



Global Environment Fund

Annual Sustainability Disclosure Report



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Fund:	Global Environment Fund (“the Fund”)
Sustainability Label:	Impact
Fund Identifier:	213800BU6SZYC4R6YD14
Manager:	Ninety One UK Limited
Reporting Period:	2 Dec 2024 to 31 Dec 2025
Publish date:	30 April 2026

Purpose of this document

To provide an update on the Fund’s progress towards achieving its sustainability objective and how it is performing against its Key Performance Indicators (KPIs).

This is the Fund’s first Annual Sustainability Disclosure Report. The reporting period commences on 2 December 2024, being the date on which the Fund adopted the Sustainability Impact label.

Note: KPI data is reported as at 31 December 2024, reflecting data availability timelines at the time of publication. All other data and metrics within this report reflect the full reporting period ending 31 December 2025.

Sustainability label

Sustainability Impact – invests mainly in solutions to sustainability problems, with an aim to achieve a positive impact for people or the planet.

Sustainable investment labels help investors find products that have a specific sustainability goal. For a detailed explanation of each label and its meaning, please refer to the [FCA Website](#).

1. Sustainability Objective

The Fund’s sustainability objective is to invest in and engage with companies that provide products and services that reduce greenhouse gas emissions and help address climate change. The positive impact of these products and services is measured through carbon avoided, representing emissions that would otherwise have reached the atmosphere in the absence of these solutions. The Fund aims for portfolio companies to grow their decarbonising products and services, and therefore their carbon avoided, over at least a five-year period.

The Fund prioritises capital growth driven by decarbonisation. This focus is expected to result in performance outcomes that differ from funds without a sustainability objective, as companies whose growth is not driven by decarbonisation will not be included.

1.1 Investment policy and strategy

The Fund’s investment objective is to grow the value of your investment and provide income over the long term (at least 5 years), after allowing for fees. The Fund has an impact sustainability objective to invest in and engage with companies whose products and/or services address the environmental challenge of climate change through decarbonisation (reducing greenhouse gas emissions to reduce global warming) to grow the provision of such products and/or services over at least 5 years.

The Fund invests at least 70% (and typically substantially more) of its assets in the shares of companies around the world that meet its sustainability objective, specifically companies whose products, technologies and/or services avoid carbon, relative to their industry peers. These companies are typically committed to renewable energy, resource efficiency and/or electrification (the process of powering by electricity by switching from other power sources).

1.2 How the product invests in accordance with the manager's investment objective and policy

Investment approach

Everything the Fund invests in is aligned to its sustainability objective. The investment process focuses on identifying companies whose products and services enable decarbonisation and support the transition to a lower-carbon economy.

The strategy is centred on three key decarbonisation themes:

- Renewable energy (e.g. solar, wind, clean power utilities, grids and networks)
- Electrification (e.g. electric vehicles, industrial electrification, hydrogen, heating and cooling)
- Resource efficiency (e.g. waste management, buildings, agriculture, consumer products and industrial efficiency)

Decarbonisation universe – The investment universe is constructed by identifying companies that generate at least 50% of their revenues from sectors most likely to enable decarbonisation. Companies are further assessed to determine whether their products or services genuinely enable emissions reductions compared to current alternatives. Carbon avoided is assessed using company disclosures where available or estimated where disclosures are not provided.

Company analysis – Each company is subject to detailed fundamental analysis, including assessment of:

- The proportion of revenues derived from decarbonisation solutions (with at least 20% considered strategically significant)
- Competitive positioning and growth potential
- Financial sustainability and return profile
- Positive and negative environmental and social effects

Companies with material negative impacts on the environment or society are excluded from the Fund.

2. Stewardship and Engagement

As part of its stewardship and engagement activities, the Investment Manager met with each portfolio company multiple times during 2025, undertaking 67 engagements across the year. While its focus remained predominantly on environmental issues, it also engaged meaningfully on governance and social matters. Engagement outcomes and progress on objectives are detailed in its company assessments. As always, any positive developments reflect collaborative efforts by the broader investment community and company leadership, not just its own engagements.

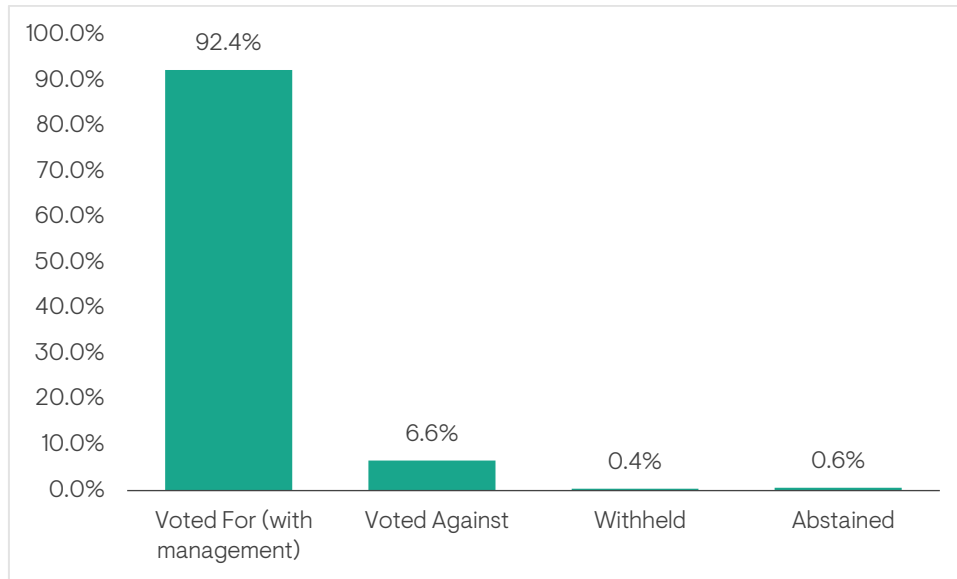
A key area of focus in 2025 was climate change, representing approximately 50% of its total engagement activity. It encouraged the adoption of science-based net-zero targets, improved disclosure of carbon avoided, and growth of decarbonisation solutions. Several companies made tangible progress:

- TSMC committed to SBTi-verified net-zero targets, which represents significant progress towards engagement goals. The company has demonstrated early leadership in transparency, though the Investment Manager continues to press for improvements in the quality of renewable sourcing and disclosure granularity.
- Canadian Pacific Kansas City has established itself as an industry leader in hydrogen rail technology. Phase one testing demonstrated performance parity with diesel engines, a 10% projected emissions reduction once scaled, and potential operating cost savings of up to 80% under optimal infrastructure conditions.
- Power Grid is progressing towards Scope 3 disclosure and expects to publish data in its next annual report. The team welcomed the carbon avoided methodology and is aiming to apply a similar calculation in future reporting.

On the social front, the Investment Manager engaged on workforce cultures: for example, discussions with Tetra Tech focused on employee engagement disclosure and sharing of best-in-class examples of employee engagement information, including disclosure by function and region.

Proxy voting

The Investment Manager voted on 498 proxy items during the year ended 31 December 2025. The vast majority of votes were cast in support of management proposals. However, the Investment Manager voted against management on 6% of proposals. Most votes cast against management related to share issuance and capital authority, director elections, and executive remuneration. A breakdown of the Investment Manager's voting activity is provided in the chart below.



Source: *Ninety One*

For more information on sustainable investing at Ninety One, please see our annual [Sustainability and Stewardship report](#)

3. Sustainability and Climate Metrics

The Fund uses a combination of sustainability outcome indicators and climate-related metrics to assess progress towards its sustainability objective and to monitor climate-related risks and opportunities.

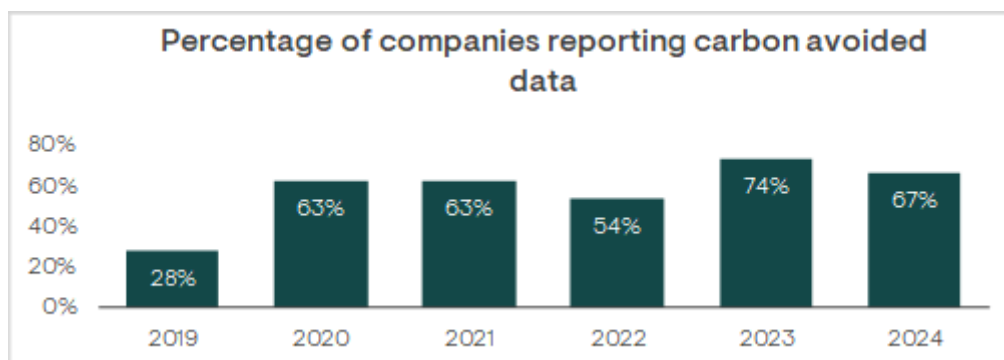
3.1 Sustainability outcome indicators

3.1.1 Carbon avoided

Carbon avoided is the Fund's primary impact metric and represents emissions that would otherwise have reached the atmosphere if the decarbonising products and services provided by portfolio companies were not available.

A note on how to read the data in this section: carbon figures are typically reported with an 18-month lag, and as the Fund adds new positions it takes time to engage with those companies to begin reporting. This means the percentage of companies reporting may dip temporarily as new holdings are added – this is expected and does not indicate a deterioration in the portfolio.

The trend in carbon avoided reporting since inception has been strongly positive, rising from 28% of companies reporting in 2019 to 67% in 2024.



3.1.2 Percentage of companies reporting year-on-year carbon avoided growth

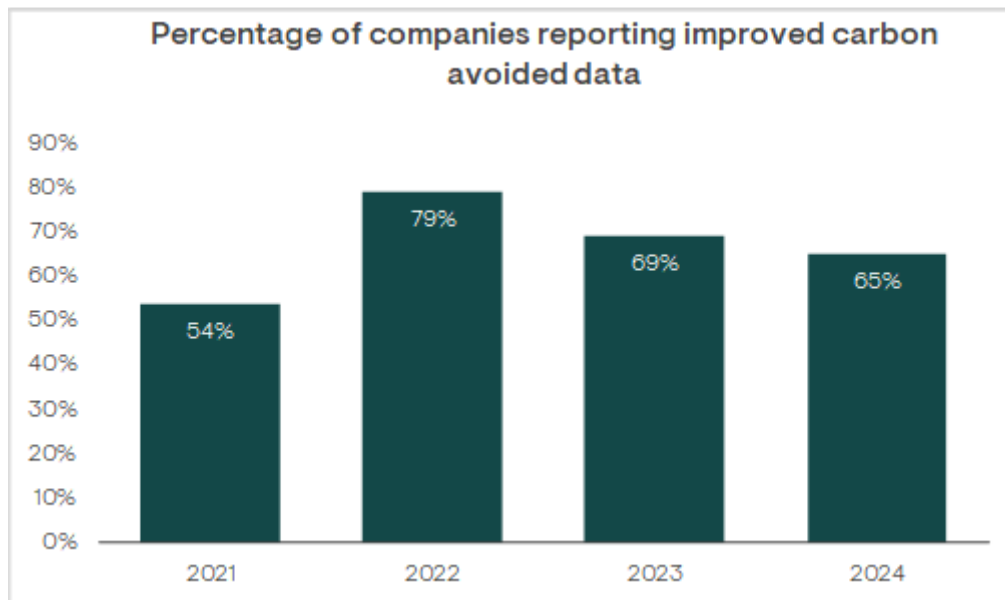
Once a company reports carbon avoided data, the Investment Manager can begin to track whether its contribution to decarbonisation is growing year on year. Annual engagement goals are set on this basis, since growth in carbon avoided is central to

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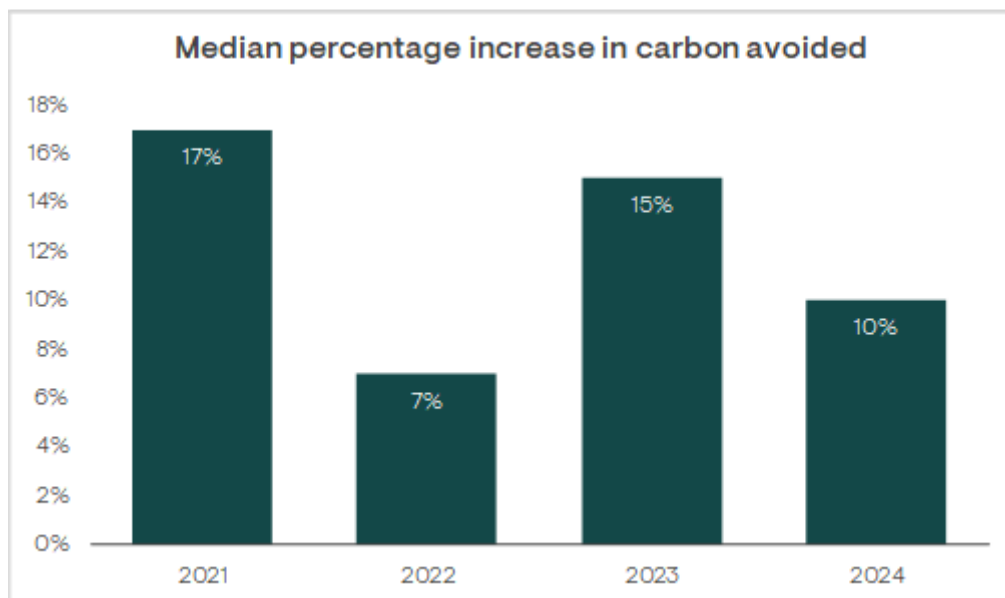
both the environmental impact thesis and the expectation of long-term financial returns.

The chart below shows the proportion of portfolio companies that both report carbon avoided and have increased it compared to the previous year. It provides insight into whether companies are growing the products and services that support decarbonisation, which is central to the Fund's sustainability objective.

The aim is that every company increases its carbon avoided every year – selling more of the products and services that contribute to decarbonisation and therefore addressing climate change. Since inception, the majority of companies have been improving their carbon avoided year on year, demonstrating that they are delivering growing positive impact through their decarbonisation solutions.



Among companies that report carbon avoided, the median annual increase has been significant – reaching double digits in most years. This reflects real expansion in the scale of decarbonisation products and services these companies provide. The Investment Manager also expects this growth to translate into stronger revenues over time, which is why carbon avoided sits at the heart of both the impact objective and the investment case for each holding.



3.2 Supporting climate and transition metrics (TCFD-aligned)

The following climate and transition metrics are calculated in line with the Task Force on Climate-related Financial Disclosures (TCFD) methodologies and are used to monitor the Fund's exposure to climate-related risks and opportunities. These metrics support, but do not replace, the Fund's sustainability outcome KPIs.

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The carbon metrics calculated according to the TCFD methodology may be subject to fluctuations in the underlying security weight, enterprise value, revenue, not only by changes to the absolute carbon emissions of companies. Variations in carbon metrics from year to year should therefore be considered with caution.

Climate Metric	2024	2025*
Scope 1 & 2 emissions (tCO ₂ e)	31,167.5	17,967.9
Scope 3 emissions (tCO ₂ e)**	240,071.8	332,580.2
Scope 1 & 2 footprint (tCO ₂ e/mGBP invested)	62.9	35.6
Scope 1 & 2 weighted average carbon intensity (tCO ₂ e/mGBP revenue)	229.5	224.8
% of corporate emissions data coverage (including estimates)	100.0%	99.2%
of which are estimates	2.0%	2.5%
% Fund with SBTi commitment/approved target	69.0%	55.2%

Source: Ninety One, as at 31 December 2025

* Some of the above differences could be attributable to changes in portfolio composition, updated estimation methodologies, and shifts in data coverage rather than a deterioration in the underlying sustainability profile of the Fund's investments.

** Scope 3 data is complex, varies widely and is subject to underreporting and estimation errors. It includes supply chain and product usage emissions and should be interpreted cautiously when comparing companies or funds.

The Fund's absolute Scope 1 and 2 emissions declined year on year from 31,167.5 to 17,967.9 tCO₂e, which is a positive development. Scope 3 emissions increased over the same period from 240,071.8 to 332,580.2 tCO₂e, though this is partly attributable to broader data capture and improvements in estimation methodologies rather than solely reflecting changes in the underlying emissions profile of the Fund's investments.

Carbon footprint metrics improved year on year, with the combined Scope 1 and 2 footprint declining from 62.9 to 35.6 tCO₂e/mGBP invested, indicating a meaningful reduction in emissions relative to the amount invested. Weighted average carbon intensity also improved modestly, declining from 229.5 to 224.8 tCO₂e/mGBP revenue over the period.

Considering forward-looking metrics, SBTi target coverage declined year on year from 69.0% to 55.2%. The Investment Manager notes that this reduction reflects changes in the composition of the Fund's holdings over the period rather than a deterioration in issuer-level commitment to science-based targets, and the Fund continues to maintain meaningful exposure to issuers with approved or committed net-zero pathways.

4. Further Reporting

More detailed information on the Fund's sustainability metrics, engagement outcomes, and impact measurement is provided in the Fund's Annual Impact Report at [ninetyone.com](https://www.ninetyone.com).

Full climate-related financial disclosures are provided in the Fund's product-level [TCFD](#) report, which complements this SDR disclosure.

For latest copies of the Fund's Key Investor Information Document and Prospectus, please visit [ninetyone.com/sustainability](https://www.ninetyone.com/sustainability).

5. Glossary

Carbon footprint

This figure is derived by taking the sum of the 'financed emissions' based on the percentage held of each assessable security's enterprise value. This is normalised by dividing by the total amount of pounds invested in the securities to give a comparable footprint.

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Carbon 'scope'

Scope 1 & 2 emissions are a proxy for how efficiently a company is managing its carbon emissions; the upstream part of Scope 3 provides an indicator of the carbon emissions in a company's supply chain; and of a company's products as they are used during their life-cycle

Scope 1

Relates to the direct emissions from owned or controlled sources, for example fuel burned on site and company owned vehicles.

Scope 2

Relates to the indirect emissions from the generation of purchased energy, steam, heating and cooling for the company's own use.

Scope 3

There are 15 separate categories of Scope 3 emissions including eight that relate to the supply chain and seven that relate to the emissions of the products once they are sold/used.

Carbon intensity & Weighted Average Carbon Intensity ('WACI')

This measures the carbon emissions of a given entity per U GBP£ million of products or services sold (revenue). At the portfolio or index level, the figure takes the weighted average carbon intensity of each assessable security in the portfolio/index to determine an overall carbon intensity.

Carbon avoided

The volume of greenhouse gas emissions avoided due to products, technologies and services that result in fewer emissions than the status quo products, technologies and services.

SBTi

Science Based Targets initiative defines and promotes best practices in emissions reductions and net-zero targets in line with climate science. Provides target setting methods and guidance to companies to set science-based targets in line with the latest climate science.

TCFD – Task Force on Climate-related Financial Disclosures

A global framework for companies to disclose how climate change impacts their financial risks, strategy, and performance. For additional technical terms, please refer to [ninetyone.com/glossary](https://www.ninetyone.com/glossary).

Contact us

For more details please visit www.ninetyone.com/contactus

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