

# Close Portfolio Funds

This range of funds apply a company-led approach to investing in a multi-asset context by acquiring shares and bonds at attractive valuations in predictable and sustainable that are likely to grow in value and repay their debts. Equities and corporate bonds are selected on a bottom-up basis based on company fundamentals and our appraisal of their valuations and in the context of top-down industry and economic strategic and tactical asset allocation frameworks.

Investment opportunities are identified using in-depth fundamental analysis to determine the sustainability (both financial and non-financial) of holdings supported by a variety of qualitative information and available data including: publicly available sources, third-party data, and proprietary models. When making an investment decision, we consider a broad range of environmental and social characteristics, such as carbon emissions goals and supply chain management practices. Rather than focusing on a specific sustainability theme across every investment we focus on what we assess to be most material to the company and its broader stakeholders.

As part of this assessment, we also consider whether companies follow good governance practices (e.g. with respect to sound management and company board, corporate culture, capital allocation and remuneration policies).

We also ensure that assets are invested in a way that contributes to reducing greenhouse gas emissions associated with the fund to net zero by 2050 consistent with our Net Zero Asset Managers commitment.

We engage with company management where we identify opportunities to influence corporate behaviour, or to deepen knowledge and insight with respect to sustainability considerations, where deemed material.