



TAM Europe Asset Management AV, SA

Taking a look under the hood of a TAM ESG investment portfolio



EUROPE
ASSET
MANAGEMENT

FEIFA Conference

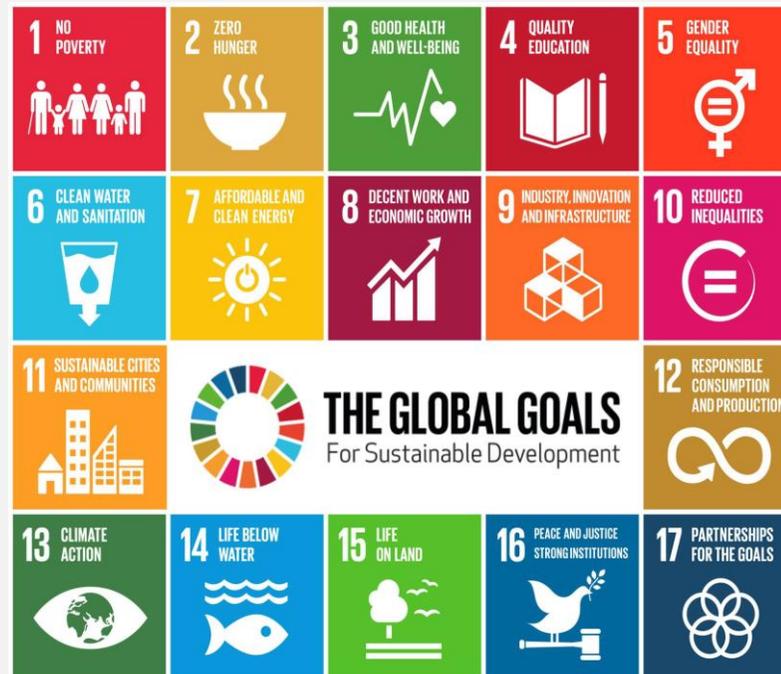
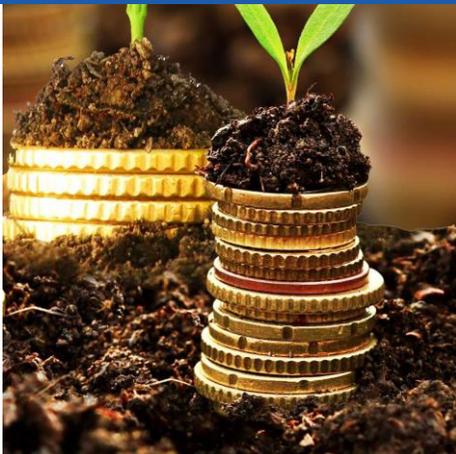
November 2021

Positive impact has started to sit alongside positive investment returns for clients looking to make a difference.

The UN Sustainable Development Goals offer a standardised framework to quantify the impact of our investments.

As the industry continues to develop, TAM are working with industry leading funds to stay ahead of the rapidly changing industry.

MAKING AN IMPACT
With Your Portfolio





CERES POWER
Environmental Impact



The Company

- Ceres is a fuel cell technology and engineering company whose aim is to bring cleaner and cheaper energy to businesses, homes and vehicles.
- The ultimate purpose is to help sustain a clean, green planet by ensuring there is clean energy everywhere in the world.

The Impact

- Ceres' solid-oxide fuel cells have the potential to deliver zero CO₂, SO_x, NO_x and particulate emissions when operated on pure hydrogen.
- The breadth of potential applications is significant and spans distributed power, data centres, commercial CHP (combined heat & power), heavy transport, and marine transport and industrial uses.
- The potential for Ceres to play a major role in decarbonising energy is significant. As its technology is flexible as to fuel types it can help in the transition towards clean fuels such as hydrogen.

This stock is held within the Ninety One UK Sustainable Equity Fund





CERES POWER
Environmental Impact



ESG Credentials

- Ceres aims to be carbon neutral by 2021 and is in the process of developing its full net zero strategy.
- The company's ESG committee is beginning to take a more forward role in setting targets and shaping the sustainability agenda for the company.
- Ninety One engaged with Ceres on maintaining high standards of governance & disclosure amid rapid growth as well as implementing a framework for carbon reporting.

Growth Opportunities

- The signing of manufacturing partnerships with Bosch and Doosan illustrates the potential to scale Ceres' technology and make a bigger impact by reducing carbon.
- Ceres' strategic decision to invest to develop commercial SOEC (solid oxide electrolysis cells) broadens its market and increases its potential positive impact.

Returns

- Since the beginning of 2020 the stock has increased **410%** and has attributed 4.23% to Ninety One UK Sustainable Equity Fund since its inception.





TFL GREEN BOND Environmental Impact



The Company

- Transport for London (TfL) runs most of London's public transport services. TfL aims to meet the Mayor's Transport Strategy target for 80% of all journeys to be made on foot, by bike, or by using public transport by 2041.
- Issued in 2015, the proceeds are used for projects in seven areas from air quality to climate resilience.

The Impact

- £400m issuance fully invested across:
 - £288.2m on Station Upgrades and Station Capacity
 - £42.2m on World Class Capacity
 - £39.6m on London Rail Capacity and Enhancements
 - £20m on New Routemaster Buses ('NRMs')
 - £10m on Cycling Improvements

ESG Credentials

- Aligned to ICMA Green Bond principles and approved by third party sustainability.

This Bond is held in the Columbia Threadneedle UK Social Bond Fund.





RBS SOCIAL IMPACT BOND
Social Impact



The Company

- The Royal Bank of Scotland (RBS) is a major retail and commercial bank with more than two million customers in Scotland alone.
- In 2019, RBS launched a social bond aimed at supporting regional development by increasing lending to businesses in areas of high unemployment.

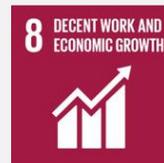
The Impact

- The proceeds will be used to provide loans to small and medium-sized enterprises (SMEs) to create employment in deprived areas of the UK.
- This Social Bond issuance is targeting the ICMA category of SME lending, by financing/refinancing of loans to customers or projects with geo-scoring of areas with high unemployment, low income or low job creation.

ESG Credentials

- The bond is aligned to the ICMA Social Bond Principles, as set out in the RBS Green, Social and Sustainability Bond Framework as well as being approved by sustainalytics.
- RBS developed a bespoke methodology using ONS data to target the areas most in need.

This Bond is held in the Columbia Threadneedle UK Social Bond Fund.



illumina

ILLUMINA Social Impact

The Company

- Illumina designs, manufactures and markets gene sequencing machines for genetic and genomic analysis, which are used for a variety of applications including healthcare and agriculture. Through partnerships and collaborations Illumina is advancing personalised medicine and early cancer detection.

The Impact

- Since the company launched its first Next Generation Sequencing (NGS) system in 2007, the cost of sequencing has dropped by a factor greater than 10,000.
- Illumina's genome sequencing technology is already benefiting patients with many different diseases including rare cancers and other conditions.
- Illumina has an installed base of more than 15,000 gene sequencing machines.
- Consequently, improving patient outcomes, facilitating scientific research, potential to improve efficiency of the healthcare system & contributing to more sustainable food system.

*This stock is held within the Baillie Gifford Positive Change Fund.
Data as of 2020 end impact report.*



illumina

ILLUMINA Social Impact

ESG Credentials

- Illumina report yearly on their carbon usage (scope 1 and 2) as well as energy intensity and wastage.
- Also offer incredible detail into their governance practices with a breakdown of their contributions to UN SDGs.
- Baillie Gifford have continually engaged with Illumina to review progress and contribute to shareholder proposal discussions.

Growth Opportunities

- Illumina has proven its ability to maintain its advantage as a market leader in a technologically advanced and growing industry by innovating its products.
- Genomic sequencing is still in its early stages. At \$600 per genome, with only an estimated 1 million human genomes sequenced to date, it is likely we will see widespread adoption for the next phase of data-driven, personalised healthcare treatment.

Returns

- Since the company went public in 2018, it's share price has risen **112%** and since purchase has contributed over 13% to the Baillie Gifford Positive Change fund.





ECOLAB
Multi-Impact



The company

- EcoLab delivers a comprehensive set of water, hygiene, and energy technologies and services to help companies minimise environmental and social impacts while increasing their bottom lines
- Provides quantifiable water, energy, chemicals, labour savings and reporting to customers.

The Impact

- In 2020 alone they helped customers:
 - Conserve more than 260 billion gallons of water
 - Conserve more than 43 trillion BTUs of energy
 - Avoid more than 3.5 million metric tonnes of energy
 - Avoid 77 million tonnes of waste.

This stock is held within the Brown Advisory US Sustainable Growth Fund





ECOLAB
Multi-Impact



ESG Credentials

- Strong internal commitment to minimise use of natural resources and maximise safety.
- Joined the UN Global Compact’s Business Ambition for 1.5°C committing to reduce our GHG emissions by 50% by 2030 and achieve net-zero by 2050.
- Report extensively on labour force and governance factors.

Growth Opportunities

- The company provides critical services that are a small expense to clients’ business.
- Its global salesforce + customer integration equates to high barriers to entry.
- Sales are 90% consumable providing consistency and predictability.
- Maintains an asset light model with high margins driving a strong ROIC.

Returns

- Growth hampered significantly by COVID, BA see this stock as having strong long-term upside potential.





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