Global Sustainable Equity

Quarter ending June 2021

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At Ninety One we believe in investing for a better tomorrow. We want to assist people around the globe to retire with dignity and meet their financial objectives by offering specialist, active investment expertise. We are a patient, long-term business offering organically-developed investment capabilities through active segregated mandates and mutual funds. Our clients include some of the world's largest private and public-sector pension funds, financial institutions, corporates, foundations, central banks and intermediaries serving individual investors.

It all began in South Africa in 1991. After thirty years, we have grown to become an established global investment management firm. We continue to develop our owner culture and are committed to building a long-term inter-generational business. The founding leadership is still in place, offering stability and a long-term investment outlook for clients.

We are deeply committed to creating a better, sustainable future. We are conscious of our responsibility, both as investors of other people's money and of our broader responsibility to society. Through our core investing activities, our leadership in the industry, our environmental initiatives and our commitment to our local communities, we seek to make a positive impact in all that we do.

Our overriding aim is to manage our investments to the highest standard possible and thereby exceed our clients' investment and service expectations.

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For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Executive summary

The Ninety One Global Sustainable Equity strategy takes a holistic approach to sustainability and positive impact with a particular focus on corporate culture and externalities. Managed by Stephanie Niven who has over 16 years of experience in sustainability and long-term investing with support from our Thematic Equity team within our Multi-Asset Capability at Ninety One, the Global Sustainable Equity Strategy seeks to provide investors with an attractive financial return while supporting a sustainable and inclusive future.

We believe there are **three compelling reasons** to allocate to a portfolio of companies that will support a sustainable future.

1. **Financial return:** We believe sustainability and specifically the pricing of externalities will be a source of future alpha generation. Our high conviction portfolio offers a replacement for traditional core global equity allocations, providing investors ownership of companies with sustainability and positive impact characteristics.
2. **Responsible investing:** The strategy meets increasing individual investor demand for investments aligned to a long-term sustainable future. We believe in sustainability with substance and take a thorough and considered approach to sustainable investing, using active engagement and advocacy to drive change.
3. **Risk management:** Our focus on companies that are aware of their externalities and that have long-term mindsets provides durability of returns and can lower sustainability risk in client portfolios.

The **Global Sustainable Equity Strategy** is designed to capture the sustainability opportunity by focussing on three key drivers:

- The pricing of **externalities**;
- **Culture** as a driver of sustainable value creation; and
- An inclusive approach to achieving **net zero** and the setting of science based commitments for portfolio companies.

Our sustainability focus across the three drivers of externalities, culture and net zero progress is combined with our financial investment approach which focuses on identifying companies with "Cheap, Sustainable and Compounder" characteristics. The resulting portfolio aims to be a high conviction and highly concentrated portfolio with c. 30 companies and a high active share relative to MSCI ACWI.

Implementing the opportunity

Investment approach	Sustainability drivers	Portfolio characteristics
Cheap	Externalities	Concentrated (25–40 stocks)
Sustainable	Culture	Unconstrained and high active share
Compounders	Net Zero	Focused engagement
		Transparent sustainability reporting

Transparent reporting and communication with clients are key features of our "sustainability with substance" approach. We share detailed insights into our research, our proprietary investment frameworks as well as our rationale for investing in each of the companies in the portfolio through our Annual Sustainability Report for Global Sustainable Equity.

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For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Ninety One's approach to sustainability

We are a long-term focused business allocating capital on a global basis to meet the future needs of society. Humanity's great challenge is sustainable development. We believe the key to achieving it requires simultaneous economic growth, social inclusion and environmental sustainability.

Our sustainability activities are organised into three areas of focus:

In all of these aspects commit authentically and avoid box ticking

Invest

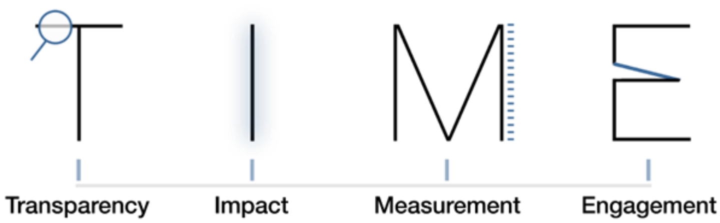
We think about our investments holistically, as entities operating within society, all depending on the natural environment. Only by understanding the connections between these can we consistently make the right decisions to preserve and grow the assets entrusted to us for future generations.

Our focus on sustainable development started with our roots in Africa, particularly our private markets focus (equity, credit and infrastructure), which showed us the role that capital has to play.

We believe that Environmental, Social and Governance (ESG) considerations should be integrated with all investment processes, across all asset classes. Core to our philosophy is the belief that integration of these factors should enhance investment performance over the long-term. Investing in companies and countries with strong sustainability and ESG performance makes long-term investing sense.

Our responsible investing activities fall under the 'Invest' bucket. Our approach to responsible investing is outlined in our Stewardship Policy (February 2019).

In our sustainable portfolios, we are also committed to the principles of TIME, which we have developed internally: Transparency, Impact, Measurement and Engagement. This is consistent with our allocation of capital for the long term.



Transparency: We will fully disclose our portfolio holdings to our clients. We will also disclose how we intend to identify and measure impact, and how we engage with each of the companies. We will also disclose our decisions not to measure or engage and highlight specifically where we feel impact measurement is not possible.

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For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Impact: Every investment will have a detailed impact assessment that will clearly explain how companies are selected, based on their contributions to the transformational needs.

Measurement: Measuring impact is challenging. Where investment capabilities adopt a thematic investment approach intentionally targeting impact we will carefully consider and report the appropriate impact measures that capture the required transformational change.

We will acknowledge and fully disclose data gaps where we cannot credibly measure impact.

Engagement: Engagement is one of the most powerful tools we have as active investors. We will engage to understand risk, to understand impact, and to improve disclosure and awareness of the transformational needs.

Engagement will not be limited to direct engagement with corporates, but will include participation in advocacy efforts, and collective engagement efforts that we feel present a material contribution to the required transformation.

Advocate

We believe it is important to not only manage our clients' assets in a responsible manner, but also to proactively engage our clients and stakeholders on sustainability. We recognise that we have a responsibility and an opportunity to lead the conversation on sustainable development and encourage our clients on their journey towards more sustainable long-term investing.

Our executive leadership is fully engaged with a series of global organisations committed to the advancement and implementation of sustainable development. Through their work with the Business and Sustainable Development Commission, the Coalition for Inclusive Capitalism, the SDG Centre for Africa, the UN Sustainable Development Solutions Network and PRI, our dialogue with international business, governments, labour and civil society leaders aims to articulate and quantify the case for participation in moving towards sustainable development.

Inhabit

Change starts with us, and we are committed to walking our talk in terms of our own sustainability footprint. We enthusiastically take on the responsibility for 'inhabiting' our ecosystem in a manner that ensures a sustainable future for all. From the Ninety One Green Team at our offices, through to our work in conservation and communities both globally and in our original homeland of Africa, we support the preservation of our natural world, creating a better tomorrow for future generations.

Our corporate sustainability strategy focuses on five areas: energy, waste, water, sustainable travel and responsible procurement. We aim to reduce and mitigate our carbon footprint.

Our investment expertise

The Global Sustainable Equity strategy is managed by Stephanie Niven, supported by the Thematic Equity team within the Multi-Asset Capability at Ninety One. Stephanie has over 16 years of experience in sustainability and long-term investing. She joined the firm in February 2021 from Aviva Investors where she co-managed the Global Equity Endurance Strategy. The strategy was awarded the 5 Global Morningstar sustainability rating and low carbon designation* and generated an annualised alpha of over 8% gross of fees p.a. under Stephanie's tenure. Prior to that, Stephanie worked for Tesco Pension Investment as part of the portfolio management team for the Global Equity Fund with joint responsibility for building and establishing the global equity investment process, the team generated excellent performance over five years in long term investing. Previous roles include partner and portfolio manager Stephanie holds the Certificate of Sustainable Investing from the University of Cambridge and the CFA ESG Investing qualification.

* Awarded 5* sustainability rating in September 2019. The low carbon designation for the SICAV was received December 2017, and the UK fund March 2020.

The strategy benefits from a number of equity specialists within the wider Thematic Equity and Multi-Asset equity research team (see team chart below) with expertise across a wealth of sustainability areas including the energy transition, the assessment of externalities, and understanding corporate culture. Stephanie splits her time between managing the strategy and contributing to equity analysis work as a member of the Thematic Equity team. With sustainability at its core, the broader Multi-Asset capability also offers the strategy the insights of thematic macro specialists and access to specialist quantitative research. Combined with cross-team collaboration with other Ninety One global equity investment teams such as 4Factor and Quality, we can assess investment ideas from all angles to determine the most attractive investment opportunities.

Sustainability investment research is the responsibility of the investment team, integrated throughout the investment approach from company research to portfolio construction to engagement.

The strategy's ESG and sustainability integration is further enhanced with Ninety One's specialist Sustainability and Engagement & Voting teams supporting company engagement and impact reporting, as well as providing governance through Ninety One's 'Sustainable Investing Advisory Forum' which meets quarterly.

Stephanie Niven
Portfolio Manager

Members of the wider Multi-Asset team

Income

John Stopford
Head of Multi-Asset Income

Jason Borbora-Sheen
Portfolio Manager

Growth

James Elliot
Head of Multi-Asset

Michael Spinks
Co-Head of Multi-Asset Growth

Philip Saunders
Co-Head of Multi-Asset Growth

Iain Cunningham
Portfolio Manager

Alex Holroyd-Jones
Portfolio Manager

Thematic Equity

Tom Nelson
Co-Head of Thematic Equity

Deirdre Cooper
Co-Head of Thematic Equity

Graeme Baker
Portfolio Manager

George Cheveley
Portfolio Manager

Dawid Heyl
Portfolio Manager

Stephanie Niven
Portfolio Manager

Multi-Asset Research Platform

Equities - Team of 17 | Fixed Income & FX - Team of 14 | Macro - Team of 10 | Quantitative Research - Team of 4

Portfolio specialists

Atul Shinh
Jennifer Moynihan
Ellie Clapton

Macro, FI and FX

Russell Silberston
Sahil Mahtani*
Rebecca Phillips

Quant research

Marc Abrahams
Dan Morgan
Yingke Wang
Christos Papathanassiou

Equity research

Miles Hamilton
Arita Sehgal
Eric Opara
Luca Menozzi
Sam Anthony
Yunli Liu

Leveraging off a wider investment platform

Equities | Fixed Income | Sustainability | Risk & Performance | Trading

The investment team is subject to change not necessarily with prior notification. As at 30 June 2021. * Shared resource with the Investment Institute. The total number of individuals that participate in the Multi-Asset Research Platform is 35.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Investment philosophy and approach

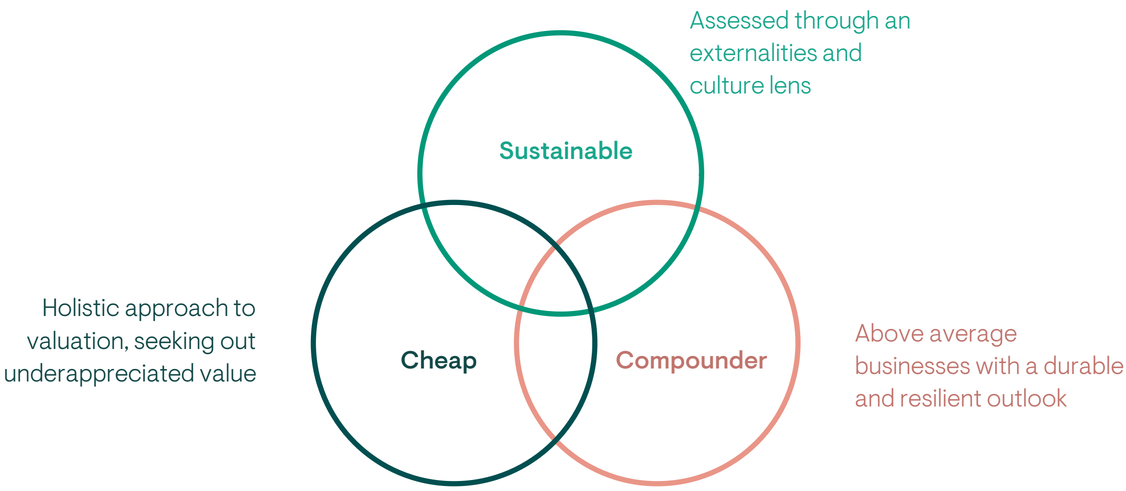
Global Sustainable Equity philosophy

The impact investment process for Global Sustainable Equity is founded in the investment philosophy and approach detailed below. We believe that in identifying businesses pursuing value creation that benefits all stakeholders, those companies will be more resilient and generate more predictable returns, producing value and impact for financial shareholders and society alike.

	Belief	Output
1	Stock prices trend towards intrinsic value over the long term	Cheap
2	Intrinsic value is driven by value creation that benefits all stakeholders	Sustainable
3	Value creation depends on competitive advantages and cash generation with return persistence	Compounder

Global Sustainable Equity approach

Our investment philosophy is then implemented through our '**cheap sustainable compounder**' approach. We believe that through an externalities and culture lens, assessing a company's value proposition, sustainability of business model, and return persistence of cash flows will lead to long-term sustainable alpha.



Cheap: We take a holistic approach to valuation, seeking out underappreciated value by selecting stocks that trade at a discount to their intrinsic value and have unrealised upside potential over the long-term. We use free cash flow as a key proxy for valuation and consider stocks both relative to existing portfolio holdings and other equities. In our view, a focus on cash aligns business impact with realised stakeholder outcomes.

Sustainable: We believe the sustainability opportunity has three key drivers that are possible to analyse in an investment context: externalities, culture, and net zero commitments. This is explained in further detail below.

Compounder: We seek out cash generative, high returning companies that can sustainably compound returns and grow over time. These companies have long-term sustainable competitive advantages, or moats, in attractive

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

industries and reinvest their profits in new growth opportunities at attractive incremental rates of return. We look for businesses that can expand their competitive advantages through time, resulting in sustainably high returns on capital. Our belief is that the market underappreciates the value creation of these businesses, with an assumption of mean reversion for the most profitable businesses over the long-term.

Sustainability and impact approach

We perceive that the world's measure of success is changing so that it no longer focusses on shareholder value alone and instead takes a broader view of the impact of a company on a range of stakeholders such as employees, society, and the natural world. Scrutiny of the consequences of economic activities on other stakeholders is intensifying and as such, it is increasingly important for investors to understand and price externalities, understood as a company's broader impact on the society in which it operates, where possible. This focus also provides an investment opportunity to identify companies that are generating positive externalities – i.e. a positive impact – something we welcome in portfolio holdings.

Specifically, we focus on three key drivers of sustainability: externalities, culture, and net zero commitments:

Externalities

Externalities embed sustainability throughout the process. Holistic, proprietary appraisal of positive and negative externalities

Culture

Seeking employee-focussed company insights. Stakeholders considered via internal and external culture lens

Net zero

We take an inclusive approach to targeting net zero, with stock by stock modelling of science-based targets. Key engagement focus

Externalities: In our view, externalities, both positive and negative, will be increasingly valued and potentially priced. We have already seen this in action in the accelerated move to price the carbon emissions externality and companies have responded through the adoption of net zero commitments and science-based targets. As this shift in focus from shareholders to multiple stakeholders takes place, investors who are ahead of the curve (i.e. are incorporating externalities in their investment processes) can expect to see superior risk-adjusted returns from companies that embrace a more holistic view of success. Our externalities assessment is carried out through the four capitals framework – assessing companies for material externalities across natural, human, social, and financial capitals. The four capitals framework helps us better identify and analyse impact and materiality.

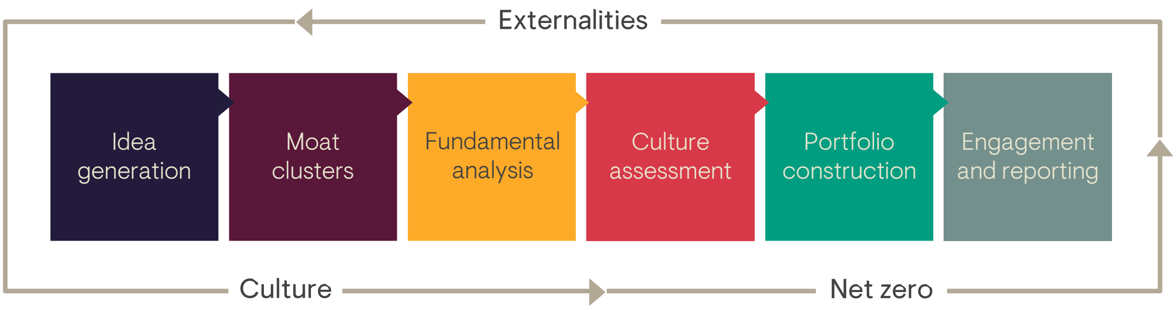
Culture: We also believe that companies with an appropriate culture are more likely to be nimble in response to both challenges and opportunities. Businesses with workplace practices that promote ownership, recognition, trust, and support principles are more likely to allocate capital in a sustainable way. This will improve a company's ability to adapt to challenges of scaling and pursue reinvestment opportunities that think holistically about externalities and interactions with multiple stakeholders. Our bespoke culture framework, developed in collaboration with Alex Edmans, Professor of Finance at London Business School, provides the analytical tool to assess and compare corporate culture as a means to understand sustainable value creation.

Net zero: As a firm, Ninety One has become a signatory to the Net Zero Asset Managers Initiative. This means we support investing that is aligned with the goal of net zero emissions by 2050 or sooner. We believe the world needs an inclusive transition plan that works for all its 7.9 billion people. We are passionate about realising real world change for a just transition. Our approach includes not only reducing contribution to the problem of carbon emissions with appropriate targets adjusted for regional and sectoral biases, but also increasing contribution to solutions. We look to assess carbon emissions avoided, focus on areas of EU taxonomy alignment, and measure targets to contribute to decarbonisation impact. We also appraise each company's approach to net zero with particular emphasis on encouraging companies to make science-based targets; we model carbon emissions trajectory on a stock by stock basis. We are active in advocating for a more inclusive approach to net zero and are keen to contribute and shape industry dialogue on this topic.

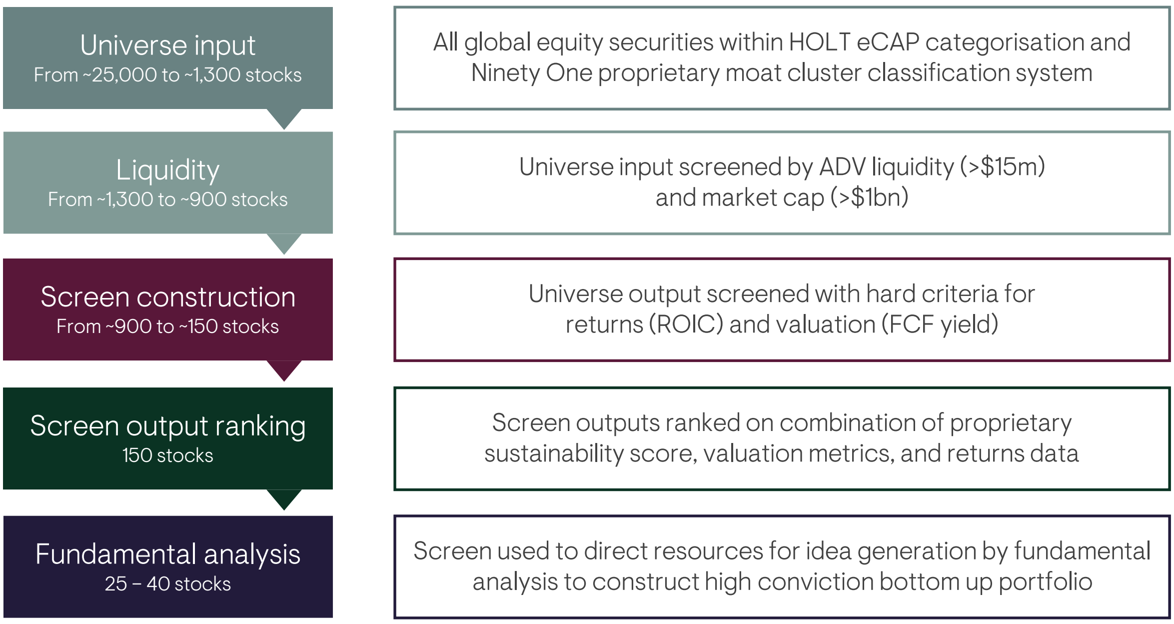
For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Investment process

Our investment approach is implemented through a robust, repeatable investment process: we identify cheap, sustainable compounders, incorporating an assessment of sustainability at each step. The investment process is summarised in the graphic below:



Idea generation: We use a screen as a first step in the investment process as a tool for idea generation to direct and prioritise our analyst resources. The screen is not a tool for portfolio construction, nor is it an exclusive opportunity set. We screen for underappreciated, sustainable, and durable businesses filtering by competitive advantages, liquidity, ROIC and FCF Yield. We then rank the screened stocks according to a range of metrics including our proprietary sustainability score. The screen stimulates team debate, while analyst experience and knowledge enable a qualitative overlay to make connections and broaden the idea pool as appropriate.



Moat clusters: We seek to exploit value creation by structuring the team's research resources according to competitive moat clusters rather than by traditional sector breakdowns which can lead to meaningless company groupings. Moat clusters are groups of companies with a common structural driver and competitive advantage. Moats enable enduring competitive advantages that are hard for peers to replicate, meaning that a company can gain pricing power and generate excess profits that are protected from the forces of mean reversion. Furthermore, and importantly, moat clusters also provide us with a means to account for materiality of sustainability issues. We undertake our externalities assessments in the context of moat clusters by defining the material externalities for each moat cluster and carrying out a cluster sustainability assessment. The purpose of this assessment is to define high standards, red flags (exclusions), and aspirational targets within each of the four capitals – natural, human, social, and financial. The reviews also identify important areas for impact investments. A range of sources including company reports, industry research, and our network are used to pull together available data and form a view.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Fundamental analysis: Once a company comes through our idea generation screen and moat cluster sustainability reviews, the team conducts fundamental analysis focused on the company's business model and whether it fits our characteristics of a 'Cheap Sustainable Compounder'. We carry out our own qualitative and quantitative assessment of sustainability – reviewing the company's approach to material externalities, its corporate culture (detailed in the following step), and an assessment of the company's net zero commitments. We model portfolio carbon exposure at a stock by stock, bottom up level, and consider carbon footprint, carbon intensity, carbon emissions trajectory, and carbon avoided at a Scope 1, 2, and 3 level.

We assess each company in its own right, in the context of its moat cluster as well as the results of the sustainability reviews carried out in the previous step. Detailed intrinsic value company models are also produced at this stage.

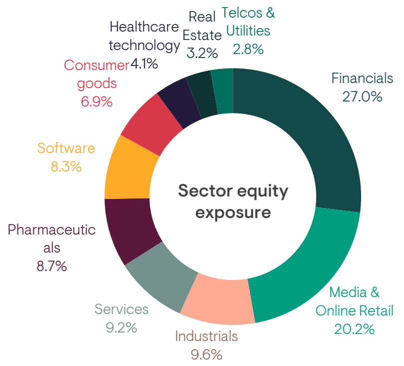
Culture assessment: We only buy a stock when we have formed a culture assessment of the company, which is compiled using our bespoke corporate culture framework via a mosaic approach, including company meetings, academic collaborations, Ninety One Investment Institute insights, expert network access, and employee resources. We compile both primary and secondary sources in our approach which draws on multiple angles to seek deeper and more relevant insights. Corporate culture is a key focus of our company due diligence meetings and we carry out an in-depth review of corporate culture for candidate stocks using our qualitative culture framework. The framework was developed as a key output to a research project, carried out as an academic collaboration between Ninety One's Investment Institute and Alex Edmans, Professor of Finance at London Business School. The framework involves a set of proprietary questions for corporate management, which push for examples of policies, procedures, and recent changes. The questions were specifically designed in consultation with Ninety One's Organisational Development team to probe for nuances in workplace practices and go beyond data acquisition and box ticking. The culture framework is a formalised approach to assess a topic that is both significant as a returns driver, but also extremely difficult to measure. We believe the framework provides a differentiated approach to examining impact at its first derivative: employee relations and the impact on corporate capital allocation.

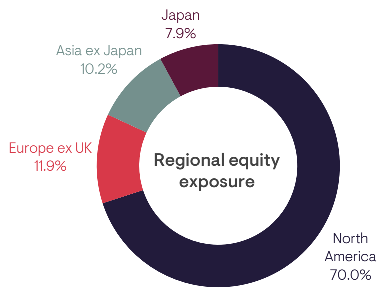
Culture framework	Ownership mindset + Recognition + Trust + Support	
Questions for management	Questions push for examples of policies, procedure, and changes Standardised question framework to drive consistency	Probe the nuances of the principles of the culture framework Insights beyond data acquisition or box ticking
Holistic culture mosaic	Proprietary framework Academic collaborations Ninety One Investment Institute Primary sources company reports, transcripts, presentations, management meetings, independent director conversations	Expert networks Employee resources Secondary sources suppliers, customers, communities, regulators, governments, wider stakeholders

Portfolio construction: The portfolio is constructed from the bottom-up in a benchmark-agnostic fashion, using the best ideas from previous stages of the investment process. Positions are weighted according to our level of conviction across the characteristics of 'Cheap, Sustainable Compounder', considerations of the strength of sustainability credentials, competitive advantage, carbon footprint and trajectory, scope for impact, and the contribution to the portfolio's overall risk. The resulting portfolio has a strong positive sustainability and ESG bias as a result of the incorporation of sustainability at every stage in the investment process.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

The model portfolio as at 30 June 2021 is shown in the graphic below:





Top 10 holdings

1	Alphabet	5.6%
2	Novo Nordisk	5.5%
3	Comcast	5.4%
4	United Health	5.1%
5	Visa	4.9%
6	Marsh & McLennan	4.2%
7	Thermo Fisher	4.1%
8	Aon	4.1%
9	Anthem	4.1%
10	Alibaba	4.0%

Portfolio characteristics

	FCF yield FY1	ROIC	P/E multiple
Portfolio	4.5%	18.9%	24.4x
MSCI ACWI	4.6%	6.5%	19.2x

Portfolio construction characteristics

Number of holdings	27
Active share	94 %
Ex-ante TE	6.1 %
Beta vs ACWI	0.79

For illustrative purposes only.

Source: Ninety One, 30 June 2021, company specific reports, June 2021. This is not a buy, sell or hold recommendation for any particular security.
The portfolio may change significantly over a short period of time. For further information on investment process, please see the Important information section.

Engagement and reporting: We believe that collective engagement and industry advocacy are powerful tools to effect positive change both for investee companies and across the investment industry. We meet management and engage with portfolio companies, with an explicit focus on the adoption of net zero commitments and science-based targets, as well as engaging on any material sustainability or financial matters. Engagement is bespoke, and acts as a critical feedback loop into our ongoing portfolio monitoring, providing vital insights into company progress and any changes to company culture. We have ongoing engagement and advocacy goals and will report against these and share progress in our Annual Sustainability Report for Global Sustainable Equity. We are also modelling projected net zero progress for the portfolio by taking a bottom-up approach using science-based targets and modelling of company revenue growth.

Measuring impact and sustainability

While our preference is to quantify impact where possible, not all positive impacts can be quantified today and we do not believe that should prevent investors from providing the significant capital required to meet the Paris Agreement and UN Sustainable Development Goals.

We split out our approach to disclosing impact across those areas that can be quantified today and those that are qualitative in nature.

Quantifiable impact: From a reporting perspective we take a conservative approach to claiming impact. Where we have established a robust process for quantifying positive impact, we will do so. At present, this is limited to those companies in the portfolio that are driving sustainable decarbonisation. These companies derive at least 50% of their revenue from the renewable energy, resource efficiency and electrification sectors and have a quantifiable positive carbon impact which we measure through a metric called 'carbon avoided'. This examines whether the company's products or services are better in terms of their carbon footprint than the alternative. We have worked with leading carbon data providers including Urgentem and CDP to establish the methodology behind carbon avoided. For each relevant company, we report the positive carbon impact on an annual basis along with the carbon risk across direct and indirect emissions (Scopes 1, 2 and 3).

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Unquantifiable impact: Beyond the quantifiable carbon impact, there are other positive impacts that we believe the companies we invest in are having. Many of these remain qualitative in nature and very difficult to measure in a credible manner. For these companies, we will explain our sustainable rationale for investing and qualitatively describe both the positive and negative externalities, our assessment of the firm's culture and appraise their approach to targeting net zero.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Investment risk management and key characteristics

We have a comprehensive Governance and Oversight structure in place at Ninety One to manage risk throughout the business and this includes our approach to investment risk.

Managing risks across our investment strategies is an integral part of the portfolio management process and consists of both explicit limits as well as additional measures to ensure that the appropriate level of risk is employed to meet the risk and return objectives of our investors.

The four main areas that are of primary focus to Ninety One from an investment risk perspective are:

(1) **Philosophy and Process**: Ensuring that investment capabilities adhere to investment style and mandate.

(2) **Research and Analysis**: Confirming that suitable research and analysis underpins the investment decision-making process.

(3) **Concentration and Liquidity**: Cognisance of the strategy's concentration and liquidity characteristics.

(4) **Risk Measurement**: Making sure appropriate risk measurement and stress testing is carried out.

For our sustainability funds we have a separate sustainable investment advisory forum which is responsible for ensuring that the Strategy is meeting its impact and sustainability mandate. The forum is chaired by Therese Niklasson who is Global Head of ESG at Ninety One.

Global Sustainable Equity Strategy Risk and Investment Characteristics

Risk management is embedded into the investment process of our Global Sustainable Equity Strategy and is actively managed:

In terms of stock specific risk, we focus on companies that demonstrate the specific characteristics we look for through our cheap, sustainable compounder approach using our robust and repeatable investment process. In terms of ESG and Sustainability risk, we integrate ESG considerations throughout the investment process, including the incorporation of an internal sustainability score into the idea generation stage. We believe there is compelling evidence that shows firms with a strong record on material ESG issues significantly outperform firms with poor records on these issues. We further test the investment case by meeting management and conducting culture assessments. This deepens our knowledge of companies and enables us to identify more subtle risks such as a demotivated workforce or poor management of assets.

When constructing the final portfolio, the consideration of stock specific financial and sustainability risks will directly impact the final target price for each stock. Positions are weighted according to this risk-adjusted target price and the contribution to the portfolio's overall risk. The portfolio is then reviewed at a sector level with regards sub-sector risk metrics, factor risks, stress tests and style biases. Weightings may then be adjusted accordingly.

Finally, we believe engagement is essential in order to mitigate risk within the portfolio. Engagement represents a standalone component of the investment process – Engagement and Reporting.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

The investment characteristics and risk controls of Ninety One's Global Sustainable Equity Strategy are as follows:

Portfolio guidelines

Strategy Investment objective	To outperform (gross of fees) MSCI ACWI over rolling 5 year period while promoting positive environmental and social characteristics
Number of holdings	Typically 25-40
Benchmark	MSCI AC World NR
Position sizing	Typically 4%-10%
Typical maximum stock weight	10%
Volatility	In line with MSCI AC World over a rolling 5 year period
Tracking error	Maximum of 10% ex ante
Typical maximum stock weight	10%
Sector weight	Unconstrained, benchmark agnostic
Country weight	Unconstrained, benchmark agnostic
Market cap weight	Unconstrained
Excluded sectors and business activities	We do not invest in companies with more than 5% of their revenues derived from*: – The manufacture and sale of tobacco and tobacco alternative smoking products – Coal extraction or power generation – The exploration, production and refining of oil and gas Firm wide exclusion of companies directly involved in the manufacture and production of cluster munitions, antipersonnel landmines, biological weapon and chemical weapons We will not invest in any company that we believe to be in violation of the UN Global Compact

These internal parameters are subject to change not necessarily with prior notification.

* This list is subject to regular and ongoing review

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

General risks:

The value of investments, and any income generated from them, can fall as well as rise. Where charges are taken from capital, this may constrain future growth.

Past performance is not a reliable indicator of future results. If any currency differs from the investor's home currency, returns may increase or decrease as a result of currency fluctuations.

Investment objectives and performance targets are subject to change and may not necessarily be achieved, losses may be made

Specific fund risks:

Geographic / Sector: Investments may be primarily concentrated in specific countries, geographical regions and/or industry sectors. This may mean that the resulting value may decrease whilst portfolios more broadly invested might grow.

Currency exchange: Changes in the relative values of different currencies may adversely affect the value of investments and any related income.

Derivatives: The use of derivatives is not intended to increase the overall level of risk. However, the use of derivatives may still lead to large changes in value and includes the potential for large financial loss. A counterparty to a derivative transaction may fail to meet its obligations which may also lead to a financial loss.

Equity investment: The value of equities (e.g. shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. insolvency), the owners of their equity rank last in terms of any financial payment from that company.

Concentrated portfolio: The portfolio invests in a relatively small number of individual holdings. This may mean wider fluctuations in value than more broadly invested portfolios.

Commodity-related investment: Commodity prices can be extremely volatile and losses may be made.

Emerging market (inc. China): These markets carry a higher risk of financial loss than more developed markets as they may have less developed legal, political, economic or other systems.

Sustainable Strategies: Sustainable, impact or other sustainability-focused portfolios consider specific factors related to their strategies in assessing and selecting investments. As a result, they will exclude certain industries and companies that do not meet their criteria. This may result in their portfolios being substantially different from broader benchmarks or investment universes, which could in turn result in relative investment performance deviating significantly from the performance of the broader market.

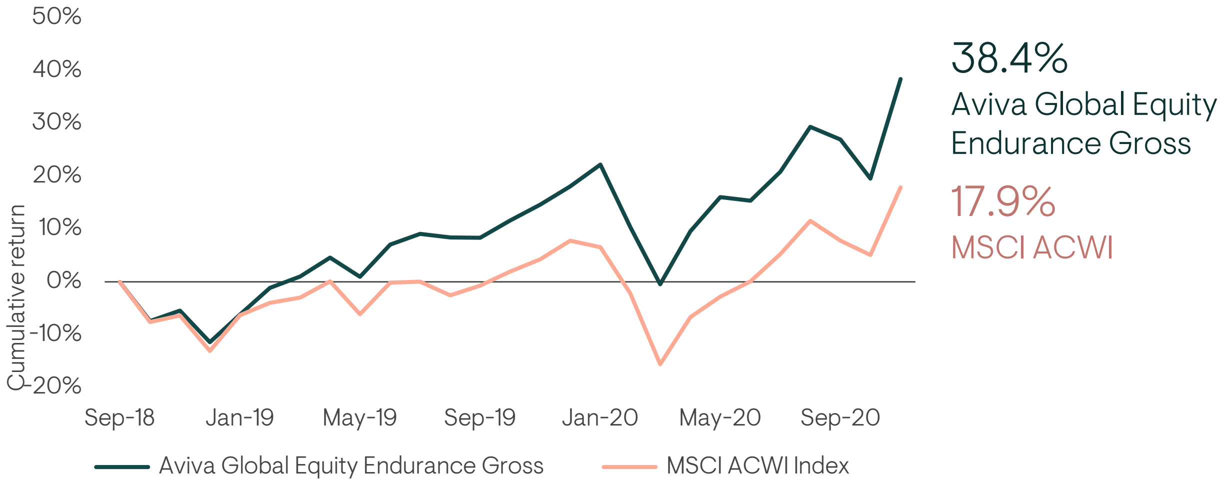
For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Performance

The Global Sustainable Equity strategy is expected to launch in Q3 2021.

Below we have shared details of Stephanie's prior track record as co-portfolio manager of the Aviva Investors Global Equity Endurance strategy from October 2018 until her departure in November 2020. The track record is provided here to illustrate Stephanie's previous involvement in the management of a global equity strategy with strong sustainability characteristics. The strategy was awarded the 5 Globe Morningstar sustainability rating* and low carbon designation and generated an annualised alpha of over 8% p.a. under Stephanie's tenure.

Aviva Investors Global Equity Endurance Strategy



	Aviva Global Equity Endurance Gross	MSCI ACWI
Return (% p.a.)	16.2%	7.9%
Alpha (% p.a.)	8.3%	n/a
Tracking error (% p.a.)	7.2%	n/a
Information ratio	1.2	n/a
Bull capture (% p.a.)	4.9%	4.3%
Bull capture ratio vs ACWI	1.1	n/a
Bear capture (% p.a.)	-4.1%	-5.8%
Bear capture ratio vs ACWI	0.7	n/a
Bull vs bear ratio vs ACWI	1.6	n/a

Past performance is not a guide to the future, losses may be made.
Source: Bloomberg covering the period of 1st October 2018 to 30th November 2020. Performance for the Strategy (and Index): Nov18-Nov19: 21.2% (11.4%); Nov19-Nov20: 20.8% (13.1%).
Based on net of A share class track record, "grossed up" by 1.56% p.a. (returns will be reduced by management fees and other expenses incurred), income is reinvested, in USD.
Awarded 5 sustainability rating in September 2019. The low carbon designation for the SICAV was received December 2017, and the UK fund March 2020

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Global Sustainable Equity potential outperformance and underperformance

We have defined our Global Sustainable Strategy approach to focus on key drivers of sustainability and on companies with resilient business models and persistence of returns. As a result of our 'cheap, sustainable, compounder' approach, the strategy does not have a significant style bias; companies in the portfolio will have a quality emphasis but our rigorous focus on valuation typically offsets this.

Aside from stock specific drivers of performance, the pricing in of sustainability is an important driver of long-term performance for the Strategy. Hence, we would expect that as externalities are increasingly priced in, the companies in our portfolio should enjoy a tailwind. We expect this to start with carbon emissions and the focus on transition pathways to achieving net zero but to evolve rapidly into other areas. On the flipside, the strategy has the potential to underperform the comparison index when compelling sustainability characteristics and commitments to net zero are disregarded by the market in favour of short-term financial performance.

We would emphasise that, over the long-term, we believe that the world's measure of success will shift to incorporate the impact that companies have on a wider range of stakeholders and that companies who manage their businesses sustainably, have consideration for all stakeholders and an appropriate culture will outperform over the longer term. When markets are unduly influenced in the short term, this can create new opportunities for disciplined active managers.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Appendix – biographies

Thematic Equity team

Stephanie Niven
Portfolio Manager – Global Sustainable Equity
Joined the firm in 2021
Joined the industry in 2005

Stephanie is a portfolio manager within the Multi-Asset team at Ninety One. She is responsible for the Global Sustainable Equity strategy. Prior to joining the firm Stephanie worked at Aviva Investors where she was co-portfolio manager for the Global Equity Endurance Fund, a top performing global equity strategy awarded the 5 Globe Morningstar sustainability rating and low carbon designation.

Before this Stephanie worked for Tesco Pension Investment managing the Global Equity Fund. Here she had joint responsibility for building and establishing the global equity investment process, generating excellent performance over five years in long term investing. Other roles include partner and portfolio manager at Javelin Capital LLP, and Stephanie started her career on the global equity team at Goldman Sachs.

She is a board trustee of Humanism UK, an ambassador for the Diversity Project, a mentor within the CFA UK Mentoring Programme, and a member of the board of trustees for the COIF Charity Funds.

Stephanie graduated from Merton College, University of Oxford with a Double First in Modern History and recently received the Certificate of Sustainable Investing from the University of Cambridge. Stephanie is a CFA® Charterholder.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Deirdre Cooper
Portfolio Manager & Co-Head of Thematic Equity
Joined the firm in 2018
Joined the industry in 1997

Deirdre is Co-Head of Thematic Equity within the Multi-Asset team at Ninety One. She is co-portfolio manager for the Global Environment Strategy.

Prior to joining the team in 2018, Deirdre was a Partner, Portfolio Manager and Head of Research at Ecofin. Before joining Ecofin, Deirdre was an investment banker at Morgan Stanley where she headed their European Renewable Energy coverage effort and built an investment banking and principal investing franchise. She has long had a passion for sustainable investing and has worked on a voluntary basis in the microfinance sector both in the US and in Pakistan.

She is a member of the advisory board of Girls Who Invest, a non-profit organisation whose mission is to increase the percentage of the world's investable capital run by women. as well as the advisory board for Imperial College's Centre for Climate Finance and Investment. She was also a member of the advisory board of the Shell Foundation's Energy Company of the Future project, Deirdre earned her MBA from Harvard Business School, where she was a Baker Scholar, and her BA from University College Dublin.

Tom Nelson
Co-Head of Thematic Equity
Joined the firm in 2012
Joined the industry in 2005

Tom is Co-Head of Thematic Equity within the Multi-Asset team at Ninety One. He is co-portfolio manager of the Energy and Natural Resources strategies, which invest directly in equities in these sectors. Tom is part of the Sustainability leadership team and was instrumental in the launch of the Global Environment strategy.

Tom joined the firm in 2012 and before that spent seven years at Guinness Asset Management where he was part of the team that managed the outsourced Investec Global Energy Fund from 2005 to 2008 and was subsequently co-portfolio manager of the Guinness Global Energy Fund from 2008 onwards.

Tom holds the UKSIP Level III Certificate in Investment Management and an MA in Modern Languages (French and German) from the University of Oxford.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

Graeme Baker
Portfolio Manager
Joined the firm in 2009
Joined the industry in 2006

Graeme is a portfolio manager in the Thematic Equity team within the Multi-Asset team at Ninety One. Graeme is co-portfolio manager for the Global Environment and Global Energy strategies.

He joined the team in 2010. During this time, he has been instrumental in driving the team's work on the Energy Transition and co-authored the 2016 paper on the subject; "Our energy future: creating a sustainable global energy system". This work has provided the base for the team's investment process and philosophy around the process of Sustainable Decarbonisation.

Prior to joining the firm, Graeme worked as an investment analyst at Hargreaves Lansdown Asset Management where he focused on Alternatives and Global Equities. Graeme received a BSc in Economics from the University of Bristol and is a CFA® Charterholder, a member of the CFA® Society of the UK and holds the Investment Management Certificate (IMC).

George Cheveley
Portfolio Manager
Joined the firm in 2007
Joined the industry in 1991

George is a portfolio manager and metals and mining specialist in the Thematic Equity team within Multi-Asset. He joined the firm in 2007. George is a portfolio manager for the Global Gold Fund and co-portfolio manager for the diversified Natural Resources strategies. He covers all aspects of metals and mining supply and demand including, most recently, the impact of renewable energy and electric vehicles on metals demand.

Prior to this, he was a market analyst for three years at BHP Billiton, working in The Hague and Singapore. He was recruited to BHP Billiton in 2004 from CRU (Commodities Research Unit), an independent metals/chemicals related research company based in London. At CRU, he spent three years in the Carbon Steel team and five years as a Research Manager – Copper, providing in-depth research and forecasts to the industry, banks and hedge funds.

George began his career in 1990 in operations at British Steel Strip Products, working for three years in the Tinplate division. George graduated from the University of Oxford in 1989 with an honours degree in Classics and in 1995 was awarded an MBA from Warwick University.

Dawid Heyl
Portfolio Manager
Joined the firm in 2008
Joined the industry in 2002

Dawid is a portfolio manager in the Thematic Equity team within Multi-Asset at Ninety One. He is a portfolio manager on our Global and Enhanced Natural Resources funds and strategies. He covers agriculture, protein, basic foodstuffs, forest products, metals and mining, as well as various environmental investment sectors. Having specialized in agriculture and softs since 2007, he has focused on the developments in sustainable food production, the efficient use of water, seed, fertilizer and crop protection inputs as well as the advent of precision agriculture.

Before joining the firm, Dawid was a derivatives trade accountant at KBC Financial Products. Prior to this, from 2002 to 2005, he qualified as a chartered accountant at Baker Tilly Greenwoods Auditors in Cape Town, during which time he managed audits of companies in the agricultural, protein and industrial sectors.

Dawid graduated from the University of Stellenbosch with a Bachelor's degree in Law in 2000. In 2001 he completed the Accountants Conversion Course at the University of Cape Town and in 2002 he graduated from the University of South Africa with an honours degree in Accounting. Dawid was awarded the Chartered Accountant designation (SA) in 2005 and is also a CFA® Charterholder.

For further information on the investment team, investment process, performance target and indices, please see the Important information section.

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Investment Team
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The target is based on Manager's good faith estimate of the likelihood of the performance of the asset class under current market conditions. There can be no assurances that any Strategy will generate such returns, that any client or investor will achieve comparable results or that the manager will be able to implement its investment strategy. Actual performance of Strategy investments and the Strategy overall may be adversely affected by a variety of factors, beyond the manager's control, such as, political and socio-economic events, adverse changes in the interest rate environment, changes to investment expenses, and a lack of suitable investment opportunities. Accordingly, target returns may be expected to change over time and may differ from previous reports.

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