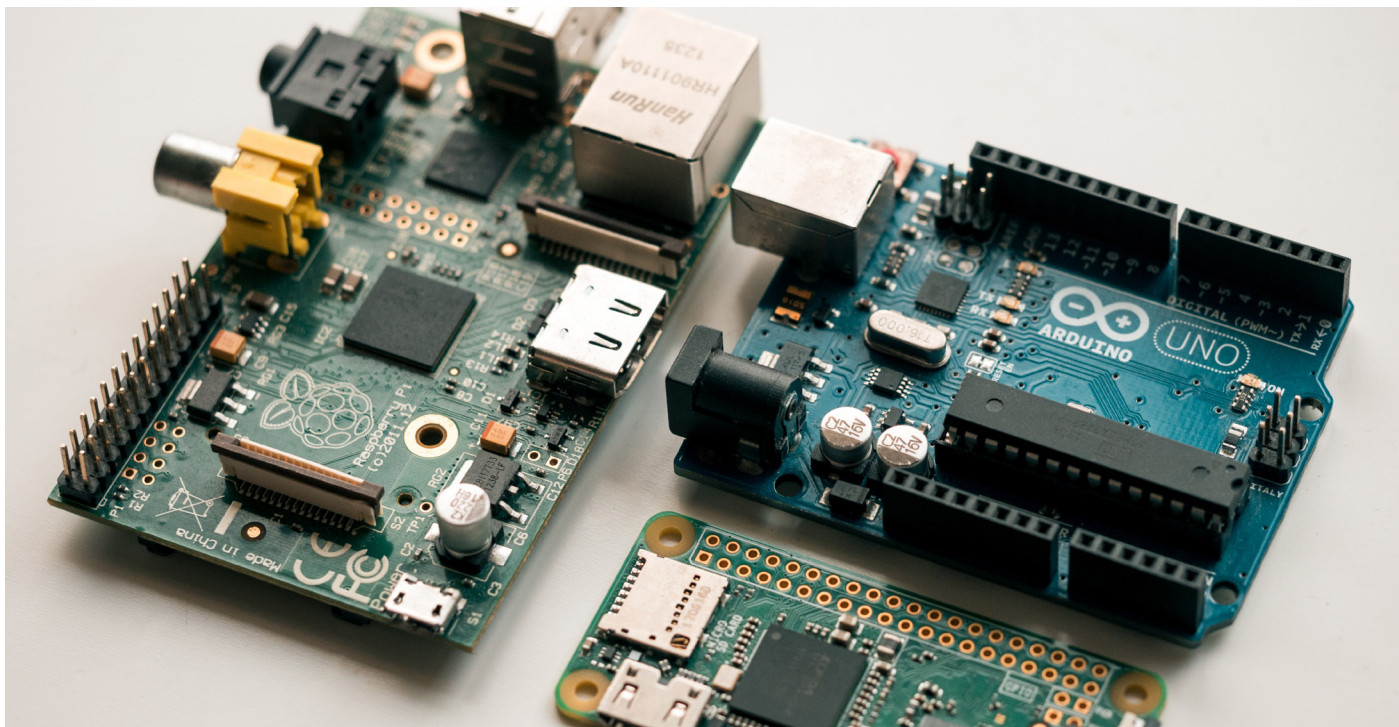
ENVIRONMENTAL
Resource
Sustainability

Company Summary: AGCO engages in the manufacturing and distribution of agricultural equipment and related replacement parts. AGCO contributes to sustainability goals through precision agriculture as a service solutions incentivising farmers to turn to digital solutions while limiting investment risks. This should **improve farmer livelihood by reducing dependence on agrochemical inputs**. Additionally, its products support resource efficiency in agriculture and biodiversity enhancement thanks to precision planting solutions, digital grain storage monitoring and soil analysis. The company is mitigating intensive agriculture risks through engagement with farmers on soil health practices based on trainings and intensive research and development.

ESG & Impact Framework: Agricultural practices, which are the main use of land, and cause pollution from pesticides and climate warming gases from the excessive use of fertilizers, are by far the main cause of biodiversity loss. The fragmentation of ecosystems, climate change, and, more broadly, the widespread impacts of polluting waste from our various industries also contribute significantly to this erosion of life and ecosystem health. Mirova values **activities that help mitigate the various forms of pollution** and companies offering solutions to these challenges; for example, those promoting sustainable farming or fishing practices, or the development of regenerative agriculture, forest conservation and restoration.

Company Assessment: AGCO mainly offers tractors and replacement parts including small-size tractors, reducing soil compaction. AGCO also generates revenues from agriculture tools, including precision agriculture solutions for seed planting, supporting cereal-legumes intercropping contributing to increased resilience by limiting reliance on inorganic fertilizer and reducing nutrient runoff into rivers. Regarding commodities processing equipment, moisture sensors for grain storage tanks help to reduce the use of toxic post-harvest insecticides. Soil analysis tools support optimisation of agro-ecological practices to improve soil conditions. As the entire portfolio of AGCO is not solely dedicated to sustainable agriculture, it is subject to detrimental environmental impacts of agriculture including GHG emissions, water pollution and biodiversity erosion induced by spread of fertilizers and pesticides. The company is mitigating these risks through **a clear commitment to soil health and animal welfare** based on development of new products from increased R&D efforts, training of farmers, and financing of a precision technology institute. Regarding the mitigation of its products' end-of-life impacts, the company is investing in remanufacturing capacity, thereby improving product lifespan and contributing to a more circular economy. Regarding diversity, the company, which currently displays low female participation in the workforce, just released an **ambitious target to achieve 25% female participation rate by 2030** through commitment to gender parity in recruitment, audit of recruitment practices, and career attractiveness groups.

Mirova analysis. The information provided reflects Mirova's opinion / the situation as of the date of this document and is subject to change without notice. This section details investments realized by Mirova in the framework of the Mirova Global Equity Fund. The securities mentioned above are shown for illustrative purpose only and should not be considered as a recommendation or a solicitation to buy or sell. The securities mentioned in this section were not the only securities added in 2022. The security shown was chosen because it was a new addition to the portfolio in 2022. Key figures source: company reporting.



Mint Innovation

ENVIRONMENTAL
Resource
Sustainability

The problem: Globally technology has been a huge enabler in driving forward positive change. Today, 84% of the world's population own at least one device; many in developed countries own a lot more. The speed with which technology changes means that devices become obsolete quicker and that creates a problem: e-waste.

Latest figures show that 50 million tonnes of electronic waste worth over US\$80bn is dumped annually. That figure is set to double in the next decade. Currently, just 12.5% of e-waste is put through recycling facilities. The most popular method of recycling involves sending bulk waste to developing countries for processing. Processing methods often utilise harmful chemicals to extract the metals.

Precious metals are needed to fuel the transition from fossil fuels and towards electrification. We need to find better ways to do this than using energy-intensive mines or harmful chemical processes.

The solution: Mint Innovation's vision is to become the world's leading provider of circular green metals. Mint aims to achieve this by using a city-scale metal recovery clean technology to reduce reliance on mining, while providing green metals to accelerate circular supply.

Mint's process involves setting up plants in major cities with the scale to process all the e-waste created within that regional catchment, saving shipping costs and energy from our current standards of recycling.

Mint's technology is less resource-intensive than current methods of extracting metals. For example, Mint can extract gold from e-waste producing 91% less carbon than is used

in conventional mining or smelting. Its recovery process uses only 2% of the power and water per kilogram of gold compared to traditional mined resources.

Mint's technology is currently focused on e-waste, but the company believes it to be adaptable to batteries in future plants.

Progress: Mint opened the world's first biorefinery in Sydney in 2022. The novelty of Mint's technology drew support from the Australian Government who supported the construction with a A\$4-million-dollar grant (around 40% of the overall cost). Work has begun on the design of a UK plant.

In July 2023, Mint was awarded the Australian Waste & Recycling Expo (AWRE) award for Best New Innovation. This award is judged by prominent individuals in the industry and to win the award is a testament to Mint's technology and mission to extract green metals from the world's waste to accelerate a circular economy.



Danaher

SOCIAL
Wellness

Pressure Points: Mobilising global health care research and development (R&D) is a significant agenda item for the World Health Organization (WHO). Investments in health care are still insufficiently aligned with global public health needs, creating significant gaps between disease burden and research activity levels. The UNCTAD¹ estimates that a further USD 140 billion investment is required annually to achieve the UN SDG 3 of good health and well-being.² Research innovation is absolutely critical around the world to improve health care outcomes in both developed and emerging economies.

Impact Thesis: Danaher is a life science and technology innovator providing customers with the products and services required to solve complex health and environmental challenges. Its life sciences and diagnostics businesses contribute to improved drug discovery and clinical testing, advancing patient health, and treatment outcomes. Danaher's tools and services help accelerate the development of biopharma products and improve scientific understanding of the causes of disease. Separately, the company also supports cleaner and more efficient water supply solutions through its environmental and applied solutions business.

KPI: Biologic therapies supported by Cytiva life sciences business; R&D committed to improving patient outcomes

Five Dimensions of Impact:

What: Solve complex scientific challenges related to human health and contribute to improved patient outcomes.

Who: Individuals receiving medical care

How much: In 2022, Danaher's biotech, life sciences and

diagnostics business generated USD 26,600 million in revenue, an increase of 7.4% from 2021.³

Contribution: Danaher's biotechnology group is specified in over 90% of approved monoclonal antibodies (mAbs).³ 73% of biological therapies that were newly approved in 2022 were supported by its Cytiva life sciences business.⁴

Risks: Product quality and effectiveness, customers' ability to pursue innovation.

Progress Monitoring: We would like to see KPIs related to its life sciences and diagnostics segments, which will help in quantifying real-world impact. We are encouraged that management is receptive to our recommendations and engagement.

Impact Journey

Input USD 1,700 million in research and development spending⁵

Output Innovative products and services to solve health challenges

Outcome Biotech division specified in over 90% of approved mAbs.³ 73% of biological therapies approved in 2022 were supported by Cytiva⁴

Impact Lives extended through therapeutic approvals enabled

1 United Nations Conference on Trade and Development

2 Zhan, J.X., Santos-Paulino, A.U. Investing in the Sustainable Development Goals: Mobilization, channeling, and impact. *Journal of International Business Policy* 4, 166-183 (2021).

3 Danaher's 2022 Investor Day Presentation

4 Cytiva's 2022 Sustainability Highlights Report

5 Danaher 2022 Annual Report



Asian Development Bank Health Bonds

SOCIAL
Wellness

Asian Development Bank (ADB) is a Philippines-headquartered bank modelled on the World Bank that aims to improve economic and social outcomes in Asia through lending. The US and Japan are the largest shareholders, at 15.6% each, while China has subscribed 6.4%. ADB issues 'themed' bonds aligned with SDGs across health, gender and education.

Impact thesis: Proceeds of ADB's health bonds are used to support member countries in their efforts to achieve universal health coverage.

Since 2022, ADB's health pipeline shifted from procurement of key pandemic-era commodities, including vaccines, toward investments into long-lasting systems and assets such as national centres for disease control, health workforce training institutions, and new or refurbished health facilities at primary and secondary care levels. At the same time, pandemic preparedness, and readiness to ensure the next major outbreak does not overwhelm national or regional health systems and economies has remained a focus.

Impact measurement: ADB provides transparency on its individual projects. At the aggregate level, ADB's projects established or enhanced 180 health services.

Impact risks: ADB's programme is very well run with multiple layers of reporting and verification as monies are disbursed.

Example project: NephroPlus Dialysis Public-Private Partnership Project, Tashkent, Uzbekistan.

The proceeds of ADB's senior secured loan financing will be used to establish four dialysis centres in Tashkent, Uzbekistan, as part of a public-private partnership (PPP) between Nephrocare Health Services Central Asia ("NephroPlus") and the Government of Uzbekistan. The funds are primarily being used by NephroPlus to design, build, operate and maintaining dialysis centres in Tashkent. The dialysis centre in Tashkent will have 160 dialysis machines, making it one of the world's largest dialysis centres.

An estimated 30,000 patients currently suffer from chronic kidney disease in Uzbekistan, with an estimated shortage of over 3,500 dialysis machines in the country. The four new centres will deliver quality dialysis care for at least 1,100 patients including hemodialysis and peritoneal dialysis services. The government will pay the fees for these services.

ADB actively works with both the borrower and the Uzbekistan government to design private public partnerships.



NWB Bank Housing Bonds

SOCIAL
Social Inclusion

De Nederlandse Waterschapsbank N.V. (NWB Bank) is a bank for the Dutch public sector. NWB also funds Dutch social housing associations and issues bonds which exclusively support that lending.

Impact thesis: Dutch social housing associations closely resemble Community Housing Providers (CHPs) in New Zealand.

According to the Dutch Housing Act of 2015 the purpose of the social housing organisations is to 'develop, maintain, rent out and sell social dwellings below a certain rent level to persons who, due to their income or other circumstances, have difficulties in finding suitable housing'. These social housing associations are registered, regulated, private and not-for-profit associations or foundations.

Tenants are usually households with modest incomes but also include people with social, physical, or psychological disabilities. Other target groups include students and refugees.

More than cheap housing: Social housing's primary contribution is to provide affordable housing to those not served by the market. The average net disposable income of households in social housing is 34.6% lower than tenants in the private rental sector. NWB's lending funded the construction of 16,925 new social dwellings in 2021¹.

Social housing associations want to leave a mark beyond providing affordable housing and undertake community building activities. The social housing associations funded

by NWB Housing bonds spent an average of €117 per dwelling on community services and the improvement of neighbourhoods in 2021. With this broader focus, resident satisfaction is keenly measured. The most recently published 2021 figures demonstrate a 7.7 out of 10 satisfaction rating with repair requests and a 7.1 satisfaction rating with their neighbourhood.

To qualify as eligible lending for the bonds, NWB has developed a UN SDG impact alignment framework that also emphasises the sustainable development of housing. The heating-related performance of the housing stock improved 3.3% in 2022, a year in which 72,125 dwellings received solar panels, bringing the total to 16%. Fossil fuel usage fell 3.3% in 2021, consistent with a programme to transition from gas cooking to electric hobs.

Housing for student mothers

Housing Corporation Rochdale, one of the housing associations funded, provides accommodation services for women aged 18 to 27 who have or are expecting a child and for whom there are concerns they will drop out of school or become homeless. In addition to providing stability, the housing is designed to provide the young mothers a support network and advocacy.

¹ As at time of publishing the 2022 report was unavailable.



APM Human Services

SOCIAL
Social Inclusion

APM was established in 1994 in Perth, providing rehabilitation services for injured workers. The company has since grown into being a significant provider of employment services; health & wellbeing services; communities & assessment services; and disability & aged care support service across 11 countries, **supporting more than 2.1 million people of all ages to live a better quality of life.**

APM often supports the most vulnerable members of our community and has gained a reputation for achieving positive outcomes for programme participants at scale – a benefit to participants, society and funding agencies.

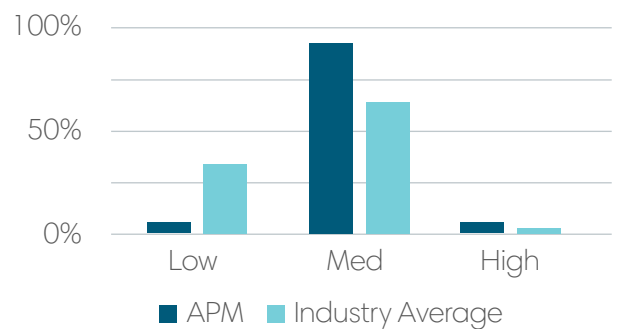
The two biggest programmes that APM provides services to, Workforce Australia and Disability Employment Services, have historically provided outcome-based ratings of all its service providers, including APM. Both these schemes are being re-designed and no current ratings are available for outcomes.

However, using historic ratings, APM has consistently been able to point to participant outcomes significantly ahead of the industry average. In addition, we have also seen APM increase its ratings as the company has grown bigger, suggesting scale and shared knowledge across the group enhances outcomes for programme participants.

Workforce Australia has recently recommenced publishing performance data, albeit without long-term sustained employment outcomes data given the refreshed scheme. In the first round of data being released, APM has again received a strong report-card, with 95% of its licences

achieving a medium-and-above rating versus the industry average of 69%. APM also owns one of only three licences that achieved a 'high' score.

**Workforce Australia June 2023
Quarter Ratings**



We believe APM is making a huge difference in the communities they serve. The outcome-based ratings of their achievements validate that they lift outcomes as they grow through knowledge and systems-sharing across the business. This helps programme participants and programme-funders as direct and indirect benefits of sustained employment improve quality of life, social and economic outcomes.

IDP Education

– Chennai Sponsorship and Mentoring Project

In our 2022 Impact Report, we mentioned the Chennai sponsorship and mentoring programme that IDP Education was launching in Chennai, India. We are delighted to report that this programme is now up and running, with 165 scholars fully funded and supported with mentoring along the way, to achieve degrees in science, technology, engineering, mathematics, arts, law, and medicine.

This programme is for female students, which, in parts of Tamil Nadu, are given the least preference for education in the family. Students are all first-generation graduates-to-be and from low income households. This is social inclusion in practice and helps with access to quality education and breaking down gender barriers.

Several of IDP Education's staff in Chennai are volunteering to mentor the students through a range of programmes and initiatives. The picture below is from a recent visit by the IDP Education Board to Chennai where they met with a number of programme participants and we look forward to reporting back next year on progress made by these young women on their journey towards higher education.





MSA Safety

SOCIAL

Thriving
Communities &
Infrastructure

Pressure Points: Approximately 2 million people die each year because of occupational accidents or work-related diseases globally, with around 360 million work-related injuries.¹ The economic burden of poor occupational safety and health practices is estimated to cost around 4% of global gross domestic product each year.¹ Providing a safe working environment has positive implications for employee safety and improved mental and physical health. This can feed through into better organisational performance due to higher employee satisfaction and a safer work environment.

Impact Thesis: MSA Safety is a leading global manufacturer of safety equipment committed to developing, manufacturing, and supplying safety products. Core products include self-contained breathing apparatus, fixed gas and flame detection systems, portable gas detection instruments, fire and rescue helmets, and fall-protection devices. MSA Safety is a pure play safety impact company whose products help to save lives.

KPI: Workers protected by fall protection systems and industrial helmets

Five Dimensions of Impact:

What: Improve on-the-job safety and protect workers from life- and health-threatening incidents.

Who: Workers in hazardous and life-threatening industries.

How much: MSA's fall protection systems and industrial helmets protected 2.3 million workers in 2022 (1.9 million in 2021).³

Contribution: MSA supplies safety equipment to numerous industries, including fire service, construction, and utilities.

In 2022 the company introduced its Bacharach system, which provides remote and data-driven gas detection monitoring.²

Risks: Product reliability poses a significant risk and could impair the company's ability to deliver on its goal of worker protection.

Progress Monitoring: Additional academic research is needed to quantify the impact of firefighting, protective apparel (around 38% of MSA safety's revenue), and gas detection equipment more accurately. We also would like to see amplified disclosures to help quantify the number of incidents avoided and/or lives extended by use of its products.

Impact Journey

Input USD 43 million in investments in design, development, and manufacturing of safety equipment²

Output Manufacture and distribution of safety equipment, including early warning incident detection systems

Outcome 2.3 million workers protected by fall protection systems and industrial helmets³

Impact Improved workplace safety from reduced on-the-job incidents, injuries, and fatalities

1 International Labor Organization

2 Source: 2022 annual report

3 Net Purpose estimates



Nu Holdings

SOCIAL

Thriving
Communities &
Infrastructure

Pressure Points: Globally, 1.4 billion people remain unbanked, meaning they lack either an account at a financial institution or a mobile money provider.¹ Financial system access through basic banking access is critical to economic progression and social equity. A simple bank account allows for safer, easier, and cheaper transfer of wage payments and transfers from government, as well as remittances to family and the ability to pay bills. It also allows for the reduction of black money in the system.

Impact Thesis: Nu is one of the world's largest digital banking platforms. The company is accelerating financial inclusion across Latin America, helping to empower individuals through digital banking services and helping SMEs to enable job creation and economic growth. The company contributes to financial empowerment through its low-cost banking platform, providing access to the financial system for customers that have been significantly underbanked.

KPI: People brought into the financial system

Five Dimensions of Impact:

What: Increasing financial inclusion by reducing financial inequality. Provision of services to retail and SME customers in Latin America, enabling economic growth.

Who: Individuals, especially those who are unbanked.

How much: Nu had 75 million customers and USD 11,300 million in outstanding personal and credit card loans at the end of the 2022 financial year, despite only launching in 2013.² The company is contributing to Brazil's growing financial inclusion, which has seen bank account ownership growth of around 15% of the total population between 2011 and 2021.¹

Contribution: The company is a disruptor in its primary market, offering digital services that are at a lower cost than industry peers. Nu estimates and reports that its customers have saved USD 8 billion in banking fees (cumulative), while its financial education blogs have been viewed 278 million times (cumulative).²

Risks: Potential lack of technical and financial literacy by clients which increases risk with credit service provision. APR's³ remain high in Brazil in absolute terms, although Nu has historically trended below banking peers.

Progress Monitoring: We will track progress in serving SMEs, another market which is underserved by incumbent banks. This is a newer area of focus, with only 2.5 million SME clients, but one that the company has identified as a key potential growth area.

Impact Journey

Input USD 15.8 billion of total customer deposits²

Output Digital banking services provided within underserved populations, at lower cost than established peers

Outcome Over 75 million customers provided access to financial services and USD 11,300 million in outstanding personal and credit card loans²

Impact 5.7 million people brought into the financial system with their first credit/debit card⁴

¹ The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19. World Bank.

² Nu 2022 ESG Report

³ Annual percentage rate is the total annual cost of borrowing money

⁴ Nu estimate for the period between July 2021 and July 2022

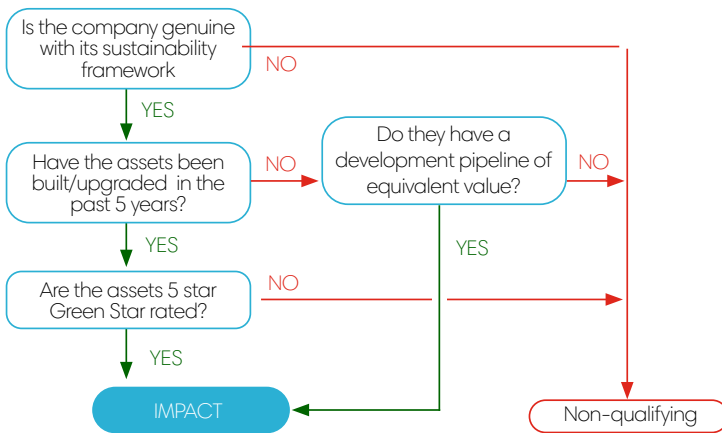
LABELLED BONDS – EXPLAINER

In driving impact, bonds can hold an advantage over shares: shares must fund an entire company whereas bonds can be raised to fund specific projects for change. This advantage is being harnessed by the sustainable finance movement which has developed various types of labelled bonds including ‘green bonds’ and ‘sustainability-linked bonds’, which we summarise below, but also stretching to ‘health bonds’ and ‘gender bonds’ among others.

Voluntary frameworks have been created to guide the labelling of bonds; however, it is our belief that these frameworks, and their application, do not necessarily directly link the bond label to impact. Instead, we have built internal frameworks to qualify bonds, regardless of labelling.

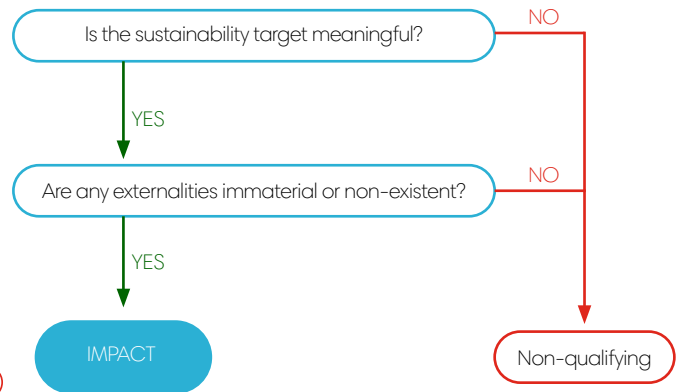
Green Bonds

Green bonds are the most prevalent labelled bonds. The first step of Harbour’s framework is to establish whether the borrower is genuine with its sustainability platform across its broader business. We then ask if the assets backing the bonds are making an impact – have they been built or upgraded in a sufficiently recent timeframe? Finally, we ask if the assets are of sufficiently high environmental standards specific to their sector. The below criteria apply to the Real Estate Investment Trust sector:



Sustainability-Linked Bonds

Sustainability-Linked Bonds (SLBs) link the size of their coupon payment to the borrower’s achievement of an explicit sustainability target. These bonds therefore explicitly incentivise sustainability outcomes and can be considered instruments of change, ie impact investments, provided they meet the below criteria.



We profile the example of Woolworths’ SLBs on page 16.



ACTIVE OWNERSHIP

Company engagement

Harbour is an active owner across all funds it manages.

The main touchpoint for engagement is the Harbour Corporate Behaviour Survey (CBS). Harbour's analysts conduct this survey annually with the top 50 NZX companies. The survey consists of 84 questions and over its 12-year history has proven to be a useful tool in objectively approaching the environmental, social and governance performance of companies. Analysts use the survey as a tool to initiate conversations with management and the board on corporate behaviour standards.

Additional impact-focused engagements are undertaken with management of companies held in the Fund. In its inaugural year, these engagements have been focused on receiving enough information to appraise and measure a thesis.

Future engagements will focus on encouraging more progress. We have found engagement to be more productive if we are clear and consistent in the message we provide to management. Our strong preference is to achieve change without involving public media as we consider this may be counterproductive to securing long-lasting change.

Years of constructive relationships with company executives and board members as well as Harbour's significant \$7.7bn in assets under management combine to give Harbour analysts' views influence.

ENGAGEMENT EXAMPLES

Mercury Energy

We visited two of Contact Energy's geothermal plants and learnt from engineers about their progress in capturing and reinjecting CO₂. Historically, when geothermal gases and fluids have been brought to the earth's surface the relatively modest amount of CO₂ was separated and essentially 'flared off' before the remaining steam and fluid was used to drive the turbines.

In some systems the steam and fluid remain intact and at pressure. CO₂ reinjection trials suggest that any bubbles caused by the dissolved CO₂ gas added back into the injectate (which is mostly water) have not materially corroded the plant, and do not appear to be adversely impacting reservoir chemistry. With this Contact has begun reinjecting CO₂ at some of its plants.

With the knowledge of Contact's progress, we engaged Mercury in support of pursuing CO₂ reinjection. We were pleased to learn that whilst Mercury has not been as public, the company has also made considerable technical progress evaluating reinjection at its plants.

Xylem (Mirova)

As part of Mirova's engagement priorities, they focus on the adoption of measures to improve diversity at every level, including management and executive levels. At Xylem, women represent 20% of the Executive Committee compared to 25% in the global workforce. Mirova initiated a dialogue with the company to be provided with more information on internal practices and to promote the implementation of ambitious Diversity and Inclusion (D&I) policies. Xylem has demonstrated some best practices including the development of a D&I scorecard, in which they periodically track progress and hold management accountable. In terms of training, the company provided inclusive leadership workshops to 600 employees. In 2022, the company also provided unconscious bias trainings to 1,400 employees. Mirova provided constructive feedback to the company, such as their expectations regarding transparency on the pay gap assessment and the action plan to address potential inequity in the company. Further, Mirova welcomes more transparency on D&I KPIs such as the internal promotion of women, turnover amongst women employees, and rates of return-to-work after pregnancy.

Ørsted (Mirova)

The promotion of a circular economy has been, and continues to be, an engagement priority for Mirova. Specifically, Mirova expects companies to define an eco-design strategy with meaningful targets as well as the development of take-back initiatives. In 2021, Ørsted announced its commitment to reuse, recycle or recover all the wind turbines blades in its global portfolio. To promote and encourage these efforts, Mirova initiated a dialogue with the company in 2022. Indeed, managing the end-of-life of wind turbines is critical to preserve these resources and limit polluting emissions. As in many industries, profitable and relevant recycling solutions are not yet available and, for this reason, Mirova encourages companies to join (or create) industry initiatives. For more than a year, Ørsted has been involved in the DecomBlades research project to improve the recycling of blades. Yet large and continuous investments are needed to solve the challenge of recycling permanent magnets (part of the turbines necessary to produce electricity, but unfortunately requiring the mining of rare earth). While decommissioning of current wind farms will start in the 2040s, the Ørsted management team shared its urgency to develop solutions for end-of-life options.

Thermo Fisher Scientific (T. Rowe Price)

Thermo Fisher Scientific creates products that enable its customers to solve specific scientific challenges. The company acts as a "one-stop shop" for its biopharma clients that are focused on developing new therapeutics. It provides products and outsourcing services that span the drug development and manufacturing process.

In terms of measurement, R&D expense is a core impact key performance indicator (KPI) for many life-science companies T. Rowe Price analyses. However, they believe progress can be made by the industry to better measure and monitor impact in this area.

T. Rowe Price engaged with the company to discuss specific metrics related to its processes and reporting. Pleasingly, these metrics are now featured in its company reports. The company's ESG report discloses new impact metrics, which T. Rowe Price believes are among the most comprehensive in the industry and set new standards for peers. The new metrics published include: the number of diagnostic tests enabled, patients served with medicines manufactured by the company, and the number of organ transplants supported.

PROXY VOTING

Thermo Fisher's breadth of health care business units make it impractical to distil overall impact into a single metric, however. Management therefore encourages its business units to track the KPIs that are most relevant to their activities. This approach helps the company track and publish more meaningful impact metrics and derive stronger conclusions from data received.

In terms of disclosure, Thermo Fisher intends to add even greater detail and breadth to reported metrics. T. Rowe Price recommended that the company provide more granularity on its R&D spending. They also conveyed their view that setting impact-oriented targets makes sense not only from a sustainability point of view but also from a financial return perspective. The continuous engagement with the company allows T. Rowe Price to share their views on best practices, especially in terms of ESG disclosure, and gain a better understanding of the impact generated by the company.

Manufacturing Company

Harbour believes engagements are more likely to result in positive outcomes if done in good faith. For this reason, we do not publish names of firms where doing so may degrade the spirit of the engagement.

In this example a manufacturing company presented its sustainable financing strategy to Harbour for consideration. For the Sustainable Impact Fund to support that strategy, we need to support the company's sustainability strategy. We presented our opinion to the company, noting the progress we had witnessed. Specifically, we were impressed with the hard work they have done throughout their supply chain and believe this to be the fruit of a hard-fought cultural shift in a difficult industry. However, we noted that, despite the large number of initiatives implemented, they were all relatively small scale compared to one of the most material challenges the company was yet to adequately approach.

At the time we felt there was a gap in our sustainability expectations versus those of the company, and therefore were not ready to provide funding through the Fund. Subsequently the company has made a material announcement about its plans to make progress in the material area discussed, which we shall monitor on an ongoing basis.

Proxy voting is an aspect of Harbour's active ownership strategy. We would emphasise that engagement plays a larger role in driving a company's impact, however proxy voting is an important part of responsible stewardship and can reinforce engagements, particularly by reinforcing best practise governance structures which are likely to better reflect stakeholder preferences.

Harbour utilises a third-party proxy advisor, currently ISS Proxy Exchange. Harbour analysts evaluate ISS' recommendations and vote according to the principles outlined in the right-hand panel.

Our voting statistics for the year to 30 June 2023 are as follows:

	Proposals	With Mgmt	With ISS
	# of proposals	% With Mgmt	% With ISS
Authorize Board to Fix Remuneration of External Auditor(s)	5	100%	100%
Amend Articles/ByLaws/Charter - Non-Routine	1	100%	100%
Advisory Vote to Ratify Named Executive Officers' Compensation	5	100%	100%
Approve Outside Director Stock Awards/Options in Lieu of Cash	1	100%	100%
Approve Stock Option Plan Grants	1	0%	100%
Approve Increase in Aggregate Compensation Ceiling for Directors	3	100%	33%
Approve Share Plan Grant	7	100%	100%
Elect Director	28	100%	93%
Approve the Spill Resolution	1	100%	100%
Renew Partial Takeover Provision	1	100%	100%

In forming our decision on proxy voting resolutions, as a general guide, we promote the following principles to encourage leading practice in ESG management. However, each resolution is assessed on a case-by-case basis and there may be circumstances where our vote deviates from these principles.

Board composition: The Board should comprise a majority of independent directors, subject to them contributing valuable skills and experience, with an adequate level of diversity across the Board. The roles of CEO and Chairperson should be separate, and Board sub-committees should be majority represented by independent directors.

Executive/director remuneration: Companies should report sufficient information on their executive remuneration structure including vesting schedules and performance hurdles on their incentive schemes. Director fee assessments should be benchmarked to an appropriate peer set that covers considerations such as geography, industry, complexity, and size of the business.

Climate change: Companies should be transparent and provide disclosure on their emissions metrics and targets and how they plan to meet them especially if they are materially exposed to the effects of climate change.

Human rights: Any material human rights risk identified by a company should be properly assessed and reported to stakeholders with appropriate action taken to mitigate any incidence of labour abuse or human rights violations.

The Harbour Proxy Voting Policy can be found in our Stewardship Policy on this page of our website <https://www.harbourasset.co.nz/assets/Legal/FMA-Docs/b47098de00/Stewardship-Policy-August-2022-Final-.pdf>

Data for the external managers is for the year ended 31 December 2022 and provides an illustration of both managers' voting practices.

T. Rowe Price Proxy Votes (2022 Calendar Year)

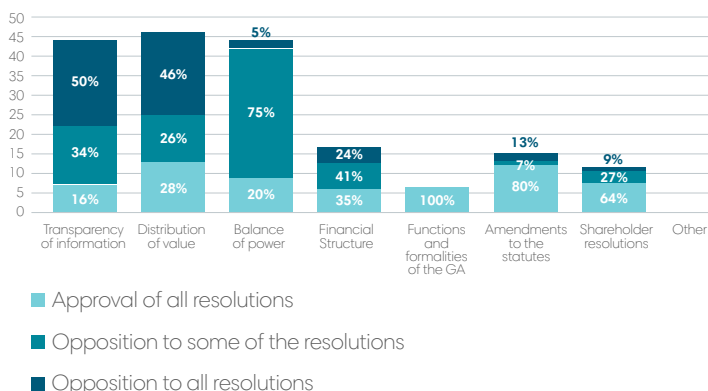
Items Voted 761			
Management Proposals	# of proposals	% With Mgmt.	% Against Mgmt.
Elect Directors (Uncontested)	427	96%	4%
Management Compensation: Say on Pay and Equity Plans	113	88%	12%
Routine Business and Operational Matters	70	96%	4%
Capital Structure Items	52	92%	8%
Appoint Auditors/Approve Auditor Fees	62	100%	0%
Other	10	100%	0%
Total	734		

Shareholder Proposals	# of proposals	% With Mgmt.	% Against Mgmt.
On Social, Political, or Environmental Matters	17	47%	53%
To Adopt or Amend Shareholder Rights	5	40%	60%
Amend or Remove Takeover Defenses	-	-	-
Related to Director Policies	5	60%	40%
Related to Routine Business and Operation Matters	-	-	-
Total	27		

T. Rowe Proxy Disclaimer: Proxy data for the Global Impact Equity Strategy from December 31, 2021, through December 31, 2022. Aggregated data include votes cast across all products in the strategy.

Mirova Proxy Votes (2022 Calendar Year)

Breakdown of votes by theme in 2022



Mirova proxy disclaimer: The information provided reflects Mirova's opinion and are subject to change without notice. For more information on our methodologies, please refer to our Mirova website: www.mirova.com/en/research

For more information on our engagements, please refer to:

www.mirova.com/sites/default/files/2022-04/2022-Engagement-Report_0.pdf

Mirova voting and engagement policy as well as transparency code are available on its website: www.mirova.com



Left to right: Lewis, Øyvinn and Simon regenerating native bush in Ngaio.

HARBOUR'S APPROACH TO IMPACT INVESTING

Team

The Fund harnesses the skills of Harbour's entire team. Chris Di Leva and Simon Pannett lead the Fund's Portfolio Management team and take responsibility for the investment and impact outcomes. They are joined by investment analysts from across Harbour, especially Øyvinn Rimer, Lewis Fowler and Jorge Waayman. Full bios, including academic credentials can be found here:

Chris Di Leva: Chris is the ultimate decision-maker regarding the asset class composition of the Fund, including currency positions. Chris leads Harbour's multi-asset business. Chris has contributed to the Special Olympics for more than a decade, including as the athletics team's head coach at national and international tournaments.

Simon Pannett: Simon manages the fixed interest sleeve within the Fund. Simon has been at Harbour for nine years and is the Senior Credit Analyst within Harbour's fixed income team. Simon chairs Harbour's internal sustainability committee, the Harbour Footprint Committee. In his spare time, Simon and his wife focus on sourcing their food in an ethical and environmentally friendly manner. This involves everything from shopping local to fishing and hunting their own meat.

Øyvinn Rimer: Øyvinn manages the equity sleeve within the Fund. Øyvinn is a founder of Harbour and a Senior Research Analyst. Øyvinn was an early EV adopter and has, in the last 24 months, saved an estimated 6,200kg CO₂ opting for electrons over fossils. With his wife and son, Øyvinn's family is in the process of planting a mix of native and exotic trees on a rural block of land with the plan of creating a more natural ecosystem.

Lewis Fowler: Lewis provides broad support to the team particularly in risk management, evaluation of third-party managers and implementation as well as facilitating the Impact Committee. Lewis is an Investment Analyst within the multi-asset team. Lewis favours pedal power over car journeys where possible and has begun volunteering for a local trail building organisation.

Jorge Waayman: Jorge manages Harbour's Environmental, Social, Governance (ESG) programme. In this role Jorge is dedicated to expanding knowledge in this growing field. He brings this knowledge to bear within the Fund advising on impact theses. Jorge is passionate about increasing the standard of ESG disclosure in New Zealand and commits a significant portion of his time to industry collaboration groups working on projects such as the Stewardship Code and how the industry can implement Task Force on Climate-Related Financial Disclosures requirements.

IMPACT INVESTING PHILOSOPHY

The Global Impact Investing Network's (GIIN) is a respected industry body that aims to develop impact investing and protect its integrity. The Fund subscribes to the GIIN definition of impact investing:

Investments made with the intention to generate positive, measurable social and/or environmental impact alongside a financial return.

The GIIN advocates investors articulate impact funds' objectives, philosophy and process in a 'Theory of Change' framework. Harbour's inaugural impact report contained the components of a 'Theory of Change'; the below segment collects those components in the GIIN's suggested format.

Summary

The Harbour Sustainable Impact Fund is designed to provide capital growth, risk management, and for investee companies to deliver a positive impact. It aims to exceed the Official Cash Rate + 4% over rolling 5-year periods and create a positive impact as measured against UN Sustainable Development Goals.

Portfolio holdings contribute to some of the world's most pressing challenges including decarbonisation and access to affordable health care. We believe the companies that can contribute solutions will be valued by society and financial markets and therefore see opportunity to add value to investors.

The portfolio contributes to a range of impact dimensions and is diversified across a range of industry verticals and geographic regions. However, we expect that operating with a reduced universe will result in the Fund's returns tracking the index less closely than a fund with a broader set of investment choices.

Its predominant allocation to listed companies is augmented by holdings in private companies. Every company in the portfolio will contribute to at least one UN SDG as assessed by our internal methodologies and will meet our financial requirements and parameters for investing.

Impact Context

The United Nation's Population Division has forecast the world's population to exceed 11 billion inhabitants before the turn of the century and, while forecasts can often be taken with a pinch of salt, this Division of the UN has an enviable track-record when it comes to forecasting accuracy. The biosphere is unlikely to sustain this frighteningly large population burden under current economic systems. The International Energy Agency's modelling indicates that if we achieve reductions consistent with current policy settings the planet will still experience a 2.6°C temperature rise by 2100.¹ Scientists think the current extinction rate of species could be up to 1000 times higher than the rate prevailing before humanity,² and many scientists fear a tipping point.

Humanity must adjust to an economic model with lower resource intensity. For this model to be supported by its citizenry, to be sustainable, it must do so while providing increasing health, economic and justice outcomes for all inhabitants.

Fund Strategy

As a regarded brand with around \$8bn in assets under management, Harbour believes it can make a significant contribution to impact investing in New Zealand by offering an impact fund eligible to mainstream retail investors.

The SDGs have replaced the Millennial Goals to provide a set of priorities to deliver a more prosperous, sustainable future. These goals are broad, widely supported and address the world's most pressing challenges.

In pursuing these goals the Fund has set three targets:

The Fund's climate-related target



To be consistent with a 1.5° scenario

The Fund's social targets



At least 35% allocated to delivering health & social impact



Portfolio holdings are consistent with the 40:40:20 principle of management gender equality

The Fund defines an investment as impactful if contributing to at least one SDG, and specifically references the more tangible sub-goals. Harbour's impact process starts with each investment analyst. Armed with intimate knowledge of a company, an investment analyst prepares an 'impact thesis' for each entity. This thesis provides a qualitative description of how a company contributes to an SDG and backs it up with a quantitative measure of impact.

An Impact Committee has been formed for the benefit of investors in the Fund and helps the portfolio management team navigate difficult aspects of impact. The Impact Committee's purpose is to provide active oversight to make sure the team is applying a process consistent with the Fund's stated objectives, and therefore that the Fund remains true to label. The Committee also provides insight into the latest developments in environmental and social issues which Harbour should consider in the management of the Fund.

To simplify communication of the Fund's impact, we have mapped the SDGs to two 'impact pillars': Environmental and Social. Within these umbrella classifications are six sub-pillars: Climate Change Mitigation, Natural Capital, Resource Sustainability, Social Inclusion, Thriving Communities and Infrastructure, and Wellness.

Portfolio Structure

Given the broad contribution targeted, the Fund considers investment opportunities across a range of sectors and geographies. It is more diversified than many targeted impact funds. However, relative to broad market portfolios that do not target impact, the Fund tracks broad investment market performance less closely.

Avoiding harm is a key tenet of impact investing. This is made clear by the 'sustainable' in the Fund's name. Each impact thesis seeks to understand negative externalities a company creates in the pursuit of impact. If these are deemed material, then an investment cannot be made or held.

To be clear about what is meant by material, we subscribe to third party data providers' company screens. These screens flag where companies have negative impacts. However, it is often the case that a flag is raised because a company simply does not have a policy. The Fund is not a box-ticking ESG fund; it is genuinely focused on impact. Therefore, there may be investee companies which flag poorly with some data providers where we have been able to satisfy ourselves that the flag does not constitute material harm.

For additional investor comfort, the Fund abides by Harbour's exclusions list found in Harbour's ESG Policy on our website <https://www.harbourasset.co.nz/assets/8c501bf871/Harbour-ESG-Policy-FINAL.pdf>.

These exclusions, such as tobacco, would not meet our definition of impact, however, this exclusion list is designed to provide an additional layer of comfort.

Beyond these exclusions the Fund will consider all investments. However, compared to broad market portfolios, the Fund has a bias towards smaller companies, a growth style of investing and particular sectors & themes including renewable energy, healthcare and also technology companies broadly.

The Fund is predominantly allocated to public (listed market) companies. This provides liquidity to investors who wish to exit. The Fund also has an allocation to private companies that can provide a significant impact by developing innovative new technologies.

Investor Contribution

The Fund solely invests in companies that we assess to be delivering impact. As patient capital providers, we can support the impact the company makes. For small- and mid-cap companies we can contribute to their impact by being long-term investors, providing greater stability for their share price which in turn enables them to invest in growth opportunities. Provided the company continues to meet impact markers and our assessment of return prospects remain consistent with the portfolio's return objectives, we will only rarely exit positions. Investors are able to evidence this statement in our annual impact report which details the rationale for any exits.

Additionally, we engage with portfolio companies to champion the importance of impact delivery. Harbour is an active owner across all funds it manages. Additional impact-focused engagements are undertaken with management of companies held in the Fund. In its inaugural year, these engagements have been focused on receiving enough information to appraise and measure an impact thesis. Subsequent engagements have focused on encouraging more progress. We have found engagement to be more productive if we are clear and consistent in the message we provide to management. Our strong preference is to achieve change without involving public media as we consider this may be counterproductive to securing long-lasting change. Years of constructive relationships with company executives and board members as well as Harbour's significant assets under management combine to give Harbour's analysts' views influence. Examples of engagement are provided in the annual impact report.

Outsourced managers

Harbour outsources security selection of global equities, private equity and, on occasion, specialty strategies. Third party managers are selected based on an assessment of the integrity of their impact investment processes. Harbour reviews these managers regularly and utilises third-party impact data to drive engagements with these managers with the aim of ensuring their processes confirms with this Theory of Change.

This report encompasses data on the entire portfolio, including that outsourced to third-party managers Mirova, T. Rowe Price and Icehouse Ventures.



Mirova¹:

A committed and a leading player in sustainable finance, Mirova is a conviction-based management company that offers its clients investment solutions combining the search for financial performance with environmental and social impact. This is Mirova's raison d'être: to contribute to a more sustainable and inclusive economy by increasing positive impact on environmental issues and reducing inequalities. In 2022, for the second consecutive year, Mirova was named B Corp Best For The World™ in recognition of its significant positive impact in the 'Customers' impact area.

T.Rowe Price®

T. Rowe Price²:

The T. Rowe Price Global Impact Equity strategy investment process embeds clear principles of materiality and measurability to form the basis for identifying positive impact. As a public equity manager, T. Rowe Price aims to make a difference with their investment dollars, accelerated through engagement and voting, and be additional in the outcomes created. Due to the very complex friction points that exist for our planet and global communities, delivering impact requires patience and an understanding of change. This is why being resilient in applying an impact-oriented investment approach is imperative. The T. Rowe Price Global Impact Equity Fund is one of only a handful of public equity funds awarded the RIAA Certification for Impact Funds.



Icehouse Ventures³:

The Icehouse Sustainable Tech Fund invests in disruptive New Zealand start-ups that can amplify sustainability as an outcome of their core business. The Sustainable Tech Fund exists to invest in and support the next wave of New Zealand's most disruptive and impactful start-ups. Successful businesses are led and built by the bravest and highest quality founders. Today's bravest founders, and the team, supporters, and investors they rally around them, increasingly put sustainable growth at the forefront. There is no more ambitious mission than positively impacting the world and its future.

1 <https://www.mirova.com/en/about-us>

2 https://www.troweprice.com/content/dam/tpd/global/en/pdfs/AUT_Impact_Statement.pdf

3 <https://www.icehouseventures.co.nz/individual-funds-sustainable-tech>

IMPACT COMMITTEE

As all qualitative judgements are made by the Portfolio Management team, the purpose of the Impact Committee is to provide active oversight to make sure the team is applying a process consistent with the Fund's stated objectives, and therefore the Fund remains true to label. The Committee also provides insight into the latest developments in environmental and social issues which Harbour should consider in the management of the Fund. Additionally, the Committee considers management recommendations for external impact data providers. The Committee has been formed for the benefit of investors in the Fund.



Andrew Bascand (Interim Chair):

Andrew Bascand has over 30 years' experience in financial markets. As a founder of Harbour, a significant shareholder and its Managing Director, Andrew sees the development of the Fund as an important contribution Harbour can make and is passionate about the integrity of the Fund.

Russell Garrett:



Russell has 30 years financial markets, investment, and governance experience drawn from his time within banking, corporate trustee services, and investment management and consulting. He was an early advocate for Responsible Investment and has helped a number of institutional funds establish and implement their Responsible or Sustainable policies and practices. Russell is currently the Executive Officer for The Presbyterian Church Property Trustees and a member of the Victoria University Foundation Finance, Risk, and Investment Committee. He is also a proud (but not particularly skilful) member of the Fabulous Turtles football team and serves at his local church.

Anna Charlton:



Anna has 15 years' experience in capital markets and corporate roles with PwC, ANZ and Z Energy. Having worked in senior leadership positions for New Zealand's largest transport energy company, Anna has first-hand experience navigating the practical challenges of decarbonisation. Anna now works as a Partner for The Lion Partnership and provides independent consulting with a specialist interest in green finance. Anna has two young and vibrant boys, aged seven and five years old. Anna was appointed as an independent member, and was contracted for a period to provide strategic advice to Harbour.

Sophie Parlane:



Sophie heads up Harbour's communications and brand team. She is also a founding member of Harbour's Footprint Committee and key driver behind Harbour's partnership with charity Roots of Empathy. A passionate advocate for ESG, in particular regarding social issues, human rights, community engagement and diversity and inclusion. She previously worked for a youth entrepreneurship and financial education charity. She holds a Bachelor of Arts in Social Policy and Political Science from Victoria University of Wellington, Te Herenga Waka.

CARBON OFFSETTING

Carbon credits are purchased annually to neutralise the emissions that are calculated monthly for the Fund.

The cost of the carbon credits is carried by Harbour Asset Management rather than Fund investors. We believe this ensures a strong alignment with the Fund's investors as Harbour has additional financial incentive to reduce the Fund's carbon footprint.

In asset management convention, 100% of a company's emissions are ascribed to the shareholders, and therefore the relevant emissions are those of the equity holdings. To calculate the amount of carbon credits required, we take the product of the monthly footprint and the total dollar amount invested in equities (including venture capital).

Offset Project

Harbour is Toitū net carbonzero certified. To achieve this certification, Harbour offsets any CO2 equivalent emissions we have not mitigated. Harbour staff undertook a holistic process of evaluating various offset options, not viewing simply the purchase of offsets as a discharge of responsibilities.

Rather than buying carbon offset credits from, say, a monoculture pine forest on prime Hawke's Bay farmland, we sought a project with more holistic benefits and selected a cookstove project that also confers health benefits on the villagers who transition from coal-fired equipment to more sustainable fuels, mostly biofuels. The Fund follows the same process as Harbour.

Bondu Chula cook stoves, Bangladesh

Nearly 3 billion people in the developing world cook food and heat their homes with traditional cook stoves or open fires. The Global Burden of Disease Study 2010 estimates that 4 million premature deaths occur every year due to smoke exposure from these methods. In fact, this is the fifth worst risk factor for disease in developing countries and women and children are the most affected.

Bondu Chula, which loosely translates as the 'friendly stove' in Bengali, is designed to ensure more efficient and cleaner home cooking. This project works with micro-entrepreneurs who receive training in stove production as well as a seven-day training programme for the local entrepreneurs. This project has proved to be highly successful as over 5 million stoves have been installed to date.



Co-benefits:

- Improves health by reducing exposure to toxic fumes as it is less smoky (typically for mothers and children)
- Reduces household energy costs
- Improves the local economy by supporting businesses and providing employment opportunities (the stoves are locally manufactured)
- Protects forests and biodiversity which is otherwise pressured by wood consumption.

PORTFOLIO HOLDINGS

Impact Pillar: Environment

Impact Sub-Pillar: Climate Change Mitigation



Issuer	Impact Rationale	Measurement
Air Liquide	Air Liquide is very well-positioned within the environmental transition, particularly the transition to a low-carbon economy. We foresee massive level of green capex needed in the coming years or decades to reach net zero objectives, in which hydrogen will play an increasingly large role. We are in the very early stages of this journey, and Air Liquide is well-positioned for this transition.	Progress on hydrogen electrolyzer installation; access provided to medical oxygen in low- and middle-income countries
Atlassian	Atlassian is a task sharing & work collaboration platform that meaningfully reduces the need to meet in person and also enables resource efficiency. They are also a key enabler of digital transformations through collaboration that are centric to unleashing teams.	CO ₂ e mitigated through use of products
Auckland Council Bonds	The proceeds of the Council's green bonds fund a portfolio of assets Harbour deems to be genuinely green and improving environmental outcomes including electric trains, cycleway expenditure and rehabilitation of Puketutu Island	Various including GHG reductions and public transport utilised
Basis	Basis is reimagining home electrical energy management. Via intelligent, future-proofed proprietary hardware, Basis will be enabled to execute a SaaS-based business model whereby its self-learning system will generate diverse financial benefits for customers.	Energy saved through use of product
Brighte Asset Backed Security	Brighte is a home energy finance specialist. These bonds finance loans to Australian homeowners enabling them to install rooftop solar (and in some cases battery storage).	CO ₂ e avoided by provision of solar panels
Brookfield Renewable Partners	Brookfield Renewable is a pure-play solar, wind & hydro electricity provider, generating zero carbon electricity across multiple geographies. It is therefore helping to decarbonise the power sector.	CO ₂ e mitigated through renewable energy generation
Calix	Calix is an industrial technology company that provides solutions across several industries to decarbonise. The primary opportunity for Calix is to decarbonise the cement and lime industry – the largest contributor of man-made GHG emissions at 8% of total emissions. Through its low emissions intensity lime and cement (LEILAC) kiln that not only can run on 100% renewable energy (unlike any other kiln that uses internal combustion and fossil fuels), but also provides the lowest-cost carbon capture solution among alternative technologies. In addition to cement and lime, Calix is also active in water treatment and more recently has entered the lithium processing business, providing a pathway to decarbonise and improve efficiencies in lithium hard rock mining. Calix and Pilbara Minerals (leading Australian Lithium Spodumene mining company) announced final investment decision on a mid-stream project in August 2023 to process 6% Lithium Spodumene into a mid-stream 35% Lithium Phosphate Salt.	Number of committed installations of LEILAC kilns. Size of committed installations of LEILAC kilns (in ktpa of CO ₂ capture capacity).
Contact Energy	Contact Energy is delivering on an ambitious decarbonisation plan. It has closed a thermal generation plant, announced the closure of another, continued a renewable energy development programme and invested in novel carbon capture technology at some of its geothermal plants.	GWh Renewable energy generation

Issuer	Impact Rationale	Measurement
Cetogenix	Cetogenix is a clean technology company focussed on developing sustainable solutions to tackle climate change at a global scale. The company's technology targets the 1.5 billion tonnes of organic waste generated world-wide and addresses the growing demand for renewable natural gas. By retrofitting existing waste-to-biogas plants, we can increase renewable natural gas production by up to 40% and recover other components as added-value products, such as bio-fertilisers. Cetogenix's technologies eliminate the need for organic wastes to be landfilled or incinerated, lowering their environmental impacts, and generating novel added-value market opportunities.	Progress on development and scale-up of technology
DocuSign	DocuSign delivers impact by improving companies' paper-use practices by moving their legacy processes onto DocuSign's platform and reducing their environmental impact. Professional services revenue is included because successful implementation of DocuSign software enables the software to help companies reduce waste at their firm.	CO ₂ e mitigated through use of products
Hubbell	Hubbell is a large industrial compounder with more than 50 brands under 2 segments which manufacture utility and electrical solutions supporting the residential and non-residential construction, industrial, and utility applications, primarily in the US market. Its products provide impact by supporting the efficient electrification of the transportation and manufacturing industries, improving energy efficiency of buildings and homes, and facilitating the integration of renewable energy and smart grid technologies.	CO ₂ e mitigated through use of products
Humm Asset Backed Security	Humm's financing enables homeowners to easily purchase rooftop solar without having to vary mortgages (and incur fees etc.). This is an Australian transaction where new renewable generation has a meaningful impact in displacing coal.	Residential solar PV installations financed
Iberdrola	As a world-leading utility in wind and solar expected to double renewable energy capacity by 2030, Iberdrola is well-exposed to the environmental transition and the transition to a low-carbon economy.	GW energy generation capacity from renewable sources
Ingersoll Rand	IR's air compressors and air treatment products improve energy efficiency and reduce the associated GHG emissions in several industrial end markets. In addition, IR's products enable customers to improve water management and consumption, therefore saving water.	Revenue linked to energy efficiencies and GHG reductions
International Finance Corporation Bond	These bonds are backed by a portfolio of lending that World Bank division IFC undertakes in developing countries to support projects in energy efficiency, renewable energy, resources efficiency, cleaner technology production, sustainable forestry and other financial intermediaries that on-lend to smaller projects of the same nature.	Reduction in GHG emissions Energy saved
Linde	As an industrial gas company, we believe that LIN is an important 'enabler' of the energy transition. It enables its customers to avoid & reduce their own carbon footprints by improving efficiency in manufacturing processes, and is also a key enabler of green hydrogen and carbon capture & storage (CCS) technologies.	CO ₂ e mitigated through use of products
Manawa Energy Bonds	Manawa Energy (formerly TrustPower) has a 100% renewable energy portfolio. It expanded its pipeline of future renewable energy developments over the reporting period, a programme that begins with enhancement work on its existing assets.	GWh Renewable energy generation
Mercedes-Benz Group	Mercedes is positively exposed to the environmental transition, specifically the electrification of transportation. The company is on a transformational path towards full electrification by 2030 driven by one of the most ambitious strategies in the industry and growing integration of its value chain. Mercedes-Benz is set to become the global leader in luxury and electrified mobility.	Sales of EV / partially electric vehicles to non-electric.
Mercury NZ Bonds	Mercury continues to develop its renewable energy-generating fleet, helping NZ transition away from the remaining thermal assets. It is completed construction of New Zealand's largest wind farm in early 2023.	GWh Renewable energy generation
Meridian Energy	In addition to continuing to expand its 100% renewable energy generation portfolio, Meridian has been proactive in encouraging energy-intensive sectors to migrate to New Zealand to reduce global emissions. It has advanced its Southern Green Hydrogen project in the past year.	GWh Renewable energy generation

Issuer	Impact Rationale	Measurement
Monolithic Power Systems	Monolithic Power Systems is a well-diversified power semi company that claims to have the highest power density in the industry which helps improve the energy efficiency of their chips. Their products are also used as components in electric vehicles, energy infrastructure, factory automation and advanced safety applications. As MPWR sells to more customers and continues to improve the energy efficiency of their products, the end products also become more energy efficient which aids in decarbonisation in the respective end markets.	CO ₂ e mitigated through use of products
New Zealand Government Bond	NZ Government Green Bonds provide the Government funding to enact its environmental sustainability initiatives. Specifically, proceeds of the bonds must be applied to spending under the following criteria: Clean transport; Energy efficiency and renewable energy; Green Buildings; Living and Natural Resources and Land Use; Biodiversity; Climate Change Adaptation; Sustainable Water and Wastewater management; Pollution Prevention & Control.	Dollars allocated to eligible expenditure. (The programme is new and more direct measures are still being gathered).
NextEra Energy Partners	NextEra Energy Partners is one of the largest producers of renewable energy in the U.S. NEP currently owns & operates 9.3 GW of renewable capacity. The company operates an industry-leading portfolio of wind, solar and battery storage assets and 100% of power generated comes from clean or renewable resources which supports the decarbonisation of the power sector in the US. 100% of NEP's development pipeline is renewable which should help to substantially increase the share of renewable energy in the global energy mix.	GW renewable energy generation capacity added; CO ₂ e mitigated through renewable energy generation
Nibe Industrier	Nibe develops, manufactures and markets energy-efficient heat pumps, water heaters, boilers and electrical heating elements for indoor climate comfort in all types of properties, contributing to the decarbonisation & energy efficiency of buildings. Nibe also provides solutions for intelligent heating and control in industry and infrastructure.	CO ₂ e mitigated through use of products
Open Star	OpenStar is uniquely positioned to harness the potential of fusion energy. The company's approach combines rapid iteration cycles, inherently stable plasma physics, and ground-breaking high-temperature superconductor (HTS) technologies within a framework of reliable magnetic confinement fusion. The model allows for cost-effective scaling of infrastructure and swift development pathways, ensuring quicker and more affordable risk retirement. The future will be powered by OpenStar levitated dipole reactors, eliminating energy poverty, mitigating the climate crisis, and forging another industrial revolution – one based on atoms not bits.	Progress on technology
Ørsted	As the largest offshore wind utility company, Ørsted is well exposed to the transition away from fossil fuels and expected continued double-digit growth of offshore wind as countries address climate change and offshore wind becomes more cost competitive.	Installed renewable energy generation capacity; CO ₂ e mitigated through use of products
PG&E	PG&E's electric T&D infrastructure is helping to enable the rollout of renewable power capacity in California and is therefore helping to enable the decarbonisation of the power sector in the US. PG&E is also helping to enable the electrification and decarbonization of the transport, industry, and buildings sectors in the state. In addition to its role in lowering California's GHG emissions, PG&E is investing billions of dollars annually into wildfire prevention and mitigation measures to help improve safety & reliability of service for its 5.5 million customers.	CO ₂ e mitigated through renewable energy generation
PowerCo Bonds	PowerCo is NZ's second-largest electricity distributor. Significant investment by the network operators will be necessitated by the conversion of process heat, wider adoption of electric vehicles (EVs) and other technologies that will change New Zealand's electricity system.	Investment in network capacity
Red Phase	Red Phase exists to support the transformation of electricity networks and accelerate the adoption of electric vehicles. Red Phase's commitment is to integrate world-best technology with world-beating power grids. Red Phase are experts at integrating technology with power networks. When they develop solutions, they consider whole-of-life asset management to deliver value to their customers.	Customers served using Red Phase technology

Issuer	Impact Rationale	Measurement
Rockwool	Rockwool has a strong impact thesis focused on i) insulation products to improve energy efficiency for buildings, and therefore lower emissions in the buildings sector; ii) insulation and ceiling tiles that are highly fire-resistant and therefore protect the life/health of occupants and first responders; and iii) precision growing products from its Grodan business to lower water consumption in crop production as well as improve crop yields.	CO ₂ e mitigated through use of products
Schneider Electric	Schneider manufactures electrical components and equipment that digitise, electrify, automate and decarbonise a wide range of industries with focus on buildings, heavy industry, infrastructure and data centers. Its products contribute to energy efficiency, decarbonisation, and natural resources preservation.	CO ₂ e mitigated through R&D spend
SeaChange	SeaChange is changing the face of ocean transport with the development of high-speed, electric-powered hydro-foiling passenger and car ferries designed to disrupt high-cost airfreight supply chains and existing ferry services. From their base in Marsden Point, New Zealand, they will bring a new type of ocean carrier to the world.	Emissions mitigated through use of products
SolarEdge Technologies	SolarEdge delivers impact by selling solar inverters within residential and small commercial markets. Residential markets are considerably exposed to what is known as the "Christmas tree light problem," where traditional inverters are connected such that the output of the inverter is constrained by the worst-performing panel/lowest common denominator, resulting in cumulative energy loss. SEDG's approach inserts a "power optimiser" at every panel allowing optimal energy flow to each panel.	CO ₂ e mitigated through use of products
Spark Sustainability-linked Bond	Telecommunications provider Spark has issued sustainability-linked bonds which create a financial incentive for it to reduce emissions consistent with a 1.5 degree science-based reduction target. Significant investment is required by the network operators to facilitate the conversion of process heat, wider adoption of electric vehicles (EVs) and other technologies that will change New Zealand's electricity system.	Reduction in GHG emissions
Sunrun	The portfolio of Sunrun is made up entirely of solar power projects and related services for residential customers and therefore is clearly a beneficiary of the Environmental transition and the transition to a low carbon economy.	Emissions mitigated through use of products
Syrah Resources	Syrah Resources' primary business activity is to extract graphite for use as anode material in Li-ion batteries for electric vehicles. Syrah owns and operates the largest natural graphite mine in the world and is investing to vertically integrate downstream to deliver finished battery material for battery and electric vehicle manufacturers. They have Tier 1 customers like Tesla, Ford, Samsung, SK On and LG Chem.	Tonnes of graphite sold (proxy for ICE vehicles displaced)
Tesla	Tesla is the lead disruptor in electric vehicles (EVs) and autonomous vehicles (AVs). The company delivers impact through its pioneering efforts to decarbonise the transportation sector as well as producing solar panels and energy storage systems.	CO ₂ e mitigated through use of products
Trane Technologies	Trane Technologies is a leading HVAC manufacturer that improves energy efficiency for buildings in both commercial (~60% of revenues) and residential (~20%) real estate markets. It also provides energy-efficient refrigeration systems for indoor applications and for the transportation of food, medicines and other perishable goods (~20%).	CO ₂ e mitigated through use of products
Transpower Bonds	Transpower owns and operates NZ's electricity transmission grid. Significant investment by the network operators will be necessitated by the conversion of process heat, wider adoption of electric vehicles (EVs) and other technologies that will change New Zealand's electricity system.	Investment in network capacity
Trimble	Trimble produces software and hardware that help customers digitalise and optimise processes. Its products reduce operational costs, increase productivity, improve safety, enhance product quality, and reduce emissions, mainly in construction, transportation and agriculture end markets.	CO ₂ e mitigated through use of services

Issuer	Impact Rationale	Measurement
UBCO	UBCO bikes are two-wheeled electric bikes adapted for off-road or on-road use. On-road uses include last-mile delivery drivers, with a partnership with Domino's pizza. Off-road uses include farm utility vehicles, targeting decarbonisation of a segment of transport previously thought unlikely.	Number of UBCO bikes sold; number of distribution partnerships
Vestas Wind Systems	Vestas is exclusively involved in the development, manufacturing and servicing of wind turbines for both onshore and offshore power generation. The company's products and services therefore contribute significantly to the expansion of renewable energy sources and the transition towards a more sustainable energy system.	CO ₂ e mitigated per year through installation and existing fleet
Waste Connections	WCN has a strong impact thesis focused on mitigating & recovering methane emissions from putrescible municipal landfill waste. Also, WCN provides non-hazardous solid waste collection, transfer and disposal services, along with recycling and resource recovery.	CO ₂ e mitigated through use of services
Woolworths Sustainability-linked Bonds	Woolworth's sustainability-linked bonds create an incentive for the company to meaningfully reduce the GHG emissions. Specifically, Woolworths has set a 2030 GHG scope 1 & 2 emissions reduction strategy in line with a 1.5 degrees Paris Agreement Scenario, as verified by SBTi.	Emissions reduction

Impact Pillar: Environment

Impact Sub-Pillar: Natural Capital



Issuer	Impact Rationale	Measurement
American Water Works Co	American Water Works is connected to the environmental transition, particularly resource (water) efficiency. American Water Works is a U.S. and Canada water utility company primarily devoted to regulated operations. Hence, American Water's activities and investment in water infrastructures (asset renewal and capacity expansion driven by increasing constructive regulatory policies) are considered as a water-efficiency operations.	Litres of water saved through use of products
Ball	By manufacturing aluminium packaging that is infinitely recyclable, Ball Corp is positively contributing to the circular economy. Its beverage containers have a high recycled content (>60% recycled content) and as such, it is helping to reduce the extraction of additional natural resources and is helping to reduce the amount of waste that goes to landfills.	CO ₂ e mitigated through use of recycled products
CarbonCrop	CarbonCrop uses artificial intelligence and remote sensing to make it easy and profitable for landowners worldwide to protect and restore forests. The result is stronger farm economics, less carbon in the atmosphere heating up the planet, and improved climate resilience and biodiversity of our landscapes.	Number of farms using technology; amount of carbon removals on platform
Croptide	Croptide's vision is for every grower to know the nutrient, health and water status of every plant. With water scarcity caused by climate change an increasing problem globally, much higher precision management will become a necessity.	Number of growers using technology
Ecolab	Ecolab provides technologies, services and specialty chemicals in the fields of water, hygiene and energy to a wide range of downstream industries. Ecolab's products and services address resource efficiency and water and energy challenges.	Litres of water saved by firm's products
KMD Brands	Kathmandu (owned by KMD Brands) is a consumer discretionary company focussed on getting consumers into the ocean or the outdoors. We view Kathmandu as one of the global leaders moving an entire industry towards better practices across ethical sourcing, sustainable material choices and modern slavery intervention. Its impact stretches far beyond the health benefits from getting consumers outdoors and active.	Waste diverted from landfill; Packaging made from recycled or recyclable materials; tracking against responsible material use targets
Mueller Water Products	Mueller Water Products helps municipalities deliver clean, safe drinking water and manufactures fire hydrants to ensure safety of properties and life. Its products include water infrastructure and flow control products for use in water distribution networks, water and wastewater treatment facilities, and fire protection piping systems.	Gallons of water saved per year from use of products
Watts Water Technologies	As a provider of a wide range of water and energy efficient technologies, Watts Water is strongly exposed to the environmental transition and need for increased resource efficiency.	Litres of water saved by firm's products; progress on initiatives to provide access to clean water in deprived areas
Xylem	Xylem is a pure player in the water and wastewater sectors, clearly well-positioned within the environmental transition given the secular trend towards improved resource efficiency.	Litres of water saved by firm's products; treatment of water for re-use; provision of access to clean water and sanitation in deprived areas

Impact Pillar: Environment

Impact Sub-Pillar: Resource Sustainability

Issuer	Impact Rationale	Measurement
AGCO	AGCO is well-positioned within the environmental transition to benefit from the secular trend toward more sustainable agricultural practices driven by a growing population's need for substantial increase in food production and the need for more efficient practices given the resource intensity of the sector.	Growth in remanufacturing revenues; growth in precision planting revenues
Ashtead Group	Ashtead increases resource-efficiency & responsible consumption and promotes the circular economy by maximising asset utilisation through an 'inner-loop' equipment rental model. Equipment rental significantly reduces the total cost of ownership for customers vs direct ownership/purchase of equipment. It also reduces life-cycle emissions and facilitates access to new energy-efficient equipment which drives additional emission & energy savings while optimising productivity.	CO ₂ e mitigated through services
Avertana	Avertana's vision is to 'breathe life' into existing industrial waste, replacing more costly and environmentally harmful processes and providing manufacturers with sustainable, "drop-in" raw materials. Our circular economy technology eliminates an existing industry waste stream, avoids new on-purpose resources mining, and has a significantly smaller carbon emissions footprint than conventional processes for the same products. Avertana's primary focus is on waste slag from steel manufacturing. This solid waste, a byproduct of steelmaking, provides the raw material for Avertana's innovative extraction technology. Using chemical processes, Avertana extracts mineral and chemical ingredients from the waste without creating any secondary waste.	Progress on partnerships to use technology to produce TiO ₂ .
Badger Meter	Badger Meter manufactures flow measurement and control products for municipal and utility water/wastewater and several industrial markets. Its products fall into two segments: Utility Water (~80% of revenues) which includes utility water/wastewater flow measurement, control and distribution solutions, and Flow Instrumentation Products (~20%) which includes flow control and measurement solutions for commercial and industrial applications.	Gallons of water saved per year from use of products
Darling Ingredients	DAR is one of the oldest rendering companies in the world and its rendered products are sold as animal feed, food for human consumption, and bioenergy. Additionally, its 50/50 JV with VLO (Diamond Green Diesel, or DGD) produces renewable diesel – a low-carbon diesel replacement that utilises animal fats from the rendering process as feedstock.	CO ₂ e mitigated through use of waste products in manufacturing
Hot Lime Labs	Hot Lime Labs has developed a system to produce clean, renewable CO ₂ from the combustion of wood and agri-waste for large high-tech commercial greenhouses, improving crop yields by 10-20%.	Number of customers using technology
IDEX	IDEX delivers positive impact through its products focused on specialty fluid control (incl. pumps, valves, meters), firefighting & rescue equipment, and paint dispensing machines. These reduce manufacturing waste and its associated emissions, and provide safety, firefighting and rescue solutions.	Manufacturing efficiencies enabled
Keyence	Keyence manufactures precision robotic vision sensors that are primarily used in factory automation. These have notable environmental and social impact by reducing manufacturing waste, improving industrial efficiency and increasing safety in the workplace.	Revenue enabled/saved by factory automation
Mint Innovation	Mint Innovation, a New Zealand cleantech company, has scaled biological process that recovers valuable metals from waste streams. Their first process is a unique biometallurgical approach to recover metals from electronic waste. A key aspect of the Mint process is the use of proprietary microbes that are selective for specific metals. Combined with the advantages of low-cost chemistry, they aim to make it viable, both economically and environmentally, to capture value from e-waste near its point of collection.	Progress on prototype plants; amount of green metal salvaged

Issuer	Impact Rationale	Measurement
NewFish	NewFish's purpose is to reimagine New Zealand's seafood to replenish our relationship with the ocean. The business is creating entirely new products to delight customers, solve food waste problems and save time. NewFish wants to instigate positive change by bridging timeless food traditions with new technology and the imperative of improving the sustainability of our global food system.	Take up of NewFish products as alternative to less sustainable seafood
Nilo	Nilo technology enables all plastics, including those not currently recyclable (ocean, landfill, bio/medical, post-industrial, dirty) to be converted into raw materials and combined with other waste streams to create a diverse range of products with wide ranging applications.	Waste redirected from landfill and put into Nilo product. Number of customers using Nilo products.
TOMRA Systems	TOMRA Systems manufactures reverse vending machines for automated collection of used beverage containers. It enables the circular economy and reduces emissions from waste management by promoting post consumer waste collection and recycling.	CO ₂ e mitigated through use of products
Trex Co	Trex manufactures wood-alternative decking and railing products for residential real estate that are 95% made of reclaimed & recycled product content, thus reducing waste.	CO ₂ e mitigated through use of recycled products
Unilever	Unilever is well-positioned within the governance transition, primarily within the sustainable consumption theme. The company has set ambitious goals with regards to sustainable development and has in place adequate measures to achieve these goals, including strategies related to the sourcing of sustainable raw materials, sustainable packaging, positive nutrition, and human rights through the value chain.	Commitment to deforestation free supply chain, sustainable crop sourcing, and regeneration of land, forests and oceans
Zincovery	Zincovery delivers low cost and environmentally friendly solutions to industry. Its first technology can effectively recycle a zinc contaminated waste acid produced by the galvanised steel industry. Next year the company will enter the New Zealand market with the aim of making New Zealand galvanisers the first zero waste galvanising industry.	Kilograms of zinc recovered from furnace dusts; patents backing technology

Impact Pillar: Social

Impact Sub-Pillar: Social Inclusion



Issuer	Impact Rationale	Measurement
AIA Group	AIA delivers significant social impact by providing a financial safety net for its >41m individual policyholders and >17m group insurance scheme members across life, accident & health, savings and employee benefits products. As the largest life and health insurer in Asia, AIA can help people “live healthier, longer, better lives” at unparalleled scale. Across Asia there is an estimated health protection gap of \$1.8tn – in dollar terms this is largest in mainland China at >\$800bn. AIA makes a substantial contribution to providing a financial safety net to mitigate out-of-pocket and unaffordable medical expenses, helping to support health & wellbeing.	Individual policies and members covered by group schemes
APM Human Services International	APM is new to the portfolio this year and is a service provider of human services across employment services; health & wellbeing; communities & assessments; and disability & aged care support services. This means providing support to many of society’s most vulnerable and the company grew out of disability services. APM can point to objective outcome-based performance data that they are able to deliver improved long-term outcomes for programme participants relative to peers.	Government-issued outcome-based ratings of providers like APM of their delivery of disability and employment services for sustained positive employment outcomes. Ratings for some services are currently suspended as programmes are redesigned, and only the first batch of new data is now available.
Asian Development Bank Gender Bonds	Proceeds of ADB’s gender equality bonds are used to fund projects related to the health sector, directly or indirectly, or investments in private sector health projects. Since 2022, ADB’s health pipeline has shown a shift from procurement of key pandemic-era commodities, including vaccines, toward investments into long-lasting systems and assets such as national centers for disease control, health workforce training institutions, and new or refurbished health facilities at primary and secondary care levels.	Number of skilled jobs for women generated
Bright Horizons Family Solutions	Bright Horizons delivers impact through reducing discrimination as it provides childcare for working parents and back-up care for dependents of all ages. Childcare back-up accounted for 74% of revenues in 2022, while back-up care accounted for another 20%. The remaining 6% of revenues comes from an educational advisory service that offers workforce education, tuition assistance, loan repayment and college admissions and educational advising services.	Capacity for number of children enrolled in centers, and number of centers operating
Credit Agricole	Crédit Agricole is positively exposed to the demographic transition growth drivers through aging European populations’ need for savings through insurance and asset management products. Credit Agricole is also assisting in financing the environmental transition through its commitment to provide sustainable investment and banking products through its asset management segments, lending operations, and significant role in the green bond markets.	Savings products provided to demographics
Estee Lauder Cos	Estee Lauder is well exposed to the demographics transition, in particular the rising middle class in emerging countries as well as certain generational shifts. As the middle class in emerging markets becomes wealthier, there is increased demand and increased focus on skincare. This is particularly the case in Asia Pacific. There is also a global generational shift toward increased focus on skincare.	Amount invested/donated into social initiatives to help reduce inequalities;

Issuer	Impact Rationale	Measurement
Housing NZ Bonds	Kāinga Ora is the largest residential landlord in New Zealand, housing nearly 200,000 people in its almost 72,000 properties across New Zealand. Kāinga Ora, via subsidiary Housing NZ (the bond's issuer) is currently facing a significant asset renewal and realignment requirement. The average house age is approximately 45 years and around 45,000 homes will require renewal or replacement over the next 20 years. Housing NZ's bonds are sustainability bonds, meeting both green and social criteria, but are dubbed 'wellbeing bonds' consistent with NZ Government's 'wellbeing' framework.	Additional people housed; Homes retrofitted; Facilities modified for mobility/intensive support
IDP Education	IDP is a pioneer in international education services, on a mission to build the world's leading platform and connected community to guide students on their journey to achieve lifelong learning and career aspirations. This is achieved through having significant student (and their families) counselling services, largely in emerging markets, to help guide students to make the most appropriate choices for tertiary studies. Additionally, IDP provides the world's leading high-stakes English language test as the co-owner and distributor of the IELTS test. This test is recognised by most leading universities and is an entry requirement for non-native English-speaking students.	Student placement numbers by destination and source country. Tracking of the Chennai programme (see Social Inclusion)
International Bank for Reconstruction and Development Bonds	The International Bank for Reconstruction and Development (IBRD) is the World Bank's lending arm for governments in developing countries. The IBRD's Sustainable Development Bonds fund a combination of green and social projects and activities in member countries. Each project is designed to achieve impacts in line with the World Bank's twin goals of eliminating extreme poverty and promoting the Sustainable Development Goals.	mtCO2e avoided/reduced; People with access to improved water sources
Legal & General Group	Legal & General is positively exposed to the demographic transition, which is driving the demand for secure savings through asset management and insurance products like annuities for aging populations in the UK, US, and Europe. The uncertainty and insufficiency of social security pensions increases the need for retirement savings from private sources and pushes older cohorts to continue saving and minimise income risk through annuity-type products. LGEN also has some (limited) committed exposure to the environmental transition through L&G Capital's long-term investments in clean energy and other green projects.	Education and products provided to different demographics
NWB Bonds	NWB is the bank of the Dutch public sector. The proceeds of the sustainable bonds are used to finance social housing associations in the Netherlands. These organisations provide social and affordable housing to people with low incomes, or with special needs, who have difficulty accessing dwellings on the market.	New social dwellings
Visa	Visa's contribution is driven by advanced diversity practice with women representing more than 30% of the executive committee. The company is committed to foster an inclusive working environment: with trainings, pay equity, quarterly diversity metrics dashboard.	Diversity in employees and executive board.



Impact Pillar: Social

Impact Sub-Pillar: Thriving Communities and Infrastructure

Issuer	Impact Rationale	Measurement
Adobe	Adobe is strongly positioned within the technology transition as a diversified software company providing tools and solutions that enable individuals, small and medium businesses, and enterprises to create, promote, and monetize their digital content. Its flagship product Creative Cloud, a subscription service, allows customers to install the latest versions of its creative products. Adobe enables other companies to thrive online, is great for digital transformation, and allows for reductions in water, paper and energy use compared to physical solutions.	Number of digital content platform users
Adyen	Adyen is well exposed to the technology transition as a significant beneficiary of secular trends towards electronic payments and ecommerce. Adyen is a technology company redefining payments for merchants globally. It has built a single platform that enables the acceptance and processing of cards and local payments globally across its merchants online, mobile and point of sale ("POS") channels. Adyen's global platform has integrated and simplified the payments value chain, enabling it to partner with large merchants to rapidly scale their businesses both locally and globally.	Number of SMEs and entrepreneurs on platform.
Aptiv	Aptiv is a global technology and mobility company serving the automotive sector. It designs and manufactures vehicle components and provide electrical, electronic and active safety technology solutions to the global automotive and commercial vehicle markets, creating the software and hardware foundation for vehicle features and functionality. This activity addresses automation themes through active safety and connected cars sub-themes.	Number of vehicles with safety componentry provided by Aptiv
ASML Holding	ASML creates impact through its lithography equipment, which is responsible for a critical step in semiconductor manufacturing and thus enables downstream semiconductor innovation. ASML has 100% market share in Extreme Ultra Violet lithography equipment, which is needed to make leading edge chips with superior energy efficiency. The equipment delivers unmatched levels of precision that enables semiconductor manufacturers to create high performance chips capable of delivering new frontier efficiency.	Energy saved through use of products
Axis Bank	Axis Bank is a large private sector bank in India looking to increase financial inclusion in India with retail & SME customers accounting for 68% of the loan book. The bank's lending to these sectors helps enable economic growth and reduction in financial inequalities. The bank also has a growing green lending business as it looks to provide finance to help decarbonise the Indian industry.	Jobs supported through SME lending
Bank Central Asia Tbk	Financial inclusion remains low in Indonesia. In 2021, penetration of financial institution accounts (50%) and debit/credit card ownership (35%) was below that of the East Asia & Pacific averages (64%/50%). Bank Central Asia is helping to close this financial inclusion gap, reduce financial inequalities and enable economic growth in Indonesia with a large exposure to microfinancing, retail and SME lending. The bank is also at the forefront of sustainable finance in East Asia with a growing sustainable finance portfolio.	Jobs supported through SME lending
BDO Unibank	Financial inclusion remains low in the Philippines. In 2021, penetration of financial institution accounts (46%) and debit/credit card ownership (30%) was below that of the East Asia & Pacific averages (64%/50%). BDO Unibank is helping to close this financial inclusion gap, reduce financial inequalities and enable economic growth in the Philippines with a large exposure to retail and SME lending. The bank is also at the forefront of sustainable finance in East Asia with a growing sustainable finance portfolio.	Lending to individuals and SMEs

Issuer	Impact Rationale	Measurement
Capitec Bank Holdings	Capitec are a large private sector bank in South Africa looking to increase financial inclusion with 100% of their loan book comprised of retail and SME customers. The bank's purpose is to make banking simpler, more transparent and affordable to help people and businesses improve their lives.	Lending to individuals and SMEs
Chailease Holding Co	Chailease aims to improve access to and use of responsible financial services for historically underserved populations such as SMEs across Taiwan, Mainland China and ASEAN. In assisting SMEs, the bank is helping reduce financial inequalities and enable economy growth in Taiwan and other regions.	Jobs supported through SME lending
eBay	As an ecommerce platform for c2c and b2c sales services, eBay is well exposed to the technological transition and the digitalisation of the economy. Additionally, eBay is exposed to trends such as sustainable consumption through the sale of non-new goods.	Positive economic impact created by eBay's sellers and buyers through selling pre-loved and refurbished items on eBay; funds raised through 'eBay for Charity' programme;
Ebos Group	EBOS is the largest and most diversified Australian wholesaler, distributor and marketer of healthcare, medical and pharmaceutical products. The products and services positively impact large numbers of people and patients every day across Australasia, including being a preferred distributor of Covid-19 and influenza vaccines. EBOS runs multiple initiatives to improve outcomes for vulnerable patients, with one example being drone deliveries of critical medicines into hard-to-reach areas (if, say, they have been cut off by storms).	Volume of prescribed medicines; number of medical devices distributed; and number of vaccines administered.
Fortinet	Fortinet delivers impact by providing network security to SMBs, enterprise, and telecom service providers to prevent cybersecurity/ransomware attacks. Fortinet is a leader in the firewall submarket within cybersecurity, specifically micro-segmentation which layers mini firewalls within a network to contain potential breaches. FTNT is building a comprehensive approach to a security platform called Security Fabric. Through Security Fabric, FTNT intends to lead the upcoming security consolidation.	Ransomware variants stopped and zero-day threats discovered
Goodman Property Green Bonds	Goodman Property Trust is an Auckland-focused industrial property company. Goodman's green bonds are supported entirely by new development. Goodman's sustainability policy dictates that new builds will be carbon neutral with offsets purchased equal to the building footprint that cannot be eliminated with design choices.	5 or 6 Green Star buildings built. (buildings financed by the green bonds).
HDFC Bank	HDFC is a leading financial services company which is increasing financial inclusion in India with retail & SME customers accounting for 66.7% of the loan book. The bank's lending to these sectors helps enable economic growth and reduction in domestic and international financial inequalities with c. 240 million adults in India remaining unbanked. The bank is also contributing to India's economic growth by supporting and enhancing investment and infrastructure lending to governments and private entities.	Jobs supported through SME lending
HDFC Life Insurance Co	As the third largest life & health insurer in India, HDFC Life Insurance delivers impact by helping narrow the insurance protection gap (>80% in India according to Swiss Re data) through its life and health insurance products. The company's impact is broad-based both in terms of product type (products across savings, retirement, protection & health) and geographic reach (498 branches, c.300 distribution partners, 179,435 agents).	Individuals insured
HubSpot	Hubspot delivers impact with financial inclusion and SME enablement by providing SaaS Marketing and CRM applications (i.e., Blogging, SEO, Social Media, Email Marketing Automation, SFA, Lead nurturing) to SME customers across a range of verticals, allowing them to serve new markets and grow their businesses at a faster pace. Hubspot has a 'freemium' model, maximising accessibility to their products.	Progress reported against Business for Social Impact (B4SI) frameworks from 2024; partnership with Howard University to fund the creation of a Center for Digital Business.

Issuer	Impact Rationale	Measurement
Intuit	Intuit promotes financial inclusion with products oriented toward personal finance solutions and supporting SMEs. Specifically, Credit Karma meaningfully helps consumers improve their FICO scores and Intuit software reduces cost of access of financial products and access to SMEs.	Number of customers, specifically personal finance and SME
Kanzhun	Kanzhun creates impact by delivering an innovative online direct recruitment model which enables more efficient and inclusive recruitment in China. The platform is designed to democratise and simplify the recruitment process - enabling companies, including SMEs, to access a wider pool of candidates.	Verified users - enterprises and individual job seekers
KBC Group	KBC is a bank-insurer specialising in local financing with a focus on private clients and small and medium-sized enterprises (SMEs). They offer payments, insurance, asset management products, loans, and have a focus on sustainable mortgages and SME lending in local communities. KBC has been identified as a CSR leader and is well addressing the issue of product transparency and customer responsibility by dealing with delinquency management and responsible sales practices.	Financing contributing to social objectives. Uptake of financial literacy program.
Macquarie Group	Macquarie has evolved to become the global leader in financing the transition to clean energy via its Green Investment Group division. It is currently funding over 300 renewable energy projects with a combined capacity over three times New Zealand's total output. Macquarie has become increasingly active in newer areas including floating solar and wind projects, converting waste to energy, digital emission tools for farmers and hydrogen-powered buses and trucks.	MW renewable energy generation capacity funded
Mastercard	Mastercard benefits from the technological transition and is a driver of the future of financial systems and digitalisation of payments. MC will also benefit from the rising middle class in developing markets with growing demand for payment systems as people start businesses and have more wealth but limited access to traditional brick-and-mortar banks.	Usage of systems in developing economies.
Microsoft	Microsoft contributes to the SDGs through their advanced human capital policies and practices, benefiting both their employees and suppliers, as well as through their active support to diversities.	Progress against 2020 Racial Equity Initiative goals (target 2025); progress in gender and disability representation and pay equity
MSA Safety	MSA safety is a pureplay manufacturer of safety equipment. Products include self-contained breathing apparatus, fixed and portable gas and flame detection systems, industrial head and fall protection equipment and firefighter helmets and protective apparel.	Workers protected by use of products
NU Holdings	Nubank is a Brazilian fintech aiming to increase financial inclusion across Latin America to help empower individuals and SMEs in their daily lives.	Banking and credit card fees saved by customers
NVIDIA	As a fabless semiconductor company specialising in the design of visual computing solutions, NVIDIA is very well-positioned to benefit from the technology transition, particularly themes related to artificial intelligence and automation.	R&D spend
OneMain Holdings	OneMain Holdings offers auto loans and personal loans primarily to non-prime customers who have limited access to credit. OMF's emphasis on financial advancement and success for customers (every customer gets a personalised budget plus access to financial literacy resources) differentiates it from other lenders targeting underserved communities and helps reduce financial inequalities within the United States. There are plenty of lenders willing to give out loans to underserved consumers because they can charge extraordinarily high rates, but OMF's embedded budgeting process and determination of an ability to pay is what makes it more of a mission-oriented lender.	Loan and credit card balances provided to underserved communities
Pacific Edge	Pacific Edge is a cancer diagnostics company that provides a test for bladder cancer that is more accurate, cheaper and less intrusive for the patients than existing tests.	Volume of tests delivered

Issuer	Impact Rationale	Measurement
Precinct Property Bonds	Precinct is a high-grade office property company that utilises the ground floors of its prime locations for specialty retail and food & beverage offerings. It is NZ's largest office landlord and the owner of NZ's largest building, Commercial Bay. Per Harbour's REIT impact criteria, Precinct's green bonds support significant new development built to a high environmental standard; the current development pipeline is all being built to a Greenstar 5 Star standard.	5 or 6 Green Star buildings built. (buildings financed by the green bonds).
Roper Technologies	Roper is well-exposed to the Technology transition in numerous ways and is well-positioned to benefit from underlying themes such as automation, digitalisation, A.I. through its diversified business model. Roper Technologies' industrial products such as water metering and production software are used to increase efficiency and resource use in its customers' manufacturing processes.	Health systems, hospitals, and private laboratories served
SAP	SAP operates as an enterprise application software and database company worldwide and is strongly exposed to the Technology transition through offerings connected to cloud computing, smart software and IT consulting.	Number of product users; progress in social initiatives;
Sekisui House	Sekisui House is well-positioned to benefit from the trend toward green and efficient buildings. Sekisui has been committed to increasing the availability of disaster-resistant and environmentally friendly housing products by promoting sales of houses incorporating "SHEQAS", their proprietary seismic vibration absorption system and "Green First Zero" houses equipped with photovoltaic power generation and fuel cell systems.	Efficiency improvements in homes sold.
Shopify	Shopify's cloud based commerce platform enables SMEs to set up online businesses, accept payments and compete online in an increasingly fragmented and multichannel retail landscape, enabling economic growth and financial inclusion	Value of transactions processed through platform, enabling economic activity
Synopsys	Synopsys delivers impact through innovation and advanced node chip manufacturing which is a major driver of global technology advancement, allowing for better outcomes in healthcare (e.g. compute power for R&D, chips in healthcare technology), climate (e.g. adoption of cloud and EVs), connectivity, education, and financial inclusion, among others. SNPS are the market leader in electronic design automation (EDA), the technology used to design semiconductor chips and systems, and #2 in semiconductor IP, the reusable building blocks that lower customers' chip design costs and time to market.	R&D spend
Taiwan Semiconductor Manufacturing Co	TSMC creates impact through continuous innovation in semiconductor manufacturing that enables production of leading edge chips which, in turn, can be used in a wide variety of sustainable applications and enable downstream energy efficiency. The company has been instrumental in semiconductor innovation for 30 years and is the partner of choice for advanced node chips with over 60% capacity share. The impact thesis is centered on the role of semiconductor innovation for energy efficiency, existing sustainable applications (EVs, renewable energy, 5G) and future sustainable innovation through AI.	R&D spend. Market share.
uTecture	uTecture™ empowers you to design and deliver dream homes with digital efficiency and experience in markets around the globe. uTecture™ is what dreams are made of. A groundbreaking new cloud-based digital residential building platform that empowers you with dynamic design presentation, documentation and workflow management in one.	CO ₂ e avoided by provision of services
Verizon Communications	Verizon is directly exposed to the technology transition, including interconnectivity and digitalisation themes, and as an infrastructural backbone it facilitates the broader Technology transition.	Innovation in infrastructure. Social initiatives around Digital Inclusion.

Impact Pillar: Social

Impact Sub-Pillar: Wellness



Issuer	Impact Rationale	Measurement
Agilent Technologies	By end market, Agilent's impact is most significant in healthcare which accounts for c.59% of group revenues. Agilent delivers significant impact here by a) accelerating the development of biopharma products, b) bringing state-of-the-art diagnostics to patients and c) advancing understanding of diseases to enable new breakthroughs in human health. Within Dx & Clinical, the company's additionality is particularly significant in its pathology business. Here, Agilent is a leading player in cancer diagnostics & helps direct cancer therapy through its approved companion diagnostics for MRK's Keytruda and BMY's Opdivo. Within pharma, cell analysis & nucleic acid solutions support some of the most cutting-edge areas of therapeutic development.	Customers served across different business segments
Asian Development Bank Health Bonds	Since 2022, ADB's health pipeline has shown a shift from procurement of key pandemic-era commodities, including vaccines, toward investments into long-lasting systems and assets such as national centers for disease control, health workforce training institutions, and new or refurbished health facilities at primary and secondary care levels.	Health services established or improved.
AstraZeneca	AZN's approved medicines deliver impact for >105m patients annually across >130 countries in its core therapy areas. The company has particular strength in oncology – this therapeutic area accounts for 35% of group revenues today and 47% of AZN's late-stage development pipeline projects. Nearly 20m people are diagnosed with cancer annually and it is the second leading cause of death worldwide. Going forward, AZN's partnership with Daiichi Sankyo to develop and commercialise antibody drug conjugates could significantly improve cancer therapy – Enhertu, the first approved product from the partnership, is already approved for several indications and is transformational for breast cancer patients.	Healthcare R&D spend
Becton Dickinson & Co	The "Durable Core" of BD's business consists of products and solutions that form the backbone of healthcare worldwide – this includes products such as collection tubes, catheters and syringes. In supporting effective treatment, these products create meaningful impact for patients – BD's Durable Core touches 90% of people treated in U.S. hospitals. BD's "Transformative Solutions" are the main focus of the company's R&D efforts, seeking to improve chronic disease outcomes, enable care to shift into new settings to improve outcomes and improve healthcare processes through connected care.	Market share in US hospital core products
CSL	CSL is the largest healthcare company in Australasia with a true global presence, reaching patients in over 100 countries. CSL is developing and delivering high-quality medicines to treat people with rare and serious diseases. It also has the world's largest influenza vaccines company and more recently has entered kidney health through the acquisition of Vifor Pharma, a global leader in iron deficiency and iron deficiency anaemia therapies.	Number of new product registrations for serious diseases; Number of significant target launch dates.
Daiichi Sankyo Co	Daiichi Sankyo's impact thesis is predicated on the transformative potential of the company's world leading antibody drug conjugate technology platform, which could be a game changer for cancer therapy even beyond successful trials with Enhertu. 75% of all breast cancer patients have HER2-low or HER2-positive disease – Enhertu is the new standard of care for these patients who have previously treated metastatic disease. This product generates significant impact for patients, delaying disease progression and extending survival in its approved indications. Daiichi is seeking to further grow its impact by expanding into earlier lines of therapy and different cancer types with its ADC platform (Enhertu, Dato-DXd & HER3-DXd).	Number of cancer patients treated with Daiichi Sankyo treatments

Issuer	Impact Rationale	Measurement
Danaher	Danaher's largest three divisions (biotechnology, life sciences and diagnostics) help its customers to create substantial impact for patients by solving complex challenges related to human health. Within biotechnology and life sciences, DHR tools and services help accelerate the development of biopharma products and improve scientific understanding of the causes of disease to power drug development. DHR's additionality is particularly significant in bioprocessing (~25% of group revenues) – Danaher has the broadest bioprocessing offering in the industry with end-to-end solutions across all major therapeutic modalities.	Number of new therapies approved by companies that have used Danaher products in R&D
DSM-Firmenich	DSM-Firmenich's F&B business aims to provide nutritious products using sustainable ingredients, whilst its Health, Nutrition & Care segment focuses on nutrition and certain medical solutions, both of which improve health. Additionally, its animal nutrition & health segment aims to transform animal farming to become more sustainable by improving animal health, reducing food waste, reducing emissions, limiting antibiotics and generally being more efficient.	Number of customers using plant-based and immunity-supporting products
Edwards Lifesciences	Edwards Lifesciences is the global leader of patient-focused medical innovations for structural heart disease and critical care monitoring. Driven by a passion for patients, the company is dedicated to improving and enhancing lives through partnerships with clinicians and stakeholders across the global healthcare landscape.	Number of patients treated with transcatheter technologies
Eli Lilly & Co	Eli Lilly's portfolio of approved products drives impact for c.51m patients worldwide across >100 countries today. The company has particularly significant impact in diabetes, a disease affecting >400m and resulting in 1.5m deaths annually worldwide. LLY's product portfolio helps improve disease management for both type 1 and type 2 diabetes patients. The impact thesis hinges on the company's ability to further grow its impact in diabetes and to address obesity with a new class of GLP-1 agonists, which could generate substantial impact while also helping to support substantial healthcare system savings due to the range of co-morbidities associated with these conditions.	Number of patients treated
EssilorLuxottica	Essilor benefits from the demographics transition, primarily from an aging population as well as a rising middle class in emerging countries. An aging population increases demand for preventative and corrective ophthalmic technologies, including reading glasses and other corrective lenses. Additionally, as the middle class in emerging markets becomes wealthier and increasingly educated, there is more awareness of and demand for medical care they can now afford.	Access provided to vision care through OneSight EssilorLuxottica Foundation; Revenue from eyecare solutions; Efficacy of solutions
Evotec	EVT's outsourcing model creates impact by helping pharma/biotech companies remove fixed costs, mitigate risk and accelerate innovation ("the autobahn to cures"). Against an industry backdrop of reduced R&D productivity, EVT reduces the time and costs vs. conventional in-house processes by 30% and 50% respectively	Amount of time saved by customers due to outsourcing processes to Evotec
Hamamatsu Photonics	Hamamatsu Photonics creates impact by supporting diagnostics, factory automation and safer road transportation. Specifically, the company makes optical sensors for a variety of end applications, namely healthcare (57%), industrials related to semiconductor and factory automation (~35%) and improving safety in driving through LiDAR components in self-driving cars (currently 3% but growing).	Healthcare R&D spend
HeartLab	HeartLab is transforming cardiology with AI, helping doctors diagnose and treat heart disease. HeartLab's technology enables doctors to extract significantly more information from an echocardiogram, the ultrasound test used to examine a patient's heart structure and function. It also automates the repetitive and time-intensive tasks associated with taking measurements from these tests, dramatically speeding up the time needed by doctors to interpret the results, which is currently around 20 minutes for each test.	Number of customers using technology; number of scans going through system

Issuer	Impact Rationale	Measurement
Intuitive Surgical	As the global leader in robotic-assisted, minimally invasive surgery, Intuitive Surgical delivers substantial impact in healthcare by raising the quality of surgery and levelling the playing field of surgical ability. The company's da Vinci surgical robot helps reduce surgical complications and ultimately drive better outcomes for patients. To date, >12m procedures have been performed using da Vinci systems and the company has deepened its impact by expanding into a range of surgical specialties after initially launching da Vinci in a urological indication. The penetration of robotic surgery remains extremely low (<5%) – Intuitive therefore has a substantial runway to grow its impact over time.	Number of procedures performed using robotic systems. Number of lives extended through use of robotics systems in surgery.
Kerry Group	Kerry Group is directly exposed to the healthier eating / product reformulation theme – it offers ingredients like texturants, flavours, proteins, enzymes and acidulants as well as value-add ingredients like food protection and probiotics for digestive health and fortification.	Number of people reached with positive and balanced nutrition solutions
Metlifecare Bonds	With around 6,900 residents spread across its 36 villages in almost 5000 independent living units and nearly 1500 care beds/units, Metlifecare is one of NZ's largest retirement village owners, operators and developers. Metlifecare's bonds are issued under its sustainable finance framework and are backed by green buildings and social assets including specialist dementia care facilities and hospital level care. Increasing the number of dementia care beds in Metlifecare's portfolio six-fold within five years, and making all of Metlifecare's portfolio dementia-friendly as accredited by Alzheimers New Zealand.	Number of dementia care beds provided
Novo Nordisk	Novo Nordisk is uniquely positioned to deal with unmet medical needs of chronic diseases and health issues such as diabetes and obesity.	R&D spend; number of diabetes patients treated with company's products; number of patients reached through access and affordability initiatives
Sartorius	Sartorius' products are used by the biopharma industry to make R&D and production processes more efficient, enabling advanced therapeutics to reach the market faster. The company's bioprocessing portfolio focuses on all major steps in the manufacture of biopharmaceuticals across upstream and downstream processing – its focus on single-use technology reduces the risk of cross-contamination, offers greater manufacturing flexibility and lowers costs for clients.	Healthcare R&D spend
Stryker	Stryker's portfolio of medical & surgical, neurotechnology, orthopaedics & spine products help deliver substantial impact for > 130m patients annually by supporting more precise, safe and (cost) efficient delivery of care.	Number of patients served by Stryker products
Symrise	Symrise is a key player enabling the consumer industry towards "better-for-you" and healthy-living products with strong exposure to renewable and natural raw materials.	Revenue from healthy living products
Takeda Pharmaceutical Co	Takeda is a global pharmaceutical company with a research and development focus on gastroenterology, oncology, central nervous system, and vaccines. Thus, Takeda's products and pipeline address some of the most important global health challenges and medical needs.	R&D spend; progress on research;
Terumo	Terumo is a solution provider for a demographic shift to an aging population in developed countries. The company benefits from secular trends toward less invasive catheter process which is growing in the US and Europe.	R&D spend
Thermo Fisher Scientific	Thermo Fisher Scientific delivers significant impact in healthcare by enabling biopharma innovation & life sciences research and advancing precision medicine. TMO acts as a "one stop shop" for its biopharma clients seeking to develop new therapeutics, providing both products and outsourcing services that span the entire spectrum of drug development and manufacturing.	Number of patients treated with therapeutics developed/ manufactured using Thermo Fisher products
Toku Eyes	Multi-modal Artificial Intelligence Platform for instant diagnostics, personalised prognostics and general health risk assessments, using retinal images. Toku Eyes' non-invasive comprehensive screening test can screen for over 10 health conditions in 10 seconds, including cardiovascular disease and blindness, two high risks for anybody living with diabetes.	Number of customers using technology

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UnitedHealth Group	As the largest U.S. health insurer, UNH delivers meaningful impact by providing a financial safety net to its enrollees across commercial & community/senior and facilitating access to healthcare. UNH's impact thesis is supported by 1) The largest presence of any MCO (managed care organisation) in Medicare Advantage by enrollee share - UNH therefore plays an important role in covering the healthcare needs of seniors; 2) Strength in value-based care, which can help drive improved patient outcomes and lower costs; and 3) A focus on technology which enhances the company's ability to deliver more effective care.	Number of customers receiving care
Veeva Systems	Veeva delivers impact through its portfolio of R&D solutions & Veeva Vault cloud platform for life sciences companies. Only 10% of drugs move from phase I trials to commercialisation and the average cost of developing a drug is >\$2.5bn for biopharma companies. VEEV's software helps streamline product development processes, increase operational efficiency and maintain regulatory compliance. No single vendor offers products that compete with all of Vault's applications - i.e. in eliminating manual processes & siloed systems it has significant impact supporting life sciences companies to bring innovation to patients faster.	Commercial customers served
Volpara Health Technologies	Volpara Health is a breast cancer diagnostics company that provides leading breast density screening imagery, using advanced artificial intelligence and a significant tissue-density database to improve detection of high-risk patients.	Number of patients helped; number of images taken.
Zoetis	Zoetis derives c.65% of its revenues from products used for companion animals (principally dogs and cats). More than half of the global population is estimated to have a pet at home and there are 500m dogs and cats in the US, EU and China. In keeping pets healthy, Zoetis creates impact by helping to support the range of second degree therapeutic, physiological and psychological benefits for humans that are associated with pet ownership. In livestock (c.35% of revenues), over 20% of animal production losses are linked to animal disease. Zoetis can therefore help create significant impact by improving disease prevention and treatment, improving animal health and ultimately supporting improved food system efficiency, food security, and lower GHGs per unit of food produced.	Revenue linked to animal health care





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