

## Summary Details

Assets under Mgmt.	\$85.4m
Inception Date	01 Aug 2011
Benchmark	MSCI ACWI Net Return Index
Number of Stocks	285

## Risk Characteristics

Beta (10 Yrs)	1.00
Information Ratio (10 Yrs)	-0.38
Volatility	13.76

Portfolio Statistics	Strategy	Index
Dividend Yield	3.7%	2.2%
Dividend Payout	41.2%	33.1%
Dividend Growth	13.4%	8.8%
Total Payout Yield	5.1%	2.2%
Price to Earnings (trailing)	9.3x	14.0x
Price to Book	2.0x	2.5x
Weighted Avg Mkt Cap.	\$122.0bn	\$291.0bn
ESG Score	7.4	6.5
Wtd Avg Carbon Intensity	86.3	169.3

Source: KBI Global Investors as of 06/30/22. The risk characteristics are calculated independently by KBI Global Investors using monthly gross returns of the composite over a 10 year period relative to the Index as at the 06/30/22. Portfolio and Benchmark Statistics are from a representative account managed to the same strategy and the benchmark respectively. KBI Global Investors independently estimate these statistics for both the portfolio and the benchmark. The AUM listed above is Global Equity All World Equity AUM. This is the combined AUM of KBI Global Investors Ltd and KBI Global Investors (North America) Ltd excluding AUA from Q1 2022. Weighted Avg. Mkt. Cap figures are in US Dollars. KBI calculate the Weighted Average Carbon Intensity figure for the portfolio (representative account managed to the same strategy) quarterly. Index carbon intensity data is sourced from MSCI ESG Research. KBI calculate the ESG scores for the portfolio (representative account managed to the same strategy) quarterly. Index ESG ratings are sourced from MSCI ESG Research.

## Investment Philosophy

We are "total return" investors.

Our conviction is that companies with the financial strength and discipline to maintain and grow their dividend commitments outperform.

Uniquely, we find such companies across all capitalisations, and in every sector and every region, even ones where dividends are low and not typically used as a method of analysis. By "looking where others don't look" we consistently find and exploit mispriced stocks.

The main reasons for outperformance are:

- Quality of information
- Better governance
- Plentiful positive earnings surprises
- Capital efficiency and financial discipline
- Lower volatility
- Better valuations

## Annualised Performance (\$)

	3Mths	YTD	1Yr	3Yrs	5Yrs
Strategy (Gross)	-12.7	-16.7	-13.5	4.3	4.3
Strategy (Net)	-12.9	-17.0	-14.0	3.7	3.7
Benchmark	-15.7	-20.2	-15.8	6.2	7.0

Source: KBI Global Investors, Datastream, MSCI as of 06/30/22

KBI calculate both composite returns and benchmark returns. Returns are gross of fees in USD. Our firm claims GIPS compliance and is annually verified by an independent verification firm to be so. The verification report from our verifier and our GIPS composite presentation are available upon request. The performance record disclosed here is that of the firm's composite for this strategy. The AC World Equity composite is a well-diversified, all cap, strategy that invests across all 24 industry sub-classifications within the developed and emerging equity markets. No active currency management is undertaken. The strategy invests purely in those companies that pay above average dividends relative to their industry peer group and is managed by a dedicated, specialist team of investment professionals in Dublin, Ireland. The material risks associated with the composite include market risk and stock-specific event risk. Share prices can decline and there is a risk that the composite may under-perform its benchmark. The benchmark is the MSCI AC World Index, inclusive of net income. The Net index provides a better comparator for potential investors and representation of the investment strategy of the composite. The benchmark is designed to measure the equity market performance of developed and emerging market countries. The benchmark is market-cap weighted. Sources of foreign exchange rates may be different between the composite and the benchmark; but not materially so. See disclaimers for further information.

## Investment Process

We summarise our process into three steps

Step 1
<ul style="list-style-type: none"> <li>• Create regional group segments from MSCI Index.</li> <li>• Eliminate stocks below segment average yield.</li> <li>• Lower yield stocks, countries, industries will qualify.</li> </ul>
Step 2
<ul style="list-style-type: none"> <li>• Eliminate stocks and segments that fail sustainability, quality and growth criteria.</li> <li>• Rank remaining stocks.</li> </ul>
Step 3
<ul style="list-style-type: none"> <li>• Create portfolio preferred financial criteria and highest ranked stocks.</li> </ul>

## Current ACWI Portfolio Characteristics

Mkt. Cap \$bn	Strategy	MSCI ACWI Index	+/- %
<3 (small)	5.5	0.5	5.0
3-5 (mid-small)	2.6	1.4	1.2
5-10 (mid)	8.9	5.9	3.0
10-25 (mid-large)	27.2	15.7	11.5
>25 (large)	55.7	76.5	-20.8

Source: KBI Global Investors as of 06/30/22. Market Cap figures are based on a representative account relative to the Index. Market Cap figures are in US Dollars.

## Strategy Overview

<b>Objective</b>	Consistency. Downside protection. Lower risk.
<b>Style</b>	Relative value. High quality. Multi cap. Diversified.
<b>Products</b>	Global, EAFE, Emerging Markets, North America, ACWI, Eurozone.

## Investment Team

Key People	Title	Investment Experience
<b>CIO</b>		
Noel O'Halloran	Chief Investment Officer	34yrs
<b>Portfolio Management Team</b>		
Gareth Maher	Head of Portfolio Management	35yrs
David Hogarty	Head of Strategy Development	31yrs
Ian Madden	Senior Portfolio Manager	22yrs
James Collery	Senior Portfolio Manager	22yrs
John Looby	Senior Portfolio Manager	32yrs
Massimiliano Tondi	Senior Portfolio Manager	18yrs
Jeanne Chow Collins	ESG & Engagement Analyst	22yrs
<b>Trading</b>		
Ultan O'Kane	Trader	16yrs

## Portfolio Positioning

### Sector Breakdown

Sector	%	Sector	%
Information Technology	22.2	Consumer Staples	5.5
Financials	15.5	Energy	4.9
Health Care	11.6	Materials	4.7
Consumer Discretionary	11.3	Real Estate	3.2
Industrials	10.8	Utilities	2.4
Communication Services	7.9		

### Geographical Breakdown

Region	%
North America	64.0
Europe	20.6
Emerging Markets	6.7
Japan	5.5
Pacific Basin ex Japan	3.2

### Top 10 Holdings

Stock	Country	%
Ishares Msci Em Ucits Etf Usd	Ireland	4.9
Microsoft Corporation	US	3.0
Merck & Co Inc	US	2.2
Cigna Corp	US	2.0
Automatic Data Processing Inc	US	2.0
Gilead Sciences Inc	US	1.9
Texas Instruments Inc	US	1.9
T Rowe Price Group Inc	US	1.8
Iron Mountain Inc	US	1.7
Newmont Corporation	US	1.6

Source of all data: KBI Global Investors. The above information represents the top 10 largest positions in the strategy as of 06/30/22 based on the aggregate USD value. Each quarter KBI Global Investors uses this same objective, non-performance based criteria to select the ten largest holdings. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the strategy, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. All information is provided for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned.

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## Overview

So far equity market declines can be fully explained by rising bond yields in response to higher inflation.

Growth stocks have been worst affected. Unless inflation is stopped the trends of H1 will continue.

Unchanged earnings expectations seem out of line with growing economic worries. Again, growth stocks seem more exposed.

Uncertainty, and therefore risk, is at very high levels. Stocks with cash-based earnings and well covered dividends offer the most predictability. Now is not the time for speculative growth or long duration strategies.

Low quality stocks will face challenges as the cost of inputs, and the cost of debt rises. High margins of safety should be preferred.

## Disclaimer

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The firm definition has been re-defined on two occasions over recent years; on 30 September 2010 to reflect the firm's sale to RHJI by our previous parent firm KBC Asset Management NV, and on 1 October 2016 to reflect the firm's sale to Amundi Asset Management. No change in investment process arose as a result of these sales. To receive a copy of the compliant presentation and/or a list of composite descriptions, please contact sales@kbigi.com. Gross results shown do not show the deduction of Adviser's fees. A client's actual return will be reduced by the advisory fees and any other expenses which may be incurred in the management of an investment advisory account. See Part 2 of Adviser's Form ADV for a complete description of the investment advisory fees customarily charged by Adviser. 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