



Summary Details	
Assets under Mgmt.	€7.1bn
Inception Date	01 Aug 2004
Benchmark	MSCI World Net Return Index
Number of Stocks	178

Risk Characteristics	
Beta (10 Yrs)	0.97
Information Ratio (10 Yrs)	-0.36
Volatility	13.82

Portfolio Statistics	Strategy	Index
Dividend Yield	3.2%	1.8%
Dividend Payout	45.8%	33.0%
Dividend Growth	13.5%	7.1%
Total Payout Yield	4.6%	2.4%
Price to Earnings (forward)	12.7x	18.8x
Price to Book	2.4x	3.4x
Weighted Avg Mkt Cap.	\$165.3bn	\$540.3bn
ESG Score	7.5	6.9
Wtd Avg Carbon Intensity	54.4	96.4

Source: KBI Global Investors as of 31/03/24. The risk characteristics are calculated independently by KBI Global Investors using monthly gross returns of the composite over a 10 year period relative to the Index as at the 31/03/24. Portfolio and Benchmark Statistics are from a representative account managed to the same strategy and the benchmark respectively. KBI Global Investors independently estimate these statistics for both the portfolio and the benchmark. The AUM listed above is Global Equity Global Developed AUM excluding Assets under Advisement from Q1 2022. Weighted Avg. Mkt. Cap figures are in US Dollars. KBI calculate the Weighted Average Carbon Intensity figure for the portfolio (representative account managed to the same strategy) quarterly. Index carbon intensity data is sourced from MSCI ESG Research. KBI calculate the ESG scores for the portfolio (representative account managed to the same strategy) quarterly. Index ESG ratings are sourced from MSCI ESG Research.

Investment Philosophy

We are "total return" investors.

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

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

The main reasons for outperformance are:

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

Annualised Performance (€)

	3Mths	YTD	1Yr	3Yrs	5Yrs	10Yrs
Fund (Gross)	10.5	10.5	20.5	11.1	10.8	10.4
MSCI World Net Return Index	11.4	11.4	25.9	11.7	12.9	12.1
MSCI World Value Net Return Index	9.9	9.9	19.5	10.7	9.2	9.1

Source: KBI Global Investors, Datastream, MSCI as of 31/03/24

KBI calculate both composite returns and benchmark returns. Returns are gross of fees in EUR. Our firm claims GIPS compliance and is annually verified by an independent verification firm to be so. The verification report from our verifier and our GIPS composite presentation are available upon request. The performance record disclosed here is that of the firm's composite for this strategy. The Global Developed Equity composite is a well-diversified, all cap, strategy that invests across all 24 industry sub classifications and the four major geographic global regions (North America, Europe, Japan and Pacific Basin ex Japan) of the global developed equity market. This strategy is constructed on a segmented basis by industry and region (as defined by the MSCI World Index) and no active currency management is undertaken. The strategy invests purely in those companies that pay above average dividends relative to their industry peer group and is managed by a dedicated, specialist team of investment professionals in Dublin, Ireland. The material risks associated with the composite include market risk and stock-specific event risk. Share prices can decline and there is a risk that the composite may under-perform its benchmark. The benchmark is the MSCI World Index, inclusive of net income. The Net index provides a better comparator for potential investors and representation of the investment strategy of the composite. The benchmark is designed to measure the equity market performance of developed market countries. The benchmark is market-cap weighted. Sources of foreign exchange rates may be different between the composite and the benchmark; but not materially so. MSCI benchmark returns assume the reinvestment of dividends after the deduction of withholding taxes. See disclaimers for further information.

Investment Process

We summarise our process into three steps

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

Current Developed Portfolio Characteristics

Mkt. Cap \$bn	Strategy	MSCI World Index	+/- %
<3 (small)	0.0	0.0	0.0
3-5 (mid-small)	0.7	0.2	0.5
5-10 (mid)	5.9	2.7	3.2
10-25 (mid-large)	28.7	11.0	17.7
>25 (large)	64.7	86.2	-21.5

Source: KBI Global Investors as of 31/03/24. Market Cap figures are based on a representative account relative to the Index. Market Cap figures are in US Dollars.

Strategy Overview

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

Investment Team

Key People	Title	Industry Experience
CIO		
Noel O'Halloran	Chief Investment Officer	36yrs
Portfolio Management Team		
Gareth Maher	Head of Portfolio Management GES Team	37yrs
David Hogarty	Head of Strategy Development	33yrs
Ian Madden	Senior Portfolio Manager	23yrs
James Collery	Senior Portfolio Manager	23yrs
John Looby	Senior Portfolio Manager	34yrs
Massimiliano Tondi	Senior Portfolio Manager	20yrs
Jeanne Chow Collins	ESG & Engagement Analyst	23yrs
Eoin Fahy	Head of Responsible Investing	36yrs

Contact Details

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Portfolio Positioning

Sector Breakdown

Sector	%	Sector	%
Information Technology	22.5	Energy	5.4
Financials	16.8	Consumer Staples	5.2
Health Care	12.1	Materials	3.1
Consumer Discretionary	11.9	Real Estate	2.8
Industrials	11.5	Utilities	1.8
Communication Services	6.9		

Geographical Breakdown

Region	%
North America	73.9
Europe	17.0
Japan	6.3
Pacific Basin ex Japan	2.8

Top 10 Holdings

Stock	Country	%
Microsoft Corporation	US	3.0
Lam Research Corporation	US	2.2
Cigna Group	US	2.2
QUALCOMM Inc	US	2.2
Marathon Petroleum Corp	US	2.2
Dick's Sporting Goods Inc	US	2.1
Cisco Systems Inc	US	2.1
Accenture Plc	US	2.1
Best Buy Company Inc	US	2.1
Bank of Nova Scotia	Canada	2.1

Source of all data: KBI Global Investors. Data as of 31/03/24

Overview

Given the importance we place on dividends, cashflows and avoiding speculative exposures, aggressive bull markets aren't always an easy place to achieve outperformance.

On the total return front, North America is demonstrating different dividend growth behaviour to that of other international markets. Dividend growth continues to slow there while we are see improving dividend growth in other regions. This is particularly evident in Japan where shareholder payout improvements are very much on the agenda. We carefully increased our exposure to higher dividend growth relative to the index.

The diverging regional trend does not only apply to dividend growth. The total payout available in regions such as Europe and Japan is now more attractive than in North America. Dividend yield levels are higher (including in traditionally low yielding Japan) and buybacks via share destruction are now at similar if not better levels. We took advantage of this change in behaviour and increased our exposure to total payout yield (dividends + buybacks) over the period.

Our relative valuation, across most measures of value, remains our largest style exposures relative to the market. Valuations at an index level have moved considerably over the past 2 years. The forward price earnings ratio of MSCI North America is now at 21x (with MSCI World at 18.8x), driven primarily by the AI and large cap technology trades. The discount we hold versus MSCI World continues to run at between 30-45% depending on which valuation measure is used. We believe our relative valuation bias is attractive especially when combined with the other characteristics we offer.

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Please see link to the website for the five year composite returns: <https://www.kbiglobalinvestors.com/wp-content/uploads/2024/04/GES-Composite-Annual>Returns.pdf>