

Q1 2025



Sustainable Philosophy

Core Beliefs

Our active approach to the stewardship of investments ensures sustainability commitments

We emphasize active ownership to influence positive change and progress

The integration of sustainability factors is key to our long-term investment research process

Prioritising pro-active engagement rather than excluding and divesting

Investing responsibly is aligned with superior risk-adjusted long-term returns

Our actions

Engaging directly with and voting on investee companies

Researching sustainability factors is fully integrated into our overall investment approach

Materiality ensures that we prioritise what matters most

Extensive screening to ensure norm-based alignment

C WorldWide Asia Equities

Quarterly Comments

It is striking how quickly the more established world order is being disrupted in 2025. Exactly three years ago, in Q1 2022, we wrote, similarly, that more events had taking place over the quarter than in decades. That is indeed the case once again.

Three years ago, Russia had just invaded Ukraine, energy prices were sky high and talks in the sustainable investment industry started to emerge on accepting weapon investments as a reasonable mean of supporting peace and justice.

The EU launched its REPowerEU to cut dependency on Russian fossil fuels with a focus on diversification of supply and a rapid renewable rollout. This was followed up in February 2025 by the Clean Industrial Deal that aims to boost industrial competitiveness while accelerating decarbonisation with a focus on clean tech leadership, industrial innovation, and low-carbon manufacturing.

As for the weapons discussions, this has since only accelerated. Both in regard to that Europe should be ready to defend itself, as well as that more institutional investors are loosening restrictions on defence in investment guidelines. In March 2025, EU presented ReArm Europe, now known as Readiness 2030, a strategy to enhance the EU's military capabilities by mobilising up to EUR 800 bn in response to geopolitical threats, notably to reduce reliance on external allies and strengthen its defence infrastructure.

Another area of focus the last quarter has been financial institutions' commitment to global climate initiatives, specifically net zero initiatives such as Net Zero Asset Managers (NZAM) and Net Zero Banking Alliance (NZBA), or rather lack of commitment. We have witnessed a significant scaling back, in particular from US-based institutions, but also Japanese, that are leaving the initiatives with the reason of heavy administrative burdens, but is highly likely more a response to the new political environment in the US.

We do not foresee any update to the NZAM initiative until summer 2025, but thus far remain as signatories to support the necessary global decarbonization and remain pragmatic in our approach to engage and assess investee companies.

But climate and sustainability matters are also moving within the EU. In February 2025, the EU announced its Simplification Omnibus Package to loosen the reporting and disclosure burden of the otherwise very ambitious requirements in the EU Green Deal, specifically elements within the EU Taxonomy, the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD), respectively, where the requirements are now changed to only include large corporates and direct suppliers, as well as postponing reporting deadlines by two years. Although we agree that revisions were required, they should have been implemented earlier on.



Investment Screenings

Sanctions Screenings

All investments are screened against Refinitiv World-Check sanctions-screening covering all known sanction bodies

Norms-Based Global Standards Screenings

Convention Breach screenings, compliance with UN Global Compact Principles, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

Investment Exclusions

None of the companies within the portfolio exceeds a certain level of involvement in the activities specified

- 0% Controversial Weapons
- 5% Small Arms, assault weapons
- 5% Small Arms, small arms or key components to small arms

The most recent round of rising tariffs initiated by the US are not only disrupting global trade but could also slow the expansion of renewables. As protectionist policies and economic priorities shift, international cooperation on climate action could weaken.

In the EU specifically, there is now a significant political focus on industrialization through rearmament. The additional focus on deficit-financed defence spending will likely exert downward pressure on public spending on the green transition.

Nevertheless, despite all the geopolitical and financial initiatives taking place, we continue to view our active public equity investments in a sustainable, longer-term perspective and remain focused on companies with more structural thematic tailwinds.

Portfolio Changes

There were no portfolio changes this quarter.

Direct Engagements

Titan

During a broader engagement in India, we met with Titan's CEO, among other matters, to understand how the company integrates sustainability into its business strategy.

Titan's people-first approach is core to its long-term strategy. By redefining HR as the "People's Function," Titan promotes equity, inclusion, and respect across all roles strengthening social capital and employee retention. Leadership engagement across the value chain fosters trust and alignment with stakeholders, including multi-generational vendors and artisan communities.

During COVID-19, Titan protected jobs, supported healthcare and education, and maintained supplier payments. Actions that not only safeguarded livelihoods but also contributed to a swift post-pandemic recovery. These measures enhance Titan's resilience and reinforce its social license to operate.

Regular initiatives like the "Karigar Meets" and the company's values-driven governance (e.g., naming its campus "Integrity") reflect its sustained commitment to community well-being and ethical practices. Titan has also received multiple awards for corporate governance, underscoring the strength of its leadership and oversight frameworks.

Titan's "Tech + Touch" strategy further integrates digital innovation with customer-centricity, supporting sustainable growth through efficient, personalized services.

Overall, Titan's strong social performance and stakeholder engagement significantly enhance its sustainability profile and long-term value creation.

International Container Terminal

We met with International Container Terminal (ICT) for a business update and a discussion on geopolitical risks.



On the sustainability front, ICT is taking active steps to reduce its environmental impact and improve operational resilience. The company has converted 35 of its 300 trucks to hybrid models, a move aimed at lowering emissions while enhancing fleet efficiency. This transition contributes to reduced fuel consumption and supports decarbonisation efforts within port logistics.

ICT is also leveraging data to drive improvements in energy use and logistics flow. Key performance indicators around energy efficiency and truck turnaround times are directly influencing capital expenditure decisions and operational strategies. This data-led approach not only supports emissions reductions but also improves throughput and resource efficiency, which are key elements of sustainable infrastructure.

Looking ahead, ICT's long-term strategy includes expanding infrastructure in the Philippines with a continued focus on raising both environmental and operational standards. These efforts collectively strengthen the company's sustainability profile by aligning economic growth with lower environmental impact and enhanced supply chain resilience.

Proxy Voting

Bank Central Asia

We opposed the management proposal regarding Directors' and Commissioners' fees, aligning with Glass Lewis recommendations.

As noted by Glass Lewis, the proposed variable remuneration significantly exceeds the fixed salaries and allowances paid to commissioners. The company has not provided a sufficient rationale for this level of additional compensation. We are particularly concerned about the potential impact such high variable pay may have on the independence of commissioners, especially independent commissioners.

This concern is heightened by the fact that two of the company's three independent commissioners have served on the Board for over 20 years, raising questions about sustained independence. We believe the company should enhance transparency by disclosing the structure and justification of variable pay, particularly for independent commissioners.

Given these unresolved concerns, we maintained our position from previous years and voted against this proposal.

HPSP

We voted on a total of seven management proposals, five of which related to board elections. In all five board-related votes, we opposed management's recommendations and those of Glass Lewis, acting in alignment with our internal voting policy.

Our opposition was due to the board's failure to establish key governance committees, including the audit, compensation, and nominating committees. The absence of these fundamental structures raises serious concerns about the board's ability to provide effective oversight and accountability.



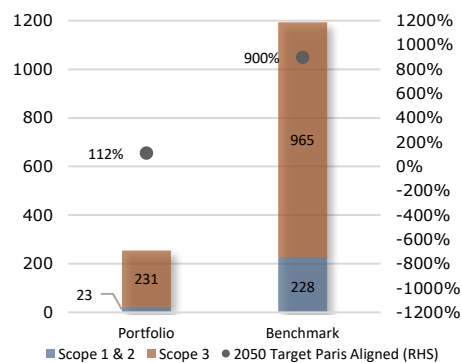
Given this significant governance shortfall, we voted against all related board election proposals.

Apar Industries

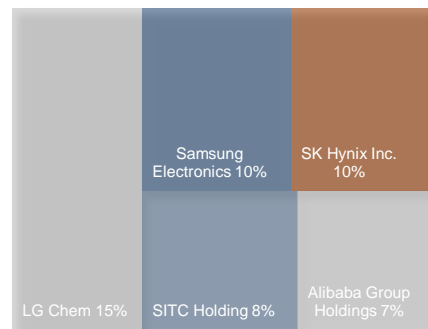
We opposed the management proposal seeking approval to adopt the Apar Industries Limited - Employees Stock Appreciation Rights Plan 2024, including its extension to subsidiaries. Our vote was also contrary to Glass Lewis' recommendation but aligned with our internal voting policy.

Our primary concern was the insufficient minimum vesting period for awards granted under the plan. We believe that short vesting periods do not foster long-term value creation or adequately align employee incentives with shareholder interests.

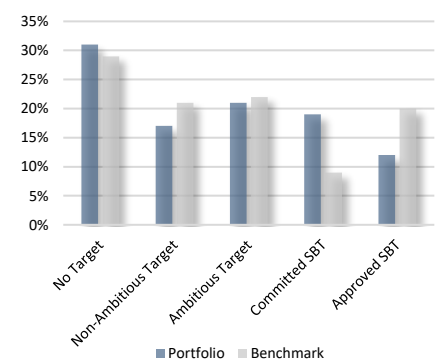
As the proposed structure fell short of our expectations for long-term incentive plans, we voted against both proposals.

Emissions Exposure & SDS (tCO₂e)

Top 4 Contributors to Portfolio Emissions



Climate Target Assessment

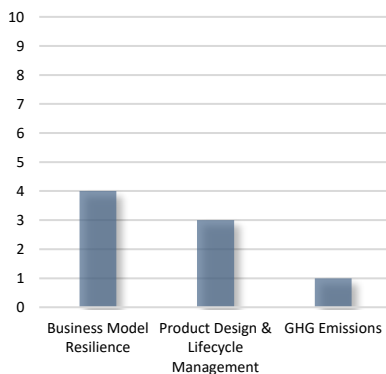


The above graph summarises the portfolio's carbon footprint compared with the benchmark. The Sustainability Development Scenario (SDS) pathway on the right-hand side of the graph is fully aligned with the Paris Agreement. The graph indicates whether the portfolio and benchmark are expected to over-/undershoot against the allocated carbon budget until 2050.

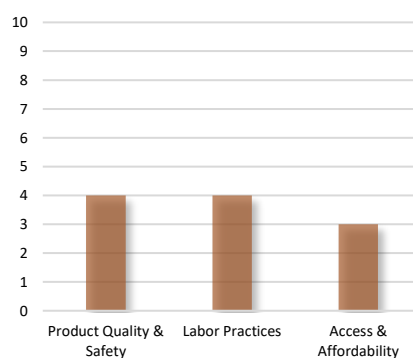
Carbon Intensity (tCO₂e/mill. USD revenue)

The above graph shows how many of the companies in the portfolio have set climate targets and how ambitious these are. Having ambitious targets, being committed to Science-Based Targets (SBT) or having approved SBT shows close alignment with the Paris Agreement.

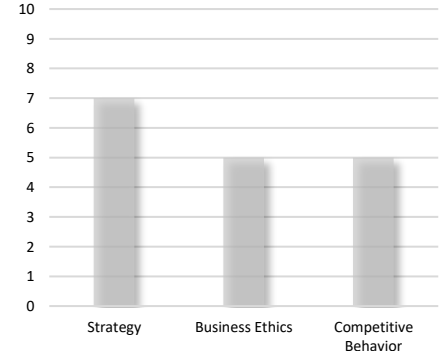
Source: ISS Data Desk (Climate Assessment). Based on a portfolio Value of 1,000,000 USD. Portfolio as of 31st of March 2025.

Direct Engagement Topics
Environment

Social



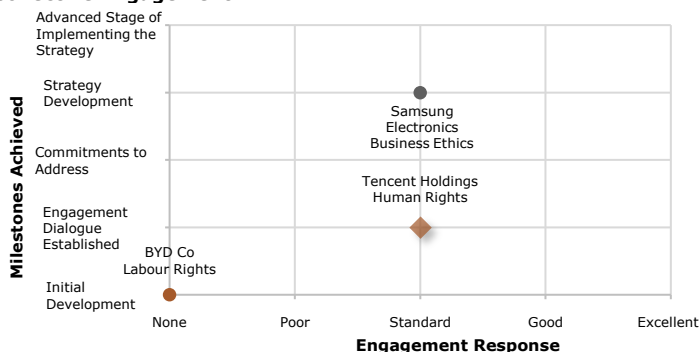
Governance



Total direct company engagements for the portfolio: 8

Throughout the quarter, we conducted several direct engagements with the portfolio companies. Our ESG engagements have most often incorporated an aspect of each subject E, S, and G. The above graphs show the top three engagement topics within environmental, social and governance aspects. There are several sub-topics within each category that can overlap within one engagement.

Collective Engagement



The above graph illustrates our collective engagements with Sustainalytics. The companies are shown within what milestone they have reached thus far and rated according to their communication in relation to the specific engagement topic.

Proxy Voting

Meetings Voted	100%	14
Proposals Voted	100%	73
Proposal Voted Against Management	19%	22
Proposal Categories (Top 3)	36%	Board Related
	21%	Compensation
	21%	Audit/Financials

We utilize proxy voting to emphasise the topics discussed with the investee companies in our ongoing engagement with them and to vote on key issues important to the governance of the investee companies. The table above shows key topics and how votes have been cast during the quarter.

Source: Sustainalytics. Portfolio as of 31st of March 2025

Source: Glass Lewis Proxy Voting. Portfolio as of 31st of March 2025

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Active Investments

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Our clients are primarily institutional investors and external distribution channels. Our product range includes discretionary asset management services and commingled fund products.

The combination of a unique investment philosophy based on careful stock picking and long-term global trends coupled with a stable team of experienced portfolio managers, has since 1986 resulted in world-class investment performance.

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