

# KBIGI Global Energy Transition Strategy

Summary Details	
Assets under Mgmt.	\$1.5bn
Strategy Inception Date	01 Mar 2006
Benchmark	Wilderhill New Energy Gbl Innovation Index
Number of Stocks	50
Revenue Alignment SDG Score	79.3%
Risk Characteristics	
Beta (10 Yrs)	0.74
Information Ratio (10 Yrs)	0.64

Source: KBI Global Investors as of 06/30/24. 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 06/30/24. The AUM listed above is Energy Solutions Strategy AUM. This is the combined AUM of KBI Global Investors Ltd and KBI Global Investors (North America) Ltd excluding Assets under Advisement from Q1 2022. Weighted Avg. Mkt. Cap figures are in US Dollars. The Revenue Alignment SDG Score measures the portfolio contribution to the achievement of United Nations Sustainable Development Goals. Calculations are based on KBIGI's own methodology and are not independently verified as at 03/31/2024 (quarterly).

## Investment Thesis

There are compelling investment opportunities in companies providing solutions to resource scarcity across water, food and energy driven by five long term trends.

- Inadequate supply of water, cleaner energy and arable land for farming
- Increasing demand for resources, driven by population growth, industrialisation and urbanisation
- Increasing regulation and government support
- Increasing investment in infrastructure to address urgent global requirements
- Increasing investment in technology to create solutions and facilitate the more efficient use of resources

## Annualised Performance (\$)

	3Mths	YTD	1Yr	3Yrs	5Yrs	10Yrs
Strategy (Gross)	0.5	-5.2	-8.3	-0.9	15.3	8.9
Strategy (Net)	0.3	-5.6	-9.1	-1.7	14.3	8.0
Benchmark	-4.4	-14.9	-26.5	-22.5	3.3	1.6

Source: KBI Global Investors, Datastream as of 06/30/24.

KBI calculate both composite returns and benchmark returns. Returns are gross of fees in USD and we use a model fee, 0.85% to calculate the net return. We divide the gross return by the period fee rate in decimal form to calculate the period net return. 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 strategy invests in an internationally diversified selection of shares in companies active in the clean energy sector. These companies are active in both producing, manufacturing, providing equipment or supplying power from renewable sources and those active in energy efficiency end markets. Renewable sources include technologies such as wind power, solar energy, hydro-power, biomass and geothermal. Energy efficiency end markets covers a wide range of end markets including the automotive sector (through the use of fuel-efficient parts and electric vehicles), LED lighting and building insulation products for construction end markets, and software and hardware devices for industrial and utility end markets. The portfolio contains circa 30-60 publicly traded stocks. The rapid ascendance of decarbonisation and the increased demand for both clean energy and energy efficient products is directly linked to five key drivers; increasing global energy demand to meet growing population and industrialization, limited supply of oil and natural gas, climate change, growing political and regulatory support for decarbonisation, and falling costs of renewable energy through technological advancement. The investment team evaluates and integrates ESG into the analysis conducted to determine the fundamental value of the companies it invests in. 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 Wilderhill New Energy Global Innovation Index, inclusive of gross income. The benchmark is comprised of companies worldwide whose innovative technologies and services focus on the generation and use of cleaner energy, conservation and efficiency. These companies have a low-carbon approach and provide technologies that help reduce emissions relative to traditional fossil fuel use. Sources of foreign exchange rates may be different between the composite and the benchmark; but not materially so. See disclaimers for further information.

## Investment Process

Our investment process is designed to use our specialist skills to precisely define each theme, construct a proprietary investment universe and then build a concentrated, high conviction portfolio designed to outperform the broad market and passive alternatives

Investment Universe Definition
<ul style="list-style-type: none"> <li>● Precisely defined opportunity set for investment to ensure exposure to drivers of resource scarcity</li> <li>● Companies for inclusion: Pure Plays and Market Leaders</li> </ul>
Weighting Sector
<ul style="list-style-type: none"> <li>● Focus on bottom up fundamentals and valuation with an overlay of top down influences</li> </ul>
Stock Selection
<ul style="list-style-type: none"> <li>● Focus on stocks with exposure to key themes driving earnings growth, strong fundamentals, competitive advantages, strong management and attractive valuation</li> </ul>

## Strategy Overview

The KBIGI Global Energy Transition Strategy is a long-only, high-conviction global equity portfolio investing in 30-60 global companies providing low carbon solutions to the world's accelerating demand for energy. The strategy can invest across the full range of renewable sources including wind, solar, biomass, and fuel cells as well as smart technologies that facilitate the integration of renewable energy and/or use energy more efficiently.

KBIGI's Global Energy Transition Strategy provides exposure to a number of dominant and persistent themes:

- Global growth
- Natural resource scarcity
- Infrastructure spending
- Emerging market growth
- Mergers and acquisitions

Energy Solutions brings new sources of alpha to a global equity allocation. Specialist active management is the best way to capture this alpha, carefully qualifying a universe of stocks to assure exposure to energy solutions and then identifying companies with strong fundamentals, leading products, and attractive valuations.

## Investment Team

Energy Transition Portfolio Management Team	Role	Industry Experience
Colm O'Connor	Lead Portfolio Manager	21yrs
Treasa Ni Chonghaile	Co Portfolio Manager	25yrs
Andros Florides	Co Portfolio Manager	29yrs
Ben Cooke	Co Portfolio Manager	8yrs
Investment Team	Title	Investment Experience
Noel O'Halloran	Chief Investment Officer	36yrs
Catherine Cahill	Senior Portfolio Manager	24yrs
Matt Sheldon	Senior Portfolio Manager	22yrs
Martin Conroy	Senior Portfolio Manager	20yrs
Eoin Fahy	Head of Responsible Investing	36yrs
Jeanne Chow Collins	ESG & Engagement Analyst	23yrs
Robert Fullam	Investment Analyst	10yrs

## Contact Details

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## Portfolio Positioning

### Segment Breakdown

Sector	%
Energy Efficiency	50.2
Renewable Energy	25.3
Utilities	24.5

### Geographical Breakdown

Region	%
North America	53.2
Europe	40.9
Emerging Markets	5.9

### Top 10 Holdings

Stock	Country	%
National Grid PLC	UK	4.2
RWE AG	Germany	4.0
ASML Holding NV	Netherlands	4.0
First Solar Inc	US	3.7
Analog Devices Inc	US	3.5
Vestas Wind Systems A/S	Denmark	3.4
Aptiv Plc	US	3.3
Samsung Sdi Co Ltd	South Korea	3.3
Ormat Technologies Inc	US	3.0
HA Sustainable Infrastructure	US	3.0

Source of all data: KBI Global Investors. The above information represents the top 10 largest positions in the strategy as of 06/30/24 based on the aggregate USD value. Each quarter KBI Global Investors uses this same objective, non-performance based criteria to select the ten largest holdings. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the strategy, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. All information is provided for informational purposes only and should not be deemed as a recommendation to buy the securities mentioned.

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The firm definition has been re-defined on two occasions over recent years; on 30 September 2010 to reflect the firm's sale to RHJI by our previous parent firm KBC Asset Management NV, and on 1 October 2016 to reflect the firm's sale to Amundi Asset Management. No change in investment process arose as a result of these sales. To receive a copy of the compliant presentation and/or a list of composite descriptions, please contact [sales@kbigi.com](mailto:sales@kbigi.com). Gross results shown do not show the deduction of Adviser's fees. A client's actual return will be reduced by the advisory fees and any other expenses which may be incurred in the management of an investment advisory account. See Part 2 of Adviser's Form ADV for a complete description of the investment advisory fees customarily charged by Adviser. For example, a \$1,000,000 investment with an assumed annual return of 5% with an advisory fee of 0.85% would accumulate \$8,925 in fees during the first year, \$48,444 in fees over five years and \$107,690 in fees over ten years. Under MiFID II this is deemed marketing material and should not be regarded as investment research. Performance returns for individual investors may differ due to the timing of investments, subsequent subscriptions/redemptions, share classes, fees and expenses. Performance for periods of more than 1 year is annualized. Information about indices is provided to allow for comparison of the performance of the Adviser to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index, which also does not take into account trading commissions and costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown. Investments denominated in foreign currencies are subject to changes in exchange rates that may have an adverse effect on the value, price and income of the product. Income generated from an investment may fluctuate in accordance with market conditions and taxation arrangement. PAST PERFORMANCE IS NOT A RELIABLE GUIDE TO FUTURE PERFORMANCE AND THE VALUE OF INVESTMENTS MAY GO DOWN AS WELL AS UP. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. Net results shown are net of all fees and expenses and include the reinvestment of all dividends and capital gains. 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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/NR-Composite-Annual-returns-USD.pdf>