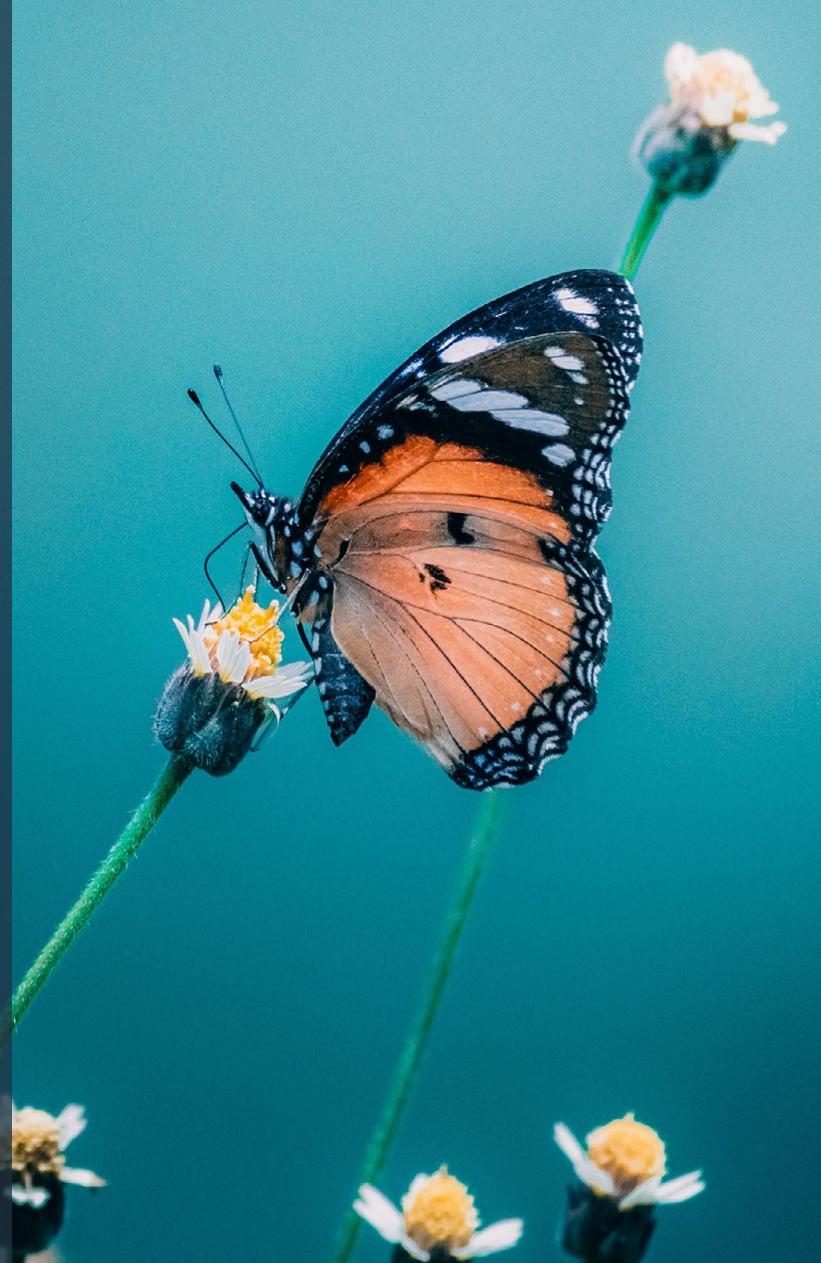


# Better World Fund

Our Companies 2023

**MONTANARO**



# How to use this report

In this report, we share the holdings of the Montanaro Better World Fund as at the end of December 2022. We explain what each company does and how its products and services are helping to deliver positive impact.



A score derived from our internal “ESG Checklist”. Companies are scored out of 10 (10 is best). Scores of below 5 mean engagement is required.

A score derived from our internal “Impact Profile”. Companies are scored out of 50 (50 is best) and the pass mark is 25.

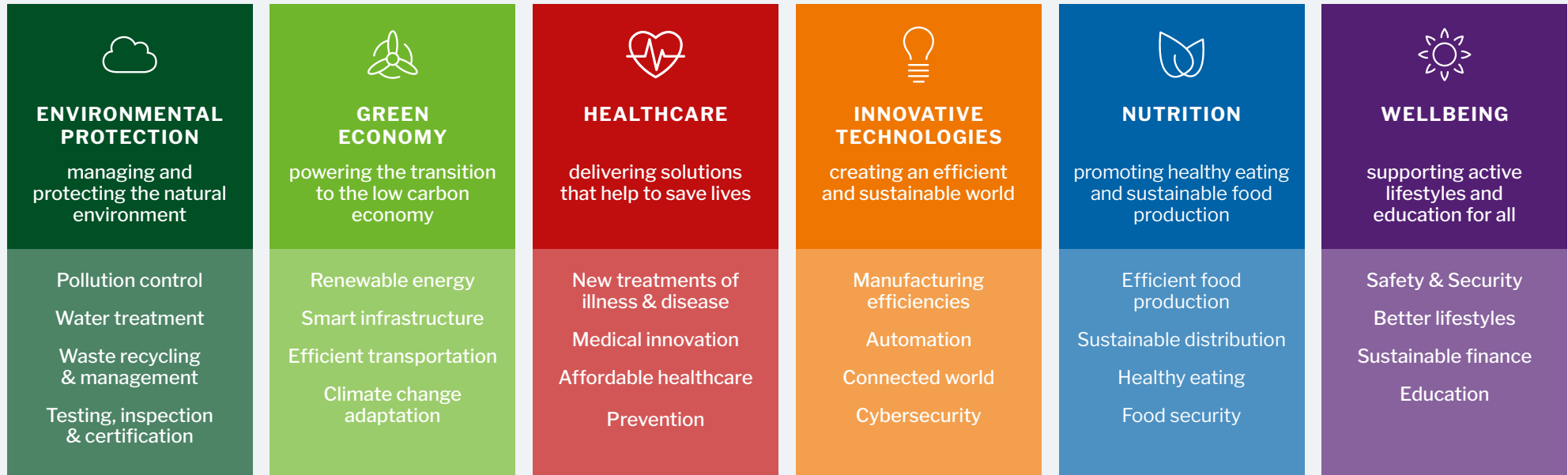
This denotes the theme a company’s products/services most supports. Each company must have at least 50% of revenue aligned to our Impact Themes.

We invest in Small & MidCap companies with reference to the MSCI World SMID Cap Index.

The products/services of companies within the Fund support the aims of the UN Sustainable Development Goals.

# Impact themes

To build a more sustainable economy, capital needs to be shifted from the “old world” – of fossil fuels, energy intensive manufacturing, unequal healthcare systems – to a “new world”, built by companies whose products and services offer better outcomes for people and the planet. Our Impact Themes help us to identify companies that can deliver this new world.



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# Advanced Drainage Systems

US

The largest plastic recycling company in North America. The company provides drainage products and services that deliver solutions for the most persistent and challenging water problems. Products are used to treat and manage stormwater runoff and help to harvest rainwater.

## Problem

Climate change exacerbates water scarcity and causes more frequent extreme weather events. Solutions are needed to make land more arable and cities more liveable.

## Impact

In 2022, the company purchased over 600 million pounds of recycled plastic and prevented over 770 million pounds of greenhouse gas emissions from being released into the atmosphere.

## Net Zero

The GHG emissions avoided from their products in 2022 was equivalent to taking 74,000 cars off the road. During the year GHG emissions intensity fell by 31% and energy intensity reduced by 22%. Near-term reduction targets were introduced under SBTi.

ESG  
Score

6.6

Impact  
Score

36

Impact  
Theme



Market  
Cap (\$)

10.5  
BILLION

Key  
SDG



///ADS

FIND OUT MORE ▶



# Adyen

## Netherlands

Global payment company that allows businesses to accept e-commerce, mobile, and point-of-sale payments across the world. Adyen aims to change the payments industry with simplicity, transparency, and innovation.

### Problem

Technological upgrading of payments mechanisms is needed to facilitate financial inclusion. Smaller retailers need to access the benefits of the connected online economy.

### Impact

The company offers a single payments platform to accept payments anywhere, on any device. In so doing it lowers barriers to payments adoption and allows merchants of all sizes to use innovative technologies to help grow their businesses.

### Net Zero

Carbon Neutral since 2019, including offsetting all its historic emissions since foundation. Adyen has also launched Planet, allowing merchants to offer shoppers the opportunity to offset the emissions of their purchases at checkout.

ESG  
Score

8.5

Impact  
Score

27

Impact  
Theme



Market  
Cap (\$)

38  
BILLION

Key  
SDG



adyen

FIND OUT MORE ▶



# Alarm.com

US

A leader in the connected home market. The company makes and sells technology for remote alarms, video monitoring, and energy management solutions, keeping homes and workplaces safe and efficient.

## Problem

In the US, a property is burgled every 18 seconds, while the transition to greater energy efficiency requires new monitoring and control technologies.

## Impact

Via 100 million connected devices, Alarm.com's video and alarm products help to keep properties safe and secure, while energy devices improve efficiency via automatic and remote control of smart heating systems.

## Net Zero

Like many small companies, Alarm.com is in the process of improving its environmental reporting to shareholders. We are actively engaging with the company on this.

ESG Score

5.0

Impact Score

27

Impact Theme

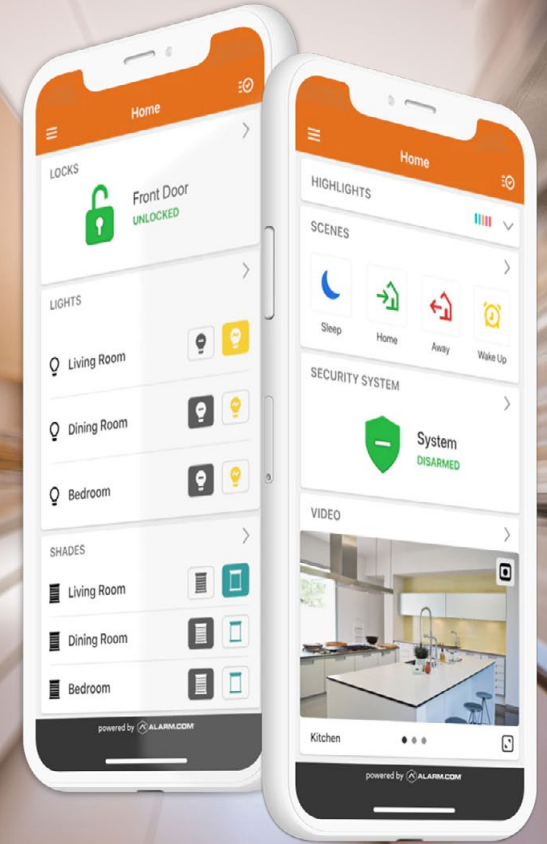


Market Cap (\$)

3

BILLION

Key SDG



 **ALARM.COM**

FIND OUT MORE ▶

# Alfen

## Netherlands

Alfen operates at the heart of the energy transition providing smart energy solutions to enable the electricity grid of the future.

### Problem

Climate change means energy systems must decarbonise and move rapidly away from fossil fuels. Clean and innovative technologies are needed to help with this transition.

### Impact

Alfen's products help to deliver renewable power across energy networks; provide the infrastructure needed to support the growth of EVs; and improve storage options for energy produced from intermittent renewable sources, such as solar and wind.

### Net Zero

Alfen has been certified using the SKAO performance scale, a Dutch scheme that consists of five levels known as the "Carbon Ladder". Alfen has been awarded Level 4, in recognition that the company records and reports Scope 3 emissions and has set targets for improvement.

ESG  
Score

6.3

Impact  
Score

42

Impact  
Theme



GREEN  
ECONOMY

Market  
Cap (\$)

2

BILLION

Key  
SDG



7

AFFORDABLE AND  
CLEAN ENERGY



FIND OUT MORE ▶



# American Water

## US

American Water is the largest and most geographically diverse US and wastewater utility company, providing water services to more than 14 million people in 46 states.

### Problem

Less than 1% of the total water available on earth is fresh water and supplies are under threat from climate change and aging infrastructure in the US.

### Impact

Via an intensive investment programme, American Water is upgrading some of its 53,000 miles of pipes, with a renewal rate of 135 years, far better than the industry average. This is helping to save 3.5 billion gallons of water each year.

### Net Zero

After engaging with the company, we are pleased to see two targets announced: reduce absolute scope 1 & 2 emissions by 50% by 2035 from a 2020 baseline; and achieve net zero absolute scope 1 & 2 emissions by 2050.

ESG  
Score

6.8

Impact  
Score

36

Impact  
Theme



Market  
Cap (\$)

24.5  
BILLION

Key  
SDG



AMERICAN WATER

FIND OUT MORE ▶

# Ansys

US

Develops and markets engineering simulation software that enables innovators across a range of industries to enhance the design process.

## Problem

New tools are needed to make the product design process more efficient, enabling faster innovation and stimulating economic development.

## Impact

Ansys' software enables customers to bring new products to market faster, at lower cost, with increased quality and with improved energy efficiency. It also enables evaluation of different designs across parameters including safety, reliability and carbon emissions.

## Net Zero

Ansys is targeting a 15% reduction in Scope 1 and 2 carbon emissions by 2027 compared to a 2019 baseline. We will engage to encourage more ambitious target setting that is aligned with the Paris agreement.

ESG  
Score

6.1

Impact  
Score

30

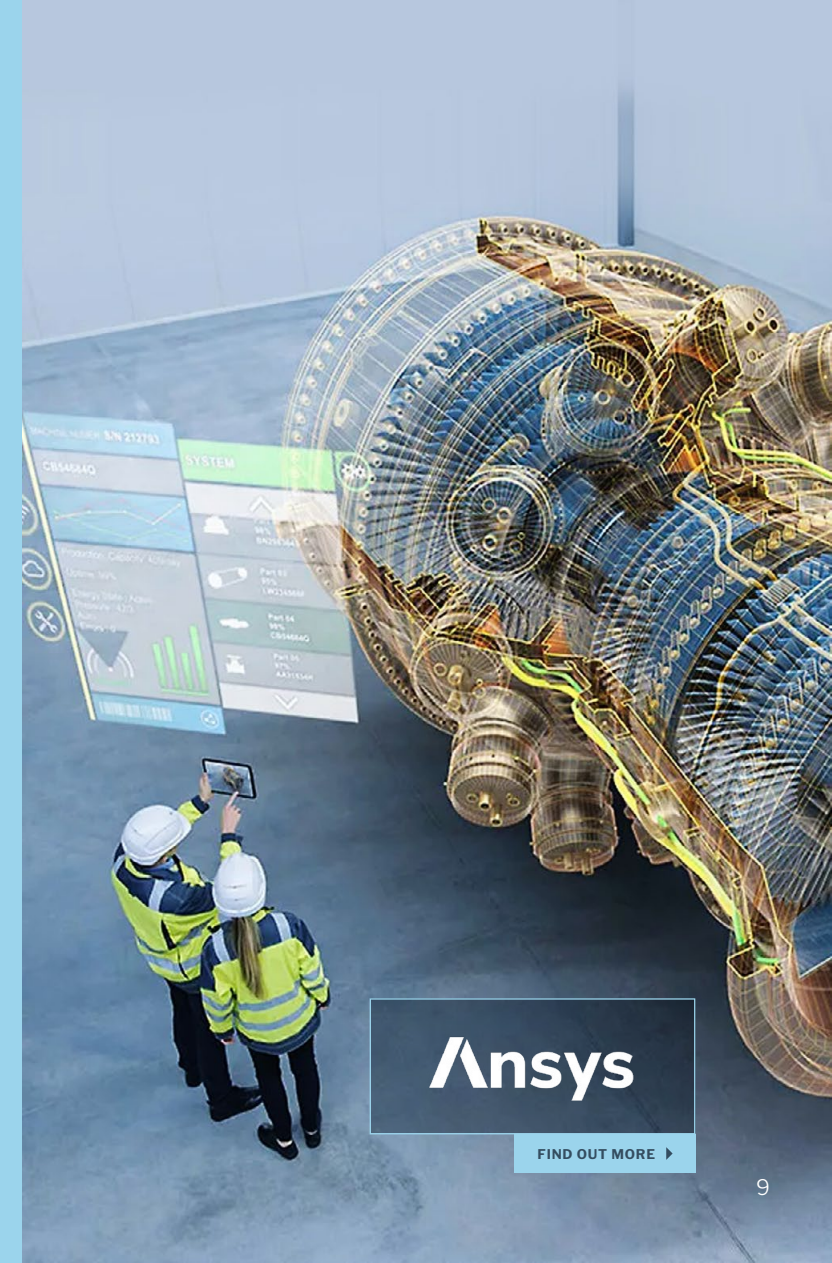
Impact  
Theme



Market  
Cap (\$)

18.8  
BILLION

Key  
SDG



Ansys

FIND OUT MORE ▶

# Azbil

## Japan

Azbil operates in the automation industry. Its products help to reduce the environmental footprint of buildings through energy management control systems. The company also provides safety maintenance equipment.

### Problem

The “built environment” is responsible for 40% of annual energy consumption and up to 30% of all energy-related greenhouse gas (GHG).

### Impact

Azbil’s products help their customers to run their assets with greater energy efficiency. This reduces the resource intensity of buildings and industrial operations and has a positive impact on the planet. In addition, the provision of safety monitoring equipment improves health and safety outcomes.

### Net Zero

Azbil has science based targets to reduce absolute scope 1 and 2 GHG emissions by 55% and scope 3 emissions by 20% between 2017 and 2030. The targets are aligned with a 1.5 degree scenario and therefore net zero by 2050.

ESG  
Score

7.1

Impact  
Score

32

Impact  
Theme



Market  
Cap (\$)

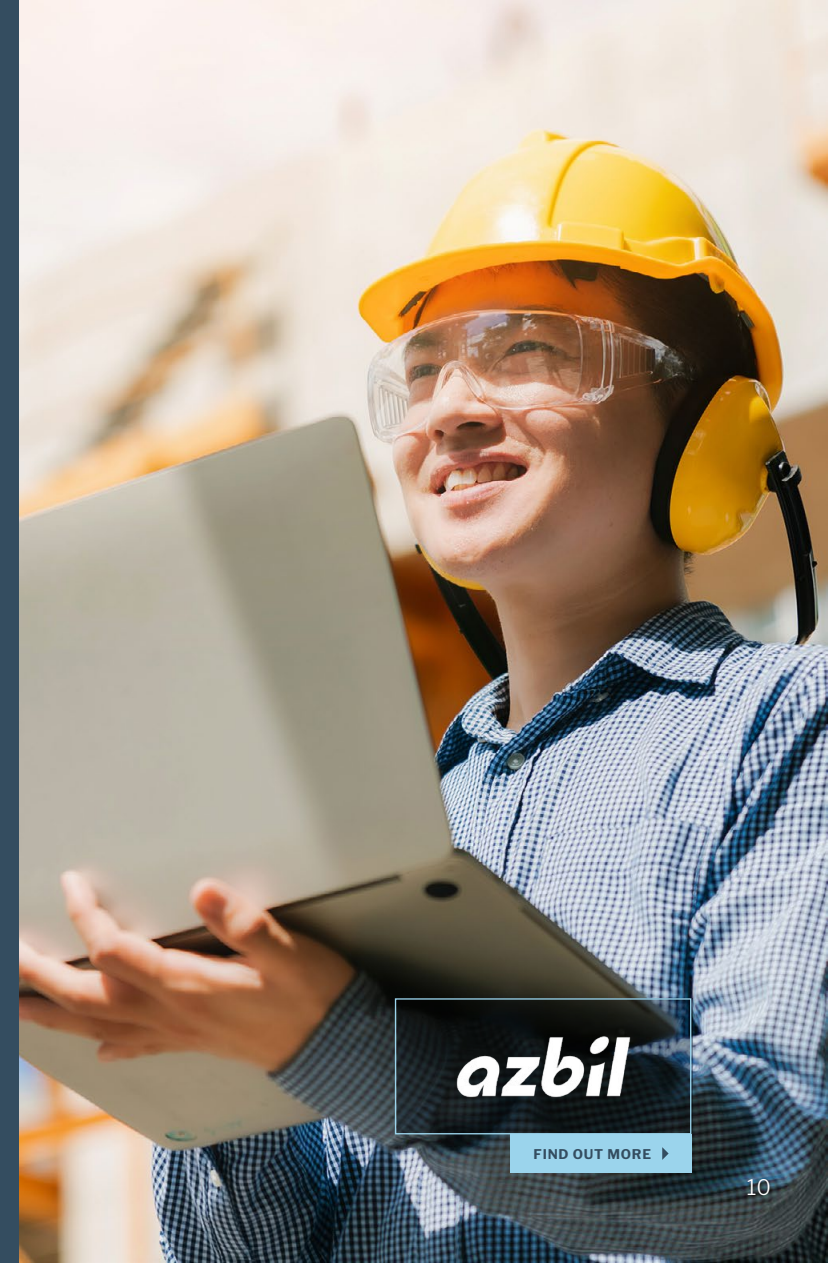
3.9  
BILLION

Key  
SDG



azbil

FIND OUT MORE ▶



# Bachem

Switzerland

Bachem provides services to the pharmaceutical and biotechnology industry. The company focuses on the development and manufacturing of peptides and organic molecules as active pharmaceutical ingredients, as well as the development of biochemical products for research purposes.

## Problem

With demographic change comes longer lifespans and changing patterns of illness. The need for new drugs and treatments, as well as more personalised forms of medicine, grows daily.

## Impact

Bachem provides the necessary life science products and services to aid in diagnosis and drug development. Specifically, Bachem specialises in peptides, an active pharmaceutical ingredient, and oligonucleotides, the molecules that store genetic information.

## Net Zero

Bachem is aiming to halve its Scope 1 and 2 GHG emissions by 2026, achieving climate neutrality by 2030, and to reduce its energy consumption by 20% by 2026, compared to 2020.

ESG  
Score

7.2

Impact  
Score

34

Impact  
Theme



HEALTHCARE

Market  
Cap (\$)

6.9  
BILLION

Key  
SDG



**BACHEM**

[FIND OUT MORE ▶](#)

# Badger Meter

US

Badger Meter is an innovator, manufacturer and marketer of flow metering and control solutions for smart water management, smart buildings and smart industrial processes.

## Problem

Across the world, climate change and population growth are increasing pressure on natural resources, particularly water supplies.

## Impact

Badger's products help its customers to save water. The company estimates that their products help to save 5 billion gallons of water every year.

## Net Zero

Badger established a baseline GHG emissions intensity rate in 2020 and a 15% intensity reduction target by 2030. We are engaging to improve reporting and the setting of a formal net zero target.

ESG  
Score

7.2

Impact  
Score

33

Impact  
Theme



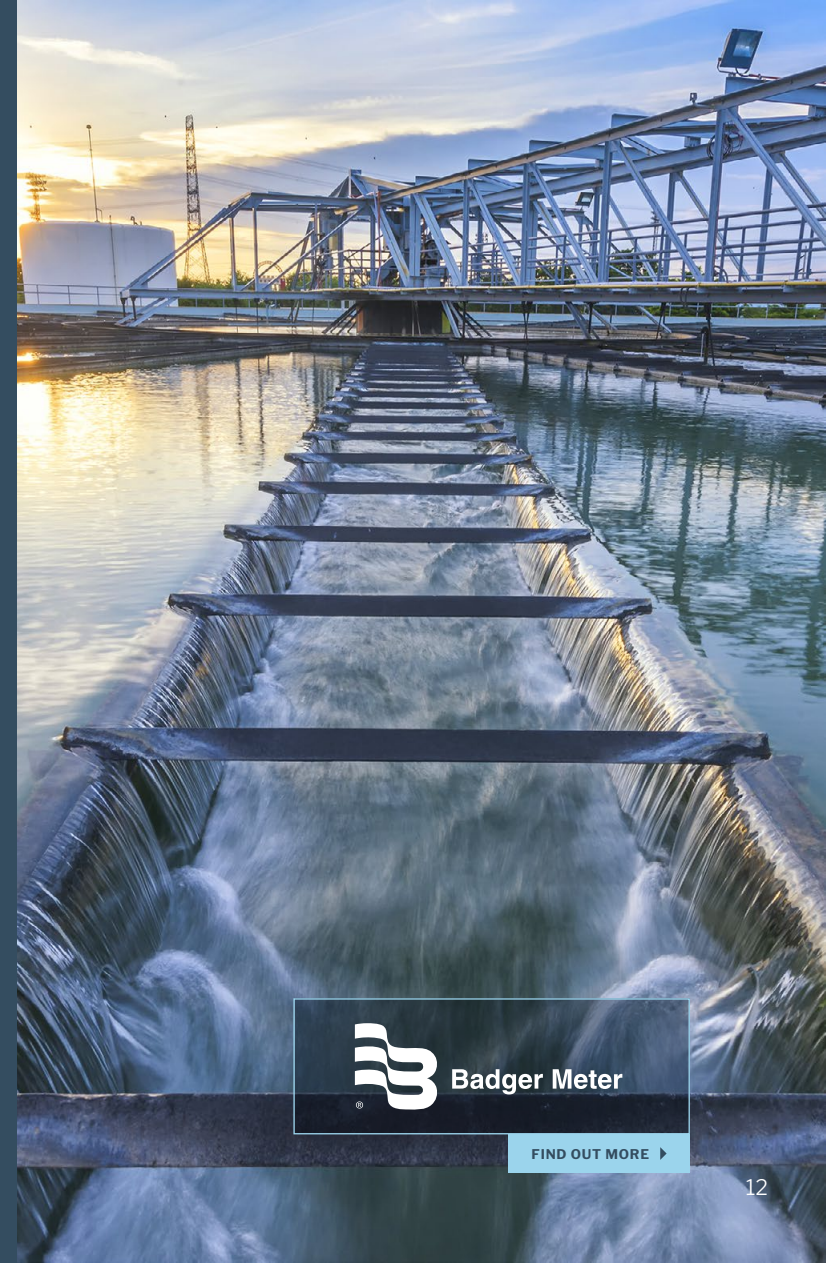
Market  
Cap (\$)

2.8  
BILLION

Key  
SDG



FIND OUT MORE ▶



# Balchem

US

Balchem contributes to healthier societies by delivering science-based solutions to the nutrition, health, and food markets. The company is a leading producer of choline (Vitamin B4) - an essential nutrient for humans and animals.

## Problem

Pressures on food systems, unhealthy diets and changing demographics are placing strains on the environment, governments and people.

## Impact

Dietary supplements help to provide humans and animals with the minerals they need to lead healthier lives. Choline helps to regulate memory, mood and muscle control.

## Net Zero

Balchem has a 2030 commitment to reduce global scope 1 and 2 GHG emissions by 25% from a 2020 baseline. We will engage to encourage target setting that is aligned with to the Paris agreement.

ESG  
Score

6.5

Impact  
Score

26

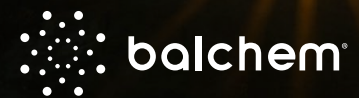
Impact  
Theme



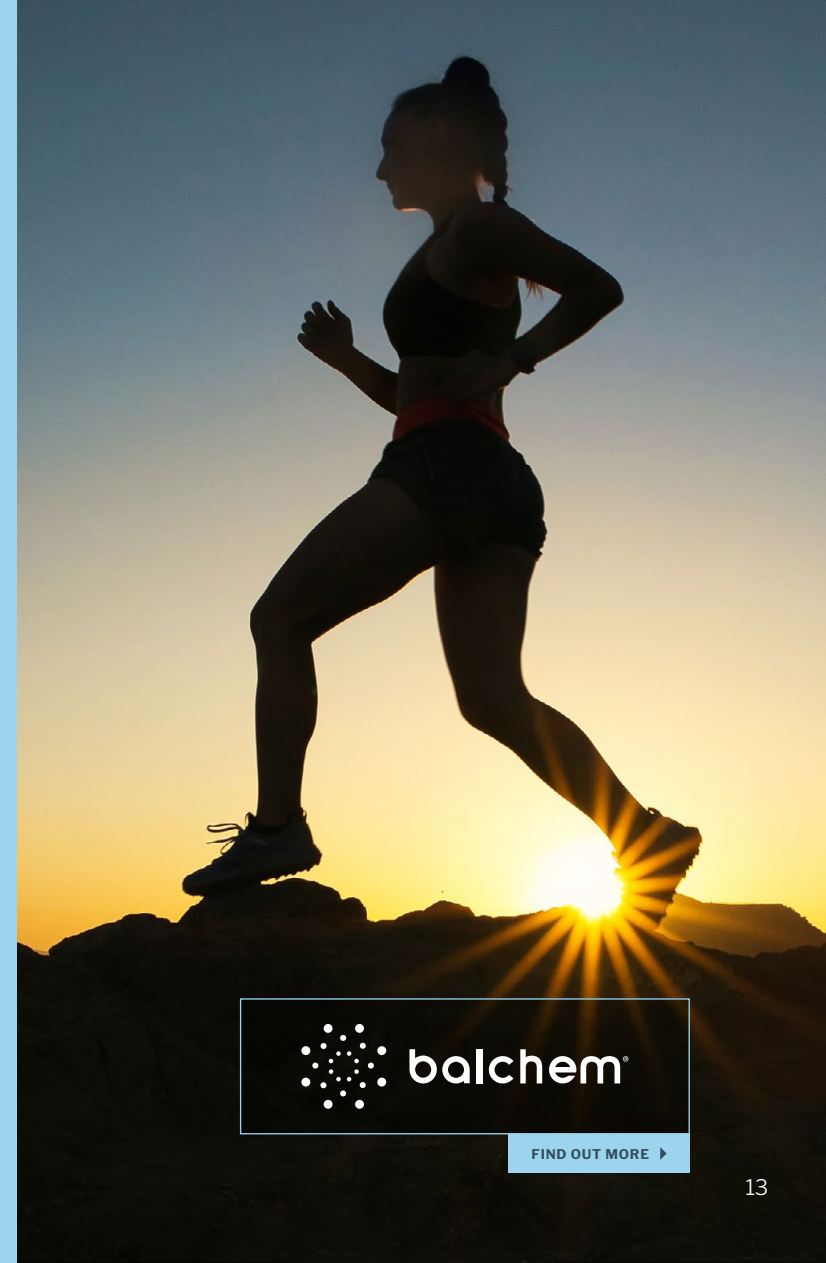
Market  
Cap (\$)

4.3  
BILLION

Key  
SDG



FIND OUT MORE ▶



# Belimo

## Switzerland

Belimo is a leader in actuator solutions that measure, meter and control air & water flows in heating, ventilation & air conditioning systems.

### Problem

Every company on the planet needs to reduce the environmental impacts of its buildings and plants if we are to decarbonise the economy.

### Impact

Belimo products help in the battle against climate change by helping customers to reduce energy consumption and operating costs; avoid energy losses; and help clients meet their own environmental targets.

### Net Zero

Belimo hopes to double the total carbon savings from its devices from 8.2 million tonnes of CO<sub>2</sub>e to 16.4 million tonnes of CO<sub>2</sub>e by 2030. Belimo also wants to reduce CO<sub>2</sub> emissions in its buildings by 25% from 2019 to 2025.

ESG  
Score

7.2

Impact  
Score

35

Impact  
Theme



Market  
Cap (\$)

5  
BILLION

Key  
SDG



**BELIMO**

FIND OUT MORE ▶

# Bio-Techne

US

A developer, manufacturer, and distributor of life science reagents, instruments and services for the research, diagnostics, and bioprocessing markets. The company specialises in proteins, diagnostics and genomics.

## Problem

New drugs and treatments are needed in order to treat diseases. Solutions are required that are cost effective and timely.

## Impact

Bio-Techne's products are used to better understand biological processes and specific diseases. As a consequence, the product portfolio helps in the discovery of drugs to treat diseases and provides the means for accurate clinical tests and diagnoses.

## Net Zero

We are engaging with the company with the aim of improving reporting standards and the setting of environmental goals.

ESG  
Score

5.9

Impact  
Score

33

Impact  
Theme



Market  
Cap (\$)

11.8  
BILLION

Key  
SDG



biotechne®

FIND OUT MORE ▶





# Bruker

US

Provides scientific, analytical and diagnostic solutions that measure life at the microscopic, molecular and cellular levels. Products include testing solutions used in microbiology and infectious disease diagnostics.

## Problem

New forms of analytical measuring systems are needed in order to advance scientific discovery.

## Impact

Bruker makes scientific instruments across a broad range of applications, most of which are used in a range of fields, from life sciences and biology research all the way to fusion power.

## Net Zero

With a range of sustainability initiatives in place, we are engaging with Bruker to encourage the setting of climate related targets.

ESG  
Score

6.5

Impact  
Score

33

Impact  
Theme



Market  
Cap (\$)

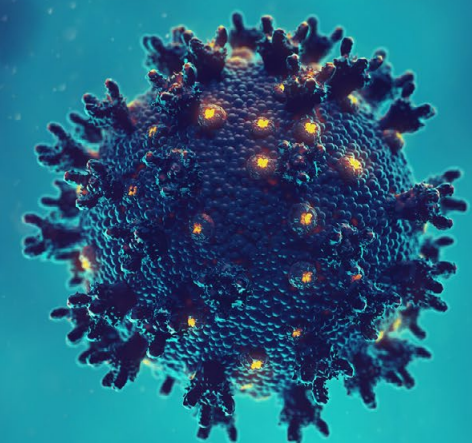
8.5  
BILLION

Key  
SDG



**BRUKER**

FIND OUT MORE ▶



# ChemoMetec

## Denmark

Chemometec develops, produces and distributes analytical equipment for cell counting and analysis, aiding the development of complex cell therapies.

### Problem

Premature mortality from non-communicable diseases, such as cancer, needs to be reduced through prevention and treatment.

### Impact

Chemometec's cell counting technologies enable best in class quality control protocols for their customers' drugs, supporting the efficacy of cutting edge treatments and contributing to the development of new and improved treatments.

### Net Zero

This is a small company and sustainability reporting is in its infancy. We are engaging to improve this.

ESG  
Score

6.0

Impact  
Score

28

Impact  
Theme



Market  
Cap (\$)

1.5  
BILLION

Key  
SDG



chemometec

FIND OUT MORE ▶

# Chr. Hansen

## Denmark

Chr. Hansen develops natural ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries.

### Problem

Food waste contributes about 8% of global greenhouse gas emissions, especially methane. Food waste is a real problem across the entire food chain.

### Impact

Chr. Hansen is helping to curb waste through the use of microbiology. Cultures protect food products against spoilage whilst probiotics for livestock can help increase farming yields and improve the welfare of animals.

### Net Zero

Committed to reducing its scope 1 and 2 emissions by 42% between 2020 and 2030. It has also committed to reducing absolute scope 3 GHG emissions by 20% within the same timeframe. These targets have been approved by SBTi.

ESG  
Score

7.0

Impact  
Score

34

Impact  
Theme



Market  
Cap (\$)

7.4  
BILLION

Key  
SDG



CHR HANSEN

FIND OUT MORE ▶

# Cognex

US

Cognex is a provider of machine vision products that capture and analyse visual information to automate manufacturing and distribution tasks where “beyond human” vision is required.

## Problem

Manufacturing processes need to become more efficient and cleaner in order to realise the aims of the SDGs.

## Impact

Products help to increase manufacturing efficiencies through accuracy of design and speed of process. Their developments in robotics enhance human capabilities, improving product quality and reducing waste.

## Net Zero

Cognex reports in line with TCFD requirements. The company is considering developing climate targets for future reporting. We are engaging with the company to encourage an ambitious approach.

ESG  
Score

6.0

Impact  
Score

30

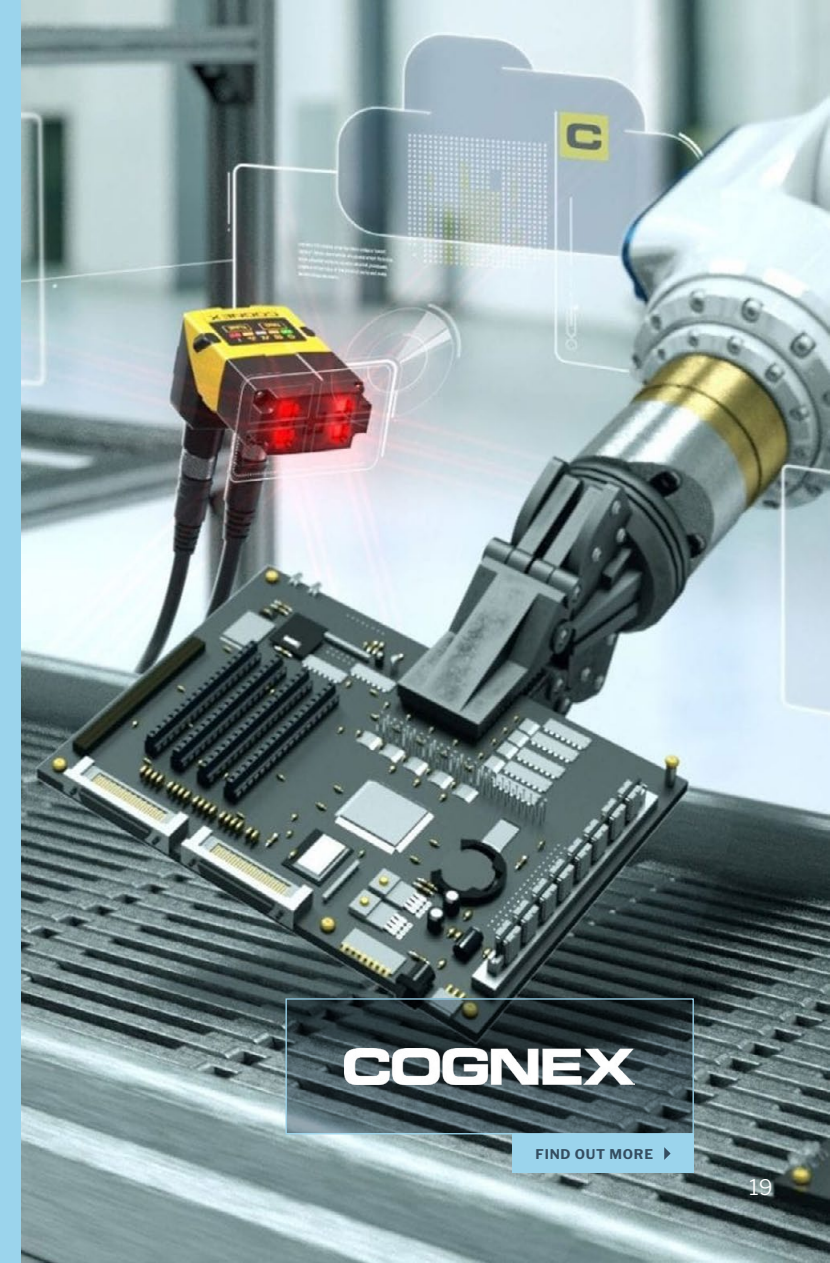
Impact  
Theme



Market  
Cap (\$)

7.6  
BILLION

Key  
SDG



**COGNEX**

FIND OUT MORE ▶

# Energy Recovery

US

Energy Recovery turns salt water into fresh water. Its products solve challenges for industrial fluid-flow market via a process called reverse osmosis desalination.

## Problem

Climate change is exacerbating water shortages. In arid regions of the world, desalination can help to provide fresh water to local communities.

## Impact

Energy Recovery contributes to reducing water scarcity and promotes affordable access to water. Sea Water Reverse Osmosis uses hydraulic pressure to separate pure water molecules from salt ions and other large molecules, including virtually all viruses and bacteria.

## Net Zero

Energy Recovery has a goal to double emissions reductions from their products by 2025 from a 2019 baseline and source their energy from renewable sources in order to lower scope 2 emissions.

ESG  
Score

6.9

Impact  
Score

29

Impact  
Theme



Market  
Cap (\$)

1.2  
BILLION

Key  
SDG



 energy recovery®

FIND OUT MORE ▶

# Entegris

US

Entegris provides specialty chemicals and filtration solutions to the semiconductor industry.

## Problem

New technologies are needed to develop solutions that can power a more sustainable world.

## Impact

Semiconductors have possibly done more than any other technology to connect the world and advance modern computation. Entegris' products help to maximize manufacturing yields, reduce manufacturing costs and enable higher device performance for customers.

## Net Zero

Entegris has set goals to reduce energy consumption by more than 20% per dollar of revenue from a 2020 baseline. The company is also aiming for 100% of electricity to come from renewable sources, where available.

ESG  
Score

6.3

Impact  
Score

26

Impact  
Theme



Market  
Cap (\$)

11.4  
BILLION

Key  
SDG



 Entegris

FIND OUT MORE ▶

# Halma

UK

Halma's aim is "protecting life and improving the quality of life for people worldwide". Its companies and products have a core focus on safety, health and environmental markets.

## Problem

Innovative products and key services are needed to keep people safe, healthy and improve the environment.

## Impact

Products have numerous impacts: fire protection sensors protect people across the world; water sensors keep the water running for millions; medical sensors spot preventable diseases and restore lost eyesight; environmental sensors measure air quality in cities.

## Net Zero

Halma aims to achieve net zero across scope 1 & 2 emissions by 2040. Key milestones include: reduce emissions 42% by 2030 (SBTi); achieve 80% renewable electricity by 2025; deliver at least 4% annual energy productivity improvements.

ESG  
Score

6.3

Impact  
Score

33

Impact  
Theme



Market  
Cap (\$)

8.9  
BILLION

Key  
SDG



Halma

FIND OUT MORE ▶

# ICON

## US

Icon is one of the world's largest Clinical Research Organisations, designing and executing clinical trials on behalf of drugs manufacturers.

### Problem

The inefficiency of clinical trials is a huge bottleneck, obstructing life saving new drugs from reaching patients.

### Impact

By using innovative software to streamline and automate the data extraction within clinical trial processes, ICON is able to accelerate trial timelines, shortening the time it takes for a life-saving drug to gain approval.

### Net Zero

ICON has set goals to achieve 100% renewable energy by 2025 and net zero carbon across scope 1 & 2 emissions by 2030.

ESG  
Score

6.8

Impact  
Score

35

Impact  
Theme

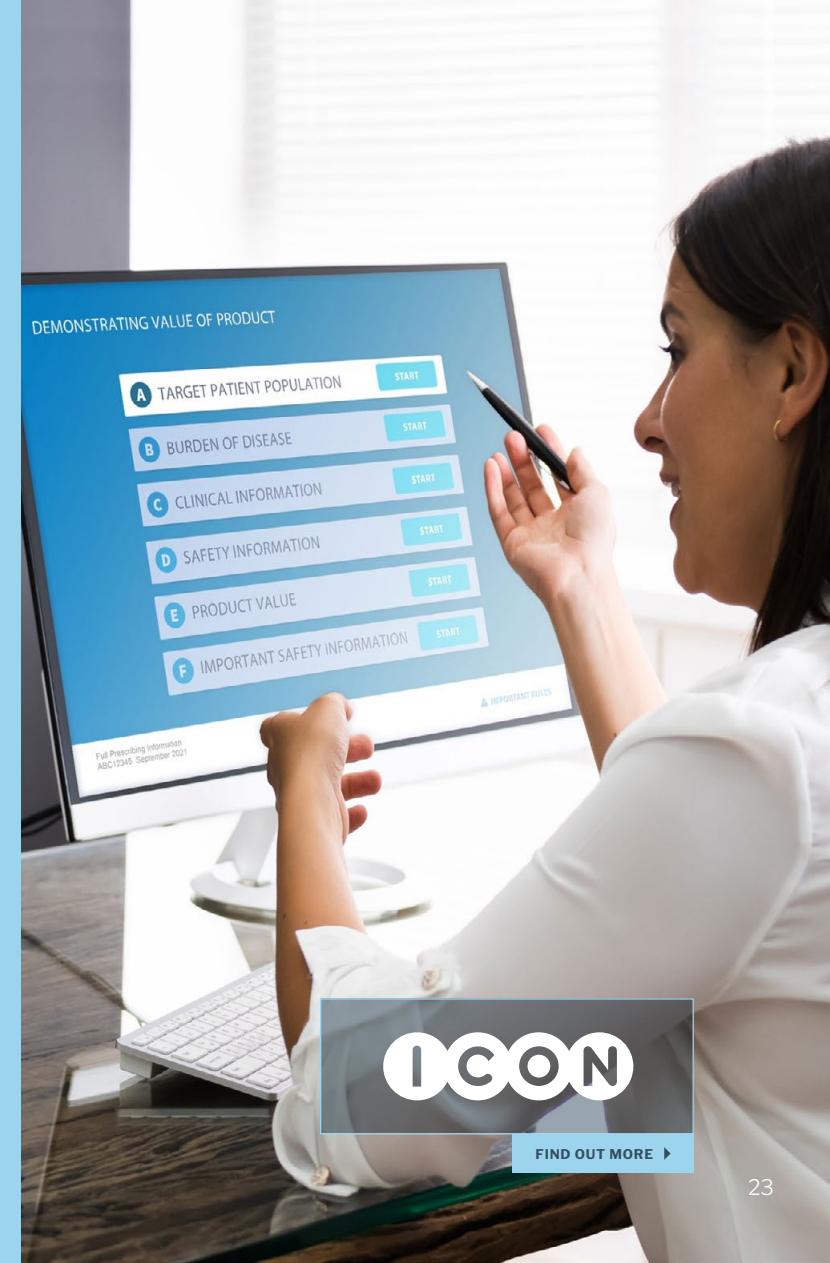


HEALTHCARE

Market  
Cap (\$)

15.3  
BILLION

Key  
SDG



ICON

FIND OUT MORE ▶



# IDEX

US

IDEX designs, manufactures and markets products including industrial pumps, lubrication systems, banding and clamping devices and rescue tools.

## Problem

Accidents happen and when they do, live saving products are needed.

## Impact

Their most famous product is the “jaws of life”, used by rescuers in road accidents. Fluids and metering products are used to reduce water waste and enhance energy consumption for alternative fuel markets, while other pumps and components are used across the medical sector.

## Net Zero

The company records backward looking emissions reduction performance but has not set targets for the future to bring emissions down to net zero. This is a point of engagement.

ESG  
Score

6.4

Impact  
Score

25

Impact  
Theme



WELLBEING

Market  
Cap (\$)

15.6

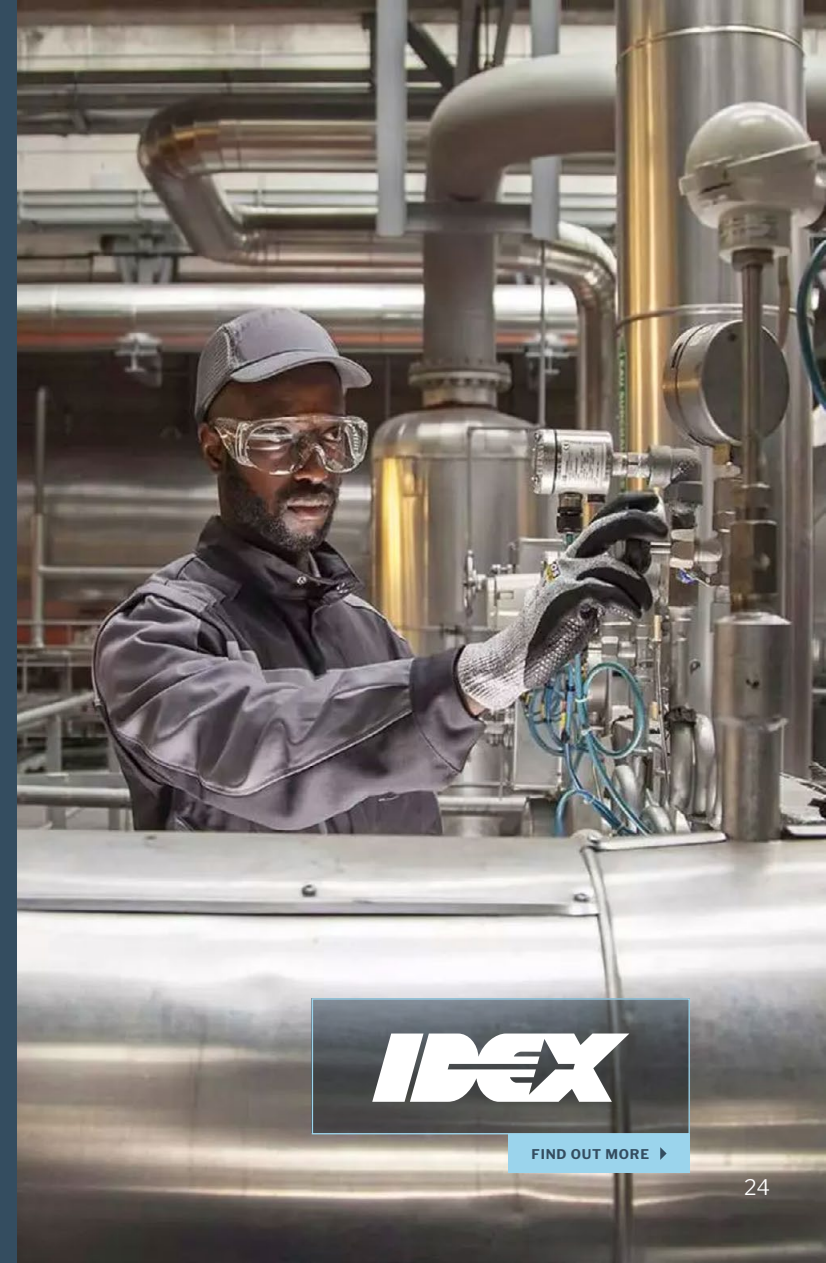
BILLION

Key  
SDG

9  
INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



FIND OUT MORE ▶



# IDEXX Laboratories

US

Ilexx develops, manufactures and distributes products and provides diagnostic testing for the companion animal, livestock and poultry, dairy and water testing markets.

## Problem

Animals need to be cared for, just as humans do. This includes livestock and also our pets.

## Impact

Ilexx provides vets with the diagnostic capabilities and information management solutions to keep livestock and other companion animals healthy. Ilexx provides vets with the diagnostic capabilities that help uncover underlying disease in seemingly healthy pets leading to earlier interventions.

## Net Zero

The company has set targets in line with a 1.5 degree pathway, including a reduction in scope 1 & 2 GHG emissions by 38% by 2030. In addition, the company aims to source 100% renewable electricity by 2030.

ESG Score

6.6

Impact Score

26

Impact Theme



Market Cap (\$)

28.5  
BILLION

Key SDG



**IDEXX**  
LABORATORIES

FIND OUT MORE ▶

# IDP Education

## Australia

IDP Education helps to place students from countries mainly in Asia into universities in Australia, the UK and Canada. The company administers International English Language Testing System (IELTS) tests and operates English language schools in Vietnam, Cambodia and Thailand.

### Problem

Education is a fundamental human right and is central to creating better lives and a better world.

### Impact

In 2022, IDP placed 55,400 students into countries renowned for the quality of their higher education offering, such as Canada and the US. The company administered almost 2,000 IELTS tests.

### Net Zero

The company is exploring a pathway to net zero. We are engaging with the company to encourage an ambitious approach.

ESG  
Score

5.5

Impact  
Score

33

Impact  
Theme



Market  
Cap (\$)

5  
BILLION

Key  
SDG



 **idp**  
INTERNATIONAL  
EDUCATION  
SPECIALISTS

[FIND OUT MORE](#) ▶



# Mani

## Japan

Mani is a medical devices company specialising in surgical knives and other related products used by surgeons.

### Problem

Medical equipment is needed to treat patients with quality products that are available to a wide range of doctors and hospitals.

### Impact

Mani aims to contribute to the well-being of people all over the world through the development, production and supply of products beneficial to patients and doctors. These include scalpels, staples, needles and dental applications for composites, implants, and root canal treatment.

### Net Zero

We are engaging with the company with the aim of improving reporting standards. The company is in the early stages of collating environmental data to be used in target setting.

ESG  
Score

5.9

Impact  
Score

28

Impact  
Theme



Market  
Cap (\$)

1.5  
BILLION

Key  
SDG



**MANI**®

FIND OUT MORE ▶



# Marshalls

UK

Marshalls is a hard landscaping manufacturer. The Company is engaged in supplying natural stone and concrete products to the construction, home improvement and landscape markets.

## Problem

By 2050, 70% of the world's population will live in cities, making cities critical to achieving a sustainable future for the world.

## Impact

Marshalls manufactures building materials needed for sustainable urbanisation. An example is Bloomberg's London HQ, the most sustainable office building in the world. Products include carbon neutral bricks and permeable paving and drainage solutions to prevent flooding.

## Net Zero

Marshalls has made science-based commitments to reduce scope 1 and 2 emissions in line with a 1.5°C trajectory and achieving net zero by 2030. In addition, Marshalls is targeting 73% of its suppliers to achieve scope 3 reductions.

ESG  
Score

7.4

Impact  
Score

29

Impact  
Theme



Market  
Cap (\$)

0.7  
BILLION

Key  
SDG



# Masimo

US

Masimo is a global medical technology company that develops, manufactures and markets a variety of non-invasive monitoring technologies, including measurements, sensors, patient monitors, and automation and connectivity solutions.

## Problem

Patients need accurate and safe monitoring during their time in hospital and whilst receiving care at home.

## Impact

Masimo's products help clinicians monitor over 100 million patients in healthcare settings around the world. Monitors are configurable for use in a variety of hospital settings, from ICUs and surgical suites to post-operative floors, as well as in long-term care facilities.

## Net Zero

Masimo is yet to set a net zero target, but have expressed an ambition to minimise energy inefficiencies. We are engaging with the company as they continue on this journey.

ESG  
Score

6.6

Impact  
Score

27

Impact  
Theme



HEALTHCARE

Market  
Cap (\$)

7

BILLION

Key  
SDG



 **MASIMO**

FIND OUT MORE ►

# Melexis

## Belgium

Melexis is a supplier of sensors to the automotive industry, increasing road safety and helping to reduce fuel emissions.

### Problem

Reducing road deaths is a major goal for the UN, as is improving air quality. Technology can make cars smarter, improving safety and aiding the transition to electric vehicles.

### Impact

On average, every new car made worldwide has 18 Melexis chips in it, helping with everything from safety to fuel efficiency, charging and battery optimisation, to autonomous driving. Their chips are also used elsewhere, such as smart buildings, robotics and renewable energy.

### Net Zero

Melexis collects environmental data on energy use and GHG emissions and publishes them each year. The company has yet to formalise targets on its environmental impact.

ESG  
Score

6.6

Impact  
Score

30

Impact  
Theme



Market  
Cap (\$)

2.9  
BILLION

Key  
SDG



# Mips

Sweden

Mips (Multi-Directional Impact Protection System) is a world leader specialising in helmet-based safety and brain protection.

## Problem

Research has shown that human brain is more sensitive to rotational impact incurred at an angle, causing concussion or other traumatic brain injury rather than linear impact.

## Impact

The Mips technology mimics the brain's natural protection system by reducing the angular rotational forces on impact in 5 to 10 milliseconds.

## Net Zero

Mips has been developing its response to the climate crisis and is seeking to adopt climate targets in line with the SBTi.

ESG  
Score

6.3

Impact  
Score

27

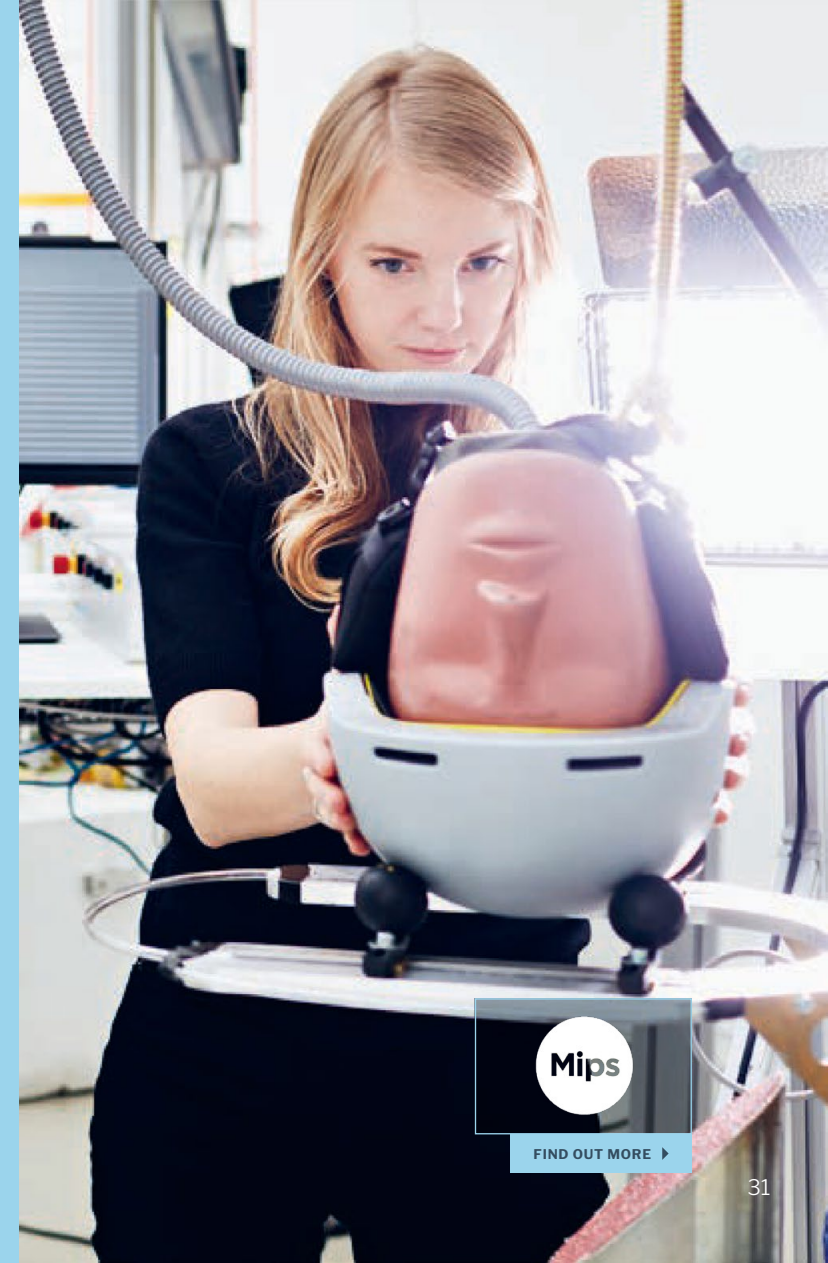
Impact  
Theme



Market  
Cap (\$)

0.7  
BILLION

Key  
SDG



FIND OUT MORE ▶



# MSCI

## US

MSCI is a provider of data and analysis tools for the financial services industry. Financial institutions rely on the data sets of research providers to make informed decisions on how to allocate capital.

### Problem

More capital needs to be directed towards sustainable areas of the economy that are helping to solve some of the world's greatest challenges.

### Impact

The company's ESG and Climate segment offerings include MSCI ESG Ratings, MSCI ESG Business Involvement Screening Research, and MSCI Climate Solutions. Such services can play a part in the sustainable reallocation of capital.

### Net Zero

MSCI has committed to setting climate targets in line with a 1.5 degree scenario and using the SBTi based framework to set a net zero goal.

ESG  
Score

6.4

Impact  
Score

27

Impact  
Theme



Market  
Cap (\$)

32  
BILLION

Key  
SDG



MSCI 

FIND OUT MORE ▶

# Nihon

## Japan

Nihon specialises in matching the founders of small businesses who wish to retire with those wishing to buy the enterprise.

### Problem

Japan has the oldest population in the world – there are an estimated 600,000 profitable small businesses where the founder is over 70 years old.

### Impact

Nihon helps to navigate changing demographics. If nothing is done there could be a loss of 6.5m jobs and over \$160bn of GDP. Nihon keeps profitable SMEs in business in the face of an ageing population. This is an impactful service for society.

### Net Zero

Nihon has set goals to reduce energy consumption at their head office but has not set further targets to reach net zero. We will engage to encourage ambitious target setting.

ESG  
Score

6.2

Impact  
Score

26

Impact  
Theme



Market  
Cap (\$)

3.9  
BILLION

Key  
SDG



 Nihon M&A Center HD

FIND OUT MORE ▶



# Nova

## Israel

Nova provides metrology solutions for the semiconductor manufacturing industry. Metrology is used as part of the wafer fabrication process to measure film thickness and composition properties.

### Problem

Semiconductors are the building blocks for innovation in technology and are needed to support sustainable innovation.

### Impact

The development of technology is helpful to social advancement. Nova helps to improve the precision of the manufacturing process and as a consequence make it more resource efficient.

### Net Zero

Nova has made some environmental protection commitments and is ISO certified. However, there are no emissions reduction targets in place.

ESG  
Score

6.1

Impact  
Score

26

Impact  
Theme



Market  
Cap (\$)

2  
BILLION

Key  
SDG



NOVA<sup>®</sup> PROCESS  
INSIGHT

FIND OUT MORE ▶

# Power Integrations

US

The company's products are used in power converters that convert electricity from a high-voltage source such that it can be used across a wide range of appliances and industries.

## Problem

The company's products are used in power converters that convert electricity from a high-voltage source such that it can be used across a wide range of appliances and industries.

## Impact

Power Integrations significantly reduces emissions by improving the energy efficiency of electronic appliances. Its products also enable investment in low-carbon technologies such as electric vehicles and wind farms.

## Net Zero

Power Integrations has sold more than 20 billion chips with EcoSmart technology since 1998, saving more than an estimated 174 terawatt-hours of electricity. However, the company has not set forward looking targets.

ESG  
Score

6.2

Impact  
Score

28

Impact  
Theme



Market  
Cap (\$)

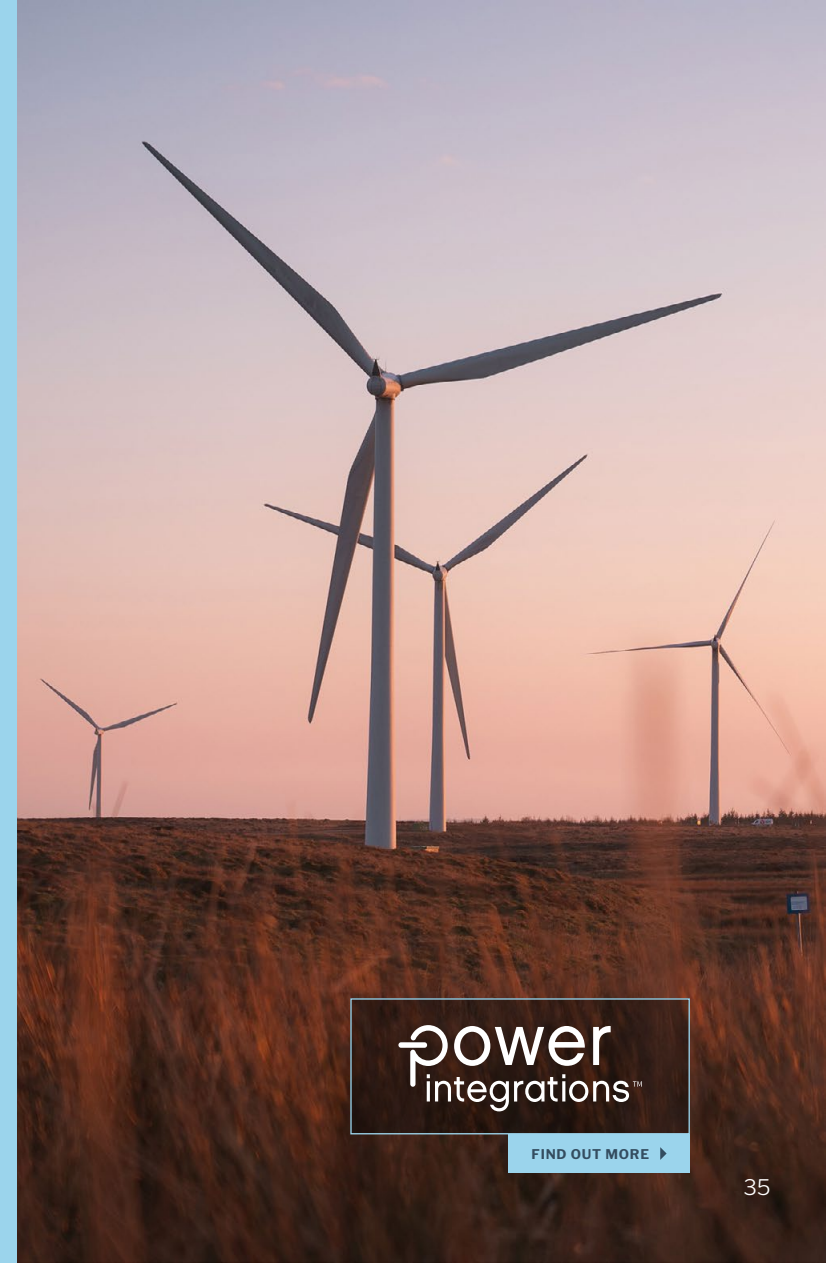
4.4  
BILLION

Key  
SDG



power  
integrations™

FIND OUT MORE ▶



# Pro Medicus

## Australia

Pro Medicus develops and supplies healthcare imaging software and services to hospitals, diagnostic imaging groups and other related health care groups worldwide.

### Problem

The identification and diagnosis of diseases is an essential part of improving patient outcomes and reducing premature mortality.

### Impact

The Pro Medicus software is known for its improved “cloud” accessibility, speed and high quality resolution. Its Visage product allows radiologists to read any type of examination from 2D chest x-rays to a more complicated 3D cardiac study all within one viewer.

### Net Zero

The company reports on their emissions but do not thus far target any reductions to this footprint. We will engage to encourage ambitious target setting.

ESG  
Score

7.1

Impact  
Score

40

Impact  
Theme



HEALTHCARE

Market  
Cap (\$)

3.4  
BILLION

Key  
SDG



pro+medicus

FIND OUT MORE ▶



# Rational

## Germany

Rational provides technology products for thermal food preparation for industrial and commercial kitchens.

### Problem

Old cooking equipment leads to unnecessary energy & food waste.

### Impact

Rational ovens reduce the energy and resource footprint in industrial kitchens. With a Rational oven you save energy, water, time and raw materials. The products help to feed more with less.

### Net Zero

From 2010 to 2019, Rational maintained total CO<sub>2</sub> emissions at a constant level, while the number of appliances produced roughly doubled. However, there are no forward looking reduction targets to reach net zero.

ESG Score

6.6

Impact Score

26

Impact Theme



Market Cap (\$)

6.1  
BILLION

Key SDG



**RATIONAL**

FIND OUT MORE ▶

# Ryman Healthcare

## New Zealand

Ryman is a builder and operator of retirement villages & care homes in Australia and New Zealand. The facilities depend on the needs of the residents and every care home has to be “good enough for Mum”.

### Problem

New Zealand has an ageing population: 20% of the population will be over the age of 65 by 2040.

### Impact

As populations grow and demographics age, providing care for the elderly is increasingly important. Ryman develops, owns and operates integrated retirement villages, rest homes and hospitals for elderly people across New Zealand and Australia.

### Net Zero

As part of the new company sustainability strategy, Ryman will be one of only three healthcare companies in Oceania to establish a Science-Based Target as it aims to be net zero by 2050.

ESG  
Score

7.0

Impact  
Score

33

Impact  
Theme



Market  
Cap (\$)

2.4  
BILLION

Key  
SDG





FIND OUT MORE ▶

# Sartorius Stedim Biotech

Germany

Sartorius is a leading international supplier of production equipment and technologies to the biopharma industry. Sartorius supplies essential pieces of equipment to enable the research and development needed to fight disease.

## Problem

The UN aims to “increase the proportion of the population with access to affordable medicines and vaccines on a sustainable basis”.

## Impact

Sartorius technology is greener, needs fewer chemicals, is more efficient, is safer due to reduced risk of product contamination and is cheaper than equivalents. This means that drugs are 15% - 40% cheaper to bring to market.

## Net Zero

The company has formal targets for reducing their CO<sub>2</sub> emissions. It aims to reduce CO<sub>2</sub> emissions by 10% annually on average until 2030, by which time emissions should have been lowered by 70% in total.

ESG  
Score

6.5

Impact  
Score

32

Impact  
Theme



Market  
Cap (\$)

27.6  
BILLION

Key  
SDG



SARTORIUS

FIND OUT MORE ▶



# Sdiptech

Sweden

Sdiptech is an engineering company and provider of technical services and products for urban infrastructures, such as hospitals, traffic systems and water supply systems.

## Problem

An increasing proportion of the global population is moving to cities. Urbanisation brings with it challenges and opportunities.

## Impact

The company focuses on urban infrastructure and aims to improve urban environments across three business areas: Water and Energy, Special Infrastructure Solutions and Property Technical Services.

## Net Zero

Sdiptech aims to reduce its carbon dioxide intensity from its own operations by 50% within five years (between 2021 and 2026).

ESG  
Score

6.7

Impact  
Score

30

Impact  
Theme



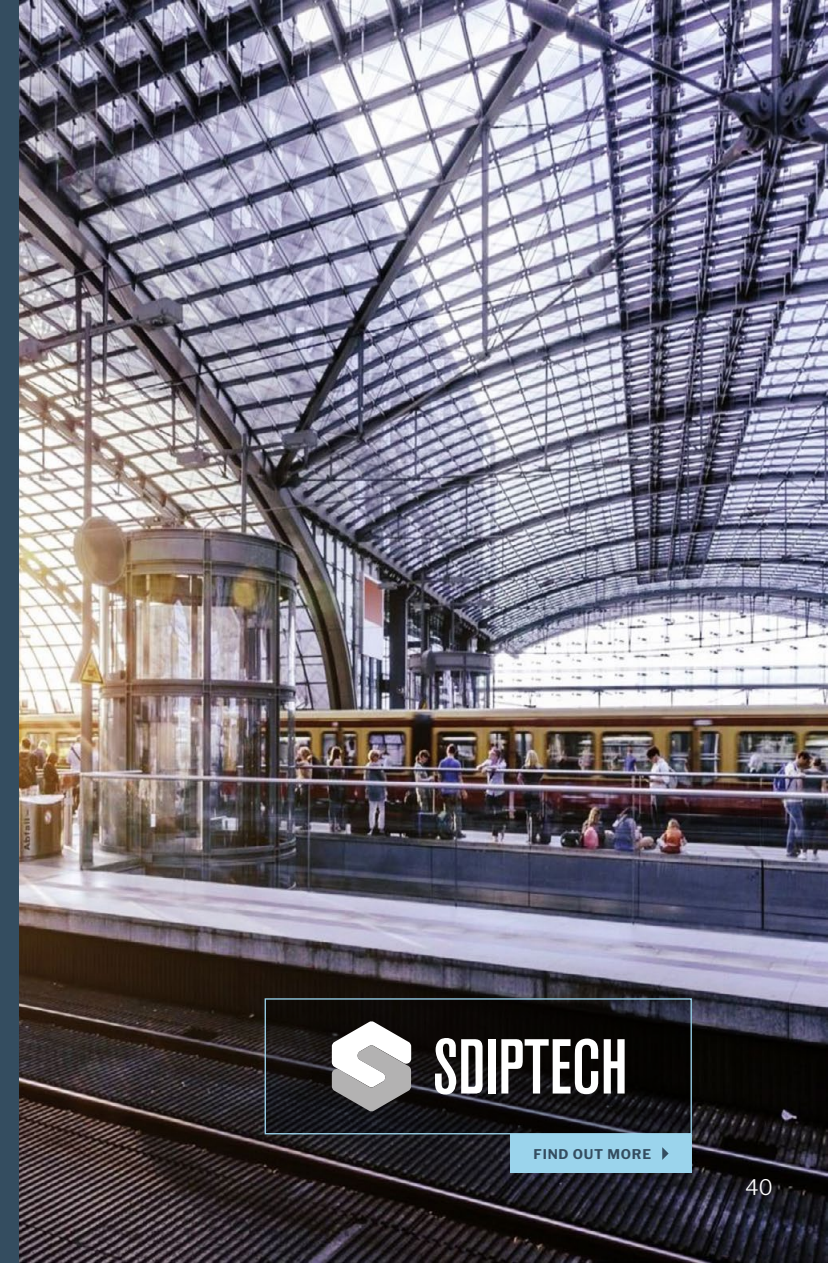
Market  
Cap (\$)

0.6  
BILLION

Key  
SDG



FIND OUT MORE ▶



# Shionogi

## Japan

A pharmaceutical company specialising in drug discovery with novel compounds combatting infectious diseases, central nervous system disorders and antibiotic resistance.

### Problem

The UN has set a target to reduce premature mortality from non-communicable diseases and promote mental health and well-being by 2030.

### Impact

The company helps to treat illness and disease in two ways:  
1) Develop new drugs against infectious diseases that lack effective medical treatments;  
2) Reduce outbreaks of bacterial and viral resistance by promoting proper use of anti-infective drugs.

### Net Zero

Shionogi has committed to reduce absolute scope 1 and 2 GHG emissions 46% by 2030 from a 2019 base year. This target is aligned with the SBTi scenario for 1.5 degrees of warming.

ESG  
Score

6.5

Impact  
Score

37

Impact  
Theme



HEALTHCARE

Market  
Cap (\$)

14.3  
BILLION

Key  
SDG



SHIONOGI

FIND OUT MORE ▶

# SolarEdge Technologies

## Israel

SolarEdge is a provider of solutions for solar photovoltaic (PV) inverters. Global electricity consumption is expected to increase by nearly 50% to 2050 compared to 2020.

### Problem

The world needs to transition towards a cleaner energy mix in order to address the climate crisis.

### Impact

SolarEdge provides products that increase the energy and cost efficiency of solar panels compared to competitor products. The company has invented intelligent inverter solution that revolutionises the way power is harvested and managed in a solar panel systems.

### Net Zero

The company estimates 23 million metric tons of GHG emissions are avoided annually through the use of SolarEdge installed systems. However, there are no targets to reduce operational emissions.

ESG  
Score

6.6

Impact  
Score

32

Impact  
Theme



Market  
Cap (\$)

11  
BILLION

Key  
SDG



solar**edge**

FIND OUT MORE ▶

# Spirax-Sarco Engineering

UK

Spirax-Sarco Engineering is an industrial engineering company. It is engaged in the control and management of steam, electric thermal solutions, peristaltic pumping and associated fluid path technologies.

## Problem

The environment needs to be protected from the impact of pollution from industrial processes.

## Impact

Spirax provides products that help to reduce CO2 emissions across a variety of industries. These allow customers to meet sustainability targets by improving plant efficiency and reducing energy, water and chemical consumption.

## Net Zero

Spirax has a net zero target for 2030. It has committed to joining the Business Ambition for 1.5°C campaign and using the science based framework to set a net zero goal.

ESG  
Score

7.3

Impact  
Score

32

Impact  
Theme



Market  
Cap (\$)

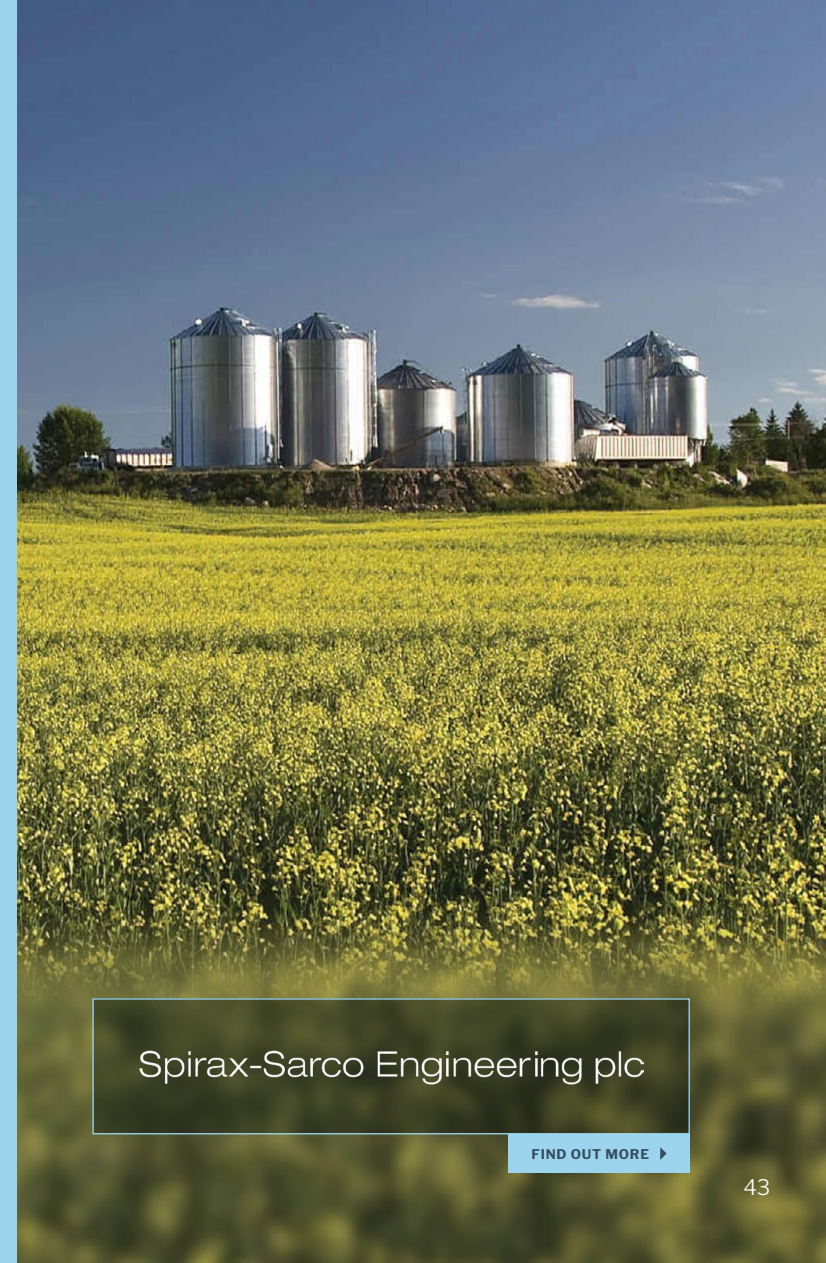
8.8  
BILLION

Key  
SDG



Spirax-Sarco Engineering plc

[FIND OUT MORE](#) ▶



# Surgical Science

Sweden

Surgical Science provides virtual reality simulators to train doctors in minimally invasive procedures. Its 3D physics-based simulation software immerses the user in a virtual environment.

## Problem

Medical innovation is needed to improve invasive surgery and robotic surgery techniques.

## Impact

The training systems are used by medical centres for practice, validation and certification of students, surgeons, and medical doctors to close a skills gap.

## Net Zero

We are engaging with the company with the aim of improving reporting standards.

ESG  
Score

5.2

Impact  
Score

25

Impact  
Theme



HEALTHCARE

Market  
Cap (\$)

0.7  
BILLION

Key  
SDG



surgicalscience

FIND OUT MORE ▶

# Tecan

Switzerland

Tecan produces automation machines used in drug discovery and testing. These machines help with both diagnostic treatment and life science research.

## Problem

Demographic and disease trends point to the need for both new drugs and better prevention techniques.

## Impact

Tecan builds systems that can help deliver the right drugs and treatments for patients. Using the huge bank of biological data to support discoveries in medicine will change human life forever. Tecan's machines are crucial to this evolution, helping new drugs and preventative testing methods.

## Net Zero

Tecan has committed to joining the Business Ambition for 1.5°C campaign and using the science based framework to set a net zero goal.

ESG  
Score

7.1

Impact  
Score

36

Impact  
Theme



HEALTHCARE

Market  
Cap (\$)

4.5  
BILLION

Key  
SDG



TECAN.

FIND OUT MORE ►

# Terna Energy

## Greece

Terna Energy is engaged in the renewable energy sector. The company predominantly constructs and operates wind farms in Greece.

### Problem

The world needs to urgently transition away from fossil fuel power if it is to meet the aims of the Paris Climate Agreement.

### Impact

Terna is targeting more than 6,000MW of installed capacity before the end of the decade. In 2021, Terna prevented the emission of more than 1.3 million tonnes of CO2e.

### Net Zero

We conducted a site visit to St George Island to see a project in situ and considered biodiversity impacts as well as net zero carbon. We will continue to engage with the company to encourage ambitious forward-looking targets.

ESG  
Score

6.7

Impact  
Score

35

Impact  
Theme



Market  
Cap (\$)

2

BILLION

Key  
SDG



 **TERNA ENERGY**  
G E K T E R N A G R O U P

FIND OUT MORE ▶

# Thule

Sweden

Thule designs, manufactures and distributes products to encourage “Active Lifestyles”.

## Problem

The world is facing an obesity crisis. Obesity is estimated to cost the European Union €70 billion and the US healthcare systems \$173 billion annually.

## Impact

As one of the world’s leading brands for active recreational products, Thule’s power to influence active lifestyles is large. Thule’s products are all about helping people to live active lives in the outdoors.

## Net Zero

Thule aims to reduce absolute scope 1 GHG emissions 46% by 2030 from a 2019 base year and commits to achieving 100% renewable energy over the same timeframe. This is aligned to 1.5°C using the SBTi framework.

ESG  
Score

7.0

Impact  
Score

26

Impact  
Theme



Market  
Cap (\$)

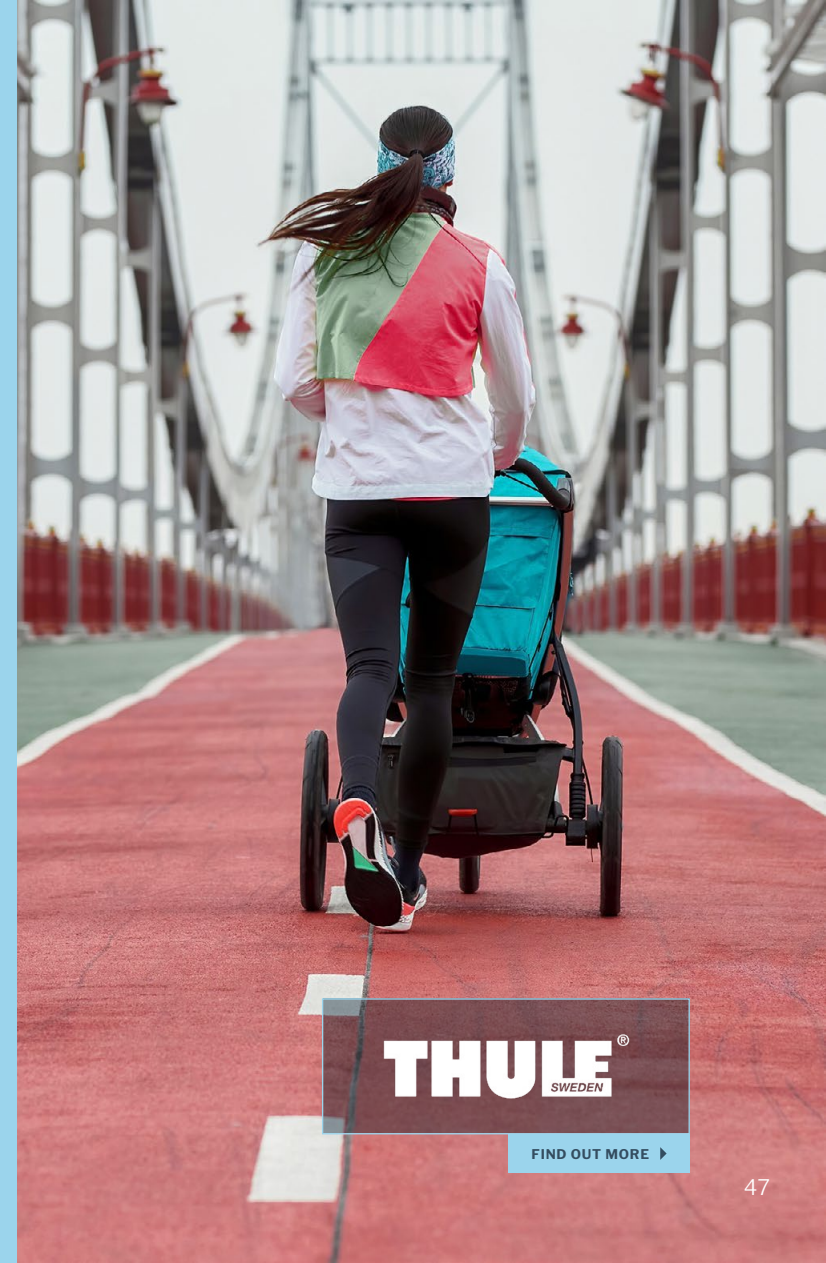
2  
BILLION

Key  
SDG



**THULE**  
SWEDEN

FIND OUT MORE ▶





# Trex

US

The world's largest manufacturer of high-performance composite decking and railing products. Trex's composite decking is made from recycled wood and plastic bags.

## Problem

Current levels of deforestation and plastic use are unsustainable.

## Impact

One of the largest recyclers of plastic film in North America, Trex upcycles approximately 400 million pounds of plastic waste annually, nearly all of which comes from post-consumer sources such as shopping bags, newspaper sleeves, bubble wrap and package liners.

## Net Zero

Trex is investing in manufacturing operations to further reduce energy and climate impact through greater efficiency. However, the company has not set net zero goals.

ESG  
Score

6.8

Impact  
Score

35

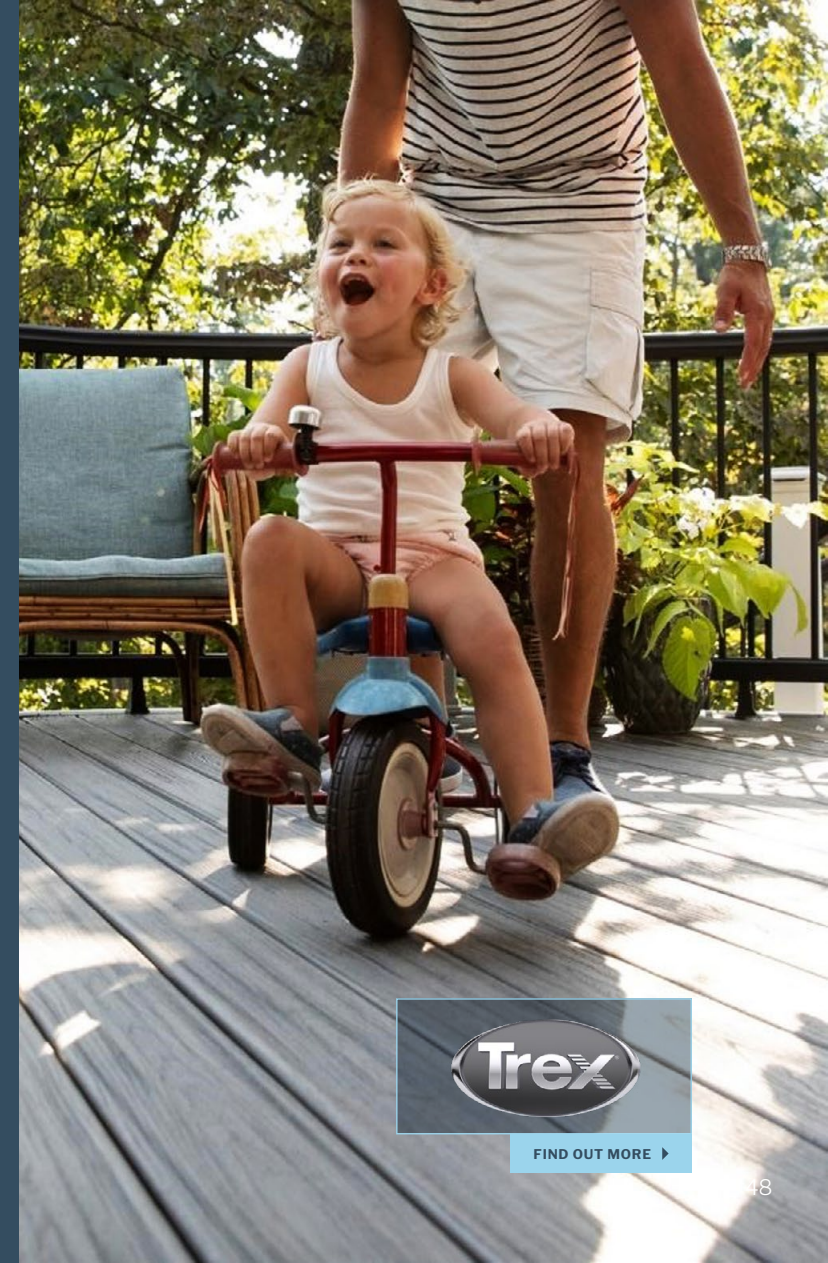
Impact  
Theme



Market  
Cap (\$)

4.7  
BILLION

Key  
SDG



FIND OUT MORE ▶

# Tristel

UK

Tristel is a manufacturer of infection control, contamination control and hygiene products for use in hospitals and other medical settings.

## Problem

As we saw during Covid, the spread of infection within hospitals can put lives at risk.

## Impact

The company's products are focused on preventing the transmission of microbes from one object or person to another across critical healthcare environments. Tristel's medical device disinfectants are used to disinfect diagnostic devices in hospitals.

## Net Zero

Tristel has embarked on a significant project to examine carbon emissions and develop an ESG strategy. We have participated in the consultation process to encourage net zero target setting.

ESG  
Score

5.2

Impact  
Score

30

Impact  
Theme



Market  
Cap (\$)

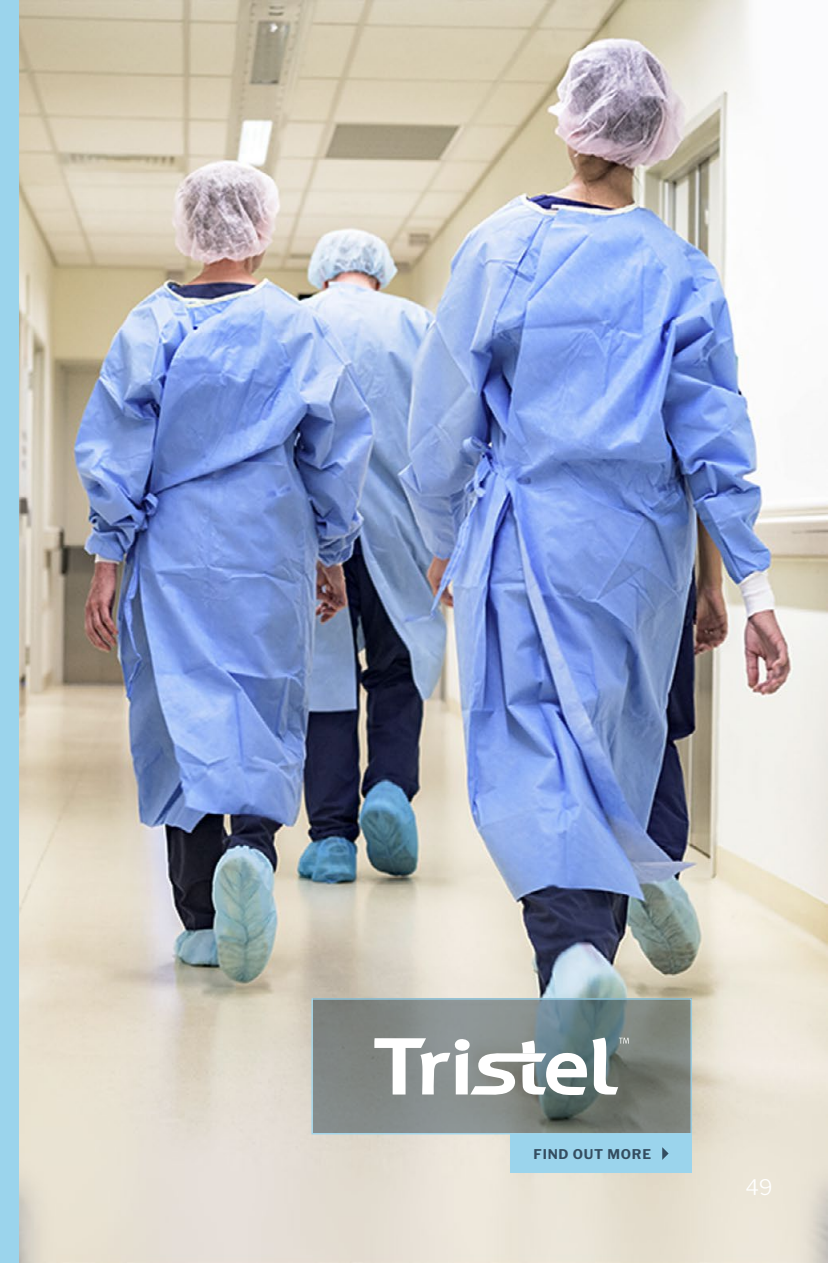
0.1  
BILLION

Key  
SDG



Tristel™

FIND OUT MORE ▶



# Tyler Technologies

US

Tyler Technologies is a provider of information management solutions and services for the public sector.

## Problem

Sustainable development is only possible when essential institutions are effective, where operating costs are predictable, and working environments are stable.

## Impact

Tyler Technologies sells software to government in the US to help it run more efficiently. The company offers a number of solutions to aid the smooth running of essential services. This frees up time and money to be directed towards better public services.

## Net Zero

Tyler has a climate action plan which includes emissions reduction, but targets are not specified. We hope that we can encourage ambitious and credible target setting through engagement.

ESG  
Score

6.5

Impact  
Score

27

Impact  
Theme



Market  
Cap (\$)

13.9  
BILLION

Key  
SDG



 **tyler**  
technologies

FIND OUT MORE ▶

# Veeva Systems

US

Veeva is a global provider of industry-specific, cloud-based software solutions for the life sciences industry. Veeva's suite of cloud-based services allow for improved data management from Research and Development to the commercialisation of healthcare solutions.

## Problem

Some estimates suggest that 80% of clinical trials fail to meet enrolment timelines, solutions to speed this process are necessary.

## Impact

Veeva technology aids patients in a number of ways. Commercial Cloud applications allow customers to engage with healthcare professionals ensuring compliance with strict regulatory standards. Development Cloud applications enable life sciences companies to streamline product development lifecycles.

## Net Zero

Veeva was the first public company to become a Public Benefit Corporation. This means Veeva is legally responsible to operate with a public benefit purpose. We are engaging with Veeva in relation to net zero.

ESG Score

7.5

Impact Score

36

Impact Theme



Market Cap (\$)

24.3  
BILLION

Key SDG



Veeva

FIND OUT MORE ▶

# Xylem

US

Xylem is a leading water technology company committed to “solving water” by creating innovative and smart technology solutions to meet the world’s water, wastewater and energy needs.

## Problem

Water supplies are under threat due to factors such as the draining of aquifers, increased pollution and the effects of climate change.

## Impact

Xylem delivers products to help throughout the water cycle, from collection and distribution to reuse and return to nature. By 2025, they aim to treat over 13 billion cubic meters of water for reuse and prevent 7 billion cubic meters of polluted water from flooding communities.

## Net Zero

Xylem has committed to joining the Business Ambition for 1.5°C campaign and using the science based framework to set a net zero goal.

ESG  
Score

7.1

Impact  
Score

39

Impact  
Theme



Market  
Cap (\$)

16.4  
BILLION

Key  
SDG



xylem

FIND OUT MORE ▶



# Yaskawa Electric

## Japan

A manufacturer of robotic arms and motion control components for industrial robots.

### Problem

New technological solutions are needed to enable sustainable production patterns.

### Impact

Yaskawa has a reputation for precision and provides a wide range of compact highspeed robots that are used in a variety of industries. They also manufacture and sell motors and generators for use in wind turbine and wave tidal systems.

### Net Zero

Yaskawa aims to reduce CO<sub>2</sub> emissions by 30% by 2030 from a 2018 baseline. We are engaging to encourage the setting of a formal net zero goal.

ESG Score

6

Impact Score

31

Impact Theme



Market Cap (\$)

7.2  
BILLION

Key SDG



**YASKAWA**

FIND OUT MORE ▶

# About Montanaro

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Montanaro specialises exclusively in the management of Global Small & MidCap quoted equity portfolios. It was founded in 1991 by Charles Montanaro to provide an institutional approach to investing in Small & MidCap quoted equities.

Today, we continue as a privately owned boutique and are known for our family culture. Based on Threadneedle Street close to the Bank of England, we have been described as “an Oasis in the City”.

We aim to deliver attractive investment returns and outstanding service to our clients. Our history of sustainable investing extends to the origins of our company.

We introduced our first ethical restrictions in the 1990s, recognising that there were certain areas of the economy where we did not want to direct capital towards due to their negative environmental and social impacts.

ESG has been integrated into our “Quality Growth” investment process for almost two decades, becoming a key tool in our ability to appraise the fundamental quality of a business and its management team.

We launched our first impact fund in 2018, the Irish-domiciled Montanaro Better World Fund, to direct capital to areas of the economy helping to solve major world problems. In 2020 we launched a UK-domiciled version of the Fund, the LF Montanaro Better World Fund.

In 2019 we became a certified B Corporation - a business that meets the highest standards of verified social and environmental performance, public transparency and legal accountability to balance profit and purpose.

We believe that to deliver superior investment returns to our clients, we should invest in those companies aiding the transition to a more sustainable global economy.

As of 31 December 2022, we looked after £3.5 billion of assets for our clients. £1 billion of our AUM is invested in our impact strategy.



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