Ninety One

—
Investing for a world of change

Sustainability and Stewardship Report

1 April 2022 to 31 March 2023

About Ninety One

Ninety One is an active investment manager. We invest on behalf of our clients to help them achieve their long-term investment objectives. We established our business in South Africa in 1991. From these emerging market origins, we have built a global footprint.

The business operates with the purpose of “investing for a better tomorrow” which guides our culture and values. Ninety One is listed on the London and Johannesburg stock exchanges with a substantial employee ownership.

What we do

Ninety One offers a range of specialist and outcomes-oriented strategies that cover multiple asset classes and are managed by teams with distinct investment skill sets.

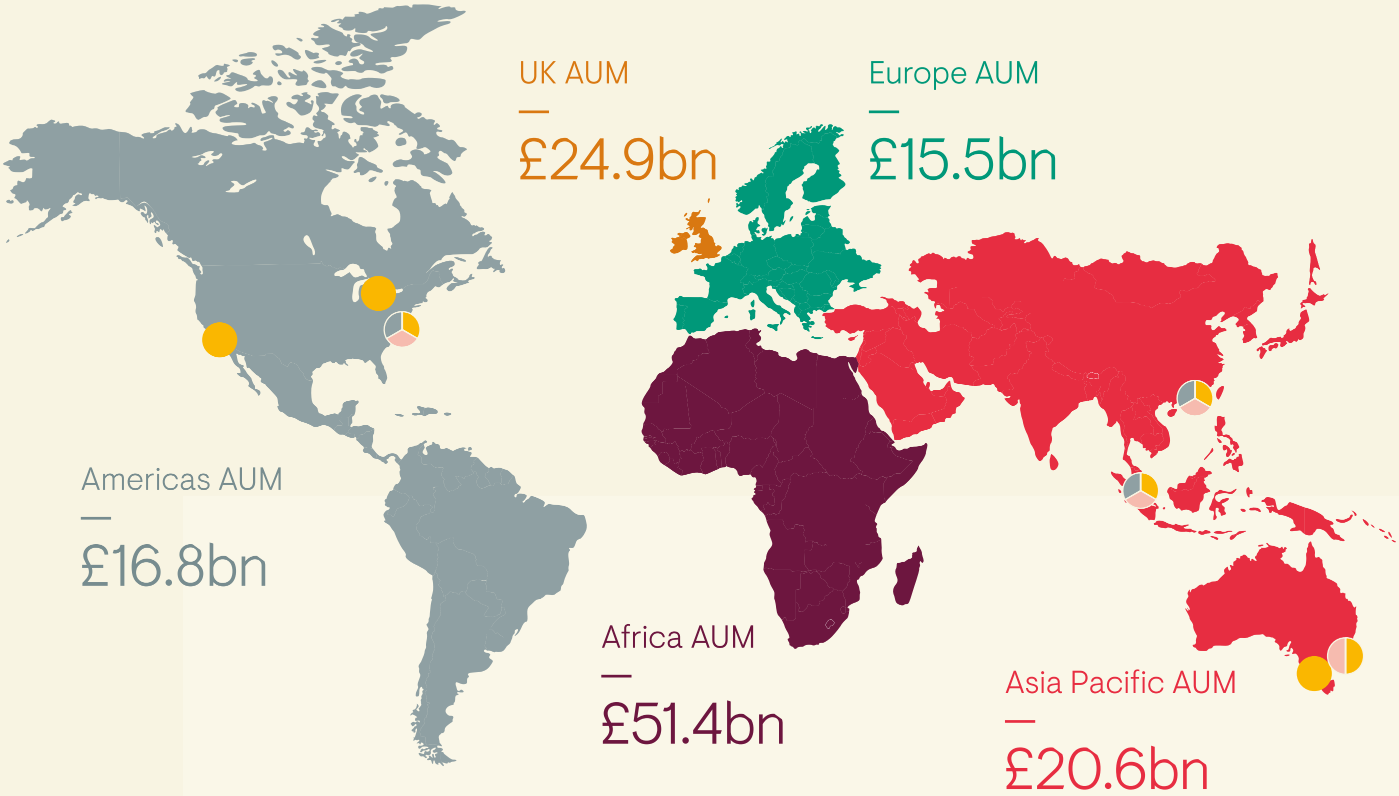
Figure 1: Core asset class offerings and assets under management (“AUM”)[1]

£59.8bn — Equities	£33.0bn — Fixed Income
£22.6bn — Multi-Asset	£4.0bn — Alternatives

—

1. Excluding South African fund platform AUM of c. £9.9 billion.

Where we operate

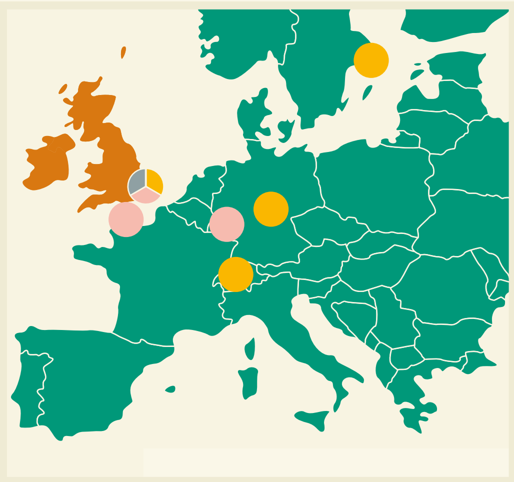


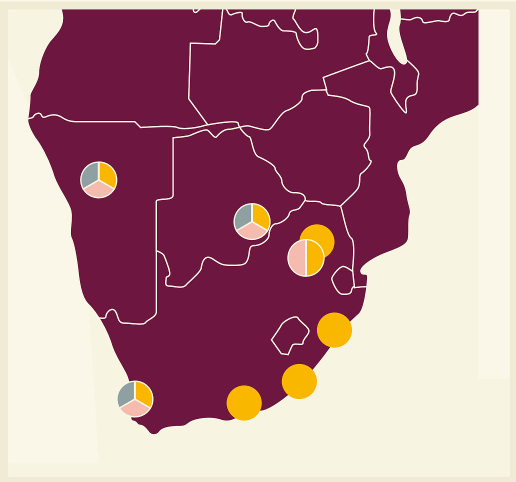
Investments   Client Group   Operations

1,208 staff

21 offices

14 countries





AUM by strategy type

43% Developed markets   57% Emerging markets

AUM by client type

64% Institutional   36% Advisor

Contents

1 Foreword

From our Chief Executive Officer

> More often than not, things worth doing are awfully hard to do.

Of all the world's difficult tasks, the toughest may be achieving net zero in time to contain global warming to an increase of 1.5°C. Climate change poses huge risks to our society and therefore to the portfolios we manage on behalf of long-term savers. Ninety One approaches sustainability and indeed the wider environmental, social and governance ("ESG") landscape through a risk lens. It comes back to one question, namely the impact on our portfolios and how we manage these risks and opportunities on behalf of our clients in pursuit of the required returns.

> Carbon emissions increased to a record high last year. We need to act now and act with urgency if we are going to keep the hope alive for a net-zero world by 2050.

Those who continue merely to cleanse portfolios of carbon-heavy assets, or who oblige others to do so, are not just wrong, they are inadvertently colluding to help ensure the worst possible outcome.

We must lean into the challenge of reducing the planet's carbon. This means engaging with big emitters, not shunning them or creating pariahs and prey for exploitative owners. The goal should be to invest for a transition – to use the power of finance for impact as well as risk-adjusted return. In exchange for this infusion of capital, large emitters must forge a credible, quantifiable path to net zero.

Of course, this is easier said than done. Cleaning up the real world requires a massive mobilisation of resources, innovation and coordination, unprecedented in human history.

We require more and better data and mechanisms to assess progress towards net zero. To provide transition finance at scale – particularly for emerging markets – innovative funding vehicles are essential. While there has been much discussion in this area, we have seen insufficient progress towards solutions.

We are pursuing best-in-class ESG integration; assessing our top emitters' transition plans; expanding investment strategies focused on sustainable outcomes; creating proprietary tools to track real-world emissions reduction; and developing investment frameworks beyond climate, notably around biodiversity as well as equity and inclusion.

> We shall continue to advocate forcefully for carbon reduction and a fair transition for affected communities, especially those in emerging markets.

This transition will not materialise without the mobilisation of public and private finance at scale. At Ninety One we continue to execute on our own transition plan as first published in 2022. The clock is ticking and there is much work to do.

I hope you enjoy reading this sustainability report that explains the framework within which Ninety One is tackling the sustainability challenge. It also explains why and how we pursue a better, more sustainable world on behalf of all our stakeholders. We are clear that our primary responsibility remains the investment outcomes we achieve for our clients, hence our risk-based approach to sustainability.

Hendrik du Toit
Founder and Chief Executive Officer

—

Ninety One's Chief Executive Officer, Hendrik du Toit, has reviewed the 2023 Sustainability and Stewardship Report to ensure alignment with the outcomes reported to the Sustainability Committee and DLC Sustainability, Social and Ethics Committee, as well as fair, balanced and clear reporting.

2 Our approach to sustainability

By our Chief Sustainability Officer

We at Ninety One are focused on having real-world impact through our sustainability efforts.

Sustainability is not the preserve of the sustainability team. Rather, it is implemented across the business by every relevant team. Our investment beliefs are aligned with our core external advocacy positions and the way we run our business.

Sustainability framework

Ninety One's sustainability framework has three pillars: **Invest**, **Advocate** and **Inhabit**. It is underpinned by six core principles that guide our approach.

Figure 2: Our sustainability principles

Invest

1 Endeavour to identify, understand and integrate material sustainability risks and opportunities within the investment process.

2 Fulfil stewardship and fiduciary duties to stakeholders, including exercising ownership rights responsibly.

3 Develop investment solutions that focus on addressing sustainability challenges and the energy transition.

Advocate

4 Play our part in accelerating the transition to a more sustainable future by contributing to the global policy agenda and development of industry standards.

Inhabit

5 Look to act sustainably and aim to run our business responsibly.

Invest | Advocate | Inhabit

6 Disclose how we discharge our sustainability responsibilities through publicly available policies and reporting.

A major focus of our sustainability work in the past year has been to continue developing tools to help our investment teams assess the ESG risks their portfolios face. This has included creating a Transition Plan Assessment ("TPA") framework so that our teams can better understand the transition risk and potential of their investments. The TPA framework is also a powerful means of driving progress towards Ninety One's own net-zero targets. Outside of transition, we are building frameworks to assess diversity, equity and inclusion, and biodiversity.

We are active owners who avoid divestment until other options have been exhausted. Rather than immediately selling out of an investment, we seek to mitigate sustainability risks by engaging with companies and sovereigns to encourage positive change. We have identified the largest corporate contributors to our firm-wide carbon emissions and are engaging strategically with them on their transition plans. Our aim is to understand the plausibility and ambition of their targets, the quality of their transition plans and the developments needed to keep their plans on track. Our strategic engagement priorities also include companies with idiosyncratic social and governance issues that we are seeking to address.

Another focus of our work this year has been to expand our range of investment strategies that specifically address sustainability challenges. We have always maintained a high threshold for a strategy or fund to qualify as sustainable, believing that sustainable investments can only be identified and fully assessed by deep, bottom-up analytical work. To support this analysis, we have developed methodologies to help us measure the impact of investments across dimensions of sustainability including carbon avoided, adaptation and inclusion for a range of sectors including digital, healthcare, education and finance.

Our approach to sustainability within our investments is governed by our 'Sustainability policy' and our 'Stewardship policy and proxy voting guidelines'. Over the past year, we reviewed and updated our policy documents to reflect developments in industry standards and to align to the holistic and interconnected approach of our sustainability framework.

We have continued to be robust advocates for the finance industry to focus on real-world emissions reduction, rather than simply portfolio emissions reduction. We also believe that unless we help fund the transition in emerging markets, there will be no hope of keeping global warming below 1.5°C. Importantly, a 'Just Transition' is essential in both developing and developed countries: we must deal fairly with the people displaced by the transition, or progress towards a clean-energy future will be slowed by socio-political headwinds.

To support progress, a common understanding of what transition investment entails is needed, and we have been working with the Sustainable Markets Initiative ("SMI") and Glasgow Financial Alliance for Net Zero ("GFANZ") towards this end. Lastly, we have focused on dealing with our own emissions as a business. We published our transition plan in the 2022 Sustainability and Stewardship Report, and report on progress in the following pages.

Our governance

Our governance structure provides oversight of, and accountability for, Ninety One's approach to sustainability. It offers an effective means of responding to market-wide and systematic risks, as well as positioning the firm to capitalise on business opportunities.

DLC[2] Board Sustainability, Social and Ethics (SS&E) Committee

Executive management

Sustainability Committee

Sustainability team

Invest	Advocate	Inhabit
Investment teams	Investment teams	Human capital
Investment risk team	Investment Institute	Workplace team
Proxy voting and data support	Client Group	Corporate social investment team

Our executive management team is accountable to the Ninety One Board for implementing our strategy, which includes placing sustainability at the core of the business.

We convene our Sustainability Committee on a quarterly basis, where key developments within the Invest, Advocate and Inhabit pillars of our sustainability framework are discussed. This Committee oversees Ninety One's wider sustainability ecosystem and comprises senior leaders from the business, including our Chief Executive Officer. It is the ultimate custodian of Ninety One's approach to sustainability and stewardship. It reports to the executive management team, which reports into the DLC Sustainability, Social and Ethics ("SS&E") Committee.

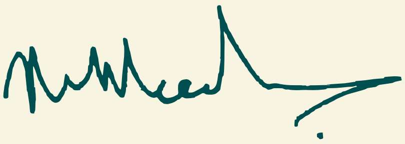
—

2. DLC: dual-listed company

Ninety One's investment teams have primary responsibility for considering ESG risks in their investment analysis, identifying engagement priorities and deciding how to vote on them. They are supported by teams with specialist skills and experience:

- The sustainability team oversees and supports Ninety One's sustainability strategy and implementation, including firm-wide net-zero targets and our advocacy priorities; aligns teams on strategic engagements; and provides specialist knowledge and guidance on issues like transition-plan assessments, just transition, governance frameworks, engagement approaches and voting.
- The investment risk team includes a dedicated ESG Risk function, which monitors firm- and portfolio-level sustainability risks and manages ESG data.
- Within IT, a team supports the investment teams by integrating and surfacing ESG data through our digital platform.
- Within operations, a dedicated team administers proxy voting.

> We will continue to drive sustainable outcomes both within our own house, and in the sectors and regions in which we are invested and are committed to bringing others along on that journey.



Nazmeera Moola
Chief Sustainability Officer

3 Highlights, key figures and significant developments

We are committed to being responsible stewards of our clients' capital and delivering sustainability with substance. This section covers Ninety One's sustainability highlights over the past year across our ecosystem: our investments, advocacy and operations.

Sustainability highlights

Invest

Delivering on our transition plan and targets

- Net-zero targets and transition plan accepted by the Net Zero Asset Manager's initiative.
- 97.6% shareholder support for our transition plan at the 2022 annual general meeting ("AGM").
- 8.5% of financed emissions and 26.4% of corporate AUM have Science Based Target initiative ("SBTi") commitments or targets approved.
- Completed 31 TPAs of highest-emitting investee companies.
- Established a strategic-engagement process for our highest-emitting companies, linked to the output of the TPA.
- Improved co-ordination between proxy voting and engagement strategy to maximise impact.

Improving transparency and disclosure

- Achieved Principles for Responsible Investment ("PRI") Assessment scores between 80 and 100 across all applicable modules.
- Maintained signatory status to the FRC UK Stewardship Code.
- Submitted our first full CDP report.

Building sustainability-focused products and tools

- Launched our Emerging Markets Sustainable Blended Debt Strategy and Emerging Markets Sustainable Equity Strategy.
- Integrated additional sustainability data within our in-house data platform, including Clarity AI, Bloomberg's green bond classifications and Trucost.
- Developed tools and dashboards to aid analysis, including our portfolio carbon decomposition tool.
- Classified 27 funds across our fund ranges under Sustainable Finance Disclosure Regulation ("SFDR") Article 8 or Article 9.
- Developed methodologies to assess sustainable investments on themes including: carbon avoided; financial inclusion; digital inclusion; access to education; healthcare impact; climate adaptation; and green, social and sustainable bonds.
- Won the 'Highly Commended' award for the Global Environment strategy at the Investment Week Sustainable Investment Awards.
- Won the 'Best Sustainable UK Equity Fund' award for UK Sustainable Equity strategy at the Investment Week Sustainable Investment Awards; and the 'Best Active Ethical/ Sustainable Fund' at the AJ Bell Fund & Investment Trust Awards.

Advocate

Policy advocacy for a just transition

- Continued to emphasise the importance of a just and inclusive transition, as opposed to portfolio decarbonisation, and that the transition needs to be adequately funded, especially in emerging markets.
- Attended COP27, advocating for an inclusive transition to net zero.

Providing thought leadership

- Published the white paper 'A disorderly transition: averting chaotic disorder in a transition to net zero' (available for professional investors and financial advisors only).
- Published the third edition of our 'Planetary Pulse' survey, focusing on investor sentiment towards transition finance.

Strengthening our industry collaborations

- Participated in working groups of GFANZ and the SMI, including committing our Chief Executive Officer and Chief Sustainability Officer to various advisory boards.
- Contributed to the development of:
  - The SMI's Transition Categorisation framework.
  - The Assessing Sovereign Climate-related Opportunities and Risks ("ASCOR") Project tool.
  - The Impact Investing Institution's Just Transition criteria.
- Joined the Investor Leadership Network, National Business Initiative and Taskforce on Nature-related Financial Disclosures ("TNFD") Forum.
- Endorsed the PRI's Advance initiative for human rights and social issues.
- Continued to co-chair the Institutional Investors Group on Climate Change's ("IIGCC's") investor practices programme.

—

Inhabit

Reducing our environmental footprint

- Good progress towards SBTi-aligned Scope 1 and Scope 2 targets for 2030, having reduced emissions by 27% relative to 2019 baseline.
- Carbon neutral on a Scope 1, Scope 2 and Scope 3 (category 6) basis through our partnership with BioCarbon Partners ("BCP").

Supporting our people

- Ninety One Green, an employee network, supported employees to reduce their personal carbon footprints through partnership with Giki Zero and other initiatives.
- Amplified staff charitable contributions via our charity matching programme.

Investing in our community

- Partnered with UK peers and RedSTART, a UK financial literacy charity, in commissioning a seven-year longitudinal study to identify the link between financial education at an early age and social mobility.
- Provided holistic support to more than 80 university students through our Changeblazers programme.
- Contributed more than £2 million to education and skills development initiatives globally, with the bulk of the spend focused on South Africa to help address the high unemployment rate and skills deficit.
- Funded 100 youth work placements across South Africa in vital sectors including conservation, primary education and healthcare.
- Launched the 'For Tomorrow' charitable share class to support Tusk.
- Supported rural and peri-urban communities to enable better health and education outcomes in South Africa.
- Supported the Ju/'hoansi Development Fund on its Village School project in the Nyae Nyae Conservancy region, Namibia.
- Contributed towards disaster relief for the flooding in South Africa, the earthquake in Turkey, and the Ukraine crisis.

Key figures

£5.3 billion

managed in sustainable strategies[3]

15,625

proxy votes cast

PRI scores 80-100

across all applicable modules[4]

518

engagements

16,000 carbon credits

purchased and retired with respect to Scope 1, 2 and 3 (category 6) emissions

---

3. Sustainable strategies are defined by Ninety One's internal framework, based on the European Commission's SFDR criteria as at 27 November 2019 for Article 8 and Article 9 funds.
4. Please see Appendix 6 for further information.

Progress on our net-zero transition plan and targets

We consider climate change as the biggest challenge confronting humanity in the current century. We wholeheartedly support the objectives of the Paris Agreement and joined the Net Zero Asset Managers initiative in 2021, committing to reach net-zero emissions by 2050 or sooner. To support this goal, last year we published our firmwide transition plan, including 2030 targets. As an asset manager, we have approached the implementation of this commitment in two ways:

1 Our handprint

The impact of the portfolios we manage for our clients (Scope 3, category 15). Our targets cover our entire corporate portfolio. We are engaging with our portfolio companies to set targets and transition plans consistent with a science-based net-zero pathway.

2 Our footprint

Our own operations (Scope 1, 2 and 3 (category 6)). We intend to decarbonise our operations over time by investing in low-carbon energy, encouraging behaviour change and supporting initiatives that credibly contribute to a lower-carbon world.

At the 2022 Ninety One AGM, we received 97.6% shareholder support for our transition plan. Ninety One engaged with shareholders both before and after the vote to discuss the strategy in depth. The DLC Board SS&E Committee and Sustainability Committee reviewed the outcome of the vote.

On the following pages, we recap the targets we set and our progress towards them over the reporting period.

Transitioning our investments

Our targets

50%
of financed corporate emissions and

56%
of corporate AUM to have science-based transition pathways by 2030[5]

Our approach

1. Prioritise heavy emitter engagement
2. Assess corporate transition plans using own framework
3. Aim for active engagement with 80% of emissions
4. Grow allocation to climate solutions and transition investments

Our progress

8.5%
of financed corporate emissions have an SBTi commitment or targets approved by 2030

Target 50%

26.4%
of corporate AUM have an SBTi commitment or targets approved by 2030

Target 56%

31
TPAs completed for top emitters

66
strategic engagements with top emitters

106
companies engaged, representing...

71%
... of our financed emissions

Top emitters categorisation (based on 31 top emitting companies)

0%
Achieving net zero

0%
Aligned to a net-zero pathway: higher impact

3%
Aligning towards a net-zero pathway

23%
Committed to aligning

74%
Not aligned

—

5. SBTi aligned.
Data as at 31 March 2023. Figures may not add to 100% due to rounding.

In our first year since setting them, we have made good progress towards our 2030 targets, with 8.5% of financed emissions and 26.4% of corporate AUM having set science-based transition targets. This divergence in percentage is to be expected and highlights why we set our targets based on financed emissions, instead of a simple AUM approach.

It is anticipated that higher-emitting companies will make slower progress towards a transition than those in asset-light industries — particularly as SBTi methodologies have not yet been developed for some high-emitting sectors such as oil and gas. Therefore, we would expect companies in lower-emitting sectors to have an easier road to setting targets, hence the higher AUM figure. Instead, we continue to focus on the real challenge and look to engage with our top-emitting companies to encourage them to deliver on transition plans.

Transition Plan Assessment

Achieving global net-zero emissions will require all companies to decarbonise and manage their transition to a low-carbon economy. In our experience, companies are on a spectrum of transition-plan journeys. This is especially true for those in emerging market countries. We believe that, as shareholders, we have a critical role to play in motivating our portfolio companies to set ambitious, credible, implementable transition plans. We also need to assess and engage our companies on the key indicators of a plan to better understand the transition risks and opportunities facing our investments.

Our proprietary TPA tool has been adopted by the investment teams to assess the transition risk and potential of companies. The tool is built upon three key pillars: **level of ambition**, **credibility of plan** and **implementation of plan**.

15/31

TPA assessments are for emerging market companies

When we set our targets, just 24 companies (of c.1,500) accounted for more than 50% of our financed emissions from corporates. Consistent with our approach of delivering 'sustainability with substance', we focus on assessing and engaging the highest contributors to our financed emissions to drive change and manage risks. A TPA is carried out for all of these businesses, with sectoral and regional modifications made to tailor assessments to each company. The output of the assessment identifies key risks that we as shareholders should be aware of and then engage with the company as required to encourage it to reach its set targets.

Our TPA tool uses indicators derived from best-in-class disclosure and measurement frameworks, including the Climate Action 100+ benchmark, Transition Pathway Initiative, CDP climate data, InfluenceMap and IIGCC guidance. We have built on these frameworks to incorporate, or emphasise, factors that we consider imperative for a successful transition, such as the financial viability of the plan or the approach to just transition. We explicitly seek to avoid rewarding companies using divestment to achieve their emissions targets.

3 dimensions of plan assessed	Level of ambition	Credibility of plan	Implementation of plan
9 transition elements identified	1. Disclosure	4. Transition strategy	7. Lobbying/engagement
	2. Time-bound reduction targets	5. Financial planning	8. Governance
	3. Ambition	6. Just Transition inclusion	9. Progress

36 sub-indicators rated

Industry gold standards outlined: CDP, Climate Action 100+, Transition Pathway Initiative, World Benchmarking Alliance, LobbyMap (an InfluenceMap platform)

Areas for engagement highlighted

1. Disclosure of Scope 3 emissions
2. Advance financial planning and transition allocation
3. Ensure strategy is not reliant on divestment

We have also developed a light-touch TPA using a subset of the indicators from the full TPA. This is used by our investment teams, which are integrating it into their investment analysis to assess the transition risk and potential of other material emitters within their portfolios (see page 18).

Assessing transition across Ninety One's investment teams

In addition to conducting in-depth transition-plan assessments of Ninety One's highest emitters, we are integrating assessment of corporate transition risk and potential into many of our investment strategies.

The sustainability team works with the investment teams to ensure assessments are aligned to the firmwide TPA framework, while allowing individual teams to tailor their assessment approaches to their strategy and process. The approach adopted reflects each team's research process, and the relevant asset class, region and holding period.

The following areas are assessed as a starting point when considering a company's transition risk and potential:

- Current emissions
- Reduction targets, and whether they are science-based and Paris-aligned

Common areas of engagement with companies include:

- Disclosure
- Alignment of targets
- Development of credible transition plans

Below, we summarise how our 4Factor, Quality, Developed Market Credit and Emerging Market Credit investment teams assess transition.

Investment team:	Asset class:	Region:
4Factor	Equity	Developed and emerging markets

The 4Factor team uses a quantitative screen coupled with bottom-up analysis, and has an average holding period of 18 months.

It has developed a Carbon Scorecard to assess the factors listed above. In addition, it examines the alignment of incentive structures and TCFD reporting.

The team differentiates between emerging and developed market pathways in its assessments, recognising that emerging market companies may have different needs and required timeframes relative to developed markets in order to transition.

Investment team:	Asset class:	Region:
Quality	Equity	Global

The Quality team focuses on high-quality capital-light sustainable businesses. The Quality strategies typically have concentrated, high-conviction portfolios with long holdings periods, giving the team good opportunities to engage with companies.

The team has developed a Carbon Strategy Assessment, which evaluates companies across 15 criteria. Its long-term approach enables it to support companies whose decarbonisation plans are particularly dependent on their local energy grid's decarbonisation, which requires multi-year engagement with multiple stakeholders. The team also engages with companies whose business models may not be very carbon-intensive, to encourage them to take the lead on decarbonisation as a strategic advantage, and to take more affirmative steps on climate change.

Investment team:	Asset class:	Region:
Developed Market ("DM") Credit	Credit	Developed markets

The DM Credit team's Credit Transition Alignment Evaluation allows it to assess and monitor the transition risk and potential of every credit in the portfolio. All investments receive a Transition Alignment score, which has two underlying elements: a Carbon Vulnerability Score, and a Business and Management Assessment. The framework has been designed to work across a broad range of credit asset classes, from investment grade to more specialist segments of the market such as structured credit.

A focus of the team's work in this area has been developing tools to fill some of the gaps in carbon data that exist in credit markets. This has included building a variety of data matrices that allow the team to make reasonable estimates of carbon data for all assets in the credit portfolios.

Investment team:	Asset class:	Region:
Emerging Market ("EM") Credit	Credit	Emerging markets

The EM Credit team assesses carbon risk via an ESG scorecard, emissions management, reduction targets and initiatives, as well as current emissions and historical trends. This is combined with analysis of broader ESG factors.

In addition, the team uses Ninety One's proprietary Transition Plan Assessment tool to examine company transition plans and reduction targets for issuers in transition-oriented sectors. This tool allows the team to classify, document and assess companies' transition plans, including targets and initiatives aimed at achieving them.

Subject to data availability, the team is able to estimate the expected cumulative carbon reduced or avoided by the company if it reaches its short-term target.

Data and tools

In the past year, we have continued to enhance and integrate tools and data sources into our in-house data system to support our investment teams' assessment of transition and carbon reduction.

To help analysts understand how carbon reductions have been achieved at the portfolio level, we have developed a carbon decomposition tool. This can be used to determine the portion of decarbonisation that is due to:

- Changes in portfolio holdings and transactions.
- Changes in the carbon attribution factor (EVIC (enterprise value including cash) for carbon footprint, or revenue for weighted-average carbon intensity).
- Changes in emissions estimation or reported data.
- Actual decarbonisation of the portfolio companies.

Please see page 30 for an example and further information on this tool.

Strategic engagement

To support progress towards our targets and management of transition risk, we undertake strategic engagement with the highest-emitter contributors to Ninety One's financed emissions (namely the highest-emitting companies that collectively account for 50% of Ninety One's financed emissions from corporate assets). The companies are assessed using the full TPA, the output of which is used as a 'traffic light' system that indicates where a company is doing well and where progress is needed.

With support from the sustainability team, the analyst or portfolio manager uses the identified areas to formulate an engagement plan with focused objectives. The plan includes the milestones expected to be achieved, a timeline and an escalation plan, in case the initial objectives are not achieved.

So far, we have developed engagement plans for 31 companies and undertaken 66 strategic engagements.

In addition to seeking to drive progress among the highest-emitting companies, we encourage improvements among a broader set of material emitters within our portfolios. These engagements have largely aimed to ensure that, at a minimum, a company is clear on our expectations in relation to net zero.

Investment teams have also engaged with other material emitters, extending our engagement coverage to 71% of financed emissions to date.

We have included case studies of our engagements over the year in the Active Ownership section.

Solutions for net zero

Beyond our firmwide approach to engaging with companies on their transition plans, Ninety One offers and continues to develop investment strategies that will increase investment in sustainable areas. These strategies seek to benefit from the structural growth being generated by the transition to net zero and other aspects of sustainable progress such as financial, digital and educational inclusion. They also aim to help to fund the companies and governments doing the most to support sustainability.

Two new sustainable strategies were launched during the financial year:

1 Emerging Markets Sustainable Equity

Invests in companies aiming to capture the sustainable structural-growth opportunity in emerging markets. Net-zero alignment is a crucial part of the bottom-up analysis, which combines an assessment of structural growth, sustainable returns and competitive advantages to build a portfolio of companies that we believe will be the leading businesses of tomorrow. Sustainability-linked growth drivers represented in the portfolio include climate solutions as well as financial and digital inclusion.

2 Emerging Markets Sustainable Blended Debt

Invests in countries with improving environmental, social and governance trends. The Net-Zero Sovereign Index constructed by the investment team can be used to provide an independent, quantitative assessment of how far a country is from achieving net zero, within the context of a just transition.

General risks. The value of investments, and any income generated from them, can fall as well as rise. Past performance is not a reliable indicator of future results. Investment objectives and performance targets are subject to change and may not necessarily be achieved, losses may be made. Environmental, social or governance related risk events or factors, if they occur, could cause a negative impact on the value of investments.

Specific risks. 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.

Transitioning our operations

Our targets

By 2030, reduce absolute Scope 1 and 2 emissions by

46%

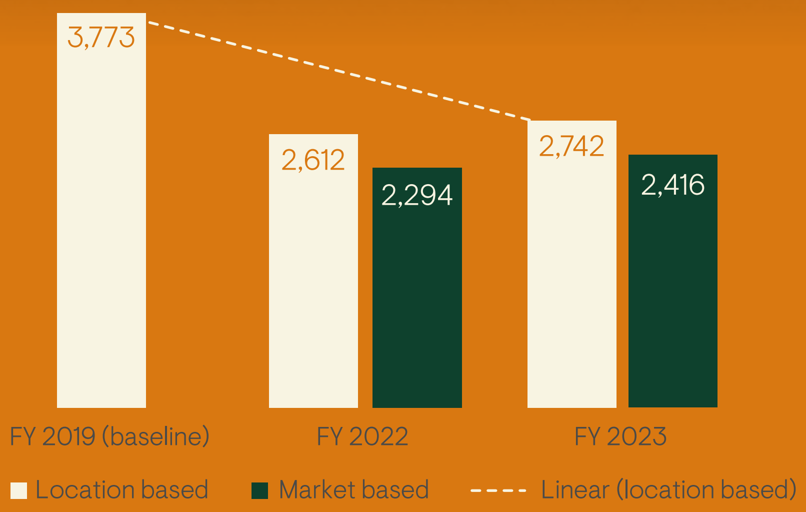
Carbon neutral Scope 1, 2 and 3 (category 6) emissions[6]

Our approach

- Reduce overall energy consumption
- Search for credible renewable energy sources
- Specific focus on energy-efficiency across offices

Our progress

Figure 3: Total Scope 1 and 2 emissions (CO_2e tonnes)



27%

reduction in Scope 1 and 2 emissions since 2019

—

6. SBTi aligned.

As an investment manager, the largest contribution to our carbon footprint is from the investments that we make on behalf of our clients. At the same time, in line with our purpose, we want to contribute to a better world, and aim to run our business sustainably. We are committed to reducing emissions across our own operations and locations.

In 2022, we worked with the Carbon Trust to develop targets for reducing Scope 1 and 2 emissions aligned with SBTi methodology.

We aim to reduce absolute Scope 1 and 2 emissions by 46% by 2030 from a 2019 base year. This would mean an absolute decrease from 3,773 tonnes to 2,030 tonnes.

The SBTi guidelines permit the use of market- or location-based carbon accounting to set and track progress towards Scope 2 targets. We have historically opted to use location-based carbon-accounting; now, we also report market-based emissions. We believe in focusing on real-world change. This relies on reductions in actual use and related emissions (location-based), but also in the value of renewable and sustainable energy sources where possible (market-based). Location-based emissions are largely determined by the intensity of the local grid – which in Southern Africa, where we have sizeable operations, is heavily reliant on fossil fuels for power generation. South Africa's high degree of reliance on coal for electricity generation means its carbon intensity is one of the highest globally.

The electricity used in our London office is fully renewable and REGO certified. However, we maintain a focus on use reduction as well. Overall, we are on track to meet our 2030 targets in our operations.

4 Priorities for 2023 – 2024

The following priorities for the year ahead support Ninety One's focus areas and commitment to put sustainability at the centre of our business.

Invest

Continue to pursue best-in-class ESG integration.

Continue to assess, monitor and engage our top emitters on their transition plans.

Enhance our strategic engagements through clear milestones and escalation as a means to drive real-world impact.

Expand the range of investment strategies focused on sustainability, and particularly the carbon transition.

Expand the ability to finance the energy transition in emerging markets.

Expand the scope and application of proprietary tools to assess transition, measure sustainable investments, and track real-world emissions reduction.

Develop and deepen investment frameworks beyond climate, notably for just transition, biodiversity and diversity, equity and inclusion.

Advocate

Continue to advocate for real-world carbon reduction and a fair transition for emerging markets – as opposed to divestment and exclusion.

Continue to advocate for increased capital allocation to transition finance.

Inhabit

Continue to make progress on our Scope 1 and 2 emissions-reduction targets.

Identify more climate-friendly options for air travel.

Continue to focus on talent density and diversity as we build an intergenerational business.

Continue to engage with industry bodies, universities and non-profit organisations on CSI initiatives, with a particular focus on increasing impact.

5 Invest

Investing responsibly is central to our core goal of achieving long-term investment excellence for our clients.

Our approach to ‘Invest’

Investing responsibly is central to our core goal of achieving long-term investment excellence for our clients.

We define responsible investment as:

- Integrating ESG factors into our investment processes to deepen our understanding of externalities and improve our assessment of the risks (and opportunities) they present.
- Seeking to offer sustainable strategies that enable our clients to invest in companies doing the most to increase their positive influence on the world.
- Aiming to drive real-world change through active ownership.

Integration

We seek to implement high-quality ESG-integration processes and frameworks across all our investment strategies. Our commitment to incorporate ESG issues into investment analysis is 'investment-led', which means that each of our investment teams integrates and prioritises ESG issues in accordance with its investment philosophy and processes.

Our aim is to ensure that our processes highlight material ESG risks and opportunities, and that our investment teams address them as part of their fundamental research and ongoing portfolio monitoring. Our approach is based on the belief that, over time, the market will increasingly price externalities into the value of securities, and that investment outcomes can be improved by a deep understanding of material ESG risks and opportunities and their potential to affect value.

The below table provides a high-level overview of how ESG is integrated across asset classes and Ninety One's investment teams.

Equities	**4Factor**	Material ESG issues considered within bottom-up research to gain a better understanding of the quality of a company's business strategy
	Quality	Material ESG issues are considered within bottom-up research to assess business model sustainability, financial model sustainability and the sustainability of capital allocation and corporate governance
	Value	Analysis of material ESG risks and opportunities allows us to better understand businesses and to identify companies that are well placed to create long-term stakeholder value
	Sustainable Equity	Sustainability-based strategies featuring positive inclusion and an impact focus. Material ESG issues are considered through assessing company externalities across natural, human and social capital
	Thematic Equity	Material ESG issues are considered through assessing a company across natural, human and social capital
Fixed Income	**EM Sovereign**	A nine-factor scorecard approach based on a forward-looking qualitative assessment of ESG trends, integrated into the investment process through our proprietary ESG score
	EM Credit	A scorecard approach to consider the impact of ESG on the financials of an issuer and understand where a company may be falling short on material ESG considerations
	Private Debt	ESG assessment for assets defined by respective management systems and performance standards
Multi-Asset	**Multi-Asset general**	Material ESG issues considered through assessing company and country externalities across natural, human and social capital
Alternatives	**Alternative credit**	A framework centred on nine core sustainability themes with combined scoring of all ESG factors translated into a proprietary ESG rating

Integration case studies

Emerging Markets Sovereign Debt investment team: ESG scorecard

Our Emerging Markets Sovereign Debt investment team has incorporated ESG-related factors into its investment process since its inception. The specifics of this integration have naturally evolved as the asset class has matured and as ESG data has become more readily available. The team now runs a nine-factor ESG momentum scorecard that covers the key ESG elements. The scorecard focuses on the expected change in specific factors. It thus provides a forward-looking framework for assessment of ESG policies and implementation, and their relevance to the long-run prospects for an economy, which in turn can influence asset returns.

Environmental policy			Social policy			Governance		
Climate action	Climate risk mitigation	Natural capital	Built environment	Human capital	Inclusive development	Civil authority	Institutional capacity	Economic policy

Over the past year, the biggest positive movers included Brazil and Ivory Coast. Both saw upgrades in Environment policy scores. Brazil's Natural Capital score improved markedly, with more modest improvements in Climate Action and Climate Risk Mitigation, all driven by the improvement expected in climate policy overall as President Lula looks to fulfil his campaign promises. This followed a disappointing four years from an environmental-progress perspective with Bolsonaro in office. In Ivory Coast, scores improved on both Climate Action and Climate Risk Mitigation, as its renewable share continues to increase, and the government takes steps to address deforestation.

The biggest negative moves were driven by a deterioration in governance scores. In Honduras, Economic Policy and Institutional Capacity are deteriorating as the new administration has ramped up subsidy spending and is undermining transparency and anti-corruption efforts. In Czech Republic, we have seen a similar deterioration in overall Economic Policy and Institutional Capacity trends, given the lack of progress in implementing the legal and institutional framework to address corruption.

Corporate debt investment teams: Development of a portfolio carbon analysis tool

Our corporate debt investment teams have been working to build tools to fill in some of the carbon-data gaps that exist in credit markets. Specifically, they have begun developing analytical tools to assess portfolio carbon profiles in greater depth, track their evolution over time, help identify key trends, and understand the underlying drivers. These tools will assist in identifying industry leaders in the net-zero transition and tracking their progress and will also play a role in flagging laggards and resultant opportunities for engagement.

There are multiple ways to break down changes in carbon intensity over a period. The investment team starts by decomposing the headline changes in carbon intensity into: a) changes in the carbon intensity of individual assets over the period (an 'intensity effect'); and b) changes in portfolio composition (a 'composition effect').

Intensity effect

The change in portfolio carbon intensity attributable to changes in carbon intensity of the underlying assets. Calculated using the initial portfolio assets and weights and updated carbon intensity data. The carbon intensity data for each asset can be influenced by a variety of factors including changes in absolute carbon emissions, company revenues, foreign exchange rates and reporting methodology.

Composition effect

The change in portfolio carbon intensity attributable to changes in the composition of the portfolio. Calculated as the residual portfolio carbon intensity change not accounted for by the intensity effect.

Given the importance of carbon risk, it is necessary to develop quantitative tools to identify and monitor progress at the issuer level.

Over time, we would expect the intensity effect to be a large driver of overall emissions reduction as companies make progress on their transition plans, which are becoming increasingly common given investor pressure, particularly in heavy-emitting sectors.

Value investment team:
The role of cement in the transition to a low-carbon economy

Ninety One's Value investment team aims to find securities whose true long-term value is significantly mispriced by the market. The team believes that analysis of material sustainability risks and opportunities helps them achieve this and identify companies with potential to create long-term stakeholder value. An investment in German cement manufacturer HeidelbergCement highlights how the team integrates ESG factors into its analysis.

Share prices in the European cement sector fell significantly in early 2022. In the Value team's view, that left the major players trading at a discount to fair value, while still paying out significant cash via dividends and buybacks, and with stronger balance sheets than they had going into previous downturns.

One reason for the sector's share-price underperformance has been general investor aversion towards the cement sector due to its high emissions. The cement industry is one of the highest-emitting sectors, accounting for 8-10% of global CO_2 emissions. About 40% of the emissions are from the energy used in cement production, with the rest resulting from the release of CO_2 in the chemical process. While it is relatively straightforward to reduce emissions by switching to renewable energy and using electric vehicles, reducing emissions from the chemical process is more challenging, and the investment team believes the task therefore falls to the industry incumbents.

HeidelbergCement has been an industry pioneer in tackling emissions: it has been reducing the clinker content in its cement for years; it offers a range of low-carbon cements; it has been using more renewable energy in production; and it is the industry leader in carbon capture. The company expects to achieve its initial 2030 emissions target five years ahead of schedule and is making its 2030 target more aggressive. The company's targets have been validated by the SBTi.

Though the cement industry's emissions are hard to abate, cement production remains necessary for both overall economic growth and to enable the transition in a range of industries including renewable energy. The profitability of the leading players therefore looks well supported, in the view of the Value team, and they believe firms such as HeidelbergCement that lead on the transition to a lower-carbon economy should see the benefit in their sales revenue, profits and ultimately ratings.

Impact and sustainable strategies

Highlights from the year

Ninety One currently offers several dedicated sustainability investment strategies, all of which have a high proportion of investments allocated to achieving a positive impact and harnessing the structural-growth opportunity in more sustainable companies. The strategies we offer focus on the following:

Sustainability themed

Assessing externalities to capture structural growth in a sustainable way

Climate solutions

Identifying companies enabling sustainable decarbonisation

Transition

Delivering the investment needed to reduce emissions and achieve an inclusive net zero

	Sustainability opportunity	Strategy focus	Investment team/strategy overview and updates
Global Environment	Climate solutions and transition	Invests in companies that offer environmental products and solutions, are leaders in sustainable decarbonisation, and have quantifiable 'carbon avoided'	— The sustainable equity team is the centre of sustainability-focused equity investment strategies. It includes Global Environment, which launched in September 2018; UK Sustainable Equity, launched in December 2018; and Global Sustainable Equity, launched in February 2022. Emerging Markets Sustainable Equity strategy was launched in September 2022. — The Global Multi-Asset Sustainable Growth strategy is another sustainability focused strategy within the wider Multi-Asset capability that operates a flexible asset allocation approach across a broad opportunity set.
Global Sustainable Equity	Sustainability themed and climate solutions	Invests in companies that are considered to be global sustainability leaders	

<table>
<tr><th></th><th>Sustainability opportunity</th><th>Strategy focus</th><th>Investment team/strategy overview and updates</th></tr>
<tr><td>Emerging Markets Sustainable Equity</td><td>Sustainability themed and climate solutions</td><td>Invests in companies aiming to capture the sustainable growth opportunity in emerging markets</td><td rowspan="3">— Over the reporting period, the investment teams for these strategies continued to deepen the analysis that underpins the Capitals Framework, including in areas such as biodiversity and the assessment of corporate culture.
— The team developed analytical frameworks to identify and measure the intentional positive impact relating to a company’s activities in areas such as financial inclusion and climate adaptation.
— Understanding the emissions reduction/net-zero plans of companies held in portfolios remained a key focus of the teams’ engagements. Other areas of engagement included sustainability data disclosure, and diversity and inclusion topics such as paternity leave.
— During the past year, Global Environment published its fourth Impact Report and UK Sustainable Equity published its fourth Sustainability Report. We were pleased to release our inaugural Sustainability Report for Global Sustainable Equity, and will be releasing our first Sustainability Report for Emerging Markets Sustainable Equity in 2023. Global Multi-Asset Sustainable Growth published its second Sustainability Report in January 2023.</td></tr>
<tr><td>UK Sustainable Equity</td><td>Sustainability themed and climate solutions</td><td>Invests in UK companies that are contributing to a more sustainable future</td></tr>
<tr><td>Global Multi-Asset Sustainable Growth</td><td>Sustainability themed and climate solutions</td><td>Invests in assets that operate to the highest standards and are part of the solution for a sustainable future</td></tr>
<tr><td>Emerging Markets Sustainable Blended Debt</td><td>Sustainability themed and climate solutions</td><td>Invests in countries with improving environmental, social and governance trends</td><td>— The Emerging Markets Sustainable Blended Debt Strategy launched in April 2022 and reached its first year anniversary.
— Sustainable investments increased to over 35% of the portfolio.
— The team evolved the Net Zero Sovereign Index to measure absolute progress towards Paris-alignment for 115 countries.
— As part of its engagements, the investment team contributed to the development of sustainable bond frameworks in several countries in the reporting period (e.g. Chile and Uruguay).</td></tr>
<tr><td>Emerging Africa Infrastructure Fund</td><td>Sustainability themed, climate solutions and transition</td><td>Provides a variety of debt products to infrastructure projects essential to economic stability, business confidence, job creation and poverty reduction</td><td>— Delivering tangible benefits to people, planet and the wider economy and contributing to the Sustainable Development Goals are at the heart of investment decisions and embedded in the investment process.
— Signed five new transactions in sectors including renewable energy, telecoms and roads.
— The EAIF portfolio of loans to Africa was split across 56 borrowers, 18 countries and 10 sectors[7].
— Reduction in greenhouse gas emissions is a core focus with an increasing number of renewable energy projects (representing 64.6% of the power portfolio[7]).</td></tr>
</table>

—

7. As at 31 December 2022.

Please refer to page 22 for a summary of risks relating to these strategies.

Development of measurement frameworks

Generally, we take a conservative approach to claiming impact as we recognise that it is often difficult to measure. We will only claim impact when we have established a robust process for quantifying it.

Over the reporting period, we continued to build assessment and measurement frameworks to quantify and evidence positive impact and contribution where possible. These methodologies allow us to identify companies whose future revenue growth is supported by a sustainable theme and to track and measure their impact. We expect these frameworks to evolve over time as our understanding evolves and data becomes more available. We will also continue to engage with companies to enhance disclosure on core key performance indicators ("KPIs") for impact.

Our methodologies currently include:

Carbon avoided

How much a company's products or services displace carbon emissions versus the alternative.

Climate adaptation

Contributing to helping those affected by the physical impacts of climate change.

Financial inclusion

Providing financial services to underserved groups.

Healthcare impact

Promoting healthcare inclusion and reducing health inequality.

Access to education

Contributing to promoting inclusive and equitable quality education and learning opportunities.

Digital inclusion

Bringing access to digital technologies, infrastructure, and services to underserved cohorts.

Labelled bonds

Social or environmental contribution, consistent with International Capital Market Association ("ICMA") principles for green, social, sustainable and sustainability-linked bonds.

Development Finance Institution bonds

Measured against a social and/or environmental mandate with funds raised to support sustainability objectives.

Active ownership

Active ownership is a vital component of Ninety One's investment-management process. Exercising ownership rights, including engagement and proxy voting, is a means through which we can enhance the value of client assets and deliver on the expectations of our clients.

Our Stewardship policy and proxy voting guidelines document explains our voting and engagement approach.

Our engagement approach

Ninety One sees engagement as the preferred means to address material risks and issues that can affect the value of the investments we make on behalf of our clients. Engagements are communications with a clear purpose that seek an identifiable outcome.

To identify a need for engagement, Ninety One will assess the materiality of the issue, the potential impact of engagement, both positive and negative, and its ability to exert influence. Ninety One has three engagement categories:

- **Strategic:** a critical opportunity to create or preserve value where it believes it can have influence. These engagements are recognised company-wide and are often longer-term in nature.
- **General:** to ensure that the company has identified relevant issues and that these are being managed appropriately.
- **Advocacy:** firmwide engagements, usually involving collaboration and targeting thematic cross-cutting issues.

Over the reporting period, we worked to improve the coordination of our engagement approach, both to seek close alignment with the firm-level strategy where appropriate and to take a more harmonised approach where an issuer is held across multiple investment teams.

Overview[8]

95
strategic engagements of which

66
were climate-related engagements with top emitters

416
general engagements

11
advocacy engagements[9] (covering 105 companies)

Figure 4: Engagement by topic

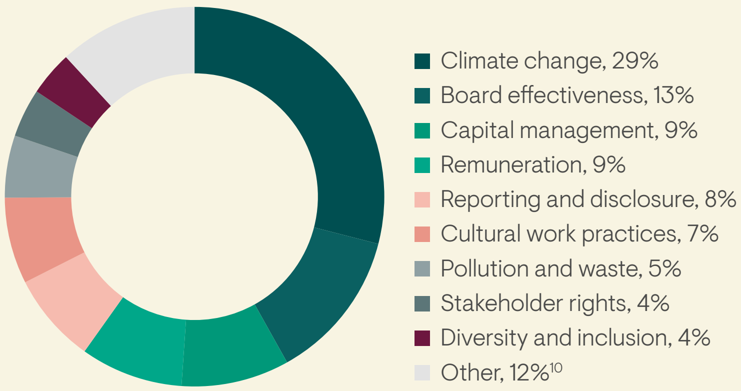


Figure 5: Engagement by region

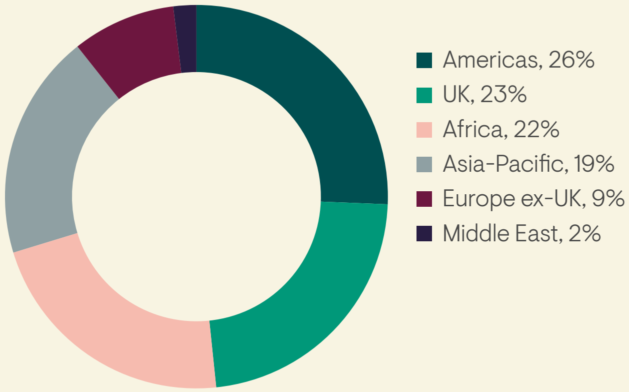
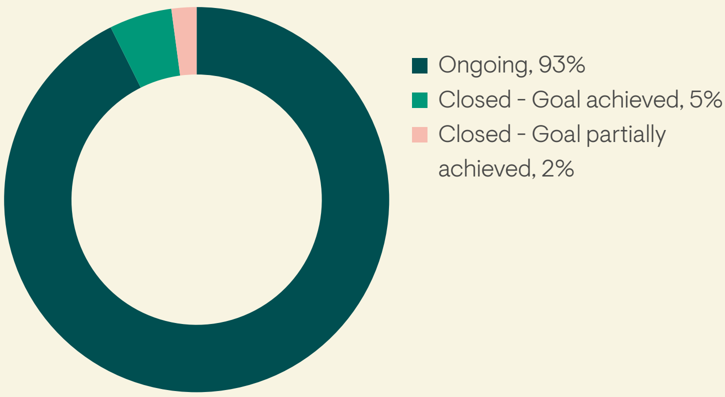


Figure 6: Strategic engagement by outcome



8. Note that each interaction with a company has been recorded as an engagement. There may be multiple interactions with the same company.
9. Note that four advocacy engagements (Climate Action 100+) are also included under strategic engagements.
10. Other includes ethical behaviour & regulation, health & safety, water, biodiversity, supply chain, customer welfare, privacy & data security and just transition.

Figures may not add to 100% due to rounding.

Engagement case studies

The following case studies highlight some of our engagements during the reporting period. When we engage, we adapt our approach according to regional differences in governance and culture.

Top emitters

Engaging with our top emitters

The TPA (Transition Plan Assessment) framework allows our investment teams to focus their engagements on the key issues preventing investee companies from delivering on their transition plans.

Over the reporting period, engagement plans were developed for 31 of the highest corporate contributors to Ninety One's financed emissions, and 66 engagements were undertaken. The following case studies outline some of these engagements.

Case study: **Samsung Electronics**

Assessment	The TPA highlighted that, at the time, Samsung did not have a net-zero commitment or strategy, with no interim targets for Scope 1, 2 or 3 emissions. While its emissions trajectory showed a decreasing trend, Samsung is in a high-growth sector. Without investment in abatement and mitigation technology, the company is at risk of increasing absolute emissions as demand grows.
Engagement objective	1. Commit to net zero by 2050. 2. Adopt transparent, ambitious, achievable targets. 3. Develop a transition plan that is 1.5°C aligned or Paris aligned.

Case studies

Top emitters

Case study: **Samsung Electronics** continued

Progress

Feb 22	**Assessment of Samsung's sustainability strategy** using TPA. **Samsung host AGM and Climate Strategy Meeting to discuss:** — Board elections — Sustainability report 2021 — AGM priorities Attended by investment team and climate expert.
Mar 22	**Letter of engagement sent to Samsung Board** on areas for improvement on sustainability strategy informed by TPA including 10 recommendations for improvements. **Vote on AGM agenda.**
May 22	**Response to letter:** Samsung Board respond positively to Ninety One's letter. **In-person meeting:** Samsung leadership meet with our investment and sustainability team in London.
Sep 22	**Publication of new environmental strategy** and net zero Scope 1 and 2 targets for operations and joining RE100 to match power needs with 100% renewable energy outside of Korea operations and spend US$5bn on transition strategy by 2030.
Nov 22	**Met with company to discuss the new environmental strategy.** Net zero 2050 commitment is a positive development but requires credible mid-term targets for the semiconductor manufacturing division. Korean energy policy is critical given bulk of manufacturing is domestic.
Mar 23	**Met with company to discuss Ninety One's priorities for company followed by clarification letter.** Company reiterated government policy/geographical challenges. Stated targets would be progressive which will be evidenced in the publication of the next phase of the climate change strategy.

Next steps

Samsung's new environmental strategy sets out a commitment to achieve net zero for Scope 1 and 2 across all operations by 2050. It has set interim targets for the consumer electronics division but not the semiconductor division. Ninety One's priority areas regarding the next phase of the climate-change strategy are:

1. Inclusion of interim targets for the semiconductor division, given this contributes the bulk of emissions due to semiconductor manufacturing.
2. Inclusion of Scope 3 in net-zero targets.
3. Ensure net-zero targets are SBTi-aligned.

Case studies

Top emitters

Case study: **Anglo American**

Assessment	The TPA highlighted a lack of detail in Anglo American's transition plan, with limited disclosure on capital expenditure allocated to renewables and other green projects. Also, while Anglo American cannot currently obtain an SBTi-approved target (SBTi is yet to develop a methodology for the sector), we wanted to encourage the company to expedite the development of a 1.5°C-degree aligned pathway. Finally, we sought assurance that the company was considering its responsibilities to the local workforce in its transition planning.
Engagement objective	1. Deepen understanding of Anglo American's decarbonisation strategy to 2040, including the role of divestment from thermal coal, offsets, and the pivot to metals and minerals that enable the net-zero transition. 2. Seek a sufficient capital-expenditure commitment, with a clear and transparent financing plan to implement the transition strategy. 3. Encourage company leadership to drive the regional just energy transition via lobbying for energy transition policies, the build-out of renewables, and support for communities and workers affected by the transition to net zero.

Progress

Mar 22

Met with the Chairman to discuss climate plan which lacked detail. Lack of understanding of capex requirements to finance the transition was clear.

Verification from SBTi on plan was not possible given methodological constraints, though targets seem ambitious.

Nov 22

Meeting with ESG team on the climate plan focusing on key engagement priorities.

Some progress made on target setting to increase renewables build-out and also for methane capture.

Next steps

Our discussions showed that the company had made progress in setting targets to accelerate its renewable energy build-out and methane capture. It has announced phase 1 of a solar/wind power joint venture with French power utility EDF in South Africa. The company intends to use local workers where possible for the renewables project, a positive step from a 'just transition' perspective. We will follow up to monitor progress.

Case studies

Case study: **Sasol**

Assessment	The TPA highlighted that Sasol's high carbon intensity is a key investment risk due to the potential impact on profitability, cashflows and ability to access capital markets. Sasol has made significant progress on its climate transition strategy over the past two years after engagement from multiple stakeholders. At its September 2021 Capital Markets Day, the company tripled its 2030 decarbonisation target (from a 10% to a 30% reduction in Scope 1 and 2 emissions) and made a 'net zero by 2050' commitment. These targets are aligned with the lower bound of South Africa's Nationally Determined Contribution ("NDC"); however, Sasol has not obtained external science-based validation as the SBTi methodology for its sector is still in development. We supported the 2022 climate-policy resolution, with a proviso to revisit the policy annually, after a robust discussion with the company. In the 2022 Climate Policy Report, Sasol put forward credible emissions-reduction levers to achieve its 2030 targets (with interim targets set for 2026) and began outlining pathways to achieve net zero by 2050. It committed to self-funding R15-25 billion of sustainability capital expenditure by 2030. In the TPA, refinancing risks were highlighted as a key concern. We note that a recent debt offering was oversubscribed, mitigating this risk. We are pleased that Sasol increased the weight of ESG key performance indicators to 25% across all employees in its 2022 remuneration policy, demonstrating alignment with the transition strategy. In February 2023, Sasol and Air Liquide concluded power purchase agreements (PPAs) for a combined 550MW of renewable energy projects for delivery by 2025 (subject to regulatory approval), with a total of 1.2GW targeted for South African operations by 2030. Replacing self-generated power from coal with renewables and reducing reliance on Eskom will significantly reduce Scope 2 emissions and alleviate pressure on the constrained South African electricity grid. In addition, introducing cleaner alternative feedstocks, reducing coal feedstock in the production mix and further process enhancements through technological efficiencies will enable Sasol to reduce coal consumption by up to 25% at Secunda by 2030. Sasol ecoFT is a new business unit responsible for shifting the portfolio towards sustainable products that will support global decarbonisation efforts.
Engagement objective	1. Engage further on the ambition of the long-term emissions targets and advocate for the adoption of an externally verified science-based target. 2. Maintain a focus on capital allocation in engagements as transition financing risks could impact the credibility of the decarbonisation strategy. The company has substantial debt and cyclical profitability and is facing increasing compliance costs. 3. Monitor the implementation of the decarbonisation strategy such as the build-out of renewable energy projects in South Africa. 4. Gain clarity on the impact on operational expenditure of switching from coal to cleaner alternatives; monitor that the company remains on track with sourcing alternative feedstocks and developing the infrastructure to meet its 2030 target.

Top emitters

Case study: **Sasol (continued)**

Progress

May 22	**Call with CFO.** Discussed: — **Capital allocation for decarbonisation strategy** and improving disclosures. — Operational-expenditure trade-off between abundant **low-cost coal feedstock vs. more expensive but cleaner** gas feedstock.
Jun 22	Met with remuneration committee on remuneration policy: Positive changes implemented in terms of short-and long-term KPI metrics and increasing ESG weight. **Support policy due to better alignment with shareholders.**
Jul 22	Letter to CEO and chairman of board on behalf of World Benchmarking Alliance emphasising **Sasol's important role in assisting South Africa achieve a Just Transition**.
Sep 22	Met with management team. Meaningful progress on **defining strategy for 30% CO_2 reduction by 2030**.
Oct 22	Met with **Safety, Social and Ethics Committee** to discuss **2022 Climate Policy Report**. Pleased with progress made such as **25% ESG weighting in remuneration structure**. Requested annual update. Presentation by Sasol Board and Management team around decarbonisation strategy. **Transition pathways identified.** 2030 targets achievable, longer term net-zero 2050 reliant on technological innovation.
Feb 23	Met with the management team to discuss good **progress with regards to renewable energy procurement** and the mitigation strategy for the coal-mining business to improve feedstock quality and address production issues in South Africa.

Next steps

Sasol's high emissions intensity will likely remain a key investment risk. However, we are pleased that significant progress has been made on the decarbonisation strategy and in defining clear pathways to achieve the 2030 emissions-reduction target. We will engage further on the issues discussed under 'Engagement objectives' and continue to monitor the financial and operational performance of the company to ensure the credibility of its strategy and that the implementation of the strategy remains on track.

Case studies

Top emitters

Case study: **Eskom**

Assessment	The TPA highlighted that, at the time, while Eskom had made a net-zero commitment, it did not have interim targets for Scope 1, 2 or 3 emissions, and no clear published strategy to achieve its net-zero ambition. There is clearly a governance issue over the delivery of Eskom's transition, notwithstanding the company having a Just Energy Transition ("JET") office. Critical to the success of Eskom achieving its emissions goals is the solvency of the company. This needs to be prioritised.
Engagement objective	1. Seek a 'solvency first' approach: i.e. strengthen the balance sheet and focus on debt sustainability to deliver on the transition through catalytic climate and conventional finance structures. 2. Encourage clear and consistent leadership to give shareholders confidence in the direction of the company. 3. Publish a detailed, ambitious and credible plan for 1.5°C alignment to give shareholders and the public a clear understanding of Eskom's vision and ambition.

Progress

2020

Engagement with leadership: Eskom CEO André de Ruyter and Eskom board.

Eskom announces JET plans.

2021

Collaborative action with government departments and local and global stakeholders to make the case to government for the energy transition and outline financing package.

Eskom announces Sustainability-linked loan to finance JET financing plans at Presidential Climate Commission ("PCC").

Continuous support for Eskom and South African government on increasing transition ambition.

Announcement of South Africa/IPG's US$8.5bn transition transaction at COP26, Glasgow.

2022

Continuous engagement with other debt holders on Eskom's unbundling.

Eskom publishes unbundling plans and progress to split out into separate generation, transmissions and distribution entities.

Climate Action 100+ co-lead on Eskom co-authored CA100+ letter to SA government to encourage support of Eskom's transition through critical financing and policy measures.

Continued lobbying of IPG to improve climate-financing terms.

Supporting thought leadership and local transition narrative to accelerate the transition.

IPG partnership visits South Africa to negotiate terms of climate-financing deals announced at COP26.

Case studies

Top emitters

Case study: **Eskom** (continued)

Next steps

The Climate Action 100+ Eskom working group has agreed an engagement plan that reflects the changes to the South African government, regulation, the national budget and Eskom's leadership.

We will continue to engage with National Treasury on the post-budget investor roadshows, requesting Eskom's attendance at them.

Together with large bondholders, we continue to engage on the unbundling of the entity with a view to ensuring fair treatment of all creditors and a structure which does not impede Eskom's objectives of freeing up the energy sector and delivering on its commitments to legally and operationally separate generation, transmission and distribution.

We will engage on the accelerated build-out of transmission infrastructure to increase grid capacity for the new generation coming online. We support the unblocking of the energy system through policy reforms such as the cap on embedded self-generation and the local content requirement for solar photovoltaic (i.e. the portion of a module's components that must be produced locally).

Social

Engaging on social issues

Social issues are rising in prominence for businesses, employees, consumers and other stakeholders.

Case study: **AIA Group, Trane Technologies, Elevance Health**

Engagement objective

During the second half of 2022, the Sustainable Equity team undertook an engagement campaign on parental leave. The objective was to enhance disclosure and transparency on this issue, as well as companies' offerings regarding parental leave, where appropriate.

The investment team believes that businesses that consider all stakeholders in their capital-allocation policies and strategy can achieve sustainable value creation over the long-term. It has undertaken significant work to understand the role of culture in engaging employees and driving innovation and resilience, and has developed a framework to analyse and assess corporate cultures, focusing on workplace practices. It has found that businesses with strong corporate cultures typically offer well-designed parental-leave policies. The investment team's research indicates that providing supportive parental-leave policies can bolster engagement across the employee base.

Progress

The investment team asked each company to share quantitative and qualitative information on parental-leave policies. It requested detail and contextual information on support programmes, regional standards, uptake by gender and impact on staff engagement. Furthermore, it engaged to seek additional insight into diversity and inclusion initiatives, particularly regarding engagement within minority employee groupings.

Next steps

The investment team looks forward to collating and reviewing the responses and will continue to engage with the companies through cultural assessments.

Case studies

Governance

Engaging on governance issues

We believe that better corporate governance and leadership give greater confidence in the ability of the company to create long-term sustainable value.

Case study: Vitesco Technologies

Engagement objective	In early 2022, we engaged with Vitesco Technologies, a German-listed auto supplier, on corporate governance. We raised concerns about an insufficiently independent board, in particular the Chair, whose historical relationship with the controlling shareholder and board positions with competitors of Vitesco made it impossible for him to be considered independent. Originally, Vitesco was planning to present a single vote for the Supervisory Board at the AGM (this is allowable under German corporate law, but not considered best practice).
Progress	We sent several letters to the board on this matter. Through this engagement by Ninety One and other shareholders, we were able to get the company to split the supervisory board vote by individual members. This allowed us to vote against the chairman and send a clear message to the company on board independence, which other shareholders also did.
Next steps	We hope that in time the composition of the board will conform more closely to best practice on independence. We will continue to engage with the company on this matter and, if progress is not made by the next AGM, we may consider voting against the re-election of the chair.

Case studies

Collaborative

Collaborative

We may collaborate with other investors as part of an engagement strategy if it can contribute to achieving our engagement objectives.

Case study: **Climate Action 100+**

We continued to co-lead engagements on two companies through Climate Action 100+: Eskom and Sasol. Please refer to the case studies on pages 41 and 43 for details. We are working-group participants for ExxonMobil and Glencore.

ExxonMobil

At the start of 2023, representatives of the Climate Action 100+ working group met with ExxonMobil after the publication of its 'Advancing Carbon Solutions' report. The company reiterated its 'net zero by 2050' pledge (Scope 1 and 2), as well as its 2030 targets, and highlighted the significant progress made on reducing methane-emission intensity (by >40% vs. a 2016 baseline). In the Permian basin, it has eliminated routine flaring. The company confirmed its commitment to allocate approximately 10% of its capital expenditure to low-carbon projects, including a CCUS (carbon capture, usage and storage) project in Louisiana. There was still a lack of detail around the specifics of the plan, and a question over whether the capital commitments are sufficient to meet the company's targets. The group will continue with this collaborative engagement to try and achieve increased disclosure, transparency and ambition.

Glencore

At the end of 2022, the Glencore working group wrote a letter requesting a meeting to discuss various aspects of Glencore's progress on its transition plan, including its short- and medium-term targets, clarity on expansionary capital expenditure for thermal coal reported in the annual report, and climate-policy advocacy. While no written response was received, we (as Ninety One) engaged bilaterally with Glencore on transition risks, reflecting the group's views. The company issued an updated climate report in March 2023 and we are considering further engagement actions required.

Collaborative

Case study: **World Benchmarking Alliance ("WBA")**

Ninety One is part of the WBA's Just Transition Collective Impact Coalition. In November 2021, the WBA assessed 100 of the world's largest oil and gas companies as part of its Just Transition benchmark. The research found that the majority of the companies were failing to take the necessary steps to ensure that workers and communities are not left behind in the shift away from extracting fossil fuels to new business models. In May 2022, we, alongside Newton Investment Management, sent letters to the majority of the companies covered, urging them to consider and plan for the needs of employees and communities who will be impacted by the transition to a low-carbon economy. The engagement group is now discussing next steps ahead of the publication of the WBA's 2023 Oil and Gas Benchmark.

Engagement escalation

> We believe that divestment due to an engagement failing to make progress is a last resort.

Engagement can be a long-term process, and a company's willingness to engage and the progress made should be taken into consideration, alongside regional and cultural factors.

Typically, before divesting we would seek to escalate an engagement. This may involve collaborating with other shareholders and stakeholders (such as NGOs, banks and regulators) or external initiatives, voting at shareholder meetings, and proposing our own resolutions. We may also make public statements in the press, although we would not do so until direct engagement with the board and management team had failed. If the lack of progress on critical issues continues, disposal of the investment may be necessary.

Our proxy voting approach

We regard proxy voting as a means to bring about change, as well as being a fundamental right of shareholders. Ninety One votes at shareholders' meetings throughout the world as a matter of policy and principle. We aim to cast a vote on all items put to a shareholder vote where legally and practically possible.

We use an external proxy-research and vote-execution service provided by Institutional Shareholder Services ("ISS"). ISS delivers its benchmark research and Ninety One's custom policy research based on our internal voting policy; we take these into consideration when making a vote decision in the best interest of shareholders.

Over the reporting period, we worked to improve the coordination of our proxy-voting approach, endeavouring to better align our proxy-voting decisions with our engagement objectives. We are also currently implementing automated research delivery to our investment teams, allowing our proxy-voting team to focus more on client-reporting deliverables, due diligence requests and queries relating to proxy voting.

Overview

95%
of meetings voted at[11]

1,101
meetings voted at

55
countries

15,625
proposals

Source: Ninety One, ISS ProxyExchange. Data is for the 12 months to end-March 2023.

11. Note that we aim to cast a voting decision across 100% of our holdings, which may be a 'do not vote' decision for several reasons including conflicts of interest, share-blocking restrictions, power-of-attorney restrictions or after having sold the holding ahead of the vote.

Figure 7: Votes cast on a per-resolution basis

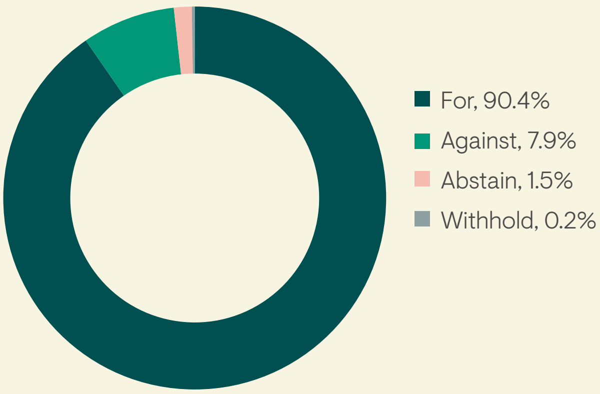


Figure 8: Votes cast on a per-meeting basis

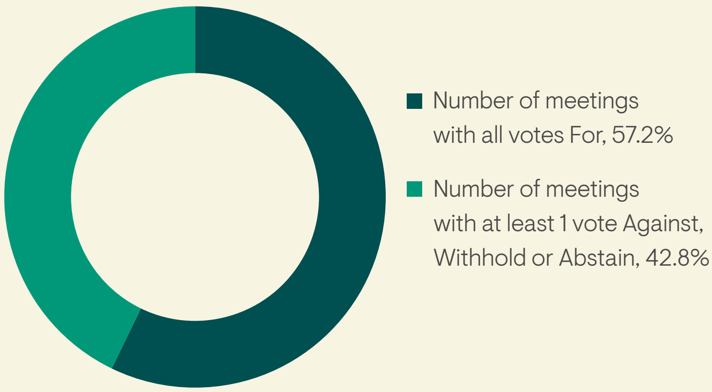


Figure 9: Vote cast per country (top 10)

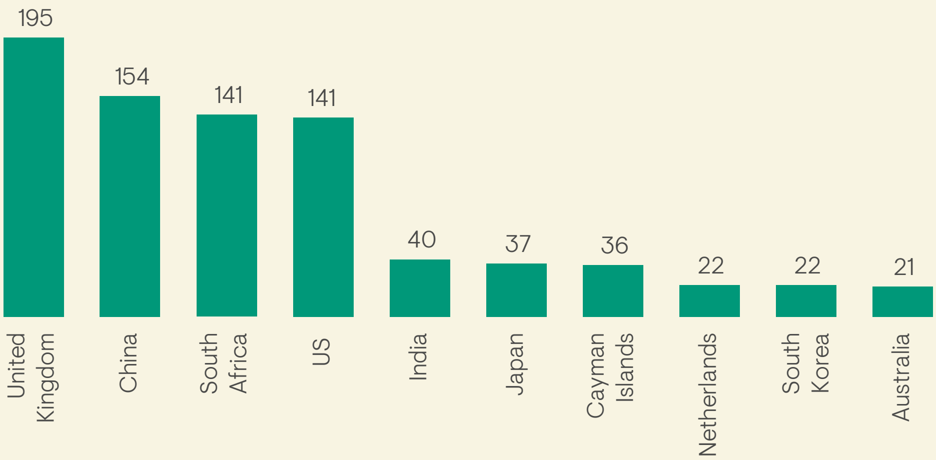
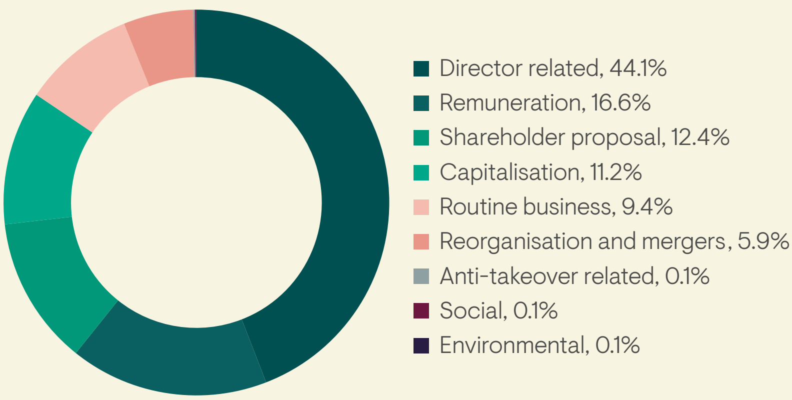


Figure 10: Dissenting votes cast by category



Source: Ninety One. Data for period 1 April 2022 to 31 March 2023.
Figures may not add to 100% due to rounding.

Shareholder proposals

Shareholder proposals enable shareholders to recommend or require that a company and/or its board of directors take a specific action. They are key shareholder rights globally, though submission requirements vary based on countries' legal frameworks.

Over the reporting period, we voted on 432 shareholder proposals. We supported a significant number of them (57%) because they sought to improve ESG practices, were targeted and focused, and were neither too prescriptive nor too vague in their requests.

As an active investor, Ninety One prioritises direct dialogue with company boards and management to achieve our desired outcomes. Shareholder proposals are one of a number of mechanisms available to influence companies, and we assess shareholder proposals on a case-by-case basis, taking into account the outcomes of our own engagement, the relevance of the proposal to our strategic objectives, and progress being made by companies on these issues. The proportion of votes we support in any given year reflects the topic, relevance and quality of the proposals.

Case study: **BHP Group ("BHP")**

Overview

Three shareholder proposals were put forward at BHP's 2022 AGM:

1. To approve amendments to the company's constitution.
2. To approve policy advocacy (requesting that the company proactively advocates for Australian policy settings that are consistent with the Paris Agreement's objective of limiting global warming to 1.5°C).
3. To approve climate accounting and audit.

Voting decision

We supported the first of these resolutions as we believe it important for shareholders to have the ability to bring resolutions. We voted against the policy-advocacy resolution as it is very broad and not practical. BHP's policy alignment has progressed significantly over the last 18 months, and it has achieved a positive rating in this area from Climate Action 100+. We also voted against the climate-accounting and auditing resolution. While we disagreed with the company's claim that this was not consistent with financial accounting standards, we did consider the resolution to be asking for a potentially onerous level of detail. BHP provides aggregate supply/demand forecasts for commodities under various climate-change scenarios and has made progress in providing financial information we consider relevant to its transition.

Outcome

We wrote to the company to explain our rationale, and noted that while we had voted against the shareholder proposal in this instance, we agreed with the spirit of what was being proposed and we encouraged the company to continue the work it was doing with regards to disclosure.

The first resolution, to approve amendments to the company's constitution, did not pass and so the two climate-related items were withdrawn. We expect to continue to engage with the company to ensure that appropriate scenario analysis is conducted and relevant information is incorporated in the annual report.

Proxy voting

Case study: **ExxonMobil**

Overview	Three climate-related shareholder proposals were put forward at the 2022 AGM. 1. Set emissions-reduction targets consistent with Paris-Agreement goal. 2. Report on low-carbon business planning. 3. Report on scenario analysis consistent with the International Energy Agency's ("IEA") 'Net Zero by 2050' pathway.
Voting decision	In 2022, Exxon had provided improved disclosure through its annual Advancing Climate Solutions Progress Report, including using an internal scenario which is similar to the IEA's STEPS scenario but tests the performance of its portfolio against the IEA's net-zero scenario. We therefore decided to vote against the low-carbon business-reporting item and the scenario-analysis item. However, we supported the first of the resolutions as we believe clear targets are needed for the company to be held accountable in managing its transition to a low-carbon economy, and that Exxon's existing targets were insufficient. While our decisions recognise that progress was underway in some areas, more needs to be done. In particular, Exxon needs to start quantifying the benefits of the low-carbon business by setting Scope 3 reduction targets.
Outcome	The first and second resolutions failed, and the third passed. In December 2022, Exxon published its Advancing Climate Solutions ("ACS") report, which provides more detail on its approach to reducing greenhouse gas emissions in support of a net-zero future. We have continued to engage with Exxon on its transition progress through a Climate Action 100+ collaborative initiative, focusing on greater disclosure of its low-carbon business unit and the methodology and technology behind measuring and reducing methane emissions.

Case studies

Case study: **ASML**

Overview	We discussed with investor relations proposed changes to ASML's remuneration policy before the 2022 AGM vote.
Voting decision	In 2021, we had engaged with the company before the AGM to raise concerns about the remuneration report. After meeting the chair of the remuneration committee, who committed to review the approach to remuneration in light of our concerns, we voted with management on the resolution, with the proviso that we would continue to monitor progress. In early 2022, the company shared a draft of a new remuneration policy with investors. The review was comprehensive, with changes to incentive levels, remuneration benchmarks, and the performance measures used for both short- and long-term incentives.
Outcome	The board addressed our concerns, such as the strength of short- and long-term incentive performance metrics and the inclusion of a more appropriate benchmarking group. We therefore voted in favour of the remuneration item at the 2022 AGM and considered the engagement to be successfully closed. The remuneration policy item passed.

Please also refer to Appendix 3 for a summary of our most significant votes over the period, including rationales for our voting decision, as per the Shareholder Rights Directive II ("SRDII") requirements.

Ninety One describes these as votes where there is a significant holding (>5% of the shares or >5% of a fund) and is a dissenting vote against management, or those where there is a significant qualitative factor in that the vote relates to: an ESG issue, a shareholder resolution with a dissenting vote against management, or a significant corporate transaction.

Case studies

Sustainability regulation

Over the reporting period, we met the requirements of various sustainability regulations by improving processes, onboarding data and contributing to industry discussions. This included the EU's SFDR and the UK's Sustainability Disclosure Requirements ("SDR").

SFDR classification

To implement the requirements of SFDR, we developed a classification framework consistent with our 'sustainability with substance' commitment. The framework addresses the way we integrate ESG, promote environmental and social characteristics, and include sustainability objectives across our fund ranges. Our aim was to ensure that the classifications and disclosures made under SFDR appropriately reflected the philosophy and approach of our investment teams to sustainability and integration.

Across our fund ranges, 27 funds in scope of SFDR make Article 8 or Article 9 disclosures. This amounts to c.£17.5 billion of our assets under management as at 31 March 2023.

We categorise funds within Article 8 (sustainable) and Article 9 (impact) as 'sustainable strategies', which amount to £5.3 billion as at 31 March 2023.

Article 6 ESG integration	**Article 8** Enhanced integration	**Article 8** Sustainable	**Article 9** Impact
23	21	5	1

Please refer to the 'ESG classification explained' document on our website for further information.

The classification approach we developed is underpinned by proprietary methodologies to identify sustainable investments, as well as guidance on assessing good governance and investments that do no significant harm.

SFDR periodic reports will be published for Article 8 and 9 funds as part of the applicable report and accounts.

Data

To meet our regulatory obligations, we onboarded additional data sources, including: Clarity AI, Bloomberg's green bond classifications, and Trucost. We also integrated these data sources into our in-house data platform to give the investment teams and other groups in the business easy access.

Consultations

Over the period, we responded to several regulatory consultations, including:

- The FCA's SDR and investment labels consultation.
- The ESMA Consultation on Guidelines on fund names using ESG or sustainability-related terms.
- EFAMA's (European Fund and Asset Management Association) response on the ESA's (European Supervisory Authorities) questions to the European Commission, which include, among others, fundamental questions on how to apportion an investee company as a sustainable investment.

6 Advocate

Through advocacy, we seek to engage our clients and stakeholders on sustainability to help develop the ecosystem for sustainable long-term investing.

Our approach to 'Advocate'

Through advocacy, we seek to engage our clients and stakeholders on sustainability to help develop the ecosystem for sustainable long-term investing. Advocacy takes many forms, including contribution to policy formulation, education and thought-leadership.

Where appropriate, we seek to influence policy, regulation and laws, aiming to facilitate efficient capital markets, a real-economy net-zero transition, and favourable environments for shareholder rights and interests. We monitor and guide our advocacy activities through the Sustainability Committee. Over the reporting period, our advocacy focused on the need to ensure that emerging markets receive the funding required to transition.

Industry collaboration

Ninety One participates in organisations and initiatives whose purpose and advocacy goals are aligned with those of our investment teams and clients.

Please refer to the appendix for a full list of the organisations we partner with.

Case study: **Ninety One at the centre of the global dialogue on investing for net zero**

Ninety One is active in the private sector's climate-policy dialogue. We participate in coalitions (such as GFANZ, Sustainable Markets Initiative, Investor Leadership Network, IIGCC and Climate Action 100+), engage directly with governments, and express the firm's views in various public forums. We have made the case for continued investment in an emerging markets transition at various forums and global events, where we have used our voice to represent nations that risk being left behind as the world decarbonises.

Case studies

Industry collaboration

August 2022

UN Climate Finance
Africa regional Forum

We joined ministers from Egypt, Democratic Republic of Congo and Ethiopia and private-sector representatives to discuss financing vehicles to accelerate a 'just transition' for Africa.

September 2022

Climate Week
New York

We chaired a panel discussion on how to finance transition, we participated in roundtables on Just Energy Transition Partnerships ("JETPs"), and closed expert-sessions on blended finance; and we observed events where experts discussed carbon markets and the funding of future technologies, and where guidance was shared for financial institutions actively transitioning their portfolios.

November 2022

COP 27
Sharm El-Sheik

We participated in 50 engagements over five days. This included a GFANZ panel on the finance sector's role in catalysing a global transition and a discussion on how sovereign sustainability-linked loans can be used to catalyse emerging market sustainability outcomes. At the 'Friends of SA JET 2.0' meeting, hosted by the Blended Finance Taskforce, which collected insights from stakeholders playing a role in South Africa's JETP, Ninety One shared its experience in investing for just-transition outcomes. We also supported the South African JETP through involvement in discussions such as the Presidential Climate Commission's JETP panel.

February 2023

Africa's Mining Indaba
Cape Town

Some of Ninety One's investee companies debated the future of Africa's mining industry amid the global energy transition. We took part in panel discussions and held multiple one-to-one meetings to better understand the risks and opportunities facing the sector.

Case study: **CDP non-disclosure campaign**

We are active supporters of CDP and believe that better carbon reporting is critical. Since 2021, there has been a 27% increase in disclosure across all three themes that CDP focuses on (climate change, water security and forests), with 388 more companies responding to the organisation. About 90% of companies that responded in 2021 responded again in 2022.

Ninety One supported 99 climate, water and forest engagements across 71 companies, with 60 engagements focused on climate change disclosure. We led on 31 company engagements, of which 25 focused on climate. 30% of the companies engaged with on climate submitted their first CDP questionnaires as an outcome of the engagement, including some of our 100 largest emitters. We will continue contributing to this campaign in 2023.

Case study: **Sustainable Markets Initiative ("SMI") categorisation**

In January 2023, SMI's Asset Manager and Asset Owner ("AMAO") Task Force – which comprises 34 AMAOs, including Ninety One – introduced its new Transition Categorisation Framework. The framework aims to categorise assets that fulfil the objectives for a pathway to net zero, at both the company and project levels, and ensure that investors are not simply divesting from sectors where decarbonisation is more difficult, especially in emerging economies. The SMI AMAO Task Force hopes investors will adopt the categorisation to enhance their existing net-zero strategies. Doing so would help guide effective and meaningful transition investment through general portfolios or specific vehicles that fund pathways to net zero in critical sectors.

Policy advocacy

We understand that, as investors, we have a role to play in advocating for changes in policy and regulation, and in helping enable sustainable development.

Case study: **Supporting a 'Just Energy Transition' in South Africa**

At COP26 in November 2021, the governments of South Africa and those of France, Germany, the UK, the US and the European Union (together the International Partners Group) announced an ambitious, long-term JETP. The JETP was set up to support South Africa's commitment to decarbonise its energy-intensive economy and transition to cleaner energy sources. A distinguishing feature of the JETP is its emphasis on a just transition in the structuring of the Just Energy Transition Investment Plan ("JET IP"), which was published ahead of COP27 in Sharm El-Sheik in November 2022. In line with the Political Declaration issued in November 2021, the IPG undertook to mobilise an initial US$8.5 billion over the next 3-5 years to advance the JETP.

Given the importance of South Africa's transition to Ninety One's own transition, and our footprint in the country, Ninety One engaged both locally and globally in support of the JETP and the country-level transition more broadly. We participated in local public events, such as the Presidential Climate Commission meetings, and in national stakeholder consultations on the South African negotiating mandate ahead of COP27. We also engaged with global networks in open and closed meetings where we pushed for more ambitious use of public finance by the IPG, with the goal of private capital mobilisation to accelerate South Africa's just transition.

Case studies

Case study: **Sustainability-linked bonds in emerging markets**

In early 2023, Uruguay became the second emerging markets sovereign to issue a sustainability-linked bond, following Chile. Chile has been a global leader in making sustainability a key feature of its issuance, with over 30% of its total outstanding government issuance now in green, social or sustainable bonds ("GSS bonds"). GSS bonds have a pivotal role in financing emerging markets' sustainable development.

Ninety One's Emerging Markets Sovereign Debt team has been engaging with both countries on its key structural engagement themes of fiscal transparency and climate ambition, the latter seen through the lens of its Net Zero Sovereign Index. The discussions with Uruguay ahead of its sustainability-linked bond issuance, where the investment team raised concerns that Uruguay's NDCs were ultimately incompatible with meeting the Paris goals, were well taken. The investment team was delighted that its observations were fed back to the Ministry of Environment. Uruguay subsequently released updated absolute emissions reduction NDC targets, with a focus on climate adaptation and reforestation.

Thought leadership

Thought leadership

Investment Institute

Ninety One's Investment Institute delivers strategic investing insights and analysis to our investment teams and clients across asset classes, investment strategies and borders.

The Investment Institute researches geopolitical, economic and investment trends. Its work draws on our firm's investment capabilities and partnerships with leading academics and external practitioners. Central themes of the Institute's work have been portfolio resilience, sustainability and the application of ESG principles to investing. Its research has been published in journals and papers.

The Institute seeks to play an active role in the global conversation on sustainable investing. From aligning a portfolio with the decarbonisation growth trend to ensuring a fair clean-energy transition for all, Ninety One's portfolio managers and analysts have explored sustainable investing across asset classes and investment approaches.

Case study: **Disorderly transition paper**

In January we published our white paper 'A disorderly transition: averting chaotic disorder in a transition to net zero' (available for professional investors and financial advisors only).

High emitters in traditional 'smoke-stack' industries require funding to spur their transition to a low-carbon world. There are five economically important, high-emitting sectors where successful transitions will generate powerful change: power, buildings, mobility, industry and agriculture, which together generate more than 90% of global emissions.

Transition investing is not a free pass for investors to own high-emitting sectors. Instead, responsible investors must distinguish between companies that have credible transition plans and those that can't or will not change sufficiently.

For transition investing to work, both carbon impact and commercial returns are essential. Rather than disinvesting from heavy emitters, we can mitigate carbon emissions by supporting those companies with robust transition plans. The paper argues that growth in transition investments and transition-related targets will help mitigate disorder, in the process improving our chances of a lasting transition to net zero.

Case studies

Case study: **Planetary Pulse – the rise of transition finance**

The annual Ninety One Planetary Pulse report in 2022 was titled 'The rise of transition finance'. The paper explores transition finance, what it means for asset owners, and its role in averting harmful climate change. The study surveyed 300 senior professionals at asset-owner institutions and advisors from around the world.

Our survey shows that among the asset owners with climate-related targets, 48% set them at the overall portfolio level, while 46% set targets for specific mandates, portfolios or funds. Only 28% set their targets at the asset-class level.

The survey found 60% of asset owners say fighting climate change is one of their fund's strategic objectives, with 51% saying their fund has emissions-reduction targets in place. This shows most are doing something in response to climate-related risks and opportunities. The findings are less positive when looking for real-world impact. Only 19% say they use transition finance to any extent. Fewer still say their fund invests in transition-finance assets in emerging markets (16%), the regions where emissions and populations are growing the fastest.

More than half of asset owners (56%) believe that without greater investment in transition-finance assets, the world will not be able to meet the Paris Agreement climate-change goals.

Working with clients

We regularly engage with our clients to understand their needs, directly one-to-one and through larger information-gathering initiatives like Planetary Pulse.

Other activities where we have supported our clients with regards to sustainability include the following:

1 Delivering on sustainability targets

"One of the climate commitments the Wiltshire Pension Fund Committee made in 2021 was to expand specific net-zero target setting and monitoring of metrics across all assets in the Fund's portfolio. The team at Ninety One were keen to understand our investment beliefs, strategy, aims and views on the transition pathway, specifically in emerging markets. During 2022, a series of very constructive meetings led to a pragmatic and considered set of sustainability targets at asset and mandate levels. This approach is set to deliver real emission reductions, without leading to immediate exclusions or divestment, aligning with the Fund's net-zero ambitions".

Jennifer Devine, Head of Wiltshire Pension Fund

2 Knowledge-sharing sessions, including climate training and post-COP roundtables

"As part of our Net Zero 2050 commitment, we have an ongoing responsibility to deepen climate monitoring and expertise within our responsible investment team, risk specialists, senior leaders and wider interested stakeholders.

A bespoke Climate Investment Education programme was cascaded in collaboration with Imperial College and one of our fund managers, Ninety One. The programme covered a broad range of topics, including introductions to climate science and net zero pathways as well as more applied integration of climate and sustainability into the investment process".

Sam Turner, Head of Responsible Investing & Proposition Strategy, St James' Place

3 Providing sustainability insights

You can find examples of our insights here.

7

Inhabit

We try to inhabit our own ecosystem in a manner that ensures a sustainable future for all.

Our approach to 'Inhabit'

At Ninety One, we try to inhabit our own ecosystem in a manner that ensures a sustainable future for all. This includes the way we look after our people and the way we govern our firm.

We believe that change starts at home. We run our business responsibly and act sustainably. As a long-term investor on behalf of our clients, we are also aware of our broader responsibility to society. Our Corporate Social Investment strategy is pragmatically arranged under three strategic pillars: **conservation, education** and **community development**. In addition, there is a fourth, more tactical pillar: **employee-driven initiatives**.

Our people and culture

At Ninety One, we are a people-centric business and we place great emphasis on hiring and nurturing talent. We recognise that without a motivated, diverse and talented workforce we will not be able to deliver our enduring investment outperformance and outstanding client service.

Our people around the world

51%	41%	4%	4%
Africa	UK and Europe	Asia Pacific	Americas

Data as at 31 March 2023.

Our culture and values

Our unique culture is who we are. It is what makes us different. We articulate our culture through our guiding value to 'do the right thing' and our philosophy for success, 'freedom to create'. We assess the success of our people through their ability to deliver results and the quality of their relationships, both internally and externally.

'Do the right thing' is not just a phrase, it is deeply embedded in how we do business, service our clients and maintain our unique culture. We replaced our Global Code of Ethics with a 'do the right thing' attestation and ask each member of staff to attest to it as part of their annual declarations.

Philosophy of success: Freedom to create

One of the main tenets of, and the philosophy behind our culture, is the concept of freedom to create. This means that we strongly believe in giving individuals the freedom to be themselves within a team-oriented context. We are creating a culture where we can collectively achieve together, without sacrificing our individual selves, characters and personalities. We believe that people perform best when they are liberated to pursue their passions and interests and we strive to give people the freedom to give expression to their strengths, skills and talents. Freedom is the greatest driver of diversity in our business.

Metrics of success: Results and relationships

We insist on results but not at the expense of the human spirit. At Ninety One relationships matter and we balance relentless drive with decency. Strong relationships ensure diversity in our business and an environment where all people feel welcome and respected and where all people feel that they have a fair opportunity to develop and contribute. We expect people to perform both on the results they deliver and the quality of their relationships with each other.

Employee engagement

Our leadership and human capital team invests considerable resources and time into the evaluation of our culture and employee engagement. We assess this in a systematic and methodical way through leadership development sessions, team development sessions, individual coaching sessions, leadership offsites, team offsites and bespoke interventions.

Colin Keogh is the designated Non-Executive Director responsible for gathering workforce feedback. Colin and the Workforce Engagement Forum engage directly with employees in the UK with respect to key issues relating to the business and report the findings and relevant feedback back to the Board. Topics of discussion over the past financial year included hybrid working, the current macroeconomic environment, market conditions, the cost-of-living crisis and how Ninety One can support employees in these uncertain times. Feedback received showed that staff felt valued and supported by Ninety One and that they were positive with respect to the transparency of Ninety One's strategy and its messaging.

Our Chief Executive Officer continued to engage with staff via regular staff updates, emails and calls. This was particularly important in the challenging times seen over the past year. The messaging ensured that our people were made aware of the environment and its effect on Ninety One and therefore could understand the strategic decisions made by the Directors and the leadership.

Talent development

Overall headcount increased by 2% over the financial year, reflecting selective hires into growth areas. We continued to develop the leadership cadre and talent pools across the business. The concept of talent density and the importance of building a truly intergenerational firm are uppermost in our minds and this focus continues into the next financial year.

We want our people to succeed. We understand that the growth and development of our people are key to building a long-term sustainable business. We encourage intellectual curiosity, ambition, as well as personal and professional development. Ultimately, we want our people to be the best version of themselves. The culture of 'freedom to create' forms the cornerstone of our approach to professional development. We expect our people to drive their individual development within the parameters of our organisational objectives.

Following the periods of social distancing over recent years, we realised how important it is to nurture and articulate culture at all levels of the organisation. We recognise the key role our leaders play in this regard. To support them in this important task, we introduced a training programme for our people managers to empower and equip them to lead and to provide the required support for their teams.

We are committed to maximising the potential of our people through professional skills development. All our permanent employees are eligible for assistance in their learning and development efforts. Employees can attain a range of professional qualifications, such as the Chartered Financial Analyst or Investment Management Certificate, as well as other professional role-related qualifications. We also encourage those studying to take study leave.

Leadership development

Leadership development is a key to the long-term success of our business. We believe that leadership takes place within the context of our unique culture, and therefore leading at Ninety One is always focused on both results and relationships. Our leadership development programme is internally led by our organisation development team and is structured over three modules:

- **Emerge:** We run quarterly sessions, focused on the concept of leading yourself. This programme teaches high-potential future leaders to learn more about leadership, their impact on others, and how to continue developing themselves.
- **Connect:** Annual programme focused on the concept of leading others, this programme invites more established leaders to explore the concepts that allow teams and individuals to perform and runs annually.
- **Lead:** Bespoke programme focused on the concept of leading the organisation, this programme is a more bespoke intervention that sees functional leadership teams in the business strengthen the dynamics within their units and also work on solving tangible problems they face on a day-to-day basis.

In addition, our philosophy of learning is that it is on-the-job experience that allows our leaders to grow into their roles. We believe that 'learning by doing' is the primary way to develop. Our organisation development team also provides structured support to our leaders through coaching, facilitation at team and leadership offsites and developmental conversations.

Regulatory training

At Ninety One, all employees are required to take part in our annual compliance training programmes, which are updated annually. In addition to this, continuing education comprises of a wide range of activities including courses run by regulatory bodies and other specialist providers. We host technical updates from external law firms, trade bodies along with technical reading and research on regulatory consultation papers, legislation, guidance and rules.

The compliance team also runs ad-hoc sessions on topical matters and projects as they arise. Any procedural changes due to regulatory changes are implemented by the compliance team as part of the monitoring programme.

Rewarding our people

We consider remuneration to be an important, but not the only part of our employee value proposition. It has been designed to attract, retain and motivate our employees. It also reinforces the behaviours needed to support our culture and values. Integral to the determination of remuneration levels is the commitment to our culture in the pursuit of excellence for our clients within an effective risk management environment.

Our remuneration policies, plans and practices are clear and transparent and they include a combination of salary, annual performance bonus, employer pension contributions and a range of attractive non-cash benefits.

As part of our commitment to building a long-term, sustainable business and supporting our owner culture, Ninety One promotes staff ownership, which leads to closer alignment with our shareholders' and clients' interests. We also operate a range of staff share schemes to facilitate equity participation for our people. Awards under these schemes are subject to deferral periods as well as malus and clawback provisions, in line with those that apply to deferred bonus awards. To further encourage employee ownership of Ninety One, we also operate an HMRC-approved share incentive plan, which is available to most of our UK employees.

Wellbeing

We prioritise our people's physical, mental and financial wellbeing. Our culture promotes and encourages openness around health and wellbeing and we have a well-established wellbeing offering. We have a global wellbeing offering for all employees which offers support for different life events including parenting advice, support for pregnancy loss, help and support for those going through menopause, and advice related to financial issues. We also offer a full calendar of speaker events both online and virtually.

Mental wellbeing

We believe our people should nurture their mental health in the same way they do their physical wellbeing. We promote mental wellbeing through awareness campaigns, workshops and our comprehensive benefits scheme which includes a free annual subscription to a mindfulness application. All our people can access our employee assistance programmes and engage with our in-house clinical psychologist.

Financial wellbeing

We want to equip our employees with the knowledge to retire with dignity. We work with external partners to educate our people on a range of financial wellbeing topics throughout the year. We also support our staff and their families to invest in Ninety One funds.

Physical wellbeing

We encourage our people to stay healthy by emphasising the importance of exercise and nutrition through educational workshops. Our Ninety One Active team has built a community around physical wellbeing and organises events, promotes local initiatives and facilitates the creation of local sports teams.

In addition to our wellbeing programmes, we have a range of firmwide policies in place to ensure that our employees work in a safe and healthy working environment. These include:

- **Global Health and Safety Policy:** we provide and maintain a safe working environment across all our offices, to promote welfare and mental wellbeing.
- **Whistleblowing Policy:** we have robust independent processes in place to hear and investigate any concern raised by an employee, and to escalate as necessary. This includes an independent third-party hotline, for employees that wish to raise issues anonymously.
- **Equality Policy:** the Equality Policy codifies Ninety One's zero-tolerance approach to unlawful discrimination, harassment or less favourable treatment or victimisation of any employee, job applicant, client or service provider and sets out the procedure for formally and informally raising issues.

Diversity and inclusion

Ninety One was founded in South Africa in 1991 during the transformational period of the end of apartheid. This has shaped our thinking on diversity and inclusion at Ninety One. We have a deep understanding of the benefits that diverse opinions, experiences and backgrounds can bring to our organisation. Our heritage has also taught us that change takes time and that our diversity work is never done.

We work hard to ensure people of different backgrounds, cultures, beliefs and perspectives feel comfortable and welcome at Ninety One. We do not tolerate racism in our business and believe diversity is essential to our firm's ability to compete, adapt and remain relevant. We are taking concrete steps to ensure that we are proactively combating discrimination - conscious and unconscious.

We want everyone to have the opportunity to build a successful career and to thrive in a collaborative work environment. At the same time, we want to ensure equal and respectful treatment for all our employees. This includes additional support for disabled employees and their needs.

Our aim is that the diversity of our people reflects the communities in which we operate. We believe that this will ensure the best outcomes for our people, our clients and our shareholders. Our data shows us that we are making progress, and whilst we are focused on increasing the diverse representation across our business, we are not target driven. Instead, our diversity goals are aligned with our purpose and are ultimately about creating better outcomes for our people.

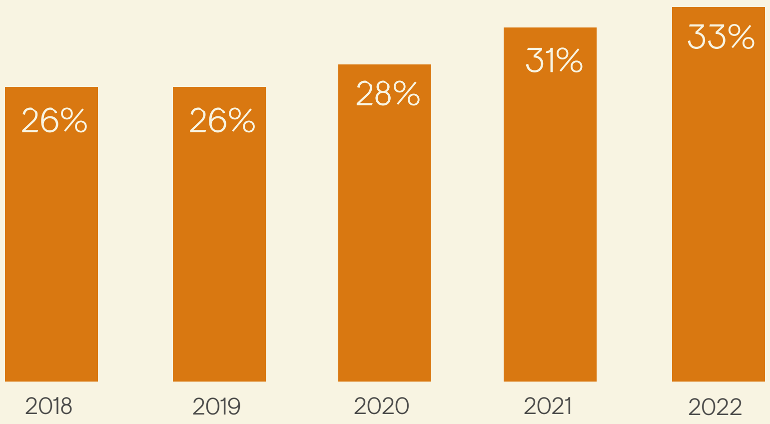
We have made diversity, equity and inclusion a central consideration in all our decision making, especially when it comes to our people. We have our own set of diversity principles, and a comprehensive diversity and inclusion framework through which we are enabling change. See our UK Gender Pay Gap report for more detail.

Gender diversity

We are working towards creating a more balanced organisation when it comes to gender diversity.

Ninety One is a signatory of the Women in Finance Charter and originally committed to achieving a target of 30% women in senior leadership by 2023. When we signed up to the Charter in 2018, we had 26% female representation in our global senior leadership. This has increased to 33%. We are committed to building on our progress to date and are now proactively working towards a new target of 35% female representation in our senior leadership by 2024.

Figure 11: Women in senior leadership



Source: Ninety One. Data as at September, aligned with HM Treasury Women in Finance Charter.

Alongside our target of 35% of women in senior leadership by 2024, we strive for diverse representation on our boards. Our board of directors for Ninety One is comprised of 50% women.

In line with the UK regulatory requirements, we report our UK Gender Pay Gap annually.

Ethnic diversity

Since our inception in 1991, our focus on growth, an active 'risk on' approach and our clear purpose of investing for a better tomorrow have contributed markedly to Ninety One playing its part in the transformation of South Africa. We are committed to transformation, not only within our business but in the broader financial service sector as well. Diversity is essential for any organisation's ability to compete, adapt and remain relevant in a world where client needs are constantly evolving, and new competitors emerge.

With regards to employment equity in South Africa, we published our second Employment Equity Report over the year. Ninety One and its Employment Equity Forum are committed to observing the provisions of the Employment Equity Act. The Financial Sector Code in South Africa provides a benchmark against which we determine our Broad-Based Black Economic Empowerment ("B-BBEE") rating. In terms of our B-BBEE scorecard for 2022/2023, Ninety One is a Level 1 Contributor for a second consecutive year under the FS Codes.

Creating an inclusive culture and promoting allyship

Our internal diversity networks are examples of how our culture encourages 'Freedom to Create'. Our networks are created by our people and supported by the business. These are bottom-up initiatives, not top down. They are focused on building communities, raising awareness, and advocating for change.

Inspire

Ninety One Inspire

Inspire is a network created by women for women at Ninety One. It enables the exchange of knowledge and experiences in order to improve the opportunities for women at Ninety One and advocate for continued progress. Over the past year, we have hosted various inspirational female speakers from across the financial industry and beyond including international best-selling authors and global sustainability leaders. We also held internal workshops to empower our colleagues on various topics.

Proud

Ninety One Proud

Proud is Ninety One's LGBT+ network which is designed to create an internal community for our LGBT+ colleagues and their allies. Proud is focused on developing and promoting an inclusive work environment, where people who identify as LGBT+ are free to be themselves and to attract and retain the best talent regardless of their sexual orientation or gender identity. We hold an annual Proud Voices campaign from our LGBT+ network which celebrates our colleagues who identify as LGBT+ and their allies.

Belong

Ninety One Belong

Belong is our network focused on the recruitment, retention and representation of black talent. The network is focused on achieving this through enhancing Ninety One's recruitment strategy, improving retention by partnering with internal stakeholders and enhancing representation through education and cultural exchange.

Running our business responsibly

We recognise our responsibility to play our part in reducing global emissions, and we support the long-term goal of the Paris Agreement to keep the global average temperature increase to below 1.5°C. In 2022, we worked with Carbon Trust to develop targets for reducing our Scope 1 and 2 carbon emissions, and have set a near-term target using a methodology aligned with the SBTi. We aim to reduce absolute Scope 1 and 2 greenhouse gas emissions by 46% by 2030 from a 2019 base year and are on track to hit this target.

We use an environmental data-collection system to track and manage our direct operational impacts. Over the year, we further improved the accuracy and thoroughness of our data, based on updated carbon emission factors, improvements in data quality and adjustments to previous estimates. As part of our commitment to increasing transparency and reducing our environmental impact, we have continued to enhance our emissions disclosure and over the financial year have worked extensively on improving the quality of our Scope 3 category 6 (business travel) emissions data.

	FY2023				FY2022				FY2019
	Location based		Market based		Location based		Market based		(baseline)
	UK	Global	UK	Global	UK	Global	UK	Global	
Scope 1 (fuel)	4	20	4	20	14	55	14	55	227
Scope 2 (electricity)	330	2,722	4	2,396	324	2,557	7	2,239	3,546
Total Scope 1 & 2	**334**	**2,742**	**9**	**2,416**	**338**	**2,612**	**21**	**2,294**	**3,773**
Business travel	1,745	4,604	1,745	4,604	1,181	2,194	1,181	2,194	7,957
Waste generated in operations	12	22	12	22	12	20	12	20	53
Scope 3	**1,757**	**4,625**	**1,757**	**4,625**	**1,193**	**2,214**	**1,193**	**2,214**	**8,010**
Total CO_2 emissions	**2,091**	**7,367**	**1,766**	**7,042**	**1,532**	**4,826**	**1,214**	**4,508**	**11,783**
Energy consumption (kWh)[12]	1,729,477	4,541,788			1,613,375	4,285,015			
Total CO_2e/employee		6.1		5.8		4.1		3.8	11
Scope 1 & 2/employee		2.3		2.0		2.2		1.9	3.5
Tonnes CO_2e/£m of adjusted operating revenue		11.6		11.1		7.3		6.8	21
Scope 1 & 2 – tonnes p/£m of adjusted operating revenue		4.3		3.8		3.9		3.5	6.7

The above table shows our total operational GHG emissions and energy data, and is in line with the Streamlined Energy and Carbon Reporting (SECR) requirements.

Our carbon footprint was calculated in accordance with the international Greenhouse Gas ("GHG") Protocol's Corporate Accounting and Reporting Standard (revised edition).

We measure and report our carbon using both location- and market-based methodologies. We believe this provides the most transparent and accurate view of our operational carbon footprint.

12. Energy consumption in kWh for Scope 1 and Scope 2.
Global includes UK GHG emissions.
Numbers may not total exactly due to rounding. The reporting period for emissions metrics disclosures has been amended to align with Ninety One's financial year, from 1 January - 31 December to 1 April - 31 March. This change also applies to comparative figures.

Key carbon numbers

- Total tCO_2 per £million of adjusted operating revenue, our intensity metric, reduced by 45% from base year.
- Global Scope 2 electricity emissions increased by 6.5% to 2,722 tCO_2e on a location basis and 7.0% to 2,396 on a market basis. This was as a result of increased occupation in our offices following pandemic lockdowns in the previous reporting period. Over half of our Scope 2 emissions relate to our Southern Africa offices, a more carbon-intensive location for electricity.
- Our global Scope 3 emissions, which include paper, waste and business travel, increased by 109% to 4,625 tCO_2e. This was mostly due to increased business travel (specifically, air travel). A certain amount of travel is required to run our global business, both to meet with clients and engage with colleagues. However, we continue to look at more climate-friendly options for air travel. This will be a focus over the coming period.

In financial year 2023, on location-based reporting criteria our Scope 1 and 2 emissions increased by 5.0%. On market-based reporting criteria, these emissions increased by 5.3%. The majority of this increase is a result of higher office occupancy following the pandemic. However, compared with 2019, our baseline year, our Scope 1 and 2 emissions have decreased by 27%, and we remain on track for our 2030 target.

We continue to assess viable options for sourcing energy from renewables. This remains a challenge in South Africa, where we have sizeable operations. Nevertheless, we continue to seek to improve our energy efficiency, and as we refurbish or relocate offices, sustainability is top of our agenda.

In our London office, we focused in particular on waste over the reporting period. We phased out single-use plastic and introduced hand dryers in all of the bathrooms.

Our employee resource group, Ninety One Green, continued looking at how to implement sustainability initiatives across the business. We maintained our partnership with Giki Zero to engage and educate our employees on their carbon footprints. This included campaigns on Veganuary and on the food element of employees' carbon footprints.

While decarbonising our operations remains our focus, we maintained our long-term partnership with BCP to mitigate 100% of our Scope 1, 2 and 3 (business travel) carbon emissions. BCP is a for-profit social enterprise founded in 2011, working to make forests and wildlife valuable to rural communities in the Luangwa and Lower Zambezi areas of Zambia. BCP does so primarily through the development and sale of carbon offsets, generating revenue used to conserve natural forests in some of Africa's most important ecosystems. The projects are deeply integrated into local communities, which share in the revenue from the sale of the verified carbon offsets.

Working with communities

As part of our Corporate Social Investment ("CSI") programme, we work with communities to create a positive impact in the societies in which we live and work. We support initiatives that our staff feel passionate about and where they can be actively involved. Our CSI pillars are conservation, education and community development. The majority of our CSI spending is directed to South Africa. We amplify staff contributions to charities that they care about through a charity-matching programme.


RedSTART: Education


The Bookery: Community development


Bulungula Incubator: Community development


The Bookery: Community development


Songo: Community development


Changeblazers: Education

PACT: Community development


PACT: Community development

Conservation

As the founding sponsor of the Tusk Conservation Awards, we donated £1 million to Tusk to mark the 10th anniversary of the awards. Tusk will invest this donation in the For Tomorrow charitable share class, which we launched within the Ninety One Global Sustainable Equity fund. We will apply our expertise to turn the once-off capital contribution into an income stream, in support of the families of the brave rangers who have made the ultimate sacrifice. The annual management fee from the money invested in the share class over time will be donated to Tusk. These annual donations will be made available to help the ranger community, especially families of rangers who have laid down their lives, and to support rangers' conservation efforts.

40 of the 100 youth work placements that we funded are working with Conservation South Africa. The young people are trained and work with farmers and communities to build resilience against climate change.

Education

A multi-pronged approached is required to improve education and skills development. Recognising this, we support initiatives that address different challenges and age groups. We have spent more than £2 million on education and skills development globally (over the 12 months to 31 March 2023), with the bulk of that directed at addressing the high unemployment rate and skills deficit in South Africa.

Our flagship UK education initiative is our recent partnership with **RedSTART**, a UK financial literacy charity focused on instilling better financial habits in children. Alongside our industry peers, we co-funded a longitudinal study commissioned by RedSTART and undertaken by Boston Consulting Group and King's College London. This seven-year study aims to prove the link between financial education at an early age and social mobility for London's most vulnerable. If successful, RedSTART will use the results to lobby for financial education to be included in the primary-school curriculum in the UK, potentially impacting millions of children and their families.

At present, our education and skills-development spending in South Africa is largely focused on working with youth after their high-school years. We are increasingly working with organisations that are building capacity at public high schools, as well as those focusing on literacy and numeracy in under-resourced primary schools.

Changeblazers is our flagship South African education initiative. It supports more than 80 under-resourced students, allowing them to access and thrive at tertiary institutions and ultimately to go on and contribute meaningfully to the South African economy. As well as providing much-needed funding, the programme offers life-skills workshops and resilience training to assist students in making the transition from home to university, and then to the working world. 65% of the beneficiaries are young female students. The qualifications they are working towards are varied and include computer science, business and finance, law, psychology, engineering and occupational therapy. We will have our first graduation class at the end of the 2023 academic year.

We have also funded 100 youths on a 12-month work experience programme that solves for the 'Catch-22' situation that most unemployed youth in South Africa face: i.e. you need work experience to find a job, but you need a job to get work experience. To amplify the impact of this initiative, we have placed youth across sectors of vital needs including education, healthcare and conservation.

We invest in a learnership programme, Accelerate, which assists youth who may not qualify for or be able to afford a university education to acquire skills and experience to improve their employability. We place more than 30 learners annually in various sectors across South Africa.

Our partnership with the Entrepreneurship Development Trust supports complementary educational and entrepreneurial initiatives that aim to establish active participants in an economy facing skills deficits and high unemployment.

Our support of the Ju/'hoansi Development Fund will result in a second village school being built in the Nyae Nyae Conservancy region in Namibia. The Ju/'hoansi San is one of the last remaining hunter-gatherer communities in the world, and it has had contact with these ancestral lands in the Nyae Nyae Conservancy for tens of thousands of years. The village schools will provide entry-level, mother-tongue education, as well as continuing to teach community members about their unique and precious culture.

Community development

Community development initiatives can be separated into two types of support: 1) infrastructure as an enabler for socio-economic development through better education and health outcomes; and 2) support of community-based organisations as an accelerator, targeted to the specific needs of identified beneficiaries.

Ninety One continued its support for the **Bulungula Incubator**, a non-profit organisation that aims to alleviate poverty in one of the poorest districts in South Africa and supports approximately 5,000 beneficiaries. The founders have worked tirelessly with the community and local government officials to provide basic infrastructure and resources to the community which was previously cut off from water and sanitation facilities, healthcare facilities and easy access to secondary education. They now stand as a model for creating vibrant, sustainable, rural livelihoods with the latest achievement being attaining a 100% pass rate for the 2022 Grade 12 class, with the top student achieving six distinctions. Prior to the building of the community college in 2019, learners essentially had to move to another village if they wanted to study further than Grade 9.

Songo.info is a community-based organisation with humble beginnings. From founder and former mountain-biking world champion Christoph Sauser's dream of providing a safe space for children to play on bikes, the programme has evolved into a sports and academic support programme equipping the children of Kayamandi, a poverty-ridden township near Stellenbosch in South Africa, with the skills to lead a successful life. Ninety One's partnership with Songo started in 2015 and has enabled the educational programme to flourish. The organisation currently supports 100 beneficiaries.

In partnership with **The Bookery**, we launched a fully resourced library, library management system and ongoing literacy programme in Arcadia Primary School in Bonteheuwel, an area afflicted by gangsterism and drug abuse. The library means that more than 900 children at the school will now have access to much-needed literacy resources.

We contributed to the creation and expansion of an early childhood development centre in Prince Albert, an isolated town in the Karoo in South Africa. This was to supplement the work of **Prince Albert Community Trust (PACT)**, a skills-development centre that brings hope to a community with few other opportunities for youth to prosper.

Employee-driven initiatives

Over the financial year, we continued to support the community efforts of staff and amplify their contributions to causes close to their hearts via our charity-matching programme.

We saw a rise in staff volunteerism, especially as crises broke out in different parts of the world, including the increasing cost of living in the UK. Staff opted to spend time working at food banks and food distribution centres in the UK, Singapore and South Africa. This included supporting The Felix Project in London, Foodbank in Singapore and Rise Against Hunger in South Africa.

In addition, staff from across South Africa, UK and US initiate and drive events with the aim to inspire and encourage the next generation of leaders in financial services, with a particular focus on marginalised groups.

Rise against hunger: Staff volunteerism

Foodbank, Singapore: Staff volunteerism

The Brokerage: Staff volunteerism

RedSTART: Staff volunteerism

8 Appendices

Appendix 1: Acting as a corporate citizen

Ninety One has a number of policies to ensure we operate in a socially responsible and compliant manner, reflecting our value of doing the right thing.

Our approach to anti-bribery and anti-corruption

We have a zero-tolerance approach to bribery and corruption. Our employees undertake training to ensure they understand their responsibilities and are aware of the consequences of the failure to comply with anti-bribery and anti-corruption policies in all the jurisdictions in which we operate. Regional compliance teams are responsible for reviewing and updating internal policies to enable our business and employees to manage the legal and reputational risks associated with bribery and corruption. We have a number of internal policies relating to anti-corruption and anti-bribery, which are not published externally. These include our Anti-Bribery and Corruption Policy, Anti-Money Laundering Policy, Whistleblowing Policy, Third Party Benefits Policy, Prevention of Tax Evasion Policy and Conflicts of Interest Policy.

Data Protection and Privacy Policy

Our Data Protection and Privacy Policy promotes sound practices for the collection and processing of personal data to ensure that Ninety One acts in accordance with global data protection and privacy regulations, in addition to our fiduciary responsibilities towards our clients and employees. Our people are aware of their data-protection responsibilities and receive appropriate training.

Working with regulators and peers

Ninety One is a global investment manager with regulatory obligations in the many jurisdictions in which we operate. In line with our key value, we want to do the right thing for our regulators by maintaining constructive and proactive working relationships. We participate in industry forums, alongside our peers, in the markets in which we operate, with the intention of constructive development of policy and regulation. Our Board and our DLC Audit and Risk Committee are engaged in the material regulatory matters and policy initiatives that Ninety One deals with.

Working with our suppliers

We value the relationships we have built with our suppliers over the years and recognise the value they provide to our business. We continue to work with our suppliers to ensure they adhere to the standards and behaviours we uphold across Ninety One. We have a high level of oversight, focused on selection, onboarding, monitoring and reporting across our supply chain and we review the supplier relationships bi-annually. We have adopted a global approach to modern slavery. We will not knowingly support and/or do business with any third party involved in slavery and/or human trafficking. We further review suppliers with respect to their approach to sustainability and diversity and we also ask that they treat and remunerate their staff fairly.

Appendix 2: Global stewardship codes

FRC UK Stewardship Code

The UK Stewardship Code aims to set high stewardship standards for asset managers, asset owners and the service providers that support them. First published in July 2010, the Code was revised in September 2012 and again in October 2019. The UK Stewardship Code 2020 is a substantial and ambitious revision to the 2012 edition of the Code, which took effect from 1 January 2020. The new Code consists of 12 principles for asset managers and asset owners and sets high expectations of those investing money on behalf of UK savers and pensioners.

We maintained our signatory status to the UK Stewardship Code for the last year.

We have outlined in the following table where we have responded to each principle within the report:

Principle	Ninety One's activities
1. Signatories' purpose, investment beliefs, strategy and culture enable stewardship that creates long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society.	Ninety One's purpose, beliefs, strategy and culture are outlined in the Integrated Annual Report. Ninety One is an active manager serving third party clients. The defining characteristics of our business model are as follows: – **Client-centric with global reach and local presence** Our clients come first. We build meaningful, long-term relationships with our clients and serve them in the locations where they are based. Ninety One concentrates on the institutional and advisor channels, which are predominantly professionally intermediated. We also build long-term relationships with intermediaries. – **Owner-culture with stable and experienced leadership** Our people have the freedom to create within clear parameters determined by our values, team and strategy. Our employees are significant shareholders, which underpins our long-term approach, motivation levels and alignment with our stakeholders. This model is attractive to top talent. – **Emerging markets heritage** We are one of the few investment management firms to have developed a substantial global footprint from emerging market origins. – **Diversified offering of specialist active strategies** We evolve our offering to be relevant to our clients and to help them meet their investment objectives. The diversified nature of our offering supports our business through market cycles. – **Capital efficient and cash generative** We have a long track record of profitable growth. We invest in our business for the long term. We are committed to our talent-intensive and capital-light model. This is a cash-generative business mindful of shareholder value.

Our purpose
Investing for a better tomorrow

Better firm

We are building a firm that aims to achieve excellence over the long term, with a culture that encourages our people to reach their highest potential and puts our clients at the centre of our business.

Better investing

Long-term investment excellence is our primary function and it is non-negotiable.

Better world

We are dedicated to building a better world. We are responsible citizens of our societies and natural environment.

Our value

One overriding value – **do the right thing.**

We ask our people to do the right thing in all they do. We see nine key spheres where we can articulate the purpose and relevance of this simple value. Do the right thing for our:

- Clients
- Business
- Environment
- Regulators
- Society
- Your team
- Your family
- Each other
- Yourself

Our culture

Our culture embodies our overriding value to do the right thing in the nine spheres outlined above. This one value informs every decision that our people make, as well as our strong sense of purpose. This allows us to trust our people and to give them freedom to create and be themselves. This in turn nurtures a culture where we can collectively achieve without sacrificing our individual selves.

Our strategic principles

We are a patient, organic, long-term and intergenerational business, which is reflected in our consistent strategy, focused around our three strategic principles:

- We offer organically developed investment capabilities over time.
- We operate globally in both the institutional and advisor space.
- We have an approach to growth that is driven by structural medium- to long-term client demand and competitive investment performance.

Responsible citizens

We are guided by our values to do the right thing for our environment, society and each other. They are the driving forces behind our purpose and our commitment to investing for a better tomorrow. To achieve this, we place sustainability at the core of our business, via our three-dimensional sustainability framework:

Invest

ESG analysis is integrated across our investment strategies. We also offer sustainable and impact investment solutions.

Advocate

We seek to lead the conversation on sustainable investing.

Inhabit

We believe change starts at home. We run our business responsibly and act sustainably.

Principle | **Ninety One’s activities**

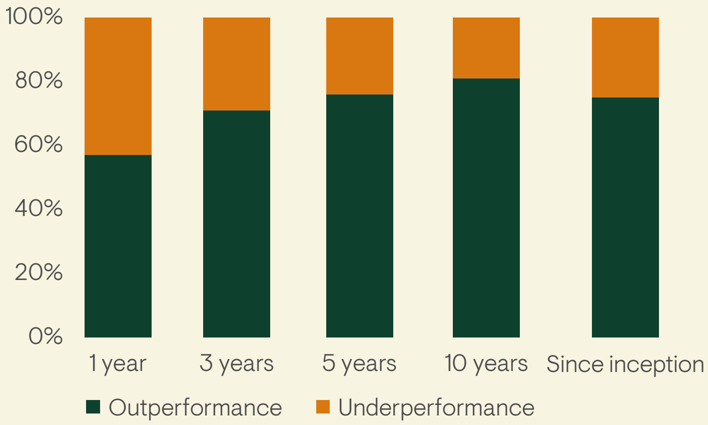
1. Signatories’ purpose, investment beliefs, strategy and culture enable stewardship that creates long-term value for clients and beneficiaries, leading to sustainable benefits for the economy, the environment and society (continued).

Investment beliefs and outcomes

Please refer to the ‘Integration’ section on page 28, which outlines our investment beliefs. In general, our specialist investment teams operate according to their own investment beliefs, and we do not have an overarching house investment style. We believe that this approach has enabled effective stewardship as the consideration of ESG issues is a truly integrated part of the investment process. The following chart shows the firmwide investment performance that we have achieved for our clients over different time periods.

Please refer to principle 6, which includes the discussion on how we have looked to serve the best interests of clients and beneficiaries.

Figure 12: Total % outperformance and underperformance



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

Note: Outperformance (underperformance) is calculated as the sum of the total market values for individual portfolios that have positive active returns (negative active returns) on a gross basis expressed as a percentage of total assets under management. The percentage of fund outperformance is reported on the basis of current AUM and therefore does not include terminated funds. Total assets under management exclude double counting of pooled products and third-party assets administered on our South African platform. Benchmarks used for the above analysis include cash, peer-group averages, inflation and market indices as specified in client mandates or fund prospectuses. For all periods shown, market values are as at the period end-date. Data to end-March 2023.

2. Signatories’ governance, resources and incentives support stewardship.

Our governance structure

Please refer to page 8 for an overview of our governance structure, which enables effective oversight and accountability for our sustainability and stewardship processes. It also provides an effective means of responding to market-wide and systematic risks, as well as positioning the firm to capitalise on business opportunities.

Human resources

Ninety One’s investment teams are fully responsible for addressing and embedding ESG and active ownership considerations. This was a strategic decision in order to achieve credible integration. They are monitored and supported by other functions including a sustainability team and an Investment Risk function. Our experienced sustainability team consists of five members: our Chief Sustainability Officer, Sustainability Director and three sustainability analysts, with an average industry experience of 17 years.

Over the reporting period we strengthened our central sustainability resource with the hiring of our Sustainability Director, Daisy Streatfeild. Prior to joining the firm, she was the Investor Practices Programme Director at IIGCC, where she led the Paris Aligned Investment Initiative and the development of the Net Zero Investment Framework.

Principle	Ninety One's activities
2. Signatories' governance, resources and incentives support stewardship (continued).	**Data resources** Please refer to pages 20 and 30 which explain how we have developed our data sources and tools to aid research and analysis over the reporting period, and principle 8 which explains how we have used service and data providers. **Performance review and remuneration** Sustainability is integrated into our performance-review and remuneration processes. Variable remuneration for Executive Directors incorporates both financial and non-financial performance targets that reflect the key financial and strategic priorities of Ninety One, including our commitment to sustainability. Please refer to the Ninety One Integrated Annual Report for further details on our remuneration structure.
3. Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.	Our Conflicts of Interest Policy can be found in our 'Stewardship policy and proxy voting guidelines'. **Our approach to conflicts of interest** Ninety One acts as a fiduciary to its clients. As such, it will always seek to manage any conflicts that may occur through its normal business activities so that there is no material risk of damage to clients. Ninety One has a firmwide Conflicts of Interest Policy, as well as a separate Conflicts of Interest Committee which manages the broader remit of potential conflicts across the business. Examples of potential conflicts include: – **Proxy voting:** Ninety One has established processes to manage potential conflict-of-interest issues through the voting process. These conflicts can vary in nature and Ninety One will respond to each case individually, following a strict process. An example would be instances of Ninety One board members or senior employees serving on the boards of other publicly listed companies. To manage this, the compliance team has put in place internal controls, including a Ninety One policy, in respect of outside business activities. Where a conflict is detected, the issue is dealt with appropriately and escalated to the Ninety One Sustainability Committee, where necessary. We would also cast a 'do not vote' decision on holdings in listed Ninety One-managed funds and Ninety One plc/Ltd. – Our Chief Executive Officer, Hendrik du Toit serves as the lead independent non-executive director on the board of Naspers Ltd and Prosus NV, which is held in a number of Ninety One portfolios. To mitigate any potential conflict of interest, proxy voting has been closely monitored to ensure that complete independence was achieved. After the Naspers 2017 AGM, Ninety One decided that the potential conflict of interest was best managed by referring all Naspers and Prosus voting-related matters directly to clients. We have followed this process since then. We make a recommendation to clients on how we would vote and offer them the option to either follow our recommendation or direct the vote as they see fit. – **Fundamental transactions:** From time to time, Ninety One on behalf of its clients may become involved on both sides of a fundamental transaction. In such cases, Ninety One will seek to ensure that all appropriate factors are considered prior to any transaction or recommendation taking place. If necessary, it will engage directly with its clients to determine an appropriate course of action. Ninety One would ultimately aim to act in the best interests of clients, in line with their mandate, which may result in a divergence of actions.

Principle	Ninety One's activities
3. Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first (continued).	— **Nominating directors:** Ninety One will endeavour, where appropriate, to nominate candidates that it objectively considers to be independent of Ninety One. Should Ninety One deem it necessary to nominate a candidate that is in any way affiliated to itself, it will ensure that the candidate is not presented with any conflicts of interest that may impact their ability to fulfil their responsibilities as a director, or as an employee of Ninety One. — **Engagement:** In theory, there is a risk that Ninety One could favour some companies in the engagement process where Ninety One has a prior relationship and so would be failing in its duty to treat all its clients equally. To mitigate such a risk, Ninety One has established a governance structure to ensure that these situations are appropriately identified and managed, including all strategic engagements being monitored by the sustainability team.
4. Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.	**Our approach to systemic risks** We look to identify market-wide and systemic risks, both to manage portfolio risks and to promote well-functioning financial systems. Sustainability risks can be identified in a number of ways including through our investment team's bottom-up research, our sustainability team's oversight and industry advocacy networks, and our investment risk process. The investment risk team performs a 'safety net' function, identifying – and challenging our investment teams on – ESG issues, including market-wide and systemic risks. Metrics such as these are also used in the risk-monitoring process, alongside data from other sources. We improved the monitoring that we do in monthly risk meetings by creating company focus lists based on a review of internal and external data flags, by tracking exposure of investment strategies to these focus lists, and more recently by tracking engagement activity. This helps us better understand exposure to ESG risks across the investment teams, and gain comfort with the quality of ESG integration into investment processes. At the firm level, we monitor exposure to investments that flag on various third-party ESG metrics. We recognise climate change and corporate governance as a key material market-wide sustainability risks. — We made significant progress on our work to address systemic risks linked to climate change, particularly as part of our approach to meeting our net-zero targets over the reporting period. We developed and implemented our Transition Plan Assessment Framework to assess our top emitters across the firm and developed engagement plans for each company. Please refer to page 15 for further detail on our progress and page 18 for examples of how our different investment teams consider carbon risk at a strategy level. — Governance failures are a perennial threat to companies' ability to create long-term sustainable value. Ninety One seeks to ensure boards focus on creating and preserving sustainable value through an effective system of governance. Corporate-governance analysis is integrated into our investment teams' research. Please refer to the Advocacy section of the report for information on how we have worked with other industry participants to promote continued improvement of the functioning of financial markets and Appendix 5 for our contribution to the industry groups we are involved in.

Principle	Ninety One's activities
5. Signatories review their policies, assure their processes and assess the effectiveness of their activities.	Our sustainability-related policy documents are reviewed by our sustainability team every two years and are tabled for review and approval by the Global Policies Committee, which comprises senior members of the business from executive management, Legal, Compliance, Company Secretary and Operations (oversight and risk). Any material changes to the policies are also reviewed and approved by the Sustainability Committee. We have largely taken internal assurance of our stewardship activities to date. The Sustainability Committee's remit covers the continued enhancement and management of Ninety One's stewardship position and oversees the implementation and effectiveness of the related policies. This includes tracking active-ownership activity (voting and engagement) and assessing any disputes, outcomes and learning experiences that may enrich the stewardship policy. Over the reporting period, the Sustainability Committee provided a means to discuss and challenge sustainability-related processes, which has contributed to improvements in accountability and knowledge sharing. We also updated our policy documents over the period which were discussed and reviewed at our Sustainability Committee meeting. — We have merged our Stewardship Policy and Ownership Policy and Proxy Voting Guidelines in order to streamline the content. We made some small enhancements to align with industry best practice, which included publishing our voting record monthly rather than quarterly, stating that we may vote against remuneration resolutions if they fail to align with the appropriate management of environmental and social risks, and aligned our position on pre-emptive rights in the UK with the latest guidance of the Pre-Emption Rights Group. — We created a new Sustainability Policy to make our approach and commitment to sustainability clear to stakeholders. The policy aligns with our sustainability framework (invest, advocate, inhabit) and takes a more holistic and interconnected view across the three buckets. In addition, we have received external assurance of the controls covering our proxy-voting process, which have been reviewed in recent years by KPMG and PWC from financial year 2023, as part of the internal controls report (AAF 01/06). As outlined in the ESG Integration and Investments sections of this report, the Sustainability Committee and investment risk team challenge and regularly review the progress that investment teams are making in terms of ESG integration and highlight areas for improvement. The continuous review of stewardship and ESG-related activity and the accountability to various senior committees have led to the improvement of policies and processes over time. We understand that higher levels of assurance provide greater confidence that reported information and data are reliable, and so we will continue to discuss how we can better assure our processes. Even as we see companies increasingly report on ESG and sustainability, there is continuing fragmentation around the world in terms of which standards and frameworks are used. However, with the launch of ISSB standards, we expect that there will be greater consistency in reporting which will allow for more effective assurance. We have commenced engagement with an external assurer for its internal review of our sustainability reporting, as part of preparation for external assurance in the future, but we will not obtain external assurance for the March 2023 year-end. Our marketing-compliance team has reviewed this report to make sure that it is clear, fair and balanced. Ninety One's Chief Executive Officer, Hendrik du Toit, has reviewed the 2023 Sustainability and Stewardship Report, ensuring alignment with the outcomes reported to the Sustainability Committee, while ensuring fair, balanced and clear reporting.

Principle	Ninety One's activities
6. Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.	A breakdown of our client base, assets under management by asset class and geography can be found on pages 1 and 2. **Investment time horizon** We are active, long-term investors across all strategies, asset classes and regions. The majority of holdings are held with a multi-year time horizon in mind. The time horizon over which we expect to meet performance objectives varies across mandates and strategies. **Responding to clients' needs** We regularly engage with our clients to understand their needs and stewardship preferences, directly one-to-one and through larger information-gathering initiatives like Planetary Pulse (see page 65). Client-management teams work with our clients to identify their requirements, including their stewardship and responsible-investing needs. This dialogue has highlighted a strong desire among asset owners to invest in strategies that can make a positive contribution to society and/or the environment. In response, we have widened our range of impact and sustainable strategies (detailed in the Invest section). To help our clients understand the issues that are impacting their investments, we report on our responsible-investing activities in multiple ways, including via our Sustainability and Stewardship Report, PRI reporting, TCFD report, quarterly portfolio-level sustainability reports, the annual impact and sustainability reports of our sustainability funds, and online vote disclosure. We currently produce around 30 standard portfolio-level reports per quarter and annual reports for our Global Environment, UK Sustainable Equity, Global Sustainable Equity and Emerging Markets Sustainable Equity strategies.
7. Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.	We are active, long-term investors across all strategies, asset classes and regions. The majority of holdings are held with a multi-year time horizon in mind. The time horizon over which we expect to meet performance objectives varies across investment teams. Please refer to the Integration section of the report for information on how our various investment teams integrate ESG issues along with case studies showing how various issues are prioritised and assessed. This also includes examples of how considerations differ across asset classes and geographies. Please refer to principle 8, which outlines how our service providers support integration.

Principle	Ninety One's activities
8. Signatories monitor and hold to account managers and/or service providers.	Ninety One uses a range of external services and data providers to support ESG integration. We assess providers on factors including how they address data inconsistency, scarcity and incompleteness, which are often obstacles to ESG integration. Our specialist teams monitor and review the market for ESG data providers, and we typically formally review data vendors every three years. An assessment typically covers quality and type of data, coverage of investible universe, and cost. Vendors are evaluated for data to support fundamental research and monitoring activities, and thematic data (e.g. climate data). Our sustainability and investment risk teams have update calls with service providers to discuss new requirements, improvements and gaps in datasets, and to understand or challenge any changes in methodologies. The ESG research and data that we have access to are integrated into investment research processes in various ways (depending on the strategy), including via scorecards and research dashboards. The below chart summarises the primary ESG data sources that we use. Over the reporting period, service providers generally met our expectations. We have onboarded the ClarityAI data set in order to comply with our regulatory obligations. In a handful of cases, we found data-timing issues, where the vendor had outdated carbon data. In these cases, the issue was raised with the vendor.

Service provider	How we use the data
MSCI ESG	Ratings, controversy flags, business-involvement screens. Used to support ESG research and investment risk monitoring.
RepRisk	Data and news. Used to support ESG research and investment-risk monitoring.
ISS ProxyExchange	Vote execution service and research. Considered in the voting decision.
CDP	Carbon-related data. Used to assess and understand exposure to climate-change-related risks.
Bloomberg	Various datasets. Used to support ESG research.
ClarityAI	We leverage the data to assist us with assessing and complying with our regulatory obligations; i.e. SFDR requirements.

Principle	Ninety One's activities
9. Signatories engage with issuers to maintain or enhance the value of assets.	Please refer to the 'Active ownership' section of the report. The engagement approach may differ depending on the strategy in question due to asset class or length of holding period. However, our stewardship approach to debt and equity is increasingly aligning. Our firmwide strategic engagements have largely focused on and prioritised our top-emitting companies in order to make progress towards our net-zero targets. Additional strategic engagements are typically prioritised by individual investment teams based on factors such as issues they have deemed material for their strategy, size of holding and ability to influence. Objectives and engagement plans are set for all strategic engagements. Please refer to the case studies on page 37. Please refer to Appendix 4 for examples of the methods of engagement used.
10. Signatories, where necessary, participate in collaborative engagement to influence issuers.	Refer to page 47 for examples and outcomes of collaborative engagements we have participated in and page 59 for further examples of our collaboration with industry organisations.

Principle	Ninety One's activities
11. Signatories, where necessary, escalate stewardship activities to influence issuers.	Please refer to page 48, which outlines our approach to escalation. If our initial approach to engagement is not successful, we are not able to build commitment or there is no appropriate response from a company, we carefully consider our options to escalate the engagement using various approaches. These include: — Meetings with the chairman and selected directors and executives to understand their view — AGM attendance and questions — Shareholder resolution — Collaboration with shareholders who share the same concern — Engaging through local engagement groups; e.g. the UK Investor Forum — Voting against management — An extraordinary general meeting — Selling the shares
12. Signatories actively exercise their rights and responsibilities.	Please refer to pages 49-53, which detail our proxy-voting approach and data over the reporting period. While our proxy voting guidelines apply globally, we recognise regional differences. In markets where the codes are still evolving and not yet fully aligned with global best practice, we take this into account. In these markets, we aim to engage actively with policymakers, regulators and stock exchanges, together with other investors, to address any critical potential shortcomings. Some clients may have policies that differ from ours. Although we welcome views on voting items, we do not currently take direction or override our policy for pooled fund clients. For clients invested in segregated portfolios, we put mechanisms in place to adhere to their voting guidelines, if required. We do not take part in stock lending, so this does not affect our voting process. **Rights and responsibilities regarding credit instruments** We exercise our rights and responsibilities for credit instruments in the following ways: — We are often a member of bond or loan syndicates, where amendments to the documentation or indentures are typically facilitated through the facility agent or arranging bank. We review any borrower requests or amendments and then submit our vote or signed amendment through the appropriate channel. — To the extent there is a potential impairment of a holding, a coordinating committee is usually formed to represent the interests of the bond or loan holders. This committee is typically made up of the largest lenders, and where we fall into that category we are happy to represent our interests accordingly. This committee negotiates with the borrower or any restructuring officer to ensure a fair outcome for lenders. — Analysts review bond or loan prospectuses ahead of investment. We also use a third-party legal service called Xtract, which comprehensively reviews all bond and loan documentation, flagging potentially relevant terms in the documentation. — Refinancing or new issuances provide a meaningful opportunity to engage on sustainability-related issues with a company.

Code for Responsible Investing in South Africa ("CRISA")

The CRISA 2 is a welcome improvement of the code that reaffirms principles for stewardship and responsible investment as a key component of the South African governance framework, with more of a focus on creating positive outcomes to address South Africa's environmental and social challenges.

Principle	Ninety One's activities
1. Integration of environmental, social and governance factors	Our Sustainability Policy and Stewardship Policy And Proxy Voting Guidelines outline our firmwide approach to sustainability and the integration of ESG factors. Please refer to the Invest section of this report which discusses how our various investment teams integrate material issues.
2. Diligent stewardship	Our Stewardship Policy And Proxy Voting Guidelines include our approach to engagement, escalation and voting. Our voting records can be found on our website. Please refer to the Active ownership section of this report for further information on our engagements and proxy voting over the reporting period. Please refer to Appendix 3, which summarises our significant votes over the reporting period including rationale.
3. Capacity building and collaboration	Please refer to the Active ownership section of this report, which provides an overview of our collaborative engagements. We are also a supporter of several other global stewardship codes, as outlined below. Our compliance statements can be found on our website. — UK Stewardship Code — Singapore Stewardship Principles — Hong Kong Principles of Responsible Ownership — Japanese Stewardship Code — Korea Stewardship Code — ISG US Stewardship Principles We equip each investment team with the knowledge, data and tools to fully integrate ESG into their investment processes. In the reporting year, we further developed our in-house investment tools and data platform.
4. Sound governance	Please refer to the Our approach to sustainability section of this report for an overview of our governance structure. Please also see our response to principles 2 and 3 of the UK Stewardship code on pages 92 and 93 for further details on our governance structure, remuneration and conflicts of interest process. We believe that our governance structure and approach to sustainability have been effective in supporting stewardship and responsible investment over the reporting period.
5. Transparency	We apply the principles of CRISA 2 to all assets that we manage. We report on our responsible-investing activities in multiple ways, including via our annual Sustainability and Stewardship Report, annual PRI reporting, annual TCFD report (now integrated into our Annual Report), the annual impact and sustainability reports of our sustainability funds, and monthly online vote disclosure. These reports can be found on our website.

Appendix 3: Significant votes

The following table outlines Ninety One's most significant votes, over the period 1 April 2022 to 31 March 2023.

Company	Meeting date	Meeting type	Qualification
ABSA Group Ltd	03 Jun 2022	Annual	Significant holding and dissenting vote
AIA Group Ltd	19 May 2022	Annual	Significant holding and dissenting vote
Altron Ltd	28 Jul 2022	Annual	Significant holding and dissenting vote
Amazon.com Inc	25 May 2022	Annual	ESG issue
AON PLC	17 Jun 2022	Annual	Significant holding and dissenting vote
Aspen Pharmacare Holdings Ltd	08 Dec 2022	Annual	ESG issue
AVEVA Group PLC	15 Jul 2022	Annual	Significant holding and dissenting vote
AVI Ltd	09 Nov 2022	Annual	Significant holding and dissenting vote
Baoshan Iron & Steel Co	01 Dec 2022	Special	Significant corporate transaction
Barclays PLC	04 May 2022	Annual	ESG issue
BHP Billiton Ltd	10 Nov 2022	Annual	Significant holding and dissenting vote
Bid Corp	17 Nov 2022	Annual	Significant holding and dissenting vote
Booking Holdings	09 Jun 2022	Annual	ESG issue
Botswana Insurance Holdings Ltd	30 Jun 2022	Annual	Significant holding and dissenting vote
Brimstone Investments	30 May 2022	Annual	Significant holding and dissenting vote
CA Sales Holdings	23 Jun 2022	Annual	Significant holding and dissenting vote
Capita PLC	01 Nov 2022	Special	Significant corporate transaction
Capital & Counties Prop	29 Jul 2022	Special	Significant corporate transaction
Capitec Bank Holdings Ltd	27 May 2022	Annual	Significant holding and dissenting vote
CareTech Holdings PLC	08 Sep 2022	Court	Significant corporate transaction
Caretech Holdings PLC	08 Sep 2022	Special	Significant corporate transaction
Carrefour S.A.	20 Jun 2022	Annual/Special	ESG issue
Charles Schwab Corp.	17 May 2022	Annual	Significant holding and dissenting vote
China Automotive Engineering Research Institute	17 Jun 2022	Annual	Significant holding and dissenting vote
Cigna Corporation	27 Apr 2022	Annual	ESG issue
Citigroup Inc.	26 Apr 2022	Annual	ESG issue
Comcast Corp.	01 Jun 2022	Annual	ESG issue
Compagnie Financiere Richemont S.A.	07 Sep 2022	Annual	Significant holding and dissenting vote
ConocoPhillips	10 May 2022	Annual	ESG issue
Countryside Properties PLC	01 Nov 2022	Special	Significant corporate transaction
Countryside Properties PLC	01 Nov 2022	Court	Significant corporate transaction
Devolver	24 Jun 2022	Annual	Significant holding and dissenting vote
Distell Group Holdings	15 Feb 2022	Court	Significant holding and dissenting vote

Company	Meeting date	Meeting type	Qualification
Distell Group Holdings	27 Jun 2022	Special	Significant holding and dissenting vote
Distell Group Holdings	27 Sep 2022	Written Consent	Significant holding and dissenting vote
Eastern Tobacco	26 May 2022	Annual	Significant corporate transaction
Electronic Arts Inc.	11 Aug 2022	Annual	Significant holding and dissenting vote
Essentra PLC	08 Aug 2022	Special	Significant corporate transaction
Essentra PLC	09 Nov 2022	Special	Significant corporate transaction
Essentra PLC	19 May 2022	Annual	Significant holding and dissenting vote
Exxon Mobil Corp.	25 May 2022	Annual	ESG issue
FedEx Corp.	19 Sep 2022	Annual	ESG issue
First National Bank Botswana	02 Nov 2022	Annual	Significant holding and dissenting vote
FirstRand Ltd	25 Aug 2022	Special	Significant corporate transaction
Fortress Income Fund Ltd	17 Aug 2022	Special	Significant corporate transaction
Glencore PLC	28 Apr 2022	Annual	ESG issue
Glencore Xstrata PLC	28 Apr 2022	Annual	ESG issue
Google Inc	01 Jun 2022	Annual	Significant holding and dissenting vote, ESG issue
Guangzhou Tinci Materials	11 Jul 2022	Special	Significant corporate transaction
HomeServe PLC	22 Feb 2022	Court	Significant corporate transaction
HomeServe PLC	22 Jul 2022	Special	Significant corporate transaction
Hulamin Ltd	25 May 2022	Annual	Significant holding and dissenting vote
Iberdrola S.A.	16 Jun 2022	Annual	Significant holding and dissenting vote
Inspecs Group PLC	11 Aug 2022	Annual	Significant holding and dissenting vote
Investec Property Fund Ltd	01 Aug 2022	Annual	Significant holding and dissenting vote
John Wood Group	03 Aug 2022	Special	Significant corporate transaction
Kaap Agri Ltd	06 Jun 2022	Special	Significant corporate transaction
KLA Corp.	02 Nov 2022	Annual	ESG issue
Lewis Group Ltd	28 Oct 2022	Annual	Significant holding and dissenting vote
Libstar	01 Jun 2022	Annual	Significant holding and dissenting vote
Mahindra & Mahindra Ltd.	19 Aug 2022	Court	Significant corporate transaction
Master Drilling Group Ltd	13 Jun 2022	Annual	Significant holding and dissenting vote
McKesson Corp.	22 Jul 2022	Annual	Significant holding and dissenting vote
Mediclinic International Ltd	28 Jul 2022	Annual	Significant holding and dissenting vote
Mediclinic International PLC	28 Jul 2022	Annual	Significant holding and dissenting vote
Mediclinic International PLC	26 Sep 2022	Court	Significant corporate transaction
Merafe Resources Ltd	18 May 2022	Annual	Significant holding and dissenting vote
Microsoft Corp.	13 Dec 2022	Annual	ESG issue
Mondelez International Inc.	18 May 2022	Annual	ESG issue
Mr Price Group Ltd	24 Aug 2022	Annual	Significant holding and dissenting vote
MTN Group	25 May 2022	Annual	Significant holding and dissenting vote
Multichoice Naspers	25 Aug 2022	Annual	Significant holding and dissenting vote
Namibia Breweries Ltd	28 Apr 2022	Annual	Significant corporate transaction

Company	Meeting date	Meeting type	Qualification
Naspers Ltd	05 Aug 2022	Annual	Perceived conflict of interest
National Australia Bank Ltd	16 Dec 2022	Annual	ESG issue
National Grid PLC	11 Jul 2022	Annual	ESG issue
Nedbank Group Ltd	27 May 2022	Annual	Significant holding and dissenting vote
NextEra Energy Inc	19 May 2022	Annual	ESG issue
Northam Platinum Ltd	25 Oct 2022	Annual	Significant holding and dissenting vote
OCI NV	19 Aug 2022	Special	Significant holding and dissenting vote
Old Mutual PLC (SA)	12 Aug 2022	Special	Significant corporate transaction
Omnia Holdings Ltd	21 Sep 2022	Annual	Significant holding and dissenting vote
PetroChina Co. Ltd	09 Jun 2022	Annual	ESG issue
Philip Morris International Inc.	04 May 2022	Annual	ESG issue
Prosus NV	24 Aug 2022	Annual	Perceived conflict of interest
PSG Group Ltd	10 Aug 2022	Special	Significant corporate transaction
PureTech Health PLC	15 Jun 2022	Annual	Significant holding and dissenting vote
Quilter PLC	12 May 2022	Special	Significant holding
Rand Merchant Insurance Holdings Ltd	08 Nov 2022	Annual	Engagement held
Remgro Ltd	30 Nov 2022	Annual	Significant holding and dissenting vote
Rio Tinto PLC	25 Oct 2022	Special	Significant holding and dissenting vote
RMB Holdings Ltd	23 Aug 2022	Special	Significant corporate transaction
SA Corporate Real Estate Fund	02 Jun 2022	Annual	Significant holding and dissenting vote
SalMar ASA	30 Jun 2022	Special	Significant corporate transaction
Samsung Electronics Co Ltd	03 Nov 2022	Special	Significant holding and dissenting vote
Sanlam Ltd	08 Jun 2022	Annual	Significant holding and dissenting vote
Santos Ltd	03 May 2022	Annual	ESG issue
Sasol Ltd	02 Dec 2022	Annual	Significant holding and dissenting vote
Schneider Electric S.A.	05 May 2022	Annual/Special	Significant corporate transaction
Sefalana	28 Oct 2022	Annual	Significant holding and dissenting vote
Shell PLC	24 May 2022	Annual	ESG issue
Shimamura Co. Ltd	13 May 2022	Annual	Significant holding and dissenting vote
South Ocean Holdings Ltd	27 Jul 2022	Annual	Significant holding and dissenting vote
South32	27 Oct 2022	Annual	Significant holding and dissenting vote
Stor-Age Property REIT Ltd	01 Sep 2022	Annual	Significant holding and dissenting vote
Tencent Holdings Ltd.	18 May 2022	Annual	Significant holding and dissenting vote
The Foschini Group Ltd	08 Sep 2022	Annual	Significant holding and dissenting vote
Tradeweb Markets	10 May 2022	Annual	ESG issue
Valero Energy Corp	28 Apr 2022	Annual	ESG issue
Waste Management Inc.	10 May 2022	Annual	ESG issue

Appendix 4: Engagement list

The following list shows the companies that we engaged with over the reporting period. This includes strategic, general and advocacy engagements as described in our Active Ownership section.

	Environmental	Social	Governance
Accenture PLC	Yes	Yes	
Accsys Technologies PLC			Yes
Activision Blizzard Inc		Yes	
Adani Electricity Mumbai Limited	Yes		
Adient		Yes	
AES Gener SA	Yes		
Agricultural Bank of China Ltd	Yes		
Agronomics	Yes		
AIA Group Ltd		Yes	
Airport Authority HK	Yes		
Akbank TAS	Yes		
Alfa SAB de CV	Yes	Yes	Yes
Align Technology	Yes		
Amazon.com		Yes	
Analog Devices Inc	Yes	Yes	
Anglo American Platinum Ltd	Yes		
Anglo American PLC	Yes		Yes
Angola (Country)	Yes		Yes
ANSYS Inc	Yes		Yes
Antofagasta PLC	Yes		
AON Plc		Yes	
Apache Corp	Yes		Yes
Apple		Yes	
Aptiv	Yes	Yes	Yes
ArcelorMittal SA	Yes		
Aristocrat Leisure Ltd			Yes
Aroundtown SA			Yes
Attacq Ltd	Yes	Yes	Yes
Auction Technology Group PLC	Yes		
Autodesk Inc.	Yes	Yes	Yes
Automatic Data Processing Inc.	Yes		
AVI LTD	Yes		
Banco Mercantil del Norte, S.A.	Yes	Yes	
Bank of China Ltd.	Yes		
Barry Callebaut AG			Yes
Bawag			Yes
Beiersdorf AG			Yes
BHP	Yes	Yes	Yes
Bid Corp	Yes		Yes

	Environmental	Social	Governance
Bidvest Group Ltd/The			Yes
Big Lots Inc.			Yes
Booking Holdings	Yes	Yes	Yes
Boston Scientific Corp.		Yes	Yes
BP PLC	Yes	Yes	Yes
Brambles Ltd.		Yes	
British American Tobacco PLC		Yes	
Cameroon (Country)			Yes
Capitec Bank Holdings Ltd		Yes	Yes
Capricorn Investment Group Limited	Yes	Yes	Yes
Cars.com			Yes
Cemex SAB de CV	Yes	Yes	Yes
CERES INC.	Yes		Yes
Chile (Country)	Yes		
China Cinda Asset Management	Yes		
China Huarong AMC	Yes		
Chongqing Fuling Zhacai Group Co., Ltd	Yes		
CIFI Holdings (Group) Co. Ltd.	Yes		Yes
CLP Power Hong Kong Ltd	Yes		
CME Group Inc. Cl A	Yes	Yes	Yes
CNOOC Ltd.	Yes		Yes
Colombia (Country)	Yes		
Comcast Corp. Cl A		Yes	
Contemporary Amperex Technology Co CATL	Yes	Yes	
ConvaTec Group PLC			Yes
Costain Group PLC	Yes	Yes	
Countryside Properties plc			Yes
CRH	Yes		Yes
Croda International PLC	Yes		Yes
Czech Gas Networks Investments	Yes		
Danaher Corp.		Yes	
DCC PLC	Yes		Yes
De La Rue PLC	Yes	Yes	Yes
Delta Electronics Inc.	Yes		Yes
DFS Furniture Holdings PLC	Yes		
Diversified Energy Co PLC	Yes		Yes
Dolby Laboratories	Yes		Yes
DP World Ltd		Yes	Yes
Eastman Chemical Co.	Yes		Yes
Ecopetrol SA	Yes		
Ecuador (Country)			Yes
Electronic Arts Inc.	Yes		Yes
Elevance Health		Yes	
Endeavour Mining Corp			Yes
ENN Energy Holdings Ltd.	Yes	Yes	Yes
Eskom Holdings SOC Ltd	Yes	Yes	Yes
Estee Lauder Cos. Cl A			Yes

	Environmental	Social	Governance
Experian PLC		Yes	
Export-Import Bank of Korea	Yes		
Exxaro Resources Ltd.	Yes		
Exxon Mobil Corp.	Yes	Yes	Yes
FactSet Research Systems Inc	Yes		
Ferguson plc	Yes		
Fibra Uno Administracion SA de CV		Yes	Yes
First Abu Dhabi Bank PJSC	Yes		
FirstRand Ltd.	Yes	Yes	Yes
Fortress Income Fund Ltd			Yes
Fuling Zhacai	Yes		
Funding Circle		Yes	
Geely Automobile Holdings Ltd.	Yes	Yes	Yes
Genuit Group	Yes		Yes
Genus Plc	Yes		
Geopark Ltd	Yes		
Ghana (Country)			Yes
Giant Manufacturing Co. Ltd.	Yes		Yes
Glencore	Yes	Yes	Yes
Glodon	Yes	Yes	
GoldenTree CLO Manager	Yes		Yes
Google Inc		Yes	
Greencoat UK Wind	Yes		
Growthpoint Properties Ltd			Yes
Hammerson PLC			Yes
Hana Financial Group Inc.			Yes
Hangzhou Tigermed Consulting Co	Yes		
Hannover Rueck SE		Yes	
Hargreaves Lansdown PLC			Yes
HeidelbergCement AG	Yes		Yes
Hermes		Yes	
Hilton Food Group plc	Yes		Yes
Home Depot Inc.		Yes	
Homeserve PLC	Yes		Yes
Hotel Chocolat Group PLC			Yes
Housing Development Finance Corp. Ltd.		Yes	
HSBC Bank PLC			Yes
Hungary (Country)			Yes
Huntington Bancshares Inc	Yes		Yes
Hyprop investments Ltd			Yes
Hyundai Department Store Co. Ltd.			Yes
Iberdrola S.A.	Yes		
IGO Ltd	Yes		Yes
IHS Netherlands	Yes		
Impala Platinum	Yes		Yes
Independence Group	Yes	Yes	Yes
Inspecs Group PLC			Yes
Intact Financial Corp.		Yes	

	Environmental	Social	Governance
Intercontinental Exchange Inc.		Yes	
InterContinental Hotels Group PLC	Yes		Yes
Intuit Inc.		Yes	
Israel (Country)	Yes		
ITM Power Plc			Yes
Ivory Coast (Country)	Yes	Yes	
Jamaica (Country)	Yes		
JET2 PLC			Yes
John Wood Group			Yes
Johnson & Johnson			Yes
Johnson Matthey PLC	Yes		Yes
Jordan (Country)	Yes		
KazMunayGas National Co JSC	Yes		Yes
Kenya (Country)			Yes
Kerry Group PLC			Yes
Keysight Technologies	Yes		
Kia Motors Corp	Yes		
Kingsoft office	Yes		
Kitwave Group PLC	Yes		Yes
KLA corporation	Yes		
KLA-Tencor Corp.	Yes	Yes	
Korea Housing Finance Corporation	Yes		
Kosmos Energy Ltd	Yes	Yes	Yes
KweiChow Moutai Co.			Yes
Landesbank Baden-Wuerttemberg	Yes		Yes
Life Healthcare Group Holdings Ltd.		Yes	
Liontrust Asset Management PLC		Yes	
Lloyds Banking Group PLC	Yes	Yes	Yes
London Stock Exchange			Yes
Longfor Properties Co. Ltd.	Yes		Yes
Lonza Group AG	Yes		
Loungers PLC		Yes	
Mahindra & Mahindra Ltd.	Yes		
Marathon Petroleum Corp.	Yes		Yes
Marshalls plc	Yes		
MAS Real Estate			Yes
MasterCard Inc. Cl A		Yes	
MDC-GMTN B.V.	Yes		
Medco Energi Internasional Tbk	Yes		
Merafe Resources Ltd	Yes		
MercadoLibre Inc	Yes	Yes	
Merck KGaA			Yes
Metair Investments Ltd	Yes		
Microsoft Corp.		Yes	
Mirriad Advertising PLC			Yes
Moldova (Country)			Yes
Mondi Plc	Yes		Yes
Monster Beverage Corp.	Yes		

	Environmental	Social	Governance
Morocco (Country)			Yes
Mr Price Group Limited	Yes	Yes	
Multichoice Naspers			Yes
NEPI Rockcastle			Yes
Netcare Ltd.			Yes
NetEase Inc	Yes		
NextEra Energy Inc		Yes	
Nickel Mines	Yes		Yes
Nomad Foods Ltd.			Yes
Northam Platinum Ltd.			Yes
Novartis		Yes	
Novo Nordisk A/S		Yes	
Numis		Yes	
NVR Inc		Yes	
Oceana Group Ltd			Yes
OCI NV	Yes		
Old Mutual PLC (SA)		Yes	
Orbia Advance Corp SAB de CV	Yes		
O'Reilly Automotive Inc.	Yes		
Oryx Properties Ltd	Yes	Yes	Yes
OUTsurance Insurance Co Ltd			Yes
Paratus Namibia Holdings Limited		Yes	
Partners Group Holding AG		Yes	
Pepkor Holdings	Yes	Yes	Yes
Peru (Country)	Yes		
Perusahaan Listrik Negara PT	Yes		
Petrobras Petroleo Brasileiro (Ord)	Yes	Yes	Yes
PetroChina Co. Ltd.	Yes		
Petroleos Mexicanos	Yes		
Phillips 66	Yes	Yes	Yes
Pick n Pay			Yes
Pioneer Natural Resources Co.	Yes		Yes
Planet Labs	Yes		Yes
PODP	Yes		
Poland (Country)		Yes	
Polymetal			Yes
Posco	Yes		
PPC Limited	Yes		
PureTech Health PLC	Yes		Yes
Qatar Insurance Co			Yes
Qatar National Bank SAQ			Yes
Quilter			Yes
Rand Merchant Insurance Holdings Ltd		Yes	Yes
Redefine Properties Ltd.			Yes
Remgro Ltd.			Yes
Reunert Ltd.	Yes		
Ricardo PLC	Yes		Yes
Rio Tinto PLC	Yes	Yes	Yes
Ritchie Bros Auctioneers			Yes

	Environmental	Social	Governance
Roche Holding AG		Yes	
Rockwell Automation Inc.			Yes
Romania (Country)			Yes
Royal Gold Royalty	Yes	Yes	Yes
Rural Electrification Corp. Ltd.	Yes		
Ryanair Holdings PLC	Yes	Yes	Yes
S&P Global Inc.		Yes	
SAGA			Yes
Samsung Electronics Co Ltd	Yes		Yes
Sanlam Ltd			Yes
Santam Ltd	Yes		Yes
Santos Ltd.	Yes	Yes	Yes
Sappi Limited	Yes		Yes
Sasol Ltd	Yes		Yes
Saudi Arabian Oil Co	Yes	Yes	
Saudi Electricity Co	Yes		
Schneider Electric S.A.		Yes	Yes
Schroders PLC			Yes
Sefalana			Yes
Seplat	Yes		
Serbia (Country)	Yes		
Shell Plc	Yes		Yes
Shenzhen Mindray	Yes		
Shimamura Co. Ltd.			Yes
Shoprite Holdings Ltd			Yes
Sigma Roc Plc	Yes		Yes
Sigmaroc PLC	Yes		Yes
Silergy Corp.	Yes		Yes
Sirius Real Estate Ltd	Yes		
Smart Metering Systems PLC	Yes		
Sony Corp		Yes	
South 32	Yes		Yes
South 32 (SA Listing)	Yes	Yes	Yes
South African National Roads			Yes
Southwest Airlines Co.	Yes		
Speedy Hire			Yes
SSAB AB	Yes		
SSW Sibanye Stillwater		Yes	Yes
Standard Bank Group	Yes	Yes	Yes
Stor-Age Property REIT Limited			Yes
Sungrow Power Supply	Yes	Yes	Yes
Taiwan Semiconductor Manufacturing Co. Ltd.	Yes		
Tate & Lyle PLC	Yes		Yes
TE Connectivity Ltd.	Yes	Yes	
Teleperformance		Yes	
Tencent Holdings Ltd.	Yes	Yes	Yes
Texas Instruments Incorporated	Yes	Yes	
Thermo Fisher Scientific Inc.		Yes	
Thungela Resources	Yes	Yes	Yes

	Environmental	Social	Governance
TI Fluid Systems			Yes
Tiger Brands Ltd	Yes		
Titan Wind Energy			Yes
TKH Group N.V. Cert			Yes
Tourmaline Oil Corp.	Yes		
Tradeweb Markets	Yes		
Trane Technologies	Yes	Yes	
Transaction Capital			Yes
Treatt PLC	Yes		
TT Electronics PLC	Yes		
Tube Investments of India Limited	Yes	Yes	
Tullow Oil PLC	Yes	Yes	
Turnstar			Yes
Tyman PLC	Yes		
Unilever PLC			Yes
UnitedHealth Group Inc.		Yes	
Uruguay (Country)	Yes		
Uzbekistan (Country)			Yes
Vale SA	Yes	Yes	
Valmet Corp	Yes		
Viet Nam Dairy Products JSC	Yes		
Vitesco Technologies			Yes
Volkswagen AG		Yes	Yes
Voltronic Power Technology Corp.	Yes		Yes
Volvo AB	Yes		
Vukile Property Funds Ltd	Yes	Yes	Yes
W.A.G payment solutions plc	Yes	Yes	Yes
Wal-Mart de Mexico SAB de CV	Yes		
Waste Management Inc.	Yes	Yes	
Wickes			Yes
Will Semiconductor	Yes		
Williams Companies Inc	Yes		
Windward			Yes
Woolworths Holdings Ltd			Yes
Woori Bank Co Ltd	Yes	Yes	
Xiaomi	Yes		Yes
Xinyi Solar Holdings	Yes		Yes
XP Inc	Yes	Yes	Yes
Yangzijiang Shipbuilding Holdings Ltd.			Yes
YPF Energia Electrica SA	Yes		
YPF SA	Yes		
Zhejiang Sanhua Intelligent Controls	Yes		Yes
Zijin Mining Group Co. Ltd.	Yes	Yes	Yes
Zoetis Inc.	Yes	Yes	

Engagement methods for the reporting period

Engagement options	Extent of use	Purpose	Asset class	Engagement type
Letter to the board	Global	Communicate engagement purpose to the full board, record dialogue, build commitment	Equity, corporate debt	Strategic, general
Letter to the executive team	Most engagements, no regional difference	Communicate engagement purpose, set out risk reduction or value-creating opportunities, build commitment	Equity, corporate debt	Strategic, general
Annual corporate dialogue by company or investor	Regular dialogue; globally but with awareness of regional differences in governance and culture	Communicate governance developments such as succession planning, remuneration policy change and better understanding of information	Equity, corporate debt	General
Focused, targeted dialogue with Chair, Lead Independent Director or Chair of Board Committee	When required; global but with awareness of regional differences in governance and culture	To build and secure commitment for an engagement goal	Equity, corporate debt	Strategic
Public statement	When required; global	An option to clarify engagement purpose and renew progress	Equity, corporate debt, sovereign fixed income	Strategic, advocacy
Shareholder resolution	We did not file a shareholder resolution during the period	To encourage shareholders to support an AGM resolution that can materially contribute to the engagement goal	Equity	Strategic
Collaboration	Advocacy and strategic engagement where appropriate to the engagement strategy; global	We build collaboration into our engagement strategy where we believe it will help secure our engagement goal	Equity, sovereign fixed income	Strategic, advocacy
Other letters	Advocacy engagements; global	Encourage commitment for better disclosure and action to reduce systemic risk	Equity, sovereign fixed income	Strategic, general, advocacy

Appendix 5: Advocacy table

Organisation	Start date	Our role and contribution
Assessing Sovereign Climate-related Opportunities and Risks ("ASCOR") project	2021	We are working with the ASCOR project to better assess sovereign alignment and sovereign carbon transition risks. Over the year, we contributed to the development of the ASCOR tool.
CDP	2010	We are involved in engagements with companies regarding their disclosure to CDP. In 2022, 30% of the companies we engaged with on climate committed to disclose to CDP.
Climate Action 100+	2018	We are involved in collaborative engagements with companies to ensure they are minimising and disclosing the risks presented by climate change. We continue to co-lead on two companies and participate in two more.
Climate Bonds Initiative	2021	We are aiming to contribute to advocacy aligned with our investment thinking, policy advocacy and industry collaboration.
Council of Institutional Investors ("CII")	2018	We are a member of the International Governance Committee, where we provide our views on governance best practice.
Emerging Markets Investor Alliance	2019	We support the initiative and are involved in its working groups, particularly relating to fiscal transparency, leading on some and participating in others.
FAIRR	2019	We participate in collaborative conversations to identify and engage on material ESG risks and opportunities in global protein supply chains.
Glasgow Financial Alliance for Net Zero ("GFANZ")	2021	We are active members of multiple working groups: 'private capital mobilization'; 'managed phase-out' and 'portfolio alignment metrics' and contributed to multiple public engagements as thought leaders on emerging market transition investing.
Institute of International Finance ("IIF")	2021	We participate in global membership meetings and collaborative efforts on global financial policy and regulatory matters.
Institutional Investors Group on Climate Change ("IIGCC")	2018	We are a participant in the organisation, which includes taking part in engagements and providing information for thought papers. We continue to co-chair the Investor Practices programme and participate in the net zero implementation and corporate bond stewardship working groups.
The Investor Forum	2017	We regularly meet with the forum and participate in targeted strategic governance engagements. We have participated in several collective engagements over the year.
Investor Leadership Network ("ILN")	2022	We contribute to the three workstreams: private capital mobilisation, diversity equity and inclusion and climate change.
Impact Investing Institute	2019	We were a founding supporter of the initiative and sat on its advisory council. We were a member of the technical working group for a report on how to mobilise institutional capital for a just transition and over this year, we have contributed to developing the Just Transition label.

Organisation	Start date	Our role and contribution
National Business Initiative	2022	We contribute to the working groups focused on South Africa's net-zero transition and transition finance. We sponsored the NBI South African pavilion at COP27.
Net Zero Asset Managers Initiative	2021	We are a signatory to the initiative and have set firmwide net zero targets. We submitted our targets to the initiative this year and will report on progress annually.
PRI	2008	We are a signatory, participate in workstreams and present at UNPRI events. We have taken part in various collaborative engagements.
Say on Climate	2020	In 2020, Ninety One became the first listed asset manager to become a signatory on the 'Say on Climate' initiative. We advocate for the uptake of an advisory resolution on transition plans at AGMs.
Sustainable Markets Initiative ("SMI")	2021	We are participants in the transition working group under the Asset Manager/Asset Owner Taskforce. This year we led the development of the Transition Categorisation framework.
Sustainable Trading Initiative	2021	We are part of the Founder Member Group and attend meetings and working groups. Ninety One's Global Head of Trading is an active board member.
Task Force on Climate-related Financial Disclosures ("TCFD")	2018	We are a supporter of the recommendations and produce a TCFD report, which can be found within our Integrated Annual Report.
Task Force on Nature-related Financial Disclosures ("TNFD")	2022	We aim to support any consultative work to develop the TNFD recommendations.
Thinking Ahead Institute	2019	We are a founding member. We participate in the Institute's working groups. In 2022 we took an active part in working groups covering 'Investing for Tomorrow – Environment', 'Investing for Tomorrow – Society' and made contributions to research white papers on these topics. We also campaigned for emerging markets to be treated separately to developed markets in working towards a fair transition in the global energy system.
Transition Pathway Initiative ("TPI")	2019	We support the initiative and use the data it produces to assist our efforts to better understand climate risks and opportunities.
World Benchmarking Alliance ("WBA")	2017	Our Chief Executive Officer, Hendrik du Toit is a Champion, and we participate in working groups contributing to the benchmark work. We contribute to the 'Just Transition' benchmark collective impact coalition.
WWF	2019	We work with WWF on topics relating to sovereign debt and natural capital, including developing an environmental index.

Appendix 6: Principles for Responsible Investing

Ninety One (previously Investec Asset Management) has been a signatory to the PRI since 2008. As such, we are required to report annually on our responsible investment practices through the PRI Transparency report. The assessment of the Transparency report aims to fulfil three main objectives:

— Facilitate learning and development, outlining how signatories' implementation of responsible investment compares year-on-year, across asset classes, and with peers at the local and global level.

— Identify how signatories can improve their responsible investing practices.

— Allow asset owners to focus their discussions with investment managers on responsible investment activities and capabilities.

Note that in 2021 the PRI revised their reporting framework in order to increase accountability and to better reflect the state of the responsible investment market as well as future advancements. The 2021 scoring methodology also changed to reflect the new reporting framework, and is incomparable with scores from previous PRI years.

A summary of our 2021 Assessment results is shown below:

Module	Star score (/5)	Module score (/100)	Median score
Investment and Stewardship Policy	4	82	60
Direct - listed equity - active fundamental - incorporation	4	85	71
Direct - listed equity - active fundamental - voting	4	89	54
Direct - fixed income - SSA	5	98	50
Direct - fixed income - Corporate	5	98	62
Direct - infrastructure	5	100	77

Source: Ninety One's 2021 PRI Assessment Report

As part of the 2021 updates the PRI also introduced accountability measures around the accurate representation of reports externally as a result of an increasing level of disclosure of PRI Assessment Results. Please read the above scores in conjunction with Ninety One's full PRI Transparency report and Assessment report which can be found on our website.

Important information

The information in this report may cover general market activity or industry trends and is not intended to be relied upon as a forecast, research or investment advice. The economic and market views presented herein reflect Ninety One's judgment as at the date shown and are subject to change without notice.

There is no guarantee that views and opinions expressed will be correct, and Ninety One's intentions to buy or sell particular securities in the future may change. The investment views, analysis and market opinions expressed may not reflect those of Ninety One as a whole, and different views may be expressed based on different investment objectives. Ninety One has prepared this communication based on internally developed data, public and third-party sources. Although we believe the information obtained from public and third-party sources to be reliable, it may not have been independently verified, and we cannot guarantee its accuracy or completeness. Ninety One's internal data may not be audited.

Nothing herein should be construed as an offer to enter into any contract, investment advice, a recommendation of any kind, a solicitation of clients, or an offer to invest in any particular fund, product, investment vehicle or derivative. Investment involves risks. Past performance is not indicative of future performance. Any decision to invest in strategies described herein should be made after reviewing the offering document and conducting such investigation as an investor deems necessary and consulting its own legal, accounting and tax advisors in order to make an independent determination of suitability and consequences of such an investment. This material does not purport to be a complete summary of all the risks associated with the strategies mentioned. A description of risks associated with these strategies can be found in the offering or other disclosure documents. Copies of such documents are available free of charge upon request.

The Report may include statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms 'believes', 'estimates', 'plans', 'projects', 'anticipates', 'expects', 'intends', 'may', 'will' or 'should' or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect Ninety One's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Ninety One's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made. Ninety One expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this report or any other forward-looking statements it may make whether as a result of new information, future developments or otherwise.

Australia
Level 28 Suite 3, Chifley Tower
2 Chifley Square
Sydney, NSW 2000
Telephone: +61 2 9160 8400
australia@ninetyone.com

Botswana
Plot 64289, First floor
Tlokweng Road, Fairgrounds
Gaborone
PO Box 49
Botswana
Telephone: +267 318 0112
botswanaclientservice@ninetyone.com

Channel Islands
PO Box 250, St Peter Port
Guernsey, GY1 3QH
Telephone: +44 (0)1481 710 404
enquiries@ninetyone.com

Germany
Bockenheimer Landstraße 23
60325 Frankfurt am Main
Telephone: +49 (0)69 7158 5900
deutschland@ninetyone.com

Hong Kong
Suites 1201-1206, 12/F
One Pacific Place
88 Queensway, Admiralty
Telephone: +852 2861 6888
hongkong@ninetyone.com

Luxembourg
2-4, Avenue Marie-Thérèse
L-2132 Luxembourg
Telephone: +352 28 12 77 20
enquiries@ninetyone.com

Namibia
Am Weinberg Estate
Winterhoek Building
1st Floor, West Office
13 Jan Jonker Avenue
Windhoek
Telephone: +264 (61) 389 500
namibia@ninetyone.com

Singapore
138 Market Street
CapitaGreen #27-02
Singapore 048946
Telephone: +65 6653 5550
singapore@ninetyone.com

South Africa
36 Hans Strijdom Avenue
Foreshore, Cape Town 8001
Telephone: +27 (0)21 901 1000
enquiries@ninetyone.com

Sweden
Västra Trädgårdsgatan 15,
111 53 Stockholm
Telephone: +46 8 502 438 20
enquiries@ninetyone.com

Switzerland
Dufourstrasse 49
8008 Zurich
Telephone: +41 44 262 00 44
enquiries@ninetyone.com

United Kingdom
55 Gresham Street
London, EC2V 7EL
Telephone: +44 (0)20 3938 1900
enquiries@ninetyone.com

United States
Park Avenue Tower, 65 East 55th Street
New York, 10022
US Toll Free: +1 800 434 5623
usa@ninetyone.com

—

www.ninetyone.com

Telephone calls may be recorded for training, monitoring and regulatory purposes and to confirm investors' instructions.
For more details please visit www.ninetyone.com/contactus

CS_471 05/2023 MACS15607