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Investing for a
world of change

A purist quality approach to US equities

Next Generation Forum
18th January 2024





Target audience

Audience

This document is being provided for informational purposes for discussion with professional investors and financial advisors only. Circulation must be restricted accordingly.

Nothing herein should be construed as an offer to enter into any contract, investment advice, a recommendation of any kind, a solicitation of clients, or an offer to invest in any particular fund, product, investment vehicle or derivative.

General risks

The value of investments, and any income generated from them, can fall as well as rise.

Costs and charges will reduce the current and future value of investments. Where charges are taken from capital, this may constrain future growth.

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

Investment objectives may not necessarily be achieved; losses may be made.

Target returns are hypothetical returns and do not represent actual performance. Actual returns may differ significantly.

Environmental, social or governance related risk events or factors, if they occur, could cause a negative impact on the value of investments.

Specific fund risks – American Franchise

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

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

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

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

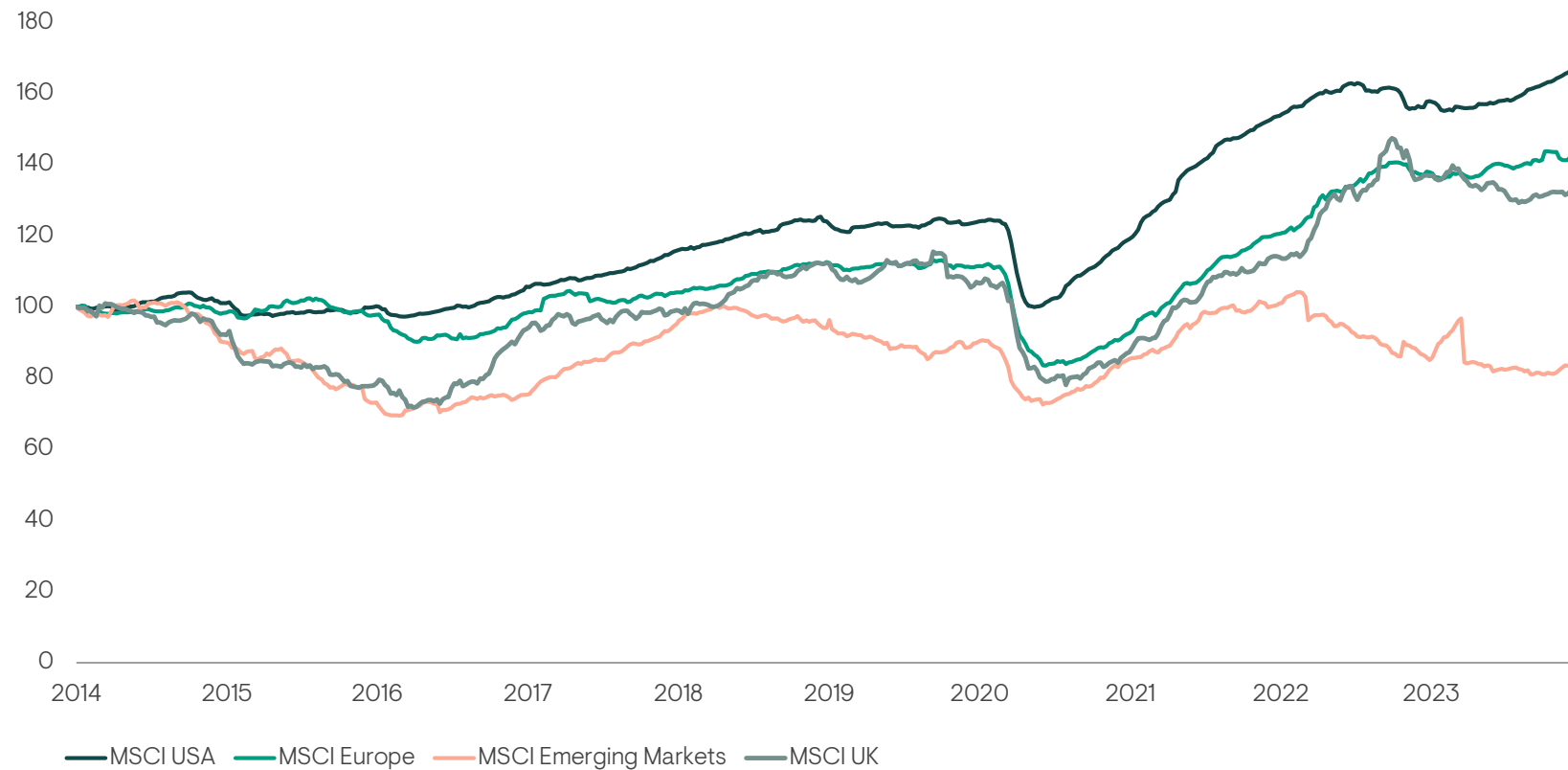
Concentrated portfolio: The portfolio invests in a relatively small number of individual holdings. This may mean wider fluctuations in value than more broadly invested portfolios.

Style Bias: The use of a specific investment style or philosophy can result in particular portfolio characteristics that are different to more broadly-invested portfolios. These differences may mean that, in certain market conditions, the value of the portfolio may decrease while more broadly-invested portfolios might grow.



US stock market outperformance deserved based on fundamentals

Long term index profit (EBIT) growth

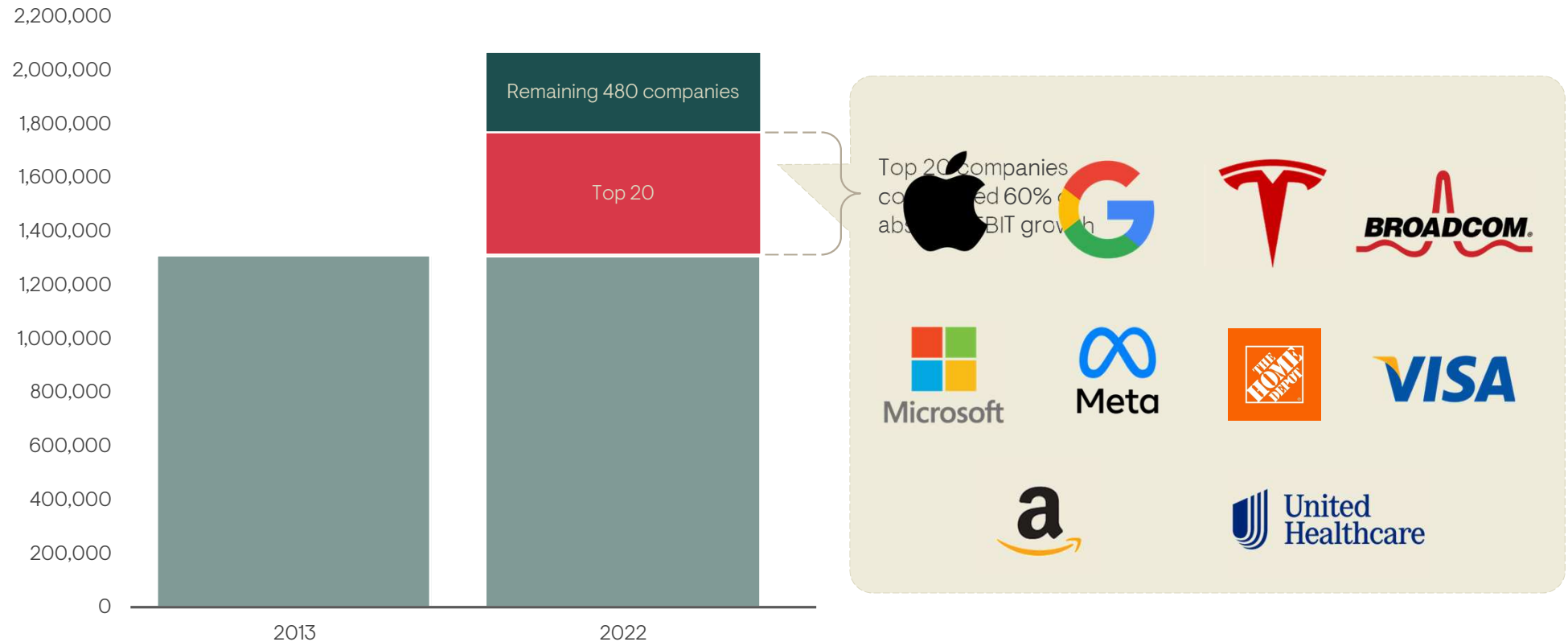


Source: Bloomberg. EBIT = Earnings before interest and tax.



Profit growth has been mainly driven by a small number of companies

10-year absolute profit (EBIT) growth breakdown



No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided.

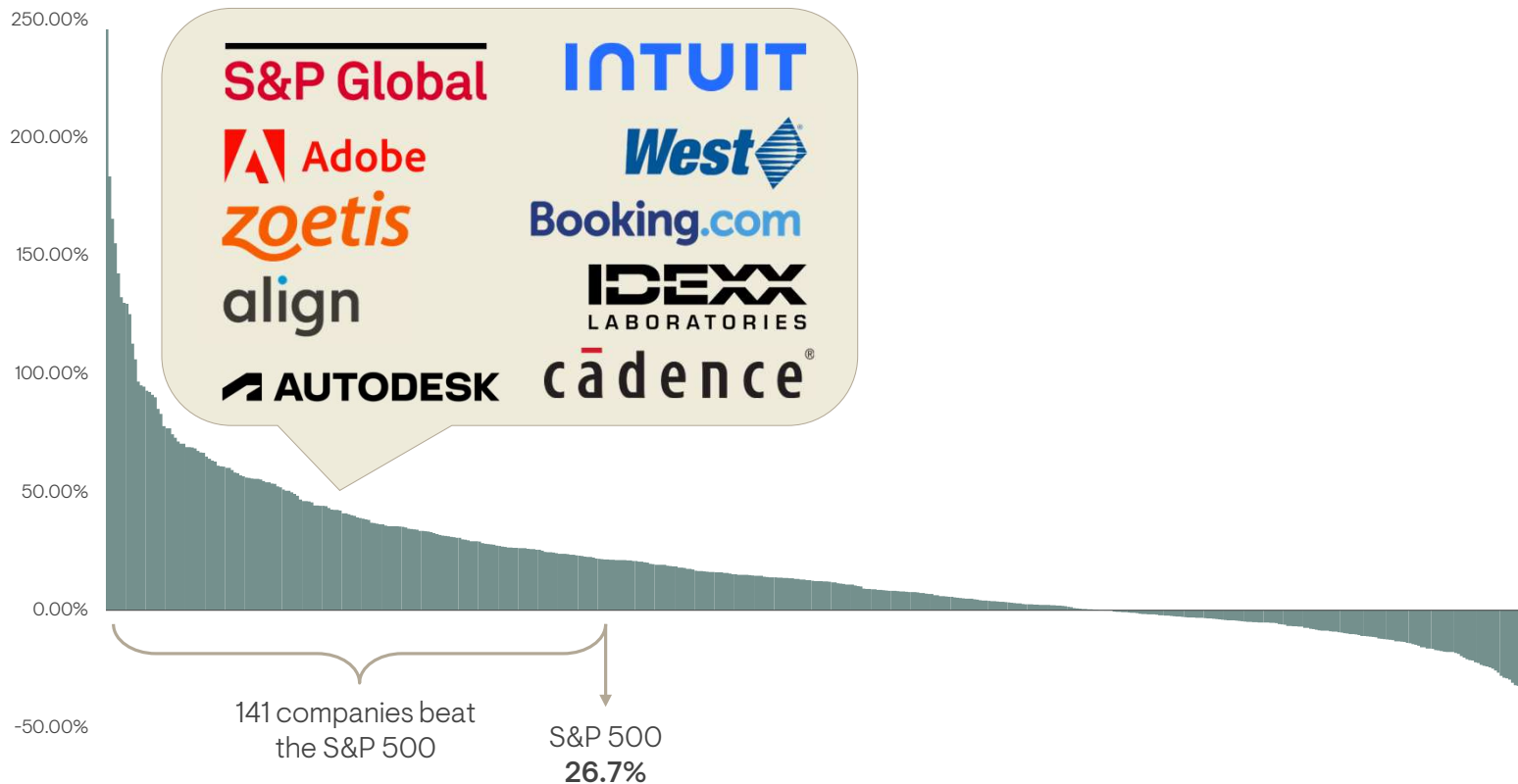
Source: Bloomberg, Ninety One. EBIT = Earnings before interest and tax.

This is not a buy, sell or hold recommendation for any particular security. For further information on specific portfolio names, please see the Important information section.



Plenty of opportunities despite perceived market narrowness

S&P 500 2023 Return



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Market position key to understanding earnings growth & resilience

>50% of the portfolio has a market share >50% in its core business

	Core business	Market share*	Portfolio weighting
 AUTODESK	Architectural design software	>70%	4.2%
 Adobe	Graphic design software	>80%	3.7%
 Dolby	Audio encoding/compression	~100%	3.7%
 Intuit	Self-filed US tax returns	>70%	3.7%
 S&P Global	Credit ratings	~50%	3.2%
 NVIDIA	Accelerated compute	>90%	2.4%
 VERISIGN	Domain name registrations (.com)	100%	3.0%
 IDEXX	Companion animal diagnostics	>70%	2.3%
 CoStar™	Commercial real estate data	>60%	2.3%
 cadence®	Semiconductor design (EDA) software	~50%	2.2%
 West	Injectable drug packaging components	>70%	1.7%
 Veeva	Pharmaceutical CRM software	>70%	1.5%
 align	Clear dental aligners	>70%	1.3%

No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided.

Source: Ninety One, FactSet, Bloomberg, as at November 2023. * Ninety One internal estimates, Global excluding China.

This is not a buy, sell or hold recommendation for any particular security. Highlights a selection of stocks across the portfolio which have a >50% market share. The portfolio may change significantly over a short space of time. For further information on specific portfolio names and how the overall strategy performed, please see the Important information and standard performance slides.

Quality investment team

Unique global platform

27

Quality Specialists globally

9 years

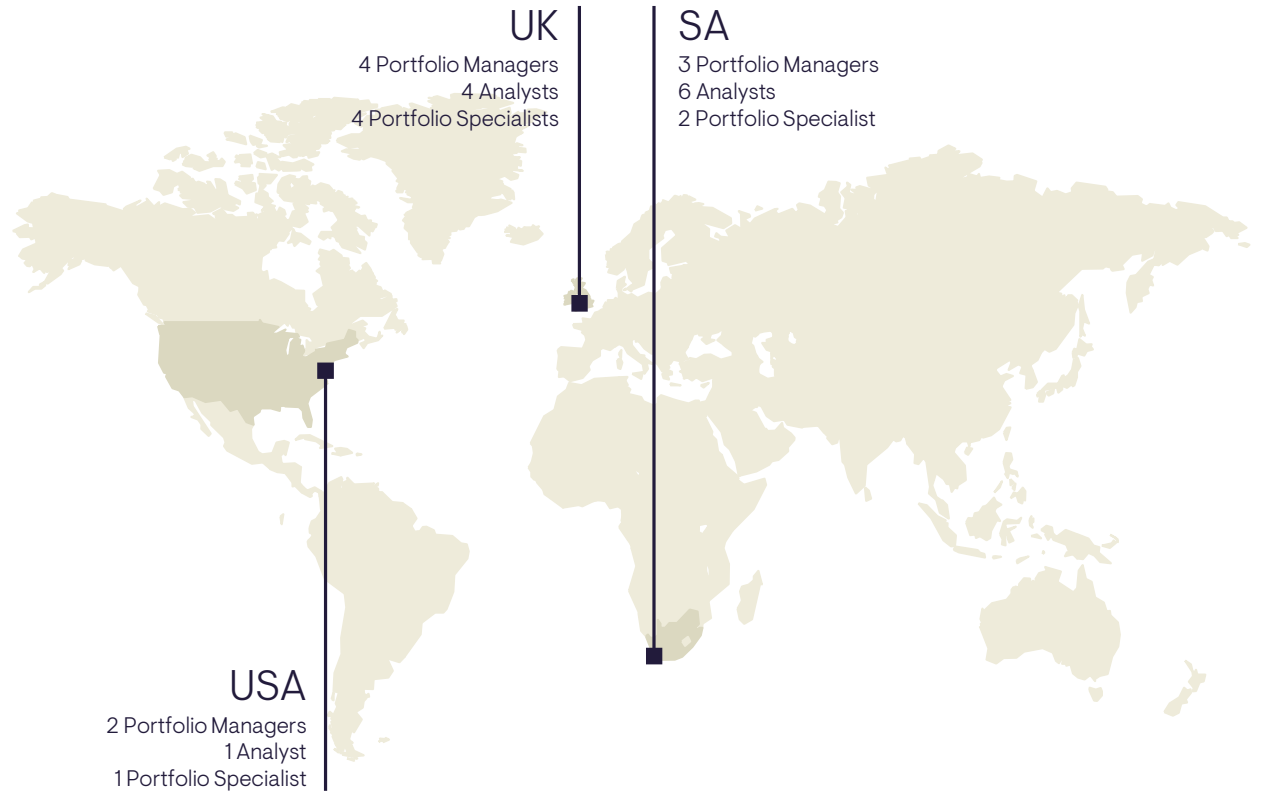
Average tenure

15 years

Average industry experience

£24bn

Investment Team AUM



Differentiated insight derived from diverse perspectives



Our definition of Quality companies

5 key attributes

1

Hard-to-replicate
enduring
competitive
advantages

2

Dominant market
positions in stable
growing industries

3

Low sensitivity to
the economic and
market cycle

4

Healthy balance
sheets and low
capital intensity

5

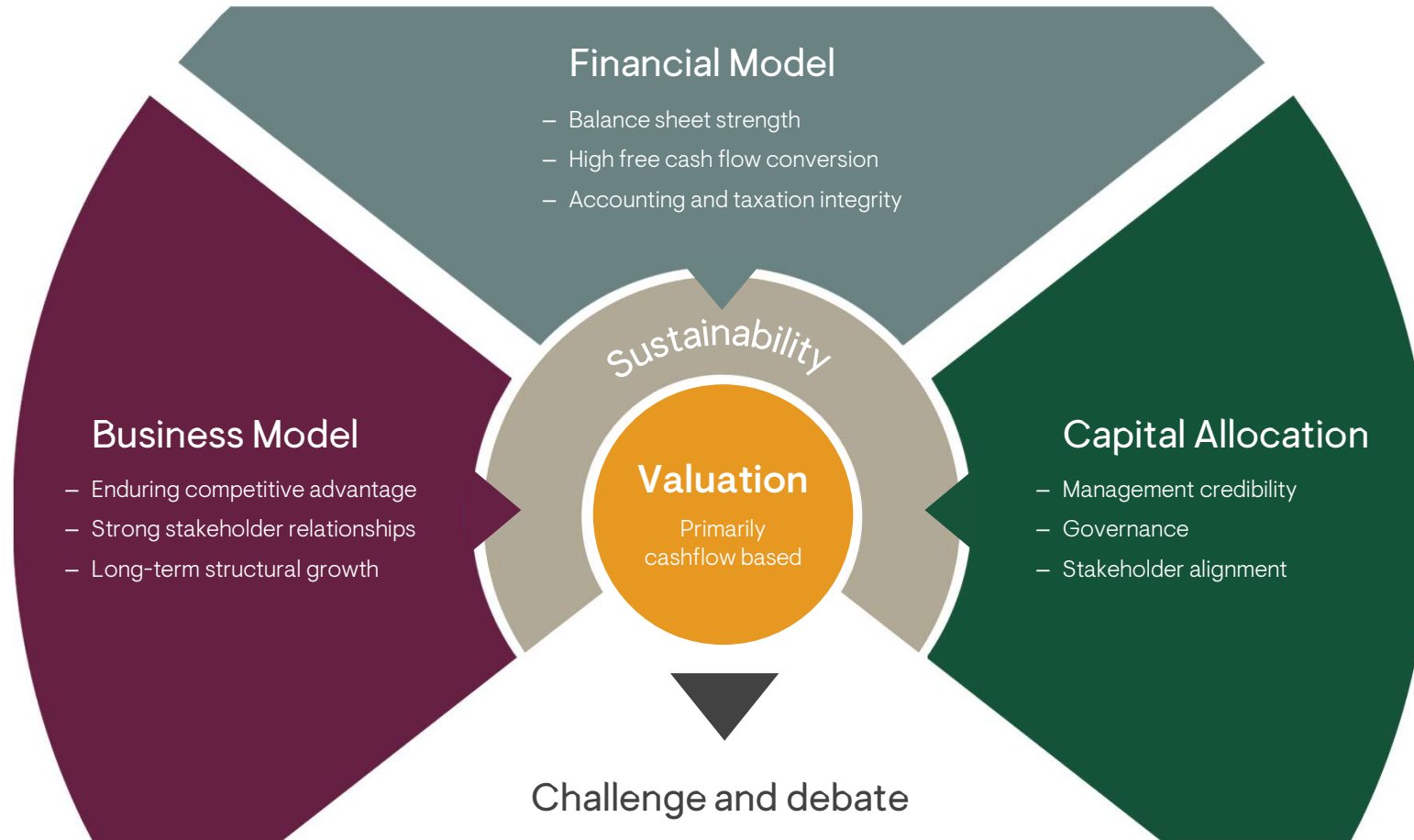
Sustainable cash
generation and
effective capital
allocation

Best-of-breed quality companies that
can sustain high returns and compound
shareholder wealth over the long term



The Quality framework for analysing companies

In-depth proprietary fundamental research and analysis



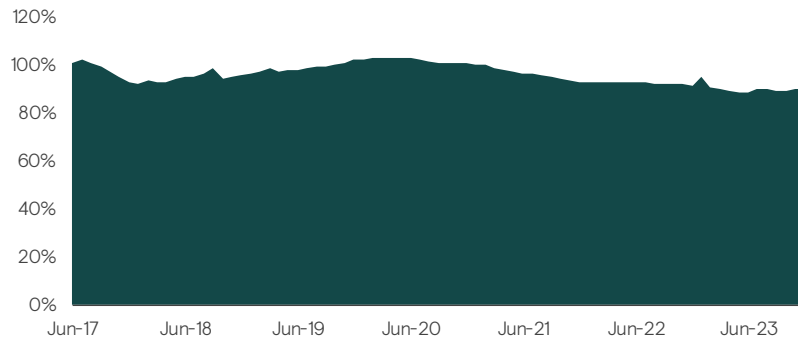
For further information on investment process, please see the Important information section. These internal parameters are subject to change not necessarily with prior notification.



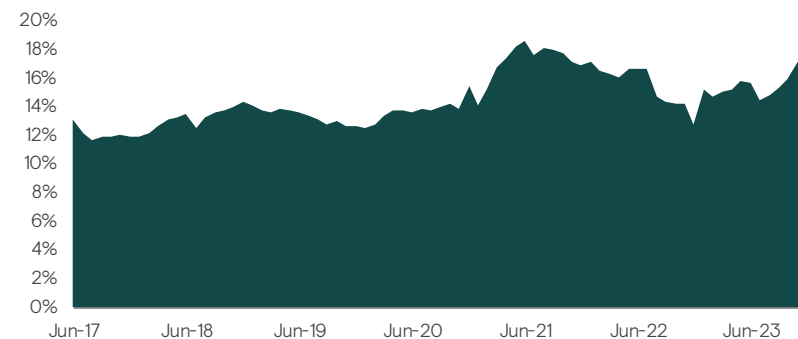
American Franchise

Consistent application of process since inception

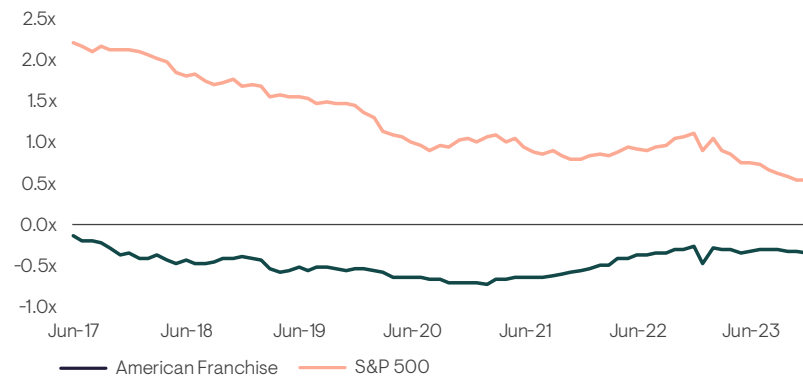
High quality profits (FCF conversion)



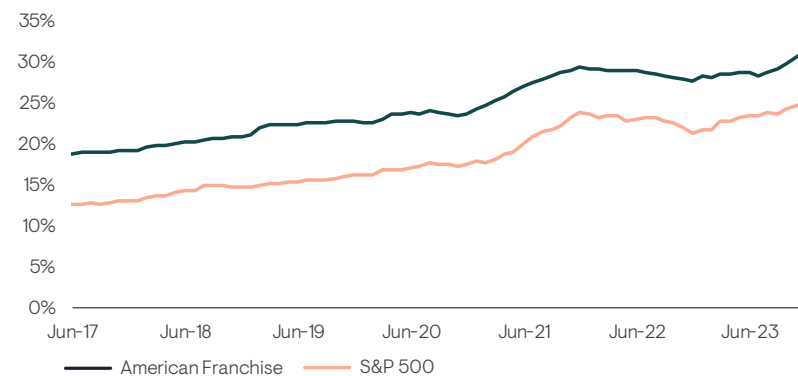
Attractive growth rates (7 year FCF CAGR*)



Low leverage (Net Debt to EBITDA)



Attractive profitability (ROIC)



Past performance does not predict future returns; losses may be made.

Sources: Ninety One and FactSet, 31 December 2023. Re-weighted excluding cash and equivalents showing metrics of the constituent companies, since inception.

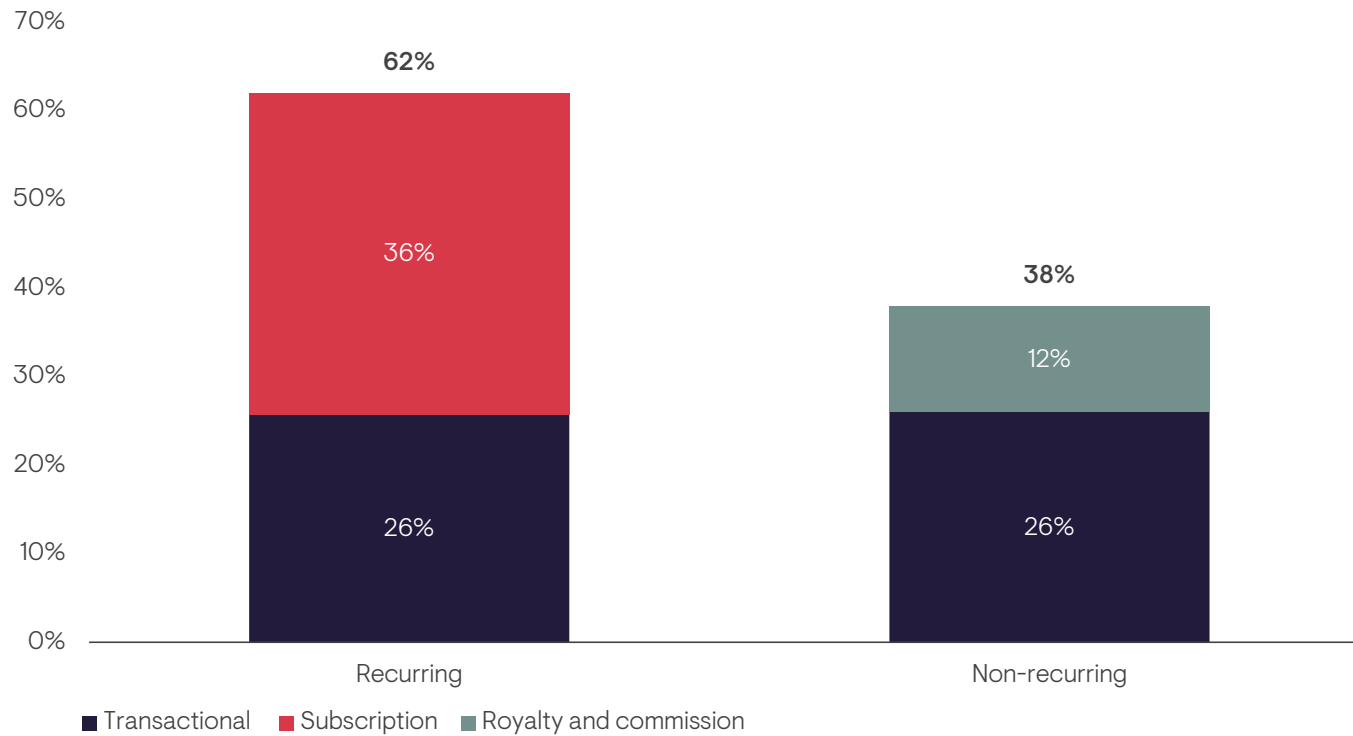
Information on calculations or methodology are available on request. * FCF CAGR means compound annual growth rate of free cashflow. For further information on indices and investment process, please see the Important Information section.



Looking beyond the top line

Resilience via higher quality revenue streams

American Franchise portfolio revenue breakdown

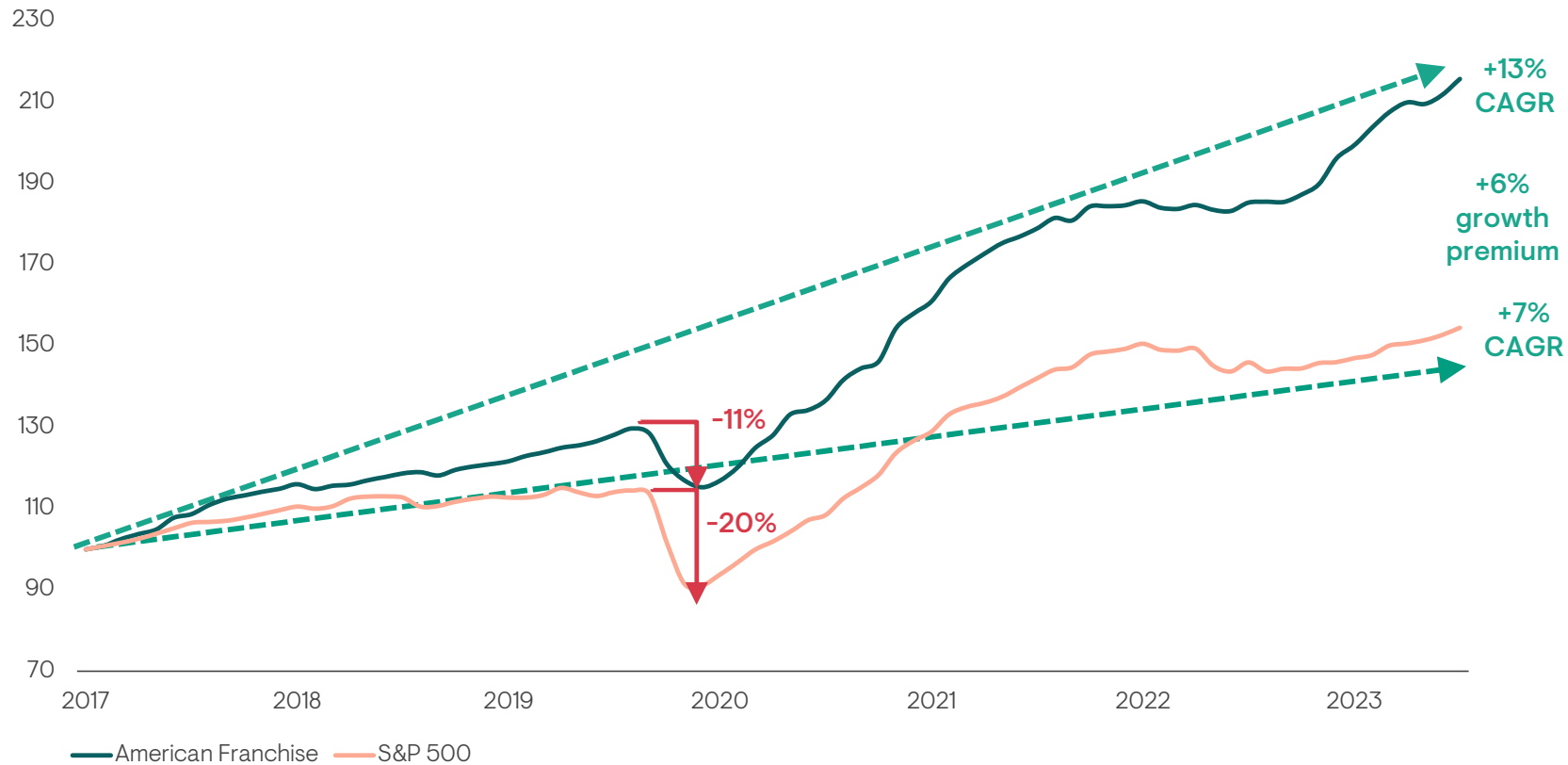


Source: Ninety One, as at 31 October 2023. The portfolio may change significantly over a short period of time.



Long term secular growth and resilience in tough times

Profit (EBIT) growth



Past performance is not a reliable indicator of future results, losses may be made.

Source: Ninety One & Bloomberg 29 December 2023, returns gross of fees in USD terms. EBIT = Earnings before interest and tax. CAGR is the compounded annual growth rate of earnings per shares on a 12 month forward basis on a weighted average basis that is based on portfolio holdings through time.

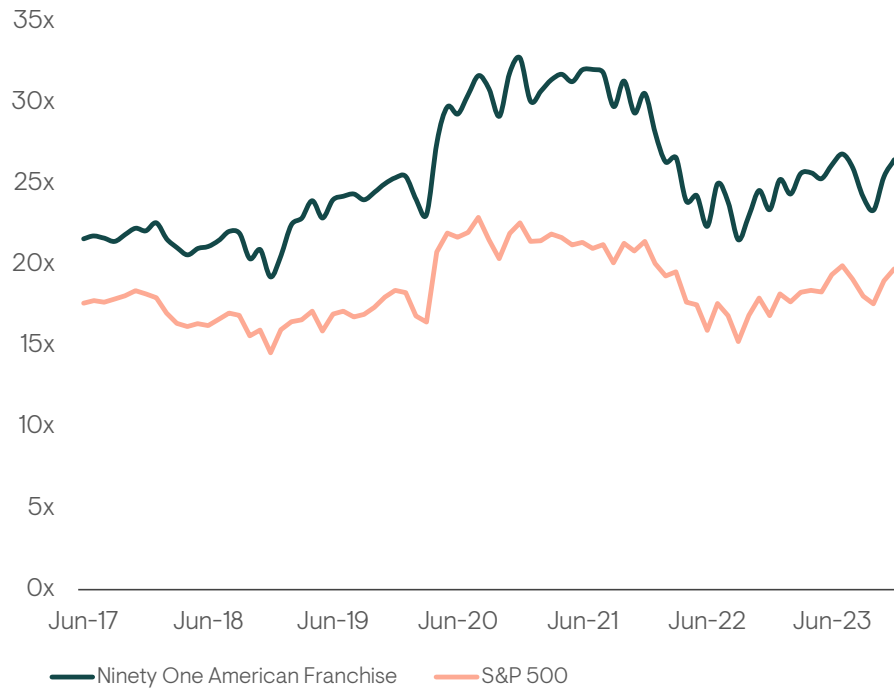
For further information on indices, please see the Important Information section.



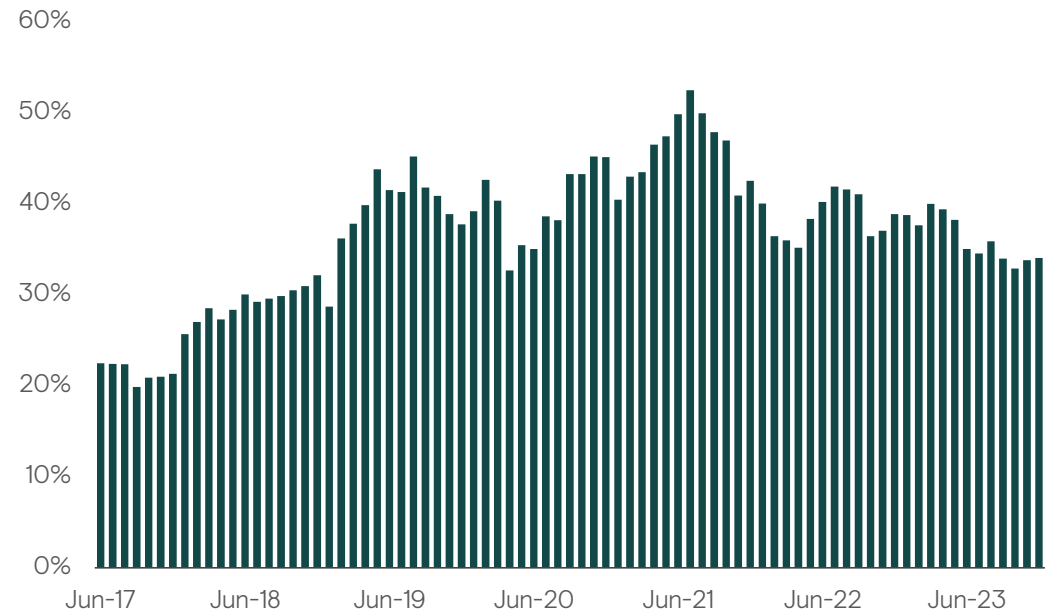
Valuation premium reasonable vs. quality and growth characteristics

Premium more than justified if a +6% growth premium is sustainable

Forward P/E



Premium to S&P 500



Source: Ninety One, FactSet, Bloomberg, based on constituents of S&P 500, as at 29 December 2023.

Stock example: IDEXX Laboratories



Dominant leader in a highly attractive niche

 <p>Hard-to-replicate enduring competitive advantages</p>	 <p>Dominant market positions in stable growing industries</p>	 <p>Low sensitivity to the economic and market cycle</p>	 <p>Healthy balance sheets and low capital intensity</p>	 <p>Sustainable cash generation and effective capital allocation</p>
<p>Highly integrated diagnostics platform is reinforced by industry-leading R&D investment</p>	<p>IDEXX is the global leader (~50% share) in the high-growth, under-penetrated animal diagnostics market</p>	<p>Pet Care spending is defensive, consistently outperforming during downturns</p>	<p>Modest leverage (<1x) is combined with low capex requirements and favourable working capital dynamics</p>	<p>All excess capital returned to shareholders via buybacks, share count has fallen ~40% in 10 years</p>

At time of purchase IDEXX offered a 2.1% FCF yield; we project the company will deliver a 15-20% FCFPS CAGR over the next five years.

Forecasts are inherently limited and are not a reliable indicator of future results.

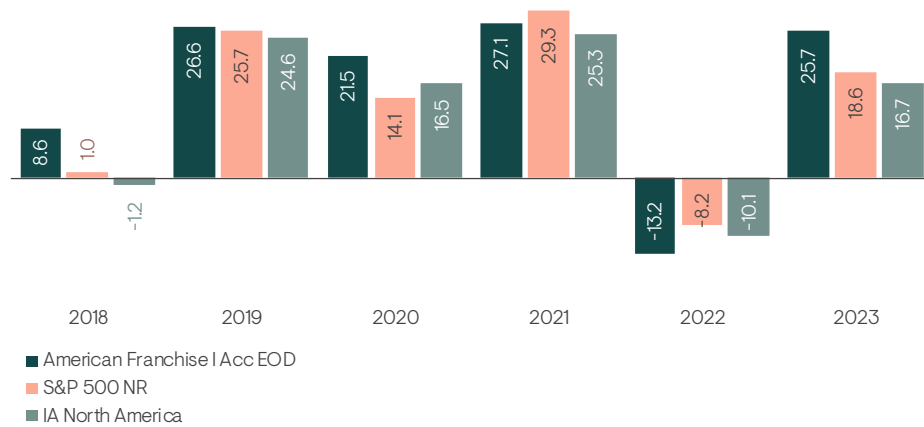
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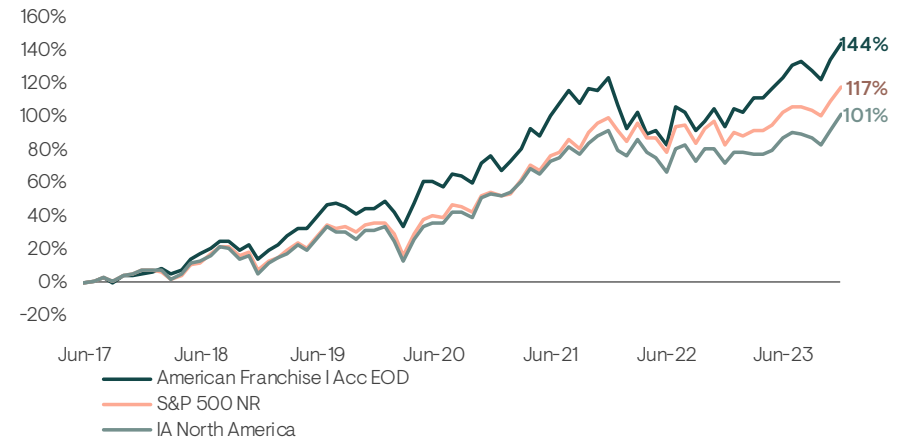
American Franchise Fund

Performance

Trailing performance in GBP



Cumulative performance in GBP



	3 months	1 year	3 years p.a.	5 years p.a.	Tenure p.a.*
American Franchise I Acc EOD	7.1%	25.7%	11.5%	16.3%	14.7%
S&P 500 NR	6.8%	18.6%	12.1%	15.1%	12.7%
IA North America	7.2%	16.7%	9.5%	13.8%	11.3%
Active return (sector)	-0.1%	9.0%	2.0%	2.6%	3.4%
Quartile ranking	2	1	2	1	1

Past performance does not predict future returns; losses may be made.

Source: Morningstar, 31 December 2023. Performance is net of fees (NAV based, including ongoing charges), with net income reinvested where applicable, in GBP.

* Tenure 30 June 2017. On 1 July 2017, the investment team of the Fund changed from Value to Quality

From October 2016 end of day prices have been used in order to align the Fund's valuation point with that of the comparative index. Performance shown on other marketing materials may reflect the fund's mid day valuation and so may differ.

Quartile ranking within IA North America sector.

The Fund is actively managed. Any index is shown for illustrative purposes only.

Appendix





Why Ninety One Quality for American Franchise?

Key benefits

- **Differentiated** American franchise investment philosophy
- **High conviction** portfolio
 - 20-40¹ stocks
 - Active share: **80.6%**
- **Seeks long-term outperformance** by aiming for:
 - Upside participation through structural growth exposure
 - Resilient fundamentals in challenging macro environments
 - Lower than average expected volatility², reflecting high quality characteristics
- **Experienced** and **well-resourced** investment team

Seeking greater certainty
in an uncertain world

Past performance does not predict future returns; losses may be made.

Source: FactSet, as at 31 December 2023.

¹Internal parameters and subject to change without prior notification.

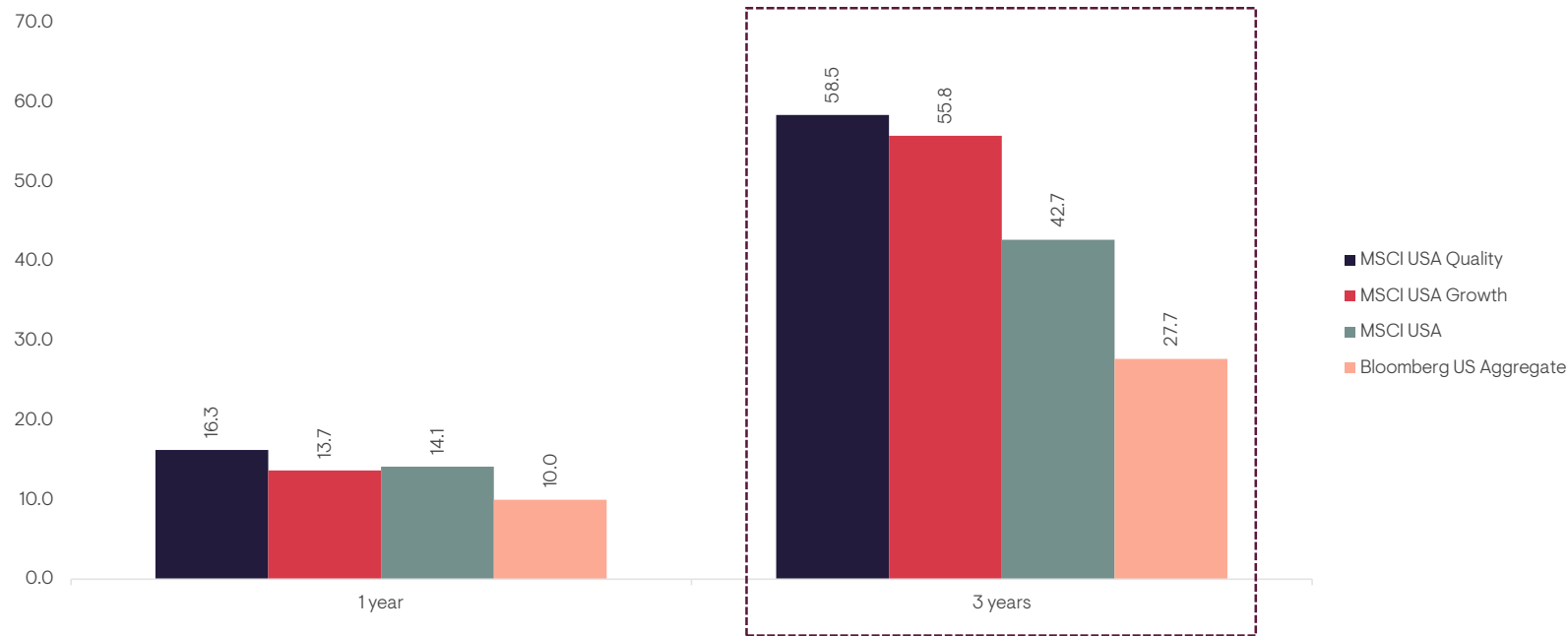
²Versus benchmark: S&P 500.



Where to go when the fed ends its hike ?

History suggests quality equities

Average returns after fed hiking cycle ends, 1989-2022



US quality stocks have historically significantly outperformed both growth and broad market equities, along with bonds, over the one to three years after the fed stops hiking rates

Past performance does not predict future returns; losses may be made.

Source: Ninety One, with data from FRED Economic Data, St. Louis FED and Morningstar Direct. Calculated from 31 August 1984 to 31 March 2023. Returns are calculated from the month when the Fed stops raising rates for peak rates periods in 1984, 1989, 1995, 2000, 2006 and 2018.

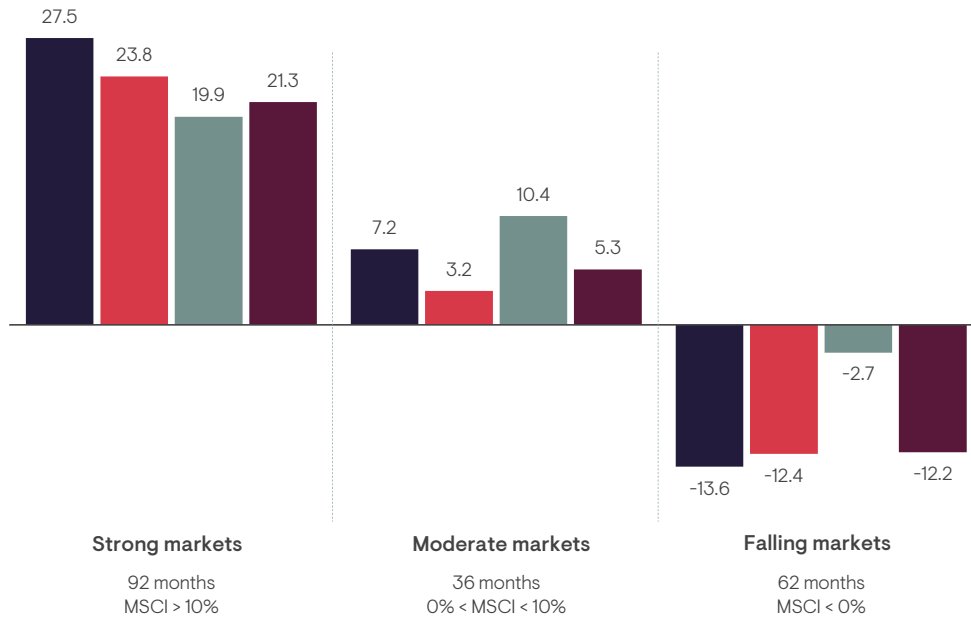


When does quality deliver alpha for investors ?

Outperformance in moderate to falling markets while still holding up well in strong markets

Rolling 12 Month Performance

■ Growth Manager ■ Value Manager ■ Quality Manager ■ MSCI ACWI



Falling markets:

Quality has tended to outperform in falling markets – leading to significantly better long term performance

Moderate to rising markets:

Quality has on average outperformed when markets have delivered moderate returns on a rolling 12 month basis

Protecting through falling markets allows investors to compound long term durable returns

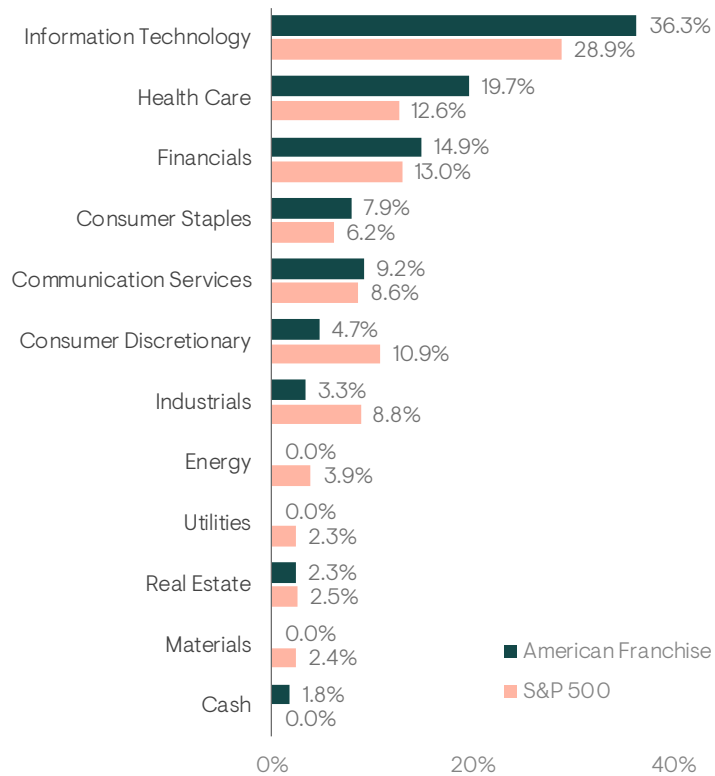
Past performance does not predict future returns; losses may be made.

Source: eVestment, March, 2023, Quality manager represented by the largest manager in the eVestment Global Large Cap universe where quality is a style emphasis to provide a sense of longer term performance signature, Growth & Value Manager represented by the largest manager in the eVestment Global Large Cap universe where growth or value are the primary style emphasis as submitted by the manager. Performance figures and analysis are gross of fees, income is reinvested, in USD. Inclusion of the manager's fees would lower the performance.

American Franchise Fund

Portfolio breakdown

Sector exposure vs. S&P 500



Differentiation within sectors (held/not held)

Information Technology

Software
Semiconductors

Hardware
Equipment

Health Care

Med-tech
Lifesciences
Animal health
Healthcare technology

Pharmaceuticals
Biotech
Health insurers

Communication Services

Digital advertising

Telecoms

Consumer Discretionary

Hotel travel
Auto-parts retail

Autos
Airlines

Financials

Rating agencies
Data providers
Exchanges
Payments

Banks
Insurers

Consumer Staples

Food
Beverages

Retailers
Tobacco






The portfolio may change significantly over a short period of time.
Source: Bloomberg, Ninety One, 31 December 2023.



Stock example: Dolby Laboratories



Unique asset that sits at the heart of content creation and playback

 <p>Hard-to-replicate enduring competitive advantages</p>	 <p>Dominant market positions in stable growing industries</p>	 <p>Low sensitivity to the economic and market cycle</p>	 <p>Healthy balance sheets and low capital intensity</p>	 <p>Sustainable cash generation and effective capital allocation</p>
<p>Two-sided network effect reinforced by 50 years of audio-visual R&D investments and 13,000+ patents</p>	<p>Audio technologies have become de facto standards globally with ~100% effective market share</p>	<p>Broad exposure to different end markets benefiting from structural adoption of new technologies</p>	<p>Net cash balance sheet with negligible capex requirements and favourable working capital dynamics</p>	<p>>120% free cash flow conversion with excess capital returned to shareholders</p>

At time of purchase Dolby offered a 3.3% FCF yield; we project the company to deliver a double-digit FCF CAGR over the next five years.

Forecasts are inherently limited and are not a reliable indicator of future results.

No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided. This is not a recommendation to buy, sell or hold a particular security. For further information on specific portfolio names, please see the Important Information section.



American Franchise

Style skyline vs S&P 500



Thank you

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Telephone calls may be recorded for training, monitoring and regulatory purposes and to confirm investors' instructions





Important information

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The Fund is a sub-fund of the Ninety One Funds Series range (series i - iv) which are incorporated in England and Wales as investment companies with variable capital. Ninety One Fund Managers UK Ltd (registered in England and Wales No. 2392609 and authorised and regulated by the Financial Conduct Authority) is the authorised corporate director of the Ninety One Funds Series range.

This communication is not an invitation to make an investment nor does it constitute an offer for sale. Any decision to invest in the shares of the Fund should be made only after reviewing the full offering documentation, including the Key Investor Information Documents (KIID) and Prospectus, which set out the fund specific risks. Fund prices and copies of the Prospectus, annual and semi-annual Report & Accounts, Articles of Incorporation and KIID may be obtained from www.ninetyone.com. A summary of investor rights can be found in the Prospectus, and details of Ninety One's complaints handling procedures are available in English on www.ninetyone.com/complaints.

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For further information on indices, fund ratings, yields, targeted or projected performance returns, back-tested results, model return results, the investment team, our investment process, and specific portfolio names, please visit our website: <https://ninetyone.com/-/media/documents/miscellaneous/91-further-information-en.pdf>

American Franchise Fund

'I' shares, GBP As at end December 2023



Fund overview

The Fund aims to provide capital growth (to grow the value of your investment) over at least 5 years.

The Fund invests primarily (at least two-thirds) in the shares of USA companies (those incorporated in, domiciled in, or that have significant economic exposure to, the USA) and in related derivatives (financial contracts whose value is linked to the price of the shares of such USA companies).

The index used in the performance section is deemed to be a good representation of the Fund's investable universe and is widely used, independently calculated and readily available. Fund performance can also be compared to the IA sector average. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to facilitate comparison between funds with broadly similar characteristics.

Monthly and annual average performance (%)

	1 month	1 year	3 years annualised	5 years annualised	10 years annualised
Fund - I Acc GBP	4.3	25.4	11.9	16.5	16.1
Benchmark	3.8	18.6	12.1	15.1	14.4
Sector	4.7	16.7	9.5	13.8	12.8
Fund/Sector rank	97/168	34/167	45/148	15/136	6/106

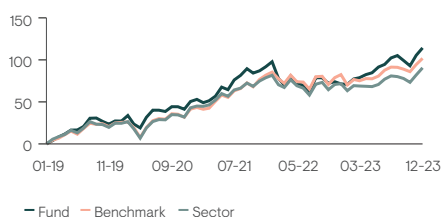
Calendar year performance (%)

	YTD	2023	2022	2021	2020	2019
Fund - I Acc GBP	25.4	25.4	-13.6	29.3	20.3	27.2
Benchmark	18.6	18.6	-8.2	29.3	14.1	25.7
Sector	16.7	16.7	-10.1	25.3	16.5	24.6
Fund/Sector rank	34/167	34/167	102/158	38/149	46/143	47/137

Rolling 12 month performance (%)

	31.12.22	31.12.21	31.12.20	31.12.19	31.12.18
	-31.12.23	-31.12.22	-31.12.21	-31.12.20	-31.12.19
Fund - I Acc GBP	25.4	-13.6	29.3	20.3	27.2
Benchmark	18.6	-8.2	29.3	14.1	25.7
Sector	16.7	-10.1	25.3	16.5	24.6
Fund/Sector rank	34/167	102/158	38/149	46/143	47/137

Performance (%)



Risk statistics

	3 years	5 years
Annualised alpha (%)	0.5	2.9
Beta	1.0	0.9
Annualised information ratio	0.0	0.2
Annualised tracking error (%)	7.7	7.6
Annualised volatility (%)	14.5	14.4

Performance data source: © Morningstar, dates to 31.12.23, NAV based, (net of fees, excluding initial charges), total return with net income reinvested where applicable, in Sterling. The Fund does not track an index, any index shown is for illustrative purposes only. On 01 July 2017, the investment team of the Fund changed from Value to Quality. Performance prior to 01 June 2007 has been simulated.

Past performance should not be taken as a guide to the future and there is no guarantee that this investment will make profits; losses may be made. If the currency of this share class differs from your domestic currency, your returns may increase or decrease as a result of currency fluctuations.

Investors must read the Key Information Document (or Key Investor Information Document where relevant) and Prospectus prior to investing.

Key facts

Portfolio manager: Paul Vincent
Fund size: GBP 595.3m
Fund launch date: 23.09.02
I Acc GBP share class launch date: 01.06.07
Domicile: United Kingdom
Sector: IA North America
Benchmark: S&P 500 Net Return
'I' share class dealing currency: GBP
Risk and reward profile (KIID SRRI): 6 out of 7
Ninety One ESG Classification: Enhanced Integration
 * Funds that combine ESG integration with one or more binding ESG commitment e.g. exclusions, positive tilting. For further information, please see www.ninetyone.com/ESG-explained

'I' Acc Share class charges

Maximum initial charge: 0.00%
Ongoing charge: 0.84%

Other information

Pricing: 12 noon (forward pricing)
Minimum investment:
 GBP1,000,000 lump sum

'I' Acc GBP

ISIN: GB00B1XFJ342 **Sedol:** B1XFJ34
Distribution Payment dates: 28-Feb

American Franchise Fund

Top holdings (%)

Microsoft Corp	9.0
Alphabet Inc	6.1
Autodesk Inc	4.4
The Charles Schwab Corp	4.1
Intuit Inc	3.8
Dolby Laboratories Inc	3.5
Adobe Inc	3.4
Automatic Data Processing Inc	3.3
S&P Global Inc	3.2
NVIDIA Corp	3.0
Total	43.8

Number of equity holdings: 33

Sector analysis (%)

Information Technology	36.2
Health Care	19.7
Financials	14.9
Communication Services	9.2
Consumer Staples	7.9
Consumer Discretionary	4.7
Industrials	3.3
Real Estate	2.3
Cash	1.8
Total	100.0

Top & bottom stock weightings vs benchmark (%)

Autodesk Inc	4.3
The Charles Schwab Corp	3.8
Dolby Laboratories Inc	3.5
Intuit Inc	3.4
Automatic Data Processing Inc	3.0
JPMorgan Chase & Co	-1.2
Berkshire Hathaway Inc	-1.6
Tesla Inc	-1.7
Amazon.com Inc	-3.5
Apple Inc	-7.0

Top & bottom sector weightings vs benchmark (%)

Information Technology	7.5
Health Care	7.0
Financials	1.9
Consumer Staples	1.7
Communication Services	0.6
Utilities	-2.3
Materials	-2.4
Energy	-3.9
Industrials	-5.5
Consumer Discretionary	-6.1

The portfolio may change significantly over a short period of time. This is not a buy or sell recommendation for any particular security. Figures may not always sum to 100 due to rounding.

The yield information has been calculated as at 31.12.23. Where FTSE data is shown, source: FTSE International Limited ("FTSE") © FTSE 2023. Please note a disclaimer applies to FTSE data and can be found at https://research.ftserussell.com/products/downloads/FTSE_Wholly_Owned_Non-Partner.pdf. Where MSCI data is shown, source: MSCI. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. All other information is from Ninety One at 31.12.23.

American Franchise Fund

General risks

The value of these investments, and any income generated from them, will be affected by changes in interest rates, general market conditions and other political, social and economic developments, as well as by specific matters relating to the assets in which they invest.

Past performance does not predict future returns; losses may be made. Ongoing costs and charges will impact returns.

For Inc-2 and Inc-3 shares classes, expenses are charged to the capital account rather than to income, so capital will be reduced. This could constrain future capital and income growth. Income may be taxable.

The Fund's objectives will not necessarily be achieved and there is no guarantee that these investments will make profits; losses may be made.

Environmental, social or governance related risk events or factors, if they occur, could cause a negative impact on the value of investments.

This Fund may not be appropriate for investors who plan to withdraw their money within the short to medium term.

Specific fund risks

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

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

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

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

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

Style Bias: The use of a specific investment style or philosophy can result in particular portfolio characteristics that are different to more broadly-invested portfolios. These differences may mean that, in certain market conditions, the value of the portfolio may decrease while more broadly-invested portfolios might grow.

Important information

All data as at 31.12.23. The most up to date fund details (e.g. name, overview, key facts etc) are reflected as at the date of publication. Any changes effective after publication will appear in the next update. This factsheet template was approved by Ninety One on 2 January 2024. This is a marketing communication. We recommend that you seek independent financial advice to ensure this Fund is suitable for your investment needs. This communication should not be distributed to retail customers who are resident in countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful.

All the information contained in this communication is believed to be reliable but may be inaccurate or incomplete. A rating is not a recommendation to buy, sell or hold a fund.

The Fund is a sub-fund of the Ninety One Funds Series range (series i - iv) which are incorporated in England and Wales as investment companies with variable capital. Ninety One Fund Managers UK Ltd (registered in England and Wales No. 2392609 and authorised and regulated by the Financial Conduct Authority) is the authorised corporate director of the Ninety One Funds Series range.

This communication is not an invitation to make an investment nor does it constitute an offer for sale. Any decision to invest in the Fund should be made only after reviewing the full offering documentation, including the Key Investor Information Documents (KIID) and Prospectus, which set out the fund specific risks. Fund prices and copies of the Prospectus, annual and semi-annual Report & Accounts, Instruments of Incorporation and the Key Investor Information Documents may be obtained from www.ninetyone.com.

Glossary summary

Alpha: Jensen's alpha is a risk adjusted measure of a fund's performance relative to its performance comparison benchmark.

Beta: A measure of the volatility of a fund relative to its performance comparison index, i.e. how sensitive the fund is to movements in the market. A figure greater than 1 indicates that the fund will tend to outperform in a rising market and underperform in a falling one, i.e. is more volatile than the market. The reverse applies to a Beta of less than 1.

Credit rating: A score awarded by an independent rating agency to indicate the financial strength of the issuer of a bond, and the potential for a default on interest and principal payments. The top credit rating is 'AAA'. The lowest rating to be considered 'investment grade' is 'BBB'. Below 'BBB', bonds are termed 'sub investment grade' or 'high yield'.

Average credit ratings are based on the individual bond ratings issued by the ratings agencies. For each bond, the ratings issued by each agency are combined to form a single rating based on the methodology that most closely matches the performance comparison index (PCI), otherwise median is typically used where there is no PCI. The portfolio rating is the weighted average of the above bond ratings.

Distribution types

Accumulation (Acc): An accumulation share will not make income payments to shareholders but will instead accrue the income daily in the net asset value of the share class. Income is deemed distributed for UK tax purposes.

Income (Inc): An income share will distribute all or part of the income accruing in that share class.

Income-2 (Inc-2): These distribute the income accruing in the share class and charge all their expenses to capital. This maximises the income available for distribution – although it also reduces capital by an equivalent extent which could constrain future capital and income growth. This can be inefficient from a tax perspective in those countries where income tax rates are higher than those on capital gains.

Duration: This is a measure of risk for funds which invest in bonds as it predicts the sensitivity of the value of a fund's portfolio given changes in interest rates. The higher the value the greater the volatility of the fund's performance resulting from changes to interest rates. The Modified duration is shown.

OEIC: Open Ended Investment Company

Information ratio: A measure of a portfolio manager's skill against a performance comparison index. The over or underperformance of the fund relative to its performance comparison index is divided by the tracking error. In this way, we arrive at the value, per unit of extra risk assumed, that the manager's decisions have added to what the market would have delivered anyway. The higher the Information Ratio the better.

KIID SRRI: The Synthetic Risk Reward Indicator (SRRI) which appears in the Key Investor Information Document (KIID). A number on a scale of 1 to 7 based on how much the value of a fund has fluctuated over the past 5 years (or an estimate if the fund has a shorter track record). A rating of 1 represents the lower end of the risk scale with potentially lower rewards available whilst a rating of 7 reflects higher risk but potentially higher rewards.

Maturity profile: The average life of each bond in a fund's portfolio, weighted by value.

Ongoing charge: This figure includes the annual management fee and administrative costs but excludes any performance fee or portfolio transaction costs (except in the case of an entry or exit charge paid by a fund when buying or selling units in another fund). Ongoing charges may vary from year to year.

NAV: The Net Asset Value (NAV) represents the value of the assets of a fund less its liabilities.

Sector: A peer group of funds managed to a similar investment policy. Not every fund will have a relevant sector, but for those that do, a full list of the funds included in the sector can be obtained from us on request.

Tracking error: A measure of how much a fund's returns deviate from those of its performance comparison index. The lower the number the closer the fund's historic performance has followed that of its performance comparison index.

Volatility: The amount by which the performance of a fund fluctuates over a given period.

YTD: Year to date.

For an explanation of other statistical terms, please see www.ninetyone.com/glossary

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Telephone calls may be recorded for training, monitoring and regulatory purposes and to confirm investors' instructions.