



WHEB

PROSPERITY WITH PURPOSE

whebgroup.com/impact

Annual Impact Report
Jan-Dec 2018

About WHEB

WHEB is a positive impact investment business. We invest clients' money in companies that are enabling and benefitting from the transition to a low carbon and more sustainable economy. We are independent, owner-managed and a certified B Corporation¹.

WHEB's Mission Statement

WHEB's mission is to advance sustainability and create prosperity through positive impact investments.

About this report

This report, and the associated website, is written primarily for investors in WHEB's investment strategy. It provides an account of the positive impact associated with this investment strategy in 2018. For more information about our positive impact please see www.whebgroup.com/impact

AWARDS AND RATINGS IN 2018



Acknowledgements and Data

Thank you to Shipra Gupta and Hatim Morbiwala for their help in collecting and analysing the impact data in this report. Thank you also to Ecometrica for grid carbon intensity data and Impact Cubed for portfolio ESG performance data (on page 10). The data was collected during March and April 2019 and covers the period 1 January – 31 December 2018. In certain cases where companies had yet to report 2018 data, we used data from the prior year. The content and data in this report were correct as at 31 December 2018 and have not been updated since.

¹ For more information please visit <https://bcorporation.net>

Thematic exposure and strategy

We believe that the global economy is in the early stages of a major transition to a low carbon and more sustainable model. WHEB's investment strategy is wholly-focused on listed companies that are enabling and benefitting from this transition. The investments are categorised into one or more of nine investment themes (see Figure 1).

The portfolio includes 50-70 companies which are typically held in the strategy for between four and seven years. The investments are selected following rigorous analysis that includes an assessment of:

- 1) The positive impact offered by the company's products and services.** WHEB only invests in companies with a positive impact and so 'Degenerative' and 'Transitioning' businesses are excluded² (see Figure 2 below). Positive impact businesses are categorised as either having a modest 'Mitigating' or offering a more radical 'Breakthrough' impact.
- 2) The fundamental quality of the business.** Detailed analysis is conducted on a company's markets, competitiveness and operational fitness. This includes assessing the management of critical environmental, social and governance (ESG) issues in its operations.

Figure 1: WHEB's investment themes



- 3) The valuation of the equity.** High quality businesses that deliver positive impact are much sought after. We maintain a valuation discipline to ensure that we only pay a reasonable price for the equity of companies in the WHEB strategy.

Figure 2 below maps the portfolio as at the end of 2018 illustrating the rating that WHEB has applied to each investment in terms of both its positive impact (x-axis) and fundamental quality (y-axis). An interactive version of this map is available on the website at www.whebgroupp.com/impact/impact-map

Figure 2: Mapping company quality and impact











² 'Degenerative' and 'Transitioning' businesses sell products that undermine social and environmental systems. A fuller definition of these terms and WHEB's underlying methodology is provided at <http://www.whebgroupp.com/impact/methodology/>

WHEB's investment strategy and the UN Sustainable Development Goals

WHEB's nine investment themes cover a wide range of products and services as illustrated in Figure 3 below. As at the end of December 2018, there were 58 investments in the strategy with each company categorised into one of the nine themes³. During 2018, we calculated that the strategy was associated with a positive impact equivalent to:

- 218,000 tons of CO₂e⁴ avoided;
- 464,000 MWh of renewable energy generated;
- 49,000 tons of waste recovered or recycled;
- 2.6 billion litres of waste water treated;
- 3.5 billion litres of water cleaned and distributed for reuse;
- 12,800 people received healthcare treatment;
- 12,600 people benefited from preventative healthcare;
- £31m of healthcare costs saved; and,
- 29,000 days of tertiary education provided.

Figure 3: Delivering positive impact in support of the UN Sustainable Development Goals









WHEB INVESTMENT THEMES				
	 Cleaner Energy	 Resource Efficiency	 Sustainable Transport	 Environmental Services
Indicative areas of business activity	<ul style="list-style-type: none">- Renewable energy technologies- Renewable energy generation	<ul style="list-style-type: none">- Energy efficiency products- Efficient buildings- Efficient lighting- Efficient manufacturing- IT to improve efficiency	<ul style="list-style-type: none">- Intermodal and rail transport- Less polluting road transport (eg hybrid and electric vehicles)	<ul style="list-style-type: none">- Environmentally preferable products- Environmental consulting- Pollution control
Portfolio holdings (as at 31/12/18)	<ul style="list-style-type: none">- China Everbright International Ltd- Siemens Gamesa Renewable Energy S.A.- TPI Composites Inc	<ul style="list-style-type: none">- AO Smith Corp- Acuity Brands Inc- ams AG- Ansys Inc- Daifuku Co. Ltd- Daikin Industries Ltd- IPG Photonics Corp- Johnson Controls International- Keyence Corp- Kingspan Group- Kion Group- Lennox International- National Instruments Corp- Nitto Denko Corp- Renishaw plc- Rockwell Automation Inc- Roper Technologies Inc- Spectris plc	<ul style="list-style-type: none">- Aptiv plc- Hella KGaA Hueck & Co- JB Hunt Transport Services Inc- Norma Group- TE Connectivity Ltd- Wabtec Corp	<ul style="list-style-type: none">- Horiba Ltd- Koninklijke DSM NV- Lenzing AG- Linde plc- Smurfit Kappa plc- Stantec plc
Positive impact in 2018	464,000 MWh of renewable energy generated			49,000 tons of waste recovered or recycled
	218,000 tons of CO ₂ e avoided			
UN SUSTAINABILITY GOALS				
Supporting	7 AFFORDABLE AND CLEAN ENERGY 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 
SUSTAINABLE DEVELOPMENT GOALS				

³ Where companies have exposure to more than one theme, they are categorised in the theme where the exposure is largest.

⁴ CO₂e = carbon dioxide equivalents.

These positive impacts stem from the use of the products and services supplied by WHEB's portfolio companies. They directly support seven of the UN's Sustainable Development Goals (SDGs) as illustrated in Figure 3 below. The remaining ten SDGs are high-level societal goals that are primarily influenced by governmental actions. Companies held in WHEB's investment strategy also contribute to these wider goals through their own operations. We highlight examples of how companies support these wider objectives on our impact website www.whebgroup.com/impact/sustainable-development-goals/

SUSTAINABLE DEVELOPMENT GOALS

WHEB INVESTMENT THEMES				
 Water Management	 Health	 Safety	 Well-Being	 Education
<ul style="list-style-type: none">- Efficient water use- Waste water treatment- Fresh water provision	<ul style="list-style-type: none">- Research and diagnostics- Cutting costs in healthcare- Therapies for ageing demographics- Tackling obesity- Preventative care	<ul style="list-style-type: none">- Products making people safe- Making products safe	<ul style="list-style-type: none">- Residential care for the elderly- Hearing, vision and oral health- Fitness	<ul style="list-style-type: none">- Tertiary education
<ul style="list-style-type: none">- China Water Affairs Group Ltd- Ecolab Inc- Xylem Inc	<ul style="list-style-type: none">- Agilent Technologies Inc- Centene Corp- Cerner Corp- CSL Ltd- CVS Health Corp- Danaher Corp- Fresenius SE- HMS Holdings Corp- Premier Inc- Steris plc- Thermo Fisher Scientific Inc- Varian Medical Systems Inc	<ul style="list-style-type: none">- Intertek Group Plc- Littelfuse Inc- MSA Safety Inc- WABCO Holdings	<ul style="list-style-type: none">- The Cooper Companies Inc- Henry Schein Inc- Nautilus Inc- Orpea Group- Tivity Health Inc	<ul style="list-style-type: none">- Grand Canyon Education Inc
2.6bn litres of waste water treated			12,600 people benefitted from preventative care and/or healthy living programmes	29,000 days of tertiary education provided
3.5bn litres of water distributed	12,800 people received healthcare treatment. £31m of healthcare costs saved.			
UN SUSTAINABILITY GOALS				
<div>6</div> <div>CLEAN WATER AND SANITATION</div> <div></div>	<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>		<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	

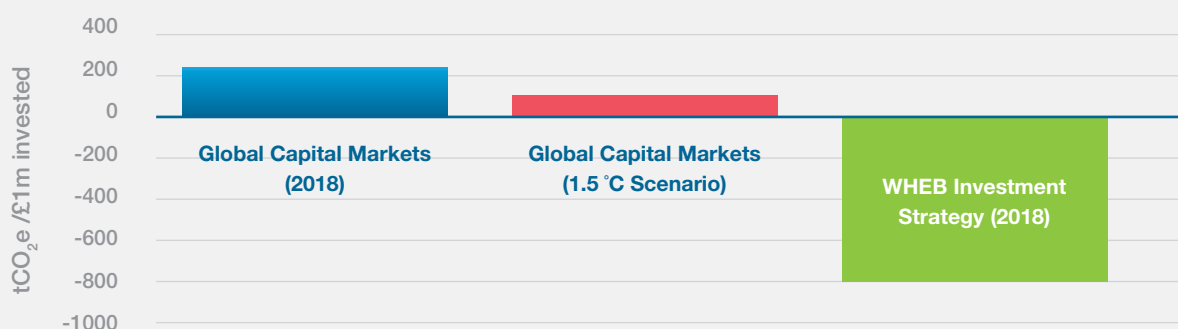
Portfolio positioning on climate change

A significant proportion of the WHEB investment strategy is invested in companies that manufacture and sell products and services that help to reduce greenhouse gas (GHG) emissions. In 2018 we estimate that the strategy helped avoid the emission of over 218,000 tons of CO₂e. This is equivalent to 800 tons of CO₂e per £1m invested in the strategy⁵.

Avoided greenhouse gas emissions in context

While these numbers seem significant, a critical question is whether these levels of avoided carbon are sufficient to limit global warming to no more than 1.5° Celsius⁶. Figure 4 below depicts the approximate levels of emissions that are associated with £1m invested in today's economy. In addition, Figure 4 also shows the level of emissions, per £1m invested, that would be commensurate with limiting global warming to no more than 1.5° Celsius above pre-industrial levels. The third column in the chart shows the quantity of net carbon emissions that are avoided through an investment of £1m in WHEB's strategy⁷.

Figure 4: Carbon emissions associated with £1m invested in:
1) Global capital markets, 2) a 1.5°C Scenario and 3) the WHEB strategy⁸



Clearly, a progressive shift of economic activity towards the companies held in WHEB's investment strategy would help limit GHG emissions to levels that are consistent with warming of no more than 1.5° Celsius.

Absolute levels of impact

In an absolute sense, however, the WHEB strategy is a minute proportion of the value invested in global capital markets. In 2018, the WHEB strategy represented approximately just one millionth (0.0001%) of global capital markets. However, as illustrated above, the strategy's positive contribution is disproportionate in the context of the broader economy. Of the GHG reductions global emissions to achieve global warming of no more than 1.5° Celsius by 2030, the money currently invested in the WHEB strategy contributes approximately just under one basis point to of this global annual reduction objective^{9/10}.

Further analysis of the Scope 1 and 2 CO₂e emissions of the strategy relative to the benchmark is provided on page 11.

⁵ This figure is reported here net of scope 1 and scope 2 emissions. For more information please see <http://www.whebgroupp.com/impact/methodology/>.

⁶ The Intergovernmental Panel on Climate Change has stated that warming of no more than 1.5°C will significantly reduce negative impacts on society compared to 2°C of warming (https://www.ipcc.ch/site/assets/uploads/sites/2/2018/07/sr15_headline_statements.pdf).

⁷ 'For more information on how the avoided carbon figures are calculated please visit the WHEB website at <http://www.whebgroupp.com/impact/methodology/>

⁸ These figures assume the total value of global capital markets is \$300trn.

⁹ This Figure is based on the requirement to reduce 2017 levels of global GHG emissions by 55% by 2030 (http://wedocs.unep.org/bitstream/handle/20.500.11822/26895/EGR2018_FullReport_EN.pdf?sequence=1&isAllowed=y).

¹⁰ Further information on this calculation is contained in the methodology document available on the impact website at <http://www.whebgroupp.com/impact/methodology/>

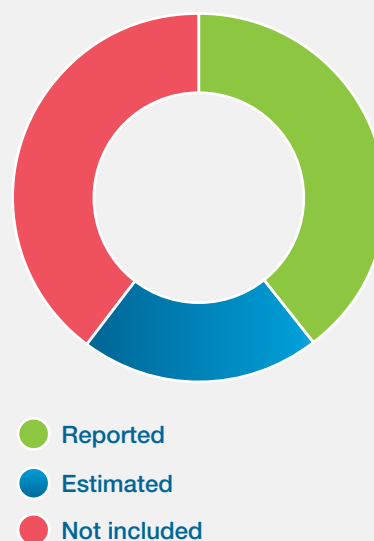
Methodology and data quality

WHEB continually seeks to improve the quality of the data that is used in calculating the positive impacts that are presented in this report. We believe that the quality of data is the main source of errors in our calculations and so improving quality is a key focus¹¹.

In this year's report, we have improved the quality of the data by, for example, using the latest carbon intensity data for electricity grids around the world¹². The carbon intensity of grid electricity has been falling around the world due to the increasing use of renewables in most regions. While this is clearly a very positive development, the consequence is that 1 unit of avoided electricity use translates to a lower CO₂e saving compared with previous years. The somewhat perverse outcome of more renewable electricity on the grid is a reduction in the avoided carbon emissions data that we present in this report.

Wherever possible, we rely on reported data from the companies that we invest in and have made the disclosure of impact data a part of the engagement work that we do with portfolio companies. In 2018 we have seen a rather modest improvement in the proportion of data that is reported by companies (+2%). The proportion of estimated data has fallen (by 2%) with the proportion of companies not included in the calculation remaining static (at 40%) (see Figure 5). We continue to engage with portfolio companies to encourage them to provide more and better quality impact data.

Figure 5: Data sources



The WHEB strategy is invested in a wide range of businesses. We categorise these into four 'tiers'. Definitions of these tiers and the proportion of the strategy that is categorised in each is indicated in Figure 6.

Figure 6: Product and service 'tiers'

Tier	Definition	Examples	% of Strategy (2018)
1	Complete product or service that can be used by ultimate customer.	A healthcare therapy or treatment.	40%
2	Components or materials used in combination with other components to provide the end product/service.	A delivery device used in treating a patient (e.g. intravenous needles and pumps).	24%
3	'Platform' or enabling technologies	Laboratory equipment used in developing or testing a new therapy.	26%
4	Products or services used in distributing, maintaining or monitoring end-use products.	Software used to track compliance with a treatment regimen.	10%

A full version of the methodology has been updated and is available on the impact section of WHEB's website at

 www.whebgroupp.com/impact/methodology/

¹¹ This was a key recommendation in the independent statement produced by WHEB's Investment Advisory Committee available at <http://www.whebgroupp.com/media/2018/05/IAC-Statement-2017.pdf>

¹² This data has been sourced from Ecometrica (<https://ecometrica.com/>).

Figure 7: The positive impact associated with owning £1m in WHEB's investment strategy in 2018¹³

Owning £1m of The FP WHEB Sustainability Fund during 2018 was associated with:

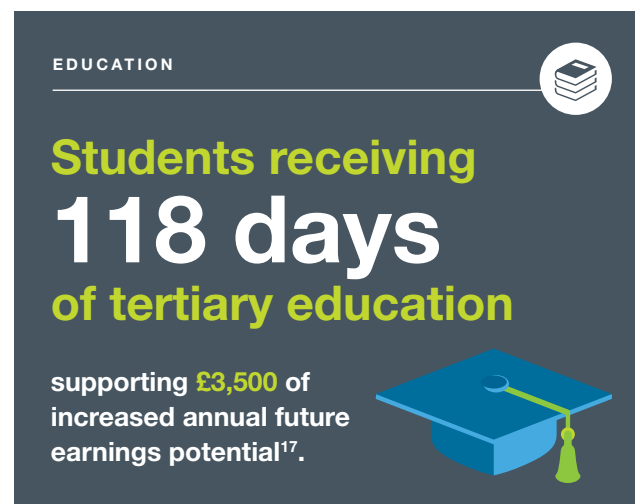


¹³ The 800 tons of avoided carbon emissions in Figure 7 are reported net of scope 1 and 2 operational emissions. All other numbers are reported gross.

For further information please see <http://www.whebgroup.com/impact/methodology/>

¹⁴ Based on a carbon tax of £18 per ton of carbon which is equivalent to the UK's Carbon Floor Price.

¹⁵ Based on a landfill tax of £89 per ton which is equivalent to the UK's Landfill tax in 2018.



An interactive version of this impact calculator is available at www.whebgroupp.com/impact/impact-calculator/

How impact performance has changed since 2017

Performance numbers change year to year due to several factors. In addition to the grid carbon intensity changes mentioned above, year on year changes were the result of:

Buys and sells of portfolio holdings – A significant influence on performance comes from changes to holdings in the strategy. For example, the French water and waste company Suez was sold during 2018 and this has reduced the amount of waste water that was treated per £1m invested in the strategy.

Improvements in data quality – More companies reporting data rather than relying on estimates.

Companies growing – A positive contribution comes from companies that are growing quickly. For example, China Everbright International grew their revenues by 36% during 2018. This had a positive impact on the amount of waste that was recycled/recovered and the amount of renewable energy generated.

Corrections – The quality of reported data is improving year on year but occasionally errors are made in calculating overall positive impact data. For example, in the previous year we erroneously used cumulative data covering multiple years for one of the healthcare companies.

¹⁶ This assumes a US\$2,500 annual health benefit from regular exercise (<https://www.nytimes.com/2016/09/07/well/move/whats-the-value-of-exercise-2500.html>).

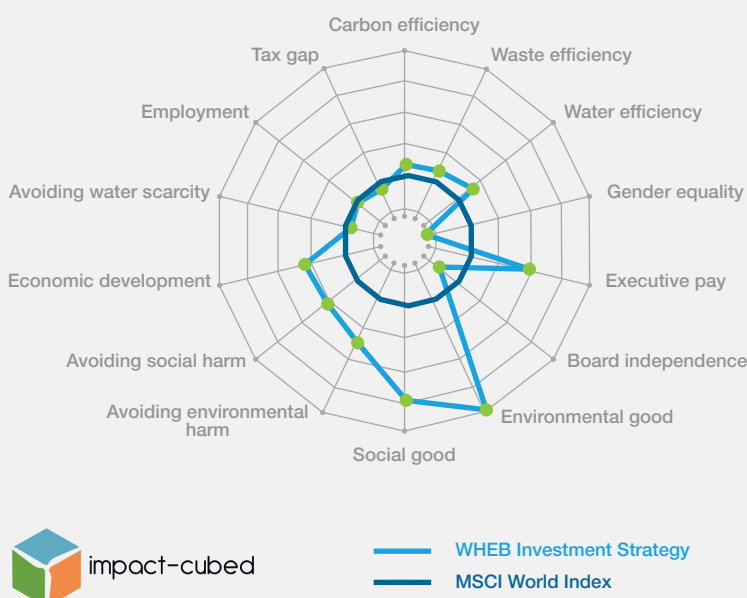
¹⁷ This assumes annual earnings enhancement from having a Bachelor's degree compared with a high school diploma of US\$24,336 (<https://www.bls.gov/emp/chart-unemployment-earnings-education.htm>).

Portfolio Environmental, Social and Governance (ESG) Performance

In addition to the positive impact created by the products and services that portfolio companies sell, the companies themselves also have an 'ESG' footprint associated with their operations. The WHEB investment strategy takes into account ESG issues as part of our analysis of the quality of investee companies. We expect the strategy to exhibit higher quality characteristics, including a better ESG 'profile', than the wider market.

The diagram in Figure 8 summarises the profile of the strategy across 14 well-established measures of ESG performance. The data has been assembled by Impact-Cubed and compares the profile of the strategy with the MSCI World Index. The strategy's overall profile is ranked as within the top quartile of the universe of strategies that Impact-Cubed have assessed.

Figure 8: ESG profile of WHEB's Strategy



Impact-Cubed¹⁸ Methodology

The Impact-Cubed methodology addresses 14 independent factors covering ESG issues as well as product and service related impacts. The assessment is based on quantitative 'outcome' data. For example, the assessment of gender equality is based not on a company's policies or declarations, but on the actual diversity of the company's top management. This is the focus for each of the 14 factors. Where publicly available data is not reported, Impact-Cubed uses estimates to cover missing data. For more information on the specific indicators that are considered please see www.impact-cubed.com

Of the 14 factors considered in the model, twelve relate to the operational ESG characteristics of portfolio companies, while two; 'Social Good' and 'Environmental Good' are based on the positive impact of the products and services provided by portfolio companies. The portfolio's performance is very strong on these product-related dimensions. In addition, the portfolio's performance is also well-above average on products and services that avoid social and environmental harm ('Avoiding social harm' and 'Avoiding environmental harm'). In fact, no portfolio holdings have exposure to activities that are classified as causing environmental harm and only one company has exposure to products that are considered to cause social harm¹⁹.

Gender equality and board independence

Of the ten factors that cover ESG performance, most of these are either significantly ahead of the benchmark (Economic development, Executive pay) or broadly in-line to ahead of the index (Avoiding water scarcity, Employment, Tax Gap, Carbon efficiency, Waste efficiency, Water efficiency). However, there are two factors where the strategy performs

¹⁸ Impact Cubed is an independent business providing impact measurement services to investors (www.impact-cubed.com).

¹⁹ The company, MSA Safety, make a variety of products used by firefighters such as self-contained breathing apparatus. It also makes protective head-gear some of which is used by the military which is why these products are categorised this way (see more at <https://us.msasafety.com/?locale=en>).

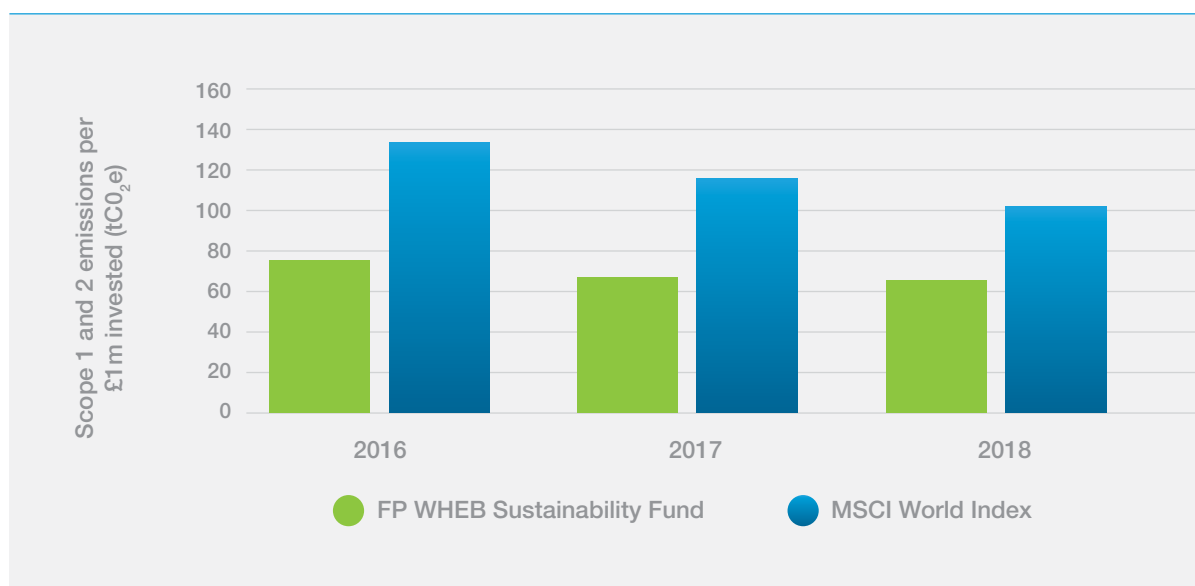
relatively poorly. On average, only 73% of Board Directors at portfolio companies are independent²⁰ compared with 76% of Directors on the Boards of MSCI World Index companies. We believe that this is largely due to the strategy being more focused on mid-sized businesses which often have large founder or strategic shareholders with Board Director representation. This leads to a lower proportion of independent Board Directors at these companies. WHEB engages on this issue with portfolio companies and strongly advocates for a majority of clearly independent Board members on all portfolio companies. This issue is discussed further on page 13-14 and more information is available on the WHEB website at www.whebgroup.com/investment-strategy/fund-governance/engagement-and-voting-records/

The other area of performance that was shown to be significantly behind the benchmark was gender equality. The Boards and Senior Management at companies in the WHEB strategy are on average 19% female. This compares with 21.5% at companies in the MSCI World Index. As we reported in our 2017 report, we are aware of the strategy's poor profile on this indicator. This is, in our view, partly due to the strategy's overweight position in technology and engineering businesses and underweight position in consumer goods businesses relative to the index²¹. Nonetheless, we believe companies in the portfolio should do better, and during 2018 we engaged with several businesses in the portfolio to encourage greater diversity at Board and Senior Management levels. This engagement has generated some successes, for example see www.whebgroup.com/impact/company-engagement/ but much more remains to be done. Gender equality remains a priority issue for our engagement programme in 2019.

Greenhouse gas (GHG) emissions - Carbon efficiency

On page 8 we reported on the positive impact on carbon emissions from the products and services sold by portfolio companies. However, companies selling these products do still use energy and produce GHG emissions in their manufacturing processes (Scope 1 and 2 emissions). Focusing purely on these operational GHG emissions, the strategy still compares favourably against the benchmark. In 2018, these emissions equated to 65 tCO₂e per £1m invested in the strategy. This compares with 103 tCO₂e per £1m invested in the whole market (as measured by the MSCI World Index).²² The difference is a consequence of two factors. Firstly, the strategy has no exposure to heavy carbon emitting sectors such as the energy sector. Furthermore, the strategy has much greater investment, compared to the MSCI World Index, in low emitting sectors such as healthcare and information technology. Secondly, the strategy is also invested in companies that are generally more carbon efficient than their peers within their sector. As with last year, this is particularly true in the materials and utilities sectors.

Figure 9: Scope 1 and 2 Greenhouse gas emissions (tCO₂e) per £1m invested
WHEB Strategy vs. MSCI World Index²³



²⁰ 'Independent' is defined by the local listing requirements for the company in question.

²¹ For example banking, retail and entertainment and media sectors all have higher proportions of female board members (<https://www.pwc.com/us/en/governance-insights-center/assets/pwc-board-composition-trends-by-industry-main-report.pdf>).

²² Bloomberg and WHEB data.

²³ Bloomberg and WHEB data.

Investment performance of the FP WHEB Sustainability Fund in 2018

2018 was a volatile year for public equity markets. The first nine months saw markets rise nearly 10% with the FP WHEB Sustainability Fund ahead of the MSCI World and global equity peer group for this period. In the last three months of the year, equity markets fell sharply with the FP WHEB Sustainability Fund ending 2018 down 6% while the MSCI World was down 3%.

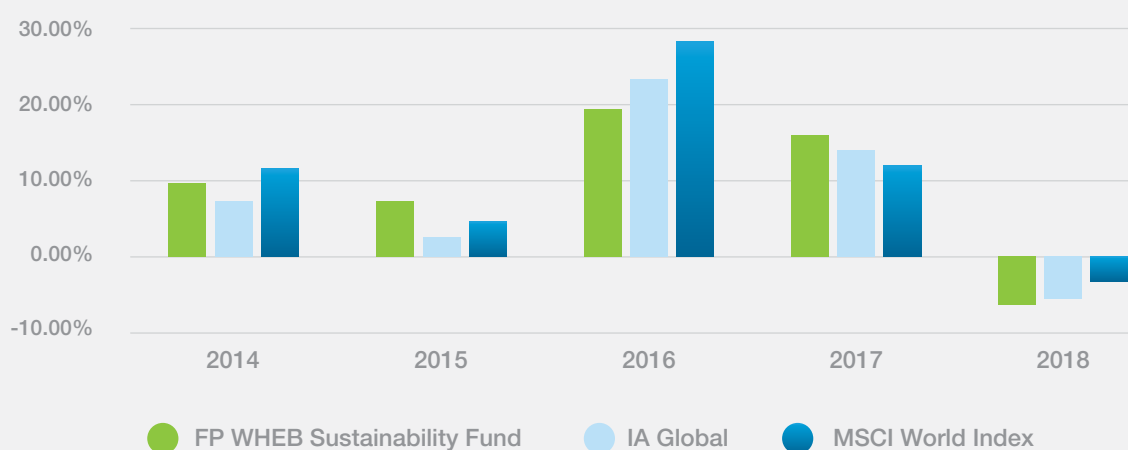
In contrast to the previous year when the environmental themes outperformed, in 2018 it was the social themes that provided more resilient performance, in particular the 'Health' and 'Well-Being' themes.

The relatively poor performance in the environmental themes came largely in the final three months of the year. Many companies in these themes are exposed to long-term growth trends coming from the penetration of new technologies into key industries. For example, more energy-efficient buildings or cleaner cars. However, over the shorter term, if the economy slows, fewer buildings and cars are built. Companies that sell into these markets will therefore typically see slower growth. This was the concern that gripped the market in the latter part of 2018 and which hurt the strategy's performance over the year.

In most cases, we believe that the long-term outlook for these types of companies remains very strong. These companies have still been able to grow their revenues even while the wider market has been weak. We believe that over the coming months and years, these markets will experience an accelerating shift towards lower carbon technologies. As this happens, these companies will be able to deliver revenue and profit growth ahead of the wider market.

More detail is contained in our regular monthly, quarterly and annual reporting which is available on the WHEB website www.whebgroup.com/investment-strategy/fp-wheb-sustainability-fund/

Figure 10: FP WHEB Sustainability Fund vs. IA Global vs. MSCI World (2014-2018)²⁴



²⁴ Investment returns are shown for each of the last five calendar years. All Figures are shown in GBP Sterling. "WHEB" is based on the 'Primary Share' share class of the FP WHEB Sustainability Fund. The Primary Share Class performance history is based on the C (Accumulation) share class from launch on 3 Sept 2012. This Figure uses the share price data as at midday and is net of all fees and charges. IA Global relates to the average of the peer group of global equity funds listed in the Investment Association Global Equity sector. This Figure uses the share price data as reported and is net of all fees and charges. The MSCI World Index, is a broad global equity benchmark that represents large and mid-cap equity performance across 23 developed market countries. The MSCI World Index is quoted at month end with net dividends reinvested and without the deduction of any expenses. The MSCI World Index is unmanaged and cannot be invested in directly. Past performance is not necessarily a guide to future performance. The value of investments and the income from them may fall as well as rise and may be affected by factors including adverse markets and foreign exchange rate movements and you may not get back the amount of your original investment.

Engagement and voting

The WHEB investment strategy aims to identify high quality companies with attractive exposure to long-term growth coming from our nine sustainable investment themes. We aim to buy these businesses at reasonable valuations and then hold them for the long-term.

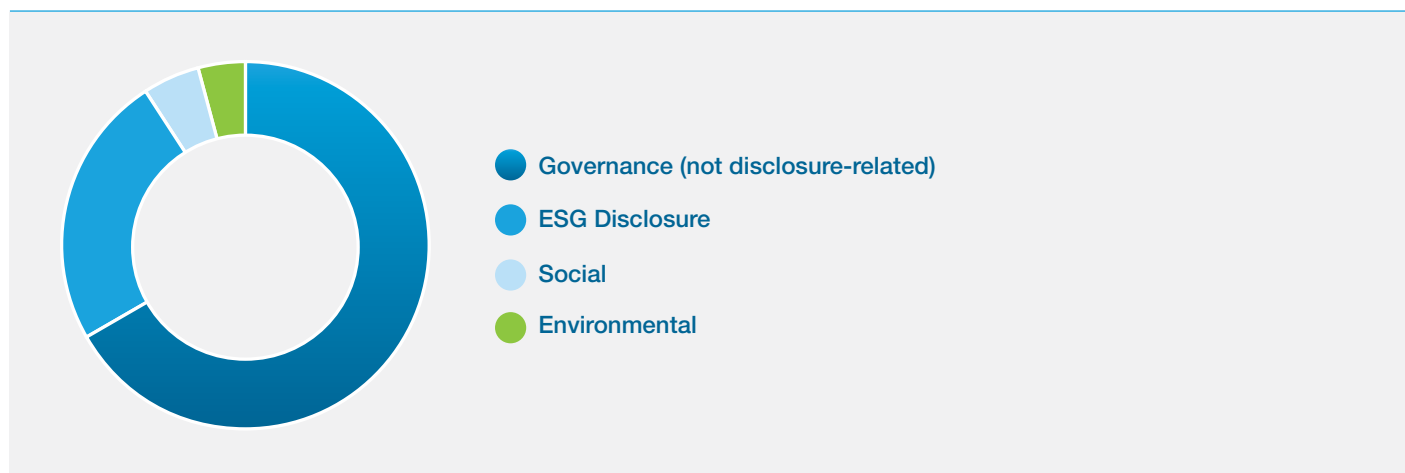
These companies are, however, not perfect. Our long-term holding period means we have an opportunity to engage with companies in the portfolio over multiple years to encourage them to adopt a more progressive approach to ESG issues. We think this helps to underpin the quality of their business franchise and supports the long-term value of the company.

Managing company engagement

Company engagement is undertaken directly by the investment team. We believe that the investment team member responsible for following a portfolio company is best-placed to engage with that business. In addition to seeking to encourage a more progressive approach to the issue at hand, WHEB's analysts are also able to refine their overall view of the company through learning from this engagement.

In 2018, WHEB's investment team engaged with 41 companies in the portfolio representing 71% of the portfolio's holdings. These engagements included contact with companies on 112 environmental, social and governance issues. The proportion in the different categories is summarised in Figure 11 below.

Figure 11: Company engagement in 2018 (by topic area)



Effectiveness of company engagement

We also rate the success of each company engagement. Each engagement is assessed as being either 'successful', when the company agrees to amend its approach; 'partially successful', when the company acknowledges the issue, but does not commit itself to change, or 'unsuccessful' when the company either does not respond to us or refuses to amend its practices.

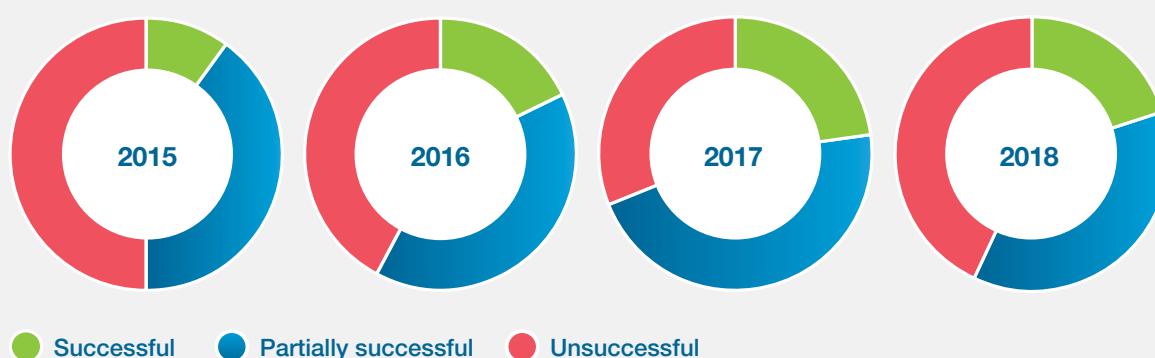
In 2018 we judged 20% of our engagement to have been successful, 37% as partially successful and 43% as unsuccessful. Detailed case studies of WHEB's engagement work with companies are available at

 www.whebgroup.com/impact/company-engagement/

We have observed that the number of companies that are willing to engage with us on any topic is increasing. However, at the same time, we have also seen a lengthening list of individual engagement topics that companies refuse to engage with us on²⁵.

There is also a regional bias to the outcomes of engagement. European companies, on the whole, are open to engagement. In contrast, Japanese companies still typically ignore our efforts to raise ESG issues with them.

Figure 12: Company engagement impact 2016-2018



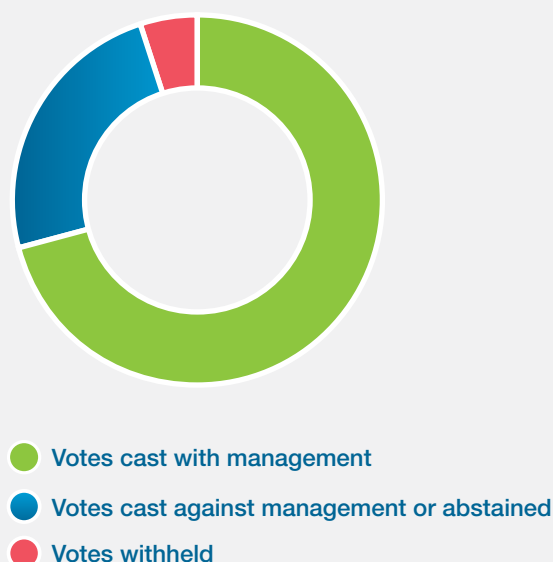
2018 Voting record

In addition to the in-depth company engagement that WHEB does, we also cast our votes at company meetings. During 2018 we voted at 61 company meetings. We did not vote at two company meetings as we had already sold our shares by the date of the meeting. These votes are cast by the investment team and follow demanding bespoke voting guidelines that have been developed by WHEB.

Of the 61 meetings, we cast votes against management at 89% (54) of these meetings. Of the 718 individual ballots, we voted with management on 510 (71%), voted against management or abstained on 172 (24%) and withheld our vote on 36 (5%) (see Figure 13 to the right). A full record of our voting is available from the WHEB website

www.whebgroupp.com/investment-strategy/fund-governance/engagement-and-voting-records/

Figure 13: WHEB votes cast at company AGMs (2018)



²⁵ Please see examples of 'unsuccessful' engagements at <http://www.whebgroupp.com/impact/company-engagement/>.

Investment Team

**Partner & Fund Manager**

Ted Franks, CA, CFA

**Partner & Head of Research**

Seb Beloe, MSc, DiC, CEnv

**Senior Analyst**

Ben Kluffinger, PhD, CFA

**Associate Fund Manager**

Ty Lee, CFA

Management and Investment and Risk Committee

**Managing Partner & CRO**

George Latham, ASIP

**Non-Executive Chairman**

Geoff Hall, MA ASP

Compliance and Operational Support

**Finance, Compliance & Operations Manager**

Laura Grenier

**Operations Associate**

Greg Hooker

Business Development

**Business Development Manager**

Libby Stanley

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