

# SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals represent aims for global society as a whole. But they are also highly relevant for investors. As society shifts in order to make progress towards the goals, actions will be taken, and behaviours changed, in ways that can significantly alter the operating environment for companies. This is already happening, presenting companies both with opportunities to exploit, and risks to mitigate.

At Sparinvest, we recognise that as investors, it is increasingly important to understand how this can influence investment values over the short, medium and long-term. We also recognise that many investors wish to understand not only what their investments are achieving in terms of financial returns, but also to understand the impact those investments have on broader society. We are committed to providing that understanding.

Of course, many of the underlying issues addressed by the Sustainable Development Goals are not new. Our investment teams have a long track record integrating

environmental, social and governance considerations into their investment processes.

We also work with the companies in which we invest, aiming to help foster long-term value through our stewardship programme of voting and engagement.

In that context, the SDGs are both a useful framework for considering ESG issues, and a lens that offers global, long-term perspective. As we analyse those underlying issues, we consider whether the companies in which we invest, and our portfolios overall, are aligned with the likely long-term developments implied by the SDGs. The SDGs also help to highlight that looking at ESG is not purely a question of risk control, but can also help identify and unlock significant opportunities for long-term investors.

The specific ways in which we address the SDGs naturally vary by asset class and investment approach. We look forward to providing further insights on how our investments are aligned with the SDGs.

