



# Ninety One Funds Series iii Interim Report and Accounts

For the period ended 31 August 2021



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\*The above information collectively forms the Authorised Corporate Director's Report

# Emerging Markets Local Currency Debt Fund

## Summary of the Fund's investment objective and policy

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

The Fund invests primarily (at least two-thirds) in bonds (or similar debt-based assets) issued by emerging market borrowers or borrowers who have significant economic exposure to emerging markets (countries that have less developed economies) and in related derivatives (financial contracts whose value is linked to the price of such bonds (or similar debt-based assets)).

These bonds (or similar debt-based assets) will be denominated in local currencies (the currency of the issuing country). They may have any credit rating or be unrated and may be issued by any borrower e.g. governments or companies.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The JPMorgan GBI-EM Global Diversified Index is used for performance comparison and risk management. The Fund does not seek to replicate the index.

The Investment Association Global Emerging Markets Bond - Local Currency Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	6 months (%)
Emerging Markets Local Currency Debt Fund 'I' accumulation shares	2.34*
Performance comparison index	2.30**
Peer group sector average	1.37**

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

## Total deemed income distributions per 'I' accumulation share

6 Months to 31 August 2021	2.64 pence
6 Months to 31 August 2020	2.41 pence

The amount of income payable may rise or fall.

## Emerging Markets Local Currency Debt Fund (continued)

### Performance review

The Fund produced a positive return over the period, performing in line with the benchmark, while outperforming the peer group sector average.

### Factors helping performance

Zambian assets outperformed towards the end of the period after the election saw opposition leader Hakainde Hichilema beat incumbent President Edgar Lungu by an overwhelming margin. Investors welcomed the result as the new president is expected to reverse the country's poor economic management. The currency (kwacha) was further helped by the country's stronger trade balance – it is an exporter of copper and copper prices rose. A further positive came in the form of expected IMF support for the Zambian economy. Overweight positioning in both the local bonds and kwacha added to performance.

Underweight positioning in Chile's local bonds added to relative returns by cushioning the Fund against weakness. Another proposed bill to allow private pension fund withdrawals (previous pension outflows have weighed on the performance of the local bond market) and the expectation of heavy bond issuance later in the year were among factors contributing to a decline in Chile's local bond prices.

The Egyptian pound also added to relative returns. Egypt's local bonds are expected to be included in the flagship local currency bond index (JP Morgan GBI-EM) later this year; the country's inclusion on the index watch list benefitted the currency.

### Factors hindering performance

The South African rand performed well, notably during the second quarter of this year. Favourable terms of trade led to a significant improvement in the country's current account balance which helped the rand to appreciate – our underweight positioning prevented the Fund from capturing the full extent of the currency's strength. We have since bought back exposure to neutral on the back of weakness following the July riots in South Africa.

In Peru, the run up to the presidential election and related political uncertainty throughout the period was a headwind to performance. Currency positioning weighed on returns. We remain overweight the Peruvian sol on expectations of moderation from Castillo, especially on the economic front. The cabinet appointments have been a disappointment, but we think Castillo will have to back down and distance himself from the Free Peru party. In the end, the appointment of a moderate candidate at the Finance Ministry was a more reassuring signal. In addition, locals have already been buying up dollars, so positioning in the sol is light, and the central bank has recently accelerated the pace of interest rate hikes, given the rising inflation.

The sudden removal of Turkey's central bank governor shocked the market, causing the lira, local bonds and hard currency debt to fall in value. The portfolio's position in the lira hurt returns, only partially offset by an underweight to the local bonds. Following this surprise, we reduced our position to neutral in the lira as the Turkish central bank's statement in April omitted an earlier pledge to keep monetary policy tight. We remain underweight the local bonds.

### Portfolio activity

#### Significant purchases

State Street USD Liquidity LVNAV Fund, Republic of South Africa Government Bond 8.875% 28/02/2035, Republic of South Africa Government Bond 10.5% 21/12/2026, Republic of South Africa Government Bond 8% 31/01/2030, Brazil Notas do Tesouro Nacional 10% 01/01/2025, Czech Republic Government Bond 2.5% 25/08/2028, Mexican Udibonos 3.5% 16/11/2023, Peruvian Government International Bond 6.95% 12/08/2031, Republic of South Africa Government Bond 8.25% 31/03/2032, Zambia Government Bond 11% 25/01/2026.

## Emerging Markets Local Currency Debt Fund (continued)

### Significant sales

State Street USD Liquidity LVNAV Fund, Brazil Notas do Tesouro Nacional 10% 01/01/2025, Peruvian Government International Bond 6.95% 12/08/2031, Mexican Bonos 7.5% 03/06/2027, Russian Federal Bond - OFZ 7.7% 23/03/2033, Peru Government Bond 6.15% 12/08/2032, Ukraine Government Bond 16% 11/08/2021, Serbia Treasury Bonds 5.875% 08/02/2028, Republic of Poland Government Bond 2.75% 25/10/2029, Republic of Poland Government Bond 2.5% 25/07/2026.

### Outlook

Inflation concerns remain front of mind for investors, dampening somewhat their optimism around the robust recovery that is taking hold in many parts of the world. Despite a variety of data pointing to rising headline inflation, we are still inclined to view this as a largely temporary phenomenon. By purely focussing on the effects of higher inflation, investors risk ignoring the broader cyclical picture, which seemingly remains attractive across emerging markets. While there will be supply bottlenecks with accompanying surges in inflation as economies recover, these should prove transitory. The recent reflationary pressure should be viewed against the much longer disinflationary trend of the last 25 years, and the tapering of monetary policy support measures that will need to occur before the US Federal Reserve considers raising interest rates.

A revival in the manufacturing sector continues to be supportive for emerging markets. The US\$1.9 trillion stimulus package and improvements in how governments, firms and society deal with COVID are boosting demand. The reintroduction of lockdown measures in parts of the world will weigh on the services sector, particularly travel, but this is generally a smaller portion of most emerging market (EM) economies vs. developed markets (DM). We are seeing some weakness from further lockdowns. But as the vaccination roll out in EMs continues apace and restrictions broadly start to ease, the recovery in activity should boost EM ex-China growth rates in the latter part of the year.

We continue to believe that global central banks, and particularly those in DM, generally remain supportive of economic growth and that the risk of an abrupt shift away from loose monetary policy that threatens the global recovery remains low. The more predictable policy backdrop of the US administration under President Biden is also expected to be supportive for EMs. We think these macro and geopolitical adjustments are likely to be accompanied by a high degree of divergence for sovereign debt, reflecting factors such as countries' vulnerabilities at the start of the crisis (which may have been exacerbated by the pandemic), how well governments have handled the crisis, and - crucially - how they will finance and reduce their deficits.

With a significant proportion of DM sovereign debt still offering negative real yields (nominal yields minus the rate of inflation), we expect investors to reassess allocations to EM debt, as its yield and relative-value attractions remain intact. As well as the allure of relatively attractive yields, supportive tailwinds include strong commodity prices.

We remain moderately constructive on prospects for the EM debt asset class, and through recent months have kept a small risk-on top-down target across our strategies. While we continue to see longer-term value in EM currencies, we have retained a market weight given more mixed short-term dynamics. On local currency bonds we are more constructive and modestly overweight given steep yield curves and the relatively

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (JPMorgan GBI-EM Global Diversified Index) and peer group sector average (Investment Association Global Emerging Market Bond - Local Currency) shown for performance comparison purposes only.

## Emerging Markets Local Currency Debt Fund (continued)

### Risk and reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because it invests in bonds whose returns tend to fluctuate more than those of cash funds but less than those of funds which invest in the shares of companies.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

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

**Default:** There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The worse the credit quality of the issuer, the greater the risk of default and therefore investment loss.

**Derivatives:** The use of derivatives may increase overall risk by magnifying the effect of both gains and losses leading to large changes in value and potentially large financial loss. A counterparty to a derivative transaction may fail to meet its obligations which may also lead to a financial loss.

**Emerging market:** These markets carry a higher risk of financial loss than more developed markets as they may have less developed legal, political, economic or other systems.

**Government securities exposure:** The Fund may invest more than 35% of its assets in securities issued or guaranteed by a permitted sovereign entity, as defined in the definitions section of the Fund's prospectus.

**Interest rate:** The value of fixed income investments (e.g. bonds) tends to decrease when interest rates rise.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Dynamic Fund

## Summary of the Fund's investment objective and policy

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 companies around the world and in related derivatives (financial contracts whose value is linked to the price of the shares of such companies).

Investment opportunities are identified using in-depth analysis and research on individual companies. Based on this research, the Investment Manager invests in the shares it most confidently expects to perform well.

These companies may be of any size and in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk and, occasionally, investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI AC World Net Return Index is used for performance comparison and risk management. The Fund does not seek to replicate the index.

The Investment Association Global Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	6 months (%)
Global Dynamic Fund 'I' accumulation shares	8.31*
Performance comparison index	15.61**
Peer group sector average	14.30**

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

## Global Dynamic Fund (continued)

### Performance review

The Fund delivered a positive return during the period under review, but it underperformed both its benchmark and peer group sector average.

### Factors hindering performance

The lion's share of negative relative performance came from the portfolio's exposure to Chinese internet names. Broad regulatory concerns in China drove the underperformance of domestic internet names, including gaming giant Tencent (issues included content exclusivity, the risk of future regulation and variable interest entity structures). Investors' concerns also increased that the gaming industry may face another wave of regulation, affecting that company. This concern followed education reforms intended to reduce the number of hours students study during their weekends and holiday times (the specific investor concern being that regulators do not wish to see students allocate more of this free time towards gaming). Yet due to the existing oversights and controls on the platform in place to protect minors— who do not contribute more than 5% of gross gaming revenues for Tencent – it is not clear that further regulation will create additional earnings pressure for the company. With market discussions that restrictions on gaming time could extend to adults, we continue to monitor the situation and assess the likely impact of changes.

Tencent Music Entertainment Group underperformed on concerns about content safety in the company's social entertainment division and we exited Tencent Music due to clarity being unlikely to emerge soon on the outcome of regulatory pressure, first focused on the music business, but now also the social entertainment business likely to face regulation. There is also the additional risk for [which company?] of the lack of a Hong Kong listing with US ADR listings vulnerable to shifting US regulatory rulings.

Australian oil and gas producer Santos was impacted by falling oil prices and its proposed merger with peer Oil Search. We continue to hold the shares. US hospice business Amedisys reported weak second-quarter results and guidance due to COVID-19 related pressures. We continue to hold the stock. Samsung Electronics underperformed due to concerns on the DRAM memory pricing outlook as a result of higher-than-expected memory inventories at certain PC & mobile customers. Given this indicator of a possible peak in the DRAM cycle that has yet to be reflected in the valuation of the shares, we took the opportunity to exit the shares.

### Factors helping performance

Stock selection and overweight positioning within information technology added to relative returns. US semiconductor company Nvidia was boosted by very strong results and positive management guidance. US electronic design automation business Synopsys reported good earnings and provided a very strong outlook for revenue growth over the next two years, driven by the expanding complexity of semiconductor research and design, leading to increasing demand for automation of the design process. US testing equipment business Keysight Technologies delivered good results and provided a better outlook on both revenues and margins, despite concerns over the impact of COVID-related disruptions on its supply chain and fears that 5G investment may be peaking.

Reliance Steel & Aluminium Co. outperformed following expectations of an ongoing recovery in demand, including the passing of an infrastructure stimulus bill. US bank State Street Corporation added to performance, helped by rising bond yields and improving investor sentiment towards the stock following results. eBay performed well after its well-received earnings report highlighted a normalisation of demand in key European markets.



## Global Dynamic Fund (continued)

### Portfolio activity

#### Significant purchases

Anglo American, Amazon.com, STERIS, PayPal, Marsh & McLennan, Nordea Bank, Pioneer Natural Resources, London Stock Exchange, Six Flags Entertainment, Tencent.

#### Significant sales

Morgan Stanley, Ingersoll Rand, Rio Tinto, Samsung Electronics, Reliance Steel & Aluminum, Volkswagen Preference Shares, Microsoft, Broadcom, Citigroup, Taiwan Semiconductor Manufacturing.

### Outlook

As markets continue their seemingly inexorable rise, talk of reducing, or ‘tapering’, monetary policy support is dominating the headlines. This is despite some evidence of declining growth expectations on the back of the Delta variant outbreak. However, inflation data has broadly exceeded forecasts and has led to some steepening of yield curves in August throughout developed markets, following the broad flattening seen since May, suggesting loose monetary policy is no longer appropriate. Hawkish sentiment is growing, and the consensus now expects some tapering from the Federal Reserve by the end of the year.

The fact that markets have broadly taken this in their stride is perhaps testament to a good earnings season which has seen the majority of companies beating on both top and bottom lines over the second quarter. This is despite cost increases, particularly in transportation and raw materials, that have resulted in some crimping of margins. The future trend in margins, in the face of a slowdown in the rapid pace of growth and supply chain issues, will likely define equity market direction from here, given the relatively high valuation levels. Optimism rests on the perceived positive impact of a worldwide budgetary stimulus as infrastructure programmes swing into action across the globe. Effectively, this is a transition from loose to less loose monetary stimulus and towards looser fiscal policy.

This transition will not be an easily managed change and we suspect that market sentiment will prove volatile, with inflation numbers likely a key focus of attention. However, we do feel that a successful transition can enable further market progress, though avoiding companies challenged by supply chains, labour and material costs, as well as increased regulatory scrutiny, will be important to adding value above the market return.

The outlook statement reflects the views of our 4Factor investment team’s process and is, therefore, similar to that of Global Equity.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* All Countries World NDR Index) and peer group sector average (Investment Association Global sector) shown for performance comparison purposes only.

\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One UK Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the “MSCI Parties”) makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. The opinions expressed herein are as at end of August 2021.

## Global Dynamic Fund (continued)

### Risk and reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the higher end of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**Emerging market:** These markets carry a higher risk of financial loss than more developed markets as they may have less developed legal, political, economic or other systems.

**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.

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\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Environment Fund

## Summary of the Fund's investment objective and policy

The Fund aims to grow the value of your investment and provide income over at least 5 year periods, after allowing for fees.

The Fund invests primarily (at least two-thirds and typically substantially more) in the shares of companies which the Investment Manager believes contribute to positive environmental change through sustainable decarbonisation (the process of reducing carbon dioxide emissions). This means the Investment Manager focuses on identifying companies whose products, technologies and/or services avoid carbon, relative to their industry peers. Examples may include companies which provide, utilize, implement or advise upon technology-based systems, products or services in environmental markets, particularly those of alternative energy, decarbonisation and energy efficiency, water treatment and pollution control, and waste technology and resource management. These companies are typically committed to renewable energy, resource efficiency and/or electrification (the process of powering by electricity by switching from other power sources).

This approach means that not all companies in the portfolio will have low absolute levels of carbon emissions as the company's shares may be selected because the Investment Manager believes the company contributes to sustainable decarbonisation in another way. The Fund does not place a time limit on an investment in the shares of a company and may remain invested in the shares of companies that do not reduce their absolute carbon emissions, provided that the company continues to meet the criteria set out above.

These companies may be located anywhere in the world, be of any size and operate within any industry sector. The Fund may, at times, invest in a relatively small number of companies.

The Fund may invest in other transferable securities (e.g. shares and bonds), money market instruments, cash or near cash, deposits, units or shares in other funds (up to 10%) (which may be managed by the Investment Manager, one of its affiliates or a third party) and derivatives (for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate extra income or growth with a low level of risk).

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI All Countries World Index is used for performance comparison. The Fund does not seek to replicate the index.

## Performance record

	6 months (%)
Global Environment Fund 'I' accumulation shares	16.01*
Performance comparison index	15.61**
Peer group sector average	14.30**

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

## Global Environment Fund (continued)

### Performance review

The Fund delivered a positive return during the period under review and outperformed the benchmark and peer group sector average.

### Factors helping performance

The main contributors to relative returns in the period were a diverse group of companies, all of which (like this period's relative detractors) are helping the global economy transition to a more sustainable model. They included Waste Management, the largest waste-collection and processing company in the US, which contributes to decarbonisation through its recycling operations and through landfill management, including via its methane-capture technologies. It outperformed following a strong financial performance, partly as business volumes grew faster than expected, returning to pre-pandemic levels in many of its segments, and also due to higher prices for recycled materials. Other contributors included Croda, a leading oleochemical producer, which performed well on strong growth. The company's output replaces carbon-intensive, fossil-fuel-based alternatives. Croda is an enabler of decarbonisation in industries such as personal care and crop protection (it also played a key role in the pandemic response, producing an essential chemical used in COVID vaccines).

Wuxi Lead Intelligent Equipment, which predominantly designs, manufactures and sells battery-production equipment and services to leading electric-vehicle (EV) battery manufacturers in China, was another contributor. Its shares were lifted by a strong recovery in the EV battery supply chain – from a low-point in March following a sell-off sparked partly by concern over the semiconductor shortage – aided by upwards earnings revisions, higher sales and policy tailwinds as major economies encourage a switch to electrified transport. Trane Technologies (a US-based HVAC (heating, ventilation and air-conditioning) and refrigeration company), a new company this year in the portfolio in the resource-efficiency space, was another key contributor, again due to strong results.

### Factors hindering performance

The main stock-level detractors from relative returns included Itron, which provides smart networks, software, services, meters and sensors to help utilities and other customers better manage energy and water resources. It underperformed after posting disappointing Q2 results, mainly due to supply-chain disruptions arising from a global semiconductor shortage. We continue to believe the company's medium-term growth drivers remain intact, as the US and other regions spend more on smart grids and networks and as Itron continues to shift towards higher-growth, capital-light areas. Semiconductor-maker Infineon also detracted, for similar supply-chain-related reasons. Its Q3 results were impacted by COVID-related disruptions at a manufacturing facility in Malaysia, compounding a hit to production after a winter storm curtailed output from a plant in Austin, Texas. Longer-term, we continue to regard Infineon as a beneficiary of decarbonisation, given the extensive use of its semiconductors in the renewable-energy and electric-vehicle segments.

Other detractors included Xinjiang Goldwind, the market-leading wind-turbine manufacturer in China, which underperformed largely due to concern early in the period over Chinese policy support for its sector. We exited our position in Goldwind in July 2021 as we felt unable to verify its policies on labour relations; we were also concerned about the pricing environment in the industry and Goldwind's market share. Finally, the interest-rate sensitivity of some of the companies in the portfolio – including utility Iberdrola – also weighed on performance, as global bond yields rose. We continue to hold Iberdrola as we believe its longer-term de-carbonisation credentials remain in place.

### Portfolio activity

#### Significant purchases

NextEra Energy, Iberdrola, Waste Management, Orsted, Xinyi Solar, ANSYS, Croda International, Terna Rete Elettrica Nazionale, Itron, Zhejiang Sanhua Intelligent Controls.

## Global Environment Fund (continued)

### Significant sales

Wuxi Lead Intelligent Equipment, Xinjiang Goldwind Science & Technology, Nidec, China Everbright International, NXP Semiconductors. Waste Management, Voltronic Power Technology, Xinyi Solar, Novozymes, Aptiv.

### Outlook

We maintain our conviction that the outperformance of the Global Environment strategy will be linked to the pace of decarbonisation, which represents a multi-decade opportunity, and we continue to see an attractive backdrop for the strategy.

Recent quarters have highlighted the importance of an active, diversified, valuation-focused approach to investing in decarbonisation, as well as the opportunities that near-term volatility affords those who follow such a strategy. Certain decarbonisation-linked sectors will inevitably run ahead of themselves at times from a valuation perspective, as we saw in a few areas towards the end of last year. At the same time, the decarbonisation universe remains subject to market volatility and cyclical trends. We responded to the former by trimming some exposures towards the end of last year, and to the more recent weakness in certain sectors and regions by adding to holdings as their valuations became (even) more appealing.

Near-term market moves notwithstanding, the structural economic trends driven by decarbonisation remain very much intact. As the International Energy Agency's (IEA) recent report highlights, the transition from a carbon-heavy global economy to one based on clean energy has barely begun, affording companies that are enabling that transition a potentially unprecedented growth opportunity. The numbers are staggering and bear repeating. Achieving carbon-neutrality by 2050 requires the following milestones to be achieved by 2030, a mere nine years from now: a 4x increase in wind and solar capacity, an 18x increase in electric vehicle (EV) sales, a 41x increase in annual EV battery production, and US\$4 trillion of annual investment in the energy sector alone.

That may sound like a lot, but it is only part of the getting-to-net-zero story. The IEA focuses (not surprisingly) on the energy sector and directly-related areas, which account for only about two-thirds of global emissions. Reducing the remaining one-third of emissions will require radical changes to agriculture, food production, industrial processes, buildings and much else besides. In many cases, these transitions are at an even earlier stage than the clean-energy revolution, suggesting an exciting investment opportunity.

Solving the carbon challenge in these areas will require not only low-carbon technologies, but solutions that enable substantial efficiency gains. As the IEA noted, by 2050 the world needs to be using less energy in total than it is today, while serving a world projected to contain an additional 2 billion people.

Potential investments linked to resource efficiency currently feature heavily in our research. They include opportunities relating to decarbonising buildings and factories, as well as the industrial activities that go on inside them, as well as addressing the carbon problem in agriculture and food production. Solving these challenges requires companies from diverse industries, including software, machinery and equipment, chemicals, and many others. This gives investors in decarbonisation the opportunity to build well-diversified portfolios, which remains an important focus for the Global Environment strategy.

## Global Environment Fund (continued)

Businesses enabling decarbonisation may be found in a broad range of sectors and regions, but what they tend to have in common is that the consensus continues to underestimate their growth potential, given the vast economic re-orientation required to get to net zero, or anywhere close to it. As a consequence, we continue to regard valuations in our portfolio – and in many parts of the wider decarbonisation universe – as potentially attractive, based on our conservative assessments of intrinsic value.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* All Countries World NDR Index) and peer group sector average (Investment Association Global sector) shown for performance comparison purposes only.

\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One UK Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.  
The opinions expressed herein are as at end of August 2021.

## Global Environment Fund (continued)

### Risk and reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the higher end of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**Commodity-related investment:** Commodity prices can be extremely volatile and losses may be made.

**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.

**Emerging market (inc. China):** These markets carry a higher risk of financial loss than more developed markets as they may have less developed legal, political, economic or other systems.

**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 the resulting value may decrease whilst portfolios more broadly invested might grow.

**Sustainable Strategies:** Sustainable, impact or other sustainability-focused portfolios consider specific factors related to their strategies in assessing and selecting investments. As a result, they will exclude certain industries and companies that do not meet their criteria. This may result in their portfolios being substantially different from broader benchmarks or investment universes, which could in turn result in relative investment performance deviating significantly from the performance of the broader market.

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\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Equity Fund

## Summary of the Fund's investment objective and policy

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 companies around the world and in related derivatives (financial contracts whose value is linked to the price of the shares of such companies).

Investment opportunities are identified using in-depth analysis and research on individual companies.

These companies may be of any size and in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI AC World Net Return Index is used for performance comparison and risk management. The Fund does not seek to replicate the index.

The Investment Association Global Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	6 months (%)
Global Equity Fund 'I' accumulation shares	12.66*
Performance comparison index	15.61**
Peer group sector average	14.30**

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



## Global Equity Fund (continued)

### Performance review

The Fund delivered a positive return during the period under review, but it underperformed its benchmark and peer group sector average.

### Factors hindering performance

Exposure to China was the largest cause of negative relative performance, and in particular the holding in Tencent Music Entertainment, which underperformed on concerns about content safety in the company's social entertainment division. We exited the stock due to clarity unlikely to emerge soon on the outcome of regulatory pressure, first focused on the music business, but now also the social entertainment business likely to face regulation. Regulatory concerns also weighed on the gaming sector as the regulators moved to restrict the amount of time that minors spend gaming, and this drove the underperformance for gaming giant NetEase. Despite the increased regulatory concerns we continue to hold the shares.

Elsewhere, despite strong earnings and sales growth and guidance, weakness in heavy equipment manufacturer Sany Heavy's gross profit margin put pressure on its shares. The miss on margins was due to the company's product mix, price competition and raw materials inflation. There was also concern about a slowdown in excavator sales in the second half of the year and so we exited the position. Chinese baijiu producer Kweichow Moutai sold off with Chinese market weakness and mixed results from peers. We maintain our position in Kweichow.

In South Korea, Samsung Electronics underperformed due to concerns on the DRAM memory pricing outlook as a result of higher-than-expected memory inventories at certain PC & mobile customers. The company remains a market leader and the shares remain cheap in our view, pricing in a large downturn in memory, which current evidence does not fully support. However, we have reduced our position given the risk reward balance while we await further evidence of whether inventory levels are driven by a mismatch in components from shifting supply shortages or are in fact due to a weaker demand environment.

### Factors helping performance

Holdings in the United States contributed the most to relative returns. Within communication services, Google parent Alphabet outperformed on results that surpassed the already high expectations. This was due to both strong cyclical recovery and an acceleration in digital ad spend and Google's advantageous position in relation to this. Customer engagement and business performance company Concentrix Corporation reported good results showing an acceleration in growth – materially above what had been expected following its spin-off from Synnex. Microsoft outperformed as the market regime shifted away from value/cyclical back to quality/growth stocks with performance accelerating into results that evidenced operational strength. Consumer credit reporting company TransUnion outperformed after releasing second-quarter results that demonstrated a strong recovery in demand for credit scoring as banks resume new lending activity, aided by a strong consumer and ongoing re-opening of global economies. Data management company NetApp delivered strong performance on the back of results showing both a recovery in enterprise demand and traction for its own cloud services.

## Global Equity Fund (continued)

### Portfolio activity

#### Significant purchases

PayPal, Infineon Technologies, Nordea Bank, HSBC, LyondellBasell Industries, Trimble, SK Telecom, Siemens, Anglo American, Six Flags Entertainment.

#### Significant sales

Goldman Sachs, Alphabet, Samsung Electronics, Apple, Rio Tinto, Alibaba, GoDaddy, Generac, British American Tobacco, Microsoft.

### Outlook

As markets continue their seemingly inexorable rise, talk of reducing, or ‘tapering’, monetary policy support is dominating the headlines. This is despite some evidence of declining growth expectations on the back of the Delta variant outbreak. However, inflation data has broadly exceeded forecasts and has led to some steepening of yield curves in August throughout developed markets, following the broad flattening seen since May, suggesting loose monetary policy is no longer appropriate. Hawkish sentiment is growing, and the consensus now expects some tapering from the Federal Reserve by the end of the year.

The fact that markets have broadly taken this in their stride is perhaps testament to a good earnings season which has seen the majority of companies beating on both top and bottom lines over the second quarter. This is despite cost increases, particularly in transportation and raw materials, that have resulted in some crimping of margins. The future trend in margins, in the face of a slowdown in the rapid pace of growth and supply chain issues, will likely define equity market direction from here, given the relatively high valuation levels. Optimism rests on the perceived positive impact of a worldwide budgetary stimulus as infrastructure programmes swing into action across the globe. Effectively, this is a transition from loose to less loose monetary stimulus and towards looser fiscal policy.

This transition will not be an easily managed change and we suspect that market sentiment will prove volatile, with inflation numbers likely a key focus of attention. However, we do feel that a successful transition can enable further market progress, though avoiding companies challenged by supply chains, labour and material costs, as well as increased regulatory scrutiny, will be important to adding value above the market return.

The outlook statement reflects the views of our 4Factor investment team’s process and is, therefore, similar to that of Global Dynamic.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* All Countries World NDR Index) and peer group sector average (Investment Association Global sector) shown for performance comparison purposes only.

\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One UK Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the “MSCI Parties”) makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

The opinions expressed herein are as at end of August 2021.

## Global Equity Fund (continued)

### Risk and reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### The following risks may not be fully captured by the Risk and Reward Indicator:

**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.

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\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Gold Fund

## Summary of the Fund's investment objective and policy

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 companies around the world involved in gold mining and in related derivatives (financial contracts whose value is linked to the price of the shares of such companies).

The Fund may invest up to one-third of its assets in the shares of companies around the world that are involved in mining for precious metals other than gold, non-precious metals and minerals and related derivatives.

Investment opportunities are identified using macroeconomic research (based on a view of the economy as a whole) and research on individual companies.

The Fund may at times invest in a relatively small number of companies. These companies may be of any size.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety one group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The NYSE Arca Gold Miners Total Return Index is used for performance comparison. The Fund does not seek to replicate the index.

## Performance record

	6 months (%)
Global Gold Fund 'I' accumulation shares	1.49*
Performance comparison index	6.53**
Peer group sector average	N/A

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

## Global Gold Fund (continued)

### Performance review

The Fund delivered a positive total return during the period but underperformed its benchmark.

### Factors hindering performance

At the stock-level, not owning Franco-Nevada detracted from relative returns. As a royalty streaming company, Franco-Nevada outperformed more pure-play gold companies as it owns oil & gas assets and therefore benefited from rising energy prices in the period. We don't own the company as we see better investment opportunities elsewhere. An overweight in St. Barbara also detracted; its results were impacted by production challenges arising from difficulties with ore delivery at a mine in Western Australia and the suspension of operations at a mine in Papua New Guinea following a fatality. However, the company maintained its guidance and expects production to increase, which would improve its cost profile. We regard St. Barbara's valuation as attractive and there is a compelling turnaround story; overall, we remain comfortable with our exposure.

Other detractors included an overweight in Pan American Silver, which lagged the benchmark in part due to the underperformance of silver during the period. The company's shares were further weighed down after the company lowered its annual silver production estimates, due to pandemic impacts at mines in Latin America, as well as some specific operational challenges at a mine in Mexico. We continue to hold as we expect production capacity should improve post pandemic.

### Factors helping performance

An overweight position in Endeavour Mining was a positive contributor to relative returns, as the company's shares benefited from its listing on the London Stock Exchange during the period. The move was well received by investors, and the company is now the largest pure-play gold miner listed on the premium segment of the exchange. The listing will provide the company with access to a deeper pool of capital and will help consolidate its rapid recent growth. Other positive contributors included an overweight in Kirkland Lake Gold whose share price rose after the company reported that production had increased at all three of its cornerstone assets in Q2 2021. The company also delivered record net earnings, while costs were below management guidance for the quarter, and is continuing apace with its exploration programmes. Finally, an overweight position in Perseus Mining contributed, with shares in the West Africa-focused miner continuing to re-rate. They benefited in particular from the corporate structure being refined, as the company agreed with Mako Gold to exchange its 39% interest in the Napie Gold Project for an equity holding of 5.1%.

### Portfolio activity

#### Significant purchases

Newcrest Mining, Northern Star Resources, OceanaGold, Wheaton Precious Metals, Centamin, Evolution Mining, Newmont, Kirkland Lake Gold, Gold Fields, AngloGold Ashanti.

#### Significant sales

Agnico Eagle Mines, Kirkland Lake Gold, Gold Fields, Endeavour Mining, Newmont, Polymetal International, Perseus Mining, SSR Mining, Evolution Mining, AngloGold Ashanti.

## Global Gold Fund (continued)

### Outlook

Gold prices still remain below the peak of US\$2,063/oz reached in early August last year. It has been a challenging period as US dollar strength, a rise in bond yields, and concerns over inflation and what that will mean for policy have all weighed on the gold price. Looking forward, monetary policy moving from the aggressive loosening that took place last year to a tightening stance, together with the possibility that inflation will moderate next year as base effects wash out, are expected to be headwinds for the gold price. That being said, both policy and inflation are adjusting from extremely high and unprecedented levels, which in turn creates uncertainty – an environment that gold normally performs well in given its association as a ‘safe-haven’ asset. As such, at present it is most probable to us that gold trades around its current levels. Gold equities are enjoying their best margins in real terms for nearly 40 years, and recent results showed that with record cashflows for a number of companies. This was enhanced by many companies increasing or initiating dividends as well as buybacks; despite share-price rises, dividend yields continue to be attractive. We believe that gold companies’ cash generation is likely to remain strong. The longer-term trend for gold companies to pay dividends and return cash to shareholders remains intact, in our view. We continue to maintain close to 100% exposure to gold and silver companies in the portfolio and remain comforted by the strength of balance sheets.

After the strong gains in gold and gold equities over the past two years, it is natural for investors to be more cautious about future performance. However, we retain conviction in our view that, the future being inherently uncertain, gold and gold equities remain a valuable hedge opportunity over the long-term, with the latter paying an increasingly attractive income.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (Euromoney Global Gold TR) shown for performance comparison purposes only. For this Fund there is no relevant Investment Association sector against which to measure performance.

## Global Gold Fund (continued)

### Risk and reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the higher end of the Risk and Reward Indicator scale. This is because the Fund's investments are linked to commodities and natural resources, whose values tend to fluctuate widely.

#### The following risks may not be fully captured by the Risk and Reward Indicator:

**Commodity-related investment:** Commodity prices can be extremely volatile and losses may be made.

**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 the resulting value may decrease whilst portfolios more broadly invested might grow.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# UK Sustainable Equity Fund

## Summary of the Fund's investment objective and policy

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 UK companies (those incorporated in, domiciled in, or that have significant economic exposure to, the UK).

The Fund invests in companies which are considered by the Investment Manager to be making a positive contribution to society and/or the environment through sustainable and socially responsible practices, products and/or services.

Examples may include companies which provide products or services in environmental markets such as alternative energy, energy efficiency and water treatment as well as companies that contribute to improving the basic needs and quality of life of society, such as those providing or improving access to finance, health care and education.

The Fund is actively managed with a long-term investment horizon and focusses on shares which the Investment Manager believes offer above average opportunities for income and growth.

Investment opportunities are identified using in-depth analysis and research on individual companies.

These companies may be of any size and in any sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The FTSE All-Share Total Return Index is used for performance comparison. The Fund does not seek to replicate the index.

The Investment Association UK All Companies Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	6 months (%)
UK Sustainable Equity Fund 'I' accumulation shares	12.41*
Performance comparison index	13.34**
Peer group sector average	14.59**

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



## UK Sustainable Equity Fund (continued)

### Performance review

The Fund delivered a positive return during the period under review, but underperformed the benchmark and peer group sector average.

### Factors hindering performance

The main detractors from relative returns included two companies from our accessible healthcare sustainability theme. PureTech Health, a clinical-stage biotherapeutics company focused on discovering, developing, and commercialising highly differentiated medicines, underperformed in the period. Its shares drifted back though there was no material 'new' news; we, like the market, are awaiting updates on its latest trials over the coming 12 months. Clinigen, which provides healthcare professionals with access to treatments that are otherwise unavailable at the point of care, also detracted. Its shares fell after the company issued lower-than-expected profit guidance for full-year 2021. Sales of a key oncology drug have been weak because of the reduction in hospital-based cancer treatments due to COVID-19. We feel that this drag on the business may fade in time and we maintain our positive long-term view. Other detractors included HomeServe, a company in our accessible finance theme which primarily sells insurance for home systems such as plumbing and heating to homeowners; its shares slipped after reporting a decline in UK customer numbers. Finally, an overweight in London Stock Exchange Group detracted. Its shares declined in March on concern over the cost and complexity of integrating Refinitiv, a data and analytics business it acquired in January. In our view, the market had welcomed the deal a little too enthusiastically at its announcement. While the further detail released on the deal provided something of a reality check for some investors, we maintain our view that the structural rationale for the acquisition is solid and that it has potential to yield long-term benefits for LSE Group.

### Factors helping performance

The positive absolute performance of the Fund partly reflected broadly rising UK equity markets in the period as major economies continued to recover from the pandemic, generally encouraging earnings, stimulus measures and vaccine rollouts in the developed world. In terms of relative performance, the main contributors included Biffa, the UK's leading waste-management business, which contributes towards the UK's transition to a more circular and sustainable economic model. Biffa delivered strong results, fuelled by rising business volumes and higher prices for recycled materials. Its shares were further boosted after the market responded positively to a deal to buy the collections business and certain recycling assets from Viridor Waste Management.

Other contributors included Smart Metering Systems, which offers end-to-end metering and energy-management systems for utilities, consumers, and other customers. Its shares benefited from continued strong growth, with its meter installation run-rate continuing to improve, as well as a positive response to its moves into other areas that support the energy transition, such as electric-vehicle charging points and battery storage. Other contributors included Gamma Communications, which provides connectivity services to businesses in the UK and Europe and is well positioned for the shift towards unified communications as a service ("UCaaS"; i.e., cloud-based communication and telephony). Its shares outperformed on a strong business performance, with the company delivering annual results towards the upper-end of market expectations. Finally, not holding HSBC benefited returns, its shares underperforming given the bank's China exposure, with indications in the period that the Chinese economy is losing momentum.

## UK Sustainable Equity Fund (continued)

### Portfolio activity

#### Significant purchases

National Grid, HomeServe, London Stock Exchange, Smith & Nephew, GlaxoSmithKline, Morgan Advanced Materials, Clinigen, Lloyds Banking, BT, AVEVA, PureTech Health, RELX, Unilever, De La Rue, Marlowe, ConvaTec, Kier, Smart Metering Systems.

#### Significant sales

Sage, John Laing, Prudential, Novacyt, Blue Prism.

### Outlook

The recovery from here faces several potential speedbumps. New strains of the coronavirus are spreading – among them the Delta variant, which is limiting European travel – and many UK and other businesses continue to face disruptions, not least due to isolating employees. From a policy perspective, there has been a notable change in narrative, with the US Federal Reserve acknowledging that members have begun discussing when they should talk about reducing policy support to address inflation concerns. But while it is clear that the high point of accommodative monetary policy has passed, the path of policy and interest rates remains uncertain.

This backdrop leaves markets open to bouts of significant volatility, and there may well be further coronavirus-related challenges for companies in the UK and elsewhere. We continue to believe that companies that put sustainability at the heart of their business models and operations – and that proactively manage their relationships with all of their stakeholders, including employees, business partners, customers, local communities and society more broadly – stand the best chance of weathering any near-term difficulties that may arise and achieving success over the long term.

For active managers, of course, volatility also presents opportunities to add to holdings in which we have conviction at valuations that we regard as attractive. Looking ahead, we will remain ready to respond to such opportunities as they arise, while maintaining our long-term focus on building a diversified portfolio of high-quality businesses that are contributing to a more sustainable future.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (FTSE All-Share TR Index) and peer group sector average (Investment Association UK All Companies sector) shown for performance comparison purposes only.

## UK Sustainable Equity Fund (continued)

### Risk and reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### The following risks may not be fully captured by the Risk and Reward Indicator:

**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 the resulting value may decrease whilst portfolios more broadly invested might grow.

**Sustainable Strategies:** Sustainable, impact or other sustainability-focused portfolios consider specific factors related to their strategies in assessing and selecting investments. As a result, they will exclude certain industries and companies that do not meet their criteria. This may result in their portfolios being substantially different from broader benchmarks or investment universes, which could in turn result in relative investment performance deviating significantly from the performance of the broader market.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Emerging Markets Local Currency Debt Fund

## Portfolio statement

As at 31 August 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Collective investment schemes 3.98% (28.02.21: 3.52%)</b>			
Ninety One GSF All China Bond Fund†	165,341	4,218	3.98
<b>Corporate bonds 12.26% (28.02.21: 11.72%)</b>			
JPMorgan Chase Bank 7% 18/09/2030	IDR 53,296,000,000	2,893	2.73
European Bank for Reconstruction & Development 6.45% 13/12/2022	IDR 42,134,700,000	2,201	2.08
Standard Chartered Bank 7.5% 19/05/2038	IDR 35,029,000,000	1,892	1.78
Petroleos Mexicanos 6.84% 23/01/2030	USD 1,444,000	1,096	1.03
Eskom 7.5% 15/09/2033	ZAR 24,400,000	943	0.89
JPMorgan Chase Bank 8.375% 17/03/2034	IDR 16,082,000,000	943	0.89
JPMorgan Chase Bank 7.5% 15/06/2035	IDR 14,392,000,000	788	0.74
Petroleos Mexicanos 7.19% 12/09/2024	MXN 21,308,200	735	0.69
JPMorgan Chase Bank 8.375% 19/04/2039	IDR 10,817,000,000	631	0.60
Standard Chartered Bank 8.25% 18/05/2029	IDR 5,408,000,000	313	0.29
Financiera de Desarrollo Territorial Findeter 7.875% 12/08/2024	COP 1,433,000,000	284	0.27
Standard Chartered Bank 6.125% 17/05/2028	IDR 3,242,000,000	170	0.16
Export-Import Bank of Korea 7.25% 07/12/2024	IDR 2,100,000,000	114	0.11
		<b>13,003</b>	<b>12.26</b>
<b>Government bonds 76.14% (28.02.21: 70.52%)#</b>			
Brazil Notas do Tesouro Nacional 10% 01/01/2025	BRL 25,578,000	3,643	3.44
Republic of South Africa Government Bond 8.875% 28/02/2035	ZAR 65,258,358	3,000	2.83
China Government Bond 2.85% 04/06/2027	CNH 26,190,000	2,949	2.78
Republic of South Africa Government Bond 10.5% 21/12/2026	ZAR 50,682,761	2,882	2.72
Republic of South Africa Government Bond 8% 31/01/2030	ZAR 55,200,000	2,634	2.48
Russian Federal Bond - OFZ 7.95% 07/10/2026	RUB 250,532,000	2,610	2.46
Colombian TES 5.75% 03/11/2027	COP 13,129,500,000	2,406	2.27
Thailand Government Bond 1.25% 12/03/2028	THB 94,192,000	2,196	2.07
Malaysia Government Bond 3.8% 17/08/2023	MYR 12,063,000	2,182	2.06
Malaysia Government Bond 3.885% 15/08/2029	MYR 10,326,000	1,892	1.78
Colombian TES 7.75% 18/09/2030	COP 8,907,600,000	1,777	1.68
Malaysia Government Bond 3.828% 05/07/2034	MYR 10,039,000	1,756	1.66
Czech Republic Government Bond 2.5% 25/08/2028	CZK 47,470,000	1,672	1.58
China Government Bond 1.99% 09/04/2025	CNH 15,050,000	1,652	1.56
Brazil Notas do Tesouro Nacional 10% 01/01/2023	BRL 9,984,000	1,423	1.34
China Government Bond 3.28% 03/12/2027	CNH 11,510,000	1,331	1.26
Peruvian Government International Bond 6.95% 12/08/2031	PEN 6,845,000	1,293	1.22
Hungary Government Bond 2.75% 22/12/2026	HUF 499,920,000	1,252	1.18
Mexican Bonos 8.5% 18/11/2038	MXN 31,437,600	1,240	1.17
Russian Federal Inflation Linked Bond 2.5% 17/07/2030	RUB 118,579,000	1,225	1.16
Romania Government Bond 5% 12/02/2029	RON 6,370,000	1,201	1.13
Zambia Government Bond 11% 25/01/2026	ZMW 40,380,000	1,169	1.10
China Government Bond 2.68% 21/05/2030	CNH 10,620,000	1,168	1.10
Russian Federal Bond - OFZ 7.75% 16/09/2026	RUB 113,094,000	1,167	1.10
Mexican Udibonos 3.5% 16/11/2023	MXN 4,130,000	1,073	1.01
Malaysia Government Bond 3.906% 15/07/2026	MYR 5,781,000	1,067	1.01
Hungary Government Bond 3% 27/10/2027	HUF 387,950,000	985	0.93
Republic of Kenya Infrastructure Bond 10.9% 11/08/2031	KES 143,350,000	941	0.89
Republic of South Africa Government Bond 8.25% 31/03/2032	ZAR 20,070,738	925	0.87
Thailand Government Bond 2.875% 17/06/2046	THB 37,618,000	913	0.86
Mexican Bonos 8% 07/12/2023	MXN 22,730,000	861	0.81
Republic of Ghana Government Bond 19% 02/11/2026	GHS 7,120,000	855	0.81
Malaysia Government Bond 3.9% 30/11/2026	MYR 4,386,000	812	0.77
Russian Federal Bond - OFZ 8.15% 03/02/2027	RUB 77,046,000	812	0.77
Egypt Government Bond 14.06% 12/01/2026	EGP 17,057,000	778	0.73

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Government bonds 76.14% (28.02.21: 70.52%)# (continued)</b>			
Ukraine Government Bond 15.84% 26/02/2025	UAH 25,275,000	733	0.69
Bonos de la Tesoreria de la Republica 1.9% 01/09/2030	CLP 25,500	725	0.68
Republic of South Africa Government Bond 9% 31/01/2040	ZAR 15,986,250	713	0.67
Thailand Government Bond 3.775% 25/06/2032	THB 25,387,000	689	0.65
Colombian TES 7.5% 26/08/2026	COP 3,376,700,000	680	0.64
Czech Republic Government Bond 1.25% 14/02/2025	CZK 19,570,000	649	0.61
Egypt Government Bond 18% 06/11/2028	EGP 12,056,000	637	0.60
Ukraine Government Bond 17% 11/05/2022	UAH 22,536,000	631	0.60
Czech Republic Government Bond 2% 13/10/2033	CZK 18,270,000	624	0.59
Russian Federal Bond - OFZ 6.9% 23/07/2031	RUB 62,872,000	618	0.58
Republic of Uganda Government Bonds 17% 03/04/2031	UGX 2,519,200,000	609	0.57
Egypt Government International Bond 7.625% 29/05/2032	USD 779,000	606	0.57
Colombian TES 6% 28/04/2028	COP 3,286,300,000	603	0.57
Thailand Government Bond 3.3% 17/06/2038	THB 23,005,000	599	0.56
Bonos de la Tesoreria de la Republica 2% 01/03/2035	CLP 21,000	578	0.55
Malaysia Government Bond 2.632% 15/04/2031	MYR 3,326,000	554	0.52
Indonesia Treasury Bond 6.5% 15/02/2031	IDR 10,307,000,000	542	0.51
Mexican Udibonos 4.5% 04/12/2025	MXN 1,950,000	537	0.51
Mexican Udibonos 2% 09/06/2022	MXN 2,140,000	535	0.50
Egypt Government Bond 16.3% 09/04/2024	EGP 11,077,000	534	0.50
Peruvian Government International Bond 6.35% 12/08/2028	PEN 2,849,000	526	0.50
Egypt Government Bond 17.7% 07/08/2025	EGP 10,384,000	525	0.50
Malaysia Government Bond 3.757% 22/05/2040	MYR 3,071,000	520	0.49
Romania Government Bond 3.65% 28/07/2025	RON 2,940,000	520	0.49
Mexican Bonos 7.75% 13/11/2042	MXN 13,380,000	492	0.46
Czech Republic Government Bond 1% 26/06/2026	CZK 14,410,000	468	0.44
Hungary Government Bond 3.25% 22/10/2031	HUF 172,720,000	443	0.42
Malaysia Government Bond 3.955% 15/09/2025	MYR 2,411,000	443	0.42
Czech Republic Government Bond 0.25% 10/02/2027	CZK 14,190,000	440	0.41
Hungary Government Bond 3% 21/08/2030	HUF 166,920,000	423	0.40
Colombian TES 7% 30/06/2032	COP 2,245,100,000	414	0.39
Egypt Government International Bond 8.875% 29/05/2050	USD 509,000	398	0.38
Egypt Government Bond 14.369% 20/10/2025	EGP 8,557,000	395	0.37
Malaysia Government Bond 3.733% 15/06/2028	MYR 2,146,000	391	0.37
Czech Republic Government Bond 0.05% 29/11/2029	CZK 12,650,000	368	0.35
Malaysia Government Bond 3.478% 14/06/2024	MYR 2,012,000	362	0.34
Colombian TES 7.25% 18/10/2034	COP 1,933,400,000	359	0.34
Russian Federal Bond - OFZ 7% 30/07/2036	RUB 35,296,000	343	0.32
Zambia Government Bond 13% 18/12/2027	ZMW 12,325,000	338	0.32
Egypt Government Bond 14.292% 05/01/2028	EGP 7,338,000	337	0.32
Peruvian Government International Bond 8.2% 12/08/2026	PEN 1,570,000	323	0.30
Thailand Government Bond 1.6% 17/06/2035	THB 14,443,000	314	0.30
Colombian TES 6.25% 26/11/2025	COP 1,594,200,000	309	0.29
Egypt Government Bond 14.4% 10/09/2029	EGP 6,402,000	291	0.27
Republic of Ghana Government Bond 19.75% 25/03/2024	GHS 2,271,000	284	0.27
Bonos de la Tesoreria de la Republica 1.5% 01/03/2026	CLP 9,500	273	0.26
Thailand Government Bond 2.875% 17/12/2028	THB 8,787,000	221	0.21
Egypt Government Bond 14.556% 13/10/2027	EGP 4,456,000	205	0.19
Thailand Government Bond 3.65% 20/06/2031	THB 7,556,000	203	0.19
Romania Government Bond 3.65% 24/09/2031	RON 1,110,000	190	0.18
Egypt Government Bond 14.483% 06/04/2026	EGP 3,796,000	175	0.16
Republic of Kenya Infrastructure Bond 12.257% 05/01/2037	KES 25,900,000	175	0.16
Egypt Government Bond 14.382% 12/01/2031	EGP 3,663,000	166	0.16
Colombian TES 6.25% 09/07/2036	COP 908,800,000	150	0.14
Hungary Government Bond 4% 28/04/2051	HUF 53,550,000	145	0.14
Republic of Uganda Government Bonds 16% 06/05/2027	UGX 618,500,000	145	0.14
Russian Federal Bond - OFZ 6% 06/10/2027	RUB 13,128,000	125	0.12
Zambia Government Bond 13% 29/08/2026	ZMW 3,010,000	91	0.09
Egypt Government Bond 14.664% 06/10/2030	EGP 1,831,000	83	0.08
Romania Government Bond 4.15% 26/01/2028	RON 435,000	78	0.07
Republic of Uganda Government Bonds 16.25% 08/11/2035	UGX 295,800,000	69	0.06
Republic of Uganda Government Bonds 14.25% 22/06/2034	UGX 213,800,000	44	0.04
Republic of Uganda Government Bonds 17% 16/01/2025	UGX 115,900,000	28	0.03
Republic of Kenya Infrastructure Bond 11.75% 08/10/2035	KES 800,000	5	-
		<b>80,735</b>	<b>76.14</b>

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset		Holding	Market value (£'000)	Percentage of net assets (%)	
<b>Government treasury bills 6.29% (28.02.21: 4.68%)#</b>					
Brazil Letras do Tesouro Nacional 01/01/2024		BRL 30,000,000	3,425	3.23	
Brazil Letras do Tesouro Nacional 01/01/2022		BRL 8,000,000	1,097	1.03	
Brazil Letras do Tesouro Nacional 01/07/2023		BRL 9,000,000	1,079	1.02	
Egypt Treasury Bill 05/10/2021		EGP 23,300,000	1,066	1.01	
			<b>6,667</b>	<b>6.29</b>	
<b>Derivatives - futures 0.03% (28.02.21: 0.16%)</b>					
South African R2035 Bond Futures 04/11/2021		232	29	0.03	
<b>Derivatives - interest rate swaps (0.02%) (28.02.21: 0.00%)</b>					
Citi Interest Rate Swap receive 2.16% 30/08/2026		23,496,104	1	-	
Citi Interest Rate Swap pay 1.877% 09/07/2026		15,828,436	(5)	-	
Citi Interest Rate Swap pay 1.822% 12/07/2026		26,250,620	(11)	(0.01)	
Citi Interest Rate Swap pay 1.828% 12/07/2026		28,251,918	(11)	(0.01)	
			<b>(26)</b>	<b>(0.02)</b>	
<b>Derivatives - total return swaps 0.00% (28.02.21: 0.90%)</b>					
<b>Forward foreign exchange contracts (0.15%) (28.02.21: 0.13%)</b>					
<b>Forward currency contracts</b>					
<b>US dollar</b>					
Buy USD	194,233	for GBP	(140,000)	1	-
Sell USD	(155,640)	for GBP	110,000	(3)	-
			<b>(2)</b>	<b>-</b>	
<b>Forward cross currency contracts</b>					
Buy BRL	51,013,301	for USD	(9,625,422)	155	0.15
Buy CLP	2,248,883,674	for USD	(3,125,893)	(184)	(0.17)
Buy CNH	1,672,438	for USD	(257,528)	1	-
Buy COP	9,906,197,575	for USD	(2,480,044)	83	0.08
Buy CZK	135,803,027	for USD	(6,525,854)	(169)	(0.16)
Buy EGP	4,256,230	for USD	(269,552)	1	-
Buy EUR	4,115,949	for USD	(4,841,524)	22	0.02
Buy HUF	1,363,524,334	for USD	(4,636,337)	(13)	(0.01)
Buy IDR	4,876,021,942	for USD	(339,532)	2	-
Buy KRW	3,907,504,204	for USD	(3,504,551)	(93)	(0.09)
Buy MXN	243,491,025	for USD	(12,158,637)	(46)	(0.04)
Buy MYR	10,052,730	for USD	(2,433,486)	(12)	(0.01)
Buy PEN	19,271,764	for USD	(4,930,646)	(154)	(0.15)
Buy PHP	10,410,493	for USD	(216,965)	(5)	-
Buy PLN	68,292,044	for USD	(18,523,636)	(525)	(0.50)
~Buy RON	825,406	for USD	(198,055)	-	-
Buy RUB	544,599,527	for USD	(7,466,391)	(35)	(0.03)
Buy SGD	9,083,749	for USD	(6,680,538)	58	0.05
Buy THB	207,573,850	for USD	(6,312,734)	92	0.09
Buy TRY	36,539,753	for USD	(4,122,237)	146	0.14
Buy TWD	118,728,043	for USD	(4,331,403)	(22)	(0.02)
Buy USD	15,030,309	for BRL	(78,759,110)	(62)	(0.06)
Buy USD	2,012,984	for CLP	(1,482,016,711)	87	0.08
Buy USD	9,393,434	for CNH	(60,993,363)	(29)	(0.03)
Buy USD	6,239,614	for COP	(23,082,159,922)	143	0.13
Buy USD	2,592,514	for CZK	(56,326,071)	(13)	(0.01)
Buy USD	3,058,751	for EGP	(48,815,560)	(16)	(0.02)
Buy USD	6,087,294	for EUR	(5,057,699)	73	0.07
Buy USD	204,505	for IDR	(3,000,544,016)	(4)	-
Buy USD	3,348,001	for KRW	(3,907,574,697)	(21)	(0.02)
Buy USD	8,438,942	for MXN	(170,864,014)	(35)	(0.03)
Buy USD	1,579,285	for PEN	(6,306,328)	25	0.02
Buy USD	5,008,602	for PLN	(19,527,156)	(59)	(0.06)
Buy USD	3,689,680	for RON	(14,971,915)	74	0.07
Buy USD	3,631,763	for RUB	(269,025,063)	(24)	(0.02)
Buy USD	6,096,434	for THB	(190,282,335)	140	0.13

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset			Market value (£'000)	Percentage of net assets (%)
		<b>Holding</b>		
<b>Forward cross currency contracts (continued)</b>				
Buy USD	7,683,504	for ZAR	(106,397,977)	277
Buy ZAR	54,694,283	for USD	(3,802,460)	(35)
Buy ZMW	5,145,271	for USD	(263,751)	22
			<b>(155)</b>	<b>(0.15)</b>
Portfolio of investments <sup>^</sup>			104,469	98.53
Net other assets <sup>*</sup>			1,559	1.47
<b>Net assets</b>			<b>106,028</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

<sup>^</sup> Including derivative liabilities.

†A related party to the Fund.

~ The market value of the holdings is below £500 and is therefore rounded down to £0.

#Prior year comparatives restated.

The collective investment schemes investments, interest rate swaps and the forward foreign exchange contracts are not listed.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

## Portfolio analysis

As at 31 August 2021

### Portfolio analysis

Asset	31.08.21		28.02.21	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
Bonds	93,738	88.40	93,909	82.24
Collective investment schemes	4,218	3.98	4,022	3.52
Derivatives	3	0.01	833	0.74
Forward foreign exchange contracts	(157)	(0.15)	158	0.13
Government treasury bills	6,667	6.29	5,341	4.68
Net other assets	1,559	1.47	9,927	8.69
<b>Net assets</b>	<b>106,028</b>	<b>100.00</b>	<b>114,190</b>	<b>100.00</b>

### Credit breakdown\*

Asset	31.08.21		28.02.21	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
AAA	2,201	2.08	2,156	1.89
AA	4,335	4.09	847	0.74
A	20,797	19.63	24,868	21.79
BBB	36,880	34.77	43,590	38.16
BB	18,278	17.23	13,386	11.74
B	9,649	9.09	9,062	7.92
CCC	1,598	1.51	-	-
<b>Total bonds</b>	<b>93,738</b>	<b>88.40</b>	<b>93,909</b>	<b>82.24</b>

\*Bond ratings are Ninety One approximations.



# Global Dynamic Fund

## Portfolio statement

As at 31 August 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Australia 1.57% (28.02.21: 2.10%)</b>			
Santos	320,976	1,033	1.57
<b>Canada 2.06% (28.02.21: 0.99%)</b>			
Descartes Systems	24,047	1,358	2.06
<b>Cayman Islands 2.43% (28.02.21: 6.39%)</b>			
Tencent	35,600	1,598	2.43
<b>China 0.00% (28.02.21: 1.85%)</b>			
<b>Denmark 2.01% (28.02.21: 1.93%)</b>			
Carlsberg	10,381	1,322	2.01
<b>Finland 1.91% (28.02.21: 0.00%)</b>			
Nordea Bank	145,468	1,255	1.91
<b>France 4.23% (28.02.21: 2.67%)</b>			
Teleperformance	4,406	1,421	2.16
Vinci	17,518	1,359	2.07
		<b>2,780</b>	<b>4.23</b>
<b>Germany 7.08% (28.02.21: 7.43%)</b>			
Infineon Technologies	55,375	1,734	2.64
Siemens	13,791	1,675	2.55
Volkswagen Preference Shares	7,200	1,245	1.89
		<b>4,654</b>	<b>7.08</b>
<b>Guernsey 1.01% (28.02.21: 0.79%)</b>			
Burford Capital	75,933	664	1.01
<b>Hong Kong 2.87% (28.02.21: 2.32%)</b>			
AIA	217,974	1,891	2.87
<b>Ireland 6.22% (28.02.21: 3.14%)</b>			
Medtronic	22,757	2,212	3.36
STERIS	12,047	1,877	2.86
		<b>4,089</b>	<b>6.22</b>
<b>Japan 0.00% (28.02.21: 1.02%)</b>			
<b>Mexico 0.85% (28.02.21: 1.66%)</b>			
Grupo Mexico	167,741	561	0.85
<b>South Korea 0.00% (28.02.21: 3.29%)</b>			
<b>Spain 2.34% (28.02.21: 2.52%)</b>			
Iberdrola	170,549	1,539	2.34
<b>Sweden 2.08% (28.02.21: 2.04%)</b>			
Volvo	82,697	1,365	2.08
<b>Switzerland 2.47% (28.02.21: 2.47%)</b>			
UBS	134,267	1,626	2.47
<b>Taiwan 2.49% (28.02.21: 3.12%)</b>			
Taiwan Semiconductor Manufacturing	102,000	1,639	2.49

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>United Kingdom 3.73% (28.02.21: 4.87%)</b>			
Anglo American	54,859	1,684	2.56
London Stock Exchange	9,643	768	1.17
		<b>2,452</b>	<b>3.73</b>
<b>United States 51.73% (28.02.21: 47.15%)</b>			
Microsoft	17,081	3,765	5.72
Amazon.com	1,220	3,031	4.61
NVIDIA	16,276	2,682	4.08
Synopsys	9,657	2,345	3.57
Keysight Technologies	16,865	2,193	3.33
State Street	25,169	1,691	2.57
Broadcom	4,505	1,632	2.48
PayPal	7,669	1,606	2.44
Marsh & McLennan	14,037	1,595	2.43
AbbVie	17,722	1,552	2.36
Intercontinental Exchange	17,419	1,510	2.30
Eastman Chemical	15,399	1,270	1.93
Pioneer Natural Resources	11,249	1,227	1.87
Citigroup	21,031	1,095	1.66
eBay	17,517	986	1.50
Lear	8,063	942	1.43
Texas Roadhouse	12,632	858	1.30
NetApp	12,538	805	1.22
Six Flags Entertainment	21,992	674	1.02
SVB Financial	1,644	668	1.02
TransUnion	7,361	641	0.97
Jacobs Engineering	6,514	640	0.97
Amedisys	4,873	623	0.95
		<b>34,031</b>	<b>51.73</b>
Portfolio of investments		63,857	97.08
Net other assets*		1,923	2.92
<b>Net assets</b>		<b>65,780</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.  
Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Global Environment Fund

## Portfolio statement

As at 31 August 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Australia 3.44% (28.02.21: 3.50%)</b>			
Brambles	9,016,637	58,041	3.44
<b>Cayman Islands 4.67% (28.02.21: 3.17%)</b>			
Xinyi Solar	44,950,947	78,790	4.67
<b>China 8.74% (28.02.21: 12.52%)</b>			
Zhejiang Sanhua Intelligent Controls	27,477,124	77,949	4.61
Wuxi Lead Intelligent Equipment	8,298,118	69,511	4.12
Wuxi Lead Intelligent	17,760	149	0.01
		<b>147,609</b>	<b>8.74</b>
<b>Denmark 12.41% (28.02.21: 10.94%)</b>			
Novozymes	1,304,797	76,646	4.54
Orsted	587,142	68,273	4.04
Vestas Wind Systems	2,156,696	64,565	3.83
		<b>209,484</b>	<b>12.41</b>
<b>France 3.91% (28.02.21: 3.80%)</b>			
Schneider Electric	504,346	66,063	3.91
<b>Germany 4.38% (28.02.21: 5.07%)</b>			
Infineon Technologies	2,362,893	73,966	4.38
<b>Hong Kong 1.86% (28.02.21: 2.72%)</b>			
China Everbright International	62,763,259	31,457	1.86
<b>Ireland 4.64% (28.02.21: 4.22%)</b>			
Trane Technologies	539,600	78,402	4.64
<b>Italy 4.39% (28.02.21: 3.40%)</b>			
Terna Rete Elettrica Nazionale	12,812,054	74,089	4.39
<b>Japan 0.94% (28.02.21: 3.22%)</b>			
Nippon Ceramic	795,200	15,837	0.94
<b>Jersey 4.45% (28.02.21: 5.16%)</b>			
Aptiv	675,834	75,167	4.45
<b>Netherlands 0.00% (28.02.21: 1.27%)</b>			
<b>Spain 5.17% (28.02.21: 4.50%)</b>			
Iberdrola	9,674,808	87,313	5.17
<b>Switzerland 3.96% (28.02.21: 3.63%)</b>			
TE Connectivity	602,928	66,848	3.96
<b>Taiwan 3.99% (28.02.21: 4.62%)</b>			
Voltronic Power Technology	2,089,752	67,361	3.99
<b>United Kingdom 6.95% (28.02.21: 5.62%)</b>			
Croda International	1,286,210	117,405	6.95

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>United States 24.23% (28.02.21: 21.07%)</b>			
NextEra Energy	2,095,742	127,793	7.57
Waste Management	1,031,692	116,237	6.89
ANSYS	269,396	71,547	4.24
Itron	1,025,232	63,037	3.73
Beyond Meat	348,700	30,428	1.80
		<b>409,042</b>	<b>24.23</b>
Portfolio of investments		1,656,874	98.13
Net other assets*		31,510	1.87
<b>Net assets</b>		<b>1,688,384</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.  
Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Global Equity Fund

## Portfolio statement

As at 31 August 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Australia 0.78% (28.02.21: 1.10%)</b>			
Santos	325,301	1,047	0.78
<b>Austria 0.81% (28.02.21: 0.57%)</b>			
Erste Group Bank	37,450	1,084	0.81
<b>Canada 1.02% (28.02.21: 1.19%)</b>			
Barrick Gold	49,735	716	0.53
Kinross Gold	151,111	651	0.49
		<b>1,367</b>	<b>1.02</b>
<b>Cayman Islands 2.80% (28.02.21: 6.07%)</b>			
NetEase	118,200	1,560	1.17
Tencent	28,400	1,274	0.95
China Mengniu Dairy	208,000	906	0.68
		<b>3,740</b>	<b>2.80</b>
<b>China 0.72% (28.02.21: 2.05%)</b>			
Kweichow Moutai	5,485	961	0.72
<b>Finland 1.24% (28.02.21: 0.00%)</b>			
Nordea Bank	192,648	1,662	1.24
<b>France 3.01% (28.02.21: 3.11%)</b>			
Sanofi	21,599	1,620	1.21
AXA	60,204	1,234	0.92
Eiffage	15,541	1,173	0.88
		<b>4,027</b>	<b>3.01</b>
<b>Germany 3.80% (28.02.21: 2.07%)</b>			
Siemens	16,894	2,052	1.53
Infineon Technologies	55,325	1,732	1.30
Volkswagen Preference Shares	7,467	1,291	0.97
		<b>5,075</b>	<b>3.80</b>
<b>Hong Kong 1.49% (28.02.21: 1.98%)</b>			
AIA	229,200	1,988	1.49
<b>Ireland 3.12% (28.02.21: 3.25%)</b>			
Medtronic	19,697	1,914	1.43
Trane Technologies	11,343	1,648	1.24
Pentair	10,746	603	0.45
		<b>4,165</b>	<b>3.12</b>
<b>Japan 1.59% (28.02.21: 2.12%)</b>			
Asahi	44,300	1,494	1.12
Nintendo	1,800	629	0.47
		<b>2,123</b>	<b>1.59</b>
<b>Jersey 1.01% (28.02.21: 0.93%)</b>			
Ferguson	13,012	1,353	1.01

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Netherlands 2.63% (28.02.21: 1.86%)</b>			
NXP Semiconductors	11,135	1,840	1.38
ASR Nederland	25,769	856	0.64
LyondellBasell Industries	11,044	817	0.61
		<b>3,513</b>	<b>2.63</b>
<b>Singapore 1.20% (28.02.21: 1.03%)</b>			
DBS	98,785	<b>1,600</b>	<b>1.20</b>
<b>South Korea 2.52% (28.02.21: 3.38%)</b>			
Samsung Electronics	54,284	2,605	1.95
SK Telecom	4,053	756	0.57
		<b>3,361</b>	<b>2.52</b>
<b>Spain 1.39% (28.02.21: 1.57%)</b>			
Iberdrola	205,216	<b>1,852</b>	<b>1.39</b>
<b>Sweden 0.65% (28.02.21: 0.82%)</b>			
Volvo	52,378	<b>865</b>	<b>0.65</b>
<b>Switzerland 2.84% (28.02.21: 2.61%)</b>			
UBS	178,937	2,168	1.62
Roche	5,622	1,629	1.22
		<b>3,797</b>	<b>2.84</b>
<b>Taiwan 2.60% (28.02.21: 2.84%)</b>			
Taiwan Semiconductor Manufacturing	216,000	<b>3,470</b>	<b>2.60</b>
<b>United Kingdom 3.38% (28.02.21: 4.33%)#</b>			
Coca-Cola European Partners	36,940	1,568	1.17
London Stock Exchange	12,562	1,001	0.75
Anglo American	32,054	984	0.74
HSBC	250,253	963	0.72
		<b>4,516</b>	<b>3.38</b>
<b>United States 58.76% (28.02.21: 55.19%)</b>			
Microsoft	33,018	7,278	5.45
Alphabet	2,665	5,597	4.19
Amazon.com	1,918	4,765	3.57
Apple	33,084	3,678	2.75
Facebook	10,950	3,027	2.27
Citigroup	43,763	2,278	1.70
Broadcom	6,271	2,271	1.70
UnitedHealth	6,545	1,988	1.49
Raytheon Technologies	32,130	1,979	1.48
Mastercard	7,714	1,978	1.48
Generac	6,143	1,975	1.48
Intercontinental Exchange	22,365	1,939	1.45
Keysight Technologies	14,429	1,876	1.40
Nike	15,263	1,863	1.39
Johnson & Johnson	14,720	1,857	1.39
Marsh & McLennan	16,016	1,819	1.36
Concentrix	14,381	1,805	1.35
State Street	26,505	1,781	1.33
PayPal	8,318	1,742	1.30
TransUnion	18,694	1,629	1.22
Mondelez International	35,632	1,609	1.20
Pioneer Natural Resources	14,674	1,601	1.20
AutoZone	1,290	1,458	1.09
NetApp	22,675	1,455	1.09
Lear	12,026	1,405	1.05
Freeport-McMoRan	52,217	1,390	1.04
Thermo Fisher Scientific	3,397	1,378	1.03
Jacobs Engineering	13,800	1,356	1.02
Dentsply Sirona	28,180	1,254	0.94
Eastman Chemical	15,163	1,250	0.94
IQVIA	6,296	1,196	0.89

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>United States 58.76% (28.02.21: 55.19%) (continued)</b>			
eBay	20,070	1,130	0.85
SVB Financial	2,649	1,077	0.81
Trimble	14,396	1,001	0.75
First American Financial	18,565	961	0.72
Resideo Technologies	38,248	904	0.68
Gaming and Leisure Properties**	22,845	804	0.60
Anthem	2,975	801	0.60
Constellation Brands	4,820	742	0.55
General Motors	19,925	711	0.53
Hess	13,193	662	0.50
Synopsys	2,672	649	0.49
Six Flags Entertainment	19,010	582	0.44
		<b>78,501</b>	<b>58.76</b>
<b>Virgin Islands 0.88% (28.02.21: 1.02%)#</b>			
Nomad Foods	61,383	1,175	0.88
Portfolio of investments		131,242	98.24
Net other assets*		2,351	1.76
<b>Net assets</b>		<b>133,593</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

\*\*Real Estate Investment Trust (REIT).

Stocks shown as ADRs represent American Depositary Receipts.

#Prior year comparatives restated.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Global Gold Fund

## Portfolio statement

As at 31 August 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Australia 26.93% (28.02.21: 23.97%)</b>			
Newcrest Mining	1,626,731	21,402	8.66
Northern Star Resources	2,916,936	15,145	6.13
Evolution Mining	5,149,963	10,712	4.34
Perseus Mining	10,992,013	9,064	3.67
St Barbara	5,414,489	4,551	1.84
Westgold Resources	3,414,626	3,188	1.29
Resolute Mining	10,087,123	2,469	1.00
		<b>66,531</b>	<b>26.93</b>
<b>Canada 41.00% (28.02.21: 44.37%)</b>			
Kirkland Lake Gold	697,776	19,863	8.04
SSR Mining	984,590	11,641	4.71
Wheaton Precious Metals	360,862	11,610	4.70
Barrick Gold	803,753	11,564	4.68
Agnico Eagle Mines	276,458	11,509	4.66
Pan American Silver	492,176	9,137	3.70
B2Gold	3,224,962	8,914	3.61
OceanaGold	6,702,717	8,896	3.60
Pretium Resources	732,672	5,319	2.15
IAMGOLD	1,697,643	2,836	1.15
		<b>101,289</b>	<b>41.00</b>
<b>Cayman Islands 0.00% (28.02.21: 5.88%)</b>			
<b>Jersey 5.31% (28.02.21: 5.50%)</b>			
Centamin	6,625,985	6,626	2.68
Polymetal International	440,278	6,494	2.63
		<b>13,120</b>	<b>5.31</b>
<b>South Africa 8.35% (28.02.21: 8.95%)</b>			
Gold Fields	1,674,947	11,390	4.61
AngloGold Ashanti	760,412	9,232	3.74
		<b>20,622</b>	<b>8.35</b>
<b>United Kingdom 7.96% (28.02.21: 0.84%)</b>			
Endeavour Mining	908,771	15,712	6.36
SolGold	13,666,130	3,949	1.60
		<b>19,661</b>	<b>7.96</b>
<b>United States 9.27% (28.02.21: 9.64%)</b>			
Newmont	548,554	<b>22,908</b>	<b>9.27</b>
Portfolio of investments		244,131	98.82
Net other assets*		2,916	1.18
<b>Net assets</b>		<b>247,047</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.



# UK Sustainable Equity Fund

## Portfolio statement

As at 31 August 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>France 0.00% (28.02.21: 0.92%)</b>			
<b>Jersey 2.79% (28.02.21: 2.32%)</b>			
Experian	101,273	3,216	2.79
<b>United Kingdom 90.68% (28.02.21: 87.33%)</b>			
Smith & Nephew	286,697	4,004	3.48
London Stock Exchange	49,453	3,940	3.42
RELX	177,150	3,839	3.33
Unilever	95,293	3,835	3.33
GlaxoSmithKline	237,449	3,455	3.00
Smart Metering Systems	347,585	3,323	2.88
Biffa	815,329	3,196	2.77
Lloyds Banking	7,240,293	3,140	2.73
BT	1,823,306	3,069	2.66
AVEVA	72,822	3,040	2.64
PureTech Health	849,165	2,985	2.59
Mondi	147,344	2,957	2.57
Avast	472,622	2,817	2.45
ConvaTec	1,224,541	2,782	2.42
National Grid	288,222	2,721	2.36
Clinigen	413,370	2,598	2.26
Genuit	324,689	2,562	2.22
Reckitt Benckiser	45,763	2,526	2.19
HomeServe	264,590	2,478	2.15
Countryside Properties	385,778	2,168	1.88
Informa	411,615	2,164	1.88
Compass	138,049	2,056	1.78
Gym	701,676	1,968	1.71
Gamma Communications	84,145	1,927	1.67
AstraZeneca	22,010	1,873	1.63
Ceres Power	160,112	1,873	1.63
De La Rue	1,062,591	1,870	1.62
Victrex	70,906	1,837	1.59
Johnson Matthey	58,909	1,742	1.51
IntegraFin	298,734	1,716	1.49
Morgan Advanced Materials	413,669	1,653	1.43
Kier	1,255,691	1,607	1.39
AJ Bell	364,503	1,577	1.37
Hotel Chocolat	407,699	1,509	1.31
Ricardo	388,002	1,498	1.30
Kainos	76,367	1,494	1.30
Accsys Technologies	947,924	1,469	1.28
Marlowe	183,405	1,467	1.27
Dechra Pharmaceuticals	25,578	1,351	1.17
Oxford Instruments	48,485	1,302	1.13
FDM	90,771	1,147	1.00
Croda International	12,035	1,099	0.95
Genus	16,338	975	0.85
Synairgen	597,098	910	0.79
Close Brothers	55,146	853	0.74
GBG	93,089	843	0.73
Halma	28,006	839	0.73

**Portfolio statement (continued)**  
**As at 31 August 2021**

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>United Kingdom 90.68% (28.02.21: 87.33%) (continued)</b>			
Spirax-Sarco Engineering	5,078	818	0.71
ITM Power	138,897	674	0.59
Mind Gym	282,813	523	0.45
Abcam	26,340	400	0.35
		<b>104,469</b>	<b>90.68</b>
<b>United States 1.82% (28.02.21: 2.49%)</b>			
Boku	1,089,524	<b>2,092</b>	<b>1.82</b>
Portfolio of investments		109,777	95.29
Net other assets*		5,428	4.71
<b>Net assets</b>		<b>115,205</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.  
Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Authorised Corporate Director's Report

## **Authorised Corporate Director's report**

The Authorised Corporate Director (the "ACD") of Ninety One Funds Series iii (the "Company") is Ninety One Fund Managers UK Limited. The ACD is the sole director of the Company.

## **Authorised status**

The Company is an investment company with variable capital incorporated in England and Wales under registered number IC13 and authorised by the Financial Conduct Authority (the "FCA") with effect from 6 August 1998.

The Company is structured as an umbrella company in that different sub-funds (the "Funds") may be established from time to time by the ACD with the approval of the FCA. The Company currently comprises six Funds.

The Company (and therefore the Funds) has been certified by the FCA FCA Collective Investment Scheme ("COLL") Sourcebook and the Collective Investment Schemes (Amendment etc) (EU Exit) Regulations 2019 No.325 including any amendments or updates made in relation thereto. The Company has an unlimited duration.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and policy applicable to that Fund. Investment of the assets of each of the Funds must comply with the COLL and the investment objective and policy of the relevant Fund.

Under English law, the Funds are segregated portfolios of assets and the assets of a Fund belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Subject to the above, each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund, and within each Fund charges will be allocated between share classes in accordance with their terms of issue. Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which it believes is fair to the shareholders generally. This will normally be pro rata to the net asset value of the relevant Funds. Shareholders are not liable for the debts of the Company.

## **Accounting period covered by these accounts**

The accounting period covered in these accounts is from 1 March 2021 to 31 August 2021

## **Changes during the accounting period**

### **Changes made following required notice:**

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of COLL, shareholders were given notice of the following:

On 6 January 2021. The merger of the Enhanced Natural Resources Fund, a sub-fund of Ninety One Funds Series i and Global Energy Fund, a sub-fund of Ninety One Funds Series ii into Global Environment Fund, a sub-fund of Ninety One Funds Series iii on 5 March 2021.

There were no fundamental changes to the Funds that required shareholder approval.

## **Authorised Corporate Director's Report (continued)**

### **Other changes made during the period:**

Share classes launched:

### **The following share class was launched on 5 May 2021**

Global Gold Fund, I, Income, GBP.

On 6 April 2021, the Prospectus was updated to:

- (a) include the changes to the Company and Funds as a result of Brexit and the end of the transitional and implementation period under the UK-EU Withdrawal Agreement; and
- (b) reflect that John McNab, a director of the ACD, is also a Director of Ninety One UK Limited, a Related Party to the ACD.

**Adam Fletcher**

Director of the ACD

28 October 2021

**Nigel Smith**

Director of the ACD

# Emerging Markets Local Currency Debt Fund

## Comparative tables

As at 31 August 2021

Net Asset Value and Ongoing Charges Figure

	'A' Class (Accumulation shares)				'A' Class (USD Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)/(USD'000)	16,552	16,931	21,637	21,439	547	542	542	520
Closing number of shares	8,750,531	9,128,985	11,191,878	11,926,934	187,533	187,533	194,213	194,213
Closing net asset value per share (p)/(c)	189.15	185.47	193.33	179.75	291.64	289.20	278.93	267.82
Operating charges	1.67%	1.67%	1.65%	1.63%	1.68%	1.67%	1.65%	1.63%

  

	'A' Class (Income-2 shares)				'I' Class (Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	930	923	1,113	3,442	76,333	79,101	71,529	51,399
Closing number of shares	1,152,403	1,133,279	1,243,956	3,898,727	67,825,025	71,951,928	62,888,123	48,969,102
Closing net asset value per share (p)	80.69	81.40	89.44	88.28	112.54	109.94	113.74	104.96
Operating charges	1.68%	1.67%	1.65%	1.63%	0.93%	0.92%	0.90%	0.88%

  

	'I' Class (USD Accumulation shares)				'I' Class (Income-2 shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (USD'000)/(£'000)	71	70	102,257	102,915	11,668	16,686	14,940	37,164
Closing number of shares	22,200	22,200	33,779,067	35,673,336	16,801,134	23,908,723	19,625,159	49,823,511
Closing net asset value per share (c)/(p)	320.17	316.30	302.72	288.49	69.45	69.79	76.13	74.59
Operating charges	0.93%	0.90%	0.90%	0.88%	0.92%	0.92%	0.90%	0.88%

  

	'R' Class (Accumulation shares)				'R' Class (Income-2 shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	66	78	87	146	31	31	49	6
Closing number of shares	63,463	76,988	82,967	149,848	48,809	49,403	70,343	8,507
Closing net asset value per share (p)	103.68	101.41	105.17	97.31	62.70	63.08	68.95	67.80
Operating charges	1.17%	1.17%	1.15%	1.13%	1.17%	1.17%	1.14%	1.13%

# Global Dynamic Fund

## Comparative tables

As at 31 August 2021

Net Asset Value and Ongoing Charges Figure

	'A' Class (Accumulation shares)				'A' Class (USD Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)/(USD'000)	807	783	791	1,211	1,850	1,764	1,337	1,365
Closing number of Shares	382,701	400,730	503,068	786,490	635,499	646,462	658,771	664,886
Closing net asset value per share (p)/(c)	210.96	195.49	157.25	153.93	291.09	272.79	203.02	205.24
Operating charges	1.65%	1.60%	1.58%	1.60%	1.65%	1.60%	1.59%	1.60%

  

	'I' Class (Accumulation shares)				'I' Class (GBP Hedged Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	48,076	58,974	113,096	120,559	14,845	78,960	105,009	123,574
Closing number of Shares	13,142,992	17,464,410	41,944,860	46,017,378	9,331,630	53,548,780	91,661,102	106,827,542
Closing net asset value per share (p)	365.79	337.68	269.63	261.99	159.09	147.45	114.56	115.68
Operating charges	0.90%	0.85%	0.84%	0.85%	0.87%	0.89%	0.86%	0.89%

  

	'S' Class (Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	707	743	2,465	2,872
Closing number of Shares	173,697	198,415	830,540	1,003,436
Closing net asset value per share (p)	407.17	374.46	296.77	286.20
Operating charges	0.15%	0.10%	0.09%	0.10%

# Global Environment Fund

## Comparative tables

As at 31 August 2021

Net Asset Value and Ongoing Charges Figure

	'A' Class (Accumulation shares) <sup>1</sup>				'A' Class (USD Accumulation shares) <sup>1</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)/(USD'000)	18,385	56	-	-	1,021	11	-	-
Closing number of shares	14,949,873	52,542	-	-	800,451	10,000	-	-
Closing net asset value per share (p)/(c)	122.98	106.41	-	-	127.51	111.58	-	-
Operating charges	1.61%	1.63%	-	-	1.61%	1.63%	-	-

  

	'I' Class (Accumulation shares)				'I' Class (Income shares) <sup>1</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	253,494	96,757	1,657	-	6,117	2,671	-	-
Closing number of shares	150,068,727	66,444,110	1,672,069	-	4,972,381	2,519,013	-	-
Closing net asset value per share (p)	168.92	145.62	99.08	-	123.02	106.05	-	-
Operating charges	0.86%	0.89%	0.83%	-	0.86%	0.89%	-	-

  

	'J' Class (Accumulation shares) <sup>1</sup>				'J' Class (Income shares) <sup>1</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	9,421	18	-	-	12	11	-	-
Closing number of shares	7,611,266	16,556	-	-	10,000	10,000	-	-
Closing net asset value per share (p)	123.78	106.65	-	-	123.00	105.98	-	-
Operating charges	0.76%	0.77%	-	-	0.76%	0.77%	-	-

  

	'K' Class (Accumulation shares)				'K' Class (Income shares) <sup>2</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	803,282	361,001	25,777	-	593,730	330,309	-	-
Closing number of shares	473,881,027	247,281,411	25,998,006	-	331,292,141	214,016,176	-	-
Closing net asset value per share (p)	169.51	145.99	99.15	-	179.22	154.34	-	-
Operating charges	0.66%	0.71%	0.62%	-	0.66%	0.68%	-	-

  

	'R' Class (Accumulation shares)				'S' Class (Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	1,063	182	23	-	2,138	15	10	-
Closing number of shares	631,569	125,553	23,636	-	1,248,707	10,000	10,000	-
Closing net asset value per share (p)	168.25	145.22	99.07	-	171.19	147.03	99.31	-
Operating charges	1.11%	1.18%	1.07%	-	0.11%	0.19%	0.07%	-

Fund launched 2 December 2019, therefore no comparatives are available.

<sup>(1)</sup> Launched 18 November 2020.

<sup>(2)</sup> Launched 9 March 2020.

# Global Equity Fund

## Comparative tables

As at 31 August 2021

Net Asset Value and Ongoing Charges Figure

	'A' Class (Accumulation shares)				'A' Class (USD Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)/(USD'000)	1,954	1,883	1,585	3,078	3,147	2,870	2,712	4,806
Closing number of shares	863,717	935,181	981,734	1,975,552	1,010,419	1,023,799	1,304,367	2,318,862
Closing net asset value per share (p)/(c)	226.24	201.35	161.40	155.79	311.48	280.35	207.90	207.23
Operating charges	1.63%	1.61%	1.61%	1.61%	1.63%	1.61%	1.62%	1.61%

  

	'I' Class (Accumulation shares)				'I' Class (USD Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)/(USD'000)	126,565	130,937	121,522	151,504	74	66	165	163
Closing number of shares	3,824,630	4,462,694	5,205,811	6,774,495	34,090	34,090	115,570	115,570
Closing net asset value per share (p)/(c)	3,309.22	2,934.05	2,334.35	2,236.39	216.44	194.08	142.84	141.32
Operating charges	0.88%	0.86%	0.87%	0.86%	0.88%	0.87%	0.87%	0.86%

  

	'R' Class (Accumulation shares)				'S' Class (Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	1,906	1,554	1,258	111	828	781	7,415	8,275
Closing number of shares	680,695	625,134	634,182	58,314	307,567	328,763	3,950,167	4,636,391
Closing net asset value per share (p)	280.05	248.61	198.29	190.44	269.09	237.68	187.70	178.48
Operating charges	1.13%	1.11%	1.12%	1.11%	0.13%	0.12%	0.12%	0.11%



# Global Gold Fund

## Comparative tables

As at 31 August 2021

Net Asset Value and Ongoing Charges Figure

	'A' Class (Accumulation shares)				'A' Class (USD Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)/(USD'000)	39,311	38,952	42,580	23,618	1,344	693	2,468	746
Closing number of shares	21,971,020	22,020,407	26,778,984	18,194,450	545,880	281,416	1,205,446	432,125
Closing net asset value per share (p)/(c)	178.92	176.89	159.01	129.81	246.21	246.17	204.71	172.54
Operating charges	1.60%	1.59%	1.60%	1.59%	1.60%	1.59%	1.60%	1.59%

  

	'I' Class (Accumulation shares)				'I' Class (Income shares) <sup>1)</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	202,377	202,021	285,931	250,074	3,824	-	-	-
Closing number of shares	113,189,549	114,721,812	181,990,303	196,430,493	4,010,000	-	-	-
Closing net asset value per share (p)	178.79	176.10	157.11	127.31	95.36	-	-	-
Operating charges	0.85%	0.84%	0.85%	0.84%	0.86%	-	-	-

  

	'R' Class (Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	559	696	509	38
Closing number of shares	507,721	641,798	524,961	47,939
Closing net asset value per share (p)	110.01	108.49	97.04	78.82
Operating charges	1.10%	1.09%	1.09%	1.10%

<sup>1)</sup> Launched 5 July 2021.

# UK Sustainable Equity Fund

## Comparative tables

As at 31 August 2021

Net Asset Value and Ongoing Charges Figure

	'I' Class (Accumulation shares)				'I' Class (Income shares) <sup>(1)</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	29,249	12,618	4,427	1	1,255	1	1	-
Closing number of shares	18,441,929	9,000,674	3,609,431	1,000	951,255	1,014	1,000	-
Closing net asset value per share (p)	158.60	140.19	122.66	105.19	131.96	116.62	102.63	-
Operating charges	0.75%	0.74%	0.77%	0.79%	0.75%	0.71%	0.78%	-

  

	'K' Class (Accumulation shares)				'K' Class (Income shares) <sup>(2)</sup>			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	66,767	36,970	12,771	1	6,353	10	-	-
Closing number of shares	41,802,851	26,218,558	10,376,879	1,000	5,392,130	10,000	-	-
Closing net asset value per share (p)	159.72	141.01	123.07	105.27	117.82	104.01	-	-
Operating charges	0.50%	0.49%	0.50%	0.54%	0.50%	0.46%	-	-

  

	'R' Class (Accumulation shares)				'S' Class (Accumulation shares)			
	31.08.21	28.02.21	29.02.20	28.02.19	31.08.21	28.02.21	29.02.20	28.02.19
Closing net asset value (£'000)	534	276	1	1	11,047	10,217	9,300	1,042
Closing number of shares	339,537	198,246	1,000	1,000	6,844,758	7,185,376	7,523,380	988,774
Closing net asset value per share (p)	157.32	139.31	122.22	105.11	161.39	142.19	123.61	105.33
Operating charges	1.10%	1.08%	1.06%	1.14%	0.10%	0.10%	0.13%	0.14%

<sup>(1)</sup> Launched 7 August 2019.

<sup>(2)</sup> Launched 18 November 2020.

## Notes to the Aggregated Financial Statements

For the period ended 31 August 2021

### **Accounting policies**

The semi-annual financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in May 2014.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 28 February 2021 and are described in those annual financial statements.

### **Adam Fletcher**

Director of the ACD

28 October 2021

### **Nigel Smith**

Director of the ACD

## Emerging Markets Local Currency Debt Fund

### Statement of total return

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital losses		(124)		(13,662)
Revenue	3,179		4,815	
Expenses	(561)		(873)	
Interest payable and similar charges	-		(5)	
Net revenue before taxation	2,618		3,937	
Taxation	(75)		(90)	
Net revenue after taxation		2,543		3,847
<b>Total return before distributions</b>		<b>2,419</b>		<b>(9,815)</b>
Distributions		(2,609)		(3,903)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(190)</b>		<b>(13,718)</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>114,190</b>		<b>189,155</b>
Amounts receivable on creation of shares	9,207		22,244	
Amounts payable on cancellation of shares	(19,358)		(30,891)	
		(10,151)		(8,647)
Dilution adjustment		-		98
Change in net assets attributable to shareholders from investment activities		(190)		(13,718)
Retained distributions on accumulation shares		2,179		3,380
<b>Closing net assets attributable to shareholders</b>		<b>106,028</b>		<b>170,268</b>

### Balance sheet

As at 31 August 2021

	31.08.21		28.02.21	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments assets		106,055		105,291
Current assets				
Debtors	1,806		2,754	
Cash and bank balances	1,934		8,069	
Total other assets		3,740		10,823
<b>Total assets</b>		<b>109,795</b>		<b>116,114</b>
<b>Liabilities</b>				
Investment liabilities		1,586		1,028
Creditors				
Bank overdrafts	1,458		55	
Distribution payable	205		225	
Other creditors	518		616	
Total other liabilities		2,181		896
<b>Total liabilities</b>		<b>3,767</b>		<b>1,924</b>
<b>Net assets attributable to shareholders</b>		<b>106,028</b>		<b>114,190</b>

## Emerging Markets Local Currency Debt Fund

### Distribution tables

For the period ended 31 August 2021

#### Interim distribution paid 31 July 2021

Group 1 – Shares purchased before 1 March 2021

Group 2 – Shares purchased between 1 March and 31 May 2021

	Net Income pence	Equalisation pence	Distribution paid 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	1.4956	–	1.4956	1.5818
Group 2	0.7750	0.7206	1.4956	1.5818
<b>'A' Class (Income-2 shares)</b>				
Group 1	0.9917	–	0.9917	1.0828
Group 2	0.3713	0.6204	0.9917	1.0828
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.0938	–	1.0938	1.1338
Group 2	0.4496	0.6442	1.0938	1.1338
<b>'I' Class (Income-2 shares)</b>				
Group 1	0.8507	–	0.8507	0.9239
Group 2	0.3666	0.4841	0.8507	0.9239
<b>'R' Class (Accumulation shares)</b>				
Group 1	0.9457	–	0.9457	0.9942
Group 2	0.8669	0.0788	0.9457	0.9942
<b>'R' Class (Income-2 shares)</b>				
Group 1	0.7672	–	0.7672	0.8372
Group 2	0.3879	0.3793	0.7672	0.8372
	Net Income US cent	Equalisation US cent	Distribution paid 31.07.21 US cent	Distribution paid 31.07.20 US cent
<b>'A' Class (USD Accumulation shares)</b>				
Group 1	2.3748	–	2.3748	2.1843
Group 2	2.3748	–	2.3748	2.1843
<b>'I' Class (USD Accumulation shares)</b>				
Group 1	3.1982	–	3.1982	2.8874
Group 2	3.1982	–	3.1982	2.8874

**Interim distribution payable 31 October 2021**

Group 1 – Shares purchased before 1 June 2021

Group 2 – Shares purchased between 1 June and 31 August 2021

	Net Income pence	Equalisation pence	Distribution payable 31.10.21 pence	Distribution paid 31.10.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	2.2508	–	2.2508	1.8063
Group 2	0.9760	1.2748	2.2508	1.8063
<b>'A' Class (Income-2 shares)</b>				
Group 1	1.3126	–	1.3126	1.1771
Group 2	0.3893	0.9233	1.3126	1.1771
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.5471	–	1.5471	1.2787
Group 2	0.9041	0.6430	1.5471	1.2787
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.1283	–	1.1283	1.0047
Group 2	0.5203	0.6080	1.1283	1.0047
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.3629	–	1.3629	1.1166
Group 2	0.6968	0.6661	1.3629	1.1166
<b>'R' Class (Income-2 shares)</b>				
Group 1	1.0195	–	1.0195	0.9095
Group 2	0.3375	0.6820	1.0195	0.9095
	Net Income US cent	Equalisation US cent	Distribution payable 31.10.21 US cent	Distribution paid 31.10.20 US cent
<b>'A' Class (USD Accumulation shares)</b>				
Group 1	3.4703	–	3.4703	2.6913
Group 2	3.4703	–	3.4703	2.6913
<b>'I' Class (USD Accumulation shares)</b>				
Group 1	4.3999	–	4.3999	3.5145
Group 2	4.3999	–	4.3999	3.5145

**Equalisation**

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## Global Dynamic Fund

### Statement of total return

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital gains		7,010		24,300
Revenue	1,287		2,556	
Expenses	(350)		(920)	
Interest payable and similar charges	(1)		(3)	
Net revenue before taxation	936		1,633	
Taxation	(89)		(219)	
Net revenue after taxation		847		1,414
<b>Total return before distribution</b>		<b>7,857</b>		<b>25,714</b>
Distribution		(289)		(59)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>7,568</b>		<b>25,655</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to Shareholders</b>		<b>140,727</b>		<b>222,399</b>
Amounts receivable on creation of shares	434		7,794	
Amounts payable on cancellation of shares	(83,012)		(17,116)	
		(82,578)		(9,322)
Dilution adjustment		63		-
Change in net assets attributable to shareholders from investment activities		7,568		25,655
<b>Closing net assets attributable to Shareholders</b>		<b>65,780</b>		<b>238,732</b>

### Balance sheet

As at 31 August 2021

	31.08.21		28.02.21	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments assets		63,857		137,564
Current assets				
Debtors	270		1,869	
Cash and bank balances	1,818		4,224	
Total other assets		2,088		6,093
<b>Total assets</b>		<b>65,945</b>		<b>143,657</b>
<b>Liabilities</b>				
Creditors				
Bank overdrafts	114		-	
Other creditors	51		2,930	
<b>Total liabilities</b>		<b>165</b>		<b>2,930</b>
<b>Net assets attributable to Shareholders</b>		<b>65,780</b>		<b>140,727</b>

## Global Environment Fund

### Statement of total return

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital gains		199,426		12,947
Revenue	13,058		642	
Expenses	(4,214)		(186)	
Interest payable and similar charges	(8)		(1)	
Net revenue before taxation	8,836		455	
Taxation	(982)		(28)	
Net revenue after taxation		7,854		427
<b>Total return before distribution</b>		<b>207,280</b>		<b>13,374</b>
Distribution		1,982		198
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>209,262</b>		<b>13,572</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>791,028</b>		<b>27,467</b>
Amounts receivable on creation of shares	708,979		59,264	
Amounts payable on cancellation of shares	(21,208)		(981)	
		687,771		58,283
Dilution adjustment		323		61
Change in net assets attributable to shareholders from investment activities		209,262		13,572
<b>Closing net assets attributable to shareholders</b>		<b>1,688,384</b>		<b>99,383</b>

### Balance sheet

As at 31 August 2021

	31.08.21		28.02.21	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments assets		1,656,874		778,597
Current assets				
Debtors	10,434		25,251	
Cash and bank balances	22,113		5,236	
Total other assets		32,547		30,487
<b>Total assets</b>		<b>1,689,421</b>		<b>809,084</b>
<b>Liabilities</b>				
Creditors				
Distribution payable			2,345	
Other creditors	1,037		15,711	
Total other liabilities		1,037		18,056
<b>Total liabilities</b>		<b>1,037</b>		<b>18,056</b>
<b>Net assets attributable to shareholders</b>		<b>1,688,384</b>		<b>791,028</b>



## Global Equity Fund

### Statement of total return

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital gains		16,131		17,957
Revenue	1,513		1,272	
Expenses	(619)		(493)	
Interest payable and similar charges	-		-	
Net revenue before taxation	894		779	
Taxation	(126)		(100)	
Net revenue after taxation		768		679
<b>Total return before distribution</b>		<b>16,899</b>		<b>18,636</b>
Distribution		(83)		(37)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>16,816</b>		<b>18,599</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>137,265</b>		<b>134,011</b>
Amounts receivable on creation of shares	999		655	
Amounts payable on cancellation of shares	(21,503)		(21,894)	
		(20,504)		(21,239)
Dilution adjustment		16		15
Change in net assets attributable to shareholders from investment activities		16,816		18,599
<b>Closing net assets attributable to shareholders</b>		<b>133,593</b>		<b>131,386</b>

### Balance sheet

As at 31 August 2021

	31.08.21		28.02.21	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments assets		131,242		136,022
Current assets				
Debtors	461		1,542	
Cash and bank balances	2,162		1,300	
Total other assets		2,623		2,842
<b>Total assets</b>		<b>133,865</b>		<b>138,864</b>
<b>Liabilities</b>				
Creditors				
Other creditors	272		1,599	
<b>Total liabilities</b>		<b>272</b>		<b>1,599</b>
<b>Net assets attributable to shareholders</b>		<b>133,593</b>		<b>137,265</b>

## Global Gold Fund

### Statement of total return

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital gains		1,653		166,538
Revenue	3,461		2,368	
Expenses	(1,275)		(1,763)	
Interest payable and similar charges	-		(2)	
Net revenue before taxation	2,186		603	
Taxation	(277)		(175)	
Net revenue after taxation		1,909		428
<b>Total return before distribution</b>		<b>3,562</b>		<b>166,966</b>
Distribution		11		(139)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>3,573</b>		<b>166,827</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>242,167</b>		<b>330,936</b>
Amounts receivable on creation of shares	37,344		81,743	
Amounts payable on cancellation of shares	(36,037)		(201,981)	
		1,307		(120,238)
Dilution adjustment		-		260
Change in net assets attributable to shareholders from investment activities		3,573		166,827
<b>Closing net assets attributable to shareholders</b>		<b>247,047</b>		<b>377,785</b>

### Balance sheet

As at 31 August 2021

	31.08.21		28.02.21	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments assets		244,131		240,110
Current assets				
Debtors	1,351		6,598	
Cash and bank balances	2,076		2,756	
Total other assets		3,427		9,354
<b>Total assets</b>		<b>247,558</b>		<b>249,464</b>
<b>Liabilities</b>				
Creditors				
Other creditors	511		7,297	
<b>Total liabilities</b>		<b>511</b>		<b>7,297</b>
<b>Net assets attributable to shareholders</b>		<b>247,047</b>		<b>242,167</b>

## UK Sustainable Equity Fund

### Statement of total return

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Income</b>				
Net capital gains		9,947		755
Revenue	813		262	
Expenses	(225)		(60)	
Interest payable and similar charges	-		-	
Net revenue before taxation	588		202	
Taxation	-		-	
Net revenue after taxation		588		202
<b>Total return before distribution</b>		<b>10,535</b>		<b>957</b>
Distribution		117		36
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>10,652</b>		<b>993</b>

### Statement of change in net assets attributable to shareholders

For the period ended 31 August 2021

	31.08.21		31.08.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>60,093</b>		<b>26,500</b>
Amounts receivable on creation of shares	46,601		13,257	
Amounts payable on cancellation of shares	(2,182)		(3,400)	
		44,419		9,857
Dilution adjustment		41		45
Change in net assets attributable to shareholders from investment activities		10,652		993
<b>Closing net assets attributable to shareholders</b>		<b>115,205</b>		<b>37,395</b>

### Balance sheet

As at 31 August 2021

	31.08.21		28.02.21	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments assets		109,777		55,921
Current assets				
Debtors	915		2,214	
Cash and bank balances	4,586		4,254	
Total other assets		5,501		6,468
<b>Total assets</b>		<b>115,278</b>		<b>62,389</b>
<b>Liabilities</b>				
Creditors				
Other creditors	73		2,296	
Total other liabilities		73		2,296
<b>Total liabilities</b>		<b>73</b>		<b>2,296</b>
<b>Net assets attributable to shareholders</b>		<b>115,205</b>		<b>60,093</b>

## Securities Financing Transactions ('SFT's') (Unaudited)

As at 31 August 2021

At 31 August 2021 there were no securities out on loan and no collateral held.

# Other information

## **ISA status**

During the period under review, the shares of the funds met the requirements for eligibility to be held in a stocks and shares ISA as determined by the regulations which govern ISAs.

Ninety One Fund Managers UK Limited offer the 'A' shares of the funds through its own ISA plan.

## **Distributions**

Where a distribution is to be paid, it has been calculated as at 31 August 2021 and will be distributed to shareholders, where applicable, on 31 October 2021. For accumulations shares income distribution payments are deemed to be paid on 31 October 2021.

## **Telephone calls**

Telephone calls may be recorded for training and quality assurance purposes.

## **Cross holding table**

There were no cross holdings between sub-funds in Ninety One Funds Series iii as at 31 August 2021.

# Glossary

## **Active management**

An active investment approach is one where a portfolio manager aims to beat the market through research, analysis and his/her judgement. (See also passive management).

## **Asset allocation**

A fund's allotment to different asset classes.

## **Asset class**

The main types of investment available. The traditional asset classes are equities, bonds and cash.

## **Bear market**

A market where prices fall consistently over a long period of time. Investors are referred to as 'bearish' if they believe prices are going to fall.

## **Benchmark**

A comparative performance index.

## **Bond**

A form of loan issued by a government or company. Typically, an investor should receive a regular coupon and the return of the principal originally lent when the bond matures.

Note: Not all bonds are interest bearing (see zero coupon bond), and not all bonds are fixed rate (e.g. index linked, floating rate and stepped rate bonds).

## **Bottom-up investing**

An investment approach that concentrates on the analysis of individual companies and considers the company's history, management and potential as more important than macroeconomic trends.

## **Bull market**

A market where prices rise consistently over a long period of time. Investors are referred to as 'bullish' if they believe prices are going to rise.

## **Cash**

The most liquid form in which to store capital. While it is regarded as a safe asset class, over time the purchasing power of cash tends to be eroded by inflation.

## **Central bank base rate**

The basic rate of interest set by a central bank that determines the cost of borrowing.

## **Commodities**

An asset class which comprises physical assets such as oil, base and precious metals and agricultural produce.

## **Credit rating agency**

An institution that assigns credit ratings to debt issuers, such as companies and governments. Standard & Poor's and Moody's are well-known examples.

## **Credit risk**

The risk that a bond issuer or borrower will be unable to meet their contractual obligations.

## **Credit spread**

The differences in yield between 'risk-free' bonds, such as gilts or US treasuries, and non-treasury (or gilt) bonds, which are identical in all respects except for the quality of their rating. Corporate bonds tend to offer additional yield to compensate investors for the potential risk of default.

## **Currency risk**

The risk of incurring losses of foreign assets due to adverse movements in exchange rates between domestic and foreign currencies.

## **Deflation**

As opposed to inflation, it describes conditions in which there is a widespread, consistent decline in prices. It conveys the rarer occurrence of the money in one's pocket actually increasing in buying power, rather than the more usual opposite.

## Glossary (continued)

### **Derivatives**

An instrument whose value depends on the performance of an underlying security or rate which requires no initial exchange of principal. Options, futures and swaps are all examples of derivatives.

### **Developed markets**

Refers to industrialised countries with relatively high levels of economic productivity, high standards of living and stable economies.

### **Disinflation**

Refers to a slowing down in price growth, as opposed to deflation where prices are already falling.

### **Diversification**

Holding a range of assets to reduce risk.

### **Dividend**

The portion of company net profits paid out to shareholders.

### **Dividend yield**

The annual dividend per share divided by the current share price.

### **Duration**

A measure of a bond investment's sensitivity to changes in interest rates. The longer the duration, the more sensitive it is. Calculating 'duration' for a fixed income investment such as a bond is a complicated sum. It takes into account the current value of the bond, the coupon or interest payment, the book cost, and the number of years the bond has left to run. Put simply, the higher the duration number the higher the potential return (and the greater the risk).

### **Emerging markets**

Countries in the process of industrialising which tend to have rapidly growing economies.

### **Emerging market debt**

Debt issued by governments and corporates in emerging markets.

### **Equity**

Refers to shares. A share in a company provides an investor with part ownership of that company.

### **Fixed income**

An investment that provides a return in the form of fixed periodic payments and the eventual return of principal at maturity.

### **Future**

An obligation to buy or sell an asset on a specific date in the future at an agreed price.

### **Gilt**

A bond that is issued by the British government which is generally considered low risk. Bonds issued by South African and Irish governments are also referred to as gilts.

### **Hedging**

A technique seeking to offset or minimise the exposure to specific risk by entering an opposing position.

### **High yield bond**

A below investment grade rated bond, providing the investor with greater returns due to its higher default risk. (See Junk bond).

### **Index-linked bonds**

Bonds whose coupons and principal payment are linked to movements in inflation.

### **Inflation**

Describes conditions in which there have been a consistent rise in prices.

### **Initial public offering (IPO)**

The first public sale of a company's equity resulting in a quoted stock price on a stock exchange.

### **Interest**

The return earned on funds which have been deposited, loaned, or invested.

## Glossary (continued)

### **Investment grade bonds**

Bonds considered of the highest quality by credit rating agencies. The threshold credit rating for Standard & Poor's is BBB and Baa3 for Moody's.

### **Liabilities**

Financial obligations that must be met.

### **Liquidity**

The ease with which an asset can be sold at a reasonable price for cash.

### **Long dated bond**

A bond with usually 15 years or more remaining before redemption, at which point the principal is paid to the holder.

### **Long-term investment**

Holding an asset for an extended period of time. Depending on the security, a long-term asset can be held for as little as one year or for as long as 30 years.

### **Macroeconomic**

Refers to the big trends in an economy as a whole, such as inflation and unemployment, while microeconomic forces refer to the factors affecting individual situations or companies.

### **Market capitalisation**

The total value of a company's equity, calculated by the number of shares multiplied by their market price.

### **Maturity**

With regards to bonds, maturity refers to the time at which the principal of the bond is repayable and it ceases to exist. In terms of a pension fund, it conveys the average age of the membership and the time until benefits are payable.

### **Outperformance**

The return of a fund in excess of the comparative performance index.

### **Overweight**

When a fund has greater exposure to an asset than the comparative performance index.

### **Peer group**

A group of funds that can be compared with one another for performance purposes. A peer group will usually be based on the funds' investment scope, for example UK equities.

### **Performance**

The results of an investment over a given period.

### **Portfolio**

A grouping of financial assets, such as equities, bonds and cash equivalents. Portfolios are held directly by investors and/or managed by financial professionals.

### **Rally**

A swift rise.

### **Real estate**

An asset class comprising buildings and land.

### **Risk premium**

The extra return expected by an investor in compensation for holding a risky asset.

### **Security**

A general term for a tradable financial instrument.

### **Short-term investment**

Investments that are held for or mature in 12 months or less.

### **Standard deviation**

A measure of risk, deriving from the historic volatility of a particular asset.

### **Top-down investing**

Contrasting with bottom-up analysis, a top-down approach to investment analysis begins with an assessment of macroeconomic factors, then business cycles before moving on to look at individual sectors and companies.

### **Treasuries**

Debt securities issued by the US government. Treasuries fall under three categories: treasury bills (T-bills), treasury notes (T-notes) and treasury bonds (T-bonds).



## **Glossary (continued)**

### **Underweight**

When a fund has less exposure to an asset than the benchmark.

### **Volatility**

Price movements. Standard deviation is a measure of an asset's historic volatility.

### **Year-to-date (YTD)**

Refers to the period extending from the beginning of the current calendar year to the present date.

### **Yield**

A measure of the income return earned on an investment. In the case of a share the yield expresses the annual dividend payment as the percentage of the market price of the share. In the case of a property, it is the rental income as a percentage of the capital value. In the case of a bond the running yield (or flat or current yield) is the annual interest payable as a percentage of the current market price. The redemption yield (or yield to maturity) allows for any gain or loss of capital which will be realised at the maturity date.

### **Yield curve**

A graphical representation of all the yields of bonds of the same quality with maturities ranging from the shortest to the longest available.

### **Yield spread**

The difference in yield between different bonds.

### **Yield to maturity**

The annualised return (internal rate of return) that would be earned on a bond if held to maturity.

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