

IMPROVING SOCIETY STRATEGY: MAXIMISING RETURN THROUGH SOCIAL IMPACT

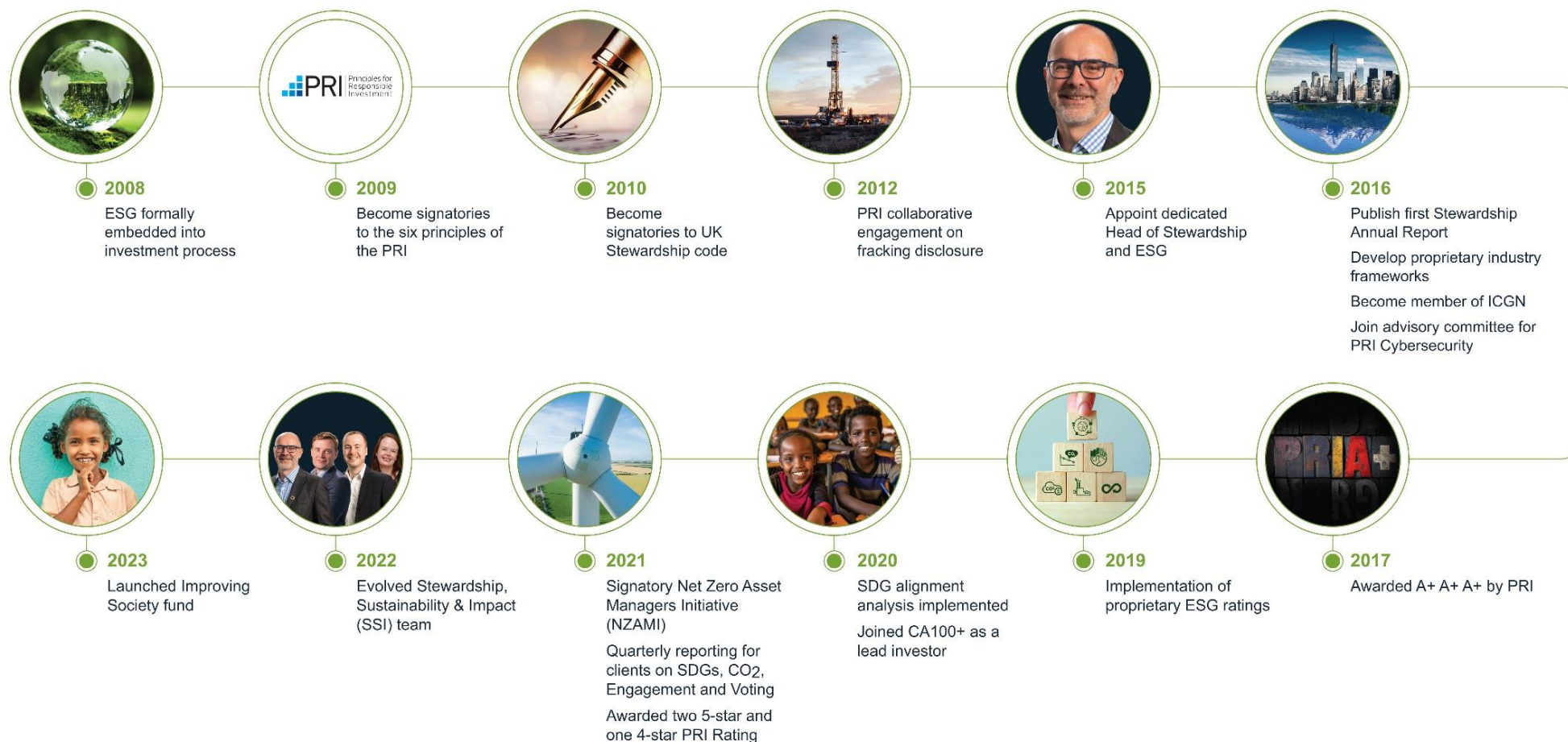
January 2024

OUR BUSINESS MODEL SUPPORTS AND EMPOWERS INVESTORS

- Culture that empowers investors
- Supportive infrastructure and environment
- Autonomous equity teams



INTEGRATING STEWARDSHIP AND SUSTAINABILITY SINCE 2008



Source: Martin Currie as of 31 December 2023. The analysis of Environmental, Social and Governance (ESG) factors forms an important part of the investment process and helps inform investment decisions.

For Professional Client Use Only. Not for Distribution to Retail Clients.

WHY IMPROVING SOCIETY STRATEGY?



IMPACT EQUITIES TEAM



**Direct Experience in
managing Sustainable
Mandates**



**Significant Experience
in Global/International
Investing**



**Different backgrounds
for diverse insights**



Lauran Halpin
Portfolio Manager,
Head of Impact Equities
Climate Change, EAFE, Healthcare
17 years' experience

Templeton Global
Climate Change Strategy
Glenfinlas Global
Healthcare Strategy

Martin Currie
FT Global Equity Group
Edinburgh Partners
Baillie Gifford

Biology and Ecological
Economics



John Gilmore
Portfolio Manager, Impact Equities
Global, Sustainable
19 years' experience

BNYM Sustainable US
Equity Strategy

Martin Currie
Newton Investment
Management
Aegon Asset Management
Alliance Trust

International Relations

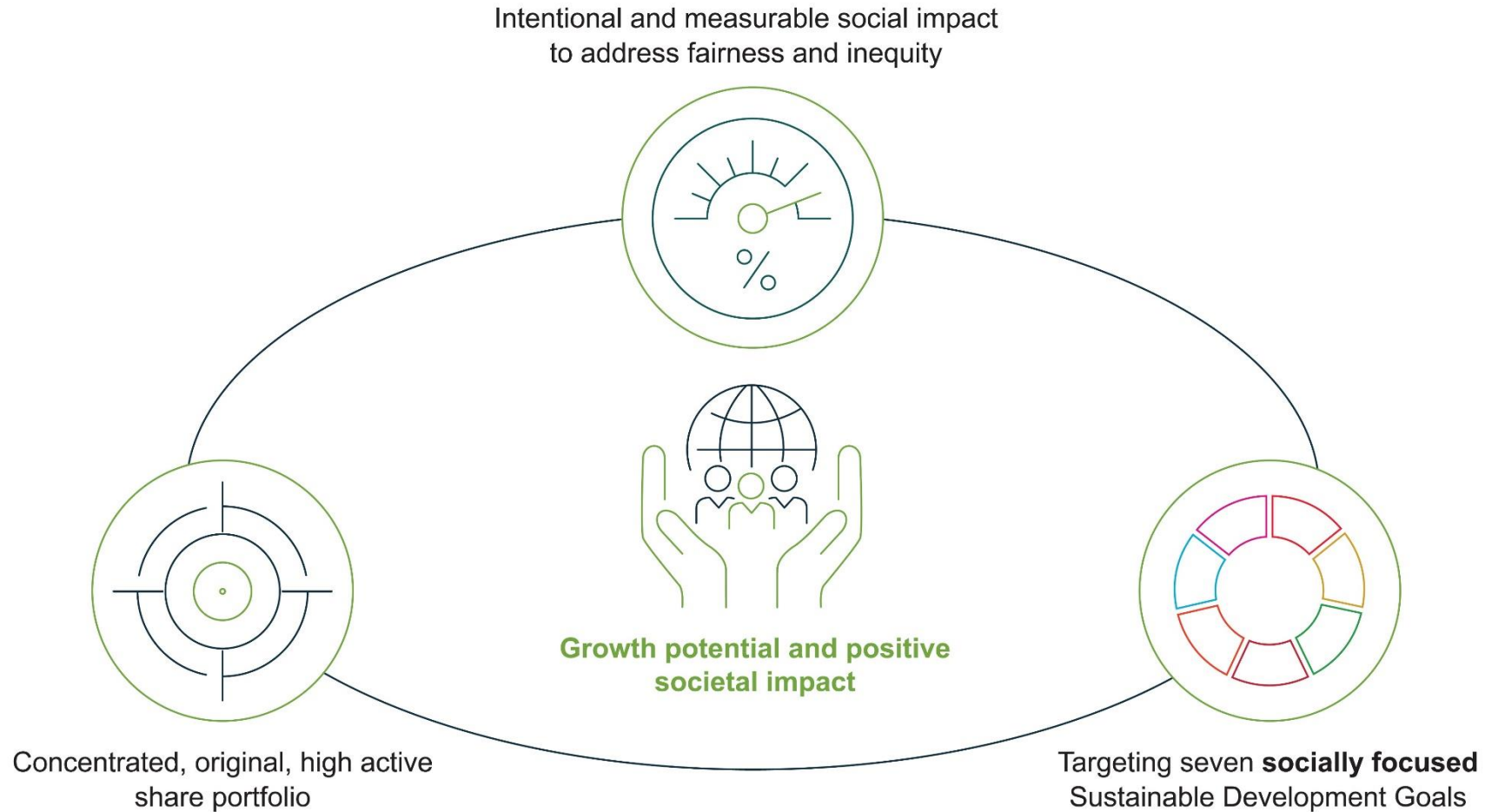


Eoghan McGrath
Investment Analyst
2 years' experience

Martin Currie

Actuarial Studies

INNOVATIVE PORTFOLIO FOCUSED ON GROWTH AND IMPACT



THREE IMPACT PILLARS DRIVE OUR APPROACH



CONTRIBUTING TO SEVEN FOCUSED SDGs*

Providing clients with exposure to SDGs identified as contributing to **Improving Society**



Company research organised through seven focused SDGs and not traditional sectors

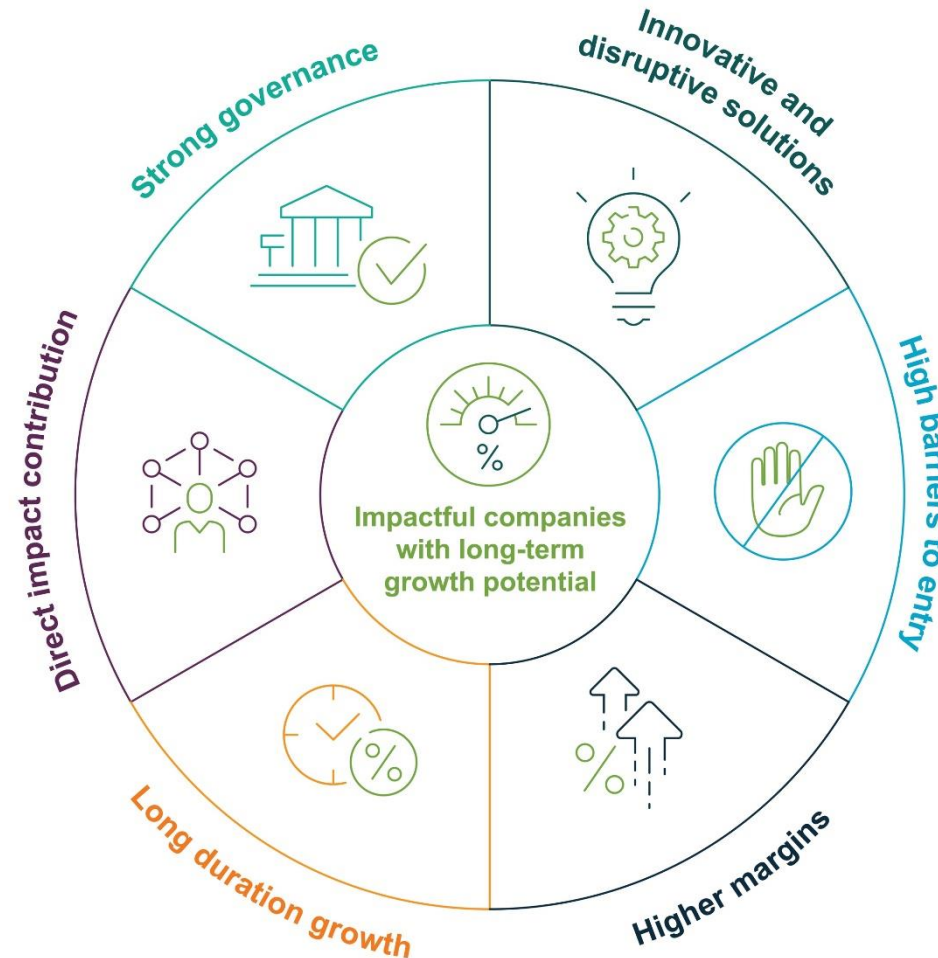
Source: Martin Currie.

*Sustainable Development Goals.

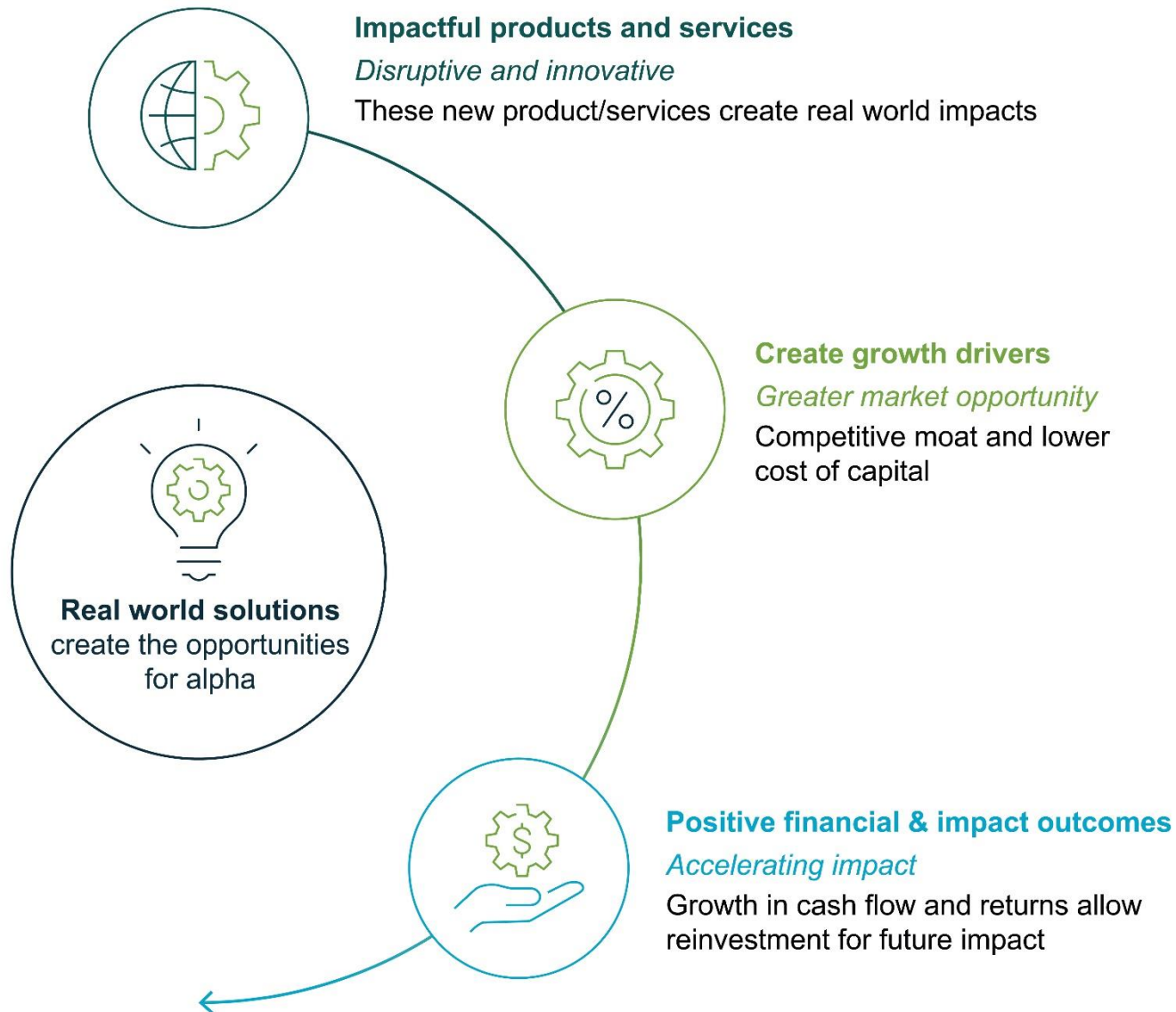
For Professional Client Use Only. Not for Distribution to Retail Clients.

INVESTING IN INNOVATION AND LONG-TERM GROWTH

Our core belief is that impact and financial performance are interrelated



INVESTMENT OPPORTUNITY AND SOCIAL IMPACT



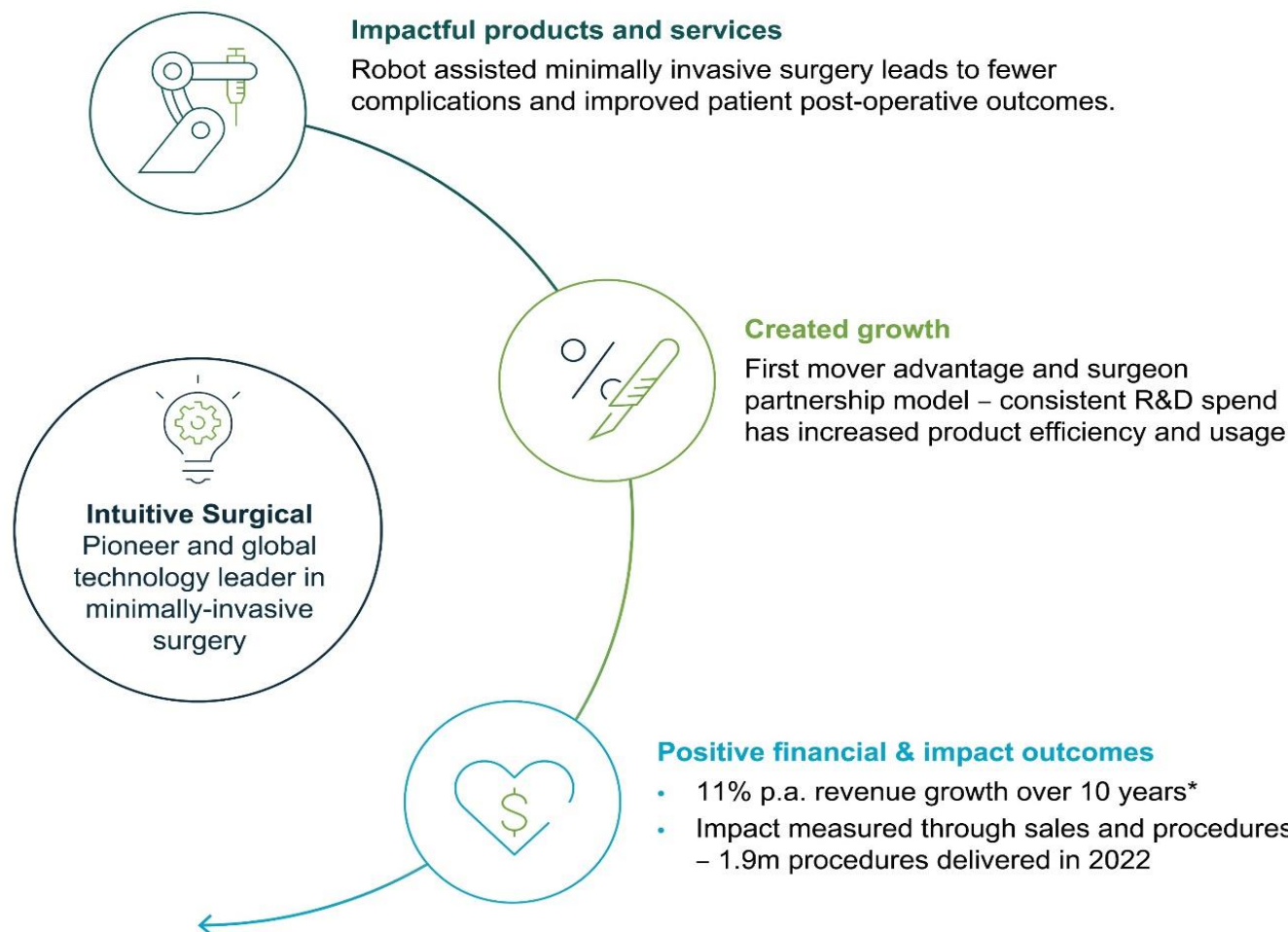
REAL WORLD SOLUTIONS

Case study: Intuitive surgical



Social Impact

Make surgery **more effective and less invasive**: easier on surgeons, patients and their families



The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

The analysis of Environmental, Social and Governance (ESG) factors forms an important part of the investment process and helps inform investment decisions.

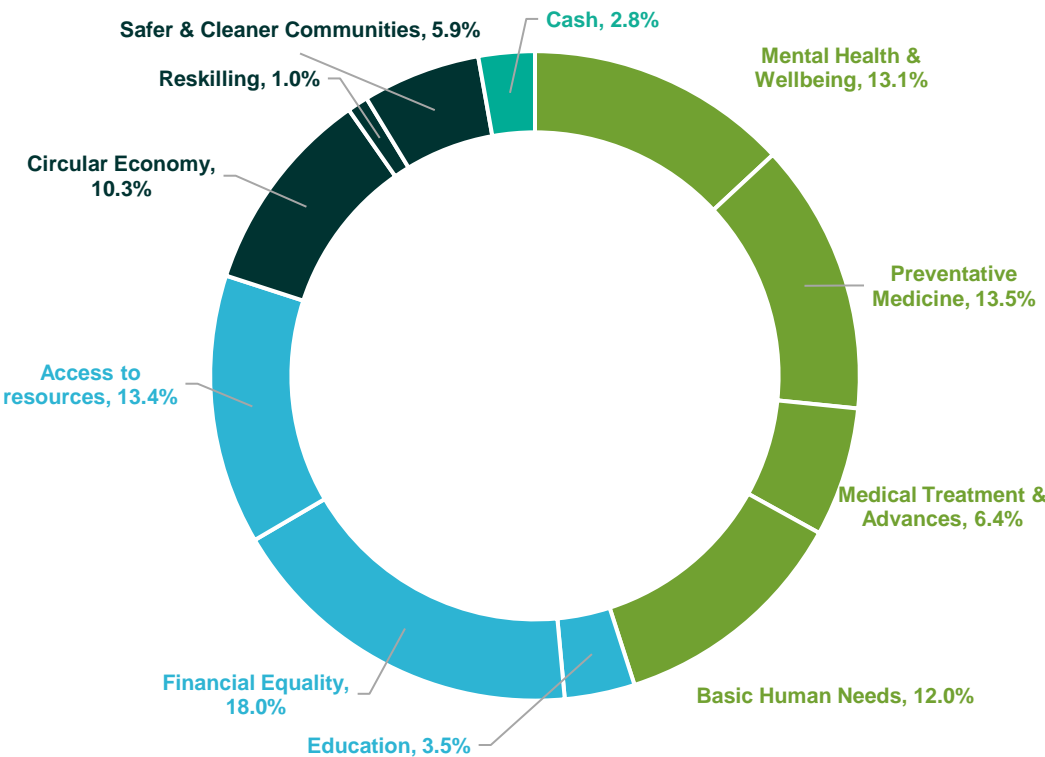
Source: Martin Currie and Intuitive Surgical Inc, January 2023. *10 years to 30 September 2023.

For Professional Client Use Only. Not for Distribution to Retail Clients.

OUR PORTFOLIO REFLECTS THE THREE IMPACT PILLARS

Portfolio will seek to identify companies creating positive on human equity in three main areas:

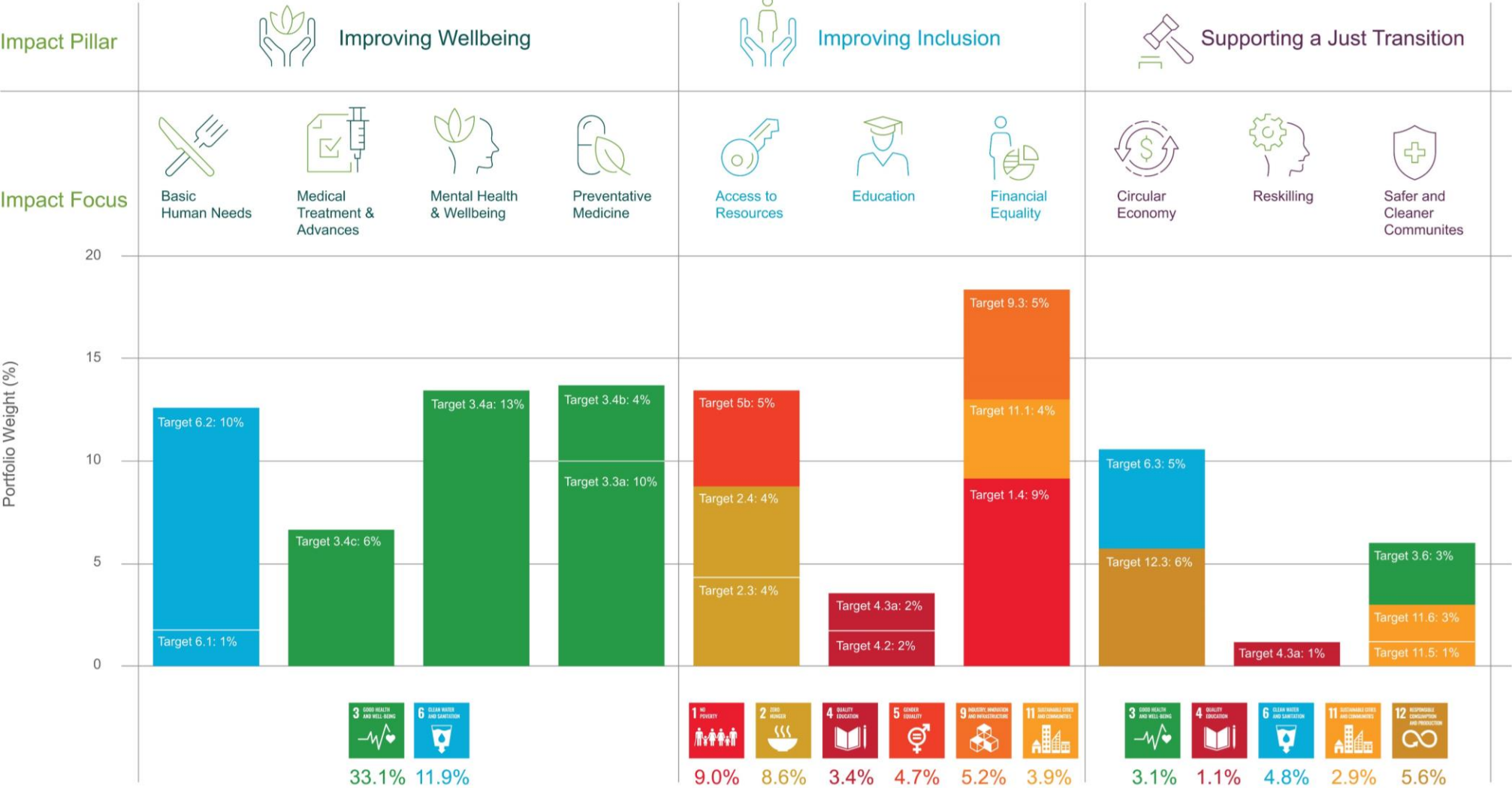
Impact Pillar	Number of companies with exposure to theme
Improving Wellbeing	11
Improving Inclusion	10
Supporting Just Transition	7



No pillar will ever represent greater than 50% of portfolio weight

Source: Martin Currie, as of 31 December 2023. Data presented is for the representative Martin Currie Improving Society account. Human Equity is the acknowledgement of the various hindrances and advantages people have and taking steps to ensure there is fair treatment, access, opportunity, and advancement for all people.

DELIVERS BROAD BASED SOCIAL IMPACT



Source: Proprietary, as of 31 December 2023.

*Sustainable Development Goals

For Professional Client Use Only. Not for Distribution to Retail Clients.

PORTFOLIO BUILT FOR AND FOCUSING ON SOCIAL IMPACT

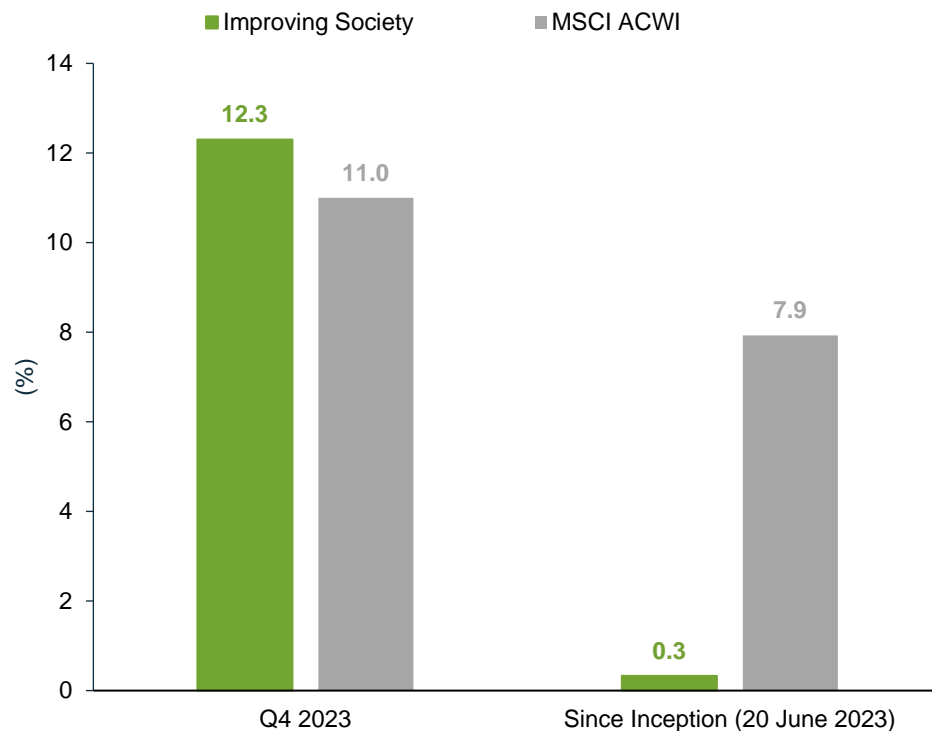
Stock	Impact Focus	Impact Pillar	Weight (%)
Intuitive Surgical	Medical Treatment & Advances	Improve Wellbeing	6.4%
Xylem	Basic Human Needs	Improve Wellbeing	6.2%
HDFC Bank	Financial Equality	Improving Inclusion	6.0%
Novozymes	Circular Economy	Just Transition	5.5%
Revvity*	Preventative Medicine	Improve Wellbeing	5.3%
Mercadolibre	Financial Equality	Improving Inclusion	5.1%
Veolia Environnement	Circular Economy	Just Transition	4.7%
Airtel Africa	Access to resources	Improving Inclusion	4.7%
Croda International	Preventative Medicine	Improve Wellbeing	4.5%
Valmont Industries	Access to resources	Improving Inclusion	4.5%

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style. Source: Martin Currie, as of 31 December 2023. Data presented is for the representative Martin Currie Improving Society account. *Formerly PerkinElmer.

For Professional Client Use Only. Not for Distribution to Retail Clients.

PORTFOLIO PERFORMANCE

Performance since inception, (US\$)



Contribution since inception, (US\$)

Top five contributors

Stock	Sector	Country	Relative Contribution (%)
Mercadolibre	Consumer Disc.	United States	1.0
Vistry	Consumer Disc.	United Kingdom	0.5
Coursera	Consumer Disc.	United States	0.5
Stride	Consumer Disc.	United States	0.5
Novozymes	Materials	Denmark	0.4

Bottom five contributors

Stock	Sector	Country	Relative Contribution (%)
Illumina	Health Care	United States	(1.9)
Masimo	Health Care	United States	(1.5)
Valmont	Industrials	United States	(1.3)
Energy Recovery	Industrials	United States	(0.7)
Croda	Materials	United Kingdom	(0.7)

Past performance is not a guide to future returns. The return may increase or decrease as a result of currency fluctuations.

Source: Martin Currie, as of 31 December 2023. Data presented is for a representative account. Gross data is presented without deducting investment advisory fees, broker commissions, or other expenses that reduce the return to investors. Net data is presented net of investment advisory fees, broker commissions, and all other expenses borne by investors. Since inception date is 20 June 2023. Please note that this strategy is unconstrained by any benchmark. We show it against the MSCI ACWI for illustrative purposes only.

For Professional Client Use Only. Not for Distribution to Retail Clients.

PHILOSOPHY & PROCESS



IMPROVING SOCIETY STRATEGY

Martin Currie Improving Society

Objective	Social impact and long-term capital appreciation
Asset Class	Listed equities
Style	Impact
Investable Universe	Global
Benchmark	N/A
Performance Goal*	Outperform the MSCI All Country World Index
Market Capitalisation	All-cap
Sector/Country Allocations	As a result of stock selection, managed within factor risk analysis. Maximum sector allocation of 30%
Security Limit	Maximum 10% absolute stock weight
Impact Pillar Limit	Maximum allocation of 50% in any one impact pillar
Number of Stocks	20-35
Portfolio Turnover	Low – expected turnover
Exclusions**	Fossil fuel producers / Controversial weapons*** / Tobacco / Conventional weapon producers / Nuclear power**** / Adult entertainment / Gambling / Alcohol
Inception	20 June 2023
Available Vehicles	Segregated Account or Pooled Fund

Source: Martin Currie as of 31 December 2023.

*Performance is measured against the MSCI ACWI. For the avoidance of doubt, the Investment Manager considers that this Index is not used for the purpose of determining or constraining the composition of the portfolio. This Index is not used as a reference index to attain the sustainable investment objective as the portfolio does not align its sustainable investment objective with that of the Index.

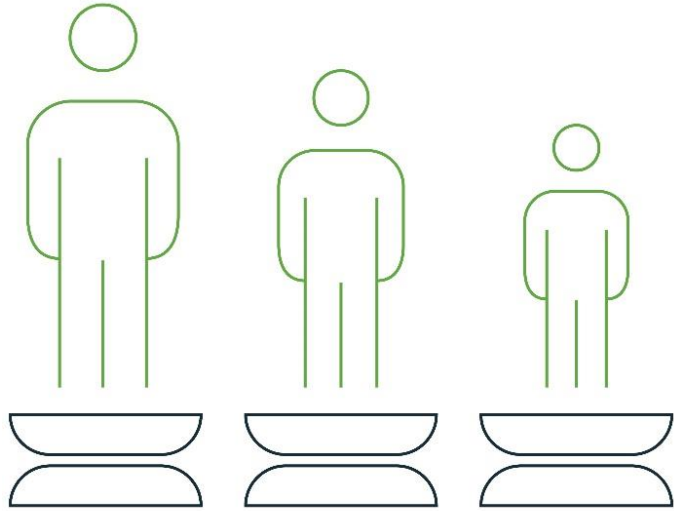
Exclusions apply to all listed categories where revenue is greater than 5%, unless otherwise noted. *Full exclusion. ****Where revenue is greater than 10%.

Data shown based on indicative portfolio, for the Martin Currie Improving Society strategy, shown for illustrative purposes only.

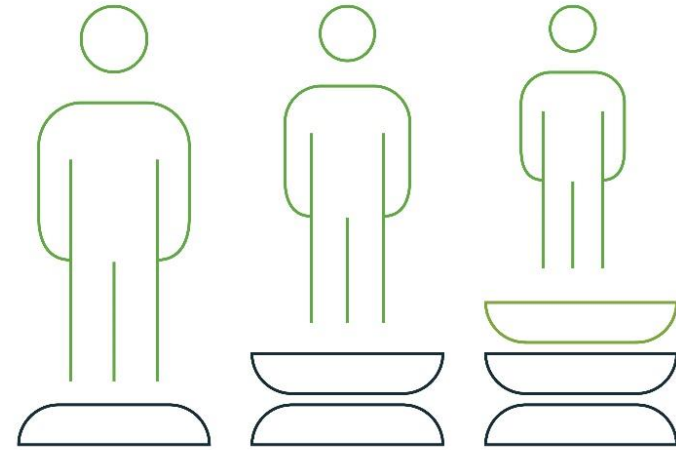
Investment vehicles only available in certain jurisdictions. The characteristics shown are guidelines only and not hard risk limits.

For Professional Client Use Only. Not for Distribution to Retail Clients.

WHAT IS SOCIAL EQUITY?



EQUALITY



EQUITY

INVESTING TO ADVANCE SOCIAL OPPORTUNITY AND FAIRNESS

Problem

Inequalities of income and opportunity have broadened since the 2008 Global Financial Crisis



Government indebtedness and lack of policy interventions.



Private debt and project finance are yet to deliver impact at scale

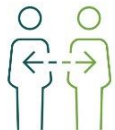
Solution

Public equities
create impact at scale



...and shareholder engagement
can accelerate the delivery

Martin Currie Improving Society



Addresses inequality
by investing in publicly
listed companies



Engages to improve
fair treatment, access, opportunity,
and advancement for all



Invests with intentionality
to create impact at scale, and
engage to accelerate delivery
of these ambitions

DIVERSE PORTFOLIO INVESTING IN THREE IMPACT PILLARS



Improving Wellbeing

Intuitive Surgical
Robotic surgical
systems

Xylem
Water treatment and
technology

Revvity*
Diagnostic testing kits



Improving Inclusion

HDFC
Banking and finance

Mercado Libre
Access to lending

Airtel Africa
Communications & digital
finance



Supporting Just Transition

Novozymes
Food & agricultural
BioSolutions

Veolia Environmental
Water and waste
solutions

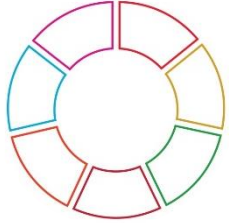
**Emirates Central Cooling
Systems Corporation**
District Cooling Systems

The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

Source: Martin Currie, as of 31 December 2023. Data presented is for the representative Martin Currie Improving Society account. Three largest holdings per impact pillar. *Formerly PerkinElmer.

For Professional Client Use Only. Not for Distribution to Retail Clients.

ANALYTICAL RESPONSIBILITY BY SDGS*



Seven key areas of focus

Analytical responsibility is split between team members by Sustainable Development Goals (SDG's), key to our objective of positive social impact.



Lauran Halpin



John Gilmore



Eoghan McGrath



Allows development of deep familiarity with the required theory of change to achieve the SDG's and how individual company impact facilitates this.

Source: Martin Currie and United Nations, December 2023.

The United Nations Sustainable Development Goals (SDGs) are a collection of 17 interlinked global goals designed to be a shared blueprint for peace and prosperity for people and the planet, now and into the future. Each goal has been allocated a number by United Nations, as detailed on this slide. *Sustainable Development Goals

For Professional Client Use Only. Not for Distribution to Retail Clients.

IMPACT INVESTING – THE CORE OF OUR APPROACH



Universe Management

Positive screening for SDG alignment and impact pillar creates the watchlist



Impact Analysis

Detailed impact assessment delivers impact conviction, KPIs and engagement topics



Business Analysis

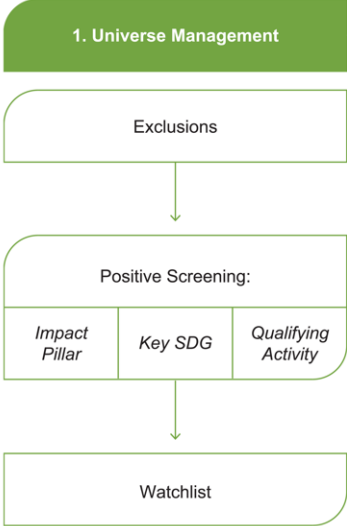
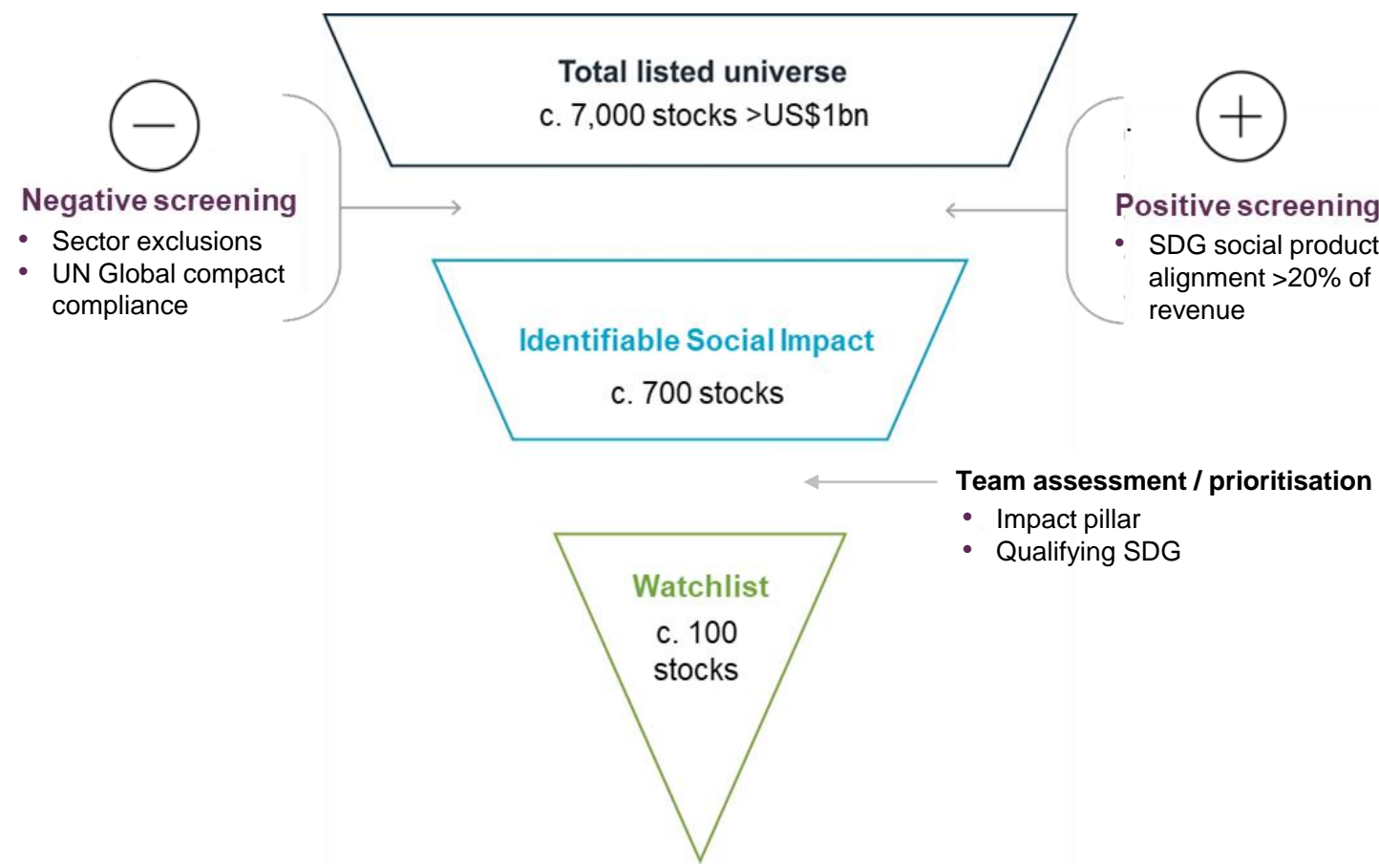
Building conviction through **Proprietary Governance and Sustainability** research, combined with Financial analysis



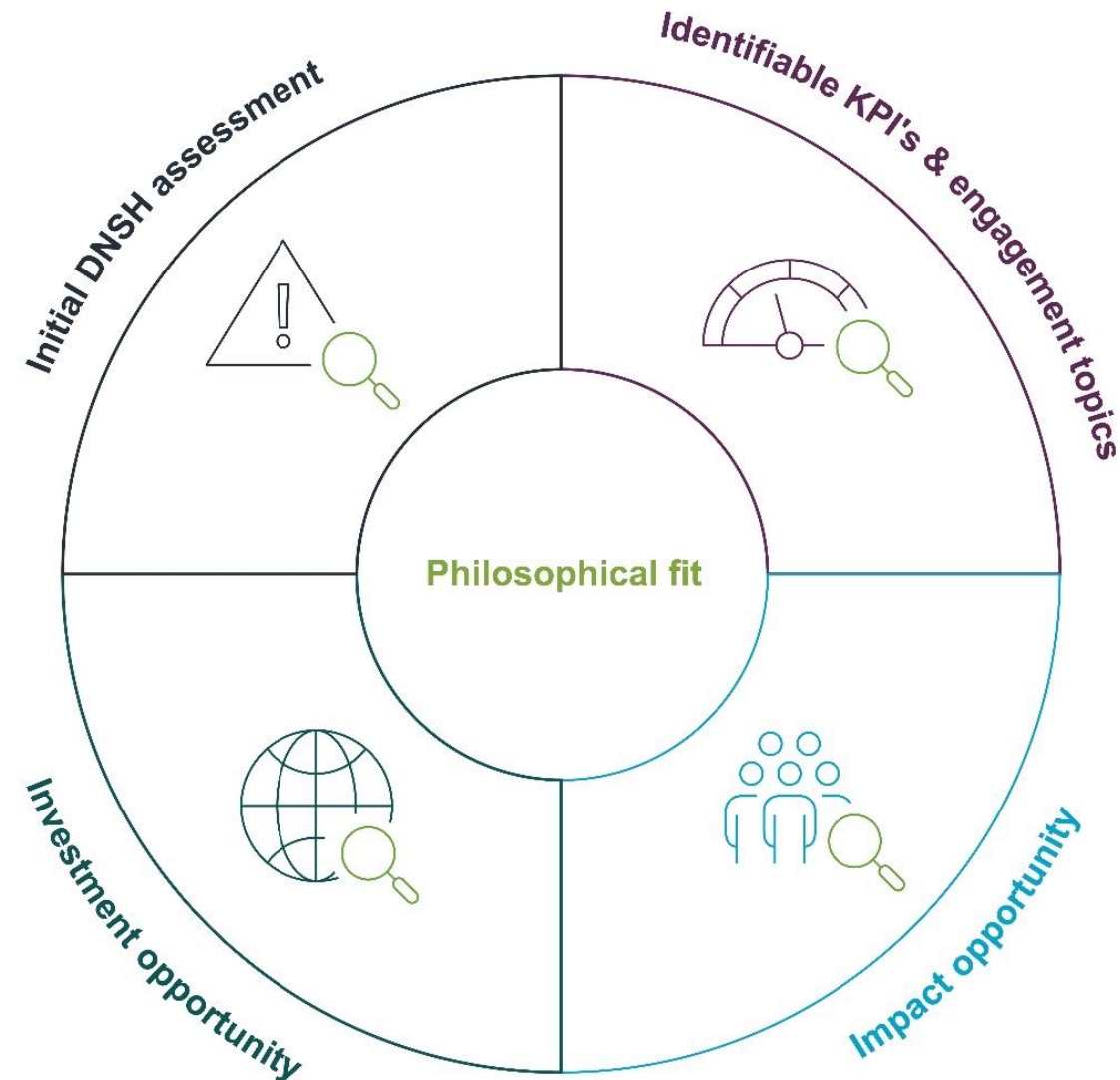
Portfolio Construction

Portfolio weighted by team **impact and investment conviction** ratings

UNIVERSE MANAGEMENT








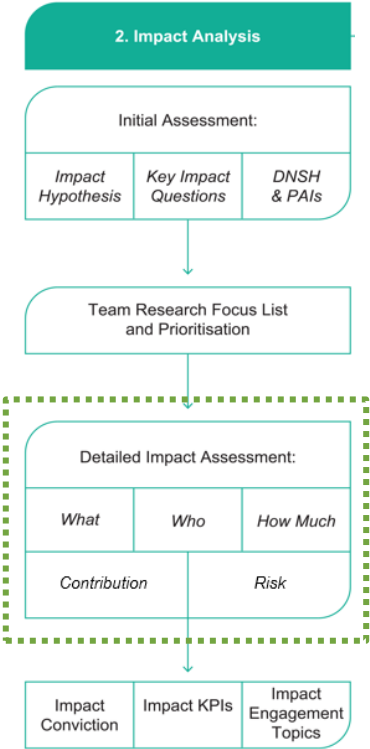
IMPACT ANALYSIS: INITIAL ASSESSMENT



IMPACT ANALYSIS: IMPACT FRAMEWORK

We measure the impact a company is creating using the Impact Frontiers’ **‘Five Dimensions of Impact’**, which focusses on five key areas:

-  **What** is the mechanism for creating impact?
-  **Who** is impacted?
-  **How Much** impact is created?
-  **Contribution**: Is the impact additional? What would have happened if the impact weren’t generated?
-  **Risk**: What are the risks associated with the generation of impact?

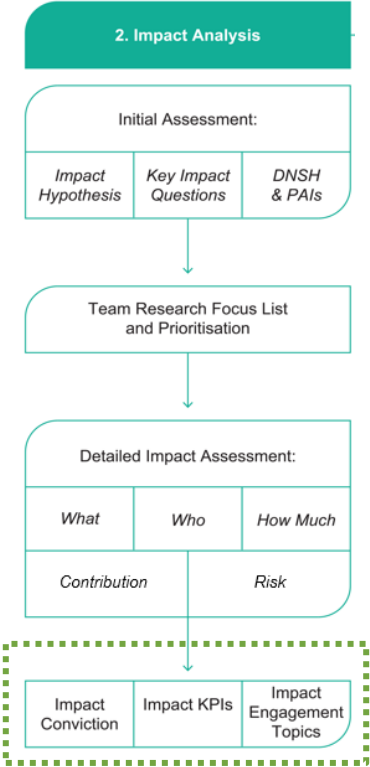


IMPACT ANALYSIS: KPI'S



Think of the portfolio as an ‘anthology of short stories’ on impact:

- Company specific Key Performance Indicators (KPIs) drive measurement and reporting
- Success is defined as improvement over time
- Annual Impact Report illustrates portfolio performance relative to KPIs



CASE STUDY: IMPACT KPI'S

Revvity (formerly PerkinElmer) – United States

- NYSE Ticker: RVTY
- Market Cap: USD14.9 billion
- Impact Pillar: Improving Wellbeing

Company Profile	<ul style="list-style-type: none"> • Global manufacturer of diagnostic testing kits and supplies (60% of revenues) • Leading positions in neonatal, allergy, and infectious disease testing • Company has a direct, material impact on human wellbeing by allowing quick and accurate diagnosis of an increasing array of diseases and conditions which then allow more efficient and effective treatment
Impact KPIs	<ul style="list-style-type: none"> • Revenue growth in the diagnostic testing segment: is the volume of tests sold growing year on year? • R&D as a % of sales: is the company continuing to invest in new products to drive impact growth? • Return on Incremental Capital: is the company's M&A activity additive to its impact over the longer term?



Good Health and Wellbeing

- improving reproductive, maternal and child health
- ending epidemics of major contagious diseases
- reducing non-contagious diseases



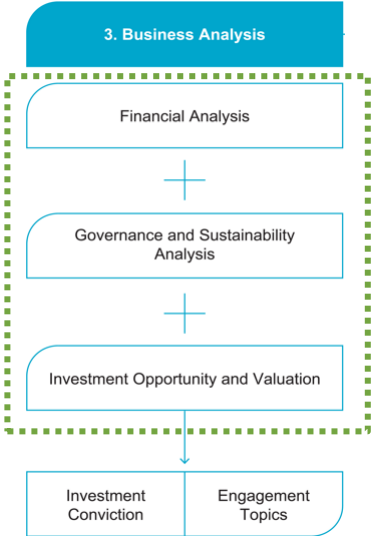
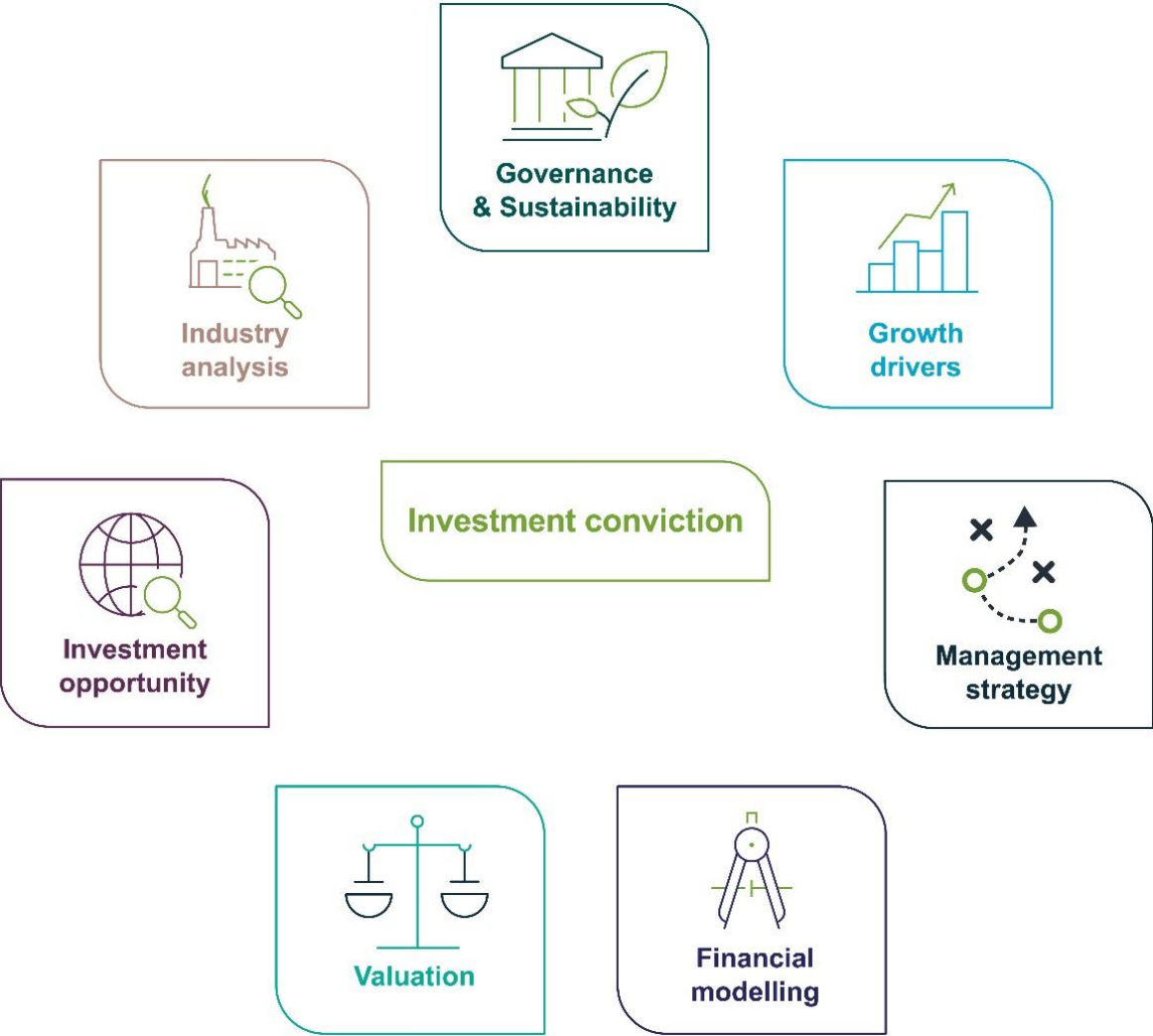
The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any of the securities discussed here were, or will prove to be, profitable. It is not known whether the stocks mentioned will feature in any future portfolios managed by Martin Currie. Any stock examples will represent a small part of a portfolio and are used purely to demonstrate our investment style.

The analysis of Environmental, Social and Governance (ESG) factors forms an important part of the investment process and helps inform investment decisions.

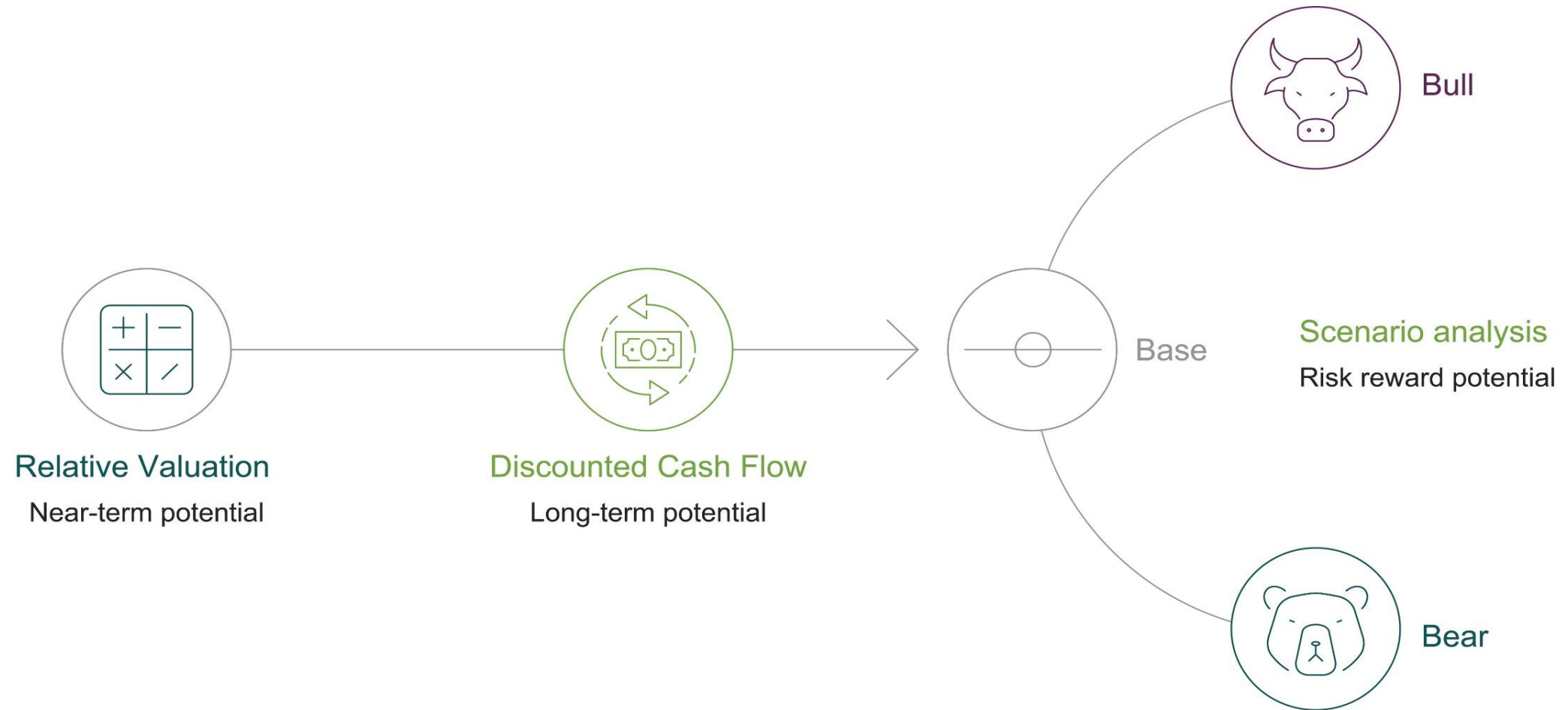
Source: Martin Currie and Revvity (formerly Perkin Elmer), 30 June 2023.

For Professional Client Use Only. Not for Distribution to Retail Clients.

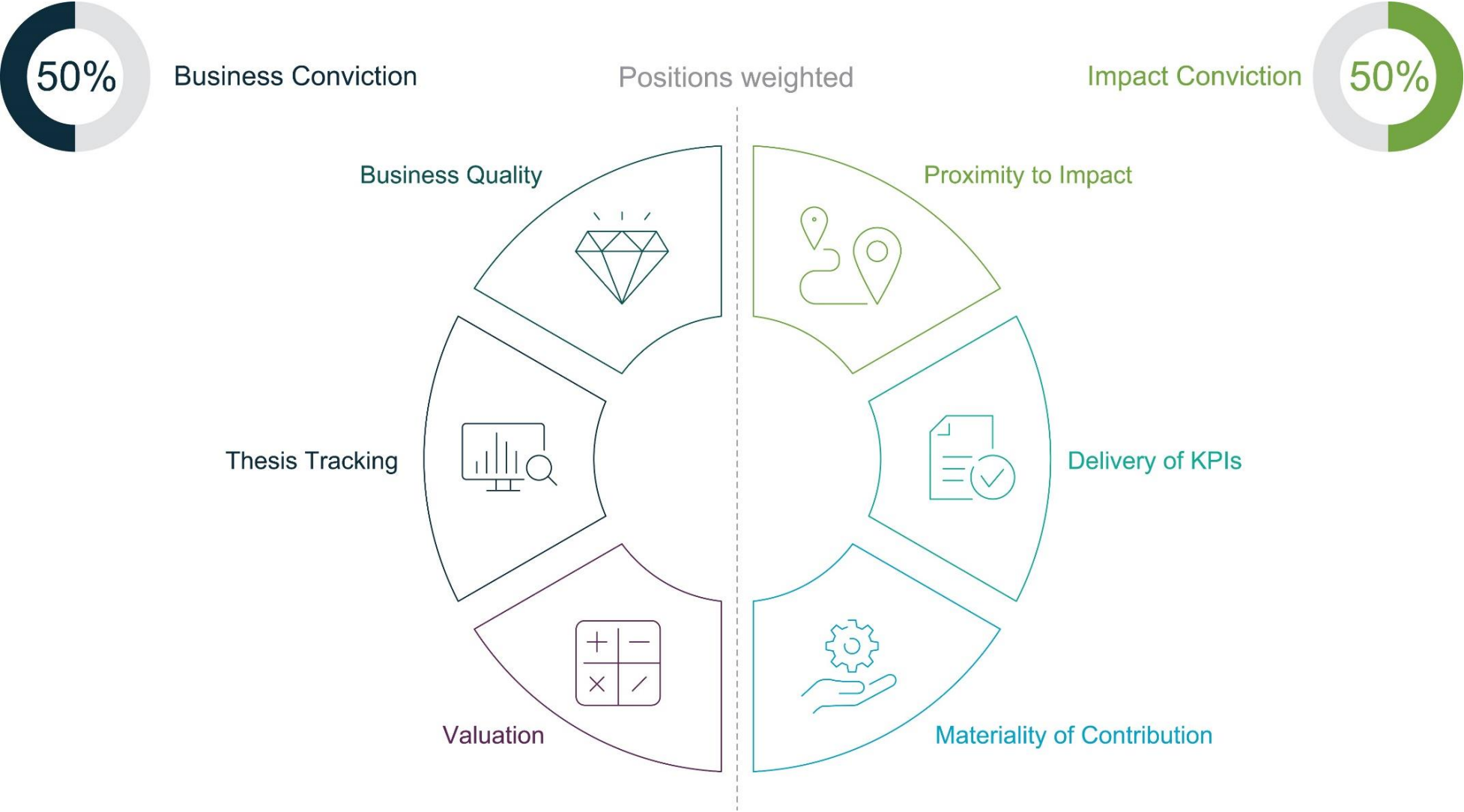
BUSINESS ANALYSIS: A COLLABORATIVE AND RIGOROUS APPROACH



VALUATION MAPPED BY COMPANY OPPORTUNITY SET



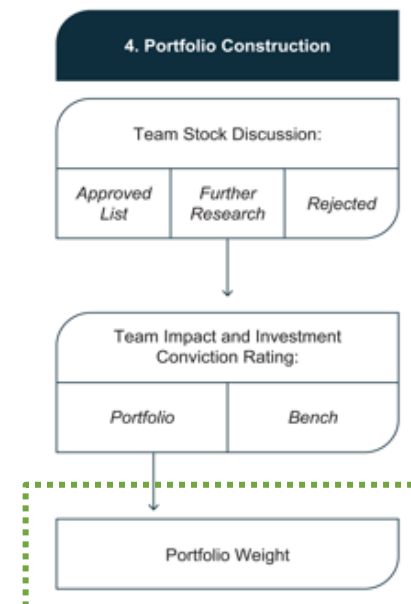
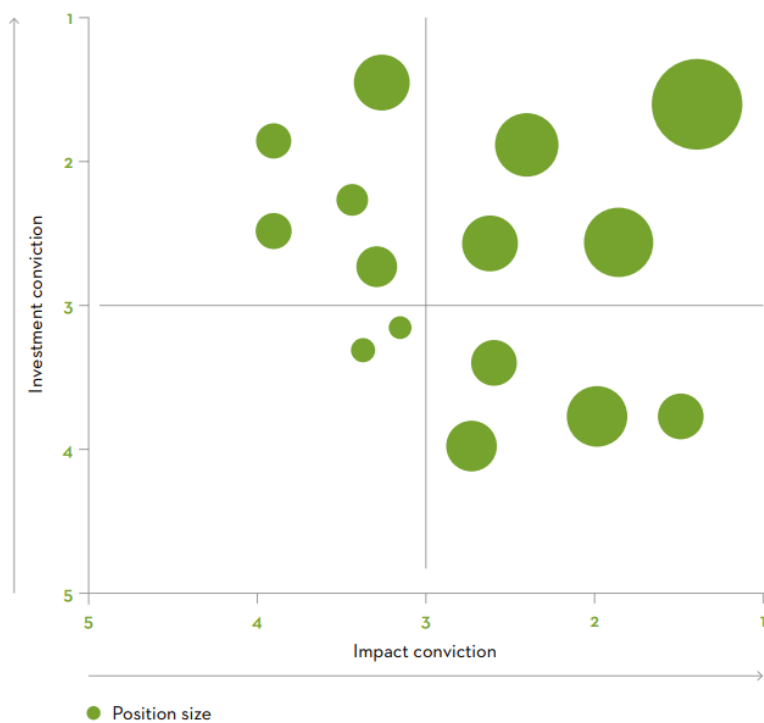
BUSINESS AND IMPACT CONVICTION DETERMINE POSITION SIZE



PORTFOLIO CONSTRUCTION: POSITION SIZING

Portfolio positions* reflect our conviction on two dimensions:

- The likely impact the company will have
- The investment case and risk adjusted return opportunity



We allocate capital to those companies where potential impact and potential risk adjusted return are highest.

*Indicative view of position sizes and not based on the current portfolio.

ENGAGEMENT IS KEY TO ACCELERATE IMPACT



- Every portfolio holding will be subjected to a structured engagement plan focussed on **two key areas**:
 1. Accelerating the positive impact a company is having
 2. Improving sustainability-related corporate behaviour
- Engagement plans will have a **clearly defined objective** and will be monitored through to completion
- We will track the proportion of the fund at each **engagement stage** of completion which will be assessed on a scale from 1-5
- Engagement will also help inform **portfolio construction** by feeding into conviction levels

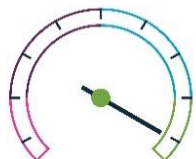
Source: Franklin Templeton. Performance details are in the representative account base currency, include the reinvested dividends net of basic rate UK tax and are net of management fees. Sales charges and other commissions, other taxes and relevant costs to be paid by an investor are not included in the calculations. Performance may also be affected by currency fluctuations. Up to date performance figures can be found on our local website.

© Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. For more information, visit www.morningstar.co.uk.

For Professional Client Use Only. Not for Distribution to Retail Clients.

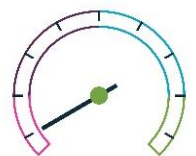
PORTFOLIO CONSTRUCTION: SELL DISCIPLINE

Conviction ratings



Conviction high

Ensures focus on the highest conviction names



Conviction low

Lower conviction names are focus of urgent engagement and research work

Stock sell decision based on four reasons:

Impact performance below expectations

- If, following engagement, our conviction in a company's ability to generate impact remains low or weakens, the stock will be sold.

Investment thesis indicators weaken

- Stop and review; stock goes on priority work for urgent reassessment. If risk/reward becomes unappealing and conviction cannot be rebuilt, we sell.

Higher conviction stocks identified

- Switch into stock on approved list that offers more impact potential and/or greater investment upside.

Stock is no longer a sustainable investment

- We have identified significant harm associated with a company's activities and sell the stock.

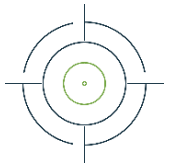
INNOVATIVE PORTFOLIO FOCUSED ON GROWTH AND IMPACT



Intentional and measurable social impact to address fairness and inequity



Targeting seven socially focused Sustainable Development Goals



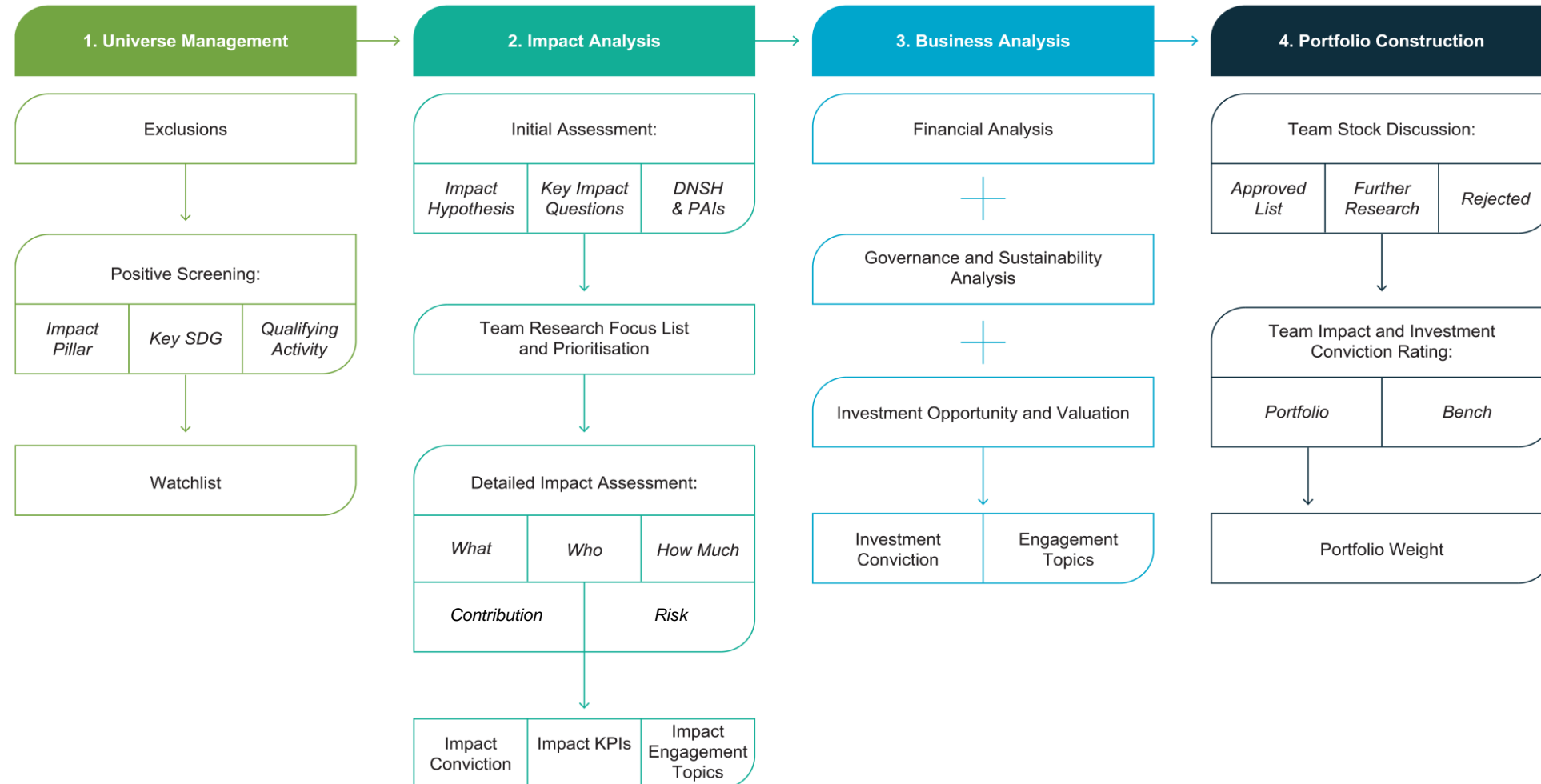
Concentrated, original, high active share portfolio

Growth potential and positive societal impact

APPENDICES

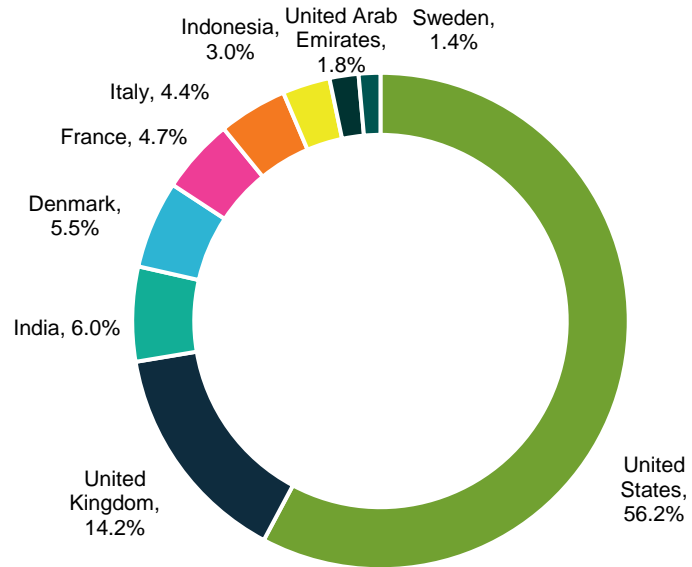


IMPACT INVESTING – THE CORE OF OUR APPROACH

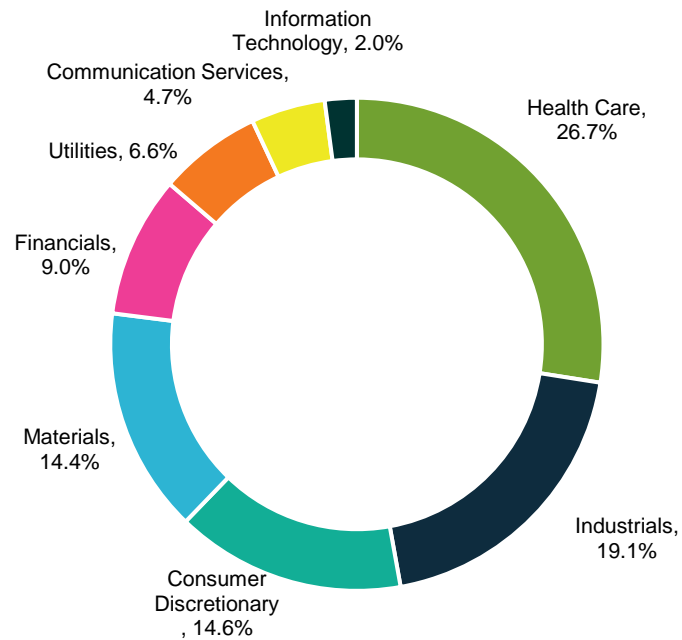


OUR PORTFOLIO: SECTOR, GEOGRAPHY & MARKET CAP

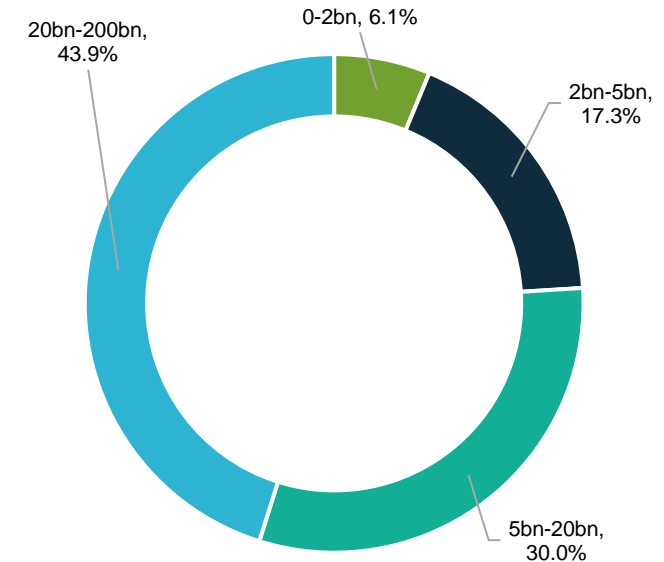
Geography



Sector



Market Cap



Source: Martin Currie, as of 31 December 2023. Data presented is for the representative Martin Currie Improving Society account. Human Equity is the acknowledgement of the various hindrances and advantages people have and taking steps to ensure there is fair treatment, access, opportunity, and advancement for all people.

For Professional Client Use Only. Not for Distribution to Retail Clients.

STYLE POSITIONING

Risk metrics

Tracking Error (%)	8.1
Portfolio Beta	1.00
Portfolio Volatility (%)	20.2
Benchmark Volatility (%)	18.5

Value	Portfolio	Index
Price/Book	3.7	3.0
Price/Sales	2.3	2.0
Price/Earnings	19.2	16.3
Price/Cash Flow	14.1	12.0
Yield		
Dividend Yield (%)	1.4	2.0
Dividend Payout Ratio	24.7	33.2
Dividend Growth Rate (1 year consensus) (%)	10.7	8.5
Growth		
Earnings growth (Average annual growth rate over last 3 years)	21.5	18.3
Earnings growth (Long term consensus) (%)	24.1	13.1
Quality		
Return on Invested Capital	8.8	15.5
Size		
Market Cap (USD million)	39,369	442,492

Past performance is not a guide to future returns.

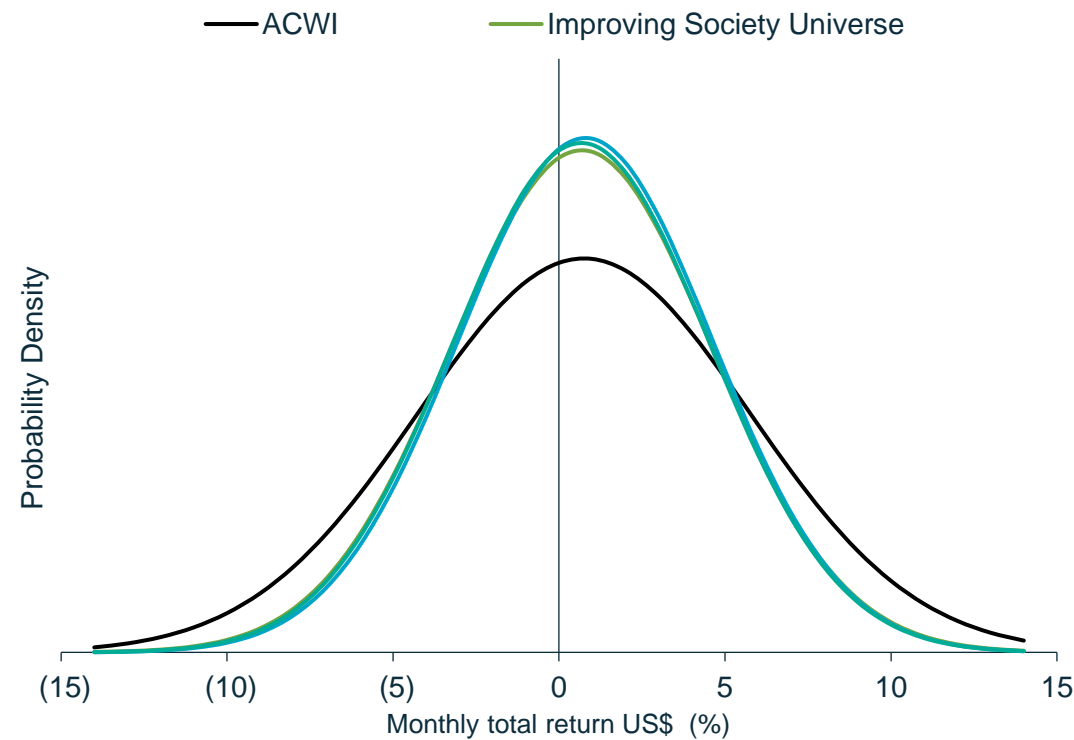
Source: Martin Currie and Style Analytics as of 31 December 2023. Data presented is for the representative Martin Currie Improving Society account. MSCI ACWI index used as benchmark. Any differences in relatives are due to rounding.

For Professional Client Use Only. Not for Distribution to Retail Clients.

POTENTIAL FOR STRONGER RISK ADJUSTED RETURNS

Having modelled the Improving Society investment universe historically, it was observed to have **significantly lower volatility** than, and **comparable returns** to, the MSCI All Country World Index

Improving Society universe versus MSCI ACWI



Past performance is not a guide to future returns. The return may increase or decrease as a result of currency fluctuations.

Source: Martin Currie as of 30 June 2023. Relative frequency versus investment returns. Data based on five years to end June 2023, average and standard deviation of monthly returns. Improving Society universe was the MSCI ACWI IMI with the following restrictions: Market Cap >\$1bn, SDG Product Alignment of Aligned or Strongly Aligned according to MSCI OR Impact revenue >= 20% of total revenues.

For Professional Client Use Only. Not for Distribution to Retail Clients.

IMPACT EQUITY PORTFOLIO MANAGER BIOGRAPHIES



Lauran Halpin

Head of Impact Equities

Lauran has long been passionate, both in her role as an investor and in private life, in sustainability, social issues, and making an impact in her community. Lauran joined Martin Currie in 2022 as Head of Impact Equities, leading a newly established investment capability for the business bringing together all her experience and passion for sustainability and impact. Before joining Martin Currie, Lauran was a member of the portfolio construction group managing ESG-related products at Franklin Templeton Global Equity Group including the Templeton Global Climate Change Fund.

Lauran has nearly 20 years of investment experience beginning her career in 2007 at Baillie Gifford where she was Global Healthcare Analyst and managed the Glenfinlas Global Healthcare Strategy. Lauran continued her research of the Global Healthcare sector when she joined Edinburgh Partners as an Investment Manager in 2013 and also co-managed a number of EAFE accounts. With an M.Sc. in Ecological Economics from University of Edinburgh (2005) and a B.S. in Biology from Davidson College (2003), Lauran spends her spare time enjoying outdoor life in the Highlands with her two dogs.



John Gilmore

Portfolio Manager, Impact Equities / Stewardship, Sustainability & Impact Specialist

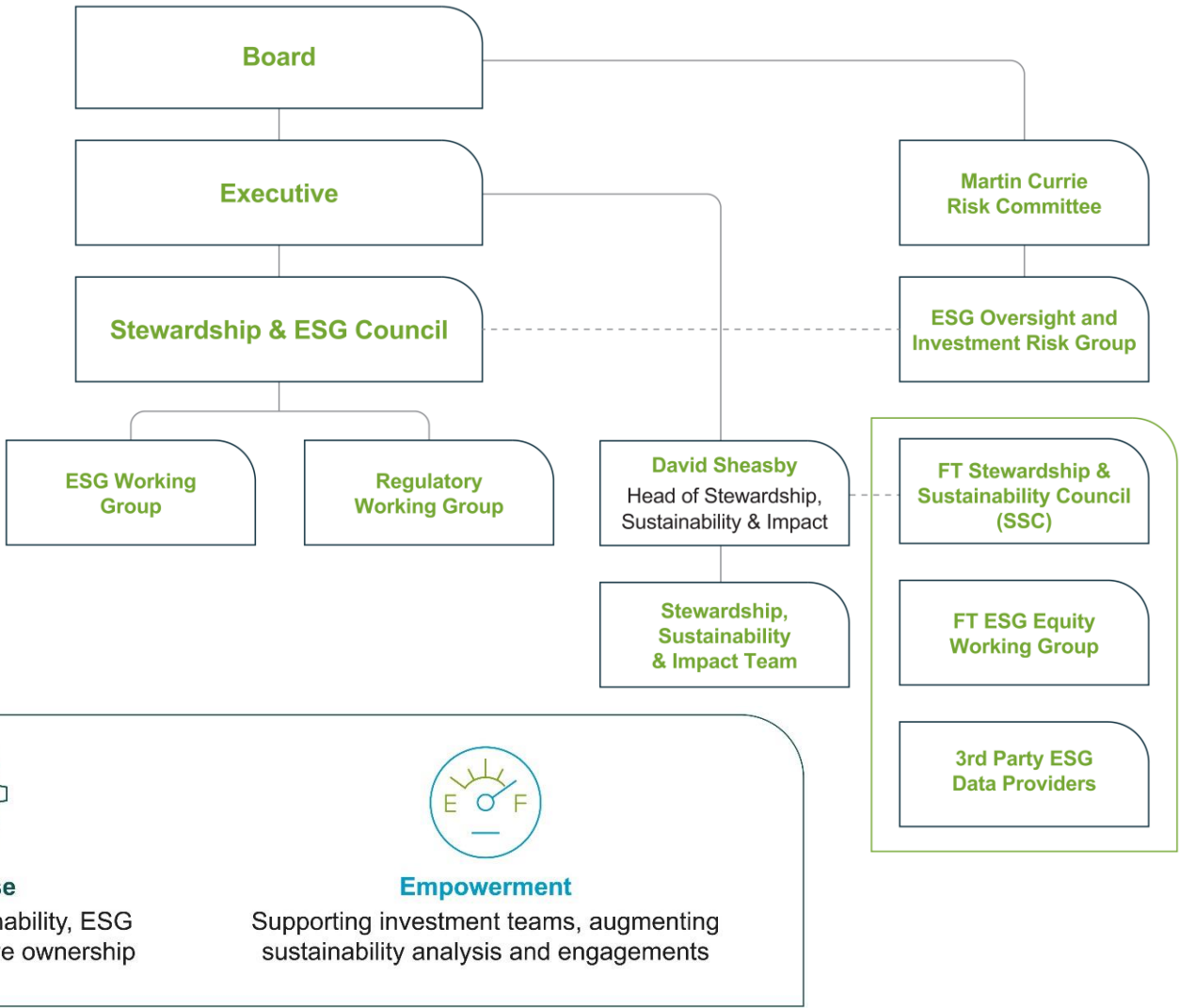
A lover of the great outdoors, John has a passion for ski touring and marathon running. He is passionate about and an advocate for the role of public equity markets in driving societal change through a focus on investing in scalable solutions providers combined with active ownership and engagement to help drive positive change.

John is an Impact Equities Portfolio Manager and Stewardship, Sustainability & Impact specialist. He joined Martin Currie in 2019 as a Portfolio Manager/Analyst and since 2020, his role has had an emphasis in supporting Martin Currie's capability and leadership position in Stewardship & Sustainability of which the launch of the Improving Society strategy is the latest chapter. John has almost two decades of investment experience, beginning his career as an Investment Analyst at Alliance Trust in 2004 before moving as a Portfolio Manager to Aegon Asset Management where he managed US and Global equity mandates. He later moved to Newton Investment Management as an investment analyst and portfolio manager in its Global Equity team, which included helping develop and implement its sustainable investment and enhanced ESG integration process for a new suite of sustainable funds. John graduated with an MA (Hons) in International Relations from St Andrews University, having also spent a year at Queens University Ontario. He is a CFA charterholder and has also completed the CFA certificate in ESG investing and SASB Fundamentals of Sustainability Accounting (FSA). John lives in Edinburgh with his wife and three daughters.

ROBUST GOVERNANCE AND SUSTAINABILITY FRAMEWORK



David Sheasby
Head of Stewardship,
Sustainability & Impact



IMPORTANT INFORMATION

This material is intended to be of general interest only and should not be construed as individual investment advice or a recommendation or solicitation to buy, sell or hold any security or to adopt any investment strategy. It does not constitute legal or tax advice. This material may not be reproduced, distributed or published without prior written permission from Franklin Templeton.

The views expressed are those of the investment manager and the comments, opinions and analyses are rendered as at publication date and may change without notice. The underlying assumptions and these views are subject to change based on market and other conditions and may differ from other portfolio managers or of the firm as a whole. The information provided in this material is not intended as a complete analysis of every material fact regarding any country, region or market. There is no assurance that any prediction, projection or forecast on the economy, stock market, bond market or the economic trends of the markets will be realized. The value of investments and the income from them can go down as well as up and you may not get back the full amount that you invested. Past performance is not necessarily indicative nor a guarantee of future performance. All investments involve risks, including possible loss of principal.

Any research and analysis contained in this material has been procured by Franklin Templeton for its own purposes and may be acted upon in that connection and, as such, is provided to you incidentally. Data from third party sources may have been used in the preparation of this material and Franklin Templeton ("FT") has not independently verified, validated or audited such data. Although information has been obtained from sources that Franklin Templeton believes to be reliable, no guarantee can be given as to its accuracy and such information may be incomplete or condensed and may be subject to change at any time without notice. The mention of any individual securities should neither constitute nor be construed as a recommendation to purchase, hold or sell any securities, and the information provided regarding such individual securities (if any) is not a sufficient basis upon which to make an investment decision. FT accepts no liability whatsoever for any loss arising from use of this information and reliance upon the comments, opinions and analyses in the material is at the sole discretion of the user.

Products, services and information may not be available in all jurisdictions and are offered outside the U.S. by other FT affiliates and/or their distributors as local laws and regulation permits. Please consult your own financial professional or Franklin Templeton institutional contact for further information on availability of products and services in your jurisdiction.

UK: Issued by Franklin Templeton Investment Management Limited (FTIML), registered office: Cannon Place, 78 Cannon Street, London EC4N 6HL. Tel: +44 (0)20 7073 8500. Authorized and regulated in the United Kingdom by the Financial Conduct Authority.

©2024 Franklin Templeton. All rights reserved.