NEDGROUP INVESTMENTS

see money differently

Nedgroup Investments Global Equity Fund

Quarter Three, 2024

Marketing Communication

1. Market Overview and Outlook

"Continuous improvement is better than delayed perfection"
 - Mark Twain

At present the market is narrowly fixated on artificial intelligence, specifically large language models (LLMs) and the ever-greater processing power required to drive leading edge products like ChatGPT. Digitisation has been a key theme running through the Veritas Global Focus strategy for many years, but by contrast we find some of the most exciting opportunities to be in companies currently being overlooked that will use AI capabilities to add value to existing, time-tested products. This is especially true once valuation and business risk are considered. We are particularly attracted to companies with their own high value, proprietary data but also the software vendors that help customers manage their mission critical systems of record.

Systems of record can be thought of as the databases critical to running a business and where there is low tolerance of failure or error: transaction processing ledgers; airline booking systems; customer purchase histories; inventory records; product design blueprints. As the authoritative sources of truth upon which many other systems, information flows and business processes are built, these databases must be highly reliable, secure and available.

As ever more interactions are digitised (customer service chat bots, website visits, app downloads) and ever more products embed digital capabilities, the amount of data being collected by companies increases exponentially. The quality of this data, how it is organised and integrated with systems of record and how it is incorporated into workflows are of critical importance, with the potential to create substantial value in myriad ways: individualised marketing; optimised pricing; superior product design; automated customer service.

Companies like Amadeus IT (airline IT systems), Salesforce (customer relationship management systems) and Siemens (industrial design software) sell systems of record that are deeply integrated into their customer's workflows. Switching these systems out is complex, disruptive and extremely expensive, a process often likened to changing the engine on a formula one car while it is still driving around the track. As such these businesses have an unfair advantage in bringing new innovations to bear on their respective domains: there is an existing relationship; they can constantly learn, iterate and test on existing products; they can be a fast follower adopting technology developed elsewhere; and particularly relevant to AI, they have very large datasets on which to train algorithms (for example customer service chat bots). Salesforce noted at a recent developer conference that their Agentforce product (AI platform) was 33% more accurate and 39 times faster to deployment than utilising OpenAI in dealing with customer queries for a Fortune 500 customer because of these advantages.

A second area of opportunity lies in the digitisation of products allowing for a virtuous cycle of continuous feedback. Production facilities are increasingly closely monitored, producing vast quantities of data that, when used well, can boost up-time via predictive maintenance, increase throughput, and decrease error rates. AI combined with automation offers further scope for improvement. Consider an algorithm that can change the inputs on a machine tool or motor depending on the application and operating conditions, to optimise running speeds and elongate equipment life. For example, BMW's Regensburg plant produces a car every 57 seconds and through data-driven monitoring has 80% of its assembly line constantly under surveillance.
"We can't detect or prevent every single fault in advance, of course – but we are currently avoiding at least 500 minutes of downtime per year in vehicle assembly alone,"
- BMW Project Manager Oliver Mrasek

500 minutes does not sound like a lot in a year, but it equates to an extra 525 cars or c.$25m in incremental revenue from a single process at one plant alone. Adopted more broadly this impact becomes material.
One way to describe the kind of businesses we like are those that have already won and have unfair advantages that will allow them to keep doing so. Deeply entrenched systems of record and installed bases of equipment

are (very) hard to displace and thus allow their vendors to bring incremental innovation to the customer, and charge for it, without the threat of disruption.

Salesforce

Salesforce is the global leader in the customer relationship management (CRM) software market and has been a consistent gainer of IT spend share over the last two decades. The company was founded by CEO Marc Benioff in San Francisco in 1999. It was one of the key pioneers of the move from on-premise software to 'software as a service' (SAAS) delivered over the cloud. The company serves 150,000 customers globally and over 30,000 enterprises.

Salesforce is an integral part of the sales function of companies and has been a key enabler of automation of sales and customer service organisations. The ultimate goal has been to deliver better end customer satisfaction but in a more efficient manner. The company's moat and strong retention are driven by a deep entrenchment in the workflows of sales organisations, repositories of proprietary data and the ability to provide a holistic view of the customer through its Customer 360 proposition.

The opportunity for investment in Salesforce has come from two primary controversies. Firstly, the company has seen a slowdown in buyer behaviour given accelerated demand to digitise during COVID and some subsequent consolidation of those investments. In spite of these temporary headwinds the company is still growing c.8% year on year, and we expect there is scope to reaccelerate as enterprises look to continually modernise their IT systems. A second more amorphous concern is that AI will disrupt incumbent systems of record, which we view as highly unlikely. We believe Salesforce has a strong right to win, bridging the gap between customers' existing ecosystems and the benefits of evolving technology. This can create value for both customer and company as evidenced at their recent Dreamforce conference where they referenced a US insurer who reduced spending per customer call from $6 to $1 by utilising Salesforce AI technology.

Until recently we had admired the company's strong customer focus and strategy but were wary of a revenue growth at all costs strategy combined with an increasing share count and large M&A deals. There has been demonstrable change in the last 12-18 months with a focus on margin expansion, profitable growth and a number of positive steps on capital allocation. For example, they have introduced a dividend, are embarking upon a share repurchase programme and have deployed more diligence on M&A. A long term focused activist shareholder has also joined the board, where there are similar parallels to Microsoft a decade ago. We deployed capital into the company at 23x FY25e FCF, equating to a 15%+ IRR, based on a modest recovery in revenue growth to over 9%, minor margin expansion of 1% p.a., 2% share count reduction programme and c.1% gross dividend yield. There is potential upside in a stronger spend recovery, greater adoption of high revenue AI products and / or better delivery on margins given our forecasts still factor levels well below enterprise peers.

Siemens

Siemens is a 177-year-old electrical engineering group and, by revenues, the largest industrial products company in the world. After a decade-long portfolio streamlining strategy, the Digital Industries ('DI') and Smart Infrastructure ('SI') divisions now each contribute 31% and 35% to profits respectively with Siemens Healthineers adding 25% on an equity basis. This corresponds to over 90% of total profits with the remainder driven by the Mobility business.

DI leads the European and Asian industrial automation ('IA') markets, with roots dating back to the 1950s. More recently, it has acquired a world-class collection of industrial software assets that offer the only alternative to Dassault Systemès for complex engineering design. SI manufactures low and medium voltage products as well as building management solutions. Both divisions boast strong market positions, well-invested R&D investment programmes and privileged access to wholesalers via the familiar brand and broad product portfolio.

Barriers to entry in this market are high. At the base level, products are low in the overall engineering cost but critical to safe, predictable operations leading risk-averse customers to favour known solutions with long track records. More importantly, industrial automation equipment and engineering software benefit from an 'intelligent' layer that requires programmers to learn and standardise on a solution early in their careers. There is limited knowledge-worker bandwidth to learn more than 1-2 platforms, and this serves to compress the number of competing solutions in the market and create high switching costs. The intelligent layer also provides Siemens an opportunity to help automation given the feedback loop in its systems, which can generate efficiencies and return on investment for customers.

We see aging demographics and increasing electro-mechanic design complexity as strong demand drivers for DI in the years ahead. Cambashi, the engineering software consultancy, estimates 8-10% p.a. growth for the engineering software market in the medium term. For SI, electricity demand growth is projected to increase from 0.5% to over 2% p.a. as global decarbonisation efforts intensify. Couple this with the need for smarter buildings and we expect SI to experience an above-trend, mid to high single digit demand environment for its products and services.

On governance, we note a gradually improving framework. The most recent example was management's handling of the Siemens Energy and German government's call for additional credit guarantees after Siemens Energy (17% owned by Siemens) experienced quality issues in its wind division. Siemens management found a creative path to deliver a win-win outcome, increasing their stake in Siemens Ltd (India) in exchange for a cash injection for Siemens Energy, all the while prioritising Siemens' shareholders. Whilst governance and capital allocation are fluid endeavours, and Siemens is not without its controversies pre-2016, we commend recent decision-making, the increased rate of share buybacks and the culture shift to focus on free cash flow conversion.

At initiation, Siemens was priced at 16.5x earnings, a discount to the MSCI World
due to a historic inability to grow earnings. We think Siemens should now grow its revenue in the mid-single digits and with reversion to 2023 margins in the DI division, expect group earnings to grow in the high single digits. On top of this, 3-4% is returned via dividend and another 1-2% via buyback for a 12-13% IRR before any "quality upgrade" is reflected in a higher valuation multiple.

Long term perspective

The Nedgroup Investments Global Equity Fund delivered 8.41% (in USD terms) in the quarter to 30 September 2024 vs 6.36% for the MSCI World index. Overall, performance of equity markets over the last year has been driven by a narrow cohort of companies with 29% of total market returns driven by the largest 5 companies, all of which are technology focused. Even within the technology sector only c.30% of companies have outperformed the S&P 500 in the first half of the year, which is the lowest level seen since 2001 and 2002.

The MSCI World index has increased by 32.35% over 1 year, with the fund delivering 26.76%, lagging the fast-rising markets. However, the portfolio continues to hold durable companies that have high quality and attractive absolute valuations. We invest for the long term and since inception the fund has delivered 8.6% annualised returns ahead of our absolute return target (G7 CPI + 6%) of 8.2% and the index at 7.5%. Given the current bifurcated market performance and uneven macroeconomic environment, the fund continues to find attractive absolute return opportunities.

2. Fund performance contributors & detractors for past quarter

Top 5 contributors and bottom 5 detractors

	Portfolio			Index			Attribution
Holding	Average Weight	Total Return	Absolute Contribution	Average Weight	Total Return	Absolute Contribution	Total Effect
Top 5 relative stock contributors							
Unilever PLC	5.1	19.3	1.0	–	–	–	0.7
Aon PLC	4.3	18.2	0.8	0.1	18.0	0.0	0.5
Fiserv	2.7	20.2	0.6	0.1	20.5	0.0	0.5
The Cooper Companies	1.8	26.4	0.4	0.0	26.4	0.0	0.3
Intercontinental Exchange	3.1	17.6	0.6	0.1	17.6	0.0	0.3
Bottom 5 relative stock contributors							
Alphabet	7.2	-8.9	-0.8	2.8	-8.9	-0.3	-0.8
Amazon.com	6.5	-3.6	-0.2	2.5	-3.6	-0.1	-0.4
Elevance Health Inc	3.3	-3.8	-0.1	0.2	-3.8	-0.0	-0.3
Becton Dickinson	2.8	3.5	0.1	0.1	3.5	0.0	-0.1
Compagnie Financiere Richemont	2.2	3.4	0.1	0.1	3.2	0.0	0.0

Source: Veritas Asset Management

Portfolio Attribution Commentary

Contributors

Unilever continues to benefit from the restructuring under CEO Schumacher. A key strength lies in its Power Brands, which provide pricing power and foster customer loyalty, but the impact of these brands was diluted under the previous management. The Power Brands account for 75% of sales, over 80% of gross profit, and are central to turnaround efforts. During the quarter, these brands have driven top-line growth, with a 5.7% increase in sales and a 4% volume uptick. Unilever's underlying operating profit rose by 17.1% to €6.1 billion and the operating margin expanding by 250 basis points to 19.6%. Gross margins also increased by 420 basis points to 45.7%, underscoring the effectiveness of Unilever's cost control measures and strategic focus on its Power Brands.

To further enhance its efficiency, Unilever has embarked on a substantial cost-cutting plan that includes the elimination of 7,500 largely office-based jobs worldwide. These cuts are part of a broader productivity program aimed at streamlining operations and improving the company's cost structure. In addition to workforce reductions, Unilever is continuing to consider the divestment of its ice cream business, which includes well-known brands like Ben & Jerry's and Magnum. This division, despite being a significant global player with annual sales of €7.9 billion, has underperformed relative to other parts of the business. Ice cream sales grew only 2.3% last year, compared to Unilever's overall growth of 7%, with the business further struggling amid rising commodity prices in sugar, dairy, cocoa and energy and challenging market conditions in Europe and China. The ice cream business is also an outlier in the company's portfolio of brands with its own distinct capital-intense supply chain, dedicated distribution, and storage as well a significant provision of over three million freezers worldwide. Selling this lower-margin business could allow Unilever to focus more on its higher-margin categories, such as personal care and beauty products, making the company more financially attractive in the long term. Several private equity firms have already expressed interest in acquiring the ice cream division, with discussions ongoing about potential bids or a spinoff. The company continues to invest in their Power Brands including personal care products. Its recent partnership with Aptamer Group, focuses on developing Optimer binders as active ingredients in deodorants and underscores its commitment to innovation in maintaining barriers to entry. The use of Optimer binders in deodorant products is a new approach with the potential to improve product efficacy e.g. better shelf-life and more consistency in the manufacturing process. These binders specifically target the C-S Lyase bacterial enzyme, which plays a key role in generating body odour, thereby replacing existing antibacterial ingredients. The deodorant market is estimated at $25bn and growing at just under 5% p.a. Unilever has a 30% market share, approximately 20% ahead of its nearest competitor.

Possessing brands ensures loyalty and provides significant barriers to competition, especially when the company benefits from a broad distribution network that is difficult to replicate. Another type of quality characteristic sought amongst potential investments are those that benefit from network effects. The portfolio holds three Financials positions, all of which are demonstrating the power of building and adding to a network to provide a flywheel effect over time.

Intercontinental Exchange (ICE) reported record revenues, record adjusted operating income and record adjusted earnings per share reflecting the strength of the mission- critical digital networks it has developed over the last 20 years and virtuous cycle it has managed to create. The ICE IPO on the New York Stock Exchange was in 2005, when it was purely an energy exchange, offering only a handful of products to a narrow customer base. Since then, its focus has been building a global platform that has the asset class breadth to enable it to pursue growth opportunities quickly as they emerge around the world. It has made both large and smaller bolt-on acquisitions, reimagined these businesses by leveraging its technology and developing new products to drive organic growth. This further bolsters the content on its networks, accelerating its broadening into new asset classes. Operating marketplaces with strong network effects is a core expertise at ICE.

Optimizing the operation of financial services databases helps drive market transparency and this transparency attracts additional participants, which in turn improves market liquidity. It's a virtuous cycle that continuously expands the network while strengthening the market. As an example, back in 2001, ICE acquired the International Petroleum Exchange, which brought both proprietary content in the form of the Brent Crude Index, as well as connectivity to a broad network of energy traders and commercial customers. Building on that foundation, they organically developed and grew hundreds of precise hedging instruments to serve the evolving needs of this customer base. Today, the original Brent crude contract trades alongside its Midland WTI, Cushing WTI, Platts Dubai, and Middle East Murban grades of crude to additionally support over 800 related commodity products developed by ICE, giving participants the ability to manage the price of energy at the point of consumption or production around the world. ICE is essentially strategically positioned for the globalisation of natural gas and the demand for a transition to clean energies. As the world evolves, market participants are constantly adjusting and weighing the price impact of an array of macroeconomic, geopolitical, and regulatory forces, as well as externalities such as climate risk and the emergence of new renewable fuel sources. In essence, the price formation process is increasingly becoming more complex, and that additional complexity is driving customer demand for more precise risk management tools. It is also driving demand for customers to come to a single place to manage risk across oil, gas, power, and environmentals, for efficiency and liquidity. ICE reported a 43% increase in environmental revenues year-to-date. With AI and data centre buildouts expected to drive meaningful power demand into the next decade, its platform is uniquely positioned to capture this tailwind and help market participants manage this potentially volatile growth story. In 2007, ICE broadened their commodity footprint with the acquisition of the New York Board of Trade (NYBOT), adding globally relevant benchmarks such as sugar, cocoa, cotton and coffee. The NYBOT also brought it a clearinghouse. Leveraging this and its web-based clearing technology they developed ICE Clear Europe, one of the largest clearinghouses in the world. The experience in building trading, clearing and settlement infrastructure highlighted the importance of analytics, indices and trade valuation services, and in 2015, ICE broadened its addressable market, moving into fixed income with the acquisition of Interactive Data Corporation. IDC's pricing and reference data businesses are key to transparent price formation in the fixed income markets. That laid the foundation for expansion into the adjacent index business, and the development of a comprehensive platform that today has grown to nearly 500 unique institutional data products. Year-to-date, revenue in its index business is up double digits, with passive ETF assets under management benchmarked to its indices growing to a record $616 billion through the end of the second quarter, from less than $100 billion in 2017. ICE expanded into the US consumer interest rate markets, by developing a digital financing infrastructure for home mortgages. In 2016, they acquired a majority position in the Mortgage Electronic Registration Systems, and the remainder in 2018. They have since built their way into further market exposure that culminated with the completion of its acquisition of Black Knight last year. Today these assets are part of the broader ICE Mortgage Technology business that is uniquely positioned at the centre of an asset class that is moving from analog to digital. The breadth and depth of their offering touches nearly every home mortgage in the United States and includes the largest network of partners that ensure its thousands of customers can efficiently engage, originate, close, finance, value, and sell consumer home loans. This approach to overlaying organic growth to its strategic acquisitions has allowed it to construct a platform that not only generates strong returns and healthy cash flows but is also positioned to continue to leverage core strengths to generate future growth.

Aon is a leading insurance broker that provide access to commercial customers for the insurance underwriters and therefore exposure to dependable growth in net premium growth, without any of the claims risk. Insurance is often mandatory for customers that smooths cashflows in the event of slowing economic growth. Moreover, Aon is a beneficiary of inflation increasing the value of insured assets, as well as increasing interest earned on the substantial float Aon carries before handing premiums and claims between its commercial clients and the underwriters. Aon also provides consulting and brokerage capabilities to its commercial customers in implementing and managing healthcare benefit programs, as well as offering retirement and pension administration and consulting. Aon has other attractive characteristics, including a steep reduction in its share count over time, while investing in its business to secure dependable organic growth. The company implemented a three-year strategy, the so called 3 x 3 Plan ((leverage solutions across the firm / give enterprise clients a single point of contact / and utilise Aon Business Services to standardise the platform to integrate and grow at scale), serving clients with increasingly complicated needs, as well as creating additional operating leverage that will create the opportunity for Aon to deploy capital more broadly. The plan is based on the idea that the world has become riskier due to a number of factors, including, increased geopolitical tensions, the pandemic, climate change, and disruption to established trade patterns, and Aon is well placed to build out and add to its network to exploit these trends.

The opportunity to invest arose thanks to the announcement of its acquisition of a mid-market broker in the US, NFP, and associated restructuring costs, although we believed that Aon would be able to consume the acquisition without misstep and investment in its business is likely to promote continued margin expansion. By adding to a part of the market where it was lacking, it could benefit from the cross-sale opportunity across both businesses. Aon delivered better than expected results in the second quarter, with 6% organic revenue growth and each of the 4 key areas improving: 9% in wealth, 7% in reinsurance, 6% in health and 6% commercial risk (its main brokerage unit). Critically, the NFP transaction closed early, and integration is ahead of expectations. There are a number of key growth and value creation opportunities. The early close is increasing momentum as the two companies work together to deliver wins and bring the best from both firms to Aon clients. Secondly, there is strong organic revenue growth from NFP, and though early, Aon is on track to deliver revenue synergy commitments, noting that they modelled zero net impact in 2024. Third, NFP's M&A engine is operating well, and the pipeline remains very strong. There have been 14 deals so far in 2024 at attractive multiples weighted toward commercial risk and health. Lastly, bottom line growth. Aon is on track to fully deliver in line with guidance on all aspects of the combination through efficiencies, cost synergies, and free cash flow impact. The company will also continue to make acquisitions through NFP. NFP operates as an “independent but connected” unit. Aon continued to expect mid-single-digit or greater organic revenue growth for the full year 2024 and over the long term.

Fiserv is a provider of payments and financial services technology solutions and delivered strong results across its two main businesses (Merchant Solutions and Financial Solutions) with second quarter adjusted earnings per share up 18%, driven by continued healthy revenue growth and operating margin expansion. The company celebrated the fifth anniversary of its merger with First Data. Its vision back in 2019 was that if it brought together scaled platforms supporting a full breadth of solutions, merchant acquiring, debit and credit issuer services, digital payments of all kinds and core bank account systems modernised with cloud technologies, then clients would find value in the combination and the integration and that is essentially what has occurred.

The company reported multiple wins with marquee clients including Verizon and Apple, plus new clients in important verticals such as petro, gaming, government and healthcare. Its new partnership with Apple will enable additional Apple Pay functionality with two of Fiserv’s next-generation solutions. One is pay with points, where the loyalty points residing on the card accounts of its issuer clients can be redeemed for a transaction in the Apple Pay wallet at checkout, serving as currency. Fiserv is a natural partner given the breadth of card accounts on file and its technical capability to maintain account point balances, convert and accept those points as payments, and then reconcile the balances. A second solution is instalment loans on credit cards. This is a new feature that presents the consumer with the choice to pay for a purchase in a set of instalments when using Apple Pay at checkout. This is differentiating in that consumers have only been provided with the option to pay for a purchase in instalments after making a purchase on a credit card. With Apple, Fiserv will move this instalment loan feature into the checkout flow, giving the consumer choice at the point of purchase. Having this functionality at the point of sale from a digital wallet can drive greater card conversion, card usage, and spending power. It also enables its issuing partners to more directly compete with 'Buy Now, Pay Later' using their existing credit card products. Fiserv is unique in its reach across all parties involved in this example: the consumer, the digital wallet provider, the issuer and the merchant, so has multiple opportunities ahead as they enable this network effect. Fiserv has been a successful purchase, but the decision was taken to sell the holding at the end of the quarter due to a step up in investment in Argentina and a related change in accounting to remove the impact of this from its free cash flow calculation. In Argentina (which is about 3% of total company revenue), Fiserv prepayment business offers merchants settlement of funds in two working days compared to the traditional 18 working days. As this business grows, it is a drag on Fiserv's cash flow. In Q2, the drag became much more material at c.$450m, equivalent to over one-third of Fiserv's adjusted net income. The materiality on cashflow relative to revenue is due to Fiserv pre-funding the uncollected gross receipts (less a margin, or discount to face value), while only collecting the merchant acquirer fee as revenue at the time of the transaction (tens of basis points of gross receipts) and the fully settled payment later on. Whilst it could be argued this is move is in line with standard procedure, the company is exposed to the ongoing peso devaluation.

It is important that investee companies, even if of sufficient quality, continue to benefit from enduring trends. Amongst the healthcare positions, **The Cooper Companies** is benefiting from two enduring trends. CooperVision (70% of revenue), is the market leader in the $10 billion plus contact lens industry by number of wearers, with the broadest portfolio of lenses, the only FDA approved product for myopia control, an active product launch schedule, and a strong R&D pipeline. The contact lens market grew roughly 7% last quarter, with Cooper continuing to take share up 10%. The market remains very healthy, and that should continue, supported by several long-term macro growth trends including the shift to daily lenses and the increasing numbers of people with myopia. And within this, Cooper are leading with innovation e.g. its lenses to cut out screen glare, a broad product portfolio, ongoing product launches, strength in premium products, fast-growing myopia management business, and leading new fit data. Myopia is at epidemic levels in the Far East especially China, and Cooper has the only myopia lens approved by the Chinese regulator. As the economy recovers, this small business has huge potential. Cooper Surgical (30% revenue) has expanded its global fertility capabilities while continuing to provide clinics with premium products and services that support every step of the fertility journey. The macro trends supporting growth remain intact, with the World Health Organization highlighting that one in six people globally will be affected by infertility at some point in their lives due to a variety of factors, including women delaying childbirth. Cooper's broad portfolio of products and services, including consumables, capital equipment, reproductive genetic testing, and donor activity, continues to lead the market. Fertility clinics report increasing patient activity, and this is coupled with upgrading to new technologies that Cooper offer and the expansion of facilities in several markets. Both CooperVision and CooperSurgical reported record revenues and net margins improved, driving double-digit earnings growth. Consolidated quarterly revenues were slightly over $1 billion, up 8% year-over-year. The dollar falling from its highs also helps Cooper as much of its product is manufactured in the US. The strength of the USD has been a headwind for the company. The company raised its guidance ranges for adjusted EPS and for total revenue.

Detractors

The common thread that weaves the Magnificent Seven collective together is their potential to exploit AI. Each of these companies has been spending heavily to establish a lead in the AI revolution, and over the last quarter investors started to focus on how and when that spend would be monetised. Estimates vary wildly, but according to global management consulting firm McKinsey & Company, the market for generative AI could be worth between $2.6 trillion and $4.4 trillion annually [1]. Alphabet alone has invested more than $12bn in AI with the

[1] Source: McKinsey and Company, 'The economic potential of generative AI report', June 2023

company stressing the risk of missing out on the benefits of investing in AI outweigh the risk that they may be investing too much. Alphabet claims AI is driving new growth, and is part of the reason for announcing its first data centre and cloud region in Malaysia, and expansion projects in Iowa, Virginia, and Ohio. Alphabet was one of the first companies to set a 24/7 carbon neutral energy goal for 2030, but that was before the AI power boom. The company so far has steered clear of saying whether it would miss its 2030 goal. It does mean significant capital investment in new energy sources, hence the company's geothermal partnership in Nevada. Google has yet to announce any nuclear deals but did hint at potential small modular reactors (SMRs) as a potential energy source. Whilst still a distant third to Amazon and Microsoft, Cloud reached some milestones in its Q2, with quarterly revenues crossing the $10 billion mark for the first time (rising 29%) and passing the $1 billion mark in quarterly operating profit. It has been winning leading brands like Hitachi, Motorola Mobility, and KPMG. Alphabet has a significant partnership with Oracle enabling joint offerings to their large customer base. Alphabet claims that AI infrastructure and generative AI solutions for cloud customers has already generated billions in revenues and are being used by more than 2 million developers. The company is well positioned to exploit the AI opportunity, by integrating into all its products. Whilst there has been some focus on the challenge to its search business, including OpenAI launching a test version of SearchGPT, a new artificial intelligence-powered search engine to be implemented into ChatGPT, Alphabet has successfully reimagined and expanded Google Search across many technological shifts over the last 25 years. With AI, the company is delivering better responses on more types of search queries and introducing new ways to search including the roll out of AI Overviews. There is significantly higher engagement from younger users aged 18 to 24 when they use Search with AI Overviews. Advertisements are increasingly appearing either above or below AI Overviews providing options for people to connect with businesses. The company is introducing visual search via Lens, enabling people to ask questions by taking a video with Lens. Already available is ‘Circle to Search’, which is on more than 100 million Android devices enabling a search for information on screen using gestures like tapping and circling. The Google Services unit benefited from a 14% gain in Google Search in its second quarter, which does point to some initial benefit from the extra functionality. More than 1.5 million developers are using Gemini (originally called Bard), its AI generative chatbot. At 2 million tokens, it currently offers the longest context window of any large-scale foundation model to date, which powers developer use cases. It has added Photos, a cloud-based service that allows users to store, share and organise photos and videos. Users will be able to ask questions like, ‘what did I eat at that restaurant in Rome last year?’. YouTube-Views of YouTube Shorts and Connected TVs more than doubled last year, and the company is making it easier for creators to add captions and turn regular videos into Shorts.

Amazon told investors that profits for now would take a back seat to heavy spending on AI. Company shares fell after it projected operating income for the period ending in September would be in the range of US$11.5 billion to US$15 billion, against average expectations of US$15.7 billion. After focusing on cost-cutting during the past two years, Amazon are spending again in an effort to capitalise on the boom in generative AI. The company said the opportunity represents a “multibillion-dollar revenue run rate business.” Amazon argues that the decision to spend in the short term to take advantage of long-term growth opportunities has been embedded in Amazon’s DNA since Jeff Bezos started the company 30 years ago. Much of the spend is going toward the Amazon Web Services (AWS) cloud unit that produced better than expected 19% sales growth in the second quarter. The company spent just over US$30 billion on capital expenditures in the first half of the year, which included money for data centers required to power AWS. It has pledged to spend even more in the second half. The strong cloud computing performance was offset by weakness in Amazon’s main e-commerce business, which is seeing cautious consumers looking for deals. Revenue from Amazon’s seller services and advertising fell short of estimates. Whilst AWS drives the majority of Amazon’s profits, and it is reporting strong demand from enterprises for AI related cloud-computing, the concern among some investors is that weaker consumer spending could challenge overall profitability at a time the company scales up data centre spend - not too dissimilar to the concerns surrounding Meta when it was metaverse focussed.

Whilst Amazon is seeing lower average selling prices or ASPs right now because customers continue to trade down on price when they can, more discretionary higher ticket items like computers or electronics are growing faster for Amazon than in the industry as a whole, albeit more slowly than in a more robust economy. The company remains focused on lowering its cost to serve, including expanding its use of automation and robotics, further building out same-day facility network, and regionalising its inbound network. With more optimal inbound inventory placement, Amazon expect to enable faster speeds, consolidate more orders in one box, and reduce inventory transfers once items reach a fulfilment centre. As they lower cost to serve, they can add more low ASP selection that it can support economically which, coupled with fast delivery puts Amazon in the consideration set for increasingly more shopping needs for customers. AWS is extremely well positioned to benefit from several macro trends. First, companies have completed the significant majority of their cost optimisation efforts and are focused again on new efforts. Secondly, companies are spending their energy again on modernising their infrastructure and moving from on-premises infrastructure to the cloud. And third, builders and companies are looking at leveraging AI. There is much talk about how companies will monetise AI spend. Amazon claim the AI business continues to grow dramatically with a multibillion-dollar revenue run rate despite it being such early days.

Whilst a one model or one-chip approach dominated the earliest moments of the generative AI boom, data suggests this is not what customers want. AWS is building out a platform to deliver choice and options for customers. As a reminder they offer three layers to their GenAI stack. At the bottom layer, which is for those building generative AI models themselves, the cost of compute for training and inference is critical, especially as models get to scale. Whilst Amazon have a deep partnership with NVIDIA and offer NVIDIA based chip solutions, they have also developed their own custom CPU and GPU silicon chips in Trainium for training and Inferentia for inference. The second versions of those chips with Trainium coming later this year are very compelling on price performance. The second layer is Bedrock which offers the largest selection of models, so an open-source platform with not only Amazon gen AI models but a growing number of third-party models as well. At the application or top layer, the company is continuing to see strong adoption of Amazon Q, a generative AI-powered assistant for software development and a way for customers to leverage their own data.

Elevance Health, is the largest health insurer in the U.S. based on medical membership, with a strong base of 45 million members. It is a leading player in the Medicare Advantage and Medicaid segments, demonstrating its breadth across both public and private health insurance sectors.

The healthcare industry is currently experiencing a range of significant trends that are influencing Elevance and its competitors. One of the most critical is the ongoing Medicaid redetermination process, which has led to increased demand for outpatient services, particularly in radiology and other medical equipment. This increase in utilisation has put pressure on medical loss ratios (MLRs) across the industry. MLRs represent the percentage of premiums spent on medical claims, and as more services are utilised, these ratios tend to rise, impacting profitability. Also, in the Medicare segment, costs for inpatient care have increased, partly driven by the implementation of the two-midnight rule, a regulatory change that affects how inpatient stays are classified for billing purposes. In essence, requiring inpatient stays if a patient requires medically necessary hospital care spanning at least 2 midnights. The broader issue of rising medical costs, particularly in government-funded programs like Medicare and Medicaid, has been a point of concern for investors. There is fear that health insurers, including Elevance, have not fully anticipated the upward trajectory in medical expenses. These concerns were heightened when UnitedHealth Group, a key rival, reported higher-than-expected medical spending in its second-quarter results. However, Elevance delivered strong financial performance in its own second-quarter report, and exceeding analysts' expectations. Its MLR of 86.3% was also more favourable than anticipated, as increased premiums offset higher medical costs. Elevance affirmed its earnings target for 2024 and has revised its long-term growth outlook. The company now aims for an annual earnings growth rate of at least 12%, adjusting from its previous target range of 12% to 15% signalling a degree of caution in its future planning but still projecting solid growth potential.

Elevance's management has taken strategic steps to position the company for sustained growth. Recent acquisitions, including Paragon Healthcare, BioPlus Specialty Pharmacy, and Kroger Specialty Pharmacy, have strengthened its presence in the specialty pharmacy sector. This is a key area of growth for the company, as the specialty pharmacy market is rapidly expanding, driven by the increasing prevalence of complex chronic conditions and the development of innovative, high-cost therapies. Elevance's expanded capabilities in specialty pharmacy services, provide a valuable opportunity to drive revenue and improve profitability. The specialty pharmacy sector is expected to generate significant upside, with these acquisitions enhancing Elevance's ability to serve members with specialised medical needs. The company's move into specialty pharmacy aligns with broader industry trends toward vertical integration. By diversifying its revenue streams and integrating more deeply across the healthcare value chain, Elevance is positioning itself to capture synergies between its health insurance business and its pharmacy services. This strategic integration could lead to operational efficiencies, cost savings, and improved care coordination for members with complex health needs, enhancing both member outcomes and financial performance.

Another critical area for future growth is Elevance's Carelon segment, which provides a wide array of healthcare services and solutions. Carelon has been a focal point for the company's strategy to expand its service offerings and revenue base beyond traditional insurance. The segment's growth potential offers Elevance an opportunity to diversify its income streams and enhance its overall profitability. By focusing on healthcare services, Elevance aims to extract greater value from the entire spectrum of care, helping to address the rising cost pressures while improving health outcomes for its members.
In the Medicaid segment, the redetermination process has led to increased demand for services, contributing to short-term pressure on the company's MLR. Additionally, there has been a timing mismatch between rate adjustments and changes in patient acuity, which has added to the strain. However, management remains confident that these challenges are temporary
.
Despite the earnings beat, **Becton Dickinson's** (BD) stock underperformed the market due to the revenue shortfall and narrowing the revenue projections toward the lower end of its prior predicted range for the balance of 2024, and despite increasing EPS projections. Despite this short-term noise, the company delivered strong performance across multiple parts of its portfolio, and accelerated margin expansion and cash flow. The company is extremely well positioned in providing the mission critical services and delivery mechanisms for drugs in demand. One such area is pre-filled syringes. As the market for GLP-1 injections continues to grow, BD benefits by providing drugmakers with its prefilled syringes. Biologic medications, including those blockbusters for diabetes and weight-loss, now account for more than 40% of the company's total pharmaceutical systems revenue. Since 2023, BD has been the chosen partner for 19 out of the 23 new biologic drug approvals that use a prefilled syringe. GLP-1 drug delivery is a potential $1 billion product category by 2030, given the significant clinical potentials of GLP-1s. But BD is not at risk to a potential fall in Novo Nordisk's dominance. It has contracts covering novel GLP-1s that are currently making their way through clinical trials, as well as more than 40 agreements for biosimilars, spanning pens, auto-injectors and syringes, including competitors for early-generation GLP-1s that are slated to enter the market within the next year. Outside of GLP-1s, its customers are working to develop next-generation biologics that have the potential to revolutionise care and conditions like Alzheimer's, certain immunological disorders and types of cancer. Many of these are extremely complex molecules and proteins will involve significantly greater volumes for injection, and higher viscosities compared to therapies presently available in the market. BD's pharmaceutical systems arm reported double-digit growth in sales of prefilled biologic drug delivery devices. However, those gains were offset by customers reducing their inventories of anticoagulants and vaccines. Overall, the division posted revenue, up 8.3%. As a whole, the company's adjusted revenue reached just over $5 billion for an increase of 5.2% compared to the same period in 2023. Medical sales accounted for about half, at $2.56 billion driven in part by the return of its Alaris connected infusion pump to the market, after a recall issue, while BD's life sciences and interventional segments posted $1.26 billion and $1.24 billion, respectively. BD is still awaiting the closure of its $4.2 billion deal to acquire the critical care business of Edwards Lifesciences, which includes patient monitoring technology as well as artificial intelligence infrastructure. Announced in June, the assets brought in over $900 million in 2023 revenue, with devices placed among more than 10,000 hospitals. Critical care significantly advances BD's connected care strategy to use AI and digital tools to help clinicians deliver more efficient and higher quality care. Additionally, it adds a high-growth business that is immediately accretive to margins and earnings. The company's connected medication management portfolio, which includes Alaris, is an example of how BD is combining AI, automation and robotics to improve the core processes that run healthcare. BD has a $4 billion-plus business in healthcare automation and informatics AI and will increase this to over $5 billion post the acquisition. Looking ahead to 2030, the company view healthcare process automation and informatics AI as having the potential to become a business exceeding $7 billion.

Richemont posted a slight rise in sales in the first quarter as solid results from its jewellery brands offset declines from China and its luxury watchmakers. Richemont reported a sales gain of 1% at constant currencies which was in line with analyst forecasts and compares with double-digit gains a year earlier. The company said jewellery sales, which account for the bulk of its revenue and profit and include the Cartier, Van Cleef & Arpels and Buccellati brands, showed resilience, rising 4%. The company, which also owns watch brands Vacheron Constantin, Jaeger-LeCoultre and Piaget, is facing slowing demand for its high-priced products, particularly in China, where consumers have turned cautious as the economy falters. Sales in Greater China plunged 27% during the quarter, while its watchmaking division posted an overall drop of 13%. Richemont's report followed significantly worse-than-expected financial results from Swiss watchmaking rival Swatch Group AG, which posted a 70% drop in profit it blamed on collapsing demand from China, and a profit warning from Burberry Group Plc. As such, the quarter demonstrated the robustness and resilience of Richemont. Sales in all regions beyond Asia Pacific were higher, especially in Japan. The American advance was particularly encouraging given how difficult that market has been for many luxury firms of late. The company also said it saw a "further progression" in direct-to-client sales, most notably at its Jewellery Maisons. They enjoyed mid-single digit growth, as did the group's 'Other' business area (which includes its Fashion & Accessories Maisons such as Chloé and Alaïa). In Europe, the higher sales were driven by resilient local demand and stronger tourist purchases. That super-strong sales growth in Japan came on top of strong comparatives in the prior-year period and was fuelled by domestic demand as well as thriving tourist spending from Chinese, South Korean, South-East Asian, and American clients, favoured by a weakened yen. The opportunity to buy Richemont has come about partly because of its exposure to China (approx. 30% of revenue) and some concerns about capital deployment after its failed venture into the online luxury and fashion platform business with YOOX Net-A-Porter (YNAP). The company has been looking for ways to dispose of the business, and whilst the venture is small, there were concerns the divesture would not materialise, with some investors wondering if Richemont would have to reconsolidate YNAP or inject more cash into the business. Early October brought news that Richemont has sold the e-commerce platform to Mytheresa (MYTE) in exchange for a 33% stake in MYTE. Richemont will sell YNAP with a €555mn cash position and no debt. The transaction should also result in an expected write-down of ~€1.3bn (already accounting for the cash to be left at YNAP), with the transaction expected to be concluded by H125. The disposal should allow management (and investors) to fully focus on the core business, but Richemont retains some exposure to the online platform space with arguably the only platform that has been successful.

3. Current Positioning

Top 10 Portfolio Holdings

Holding	Sector	Country	Portfolio %
Alphabet	Communication Services	United States	6.9
Amazon.com	Consumer Discretionary	United States	6.5
Diageo	Consumer Staples	United Kingdom	5.0
Aon PLC	Financials	United States	4.5
UnitedHealth	Health Care	United States	4.5
Canadian Pacific Kansas City	Industrials	Canada	4.5
Unilever PLC	Consumer Staples	United Kingdom	4.4
Microsoft	Information Technology	United States	4.1
Safran	Industrials	France	4.0
Vinci	Industrials	France	3.9
Total			48.3

Source: Veritas Asset Management

Please refer to portfolio commentary under items 1 and 2 for further information on current positioning and outlook.

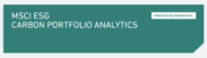
4. Responsible Investment

ESG: Environmental, Social and Governance

International Norms and Standards

Proxy Voting Report

Carbon Portfolio Analytics Report



International Norms and Standards - United Nations Global Compact Screen ("UNGC")

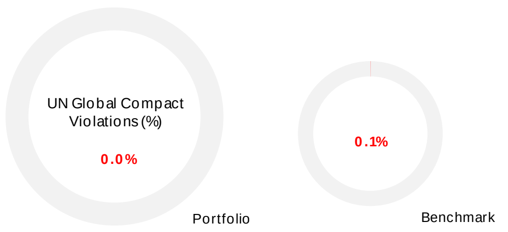
The United Nations Global Compact Screen ("UNGC") identifies companies involved in controversies where the company's alleged actions constitute a violation of one or more of the ten principles that cover environmental, anti-corruption, human rights and labour standards. The framework encourages signatories to share best practices in order to become better, more sustainable organisations.

On a monthly basis, utilising MSCI ESG Research data and an alert system, Veritas reviews all investee companies to determine if a company fails any of the global compact principles. If there are notable changes during the month, our system will distribute an email alert to the Investment Team, Compliance Team, and ESG Team. Veritas will identify which principle has been violated, assess the materiality of the violation, and engage with the business if required.

Fail	The company is implicated in one or more controversy cases where there are credible allegations that the company or its management inflicted serious large-scale harm in violation of global norms.
Watch List	The company is implicated in one or more controversy cases that are serious and warrant ongoing monitoring. However, based on information available to date, it does not constitute a significant breach of global norms according to the methodology.
Pass	According to the methodology, the company has not been implicated in any controversy case constituting a significant breach of global norms within the last three years.

As illustrated in the diagram below, during the three months to 30 September 24, 0% of companies held in the Fund "Failed" the UN Global Compact screen. Three companies in the Fund (14.3%) were listed on the Global Compact "Watchlist". For example, Amazon.com, is listed on the watchlist for a potential breach of **Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,** specifically concerning warehouse employees staging strikes with the Verdi trade union demanding better salary and working conditions. Veritas will continue to monitor the company's progress in this area. Should this flag escalate to a "Fail", we will have cause to engage.

United Nations Global Compact Violations (%)



Activity	Portfolio	Benchmark	Active
Global Compact Compliance Violation (%)	0.0%	0.1%	-0.1%
Global Compact Compliance Violation or Watch List (%)	14.3%	17.3%	-2.9%

Additional Global Norms Framework Violations (%) [1]

Human Rights Norms Violation (%)	0.0%	0.1%	-0.1%
Human Rights Norms Violation or Watch List (%)	14.4%	17.5%	-3.0%
Labor Norms (%)	0.0%	0.0%	0.0%
Labor Norms Violation or Watch List (%)	11.4%	13.2%	-1.8%

Source: MSCI ESG Research LLC

As long-term equity investors, we vote all resolutions in the best interests of shareholders

Veritas is committed to evaluating and voting proxy resolutions in our clients' best interests. We will vote on all proxy proposals, amendments, consents, or resolutions. We will vote against management where we firmly believe doing so is in the client's best interests. This will primarily occur where the matter to be voted upon will affect shareholder value.

Our Voting Policy is made up of two parts, one of which is ESG specific. We vote on all resolutions and our third-party proxy advisor, Institutional Shareholder Services ("ISS"), will provide vote recommendations and vote execution services. We also follow a custom ESG Red Line policy. The Red Lines contain 29 guidelines covering topics associated with ESG.

Where a red line is breached, the ESG vote recommendation will take precedence over the standard policy recommendation. If we choose not to vote against management, we will explain the rationale for why not (comply or explain). Often, we will set management targets in writing and agree a timeline for these to be achieved. We will then vote with management but explain that if the targets are not met, we will vote against them at the next Annual General Meeting ("AGM").

The first section of this report details the overall votes cast and the breakdown of these votes. In cases where we voted "AGAINST" management, rationale is provided.

During the period there were 2 meetings and 55 votable resolutions across the companies: Compagnie Financiere Richemont SA and Diageo Plc.

Voting statistics	
Meetings voted	2
Votes Cast	55
Votes "FOR" Management	48
Votes "AGAINST" Management	7

Votes by country	%
Switzerland	63.6
United Kingdom	36.4

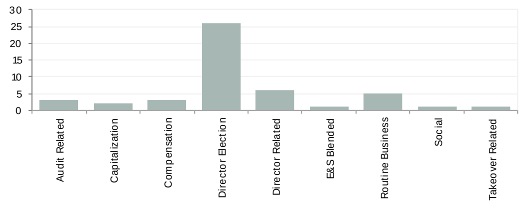
Votes by Industry sector [1]	%
Textiles, Apparel & Luxury Goods	63.6
Beverages	36.4

Proxy Voting: Proposal Categorisation

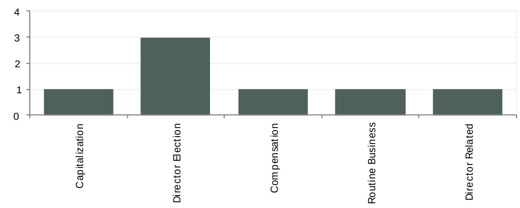
Vote categorisation [1]

Category	Votes "FOR" Management	Votes "AGAINST" Management	Total
Audit Related	3	–	3
Capitalization	2	1	3
Compensation	3	1	4
Director Election	26	3	29
Director Related	6	1	7
E&S Blended	1	–	1
Routine Business	5	1	6
Social	1	–	1
Takeover Related	1	–	1
Total	48	7	55

Votes "FOR" Management Categorisation



Votes "AGAINST" Management Categorisation



[1] Votes by Industry Sector uses the Global Industry Classification Standard ("GICs") coding level 3 "Industry" classification.
Source: Veritas Asset Management/ISS

VAM LLP Rationale – Votes "Against" Management Recommendation

Report Item	Company	Country	Sector	Proposal	Management Vote Recommendation	VAM LLP Vote	Voter Rationale
1	Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	Approve Variable Remuneration of Executive Committee in the Amount of CHF 17.4 Million	"FOR"	"AGAINST"	A vote "AGAINST: this proposal was recommended due to the following reasons: - Insufficient ex-post disclosures explaining variable pay outcomes. - Lack of transparency on qualitative performance metrics and achievements. - Failure to directly address significant shareholder dissent from last year's vote. - The CFO received the final payment from a discretionary award spread over three years, but concerns about the original award's transparency persist. - The board retains considerable discretion in the overall compensation framework.
2	Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	Transact Other Business (Voting)	"FOR"	"AGAINST"	A vote "AGAINST" was recommended for the following reasons: - The proposal involves additional instructions to the proxy in case new voting items or counterproposals are introduced at the meeting by shareholders or the board. - Since the content of these new items or counterproposals is currently unknown, it is in the shareholders' best interest to oppose this item as a precautionary measure.

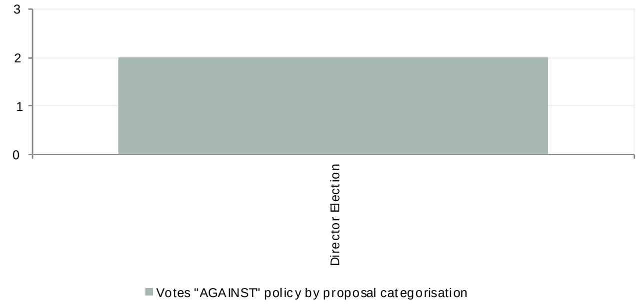
Source: Veritas Asset Management/ISS

NEDGROUP INVESTMENTS

Across the 55 resolutions voted during the period, the overall number of resolutions which triggered the Red Line element of our customised policy was 6. We voted in line ("FOR") on 5 resolutions and contrary to ("AGAINST") for the remaining 1 resolutions. In keeping with the AMNT requirement to either comply or explain, please see below rationale examples where votes cast have resulted in a vote "Contrary to" the Red Line element of our policy. Should you require further examples of rationale please contact us directly.

Votes "FOR" and "AGAINST" VAM LLP Policy

Votes	Red line[1]	Total
Number of votes "FOR" Policy	5	53
Number of votes "AGAINST" Policy	1	2
Total	6	55



Report Item	Company	Country	Sector	Proposal	Red Line Vote Recommendation	VAM LLP Vote	Voter Rationale
1	Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	Reelect Johann Rupert as Director and Board Chair	"AGAINST"	"FOR"	Veritas voted contrary to the guidance provided by: - Red Line S4 The level of gender diversity on board is below 40% and has not improved compared to the previous year. - Red Line S4 Within senior leadership positions, none of the roles of Chair, CEO, Chief Financial Officer and senior independent director are held by women. - Red Line G3 The nominee is a full-time director of the company and concurrently holds the chair of another public company or is a director of more than one other public company. - Red Line G12 The audit committee does not consist of an entirely of independent non-executive directors. Red Line G18 The remuneration committee does not consist of a entirely of independent non-executive directors. - In addition: Votes AGAINST Johann Rupert and Anton Rupert are considered warranted because they are beneficiaries of the company's unequal voting structure. Overall, it is in the best interests of shareholders that Mr Rupert be re-elected as chair. He founded the company in 1988, and his track record has been largely excellent. While there are several Red Lines against him, we think this is a very severe and adversarial way in which to communicate those views. On some, we will do so by voting against the election of other directors. For others, there are potentially mitigating factors, and we will begin by trying to constructively engage with the company to encourage improvements in governance, with an aim of seeing tangible improvement with 24 months.
2	Compagnie Financiere Richemont SA	Switzerland	Consumer Discretionary	Reelect Anton Rupert as Director	"AGAINST"	"FOR"	

[1] Number of Red Lines triggered and votes "FOR" or "AGAINST".
Source: Veritas Asset Management/ISS

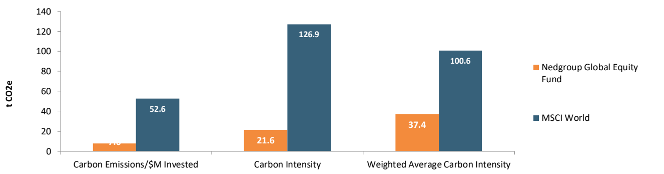
Carbon Portfolio Analysis: Overview

	Carbon Footprint				
	Carbon Emissions	Total Carbon Emissions*	Carbon Intensity	Weighted Average Carbon Intensity	Carbon Emissions Data Availability
Nedgroup Global Equity Fund	**7.6**	13,827	21.6	37.4	100.0%
MSCI World	52.6	3,676,981,123	126.9	100.6	99.9%
	t CO2e / $M Invested	t CO2e	t CO2e / $M Sales		Market Value

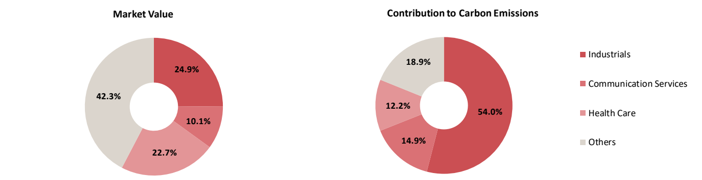
This report analyzes a portfolio of securities in terms of the carbon emissions, fossil fuel reserves, and other carbon carbon-related characteristics of the entities that issue those securities. It compares this data to the performance of a portfolio replicating a market benchmark. The data below represents a high-level subset of the information found in the following pages.

MSCI ESG Research defines portfolio carbon footprint as the carbon emissions of a portfolio per $million invested. Additional headline metrics provided in the table to the left include an absolute figure for portfolio carbon emissions and two intensity measures: portfolio carbon intensity measures the carbon efficiency of a portfolio and is defined as the total carbon emissions of the portfolio per $million of portfolio sales; while weighted average carbon intensity is a measure of a portfolio's exposure to carbon related potential market and regulatory risks and is computed as the sum product of the portfolio companies' carbon intensities and weights. More information on these metrics is included in the appendix.

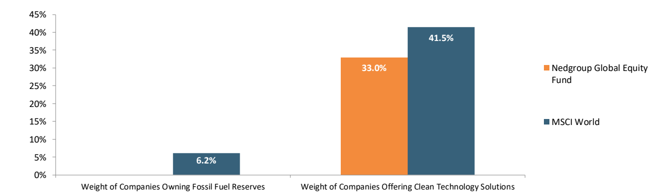
*Based on Portfolio investment of $1,814,801,079 and Benchmark 1 investment of $69,947,243,328,806



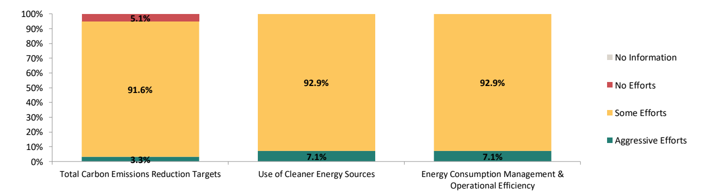
The Nedgroup Global Equity Fund portfolio Carbon Emissions are 85.5% lower than the MSCI World, Carbon Intensity is 83% lower, and Weighted Average Carbon Intensity is 62.8% lower. (Pages 3, 5 and 6)



The Industrials, Communication Services, and Health Care sectors in the Nedgroup Global Equity Fund portfolio contribute 57.7% of the weight versus 81.1% of the carbon emissions. (Page 3)



The Nedgroup Global Equity Fund portfolio is 6.2% underweight, relative to the MSCI World, in companies that own Fossil Fuel Reserves, and 8.5% underweight in companies offering Clean Technologies Solutions. (Pages 8 and 13)



7.1% of the weight of the Nedgroup Global Equity Fund portfolio has Aggressive Efforts in Use of Cleaner Energy Sources, but 5.1% has No Efforts in Carbon Reduction Targets. (Page 12)

Source: MSCI, Veritas Asset Management LLP

Carbon Footprint: Carbon Emissions

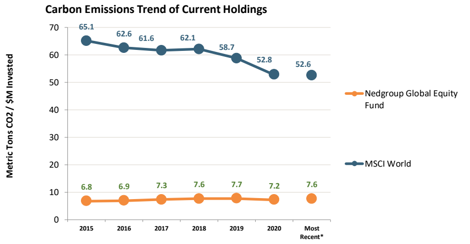
The timeline compares the historical and most recent emissions of the portfolio to the benchmarks based on the current constituents and weights of each.

The column chart in the lower right shows the composition by sector of the portfolio and benchmarks by market capitalization as well as by each sector's contribution to emissions. This highlights that dominant sectors, in terms of emissions, tend to be Energy, Utilities, and Materials.

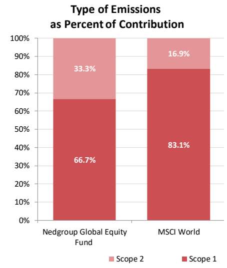
The sector table shows the comparison of the portfolio sector emissions to those of each benchmark.

The attribution analysis presented on the next page evaluates how stock selection and sector weighting drive the portfolio carbon footprint versus the benchmarks.

The company tables on the following page show emissions in two ways: 1) total emissions of the companies whose securities are in the portfolio, which provides an order of magnitude in an absolute sense, and 2) contribution of companies to the portfolio-level emissions. The tables also indicate whether the emissions data is reported or estimated, and how each company performs on Carbon Risk Management relative to peers.

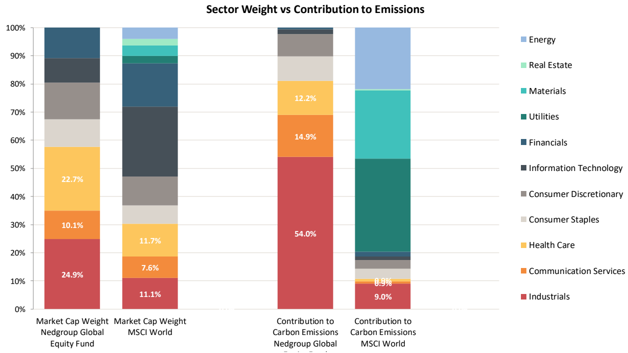


*Reflects most recently available data for each company on the date of running the report.



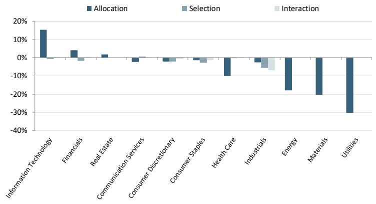
Carbon Emissions by Sector	Nedgroup Global Equity Fund	MSCI World		Nedgroup Global Equity Fund vs MSCI World
	t CO2e/$M Invested			Comparison of t CO2e/$M Invested
Industrials	16.5	42.6		-61.2%
Communication Services	11.3	6.1		84.1%
Consumer Staples	6.7	29.1		-76.8%
Consumer Discretionary	4.7	15.5		-69.7%
Health Care	4.1	4.2		-1.8%
Information Technology	1.5	2.7		-46.5%
Financials	0.4	5.9		-93.7%
Real Estate	N/A	10.7		N/A
Utilities	N/A	643.7		N/A
Materials	N/A	338.1		N/A
Energy	N/A	292.6		N/A
Overall	7.6	52.6		-85.5%

Key 643.7 52.6 0



Carbon Footprint: Carbon Emissions - Attribution Analysis and Key Holdings

Nedgroup Global Equity Fund vs MSCI World	Portfolio Weight	Active Weight*	Portfolio Carbon Emissions	Benchmark Carbon Emissions	Absolute Attribution: Sector Allocation	Absolute Attribution: Stock Selection	Absolute Attribution: Interaction	Total	Percentage Attribution: Sector Allocation	Percentage Attribution: Stock Selection	Percentage Attribution: Interaction	Total
Information Technology	8.7%	-16.1%	1.5	2.7	8.0	-0.3	0.2	7.9	15.3%	-0.6%	0.4%	15.0%
Financials	10.8%	-4.6%	0.4	5.9	2.1	-0.8	0.3	1.5	4.1%	-1.6%	0.5%	2.9%
Real Estate	0.0%	-2.3%	N/A	10.7	1.0	0.0	0.0	1.0	1.8%	0.0%	0.0%	1.8%
Communication Services	10.1%	2.5%	11.3	6.1	-1.2	0.4	0.1	-0.7	-2.2%	0.7%	0.2%	-1.3%
Consumer Discretionary	13.1%	2.8%	4.7	15.5	-1.0	-1.1	-0.3	-2.4	-2.0%	-2.1%	-0.6%	-4.7%
Consumer Staples	9.8%	3.3%	6.7	29.1	-0.8	-1.5	-0.7	-3.0	-1.5%	-2.8%	-1.4%	-5.6%
Health Care	22.7%	10.9%	4.1	4.2	-5.3	0.0	0.0	-5.3	-10.1%	0.0%	0.0%	-10.1%
Industrials	24.9%	13.8%	16.5	42.6	-1.4	-2.9	-3.6	-7.9	-2.6%	-5.5%	-6.8%	-15.0%
Energy	0.0%	-3.9%	N/A	292.6	-9.4	0.0	0.0	-9.4	-17.9%	0.0%	0.0%	-17.9%
Materials	0.0%	-3.8%	N/A	338.1	-10.8	0.0	0.0	-10.8	-20.5%	0.0%	0.0%	-20.5%
Utilities	0.0%	-2.7%	N/A	643.7	-16.0	0.0	0.0	-16.0	-30.4%	0.0%	0.0%	-30.4%
Total	100%		7.6	52.6	-34.7	-6.2	-4.1	-44.9	-65.9%	-11.9%	-7.7%	-85.5%



Portfolio Issuers with Highest Carbon Emissions

	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Emissions (t CO2e)	Contribution to Portfolio Emissions	Carbon Emissions Source	Carbon Risk Management
1	AMAZON.COM, INC.	Consumer Disc	United States of America	6.70%	4.21%	16,290,000	7.55%	Reported	Modest
2	MICROSOFT CORPORATION	Info Tech	United States of America	4.25%	-0.09%	6,520,663	1.20%	Reported	Modest
3	CANADIAN PACIFIC KANSAS CITY LTD	Industrials	Canada	4.63%	4.52%	3,050,198	24.48%	Reported	Modest
4	ALPHABET INC.	Comm Svcs	United States of America	7.13%	4.53%	2,583,400	1.20%	Reported	Modest
5	VINCI SA	Industrials	France	4.08%	4.00%	2,440,968	19.22%	Reported	Modest
6	CHARTER COMMUNICATIONS, INC.	Comm Svcs	United States of America	2.97%	2.93%	1,632,176	13.73%	Derived from Reported Data	Modest
7	THERMO FISHER SCIENTIFIC INCORPORATED	Health Care	United States of America	3.10%	2.76%	768,762	1.37%	Reported	Modest
8	AIRBUS SE	Industrials	Netherlands	4.04%	3.91%	765,000	3.66%	Reported	Modest
9	UNILEVER PLC	Consumer Staples	United Kingdom	4.54%	4.31%	730,000	2.81%	Reported	Robust
10	DIAGEO PLC	Consumer Staples	United Kingdom	5.23%	5.12%	640,000	5.84%	Reported	Modest
	Top 10 Companies			46.69%			81.05%		

Largest Contributors to Portfolio Emissions

	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Emissions	Contribution to Portfolio Emissions	Carbon Emissions Source	Carbon Risk Management
1	CANADIAN PACIFIC KANSAS CITY LTD	Industrials	Canada	4.63%	4.52%	3,050,198	24.48%	Reported	Modest
2	VINCI SA	Industrials	France	4.08%	4.00%	2,440,968	19.22%	Reported	Modest
3	CHARTER COMMUNICATIONS, INC.	Comm Svcs	United States of America	2.97%	2.93%	1,632,176	13.73%	Derived from Reported Data	Modest
4	AMAZON.COM, INC.	Consumer Disc	United States of America	6.70%	4.21%	16,290,000	7.55%	Reported	Modest
5	DIAGEO PLC	Consumer Staples	United Kingdom	5.23%	5.12%	640,000	5.84%	Reported	Modest
6	AIRBUS SE	Industrials	Netherlands	4.04%	3.91%	765,000	3.66%	Reported	Modest
7	SONIC HEALTHCARE LIMITED	Health Care	Australia	2.03%	2.02%	109,136	3.33%	Reported	Low
8	BECTON, DICKINSON AND COMPANY	Health Care	United States of America	3.08%	2.98%	477,741	2.81%	Reported	Modest
9	UNILEVER PLC	Consumer Staples	United Kingdom	4.54%	4.31%	730,000	2.81%	Reported	Robust
10	AENA SME, S.A.	Industrials	Spain	2.73%	2.70%	246,072	2.69%	Derived from Reported Data	Modest
	Top 10 Contributors			40.04%			86.12%		

*Security weight in Nedgroup Global Equity Fund relative to security weight in MSCI World

Source: MSCI, Veritas Asset Management LLP

NEDGROUP INVESTMENTS

Carbon Efficiency: Carbon Intensity

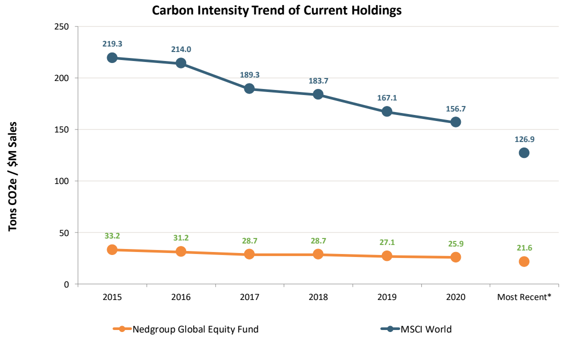
Carbon Intensity measures the carbon efficiency of a company as total carbon emissions normalized by total sales. At a portfolio level, carbon intensity is the ratio of portfolio carbon emissions normalized by the investor's claims on sales. This method expresses portfolio carbon efficiency and allows investors to know how many emissions per dollar of sales are generated from their investment.

The timeline below compares the historical and most recent Carbon Intensity of the portfolio to the benchmarks based on the current constituents and weights of each. The table and chart to the right show sector weights and Carbon Intensity levels.

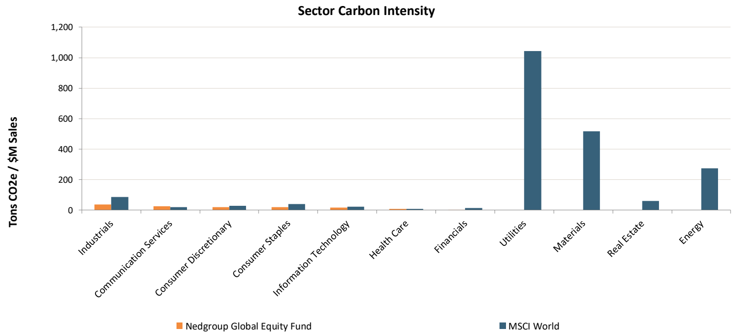
The attribution analysis presented on the next page evaluates how stock selection and sector weighting drive the portfolio carbon footprint versus the benchmarks.

Carbon Intensity by Sector	Nedgroup Global Equity Fund		MSCI World		Nedgroup Global Equity Fund vs MSCI World
	Weight	t CO2e/$M Sales	Weight	t CO2e/$M Sales	Comparison of t CO2e/$M Sales
Industrials	24.9%	37.0	11.1%	86.5	-57.2%
Communication Services	10.1%	25.5	7.6%	20.2	26.4%
Consumer Discretionary	13.1%	19.5	10.3%	29.5	-33.9%
Consumer Staples	9.8%	19.1	6.5%	41.4	-53.8%
Information Technology	8.7%	15.7	24.8%	22.2	-29.2%
Health Care	22.7%	8.4	11.7%	9.4	-11.4%
Financials	10.8%	3.2	15.4%	13.3	-75.9%
Utilities	0.0%	N/A	2.7%	1,043.2	N/A
Materials	0.0%	N/A	3.8%	516.2	N/A
Real Estate	0.0%	N/A	2.3%	60.4	N/A
Energy	0.0%	N/A	3.9%	275.3	N/A
Overall	100%	21.6	100%	126.9	-83.0%

Key 1,043.2 126.9 0



*Reflects the most recently available data for each company on the date of running the report.



Carbon Risk: Weighted Average Carbon Intensity

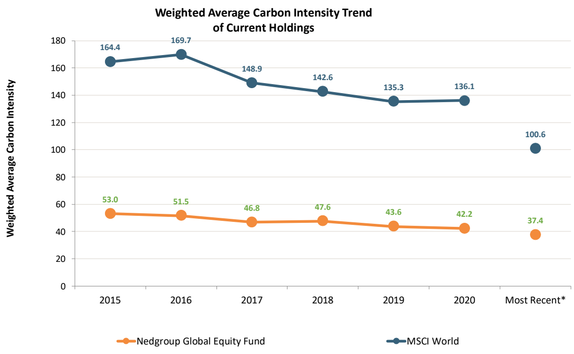
Carbon Intensity allows comparison of emissions across companies of different sizes and in different industries. At a company level, MSCI ESG Research calculates Carbon Intensity as carbon emissions per dollar of sales. The portfolio-level Weighted Average Carbon Intensity is the sum product of the constituent weights and intensities.

The timeline below compares the historical and most recent Weighted Average Carbon Intensity of the portfolio to the benchmarks based on the current constituents and weights of each. The table to the right shows sector weights and Weighted Average Carbon Intensity. And the column chart shows the composition by sector of the portfolio and benchmarks by market capitalization as well as by each sector's contribution to the Weighted Average Carbon Intensity.

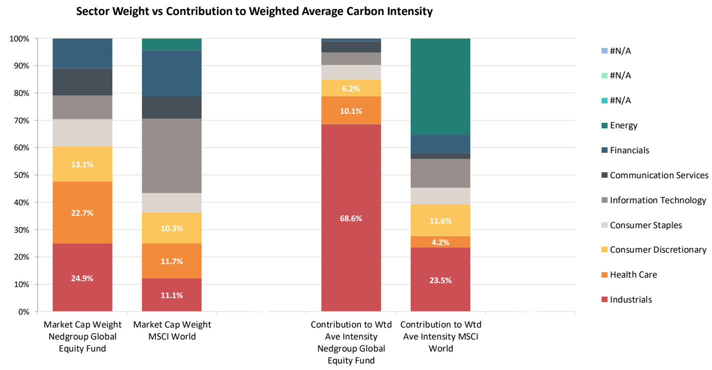
The company tables on the following page show Carbon Intensity in two ways: 1) portfolio issuers with the highest Carbon Intensity, and 2) contribution of companies to the portfolio-level Weighted Average Carbon Intensity. The tables also indicate whether the emissions data is reported or estimated, and how each company performs on Carbon Risk Management relative to peers.

Weighted Average Carbon Intensity by Sector	Nedgroup Global Equity Fund	MSCI World	Nedgroup Global Equity Fund vs MSCI World
	t CO2e / $M Sales		Comparison of t CO2e/$M Sales
Industrials	103.1	84.6	21.8%
Consumer Staples	20.9	38.0	-45.0%
Information Technology	19.6	16.8	16.5%
Consumer Discretionary	17.6	45.4	-61.1%
Health Care	16.7	14.2	17.4%
Communication Services	15.3	11.3	35.5%
Financials	3.3	17.8	-81.4%
Utilities	N/A	1,421.0	N/A
Materials	N/A	537.5	N/A
Real Estate	N/A	84.9	N/A
Energy	N/A	360.5	N/A
Overall	37.4	100.6	-62.8%

Key 1,421.0 100.6 0



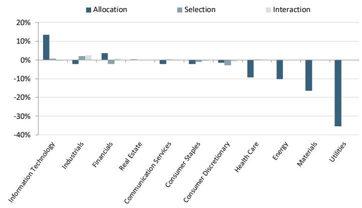
*Reflects the most recently available data for each company on the date of running the report.



Source: MSCI, Veritas Asset Management LLP

Carbon Risk: Attribution Analysis and Key Holdings

Nedgroup Global Equity Fund vs MSCI World	Portfolio Weight	Active Weight*	Portfolio Wtd Ave Intensity	Benchmark Wtd Ave Intensity	Absolute Attribution: Sector Allocation	Absolute Attribution: Stock Selection	Absolute Attribution: Interaction	Absolute Attribution: Total	Percentage Attribution: Sector Allocation	Percentage Attribution: Stock Selection	Percentage Attribution: Interaction	Percentage Attribution: Total
Information Technology	8.7%	-16.1%	19.6	16.8	13.5	0.7	-0.4	13.7	13.4%	0.7%	-0.4%	13.6%
Industrials	24.9%	13.8%	103.1	84.6	-2.2	2.1	2.5	2.4	-2.2%	2.0%	2.5%	2.4%
Financials	10.8%	-4.6%	3.3	17.8	3.8	-2.2	0.7	2.2	3.8%	-2.2%	0.7%	2.2%
Real Estate	0.0%	-2.3%	N/A	84.9	0.4	0.0	0.0	0.4	0.4%	0.0%	0.0%	0.4%
Communication Services	10.1%	2.5%	15.3	11.3	-2.3	0.3	0.1	-1.9	-2.3%	0.3%	0.1%	-1.9%
Consumer Staples	9.8%	3.3%	20.9	38.0	-2.1	-1.1	-0.6	-3.7	-2.0%	-1.1%	-0.6%	-3.7%
Consumer Discretionary	13.1%	2.8%	17.6	45.4	-1.5	-2.8	-0.8	-5.2	-1.5%	-2.8%	-0.8%	-5.1%
Health Care	22.7%	10.9%	16.7	14.2	-9.5	0.3	0.3	-8.9	-9.4%	0.3%	0.3%	-8.8%
Energy	0.0%	-3.9%	N/A	360.5	-10.2	0.0	0.0	-10.2	-10.1%	0.0%	0.0%	-10.1%
Materials	0.0%	-3.8%	N/A	537.5	-16.5	0.0	0.0	-16.5	-16.4%	0.0%	0.0%	-16.4%
Utilities	0.0%	-2.7%	N/A	1,421.0	-35.6	0.0	0.0	-35.6	-35.4%	0.0%	0.0%	-35.4%
Total	100%		37.4	100.6	-62.2	-2.9	1.8	-63.2	-61.8%	-2.8%	1.8%	-62.8%



Portfolio Issuers with Highest Carbon Intensity

	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Intensity	Contribution to Wtd Ave Carbon Intensity	Total Carbon Emissions Source	Carbon Risk Management
1	CANADIAN PACIFIC KANSAS CITY LTD	Industrials	Canada	4.63%	4.52%	469	58.09%	Reported	Modest
2	AENA SME, S.A.	Industrials	Spain	2.73%	2.70%	44	3.22%	Derived from Reported Data	Modest
3	ZOETIS INC.	Health Care	United States of America	2.46%	2.33%	42	2.76%	Reported	Modest
4	MICROSOFT CORPORATION	Info Tech	United States of America	4.25%	-0.09%	33	3.74%	Reported	Modest
5	THE COOPER COMPANIES, INC.	Health Care	United States of America	2.10%	2.07%	32	1.81%	Reported	Low
6	VINCI SA	Industrials	France	4.08%	4.00%	32	3.46%	Reported	Modest
7	AMAZON.COM, INC.	Consumer Disc	United States of America	6.70%	4.21%	32	5.68%	Reported	Modest
8	CHARTER COMMUNICATIONS, INC.	Comm Svcs	United States of America	2.97%	2.93%	30	2.40%	Derived from Reported Data	Modest
9	DIAGEO PLC	Consumer Staples	United Kingdom	5.23%	5.12%	29	4.12%	Reported	Modest
10	BECTON, DICKINSON AND COMPANY	Health Care	United States of America	3.08%	2.98%	25	2.08%	Reported	Modest
	Top 10 Companies			38.23%			87.36%		

Largest Contributors to the Portfolio's Weighted Average Carbon Intensity

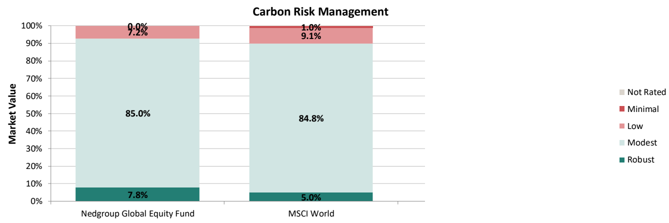
	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Intensity	Contribution to Wtd Ave Carbon Intensity	Total Carbon Emissions Source	Carbon Risk Management
1	CANADIAN PACIFIC KANSAS CITY LTD	Industrials	Canada	4.63%	4.52%	469	58.09%	Reported	Modest
2	AMAZON.COM, INC.	Consumer Disc	United States of America	6.70%	4.21%	32	5.68%	Reported	Modest
3	DIAGEO PLC	Consumer Staples	United Kingdom	5.23%	5.12%	29	4.12%	Reported	Modest
4	MICROSOFT CORPORATION	Info Tech	United States of America	4.25%	-0.09%	33	3.74%	Reported	Modest
5	VINCI SA	Industrials	France	4.08%	4.00%	32	3.46%	Reported	Modest
6	AENA SME, S.A.	Industrials	Spain	2.73%	2.70%	44	3.22%	Derived from Reported Data	Modest
7	ZOETIS INC.	Health Care	United States of America	2.46%	2.33%	42	2.76%	Reported	Modest
8	CHARTER COMMUNICATIONS, INC.	Comm Svcs	United States of America	2.97%	2.93%	30	2.40%	Derived from Reported Data	Modest
9	BECTON, DICKINSON AND COMPANY	Health Care	United States of America	3.08%	2.98%	25	2.08%	Reported	Modest
10	SAFRAN SA	Industrials	France	4.13%	4.01%	17	1.85%	Reported	Modest
	Top 10 Contributors			40.26%			87.40%		

*Security weight in Nedgroup Global Equity Fund relative to security weight in MSCI World

Carbon Risk Management: Key Holdings

As part of the MSCI ESG Ratings model, we analyze a number of Key Issues, including Carbon Emissions. Assessment data for this issue is available for all companies for which we have determined that carbon presents material risks as well as for all companies on the MSCI World Index.

Assessment of carbon management includes a look at emissions intensity trend and performance relative to industry peers as well as the company's reduction targets (if any) and mitigation efforts. The chart to the right shows the market value percentage of companies with robust, modest, low, and minimal efforts to manage carbon emissions.



Largest Positions in Portfolio

10 (Best) - 0 (Worst)

	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Risk Management Score	Carbon Risk Management	Carbon Intensity
1	ALPHABET INC.	Comm Svcs	United States of America	7.13%	4.53%	5.8	Modest	9.1
2	AMAZON.COM, INC.	Consumer Disc	United States of America	6.70%	4.21%	7.0	Modest	31.7
3	DIAGEO PLC	Consumer Staples	United Kingdom	5.23%	5.12%	7.0	Modest	29.4
4	AON PLC	Financials	Ireland	4.69%	4.59%	7.0	Modest	2.3
5	UNITEDHEALTH GROUP INCORP	Health Care	United States of America	4.65%	3.88%	6.5	Modest	1.6

Lowest Portfolio Carbon Risk Management Scores

	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Risk Management Score	Carbon Risk Management	Carbon Intensity
1	INTERCONTINENTAL EXCHANGE	Financials	United States of America	3.04%	2.91%	4.0	Low	5.7
2	THE COOPER COMPANIES, INC	Health Care	United States of America	2.10%	2.07%	4.7	Low	32.3
3	SONIC HEALTHCARE LIMITED	Health Care	Australia	2.03%	2.02%	4.7	Low	20.1
4	ALPHABET INC.	Comm Svcs	United States of America	7.13%	4.53%	5.8	Modest	9.1
5	CANADIAN PACIFIC KANSAS C	Industrials	Canada	4.63%	4.52%	6.2	Modest	468.9

Highest Portfolio Carbon Risk Management Scores

	Company	Sector	Country	Portfolio Weight	Active Weight*	Carbon Risk Management Score	Carbon Risk Management	Carbon Intensity
1	SIEMENS AKTIENGESELLSCHAF	Industrials	Germany	3.26%	3.04%	8.7	Robust	6.7
2	UNILEVER PLC	Consumer Staples	United Kingdom	4.54%	4.31%	8.0	Robust	11.1
3	AMADEUS IT GROUP, S.A.	Consumer Disc	Spain	3.53%	3.48%	7.2	Modest	2.5
4	SALESFORCE, INC.	Info Tech	United States of America	3.20%	2.82%	7.2	Modest	9.1
5	MASTERCARD INCORPORATED.	Financials	United States of America	3.08%	2.49%	7.2	Modest	2.5

*Security weight in Nedgroup Global Equity Fund relative to security weight in MSCI World

Source: MSCI, Veritas Asset Management LLP

Opportunities: Clean Technology Solutions

MSCI ESG Research analyzes companies involved in clean technology solutions based on their sales in the following categories: Alternative Energy, Energy Efficiency, Green Building, Pollution Prevention, and Sustainable Water. The table and chart show the percent of the portfolio and benchmarks that are represented by companies with sales from these activities. Also included are the top ten holdings of the portfolio based on the estimated percent of revenue from these activities.

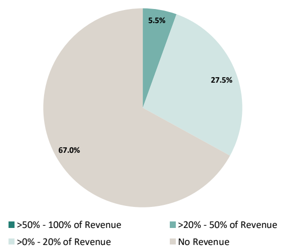
Weight of Companies Offering Clean Technology Solutions

		Nedgroup Global Equity Fund	MSCI World
Theme	Alternative Energy	4.1%	11.3%
	Energy Efficiency	33.0%	34.7%
	Green Building	4.1%	2.4%
	Pollution Prevention	4.1%	5.1%
	Sustainable Agriculture	0.0%	0.3%
	Sustainable Water	4.1%	4.2%
Estimated Revenue Generated	**Any Strategy**	**33.0%**	**41.5%**
	>50% - 100%	0.0%	6.0%
	>20% - 50%	5.5%	8.1%
	>0% - 20%	27.5%	27.4%
	Any Revenue	**33.0%**	**41.5%**

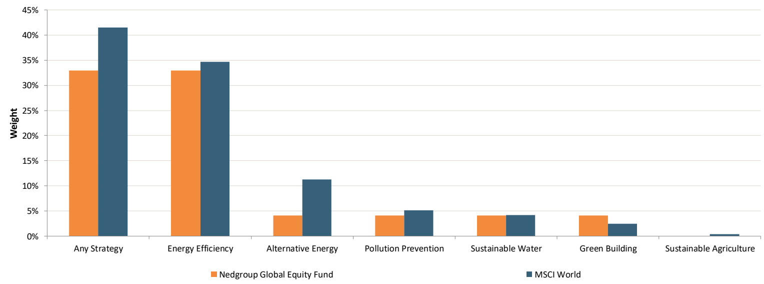
Top 10 by Estimated Percent of Revenue Generated from Clean Technology Solutions

	Company	Sector	Country	Portfolio Weight	Clean Technology Solution	Estimated Revenue from Clean Tech
1	DASSAULT SYSTEMES SE	Info Tech	France	1.25%	Energy Efficiency	36%
2	MICROSOFT CORPORATION	Info Tech	United States of America	4.25%	Energy Efficiency	23%
3	SALESFORCE, INC.	Info Tech	United States of America	3.20%	Energy Efficiency	19%
4	VINCI SA	Industrials	France	4.08%	Green Building	14%
5	SIEMENS AKTIENGESELLSCHAFT	Industrials	Germany	3.26%	Energy Efficiency	12%
6	AMAZON.COM, INC.	Consumer Disc	United States of America	6.70%	Energy Efficiency	6%
7	ALPHABET INC.	Comm Svcs	United States of America	7.13%	Energy Efficiency	3%
8	THERMO FISHER SCIENTIFIC I	Health Care	United States of America	3.10%	Energy Efficiency	2%
9	DIAGEO PLC	Consumer Staples	United Kingdom	5.23%	Alternative Energy	0%
10	AON PLC	Financials	Ireland	4.69%	Alternative Energy	0%

Portfolio Weight Grouped by Estimated Revenue Generated from Clean Technology Solutions



Weight of Companies Offering Clean Technology Solutions



Source: MSCI, Veritas Asset Management LLP

Disclaimer

This is a marketing communication. Please refer to the prospectus, the key investor information documents (the **KIIDs/PRIIPS KIDs**) and the financial statements of Nedgroup Investments Funds plc (the **Fund**) before making any final investment decisions.

These documents are available from Nedgroup Investments (IOM) Ltd (the **Investment Manager**) or via the website: www.nedgroupinvestments.com.

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The Fund is authorised and regulated in Ireland by the Central Bank of Ireland. The Fund is authorised as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended and as may be amended, supplemented, or consolidated from time-to-time and any rules, guidance or notices made by the Central Bank which are applicable to the Fund. The Fund is domiciled in Ireland. Nedgroup Investment (IOM) Limited (reg no 57917C), the Investment Manager and Distributor of the Fund, is licensed by the Isle of Man Financial Services Authority. The Depositary of the Fund is Citi Depositary Services Ireland DAC, 1 North Wall Quay, Dublin 1, Ireland. The Administrator of the Fund is Citibank Europe plc, 1 North Wall Quay, Dublin 1, Ireland.

The sub-funds of the Fund (the **Sub-Funds**) are generally medium to long-term investments and the Investment Manager does not guarantee the performance of an investor's investment and even if forecasts about the expected future performance are included the investor will carry the investment and market risk, which includes the possibility of losing capital.

The views expressed herein are those of the Investment Manager / Sub-Investment Manager at the time and are subject to change. The price of shares may go down as well as up and the price will depend on fluctuations in financial markets outside of the control of the Investment Manager. Costs may increase or decrease as a result of currency and exchange rate fluctuations. If the currency of a Sub-Fund is different to the currency of the country in which the investor is resident, the return may increase or decrease as a result of currency fluctuations. Income may fluctuate in accordance with market conditions and taxation arrangements. As a result an investor may not get back the amount invested. Past performance is not indicative of future performance and does not predict future returns. The performance data does not take account of the commissions and costs incurred on the issue and redemption of shares.

Fees are outlined in the relevant Sub-Fund supplement available from the Investment Manager's website.

The Sub-Funds are valued using the prices of underlying securities prevailing at 11pm Irish time the business day before the dealing date. Prices are published on the Investment Manager's website. A summary of investor rights can be obtained, free of charge at www.nedgroupinvestments.com.

Distribution : The prospectus, the supplements, the KIIDs/PRIIPS KIDs, constitution, country specific appendix as well as the annual and semi-annual reports may be obtained free of charge from the country representative and the Investment Manager. The Investment Manager may decide to terminate the arrangements made for the marketing of its collective investment undertakings in accordance with Art 93a of directive 2009/65EC and Art 32a of Directive 2011/61/EU.

U.K: Nedgroup Investments (UK) Limited (reg no 2627187), authorised and regulated by the Financial Conduct Authority, is the facilities agent. The Fund and certain of its sub-funds are recognised in accordance with Section 264 of the Financial Services and Markets Act 2000.

Isle of Man: The Fund has been recognised under para 1 sch 4 of the Collective Investments Schemes Act 2008 of the Isle of Man. Isle of Man investors are not protected by statutory compensation arrangements in respect of the Fund.

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