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What is *your* total impact?

Nomura Asset Management Malaysia Sdn Bhd

Nomura Global Shariah Sustainable Equity Fund
Impact Report 2024

The data provided in this report covers the period January until December 2024. In certain cases where companies had yet to report 2024 data, we have used data from the prior year. The content and data in this report were correct as at December 2025 and have not been updated since.

For your reference, the following definitions will be used throughout this document:

"NAM Group" "NAM" "Our" "We"	These references relate to the whole Nomura Asset Management organisation and will generally be used when referring to matters such as investment philosophy, style, company structure and other policies which are consistent across the Group.
"NAM Tokyo"	This refers to Nomura Asset Management Co., Ltd., the Head Office of the NAM Group based in Tokyo, Japan.
"NAM UK"	This refers to Nomura Asset Management U.K. Limited, the UK based subsidiary of NAM Tokyo.
"NAMM"	This refers to Nomura Asset Management Malaysia Sdn Bhd, the Malaysia based subsidiary of NAM Tokyo.

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Introducing the Global Shariah Sustainable Equity Fund

The Nomura Global Shariah Sustainable Equity Fund (GSSE) is a concentrated global equity strategy that seeks to deliver strong risk-adjusted returns through investing in companies that the team believes may have high overall positive impact on all stakeholders (meaning the environment, society, customers, suppliers, employees and investors). In keeping with the team's investment philosophy, the strategy has a strong bias towards quality companies and seeks to avoid investing in companies the team believes to cause significant harm to any environmental or social objective of the strategy. The strategy capitalises on Nomura's successful core global equity investment platform and its track record of considering double materiality*.

*Considering investee companies' influence on environment and society in addition to financial impact of environmental and/or social factors on investee companies.

The team focuses on individual stock selection with an emphasis on the timely purchase of a select number of high quality businesses trading below their intrinsic values. It implements a unique, collegiate stock selection process combined with proprietary 'Total Stakeholder Impact' framework and UN Sustainable Development Goals (UN SDGs) analysis.

Introducing the Team

Portfolio management of the strategy is led by Leslie Yap, who is based in Kuala Lumpur. The portfolio manager is supported by a team of investment professionals based in Malaysia and UK. The fund has appointed Nomura Asset Management U.K. Limited as the investment adviser.

Leslie Yap, CFA

Lead Portfolio Manager of the Nomura Global Shariah Sustainable Equity Fund

Leslie Yap has been the Managing Director and Country Head for Nomura Asset Management Malaysia since November 2021. He has been serving as the Head of Investments (Malaysia) since April 2015. Leslie joined NAM Malaysia in December 2007, overseeing the global equities team in Malaysia and responsible for the investment management of global developed markets equities (ethical and Shariah-compliant listed equities). Leslie is a CFA Charterholder and holds a Bachelor of Engineering in Manufacturing and Operations Management from the University of Nottingham in United Kingdom.

Tien Zhuen Lee

Portfolio Manager, Nomura Asset Management Malaysia

Tien Zhuen Lee joined Nomura Asset Management Malaysia as an investment executive in November 2020. Tien Zhuen focuses on Consumers, Industrials and Japan market. Prior to joining the company, he gained investment research experience with the incorporation of ESG factors through internships at Riverwater Partners LLC in the United States. Tien Zhuen graduated with a Bachelor's degree in Finance, Investment, and Banking at University of Wisconsin – Madison and is a CFA Charterholder.

Richard Kruse

Lead Portfolio Manager

Richard has been with Nomura Asset Management U.K. Ltd since 2008 and has 28 years of experience in the financial service industry. He was an equity analyst covering Global Financials before becoming a portfolio manager in 2014. Since 2024 he is the Head of Equity Investments for the NAM UK Global Equity Team. Richard is the Lead Manager for NAM Global Attractive Dividend Fund, as well as supporting the Global High Conviction and Global Quality Select strategy. Richard holds an MBA from INSEAD, a MA in Business from University of Bochum and is holder of IMC.

Daniela Dorelova

Sustainable Investment Specialist

Daniela joined Nomura Asset Management U.K. Ltd. in 2017 as part of the Risk and Performance team, and in January 2021 transferred to the Equity team as the Sustainable Investment Specialist and Global Utilities analyst. Daniela holds a Bachelor's degree in Financial Economics (Richmond the American International University in London) and is a CFA Level III candidate.

Note: Years of experience as at 31/12/2025.

Introduction

The purpose of this report is to provide transparency and in-depth detail on the Nomura Asset Management Malaysia Sdn Bhd (NAMM) Global Shariah Sustainable Equity team's approach to assessing the positive impacts that Shariah-compliant individual holdings are having and the impact the team are striving to have through engagement. The report is produced on a best efforts basis noting that "impact" reporting within the large public company space remains in a relatively early stage. Whilst the team recognises the limitations of measuring and disclosing impact due to limited standardisation of data and the lack of granular level of data for certain companies, it is our strong belief that disclosing what we believe as impact is important to shift the mind-set of investors towards impact.

Any references to 'we / us / our /ours' etc within this document refer to only the Nomura Asset Management's Global Shariah Sustainable Equity (GSSE) Strategy.

Foreword

2024 saw a significant acceleration of the anti-ESG movement which was further fuelled with Trump's re-election into office towards the end of the year. Thus creating the 'perfect storm' for the investment and sustainability case of our Global Shariah Sustainable Equity (GSSE) strategy, posing questions on both the near term and longer term pace and ability to drive positive change.

On a macro level, despite the ESG backlash defining most of the year, continued progress was made in high priority areas. The team notes steady progress in 2024 on most of the global KPIs we track in relation to the six Impact Goals the GSSE strategy has set out to achieve. For example, we saw a record growth in global renewables generation output, which increased over 10% YoY in 2024. In addition, the World Bank reported a steady increase in people of low-income gaining new access to basic financial services and in particular 40.6% of women in the low-income group now having access to an account at a bank or a similar financial institution. In water access, the number of people across the globe without access to basic drinking water fell below 700 million to 696 million in 2024, despite steady population growth. Throughout the year, we also observed a decreasing trend of deaths linked to diabetes and heart disease (non-communicable diseases closely linked to obesity). There are still significant challenges in other areas. The team remains concerned on topics such as tree cover loss, where we saw deforestation in 2024 reaching new peaks, as well as global emissions per capita that have also continued to rise.

The team also strengthened our climate analysis capabilities (e.g. Scope 3 deep dive in 4Q24) and remained focussed on core strategic areas for our sustainable philosophy such as SBTi. We are also proud to have sponsored and facilitated yet another ecoacoustics project throughout the year, this time with a focus on palm oil in Malaysia. More details on related projects can be found in the engagement section of this report.

With the increase in granularity of research and analysis of overall sustainability and in particular climate metrics, the team is becoming increasingly concerned with the industry's dependency on imperfect data and estimation models. As part of our deep dive on Scope 3 initiated in the second half of the year, we identified significant emissions data gaps and mismatches across ESG data providers. We were surprised to find divergence across data providers' estimates of corporate emissions, which has led to differences as large as 45 times across providers. Some of the high emitting sectors are especially tricky to model, such as Industrials, to which we have a significant overweight.

Furthermore, the team notes the risks behind the varying quality and availability of data by ESG data providers, as the dependence of asset managers and asset owners is becoming more financially material. Although this is not a new challenge per se, data providers' output is more frequently used nowadays for the construction of screens and exclusion list and meeting regulatory requirements. In 2024, we witnessed specific examples of the danger of this, with research papers by brokers mentioning of specific company names that might be captured by regulatory exclusion criteria, such as the European Securities and Markets Authority (ESMA) rules, which we suspect could have led to the premature sell offs. We investigated and found several shortcomings in the data being used for that assessment, such as the incorrect treatment of oil and gas revenues and limits, which resulted in certain companies being falsely flagged.

Trump's re-election and initial appointments indeed suggested at a high level a negative effect on the energy transition and decarbonisation path of the US economy. The apparent retrenchment back to nationalism, which could reduce support for emerging countries in pursuing their own social and environmental progression, could be deeply damaging. One key piece of legislation which was at risk was Biden's Inflation Reduction Act (IRA), characterised by significant subsidies for the development of renewables, the adoption of electric vehicles and the broader build out of sustainable infrastructure. Despite the fact that the benefits of the IRA have predominantly flowed to Republican states through taxes and job creation, Trump's re-election threatened a full repeal. We now know that Trump's One Big Beautiful Bill (OBBB), which replaced the IRA, introduced a gradual phase out of tax credits, which at the time was seen as a positive development and better than feared. Regardless, it is important to note the vast difference in sentiment within types of renewables deployment, with Trump positioned particularly negative on offshore wind, which is located in Democratic states and mostly dependent on an imported supply chain, while onshore wind predominantly uses local content located within red states. With regards to offshore wind specifically, the team believes the technology has basically no future in the US and the damage done by the administration would restrict any new entrants and projects for the longer term.

Foreword (cont'd)

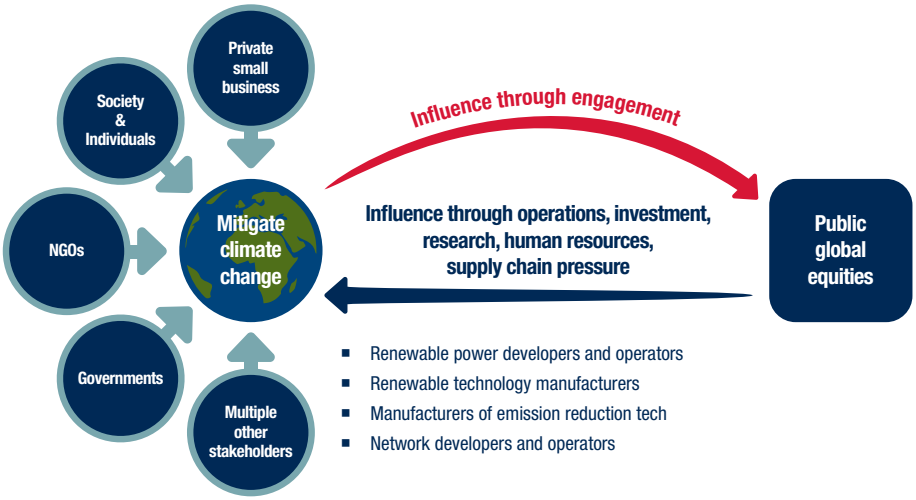
The US economy is at an interesting junction, with load demand growth (that has previously been stagnant over the preceding decades) now ramping up driven by several factors such as reshoring of manufacturing, electrification trends and a huge increase in data centre energy demand driven by the AI megatrend. In the next decade or so, an incredible amount of additional generation will be needed to meet this demand and the team believe renewables have a key role to play in delivering those. Even leaving aside the sustainability benefits of renewables generation (noting the strong commitment of the hyperscalers to climate change mitigation), probably even more importantly certain renewable technologies have unmatched speed to market, which is a key attribute for hyperscalers. There are multiple obstacles for fast delivery of new traditional generation today, be it network connection queues, supply chain bottlenecks or costs. Expansions of existing assets or restarts of closed ones are possible but hard to deliver meaningful additions, which are needed to meet the growing demand. In summary, the team's view is that renewables (excluding offshore wind) will continue to play a crucial role in the US energy system even without the direct support of the administration with the electrification megatrend not expected to slow down meaningfully. It is important to note too that whilst Trump and his administration do have very considerable power to impact the pace of the transition of the US, individual states also have a great deal of autonomy and we would expect (similar to the prior Trump presidency) that certain states will remain committed to their own transition plans, and indeed even ramp these up to somewhat offset federal headwinds. Furthermore, market forces will ultimately dominate and both the competitiveness and practicality of certain renewable technologies alongside the sustainability commitments of corporations will offset these headwinds to a great extent.

Globally, we also expect other nations' commitments in general will continue to be put to the test following change in sentiment from the US with some of Trump's first acts in cabinet against climate change, Diversity, Equity & Inclusion programmes and renewables deployment. Further uncertainty around the sustainability space was fuelled with BlackRock's announcement of leaving the Net Zero Asset Management (NZAM) Initiative in January 2025, followed by NZAM itself announcing a review to evaluate whether the initiative is fit for purpose. As part of the review, NZAM removed the commitments and signatories list from their website. What is very clear from this is that the sustainability community itself must improve how it works with other stakeholders and humbly seek to address the gaps in the difference of opinion or understanding.

Overall, 2024 was a year of contradictions with significant ESG headwinds but also growth and expansion of knowledge for the team. Although, we will need to weather increased political uncertainty in the years to come, we remain committed to our sustainable strategy and philosophy as well as managing assets for clients who continue to place high importance on sustainability.

Our Impact Investing Philosophy

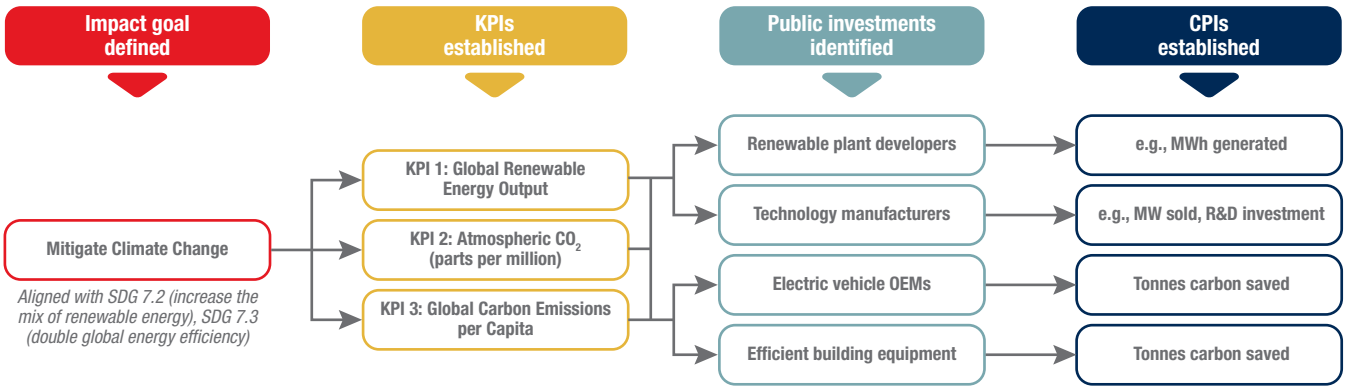
NAMM's Global Shariah Sustainable Equity team is committed to reporting credible impact data to support our clients' understanding of the impact that their capital is having on the world alongside the competitive financial returns. Whilst public equity funds are not traditionally considered vehicles for having impact, listed companies have a unique role to play, alongside multiple other stakeholders, in solving many of the problems society faces. Indeed, for certain UN SDGs-related targets public companies are very well positioned with the resources, scale and investment firepower, to bridge the huge funding gaps required to meet the goals. Institutional investors are furthermore uniquely positioned to enhance the impact of public companies through targeted engagement.



Our Approach

Impact cannot be claimed without having first established clear environmental and social goals that have a definable objective. The 'impact' must be measurable in order to assess progress towards the goals and if required, adapt the approach. At the public company level, it is possible to report 'inputs' (such as R&D investment) or 'outputs' (number of patients receiving HIV treatment) but it is far more difficult to assess true 'impact' (i.e. what was the explicit change to, for example, quality of life or reduction in mortality). Our approach is:

1. Set '**Impact Goals**' and establish **Key Performance Indicators (KPIs)** for each goal
2. Identify **investee companies** that support these goals and set **Company Performance Indicators (CPIs)**
3. **Track both KPIs and CPIs** and **engage with companies** to enhance individual impact
4. Report impact data and engagement activity



Defining Our Goals

The environmental and social goals of NAMM's Global Shariah Sustainable Equity team are focused on the most pressing issues facing our world today. Our 'Impact Goals' are closely aligned with the UN SDGs and Nomura Asset Management group's ESG Statement. We have taken into consideration where we believe listed equities can have a material impact and in which our engagement can support and enhance impact.

Setting Definable Impact Goals in line with NAM's ESG statement and the UN SDGs

	Environment		Society	
	Climate Change	Natural Capital	Access to Healthcare	Social Responsibility
ESG Statement				
Impact Goals	**Mitigate Climate Change** Keep global warming to below 1.5°c	**Mitigate Natural Capital Depletion**	**Eliminate Communicable Disease** **Mitigate the Obesity Epidemic**	**Global Access to Basic Financial Services** **Global Access to Clean Drinking Water**
Key Performance Indicators	Global Renewable Energy Output Atmospheric CO_2 Levels Global Carbon Emissions per Capita	Material Consumption per Capita Global Annual Tree Cover Loss	Deaths due to HIV, TB and Malaria Obesity related Death Rate	Percentage of population who are Unbanked Percentage of Global Population with Access to Safe Drinking Water
Alignment with the UN SDGs	**SDG 7.2** Increase the mix of renewable energy **SDG 7.3** Double global energy efficiency	**SDG 12.2** Achieve the sustainable management and efficient use of raw materials **SDG 15.2** Promote the implementation of sustainable management of all types of forests, halt deforestation	**SDG 3.3** By 2030, end epidemics of AIDS, Tuberculosis and Malaria **SDG 3.4** Reduce mortality from non-communicable diseases	**SDG 1.4** By 2030, ensure all have equal rights to economic resources **SDG 6.1** Achieve universal access to clean water

The six impact goals are those which the team feel large public companies are one of the most important stakeholders for driving change, however these should not be seen as the only areas in which the Fund can invest and indeed wherein the team identify suitable companies that it deems to be supporting better outcomes outside of these six goals these can still be invested in. The team will report and track the relevant CPIs for these.

Source: https://global.nomura-am.co.jp/responsibility-investment/pdf/esg_statement.pdf

A Word on Company Level 'Impact' Data Reported

For each of our six Impact Goals we report multiple indicators (KPIs), which enable us to understand how society is progressing towards the goal, and supports our identification of investments and engagement activity that can have positive impact. At a company level, we want to report data that encapsulates the true 'impact' that the company has on the Impact Goal and its KPIs. However, as a result of both the scale and complexity of the issues faced and the degree of reporting by companies themselves, the company 'impact' data (CPIs) we report will span across a range of 'proxies' for impact. The levels of understanding and tracking 'impact' progress through the following stages – 'Theory of Change'*:

I. **Input** – Resources invested into the activity, for example R&D expense, workers
II. **Activities** – The activities that took place as a result
III. **Output** – Results as a consequence of the inputs and activities
IV. **Outcomes** – Changes that occurred because of the outputs
V. **Impact** – What was the impact on the initial goal (e.g. how did this mitigate climate change)

As we progress from (I) Input through to (V) Impact above, the metrics become harder to measure, more reliant on company reporting, and harder to attribute. Taking for example a HIV treatment, a company's input might include the human resources and capital invested, activities might be the research, manufacturing, agreement of licensing agreements, outputs might be the number of HIV treatments manufactured and distributed. Outcomes would articulate the change this had on human life (extension, lives saved), and impact is the ultimate change this delivered with regards to 'eliminating HIV'. Currently, our impact reporting is predominantly limited up to output measurement as measurement of outcomes and impact would involve too many assumptions, due to lack of available data, which undermine the credibility and accuracy of our claims. [It is encouraging that] a number of pharmaceutical companies are currently working with academic institutions towards industry-standard true impact reporting to enable outcome and impact measurement. Also, through tracking KPIs, such as total deaths from certain diseases, and our knowledge of the proportion of patients being reached by a company, we are able to develop a more qualitative understanding of the magnitude of the role the company is playing with regards to 'impact' on our goal.

Depending on the company, the quality of its reporting and nature of operation, we may have input, activities and output data. We seek to report the best data (CPIs) that reflects a 'proxy' for the ultimate impact a company is having. We have included in the appendix a full disclosure of all metrics we are tracking for our underlying companies and welcome any opportunity to engage with stakeholders on these metrics.

As in the prior year's report, we have tried to move the debate forward by considering the real-world impact of the company in addition to reporting the company specific data.

* Source: Theory of Change, https://iris.thegiin.org/metric/5.0/od6350/

Tracking Progress Towards Our Environmental and Social Goals

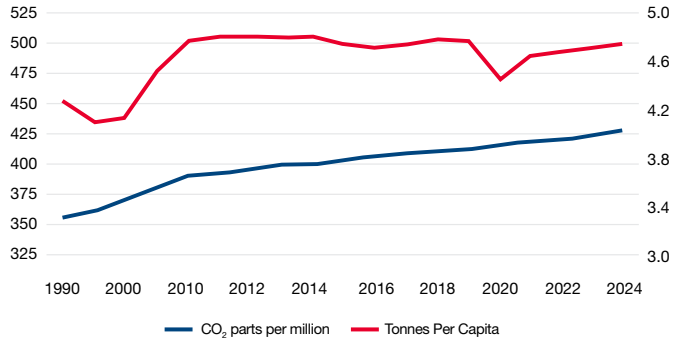
Mitigate Climate Change

SDG Alignment: Our Mitigate Climate Change Impact Goal is most closely aligned with SDG Targets SDG 7.2 increase the mix of renewable energy and SDG 7.3 double global energy efficiency

KPIs Tracked: Global Renewable Energy Output (International Energy Agency (IEA)), Atmospheric Carbon Levels (National Oceanic and Atmospheric Administration (NOAA)) and Global Carbon Emissions per Capita (Global Carbon Atlas)

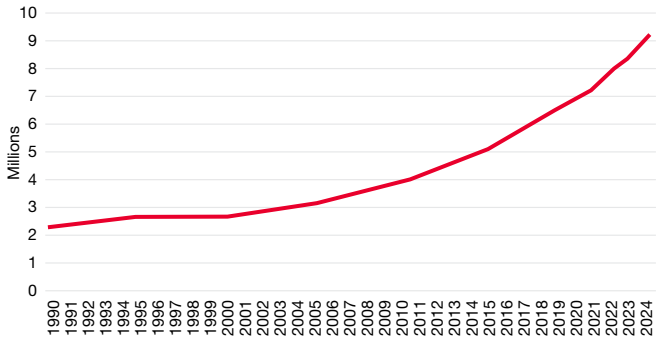
KPI Targets: Our ultimate target is for global warming to be limited to 1.5°C. For temperatures to stabilise, this means reaching Net Zero emissions. To remain on track, global renewable energy generation needs to increase to 65% of electricity generation by 2030 whilst annual emissions must decline towards 25Gt (aligned with International Renewable Energy Agency World Energy Transition Outlook) requiring ca. 30% reduction in Emissions per Capita by 2030

Atmospheric Carbon Levels and Emissions per Capita



Source: NOAA Mauna Loa Observatory.

Global Renewable Energy Generation (GWh – IEA)



Source: International Energy Agency.

The Challenge: Global temperatures have continued to rise as the level of cumulative global emissions has grown and the scientific evidence is clear that there is a near linear correlation between emissions and surface temperatures. The Intergovernmental Panel on Climate Change (IPCC) estimate that a surface temperature increase of between 0.8 and 1.3ºC (1850-1900 vs. 2010-2019) has been 'human-caused'. The IPCC further estimate that at 2ºC of warming it could be expected that once-in-a-decade droughts would increase by 2.4x and the intensity of cyclones would increase by +13% relative to 1850-1900, disproportionately impacting those in low and middle income countries. At 4ºC of warming these numbers increase to 4.1x and +30% respectively.

The IPCC's Sixth Assessment Report, further estimates that to have a likely chance of limiting global warming to 1.5°C (with a 50% probability) globally we have a remaining carbon budget of 500 Gt CO_2. If GHG emissions continue at a 2019 level, this entire budget will be used by 2030. With the global population growing annually at just under 1%, the need to develop solutions that reduce per capita emissions and roll them out rapidly is at extreme levels. This will be achieved not only through a shift to generating renewables, but through electrification and efficiency.

Progression of KPIs: According to the IEA, the share of renewable energy in power generation stood at 32% as of end of 2024. The IEA now forecasts this percentage to be at 43% in 2030, which is currently falling short of the 65% target needed in order to stay on track for a Net Zero, 1.5°C aligned 2050 world. Despite this we are still seeing a positive trend in renewable energy adoption. Total renewable energy output (excluding bioenergy) is estimated to have grown year-on-year by 10.2% in 2024 according to the IEA which was a significant uptick in pace vs prior years. Solar photovoltaic (PV) again driving the majority of this growth (+26% 3yr CAGR), however we also note continued growth within onshore wind (+9.3% 3yr CAGR) and offshore wind (+24.3% 3yr CAGR) albeit from a lower base. Carbon emissions per capita grew less than 0.5% year-on-year (2024 vs. 2023), which is a positive trend vs prior years, however must continue to come down rapidly given both annual population growth and the limited carbon budget left to limit global warming (a ca. 30% reduction in per capita emissions must be achieved by 2030.

Source: IPCC Sixth Assessment Report, https://www.ipcc.ch/site/assets/uploads/2023/03/Doc5_Adopted_AR6_SYR_Longer_Report.pdf

Examples of our Investments and Engagement for Impact:

- **Schneider:** World leading electrical equipment business with regards to managing climate impact and enabling customer emissions reduction through electrification. In 2024, the company enabled the avoidance of 126mm tonnes of carbon emissions through its products and services.
- **Tetra Tech**: Environmental and sustainability engineering consultant that supports the planning and development of solutions in relation to renewables and grid infrastructure construction. In 2024, 5.1mm tonnes of carbon were avoided or removed by these projects.

Engaged extensively with portfolio companies that have not yet committed to getting their GHG emission reduction targets validated by the SBTi and with a 1.5°C Net Zero trajectory. Although SBTi validation remains the ultimate goal for the majority of the team's milestone engagement related to Mitigate Climate Change Impact Goal, the team also acknowledges that different companies across industries might be at a different point in their journeys. As a result, we also took a step back and engaged with corporate on measurement and quality of Scope 3 reporting to fully understand activities that are driving majority of emissions and how companies are approaching various challenges.

Translation into Impact: The true world impact on mitigating climate change of the underlying holdings should in theory be the more straightforward to assess given that the 'impact' itself is how global warming has been mitigated and the 'macro' consideration for this is relatively well established and homogenous. That is to say, there has been considerable research that is broadly accepted with regard to the carbon budget left globally, the current level of annual global emissions and what reductions are needed to prevent global warming from exceeding targeted levels (and estimates on what could happen if these are exceeded). We also know to a reasonable extent where emissions are coming from at an industry/ activity level and also where the greatest challenges lie. Therefore, if a concrete data point can be established at a micro level for a company that fully reflects the individual contribution to reducing carbon emissions this can be assessed in relation to its contribution to supporting a reduction in global emissions and the effort to not exceed the carbon budget that remains.

For Mitigating Climate Change, the complexity comes however more in relation to the micro level assessment of tonnes of carbon avoided by a certain business for which there are multiple complications. One very large consideration is whether this should be done under an individual attribution basis (the direct impact of the product or service in replacing a different version) or a more holistic ecosystem level. For example, under an individual attribution approach the assessment of the impact of Tesla with respect to avoided emissions through their products is vastly underestimated as this does not take into account the huge pressure that Tesla placed on the broader ecosystem in forcing other original equipment manufacturers (OEMs) to rapidly ramp up their own electric vehicle (EV) efforts. In addition to the technological innovation and lowering of prices across the supply chain bringing down barriers to entry for new entrants. As one might expect, the difficulty in ascertaining this second derivative impact is currently more often than not too difficult and not credible enough for companies to report on and it is carried out more on an individual attribution basis. However, herein lies another problem in that there is no standardised methodology for what the reference product or service should be. Whilst this might be more obvious for a renewable developer that can with reasonable certainty assess what thermal generation has been displaced with, for the building products segment this can be much trickier and we see a wide range of approaches in how the reference product is selected (relative to minimum regulatory standards vs relative to existing average or competitor product etc.).

The next crucial consideration is the assessment of attribution along the value chain and the issue of double counting. A number of mega cap tech companies have secured private power purchase agreements (PPAs) for onshore wind for example and report the avoidance of emissions as a result of this. How should this be attributed between the company that purchased the PPA and facilitated the project being built vs the developer that built the project vs the company that developed the equipment vs the other business in the value chain (contractors, consultants etc.)? Companies themselves do tend to report this on a 'total' basis rather than attributing this across the value chain and this of course creates issues with double counting. One way around this is to account for this on a proportion of capital expenditure basis across the value chain, however it is our view that this can severely underestimate the importance of technological advancements and the R&D process vs implementation and financings.

At this current point in time our approach is to give full transparency on the avoided emissions (so called Scope 4*) and also be transparent about the limitations of this. In addition to this portfolio emissions (Scope 1+2+3), scenario alignment and the proportion of companies committed to setting SBTi approved targets are further examples of outputs we can use to articulate alignment with climate change mitigation.

* Avoided emissions is also often referred to as Scope 4. As there is currently no widely accepted approach for quantifying tonnes of carbon avoided, companies apply various methodologies for avoided emissions. They do not represent the actual emissions reduced or offset by companies' products and services but indicate the estimated emission change (reduction) from the use of products and/or services against the counterfactual scenario where these products or services were not used.

Tracking Progress Towards Our Environmental and Social Goals

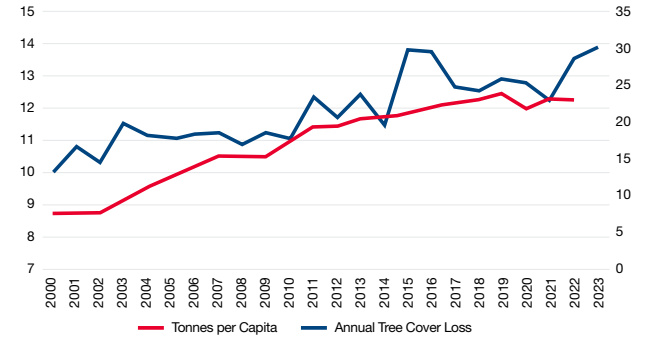
Mitigate Natural Capital Depletion

SDG Alignment: Our Mitigate Natural Capital Depletion Impact Goal, is most closely aligned with SDG Target 12.2 *'By 2030, achieve the sustainable management and efficient use of natural resources' and SDG Target 15.2 'By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally'*

KPIs Tracked: The Key Performance Indicators (KPIs) that we have tracked in relation to Mitigate Natural Capital Depletion are Global Annual Tree Cover Loss (million hectares, rolling three-year average) and Material Consumption per Capita (tonnes per person pa, the sum of the material footprint for biomass, fossil fuels, metal ores and non-metal ores, UN)

KPI Targets: This is a multi-layered target, which is quite difficult to define and achieve. From our perspective, the initial target we would set is to see the companies in our portfolio(s) achieve sustainable supply chain practices and monitoring of deforestation and biodiversity loss

Material Consumption Per Capita and Global Annual Tree Cover Loss



Sources: UN, Global Forest Watch.

Global Resource Consumption Per Capita

Year	Oil Consumption (barrels)	Coal Consumption (kg)	Steel Apparent Use (kg)	Aluminum Production (kg)	Copper Production (kg)
2015	4.5	1,043.2	-	7.8	2.6
2016	4.6	1,009.8	-	8.0	2.7
2017	4.6	1,014.4	215.3	8.3	2.6
2018	4.6	1,019.9	223.0	8.4	2.7
2019	4.6	998.3	229.1	8.2	2.6
2020	4.1	955.2	227.6	8.3	2.6
2021	4.3	1,019.0	231.9	8.4	2.7
2022	4.4	1,015.2	222.9	8.6	2.7
2023	4.5	1,021.7	219.0	8.7	2.8
2024	4.5	1,025.6	214.7	8.9	2.8

Sources: The Energy Institute.

The Challenge: It is estimated that around 10 million hectares of forest are deforested annually and approximately 90% of the use is for agricultural expansion e.g. cropland (49.6%) and livestock grazing (38.5%). The trend in global population growth exacerbates the need for establishing more sustainable agricultural practices and to better manage the output we currently achieve e.g. food loss or waste. For instance, 13.2% of the global harvest annually does not reach retail markets as it is lost in the process of transportation, storage and processing. While at the same time, 19% of that total food is wasted at consumer level, which includes households, grocery stores and restaurants. We observe significant evidence of climate change effects further fuelling tree cover loss with 2024 expecting a record 6.7mm hectares of tropical primary rainforest loss, driven primarily by intense wildfires exacerbated by drought.

Universal trends like transition to green energy and electrification of the economy are key for fighting climate change and natural capital depletion, however, it is important to mention that they come with their resource demands. In order to meet this demand, we need more sustainable sourcing and recycling of rare earth and other materials used in the production of batteries, renewable energy equipment (e.g. solar panels and wind turbines) and others. According to the latest data from 2022, the global average for e-waste collections was only 22.3% with the vast majority of consumers' electronic waste not being safely managed. The UN's Global e-waste monitor estimates that generation of electronic waste globally is rising at a pace 5 times faster than the growth in e-waste recycling capacity. Whenever the topic of sustainable supply chains emerges, a key question and risk is also how it interlinks with human rights challenges and the need for ensuring the necessary

Sources:
UN Statistics Devision (UNSD), https://unstats.un.org/sdgs/report/2024/Goal-15/
Global Forest Watch, https://www.globalforestwatch.org/dashboards/global/
Food and Agriculture Organization of the United Nations, https://www.fao.org/policy-support/policy-themes/food-loss-and-food-waste/
Unitar, The global E-waste Monitor 2024, https://ewastemonitor.info/the-global-e-waste-monitor-2024/
The Energy Institute, World Steel Association, International Aluminium Institute, U.S. Geological Survey, Mineral Commodity Summaries, https://www.energyinst.org/statistical-review

living income. Across the team, we try to incorporate such consideration in our analysis and engagement work as well.

Progression of KPIs: With regard to the KPIs the team tracks under this impact goal, we would note that the material consumption per capita, defined as the sum of the material footprint for biomass, fossil fuels, metal ores and non-metal ores, measured in tonnes per person per year, continues to steadily increase year over year, along with population growth. The United Nations Environment Programme (UNEP) have not published data on consumption since 2022, however more frequently published data on global individual natural resource consumption suggests a continued upwards trend. As for our tracking of annual global tree cover loss, we highlighted in 2023 a significant uptick in the numbers (28.3 Mha), which has further worsened in 2024 reaching a new peak at 30 Mha deforested. This latest data point surpassed previous peak deforestation observed in the 2016/2017 period. The team notes that that metric does not take into account reforestation, which might potentially smooth numbers slightly.

Examples of our Investments and Engagement for Impact:

- **Waste Management:** Waste Management is the leader in North America in solid waste management operations and recycling. In 2024, the company recovered 16mm tonnes of materials and avoided or removed a total of 56.2mm metric tonnes of CO_2e, through carbon sequestration, recycling and renewable energy generation, which is close to 3.7x their own emissions across all scopes.
- **Tetra Tech**: Projects undertaken by Tetra Tech since 2021 has had an aggregated impact totalling 158.7mm tonnes of CO_2e avoided or captured. With respect to natural capital preservation, projects carried out by the company have enabled 196.8mm hectares of land and water ecosystems to be protected, managed, or restored.
- **Adobe**: Although indirectly, the team believes that through products and services Adobe supports mitigation of climate change and natural capital depletion. In 2024, the company reported that over 400 billion of PDFs were opened in Adobe Products, reducing reliance on paper usage, and the associated deforestation from this.

Translation into Impact: It is estimated that around 40,000 species are on the verge of extinction in the coming decades. According to the latest (2022) Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) Global Assessment Report, change in land use, such as forest degradation and deforestation are the primary cause for biodiversity loss, globally causing around 30% of the total decline. Other factors that deplete biological diversity are overexploitation, such as hunting and fishing, which explains around 23% of the decline. Climate change (ca. 14%), pollution (ca. 14%) and invasive species (ca. 11%) are also among the most common causes observed. Mitigating deforestation and increasing conservation and reforestation efforts can prevent numerous species from becoming extinct and maintain functioning ecosystems. Furthermore, biodiversity supports steady food supplies (food security) and has greatly contributed to advancements in modern medicine and treatments.

The latest reporting suggests that biodiversity loss has since continued across regions, both local and global and that this loss was mostly caused by human activity. IPBES estimates that the cost of insufficient action to address biodiversity to be twice as expensive as taking immediate action. The IPBES stresses the role of coordinated action to realise the SDGs by 2030.

Reducing forest degradation and deforestation and switching our focus to forest restoration not only mitigates natural capital depletion and biodiversity loss but is also key for achieving society's climate goals. Forests are a brilliant example of nature's own carbon capture and storage (CCS) processes. Trees trap carbon dioxide (CO_2) from the atmosphere through photosynthesis and store it for the lifetime of the tree or the by-product if timber is used to produce furniture or in house building. On average around 50% of the dry mass of a tree is made up of absorbed carbon. It is estimated that a mature tree can absorb around 22 kilograms of carbon dioxide from the atmosphere annually, while in exchange releasing oxygen. As investors, we are starting to see the conversation with companies shifting towards forest positive strategies, which play key roles in the companies' Net Zero goals.

Sources:
IPBES, Global Assessment Report on Biodiversity and Ecosystem Services, https://www.ipbes.net/global-assessment
Unitar, The global E-waste Monitor 2024, https://ewastemonitor.info/the-global-e-waste-monitor-2024/

Tracking Progress Towards Our Environmental and Social Goals

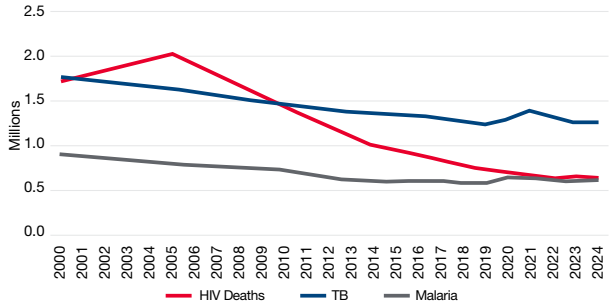
Eliminate Communicable Disease

SDG Alignment: Our Eliminate Communicable Disease Impact Goal is most closely aligned with SDG Target 3.3 '*By 2030, end the epidemics of AIDS, tuberculosis (TB), malaria & other communicable disease*'

KPIs Tracked: The Deaths due to Human Immunodeficiency Virus (HIV), tuberculosis (TB) and malaria (World Health Organization (WHO))

KPI Targets: By 2030, deaths from HIV, TB and malaria to each decline by greater than 50% from a 2016 base

Global Deaths from HIV, TB and Malaria



Source: WHO.

The Challenge and Progression of KPIs: Though the number of new HIV cases and the mortality of HIV have been steadily decreasing over the longer horizon, more recently we are observing a slowdown of pace. On a global basis, the number of people living with HIV increased from 39mm (2022) to 41mm (2024) according to the WHO. A ramp up of current prevention and treatment strategies will be needed to achieve the Global Health Sector Strategies targets set out by WHO. In 2024, HIV related deaths stood at 630k globally and, though this was a decrease compared to 650k in 2023, it remains significantly above the WHO targets of 250k by 2025 and 240k by 2030. The 2025 target is very unlikely to be achieved. Over time, we think better treatment options can bring down the mortality rate of HIV with anti-retroviral coverage already vastly expanded; now at 76% in 2022 compared to just 25% in 2010. These treatments are more heavily penetrated in developed economies and creating access to these in emerging economies is a significant challenge. Testing is also extremely important to prevent new cases and stop the spread of the disease. Unfortunately, there is significant work to do here with new cases still at 1.3m in 2024 compared to the WHO targets of 370k by 2025 and 335k by 2030. The COVID-19 pandemic likely played a role in making testing more challenging with almost half of countries reporting disruption to these facilities to the WHO through the pandemic. A continued focus on placing diagnostics to allow testing is crucial to bringing about the end of the epidemic.

Globally, TB is present in all countries and age groups and remains the leading cause of death from a single infectious disease and among the top 10 causes of death. Latest 2024 data on deaths from TB show stabilisation around 1.25mm deaths annually, back to 2018 levels post several very difficult years influenced by disruptions from the COVID-19 pandemic. In 2024, an estimated 10.7mm people fell ill with TB worldwide, of which 1.2mm were children

As of end of 2024, there were an estimated 282mm total malaria cases globally with 610k deaths due to the disease. Malaria remains one of the biggest killers of children, with roughly 75% of all deaths caused by malaria seen in infants and children under the age of 5. Untreated the disease can kill within 24hrs and is frequently misdiagnosed due to mild symptoms early on in the illness. Given this challenge, one positive development has been the progress made towards a malaria vaccine. Long a goal of the pharmaceutical industry and the culmination of over 30 years work, in January 2024 GSK's vaccine (RTS,S) began to be given for the first time outside of clinical trials in Cameroon, which we give

Sources:
WHO, HIV data and statistics, https://www.who.int/teams/global-hiv-hepatitis-and-stis-programmes/hiv/strategic-information/hiv-data-and-statistics
WHO, Malaria, https://www.who.int/news-room/fact-sheets/detail/malaria
WHO, Tuberculosis, https://www.who.int/news-room/fact-sheets/detail/tuberculosis

more detail on in the translation to impact segment below.

Examples of our Investments and Engagement for Impact:

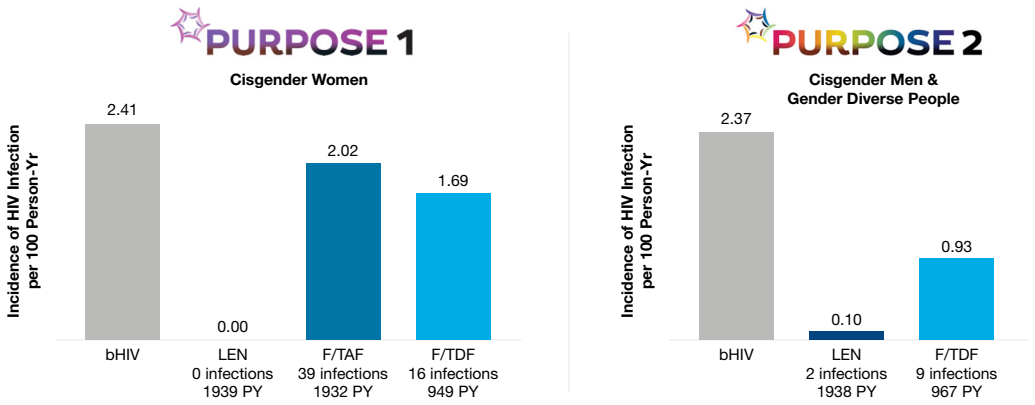
- **Gilead:** World's leading HIV treatment pharmaceutical company and has been a pioneer in supporting access in emerging economies. In 2024, 14.8mm HIV sufferers received treatment in low/mid-income countries through access strategies. Remdesivir was one of the earliest treatments for COVID-19 and continues to be important for use in hospitalised patients.
- **AstraZeneca**: Through access to healthcare programmes the company has reached 90.5mm people, with majority of number of people served (67.4mm) reached through Healthy Heart Africa programme. The company took a sustainable approach in offering its COVID-19 vaccine on a not-for-profit basis during the pandemic. In May 2024, the company announced positive results from its Phase 3 trial of sipavibart, a long-acting antibody against COVID-19.

Engaged proactively with companies on responsibility in pricing. Whilst the focus for engagement was on other health-related goals in 2023, we continued to engage with companies on how to responsibly bring products to the market. For example, we engaged with Gilead on how they brought assets to the HIV market after allegations of malpractice in the US.

Translation into Impact: The primary data that we track and report on is the number of patients reached with treatment and particularly those reached through access strategies. These data points do not however fully reflect the impact on human life or adjusted for the attribution across the stakeholders in the value chain. For example, donations to patent pools are an extremely effective way to support access, but does not deserve the same attribution as manufacturing and delivering treatment directly. The companies are currently working with academic institutions to develop better reporting on true impact and furthermore, through the pandemic, steps have been taken forward to better assess the impact on human life.

In 2024, Gilead published its Purpose 1 and Purpose 2 trials that examined Lenacapavir as a best-in-class preventative HIV medicine. We think this medicine is set to revolutionise the ways in which governments seek to support suppression of the virus because of its ease of use. Prior preventative medicines have either been daily pills (such as tenofovir) or monthly injections (such as GSK's cabotegravir). The stigma of taking daily pills has been a barrier to take-up whilst monthly injections require significant administration costs as a nurse needs to inject it. Lenacapavir can be administered twice a year so requires lower administration costs for healthcare systems and a more convenient dosing schedule for patients. The trials conducted showed a 100% success rate in cisgender women and a 99.9% success rate for cisgender men so the medicine also shows strong efficacy. Access to this medicine in the developing world should be a key indicator of success and we are very encouraged by Gilead's steps here. In October 2024, they signed a voluntary licensing agreement that would facilitate 6 manufacturers to make and distribute a generic version of the drug in 120 low and lower-middle income countries. The company is prioritising registration in 18 countries that have a high burden of incidence to speed up the implementation of this new treatment. We were encouraged that South Africa, which was a significant location in the two trials for the drug, have decided to roll out the jab in over 300 clinics upon launch. HIV researchers continue to see a cure to HIV as the ultimate goal but until that point suppression of the epidemic is an important target and we think this drug should have a significant effect on this.

HIV results for Lenacapavir's registrational studies (Purpose 1 and Purpose 2)



Source: GILED.

Sources:
GILED, HIV Analyst & Investor Event, https://s29.q4cdn.com/585078350/files/doc_events/2024/Dec/13/GILD-HIV-Analyst-Investor-Event-Presentation-10-December-2024.pdf, p. 56.

Tracking Progress Towards Our Environmental and Social Goals

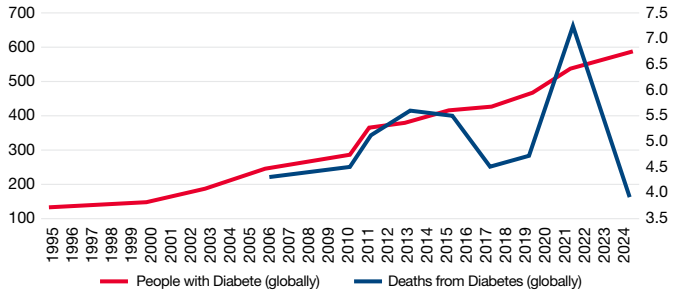
Mitigate the Obesity Epidemic

SDG Alignment: Our Mitigate the Obesity Epidemic Impact Goal is most closely aligned with SDG Target 3.4 *'By 2030, reduce by one third premature mortality from non-communicable diseases'*

KPIs Tracked: US obesity related death rates (Centers for Disease Control and Prevention (CDC)), Global prevalence of diabetes and annual deaths (International Diabetes Federation (IDF)), US obesity rates (CDC)

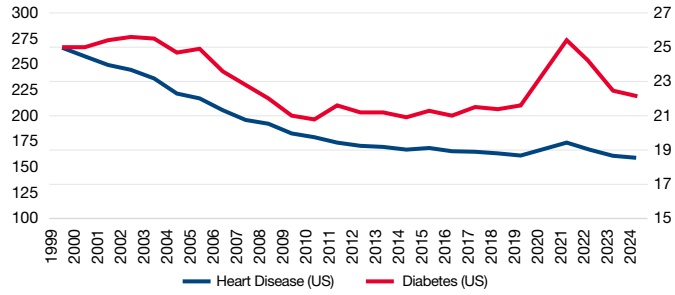
KPI Targets: By 2030, mortality from obesity related diseases to decrease by a third from 2016 base

Global Number of People with Diabetes and Annual Deaths (IDF,mm)



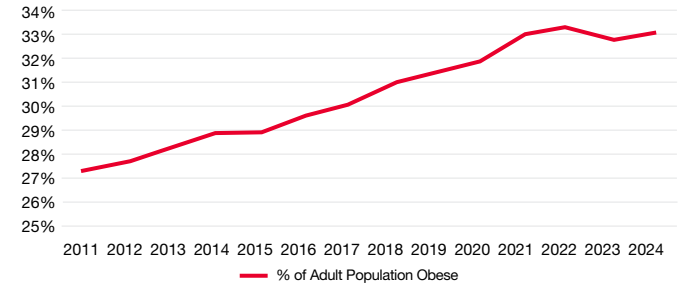
Source: IDF Diabetes Atlas.

US Obesity Related Death Rates (CDC, per 100,000)



Source: CDC.

US Obesity Rate (Percent of Adults – CDC Data)



Source: CDC.

The Challenge: The prevalence of obesity has increased substantially over the past decades and is a global problem. In the US, the CDC estimated prevalence rose to 33.1% (2024) from 27.4% (2011). Across Western Europe and developed Asian countries we have seen a similar pattern. Obesity in China is growing at a particularly alarming rate; an in-depth study by Ma et al showed the prevalence of obesity increased from 4% (1993) to 16% (2015). Although we have begun to see a slowing of this upward curve in certain countries, obesity remains a significant challenge for policymakers and health officials to tackle globally.

The problem with obesity is that it reduces life expectancy and the quality of life. Visceral fat can lead to increased blood cholesterol, increased blood pressure and the likelihood of developing type 2 diabetes, ultimately increasing the chance of developing cardiovascular diseases. Obesity also directly causes other medical conditions such as fatty liver disease and sleep apnoea. There is also a growing body of evidence suggesting that obesity is one of the leading causes of cancer. According to the University of Texas's MD Anderson Cancer Center, excess body fat is thought to trigger inflammation that can lead to the pancreas producing more insulin and oestrogen, which increases cell division frequency that raises the chances of cancer developing. In the US, a recent study in the Journal of Managed Care & Specialty Pharmacy described 100mm Americans who are obese with 75% of those having at least one obesity-related medical condition. Treating the associated conditions of obesity costs healthcare systems vast amounts of money. Figures vary dependent on sources and methodology with the CDC estimating a cost of US$173bn to the US medical system in 2019 but other costs to the broader economy such as productivity and absenteeism effects will take the

total macro-economic costs considerably higher.

Given the negative consequences that stem from obesity, reducing the prevalence of it is logical for healthcare systems and governments. However, the historic options available to those with excess weight (bariatric surgery, lifestyle options) have been unable to slow the rise in obese individuals. It is only till recent launches of GLP-1 medicines that show high efficacy in helping patients reduce their weight that we have begun to see early signs of obesity rates reducing in certain countries.

Progression of KPIs: Deaths from diabetes and cardiovascular disease spiked sharply in 2020 and 2021 driven primarily by the COVID-19 pandemic and the increased threat to those with comorbidities. Despite this, obesity rates continue to trend ever higher – in the United States the percentage of the population that is obese jumped from 31.9% in 2020 to 33.1% in 2024.

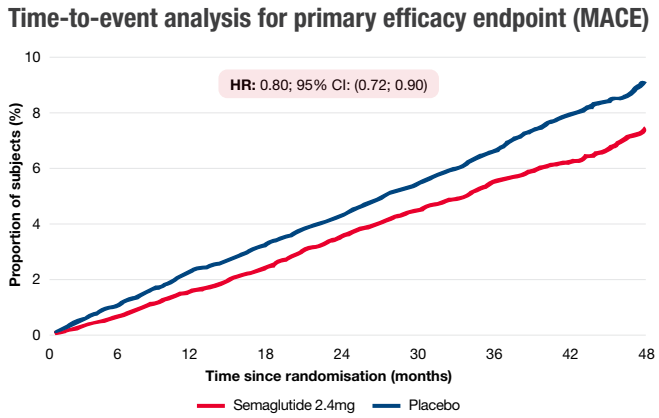
Examples of our Investments and Engagement for Impact:

- **Eli Lilly:** Eli Lilly is a leading pharmaceutical business that has developed the tirzepatide molecule that was the highest efficacy weight loss drug on the market in 2024. The group has an extensive pipeline of future medicines including Orforglipron, an oral medicine that is set to launch in 2026. In 2024, Eli Lilly reached 24mm people in resource limited locations.
- **Novo Nordisk:** Global leader in diabetes treatment (45.2mm people living with diabetes and obesity were served by Novo Nordisk products in 2024) and was the early leader in obesity treatment through the development of the semaglutide molecule. Wegovy, the brand name for semaglutide in weight control, showed 15% weight loss in the STEP-1 trial published in 2021.
- **Boston Scientific:** A leading medical technology company with a significant cardiovascular business that helps to counteract some of the negative associated conditions of obesity. In 2024, Boston Scientific served 44mm people.
- **Becton Dickinson:** Medical equipment applications across diabetes and cardiovascular disease. In 2024, Becton Dickinson produced over 34bn devices.

Engaged through the year on two separate projects that we think helped to directly influence our Mitigate the Obesity Epidemic Impact Goal. At the start of 2024, the team became increasingly concerned that certain Consumer Staples companies may be having a negative effect on the Mitigate the Obesity Epidemic goal with Big Food and ultra-processed foods (UPFs) fostering an environment in which obesity could be allowed to grow in prevalence. Following extensive research, the team published a white paper* on the topic highlighting studies that show how both cardiovascular events as well as obesity can be linked to the consumption of UPFs. In addition, throughout the year, we used our longstanding partnership with Access to Medicine to encourage one of our holdings, Eli Lilly, to improve their access and disclosure. We took the opportunity to become the lead investor for this engagement on behalf of the wider investor group.

Translation into Impact: In last year's Impact report, we launched a new framework on how we would think about the translation of obesity prevention to real world health outcomes. This was driven by medical data including Novo Nordisk's published results from their SELECT trial in August 2023 that showed a 20% reduction in major adverse cardiovascular events from taking Wegovy as well as the prevalence of the disease. Previously Novo Nordisk has estimated that 764mm people have obesity with around half of that in developed markets. Around 10% of that population (76mm) seek help for obesity but very few (low single digit millions) are treated with anti-obesity medicines. Our assumption published in our UPF white paper was that 65mm adults could be on GLP-1s for either diabetes or anti-obesity medication by 2030. We assumed that all of these adults experience the 20% reduction in cardiovascular (CV) events (either because they are taking Wegovy or Eli Lilly's Zepbound) and that this could amount to a reduction in 13mm CV events over time.

Sources:
CDC, DNPAO Data, Trends, and Maps, https://dnpao-dtm.cdc.gov/?page=graph&topic=3&goal=4&location=National&indicators=Q036&startYear=2011&graphType=line-chart
JMCP, Costs of obesity, obesity-related complications, and weight loss in the United States: A systematic literature review, https://www.jmcp.org/doi/10.18553/jmcp.2025.25051
* Source: The Impact of Food on Our Health and the Financial Implications, https://www.nomura-asset.co.uk/download/insight/NAM_Ultra_Processed_Foods_May_2024.pdf



Source: Novo Nordisk.

In 2024, the leading pharmaceutical companies added to the evidence behind GLP-1s by showing improving health outcomes in cardiovascular health as well as other areas. The Summit trial conducted by Eli Lilly on Tirzepatide, and published in November 2024, demonstrated that Tirzepatide reduced death from cardiovascular causes (9.9% death rate in Tirzepatide group vs 15.3% in placebo) with almost 50% less heart-failure events. Another Eli Lilly trial – SURMOUNT-OSA – examined the effects of the drug on sleep apnoea. Over 52 weeks, patients showed a meaningful reduction in the number of events on average (-25.3 events per hour at week 52 in Tirzepatide class vs -5.3 events in placebo), which resulted in the U.S. Food and Drug Administration (FDA) designating Tirzepatide as the first approved medicine for treating sleep apnoea.

The obesity market has grown substantially over the past couple of years and created an appealing new market that several diversified pharmaceutical companies wish to enter. Indeed, the likes of Roche, AstraZeneca, Amgen and Pfizer have all made moves to challenge the historic dominance of Novo Nordisk and Eli Lilly in this therapeutic area. In our view, the long-term winner from this will be the patient as competition forces all to innovate. Already, we have seen Novo Nordisk and Eli Lilly develop oral medicines that will be launched from 2026 that will further extend the market. New methods of action such as amylin may provide a better solution for some patients that cannot handle the side effects from the current GLP-1 medicines. Meanwhile, a monthly injectable that is in development by Amgen and Metsera could provide an even more convenient option for some patients. The incumbents (Eli Lilly and Novo Nordisk) are also trying to develop new medicines with higher efficacy; with both Eli Lilly's retatrutide and Novo Nordisk's CagriSema aiming to demonstrate 25% weight loss after treatment. All these factors combined mean that we think the impact from pharmaceutical companies on transforming the obesity paradigm should increase over time.

Sources:
Novo Nordisk 9M23 results presentation, https://www.novonordisk.com/content/dam/nncorp/global/en/investors/pdfs/financial-results/2023/Q3-2023-investor-presentation.pdf
Novo Nordisk Investor event presentation, https://www.novonordisk.com/content/dam/nncorp/global/en/investors/pdfs/financial-results/2023/v2-aha-investor-rresentation-2023.pdf, Chart p.13.
The New England Journal of Medicine, Summit Trial Eli Lilly, https://www.nejm.org/doi/abs/10.1056/NEJMoa2410027
The New England Journal of Medicine, SURMOUNT-OSA Trial Eli Lilly, https://www.nejm.org/doi/abs/10.1056/NEJMoa2404881

Tracking Progress Towards Our Environmental and Social Goals

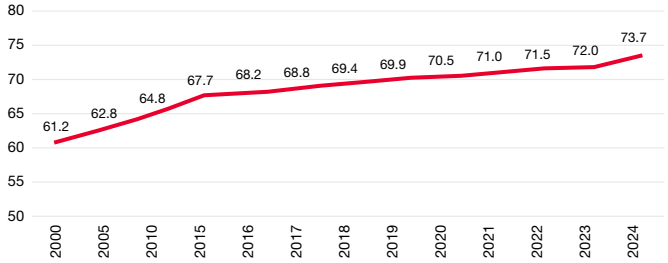
Global Access to Clean Drinking Water

SDG Alignment: Our Global Access to Clean Drinking Water Impact Goal is most closely aligned with SDG Target 6.1, *'By 2030, achieve universal and equitable access to safe and affordable drinking water for all (100%)'*

KPIs Tracked: Percentage of Global Population with Access to Safe Drinking Water and Percentage of Global Population with Access to Safely Managed Sanitation Facilities (World Bank), Number of People Lacking Basic Drinking Water Services (WHO/UNICEF Joint Monitoring Programme) and Degree of integrated water resourced management implementation (SDG Data)

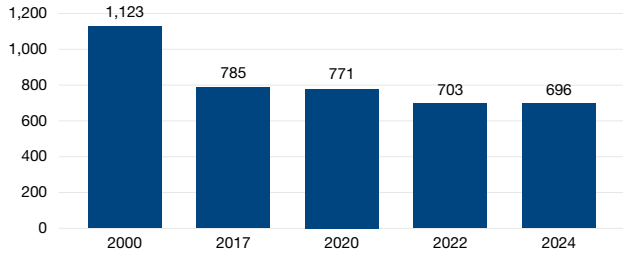
KPI Targets: Our initial target would be for every individual universally to have access to at least basic drinking water and sanitation facilities. Once this is achieved, we would ultimately want safe access to such facilities to be provided to all

Percentage of Global Population with Access to Safe Drinking Water (World Bank)



Source: World Bank.

Number of People Lacking Basic Drinking Water Services (mm)

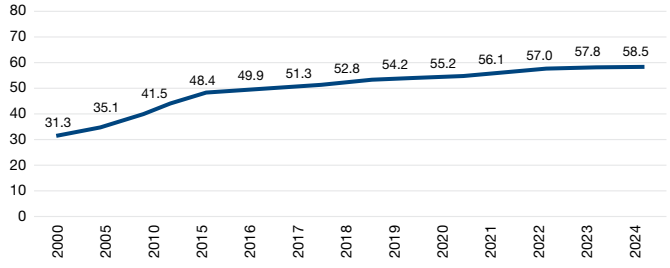


Source: WHO/UNICEF Joint Monitoring Programme (JPM).

The Challenge: The United Nations recognises access to water and sanitation as a fundamental human right, which is crucial for every individual's health, dignity and prosperity. Unfortunately, according to latest available data (2024), 8.5% of the world's population, or approximately 696 million people, are still lacking access to **basic** drinking water and sanitation services. It is important to note, that significant progress has been achieved since 2000 (number of people without access has reduced 38%, from 1.1 billion), while during the same period the global population has increased by 32.7%. Despite the positive developments, we still have a long way to go and according to the latest assessment of progress towards reaching the UN SDGs, achieving this target will require a fourfold increase in the current rate of progress and no region is currently on track to do so.

In the most recent update from the WHO/UNICEF Joint Monitoring Programme, the data update indicates that around 1 in 4 (approximately 2.1 billion people) of the world's population still do not have access to safely managed drinking water, while 41.5% (approximately 3.3 billion people) do not have access to **safely managed** sanitation facilities. Though the continued progress made is encouraging, the goal of universal access remains unachieved. The latest UN reporting on the SDGs acknowledges that the current rate of progress will not achieve universal access by 2030, but in 2049 at the earliest.

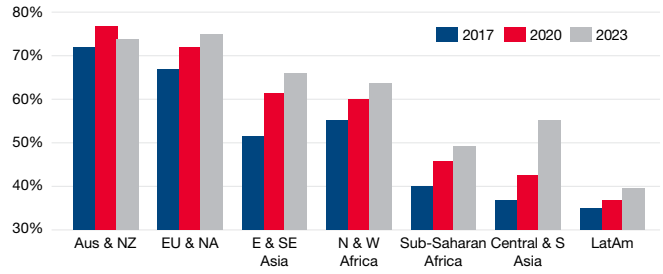
Percentage of Global Population with Access to Safely Managed Sanitation Facilities (World Bank)



Source: World Bank.

Regarding integrated water resource management, there continues to be slow global progress but with marked improvement across Central and South East Asia and Sub-Saharan Africa. Within the UN's latest 2023 update, for the first time it observed a slight reversal of progress in Australia and New Zealand for their integrated water resources management implementation.

Degree of Integrated Water Resource Management



Source: SDG Data.

It is important to highlight how the UN SDGs are interlinked with some of our other Impact Goals. For example, a basic human right such as universal access to drinking water and sanitation facilities is an absolute prerequisite for achieving higher rates of public health, decreasing child mortality rates, drastically reducing the spread of various communicable diseases, getting a step closer to achieving gender equality, higher literacy rates, and overall economic prosperity.

Examples of our Investments:

- **Tetra Tech:** Provides services such as design and engineering for water infrastructure projects across both the United States and global markets. The company has a very high positive impact on Global Access to Clean Drinking Water especially through its involvement with international development projects that take place in developing nations as well as supporting access where it is needed the most. In 2024, Tetra Tech reported over 176.9bn gallons of water treated, saved or reused by projects.
- **Pentair:** The company manufactures pumps and filtration systems, which enabled a total of 8.5bn of single use plastic bottles to be avoided in 2024. Pentair have a particularly strong presence within emerging markets, where they support global access to clean drinking water.
- **Xylem:** Xylem is an industrial company that focuses on water technology, allowing solutions for treatment, pumps, and controls, across the water sector. In 2024, the company supported clean water and sanitation solutions to over 3.6 million people in under-sourced communities.

Examples of our Engagement for Impact: In 2024, we continued our multi-year engagement with TSMC on water usage and recycling. This company is a leader in the semiconductor industry, which is a highly water-intensive industry. Our most recent engagement was over their fabrication plants in Kumamoto, Japan. Due to Taiwan's shortage of drinking water, particularly in times of drought, the water conservation and recycling standards in Taiwan are amongst the best in the world. We have previously engaged on these standards and TSMC's drought exposure due to climate change. We wanted to ensure these standards would be upheld in the Kumamoto fabrication plant, especially as a significant portion of our investors are based in Japan and are interested to see Kumamoto's groundwater protected.

Translation into Impact: Still today, close to 1 in 10 people worldwide, or approximately 696 million people are living without access to clean, safe drinking water and sanitation. We think the health ramifications from this low access to sanitation are extremely serious and occasionally overlooked. Diseases from dirty water lead to more deaths than all forms of violence, including war. With improved access to clean water and sanitation, these lives could be saved and countless permanent disabilities prevented. Access to clean water can prevent women and girls from spending an aggregate of 200 million hours daily collecting water, and as a result, with access to the right facilities school attendance can go up by about 31%. Women are responsible for 72% of the water collected in Sub-Saharan Africa. With access to water, women and girls can get their lives back. They start businesses, improve their homes, and take charge of their own futures. In conclusion, access to clean drinking water and sanitation is a basic human right and a key driver of economic growth. There are various different estimates used by charity:water and other WASH organisations on the impact of every £1 invested in clean water projects. Depending on the types of investments, geographical locations and year of publishing the research those can range from 4 times to 7 times to as high as 21 times more value than expenditure. At the company level, NAM UK entered a 3-year partnership with charity:water to provide remote communities with access to safe and clean water via multiple donations which help to provide better water facilities and infrastructures in emerging countries.

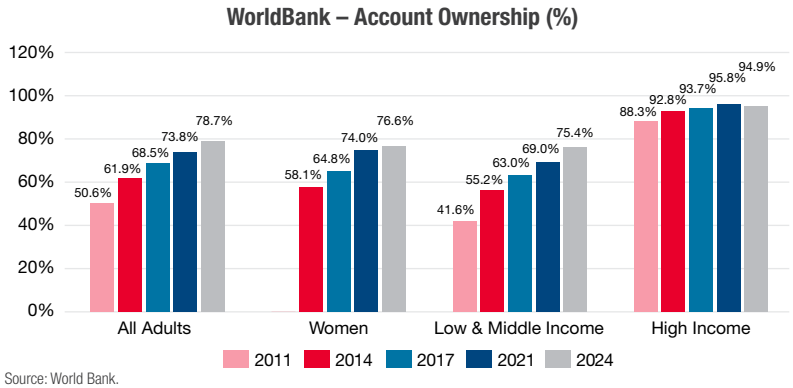
Tracking Progress Towards Our Environmental and Social Goals

Global Access to Basic Financial Services

SDG Alignment: Our Global Access to Basic Financial Services Impact Goal is most closely aligned with SDG Target 1.4 *'By 2030, ensure all have equal rights to economic resources'*

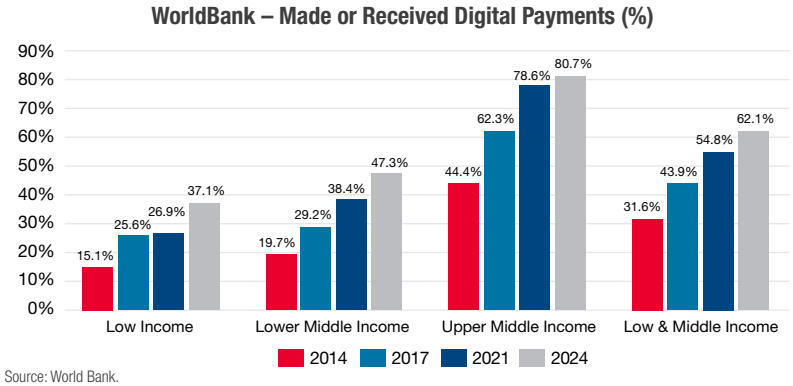
KPIs Tracked: Percentage of the global population that is unbanked; we track World Bank Account Ownership data as a proxy for this across low/mid-income and high-income economies, further broken down by gender. We also track data on digital payments to support our understanding

KPI Targets: By 2030 low/mid-income account ownership to converge with high-income achieving 95%+ and for the gender gap to close completely



Source: World Bank.

The Challenge: In 2024, roughly 1.7bn adults remained unbanked with 21% of the global population not holding an account at a bank or similar financial institution. Whilst there has been considerable improvement over the past decade – *these figures stood at 3.5bn unbanked adults and 49% not holding an account in 2011* – much remains to be done especially given the slowing pace of progress in the last few years. Supporting global progression towards near universal access to basic financial services is one of the greatest levers through which to push for an improvement in living standards and a more equitable world. Not only does account ownership support saving, credit access and the ability to make or receive payments, but it is also a material driver in supporting economic growth, increased safety, health and wellbeing, as well as gender equality.



Source: World Bank.

Obstacles to having a bank account quoted in the World Bank Findex survey include lack of money, distance to the nearest bank and lack of documentation. A key driver for overcoming the historic obstacles has been the emergence of mobile money services and the rapid growth in mobile phone ownership across developing economies, which has offset the still very low levels in physical banking penetration. Looking forward, the building out of telecommunication networks and payment processing – in addition to further increasing mobile phone access – will play a key role in growing access further.

Progression of KPIs: The World Bank updated their data showing that account ownership in 2024 had increased to 75% in low- and middle-income countries from 69% in 2021 and 42% in 2011. In parallel we also track the progress of women account ownership vs all adults specifically and see that the gap is slowly closing, which is encouraging. Furthermore, we also see constant improvement in percentage of individuals in low- and middle-income group that makes/receives digital payments to 62% in 2024, an increase of ten points from 2011 when this figure stood at 32%. We think this is another positive step that shows how digitalisation in emerging economies continues to foster a greater number of accounts and we think the move towards greater financial enfranchisement should aid development in these countries too.

Examples of our Investments and Engagement for Impact:

- **Mastercard:** Provides financial transaction processing services, thus supporting social positive impact through financial inclusion. As of end of 2024, the company has already connected 960mm people to the digital economy and is on track to reaching their goal to connect 1bn people by 2025.

Engaged with Mastercard in person at their headquarters in Purchase, New York and did a deep dive into the company's impact metric on financial inclusion. We discussed the scope of the company's financial inclusion targets (connect 1bn people to the digital economy by 2025) and potential issues with double counting and geographical reach. We learned that the company's reported metrics on financial inclusion seem to be inclusive of other metrics such as corporate giving and small medium enterprises (SMEs) loans they report on, however given our understanding of how conservatively they count we were left very comfortable that there was no risk with double counting vs other service providers e.g. Visa who also has similar targets.

Global Shariah Sustainable Equity Fund Investee Company Impact

Per US$1mm invested in the Global Shariah Sustainable Equity strategy it is estimated that the underlying holdings achieved the following impact. More details on individual company contribution are available in the appendix.

Mitigate Natural Capital Depletion

6 metric tonnes of material recovered in the year

18 hectares of land and water protected, managed, or restored in the year

16,681 single use plastic water bottles displaced by filtration products

Mitigate Climate Change

294 tonnes lower CO_2 emissions (scope 1+2+3) relative to MSCI ACWI

*Equivalent to taking 64 cars off the road and **70 tonnes** of reported emissions avoided from products (so called Scope 4*)*

21 millions of tonnes of CO_2 emissions avoided or captured by projects (annual)

Global Access to Clean Drinking Water

2,564 litres of safe and clean drinking water

Total people reached through company hygiene & water access programmes **5**

Litres of water treated, saved or reduced by projects in the year **2,408,231**

Eliminate Communicable Disease

18 low income patients reached with treatments through access strategies – of which **1** represents **HIV treatment**

per ***US$1mm*** *invested*

Source: Company Reports, Nomura Asset Management Research as of December 2024, assessed December 2025. Company sustainability data is collected from each company's shareholder reports, regulatory filings, and/or other company-specific documentation. Impact data is susceptible to inconsistencies. There is currently no standardised, uniformly accepted methodology for companies to measure and report this data, which, in some cases, requires a conversion to allow for aggregation across the strategy.

The slide contains estimates produced by NAMM and has been prepared on a best efforts basis with a view of supporting an understanding of the impact of underlying holdings. Data has not been independently verified. Impact per US$1m is taking into account the strategy's effective ownership of underlying companies. The impact is calculated as a proportion of our ownership relative to the companies' overall impact and is aggregated across all holdings. For example, if Company A reached 15.2m people with HIV treatment through its access strategies, and considering the strategy holds 2% of its AUM in this company, US$1m in the strategy would have a US$20k holding in Company A. To calculate the impact we use the market cap of Company A and apply the following formula: (US$20k/US$market cap) x 15.2m. The end result represents the estimated number of people reached with HIV treatment by the underlying companies within the portfolio per US$1m invested. The company specific impact metrics and KPIs we track for our 6 impact goals have been collected from September until the end of December 2025.

Global Access to Basic Financial Services

Have reached **121 previously unbanked** individuals through financial access strategies since 2015

10 small businesses connected to the digital economy (total since 2020)

Mitigate the Obesity Epidemic

Provided treatment for **6 diabetes and obesity sufferers**

4 members covered with medical insurance

8 patients served (Medtech) in relation to Obesity

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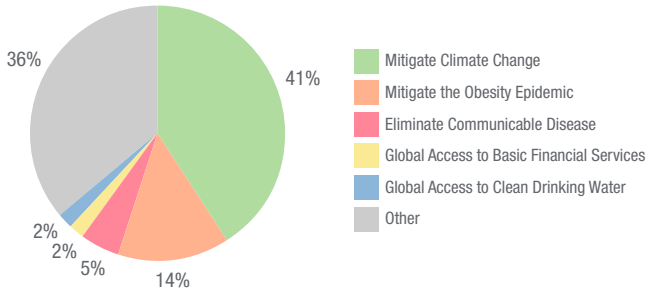
*Avoided emissions is also often referred to as Scope 4. As there is currently no widely accepted approach for quantifying tonnes of carbon avoided, companies apply various methodologies for avoided emissions. They do not represent the actual emissions reduced or offset by companies' products and services but indicate the estimated emission change (reduction) from the use of products and/or services against the counterfactual scenario where these products or services were not used.

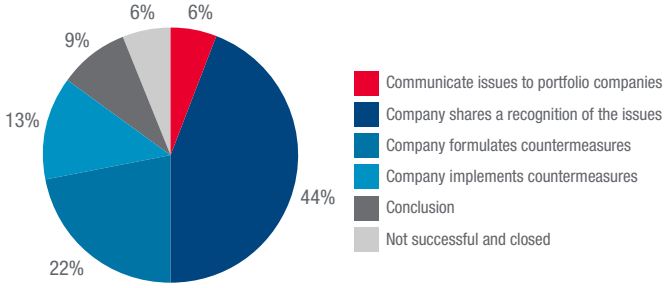
Engaging for Impact

NAMM's Global Shariah Sustainable Equity team strongly believes that the investment management industry can have a positive impact on individual companies and drive better societal and environmental outcomes through engagement. We are at the heart of an ecosystem in which there are multiple avenues to support better outcomes be that through collaboration with our investment peers, supporting intercompany collaboration or working together with non-governmental organisations (NGOs) and the media, how we behave as professionals or supporting the next generation of impact investors. However, it is also the team's view that engagement has its limitations and is not a silver bullet, especially when not carried out correctly. Whilst in the team's experience it has, in its view, been able to support driving positive change at certain companies, there have been many other occasions wherein its engagements have not been successful and indeed ignored as a result of factors including but not limited to the size of the holding relative to the size of the company and when there are structures in place limiting ordinary shareholder voting power. It is furthermore the team's view that engagement must be purposeful and where necessary forceful. The team therefore believes that an impact mind-set must be taken into engagement practices, realistic expectations must be set for what can be achieved and our capacity to drive change must be clearly articulated to clients.

Across 2024, the team undertook 42 engagements with portfolio companies. Of these, 17 were in relation to the Mitigate Climate Change impact goal, 6 to Mitigate the Obesity Epidemic, 0 to Mitigate Natural Capital Depletion, 2 to Eliminate Communicable Disease, 1 to Global Access to Basic Financial Services, 1 to Global Access to Clean Drinking Water and 15 to 'Other' sustainability areas. Of these engagements 32 were ongoing engagements whilst 10 were considered as one-off engagements. Of the 32 ongoing engagements, 2 were at Milestone Level 1 (communicate issues to portfolio companies), 14 at Milestone Level 2 (company shares a recognition of the issues), 7 at Milestone Level 3 (company formulates countermeasures) and 4 at Milestone Level 4 (company implements countermeasures), whilst 3 were concluded successfully (Milestone Level 5) and 2 were closed unsuccessfully (Milestone Level 10).

Engagements by GSSE Impact Goals





Environment

41%
Mitigate Climate Change

0%
Mitigate Natural Capital Depletion

Society

14%
Mitigate Obesity Epidemic

5%
Eliminate Communicable Disease

2%
Global Access to Basic Financial Services

2%
Global Access to Clean Drinking Water

Ongoing Milestone Tracking – 5 Steps

During the year we concluded 2 engagements due to lack of success.

Case Studies

Ultra Processed Foods (Mitigate the Obesity Epidemic)

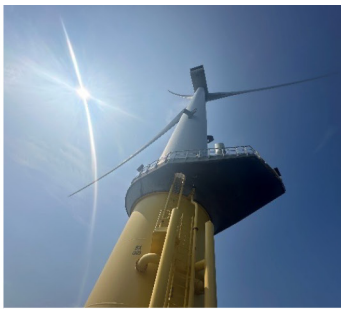
The team became increasingly concerned that certain Consumer Staples companies may be having a negative effect on the Mitigate the Obesity Epidemic goal with Big Food and ultra-processed foods (UPFs) fostering an environment in which obesity could be allowed to grow in prevalence. The term UPF is still relatively new and was popularly categorised by researchers in Brazil during 2009. These foods are the product of industrial processes in either the way they are formulated, constructed, or preserved. The category is broad and the foods are popular in many countries. In the UK, consumers get 60% of their calories from UPFs. However, unfortunately, there appears to be an increasingly strong link between consuming UPFs and poor health outcomes. Following extensive research, the team have published a white paper* on the topic highlighting studies that show how both cardiovascular events as well as obesity can be linked to the consumption of UPFs. This research had two interesting conclusions as the team integrated it into our investment process. Firstly, from a sustainability perspective the team have re-evaluated the Consumer Staples companies in the Strategy Total Impact Framework to take a more critical view of the impacts from their products. This ultimately led several businesses to have lower scores on the framework. Secondly, by evaluating the quantity of UPFs by country and the new effect from weight loss medications (GLP-1s) the team also became less constructive on the fundamental growth drivers of several Big Food companies. Ultimately, this led to the exit of Nestlé from the portfolio. The team have also engaged extensively with these businesses and continue to push for a more responsible approach to UPFs.

Offshore Wind Farm Site Visit (Mitigate Climate Change)

Before full disposal of our position in Orsted, in June 2024, a member of NAM's Global Equity team based in the UK had the unique opportunity to visit a couple of Ørsted's offshore wind farms just off the coast of Liverpool. We visited Burbo Bank with total capacity of 90MW and 25 3.6MW Siemens Gamesa turbines, which was commissioned in 2007, as well as Burbo Bank Extension with total capacity of 258MW and 32 8MW Vestas turbines, which was commissioned in 2017. The offshore sites visited are some of the company's earlier commissioned projects, which provided an opportunity to discuss the evolution of technology behind those projects especially in comparison to projects under construction today. Overall, Ørsted has 5.6GW of operational offshore wind generation capacity in the UK, which represent over 7% of the UK's total electricity generation and is enough to power approximately 6 million homes.

We were hosted by the Head of Environment, Consenting and External Affairs at Ørsted, as well as members of their Investor Relations team. We were pleased to gain insight into the technical aspects of the projects as well as views on the future of the offshore wind industry in the UK.



* Source: The Impact of Food on Our Health and the Financial Implications, https://www.nomura-asset.co.uk/download/insight/NAM_Ultra_Processed_Foods_May_2024.pdf

Global Access to Clean Drinking Water

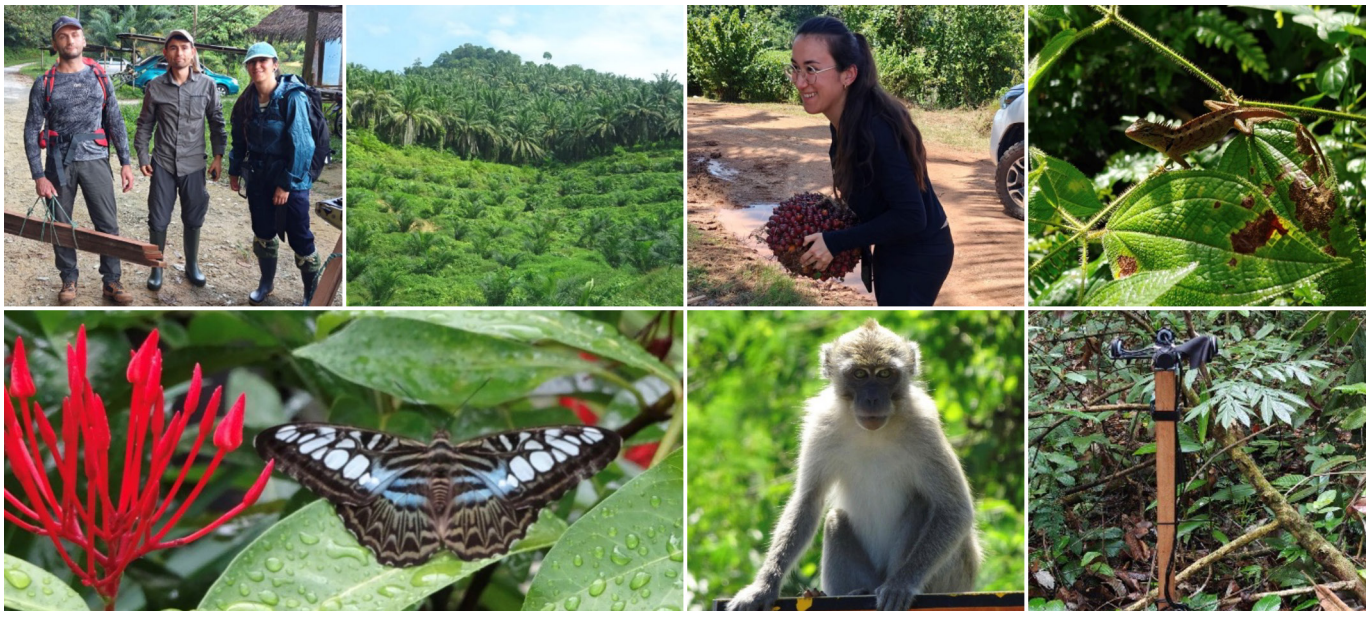
The team have been engaging with Taiwan Semiconductor Manufacturing Company (TSMC) on water usage and water recycling for the past few years. The most recent engagement was over their fabrication plants (fabs) in Kumamoto, Japan. Due to geopolitical tensions, TSMC has been asked to build fabs in countries such as Japan and the US (which we have written about regarding labour unions). Specifically, we asked for information about water usage and recycling standards in Kumamoto. In past engagements, we learned that water conservation and recycling standards in Taiwan are amongst the best in the world as Taiwan has a shortage of drinking water, especially when there is a drought, which happens more frequently due to climate change. We wanted to know whether the same high standards would be used in Kumamoto. A lot of our investors are based in Japan and are interested to see Kumamoto's groundwater protected. Based on an article that quotes TSMC's ESG disclosures on their Kumamoto fab, we learned that TSMC has reduced its planned water usage by 30% since when the fab was first announced and has committed to groundwater replenishment of over 100% of the used groundwater. TSMC has signed an agreement with the local council to accelerate the promotion of groundwater recharge. The company added that their new Sustainability Report will be published in the following months and that it will contain more detailed data about their water conservation efforts.

Bioacoustics Study in Malaysia (Mitigate Natural Capital Depletion)

The team is pleased to announce that in June 2024, we successfully conducted the data gathering stage of a second study in a palm oil plantation in Malaysia and will continue to work on the development of biodiversity measurement tools and scores to measure anthropisation levels on natural ecosystems.

This is a continuation of a multiyear partnership initiated in 2021 along with Cardano, Fidelity International and Goldman Sachs Asset Management on the investment side and Green Praxis and the Université de Toulon on the research side. The long-term goal of our participation in this project as a sponsor is to gain insight into biodiversity measurement, which can be leveraged off in our engagement work with other corporates.

Next steps are for the Green Praxis team to analyse the raw data and draw conclusions from the study. One limitation discovered in phase one of the project was the team's inability to identify a true pristine forest adjacent to the plantation to serve as a control group for the study. We are pleased that this time around Green Praxis were able to sample one of the oldest protected forests in the world, despite the numerous challenges they had to overcome.



SBTi Project Update (Mitigate Climate Change)

The team originally launched our SBTi project at the end of 2021 and has since continued to push companies to commit to verifying their GHG emission reduction goals with the initiative. This is a long-term project, which is very closely aligned with NAM Group's own Net Zero Asset Managers (NZAM) commitment.

Currently, around 84% of the investee companies in the strategy have had at least near-term targets set and approved by the SBTi, while one of them removed commitment. We have maintained engagements with all companies and initiate one for every new holding. Although it is difficult to fully attribute impact from such engagement effort, the team is very pleased with the progress over recent years and to see that the initiative is getting further traction. Through the years, we have tried to support those companies with advice, have attempted to connect some with peers across industries and geographies and for some have even put them directly in touch with representatives from the initiative to assist.

In addition, around the same timeframe, we held a call with a representative from the Science Based Targets Initiative to discuss potential challenges faced, progress over targets and how can the investment community be further of assistance to the initiative.

Deep Dive on Scope 3 Emissions (Mitigate Climate Change)

During the period, the team initiated a fresh deep dive into the investee companies' emission profiles, which contribute towards the majority of the portfolio's weighted average carbon intensity (WACI). The aim was to assess the availability and quality of latest data reported by companies with a specific focus on Scope 3. Working with the companies to understand the main categories driving Scope 3 emissions and challenges within measurement taking and validation is crucial for assessing the overall alignment of portfolio holdings with the Paris Agreement. Furthermore, this additional analysis would guide our engagement programme with companies based on where significant gaps were identified, or where escalation might be required of previous work we have done. During the period, the team initiated several such conversations with portfolio holdings. This will be an ongoing project, which will expand with time and require continuous monitoring of progress.

Continued collaboration with Access to Medicine (Mitigate the Obesity Epidemic)

We have a long-running relationship with the Access to Medicine Foundation (ATM). Since we initiated a position in Eli Lilly for the strategy, the team also took the opportunity to become the lead investor engaging with the company on behalf of ATM and a larger investor group. Through several emails and a call, we tried to persuade the company to provide more information to the foundation to improve their score. Since then Eli Lilly have committed to submit data to ATM directly for review. We are looking forward to seeing additional information reflected in the company's overall score as well as their position in the rankings becoming more aligned with direct industry peers.

Bioacoustics Study in Malaysia Update (Mitigate Natural Capital Depletion)

In December 2024, we were pleased to receive the final results from the second ecoacoustics study Nomura Asset Management (NAM) sponsored, along with a wider investor group and in collaboration with Green Praxis. The study was conducted in a palm oil plantation in Malaysia and similarly to phase one of this project, which took place in September 2022 in Indonesia, utilised rapid acoustic survey (RAS) and an automated AI-enabled daily soundscape analysis as a fast, affordable, non-invasive and reliable estimate of biodiversity abundance and richness in the area. The data gathering stage of the process took place over a three-week period in June 2024, during which the Green Praxis team took measurements on three types of plots in the area including production (palm oil plantation), conservation (secondary forest) and pristine forest (outside of concession). The study concluded that conservation plots are successful at restoring local biodiversity to a certain extent (especially considering the young age of the conservation plots studies), and that can be identified through AI-assisted soundscape analysis as intermediate between pristine and production plots. Another key finding of the study was that the new recorders being tested can produce comparable and reliable results vs the previous equipment used, which makes them suitable for increasing the scope of the project, including the potential for remote recording (by collaborating with local communities) and remote assessment of the data gathered. One shortcoming of the previous study undertaken in Indonesia two years earlier was the lack of a true pristine forest to serve as a control for the study, given all of those have long been deforested. The investor group is incredibly pleased that this time around the Green Praxis team managed to gain access to one of the few remaining and among the oldest pristine tropical jungles globally – the Ulu Kinta forest reserve.

Appendix: Individual Company Contributions

			Company CPI 1			
Company	Alignment with NAM Impact Goal	Direct Intentionality	Measurement	Value 2024	Value 2023	Value 2022
ABBVIE INC	Eliminate Communicable Disease	No	US patients given medicine at no cost	235,000	218,000	198,000
ADOBE INC	Mitigate Climate Change	No	Number of PDFs opened in Adobe Products (annual)	>400bn	>400bn	400bn
ALPHABET INC-CL A	Mitigate Climate Change	No	Renewable energy secured under PPAs (cumulative GW)	22 GW	14 GW	10GW
APPLE INC	Mitigate Climate Change	No	Emissions avoided through environmental programmes (metric tonnes)	41mm	31mm	28mm
ASML HOLDING NV	Mitigate Climate Change	No	NXE (EUV lithography machine) energy use per wafer pass (target 5.1 kWh by 2025)	5.9 kWh	7.7 kWh	8.27 kWh
ASTRAZENECA PLC	Eliminate Communicable Disease	Yes	People reached through access to healthcare programmes (cumulative)	90.5mm	66.5mn	44.6mm
BECTON DICKINSON AND CO	Mitigate the Obesity Epidemic	Yes	R&D expenditure used as a proxy for investment in solutions for Mitigate the Obesity Epidemic and Eliminate Communicable Disease (pa)	1.2bn	1.24bn	1.26bn
BOSTON SCIENTIFIC CORP	Mitigate the Obesity Epidemic	Yes	Number of patients served	44m	37m	33mn
BROADCOM INC	Mitigate Climate Change	No	Total renewable energy consumption, purchased and self-generated (MWh)	268,388	121,170	
DAIKIN INDUSTRIES LTD	Mitigate Climate Change	Yes	Tonnes of carbon saved as a result of company's environmentally conscious products	48.23mm	33.65mm	22.35mm
ELI LILLY & CO	Mitigate the Obesity Epidemic	Yes	Number of people reached by Eli Lilly medicines	58mm	55.8mm	51mm
GILEAD SCIENCES INC	Eliminate Communicable Disease	Yes	HIV sufferers that have received GILD drugs in low/ mid income countries through access strategies (annually)	14.8mm	20.0mm	20.0mm
HITACHI LTD	Mitigate Climate Change	Yes	Total Scope 1 & 2 GHG Emissions (metric tonnes CO2e)	600,000	680,000	1,560,000
JOHNSON CONTROLS INTERNATION	Mitigate Climate Change	Yes	Carbon saved as a result of performance contracting (tonnes pa and total since 2000)	2mm (41mm total)	3.8mm (39mm total)	3.3mm (35.2mm total)
MASTERCARD INC - A	Global Access to Basic Financial Services	Yes	Number of people reached previously excluded from financial services (cummulative since 2025)	960mm	870mm	780mm
MICROSOFT CORP	Mitigate Climate Change	No	Renewable energy credits and power purchase agreements (GWh)	29,830	23,568	18,153
PALO ALTO NETWORKS INC	Mitigate Climate Change	No	Total Scope 1 & 2 (Market) GHG Emissions (metric tonnes CO_2e)	10,937	13,659	14,148
PENTAIR PLC	Global Access to Clean Drinking Water	No	Number of people provided with clean drinking water in developing economies under Project Safewater	3mm	3mm	3mm
SAP SE	Mitigate Climate Change	No	Total GHG emissions offset and avoided from climate projects (metric tonnes, pa)	276,000	256,000	257,000
SCHNEIDER ELECTRIC SE	Mitigate Climate Change	Yes	Tonnes of CO_2 saved by customers as a result of offering (since 2018 cumulative)	679mm	553mm	440mm
SGS SA-REG	Mitigate Climate Change	Yes	Avoided CO_2 emissions from services (million tonnes)	14.0	14.0	14.0
SMITH (A.O.) CORP	Mitigate Climate Change	Yes	Tonnes carbon saved from AOS' efficient technology (pa)	586k	562k	585k
TAIWAN SEMICONDUCTOR MANUFAC	Mitigate Climate Change	No	Total water saving (million metric tons)	284.6	286.4	215.7

Company CPI 2				Company CPI 3			
Measurement	Value 2024	Value 2023	Value 2022	Measurement	Value 2024	Value 2023	Value 2022
R&D spending as a proxy for investment in new innovative treatments (million)	10,800	7,800	7,100				
Electronic and digital signature transactions processed	>8bn	>8bn	8bn				
GHG emissions saved by Nest thermostat customers (metric tonnes)	8.4mm	7mm		Population of Android smartphones used worldwide (billions)	5.15bn	4.91bn	4.72bn
Population of IOS smartphones used worldwide (billions)	2.01bn	2.01bn	1.85bn				
Scope 3 emissions intensity rate (kt per EUR mm gross profit)	0,83	1,06	1,11	Total renewable energy consumption, purchased and self-generated (MWh, % of total)	458,128 (78.7%)		
People reached through Healthy Heart Africa programme (cumulative)	67.4mm	48.0mm	32.1mm				
Number of devices produced (pa)	>34bn	>34bn					
Number of active clinical trials (covers new products and applications)	65	63	80				
Environmentally concious products as percentage of residential air conditioner sales	99%	99%	99%				
Number of people reached in resource limited locations (annually)	24mm	18mm	13mm				
R&D expense (predominantly infectious)	US$5.9bn	US$5.7bn	US$5.9bn	Individuals treated with Remdesivir (COVID treatment) through voluntary licensing (since 2020)	8.3mm	8.1mm	8mm
Small businesses (MSMEs) connected to the digital economy (cummulative since 2020)	65mm	48mm	35mm				
Airband Initiative to close the broadband gap (cumulative, target 250mm by 2025)	100mm	63mm	50mm	Number of people provided with access to clean water and sanitation solutions (cumulative, target 1.5mm by 2030)	1,581,273	1,510,913	552,058
Material Data Breach	0	0	0				
Metrics tonnes of carbon saved from efficient pumps (annual and total, since 2005)	319k tonnes (16.5mm total)	548k tonnes (16.4mm total)	15.9mm	Single use plastic water bottles avoided	8.5bn	6.97bn	7.77bn
Total amount of e-waste diverted from disposal (metric tonnes, pa)	749	1.398					
Number of people provided access to green electricity (per year, total since 2009)	7mm (53.4mm total)	6.9mm (46.5mm total)	5.5mm				
Avoided water consumption from services (billion litres)	71.0	>68	68.0				
Displacement of single use plastic bottles by water filtration systems	3.6bn	2.1bn	1.2bn	Gallons of drinking water filtered by AOS water treatment systems	480mm	280mm	231mm
Energy conserved based on company estimate "each 1 kWh devoted to production conserves 4 kWh for the world"	102.2GWh	92.9GWh	84.3GWh				

Appendix: Individual Company Contributions

Company	Alignment with NAM Impact Goal	Direct Intentionality	Company CPI 1 Measurement	Value 2024	Value 2023	Value 2022
TETRA TECH INC	Global Access to Clean Drinking Water	Yes	Gallons of water treated, saved, or reused by projects (annual, cumulative since 2021)	176.9bn (4.93tn)	4.16tr (4.75tn)	516.85bn (589bn)
THERMO FISHER SCIENTIFIC INC	Eliminate Communicable Disease	Yes	Research and development (R&D) spend (pa)	1.4bn	1.4bn	1.5bn
TOKYO ELECTRON LTD	Mitigate Climate Change	No	Water consumption per net sales (thousand m3 per million yen)	6.5	8.4	6.8
TRACTOR SUPPLY COMPANY	Mitigate the Obesity Epidemic	No	Neighbours Club membership (mm)	38.0	32.0	28.0
UNITEDHEALTH GROUP INC	Mitigate the Obesity Epidemic	Yes	Number of UNH members on value-based care arrangements	4.7mm	>4mm	>3mm
VISA INC-CLASS A SHARES	Global Access to Basic Financial Services	Yes	Small and micro businesses digitally enabled (cumulative since 2020)	67mm	67mm	40mm
WASTE MANAGEMENT INC	Mitigate Natural Capital Depletion	Yes	Avoided emissions (million metric tonnes of CO_2e, pa)	56.2	52.0	48.3
XYLEM INC	Global Access to Clean Drinking Water	Yes	Number of people provided with clean water and sanitation solutions in underresourced communities (pa, cummulative)	3.6mm (16.3mm)	3.8mm (12.7mm)	2.4mm (8.9mm)

Company CPI 2				Company CPI 3			
Measurement	Value 2024	Value 2023	Value 2022	Measurement	Value 2024	Value 2023	Value 2022
Metric tonnes of CO_2 emissions avoided or captured by projects (annual, cumulative since 2021)	5.1mm (158.7mm)	52.4mm (153.6mm)	80.6mm (101.2mm)	Hectares of land and water protected, managed, or restored (annual, cumulative since 2021)	6.04mm (196.8mm)	5.7mm (190.7mm)	6.7mm (185mm)
Number of clinical trials supported (pa)	3,900	Not reported	8,200				
Total renewable energy consumption, purchased and self-generated (MWh)	423,332	397,284	369,986				
Number of people served by UnitedHealthcare	50.7mm	52.8mm		Unique individuals served by company	146mm	152mm	150mm
Number of previously unbanked/underserved people who received access to digital payment accounts (cumulative since 2015)	500mm	500mm	500mm				
Material recovered (mm tonnes, pa)	16.0	15.2	14.8				
Number of people provided with water education to improve quality of life and raise awareness of water issues (pa, cummulative)	2.1mm (12.4mm)	3.3mm (10.3mm)	1.7mm (7mm)	Non-revenue water reduced by Xylem's customers (m3, cummulative since 2019)	3.71bn	2.71bn	1.91bn

About Nomura Asset Management

The Nomura Asset Management Group is a leading global investment. Headquartered in Tokyo, Nomura has additional investment offices throughout the world including London, Singapore, Malaysia, Hong Kong, Shanghai, Taipei, Frankfurt and New York. Today Nomura Asset Management provides its clients with a wide range of innovative investment strategies including global, regional and single country equities, high yield bonds, alternative investments and global fixed income strategies.

US$630 bn

assets under management globally

1,344

staff employed across **14** offices

233

portfolio managers located strategically around the world

119

dedicated professionals committed to fundamental and quantitative research

1959

Our investment management capability was established in Japan over 50 years ago

30 years

Operating in Europe for over 30 years

Source: Nomura Asset Management as at 31st December 2025

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The impact metrics in this report represent Nomura Global Shariah Sustainable Equity Fund ("Fund")'s proportional exposure to the reported activities of the portfolio companies based on the Fund's ownership percentage, calculated as: (Fund weight as at 31 December 2024 / company market capitalisation as at 31 December 2024) x company reported impact metrics.

These company reported impact metrics covers the calendar year 2024, and includes both aggregated and annualised metrics. These impact metrics are not adjusted for the length of time the Fund held each position during the reporting period. Additionally, the impact metrics represent the Fund's proportional exposure to the portfolio companies' activities, not causal impact or contribution. Portfolio companies would have undertaken these activities regardless of the Fund's investment.

This material has not been reviewed by the Securities Commission Malaysia ("SC"). Before investing in the Fund, investors are advised to read and understand the contents of the Fund's Prospectus dated 23 May 2022, First Supplementary Prospectus dated 31 July 2023 and the Second Supplementary Prospectus dated 27 January 2025 ("Prospectus") and Product Highlights Sheet ("PHS") which highlights the key features and risks of the Fund. Both the Prospectus and PHS have been registered/lodged with the SC. The authorisation of the Fund and the registration/lodgement of the Prospectus and the PHS should not be taken to indicate that SC recommends the Fund. SC takes no responsibility for the contents of the Prospectus, the PHS and this marketing material; makes no representations as to their accuracy or completeness; and expressly disclaims all liability arising from, or in reliance upon the whole or any part of their contents. Copies of the Prospectus and PHS can be obtained from our office and application for units can only be made on receipt of an application form referred to and accompanying a copy of the Prospectus. Among others, investors should be aware: i) of the risks and costs involved in investing in the Fund; ii) that the price of units (in the Fund) and distributions payable (if any) may go down as well as up; and iii) that past performance of the Fund and target fund (if any) should not be taken as an indication of its future performance. Investors should make their own risk assessment and seek professional advice, where necessary.

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April 2026

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