

Global Emerging Markets Sustainability Leaders

2019



Stewart Investors
Sustainable Funds Group

Key facts

Portfolio managers	Lead: Jack Nelson Co: David Gait
Benchmark	MSCI Emerging Markets index
Market capitalisation limit	>\$1billion
Strategy launch date	Q1 2020
Number of holdings	25-60
Anticipated Active Share	>93%
Anticipated name turnover	10-20% p.a.
Standard management fee	0.90% p.a.
Launch fee discount	20% discount on the standard management fee for the first 5 years

Stewart Investors Global Emerging Markets Sustainability Leaders & Global Emerging Markets Sustainability All-Cap

Similarities:

- Same investment philosophy, process, portfolio managers and team
- Both focus on sustainable development as a key driver of investment performance
- Considerable overlap in terms of companies held in the funds

Differences:

- Leaders is limited to companies with a market cap >\$1b
- Leaders is less restricted by capacity constraints
- Leaders has greater liquidity
- Leaders is typically more concentrated

For more information please contact:

Hugh Tancred

Email:
Hugh.Tancred@stewartinvestors.com

Phone:
212 848 9243

Background to this strategy launch

On 31 March 2019 the Stewart Investors Global Emerging Markets (EM) Sustainability All-Cap strategy had its 10th anniversary. This strategy has been, and remains capacity constrained. However, due to strong demand and our desire to offer our clients an EM Sustainability solution, we plan to launch an EM Sustainability Leaders Strategy. Leaders simply means that the strategy will be focused on companies with a market capitalisation (cap) >\$1 billion. Below we have highlighted the differences and similarities between our 'Leaders' and 'All-Cap' strategies.

Our Investment philosophy

Our investment philosophy focuses on responsible stewardship and has remained unchanged for the 30 years we have been investing in emerging markets. We have a bottom-up, company-focused approach which is built on the principle of capital preservation as a means to long-term capital appreciation. We believe that risk is best defined not as deviation from a benchmark, but the chance of permanent capital impairment.

We believe that the best way to deliver attractive risk-adjusted returns is to aim to invest only in the highest quality companies and to retain those holdings for as long as possible. We invest with a 5-10 year mind-set as a minimum. We are focused on business models with attractive and enduring economics, conservative approaches to financing those businesses, and managers and owners who display integrity, competence and stewardship. Stewart Investors incorporates sustainability within its investment approach as it believes it is the best way to protect and grow capital for clients over the long-term.

Sustainability in Emerging Markets

We believe that incorporating sustainability analysis into our stock-picking helps us in two ways.

1. Developing countries will not be able to follow the same resource-intensive and consumption-driven model of development taken by today's developed countries. We are looking for companies that are well positioned to meet the challenge of sustainable development and contribute towards achieving it in the countries in which they operate. We have strong conviction that such companies face fewer risks and are better placed to deliver positive long-term returns to shareholders.
2. Sustainability is a particularly useful approach to gauge the quality of companies. We believe managers and owners who treat their employees, the environment and society at large well are more likely to allow minority shareholders to participate in the success of the business; in contrast we believe those who are willing to cut corners are likely to act in unscrupulous ways if given the opportunity. Incorporating sustainability in this way aids our bottom-up stock picking process.

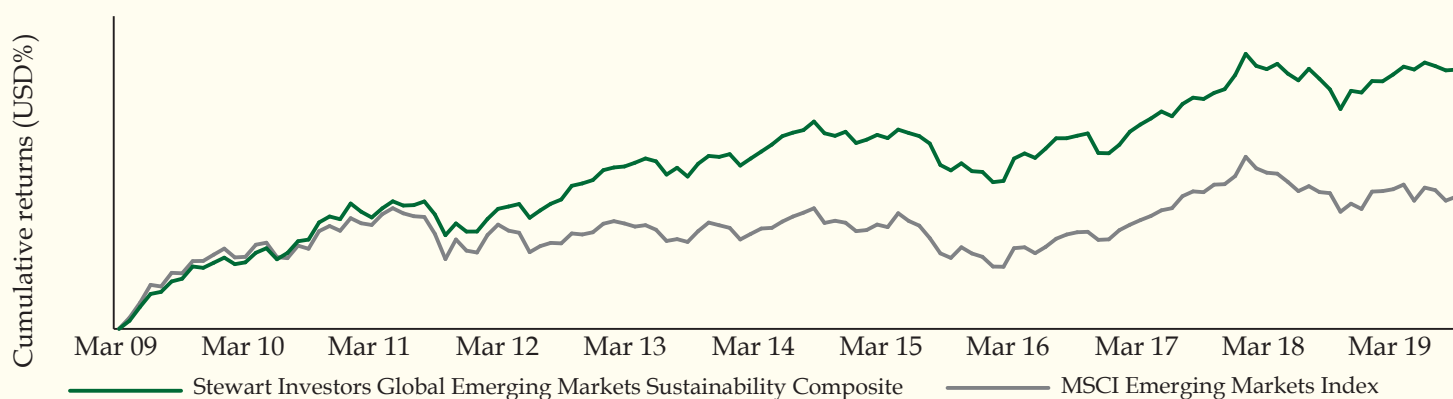
Long-term performance of the EM Sustainability All-Cap strategy¹

Gross annualised to 30 September 2019 (USD) %	Since inception*	10 years	7 years	5 years	3 years	1 year
SI Global Emerging Markets Sustainability Composite	14.8%	9.2%	6.2%	4.3%	7.5%	6.2%
MSCI Emerging Markets Index	9.8%	3.7%	2.8%	2.7%	6.4%	-1.6%
Relative	5.0%	5.4%	3.4%	1.6%	1.2%	7.8%

* 29 February 2009

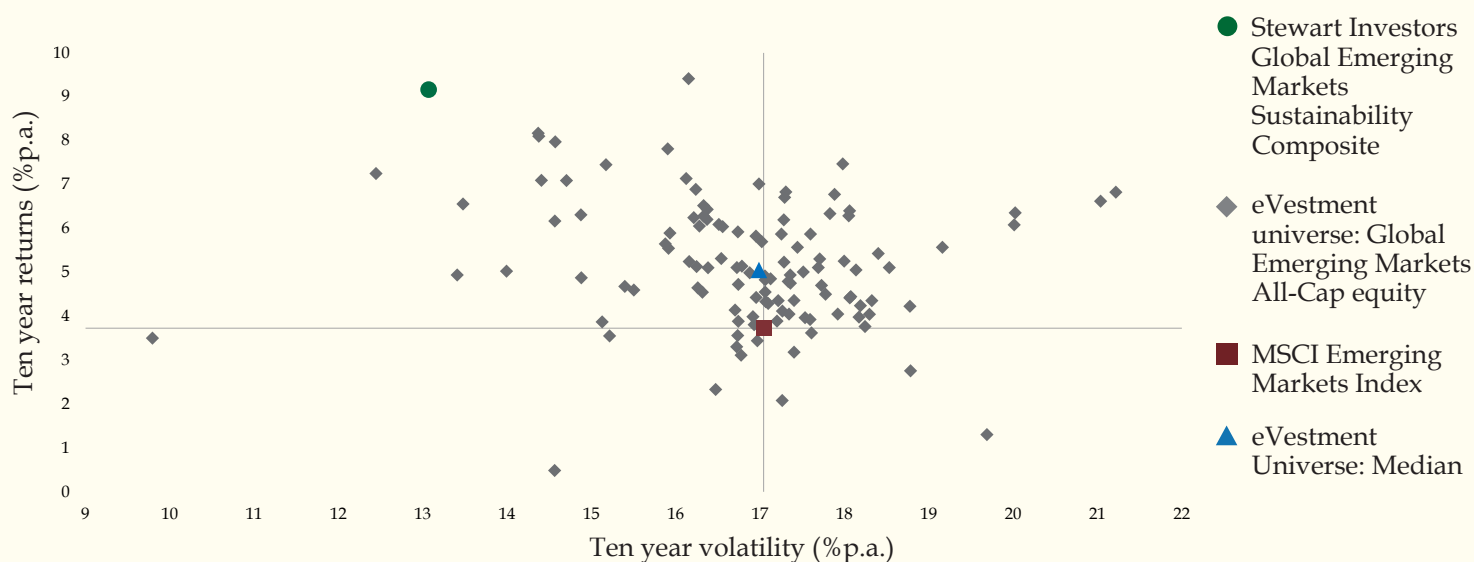
EM Sustainability All-Cap strategy performance profile¹

Since inception to 30 September 2019 - USD gross of fees

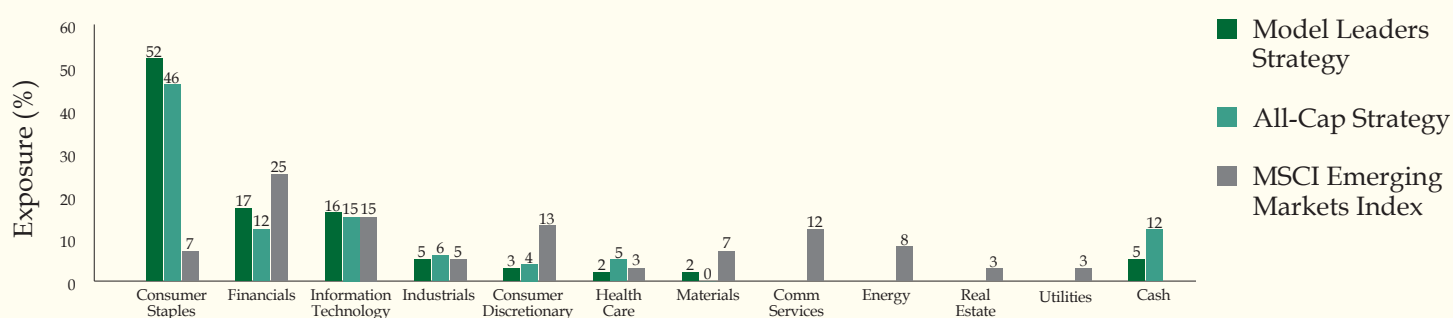


EM Sustainability All-Cap strategy peers comparison²

USD gross of fees - to 30 September 2019



Sector exposure comparison³



1 Past performance is not a reliable indicator of future results. Source for composite: Stewart Investors. Data is shown in USD and is gross of fees. Performance figures do not reflect the deduction of investment advisory fees. A client's return will be reduced by the investment fees. If a client placed \$100,000 under management and a hypothetical gross return of 10% was achieved, the investment assets before fees would have grown to \$259,374 in 10 years. However, if an advisory fee of 1% were charged, investment assets would have grown to \$234,573, or an annual compounded rate of 8.9%. Source for benchmark: FactSet. Index returns are shown on a total return basis and gross of tax. Since launch relates to launch of the Stewart Investors Global Emerging Markets Sustainability composite on March 1, 2009. Relative return is calculated on an arithmetic basis. Performance information is provided for illustrative purposes only and is not intended to represent the performance of the proposed EM Sustainability Leader strategy.

2 Past performance is not a reliable indicator of future results. Source for all data: eVestment Alliance LLC. Performance data is calculated on a total return basis and gross of tax. Performance figures do not reflect the deduction of investment advisory fees. A client's return will be reduced by the investment fees. If a client placed \$100,000 under management and a hypothetical gross return of 10% was achieved, the investment assets before fees would have grown to \$259,374 in 10 years. However, if an advisory fee of 1% were charged, investment assets would have grown to \$234,573, or an annual compounded rate of 8.9%. Index returns are shown on a total return basis and are gross of tax. Volatility is a measure of risk based on the standard deviation of the asset return. Generally, the higher the volatility, the riskier the asset. This data is provided for illustrative purposes to demonstrate the Stewart Investors strategy risk/return profile versus industry peers. It is not a recommendation or solicitation to invest in any fund. Performance information is provided for illustrative purposes only and is not intended to represent the performance of the proposed EM Sustainability Leader strategy. Please see important information for eVestment disclaimer.

3 Stewart Investors as at 30 September 2019. Data shown for a representative Stewart Investors Global Emerging Markets Sustainability (All-Cap) account and a model Stewart Investors Global Emerging Markets Sustainability Leaders account. Model portfolio data is included to demonstrate how a new Global Emerging Markets Sustainability Leaders Strategy would differ from our existing Global Emerging Markets Sustainability (All-Cap) Strategy. It is provided for illustrative purposes only and is in no way binding. Numbers may not add to 100 due to rounding.

Important Information

This material is solely for the attention of institutional, professional, qualified or sophisticated investors and distributors who qualify as qualified purchasers under the Investment Company Act of 1940 and as accredited investors under Rule 501 of SEC Regulation D under the US Securities Act of 1933. It is not to be distributed to the general public, private customers or retail investors in any jurisdiction whatsoever.

The information included within this presentation and any supplemental documentation is for informational and illustrative purposes, is furnished on a confidential basis, is intended only for the use of the authorized recipient, and should not be copied, reproduced or redistributed without the prior written consent of Stewart Investors or any of its affiliates.

This document is not an offer for sale of funds to US persons (as such term is used in Regulation S promulgated under the 1933 Act). Fund-specific information has been provided to illustrate Stewart Investors' expertise in the strategy. Differences between fund-specific constraints or fees and those of a similarly managed mandate would affect performance results. This material is provided for information purposes only and does not constitute a recommendation, a solicitation, an offer, an advice or an invitation to purchase or sell any fund and should in no case be interpreted as such.

Any investment with Stewart Investors should form part of a diversified portfolio and be considered a long term investment. Prospective investors should be aware that returns over the short term may not match potential long term returns. Investors should seek independent financial advice before making any investment decision. The value of an investment and any income from it may go down as well as up. An investor may not get back the amount invested and past performance is not a guide to future performance, which is not guaranteed.

PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS.

This report has been prepared from data believed to be reliable but no representation is made as to accuracy or completeness. Apart from Stewart Investors, neither MUFG nor any of its subsidiaries are responsible for any statement or information contained in this document. Neither MUFG nor any of its subsidiaries guarantee the performance of any Fund or the repayment of capital by any Fund. Investments in a Fund are not deposits or other liabilities of MUFG or its subsidiaries, and the Fund is subject to investment risk, including loss of income and capital invested.

Reference to specific securities (if any) is included for the purpose of illustration only and is merely for explaining the investment strategy. It should not be construed as investment advice or a recommendation to invest in any of those companies.

The comparative benchmarks or indices referred to herein are for illustrative and comparison purposes only, may not be available for direct investment, are unmanaged, assume reinvestment of income, and have limitations when used for comparison or other purposes because they may have volatility, credit, or other material characteristics (such as number and types of securities) that are different from the funds managed by Stewart Investors.

The copyright of this document and any documents supplied with it and the information therein is vested in Stewart Investors.

For more information please visit www.stewartinvestors.com. Telephone calls with Stewart Investors may be recorded.

Copyright © (2019) Stewart Investors.

All rights reserved.