Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Global Environment Fund

Legal entity identifier: 213800LQ2Q46VNU9L735

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?

●● ☒ **Yes**	●○ ☐ **No**
☒ It will make a minimum of **sustainable investments with an environmental objective**: 90% ☒ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentallysustainable under the EU Taxonomy	☐ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective**:_%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

The Sub-Fund's environmental objective is to make sustainable investments that aim to contribute to positive environmental change through sustainable decarbonisation.

This sustainable investment objective will be attained by first targeting companies which typically have at least a majority of their revenue derived from areas contributing to environmental change and that have products and services which genuinely avoid carbon, by assessing (1) carbon risk and (2) carbon impact. Secondly, some sectors will be excluded from the investment universe, as further described in the investment strategy section. The Sub-Fund currently uses 'carbon avoided' as an indicator to assess, measure and monitor the carbon impact associated with a company.

'Carbon avoided' are the carbon emissions avoided by using a product or service that has less carbon emissions than the status quo thereby contributing to decarbonisation.

No reference benchmark has been designated for the purpose of attaining the sustainable investment objective of the Sub-Fund.

In relation to only the portion of the Sub-Fund that invests in economic activities that contribute to an environmental objective, the Sub-Fund contributes to the environmental objective of climate change mitigation, where the Investment Manager's view of climate change mitigation encompasses a broader set of sectors and economic activities than currently covered in the EU Taxonomy, by applying its investment strategy as described in the question below on the 'what investment strategy does this financial product follow?'.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

- ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The following sustainability indicators will be used to measure the attainment of the sustainable investment objective of the Sub-Fund:

- Scope 1, 2 and 3 absolute carbon emissions (in tonnes of CO2e)
- Scope 1, 2 and 3 carbon footprint (in tonnes of CO2e per US$m invested)
- Weighted average company carbon intensity (in tonnes of CO2e per US$m of revenue)
- 'Carbon avoided' (in tonnes per CO2e per US$m invested)
- Proportion of disclosure (% of companies in the portfolio which disclose carbon emissions figures)
- Percentage of companies with credible net zero transition plans in place
- Percentage of companies invested in the business groups or activities (in some cases subject to specific revenue thresholds) prohibited under the Sub-Fund's exclusions criteria

'Carbon avoided' are the carbon emissions avoided by using a product or service that has less carbon emissions than the status quo thereby contributing to decarbonisation.

- ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Investment Manager assesses sustainable investments in relation to the 14 mandatory principle adverse impacts to determine that the investment does not cause significant harm to other sustainable investment objectives. This *Do No Significant Harm* test is applied to the whole company.

In addition, to mitigate any potential negative impact of the Investment Manager's investment decisions on other sustainable investment objectives, the Investment Manager assesses the material negative externalities (i.e., harmful effects) created by a potential investment that impacts the company's stakeholders and, as a result, the Sub-Fund does not invest in certain business groups or activities, as described in the section 'What investment strategy does the financial product follow?'

Furthermore, the Investment Manager engages with companies on environmental and/or social issues (which may develop over time), including improving their carbon disclosure and the quality of carbon data they report. Engagement with company management additionally encompasses other matters such as tax compliance, sound management structures (e.g., board diversity and tenure), employee relations, remuneration of staff and safe working practices, amongst other good governance practices.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The investment process implemented by the Investment Manager allows it to identify and prioritise the potential adverse sustainability impacts of investment decisions (particularly as part of the fundamental analysis stage) and to demonstrate that each investment decision made by the Investment Manager does not significantly harm other environmental or social objectives.

As part of the in-depth fundamental analysis on an individual company, the 14 mandatory principal adverse impact indicators are taken into account when assessing if significant harm is caused by the Sub-Fund's intended sustainable investments.

The Investment Manager uses quantitative data (i.e., the metrics for the mandatory principal adverse sustainability indicators as outlined in Annex I of the Commission Delegated Regulation (EU) 2022/1288), where available, and applies a qualitative assessment where the Investment Manager applies their knowledge, experience and judgement to the quantitative PAI data to form a conclusion which considers the context of the company's business model and its activities. For material principal adverse impacts, the Investment Manager focuses assessment on progress made against the principal adverse impact and/or the policies, business models and operations the company has in place to manage adverse impacts.

Under this assessment, detailed analysis is performed on material principal adverse impacts where some principal adverse impacts are considered more material if directly related to the Sub-Fund's environmental objective. Some principal adverse indicators may be more applicable to certain sectors and companies than others. The applicability of an indicator is determined by the Investment Manager through their assessment of the significance of that indicator to a company's business strategy and/or its stakeholders. For example, for capital-light companies (such as technology companies) the GHG emissions indicators could be considered less material to indicators related to social and employee matters.

Where potential adverse impacts are identified, the Investment Manager may engage directly with company management and/or exercise proxy voting rights in an effort to catalyse change.

Where indicators for adverse impacts on sustainability factors are not available (i.e., not reported by an investee company), the Investment Manager engages with companies in the Sub-Fund to encourage them to disclose against all mandatory indicators.

– *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The OECD Guidelines for Multinational Enterprises and UN Guiding Principles including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights are considered as part of the Investment Manager's fundamental analysis and assessment of material negative externalities. Based on this analysis, the Investment Manager deems whether sustainable investments are aligned with these considerations. Third party data, from providers whose methodologies are consistent with international norms represented in numerous widely accepted global conventions including those mentioned above, complements the identification of these considerations.

In addition, the Sub-Fund will not invest in companies the Investment Manager deems to be in violation of the UN Global Compact principles.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes, as part of the in-depth fundamental analysis on an individual company, the following principal adverse impacts are currently considered for the Sub-Fund's investments

- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Board gender diversity

When performing this analysis, the Investment Manager uses quantitative data, where available, and applies a qualitative assessment. Third party data complements the assessment of principal adverse impacts.

Where potential adverse impacts are identified, the Investment Manager will engage directly with company management or sovereign stakeholders and/or exercise proxy voting rights in an effort to catalyse change.

An assessment of the principal adverse impacts at the aggregate Sub-Fund level will be reported in the annual report as required by Article 11 SFDR.

☐ No

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its sustainable investment objective, the Investment Manager employs a bespoke bottom-up investment process relying on sustainability integration which is designed specifically for a diverse universe of global shares of companies. Sustainability factors are integrated at every stage of the strategy.

The investment process includes the following stages:

Universe Screen

The Investment Manager identifies companies that typically generate at least 50% of their revenue from areas deemed by the Investment Manager as contributing to positive environmental change. Companies targeted are those exposed to the process of sustainable decarbonisation, typically in the areas of renewable energy, electrification and resource efficiency.

Following the identification of companies that will enable the process of sustainable decarbonisation, the Investment Manager determines which companies' products and/or services are genuinely avoiding carbon by measuring (1) carbon risk and (2) carbon impact.

The Investment Manager currently uses 'carbon avoided' as an indicator to assess, measure and monitor the carbon impact associated with a company.

Similar to financial data, 'carbon avoided' numbers can be volatile over time and a decreasing 'carbon avoided' figure does not always mean that sustainable decarbonisation is not occurring. For example, as the percentage of energy-efficient devices in the overall mix of energy devices increases, the baseline (or status quo) improves and the 'carbon avoided' goes down even as the number of products sold increases. Put another way, in a world where 100% of electricity generated is renewable, there is no incremental 'carbon avoided' from new installations of renewable energy. Therefore, it is important for the Investment Manager to monitor not just the data but the narrative behind the data.

For the same reason, the Investment Manager focusses on the carbon emissions and 'carbon avoided' data of the companies in the portfolio, and more importantly, the narrative accompanying this data, rather than solely measuring aggregated data of the portfolio.

Idea Generation

The Investment Manager looks for companies exhibiting: (1) structural growth; (2) sustainable returns; and (3) competitive advantage. The focus on structural growth, sustainable returns and businesses with a competitive advantage drives the Investment Manager's bottom-up selection.

Fundamental Analysis

Companies which have been identified at the idea generation stage undergo fundamental analysis, which includes a qualitative and quantitative assessment of traditional financial metrics and material sustainability factors, by using proprietary tools, engagement with company management and data from analytics firms, to build an investment case for each idea.

Portfolio Construction

The Sub-Fund's portfolio is constructed with the Investment Manager's consideration of the different risks each position is exposed to as well as how they complement each other.

Engagement and Monitoring

The Investment Manager will engage with company management where it identifies opportunities to effect positive change, or to deepen knowledge and insight, with respect to sustainability considerations, where deemed material.

Exclusions

The Investment Manager uses a proprietary sustainability framework which helps to identify business groups and activities (in some cases subject to specific revenue thresholds) in which the Investment Manager will not invest. The Investment Manager's approach to exclusions for the Sub-Fund is based on the conclusions of its sustainability framework.

As a result, the Sub-Fund will not invest in companies that derive more than 5% of their revenue from the following business activities (to the best of the Investment Manager's knowledge):

- the manufacture and sale of tobacco products;
- thermal coal extraction or power generation;
- the exploration, production and refining of oil and gas; or
- the manufacture and production of conventional weapons or civilian firearms.

In addition, the Sub-Fund will not invest in companies that (to the best of the Investment Manager's knowledge):

- are directly involved in the manufacture and production of controversial weapons (including biological and chemical weapons, cluster munitions and anti-personnel landmines); or
- are directly involved in the manufacture and production of nuclear weapons;
- are directly involved in the manufacture or production of inert ammunition and armour containing depleted uranium, or any other industrial uranium, weapons containing white phosphorus;
- increase the production of, or capacity for, thermal coal related products/services or thermal coal-based

power generation;
- increase the production of, or capacity for, unconventional oil and gas products/services; or
- the Investment Manager deems to be in violation of the UN Global Compact principles.

The companies selected through the process described above and having passed the *Do No Significant Harm* test, as detailed in the section 'How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?' will be considered 100% sustainable investments, as defined in Article 2(17) SFDR.

Over time, the Investment Manager may, in its discretion, elect to apply additional exclusions to its strategy that it believes are consistent with the Sub-Fund's sustainable investment objective and policy. Such changes will be disclosed on the Investment Manager's website as they are implemented and subsequently updated in this Prospectus at the next available opportunity.

The Sub-Fund's equity holdings will be monitored on an ongoing basis by the Investment Manager. A holding may be sold for a range of reasons but in particular, if it is determined that the investment/financial case for the holding has been weakened or it no longer satisfies the sustainable investment objective of the Sub-Fund. Such sales will take place over a time period to be determined by the Investment Manager, taking into account the best interests of the Shareholders of the Sub-Fund.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Sub-Fund invests in the shares of companies which are considered by the Investment Manager as contributing to positive environmental change through sustainable decarbonisation (process of reducing carbon dioxide emissions). This criterion applies on an ongoing basis to the entire equity portfolio of the Sub-Fund.

The commitment is to make at least 90% of sustainable investments, which need to pass all the steps of the bottom-up investment process further detailed in the section on the investment strategy.

- These companies generate at least 50% of their revenues from areas which are considered by the Investment Manager as contributing to positive environmental change through sustainable decarbonisation.
- These companies contribute to positive environment change through sustainable decarbonisation (process of reducing carbon dioxide emissions).
- The Sub-Fund will not invest in certain business groups and activities, as described above.
- These companies will be assessed through the *Do No Significant Harm* test as described in the dedicated section.

This criterion does not apply to the Sub-Fund's '#2 Not sustainable' investments - please find more detail on this in the section below on the asset allocation for the Sub-Fund.

The companies that pass all the steps of the bottom-up investment process are considered sustainable investments in their entirety (i.e. the whole company is a sustainable investment).

Good governance practices include sound management structures, employee relations, remunerations of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

The Investment Manager follows an internal framework to analyse governance issues related to investee companies. This is rooted in widely accepted governance principles which are outlined in the Investment Manager's Ownership policy on its website. The following corporate governance themes are core to Ninety One's policy in relation to managing governance related issues and determining good governance:

- Leadership and Strategic Control, including board diversity, independence and engagement;
- Alignment with the long term, including remuneration and governance of sustainability issues;
- Climate change, including adequacy of management and disclosure of risks;
- Protecting capital through capital management and preserving shareholder rights; and
- Audit and disclosure, including financial reporting quality and auditor competence.

Third party data complements the governance assessment.

For the Sub-Fund, assessing the good governance practices of companies is part of the fundamental analysis that the Investment Manager performs on its investments and through the ongoing monitoring of holdings. As part of the Investment Manager's assessment of company governance, areas such as management structures, employee relations, remuneration of staff and tax compliance are taken into account.

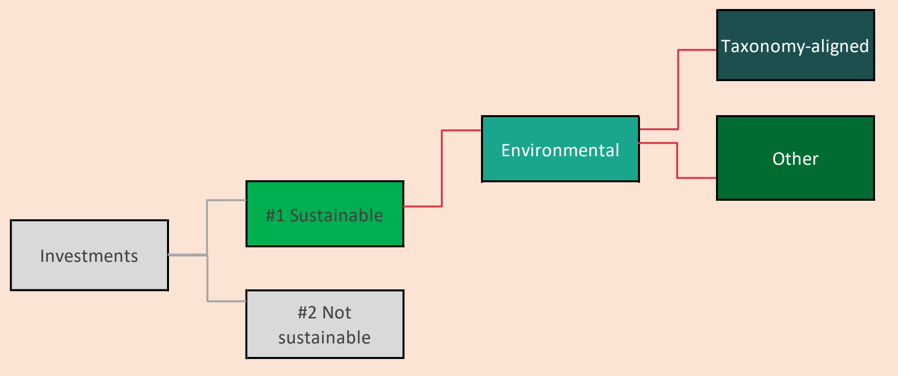
Where a governance issue is identified, the Investment Manager may engage directly with company management on this issue and/or exercise proxy voting rights in an effort to catalyse change.

What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

The Sub-Fund aims for all investments to be sustainable investments except for other investments held for liquidity purposes (e.g., Cash, deposits, money market instruments).

The minimum proportion of sustainable investments within the meaning of Article 2(17) SFDR is at least 90% of the Sub-Fund's assets. Given the proportion allowable to be held in investments for liquidity purposes is 10%, the minimum proportion of sustainable investments is 90%.
Currently, all these sustainable investments are intended to be investments with an environmental objective.
The sustainable investments that the Sub-Fund holds will be the shares of companies which are considered by the Investment Manager as contributing to positive environmental change through sustainable decarbonisation. The binding characteristics of the sustainable investments are outlined in the section, what investment strategy does this financial product follow?' under the sub-section entitled 'Universe Screen.'



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

N/A

Taxonomy-aligned activities are expressed as a shareof:
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing thegreen investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The minimum extent to which the Sub-Fund invests in environmentally sustainable investments within the meaning of Article 3 the EU Taxonomy Regulation is currently 1% of the Sub-Fund's assets.

The degree to which the Sub-Fund's investments are in Taxonomy-aligned activities will be measured by an investee company's turnover derived from its Taxonomy-aligned activities. Turnover data is the most widely available for measuring Taxonomy-alignment.

Publicly available information on a company's Taxonomy-aligned activities is the preferred source of information. Where this information is not readily available from a company's public disclosures, the Investment Manager may source information either directly from the company or from leading third-parties to assess how a company is involved in Taxonomy-aligned activities.

The compliance of the Sub-Fund's environmentally sustainable investments with the requirements of Article 3 of the EU Taxonomy Regulation is not subject to an assurance by auditors or a review by third parties.

- **Does *the* financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[30]?**

☐ Yes:

☐ in fossil gas ☐ in nuclear energy

☒ No

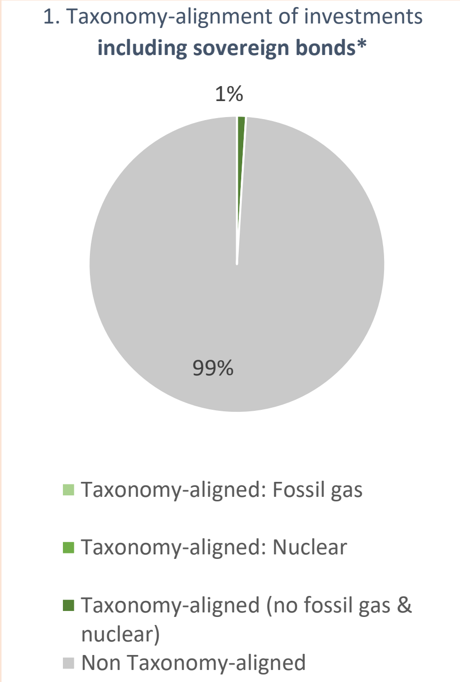
[30] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

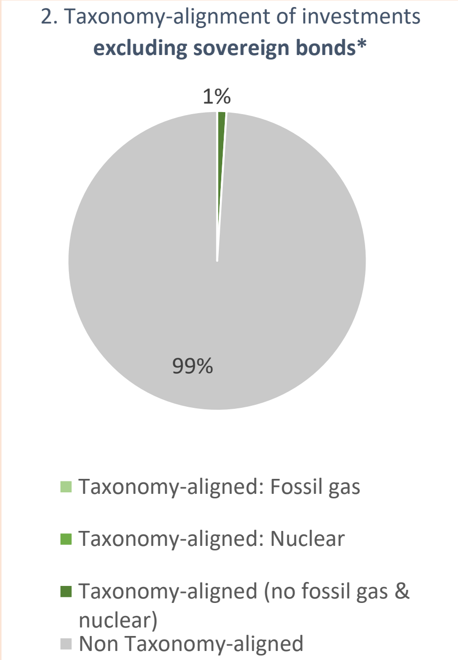
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





This graph represents 100% of the total investments.

**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

The minimum share of investments in transitional and enabling activities is 0% of the Sub-Fund's assets.

are sustainable investments with an environmental objective that **do not take into account** the criteria for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund commits to have a minimum 25% of its assets in sustainable investments with an environmental objective aligned with SFDR which are not EU Taxonomy-aligned investments.

Some of these sustainable investments could be aligned with the EU Taxonomy, but the Investment Manager is not currently in a position to specify the exact proportion of these investments which take into account the EU criteria for environmentally sustainable economic activities. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

What is the minimum share of sustainable investments with a social objective?

N/A

What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

To support the management activities of the Sub-Fund (e.g., liquidity management, hedging, Efficient Portfolio Management), as detailed in its investment policy, the Sub-Fund may hold other investments, included in ‘#2 Not sustainable’, for liquidity purposes (e.g. Cash, deposits).

To a lesser extent, investments in ‘#2 Not sustainable’ may also include investments previously held as sustainable investments which are under the Investment Manager’s review due to an unforeseen event (e.g., a controversy). After the Investment Manager has completed its review, a holding will be sold if it’s determined to no longer satisfy the sustainable investment objective of the Sub-Fund. Such sales will take place over a time period to be determined by the Investment Manager, taking into account the best interests of the Shareholders of the Sub-Fund.

No minimum environmental or social safeguards are applied to investments held for liquidity purposes (e.g., Cash, deposits). These investments are not expected to affect the delivery of the sustainable investment objective on a continuous basis as they do not form a material part of the Sub-Fund’s portfolio.

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  N/A

- ***How does the designated index differ from a relevant broad market index?***

  N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

  N/A

Where can I find more product specific information online?

More product-specific information can be found on the website: https://ninetyone.com/srd