



Stewart Investors
Sustainable Funds Group

Stewart Investors Worldwide Leaders Sustainability Strategy

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Stewart Investors Worldwide Leaders Sustainability Strategy

- > The Worldwide Leaders Sustainability strategy launched in November 2013
- > The strategy will be available as a domestic retail NZ PIE fund with Implemented Investment Solutions acting as Fund Host
- > The strategy invests in 40-60 high-quality global companies that are particularly well positioned to contribute to, and benefit from, sustainable development

Launch date	Fund: May 2022
Lead portfolio manager	Sashi Reddy
Investment team	Sustainable Funds Group / 14 analysts
Investment horizon	5-10 years
Market capitalisation	Free float >USD 3 billion
Comparator benchmark	MSCI AC World Index
Total management costs	62 bps

About Stewart Investors

- > Long-only equity specialist, established in 1988
 - > Based in Edinburgh, London, Singapore and Sydney
 - > Dedicated sustainability funds since 2005
 - > Focus on sustainable development as a key driver of investment performance
 - > Parent company - Mitsubishi UFJ Trust and Banking Corporation
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Managing money on behalf of our clients

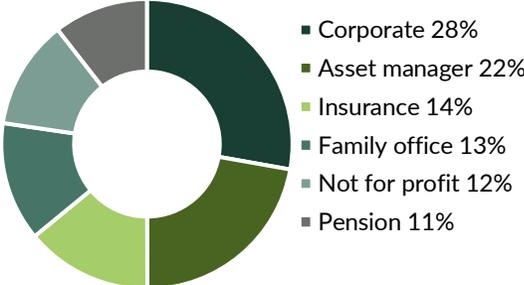
Long-term and aligned investors

Sustainable Funds Group AUM	Launch date	Total (A\$ m)
Asia Pacific		17,676
All-Cap ¹	30 Jun 1988	2,750
Leaders	01 Dec 2003	14,144
Pacific Assets Trust ²	01 Jul 2010 ³	782
Europe		7
ex-UK	25 Jan 2022	4
inc-UK	10 Jun 2021	3
Global Emerging Markets		2,170
All-Cap	18 Feb 2009	1,728
Leaders	01 Apr 2020	442
Indian Subcontinent		791
15 Nov 2006		
Worldwide		5,020
All-Cap	01 Nov 2012	4,087
Leaders	28 Oct 2013	933
Sustainable Funds Group		25,664

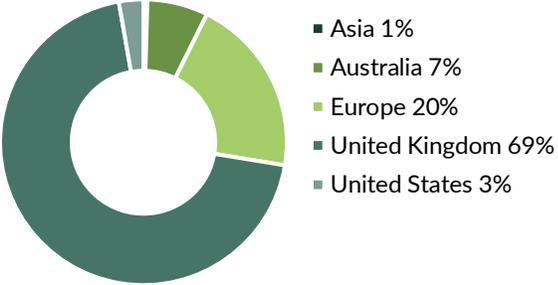
Client breakdown



Institutional client breakdown



Regional client breakdown



Source: Stewart Investors. Figures have been converted from the base currency of each account using the WM Reuters 4pm exchange rate as at 31 March 2022. Pie chart data as at 31 December 2021. Strategy figures may not match totals exactly due to rounding. ¹The Asia Pacific All-Cap AUM consists of the Asia Pacific Sustainability and the Asia Pacific and Japan Sustainability strategies. ²UK listed closed-ended Investment Trust which is only available to UK investors. ³Date that Stewart Investors became Investment Manager of the Trust. ⁴Pooled nominees includes some institutional clients. All AUM figures are unaudited and may differ from final audited AUM figures when published. The AUM data provided is for information purposes only and should not be used for any other purpose. Launch date reflects the date of the oldest portfolio in the strategy. AUM of the strategy is shown under the investment group which currently manages the strategy and may not reflect the strategy's full history.

Our investment philosophy

We are stewards

Our role is to allocate society's capital to productive uses, in accordance with our Hippocratic Oath

We are long term

Our time horizon is measured in years, not weeks, and we value companies accordingly

We invest only in companies contributing to a more sustainable future

We engage constructively as owners to help companies on their sustainability journeys

We invest only in high-quality companies

We seek out companies with exceptional cultures, strong franchises and resilient financials

We believe capital preservation is important for capital growth

We define risk as the possibility of the permanent loss of client capital

Hippocratic oath for asset managers

We swear to fulfil, to the best of our ability and judgement, this covenant:

- > We will treat our clients at all times as we would wish to be treated
- > We will not allow the pursuit of personal gain to cloud our fiduciary role
- > We will strive to achieve, through hard work, sober analysis and sound judgement, the best risk-adjusted returns possible for our clients
- > We will not, however, pursue these returns to the extent that our actions will knowingly harm others
- > We will remember that a share in a business brings with it responsibilities as well as rights
- > We will not forget in our search for returns that the primary risk faced by our clients is losing their capital
- > We will not succumb to irrational exuberance in good times, nor to unjustified gloom in bad times
- > We will present a balanced viewpoint, highlighting risks as well as potential returns
- > We will recognise that our role within society is to allocate capital where it can be used most productively for the future benefit of all
- > We will not be ashamed to admit our mistakes and will strive to learn from them, as well as those of others
- > We will share our experiences – both good and bad – with our peers, and work together with them to earn the respect of those outside the investment profession
- > We will play our part in promoting financial education as it benefits wider society
- > Finally, we will recall at all times the stricture that “those, who stand for nothing, fall for anything”

What we mean by quality



Quality of management

- > Competence
- > Integrity
- > Humility



Quality of franchise

- > Necessary and responsible
- > Sustainable profitability
- > Growth opportunities



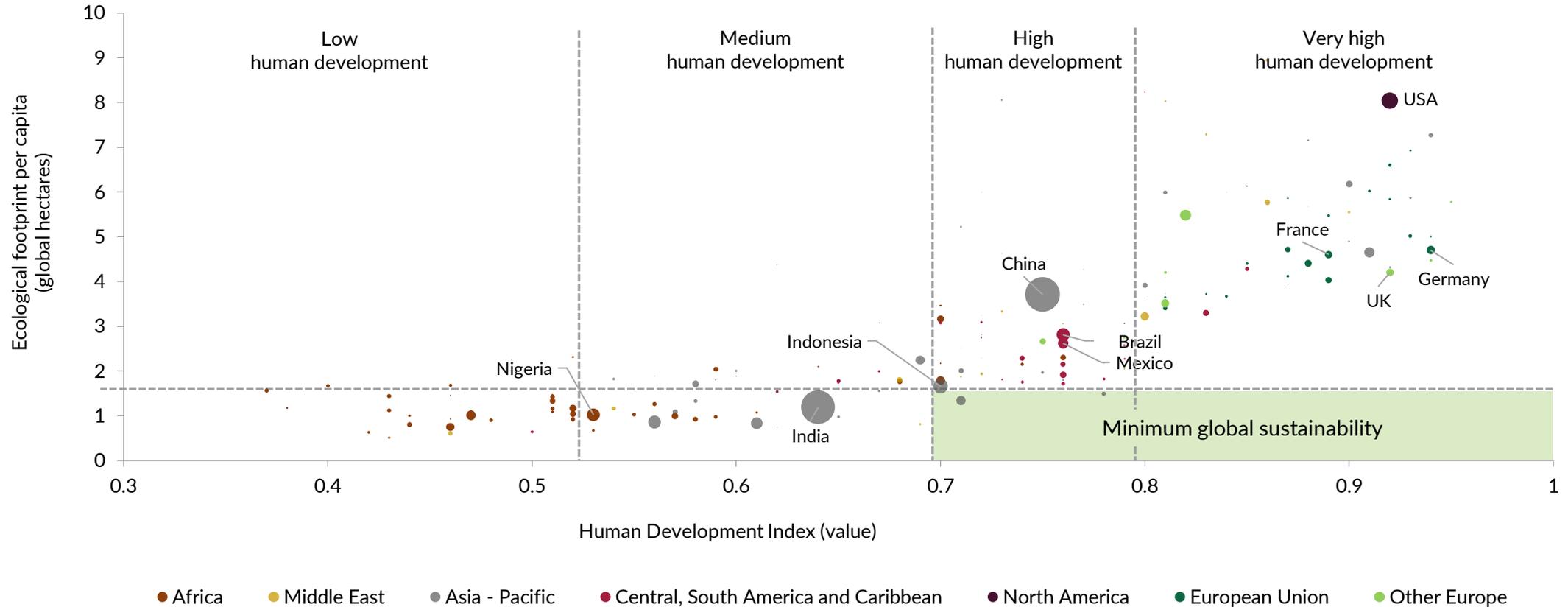
Quality of financials

- > Safe balance sheet
- > Resilient cash flows
- > Conservative accounting

Sustainability is our starting point when analysing a company and informs our assessment of the quality of management, franchise and financials

What we mean by sustainable development

Sustainability furthers human development while reducing ecological footprint



Source: Global Footprint Network, 2021 National Footprint and Biocapacity Accounts www.footprintnetwork.org and https://data.footprintnetwork.org/?_ga=2.218470873.137653673.1614780619-1273534926.1610728620#/sustainableDevelopment?cn=all&yr=2017&type=BCpc,EFCpc. Latest country data for the Ecological footprint is 2017. Graph scale is limited to 10 on the ecological footprint axis and excludes Luxembourg and Qatar.

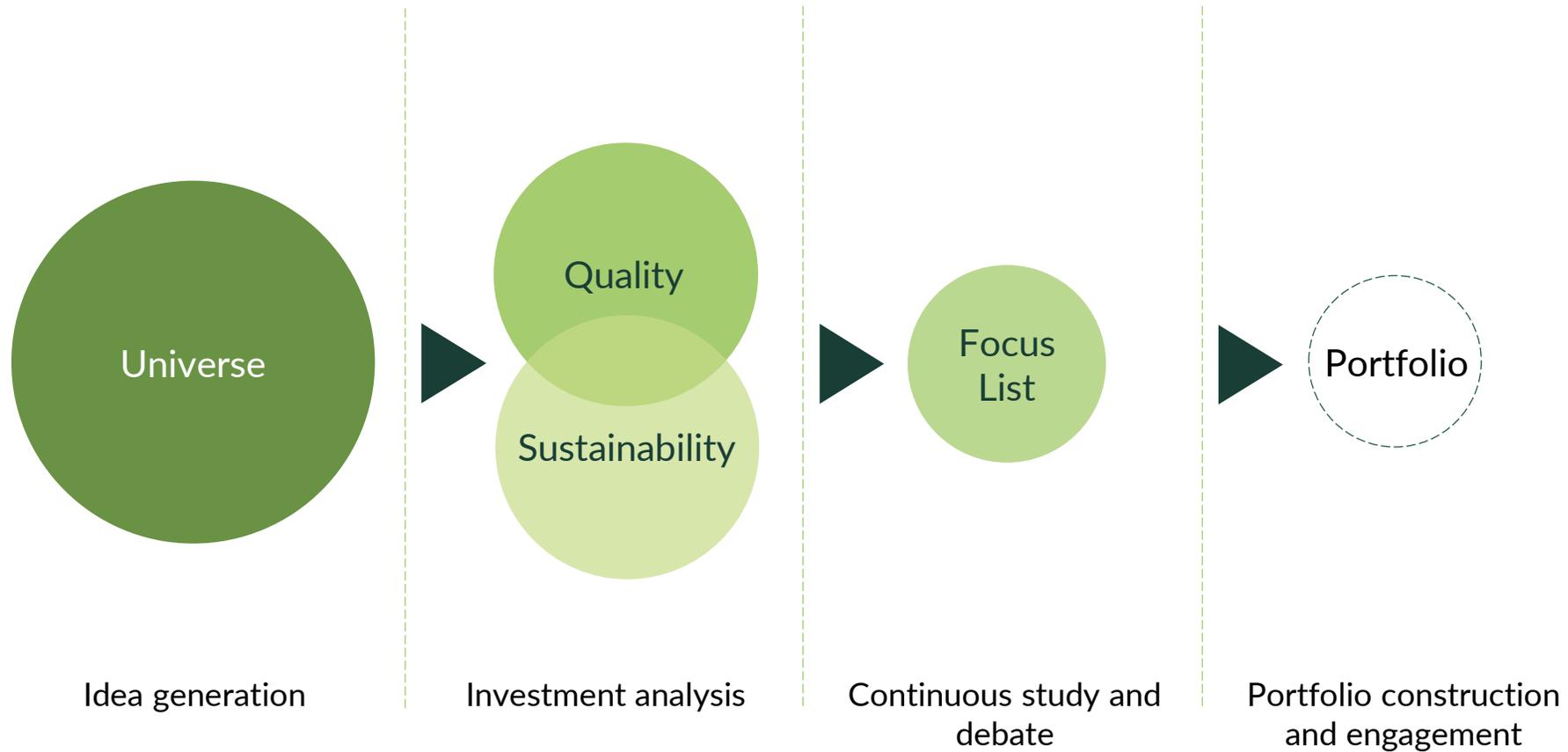
How big is big enough?

Past performance is not indicative of future performance.



Investment process

Fundamental bottom-up approach



Why Stewart Investors

Experience

- > First sustainability strategy launched in 2005

Long termism

- > Some companies held > 25 years
- > 10 year horizon at point of investment
- > Engaged relationships with investee companies

Positive impact

- > Companies must contribute to sustainable development
- > Sustainability analysis is integral to the investment process
- > Engage and vote to improve sustainability outcomes

Performance

- > Strong long-term absolute returns across cycles
 - > Significantly lower downside risk
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