



# Global Environment

## 2025 Review

### Welcome

We are pleased to provide the 2025 Annual Review of the GSF Global Environment Fund. We believe investors should judge the performance of the Fund over a long time-horizon, given the multi-decade decarbonisation structural-growth opportunity we are targeting. However, shorter-term context can be important. This report provides commentary on our financial performance and portfolio activity in 2025, as well as our outlook for 2026.

As ever, we are grateful for the support of our investors. We look forward to keeping you apprised of developments in the year ahead.

The Annual Review follows the publication of our [Annual Impact Report](#) in July last year. For details on Global Environment's sustainability attribution and the decarbonisation investment opportunity, please see that publication.

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## Summary

### **Strong fundamentals underpinned performance through a volatile year**

Portfolio companies delivered robust earnings growth and sustained high returns on capital in 2025, despite periods of market volatility and political headwinds. Absolute performance was driven by continued earnings growth in underlying businesses rather than valuation expansion. Relative performance was held back primarily by idiosyncratic, stock-specific factors rather than any deterioration in underlying fundamentals of the portfolio as a whole.

### **Decarbonisation sentiment improved meaningfully**

After several years of depressed valuations, clean-technology markets rebounded in 2025. While index-level returns were largely driven by re-rating rather than earnings growth, the shift marked a clear inflection in sentiment from historically low levels.

### **AI-driven power demand is reinforcing structural growth**

Rapid growth in electricity demand – particularly from AI data centres – has emerged as a powerful additional driver of growth for decarbonisation stocks. This is benefiting companies exposed to grids, electrification, power efficiency and cooling, reinforcing the earnings outlook for high-quality enablers of the AI value chain.

### **Emerging markets are accelerating the transition**

Decarbonisation in emerging markets is increasingly being driven by economics rather than policy. China's scale in clean-tech manufacturing, combined with accelerating deployment across the Global South, is broadening and speeding up the transition. We see this EM-led, cost-driven phase as underappreciated by markets and a key source of future opportunity.

### **The outlook remains compelling**

Looking ahead, we expect the companies held in the Global Environment portfolio to continue growing revenues faster than the MSCI ACWI. Combined with strong and sustained returns on capital, this supports earnings growth that outpaces the broader market. We believe the outlook for the Fund is therefore strongly positive: valuations underappreciate the long-term growth we forecast, earnings are compounding, and sentiment headwinds are easing – creating a supportive backdrop for companies delivering essential power, efficiency and electrification solutions.

## Performance review

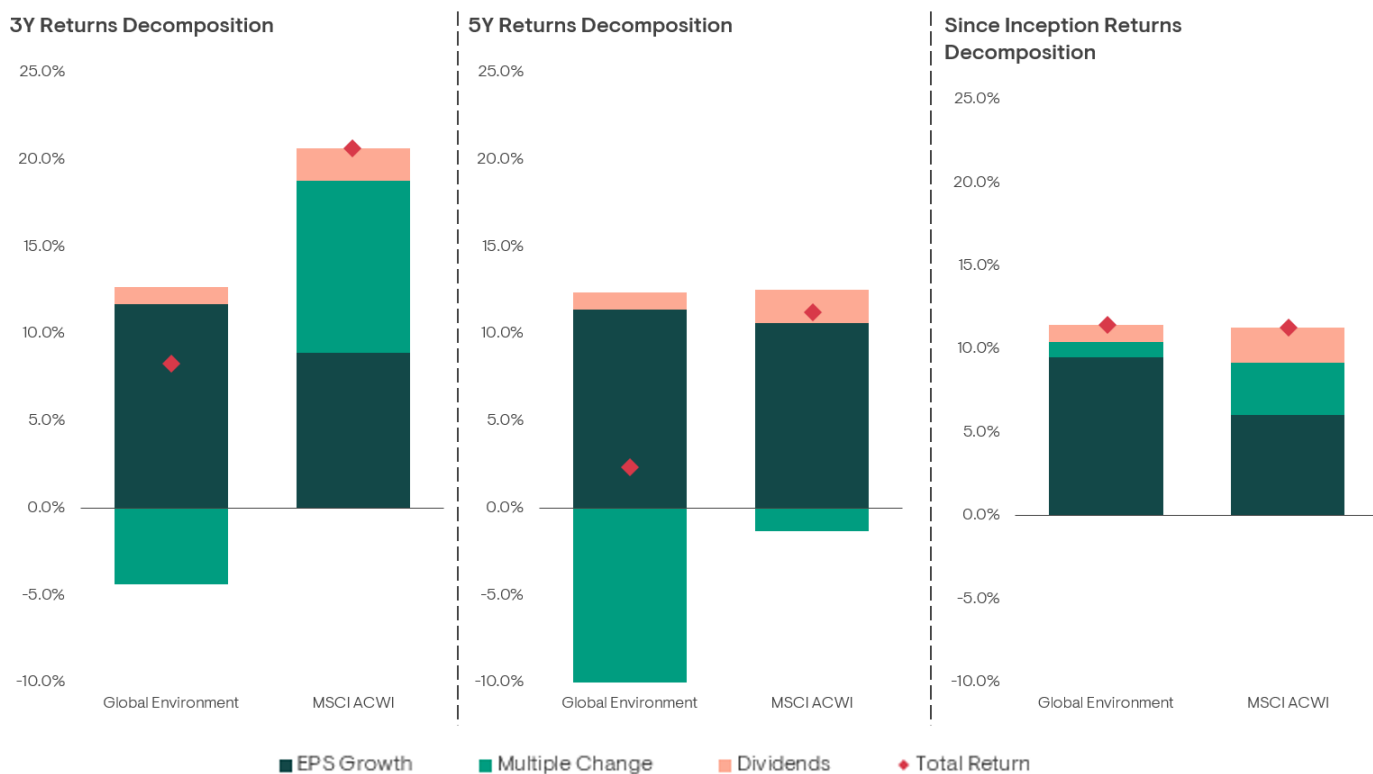
### Longer-term perspective

The alpha opportunity for Global Environment is to exploit structural growth driven by decarbonisation. As investors and fundamental analysts<sup>1</sup>, we therefore focus on identifying companies that can deliver long-term structural growth in excess of the broader market. Decomposing Global Environment’s return into its component parts – earnings growth, multiple change and dividends – it has delivered on this goal over 3 years, 5 years and since inception, with holdings growing earnings faster than the broader market<sup>2</sup> (Figure 1).

However, over the 3- and-5-year periods, we have experienced a dramatic change in sentiment towards companies delivering decarbonisation solutions, reflected in a multiple de-rating. We would re-iterate that this derating reflects sentiment, not slowing fundamentals: the fundamentals of the companies in the portfolio have remained strong.

**Figure 1: Earnings-per-share (EPS) growth has been strong, multiples contraction has been a near-term drag**

We have strong conviction in continuing to underwrite long-term earnings growth at attractive valuations



Source: Bloomberg, 31 December 2025. Returns are based on GIPS composite, USD, gross of fees, to strategy inception 31 August 2018. This analysis is reflective of the overall direction and magnitude of EPS growth, multiple change and dividends, rather than an exact assessment. For further information on indices, please see the Important information section.

### Performance in 2025

In 2025, the portfolio delivered strong earnings growth, only modestly lagging the exceptionally robust earnings delivery of the broader equity market (Figure 2). Relative performance was held back primarily by idiosyncratic, stock-specific factors rather than any deterioration in underlying fundamentals. As a result, the Global Environment Fund delivered an absolute return of **16.9% (USD)**, underperforming the MSCI ACWI by **5.4%**<sup>3</sup>. Below, we discuss some of the key portfolio return drivers during the year<sup>4</sup>.

<sup>1</sup> For further information on the investment process, please see the Important information section.

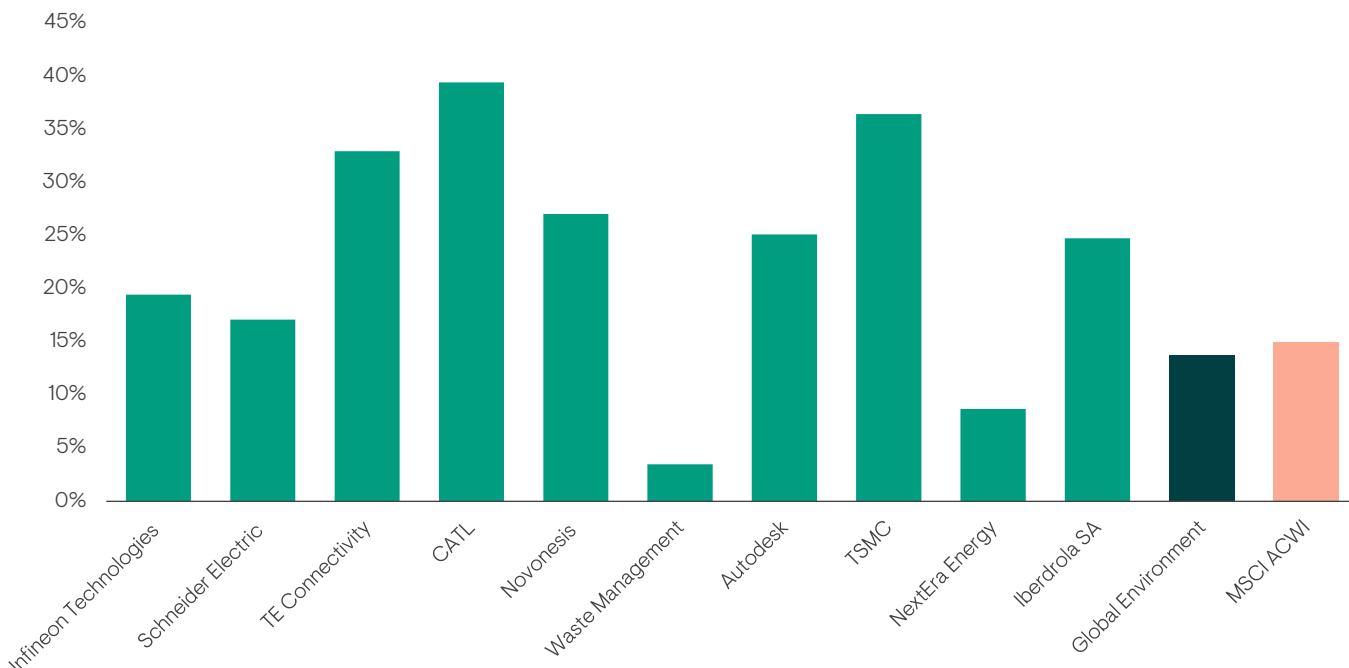
<sup>2</sup> For further information on indices, please see the Important information section

<sup>3</sup> Source: Ninety One, 31 December 2025. Performance is net of fees (NAV based, including ongoing charges, excluding initial charges), gross income reinvested, in USD. Please refer to the performance table in the Appendix.

<sup>4</sup> No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided.

Figure 2: portfolio companies delivered strong earnings growth

Earnings per share (EPS) growth of top 10 holdings over 2025



Source: Ninety One, December 2025.

### Power and AI

During the year, we saw earnings growth ahead of the broader market from holdings exposed to grids, electrification and connectivity. Companies in these areas experienced higher demand as AI ramps up power needs, given that renewables remain the cheapest and fastest source of new power capacity. Among these holdings, **Iberdrola** benefitted from rising forecasts for electricity demand linked to AI, as well as falling interest-rate expectations and growing conviction over the electrification of heating, cooling, mobility and industry. Among other holdings, **TE Connectivity** is increasingly leveraged to rising AI-related content intensity, with a steep acceleration in data-centre connectivity and sensor revenues positioning it well for 2026 and beyond.

Companies enabling data centres to deliver compute more efficiently (**TSMC, Infineon**) also achieved consistent compounding of earnings in 2025. TSMC’s strong performance reflected surging demand for chips used in AI and high-performance computing. Rising prices and profitability are supported by the company’s most advanced production lines operating at full capacity, with 2nm (the next-generation semiconductor process) continuing to successfully ramp up.

### US policy

Returns in 2025 were also supported by the fact that US legislation was more balanced than the market had initially expected following the 2024 US Presidential election. The final version of the ‘One Big Beautiful Bill Act’ reduced extreme downside scenarios that had been priced into US clean-tech valuations. **Vestas Wind Systems** was a key beneficiary, with improved policy visibility supporting order momentum. Operational execution was also strong: the company delivered a notable Q3 earnings beat, record gross profit and returns, and significant growth in both its turbine order book and high-margin services backlog.

However, US political risk remained a headwind for some portfolio companies. **Ørsted** faced materially higher execution and balance-sheet risk following the US administration’s stop-work orders on under-construction offshore wind projects. This resulted in the company issuing equity to protect its investment-grade rating, which led us to exit the holding. By contrast, **Tetra Tech** delivered a resilient operational performance despite budget uncertainty and disruption at USAID, although this was not reflected in its share-price performance during the year.

This is not a buy, sell or hold recommendation for any particular security. For further information on specific portfolio names, please see the Important information section.

### Emerging markets acceleration

Accelerating clean-tech adoption in emerging markets (EMs) was a key source of growth for decarbonisation solution providers last year, including some portfolio holdings. This is increasingly reflecting clean tech’s cost competitiveness and economics rather than policy, with China exporting low-cost technologies into other EMs while continuing to benefit from robust domestic demand. Battery manufacturer **CATL** exemplified this trend. It was a significant positive contributor to relative returns, delivering 41% year-on-year profit growth driven by electric vehicles, commercial transport and energy-storage demand linked to the build-out of data centres.

There were pockets of underperformance in EM holdings, driven by stock-specific factors. These included **Voltronic Power** (which underperformed due to weaker solar-inverter markets in Pakistan and South Africa, tariff uncertainty and FX headwinds) and **Power Grid of India** (reflecting concerns about rising competition in transmission tenders, slower capitalisation and project delays). However, we retain conviction that the long-term growth outlook for these companies is strong and durable as EMs electrify and decarbonise.

### A shift in decarbonisation sentiment

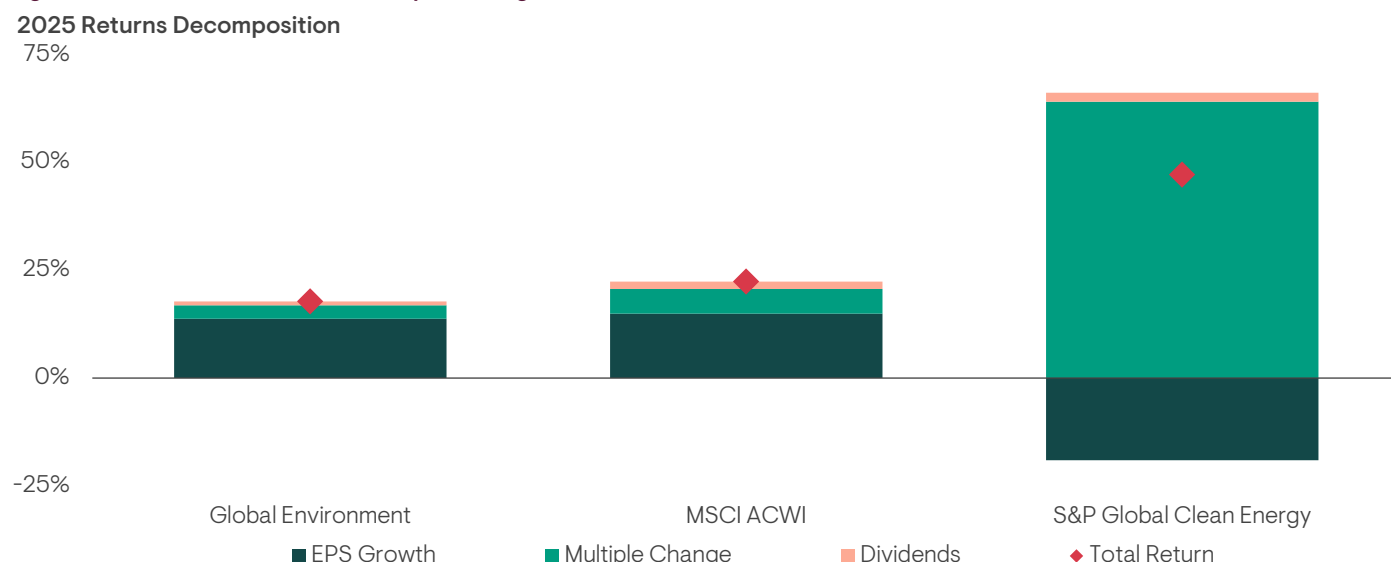
After several years of negative sentiment, as outlined above, clean-technology markets rebounded in 2025. The inflection was driven by accelerating global electricity demand – most notably from AI-related data centres – alongside continued electrification across industry and transport.

We view the AI build-out as a powerful, additional structural growth driver for leading decarbonisation-related businesses, underpinning positive fundamentals. However, the market response last year reflected more than just fundamentals. Expectations for AI-driven power demand were rapidly extrapolated into more speculative areas of the clean-tech value chain. While many of these companies are exposed to genuine demand growth, they lack the operating leverage, pricing power and financial resilience to convert that growth into sustainable earnings and shareholder returns.

Despite strong headline performances of the clean-tech indices, they were bouncing from historical lows following several years of negative returns. In addition, earnings per share actually declined across the S&P Global Clean Energy Index during 2025, and the WilderHill Clean Energy Index is loss-making at the aggregate level, implying returns were sentiment-led (**Figure 3**).

While we do not believe this type of valuation-driven rebound is sustainable over the long term, it does signal a material improvement in sentiment from extremely depressed levels. We expect this phase to give way to greater differentiation, rewarding companies that provide essential power, electrification and efficiency solutions and can translate demand growth into durable shareholder returns.

**Figure 3: index returns were driven by re-rating, not fundamentals**



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

Source: Bloomberg, 31 December 2025. Returns are based on GIPS composite, USD, gross of fees. This analysis is reflective of the overall direction and magnitude of EPS Growth, Multiple Change and Dividends, rather than an exact assessment. For further information on indices, please see the Important information section.

Overall, while clean-tech equity indices’ performances were driven by valuation expansion in 2025, portfolio performance was anchored in earnings growth from high-quality businesses. As sentiment normalises, we expect the market to increasingly favour companies with strong competitive advantages and the ability to compound earnings through the energy transition.

## Portfolio activity and positioning

In 2025, we continued to apply our high-conviction, concentrated investment approach, constructing the portfolio from the bottom up. As ever, we require that a company is positively contributing to sustainable decarbonisation and exhibiting a combination of structural growth, sustainable returns and competitive advantages.

Portfolio activity was higher in the past year than the historical average. This was largely due to:

- Market volatility over tariffs, in particular around Liberation Day in April 2025
- A continued detachment of valuations from fundamentals for some companies in our universe
- Companies reaching our target share prices
- Exiting holdings where the investment case had become challenged
- Having a stronger bench of potential investments competing for a place in the portfolio

The final factor partly reflected enhancements to our ‘pre-mortem’ process, whereby we are now more specific and detailed about what would make us exit a holding prior to its inclusion in the portfolio. This led to relatively short holding periods for BYD and BE Semiconductor.

### Summary of portfolio activity in 2025

2025	Buys	Sells
Q1	BYD, Taiwan Semiconductor Manufacturing Company, Xiamen Faratronic	Aptiv, Rockwell Automation, Zhejiang Sanhua Intelligent Controls
Q2	Atlas Copco, BE Semiconductor Industries, WEG	Ansys, BYD, Delta Electronics
Q3	AGCO, Silergy	BE Semiconductor Industries, Spectris (acquired), Orsted
Q4	Hongfa Technology, Trimble, Valmont Industries	Industrie de Nora

A description of each of these companies and details of the buy/sell rationale can be found in the appendix.

### Portfolio positioning

Structurally higher power demand in the West and the cost-led acceleration of clean-tech adoption in the Global South are redefining where and how decarbonisation is happening. That has prompted us to lean further into emerging markets, reflecting conviction that the EM-led, cost-driven phase of the transition will be faster and broader than markets are currently pricing in. Meanwhile, we think developed-market clean-tech leaders have potential for more sustained growth than the market forecasts. This includes utilities that can provide low-cost renewable generation and modernised grids, as well as companies that enable energy and industrial efficiency. Examples include semiconductor leaders that help improve the power efficiency of electrification systems and data centres, and companies that enable more energy-efficient design and infrastructure planning. We also see exciting potential in precision agriculture, where select companies are providing solutions to decarbonise food systems and the sector is emerging from a multi-year downcycle.

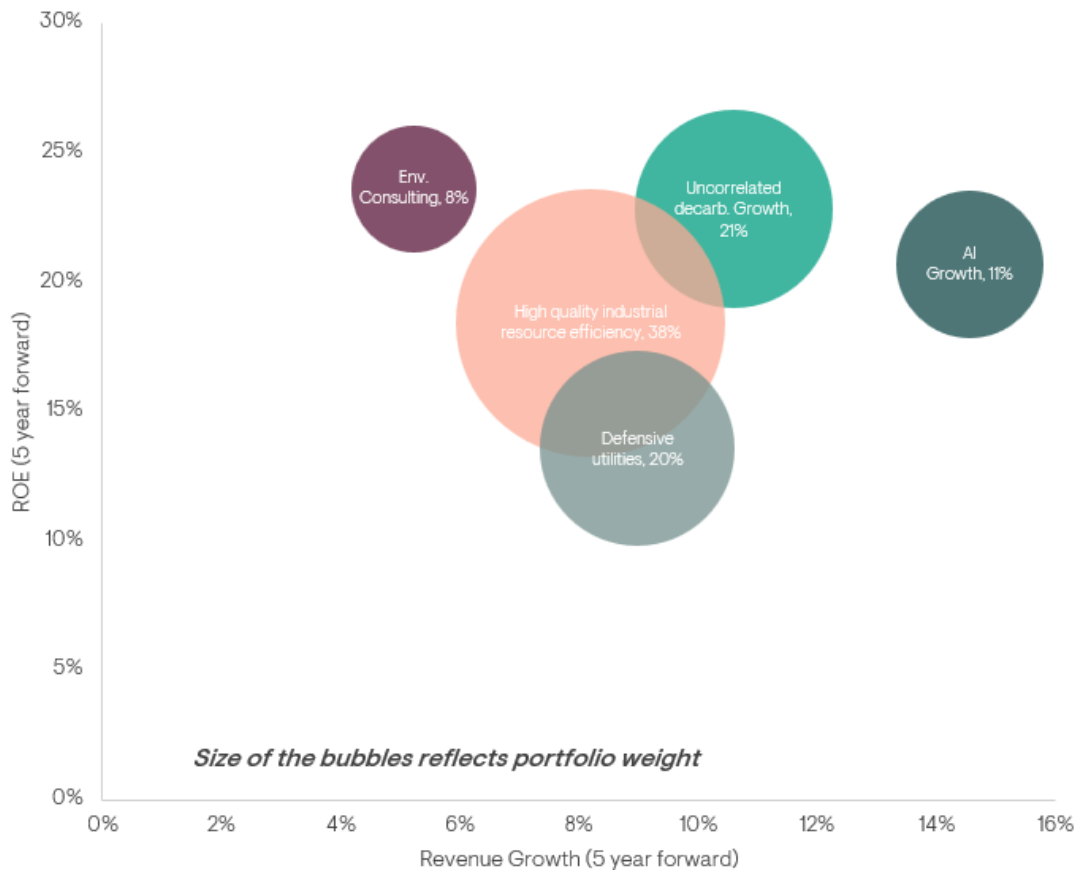
Based on these views, the portfolio is concentrated in high-quality compounders, complemented by more defensive utilities and higher growth businesses (Figure 4):

- The portfolio is anchored in high-quality compounders delivering industrial resource efficiency solutions (e.g., Atlas Copco, Novonesis, Schneider)
- This positioning is complemented by:
  - Uncorrelated decarbonisation growth themes (e.g., CATL, Voltronic PowerTechnology, Yadea)
  - Higher-growth companies decarbonising the AI supply chain (e.g., TSMC, Infineon)
  - Defensive utilities developing renewable assets (e.g., Iberdrola, NextEra Energy)

This barbell positioning provides balanced access to the net-zero transition, combining upside potential with relative downside protection compared with broader alternative energy indices. These characteristics aim to deliver more consistent returns across different market environments and heightened market volatility.

**Figure 4: a balanced portfolio**

High-quality compounders with utilities and higher-growth companies



Forecasts are inherently limited and are not a reliable indicator of future results.

No representation is being made that any investment will or is likely to achieve profits or losses similar to those achieved in the past, or that significant losses will be avoided. Source: Ninety One, 31 December 2025.

Based on a related portfolio with substantially similar objectives as those of the services being offered.

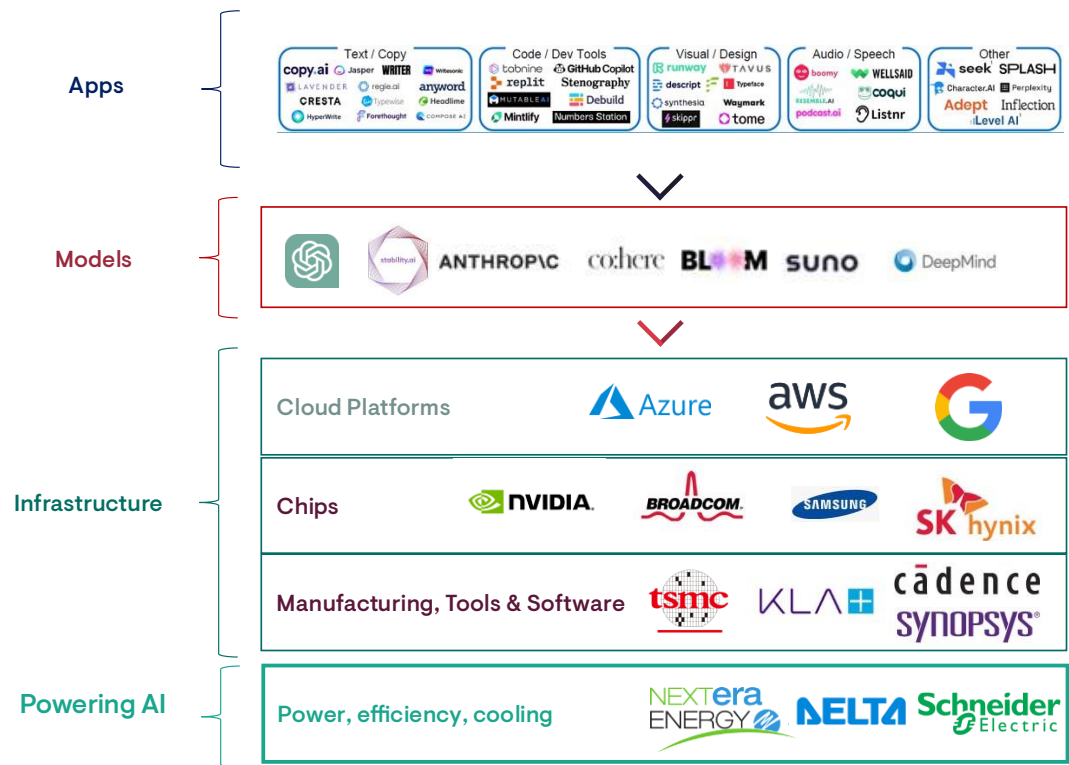
The portfolio may change significantly over a short space of time. Potential revenue growth and potential upside to our price targets based on Ninety One proprietary company models. There is no assurance that any assumptions are likely to be realized or that the assumptions made are reasonable.

For further information on model returns, please see the important information section.

**AI value-chain exposure**

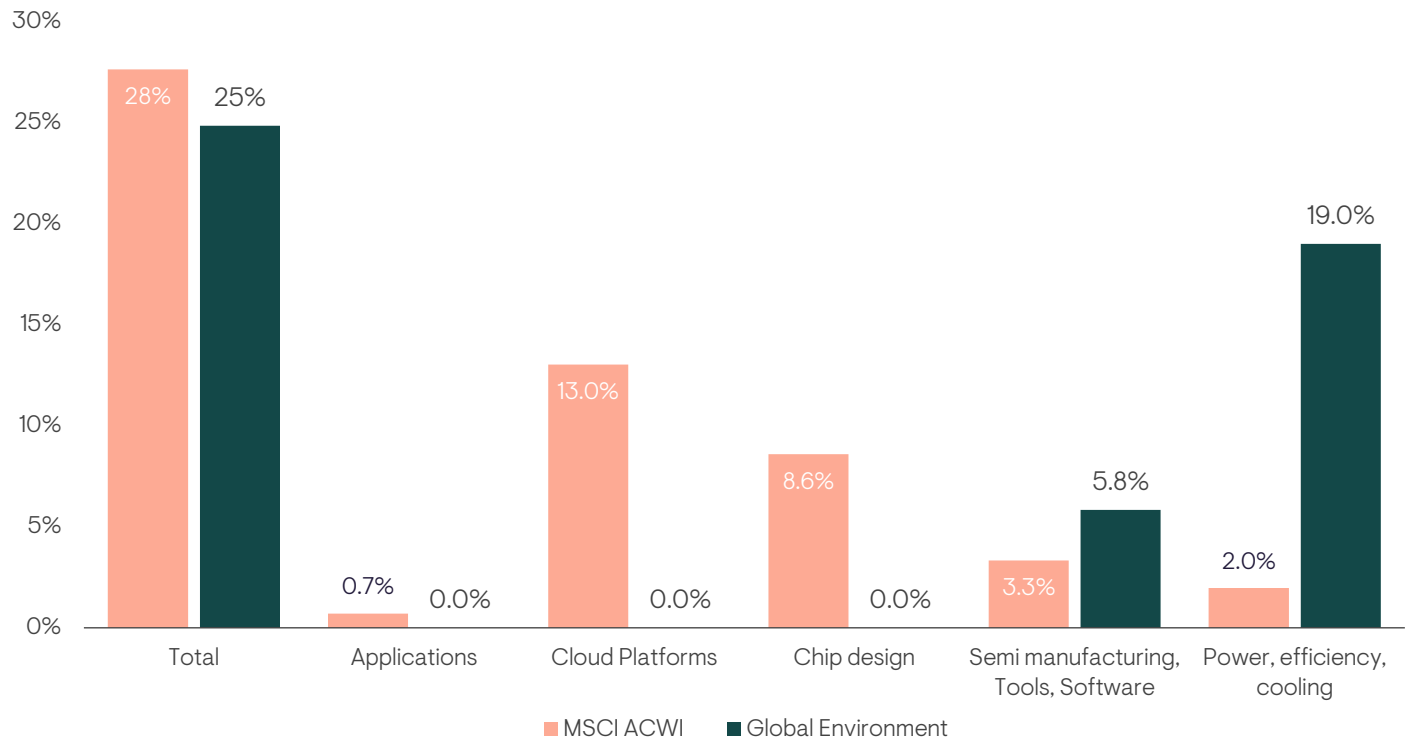
The AI value chain is multi-layered, comprising a highly diversified set of companies (Figure 5). We seek to identify decarbonisation solution providers within these layers that are leveraged to AI growth. At present, our AI exposures (Figure 6) are concentrated in the manufacturing, tools and software, and power, efficiency and cooling layers, rather than the more richly valued areas of the value chain (cloud platforms, models and applications layers).

Figure 5: the layers of the AI stack



Source: Ninety One.

Figure 6: Exposure across the AI value chain

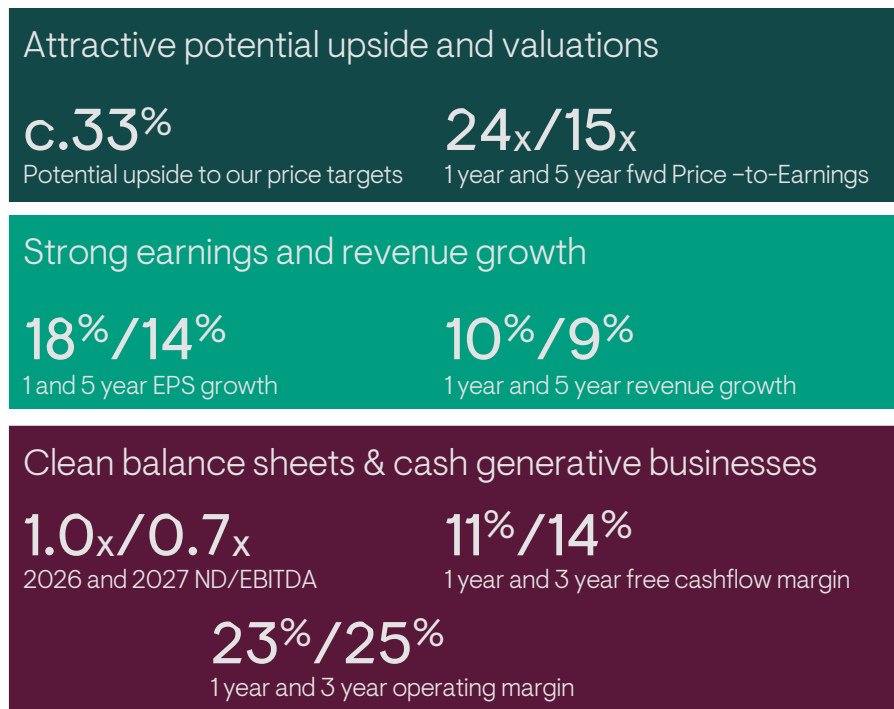


Source: Ninety One, Bloomberg, data as at December 2025. This is a qualitative categorisation based on our assessment of revenue materiality. This does not include renewable power developers.

For further information on indices, please see the Important information section.

Key portfolio metrics and estimates

The following metrics reflect our base case, which comprises conservative forecasts intended to leave a margin of safety regarding intrinsic value.



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Source: Ninety One, December 2025. The portfolio may change significantly over a short space of time. For further information on specific portfolio names, please see the Important information section. Potential revenue growth and potential upside to our price targets based on Ninety One proprietary company models. For further information on targeted returns, please see the Important information section.

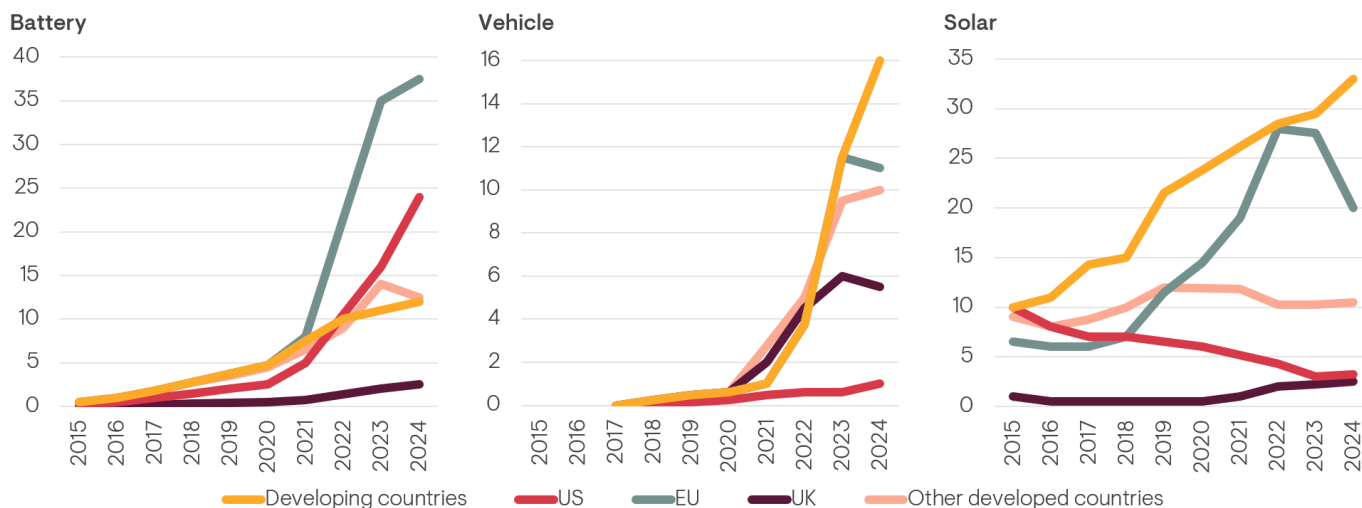
## Outlook

At the time of writing, growth expectations for the portfolio are higher than for the MSCI ACWI Index. However, the historical valuation premium that investors have previously been willing to pay for that growth has disappeared. Over recent years, higher interest rates and policy uncertainty have weighed heavily on clean-tech sentiment, but fundamentals for high-quality enablers of electrification, grid investment, efficiency and clean infrastructure have continued to strengthen (Figure 1). This has created a clear disconnect between price and long-term growth potential.

Putting aside nearer-term market gyrations, for leading companies in the decarbonisation universe we see a sustained path to longer-term value creation. The energy transition is still on, and it is accelerating in new ways. Emerging markets have evolved from the hardest to decarbonise economies, to those leading the transition. As a result, we believe EM companies present some of the most compelling sources of structural alpha in the transition. China’s role as the global clean-tech manufacturing hub is central to this acceleration. Nearly half of China’s exports of solar, wind and electric vehicles now flow to the Global South, enabling countries such as Pakistan, Brazil and parts of Southeast Asia to leapfrog the development of traditional power sources and go directly to cleaner energy systems (Figure 7). At the same time, China’s domestic focus on energy abundance to support AI and industrial competitiveness is catalysing further investment in storage, grids and advanced power technologies, with spillover benefits for global markets.

**Figure 7: China is the world’s supplier of clean tech**

### Value of green tech exports from China (US\$bn)

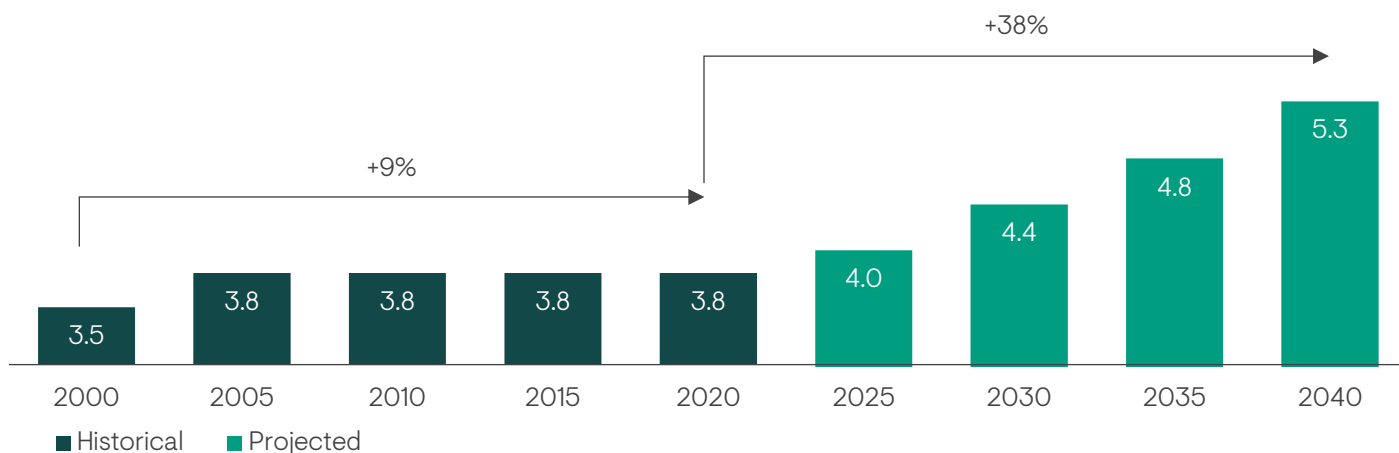


Source: Centre for Research on Energy and Clean Air analysis of Comtrade data. Value of imports shown at constant 2022 prices, based on averaged unit costs.

In developed markets, rising electricity demand (Figure 8) and the need for efficiency have created a significant market opportunity. After decades of flat consumption, power use is increasing across the US and Europe, driven by AI data centres, as well as electrified heating and cooling, and some industrial reshoring in the US. The investment implication is that decarbonisation becomes less about a linear substitution story and more about scaling the full enabling stack: generation, transmission, distribution, storage, power electronics, and cooling efficiency. This presents significant opportunities for decarbonisation investors.

Figure 8: US power demand is rising fast

Expected growth in US power demand (thousand TWh)



Source: NextEra Energy, 2024.

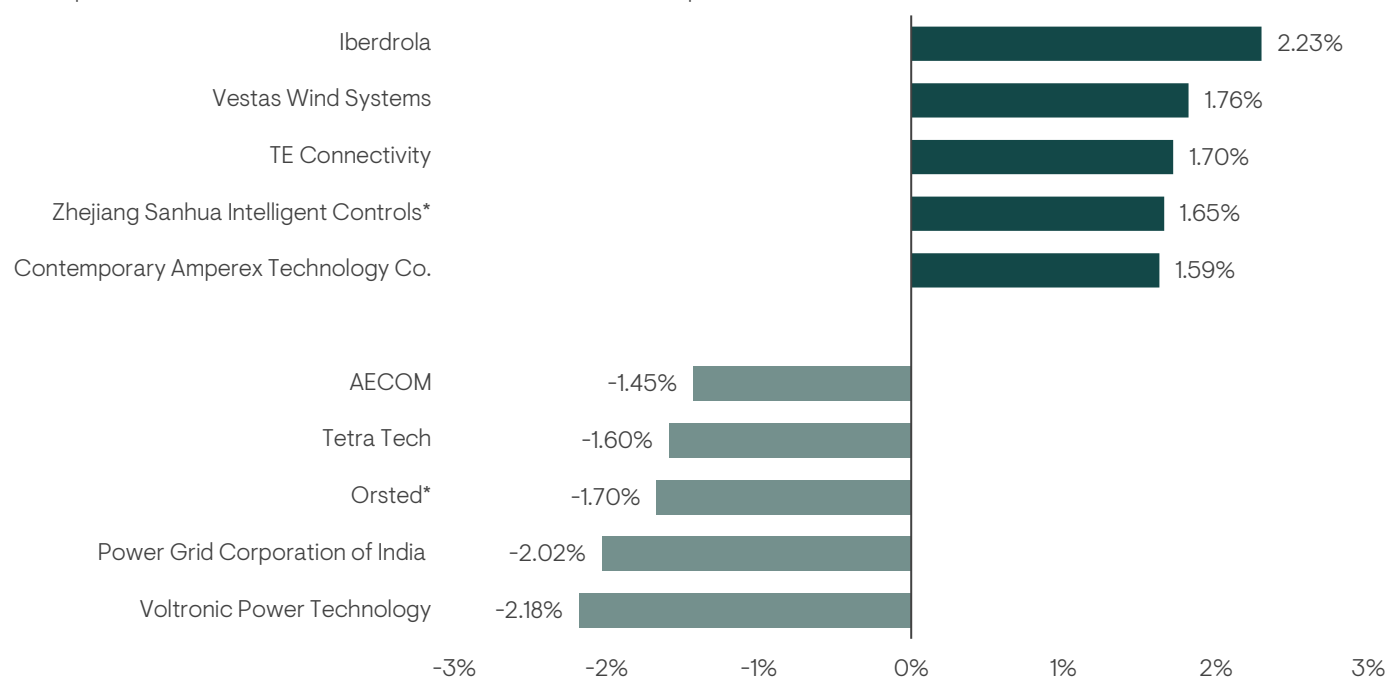
After a period when sentiment diverged sharply from fundamentals, we believe markets are turning in favour of active investors who can distinguish between cyclical hype and enduring structural growth. The portfolio currently trades on a similar price-earnings multiple to the index. This does not reflect a decline in the quality of the portfolio, which since inception has delivered an average return on equity of c.16% vs. c.15% for the MSCI ACWI. Consequently, investors in Global Environment today own businesses whose multiples reflect the backward-looking headwinds of the past few years, and appear to ignore the fact that these companies are expected to grow revenues at c.2x the rate of the index and have strong, stable returns.

In a market environment where aggregate equity returns are likely to be constrained by starting valuations and concentration risk, we believe that selectively allocating to mispriced structural growth within the decarbonisation value chain offers the potential for a differentiated return profile, driven by compounding earnings growth rather than valuation changes.

## Appendix

## Individual company attribution

The top five individual contributors to and detractors from relative performance over 2025 are shown below.



Source: Ninety One, 31 December 2025.

Attribution analysis (shown in USD) shows how the portfolio management contributed to (or detracted from) the resulting relative performance. Shown gross of fees and expenses. Please refer to the presentation of the total portfolio or composite gross and net performance to understand the overall effect of fees. \*Stocks no longer held in the portfolio. Relative Index: MSCI AC World Net Return.

For further information on indices and specific portfolio names, please see the Important Information section.

### Detractors from relative returns

- Voltronic Power Technology is a design and manufacturing service (DMS) supplier for uninterruptible power systems (UPS) and photovoltaic (PV) inverters. The company faced headwinds from short-term tariff uncertainty which disrupted order momentum in the UPS business, pricing pressure in its solar inverter business, and FX as 90% of its sales are denominated in USD (the US dollar weakened against the Taiwanese dollar during the year), resulting in lower-expected-revenue growth. We believe Voltronic is able to manage these short-term headwinds and, longer term, the investment case remains positive with continued outsourcing from tier 1 UPS customers and strong solar demand in emerging markets.
- Power Grid Corporation of India is a majority state-owned enterprise primarily engaged in building the power transmission infrastructure in India. The stock weakened over the past year despite solid execution, reflecting market concerns about rising competition in transmission tenders, slower capitalisation and a lack of near-term catalysts. While project delays weighed on results, management reaffirmed healthy capital-expenditure (capex) guidance and execution capacity, supported by government efforts to ease right-of-way issues. With a strong pipeline under India's National Electricity Plan, the outlook for the company remains underpinned by robust capex growth and tendering activity.
- Orsted is the global leader in developing, constructing and operating offshore wind farms. The stock underperformed as clean-energy companies sold off following the US election, with sentiment worsened by the Trump administration's pause of a major New York offshore project. These issues resulted in challenges in divesting a stake in Orsted's US Sunrise Wind offshore project, which ultimately led to the announcement of a sizeable rights issue. We exited the position due to the consequent shareholder-dilution risk.
- Tetra Tech provides technical/scientific consulting services to governments and private clients focused on decarbonisation, climate mitigation and biodiversity solutions. Over the year, Tetra Tech's share price was held back by political and budget-related uncertainty in the US, despite the business continuing to perform well operationally. Investor concerns around executive orders affecting USAID funding, and later the risk of broader federal spending cuts or a government shutdown, weighed on sentiment at various points. However, the company consistently demonstrated the essential nature of its work, winning new contracts and maintaining a strong backlog, even in areas facing budget pressure. Strong full-year results reinforced our conviction in Tetra

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Tech's resilient demand, high-quality execution and long-term growth prospects.

- AECOM is an infrastructure design and consultancy firm. AECOM delivered a strong performance throughout much of 2025 following multiple quarters of consistent execution. Earnings beats during the year were driven by strong margin improvement. However, in its Q3 earnings release, AECOM announced an investment to build its own AI design platform, which is a very different route to peers. This created near-term uncertainty around monetisation which weighed on the shares. That said, there is significant potential to drive efficiency and deliver attractive returns on investment. In addition, AECOM continues to deliver defensive growth compounding, with a positive outlook for sustained margin expansion.

### Contributors to relative returns

- Iberdrola is a global leader in clean energy, grids and storage. Iberdrola benefitted from reduced interest-rate expectations, expected future power demand increases from the growth of AI, and anticipation that the electrification of heating, cooling, mobility and industry will further boost electricity demand. This growing demand is expected to support power prices and create opportunities for new renewable-energy projects.
- Vestas is the world's largest wind-turbine manufacturer and service provider. The stock outperformed following the signing of the more balanced OBBBA (One Big Beautiful Bill Act), and stronger ordering. Vestas delivered a notable earnings beat for Q3, with strong execution driving record gross profit and returns, and strong additions to its order and services backlog.
- TE Connectivity offers connectivity and sensor solutions across transport, industrial and datacentre applications. The share price has performed well due to robust EV, data-centre and industrial demand. TE is well set up for 2026 with recovery in key segments, and a steep acceleration in AI content revenues.
- Zhejiang Sanhua Intelligent Controls is a leading global supplier of automotive heat-management systems and heating, ventilation and air conditioning (HVAC) components. Sanhua outperformed after Elon Musk outlined ambitious production plans for Tesla's Optimus humanoid robot, where Sanhua is the key actuators supplier. The position was sold in Q1 2025.
- Contemporary Amperex Technology Co. (CATL) is the largest EV battery and energy storage system (ESS) battery manufacturer globally. CATL reported strong earnings over the 12-month period, showing a c.40% increase in net profits year-on-year, supported by higher gross profit margins and robust demand from EVs, commercial trucks and ESS. Total shipments reached 180GWh to the end of Q3 2025, representing 44% year-on-year growth with a c.40% market share across both EVs and ESS, showcasing CATL's dominant market position.

## Portfolio activity: buys and sells in 2025

### Buys

- BYD is the leading global EV/PHEV manufacturer, with a strong competitive advantage from its scale and vertically integrated business model, which disrupts the traditional auto-sector model (see 'Sells').
- Taiwan Semiconductor Manufacturing Company's (TSMC's) leading-edge chips play a critical role in improving energy efficiency in data centres. These efficiency gains are a key driver of customer demand and underpin the company's long-term growth potential.
- Xiamen Faratronic is the world's leading manufacturer of film capacitors, an electronic component that smooths electrical flow in circuits. This technology is crucial to the functionality of solar inverters, wind turbines, EVs and energy-storage systems, and increasingly power grids and data centres. Faratronic is a high-quality company with strong growth potential, and stable profitability and returns.
- Atlas Copco is a market leader in compressed air solutions, vacuum technology, power tools and assembly systems. Its products support energy efficiency, productivity and automation across multiple sectors. This addition increased portfolio exposure to high-quality industrial resource efficiency.
- BE Semiconductor Industries (BESI) designs and manufactures semiconductor equipment, increasing portfolio exposure to AI-driven decarbonisation growth (see 'Sells').
- WEG is a large player in low-voltage industrial motors, gaining market share by offering high-efficiency products. It also supplies critical grid infrastructure in the Americas – a business that is growing due to supply constraints and rising electrification – and is well positioned in its domestic market of Brazil across solar, wind, transmission, distribution and electric mobility.
- AGCO is a leading manufacturer of agricultural equipment whose precision-agriculture technologies enhance productivity and reduce environmental impact. As well as lowering emissions, its technologies can improve farm economics, soil health and carbon sequestration.
- Silergy designs and develops analog integrated circuits (ICs), focusing on power-management solutions. Its power-efficient chips expose the company to long-term structural growth from power-efficiency upgrades. It is also benefiting from China's analog-chip localisation efforts.

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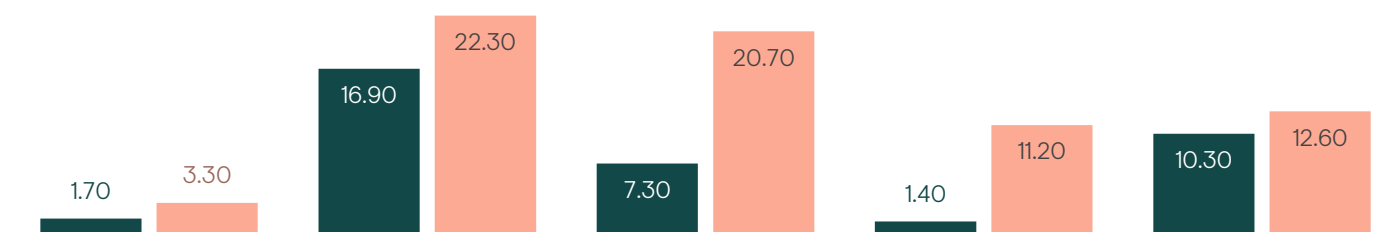
- Hongfa Technology is a leading manufacturer of relays, which are small but crucial electrical switches used to control the flow of electricity in products and industrial systems. For example, relays are key components in EVs, renewable-energy systems (like solar and energy storage), and energy-efficient smart meters.
- Trimble has a leading software platform that supports the digitisation and decarbonisation of construction and transport. Its solutions help engineers, builders and logistics operators design, plan and manage projects more efficiently, reducing waste, emissions and costs.
- Valmont Industries is a global leader in engineered infrastructure and precision-agriculture systems, specialising in steel utility poles, transmission towers and mechanised irrigation equipment. Its products support grid modernisation, water efficiency and climate-resilient infrastructure in 60+ countries.

## Sells

- Aptiv was sold due to a weakening structural growth outlook, partly reflecting the company's underweight exposure to the leaders in the EV market. In addition, we saw a softer near-term outlook for EV growth overall in the EU and US, while US trade policy was creating uncertainty across the US auto value chain.
- Rockwell Automation was sold as the likelihood of a roll-back of Inflation Reduction Act EV incentives meant we expected lower investment in US EV production, limiting the potential for further upside in the stock.
- Zhejiang Sanhua Intelligent Controls was sold as it had neared our estimate of intrinsic value. While the company's fundamentals remained strong, its share price had built in very high expectations regarding Tesla's humanoid robots.
- We sold Ansys as we viewed risks to the acquisition by Synopsys increasing given the potential for delayed regulatory approval.
- While we saw strong upside in BYD driven by volume growth, we felt we needed to step aside while the intense price war in China played out. With the share price above our purchase price, we took the opportunity to exit. We continue to have very high conviction in the overseas growth story for BYD and have exposure to Xiamen Faratronic (which produces a critical component for EVs but is less exposed to brand-level price competition). We will revisit the stock in the future.
- We sold Delta Electronics due to increased risks from US trade policies. The company is headquartered in Taiwan and, while it had taken steps to diversify manufacturing, tariff uncertainty alongside high US revenue exposure meant we decided to exit the position.
- We sold BE Semiconductor Industries after a slowdown in new orders, especially from its mainstream and smartphone markets. Competitive pressures resulting in margin compression, and repeated delays against management's order guidance, added to our concerns. At then-current valuations we saw limited upside.
- We exited Spectris following a series of takeover offers. We sold our remaining shares to Advent at c.£41/share, which was c.£3.30/share higher than the initial offer, and a c.100% premium to the pre-takeover share price.
- We exited our position in Ørsted following its announcement of a rights issue, following difficulties in divesting a stake in its US Sunrise Wind offshore project (the latter was partly a function of the US election result). The rights issue introduced unquantifiable dilution for shareholders.
- Industrie De Nora makes specialist energy-efficient electrodes for electro-chemical processes, with a nascent hydrogen business. We exited the position as the outlook for hydrogen looks increasingly challenged.

Performance (I Acc USD)

Trailing (%)



	3 months	1 year	3 years p.a.	5 years p.a.	Since inception p.a.		
<b>Calendar (%)</b>	<b>2019 (Feb)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
■ Fund	18.6	54.2	11.9	-22.4	5.7	-0.1	16.9
■ Benchmark	7.0	16.3	18.5	-18.4	22.2	17.5	22.3
Active return	11.6	37.9	-6.7	-4.1	-16.5	-17.6	-5.4

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

Source: Morningstar, 31 December 2025.

Performance is net of fees (NAV based, including ongoing charges, excluding initial charges), gross income reinvested, in USD.

Performance start: 25 February 2019 (fund launch).

Fund: Global Environment (I Acc USD). This fund is actively managed and is a sub-fund of the Ninety One Global Strategy Fund (GSF).

Benchmark: MSCI AC World Net Return (MSCI Global Environment ex Software and Services ex Real Estate ex Mortgage REITs 10/40 Net Return pre 31/10/2019). The current benchmark is shown since inception, is used for performance comparison.

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**General risks:** The value of investments, and any income generated from them, can fall as well as rise. Costs and charges will reduce the current and future value of investments. Past performance does not predict future returns. Investment objectives may not necessarily be achieved; losses may be made. Target returns are hypothetical returns and do not represent actual performance. Actual returns may differ significantly. Environmental, social or governance related risk events or factors, if they occur, could cause a negative impact on the value of investments.

**Specific fund risks:** **Currency exchange:** Changes in the relative values of different currencies may adversely affect the value of investments and any related income. **Derivatives:** The use of derivatives is not intended to increase the overall level of risk. However, the use of derivatives may still lead to large changes in value and includes the potential for large financial loss. A counterparty to a derivative transaction may fail to meet its obligations which may also lead to a financial loss. **Equity investment:** The value of equities (e.g., shares) and equity-related investments may vary according to company profits and future prospects as well as more general market factors. In the event of a company default (e.g. insolvency), the owners of their equity rank last in terms of any financial payment from that company. **Concentrated portfolio:** The portfolio invests in a relatively small number of individual holdings. This may mean wider fluctuations in value than more broadly invested portfolios. **Emerging market:** These markets carry a higher risk of financial loss than more developed markets as they may have less developed legal, political, economic or other systems. **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.

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### Targeted or projected performance returns

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There is no assurance that the persons referenced herein will continue to be involved with investing for this Strategy, or that other persons not identified herein will become involved with investing assets for the Manager or assets of the Strategy at any time without notice. References to specific and periodic team meetings are not guaranteed to be held or fully attended due to reasonable priority driven circumstances and holidays.

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