

FUND FACT SHEET | GLOBAL SUSTAINABILITY FUND

BACKGROUND

Devon Funds Management Limited (“Devon”) is an independent investment management business that specialises in building investment portfolios for our clients, through a value-oriented investment style, with a strong focus on responsible investing.

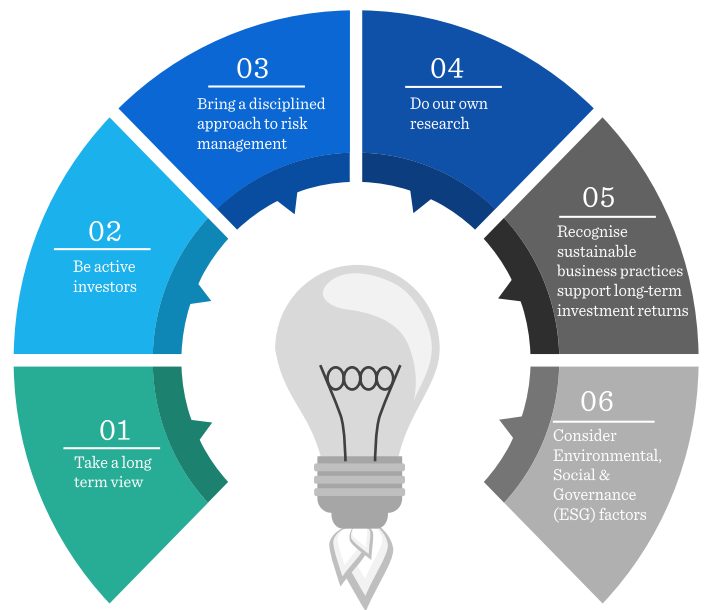
Our approach is an active one where our rigorous research and analytical skills are applied to maximum advantage.

Devon is a signatory to the United Nations supported Principles for Responsible Investment (PRI), is a member of the Responsible Investment Association of Australasia (RIAA) and a founding member of the New Zealand Corporate Governance Forum. We are also a Climate Action 100+ participant.



INVESTMENT PHILOSOPHY

Our Investment Philosophy has been tested over many years and throughout all types of market conditions. In summary our approach to investing is to:



OUR PEOPLE

Devon is staffed by a number of leading investment professionals who enjoy a boutique environment free from the distractions and bureaucracy of larger institutions. Devon’s highly qualified and experienced investment team is committed to helping investors achieve their investment results.

We believe our advantage lies in our people – a dedicated team of investment professionals with over 100 years combined experience in the investment industry both within Australasia and further afield. We’ve worked hard to assemble the right talent with the necessary skills and experience to manage our clients’ portfolios.

Valuation is critical. Shareholder wealth is created through growth combined with a return on invested capital that exceeds the required rate of return. We believe that the highest returns to investors are achieved by concentrating the best and highest conviction ideas of our research in a portfolio. We aim to avoid buying bad companies and avoid overpaying for great companies, which can turn them into bad investments.

We believe that intensive fundamental research coupled with disciplined portfolio management can reliably provide sustained outperformance.

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DEVON GLOBAL SUSTAINABILITY FUND

ABOUT THE FUND

The **Devon Global Sustainability Fund** aims to deliver long-term total returns in excess of the index by investing in the equities of companies globally, that generate high return on capital relative to their peers, and whose management teams and boards display exemplary stewardship to sustain those returns over time. The minimum suggested investment timeframe is 5 years.

FUND FEATURES

Investment Objective	The Fund aims to deliver long-term total returns in excess of the index by investing in a selective portfolio of global equities.
Investment Strategy	<p>The Fund invests into the Wellington Management Global Stewards Fund, managed by Wellington Management. Wellington Management seeks to invest in companies globally, that generate high return on capital relative to their peers, and whose management teams and boards display exemplary stewardship to sustain those returns over time. Wellington define stewardship as how companies balance the interests of all stakeholders (customers, employees, communities and the supply chain) in the pursuit of profits and how they incorporate material environmental, social and governance (ESG) risks and opportunities in their corporate strategy. The underlying Wellington Fund differentiates itself by:</p> <ul style="list-style-type: none"> • Long-term horizon – the intention is to hold stocks for over 10 years. The belief is the longer the holding period, the greater the potential performance benefits from superior stewardship. • Highly selective – typically 35-45 stocks, only relying on their own internal ESG research. • Active engagement – holding those in charge of investee companies to account and encouraging companies to commit to net zero carbon emissions by 2050 in alignment with the Paris Agreement. <p>While the underlying Fund tends to be fully invested in global equities, when there are few compelling investment opportunities the Fund may hold some cash or cash equivalent securities.</p>
Investment Limits	<p>0-100% Global equities. 0-20% Emerging markets. 0-20% Cash or cash equivalent securities.</p>
Hedging	The Fund has the ability to hedge its foreign currency exposure in a range from 0-100%.
Benchmark	MSCI All Country World Index in NZD, 50% hedged to NZD.
Distribution	The fund does not pay distributions.
Management Fee	0.95%
Administration Fee	0.25%

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