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Asset Management

# Ninety One Funds Series iv Annual Report and Accounts

For the year ended 31 May 2021



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\*The above information collectively forms the Authorised Corporate Director's Report

# Diversified Growth Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide real returns (in excess of UK inflation, currently measured by the increase in the UK Consumer Price Index (CPI)) through capital growth (to grow the value of your investment) and income over at least 5 years.

The Fund targets a return of UK CPI +5% (before fees) per year over rolling 5-year periods.

While the Fund aims to achieve real returns and its performance target, there is no guarantee that either will be achieved over rolling 5-year periods, or over any period of time and there is a risk of loss.

The Fund invests in a broad range of assets around the world. These assets include the shares of companies, bonds (or similar debt-based assets), commodities, property and alternative assets (such as hedge funds, infrastructure funds and private equity funds). Investments may be held directly in the asset itself (excluding commodities and property) or indirectly (e.g. using derivatives (financial contracts that are linked to the value of an underlying asset), exchange traded products and/or through funds).

Investment in alternative assets will be restricted to UCITS funds (a type of retail investment fund) and transferable securities.

The Fund may invest up to 85% in the shares of companies which may be of any size and in any industry sector.

Bonds (or similar debt-based assets) may be in any currency, have any credit rating or be unrated, and may be issued by any borrower e.g. governments or companies.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 100% in units or shares of other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The Fund cannot replicate the target benchmark index (CPI consists of the prices of a shopping basket of consumer goods and services).

## Performance record

	12 months (%)
Diversified Growth Fund 'I' accumulation shares	17.40*
Performance comparison index	6.60**
Peer group sector average	Not applicable**

Past performance is not a reliable indicator of future results, losses may be made.

## Diversified Growth Fund (continued)

### Performance review

The Fund produced a positive return over the period, comfortably outperforming its performance target.

### Factors helping performance

The Fund delivered a positive absolute return over the period, as the strong performance since April 2020 continued. Equities delivered sustained outperformance, in particular our holdings in Chinese and Asian consumer stocks. Gold, which reached a record high over the period, was a contributor to returns, although some of these were given back in Q1, 2021. Allocations to infrastructure and high yield credit also aided performance.

Importantly, the Fund built up an allocation to decarbonisation stocks over the second half of the year, and into 2021. These benefited from tailwinds for companies in the environmental and renewable energy space as a result of the US election outcome and positive climate-policy developments.

### Factors hindering performance

While broadly positive over the year, there were some pockets of weakness, notably in the first quarter of 2021. Asian equity positions lost ground with Midea, Xinyi Solar and Sanhua Intelligent among the key detractors over the quarter. Broader Asian and EM equity markets underperformed over the quarter due to strengthening in the US dollar and investor fears that Chinese policy will be tightened, in addition to China's clampdown on technology companies. We remain comfortable with our exposure to these stocks.

The small exposure to emerging market debt, principally through South Africa local currency bonds, detracted slightly, as US Treasury yields continued to rise. Having partially unhedged pound sterling exposure dampened returns as the currency was relatively strong. Emerging market currency positions also detracted as the Chinese currency weakened and the Turkish lira sold off after the head of the central bank was replaced. We remain comfortable with our exposure levels to both currencies.

### Portfolio activity

#### Significant purchases

Australia Government Bond 1.5% 21/06/2031, New Zealand Government Bond 1.5% 15/05/2031, Iberdrola, NextEra Energy, Colombian TES 7.25% 18/10/2034, Bank of America, Housing New Zealand 3.42% 18/10/2028, Housing New Zealand 1.534% 10/09/2035, Tencent Music Entertainment ADR, Peru Government Bond 6.15% 12/08/2032.

#### Significant sales

iShares Physical Gold ETC, iShares EUR High Yield Corp Bond UCITS ETF, 3i Infrastructure, Wuliangye Yibin, Indonesia Treasury Bond 7% 15/09/2030, Russian Federal Bond - OFZ 6.5% 28/02/2024, Bank of America, American Express, Nidec, Rio Tinto.

### Outlook

Over the past year we have leaned on policy to be the key driver behind asset markets. Keeping interest rates low and implementing quantitative easing has acted to push investors out across the risk spectrum, while aggressive fiscal support has helped consumers maintain spending, or increase savings. This has driven our focus on looking through the immediate effects of the lockdowns to consider the vaccine roll out in major markets like the US and the likely release of pent up demand. Looking forward, we believe that the current pace of vaccine programmes could possibly allow for a return to more normal social distancing in the second half of this year for much

## Diversified Growth Fund (continued)

of the developed world. At the same time, the size of fiscal and monetary policy support remains significant as central banks and governments seek to support households and businesses through this period of economic weakness and foster a return toward full employment.

Our central scenario for financial markets continues to be that volatility will likely remain in the coming months, although we believe that the near-term adjustment in government bond yields is close to complete and yields will likely consolidate through the summer months as shorter-term inflation pressures dissipate. Risk premia have compressed considerably from the extreme levels reached a year ago but are elevated relative to history in a number of areas and developed market real yields remain negative, which is supportive of asset markets.

Longer-term, the structural themes backing our holdings appear strong. The case for investing in decarbonisation is compelling, in our view. Global commitments to reducing carbon emissions exceeded our expectations last year and developments over 2021, including President Biden's US\$2.25 trillion infrastructure and green spending plans and the details within China's 14th Five Year Plan, further support the case. The clean energy transition needs vast additional spending and innovation, and we think that climate change solutions remain an important structural-growth investment opportunity.

For now, we continue to have a growth bias in the portfolio but as a result of the recent sharp rise in yields, valuations in fixed income assets are more attractive once again and are offering us opportunities to diversify the portfolio. We have maintained the portfolio's exposure to decarbonisation stocks as well as our focus on the broader environmental and social sustainability characteristics of holdings alongside traditional financial considerations. We continue to watch China's credit cycle, the progress in vaccine rollouts and the willingness of central banks to maintain highly accommodative policy as economies recover and inflation rises, believing that these are the primary forces driving financial markets from here.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\* For this Fund, there is no applicable benchmark or peer group sector against which to measure performance. The Fund's performance target is to exceed UK CPI + 5% p.a. (gross) over rolling 5 years and is shown for performance comparison purposes only.

The opinions expressed herein are as at end of May 2021.

## Diversified Growth Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the mix of assets the Fund invests in, tends to produce returns which fluctuate more than those of cash funds but less than those of funds which solely invest in the shares of companies.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**Currency exchange:** Changes in the relative values of different currencies may adversely affect the value of investments and any related income.

**Default:** There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The worse the credit quality of the issuer, the greater the risk of default and therefore investment loss.

**Derivatives:** The use of derivatives may increase overall risk by magnifying the effect of both gains and losses leading to large changes in value and potentially large financial loss. A counterparty to a derivative transaction may fail to meet its obligations which may also lead to a financial loss.

**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.

**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.

**Government securities exposure:** The Fund may invest more than 35% of its assets in securities issued or guaranteed by a permitted sovereign entity, as defined in the definitions section of the Fund's prospectus.

**Interest rate:** The value of fixed income investments (e.g. bonds) tends to decrease when interest rates rise.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Emerging Markets Blended Debt Fund

## **Summary of the Fund's investment objective and policy**

The Fund aims to provide income and capital growth (to grow the value of your investment) over at least 5 years.

The Fund invests primarily (at least two-thirds) in bonds (or similar debt-based assets) issued by emerging market borrowers or borrowers that have significant economic exposure to emerging markets (that have less developed economies).

These bonds (or similar debt-based assets) may be denominated in either local currencies (the currency of the issuing country) or hard currencies (globally traded major currencies). They may have any credit rating or be unrated and may be issued by any borrower e.g. governments or companies.

The Fund uses derivatives (financial contracts whose value is linked to the price of bonds or similar debt-based assets) to protect against the impact of changes in the value between its base currency (Pounds Sterling) and US Dollars, consistent with the currency hedging (a technique used to reduce risk) in the Fund's comparator benchmark. This hedging will be implemented automatically regardless of whether the rate of exchange between Pounds Sterling and US Dollars is increasing or decreasing.

The currency hedging in the Fund seeks to reduce, but is not intended to remove, currency risk between Pounds Sterling and US Dollars. The Fund's actual exposure to US Dollars at any time may be higher or lower than the US Dollar exposure hedged to Pounds Sterling in the comparator benchmark, depending on the Investment Manager's investment view on currency returns and/or volatility. Where higher, this will result in additional currency exposure within the Fund to US Dollars. Where lower, this will result in additional currency exposure within the Fund to Pounds Sterling.

Investment opportunities are identified using macroeconomic research (based on a view of the economy as a whole) and research on individual companies.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The comparator benchmark, the 50% JPMorgan GBI-EM Global Diversified, 25% JPMorgan EMBI Global Diversified Hedged GBP, 25% JPMorgan CEMBI Broad Diversified Hedged GBP Index, is used for performance comparison and risk management. The Fund does not seek to replicate the index.

The Investment Association Global Emerging Markets Bond - Blended Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Emerging Markets Blended Debt Fund (continued)

### Performance record

	12 months (%)
Emerging Markets Blended Debt Fund 'I' accumulation shares	5.13*
Performance comparison index	1.93**
Peer group sector average	4.11**

Past performance is not a reliable indicator of future results, losses may be made.

### Total deemed income distributions per 'I' accumulation shares

12 months to 31 May 2021	6.12 pence
12 months to 31 May 2020	7.18 pence

The amount of income payable may rise or fall.

### Performance review

The Fund outperformed the benchmark performance and the peer group sector average over the period.

### Factors helping performance

Positive contributors to returns included overweight positioning in South African utility Eskom's hard currency bonds. Initially under pressure from the COVID pandemic-driven sell-off, Eskom's bonds recovered and benefitted from the subsequent risk-on rally towards the end of the year, particularly as investors sought to increase risk and allocate to high-yielding assets after the US election result and COVID vaccine announcements.

The Fund's positioning in Angola was a key contributor to performance. Angola's hard currency bonds rallied early in the period as China announced plans to restructure US\$21 billion of the country's debt. This provided Angola with significant breathing room and paved the way for increased IMF support. Later in the period, Angolan bonds benefitted from the high-yield market rally as well as rising oil prices (Angola is an oil exporter).

Egyptian hard currency bond positioning helped the Fund. The country's bonds were supported by inflows of foreign capital as investors rewarded the government's reform programme. The IMF also approved the disbursement of another US\$1.7 billion under a new stand-by-arrangement. The Fund's Egyptian pound positioning also added to returns, as external indicators, such as remittances and the trade balance, beat expectations.

In China, the renminbi outperformed over the year, with the currency's relatively high interest rate helping to support demand. With the country's economy recovering sooner than its peers, exports outpaced imports to boost the trade surplus and further support the renminbi. The Fund's positioning added to returns. Holdings in Chinese corporate bonds, particularly in the property and real estate sectors, also contributed positively to performance.

### Factors hindering performance

In contrast, overweight exposure in the Russian ruble weighed on returns as negative news flow, including the Navalny arrest and concerns that the US might block plans for a major gas pipeline from Russia to the EU (Nord Stream 2), weighed on investor sentiment. We continue to hold an overweight in the currency as we believe the higher oil price will be supportive and we also expect another interest rate hike by the country's central bank in the coming months (higher interest rates increase the relative appeal of currencies).

## Emerging Markets Blended Debt Fund (continued)

Underweight positioning in the Philippines prevented the Fund from benefitting fully from the peso's strength. The currency gained as the COVID-induced recession reduced demand for the US dollars needed for imports, among other factors. We have since closed our underweight position. Imports in the country have failed to pick-up materially despite our expectations that they would, and our overall view on the peso has become less negative.

The Fund's overweight positioning in local currency bonds in Peru also weighed on performance, reflecting the uncertainty leading up to the country's presidential elections. We have since moved to neutral positioning, given the increased likelihood of a win by a left-wing candidate who is broadly considered as non-market friendly by the investment community.

### Portfolio activity

#### Significant purchases

China Development Bank 3.7% 20/10/2030, Perusahaan Listrik Negara 4% 30/06/2050, Malaysia Government Bond 3.882% 10/03/2022, Republic of South Africa Government Bond 8% 31/01/2030, Turkey Government International Bond 6% 25/03/2027, JPMorgan Chase Bank 7% 18/09/2030, Serbia International Bond 2.125% 01/12/2030, China Development Bank 3.66% 01/03/2031, Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2023, Brazil Letras do Tesouro Nacional 01/01/2024.

#### Significant sales

Republic of South Africa Government Bond 8.875% 28/02/2035, Eskom 6.35% 10/08/2028, Turkey Government International Bond 6% 25/03/2027, Saudi Government International Bond 4.5% 26/10/2046, Eskom 5.75% 26/01/2021, Mexico Government International Bond 4.35% 15/01/2047, Hungary Government Bond 3% 27/10/2027, Croatia Government International Bond 1.5% 17/06/2031, Mongolia Government International Bond 10.875% 06/04/2021, Ecuador Government International Bond 0.5% 31/07/2035.

### Outlook

Although US Treasury yields remained largely rangebound during May, inflation concerns remain front of mind for the investment community, acting to an extent as a dampener on optimism relating to the robust economic recovery taking hold in many parts of the world. Despite various data pointing to rising headline inflation in the coming months, we still view this as a likely temporary phenomenon.

By focusing on what we regard as the current temporary effects of higher inflation, investors are missing out on the broader cyclical picture, which remains attractive across EM. Yes, there will be supply bottlenecks as economies recover, with accompanying surges in inflation, but these are likely to prove transitory. The reflationary activity over the past few months needs to be set against the much longer disinflationary trend of the last 25 years, and the tapering that will need to occur before the Fed will consider raising rates.

A revival in the manufacturing sector continues to be supportive for EM. Demand is being supported by the US\$1.9 trillion stimulus and the way that governments, businesses and society are getting better at dealing with COVID; this is creating better economic outcomes. The reintroduction of lockdown measures in some parts of the world will weigh on the services sector, particularly travel, but this is generally a smaller portion of most EM economies vs. developed markets (DM). We are seeing some weakness across EMs from further lockdowns, but as vaccinations are rolled out and restrictions more broadly start to ease, the subsequent recovery in activity should start to spark a return to near normality later this year.

## Emerging Markets Blended Debt Fund (continued)

We believe central banks across the world generally remain supportive of economic growth and that the risk of an overly abrupt shift away from accommodative monetary policy remains low. The US administration under President Biden is also expected to be supportive for EM assets, as it is likely to introduce a more predictable foreign and trade policy. We think these macro and geopolitical adjustments are likely to be accompanied by a high degree of divergence for sovereign debt, reflecting factors such as countries' vulnerabilities at the beginning of the crisis (and which may have been exacerbated by the pandemic), how well governments have been handling the crisis, and crucially how they will finance their deficits.

With a large proportion of DM sovereign debt currently in negative real yield and c.US\$12.4 trillion DM sovereign debt still registering outright negative nominal yields, we expect more investors to consider EM debt, given its yield and relative value attractions remain intact. Supportive tailwinds seemingly include the allure of relatively attractive yields in a low-yield world, improving trade flows within and across EM regions and the diminishing role of the US dollar on the global stage.

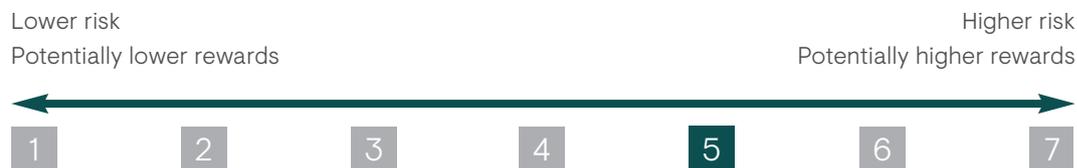
We remain positive on prospects and in recent months have modestly increased our top-down risk exposure target across our strategies. We see some value in emerging market currencies and maintain our recent shift to a small overweight there, as we remain positive on a long-term perspective. On local currency bonds we have kept our more neutral view, reflecting the recent moves in US Treasuries. While we see the overall local benchmark valuations as relatively tight, selected bonds still appear to offer an attractive pick up compared to developed market yields. We also continue to see value in EM hard currency high-yield bonds as spreads have not fully recovered to pre-COVID levels.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (50% JPMorgan GBI-EM Global Diversified; 25% JPMorgan EMBI Global Diversified; 25% JPMorgan CEMBI Broad Diversified Index) and peer group sector average (Investment Association Global Emerging Markets Bond sector) shown for performance comparison purposes only. The opinions expressed herein are as at end of May 2021.

## Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because it invests in bonds whose returns tend to fluctuate more than those of cash funds but less than those of funds which invest in the shares of companies.

### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**Currency exchange:** Changes in the relative values of different currencies may adversely affect the value of investments and any related income.

**Default:** There is a risk that the issuers of fixed income investments (e.g. bonds) may not be able to meet interest payments nor repay the money they have borrowed. The worse the credit quality of the issuer, the greater the risk of default and therefore investment loss.

**Derivatives:** The use of derivatives may increase overall risk by magnifying the effect of both gains and losses leading to large changes in value and potentially large financial loss. A counterparty to a derivative transaction may fail to meet its obligations which may also lead to a financial loss.

**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.

**Government securities exposure:** The Fund may invest more than 35% of its assets in securities issued or guaranteed by a permitted sovereign entity, as defined in the definitions section of the Fund's prospectus.

**Interest rate:** The value of fixed income investments (e.g. bonds) tends to decrease when interest rates rise.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Emerging Markets Equity Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide capital growth (to grow the value of your investment) over at least 5 years.

The Fund invests primarily (at least two-thirds) in the shares of emerging market companies, which are either incorporated in, domiciled in, listed in, have significant economic exposure to, or are controlled by entities established or listed in, emerging markets (countries that have less developed economies).

Investment opportunities are identified using in-depth analysis and research on individual companies.

The Fund may at times invest in a relatively small number of companies. These companies may be of any size and in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, for investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI Emerging Markets Net Return Index is used for performance comparison and risk management. The Fund does not seek to replicate the index.

The Investment Association Global Emerging Markets Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	12 months (%)
Emerging Markets Equity Fund 'I' accumulation shares	35.15*
Performance comparison index	31.33**
Peer group sector average	34.07**

Past performance is not a reliable indicator of future results, losses may be made.

## Emerging Markets Equity Fund (continued)

### Performance review

The Fund delivered a positive return during the period under review, outperforming both its benchmark performance and peer group sector average.

### Factors helping performance

Equity markets rebounded strongly over the year as economic activity recovered, supported by ongoing key central bank stimulus and as lockdowns began to ease, first in Asia, and then across developed markets. Global economic data continued to recover, exceeding expectations for much of the period. Asia's early response to the pandemic was helpful for markets in the north of the region, which were some of the top performers over the period, while the information technology sector benefitted from strong demand and increasing supply shortages of semiconductors supporting pricing. A number of holdings in this sector benefitted from these dynamics. Taiwan Semiconductor Manufacturing was the top performing stock in the portfolio, enjoying a strong order book and price hikes and suggesting it will be close to full capacity in 2021. New capital expenditure plans reflect management's longer-term optimism, and the company has also been a beneficiary of the strong demand tailwind for 5G. The US restrictions preventing Huawei from making its own chips was helpful for competitor MediaTek, which reported strong earnings and raised guidance on already elevated expectations that it can increase its market share in high-end chips. Results for Novatek Microelectronics were above the top end of guidance, with both revenues and margins exceeding expectations. This reflected the strong demand for large and small semiconductors that are used to operate displays in smartphones, PCs and TVs, as well as success in growing its other businesses, such as surveillance.

Commodity-related stocks benefitted from their links to a global economic recovery and this helped our positioning in Brazilian miner Vale. The company was aided by the ongoing strength in iron ore prices and reported record earnings and a higher profit margin. It also showed an improvement on the ESG front. A position in Chinese solar glass raw material producer Daqo New Energy was boosted by positive sentiment towards renewable energy stocks and the Chinese government's aim to achieve carbon neutrality by 2060. The solar energy industry's compelling supply-demand dynamics have supported pricing for polysilicon used to manufacture solar glass, which is produced by Daqo.

### Factors hindering performance

Stock selection and underweight positioning in consumer staples was the main detractor as consumer spending recovered, encouraged by an acceleration of the vaccination programmes and falling global cases of COVID-19. Positioning in a few Chinese companies impacted performance. Underweighting e-commerce platform Meituan Dianping detracted as this company outperformed. Not owning electric car company NIO also detracted from relative performance as the company benefitted from strong orders and improving vehicle profit margins. Our respective weighting to both stocks remains unchanged as we find better opportunities elsewhere. Turkey was the weakest country performer, reflecting the surprise dismissal of the market friendly central bank governor and the subsequent equity market sell-off which weighed on the holding in industrial and financial conglomerate Sabanci. We believe this to be a very short-term negative focus on Turkey.

A position in China's Anhui Conch Cement detracted given the year-on-year weakness in cement pricing. Domestic policy tightening in China also led to demand uncertainty in the real estate sector. We closed the position. Ping An Insurance in China was another detractor, as the company was affected by weaker results, with the value of new business and margins both falling. The company has experienced problems restructuring its agent force and had issues with credit guarantees in its property and casualty businesses, while the recovery in its highly profitable life business has also been slow. We continue to monitor the situation very closely and retain a small overweight for the time being. Drug manufacturer CSPC Pharmaceutical underperformed with a

## Emerging Markets Equity Fund (continued)

general pullback of drug stocks due to the concerns on upcoming government-led purchase price cuts for medicines as part of the centralised drug procurement programme and we decided to close our position.

### Portfolio activity

#### Significant purchases

Alibaba, Tencent, Infosys ADR, China Mobile, Vale ADR, Hon Hai Precision Industry, Yum China (New York listed), Tencent Music Entertainment ADR, Haier Smart Home, Ping An Bank.

#### Significant sales

Alibaba, Taiwan Semiconductor Manufacturing ADR, Tencent, JD.com, Samsung Electronics, Kakao, NetEase, Wuliangye Yibin, Novatek Microelectronics, China Mobile.

### Outlook

It is an eventful time for global markets with much for investors to consider. One reason for developed market (DM) outperformance over emerging markets is that while DM central banks continued to hose down the recovery fires with gasoline, EM central banks were notably more cautious. At some point, DM policymakers will need to row back from overly stimulatory policies that could start to look reckless and endangering to longer-term macro-economic stability. US Treasury Secretary Janet Yellen was right to refer publicly to the potential for interest rates to eventually rise; they will.

However, in EM COVID has again moved centre-stage. The developing tragedy of India has grasped the world's attention, but on a per capita basis case-loads are increasing even faster in Brazil and Argentina. Of concern is that variants in a number of EM countries appear to be both more transmissible but also potentially more fatal. Given the slow rate of vaccination in much of EM, COVID will remain a real or potential threat to societies or economies through 2021 and almost certainly into 2022. The impact of COVID is also likely to be something driving divergent economic and market performance within the asset class.

However, markets have become detached from epidemiology or economics and appear to exist increasingly in their own alternative dimension. As such, the strong rebound in economic growth across much of our universe may not be reflected in equity markets which may be much more muted as investors become concerned about future withdrawal or moderation of stimulus.

In an environment of deep uncertainty, and high macro risks, it is necessary to deeply understand the risks within our companies and portfolios, and the idiosyncratic drivers of the returns for each and every holding. Robust economic growth is already expected and discounted; it will be the actions of management – and changing industry dynamics – in the dozens of companies we invest in that are likely to drive returns this year. So 2021 will see last year's tailwinds replaced by some headwinds, but there will be returns to be made in robust stocks that are able to evolve positively in our changing world. We remain dedicated to finding those companies.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* Emerging Markets NDR Index) and peer group sector average (Investment Association Global Emerging Markets) shown for performance comparison purposes only.

\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One Asset Management Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. The opinions expressed herein are as at end of May 2021.

## Emerging Markets Equity Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the higher end of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**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.

**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.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Franchise Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide capital growth (to grow the value of your investment) over at least 5 years.

The Fund invests primarily (at least two-thirds) in the shares of companies around the world.

The Fund focuses on investing in companies believed to be of high quality which are typically associated with global brands or franchises.

Investment opportunities are identified using in-depth analysis and research on individual companies.

The Fund may at times invest in a relatively small number of companies. These companies may be of any size and in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI AC World Net Return Index is used for performance comparison. The Fund does not seek to replicate the index.

The Investment Association Global Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	12 months (%)
Global Franchise Fund 'I' accumulation shares	11.22*
Performance comparison index	23.36**
Peer group sector average	24.53**

Past performance is not a reliable indicator of future results, losses may be made.

## Global Franchise Fund (continued)

### Performance review

The Fund produced a positive return over the period but lagged its benchmark performance and the peer group sector average.

### Factors hindering performance

Relative performance was hampered by the strong Growth-led recovery from April/May 2020. While we participated meaningfully in the recovery (absolute performance remained strong), the market often sought growth at any price, resulting in us lagging the benchmark. Although some of our highest structural growth names like Moody's, S&P Global, Intuit and ASML did well, there was a sizeable impact to relative performance from what we didn't own. A combination of the strong share price performance and large index weightings of Amazon, Apple and Tesla, meant that not owning those stocks detracted significantly from relative performance, hence stock selection in IT was the biggest laggard at the sector level. We don't hold the aforementioned stocks due to their extremely rich valuations.

There was also a sharp rotation into lower-quality 'value' sectors from November following successful vaccine news, and those companies with longer-dated cashflow streams remained out of favour until recently. Our positioning in consumer staples (Nestle, Reckitt Benckiser) and health care (Roche, Johnson & Johnson) also detracted, as did domain-registration company Verisign.

### Factors helping performance

We ensured the balanced portfolio did have exposure to recovery. While the already mentioned ASML was the best performer, given continued demand for its lithography equipment amid positive sentiment towards 5G and the global chip shortage, alpha came from a number of recovery stocks. Booking Holdings outperformed on expectations that travel corridors would reopen in 2021, and this hope for greater freedom also lifted cosmetics producer Estee Lauder. St. James's Place and Charles Schwab were beneficiaries of the steepening yield curve, benefiting the cash stockpiles they hold on account.

More recently, however, the picture has improved. From mid-January, we noted that fundamentals started to re-assert themselves as earnings season provided a much-needed shift of emphasis back on actual company results over sentiment and expectation. A number of portfolio companies delivered strong results – ahead of estimates – and have been correspondingly rewarded by the market. Our Global Franchise strategy has historically outperformed following periods of relative weakness, and we note that quality companies – despite their superior return on invested capital – are currently trading at a rare discount to the broader market.

### Portfolio activity

#### Significant purchases

Alibaba ADR, Autodesk, Visa, Becton Dickinson, Electronic Arts, Microsoft, Estee Lauder, Moody's, Beiersdorf, Nestle.

#### Significant sales

Reckitt Benckiser, Microsoft, Amadeus IT, Altria, Visa, ASML, Moody's, Booking, VeriSign, Intuit.

### Outlook

As we approach the second half, investors have firmly positioned themselves for a strong economic recovery to take hold. 'Growth' has been the hardest hit by the rotation towards more 'value' equities. If we do see slightly higher yields over time, this is a likely headwind for the valuations of very long dated growth stocks, and especially the businesses that traded on high multiples of revenues, with as-yet-undetermined earnings profiles. More cyclical industries appear

## Global Franchise Fund (continued)

supported, but it should be noted these shares have already experienced a significant re-rating and many of the value sectors are now beginning to price in quite robust fundamentals from here, as well as significantly higher bond yields.

The speed of economic recovery remains at risk from delayed vaccine rollout or the proliferation of new strains of coronavirus – both of which we are seeing anecdotal evidence of across various countries. Additionally, with energy and materials having led the equity market since November, investors would be forgiven for questioning the conventional wisdom that asset heavy businesses are best placed to weather rising prices. This approach could be wrong in cases where inflated maintenance costs on already significant capital bases swallow excess cash. Conversely, capital light businesses can see their intangible assets restated as prices rise, without incremental capital.

Looking beyond short-term sentiment, we do not believe the current environment has significantly changed the long-term fundamentals of the companies we own, which continue to compound cashflows at attractive rates. We remain comfortable that the Quality attributes we seek (enduring competitive advantages, dominant market positions, strong balance sheets, lower cyclicity, low capital intensity, sustainable cash generation and disciplined capital allocation) are all well suited to both current conditions and for uncertain times ahead. The companies we own have invested substantially to reinforce their business models, with significant exposure to key long-term trends such as data usage and digitalisation, ageing populations and health care, and nutrition and wellness. The portfolio is also positioned to contend with the growing threat of climate change, with a carbon footprint that is less than 10% of that emitted by the wider market.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (Acc) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* ACWI NR Index) and peer group sector average (Investment Association Global sector) shown for performance comparison purposes only.

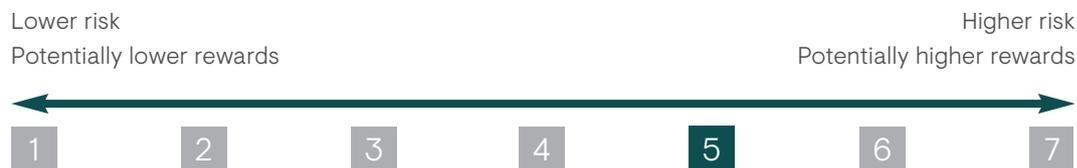
\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One Asset Management Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

The outlook of this fund is similar to that of the Global Quality Equity Income Fund.

The opinions expressed herein are as at end of May 2021.

## Global Franchise Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**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.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Quality Equity Income Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide income and capital growth (to grow the value of your investment) over at least 5 years.

The Fund invest primarily (at least two-thirds) in the shares of companies around the world.

The Fund focuses on investing in companies believed to be of high quality, which typically provide reliable dividend growth.

Investment opportunities are identified using in-depth analysis and research on individual companies.

The Fund may, at times, invest in a relatively small number of companies. These companies may be of any size and in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income or growth with a low level of risk and, occasionally, investment purposes).

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI AC World Net Return Index is used for performance comparison. The Fund does not seek to replicate the index.

The Investment Association Global Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	12 months (%)
Global Quality Equity Income Fund 'I' income-2 shares	10.90*
Performance comparison index	23.36**
Peer group sector average	24.53**

Past performance is not a reliable indicator of future results, losses may be made.

## Total deemed income distributions per 'I' income-2 shares

12 months to 31 May 2021	3.07 pence
12 months to 31 May 2020	3.10 pence

The amount of income payable may rise or fall.

## Global Quality Equity Income Fund (continued)

### Performance review

The Fund produced a positive return over the period but lagged both its benchmark performance and the peer group sector average.

### Factors hindering performance

Relative performance was hampered by the strong Growth-led recovery from April/May 2020. While we participated meaningfully in the recovery (absolute performance remained strong), the market often sought growth at any price, resulting in us lagging the benchmark. Health care and positioning in consumer staples have been the biggest detractors. Both of these defensive sectors were out of favour during the 'value' rotation, although their resilient, long-dated cash flows delivered significant alpha during the volatile first quarter of 2020. Drug makers GlaxoSmithKline, Roche and Novartis were impacted, despite their underlying strength and continued generation of stable, growing free cash flows that translated into consistent dividend payments. We continue to hold the shares of all three.

Med-tech companies Becton Dickinson and Coloplast were additionally hampered by the number of elective surgeries remaining below pre-pandemic levels as lockdowns persisted. We continue to hold both stocks as we expect medical procedure levels to return to more normal levels as the pandemic passes. Consumer goods company Reckitt Benckiser and payments provider Visa were also among relative detractors. We remain confident in the long-term prospects of both companies, acknowledging the short-term impact of strong Growth-led market moves and their impact on our more defensively positioned portfolio.

### Factors helping performance

The largest contributors to performance have been our lack of exposure to the capital intensive, more cyclical sectors such as utilities and energy, which had a challenging period. At an individual stock level, lithography equipment maker ASML has been a stellar performer, given continued appetite from chip makers for its EUV technology that can print smaller circuits while increasing capacity and speed amid ever-increasing demand for computing power. Samsung Electronics was another beneficiary of positive sentiment towards 5G, coupled with the global chip shortage.

Asset manager Charles Schwab advanced on rising yield expectations, with the holding an example of the portfolio's diversified nature, offering protection against multiple scenarios. Chinese gaming company Netease also had a good year amid rising demand for its products against the backdrop of widespread lockdowns.

### Portfolio activity

#### Significant purchases

Siemens Healthineers, Automatic Data Processing, Crown Castle International REIT, Accenture, Visa, Samsung Electronics Preference, Swedish Match, British American Tobacco, Philip Morris International, Broadridge Financial Solutions.

#### Significant sales

Amadeus IT, Booking, Imperial Brands, Charles Schwab, Growthpoint Properties Australia, Kone, Johnson & Johnson, Microsoft, Roche, Visa.

## Global Quality Equity Income Fund (continued)

### Outlook

As we approach the second half, investors have firmly positioned themselves for a strong economic recovery to take hold. 'Growth' has been the hardest hit by the rotation towards more 'value' equities. If we do see slightly higher yields over time, this is a likely headwind for the valuations of very long dated growth stocks, and especially the businesses that traded on high multiples of revenues, with as-yet-undetermined earnings profiles. More cyclical industries appear supported, but it should be noted these shares have already experienced a significant re-rating and many of the value sectors are now beginning to price in quite robust fundamentals from here, as well as significantly higher bond yields.

The speed of economic recovery remains at risk from delayed vaccine rollout or the proliferation of new strains of coronavirus – both of which we are seeing anecdotal evidence of across various countries. Additionally, with energy and materials having led the equity market since November, investors would be forgiven for questioning the conventional wisdom that asset heavy businesses are best placed to weather rising prices. This approach could be wrong in cases where inflated maintenance costs on already significant capital bases swallow excess cash. Conversely, capital light businesses can see their intangible assets restated as prices rise, without incremental capital.

Looking beyond short-term sentiment, we do not believe the current environment has significantly changed the long-term fundamentals of the companies we own, which continue to compound cashflows at attractive rates. We remain comfortable that the Quality attributes we seek (enduring competitive advantages, dominant market positions, strong balance sheets, lower cyclicity, low capital intensity, sustainable cash generation and disciplined capital allocation) are all well suited to both current conditions and for uncertain times ahead. The companies we own have invested substantially to reinforce their business models, with significant exposure to key long-term trends such as data usage and digitalisation, ageing populations and health care, and nutrition and wellness. The portfolio is also positioned to contend with the growing threat of climate change, with a carbon footprint that is less than 10% of that emitted by the wider market.

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\*Source: Morningstar, total return, income reinvested, no initial charge, income (inc-2) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* ACWI NR Index) and peer group sector average (Investment Association Global sector) shown for performance comparison purposes only.

\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One Asset Management Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

The outlook of this fund is similar to that of the Global Franchise Fund.

The opinions expressed herein are as at end of May 2021.

## Global Quality Equity Income Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**Charges from capital:** Expenses are charged to the capital account rather than to income, so capital will be reduced. This could constrain future capital and income growth. Income may be taxable.

**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.

**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.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Income-2 shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Global Special Situations Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide capital growth (to grow the value of your investment) and income over at least 5 years.

The Fund invests primarily (at least two-thirds) in the shares of companies around the world.

The Fund focuses on investing in assets believed to be undervalued by the market. Investment opportunities are identified using in-depth research on individual companies.

The Fund may at times invest in a relatively small number of companies. These companies may be of any size or in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income and growth with a low level of risk and, occasionally, investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The MSCI AC World Net Return Index is used for performance comparison and risk management. The Fund does not seek to replicate the index.

The Investment Association Global Sector (a peer group of broadly similar funds) average is an additional measure by which you can compare the Fund's performance.

## Performance record

	12 months (%)
Global Special Situations Fund 'I' accumulation shares	48.71*
Performance comparison index	23.36**
Peer group sector average	24.53**

Past performance is not a reliable indicator of future results, losses may be made.

## Global Special Situations Fund (continued)

### Performance review

The Fund delivered a positive return over the period and outperformed its benchmark performance and the peer group sector average.

### Factors helping performance

The Fund's absolute performance reflected a recovery in global equity markets from the pandemic-linked sell-off of March 2020, which accelerated in Q4 2020 as progress in developing and rolling out COVID-19 vaccines brought hopes of a sustained reopening of the global economy.

In relative terms, at the macro level the Fund's significant outperformance reflected the recovery of value equities (i.e., stocks whose longer-term value and potential we believe is underappreciated by the market), the shares of companies that had been particularly affected by the pandemic, and more generally those of businesses perceived as cyclical. These parts of the market gained especially in the final months of 2020 as the prospect of a return to something like normality appeared on the horizon – an eventuality for which we had been positioning the portfolio for many months. More specifically, the Fund's relative performance was aided by our focus on good-quality companies with robust balance sheets that, while deeply discounted at the height of market concern over the coronavirus, we believed were likely well placed to emerge strongly as a recovery gained traction. We benefited especially from some of the 'COVID-recovery' themes we had been allocating to since the COVID-linked sell-off, reflecting our view that some good companies exposed to sectors such as travel, for example, had sold off excessively and potentially represented exceptional value for investors with a sufficiently long horizon.

At the stock level, the top contributors included Adient – which makes car seats, among other things – which benefited from the much-improved sentiment towards auto-related companies. Its shares gained strongly after it announced a series of transactions that will give it more control of its China strategy, independently of its joint venture partner. The deals should help it capture growth in profitable segments and develop its overall China business. Welbilt was another top contributor, with shares in the food-service-equipment maker gaining strongly after the company received two takeover bids. Other contributors included Chinese internet search company Baidu, whose shares surged on news of its plans to enter the electric/smart vehicle market in partnership with automaker Geely. Expectations of a continued recovery in China's advertising market also helped.

### Factors hindering performance

The primary detractors from relative performance included pharma and life-sciences business Bayer, which issued a profit warning in October 2020. Bayer's crop-sciences business was weak in the period, partly due to the pandemic, which had reduced bio-ethanol demand and prices for major crops. Nevertheless, we believe Bayer's valuation is extremely attractive for a company operating in stable, growing markets and with leadership positions in every one of its segments.

Turkish airports operator TAV Havalimanlari weighed on relative returns, its shares impacted by signs that the recovery in long-haul air travel will be slow. We continue to hold the share, taking a longer-term outlook on its recovery. Autoparts business BorgWarner was among the main detractors in the period. Its shares were impacted partly by news that General Motors may make its own drive systems and motors for electric vehicles. We continue to see value in BorgWarner and (selectively) in the wider auto sector, given the very gloomy view the market has had of it in recent years. Finally, Brazilian payment processor Cielo detracted, despite reporting better-than-forecast Q4 profits, largely due to the clouded outlook for the economy of Brazil, which has been hit particularly hard by COVID. We continue to hold the shares, as we believe the outlook could improve as the post-pandemic recovery brightens.

## Global Special Situations Fund (continued)

### Portfolio activity

#### Significant purchases

McKesson, AerCap, Sprouts Farmers Market, British American Tobacco, Twitter, Continental, Bayer, TI Fluid Systems, Rolls Royce, American Express.

#### Significant sales

Baidu ADR, Travis Perkins, AutoNation, Tapestry, SKF, Adecco, Grafton, Welbilt, American Express, Bank of America.

### Outlook

While an uncertain economic backdrop remains, we are positive about the outlook for value investing and continue to look to find exciting and sustainable businesses which we believe to be good quality, with the potential for earnings recovery or a rerating, and which are trading at a significant discount to our estimate of intrinsic value. We continue to move between several different value-related themes, to retain diversity across our portfolio, and to exploit investment opportunities which arise in different parts of the market over time. We believe that value stocks are currently cheap, exhibiting low correlation with other equity factors and generally positively correlated to bond yields (in contrast to growth / quality factors).

While value investment has underperformed more growth-oriented approaches in recent years, with 2020 no exception due to myriad headwinds, November 2020 signalled the start of a turnaround for value investing largely on the back of positive vaccine news. We are excited about the possible value investment opportunity ahead and believe that the Fund is positioned to benefit in a range of macroeconomic scenarios, from a cyclical upturn, to a general reopening of the global economy, and from any above-expectation rise in inflation (though we do not construct our portfolios to be dependent on any of these outcomes).

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (Acc) share class, net of fees in GBP.

\*\*Benchmark (MSCI\*\*\* AC World NR Index) and peer group sector average (Investment Association Global sector) shown for performance comparison purposes only.

\*\*\*Source: MSCI. The MSCI data is comprised of a custom index calculated by MSCI for, and as requested by, Ninety One Asset Management Limited. The MSCI data is for internal use only and may not be redistributed or used in connection with creating or offering any securities, financial products or indices. Neither MSCI nor any other third party involved in or related to compiling, computing or creating the MSCI data (the "MSCI Parties") makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and the MSCI Parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to such data. Without limiting any of the foregoing, in no event shall any of the MSCI Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. The opinions expressed herein are as at end of May 2021.

## Global Special Situations Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the higher end of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**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.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.

The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Multi-Asset Protector Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide capital growth (to grow the value of your investment) over at least 5 years, while protecting the Fund's share price from dropping below 80% of its all-time high.

The Fund invests in a broad range of assets around the world. These assets may include the shares of companies, bonds (or similar debt-based assets), property, commodities, cash and alternative assets (such as infrastructure funds and private equity funds). Investments may be held directly in the asset itself (excluding commodities or property) or indirectly (e.g. using derivatives (financial contracts whose value is linked to the price of an underlying asset), exchange traded products and/or funds).

Investment in alternative assets will be restricted to UCITS funds (a type of retail investment fund) and transferable securities.

The Fund may invest up to 85% in the shares of companies. These companies may be of any size and in any industry sector.

Bonds (or similar debt-based assets) may be in any currency, have any credit rating or be unrated, and may be issued by any borrower e.g. governments or companies.

As the current share price moves closer towards the protected level, 80% of the highest ever share price, the level of cash or near cash, money market instruments, deposits and/or low risk interest bearing investments (e.g. bonds) may increase. Depending on market performance the Fund may at times be 100% invested in cash.

The Fund also intends to invest in a derivative contract which will provide further protection against the risk of a decline in the share price below 80% of the highest price ever achieved.

The costs of providing the protection are between 0.15-0.5% and are charged to the Fund. These costs are in addition to the ongoing charge set out in the charges section.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 100% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives.

The Fund does not use a benchmark. However, performance of the Fund may be compared against a return of 5% per annum in GBP.

## Performance record

	12 months (%)
Multi-Asset Protector Fund 'A' accumulation shares	5.10*
Performance comparison index	5.00**
Peer group sector average	Not applicable**

Past performance is not a reliable indicator of future results, losses may be made.

## Multi-Asset Protector Fund (continued)

### Performance review

The Fund produced a positive return over the period and performed in line with its performance target.

### Factors helping performance

The positive Fund performance since April 2020 continued for the full 12-month period since the COVID sell-off, and we continued to rebuild risk in the portfolio to take advantage of the opportunities presented by elevated levels of volatility. Contributions from the Fund's fixed income positions were positive as developed market bonds rallied following emergency rate cuts by central banks in light of a deterioration in growth outlook. Positions in US and European high yield and emerging market debt all gained strongly as credit spreads narrowed globally.

Equity exposure – positions exposed to positive structural growth trends in emerging markets – also rose strongly over the period, especially developed markets, which were backed up by an increasingly bullish outlook for growth as vaccine programmes were rolled out and social distancing measures were dialled back. European markets outperformed, aided by a weaker euro.

### Factors hindering performance

While broadly positive over the year, there were some pockets of weakness, notably in the first quarter of 2021. Asian and emerging market equities underperformed due to some strengthening in the US dollar but also because of Chinese authorities raising financial stability concerns linked to asset valuations, which investors took as a signal that Chinese policy will be tightened, in addition to China's clampdown on technology companies.

In fixed income, the selloff in developed government bonds over the first quarter led to the positions in credit and emerging market debt detracting from returns overall.

### Portfolio activity

#### Significant purchases

Australia Government Bond 1.5% 21/06/2031, New Zealand Government Bond 1.5% 15/05/2031, iShares J.P. Morgan USD Emerging Markets Bond UCITS ETF, Turkey Government Bond 9.2% 22/09/2021, Ninety One Funds Series ii – Monthly High Income Fund, Alibaba, Ninety One GSF Emerging Markets Corporate Debt Fund, iShares USD High Yield Corporation Bond UCITS ETF, Tencent Music Entertainment, Carabao.

#### Significant sales

United Kingdom Gilt 8% 07/06/2021 8% 07/06/2021, Ninety One GSF Asian Equity Fund, iShares USD Corporation Bond UCITS ETF, Ninety One GSF Emerging Markets Corporate Debt Fund, Turkey Government Bond 9.2% 22/09/2021, iShares EUR High Yield Corporation Bond UCITS ETF, iShares USD High Yield Corporation Bond UCITS ETF, Wuliangye Yibin, Partners, Turkey Government Bond 11% 02/03/2022.

## Multi-Asset Protector Fund (continued)

### Outlook

The global recovery moderated somewhat in recent months due to increased restrictions on movement in Europe and the United States in particular, but also in other countries around the world. The rollout of vaccines is now well underway and expected to continue to accelerate in the coming months, while social distancing restrictions are beginning to be eased. Looking forward, we believe that the current pace of vaccine programmes could allow for a return to more normal social distancing later this year for much of the developed world. At the same time, the size of fiscal and monetary policy support remains significant as central banks and governments seek to support households and businesses through this period of economic weakness and foster a return toward full employment.

Our central scenario for financial markets continues to be that volatility will likely remain elevated in the coming quarters, although we believe that the near-term adjustment in government bond yields is close to complete and yields will likely consolidate through the summer months as shorter-term inflation pressures dissipate. Risk premia have compressed considerably from the extreme levels reached a year ago but remain elevated relative to history in a number of areas and developed market real yields remain negative, which is supportive of asset markets. We continue to see opportunities for medium-term investors as a result, although these have become far more specific rather than broad based. We continue to watch China's credit cycle, the progress in vaccine rollouts and the willingness of central banks to maintain highly accommodative policy as economies recover and inflation rises, believing that these are the likely primary forces driving financial markets from here. We will look to take advantage of opportunities as they are presented by market volatility.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*For this Fund, there is no applicable benchmark or peer group sector against which to measure performance. The Fund's performance target is to exceed 5% p.a. gross of fees over rolling three-year periods. Performance targets are subject to change and may not be achieved, losses may be made.

The opinions expressed herein are as at end of May 2021.

## Multi-Asset Protector Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the mix of assets the Fund invests in, tends to produce returns which fluctuate more than those of cash funds but less than those of funds which solely invest in the shares of companies.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**Fund closure:** Where the Fund is unable to find a suitable counterparty to enable at least 80% of the value of the Fund to be protected or where only allocation to cash is feasible, the Fund may have to be closed with the proceeds returned to investors.

**Government securities exposure:** The Fund may invest more than 35% of its assets in securities issued or guaranteed by a permitted sovereign entity, as defined in the definitions section of the Fund's prospectus. Currently, it is expected that the Fund will exceed this limit in securities issued by the UK government.

**Interest rate:** The value of fixed income investments (e.g. bonds) tends to decrease when interest rates rise.

**Large cash holding:** There is a risk that the Fund may hold large proportions of cash for considerable periods of time. This may lead to the Fund underperforming those markets where it is usually expected to invest.

**Protected value:** Whilst the Fund will endeavour to protect at least 80% of its value at all times this is not guaranteed.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'A' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Multi-Asset Protector Fund 2

## Summary of the Fund's investment objective and policy

The Fund aims to provide capital growth (to grow the value of your investment) over at least 5 years, while protecting the Fund's share price from dropping below 80% of its all-time high.

The Fund invests in a broad range of assets around the world. These may include the shares of companies, bonds (or similar-debt-based assets), property, commodities, cash and alternative assets (such as infrastructure funds and private equity funds). These assets may be held directly in the asset itself (excluding commodities or property) or indirectly (e.g. using derivatives (financial contracts whose value is linked to the price of an underlying asset), exchange traded products and/or funds).

Investment in alternative assets will be restricted to UCITS funds and transferable securities.

The Fund may invest up to 85% in the shares of companies. These companies may be of any size or in any industry sector.

Bonds (or similar debt-based assets) may be in any currency, have any credit rating or be unrated, and may be issued by any borrower e.g. governments or companies.

As the current Share price moves closer towards the protected level, 80% of the highest ever Share price, the level of cash or near cash, money market instruments, deposits, and/or low risk interest bearing investments (e.g. bonds) may increase. Depending on market performance the Fund may at times be 100% invested in cash.

The Fund intends to also invest in a derivative contract which will provide further protection against the risk of a decline in the Share price below 80% of the highest price ever achieved.

The costs of providing the protection are between 0.15-0.5% and are charged to the Fund. These costs are in addition to the ongoing charge set out in the charges section.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 100% in units or shares in other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for investment purposes and/or managing the Fund in a way that is designed to reduce risk or cost and/or generate income or growth with a low level of risk.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives.

The Fund does not use a benchmark. However, performance of the Fund may be compared against a return of 5% per annum in GBP.

## Performance record

	12 months (%)
Multi-Asset Protector Fund 2 'I' accumulation shares	6.56*
Performance comparison index	5.00**
Peer group sector average	Not applicable**

Past performance is not a reliable indicator of future results, losses may be made.

## Multi-Asset Protector Fund 2 (continued)

### Performance review

The Fund produced a positive return over the period and outperformed its performance target.

### Factors helping performance

The positive Fund performance since April 2020 continued for the full 12-month period since the COVID sell-off, and we continued to rebuild risk in the portfolio to take advantage of the opportunities presented by elevated levels of volatility. Contributions from the Fund's fixed income positions were positive as developed market bonds rallied following emergency rate cuts by central banks in light of a deterioration in growth outlook. Positions in US and European high yield and emerging market debt all gained strongly as credit spreads narrowed globally.

Equity exposure – positions exposed to positive structural growth trends in emerging markets – also rose strongly over the period, especially developed markets, which were backed up by an increasingly bullish outlook for growth as vaccine programmes were rolled out and social distancing measures were dialled back. European markets outperformed, aided by a weaker euro.

### Factors hindering performance

While broadly positive over the year, there were some pockets of weakness, notably in the first quarter of 2021. Asian and emerging market equities underperformed due to some strengthening in the US dollar but also because of Chinese authorities raising financial stability concerns linked to asset valuations, which investors took as a signal that Chinese policy will be tightened, in addition to China's clampdown on technology companies.

In fixed income, the selloff in developed government bonds over the first quarter led to the positions in credit and emerging market debt detracting from returns overall.

### Portfolio activity

#### Significant purchases

Australia Government Bond 1.5% 21/06/2031, New Zealand Government Bond 1.5% 15/05/2031, Ninety One GSF Asian Equity Fund, iShares J.P. Morgan USD Emerging Markets Bond UCITS ETF, Turkey Government Bond 9.2% 22/09/2021, Alibaba, Ninety One GSF Emerging Markets Corporate Debt Fund, NetEase, Tencent Music Entertainment, Wuliangye Yibin.

#### Significant sales

Ninety One GSF Asian Equity Fund, iShares USD Corporation Bond UCITS ETF, Turkey Government Bond 9.2% 22/09/2021, Wuliangye Yibin, Partners, WH Smith, Watsco, A. O. Smith, S&P Global, Turkey Government Bond 11% 02/03/2022.

## Multi-Asset Protector Fund 2 (continued)

### Outlook

The global recovery moderated somewhat in recent months due to increased restrictions on movement in Europe and the United States in particular, but also in other countries around the world. The rollout of vaccines is now well underway and expected to continue to accelerate in the coming months, while social distancing restrictions are beginning to be eased. Looking forward, we believe that the current pace of vaccine programmes could allow for a return to more normal social distancing later this year for much of the developed world. At the same time, the size of fiscal and monetary policy support remains significant as central banks and governments seek to support households and businesses through this period of economic weakness and foster a return toward full employment.

Our central scenario for financial markets continues to be that volatility will likely remain elevated in the coming quarters, although we believe that the near-term adjustment in government bond yields is close to complete and yields will likely consolidate through the summer months as shorter-term inflation pressures dissipate. Risk premia have compressed considerably from the extreme levels reached a year ago but remain elevated relative to history in a number of areas and developed market real yields remain negative, which is supportive of asset markets. We continue to see opportunities for medium-term investors as a result, although these have become far more specific rather than broad based. We continue to watch China's credit cycle, the progress in vaccine rollouts and the willingness of central banks to maintain highly accommodative policy as economies recover and inflation rises, believing that these are the likely primary forces driving financial markets from here. We will look to take advantage of opportunities as they are presented by market volatility.

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\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*For this Fund, there is no applicable benchmark or peer group sector against which to measure performance. The Fund's performance target is to exceed 5% p.a. gross of fees over rolling three-year periods. Performance targets are subject to change and may not be achieved, losses may be made.

The opinions expressed herein are as at end of May 2021.

## Multi-Asset Protector Fund 2 (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the mix of assets the Fund invests in, tends to produce returns which fluctuate more than those of cash funds but less than those of funds which solely invest in the shares of companies.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**Fund closure:** Where the Fund is unable to find a suitable counterparty to enable at least 80% of the value of the Fund to be protected or where only allocation to cash is feasible, the Fund may have to be closed with the proceeds returned to investors.

**Government securities exposure:** The Fund may invest more than 35% of its assets in securities issued or guaranteed by a permitted sovereign entity, as defined in the definitions section of the Fund's prospectus. Currently, it is expected that the Fund will exceed this limit in securities issued by the UK government.

**Interest rate:** The value of fixed income investments (e.g. bonds) tends to decrease when interest rates rise.

**Large cash holding:** There is a risk that the Fund may hold large proportions of cash for considerable periods of time. This may lead to the Fund underperforming those markets where it is usually expected to invest.

**Protected value:** Whilst the Fund will endeavour to protect at least 80% of its value at all times this is not guaranteed.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# UK Total Return Fund

## Summary of the Fund's investment objective and policy

The Fund aims to provide capital growth (to grow the value of your investment) over at least 5 years.

While the Fund aims to achieve a positive return, there is no guarantee it will be achieved over the long term (at least 5-year periods), or over any period of time and there is risk of loss.

The Fund invests primarily (at least two-thirds) in the shares of UK companies (those incorporated in, domiciled in, or that have significant economic exposure to, the UK) and in related derivatives (financial contracts whose value is linked to the price of the shares of such UK companies).

The Fund focuses on investing in shares believed to be undervalued by the market. Investment opportunities are identified using in-depth analysis and research on individual companies.

The Fund may at times use derivatives to reduce its volatility (the pace or amount of change in its value) to seek a lower level of risk than the FTSE All Share Index (measured in aggregate over at least 5-years).

At least 80% of the shares will be denominated in Pounds Sterling.

The Fund may at times invest in a relatively small number of companies. These companies may be of any size and in any industry sector.

The Fund may also invest in other transferable securities, money market instruments, cash or near cash, deposits, up to 10% in units or shares of other funds (which may be managed by a Ninety One group company, or a third party) and derivatives. Derivatives may be used for managing the Fund in a way that is designed to reduce risk or cost, generating income and growth with a low level of risk and, occasionally, investment purposes.

The Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Fund's objectives. The FTSE All-Share Total Return Index is used for performance comparison. The Fund does not seek to replicate the index.

## Performance record

	Period to 26.02.2021 (%)
UK Total Return Fund 'I' accumulation shares	31.78*
Performance comparison index	23.13**
Peer group sector average	Not applicable**

Past performance is not a reliable indicator of future results, losses may be made.

## UK Total Return Fund (continued)

### Performance review

The Fund delivered a positive return over the period, outperforming its performance target.

### Factors helping performance

The Fund's absolute performance reflected a recovery in global equity markets from the pandemic-linked sell-off of March 2020, which accelerated in Q4 2020 as progress in developing and rolling out COVID-19 vaccines brought hopes of a sustained reopening of the global economy.

In relative terms, at the macro level the Fund's significant outperformance reflected the recovery of value equities (i.e., stocks whose longer-term value and potential we believe is underappreciated by the market), the shares of companies that had been particularly affected by the pandemic, and more generally those of businesses perceived as cyclical. These parts of the market gained especially in the final months of 2020 as the prospect of a return to something like normality appeared on the horizon – an eventuality for which we had been positioning the portfolio for many months. More specifically, the Fund's relative performance was aided by our focus on good-quality companies with robust balance sheets that, while deeply discounted at the height of market concern over the coronavirus, we believed were well placed to emerge strongly as a recovery gained traction.

At the stock level, the primary contributors included builders' merchant and DIY retailer Grafton Group, which benefited from strong trading during the period, partly as locked-down customers turned to home-improvement and garden projects. Other contributors included DIY retailer Kingfisher, which also reported robust trading for the same reasons. AstraZeneca contributed, with the pharmaceutical company's shares performing well due to a strong performance during the pandemic on multiple fronts, not least in developing a viable COVID vaccine.

### Factors hindering performance

The primary detractors from relative performance included pharma and life-sciences business Bayer, which issued a profit warning in October 2020. Bayer's crop-sciences business was weak in the period, partly due to the pandemic, which had reduced bio-ethanol demand and prices for major crops. Nevertheless, we believe Bayer's valuation is extremely attractive for a company operating in stable, growing markets and with leadership positions in every one of its segments. Tobacco company Imperial Brands detracted, its shares lagging partly due to the poor performance of its next-generation-products business, as well as growth challenges more broadly. Commercial property company Land Securities also detracted, its shares impacted by very tough conditions for retailers during the pandemic.

### Portfolio activity

The UK Total Return Fund was closed on 26 February 2021.

### Outlook

The UK Total Return Fund was closed on 26 February 2021.

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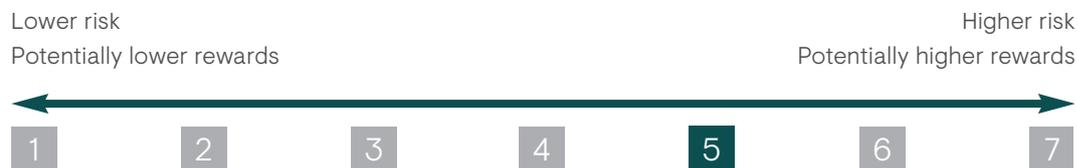
\*Source: Morningstar, total return, income reinvested, no initial charge, accumulation (acc) share class, net of fees in GBP.

\*\*Benchmark (FTSE All-Share Index) shown for performance comparison purposes only.

The opinions expressed herein are as at end of May 2021.

## UK Total Return Fund (continued)

### Risk and Reward profile\*



This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean 'risk free'.

The value of your investment and any income from it can fall as well as rise and you are not certain of making profits; losses may be made.

The Fund appears towards the middle of the Risk and Reward Indicator scale. This is because the Fund invests in the shares of companies, whose values tend to fluctuate widely.

#### **The following risks may not be fully captured by the Risk and Reward Indicator:**

**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.

**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.

**Geographic / Sector:** Investments may be primarily concentrated in specific countries, geographical regions and/or industry sectors. This may mean that the resulting value may decrease whilst portfolios more broadly invested might grow.

**Liquidity:** There may be insufficient buyers or sellers of particular investments giving rise to delays in trading and being able to make settlements, and/or large fluctuations in value. This may lead to larger financial losses than might be anticipated.

\*The Risk and Reward profile is taken from the Key Investor Information Document. Please note that, the Risk and Reward profile section is based on Sterling 'I' Class Accumulation shares.  
The full list of the Fund's risks are contained in Appendix VII of the Ninety One Funds Series Omnibus prospectus.

# Diversified Growth Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Collective investment schemes 8.55% (31.05.20: 18.04%)</b>			
<b>Non-equity investment instrument</b>			
iShares Physical Gold ETC	3,414,009	88,983	5.95
<b>Infrastructure</b>			
HICL Infrastructure	15,793,400	27,259	1.82
BBGI Global Infrastructure	6,694,522	11,715	0.78
		<b>38,974</b>	<b>2.60</b>
<b>Corporate bonds 6.55% (31.05.20: 13.99%)</b>			
Housing New Zealand 3.42% 18/10/2028	NZD 37,860,000	21,251	1.42
Housing New Zealand 1.534% 10/09/2035	NZD 47,010,000	20,412	1.36
International Bank for Reconstruction & Development 4.25% 22/01/2026	MXN 117,000,000	3,854	0.26
Inter-American Development Bank 3.2% 07/08/2042	USD 4,870,000	3,849	0.26
Ardagh Metal Packaging 3% 01/09/2029	EUR 4,118,000	3,533	0.24
Inter-American Development Bank 4.375% 24/01/2044	USD 3,330,000	3,109	0.21
OI European 2.875% 15/02/2025	EUR 3,451,000	3,011	0.20
Primo Water 3.875% 31/10/2028	EUR 3,115,000	2,727	0.18
United 3.625% 15/02/2028	EUR 2,903,000	2,437	0.16
ARD Finance 5% 30/06/2027	EUR 2,772,308	2,433	0.16
Aroundtown 3.375% Perpetual	EUR 2,500,000	2,245	0.15
CCO 4.75% 01/03/2030	USD 2,820,000	2,063	0.14
Prime Security Services Borrower 5.75% 15/04/2026	USD 2,657,000	2,044	0.14
National Housing Finance and Investment 2.335% 30/06/2036	AUD 3,645,000	1,984	0.13
HT Troplast 9.25% 15/07/2025	EUR 2,100,000	1,980	0.13
INEOS Finance 2.875% 01/05/2026	EUR 2,250,000	1,962	0.13
Clarios Global 4.375% 15/05/2026	EUR 2,183,000	1,943	0.13
Constellium 3.75% 15/04/2029	USD 2,684,000	1,837	0.12
Connect 6.75% 01/10/2026	USD 2,384,000	1,741	0.12
Alcoa Nederland 6.125% 15/05/2028	USD 2,250,000	1,730	0.12
Altice France 3.375% 15/01/2028	EUR 1,900,000	1,605	0.11
Carnival 9.875% 01/08/2027	USD 1,890,000	1,563	0.10
United States Steel 6.25% 15/03/2026	USD 1,800,000	1,296	0.09
Iceland Bondco 4.625% 15/03/2025	GBP 1,300,000	1,278	0.08
Novelis Sheet Ingot 3.375% 15/04/2029	EUR 1,426,000	1,265	0.08
Endo Finance 5.875% 15/10/2024	USD 1,430,000	1,003	0.07
Verisure 5.25% 15/02/2029	EUR 1,016,000	899	0.06
Verisure 3.875% 15/07/2026	EUR 990,000	871	0.06
Iceland Bondco 4.375% 15/05/2028	GBP 579,000	546	0.04
CCO 4.5% 15/08/2030	USD 607,000	435	0.03
Par Pharmaceutical 7.5% 01/04/2027	USD 600,000	432	0.03
Clear Channel Worldwide 5.125% 15/08/2027	USD 300,000	214	0.01
Altice France 5.125% 15/01/2029	USD 292,000	204	0.01
Endo Finance 6% 30/06/2028	USD 375,000	183	0.01
Altice France 4.125% 15/01/2029	EUR 100,000	87	0.01
		<b>98,026</b>	<b>6.55</b>
<b>Government bonds 12.93% (31.05.20: 9.77%)</b>			
Republic of South Africa Government Bond 8% 31/01/2030	ZAR 948,300,000	45,779	3.06
Australia Government Bond 1.5% 21/06/2031	AUD 53,855,000	28,948	1.94
New Zealand Government Bond 1.5% 15/05/2031	NZD 58,123,000	28,755	1.92
Colombian TES 7.25% 18/10/2034	COP 125,698,500,000	22,769	1.52
Peru Government Bond 6.15% 12/08/2032	PEN 93,156,000	18,470	1.23
Republic of South Africa Government Bond 8.875% 28/02/2035	ZAR 352,563,563	16,170	1.08

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Government bonds 12.93% (31.05.20: 9.77%) (continued)</b>			
New Zealand Government Bond 1.75% 15/05/2041	NZD 22,782,000	9,917	0.66
Kenya Infrastructure Bond 12.257% 05/01/2037	KES 1,471,800,000	9,884	0.66
Perusahaan Penerbit SBSN Indonesia III 2.3% 23/06/2025	USD 7,668,000	5,615	0.38
Queensland Treasury 1.25% 10/03/2031	AUD 7,024,000	3,643	0.24
New South Wales Treasury 1.25% 20/11/2030	AUD 6,914,000	3,604	0.24
		<b>193,554</b>	<b>12.93</b>
<b>Basic materials 0.83% (31.05.20: 2.42%)</b>			
<b>Chemicals</b>			
Croda International	177,227	<b>12,349</b>	<b>0.83</b>
<b>Consumer discretionary 10.64% (31.05.20: 10.53%)*</b>			
<b>Automobiles and parts</b>			
Aptiv	172,744	<b>18,367</b>	<b>1.23</b>
<b>Consumer services</b>			
China Yuhua Education	18,978,000	13,365	0.89
YDUQS Participacoes	1,733,838	7,724	0.52
China East Education	3,234,000	4,925	0.33
		<b>26,014</b>	<b>1.74</b>
<b>Household goods and home construction</b>			
Midea	2,516,310	<b>23,016</b>	<b>1.54</b>
<b>Leisure goods</b>			
NetEase ADR	231,139	<b>18,970</b>	<b>1.27</b>
<b>Media</b>			
RELX	611,067	<b>11,271</b>	<b>0.75</b>
<b>Personal goods</b>			
Moncler	172,083	<b>8,455</b>	<b>0.57</b>
<b>Retailers</b>			
Alibaba	1,334,996	25,136	1.68
Home Depot	94,973	21,346	1.43
Topsports International	5,870,000	6,401	0.43
		<b>52,883</b>	<b>3.54</b>
<b>Consumer staples 3.35% (31.05.20: 4.77%)*</b>			
<b>Food producers</b>			
China Mengniu Dairy	2,648,000	<b>11,033</b>	<b>0.74</b>
<b>Personal care, drug and grocery stores</b>			
Unilever	546,006	23,044	1.54
Axfood	819,577	15,984	1.07
		<b>39,028</b>	<b>2.61</b>
<b>Energy 2.07% (31.05.20: 0.48%)</b>			
<b>Alternative energy</b>			
Xinyi Solar	13,024,000	16,261	1.09
Vestas Wind Systems	534,435	14,655	0.98
		<b>30,916</b>	<b>2.07</b>
<b>Financials 11.80% (31.05.20: 11.98%)*</b>			
<b>Banks</b>			
HDFC Bank	1,211,118	17,759	1.19
Bank Rakyat Indonesia	31,105,400	6,251	0.42
		<b>24,010</b>	<b>1.61</b>
<b>Finance and credit services</b>			
Muthoot Finance	1,036,627	12,776	0.85
S&P Global	39,721	10,662	0.71
MGIC Investment	777,293	8,005	0.54
		<b>31,443</b>	<b>2.10</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Investment banking and brokerage</b>			
Nasdaq	119,405	13,972	0.93
Partners	7,142	7,561	0.51
		<b>21,533</b>	<b>1.44</b>
<b>Life insurance</b>			
AIA	2,402,400	22,530	1.51
Ping An Insurance	2,463,000	18,969	1.27
		<b>41,499</b>	<b>2.78</b>
<b>Non-life insurance</b>			
Essent	684,635	23,344	1.56
Fidelity National Financial	242,466	7,966	0.53
Intact Financial	79,422	7,510	0.50
Arch Capital	259,137	7,247	0.48
Beazley	2,057,840	6,221	0.42
NMI	333,856	5,739	0.38
		<b>58,027</b>	<b>3.87</b>
<b>Health care 6.70% (31.05.20: 5.71%)</b>			
<b>Health care providers</b>			
UnitedHealth	60,268	17,535	1.17
Fleury	2,006,294	7,044	0.47
		<b>24,579</b>	<b>1.64</b>
<b>Medical equipment and services</b>			
Medtronic	156,333	<b>13,785</b>	<b>0.92</b>
<b>Pharmaceuticals and biotechnology</b>			
Novo Nordisk	427,865	23,898	1.60
Roche	69,212	17,026	1.14
Shionogi	274,900	9,913	0.66
Novozymes	142,812	7,314	0.49
China Resources Sanjiu Medical & Pharmaceutical	1,302,789	3,760	0.25
		<b>61,911</b>	<b>4.14</b>
<b>Industrials 11.12% (31.05.20: 11.15%)#</b>			
<b>Construction and materials</b>			
Trane Technologies	216,444	28,366	1.90
Watsco	38,327	7,808	0.52
		<b>36,174</b>	<b>2.42</b>
<b>Electronic and electrical equipment</b>			
Wuxi Lead Intelligent Equipment	2,142,688	21,439	1.43
Schneider Electric	127,997	14,293	0.95
Keyence	32,500	11,380	0.76
		<b>47,112</b>	<b>3.14</b>
<b>General industrials</b>			
Brambles	2,640,836	<b>15,597</b>	<b>1.04</b>
<b>Industrial engineering</b>			
Zhejiang Sanhua Intelligent Controls	5,060,314	12,366	0.83
Daifuku	154,000	9,397	0.63
		<b>21,763</b>	<b>1.46</b>
<b>Industrial support services</b>			
Accenture	58,846	11,616	0.78
Visa	66,269	10,595	0.71
Mastercard	40,554	10,333	0.69
		<b>32,544</b>	<b>2.18</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)	
<b>Industrial transportation</b>				
Landstar System	110,731	13,208	0.88	
<b>Real estate 3.86% (31.05.20: 4.85%)</b>				
<b>Real estate investment and services</b>				
A-Living Smart City Services	5,364,750	18,379	1.23	
<b>Real estate investment trusts</b>				
Tritax Big Box REIT	6,026,296	11,890	0.79	
Primary Health Properties	6,590,351	10,175	0.68	
Hammerson	17,387,774	6,967	0.47	
Merlin Properties Socimi	780,803	6,385	0.43	
Unibail-Rodamco-Westfield	63,108	3,935	0.26	
		<b>39,352</b>	<b>2.63</b>	
<b>Technology 10.23% (31.05.20: 3.49%)*</b>				
<b>Software and computer services</b>				
ANSYS	59,347	14,098	0.94	
Tencent Music Entertainment ADR	1,217,659	13,244	0.89	
Intuit	39,325	11,978	0.80	
Microsoft	65,235	11,473	0.77	
Amadeus IT	210,005	11,112	0.74	
Check Point Software Technologies	87,760	7,204	0.48	
		<b>69,109</b>	<b>4.62</b>	
<b>Technology hardware and equipment</b>				
ASML	41,053	19,331	1.29	
TE Connectivity	192,873	18,402	1.23	
Infineon Technologies	629,265	17,686	1.18	
KLA	64,431	14,384	0.96	
Taiwan Semiconductor Manufacturing	953,000	14,296	0.95	
		<b>84,099</b>	<b>5.61</b>	
<b>Telecommunications 1.09% (31.05.20: 0.64%)</b>				
<b>Telecommunications equipment</b>				
Arista Networks	68,833	16,376	1.09	
<b>Utilities 5.18% (31.05.20: 0.00%)</b>				
<b>Electricity</b>				
Iberdrola	2,720,102	26,414	1.77	
NextEra Energy	476,546	24,504	1.64	
Terna	2,083,936	11,198	0.75	
		<b>62,116</b>	<b>4.16</b>	
<b>Waste and disposal services</b>				
Waste Management	154,696	15,334	1.02	
<b>Derivatives – futures (0.06%) (31.05.20: (0.34%))</b>				
S&P 500 E-Mini Futures 18/06/21	(100)	(910)	(0.06)	
<b>Derivatives – options 0.09% (31.05.20: 1.71%)</b>				
Nasdaq 100 Stock Index 16000 Call Option 17/12/21	170	1,371	0.09	
<b>Derivatives - interest rate swaps 0.00% (31.05.20: 0.10%)</b>				
<b>Forward foreign exchange contracts 0.21% (31.05.20: (4.14%))</b>				
<b>Forward currency contracts</b>				
<b>Australian dollar</b>				
Buy AUD	25,250,000	for GBP (14,004,838)	(259)	(0.02)
Sell AUD	(90,375,400)	for GBP 50,546,894	1,349	0.09
<b>Canadian dollar</b>				
Buy CAD	11,340,000	for GBP (6,494,443)	115	0.01
Sell CAD	(22,144,000)	for GBP 12,597,880	(309)	(0.02)
<b>Chinese yuan</b>				
Buy CNH	882,802,900	for GBP (96,718,898)	1,031	0.07
<b>Danish krone</b>				
Sell DKK	(360,553,000)	for GBP 41,720,869	67	-

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset			Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Forward currency contracts (continued)</b>					
<b>Euro</b>					
Buy EUR	31,490,000	for GBP	(27,137,253)	(81)	(0.01)
Sell EUR	(431,715,415)	for GBP	370,277,407	(646)	(0.04)
<b>Hong Kong dollar</b>					
Buy HKD	89,830,000	for GBP	(8,337,033)	(174)	(0.01)
Sell HKD	(1,256,527,000)	for GBP	116,524,437	2,339	0.16
<b>Japanese yen</b>					
Buy JPY	26,850,022,800	for GBP	(177,974,379)	(5,673)	(0.38)
Sell JPY	(1,651,385,772)	for GBP	11,050,499	453	0.03
<b>New Zealand dollar</b>					
Sell NZD	(250,476,887)	for GBP	129,203,056	1,113	0.07
<b>South African Rand</b>					
Buy ZAR	205,070,000	for GBP	(9,765,563)	684	0.05
Sell ZAR	(1,116,085,200)	for GBP	51,559,503	(5,310)	(0.36)
<b>Swedish krona</b>					
-Buy SEK	29,480,000	for GBP	(2,503,604)	-	-
Sell SEK	(193,233,739)	for GBP	16,352,567	(56)	-
<b>Swiss franc</b>					
Buy CHF	5,510,000	for GBP	(4,346,735)	(26)	-
Sell CHF	(28,106,100)	for GBP	21,828,150	(213)	(0.01)
<b>Turkish lira</b>					
Buy TRY	319,479,000	for GBP	(28,757,948)	(2,669)	(0.18)
<b>US dollar</b>					
Buy USD	149,830,000	for GBP	(107,841,709)	(2,161)	(0.14)
Sell USD	(1,122,602,666)	for GBP	807,655,635	15,844	1.06
				<b>5,418</b>	<b>0.37</b>
<b>Forward cross currency contracts</b>					
Buy ARS	828,240,000	for USD	(8,261,746)	282	0.02
Buy BRL	120,659,200	for USD	(22,735,858)	207	0.01
Buy CNH	103,775,908	for EUR	(13,258,000)	100	0.01
Buy CNH	103,587,927	for USD	(15,813,000)	316	0.02
Buy EUR	3,460,000	for USD	(4,225,504)	(8)	-
Buy IDR	412,719,507,000	for USD	(28,187,372)	417	0.03
Buy JPY	4,591,640,000	for USD	(42,158,629)	(271)	(0.02)
Buy NZD	30,108,000	for USD	(21,307,830)	368	0.02
Buy RUB	2,782,755,980	for USD	(37,322,371)	312	0.02
Buy USD	8,354,247	for ARS	(828,240,000)	(217)	(0.01)
Buy USD	44,580,745	for BRL	(241,318,400)	(891)	(0.06)
Buy USD	102,639,296	for CNH	(675,500,000)	(2,401)	(0.16)
Buy USD	33,465,026	for COP	(123,361,525,000)	244	0.02
Buy USD	5,052,000	for IDR	(73,687,966,800)	(61)	-
Buy USD	26,967,643	for PEN	(99,685,113)	735	0.05
Buy USD	4,220,000	for RUB	(310,523,636)	4	-
Buy USD	36,002,845	for TRY	(319,483,000)	(696)	(0.05)
Buy USD	24,031,324	for TWD	(673,189,475)	(216)	(0.01)
Buy USD	19,522,000	for ZAR	(286,215,029)	(814)	(0.05)
				<b>(2,590)</b>	<b>(0.16)</b>
Portfolio of investments <sup>^</sup>				1,423,078	95.14
Net other assets <sup>*</sup>				72,686	4.86
<b>Net assets</b>				<b>1,495,764</b>	<b>100.00</b>

<sup>^</sup> Including derivative liabilities.

<sup>\*</sup>The net other assets figure includes any bank or short term cash deposits.

<sup>#</sup>Prior year comparatives restated.

~ The market value of the holdings is below £500 and is therefore rounded down to £0.

Stocks shown as ADRs represent American Depositary Receipts.

The classifications and prior year comparatives have been updated, where required, to reflect recent changes in the Industry Classification Benchmark (ICB) standard.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

Fixed interest securities are traded on a regulated market, unless otherwise stated.

The collective investment schemes investments and the forward foreign exchange contracts are not listed.

## Portfolio Analysis

As at 31 May 2021

### Portfolio Analysis

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
Bonds	291,580	19.48	401,278	23.76
Collective investment schemes	127,957	8.55	304,356	18.04
Derivatives	461	0.03	24,698	1.47
Equities	1,000,252	66.87	945,859	56.02
Forward foreign exchange contracts	2,828	0.21	(69,594)	(4.14)
Net other assets	72,686	4.86	81,835	4.85
<b>Net assets</b>	<b>1,495,764</b>	<b>100.00</b>	<b>1,688,432</b>	<b>100.00</b>

### Credit Breakdown\*

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
AAA	120,095	8.03	930	0.06
AA	7,247	0.48	6,520	0.38
A	18,470	1.23	38,513	2.26
BBB	28,384	1.90	105,399	6.22
BB	72,428	4.85	158,051	9.39
B	41,890	2.79	89,637	5.31
CCC	1,082	0.07	2,228	0.14
Unrated	1,984	0.13	-	-
<b>Total bonds</b>	<b>291,580</b>	<b>19.48</b>	<b>401,278</b>	<b>23.76</b>

\*Bond ratings are Ninety One approximations.

# Emerging Markets Blended Debt Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Collective investment schemes 0.93% (31.05.20: 0.00%)</b>			
Ninety One GSF All China Bond Fund†	47,440	1,158	0.93
<b>Corporate bonds 33.06% (31.05.20: 28.88%)</b>			
China Development Bank 3.7% 20/10/2030	CNH 31,990,000	3,597	2.90
JPMorgan Chase Bank 7% 18/09/2030	IDR 44,523,000,000	2,282	1.84
Perusahaan Listrik Negara 4% 30/06/2050	USD 2,395,000	1,624	1.31
Eskom 7.125% 11/02/2025	USD 2,039,000	1,523	1.23
China Development Bank 3.66% 01/03/2031	CNH 12,570,000	1,412	1.14
Chinalco Capital 4.1% Perpetual	USD 1,640,000	1,199	0.97
Braskem Netherlands Finance 4.5% 31/01/2030	USD 1,557,000	1,134	0.92
JPMorgan Chase Bank 8.375% 19/04/2039	IDR 18,999,000,000	1,044	0.84
Eskom 6.75% 06/08/2023	USD 1,355,000	1,007	0.81
Zhenro Properties 7.875% 14/04/2024	USD 1,402,000	1,007	0.81
Standard Chartered Bank 7.5% 19/05/2038	IDR 17,364,000,000	888	0.72
CIFI 5.95% 20/10/2025	USD 1,086,000	812	0.65
Eskom 8.45% 10/08/2028	USD 1,000,000	796	0.64
VEON 3.375% 25/11/2027	USD 1,064,000	756	0.61
Kaisa 11.95% 22/10/2022	USD 1,018,000	754	0.61
Medco Oak Tree 7.375% 14/05/2026	USD 912,000	702	0.57
Petroleos Mexicanos 6.375% 23/01/2045	USD 1,111,000	671	0.54
European Bank for Reconstruction & Development 6.45% 13/12/2022	IDR 13,169,200,000	666	0.54
Bharti Airtel 4.375% 10/06/2025	USD 859,000	661	0.53
DP World Salaam 6% Perpetual	USD 828,000	642	0.52
Periama 5.95% 19/04/2026	USD 815,000	620	0.50
MAF Global Securities 5.5% Perpetual	USD 850,000	619	0.50
Huarong Finance 2017 4.75% 27/04/2027	USD 1,293,000	606	0.49
MHP Lux 6.25% 19/09/2029	USD 853,000	589	0.47
Mexico City Airport Trust 5.5% 31/07/2047	USD 830,000	581	0.47
Qatar Reinsurance 4.95% Perpetual	USD 805,000	577	0.47
Network i2i 5.65% Perpetual	USD 717,000	537	0.43
Pertamina 4.7% 30/07/2049	USD 706,000	526	0.42
Export-Import Bank of Korea 8.4% 30/11/2021	IDR 10,300,000,000	516	0.42
Suzano Austria 5% 15/01/2030	USD 630,000	497	0.40
FirstRand Bank 6.25% 23/04/2028	USD 641,000	479	0.39
Eskom 7.5% 15/09/2033	ZAR 11,900,000	462	0.37
Pampa Energia 9.125% 15/04/2029	USD 740,000	451	0.36
Dua Capital 2.78% 11/05/2031	USD 587,000	410	0.33
Tullow Oil 10.25% 15/05/2026	USD 484,000	351	0.28
Petrobras Global Finance 6.75% 03/06/2050	USD 430,000	341	0.27
Alpek 4.25% 18/09/2029	USD 445,000	336	0.27
NAK Naftogaz Ukraine via Kondor Finance 7.125% 19/07/2024	EUR 374,000	329	0.27
IHS Netherlands 7.125% 18/03/2025	USD 444,000	327	0.26
Transnet 4% 26/07/2022	USD 451,000	324	0.26
Alfa 6.875% 25/03/2044	USD 350,000	322	0.26
Country Garden 5.125% 14/01/2027	USD 415,000	312	0.25
Pertamina 4.175% 21/01/2050	USD 437,000	309	0.25
Lukoil Securities 3.875% 06/05/2030	USD 414,000	308	0.25
Kaisa 9.375% 30/06/2024	USD 435,000	304	0.25
Industrias Penoles 5.65% 12/09/2049	USD 364,000	302	0.24
Perusahaan Listrik Negara 4.125% 15/05/2027	USD 392,000	299	0.24
Saudi Arabian Oil 3.5% 24/11/2070	USD 453,000	298	0.24
Ecopetrol 5.875% 28/05/2045	USD 399,000	289	0.23
Standard Chartered Bank 8.75% 15/05/2031	IDR 4,949,000,000	284	0.23
Gohl Capital 4.25% 24/01/2027	USD 375,000	278	0.22
America Movil 7.125% 09/12/2024	MXN 7,740,000	277	0.22

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Corporate bonds 33.06% (31.05.20: 28.88%) (continued)</b>			
Saudi Arabian Oil 2.25% 24/11/2030	USD 393,000	271	0.22
Kosmos Energy 7.125% 04/04/2026	USD 384,000	264	0.21
Standard Chartered Bank 8.25% 18/05/2029	IDR 4,735,000,000	261	0.21
Dua Capital 1.658% 11/05/2026	USD 346,000	244	0.20
JPMorgan Chase Bank 8.25% 17/05/2029	IDR 3,878,000,000	213	0.17
Kazakhstan Temir Zholy Finance 6.95% 10/07/2042	USD 217,000	206	0.17
MAF Global Securities 6.375% Perpetual	USD 251,000	192	0.15
Country Garden 7.25% 08/04/2026	USD 243,000	190	0.15
EMG SUKUK 4.564% 18/06/2024	USD 249,000	189	0.15
Emirates NBD Bank 6.125% Perpetual	USD 245,000	185	0.15
Nemak 4.75% 23/01/2025	USD 251,000	183	0.15
Turk Telekomunikasyon 4.875% 19/06/2024	USD 248,000	182	0.15
Geely Automobile 4% Perpetual	USD 247,000	179	0.14
Grupo Bimbo 5.95% Perpetual	USD 236,000	177	0.14
C&W Senior Financing 6.875% 15/09/2027	USD 234,000	176	0.14
VTR Finance 6.375% 15/07/2028	USD 233,000	174	0.14
Aegea Finance 5.75% 10/10/2024	USD 236,000	173	0.14
Financiera de Desarrollo Territorial 7.875% 12/08/2024	COP 856,000,000	168	0.14
Central American Bottling 5.75% 31/01/2027	USD 225,000	168	0.14
Equate Petrochemical 4.25% 03/11/2026	USD 207,000	162	0.13
Zhenro Properties 9.15% 06/05/2023	USD 202,000	149	0.12
Millicom International Cellular 6.25% 25/03/2029	USD 185,400	145	0.12
Resorts World Las Vegas 4.625% 16/04/2029	USD 200,000	145	0.12
Banco Nacional de Panama 2.5% 11/08/2030	USD 204,000	138	0.11
European Investment Bank 8.5% 17/09/2024	ZAR 2,150,000	117	0.10
Standard Chartered Bank 6.125% 17/05/2028	IDR 2,246,000,000	111	0.09
		<b>40,999</b>	<b>33.06</b>
<b>Government bonds 54.68% (31.05.20: 64.21%)</b>			
Malaysia Government Bond 3.882% 10/03/2022	MYR 21,062,000	3,652	2.94
Russian Federal Bond - OFZ 7.95% 07/10/2026	RUB 230,069,000	2,338	1.89
Thailand Government Bond 2.125% 17/12/2026	THB 92,010,000	2,183	1.76
Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2023	BRL 15,148,000	2,134	1.72
Republic of South Africa Government Bond 8% 31/01/2030	ZAR 40,700,000	1,965	1.58
Republic of South Africa Government Bond 8.25% 31/03/2032	ZAR 35,639,505	1,648	1.33
Serbia International Bond 2.125% 01/12/2030	USD 2,168,000	1,426	1.15
Ukraine Government International Bond 1.258% 31/05/2040	USD 1,759,000	1,376	1.11
Brazil Letras do Tesouro Nacional 01/01/2024	BRL 12,000,000	1,334	1.08
Czech Republic Government Bond 1% 26/06/2026	CZK 38,850,000	1,275	1.03
Peru Government Bond 5.4% 12/08/2034	PEN 6,222,000	1,145	0.92
Ecuador Government International Bond 0.5% 31/07/2040	USD 2,466,550	1,109	0.89
Egypt Government Bond 14.06% 12/01/2026	EGP 24,738,000	1,096	0.88
Saudi Government International Bond 3.75% 21/01/2055	USD 1,477,000	1,064	0.86
Uruguay Government International Bond 4.375% 23/01/2031	USD 1,238,215	1,011	0.82
Colombia Government International Bond 4.5% 15/03/2029	USD 1,258,000	955	0.77
Dominican Republic International Bond 6.85% 27/01/2045	USD 1,184,000	944	0.76
Argentine Republic Government International Bond 0.125% 09/07/2035	USD 4,008,324	932	0.75
Malaysia Government Bond 3.906% 15/07/2026	MYR 4,976,000	897	0.72
Colombian TES 7.75% 18/09/2030	COP 4,515,300,000	880	0.71
Egypt Government International Bond 7.625% 29/05/2032	USD 1,103,000	842	0.68
Colombian TES 6% 28/04/2028	COP 4,549,100,000	829	0.67
Russian Federal Bond - OFZ 8.15% 03/02/2027	RUB 77,503,000	796	0.64
Czech Republic Government Bond 1.2% 13/03/2031	CZK 24,600,000	789	0.64
Colombian TES 5.75% 03/11/2027	COP 4,325,300,000	787	0.63
Ukraine Government International Bond 6.876% 21/05/2029	USD 997,000	733	0.59
Indonesia Treasury Bond 6.5% 15/02/2031	IDR 14,590,000,000	724	0.58
Colombian TES 7% 30/06/2032	COP 3,969,400,000	718	0.58
Serbia International Bond 1.65% 03/03/2033	EUR 856,000	710	0.57
Czech Republic Government Bond 2.4% 17/09/2025	CZK 20,170,000	706	0.57
Angolan Government International Bond 8% 26/11/2029	USD 952,000	684	0.55
North Macedonia Government International Bond 3.675% 03/06/2026	EUR 725,000	679	0.55
Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2025	BRL 4,735,000	677	0.55
Saudi Government International Bond 2.25% 02/02/2033	USD 996,000	672	0.54
Malaysia Government Bond 3.48% 15/03/2023	MYR 3,812,000	667	0.54
Colombian TES 7.25% 18/10/2034	COP 3,547,800,000	643	0.52

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Government bonds 54.68% (31.05.20: 64.21%) (continued)</b>			
Mexican Bonos 8% 07/11/2047	MXN 17,400,000	638	0.51
Romanian Government International Bond 5.125% 15/06/2048	USD 740,000	619	0.50
Thailand Government Bond 2.875% 17/12/2028	THB 25,023,000	618	0.50
El Salvador Government International Bond 8.625% 28/02/2029	USD 767,000	576	0.46
El Salvador Government International Bond 9.5% 15/07/2052	USD 760,000	574	0.46
Egypt Government Bond 18.35% 09/10/2023	EGP 11,566,000	565	0.46
Benin Government International Bond 4.875% 19/01/2032	EUR 656,000	559	0.45
Egypt Government Bond 17.7% 07/08/2025	EGP 11,181,000	554	0.45
Zambia Government International Bond 8.5% 14/04/2024	USD 1,160,000	540	0.44
Egypt Government International Bond 6.875% 30/04/2040	USD 757,000	529	0.43
Republic of South Africa Government Bond 9% 31/01/2040	ZAR 11,920,728	527	0.42
Serbia Treasury Bonds 5.875% 08/02/2028	RSD 57,830,000	505	0.41
Ghana Government International Bond 07/04/2025	USD 896,000	504	0.41
Mongolia Government International Bond 5.625% 01/05/2023	USD 659,000	488	0.39
Malaysia Government Bond 3.733% 15/06/2028	MYR 2,720,000	486	0.39
Thailand Government Bond 0.95% 17/06/2025	THB 21,385,000	484	0.39
Ghana Government International Bond 7.75% 07/04/2029	USD 658,000	478	0.39
Egypt Government Bond 14.292% 05/01/2028	EGP 10,631,000	472	0.38
Peru Government Bond 6.15% 12/08/2032	PEN 2,378,000	471	0.38
Ghana Government International Bond 8.625% 07/04/2034	USD 638,000	469	0.38
Malaysia Government Bond 3.955% 15/09/2025	MYR 2,575,000	464	0.37
Panama Notas del Tesoro 3.75% 17/04/2026	USD 610,000	464	0.37
China Government Bond 3.27% 19/11/2030	CNH 4,040,000	455	0.37
Egypt Government International Bond 4.75% 16/04/2026	EUR 497,000	450	0.36
Mongolia Government International Bond 5.125% 07/04/2026	USD 582,000	439	0.35
Brazil Notas do Tesouro Nacional Serie F 10% 01/01/2027	BRL 3,000,000	428	0.35
Angolan Government International Bond 9.5% 12/11/2025	USD 552,000	428	0.35
Romanian Government International Bond 6.125% 22/01/2044	USD 448,000	423	0.34
Thailand Government Bond 3.85% 12/12/2025	THB 16,028,000	408	0.33
Ecuador Government International Bond 0.5% 31/07/2035	USD 774,321	387	0.31
Egypt Government International Bond 5.625% 16/04/2030	EUR 436,000	383	0.31
Ghana Government International Bond 10.75% 14/10/2030	USD 426,000	382	0.31
Republic of South Africa Government Bond 8.5% 31/01/2037	ZAR 8,596,109	373	0.30
Emirate of Dubai Government International Bonds 3.9% 09/09/2050	USD 566,000	368	0.30
Zambia Government International Bond 8.97% 30/07/2027	USD 797,000	366	0.30
Czech Republic Government Bond 2.75% 23/07/2029	CZK 9,910,000	362	0.29
Romanian Government International Bond 3.375% 28/01/2050	EUR 374,000	337	0.27
Peruvian Government International Bond 6.95% 12/08/2031	PEN 1,464,000	311	0.25
Serbia International Bond 7.25% 28/09/2021	USD 425,000	306	0.25
Kenya Government International Bond 8% 22/05/2032	USD 379,000	302	0.24
Egypt Government Bond 14.556% 13/10/2027	EGP 6,455,000	290	0.23
Russian Federal Inflation Linked Bond 2.5% 17/07/2030	RUB 28,707,000	282	0.23
Oman Government International Bond 7% 25/01/2051	USD 396,000	279	0.22
Egypt Government International Bond 7.5% 16/02/2061	USD 411,000	278	0.22
El Salvador Government International Bond 7.65% 15/06/2035	USD 389,000	275	0.22
North Macedonia Government International Bond 1.625% 10/03/2028	EUR 330,000	274	0.22
Finance Department Government of Sharjah 4% 28/07/2050	USD 416,000	268	0.22
Angolan Government International Bond 9.125% 26/11/2049	USD 371,000	266	0.21
Argentine Republic Government International Bond 0.125% 09/07/2030	USD 1,002,394	261	0.21
Colombian TES 7.5% 26/08/2026	COP 1,256,300,000	254	0.20
Romanian Government International Bond 2% 28/01/2032	EUR 291,000	250	0.20
Angolan Government International Bond 9.375% 08/05/2048	USD 332,000	243	0.20
Peruvian Government International Bond 6.9% 12/08/2037	PEN 1,183,000	239	0.19
Hungary Government Bond 2.75% 22/12/2026	HUF 92,970,000	237	0.19
Colombian TES 6.25% 26/11/2025	COP 1,214,300,000	237	0.19
Hungary Government Bond 3% 26/06/2024	HUF 91,520,000	236	0.19
Egypt Government Bond 14.382% 12/01/2031	EGP 5,318,000	234	0.19
Mongolia Government International Bond 5.125% 05/12/2022	USD 315,000	231	0.19
Egypt Government International Bond 6.375% 11/04/2031	EUR 246,000	224	0.18
Philippine Government International Bond 2.65% 10/12/2045	USD 346,000	223	0.18
Egypt Government Bond 14.369% 20/10/2025	EGP 4,773,000	214	0.17
Kenya Government International Bond Private Placement 8% 22/05/2032	USD 267,000	212	0.17
Russian Federal Bond - OFZ 7.7% 23/03/2033	RUB 19,333,000	194	0.16
Hungary Government Bond 3.25% 22/10/2031	HUF 65,090,000	169	0.14

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Government bonds 54.68% (31.05.20: 64.21%) (continued)</b>			
Hungary Government Bond 4% 28/04/2051	HUF 61,690,000	162	0.13
Oman Government International Bond 6.25% 25/01/2031	USD 214,000	160	0.13
Ghana Government International Bond 8.627% 16/06/2049	USD 230,000	158	0.13
Ecuador Government International Bond 31/07/2030	USD 392,043	157	0.13
Provincia de Buenos Aires 7.875% 15/06/2027	USD 524,000	156	0.13
Panama Government International Bond 4.5% 01/04/2056	USD 200,000	155	0.12
Egypt Government International Bond 8.875% 29/05/2050	USD 200,000	155	0.12
Ukraine Government International Bond 7.375% 25/09/2032	USD 200,000	150	0.12
Dominican Republic International Bond 5.5% 27/01/2025	USD 184,000	143	0.12
Egypt Government International Bond 7.903% 21/02/2048	USD 200,000	143	0.12
Dominican Republic International Bond 4.5% 30/01/2030	USD 185,000	134	0.11
Romanian Government International Bond 4% 14/02/2051	USD 176,000	127	0.10
Mexican Bonos 7.75% 13/11/2042	MXN 3,490,000	125	0.10
Egypt Government Bond 14.664% 06/10/2030	EGP 2,659,000	119	0.10
Romanian Government International Bond 2.625% 02/12/2040	EUR 129,000	109	0.09
Serbia Treasury Bonds 4.5% 20/08/2032	RSD 13,430,000	106	0.09
Russian Federal Bond - OFZ 7.05% 19/01/2028	RUB 9,171,000	89	0.07
Argentine Republic Government International Bond 1% 09/07/2029	USD 276,666	76	0.06
		<b>67,806</b>	<b>54.68</b>
<b>Government treasury bills 2.05% (31.05.20: 0.00%)</b>			
Egypt Treasury Bills 06/07/2021	EGP 28,825,000	1,278	1.03
Egypt Treasury Bills 05/10/2021	EGP 29,550,000	1,269	1.02
		<b>2,547</b>	<b>2.05</b>
<b>Derivatives - futures 0.05% (31.05.20: 0.03%)</b>			
South Africa R2035 BOND Futures 05/08/2021	370	52	0.04
United States Treasury Note 10 Year Futures 21/09/2021	(51)	8	0.01
		<b>60</b>	<b>0.05</b>
<b>Derivatives - credit default swaps 0.00% (31.05.20: 0.16%)</b>			
<b>Derivatives - interest rate swaps 0.00% (31.05.20: (0.01%))</b>			
<b>Derivatives - total return swaps 0.00% (31.05.20: 0.62%)</b>			
<b>Forward foreign exchange contracts 0.90% (31.05.20: (0.66%))</b>			
<b>Forward currency contracts</b>			
<b>US dollar</b>			
Buy USD	4,966,981	for GBP (3,581,024)	(78) (0.06)
Sell USD	(90,165,687)	for GBP 64,553,940	957 0.77
		<b>879</b>	<b>0.71</b>
<b>Forward cross currency contracts</b>			
Buy BRL	55,829,590	for USD (10,252,374)	258 0.21
Buy CLP	3,992,921,445	for USD (5,493,059)	11 0.01
Buy CNH	15,431,181	for USD (2,359,228)	45 0.04
Buy COP	24,118,221,284	for USD (6,410,095)	46 0.04
Buy CZK	187,035,791	for USD (8,540,681)	288 0.23
Buy EGP	3,138,625	for USD (193,384)	3 -
Buy EUR	10,362,034	for USD (12,404,242)	154 0.12
Buy HUF	2,068,777,598	for USD (6,753,246)	346 0.28
Buy KRW	4,806,969,171	for USD (4,244,058)	49 0.04
Buy MXN	205,868,068	for USD (9,998,349)	189 0.15
Buy MYR	7,663,053	for USD (1,857,288)	(3) -
Buy PEN	21,319,687	for USD (5,781,160)	(166) (0.13)
Buy PLN	58,960,535	for USD (15,584,326)	292 0.24
Buy RON	971,569	for USD (235,190)	4 -
Buy RUB	688,712,685	for USD (9,207,625)	98 0.08
Buy THB	67,819,538	for USD (2,157,604)	9 0.01
Buy TRY	65,041,980	for USD (8,499,392)	(683) (0.55)
Buy TWD	145,102,684	for USD (5,120,008)	89 0.07
Buy USD	6,433,698	for BRL (34,506,907)	(107) (0.09)
Buy USD	4,300,492	for CLP (3,043,408,609)	72 0.06
Buy USD	3,053,309	for CNH (19,710,000)	(29) (0.02)
Buy USD	9,945,148	for COP (35,546,558,932)	283 0.23
Buy USD	4,245,489	for CZK (93,420,000)	(159) (0.13)
Buy USD	3,614,015	for EGP (58,199,752)	(51) (0.04)
Buy USD	25,797,280	for EUR (21,433,807)	(220) (0.18)

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset		Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Forward cross currency contracts (continued)</b>				
Buy USD	4,584,286	for HUF (1,380,509,900)	(176)	(0.14)
Buy USD	4,743,333	for IDR (69,107,339,265)	(53)	(0.04)
Buy USD	4,977,565	for MXN (99,570,000)	5	-
Buy USD	7,101,102	for PEN (26,369,116)	171	0.14
Buy USD	4,300,179	for PHP (210,135,440)	(62)	(0.05)
Buy USD	5,140,158	for RON (21,175,365)	(70)	(0.06)
Buy USD	5,570,032	for RUB (430,049,668)	(188)	(0.15)
Buy USD	12,852,503	for THB (398,708,562)	67	0.05
Buy USD	5,894,203	for TRY (50,528,962)	31	0.02
Buy USD	6,692,054	for ZAR (100,833,949)	(418)	(0.34)
Buy ZAR	72,672,404	for USD (5,092,675)	111	0.09
			<b>236</b>	<b>0.19</b>
Portfolio of investments <sup>^</sup>			113,685	91.67
Net other assets <sup>*</sup>			10,337	8.33
<b>Net assets</b>			<b>124,022</b>	<b>100.00</b>

<sup>^</sup> Including derivative liabilities.

<sup>\*</sup>The net other assets figure includes any bank or short term cash deposits.

<sup>†</sup>A related party to the Fund.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

Fixed interest securities are traded on a regulated market, unless otherwise stated.

The collective investment schemes investments and the forward foreign exchange contracts are not listed.

## Portfolio Analysis

As at 31 May 2021

### Portfolio Analysis

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
Bonds	108,805	87.74	123,135	93.09
Collective investment schemes	1,158	0.93	-	-
Derivatives	60	0.05	1,104	0.80
Forward foreign exchange contracts	1,115	0.90	(891)	(0.66)
Government treasury bills	2,547	2.05	-	-
Net other assets	10,337	8.33	8,955	6.77
<b>Net assets</b>	<b>124,022</b>	<b>100.00</b>	<b>132,303</b>	<b>100.00</b>

### Credit Breakdown\*

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
AAA	783	0.64	827	0.62
AA	4,016	3.25	4,440	3.34
A	17,032	13.72	19,595	14.79
BBB	34,101	27.48	45,985	34.80
BB	23,247	18.76	24,546	18.55
B	21,897	17.65	19,250	14.55
CCC	5,398	4.35	3,465	2.61
CC	1,269	1.02	1,847	1.40
D	1,062	0.87	3,180	2.43
<b>Total bonds</b>	<b>108,805</b>	<b>87.74</b>	<b>123,135</b>	<b>93.09</b>

\*Bond ratings are Ninety One approximations.

# Emerging Markets Equity Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Austria 0.00% (31.05.20: 1.10%)</b>			
<b>Bermuda 0.73% (31.05.20: 0.68%)*</b>			
China Resources Gas	296,000	1,291	0.73
<b>Brazil 2.37% (31.05.20: 3.80%)</b>			
Vale ADR	280,060	4,180	2.37
<b>Cayman Islands 18.75% (31.05.20: 11.56%)*</b>			
Tencent	244,600	13,370	7.57
Alibaba	321,192	6,048	3.43
China Resources Land	566,000	1,882	1.07
Li Ning	262,000	1,699	0.96
Meituan	66,000	1,589	0.90
Tencent Music Entertainment ADR	138,993	1,512	0.86
Trip.com ADR	50,658	1,452	0.82
Daqo New Energy ADR	25,455	1,397	0.79
Trip.com	44,187	1,262	0.72
WH	1,957,000	1,190	0.67
ENN Energy	67,300	872	0.49
Xinyi Solar	670,000	836	0.47
		<b>33,109</b>	<b>18.75</b>
<b>China 10.43% (31.05.20: 29.18%)*</b>			
Ping An Insurance Group Company of China	430,000	3,311	1.88
China Construction Bank	4,967,000	2,884	1.63
Ping An Bank	968,638	2,627	1.49
Haier Smart Home	724,600	2,150	1.22
China Longyuan Power	1,805,000	1,830	1.04
Contemporary Amperex Technology	40,200	1,825	1.03
Sany Heavy Industry	477,710	1,615	0.91
Zijin Mining	1,288,000	1,407	0.80
Ningbo Orient Wires & Cables	344,239	766	0.43
		<b>18,415</b>	<b>10.43</b>
<b>Cyprus 0.40% (31.05.20: 0.00%)</b>			
TCS GDR	13,432	713	0.40
<b>Denmark 0.00% (31.05.20: 1.06%)</b>			
<b>Hong Kong 3.98% (31.05.20: 3.90%)*</b>			
AIA	366,000	3,432	1.95
Hong Kong Exchanges & Clearing	42,400	1,840	1.04
Techtronic Industries	118,500	1,575	0.89
CITIC	212,000	176	0.10
		<b>7,023</b>	<b>3.98</b>
<b>Hungary 0.45% (31.05.20: 1.11%)</b>			
Richter Gedeon	39,678	790	0.45
<b>India 10.51% (31.05.20: 2.45%)</b>			
Infosys ADR	244,227	3,337	1.89
Aurobindo Pharma	189,728	1,886	1.07
HDFC Bank	125,916	1,846	1.05
Tech Mahindra	171,841	1,716	0.97
Gland Pharma	53,454	1,667	0.94
Wipro	301,035	1,576	0.89
Muthoot Finance	126,989	1,565	0.89
Hero MotoCorp	49,834	1,452	0.82
Bharat Electronics	908,337	1,282	0.73

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>India 10.51% (31.05.20: 2.45%) (continued)</b>			
ITC	589,469	1,222	0.69
LIC Housing Finance	227,007	1,008	0.57
		<b>18,557</b>	<b>10.51</b>
<b>Indonesia 0.00% (31.05.20: 0.80%)</b>			
<b>Jersey 1.14% (31.05.20: 1.47%)</b>			
Polymetal International	119,255	2,010	1.14
<b>Luxembourg 0.70% (31.05.20: 0.45%)</b>			
Ternium ADR	47,358	1,234	0.70
<b>Malaysia 0.00% (31.05.20: 0.30%)</b>			
<b>Mexico 1.92% (31.05.20: 3.27%)</b>			
Grupo Mexico	579,224	1,895	1.07
Wal-Mart de Mexico	678,522	1,503	0.85
		<b>3,398</b>	<b>1.92</b>
<b>Poland 0.00% (31.05.20: 0.57%)</b>			
<b>Russia 4.24% (31.05.20: 3.98%)</b>			
LUKOIL ADR (New York listed)	39,025	2,236	1.27
Sberbank of Russia PJSC ADR (London listed)	174,247	2,070	1.17
Moscow Exchange MICEX-RTS	904,670	1,453	0.82
EN+	83,332	707	0.40
Sberbank of Russia PJSC ADR (New York listed)	44,150	529	0.30
MMC Norilsk Nickel ADR (New York listed)	19,363	498	0.28
		<b>7,493</b>	<b>4.24</b>
<b>Saudi Arabia 1.45% (31.05.20: 0.00%)</b>			
Saudi National Bank	217,896	2,201	1.25
BinDawood	16,277	351	0.20
		<b>2,552</b>	<b>1.45</b>
<b>South Africa 3.89% (31.05.20: 2.21%)</b>			
Anglo American Platinum	21,549	1,940	1.10
Bid	111,650	1,659	0.94
Naspers	10,181	1,560	0.88
FirstRand	312,562	915	0.52
Netcare	997,889	786	0.45
		<b>6,860</b>	<b>3.89</b>
<b>South Korea 17.51% (31.05.20: 11.15%)</b>			
Samsung Electronics	238,910	12,103	6.85
Kakao	35,285	2,711	1.54
POSCO	9,849	2,221	1.26
Hana Financial	75,342	2,170	1.23
LG	27,704	1,875	1.06
Kia Motors	34,249	1,833	1.04
LG Chem	3,090	1,624	0.92
Fila	46,407	1,608	0.91
Samsung Life Insurance	23,592	1,241	0.70
Korea Zinc	4,134	1,204	0.68
Hankook Tire & Technology	35,915	1,098	0.62
E-MART	10,377	1,021	0.58
LX Holdings	13,435	104	0.06
Orion	1,337	100	0.06
		<b>30,913</b>	<b>17.51</b>
<b>Taiwan 16.31% (31.05.20: 11.92%)</b>			
Taiwan Semiconductor Manufacturing ADR	165,211	13,491	7.64
MediaTek	146,000	3,568	2.02
Hon Hai Precision Industry	849,000	2,385	1.35
AU Optronics	3,860,000	2,302	1.30
Delta Electronics	273,000	2,020	1.14
Fubon Financial	1,049,000	1,918	1.09
Yageo	147,000	1,831	1.04
Accton Technology	172,000	1,281	0.73
		<b>28,796</b>	<b>16.31</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Thailand 0.00% (31.05.20: 0.87%)</b>			
<b>Turkey 1.59% (31.05.20: 1.21%)</b>			
Haci Omer Sabanci	1,855,988	1,304	0.74
TAV Havalimanlari	493,111	933	0.53
Migros Ticaret	198,780	574	0.32
		<b>2,811</b>	<b>1.59</b>
<b>United Arab Emirates 0.00% (31.05.20: 1.03%)</b>			
<b>United Kingdom 1.60% (31.05.20: 1.20%)</b>			
Anglo American	89,958	<b>2,828</b>	<b>1.60</b>
<b>United States 1.37% (31.05.20: 0.00%)</b>			
Yum China (Hong Kong listed)	32,461	1,519	0.86
Yum China (New York listed)	19,034	900	0.51
		<b>2,419</b>	<b>1.37</b>
Portfolio of investments		175,392	99.34
Net other assets*		1,164	0.66
<b>Net assets</b>		<b>176,556</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

#Prior year comparatives restated.

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as GDRs represent Global Depositary Receipts.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Global Franchise Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Cayman Islands 4.66% (31.05.20: 1.88%)*</b>			
NetEase ADR	51,688	4,242	2.61
Alibaba ADR	22,103	3,317	2.05
		<b>7,559</b>	<b>4.66</b>
<b>China 0.00% (31.05.20: 0.00%)*</b>			
<b>Germany 3.60% (31.05.20: 3.35%)*</b>			
Beiersdorf	69,839	<b>5,833</b>	<b>3.60</b>
<b>Ireland 2.27% (31.05.20: 2.23%)*</b>			
ICON	23,359	<b>3,685</b>	<b>2.27</b>
<b>Israel 2.18% (31.05.20: 2.84%)*</b>			
Check Point Software Technologies	43,122	<b>3,540</b>	<b>2.18</b>
<b>Netherlands 6.48% (31.05.20: 4.40%)*</b>			
ASML	22,328	<b>10,514</b>	<b>6.48</b>
<b>South Korea 2.05% (31.05.20: 1.59%)*</b>			
Samsung Electronics GDR	2,612	<b>3,330</b>	<b>2.05</b>
<b>Spain 0.00% (31.05.20: 1.95%)*</b>			
<b>Switzerland 7.83% (31.05.20: 9.23%)*</b>			
Nestle	78,884	6,867	4.24
Roche	23,684	5,826	3.59
		<b>12,693</b>	<b>7.83</b>
<b>United Kingdom 4.48% (31.05.20: 7.46%)*</b>			
St James's Place	277,623	3,902	2.40
Unilever	79,859	3,371	2.08
		<b>7,273</b>	<b>4.48</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>United States 63.15% (31.05.20: 62.55%)</b>			
Visa	82,742	13,229	8.16
Moody's	41,361	9,732	6.00
Booking	5,118	8,424	5.19
Microsoft	47,363	8,330	5.14
VeriSign	46,743	7,262	4.48
Intuit	22,104	6,733	4.15
Estee Lauder	30,689	6,571	4.05
Charles Schwab	118,205	6,153	3.79
Philip Morris International	84,171	5,738	3.54
Johnson & Johnson	45,811	5,453	3.36
Electronic Arts	51,523	5,194	3.20
Becton Dickinson	29,668	5,041	3.11
S&P Global	18,524	4,972	3.06
Factset Research Systems	13,791	3,227	1.99
Fox	120,412	3,221	1.99
Autodesk	15,560	3,146	1.94
		<b>102,426</b>	<b>63.15</b>
Portfolio of investments		156,853	96.70
Net other assets*		5,346	3.30
<b>Net assets</b>		<b>162,199</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

#Prior year comparatives restated.

Stocks shown as ADRs represent American Depositary Receipts.

Stocks shown as GDRs represent Global Depositary Receipts.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Global Quality Equity Income Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Consumer discretionary 8.24% (31.05.20: 8.38%)</b>			
<b>Leisure goods</b>			
NetEase ADR	7,204	591	2.49
<b>Media</b>			
Fox	21,195	567	2.39
<b>Personal goods</b>			
Nike	8,299	799	3.36
<b>Consumer staples 21.93% (31.05.20: 21.82%)</b>			
<b>Beverages</b>			
Diageo	17,117	582	2.45
<b>Personal care, drug and grocery</b>			
Reckitt Benckiser	12,146	772	3.25
Unilever	14,334	605	2.55
Procter & Gamble	5,510	525	2.21
		<b>1,902</b>	<b>8.01</b>
<b>Tobacco</b>			
Philip Morris International	16,579	1,130	4.76
Swedish Match	154,640	1,019	4.29
British American Tobacco	20,964	576	2.42
		<b>2,725</b>	<b>11.47</b>
<b>Financials 9.31% (31.05.20: 7.00%)</b>			
<b>Investment banking and brokerage</b>			
Broadridge Financial Solutions	8,543	962	4.05
Charles Schwab	14,982	780	3.28
CME	3,068	471	1.98
		<b>2,213</b>	<b>9.31</b>
<b>Health care 19.40% (31.05.20: 20.18%)</b>			
<b>Medical equipment and services</b>			
Siemens Healthineers	17,163	677	2.85
Coloplast	5,085	566	2.38
Becton Dickinson	3,290	559	2.35
Medtronic	6,210	548	2.31
		<b>2,350</b>	<b>9.89</b>
<b>Pharmaceuticals and biotechnology</b>			
Roche	2,710	667	2.81
Novartis	9,097	566	2.38
Johnson & Johnson	4,564	543	2.29
GlaxoSmithKline	36,012	483	2.03
		<b>2,259</b>	<b>9.51</b>
<b>Industrials 21.66% (31.05.20: 19.32%)</b>			
<b>Electronic and electrical equipment</b>			
Rockwell Automation	3,947	732	3.08
<b>Industrial engineering</b>			
Kone	12,498	716	3.01

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Industrial support services</b>			
Visa	9,292	1,486	6.25
Automatic Data Processing	7,273	1,011	4.25
Accenture	3,906	771	3.24
Experian	16,063	434	1.83
		<b>3,702</b>	<b>15.57</b>
<b>Real estate 1.63% (31.05.20: 0.72%)</b>			
<b>Real estate investment trusts</b>			
Crown Castle International REIT	2,908	<b>388</b>	<b>1.63</b>
<b>Technology 17.66% (31.05.20: 16.20%)</b>			
<b>Software and computer services</b>			
Microsoft	8,894	1,564	6.58
Sage	91,413	599	2.52
		<b>2,163</b>	<b>9.10</b>
<b>Technology hardware and equipment</b>			
ASML	2,636	1,241	5.22
Samsung Electronics Preference	17,359	793	3.34
		<b>2,034</b>	<b>8.56</b>
Portfolio of investments		23,723	99.83
Net other assets*		41	0.17
<b>Net assets</b>		<b>23,764</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

Stocks shown as ADRs represent American Depositary Receipts.

The classifications and prior year comparatives have been updated, where required, to reflect recent changes in the Industry Classification Benchmark (ICB) standard.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Global Special Situations Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Brazil 0.85% (31.05.20: 1.35%)</b>			
Cielo	3,616,069	2,064	0.85
<b>Cayman Islands 1.75% (31.05.20: 2.06%)#</b>			
Dali Foods	5,435,500	2,426	1.00
Trip.com ADR	63,916	1,832	0.75
		<b>4,258</b>	<b>1.75</b>
<b>France 4.87% (31.05.20: 2.98%)</b>			
Publicis	94,301	4,523	1.86
Coface	431,400	3,732	1.53
Safran	33,400	3,614	1.48
		<b>11,869</b>	<b>4.87</b>
<b>Germany 8.11% (31.05.20: 10.53%)</b>			
Continental	109,258	11,448	4.70
Bayer	185,189	8,321	3.41
		<b>19,769</b>	<b>8.11</b>
<b>Ireland 4.06% (31.05.20: 4.45%)#</b>			
Adient	281,992	9,905	4.06
<b>Jersey 2.13% (31.05.20: 5.56%)#</b>			
IWG	1,432,482	5,194	2.13
<b>Luxembourg 0.89% (31.05.20: 0.86%)</b>			
Tenaris	267,601	2,158	0.89
<b>Mauritius 0.70% (31.05.20: 0.00%)</b>			
MakeMyTrip	88,405	1,705	0.70
<b>Mexico 1.37% (31.05.20: 0.00%)</b>			
Grupo Aeroportuario del Sureste	269,963	3,343	1.37
<b>Netherlands 7.04% (31.05.20: 3.37%)#</b>			
AerCap	330,356	13,741	5.64
EXOR	56,088	3,414	1.40
		<b>17,155</b>	<b>7.04</b>
<b>Sweden 0.00% (31.05.20: 2.65%)</b>			
<b>Switzerland 0.00% (31.05.20: 3.36%)#</b>			
<b>Turkey 1.75% (31.05.20: 3.27%)</b>			
TAV Havalimanlari	2,248,999	4,255	1.75
<b>United Arab Emirates 0.00% (31.05.20: 1.53%)</b>			
<b>United Kingdom 19.84% (31.05.20: 17.72%)#</b>			
easyJet	809,568	8,217	3.37
Natwest	3,447,932	7,196	2.95
British American Tobacco	256,885	7,057	2.90
Rolls-Royce	5,663,339	6,150	2.52
TI Fluid Systems	1,918,592	5,842	2.40
Next	58,629	4,801	1.97
Prudential	232,607	3,543	1.45
John Wood	1,317,141	3,288	1.35
Capita	5,566,791	2,267	0.93
		<b>48,361</b>	<b>19.84</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>United States 45.68% (31.05.20: 40.00%)#</b>			
American Express	123,046	13,860	5.69
Bank of America	442,658	13,276	5.45
McKesson	82,811	11,350	4.66
Twitter	234,084	9,588	3.93
Citigroup	165,350	9,181	3.77
BorgWarner	208,990	7,575	3.11
Sprouts Farmers Market	407,931	7,498	3.07
Cars.com	670,263	6,969	2.86
Northern Trust	68,197	5,843	2.40
NOV	507,946	5,815	2.38
DXC Technology	153,987	4,172	1.71
Welbilt	321,154	4,151	1.70
Alliance Data Systems	45,778	3,933	1.61
Sabre	382,624	3,727	1.53
Booking	1,807	2,974	1.22
Helmerich & Payne	70,607	1,436	0.59
		<b>111,348</b>	<b>45.68</b>
Portfolio of investments		241,384	99.04
Net other assets*		2,350	0.96
<b>Net assets</b>		<b>243,734</b>	<b>100.00</b>

\*The net other assets figure includes any bank or short term cash deposits.

#Prior year comparatives restated.

Stocks shown as ADRs represent American Depositary Receipts.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

# Multi-Asset Protector Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Equity exposure 23.32% (31.05.20: 15.80%)</b>			
<b>Asia ex Japan 9.02% (31.05.20: 4.60%)</b>			
Alibaba	53,604	1,009	0.85
NetEase ADR	10,329	848	0.71
HDFC Bank ADR	14,772	788	0.66
Carabao	192,800	572	0.48
Wuliangye Yibin	16,221	570	0.48
Aristocrat Leisure	23,600	538	0.45
A-Living Smart City Services	153,250	525	0.44
Ping An Insurance Group Company of China	66,000	508	0.43
AIA	51,400	482	0.41
Midea	51,351	470	0.39
Tencent Music Entertainment ADR	42,520	462	0.39
Topsports International	415,000	453	0.38
China Yuhua Education	620,000	437	0.37
Taiwan Semiconductor Manufacturing	29,000	435	0.37
China Mengniu Dairy	88,000	367	0.31
Bank Rakyat Indonesia	1,733,065	348	0.29
Suofeiya Home Collection	96,616	303	0.25
China Resources Sanjiu Medical & Pharmaceutical	101,910	294	0.25
Zhejiang Supor Cookware	35,861	291	0.24
Sinopharm	122,400	288	0.24
Kweichow Moutai	1,137	281	0.24
China East Education	165,000	251	0.21
Sands China	67,600	218	0.18
		<b>10,738</b>	<b>9.02</b>
<b>Europe ex United Kingdom 2.43% (31.05.20: 1.90%)</b>			
Roche	2,438	600	0.50
Axfood	22,723	443	0.37
Novo Nordisk	7,695	430	0.36
Partners	358	379	0.32
Moncler	7,673	377	0.32
Amadeus IT	6,279	332	0.28
Check Point Software Technologies	3,995	328	0.28
		<b>2,889</b>	<b>2.43</b>
<b>Japan 0.26% (31.05.20: 0.40%)</b>			
Shionogi	8,700	314	0.26
<b>North America 8.98% (31.05.20: 7.00%)</b>			
UnitedHealth	2,439	710	0.60
KLA	2,833	632	0.53
Home Depot	2,623	590	0.50
Nasdaq	4,630	542	0.45
Johnson & Johnson	4,491	535	0.45
Trane Technologies	3,529	463	0.39
Northrop Grumman	1,747	456	0.38
Landstar System	3,801	453	0.38
Procter & Gamble	4,715	449	0.38
S&P Global	1,531	411	0.35
Electronic Arts	4,031	406	0.34
Lockheed Martin	1,432	391	0.33
Accenture	1,838	363	0.31
Mastercard	1,408	359	0.30
Arista Networks	1,502	357	0.30
McKesson	2,557	350	0.29

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
Visa	2,167	346	0.29
Ausnutria Dairy	310,000	343	0.29
Medtronic	3,853	340	0.29
TJX	6,648	315	0.26
Intuit	1,021	311	0.26
Microsoft	1,728	304	0.26
Booking	179	295	0.25
Dollar General	1,987	286	0.24
Watsco	1,290	263	0.22
American Express	1,857	209	0.17
Estee Lauder	963	206	0.17
		<b>10,685</b>	<b>8.98</b>
<b>Other emerging markets 0.48% (31.05.20: 0.20%)</b>			
YDUQS Participacoes	73,875	329	0.28
Fleury	68,349	240	0.20
		<b>569</b>	<b>0.48</b>
<b>United Kingdom 2.15% (31.05.20: 1.70%)</b>			
3i Infrastructure	132,956	411	0.34
BBGI Global Infrastructure	230,014	403	0.34
HICL Infrastructure	231,558	400	0.34
HomeServe	39,254	366	0.31
Howden Joinery	44,393	355	0.30
Unilever	8,085	341	0.29
RELX	15,130	279	0.23
		<b>2,555</b>	<b>2.15</b>
<b>Fixed income 19.88% (31.05.20: 14.26%)</b>			
<b>Defensive government bonds 13.90% (31.05.20: 7.22%)</b>			
Australia Government Bond 1.5% 21/06/2031	AUD 10,386,000	5,583	4.69
New Zealand Government Bond 1.5% 15/05/2031	NZD 11,209,000	5,545	4.66
United Kingdom Gilt 8% 07/06/2021	GBP 5,408,110	5,414	4.55
		<b>16,542</b>	<b>13.90</b>
<b>Emerging market debt 1.08% (31.05.20: 0.00%)</b>			
iShares J.P. Morgan USD Emerging Markets Bond UCITS ETF	305,033	<b>1,281</b>	<b>1.08</b>
<b>Global corporate credit 4.90% (31.05.20: 7.03%)</b>			
Ninety One GSF Emerging Markets Corporate Debt Fund†	90,284	2,444	2.05
Ninety One GSF Global Total Return Credit Fund†	121,410	1,815	1.53
Ninety One Funds Series ii - Monthly High Income Fund†	312,850	914	0.77
iShares USD High Yield Corporation Bond UCITS ETF	9,132	660	0.55
Ninety One Funds Series i - Diversified Income Fund†	2,693	5	-
		<b>5,838</b>	<b>4.90</b>
<b>Cash 56.44% (31.05.20: 67.82%)</b>			
<b>Government treasury bills</b>			
United Kingdom Treasury Bill 07/06/2021	GBP 12,000,000	12,000	10.09
United Kingdom Treasury Bill 14/06/2021	GBP 11,000,000	11,000	9.25
United Kingdom Treasury Bill 09/08/2021	GBP 11,000,000	10,999	9.25
United Kingdom Treasury Bill 21/06/2021	GBP 8,000,000	8,000	6.72
United Kingdom Treasury Bill 02/08/2021	GBP 8,000,000	8,000	6.72
United Kingdom Treasury Bill 26/07/2021	GBP 7,000,000	7,000	5.89
United Kingdom Treasury Bill 01/06/2021	GBP 4,000,000	4,000	3.36
United Kingdom Treasury Bill 28/06/2021	GBP 2,000,000	2,000	1.68
United Kingdom Treasury Bill 16/08/2021	GBP 2,000,000	2,000	1.68
United Kingdom Treasury Bill 31/08/2021	GBP 1,358,420	1,358	1.14
		<b>66,357</b>	<b>55.78</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset			Holding	Market Value (£'000)	Percentage of net assets (%)
<b>Derivative contracts - futures</b>					
S&P 500 E-Mini Futures 18/06/2021			34	310	0.26
FTSE 100 Index Futures 18/06/2021			63	206	0.17
US MSCI Emerging Market Index Futures 18/06/2021			24	11	0.01
				<b>527</b>	<b>0.44</b>
<b>Forward foreign exchange contracts</b>					
<b>Australian dollar</b>					
Sell AUD	(11,250,000)	for GBP	6,263,606	138	0.12
<b>Danish krone</b>					
Sell DKK	(3,500,000)	for GBP	405,579	1	-
<b>Euro currency</b>					
Sell EUR	(1,040,000)	for GBP	896,372	2	-
<b>Hong Kong dollar</b>					
Sell HKD	(48,090,000)	for GBP	4,380,225	10	0.01
<b>Japanese yen</b>					
Sell JPY	(46,670,000)	for GBP	303,712	4	-
<b>New Zealand dollar</b>					
Sell NZD	(11,170,000)	for GBP	5,762,372	51	0.05
<b>Swedish krona</b>					
Sell SEK	(3,370,000)	for GBP	286,771	1	-
<b>Swiss franc</b>					
Sell CHF	(840,000)	for GBP	662,229	3	-
<b>US dollar</b>					
~Buy USD	349,000	for GBP	(245,938)	-	-
Sell USD	(26,192,000)	for GBP	18,522,571	49	0.04
				<b>259</b>	<b>0.22</b>
Portfolio of investments				118,554	99.64
Net other assets*				430	0.36
<b>Net assets</b>				<b>118,984</b>	<b>100.00</b>

† A related party to the Fund.

\* The net other assets figure includes any bank and short term cash deposits.

~ The market value of the holdings is below £500 and is therefore rounded down to £0.

Stocks shown as ADRs represent American Depositary Receipts.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

Fixed interest securities are traded on a regulated market, unless otherwise stated.

The collective investment schemes and the forward foreign exchange contracts are not listed.

Over the year we have evolved our asset allocation categories to provide more insightful portfolio breakdowns.

## Portfolio Analysis

As at 31 May 2021

### Portfolio Analysis

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
Bonds	16,542	13.90	9,840	7.26
Collective investment schemes	8,333	7.00	12,766	9.41
Derivatives	527	0.44	-	-
Equities	26,536	22.30	18,413	13.59
Government treasury bills	66,357	55.78	93,240	68.82
Forward foreign exchange contracts	259	0.22	(283)	(0.20)
Net other assets	430	0.36	1,523	1.12
<b>Net assets</b>	<b>118,984</b>	<b>100.00</b>	<b>135,499</b>	<b>100.00</b>

### Credit Breakdown\*

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
AAA	11,128	9.35	-	-
AA	5,414	4.55	9,840	7.26
<b>Total bonds</b>	<b>16,542</b>	<b>13.90</b>	<b>9,840</b>	<b>7.26</b>

\*Bond ratings are Ninety One approximations.

# Multi-Asset Protector Fund 2

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Equity exposure 28.37% (31.05.20: 15.60%)</b>			
<b>Asia ex Japan 11.04% (31.05.20: 4.40%)</b>			
Alibaba	48,704	917	1.03
NetEase ADR	9,727	798	0.90
HDFC Bank ADR	12,769	681	0.77
Wuliangye Yibin	14,561	511	0.58
A-Living Smart City Services	140,750	482	0.54
Carabao	158,200	470	0.53
Aristocrat Leisure	20,469	467	0.53
AIA	49,000	460	0.52
Ping An Insurance Group Company of China	59,000	454	0.51
Midea	46,223	423	0.48
Tencent Music Entertainment ADR	38,648	420	0.47
Taiwan Semiconductor Manufacturing	27,000	405	0.46
China Yuhua Education	570,000	401	0.45
Topsports International	367,000	400	0.45
China Mengniu Dairy	90,000	375	0.42
Suofeiya Home Collection	98,169	307	0.35
Bank Rakyat Indonesia	1,517,321	305	0.34
Zhejiang Supor Cookware	34,898	283	0.32
China Resources Sanjiu Medical & Pharmaceutical	96,588	279	0.31
Kweichow Moutai	1,067	264	0.30
Sinopharm	108,400	255	0.29
China East Education	149,000	227	0.25
Sands China	65,600	212	0.24
		<b>9,796</b>	<b>11.04</b>
<b>Europe ex United Kingdom 2.92% (31.05.20: 1.90%)</b>			
Roche	2,228	548	0.62
Axfood	20,757	405	0.46
Novo Nordisk	7,020	392	0.44
Moncler	6,743	331	0.37
Partners	304	322	0.36
Amadeus IT	5,726	303	0.34
Check Point Software Technologies	3,615	297	0.33
		<b>2,598</b>	<b>2.92</b>
<b>Japan 0.32% (31.05.20: 0.30%)</b>			
Shionogi	8,000	288	0.32
<b>North America 11.32% (31.05.20: 7.10%)</b>			
UnitedHealth	2,440	710	0.80
KLA	2,623	586	0.66
Home Depot	2,394	538	0.61
Procter & Gamble	5,202	495	0.56
Johnson & Johnson	4,155	495	0.56
Nasdaq	4,204	492	0.55
Landstar System	3,927	468	0.53
Northrop Grumman	1,598	418	0.47
Trane Technologies	3,089	405	0.46
Electronic Arts	3,937	397	0.45
Arista Networks	1,628	387	0.44
S&P Global	1,391	373	0.42
Lockheed Martin	1,298	354	0.40
Mastercard	1,285	327	0.37
McKesson	2,360	323	0.36

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset	Holding	Market Value (£'000)	Percentage of net assets (%)
<b>North America 11.32% (31.05.20: 7.10%) (continued)</b>			
Accenture	1,634	323	0.36
Visa	1,976	316	0.36
Ausnutria Dairy	285,000	315	0.36
Medtronic	3,448	304	0.34
Booking	176	290	0.33
Microsoft	1,636	288	0.32
TJX	6,064	287	0.32
Intuit	917	279	0.31
Dollar General	1,780	257	0.29
Watsco	1,168	238	0.27
American Express	1,678	189	0.21
Estee Lauder	862	185	0.21
		<b>10,039</b>	<b>11.32</b>
<b>Other emerging markets 0.57% (31.05.20: 0.20%)</b>			
YDUQS Participacoes	64,428	287	0.32
Fleury	63,511	223	0.25
		<b>510</b>	<b>0.57</b>
<b>United Kingdom 2.20% (31.05.20: 1.70%)</b>			
Howden Joinery	43,773	350	0.40
HomeServe	33,305	311	0.35
Unilever	6,757	285	0.32
3i Infrastructure	86,589	268	0.30
BBGI Global Infrastructure	149,799	262	0.30
HICL Infrastructure	150,804	260	0.29
RELX	11,735	216	0.24
		<b>1,952</b>	<b>2.20</b>
<b>Fixed income 22.98% (31.05.20: 13.92%)</b>			
<b>Defensive government bonds 16.05% (31.05.20: 7.16%)</b>			
United Kingdom Gilt 8% 07/06/2021	GBP 5,920,335	5,927	6.68
Australia Government Bond 1.5% 21/06/2031	AUD 7,759,000	4,171	4.70
New Zealand Government Bond 1.5% 15/05/2031	NZD 8,374,000	4,143	4.67
		<b>14,241</b>	<b>16.05</b>
<b>Emerging market debt 0.95% (31.05.20: 0.00%)</b>			
iShares J.P. Morgan USD Emerging Markets Bond UCITS ETF	200,490	<b>842</b>	<b>0.95</b>
<b>Global corporate credit 5.98% (31.05.20: 6.77%)</b>			
Ninety One GSF Emerging Markets Corporate Debt Fund†	93,962	2,544	2.87
Ninety One GSF Global Total Return Credit Fund†	76,427	1,142	1.29
iShares USD High Yield Corporation Bond UCITS ETF	13,441	972	1.10
iShares EUR High Yield Corporation Bond UCITS ETF	7,243	640	0.72
Ninety One Funds Series i - Diversified Income Fund†	1,554	3	-
		<b>5,301</b>	<b>5.98</b>
<b>Cash 46.29% (31.05.20: 68.87%)</b>			
<b>Government treasury bills</b>			
United Kingdom Treasury Bill 14/06/2021	GBP 8,000,000	8,000	9.02
United Kingdom Treasury Bill 21/06/2021	GBP 6,500,000	6,500	7.33
United Kingdom Treasury Bill 26/07/2021	GBP 6,500,000	6,500	7.33
United Kingdom Treasury Bill 07/06/2021	GBP 5,000,000	5,000	5.64
United Kingdom Treasury Bill 09/08/2021	GBP 4,000,000	4,000	4.51
United Kingdom Treasury Bill 16/08/2021	GBP 3,500,000	3,500	3.95
United Kingdom Treasury Bill 02/08/2021	GBP 3,000,000	3,000	3.38
United Kingdom Treasury Bill 01/06/2021	GBP 2,500,000	2,500	2.82
United Kingdom Treasury Bill 28/06/2021	GBP 1,000,000	1,000	1.13
United Kingdom Treasury Bill 31/08/2021	GBP 339,605	339	0.38
		<b>40,339</b>	<b>45.49</b>

**Portfolio Statement (continued)**  
**As at 31 May 2021**

Asset			Market Value (£'000)	Percentage of net assets (%)	
<b>Derivative contracts - futures</b>					
S&P 500 E-Mini Futures 18/06/2021		37	337	0.38	
FTSE 100 Index Futures 18/06/2021		48	157	0.18	
US MSCI Emerging Market Index Futures 18/06/2021		32	15	0.02	
			<b>509</b>	<b>0.58</b>	
<b>Forward foreign exchange contracts</b>					
<b>Australian dollar</b>					
Sell AUD	(8,360,000)	for GBP	4,654,555	103	0.12
<b>Danish krone</b>					
Sell DKK	(2,280,000)	for GBP	264,206	1	-
<b>Euro currency</b>					
Sell EUR	(1,470,000)	for GBP	1,266,987	3	-
<b>Hong Kong dollar</b>					
Sell HKD	(43,890,000)	for GBP	3,997,672	9	0.01
<b>Japanese yen</b>					
Sell JPY	(29,950,000)	for GBP	194,904	3	-
<b>New Zealand dollar</b>					
Sell NZD	(8,340,000)	for GBP	4,302,433	38	0.04
<b>Swedish krona</b>					
~Sell SEK	(2,400,000)	for GBP	204,229	-	-
<b>Swiss franc</b>					
Sell CHF	(650,000)	for GBP	512,439	2	-
<b>US dollar</b>					
~Buy USD	457,000	for GBP	(322,257)	-	-
Sell USD	(23,403,000)	for GBP	16,550,508	44	0.05
			<b>203</b>	<b>0.22</b>	
Portfolio of investments			86,618	97.64	
Net other assets*			2,090	2.36	
<b>Net assets</b>			<b>88,708</b>	<b>100.00</b>	

† A related party to the Fund.

\* The net other assets figure includes bank and short term cash deposits.

~ The market value of the holding is below £500 and is therefore rounded down to £0.

Stocks shown as ADRs represent American Depositary Receipts.

Unless otherwise stated the above securities are ordinary shares or common stock and admitted to official stock exchange listings.

Fixed interest securities are traded on a regulated market, unless otherwise stated.

The collective investment schemes and the forward foreign exchange contracts are not listed.

Over the year we have evolved our asset allocation categories to provide more insightful portfolio breakdowns.

## Portfolio Analysis

As at 31 May 2021

### Portfolio Analysis

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
Bonds	14,241	16.05	6,398	7.19
Collective investment schemes	6,933	7.82	8,133	9.13
Derivatives	509	0.58	-	-
Equities	24,393	27.48	11,865	13.33
Forward foreign exchange contracts	203	0.22	(182)	(0.19)
Government treasury bills	40,339	45.49	61,379	68.93
Net other assets	2,090	2.36	1,434	1.61
<b>Net assets</b>	<b>88,708</b>	<b>100.00</b>	<b>89,027</b>	<b>100.00</b>

### Credit Breakdown\*

Asset	31.05.21		31.05.20	
	Market value (£'000)	Percentage of net assets (%)	Market value (£'000)	Percentage of net assets (%)
AAA	8,314	9.37	-	-
AA	5,927	6.68	6,398	7.19
<b>Total bonds</b>	<b>14,241</b>	<b>16.05</b>	<b>6,398</b>	<b>7.19</b>

\*Bond ratings are Ninety One approximations.

# UK Total Return Fund

## Portfolio Statement

As at 31 May 2021

Asset	Holding	Market value (£'000)	Percentage of net assets (%)
<b>Basic materials</b>	<b>0.00%</b> (31.05.20: <b>1.34%</b> )		
<b>Consumer discretionary</b>	<b>0.00%</b> (31.05.20: <b>32.35%</b> )		
<b>Consumer staples</b>	<b>0.00%</b> (31.05.20: <b>9.68%</b> )		
<b>Financials</b>	<b>0.00%</b> (31.05.20: <b>10.72%</b> )		
<b>Health care</b>	<b>0.00%</b> (31.05.20: <b>3.07%</b> )		
<b>Industrials</b>	<b>0.00%</b> (31.05.20: <b>29.61%</b> )		
<b>Real estate</b>	<b>0.00%</b> (31.05.20: <b>1.14%</b> )		
<b>Telecommunications</b>	<b>0.00%</b> (31.05.20: <b>0.65%</b> )		
<b>Utilities</b>	<b>0.00%</b> (31.05.20: <b>0.85%</b> )		
<b>Derivatives</b>	<b>0.00%</b> (31.05.20: <b>(1.58%)</b> )		
Portfolio of investments		-	-
Net other assets*		-	-
<b>Net assets</b>		-	-

Fund merged with Ninety One Series i UK Special Situations Fund on 26 February 2021.

# Authorised Corporate Director's Report

## **Authorised Corporate Director's report**

The Authorised Corporate Director (the "ACD") of Ninety One Funds Series iv (the "Company") is Ninety One Fund Managers UK Limited. The ACD is the sole director of the Company.

## **Authorised status**

The Company is an investment company with variable capital incorporated in England and Wales under registered number IC392 and authorised by the Financial Conduct Authority (the "FCA") with effect from 10 June 2005.

The Company is structured as an umbrella company in that different sub-funds (the "Funds") may be established from time to time by the ACD with the approval of the FCA. The Company currently comprises nine Funds.

The Company (and therefore the Funds) has been certified by the FCA. The Company has an unlimited duration.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and policy applicable to that Fund. Investment of the assets of each of the Funds must comply with the investment objective and policy of the relevant Fund.

Under English law, the Funds are segregated portfolios of assets and the assets of a Fund belong exclusively to that Fund. The assets of a Fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other Fund and shall not be available for any such purpose.

Subject to the above, each Fund will be charged with the liabilities, expenses, costs and charges of the Company attributable to that Fund, and within each Fund charges will be allocated between share classes in accordance with their terms of issue. Any assets, liabilities, expenses, costs or charges not attributable to a particular Fund may be allocated by the ACD in a manner which it believes is fair to the shareholders generally. This will normally be pro rata to the net asset value of the relevant Funds.

## **Accounting period covered by these accounts**

The accounting period covered in these accounts is from 1 June 2020 to 31 May 2021.

## **Changes during the accounting period**

### **Changes made following required notice:**

After consultation with the Depositary and in accordance with the requirements of Section 4.3 of COLL, shareholders were given notice of the following:

On 6 January 2021, the merger of the UK Total Return Fund, a sub-fund of Ninety One Series iv, into the UK Special Situations Fund, a sub-fund of Ninety One Series i on 26 February 2021.

On 22 June 2020, as part of the FCA's Asset Management Market Study's remedies and, in particular, Policy Statement 19/4 dated April 2019, minor changes to the investment objectives and policies of the Funds were made to make them easier to understand.

### **Authorised Corporate Director's Report (continued)**

On 31 July 2020, the change of name of the Company's Registrar and Administrators. The Registrar, DST Financial Services Europe Limited, became SS&C Financial Services Europe Limited and the Administrators, DST Financial Services International Limited, became SS&C Financial Services International Limited. Their registered office changed from DST House to SS&C House.

There were no other fundamental changes to the Funds that required shareholder approval nor were there any significant changes to the operation of the Funds requiring pre-notification.

#### **Other changes made during the year:**

On 24 August 2020, the Prospectus was updated to reflect the addition of the following eligible securities markets:

- (a) Ukrainian Stock Exchange;
- (b) Belgrade Stock Exchange; and
- (c) Ghana Stock Exchange.

On 5 November 2020, the Prospectus was updated for changes to the Depositary's sub-custody network list in Appendix VIII of the Prospectus.

On 5 November 2020, the Prospectus was updated to reflect an increase in the global exposure and expected leverage levels on the Diversified Growth Fund from 525% to 600% and a decrease on Emerging Markets Blended Debt Fund from 325% to 250%

On 6 April 2021, the Prospectus was updated to include the changes to the Company and Funds as a result of Brexit and the end of the transitional and implementation period under the UK-EU Withdrawal Agreement.

On 6 April 2021, the Prospectus was updated to reflect that John McNab, a director of the ACD, is also a Director of Ninety One UK Limited, a Related Party to the ACD.

There were no other changes made during the period under review.

**Adam Fletcher**

Director of the ACD

**Nigel Smith**

Director of the ACD

30 September 2021

# Statement of Authorised Corporate Director's Responsibilities

The Collective Investment Schemes sourcebook published by the FCA, ('the COLL Rules') require the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net income and net gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations or have no realistic alternative but to do so. For the reasons stated in the Report of the Directors, the financial statements of UK Total Return Fund have not been prepared on a going concern basis;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

The ACD is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Ninety One Funds Series IV ("the Company") for the Period Ended 31 May 2021.**

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored<sup>1</sup> and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.



**State Street Trustees Ltd**

Limited Access

# Independent Auditor's Report

## **Independent auditor's report to the shareholders of Ninety One Funds Series iv ('the Company')**

### **Opinion**

We have audited the financial statements of the Company for the year ended 31 May 2021 which comprise the *Statements of Total Return, the Statements of Changes in Net Assets Attributable to Shareholders, the Balance Sheets, the Related Notes and Distribution Tables* for each of the Company's sub-funds listed on page 2 and the accounting policies set out on page 98.

In our opinion the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of each of the sub-funds as at 31 May 2021 and of the net revenue/net expense and the net capital gains on the property of each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with the Instrument of Incorporation, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Emphasis of matter – non going concern basis of preparation**

In respect of UK Total Return Fund, we draw attention to the disclosure made in accounting policy 1(a) "Basis of accounting" to the financial statements which explains that the financial statements of the sub-fund have not been prepared on a going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

### **Going concern**

The Authorised Corporate Director has prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or its sub-funds or to cease their operations, and as they have concluded that the Company and its sub-funds' financial position means that this is realistic except for UK Total Return Fund. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Authorised Corporate Director's conclusions, we considered the inherent risks to the Company's and its sub-funds' business model and analysed how those risks might affect the Company's and its sub-funds' financial resources or ability to continue operations over the going concern period.

## Independent Auditor's Report (continued)

Our conclusions based on this work:

- we consider that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Authorised Corporate Director's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's and its sub-funds' ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company or its sub-funds will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### **Identifying and responding to risks of material misstatement due to fraud**

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the ACD, the Depositary, the Administrator and the Investment manager;
- Reading ACD board minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We substantively tested all material post-closing entries and, based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the ACD and the Administrator, no further high-risk journal entries or other adjustments were identified.

## Independent Auditor's Report (continued)

### Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the ACD and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### Other information

The Authorised Corporate Director (Ninety One Fund Managers UK Limited) is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Authorised Corporate Director's Report is consistent with the financial statements.

## Independent Auditor's Report (continued)

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the Company have not been kept; or
- the financial statements are not in agreement with the accounting records.

### Authorised Corporate Director (Ninety One Fund Managers UK Limited) responsibilities

As explained more fully in their statement set out on page 71 the Authorised Corporate Director is responsible for: the preparation of financial statements that give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### Grant Archer

for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square,  
London, E14 5GL

TBC

# Diversified Growth Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'A' Class (Income shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	119.48	124.90	128.10	127.90	135.28	139.36
Return before operating charges*	22.09	(3.41)	(1.22)	23.70	(3.68)	(1.28)
Operating charges	(2.12)	(2.01)	(1.98)	(2.28)	(2.19)	(2.15)
Return after operating charges*	19.97	(5.42)	(3.20)	21.42	(5.87)	(3.43)
Distributions	(0.76)	(1.40)	(0.58)	(0.84)	(1.51)	(0.65)
Retained distributions on accumulation shares	0.76	1.40	0.58	-	-	-
Closing net asset value per share	139.45	119.48	124.90	148.48	127.90	135.28
* after direct transaction costs of :	0.09	0.08	0.04	0.09	0.09	0.04
<b>Performance</b>						
Return after charges	16.71%	(4.34%)	(2.50%)	16.75%	(4.34%)	(2.46%)
<b>Other information</b>						
Closing net asset value (£'000)	118	118	146	466	401	401
Closing number of shares	84,853	99,156	116,697	313,518	313,412	296,382
Operating charges	1.62%	1.60%	1.60%	1.62%	1.60%	1.59%
Direct transaction costs‡	0.07%	0.06%	0.03%	0.07%	0.06%	0.03%
<b>Prices</b>						
Highest share price	140.89	134.53	128.26	150.83	145.71	139.57
Lowest share price	119.61	106.30	118.08	128.06	115.14	128.51

Financial year	'I' Class (Accumulation shares)			'I' Class (Income shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	126.89	131.87	134.38	114.44	121.09	124.74
Return before operating charges*	23.47	(3.84)	(1.41)	21.21	(3.52)	(1.33)
Operating charges	(1.21)	(1.14)	(1.10)	(1.09)	(1.04)	(1.02)
Return after operating charges*	22.26	(4.98)	(2.51)	20.12	(4.56)	(2.35)
Distributions	(1.84)	(2.27)	(1.40)	(1.66)	(2.09)	(1.30)
Retained distributions on accumulation shares	1.84	2.27	1.40	-	-	-
Closing net asset value per share	149.15	126.89	131.87	132.90	114.44	121.09
* after direct transaction costs of :	0.09	0.09	0.04	0.08	0.08	0.04
<b>Performance</b>						
Return after charges	17.54%	(3.78%)	(1.87%)	17.58%	(3.77%)	(1.88%)
<b>Other information</b>						
Closing net asset value (£'000)	855,071	1,102,491	1,457,620	194,002	253,468	433,742
Closing number of shares	573,280,758	868,881,541	1,105,387,845	145,971,189	221,488,212	358,204,629
Operating charges	0.87%	0.85%	0.84%	0.87%	0.85%	0.84%
Direct transaction costs‡	0.07%	0.06%	0.03%	0.07%	0.06%	0.03%
<b>Prices</b>						
Highest share price	150.24	142.57	134.58	135.54	130.93	124.94
Lowest share price	127.08	112.77	124.34	114.57	103.56	115.41

## Comparative tables

As at 31 May 2021

Financial year	'J' Class (Accumulation shares)			'R' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	112.64	116.94	119.08	120.22	125.19	127.83
Return before operating charges*	20.86	(3.42)	(1.28)	22.30	(3.57)	(1.30)
Operating charges	(0.96)	(0.88)	(0.86)	(1.48)	(1.40)	(1.34)
Return after operating charges*	19.90	(4.30)	(2.14)	20.82	(4.97)	(2.64)
Distributions	(1.73)	(2.13)	(1.34)	(1.45)	(1.90)	(1.10)
Retained distributions on accumulation shares	1.73	2.13	1.34	1.45	1.90	1.10
Closing net asset value per share	132.54	112.64	116.94	141.04	120.22	125.19
* after direct transaction costs of :	0.08	0.08	0.04	0.09	0.08	0.04
<b>Performance</b>						
Return after charges	17.67%	(3.68%)	(1.80%)	17.32%	(3.97%)	(2.07%)
<b>Other information</b>						
Closing net asset value (£'000)	18,193	18,859	591	16	15	8
Closing number of shares	13,726,567	16,742,807	504,948	11,693	12,754	6,250
Operating charges	0.77%	0.75%	0.74%	1.12%	1.10%	1.08%
Direct transaction costs‡	0.07%	0.06%	0.03%	0.07%	0.06%	0.03%
<b>Prices</b>						
Highest share price	133.47	126.51	119.26	142.18	135.17	128.01
Lowest share price	112.80	100.08	110.23	120.39	106.88	118.14

Financial year	'S' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>			
Opening net asset value per share	167.79	173.32	175.57
Return before operating charges*	30.91	(5.35)	(2.09)
Operating charges	(0.23)	(0.18)	(0.16)
Return after operating charges*	30.68	(5.53)	(2.25)
Distributions	(3.55)	(4.06)	(2.87)
Retained distributions on accumulation shares	3.55	4.06	2.87
Closing net asset value per share	198.47	167.79	173.32
* after direct transaction costs of :	0.12	0.11	0.05
<b>Performance</b>			
Return after charges	18.28%	(3.19%)	(1.28%)
<b>Other information</b>			
Closing net asset value (£'000)	427,898	313,080	272,516
Closing number of shares	215,596,774	186,587,111	157,235,944
Operating charges	0.12%	0.10%	0.09%
Direct transaction costs‡	0.07%	0.06%	0.03%
<b>Prices</b>			
Highest share price	199.57	188.11	175.86
Lowest share price	168.08	148.95	163.01

## Comparative tables

As at 31 May 2021

### **Portfolio transaction costs**

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Emerging Markets Blended Debt Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'A' Class (Income-2 shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	120.75	119.03	116.93	80.65	84.34	87.79
Return before operating charges*	7.71	3.73	4.01	5.18	2.71	2.85
Operating charges	(2.03)	(2.01)	(1.91)	(1.36)	(1.39)	(1.40)
Return after operating charges*	5.68	1.72	2.10	3.82	1.32	1.45
Distributions	(4.54)	(5.25)	(4.79)	(4.14)	(5.01)	(4.90)
Retained distributions on accumulation shares	4.54	5.25	4.79	-	-	-
Closing net asset value per share	126.43	120.75	119.03	80.33	80.65	84.34
* after direct transaction costs of :	-	-	-	-	-	-
<b>Performance</b>						
Return after charges	4.70%	1.45%	1.80%	4.74%	1.57%	1.65%
<b>Other information</b>						
Closing net asset value (£'000)	78	435	754	66	84	93
Closing number of shares	61,744	360,183	633,372	82,290	103,917	111,774
Operating charges	1.64%	1.64%	1.64%	1.64%	1.64%	1.65%
Direct transaction costs‡	-	-	-	-	-	-
<b>Prices</b>						
Highest share price	131.45	128.34	119.35	85.63	90.86	88.69
Lowest share price	121.35	106.93	111.53	79.12	72.69	82.45

Financial year	'I' Class (Accumulation shares)			'I' Class (Income-2 shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	141.03	137.98	134.54	85.48	88.70	91.64
Return before operating charges*	9.08	4.31	4.64	5.59	2.86	2.98
Operating charges	(1.33)	(1.26)	(1.20)	(0.78)	(0.79)	(0.80)
Return after operating charges*	7.75	3.05	3.44	4.81	2.07	2.18
Distributions	(6.12)	(7.18)	(6.52)	(4.51)	(5.29)	(5.12)
Retained distributions on accumulation shares	6.12	7.18	6.52	-	-	-
Closing net asset value per share	148.78	141.03	137.98	85.78	85.48	88.70
* after direct transaction costs of :	-	-	-	-	-	-
<b>Performance</b>						
Return after charges	5.50%	2.21%	2.56%	5.63%	2.33%	2.38%
<b>Other information</b>						
Closing net asset value (£'000)	99,960	99,562	90,987	2,414	26,683	25,043
Closing number of shares	67,186,261	70,597,920	65,943,524	2,814,317	31,216,851	28,233,515
Operating charges	0.90%	0.89%	0.90%	0.90%	0.89%	0.90%
Direct transaction costs‡	-	-	-	-	-	-
<b>Prices</b>						
Highest share price	154.18	149.14	138.35	91.16	95.68	92.69
Lowest share price	141.73	124.71	128.59	84.38	76.93	86.25

## Comparative tables

As at 31 May 2021

Financial year	'J' Class (Accumulation shares)			'J' Class (Income-2 shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	134.69	131.65	128.17	93.70	97.11	100.23
Return before operating charges*	8.67	4.11	4.51	6.00	3.15	3.25
Operating charges	(1.12)	(1.07)	(1.03)	(0.77)	(0.76)	(0.78)
Return after operating charges*	7.55	3.04	3.48	5.23	2.39	2.47
Distributions	(5.98)	(6.99)	(6.37)	(4.80)	(5.80)	(5.59)
Retained distributions on accumulation shares	5.98	6.99	6.37	-	-	-
Closing net asset value per share	142.24	134.69	131.65	94.13	93.70	97.11
* after direct transaction costs of :	-	-	-	-	-	-
<b>Performance</b>						
Return after charges	5.61%	2.31%	2.72%	5.58%	2.46%	2.46%
<b>Other information</b>						
Closing net asset value (£'000)	2,192	2,980	2,738	19,039	2,124	1,043
Closing number of shares	1,540,800	2,212,483	2,079,479	20,227,047	2,266,273	1,073,767
Operating charges	0.80%	0.79%	0.80%	0.78%	0.79%	0.80%
Direct transaction costs‡	-	-	-	-	-	-
<b>Prices</b>						
Highest share price	147.34	142.40	132.00	99.94	104.73	101.40
Lowest share price	135.37	119.09	122.60	92.58	84.31	94.36

Financial year	'R' Class (Accumulation shares)			'R' Class (Income-2 shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	123.34	120.96	118.27	82.76	86.08	89.14
Return before operating charges*	7.94	3.80	4.02	5.32	2.84	2.88
Operating charges	(1.49)	(1.42)	(1.33)	(0.98)	(0.97)	(0.99)
Return after operating charges*	6.45	2.38	2.69	4.34	1.87	1.89
Distributions	(5.02)	(5.98)	(5.39)	(4.25)	(5.19)	(4.95)
Retained distributions on accumulation shares	5.02	5.98	5.39	-	-	-
Closing net asset value per share	129.79	123.34	120.96	82.85	82.76	86.08
* after direct transaction costs of :	-	-	-	-	-	-
<b>Performance</b>						
Return after charges	5.23%	1.97%	2.27%	5.24%	2.17%	2.12%
<b>Other information</b>						
Closing net asset value (£'000)	14	13	8	13	7	7
Closing number of shares	10,724	10,724	6,358	16,307	8,545	8,073
Operating charges	1.15%	1.14%	1.14%	1.14%	1.12%	1.14%
Direct transaction costs‡	-	-	-	-	-	-
<b>Prices</b>						
Highest share price	134.65	130.53	121.29	88.13	92.81	90.12
Lowest share price	123.95	109.12	112.96	81.54	74.52	83.84

## Comparative tables

As at 31 May 2021

Financial year	'S' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>			
Opening net asset value per share	141.14	137.07	132.66
Return before operating charges*	9.19	4.28	4.61
Operating charges	(0.22)	(0.21)	(0.20)
Return after operating charges*	8.97	4.07	4.41
Distributions	(7.55)	(8.29)	(7.45)
Retained distributions on accumulation shares	7.55	8.29	7.45
Closing net asset value per share	150.11	141.14	137.07
* after direct transaction costs of :	-	-	-
<b>Performance</b>			
Return after charges	6.36%	2.97%	3.32%
<b>Other information</b>			
Closing net asset value (£'000)	246	415	12,161
Closing number of shares	163,822	293,796	8,871,485
Operating charges	0.15%	0.15%	0.15%
Direct transaction costs‡	-	-	-
<b>Prices</b>			
Highest share price	155.00	148.94	137.44
Lowest share price	141.89	124.63	127.06

### Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Emerging Markets Equity Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'I' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	134.08	140.60	150.47	142.79	148.46	157.53
Return before operating charges*	48.86	(3.76)	(7.16)	52.09	(4.05)	(7.50)
Operating charges	(3.22)	(2.76)	(2.71)	(1.86)	(1.62)	(1.57)
Return after operating charges*	45.64	(6.52)	(9.87)	50.23	(5.67)	(9.07)
Distributions	(0.37)	(0.99)	(1.52)	(1.91)	(2.35)	(2.87)
Retained distributions on accumulation shares	0.37	0.99	1.52	1.91	2.35	2.87
Closing net asset value per share	179.72	134.08	140.60	193.02	142.79	148.46
* after direct transaction costs of :	0.34	0.22	0.18	0.36	0.24	0.19
<b>Performance</b>						
Return after charges	34.04%	(4.64%)	(6.56%)	35.18%	(3.82%)	(5.76%)
<b>Other information</b>						
Closing net asset value (£'000)	1,089	693	814	174,848	168,427	167,946
Closing number of shares	605,773	517,123	579,165	90,583,462	117,954,672	113,125,626
Operating charges	1.91%	1.90%	1.90%	1.06%	1.05%	1.05%
Direct transaction costs‡	0.20%	0.15%	0.13%	0.20%	0.15%	0.13%
<b>Prices</b>						
Highest share price	196.45	161.05	154.10	210.49	170.96	161.35
Lowest share price	136.04	118.55	131.99	144.88	126.04	138.61

Financial year	'R' Class (Accumulation shares)			'S' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	131.67	137.38	146.28	152.71	157.35	165.43
Return before operating charges*	48.01	(3.71)	(6.96)	55.86	(4.39)	(7.84)
Operating charges	(2.31)	(2.00)	(1.94)	(0.30)	(0.25)	(0.24)
Return after operating charges*	45.70	(5.71)	(8.90)	55.56	(4.64)	(8.08)
Distributions	(1.19)	(1.68)	(2.18)	(3.78)	(3.97)	(4.48)
Retained distributions on accumulation shares	1.19	1.68	2.18	3.78	3.97	4.48
Closing net asset value per share	177.37	131.67	137.38	208.27	152.71	157.35
* after direct transaction costs of :	0.33	0.22	0.17	0.39	0.25	0.20
<b>Performance</b>						
Return after charges	34.71%	(4.16%)	(6.08%)	36.38%	(2.95%)	(4.88%)
<b>Other information</b>						
Closing net asset value (£'000)	83	52	49	536	949	532
Closing number of shares	46,765	39,422	36,002	257,294	621,254	337,831
Operating charges	1.41%	1.41%	1.40%	0.16%	0.15%	0.15%
Direct transaction costs‡	0.20%	0.15%	0.13%	0.20%	0.15%	0.13%
<b>Prices</b>						
Highest share price	193.60	157.85	149.83	226.53	182.22	169.48
Lowest share price	133.59	116.30	128.55	154.92	134.57	146.08

## Comparative tables

As at 31 May 2021

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### **Portfolio transaction costs**

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Global Franchise Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'I' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	262.26	228.72	200.74	278.05	240.67	209.64
Return before operating charges*	31.57	37.41	31.39	33.65	39.53	32.92
Operating charges	(4.31)	(3.87)	(3.41)	(2.44)	(2.15)	(1.89)
Return after operating charges*	27.26	33.54	27.98	31.21	37.38	31.03
Distributions	-	(0.27)	(0.39)	(0.94)	(2.27)	(2.10)
Retained distributions on accumulation shares	-	0.27	0.39	0.94	2.27	2.10
Closing net asset value per share	289.52	262.26	228.72	309.26	278.05	240.67
* after direct transaction costs of :	0.06	0.10	0.07	0.06	0.10	0.07
<b>Performance</b>						
Return after charges	10.39%	14.66%	13.94%	11.22%	15.53%	14.80%
<b>Other information</b>						
Closing net asset value (£'000)	18,498	18,675	21,597	98,202	60,878	63,725
Closing number of shares	6,389,233	7,120,834	9,442,444	31,754,409	21,894,865	26,478,404
Operating charges	1.59%	1.58%	1.58%	0.84%	0.83%	0.83%
Direct transaction costs‡	0.02%	0.04%	0.03%	0.02%	0.04%	0.03%
<b>Prices</b>						
Highest share price	295.50	270.03	232.79	315.42	285.69	244.91
Lowest share price	252.54	211.53	197.78	268.58	223.94	207.43

Financial year	'J' Class (Accumulation shares) <sup>1</sup>			'K' Class (Accumulation shares) <sup>2</sup>		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	100.00	-	-	122.69	105.92	100.00
Return before operating charges*	11.85	-	-	14.86	17.43	6.02
Operating charges	(0.78)	-	-	(0.75)	(0.66)	(0.10)
Return after operating charges*	11.07	-	-	14.11	16.77	5.92
Distributions	(0.45)	-	-	(0.74)	(1.28)	(1.22)
Retained distributions on accumulation shares	0.45	-	-	0.74	1.28	1.22
Closing net asset value per share	111.07	-	-	136.80	122.69	105.92
* after direct transaction costs of :	0.02	-	-	0.03	0.05	0.03
<b>Performance</b>						
Return after charges	11.07%	-	-	11.50%	15.83%	5.92%
<b>Other information</b>						
Closing net asset value (£'000)	5,510	-	-	22,634	19,123	1
Closing number of shares	4,960,703	-	-	16,545,414	15,586,715	1,000
Operating charges	0.74%	-	-	0.59%	0.58%	0.40%
Direct transaction costs‡	0.02%	-	-	0.02%	0.04%	0.03%
<b>Prices</b>						
Highest share price	113.27	-	-	139.50	125.97	107.78
Lowest share price	96.40	-	-	118.63	98.76	99.59

## Comparative tables

As at 31 May 2021

Financial year	'R' Class (Accumulation shares)			'S' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	270.20	234.46	204.75	294.18	252.72	218.49
Return before operating charges*	32.63	38.49	32.09	35.73	41.67	34.43
Operating charges	(3.06)	(2.75)	(2.38)	(0.26)	(0.21)	(0.20)
Return after operating charges*	29.57	35.74	29.71	35.47	41.46	34.23
Distributions	(0.19)	(1.57)	(1.50)	(3.31)	(4.44)	(3.97)
Retained distributions on accumulation shares	0.19	1.57	1.50	3.31	4.44	3.97
Closing net asset value per share	299.77	270.20	234.46	329.65	294.18	252.72
* after direct transaction costs of :	0.06	0.10	0.07	0.07	0.11	0.08
<b>Performance</b>						
Return after charges	10.94%	15.24%	14.51%	12.06%	16.41%	15.67%
<b>Other information</b>						
Closing net asset value (£'000)	13,068	11,823	5,593	4,287	5,354	16,086
Closing number of shares	4,359,461	4,375,790	2,385,646	1,300,409	1,819,821	6,365,269
Operating charges	1.09%	1.08%	1.08%	0.09%	0.08%	0.08%
Direct transaction costs‡	0.02%	0.04%	0.03%	0.02%	0.04%	0.03%
<b>Prices</b>						
Highest share price	305.82	277.81	238.60	336.00	301.63	257.12
Lowest share price	260.72	217.72	202.30	285.05	236.60	217.12

### Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

<sup>(1)</sup> Launched 29 May 2020.

<sup>(2)</sup> Launched 4 March 2019.

# Global Quality Equity Income Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'A' Class (Income-2 shares) <sup>(1)</sup>		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	148.29	131.41	117.71	-	-	111.18
Return before operating charges*	17.43	19.13	15.68	-	-	9.50
Operating charges	(2.50)	(2.25)	(1.98)	-	-	(1.86)
Return after operating charges*	14.93	16.88	13.70	-	-	7.64
Return to shareholder as a result of class closure	-	-	-	-	-	(117.36)
Distributions	(0.89)	(1.09)	(1.35)	-	-	(1.46)
Retained distributions on accumulation shares	0.89	1.09	1.35	-	-	-
Closing net asset value per share	163.22	148.29	131.41	-	-	-
* after direct transaction costs of :	0.03	0.04	0.04	-	-	0.04
<b>Performance</b>						
Return after charges	10.07%	12.85%	11.64%	-	-	6.87%
<b>Other information</b>						
Closing net asset value (£'000)	59	26	23	-	-	-
Closing number of shares	36,113	17,469	17,469	-	-	-
Operating charges	1.60%	1.60%	1.59%	-	-	1.62%
Direct transaction costs‡	0.02%	0.03%	0.04%	-	-	0.04%
<b>Prices</b>						
Highest share price	165.83	151.46	134.15	-	-	122.40
Lowest share price	142.55	120.65	115.98	-	-	108.36

Financial year	'I' Class (Accumulation shares)			'I' Class (Income-2 shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	152.81	134.39	119.48	137.88	124.05	113.13
Return before operating charges*	18.01	19.65	15.97	16.14	18.05	15.05
Operating charges	(1.36)	(1.23)	(1.06)	(1.22)	(1.12)	(0.99)
Return after operating charges*	16.65	18.42	14.91	14.92	16.93	14.06
Distributions	(2.11)	(2.20)	(2.33)	(3.07)	(3.10)	(3.14)
Retained distributions on accumulation shares	2.11	2.20	2.33	-	-	-
Closing net asset value per share	169.46	152.81	134.39	149.73	137.88	124.05
* after direct transaction costs of :	0.03	0.04	0.05	0.03	0.04	0.04
<b>Performance</b>						
Return after charges	10.90%	13.71%	12.48%	10.82%	13.65%	12.43%
<b>Other information</b>						
Closing net asset value (£'000)	960	601	334	1,337	1,340	885
Closing number of shares	566,467	393,014	248,312	892,840	972,120	713,268
Operating charges	0.85%	0.85%	0.84%	0.85%	0.85%	0.83%
Direct transaction costs‡	0.02%	0.03%	0.04%	0.02%	0.03%	0.04%
<b>Prices</b>						
Highest share price	172.04	155.75	137.17	153.97	142.51	128.44
Lowest share price	146.94	124.15	118.23	132.59	113.60	110.71

## Comparative tables

As at 31 May 2021

Financial year	J' Class (Accumulation shares) <sup>(1)</sup>			J' Class (Accumulation shares) <sup>(2)</sup>		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	-	-	119.70	100.00	-	-
Return before operating charges*	-	-	10.01	12.15	-	-
Operating charges	-	-	(0.96)	(0.80)	-	-
Return after operating charges*	-	-	9.05	11.35	-	-
Return to shareholder as a result of class closure	-	-	(128.75)	-	-	-
Distributions	-	-	(1.00)	(1.50)	-	-
Retained distributions on accumulation shares	-	-	1.00	1.50	-	-
Closing net asset value per share	-	-	-	111.35	-	-
* after direct transaction costs of :	-	-	0.04	0.02	-	-
<b>Performance</b>						
Return after charges	-	-	7.56%	11.35%	-	-
<b>Other information</b>						
Closing net asset value (£'000)	-	-	-	1,269	-	-
Closing number of shares	-	-	-	1,139,523	-	-
Operating charges	-	-	0.78%	0.76%	-	-
Direct transaction costs‡	-	-	0.04%	0.02%	-	-
<b>Prices</b>						
Highest share price	-	-	132.07	113.04	-	-
Lowest share price	-	-	118.51	96.46	-	-

Financial year	J' Class (Income-2 shares)			K' Class (Accumulation shares) <sup>(3)</sup>		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	138.31	124.36	113.32	123.08	106.14	100.00
Return before operating charges*	16.23	18.10	15.10	14.53	17.42	6.57
Operating charges	(1.07)	(1.00)	(0.91)	(0.77)	(0.48)	(0.43)
Return after operating charges*	15.16	17.10	14.19	13.76	16.94	6.14
Distributions	(3.09)	(3.15)	(3.15)	(2.01)	(2.47)	(1.24)
Retained distributions on accumulation shares	-	-	-	2.01	2.47	1.24
Closing net asset value per share	150.38	138.31	124.36	136.84	123.08	106.14
* after direct transaction costs of :	0.03	0.04	0.04	0.03	0.17	0.04
<b>Performance</b>						
Return after charges	10.96%	13.75%	12.52%	11.18%	15.96%	6.14%
<b>Other information</b>						
Closing net asset value (£'000)	2	27	42	1	1	1
Closing number of shares	1,115	19,376	33,782	1,000	1,000	1,000
Operating charges	0.77%	0.75%	0.77%	0.60%	0.08%	0.41%
Direct transaction costs‡	0.02%	0.03%	0.04%	0.02%	0.03%	0.04%
<b>Prices</b>						
Highest share price	154.62	142.93	128.76	138.90	125.31	110.10
Lowest share price	133.02	113.94	110.94	118.38	99.92	94.80

## Comparative tables

As at 31 May 2021

Financial year	'K' Class (Income-2 shares)			'L' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	125.64	112.70	102.49	126.20	110.66	98.08
Return before operating charges*	14.75	16.42	13.64	14.90	16.20	13.14
Operating charges	(0.72)	(0.66)	(0.57)	(0.73)	(0.66)	(0.56)
Return after operating charges*	14.03	15.76	13.07	14.17	15.54	12.58
Distributions	(2.81)	(2.82)	(2.86)	(2.14)	(2.17)	(2.23)
Retained distributions on accumulation shares	-	-	-	2.14	2.17	2.23
Closing net asset value per share	136.86	125.64	112.70	140.37	126.20	110.66
* after direct transaction costs of :	0.03	0.04	0.04	0.03	0.04	0.04
<b>Performance</b>						
Return after charges	11.17%	13.98%	12.75%	11.23%	14.04%	12.83%
<b>Other information</b>						
Closing net asset value (£'000)	17,463	17,949	13,054	795	730	919
Closing number of shares	12,759,979	14,285,635	11,583,360	566,750	578,250	830,800
Operating charges	0.55%	0.55%	0.52%	0.55%	0.55%	0.54%
Direct transaction costs‡	0.02%	0.03%	0.04%	0.02%	0.03%	0.04%
<b>Prices</b>						
Highest share price	140.69	129.76	116.69	142.47	128.52	112.94
Lowest share price	120.84	103.46	100.46	121.37	102.48	97.23

Financial year	'L' Class (Income-2 shares)			S' Class (Accumulation shares) <sup>(1)</sup>		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	125.04	112.17	102.01	-	-	121.23
Return before operating charges*	14.67	16.34	13.54	-	-	10.00
Operating charges	(0.72)	(0.66)	(0.60)	-	-	(0.17)
Return after operating charges*	13.95	15.68	12.99	-	-	9.83
Return to shareholder as a result of class closure	-	-	-	-	-	(131.06)
Distributions	(2.79)	(2.81)	(2.83)	-	-	(1.43)
Retained distributions on accumulation shares	-	-	-	-	-	1.43
Closing net asset value per share	136.20	125.04	112.17	-	-	-
* after direct transaction costs of :	0.03	0.04	0.04	-	-	0.04
<b>Performance</b>						
Return after charges	11.16%	13.98%	12.73%	-	-	8.11%
<b>Other information</b>						
Closing net asset value (£'000)	1,878	1,766	1,652	-	-	-
Closing number of shares	1,378,679	1,412,330	1,472,343	-	-	-
Operating charges	0.55%	0.55%	0.57%	-	-	0.13%
Direct transaction costs‡	0.02%	0.03%	0.04%	-	-	0.04%
<b>Prices</b>						
Highest share price	140.02	129.14	116.12	-	-	133.96
Lowest share price	120.26	102.97	99.98	-	-	120.48

<sup>(1)</sup> Closed 4 March 2019.

<sup>(2)</sup> Launched 29 May 2020.

<sup>(3)</sup> Launched 7 December 2018.

## Comparative tables

As at 31 May 2021

### **Portfolio transaction costs**

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Global Special Situations Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'A' Class (Income shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	203.72	255.86	280.43	157.58	198.98	220.70
Return before operating charges*	100.90	(48.11)	(20.12)	78.06	(37.41)	(15.84)
Operating charges	(3.87)	(4.03)	(4.45)	(3.01)	(3.15)	(3.50)
Return after operating charges*	97.03	(52.14)	(24.57)	75.05	(40.56)	(19.34)
Distributions	-	(1.08)	(3.02)	-	(0.84)	(2.38)
Retained distributions on accumulation shares	-	1.08	3.02	-	-	-
Closing net asset value per share	300.75	203.72	255.86	232.63	157.58	198.98
* after direct transaction costs of :	0.46	0.37	0.46	0.35	0.29	0.36
<b>Performance</b>						
Return after charges	47.63%	(20.38%)	(8.76%)	47.63%	(20.38%)	(8.76%)
<b>Other information</b>						
Closing net asset value (£'000)	3,818	2,859	4,536	68	47	156
Closing number of shares	1,269,403	1,403,414	1,772,900	28,942	29,608	78,211
Operating charges	1.62%	1.60%	1.63%	1.62%	1.59%	1.63%
Direct transaction costs‡	0.19%	0.15%	0.17%	0.19%	0.15%	0.17%
<b>Prices</b>						
Highest share price	301.53	289.53	298.52	233.23	225.16	234.94
Lowest share price	187.80	153.15	232.53	145.26	119.10	183.00

Financial year	'I' Class (Accumulation shares)			'I' Class (Income shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	222.91	277.86	302.27	157.70	199.49	221.41
Return before operating charges*	111.16	(52.65)	(21.83)	78.55	(37.79)	(16.00)
Operating charges	(2.52)	(2.30)	(2.58)	(1.71)	(1.67)	(1.89)
Return after operating charges*	108.64	(54.95)	(24.41)	76.84	(39.46)	(17.89)
Distributions	(0.50)	(3.24)	(5.50)	(0.39)	(2.33)	(4.03)
Retained distributions on accumulation shares	0.50	3.24	5.50	-	-	-
Closing net asset value per share	331.55	222.91	277.86	234.15	157.70	199.49
* after direct transaction costs of :	0.56	0.40	0.50	0.38	0.29	0.36
<b>Performance</b>						
Return after charges	48.74%	(19.78%)	(8.08%)	48.73%	(19.78%)	(8.08%)
<b>Other information</b>						
Closing net asset value (£'000)	113,510	21,792	29,644	8,496	2,723	4,343
Closing number of shares	34,236,086	9,776,072	10,668,705	3,628,528	1,726,774	2,177,207
Operating charges	0.87%	0.84%	0.88%	0.87%	0.84%	0.88%
Direct transaction costs‡	0.19%	0.15%	0.17%	0.19%	0.15%	0.17%
<b>Prices</b>						
Highest share price	332.26	315.76	322.39	235.04	226.69	236.15
Lowest share price	205.98	167.34	251.70	145.71	120.13	184.37

## Comparative tables

As at 31 May 2021

Financial year	K' Class (Accumulation shares) <sup>(1)</sup>			'R' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	70.69	87.72	100.00	166.44	207.99	226.82
Return before operating charges*	35.27	(16.69)	(12.02)	82.94	(39.32)	(16.33)
Operating charges	(0.34)	(0.34)	(0.26)	(2.42)	(2.23)	(2.50)
Return after operating charges*	34.93	(17.03)	(12.28)	80.52	(41.55)	(18.83)
Distributions	(0.53)	(1.42)	(2.18)	(0.13)	(1.91)	(3.57)
Retained distributions on accumulation shares	0.53	1.42	2.18	0.13	1.91	3.57
Closing net asset value per share	105.62	70.69	87.72	246.96	166.44	207.99
* after direct transaction costs of :	0.16	0.13	0.15	0.41	0.30	0.37
<b>Performance</b>						
Return after charges	49.41%	(19.41%)	(12.28%)	48.38%	(19.98%)	(8.30%)
<b>Other information</b>						
Closing net asset value (£'000)	114,824	114,745	111,916	1,653	346	142
Closing number of shares	108,716,110	162,317,039	127,581,924	669,249	207,814	68,113
Operating charges	0.41%	0.40%	0.43%	1.12%	1.10%	1.13%
Direct transaction costs‡	0.19%	0.15%	0.17%	0.19%	0.15%	0.17%
<b>Prices</b>						
Highest share price	105.82	99.94	100.21	247.53	236.03	241.77
Lowest share price	65.42	53.02	79.31	153.68	125.01	188.61

Financial year	'S' Class (Accumulation shares)			'S' Class (Income shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	244.45	302.42	326.50	3,942.08	4,996.04	5,547.92
Return before operating charges*	122.19	(57.68)	(23.67)	1,970.00	(954.36)	(404.08)
Operating charges	(0.31)	(0.29)	(0.41)	(1.37)	(1.75)	(3.60)
Return after operating charges*	121.88	(57.97)	(24.08)	1,968.63	(956.11)	(407.68)
Distributions	(2.53)	(5.79)	(8.37)	(46.44)	(97.85)	(144.20)
Retained distributions on accumulation shares	2.53	5.79	8.37	-	-	-
Closing net asset value per share	366.33	244.45	302.42	5,864.27	3,942.08	4,996.04
* after direct transaction costs of :	0.53	0.44	0.54	8.97	7.32	9.21
<b>Performance</b>						
Return after charges	49.86%	(19.17%)	(7.38%)	49.94%	(19.14%)	(7.35%)
<b>Other information</b>						
Closing net asset value (£'000)	1,364	11,633	23,887	1	1	1
Closing number of shares	372,300	4,759,134	7,898,693	21	20	20
Operating charges	0.11%	0.10%	0.13%	0.03%	0.04%	0.07%
Direct transaction costs‡	0.19%	0.15%	0.17%	0.19%	0.15%	0.17%
<b>Prices</b>						
Highest share price	366.96	345.14	348.95	5,920.03	5,702.35	5,929.10
Lowest share price	226.44	183.25	273.06	3,652.16	3,027.95	4,640.50

<sup>(1)</sup> Launched 21 September 2018.

## Comparative tables

As at 31 May 2021

### **Portfolio transaction costs**

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Multi-Asset Protector Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>			
Opening net asset value per share	166.57	175.90	174.90
Return before operating charges*	11.35	(6.36)	4.05
Operating charges	(2.88)	(2.97)	(3.05)
Return after operating charges*	8.47	(9.33)	1.00
Distributions	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	175.04	166.57	175.90
* after direct transaction costs of :	0.02	0.04	0.03
<b>Performance</b>			
Return after charges	5.08%	(5.30%)	0.57%
<b>Other information</b>			
Closing net asset value (£'000)	118,984	135,499	163,022
Closing number of shares	67,976,219	81,346,826	92,681,527
Operating charges	1.69%	1.67%	1.76%
Direct transaction costs‡	0.01%	0.02%	0.02%
<b>Prices</b>			
Highest share price	175.45	188.46	178.93
Lowest share price	166.32	161.72	168.42

### Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Multi-Asset Protector Fund 2

## Comparative tables

As at 31 May 2021

Financial year	'I' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>			
Opening net asset value per share	139.52	145.78	143.99
Return before operating charges*	10.47	(4.95)	3.18
Operating charges	(1.32)	(1.31)	(1.39)
Return after operating charges*	9.15	(6.26)	1.79
Distributions	-	(0.91)	(0.92)
Retained distributions on accumulation shares	-	0.91	0.92
Closing net asset value per share	148.67	139.52	145.78
* after direct transaction costs of :	0.03	0.03	0.02
<b>Performance</b>			
Return after charges	6.56%	(4.29%)	1.24%
<b>Other information</b>			
Closing net asset value (£'000)	88,708	89,027	91,485
Closing number of shares	59,668,084	63,807,846	62,755,401
Operating charges	0.91%	0.88%	0.97%
Direct transaction costs‡	0.02%	0.02%	0.02%
<b>Prices</b>			
Highest share price	148.71	156.64	148.03
Lowest share price	139.37	135.33	139.28

### Portfolio transaction costs

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# UK Total Return Fund

## Comparative tables

As at 31 May 2021

Financial year	'A' Class (Accumulation shares)			'I' Class (Accumulation shares)		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	176.43	231.85	240.26	106.13	138.64	142.87
Return before operating charges*	57.20	(52.43)	(5.24)	34.50	(31.52)	(3.19)
Operating charges	(2.16)	(2.99)	(3.17)	(0.77)	(0.99)	(1.04)
Return after operating charges*	55.04	(55.42)	(8.41)	33.73	(32.51)	(4.23)
Return to shareholder as a result of class closure	(231.47)	-	-	(139.86)	-	-
Distributions	-	(3.05)	(3.39)	(0.37)	(2.61)	(2.81)
Retained distributions on accumulation shares	-	3.05	3.39	0.37	2.61	2.81
Closing net asset value per share	-	176.43	231.85	-	106.13	138.64
* after direct transaction costs of :	0.53	0.39	0.32	0.32	0.24	0.19
<b>Performance</b>						
Return after charges	31.20%	(23.90%)	(3.50%)	31.78%	(23.45%)	(2.96%)
<b>Other information</b>						
Closing net asset value (£'000)	-	10,096	22,583	-	11,717	28,994
Closing number of shares	-	5,722,306	9,740,276	-	11,040,016	20,913,520
Operating charges	1.51%	1.33%	1.33%	0.89%	0.73%	0.73%
Direct transaction costs‡	0.28%	0.17%	0.13%	0.28%	0.17%	0.13%
<b>Prices</b>						
Highest share price	-	264.01	252.69	-	158.33	151.02
Lowest share price	-	143.76	218.82	-	86.31	130.53

Financial year	'R' Class (Accumulation shares)			'S' Class (Accumulation shares) <sup>(1)</sup>		
	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)	31.05.21 (p)	31.05.20 (p)	31.05.19 (p)
<b>Change in net assets per share</b>						
Opening net asset value per share	99.50	130.10	134.21	859.79	1115.88	1142.70
Return before operating charges*	32.35	(29.56)	(3.01)	(3.94)	(255.24)	(25.93)
Operating charges	(0.82)	(1.04)	(1.10)	(0.65)	(0.85)	(0.89)
Return after operating charges*	31.53	(30.60)	(4.11)	(4.59)	(256.09)	(26.82)
Return to shareholder as a result of class closure	(131.03)	-	-	(855.20)	-	-
Distributions	(0.27)	(2.33)	(2.51)	-	(28.08)	(29.81)
Retained distributions on accumulation shares	0.27	2.33	2.51	-	28.08	29.81
Closing net asset value per share	-	99.50	130.10	-	859.79	1,115.88
* after direct transaction costs of :	0.30	0.22	0.18	2.69	1.90	1.53
<b>Performance</b>						
Return after charges	31.69%	(23.52%)	(3.06%)	(0.53%)	(22.95%)	(2.35%)
<b>Other information</b>						
Closing net asset value (£'000)	-	5,360	456	-	50,831	114,756
Closing number of shares	-	5,386,678	350,495	-	5,912,048	10,283,928
Operating charges	1.01%	0.84%	0.83%	0.09%	0.08%	0.08%
Direct transaction costs‡	0.28%	0.17%	0.13%	0.28%	0.17%	0.13%
<b>Prices</b>						
Highest share price	-	148.50	141.74	-	1,278.73	1,214.89
Lowest share price	-	80.93	122.55	-	698.23	1,047.79

## Comparative tables

As at 31 May 2021

### **Portfolio transaction costs**

Portfolio transaction costs are incurred by funds when buying and selling investments. These costs vary depending on the types of investment, their market capitalisation, country of exchange, method of execution and the quality of research provided. They are made up of direct and indirect portfolio transaction costs:

‡ Direct portfolio transaction costs: Broker execution commission and taxes.

Indirect portfolio transaction costs: 'Dealing spread' – the difference between the buying and selling prices of the fund's investments; some types of investment, such as fixed interest securities, have no direct transaction costs and only the dealing spread is paid. Details of the dealing spread is shown in note 5 of the 'Notes to the financial statements' for each of the individual funds.

# Notes to the Financial Statements of the Company

For the year ended 31 May 2021

## 1. Accounting policies

### a) Basis of accounting

The financial statements on pages 98 to 190 have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Management Association in May 2014 (IMA SORP 2014), Financial Reporting Standard (FRS) 102 and United Kingdom Generally Accepted Accounting Practice. The ACD has considered the impact of the emergence and spread of COVID-19 and potential implications on future operations of reasonably plausible downside scenarios. The ACD has undertaken a detailed assessment, and continues to monitor, the fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. The UK Total Return fund has been merged with Ninety One Series i UK Special Situations Fund. Based on this assessment, the fund continues to be open for trading and the ACD is satisfied the fund has adequate financial resources to continue in operation and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements except UK Total Return Fund for which the financial statements have not been prepared on a going concern basis. This assessment covers the period to 30 September 2022, being at least twelve months from the date of issue of these Financial Statement and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19.

#### Changes in accounting policies

There have been no changes to the accounting policies as detailed in the audited financial statements for the year ended 31 May 2021.

### b) Valuation of investments

The investments of the Funds have been valued at market value at noon (UK time) on 31 May 2021 net of any accrued interest. Suspended securities are valued at the last traded price or at the Fund Manager's best estimate of fair value based on market information and particular circumstances that led to the suspension subject to agreement from the ACD's valuation committee.

Market value is defined by the SORP as fair value which is generally the bid value.

Open Forward Currency Contracts are shown in the Portfolio Statement and are valued using contracted forward rates. The net gains/(losses) are reflected in "Forward currency contracts" in Net capital gains/(losses).

Open Futures Contracts are shown in the Portfolio Statement and are valued using broker prices. The net gains/(losses) are reflected in "Derivative contracts" in Net capital gains/(losses).

Open Swap Contracts are shown in the Portfolio Statement at fair value. The net gains/(losses) are reflected in "Derivative contracts" in Net capital gains/(losses).

### c) Exchange rates

Monetary assets and liabilities held in currencies other than sterling have been translated into sterling at the exchange rates ruling at noon on 31 May 2021. Transactions during the year are translated at the rate ruling on the transaction date.

### d) Recognition of revenue

Income encompasses both revenue and capital gains/(losses). Revenue generally includes items such as dividends, interest and other similar items that were previously referred to as 'income'. Capital is the return from holding investments other than part of the return that is revenue.

All dividends and scrip (stock) dividends on equities are recognised when the securities are quoted ex-dividend net of any attributable tax credits. Bank interest, interest on investments and other receivables are accrued up to the accounting date.

Accumulation of revenue relating to accumulation units or shares held in collective investment schemes is recognised as revenue and included in the amount available for distribution. Equalisation received from distributions or accumulations on units or shares in collective investment schemes is treated as capital and deducted from the cost of the investment.

Revenue from debt securities is accounted for on an effective interest basis.

Underwriting commission is taken to revenue and recognised when the issue takes place, unless the Funds are required to take up all or some of the underwritten shares. In this case the commission is used to reduce the cost of those shares.

Special dividends are treated as revenue or capital depending on the facts of each particular case.

Where derivatives are used to protect or enhance revenue, and the motives and circumstances support it, cashflows are treated as capital. Where derivatives are used to protect or enhance revenue, and the motives and circumstances support it, cashflows arising are treated as revenue.

### e) Expenses

Expenses are accounted for on an accruals basis.

### f) Taxation

Provision is made for corporation tax at current rates on the excess of taxable revenue over allowable expenses.

### g) Deferred taxation

Where applicable, a provision is made on all material timing differences between the recognition of revenue in the financial statements and its recognition in the Funds' annual tax returns. Deferred tax liabilities are recognised to the extent that it is possible that an actual liability will crystallise and deferred tax assets are recognised where it is more than likely that an asset is recoverable.

No deferred tax assets have been recognised as there is uncertainty over future net revenues to utilise such assets.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 2. Distribution policies

##### a) Basis of distribution

If at the end of the distribution period, revenue exceeds expense borne by revenue for distribution purposes, the net revenue after taxation of that Fund is available to be distributed to its shareholders. In order to conduct a controlled dividend flow to shareholders, interim distributions will be at the ACD's discretion, up to a maximum of the distributable revenue available for the period. At the end of the year, all remaining net revenue is distributed.

Emerging Markets Blended Debt Fund will distribute revenue on a quarterly basis. Global Quality Equity Income Fund will distribute revenue on a semi-annual basis.

Diversified Growth Fund, Emerging Market Equity Fund, Global Franchise Fund, Global Special Situations Fund, Multi-Asset Protector Fund and Multi-Asset Protector Fund 2 will distribute annually by reference to net revenue arising during the year ended 31 May 2021.

Any deficit of revenue after taxation will reduce the capital of the Fund.

Distributions on accumulation shares are retained by the Fund and increase the value of the accumulation shares.

##### b) Apportionment to multiple share classes

The allocation of revenue and non-class specific expenses is based upon the proportion of the Funds' assets attributable to each share class, on the day the revenue is earned or expense is suffered.

##### c) Stock dividends

Ordinary scrip dividends are treated as revenue and will form part of any distribution. A transfer is made from capital to revenue to compensate for the amount of revenue foregone. In the case of enhanced scrip dividends, any enhancement is taken to capital.

##### d) Interest from debt securities

As noted in note 1d above, revenue from fixed interest securities is accounted for on an effective interest basis, where applicable, UK interest distributions are also based on an effective interest basis.

##### e) Expenses

Management expenses including the General Administration Charge (GAC) and custody are charged against revenue unless otherwise stated in the Ninety One Funds Series Omnibus prospectus 'The Prospectus'. The only exception are the Income-2 ('Inc-2') share classes, where expenses are borne by capital for distribution purposes.

Details of expenses borne by capital can be found in the 'Distributions' note.

##### f) Equalisation

Equalisation takes account of the distributable revenue in the share price that is received on the creation of shares and paid on cancellation of shares and is allocated to the distribution account to equalise the distribution payable to Shareholders.

##### g) Aggregate distribution

The aggregate distribution for the company is based on the individual funds' net revenue after taxation. Where there is a significant difference between net revenue after taxation and the amounts available for distribution, a reconciliation has been provided.

#### 3. Risk management policies

Any investment in stock market funds involves risk. Some of these risks are general, which means that they apply to all funds. Others are specific, which means that they apply to individual funds only.

We monitor our Funds' portfolios against certain parameters, seeking to ensure that they meet an acceptable risk: reward profile.

##### Risk management process

The stock selection and asset allocation of the portfolios are reviewed at periodic fund review meetings. Consideration is given to whether the risk associated with the exposure to particular investment categories or stocks is prudent in the context of the investment objective. The Investment Manager has responsibility for monitoring the existing portfolios in accordance with an overall investment category deviation parameter and seeks to ensure that the portfolios as a whole meet an acceptable risk: reward profile. Monthly market risk reviews are conducted on core funds, investigating levels and trends in risk exposures and the overall diversity of risk contributors. For certain forms of derivative intensive funds, daily predicted Value at Risk levels are also monitored.

Listed below are the specific risks applicable to the Funds. Investors should refer to Clause 5, Appendix i (for specific risks) and Appendix vii of the Prospectus for a detailed explanation of each of the risks highlighted below.

##### General risks

##### Risks associated with investments

##### Accounting

Accounting, auditing and financial reporting standards, practices and disclosure requirements vary between countries and can change and this can be a source of uncertainty in the true value of investments and can lead to a loss of capital or income.

##### Active management

As the Funds are actively managed, the portfolio's constituents may vary from the benchmark and, therefore, the performance of the Funds may differ from that benchmark and so could underperform it.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Climate change

Climate change is an evolving risk which could affect the value of the underlying investments of a Fund. Climate change risk includes i) transition risks, being risks associated with markets transitioning to a lower-carbon economy (including extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change) and ii) physical risks which may be acute (e.g. extreme weather events) or chronic (e.g. longer term shifts in climate patterns such as sustained higher temperatures).

##### Cyber attack

Ninety One and its service providers are at risk of cyber attack which can cause operational disruption and impact business operations, potentially leading to financial loss. This can result from the misappropriation of assets or sensitive information, corruption of data or interference with the company's ability to perform its duties relating to, for example, processing transactions, asset valuation and maintenance and adherence to privacy and data security legislation. This could result in reputational damage, regulatory censure, legal fees and other costs. Cyber attacks affecting issuers in which a Fund invests could also cause the Fund's investments to lose value.

##### Efficient portfolio management

Efficient Portfolio Management may be used by the Funds to reduce risk, reduce costs or for the generation of additional capital or income in the Funds at an acceptably low level of risk.

The Funds may use derivatives repo contracts, and stock lending for Efficient Portfolio Management.

It is not intended that using derivatives for Efficient Portfolio Management will increase the volatility of the Funds. In adverse situations, however, a Fund's use of derivatives may become ineffective in hedging or Efficient Portfolio Management and a Fund may suffer significant loss as a result.

A Fund's ability to use Efficient Portfolio Management techniques may be limited by market conditions, regulatory limits and tax considerations. Any income or capital generated by Efficient Portfolio Management techniques will be paid to the Funds.

The Investment Manager may use one or more separate counterparties to undertake transactions on behalf of these Funds. A Fund may be required to pledge or transfer collateral from its assets to secure the exposure of such contracts entered into for Efficient Portfolio Management. There may be a risk that a counterparty will wholly or partially fail to honour their contractual arrangements with regards the provision and/or return of collateral and any other payments due to the relevant Fund. The ACD measures the creditworthiness of counterparties as part of the risk management process.

A counterparty may be an associate of the ACD or the Investment Manager which may give rise to a conflict of interest. For further details on the ACD's conflicts of interest policy please contact the ACD.

##### ESG (environmental, social and governance) risk

ESG (Environmental, Social and Governance) risk factors may adversely affect the value of the securities of individual companies, sectors or countries through potential risks to economic growth and financial stability, which may negatively affect the value of the underlying investments of a Fund. Should businesses or countries contribute, or be seen to contribute, to poor environmental, social or governance outcomes then this may attract censure and negatively impact growth prospects, the market price of their securities and/or Fund's ability to buy or sell these securities as expected. Companies or countries with poor ESG outcomes may be subject to price shocks resulting from legal, regulatory, technological or environmental changes. Governments or regulators may impose new requirements on companies or industries relating to ESG obligations which may negatively affect the value of securities.

Environmental factors may include (but are not limited to) the impact of emissions, energy efficiency, the exploitation of natural resources or waste treatment. Social factors may include human rights, treatment of workers and workers' rights or diversity issues. Governance factors may include shareholder rights, remuneration of senior management, conflicts of interest or board independence.

##### Exchange rate fluctuation

Currency fluctuations may adversely affect the value of a Fund's investments and the income thereon. Currency fluctuations may also adversely affect the profitability of an underlying company in which a Fund invests.

##### Income yield

The level of any yield arising from interest and/or dividend payments, and other such sources of income, for a Fund may be subject to fluctuations and is not guaranteed. Therefore, the related distribution amount paid, or deemed to be paid, from any Fund's Share Classes may also fluctuate over time and is not guaranteed.

##### Inflation & deflation

Inflation erodes the real value of all investments and changes in the anticipated rate of inflation could lead to capital losses in a Fund's investments.

Deflation risk is the risk that prices throughout an economy may decline over time. Deflation may have an adverse effect on company profitability, impacting their value or creditworthiness, which may result in a decline in the value of a Fund's portfolio.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Initial public offerings (IPO) & placement

When a Fund subscribes for an IPO or a placing there is a (potentially lengthy) period between the Fund submitting its application and finding out whether the application has been successful. If the Fund is not allocated the full amount subscribed for due to oversubscription or the security is listed at lower than the issue price (in respect of an IPO only), this may result in a sudden change in the Fund's price. There is also the opportunity cost of having cash committed to the subscription (and therefore out of the market), and not receiving the full allocation. The price of securities involved in initial public offerings are often subject to greater and more unpredictable price changes than more established securities and there may be less financial information available.

##### Political, legal & regulatory

Expropriation by the state, social or political instability, or other restrictions on the freedom of a Fund to deal in its investments, may all lead to investment losses. It should also be noted that there may be occasions when a government imposes restrictions on a company's operations and/or the free movement of cash.

The regulatory environment may evolve in different territories and changes therein may adversely affect the ability of a Fund to pursue its investment strategies. The regulatory environment within which the Funds operate may be different to the regulatory requirements of the investors' home countries.

##### Risks associated with derivatives

###### EMIR clearing: client segregation model

EMIR requires clearing members of central counterparties established in the UK, or in the case of Regulation (EU) No 2017/1131, the European Union, to offer their clients (e.g. a Fund) the choice between omnibus accounts and individual accounts in relation to their centrally cleared over-the-counter (OTC) derivative transactions.

The omnibus account option is the minimum standard of client protection permitted under EMIR. Omnibus accounts are accounts at the level of the CCP which contain the OTC derivative positions and the related collateral of several of the clearing member's clients. The pooling of client positions and collateral in this way means that assets related to a client could be used to cover the losses of other clients following a clearing member default. Individual accounts only contain the positions and collateral of the respective account holder and therefore offer a higher level of client protection compared to an omnibus account structure.

For omnibus accounts, a further distinction is made between net omnibus accounts and gross omnibus accounts. In a gross omnibus account, which is the type of account the ACD has selected, positions are recorded on a gross basis by the clearing member for each of its clients and collateral is calculated on a gross basis. In contrast, in a net omnibus account there is netting between the different clients' positions and collateral is calculated on a net basis. Accordingly a gross omnibus account results in less risk for the respective client as following a clearing member default, there is likely to be a larger pool of collateral available to be returned to clients than would be the case in respect of a net omnibus account.

##### Risks associated with share classes

###### Base currency hedged share classes

For the base currency Hedged Share Classes, the ACD will implement a currency hedging strategy to limit exposure to the currency position of the relevant Fund's Base Currency relative to the currency denomination of the relevant base currency hedged Share Class ("BCHSC Currency"). However, there can be no assurance that the strategy implemented by the ACD will be successful.

The currency hedging transactions will be entered into regardless of whether the Base Currency is declining or increasing in value relative to the BCHSC Currency. Consequently, while such hedging will largely protect investors against a decline in the value of the relevant Base Currency relative to the BCHSC Currency, it will also mean that investors will not benefit from an increase in the value of that Base Currency relative to the BCHSC Currency.

Due to the impossibility of forecasting future market values the currency hedging will not be perfect and the returns of the base currency hedged Share Class, measured in the BCHSC Currency, will not be exactly the same as the returns of an equivalent Share Class denominated in and measured in the relevant Base Currency.

Shareholders should also note that liabilities arising from a Hedged Share Class in a Fund may affect the Net Asset Value of the other Share Classes in that Fund.

##### Charges to capital

Where the income generated by a Fund's investments is not sufficient to offset the charges and expenses of the Fund they may instead be deducted from the capital of the Fund. This will constrain the rate of capital growth.

For the Inc-2 Share Classes, all expenses attributable to that Share Class will be charged against the capital account of that Share Class. This has the effect of increasing the Share Class' distributions (which may be taxable) whilst reducing its capital to an equivalent extent. This could constrain future capital and income growth.

##### Currency denomination

The Currency Denomination of a Share Class in a Fund may not necessarily be an indicator of the currency risk to which its Shareholders are exposed. Currency risk derives from the currency exposures of the underlying assets of a Fund, while the currency denomination of a Share Class only indicates the currency in which the Net Asset Value of that Share Class is valued in.

It is also particularly important to be aware of the difference between a Share Class that is denominated in a given currency and a Share Class that is hedged into that currency. For a full overview of the different Share Classes available please refer to Section 3 of the Prospectus.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Distribution from capital

Inc-2 Shares may make distributions from capital as well as from net realised and unrealised capital gains before deduction of fees and expenses. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital and income growth. In addition, this distribution policy may have tax implications for your investment in such Income Shares. If in doubt, please consult your tax adviser.

##### Initial charges

Where an Initial Charge is made, investors who sell their Shares may not, even in the absence of a fall in the value of the Shares, recover the total amount originally subscribed.

##### Transactional risks arising from the hedged share classes

There is a risk that where a Fund has Share Classes that operate a hedge as well as Share Classes that do not, the returns of the latter may be affected, positively or negatively, by inaccuracies and imperfections in the operation of the hedge. This risk arises because Share Classes are not separate legal entities. Hedged Share Classes and un-hedged Share Classes of the same Fund participate in the same pool of assets and/or liabilities of the same Fund.

Shareholders should also note that assets and/or liabilities arising from one Share Class in a Fund may affect the Net Asset Value of the other Share Classes in that Fund.

##### Portfolio currency hedged share class ("PCHSC")

Due to the impossibility of forecasting future market values and the primary currency exposures in the relevant Fund's portfolio, portfolio currency hedging will never be perfect and the returns of PCHSC may be impacted by exchange rate movements.

Currency hedging transactions will be entered into regardless of whether the primary currency exposures are declining or increasing in value relative to the currency denomination of the PCHSC. Consequently, while such hedging will largely protect investors against a decline in the value of the relevant primary currency exposures relative to the currency denomination of the PCHSC, it will also mean that investors will not benefit from an increase in the value of those primary currency exposures relative to the currency denomination of the PCHSC.

Shareholders should also note that liabilities arising from a hedged Share Class in a Fund may affect the Net Asset Value of the other Share Classes in that Fund.

By virtue of the hedging techniques used, the performance of any PCHSC will diverge from the performance of the equivalent Share Class that does not make use of these hedging strategies.

Please see Section 2.2.2 of the Prospectus for further details on the types of hedging transactions implemented by the ACD and the risks associated with the PCHSCs.

##### Risks associated with shareholder dealing and portfolio transactions

###### Cancellation

If you exercise any cancellation rights you have, you may not get back the full amount of your investment.

###### Conflicts of interest

In relation to an investment in a Fund, it should be noted that the ACD, the Investment Manager and other companies within the Ninety One group may, from time to time, act as ACD, management company, investment manager or adviser to other funds, Funds or other client mandates which are competitors to the Fund in question because they follow similar investment objectives to that Fund. It is therefore possible that the ACD and the Investment Manager may in the course of their business dealings have potential conflicts of interest with the Fund. Each of the ACD and the Investment Manager will, however, have regard in such event to their regulatory and contractual obligations and to their overall duty to act in a commercially reasonable manner to act in the best interests of all customers and to treat all customers fairly when undertaking any investment business where potential conflicts of interest may arise.

###### Counterparty - trading

A Fund may enter into transactions with counterparties, thereby exposing it to the counterparties' credit worthiness and their ability to perform and fulfil their financial obligations (including the timely settlement of trades). This risk may arise at any time a Fund's assets are deposited, extended, committed, invested or otherwise exposed through actual or implied contractual agreements.

In some markets there may be no secure method of delivery against payment which would minimise the exposure to counterparty risk. It may be necessary to make payment on a purchase or delivery on a sale before receipt of securities or, as the case may be, sale proceeds. In this situation, the receipt of securities or sale proceeds by a Fund is dependent on the counterparty fulfilling its own delivery obligation.

When entering derivatives transactions and making use of Efficient Portfolio Management techniques, a Fund may be adversely impacted by conflicts of interest arising from the relationship of the counterparties to the relevant investment manager or another member of the relevant Investment Manager's group of companies.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Dilution

In certain circumstances a dilution adjustment (or dilution levy in the case of the Multi-Asset Protector Fund and Multi-Asset Protector Fund 2) may be made on the purchase or sale of Shares. In the case of purchases this will reduce the number of Shares acquired, in the case of sales this will reduce the proceeds. Where a dilution adjustment or dilution levy (in the case of the Multi-Asset Protector Fund and Multi-Asset Protector Fund 2) is not made, existing investors in the Fund in question may suffer dilution which will constrain capital growth. The dilution is triggered based on estimated net flows on the Dealing Day, which may differ from the actual net flows for that day.

##### Liquidity risk – fund Investments

A Fund may invest in less liquid securities or securities that subsequently become less liquid and therefore may be difficult to sell under certain circumstances. This could have an adverse impact on the market prices or the ability to realise the asset. Lower liquidity for such securities may be a result of lower liquidity in the asset class in general, such as smaller companies or certain categories of credit, or as a result of specific economic or market events, such as the deterioration in the performance of an issuer.

##### Risk of deferred redemptions

In the case of individual or collective redemptions and/or switches which are in aggregate 10% or more of the net asset value of a Fund on a Dealing Day, the ACD may decide without Shareholder approval to defer redemptions to the Valuation Point on the next Dealing Day (see section 3.11 of the Prospectus). Subject to sufficient liquidity being raised at the next Valuation Point all deals relating to the earlier Valuation Point will be completed before those relating to the later Valuation Point are considered.

##### Risk of market closure

Certain markets in which a Fund invests may not open every Dealing Day. Consequently, the prices at which the Shares may be bought or sold will be based on prices for the underlying investments that are out of date to a greater or lesser extent. This will cause the returns of the Fund to be affected if purchases or sales of Shares are followed immediately by increases or decreases in the prices of the underlying investments. Causes of market closures can be either from differences in normal market trading days, national or localised public holidays or from non-standard market closures imposed as emergency measures.

##### Risk of remittance restrictions

In some countries, the proceeds from the sale of a security, or dividends or other income, which is due to foreign investors, may not be payable, in full or in part, due to governmental or other restrictions. Any such restrictions will reduce the profit potential of a Fund and may lead to losses. Other such risks may include the introduction of unexpected taxation rules. In some circumstances, governmental or regulatory controls may be imposed affecting the efficient movement of capital (e.g. exchange limitations or currency movements/repatriation).

##### Risk of suspension

In certain circumstances, Shareholders' right to redeem, switch or convert Shares (including a sale by way of conversion) may be suspended (see section 3.10 of the Prospectus). This will mean that on a temporary basis Shareholders will not have access to their money.

##### Risks associated with fund operations

###### Central securities depositories

For the purposes of the UCITS Directive, entrusting the custody of the Company's assets to the operator of a securities settlement system ("SSS") is currently not considered as a delegation by the Depositary and the Depositary would therefore be exempt from its obligation to return an asset lost by an SSS.

###### Custody

Each Fund's assets are safe kept by the Depositary or its sub-custodians (which may not be part of the same group of companies as the Depositary) and Shareholders in a Fund are exposed to the risk of the Depositary or its sub-custodian not being able to fully meet its obligation to return in a short time frame all of the assets held at the Depositary or a sub-custodian in the case of its insolvency. Securities of a Fund will normally be identified in the Depositary's or sub-custodian's books as belonging to the Fund and will be segregated from the Depositary or the sub-custodian's assets. This provides protection for the Fund's assets in the event of the insolvency of either the Depositary or its sub-custodian, but does not exclude the risk that the assets will not be returned promptly in the event of insolvency.

A Fund's assets may also be pooled with the securities of other clients of the Depositary or sub-custodian. In this circumstance, if there were problems with the settlement or custody of any security in the pool then, subject to the requirements of COLL, the loss would be spread across all clients in the pool and would not be restricted to the client whose securities were subject to loss.

In addition, a Fund may be required to place assets outside of the Depositary and the sub-custodian's safekeeping network in order for the Fund to trade in certain markets. In such circumstances the Depositary remains responsible for the proper selection and supervision of the persons safekeeping such assets in the relevant markets. In such markets, Shareholders should note that there may be delays in settlement and/or uncertainty in relation to the ownership of a Fund's investments which could affect the Fund's liquidity and which could lead to investment losses.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

The Depositary is liable to a Fund for the loss of an asset held in custody by the Depositary and its sub-custodians. However, the Depositary may have no liability for the loss of an asset where the Depositary can prove that the loss is due to an event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary by the Depositary.

A Fund's cash held on deposit with a Depositary or its sub-custodian is not segregated from the assets of the Depositary or its sub-custodian and is held at the risk of the Fund.

#### Subscale

If a Fund does not reach a sustainable size, this will constrain the Investment Manager from implementing all of the investment decisions that it would like to for the Fund and/or the effect of charges and expenses may be higher than anticipated and the value of the investment consequently reduced. Also, in accordance with the relevant Instrument of Incorporation, a Fund may be liquidated if it does not reach assumed sustainable size and is no longer viable to operate.

#### Fair value pricing

Fair value pricing adjustments may be made to the price of an underlying asset of a Fund, at the absolute discretion of the Board of Directors, to reflect predicted changes in the last available price between the market close and the Valuation Point. There is, however, a risk that this predicted price is not consistent with the subsequent opening price of that security.

#### Fraud

A Fund's assets may be subject to fraud. This includes but is not limited to fraudulent acts at the sub-custodian level such that the sub-custodian does not maintain books and records that reflect the beneficial ownership of the Fund to its assets. Fraud may also arise with regards to counterparty default and/or fraudulent acts of other third parties.

#### Fund legal action

There is no certainty that any legal action taken by a Fund against its service providers, agents, counterparties or other third parties will be successful and Shareholders may not receive compensation in full or at all for any losses incurred. Recourse through the legal system can be lengthy, costly and protracted. Depending on the circumstances, a Fund may decide not to take legal action and/or the Fund may decide to enter into settlement negotiations which may or may not be successful.

#### Higher ongoing charges when investing in funds

Where a Fund invests in other UK or EEA UCITS schemes and/or other funds which are eligible for investment, there may be additional costs of investing in these UCITS/UCIs which may increase the Total Expense Ratio (TER) and/or Ongoing Charges.

#### Liabilities of each company and the funds

As explained in paragraph 2.2.1 of the Prospectus where, under the OEIC Regulations, each Fund within a Company is a segregated portfolio of assets and those assets can only be used to meet the liabilities of, or claims against, that Fund. Whilst the provisions of the OEIC Regulations provide for segregated liability between Funds in the same Company, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known whether a foreign court would give effect to the segregated liability and cross-investment provisions contained in the OEIC Regulations. Therefore, it is not possible to be certain that the assets of a Fund will always be completely insulated from the liabilities of another Fund in the same Company in every circumstance. However, for the avoidance of doubt there is no liability between Funds in different Companies.

#### Liquidity risk – shareholder activity

Subscriptions, conversions or redemptions of Shares in a Fund may have an impact on the other Shareholders of that Fund, which is commonly known as dilution or concentration.

To match subscriptions, conversions and redemptions of Shares from a Fund, assets may be bought or sold and such transactions may incur costs that the Fund must meet. Where a Fund is forced to buy or sell a significant volume of assets relative to the liquidity normally available in the market, it may affect the price at which those assets are bought or sold (and this may be different from the price at which they are valued), therefore having a dilutive or concentrative impact for the other Shareholders. In addition, the weighting of different holdings within the Fund may change, therefore altering the construction and composition of the Fund. The impact will vary to a lesser or greater extent depending on the volume of transactions, the purchase and sale price of the assets and valuation method used to calculate net asset value of the Fund.

The ACD may at its discretion, but always acting in the best interests of Shareholders, in times of illiquidity, utilise liquidity management tools including, without limitation, the power to defer redemptions and suspend dealing in the Shares of a Fund.

#### Securities lending

Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, a Fund engaged in securities lending transactions may lose money and there may be a delay in recovering the lent securities. A Fund could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of assets purchased with re-invested cash collateral.

A Fund's portfolio exposure to market risk will not change by engaging in securities lending. However, securities lending carries the specific market risk of the counterparty defaulting. To mitigate this risk, the Fund will receive collateral relating to its securities lending transactions in accordance with the guidance referred to in COLL 5.3.11 G.

In the event of default by the counterparty to a securities lending transaction, the collateral provided will need to be sold and the lent securities repurchased at the prevailing price, which may lead to a loss in value for the relevant Fund. There can therefore be no assurance that the relevant Fund's investment objectives will be achieved.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

Securities lending also carries operational risks such as the nonsettlement of instructions associated with securities lending. Such operational risks are managed by means of procedures, controls and systems implemented by the securities lending agent and the Fund.

When engaging in securities lending, a Fund may be adversely impacted by conflicts of interest arising from the relationship of the counterparties to such transactions with the relevant investment manager or another member of the relevant investment manager's group of companies.

#### Tax

Tax laws may change without notice and may impose taxes on a retrospective basis, including, without limit, the imposition or increasing of taxes on income and/or unrealised gains which might affect return from a Fund. Taxes may be deducted at source without notice to the Fund and/or the Investment Manager. Tax charged may vary between Shareholders. Tax law and practice may also be unclear, leading to doubt over whether taxes may ultimately become due. Local tax procedures may have the effect of limiting or denying the reclaim of such taxes deducted that might otherwise be available.

#### Third-party operational (including counterparty – service providers)

Each Fund's operations depend on third parties, either for the purpose of segregating duties, or due to delegation/outourcing of functions by the Investment Manager. Investors in a Fund may suffer disruption or financial loss in the event of third-party operational failure.

#### Specific risks

##### Risks associated with debt investments

##### Contingent convertibles or CoCos

A Fund may invest in contingent convertibles (CoCos), which are a type of debt security issued by financial institutions. The terms of these securities mean that investors in CoCos may suffer losses prior to investors in the same financial institution which hold securities ranking senior to the CoCo bond holders, as the instruments become loss absorbing upon certain triggering (contingent) events related to the solvency of the issuer. This creates uncertainty about how CoCos may perform under stressed conditions and presents risks over the certainty of future interest payments as well as the potential conversion to equity in such a stress scenario.

##### Credit

Where the value of an investment depends on a party (which could be a company, government or other institution) fulfilling an obligation to pay, there exists a risk that that obligation will not be satisfied. This risk is greater the weaker the financial strength of the party. The Net Asset Value of a Fund could be affected by any actual or feared breach of the party's obligations, while the income of the Fund would be affected only by an actual failure to pay, which is known as a default.

##### Distressed debt

A Fund may invest in distressed debt securities. Investment in such distressed debt securities (which qualify as transferable securities) involves purchases of obligations of companies that are experiencing significant financial or business distress, including companies involved in insolvency or other reorganisation and liquidation proceedings. These assets involve a high risk of capital loss, uncertainty of interest payments and can suffer from poor liquidity.

##### High yield debt securities

High yield debt securities, that is those that are rated BB+ by Standard & Poor's or Ba1 by Moody's or lower, or are unrated, are subject to greater risk of loss of income and principal due to default by the issuer than are higher-rated debt securities. It may also be more difficult to dispose of, or to determine the value of, high yield debt securities.

##### Interest rate

The earnings or market value of a Fund may be adversely affected by changes in interest rates. This risk can be particularly relevant for Funds holding fixed-rate debt securities (such as bonds), since their values may fall and their yields may decrease below prevailing market rates if interest rates rise. Furthermore, Funds holding fixed-rate debt securities with a long time until maturity may be more sensitive to changes in interest rates than shorter-dated debt securities, for example a small rise in long-term interest rates may result in a more than proportionate fall in the price of a long-dated debt security. Low or negative interest rates pose additional risks to a Fund, because low yields on the Fund's portfolio holdings may have an adverse impact on the Fund's ability to provide a positive yield and return for its Shareholders, pay expenses out of Fund's assets, or, at times, preserve capital.

##### Investment grade

Investment grade debt securities, like other types of debt securities, involve credit risk. As such, they are subject to loss of income and/or principal due to default by the issuer, or if their financial circumstances deteriorate. Investment grade debt securities also face the risk that their ratings can be downgraded.

##### Mortgage backed and other asset backed securities

##### Mortgage backed

A mortgage-backed security is a generic term for a debt security backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. As such they are vulnerable to similar risks to traditional fixed income securities as well as specific risks related to the exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the creditworthiness of the underlying mortgage assets and the originator of the security. The market for these investments may be volatile and illiquid, which may make it difficult to buy or sell them, and the secondary market may be smaller than that for more traditional debt securities.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Asset backed

Traditional debt securities typically pay a fixed rate of interest until maturity, when the entire principal amount is due. By contrast, payments on asset-backed securities (ABS) typically include both interest and partial payment of principal. ABS may be affected by changes to prevailing levels of interest rates. Principal may be prepaid voluntarily, or as a result of refinancing or forced repayment. Principal and interest payments may also not be made on time. The nature and timing of these payments may make the return profile less predictable when compared to other fixed income securities and they can increase the volatility of the Fund. The Fund will be vulnerable to specific risks related to the creditworthiness of the underlying assets and the originator of the security. The market for these investments may be volatile and illiquid, which may make it difficult to buy or sell them, and the secondary market may be smaller than that for more traditional debt securities.

##### CDOs/CLOs

Collateralised Debt Obligations (CDOs) and Collateralised Loan Obligations (CLOs) represent a participation in, or are secured by, a pool of fixed or floating rate debt obligations. These securities are issued in separate classes with different stated maturities that may have different credit and investment profiles. As the debt pool experiences prepayments, the pool pays off investors in classes with shorter maturities first. Prepayments may cause the actual maturity of the securities to be substantially shorter than its stated maturity. Conversely, slower than anticipated prepayments can extend the effective maturities of the securities, subjecting them to a greater risk of decline in market value in response to rising interest rates than traditional debt securities, and, therefore, potentially increasing their volatility. The securities and other instruments with complex or highly variable prepayment terms generally entail greater market, prepayment and liquidity risks than other asset backed securities (ABS). The securities are generally subject to each of the risks discussed under asset-backed (ABS) securities.

##### CLNs

Credit Linked Notes (CLNs) are executed directly with a counterparty rather than through a recognised exchange and are, therefore, not afforded the same protections as instruments trading on recognised exchanges. CLNs carry the default risk of the counterparty as well as the default risk associated with the underlying credit securities and may not have a claim over the underlying assets in the event of a default by the counterparty. Additionally, when compared to the underlying reference securities, a CLN may provide varying returns because of, for example, the terms of the CLN contract, imperfect matching of price points or coupon payments. In times of stress CLNs may become less liquid and more difficult to price.

##### Risks associated with derivative instruments

###### Cash flow

A Fund may have insufficient cash to meet the margin calls necessary to sustain its position in a derivatives contract. This may result in the Fund having to close a position (or sell other securities to raise the cash) at a time and/or on terms that it may otherwise not have done. This could lead to capital losses for the Fund.

###### Credit default swaps and other synthetic securities

A portion of a Fund's investments may consist of credit default swaps and other synthetic securities the reference obligations of which may be leveraged loans, high-yield debt securities or similar securities. Investments in such types of assets through the purchase of credit default swaps and other synthetic securities present risks in addition to those resulting from direct purchases of such investments. With respect to each synthetic security, a Fund will usually have a contractual relationship only with the counterparty of such synthetic security, and not have a direct claim over the underlying securities or direct rights and remedies against the issuer(s) of such securities. In the event of the insolvency of the counterparty, a Fund will be treated as a general creditor of such counterparty, and will not have any claim with respect to the underlying securities. Consequently, a Fund will be subject to the credit risk of the counterparty as well as that of the underlying securities.

Additionally, while the Investment Manager expects that the returns on a synthetic security will generally reflect those of the underlying securities, as a result of the terms of the synthetic security and the assumption of the credit risk of the synthetic security counterparty, a synthetic security may have a different expected return, a different (and potentially greater) probability of default and expected loss characteristics following a default, and a different expected recovery following default. Additionally, when compared to the underlying security, the terms of a synthetic security may provide for different maturities, distribution dates, interest rates, interest rate references, credit exposures, or other credit or noncredit related characteristics. Upon maturity, default, acceleration or any other termination (including a put or call) other than pursuant to a credit event (as defined therein) of the synthetic security, the terms of the synthetic security may permit or require the issuer of such synthetic security to satisfy its obligations by delivering to the relevant Fund securities other than the underlying securities or an amount different than the current market value of the underlying securities.

##### Derivatives

The use of derivatives may lead to large changes in the value of a Fund and includes the potential for large financial loss if improperly managed. The value of a derivative typically depends on the value of an underlying asset. The value of the derivative may not be 100% correlated with the value of the underlying asset and therefore a change in the value of the asset may not be matched by a proportionate corresponding change in the value of the derivative.

##### Exchange derivatives

Futures contracts may have restricted liquidity due to certain exchanges limiting fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". These prevent trades from being executed at prices beyond the daily limits during a single trading day. Also, once the price of a futures contract has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Leverage

Where a Fund uses derivatives to create aggregate exposure that is greater than its net assets, this may lead to potentially large financial loss. This also creates the effect that the Fund will have greater exposure to certain risks that are associated with the use of derivatives (e.g. Counterparty Risk – Trading, OTC Derivatives Risk and market risk).

##### OTC (over the counter) derivative instruments

In general, there is less government regulation and supervision of transactions in OTC markets than of transactions entered into on organised exchanges. OTC derivatives are executed directly with the counterparty rather than through a recognised exchange and clearing house. Counterparties to OTC derivatives are not afforded the same protections as may apply to those trading on recognised exchanges, such as the performance guarantee of a clearing house.

Investments in OTC derivatives may be subject to the risk of differing valuations arising out of different permitted valuation methods. Although the Fund has implemented appropriate valuation procedures to determine and verify the value of OTC derivatives, certain transactions are complex and valuation may only be provided by a limited number of market participants who may also be acting as the counterparty to the transactions.

OTC derivatives expose a Fund to the risk that the counterparty will not settle a transaction in accordance with its terms, or will delay the settlement of the transaction, because of a dispute over the terms of the contract (whether or not that dispute is valid) or because of the insolvency, bankruptcy or other credit or liquidity problems of the counterparty. Investors should also refer to the risk factor Counterparty Risk – Trading.

Counterparty risk is generally mitigated by the transfer or pledge of collateral in favour of the relevant Fund. The value of the collateral may fluctuate, however, and it may be difficult to sell (in the case of non-cash collateral), so there are no assurances that the value of collateral held will be sufficient to cover the amount owed to the relevant Fund.

The Funds may enter into OTC derivatives cleared through a clearing house that serves as a CCP. Central clearing is designed to reduce counterparty risk and increase liquidity compared to bilaterally-cleared OTC derivatives, but it does not eliminate the risk completely. The CCP will require margin from the clearing broker which will in turn require margin from the relevant Fund. There is a risk of loss by a Fund of its initial and variation margin deposits in the event of default of the clearing broker with which the Fund has an open position or if margin is not identified and correctly reported to the relevant Fund, in particular where margin is held in an omnibus account maintained by the clearing broker with the CCP. In the event that the clearing broker becomes insolvent, the Fund may not be able to transfer or “port” its positions to another clearing broker.

EMIR requires certain eligible OTC derivatives to be submitted for clearing to regulated central clearing counterparties and the reporting of certain details to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty risk in respect of OTC derivatives which are not subject to mandatory clearing. Ultimately, these requirements are likely to include the exchange and segregation of collateral by the parties, including by the Fund. While some of the obligations under EMIR have come into force, a number of the requirements are subject to phase-in periods and certain key issues have not been finalised by the date of the Prospectus.

It is as yet unclear how the over-the-counter financial derivative instruments market will adapt to the new regulatory regime. The collateral, reporting and clearing requirements under EMIR, compliance with rules, regulations promulgated and other legislation in other jurisdictions may increase costs to the Funds and may impact performance. The full impact that such legislation will ultimately have on the Funds and the markets in which they trade and invest is not fully known. Such uncertainty may itself be detrimental to the efficient functioning of the markets and the success of certain investment strategies. Any changes to current regulations or any new regulations applicable to the Funds could have a materially adverse effect on the Funds.

##### Short exposure

Where a Fund uses derivatives to create short exposure there is potential for gains to be made when the underlying securities are falling in value, but a loss could be incurred when the underlying security is rising in value. This means the Fund's performance will be less closely related to the performance of the type of assets in which it will ordinarily invest.

##### Risks associated with emerging market investments

###### China interbank bond market

The China Interbank Bond Market (“CIBM”) is an OTC market (i.e. trades are conducted directly between the buyer and the seller and not on an exchange) that operates outside of the two main stock exchanges in China. On the CIBM, institutional investors trade sovereign, government and corporate bonds.

The main debt instruments traded on the CIBM include government bonds, bond repo, bond lending, People's Bank of China (“PBOC”) bills, and other financial debt instruments.

The CIBM is regulated and supervised by the PBOC. The PBOC is responsible for, among other things, establishing listing, trading, functioning rules applying to the CIBM and supervising the market operators of the CIBM.

Counterparty and liquidity risk are particularly relevant to trading on the CIBM.

##### Settlement risk

There are various transaction settlement methods in the CIBM, which involve varying degrees of risk. Although the Investment Manager may be able to negotiate terms which are favourable to the Funds (e.g. requiring simultaneous delivery of security and payment), there is no assurance that settlement risks can be eliminated. Where the counterparty does not perform its obligations under a transaction, the Funds will sustain losses.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Risks in relation to RMB fixed income securities using the CIBM direct access

The CIBM Direct Access is the PRC investment program revised in 2016 under which certain foreign institutional investors such as the Funds may invest, without particular license or quota, directly in RMB fixed income securities dealt on the CIBM via an onshore bond settlement agent (the "Bond Settlement Agent").

##### CIBM direct access rules and regulations

Participation in the CIBM Direct Access by foreign institutional investors (such as the Funds) is governed by rules and regulations set by the Mainland Chinese authorities, i.e. the PBOC and the State Administration of Foreign Exchange in China. Such rules and regulations may be amended from time to time (with retrospective effect).

The CIBM Direct Access rules and regulations are relatively new. The application and interpretation of such investment regulations are therefore relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. In addition, there can be no assurance that the CIBM Direct Access rules and regulations will not be abolished in the future. Funds, which invest in the PRC markets through the CIBM Direct Access, may be adversely affected as a result of any such changes or abolition.

##### Restrictions to remittances and repatriations risk

Certain restrictions may be imposed by the PRC authorities on investors participating in the CIBM Direct Access and/or the Bond Settlement Agent which may have an adverse effect on the Funds' liquidity and performance. Repatriations (moving cash offshore from Mainland China) conducted in RMB are currently permitted daily and are not subject to repatriation restrictions (such as lock-up periods) or prior approval. There is no assurance, however, that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. It should also be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control should such restrictions be imposed.

##### Securities and cash accounts

Onshore PRC securities are registered in accordance with the relevant rules and regulations and maintained by the Bond Settlement Agent. Onshore cash will be maintained on a cash account with the Bond Settlement Agent.

Beneficial ownership of RMB securities should be acquired by a Fund through CIBM Direct Access. However, beneficial ownership is an untested concept in the PRC.

Investors should note that cash deposited in the cash account of the Funds with the Bond Settlement Agent will not be segregated but will be a debt owing from the Bond Settlement Agent to the Funds as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Bond Settlement Agent. In the event of bankruptcy or liquidation of the Bond Settlement Agent, the Funds will not have any proprietary rights to the cash deposited in such cash account, and the Funds will become unsecured creditors, ranking on equal footing with all other unsecured creditors, of the Bond Settlement Agent. The Funds may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Funds will suffer losses.

##### Bond settlement agent risk

There is a risk that the Funds may suffer losses, whether direct or consequential, from the acts or omissions in the settlement of any transaction or in the transfer of funds or securities, default, bankruptcy or disqualification of the Bond Settlement Agent.

Such acts, omissions, default or disqualification may also adversely affect the Funds in implementing their investment strategies or disrupt the operations of the Funds, including causing delays in the settlement of any transaction.

In addition, the PBOC is vested with the power to impose regulatory sanctions if the Bond Settlement Agent violates any provision of the CIBM Direct Access rules. Such sanctions may adversely impact on the investment by the Funds through the CIBM Direct Access.

##### China tax

In common with other Funds, income and gains derived from China may be subject to withholding tax and VAT and relevant surcharges on the VAT. The interpretation and applicability of existing Chinese tax laws may not be as consistent and transparent as those of more developed nations, and may vary from region to region. There is a possibility that the current tax laws, regulations, and practice in China may be changed with retrospective effect in the future. Moreover, there is no assurance that tax incentives currently offered to foreign companies, if any, will not be abolished and the existing tax laws and regulations will not be revised or amended in the future. Any of these changes may reduce the income from, and/or value of, the Funds' investments. The Chinese government has implemented a number of tax reform policies in recent years. The current tax laws and regulations may be revised or amended in the future. Any revision or amendment in tax laws and regulations may affect the after-tax profit of Chinese companies and foreign investors in such companies, such as the Funds. There can be no guarantee that future tax laws, regulations, and practice in China will not adversely impact the tax exposure of the Funds and/or their Shareholders.

The ACD considers that the Funds should be regarded as a UK tax resident and should be able to enjoy a tax exemption on capital gains under the UK-China double tax treaty, although there is no guarantee that the Chinese tax authorities will provide tax treaty relief.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

In light of the legal and regulatory uncertainties in China, the Funds reserve the right to make any provision for taxes or to deduct or to withhold an amount on account of taxes (which may be payable by the Funds to the Chinese tax authorities in respect of its investments in China) from assets of the Funds. The amount of provision (if any) will be disclosed in the financial statements of the Funds. In this regard, the Funds have determined that no tax provision will be made on the capital gains derived from PRC investments. Any provision for taxes made by the Funds may be more or less than the Funds' actual Chinese tax liabilities. If the Funds do not set aside enough to meet these tax obligations, then the shortfall may be debited from the Funds' assets to meet its actual Chinese tax liabilities. As a result, the income from, and/or the performance of the Funds may be reduced/adversely affected. The degree of impact on individual Shareholders may vary depending on whether or not the price they paid or received for Shares reflected any difference between the amount the Funds set aside for tax and their actual tax liabilities.

#### China interbank bond market

The Chinese tax authorities have granted VAT exemption on the capital gains derived by qualified non PRC tax residents from the investments through the China Interbank Bond Market with effective from 1 May 2016. In addition, according to the Caishui 2018 No. 108, effective from 7th November 2018 to 6th November 2021, there is a three-year tax exemption (including PRC withholding tax, VAT and local surcharges) on the bond interest income derived from the China Interbank Bond Market by qualified non-PRC tax residents.

#### Bond connect

According to the Caishui 2018 No. 108, effective from 7th November 2018 to 6th November 2021, there is a three-year tax exemption (including withholding tax, VAT and local surcharges) on bond interest income derived by qualified non PRC tax residents through Bond Connect. Except for the above, there is no specific regulation released regarding the tax treatment on capital gains through Bond Connect. Without further clarification, Chinese tax authorities may levy withholding tax, VAT as well as the surcharges on bond capital gains.

In light of the legal and regulatory uncertainties in China, the Companies reserve the right to make any provision for taxes or to deduct or to withhold an amount on account of taxes (which may be payable by the Funds to the Chinese tax authorities in respect of its investments in China) from assets of the Funds. The amount of provision (if any) will be disclosed in the financial statements of the Companies. In this regard, the Companies have, as at the date of the Prospectus, determined that no tax provision will be made on the capital gains derived from PRC investments. Any provision for taxes made by the Companies may be more or less than the Funds' actual Chinese tax liabilities. If the Funds do not set aside enough to meet these tax obligations, then the shortfall may be debited from the Funds' assets to meet its actual Chinese tax liabilities. As a result, the income from, and/or the performance of the Funds may be reduced/adversely affected and the impact/degree of impact on the individual shareholders may vary, depending on factors such as the level of the Funds' provision for taxes and the amount of the shortfall at the relevant time and when the relevant shareholders subscribed for and/or redeemed their Shares in the Funds.

#### Emerging markets

Emerging Markets investments may be more volatile and less liquid than investments in developed markets and the investments of a Fund in such markets may be subject to significant delays in settlement. In addition, there may be a higher than usual risk of exchange rate, political, economic, social and religious instability and of adverse changes in government regulations. Some of these markets may not be subject to accounting, auditing and financial reporting standards and practices comparable to those of more developed countries and the securities markets of such markets may be subject to unexpected closure. In addition, there may be less government supervision, legal regulation and less well defined tax laws and procedures than in countries with more developed securities markets.

#### Frontier market

Frontier markets are considered to be less mature in terms of market size, liquidity and their degree of economic and political stability, may be more volatile and present greater risks than other emerging or developed markets. Some of these markets may be characterised by poor liquidity, narrow economies based on only a few industries, government instability, greater risk of asset expropriation or nationalisation or underdeveloped regulatory systems and corporate governance standards resulting in lower protections for investors. These markets are also more likely to have investment and repatriation restrictions, exchange controls and less developed custodial and settlement systems than other developed and emerging markets. As a result, the relevant Fund may be adversely impacted.

#### Investment in China

Investments in China are particularly exposed to China's economic, social and political system, which may behave differently to other markets, and investments in China may be harder to assess for suitability or risk. China has enjoyed significant economic prosperity in recent years but continued growth cannot be assumed and a decline in China's economic performance may affect a Fund's investment.

Investments in China are subject to State-imposed restrictions, including the operation of trading quotas and currency management; while other State and regulatory intervention may be more unpredictable or intrusive than in other markets. China's laws and regulations relating to securities (including surrounding taxation) are new and evolving, their application is subject to uncertainty, and they may be subject to change in the future. Investments in China may be subject to greater or more frequent rises and falls in value than other markets and may be harder or impossible to buy or sell.

Accounting and auditing standards in China may also be less rigorous than their international equivalents and this could result in investments being overvalued. Investments held by Chinese brokers may be mixed with other investors' assets or subject to lower safekeeping standards than investments held domestically, which could lead to delays in payment or losses should the broker become insolvent. Chinese investments are denominated in Renminbi and its value may fluctuate widely from other international currencies.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Other applicable risks:

Investors should also note the following risk factors, which may be applicable to the Funds, each of which is described in more detail in this Appendix: Accounting, Emerging Markets, Equity Investment, Exchange Rates, Market Action, Market Closure, Political, Settlement and Custody and Tax.

##### RQFII risk

Certain Funds (the "RQFII Funds") may invest in securities issued in Mainland China in accordance with their investment objective and policies. Other than risks involved in investments made on a worldwide basis and in emerging markets, as well as other risks of investments generally as described elsewhere in this Appendix VII which are applicable to investments in China, investors in the RQFII Funds should note the additional specific risks below.

##### Custody risk for investment in China:

The Investment Manager (in its capacity as an RQFII) and the Depositary have appointed HSBC China (the "RQFII Local Custodian") as custodian to maintain the RQFII Funds' assets in custody in China, pursuant to relevant laws and regulations. Chinese securities are registered in accordance with these rules and regulations, and maintained by the RQFII Local Custodian in electronic form via a securities account with the China Securities Depository and Clearing Corporation Limited and cash shall be maintained in a cash account with the RQFII Local Custodian. The Depositary will make arrangements to ensure that the RQFII Local Custodian has appropriate procedures in place to properly safe-keep the RQFII Fund's assets including maintaining records that clearly show that such RQFII Fund's assets are recorded in the name of that RQFII Fund and segregated from the other assets of the RQFII Local Custodian.

Investors should note that cash deposited in the cash account of a RQFII Fund with the RQFII Local Custodian will not be segregated but will be a debt owing from the RQFII Local Custodian to that RQFII Fund as a depositor. Such cash will be commingled with cash that belongs to other clients or creditors of the RQFII Local Custodian. In the event of bankruptcy or liquidation of the RQFII Local Custodian, a RQFII Fund will not have any proprietary rights to the cash deposited in such cash account, and that RQFII Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the RQFII Local Custodian. The RQFII Fund may face difficulty and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the RQFII Fund will suffer losses.

##### RQFII regime risk:

Under current Chinese laws and regulations, the RQFII Fund's investments in the Chinese securities can only be made by or through an RQFII as approved under and subject to applicable Chinese regulatory requirements. The RQFII regime is governed by rules and regulations as promulgated by the Mainland Chinese authorities.

Neither the Companies nor the RQFII Funds are themselves RQFIIs, but they may obtain access to the Chinese domestic securities market using the Investment Manager's RQFII licence.

Investors should note that RQFII status could be suspended or revoked at any time, which may have an adverse effect on an RQFII Fund's performance as the Fund may be required to dispose of its securities holdings over a short period. In addition, certain restrictions imposed by the Chinese government on RQFIIs may have an adverse effect on an RQFII Fund's liquidity and performance.

The State Administration of Foreign Exchange in China ("SAFE") regulates and monitors the repatriation of funds out of China by an RQFII. Repatriations by RQFIIs in respect of an open-ended fund (such as the RQFII Funds) conducted in Renminbi are currently not subject to repatriation restrictions or prior approval, although authenticity and compliance reviews will be conducted, and monthly reports on remittances and repatriations will be submitted to SAFE by the RQFII Local Custodian. There is no assurance, however, that the Chinese rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation of the invested capital and net profits may impact on an RQFII Fund's ability to meet redemption requests from Shareholders. Furthermore, as the RQFII Local Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the RQFII Local Custodian in case of non-compliance with the RQFII rules and regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming Shareholder as soon as practicable and after the completion of the repatriation of funds concerned. It should be noted that the actual time required for the completion of the relevant repatriation will be beyond the Investment Manager's control.

The SAFE may impose regulatory sanctions if the RQFII or the RQFII Local Custodian violates any provision of the RQFII Measures. Any violations could result in the revocation of the RQFII's licence or other regulatory sanctions.

Investors should note that there can be no assurance that an RQFII will continue to maintain its RQFII status or make available its RQFII licence or that redemption requests can be processed in a timely manner due to repatriation restrictions or adverse changes in relevant laws or regulations. Such factors may restrict the ability to process subscriptions and/or redemptions in a timely manner. In extreme circumstances, an RQFII Fund may incur significant losses due to limited investment capabilities, or inability to fully implement or pursue its investment objective or strategy due to RQFII investment restrictions, illiquidity of the Chinese domestic securities market, and/or delay or disruption in execution of trades or in settlement of trades.

The current RQFII regulations are subject to change, which may take retrospective effect. In addition, there can be no assurance that the RQFII regulations will not be abolished. An RQFII Fund, which invests in the Chinese domestic securities markets, may be adversely affected as a result of such changes.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Stock connect

To the extent that a Fund's investments in China are dealt via Hong Kong Shanghai Stock Connect or Shenzhen Stock Connect ("Stock Connect"), such dealing will be subject to additional risk factors.

Stock Connect is a relatively new trading programme, therefore the relevant rules and regulations are untested and subject to change. Since investments through Stock Connect are subject to certain restrictions (including trading day restrictions, pre-trade checking, eligibility of stock, quota limits and daily trade quotas), investments may be subject to greater or more frequent rises and falls in value and may be harder to buy or sell.

Under Stock Connect, overseas investors such as the investing Funds may invest directly in certain China A shares listed on the Shanghai Stock Exchange or Shenzhen Stock Exchange ("Stock Connect Shares"). The Funds trade Stock Connect Shares through brokers who are Hong Kong Stock exchange participants.

Stock Connect Shares purchased through Stock Connect are uncertified and held in accounts in the Hong Kong Central Clearing and Settlement System maintained by the Hong Kong Securities and Clearing Corporation Limited ("HKSCC"), the central securities depository in Hong Kong. HKSCC in turn holds the legal title to the Stock Connect Shares of all its participants through a nominee omnibus securities account in its name, registered with ChinaClear, the central securities depository in China.

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect Shares and/or monies in connection with them and the Funds may suffer losses as a result.

Foreign investors like the Funds investing through the Stock Connect remain beneficial owners of the Stock Connect Shares and are only eligible to exercise their rights to the Stock Connect Shares in China through the HKSCC nominee.

In the event of a default of ChinaClear, HKSCC through its nominee is likely to seek to recover any outstanding Stock Connect Shares on behalf of the Funds from ChinaClear through available legal channels but it is not obligated to do so. If HKSCC does not enforce claims against ChinaClear the Fund may not be able to recover all of its Stock Connect Shares.

Trading under Stock Connect will not be covered by Hong Kong's Investor Compensation Fund nor the China Securities Investor Protection Fund.

Investors should also consider the Investment in China detailed in this Appendix which applies to investment in China.

##### Risks associated with equity investments

###### Equity investment

The value of equities 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, the owners of their equity rank last in terms of any financial payment from that company.

###### Smaller companies

Smaller company shares may be less liquid and more volatile than the shares of larger companies, due to the smaller market capitalisation and the frequently less diversified and less established nature of their businesses. These factors can create a greater potential for significant capital losses.

##### Risks associated with investment strategy

###### Commodities

Investing in commodity-linked derivative instruments, exchange traded instruments and/or the equity securities of commodity-related companies may subject the Fund to greater volatility than investments in traditional securities. The commodities markets may fluctuate widely based on a variety of factors. Movements in commodity prices are outside of the Fund's control and may not be anticipated by the Investment Manager. Price movements may be influenced by, among other things: governmental, agricultural, trade, fiscal, monetary and exchange control programs and policies; changing market and economic conditions; market liquidity; weather and climate conditions; changing supply and demand relationships; the availability of transportation systems; energy conservation; the success of exploration projects; changes in international balances of payments and trade; domestic and foreign rates of inflation; currency fluctuations; domestic and foreign political and economic events; domestic and foreign interest rates and/or investor expectations concerning interest rates; domestic and foreign governmental regulation and taxation; war, acts of terrorism and other political upheaval and conflicts; governmental expropriation; investment and trading activities of mutual funds, hedge funds and commodities funds. The frequency and magnitude of such changes are unpredictable.

###### Concentration

A Fund which invests in a concentrated portfolio of holdings may be more volatile than more broadly diversified funds.

###### Income priority

Where a Fund gives priority to income over capital growth this may constrain the rate of future capital and income growth.

###### Sector and/or geographical

A Fund that restricts investment to a small number of related sectors and/or geographical locations will be subject to risks specific to those sectors and/or locations and may decline even while broader based market indices are rising.

## Notes to the Financial Statements of the Company (continued)

### For the year ended 31 May 2021

#### 3. Risk management policies (continued)

##### Sustainable strategies risk

Sustainable, impact or other environmental, social and governance (ESG) focused funds 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.

##### Diversified Growth Fund

China Interbank Bond Market  
China tax  
CIBM Direct Access  
Commodities  
Contingent Convertibles or CoCos  
Credit  
Credit Default Swaps and Other Synthetic Securities  
Derivatives  
Emerging Markets  
Equity Investment  
Exchange Derivatives  
High Yield Debt Securities  
Interest Rate  
Investment Grade  
Leverage  
OTC Derivative Instruments  
Short Exposure  
Stock Connect

##### Emerging Markets Blended Debt Fund

China Interbank Bond Market  
China Tax  
CIBM Direct Access  
Credit  
Derivatives  
Emerging Markets  
Exchange Derivatives  
Frontier Market Risk  
High Yield Debt Securities  
Income Priority  
Interest Rate  
Investment Grade  
Investment in China  
Leverage  
Mortgage Backed and Other Asset Backed Securities  
OTC Derivative Instruments

##### Emerging Markets Equity Fund

Investment in China  
China tax  
Derivatives  
Emerging Markets  
Equity Investment  
Frontier Market Risk  
Stock Connect

##### Global Franchise Fund

Investment in China  
China Tax  
Concentration  
Derivatives  
Emerging Markets  
Equity Investment  
Stock Connect

**Notes to the Financial Statements of the Company (continued)**  
**For the year ended 31 May 2021**

**3. Risk management policies (continued)**

**Global Quality Equity Income Fund**

Investment in China  
China Tax  
Concentration  
Derivatives  
Emerging Markets  
Equity Investment  
Income Priority  
Stock Connect

**Global Special Situations Fund**

Concentration  
Derivatives  
Equity Investment  
Smaller Companies

**Multi-Asset Protector Fund**

Investment in China  
China Interbank Bond Market  
China Tax  
CIBM Direct Access  
Commodities  
Credit  
Credit Default Swaps and Other Synthetic Securities  
Derivatives  
Equity Investment  
High Yield Debt Securities  
Interest Rate  
Investment Grade  
OTC Derivative Instruments  
Stock Connect

**Multi-Asset Protector Fund 2**

Investment in China  
China Interbank Bond Market  
China Tax  
CIBM Direct Access  
Commodities  
Credit  
Credit Default Swaps and Other Synthetic Securities  
Derivatives  
Equity Investment  
High Yield Debt Securities  
Interest Rate  
Investment Grade  
OTC Derivative Instruments  
Stock Connect

**UK Total Return Fund**

Concentration  
Derivatives  
Equity Investment  
Exchange Derivatives  
Sector and/or Geographical  
Smaller Companies

**Notes to the Financial Statements of the Company (continued)**  
**For the year ended 31 May 2021**

**3. Risk management policies (continued)**

**Sensitivity analysis**

The table below shows the fund's beta; this is a historical measure of the funds' sensitivity to movements in well known markets. A beta of 1.0 would suggest that a fund had experienced a close relationship to the volatility of the market index against which it was being measured, rising when the market rises and falling when it falls in a one to one manner. A beta of 1.5 would suggest that a fund had experienced movements of 1.5 times the index i.e. the fund was more volatile than the market. A beta of 0.5 would suggest that a fund had experienced movements in values of half of the index's movement i.e. the fund was less volatile than the market. Broadly speaking, if a fund has a beta of 'B' to an index, it means that if the index value changes by 'X%' we could expect the fund value to change by 'B' multiplied by 'X%'. Of course, this is only an expectation, but it is a good indicator of the risk currently faced by particular funds.

2021**	FTSE All-Share Index	MSCI World Index	Citigroup World Government Bond Index	FTSE British Government 5-10 Years Index
Diversified Growth Fund	0.29	0.35	(0.23)	0.59
Emerging Markets Blended Debt Fund	n/a	n/a	n/a	n/a
Emerging Markets Equity Fund	n/a	n/a	n/a	n/a
Global Franchise Fund	n/a	n/a	n/a	n/a
Global Quality Equity Income Fund	0.59	0.79	0.18	0.35
Global Special Situations Fund	1.85	1.99	(1.91)	(3.09)
Multi-Asset Protector Fund	0.13	0.15	(0.16)	0.06
Multi-Asset Protector Fund 2	0.14	1.99	(0.16)	0.08
UK Total Return Fund				

2020**	FTSE All-Share Index	MSCI World Index	Citigroup World Government Bond Index	FTSE British Government 5-10 Years Index
Diversified Growth Fund	0.66	0.69	(0.64)	(1.03)
Emerging Markets Blended Debt Fund	n/a	n/a	n/a	n/a
Emerging Markets Equity Fund	n/a	n/a	n/a	n/a
Global Franchise Fund	n/a	n/a	n/a	n/a
Global Quality Equity Income Fund	n/a	0.74	(0.13)	1.04
Global Special Situations Fund	0.57	1.91	(1.66)	(2.23)
Multi-Asset Protector Fund	1.79	0.40	(0.36)	(0.54)
Multi-Asset Protector Fund 2	0.41	0.42	(0.39)	(0.59)
UK Total Return Fund	0.42	1.51	(1.74)	(2.86)

Past performance is not a guide to future performance.

†Source: Lipper 01.06.2020 - 31.05.2021 using monthly sub-periods for class 'I' accumulation shares for UK Total Return Fund, Global Special Situations Fund, Multi-Asset Protector Fund 2, Diversified Growth Fund, 'I' income-2 for Global Quality Equity Income Fund and class 'A' accumulation for Multi-Asset Protector Fund. Data for this period is not available for Emerging Markets Blended Debt Fund, Emerging Markets Equity Fund and Global Franchise Fund.

††Source: Lipper 01.06.2020 - 31.05.2021 using monthly sub-periods for class 'I' accumulation shares for Short Dated Bond Fund, Target Return Bond Fund, UK Total Return Fund, Global Special Situations Fund, Multi-Asset Protector Fund 2, Diversified Growth Fund, Global Dividend Fund and class 'A' accumulation for Multi-Asset Protector Fund. Data for this period is not available for Emerging Markets Blended Debt Fund, Emerging Markets Equity Fund, Global Quality Equity Income Fund and Global Franchise Fund.

**Notes to the Financial Statements of the Company (continued)**  
**For the year ended 31 May 2021**

**4. Dilution adjustment**

A dilution adjustment may be applied at the ACD's discretion to all purchases, sales and switches of shares where the impact of the net deals is believed to have a material effect.

A dilution adjustment or levy is a method to ensure fair treatment between investors joining, leaving or remaining in a Fund. We reserve the right to levy a dilution adjustment on any or all deals. The price of the shares of a Fund may be adjusted to protect its value from being reduced in the case of larger scale movements into or out of the Fund.

Full details on the ACD policy for dilution adjustment can be found in the Prospectus.

We hereby certify the Annual Report and Accounts on behalf of the Directors of Ninety One Fund Managers UK Limited

**TBC**

Director of the ACD

TBC

**TBC**

Director of the ACD

## Diversified Growth Fund

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		240,176		(90,265)
Revenue	6	36,331		57,616	
Expenses	7	(10,486)		(14,213)	
Interest payable and similar charges	8	(47)		(867)	
Net revenue before taxation		25,798		42,536	
Taxation	9	(3,658)		(8,549)	
Net revenue after taxation			22,140		33,987
<b>Total return before distribution</b>			<b>262,316</b>		<b>(56,278)</b>
Distribution	10		(23,306)		(35,611)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>239,010</b>		<b>(91,889)</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>1,688,432</b>		<b>2,165,024</b>
Amounts receivable on creation of shares	143,405		203,105	
Amounts payable on cancellation of shares	(593,811)		(615,582)	
		(450,406)		(412,477)
Dilution adjustment		313		136
Change in net assets attributable to shareholders from investment activities		239,010		(91,889)
Retained distributions on accumulation shares		18,415		27,638
<b>Closing net assets attributable to shareholders</b>		<b>1,495,764</b>		<b>1,688,432</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			1,447,140		1,727,340
Current assets					
Debtors	11	11,699		27,502	
Cash and bank balances	12	76,979		118,152	
Total other assets			88,678		145,654
<b>Total assets</b>			<b>1,535,818</b>		<b>1,872,994</b>
<b>Liabilities</b>					
Investment liabilities			24,062		120,743
Creditors					
Distribution payable		2,424		4,626	
Other creditors	13	13,568		59,193	
Total other liabilities			15,992		63,819
<b>Total liabilities</b>			<b>40,054</b>		<b>184,562</b>
<b>Net assets attributable to shareholders</b>			<b>1,495,764</b>		<b>1,688,432</b>

Notes to the financial statements are on pages 117 to 125.

# Diversified Growth Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Gains/(losses) on foreign exchange	193	(11,649)
Derivative contracts	(6,487)	(35,627)
Forward currency contracts	87,912	(83,124)
Non-derivative securities	158,601	40,173
Transaction charges	(43)	(38)
<b>Net capital gains/(losses)</b>	<b>240,176</b>	<b>(90,265)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	610,226	859,256	714,431	579,727
Bonds	318,437	856,153	429,148	1,448,296
Collective investment schemes	5,061	190,221	181,916	90,926
Options	1,474	124,504	707	178,943
Swaps	318,689	15,409,274	326,335	15,386,398
Treasury bills	-	247,513	-	374,176
Commercial papers	-	163,738	-	198,974
Certificates of deposit	-	189,759	-	232,938
Futures*	-	-	-	-
<b>Trades excluding transaction costs</b>	<b>1,253,887</b>	<b>18,040,418</b>	<b>1,652,537</b>	<b>18,490,378</b>
<b>Commissions</b>				
Equities	252	374	(281)	(239)
Bonds	-	-	-	-
Collective investment schemes	1	3	(29)	(8)
Options	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
Commercial papers	-	-	-	-
Certificates of deposit	-	-	-	-
Futures*	-	-	-	-
<b>Total commissions</b>	<b>253</b>	<b>377</b>	<b>(310)</b>	<b>(247)</b>
<b>Taxes</b>				
Equities	343	606	(125)	(28)
Bonds	-	-	-	-
Collective investment schemes	4	8	-	-
Options	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
Commercial papers	-	-	-	-
Certificates of deposit	-	-	-	-
Futures*	-	-	-	-
<b>Total taxes</b>	<b>347</b>	<b>614</b>	<b>(125)</b>	<b>(28)</b>
<b>Total costs</b>	<b>600</b>	<b>991</b>	<b>(435)</b>	<b>(275)</b>
<b>Net trades in the year after transaction costs</b>	<b>1,254,487</b>	<b>18,041,409</b>	<b>1,652,102</b>	<b>18,490,103</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**5. Purchases, sales and transaction costs (continued)**

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.04	0.04	0.04	0.04
Bonds	-	-	-	-
Collective investment schemes	0.01	-	0.02	0.01
Options	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
Commercial papers	-	-	-	-
Certificates of deposit	-	-	-	-
Futures*	-	-	-	-
<b>Taxes</b>				
Equities	0.06	0.07	0.02	-
Bonds	-	-	-	-
Collective investment schemes	0.09	-	-	-
Options	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
Commercial papers	-	-	-	-
Certificates of deposit	-	-	-	-
Futures*	-	-	-	-

\* Purchases and/or sales of futures contracts do not incur transaction costs and have been included at the value of their exposure.

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.04	0.03
Taxes	0.03	0.03
<b>Total costs</b>	<b>0.07</b>	<b>0.06</b>

**Average portfolio dealing spread**

The average portfolio dealing spread at the balance sheet date was 0.13% (31.05.20: 0.29%).

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	20	624
Interest on debt securities	15,089	36,720
Overseas dividends	15,430	11,812
UK dividends	3,676	4,583
Offshore distribution taxable from collective investment schemes	641	362
Property revenue from UK REITs – PID	801	1,465
Property revenue from UK REITs – Non PID	148	470
Property revenue from overseas REITs	528	1,429
Margin interest	7	138
HMRC interest	(9)	4
Risk event	-	9
<b>Total revenue</b>	<b>36,331</b>	<b>57,616</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	9,040	12,604
General administration charge (GAC)	1,159	1,337
	<b>10,199</b>	<b>13,941</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	276	261
	<b>276</b>	<b>261</b>
<b>Other expenses:</b>		
VAT refund	(14)	(28)
ADR fees	1	–
Collateral interest fee	21	39
Out of pocket expenses	3	–
	<b>11</b>	<b>11</b>
<b>Total expenses</b>	<b>10,486</b>	<b>14,213</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £8,809 (31.05.20: £8,422).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Interest payable and similar charges**

	31.05.21 £'000	31.05.20 £'000
Interest	46	209
Margin Interest	1	658
<b>Total interest payable and similar charges</b>	<b>47</b>	<b>867</b>

**9. Taxation**

(a) Analysis of the tax charge in the year:

	31.05.21 £'000	31.05.20 £'000
Corporation tax	1,047	4,302
Double tax relief	91	386
Overseas tax	1,350	2,281
Capital gains tax	1,166	1,621
<b>Current tax charge</b>	<b>3,654</b>	<b>8,590</b>
Deferred tax charge (note 9(c))	4	(41)
<b>Total tax charge (note 9(b))</b>	<b>3,658</b>	<b>8,549</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**9. Taxation (continued)**

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised OEIC (20% (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	25,798	42,536
Corporation tax of 20%	5,160	8,507
<b>Effects of:</b>		
Overseas tax	1,350	2,281
Revenue not subject to taxation	(3,927)	(3,474)
Double taxation relief	(91)	(386)
Capital gains tax	1,166	1,621
<b>Total tax charge (note 9(a))</b>	<b>3,658</b>	<b>8,549</b>

**(c) Provision for deferred taxation:**

	31.05.21 £'000	31.05.20 £'000
Opening provision	15	56
Deferred tax charge/(credit)	4	(41)
<b>Closing provision</b>	<b>19</b>	<b>15</b>
Provision consist of:		
Revenue taxable in different periods	19	15
<b>Closing provision</b>	<b>19</b>	<b>15</b>

**10. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
Final	20,839	32,263
<b>Add:</b> Equalisation deducted on cancellation of shares	3,742	5,302
<b>Less:</b> Equalisation received on creation of shares	(1,275)	(1,954)
<b>Net distribution for the year</b>	<b>23,306</b>	<b>35,611</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	22,140	33,987
Equalisation on conversion of shares	-	3
Capital Gains Tax	1,166	1,621
<b>Net distribution for the year</b>	<b>23,306</b>	<b>35,611</b>

**11. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued bond interest	4,584	5,228
Accrued dividends and bank interest	2,643	2,700
Amounts receivable for creation of shares	69	545
Overseas tax recoverable	573	473
Sales awaiting settlement	3,830	18,556
	<b>11,699</b>	<b>27,502</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**12. Cash and bank balances**

	31.05.21 £'000	31.05.20 £'000
Cash and bank balances	71,788	96,381
Amount held at futures clearing houses and brokers	5,191	21,771
	<b>76,979</b>	<b>118,152</b>

**13. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	2,704	37,199
Corporation tax payable	(1,205)	(958)
Deferred tax payable	19	15
Purchases awaiting settlement	11,235	21,838
Payable for hedge fee expense	6	6
Accrued ACD fees	677	896
Accrued general administration charge (GAC)	98	99
Accrued safe custody fee	31	86
Accrued transaction charges	3	12
	<b>13,568</b>	<b>59,193</b>

**14. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**15. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 13 and 17 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 11 and 13.

**16. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**17. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.50%
'I' Shares	0.75%
'J' Shares	0.65%
'R' Shares	1.00%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	99,156	7,812	(22,115)	-	84,853
'A' Class (Income shares)	313,412	24,690	(20,272)	(4,312)	313,518
'I' Class (Accumulation shares)	868,881,541	38,197,032	(333,797,815)	-	573,280,758
'I' Class (Income shares)	221,488,212	680,879	(76,197,902)	-	145,971,189
'J' Class (Accumulation shares)	16,742,807	1,521,281	(4,537,521)	-	13,726,567
'R' Class (Accumulation shares)	12,754	684	(6,328)	4,583	11,693
'S' Class (Accumulation shares)	186,587,111	47,981,761	(18,972,098)	-	215,596,774

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

The Fund's currency exposure as at 31 May 2021 was:

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Argentine peso	-	9,538
Australian dollar	16,576	58,260
Brazilian real	(1,214)	2,117
Canadian dollar	1,216	(139,323)
Chinese yuan	902	-
Chinese yuan (offshore)	106,495	81,824
Colombian peso	478	-
Danish krone	4,374	4,421
Euro	(205,649)	(160,178)
Hong Kong dollar	32,687	(9,085)
Hungarian forint	59	62
Indian rupee	30,535	19,702
Indonesian rupiah	22,975	77,533
Japanese yen	222,007	217,596
Kenyan shilling	10,295	-
Mexican peso	3,916	(56,456)
New Zealand dollar	(31,836)	(74,504)
Peruvian nuevo sol	504	-
Polish zloty	22	23
Romanian leu	2	2
Russian ruble	23,665	5,684
Singapore dollar	1	1
South African rand	2,636	4,759
South Korean won	3,584	(16)
Sterling	1,332,953	1,514,240
Swedish krona	2,080	2,672
Swiss franc	8,070	3,375
Taiwan dollar	(2,870)	(68,761)
Thailand baht	-	(131,703)
Turkish lira	-	1
US dollar	(88,699)	326,648
<b>Total</b>	<b>1,495,764</b>	<b>1,688,432</b>

Interest rate risk profile of financial assets and liabilities as at 31 May 2021 was as follows:

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.21	31.05.21	interest	31.05.21
	£'000	£'000	£'000	£'000
Australian dollar	28	38,179	(21,631)	16,576
Brazilian real	-	-	(1,214)	(1,214)
Canadian dollar	3	-	1,213	1,216
Chinese yuan	902	-	-	902
Chinese yuan (offshore)	-	-	106,495	106,495
Colombian peso	-	22,769	(22,291)	478
Danish krone	-	-	4,374	4,374
Euro	469	26,997	(233,115)	(205,649)
Hong Kong dollar	1,136	-	31,551	32,687
Hungarian forint	59	-	-	59
Indian rupee	-	-	30,535	30,535
Indonesian rupiah	50	-	22,925	22,975
Japanese yen	-	-	222,007	222,007
Kenyan shilling	-	9,884	411	10,295
Mexican peso	-	3,854	62	3,916
New Zealand dollar	329	80,336	(112,501)	(31,836)

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Risk consideration (continued)**

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.21	31.05.21	interest	31.05.21
	£'000	£'000	£'000	£'000
Peruvian nuevo sol	-	18,470	(17,966)	504
Polish zloty	22	-	-	22
Romanian leu	2	-	-	2
Russian ruble	-	-	23,665	23,665
Singapore dollar	1	-	-	1
South African rand	-	61,949	(59,313)	2,636
South Korean won	3,584	-	-	3,584
Sterling	68,575	1,824	1,262,554	1,332,953
Swedish krona	1	-	2,079	2,080
Swiss franc	106	-	7,964	8,070
Taiwan dollar	-	-	(2,870)	(2,870)
US dollar	1,711	27,318	(117,728)	(88,699)
<b>Total</b>	<b>76,978</b>	<b>291,580</b>	<b>1,127,206</b>	<b>1,495,764</b>

Interest rate risk profile of financial assets and liabilities as at 31 May 2020 was as follows:

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.20	31.05.20	interest	31.05.20
	£'000	£'000	£'000	£'000
Argentine peso	-	-	9,538	9,538
Australian dollar	3	-	58,257	58,260
Brazilian real	-	-	2,117	2,117
Canadian dollar	2	-	(139,325)	(139,323)
Chinese yuan (offshore)	13	-	81,811	81,824
Danish krone	-	-	4,421	4,421
Euro	27,952	80,240	(268,370)	(160,178)
Hong Kong dollar	246	-	(9,331)	(9,085)
Hungarian forint	62	-	-	62
Indian rupee	-	-	19,702	19,702
Indonesian rupiah	56	44,076	33,401	77,533
Japanese yen	-	-	217,596	217,596
Mexican peso	505	-	(56,961)	(56,456)
New Zealand dollar	2	-	(74,506)	(74,504)
Polish zloty	23	-	-	23
Romanian leu	2	-	-	2
Russian ruble	-	25,659	(19,975)	5,684
Singapore dollar	1	-	-	1
South African rand	-	69,666	(64,907)	4,759
South Korean won	3,706	-	(3,722)	(16)
Sterling	72,888	6,125	1,435,227	1,514,240
Swedish krona	558	-	2,114	2,672
Swiss franc	1,237	-	2,138	3,375
Taiwan dollar	-	-	(68,761)	(68,761)
Thailand baht	-	-	(131,703)	(131,703)
Turkish lira	1	-	-	1
US dollar	40,115	146,359	140,174	326,648
<b>Total</b>	<b>147,372</b>	<b>372,125</b>	<b>1,168,935</b>	<b>1,688,432</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**19. Efficient portfolio management techniques risk exposure**

The exposure obtained through efficient portfolio management techniques and identity of counterparties as at 31 May 2021 was as follows:

**(a) Swaps**

Counterparty	Market value	
	31.05.21 £'000	31.05.20 £'000
Citibank	-	(635)
Goldman Sachs	-	2,290
<b>Total</b>	<b>-</b>	<b>1,655</b>

**(b) Forwards**

Counterparty	Market value	
	31.05.21 £'000	31.05.20 £'000
Barclays	(610)	(2,931)
BNP Paribas	(1,190)	-
Citibank	(1,791)	(5,393)
Goldman Sachs	(4,005)	(5,221)
HSBC	3,667	(13,464)
JP Morgan	755	(28,461)
Merrill Lynch	(5,534)	(15,003)
Standard Chartered	11,536	879
<b>Total</b>	<b>2,828</b>	<b>(69,594)</b>

**(c) Futures**

Counterparty	Market value	
	31.05.21 £'000	31.05.20 £'000
Goldman Sachs	(910)	(5,843)
<b>Total</b>	<b>(910)</b>	<b>(5,843)</b>

**(d) Options**

Counterparty	Market value	
	31.05.20 £'000	31.05.20 £'000
Goldman Sachs	1,371	28,886
<b>Total</b>	<b>1,371</b>	<b>28,886</b>

**(e) Cash Collateral**

The value of collateral received and pledged as at 31 May 2021 was:

Counterparty	Collateral asset class	Collateral pledged £'000	Collateral received £'000	Collateralized assets
Barclays	Cash	571	-	Forward FX
BNP Paribas	Cash	1,820	-	Forward FX
Citibank	Cash	1,680	-	Forward FX
Goldman Sachs	Cash	3,700	-	Forward FX
HSBC	Cash	-	3,480	Forward FX
JP Morgan	Cash	-	810	Forward FX
Merrill Lynch	Cash	5,810	-	Forward FX
Standard Chartered	Cash	-	11,600	Forward FX
<b>Total</b>		<b>13,581</b>	<b>15,890</b>	

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**19. Efficient portfolio management techniques risk exposure (continued)**

The value of collateral received and pledged as at 31 May 2020 was:

Counterparty	Collateral asset class	Collateral pledged £'000	Collateral received £'000	Collateralized assets
Barclays	Cash	2,426	-	Forward FX
Citibank	Cash	5,990	-	Forward FX / Swap
Goldman Sachs	Cash	3,400	-	Forward FX / Swap
HSBC	Cash	10,640	-	Forward FX
JP Morgan	Cash	29,650	-	Forward FX
Merrill Lynch	Cash	14,780	-	Forward FX
Standard Chartered	Cash	-	610	Forward FX
<b>Total</b>		<b>66,886</b>	<b>610</b>	

**20. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	1,129,580	(910)	1,306,835	(19,400)
Level 2	317,560	(23,152)	420,505	(101,343)
Level 3	-	-	-	-
<b>Total fair value</b>	<b>1,447,140</b>	<b>(24,062)</b>	<b>1,727,340</b>	<b>(120,743)</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## Diversified Growth Fund

### Distribution Table

For the year ended 31 May 2021

#### Final distribution payable 31 July 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	0.7556	–	0.7556	1.3999
Group 2	0.0821	0.6735	0.7556	1.3999
<b>'A' Class (Income shares)</b>				
Group 1	0.8426	–	0.8426	1.5106
Group 2	0.2966	0.5460	0.8426	1.5106
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.8366	–	1.8366	2.2674
Group 2	0.8609	0.9757	1.8366	2.2674
<b>'I' Class (Income shares)</b>				
Group 1	1.6584	–	1.6584	2.0863
Group 2	0.7965	0.8619	1.6584	2.0863
<b>'J' Class (Accumulation shares)</b>				
Group 1	1.7287	–	1.7287	2.1279
Group 2	0.8416	0.8871	1.7287	2.1279
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.4474	–	1.4474	1.9024
Group 2	0.2628	1.1846	1.4474	1.9024
<b>'S' Class (Accumulation shares)</b>				
Group 1	3.5476	–	3.5476	4.0617
Group 2	1.6770	1.8706	3.5476	4.0617

#### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Emerging Markets Blended Debt Fund

## Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		1,634		(4,621)
Revenue	6	5,994		8,164	
Expenses	7	(1,024)		(1,141)	
Interest payable and similar charges	8	(2)		(26)	
Net revenue before taxation		4,968		6,997	
Taxation	9	(53)		(78)	
Net revenue after taxation			4,915		6,919
<b>Total return before distributions</b>			<b>6,549</b>		<b>2,298</b>
Distributions	10		(5,074)		(7,166)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>1,475</b>		<b>(4,868)</b>

## Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>132,303</b>		<b>132,834</b>
Amounts receivable on creation of shares		26,740		23,388
Amounts payable on cancellation of shares		(40,664)		(24,622)
		(13,924)		(1,234)
Dilution adjustment		148		52
Change in net assets attributable to shareholders from investment activities		1,475		(4,868)
Retained distributions on accumulation shares		4,020		5,519
<b>Closing net assets attributable to shareholders</b>		<b>124,022</b>		<b>132,303</b>

## Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			116,148		126,089
Current assets					
Debtors	11	2,215		6,492	
Cash and bank balances	12	9,649		5,868	
Total other assets			11,864		12,360
<b>Total assets</b>			<b>128,012</b>		<b>138,449</b>
<b>Liabilities</b>					
Investment liabilities			2,463		2,741
Creditors					
Bank overdrafts		-		336	
Distribution payable		271		513	
Other creditors	13	1,256		2,556	
Total other liabilities			1,527		3,405
<b>Total liabilities</b>			<b>3,990</b>		<b>6,146</b>
<b>Net assets attributable to shareholders</b>			<b>124,022</b>		<b>132,303</b>

Notes to the financial statements are on pages 128 to 135.

# Emerging Markets Blended Debt Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Gains/(losses) on foreign exchange	86	(466)
Derivative contracts	(158)	57
Forward currency contracts	9,092	(1,422)
Non-derivative securities	(7,367)	(2,773)
Transaction charges	(19)	(17)
<b>Net capital gains/(losses)</b>	<b>1,634</b>	<b>(4,621)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Bonds	91,144	126,810	98,265	126,544
Collective investment schemes	1,179	-	-	-
Swaps	43,882	70,067	44,581	69,828
Treasury bills	5,087	6,408	2,547	14,137
<b>Trades excluding transaction costs</b>	<b>141,292</b>	<b>203,285</b>	<b>145,393</b>	<b>210,509</b>
<b>Commissions</b>				
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
<b>Total commissions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Taxes</b>				
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
<b>Total taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net trades in the year after transaction costs</b>	<b>141,292</b>	<b>203,285</b>	<b>145,393</b>	<b>210,509</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**5. Purchases, sales and transaction costs (continued)**

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-
<b>Taxes</b>				
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Swaps	-	-	-	-
Treasury bills	-	-	-	-

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	-	-
Taxes	-	-
<b>Total costs</b>	-	-

**Average portfolio dealing spread**

The average portfolio dealing spread at the balance sheet date was 0.35% (31.05.20: 0.91%).

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	16	103
Interest on debt securities	5,964	8,008
Interest on total return swaps	10	45
Margin interest	4	8
<b>Total revenue</b>	<b>5,994</b>	<b>8,164</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	873	976
General administration charge (GAC)	87	92
	<b>960</b>	<b>1,068</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	48	64
	<b>48</b>	<b>64</b>
<b>Other expenses:</b>		
VAT refund	(3)	(5)
Out of pocket expenses	1	-
Collateral interest fee	18	14
	<b>16</b>	<b>9</b>
<b>Total expenses</b>	<b>1,024</b>	<b>1,141</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £13,029 (31.05.20: £12,456).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Interest payable and similar charges**

	31.05.21 £'000	31.05.20 £'000
Interest	2	24
Margin Interest	–	2
<b>Total interest payable and similar charges</b>	<b>2</b>	<b>26</b>

**9. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	57	78
Capital gains tax	(4)	–
<b>Current tax charge</b>	<b>53</b>	<b>78</b>
Deferred tax charge (note 9(c))	–	–
<b>Total tax charge (note 9(b))</b>	<b>53</b>	<b>78</b>

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	4,968	6,997
Corporation tax of 20%	994	1,399
<b>Effects of:</b>		
Overseas tax	57	78
Tax deductible interest distributions	(994)	(1,399)
Capital gains tax	(4)	–
<b>Total tax charge (note 9(a))</b>	<b>53</b>	<b>78</b>

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**10. Distributions**

The Distributions take account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprise:

	31.05.21 £'000	31.05.20 £'000
First quarter	1,270	1,740
Second quarter	1,124	1,616
Third quarter	1,213	1,808
Final	1,321	2,100
<b>Add:</b> Equalisation deducted on cancellation of shares	270	100
<b>Less:</b> Equalisation received on creation of shares	(124)	(198)
<b>Net distribution for the year</b>	<b>5,074</b>	<b>7,166</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	4,915	6,919
Equalisation on conversion of shares	(2)	–
Expenses charged to capital		
ACD fee	142	214
General administration charge (GAC)	15	20
Safe custody fee	8	13
Capital gains tax	(4)	–
<b>Net distribution for the year</b>	<b>5,074</b>	<b>7,166</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**11. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued bond interest	1,828	1,955
Accrued dividends and bank interest	–	16
Amounts receivable for creation of shares	24	47
Sales awaiting settlement	363	4,474
	<b>2,215</b>	<b>6,492</b>

**12. Cash and bank balances**

	31.05.21 £'000	31.05.20 £'000
Cash and bank balances	9,554	5,826
Amount held at futures clearing houses and brokers	95	42
	<b>9,649</b>	<b>5,868</b>

**13. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	256	193
Purchases awaiting settlement	904	2,240
Payable for capital gains tax	4	8
Accrued ACD fees	77	81
Accrued general administration charge (GAC)	8	7
Accrued safe custody fee	5	21
Accrued transaction charges	2	6
	<b>1,256</b>	<b>2,556</b>

**14. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**15. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 13 and 17 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 11 and 13.

**16. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**17. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.50%
'I' Shares	0.75%
'J' Shares	0.65%
'R' Shares	1.00%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**17. ACD Fee and charges (continued)**

Reconciliation of the shares movement in the year:

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	360,183	70,605	(369,044)	-	61,744
'A' Class (Income-2 shares)	103,917	10,044	(31,671)	-	82,290
'I' Class (Accumulation shares)	70,597,920	8,353,817	(11,501,331)	(264,145)	67,186,261
'I' Class (Income-2 shares)	31,216,851	5,072,838	(23,239,456)	(10,235,916)	2,814,317
'J' Class (Accumulation shares)	2,212,483	804,564	(1,752,672)	276,425	1,540,800
'J' Class (Income-2 shares)	2,266,273	9,105,164	(478,699)	9,334,309	20,227,047
'R' Class (Accumulation shares)	10,724	-	-	-	10,724
'R' Class (Income-2 shares)	8,545	7,762	-	-	16,307
'S' Class (Accumulation shares)	293,796	32,120	(162,094)	-	163,822

**18. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

The Fund's currency exposure as at 31 May 2021 was:

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Brazilian real	7,567	5,973
Canadian dollar	3	3
Chilean peso	924	1,629
Chinese yuan (offshore)	5,114	7,308
Colombian peso	2,541	2,409
Czech koruna	6,325	3,380
Egyptian pound	3,788	44
Euro	(5,069)	(372)
Hungarian forint	2,516	2,000
Indian rupee	-	(3,172)
Indonesian rupiah	3,682	9,823
Israeli sheqel	2	2
Malaysian ringgit	7,533	4,513
Mexican peso	7,260	9,740
Nigerian naira	-	(1,293)
Peruvian nuveo sol	1,277	2,659
Philippine peso	(3,095)	(3,168)
Polish zloty	11,296	6,465
Romanian leu	(3,445)	1,469
Russian ruble	6,224	6,262
Serbian dinar	695	2,836
South African rand	3,905	5,304
South Korean won	3,043	-
Sterling	60,374	61,484
Taiwan dollar	3,700	(6,137)
Thai baht	(3,740)	6,328
Turkish lira	1,186	(1,246)
Uruguayan peso	(1)	(1)
US dollar	417	8,061
<b>Total</b>	<b>124,022</b>	<b>132,303</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Risk consideration (continued)**

Interest rate risk profile of financial assets and liabilities as at 31 May 2021 was as follows:

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.21	31.05.21	interest	31.05.21
	£'000	£'000	£'000	£'000
Brazilian real	26	4,573	2,968	7,567
Canadian dollar	3	-	-	3
Chilean peso	-	-	924	924
Chinese yuan (offshore)	31	5,464	(381)	5,114
Colombian peso	1	4,516	(1,976)	2,541
Czech koruna	-	3,132	3,193	6,325
Egyptian pound	-	6,091	(2,303)	3,788
Euro	68	4,304	(9,441)	(5,069)
Hungarian forint	-	804	1,712	2,516
Indonesian rupiah	-	6,989	(3,307)	3,682
Israeli sheqel	2	-	-	2
Malaysian ringgit	-	6,166	1,367	7,533
Mexican peso	2,448	1,040	3,772	7,260
Peruvian nuveo sol	-	2,166	(889)	1,277
Philippine peso	-	-	(3,095)	(3,095)
Polish zloty	5	-	11,291	11,296
Romanian leu	81	-	(3,526)	(3,445)
Russian ruble	-	3,699	2,525	6,224
Serbian dinar	76	611	8	695
South African rand	68	5,092	(1,255)	3,905
South Korean won	-	-	3,043	3,043
Sterling	(4)	-	60,378	60,374
Taiwan dollar	-	-	3,700	3,700
Thai baht	-	3,693	(7,433)	(3,740)
Turkish lira	1	-	1,185	1,186
Uruguayan peso	-	-	(1)	(1)
US dollar	6,843	53,012	(59,438)	417
<b>Total</b>	<b>9,649</b>	<b>111,352</b>	<b>3,021</b>	<b>124,022</b>

Interest rate risk profile of financial assets and liabilities as at 31 May 2020 was as follows:

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.20	31.05.20	interest	31.05.20
	£'000	£'000	£'000	£'000
Brazilian real	22	3,766	2,185	5,973
Canadian dollar	3	-	-	3
Chilean peso	-	-	1,629	1,629
Chinese yuan (offshore)	18	-	7,290	7,308
Colombian peso	1	4,165	(1,757)	2,409
Czech koruna	3	1,605	1,772	3,380
Egyptian pound	-	1,631	(1,587)	44
Euro	(179)	3,483	(3,676)	(372)
Hungarian forint	-	3,198	(1,198)	2,000
Indian rupee	-	-	(3,172)	(3,172)
Indonesian rupiah	-	6,090	3,733	9,823
Israeli sheqel	2	-	-	2
Malaysian ringgit	-	4,465	48	4,513
Mexican peso	-	2,198	7,542	9,740
Nigerian naira	-	-	(1,293)	(1,293)
Peruvian nuveo sol	-	5,201	(2,542)	2,659
Philippine peso	-	-	(3,168)	(3,168)
Polish zloty	6	1,804	4,655	6,465
Romanian leu	57	1,604	(192)	1,469
Russian ruble	26	7,417	(1,181)	6,262
Serbian dinar	-	2,795	41	2,836
Singapore dollar	6	-	(6)	-

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Risk consideration (continued)**

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.20	31.05.20	interest	31.05.20
	£'000	£'000	£'000	£'000
South African rand	62	5,031	211	5,304
Sterling	(20)	-	61,504	61,484
Taiwan dollar	-	-	(6,137)	(6,137)
Thai baht	-	5,205	1,123	6,328
Turkish lira	1	-	(1,247)	(1,246)
Uruguayan peso	-	-	(1)	(1)
US dollar	5,530	63,476	(60,945)	8,061
<b>Total</b>	<b>5,538</b>	<b>123,134</b>	<b>3,631</b>	<b>132,303</b>

**19. Efficient portfolio management techniques risk exposure**

The exposure obtained through efficient portfolio management techniques and identity of counterparties as at 31 May 2021 was as follows:

**(a) Swaps**

Counterparty	Market value	
	31.05.21	31.05.20
	£'000	£'000
Citibank	-	523
Deutsche Bank	-	223
Goldman Sachs	-	113
HSBC	-	122
Standard Chartered	-	81
<b>Total</b>	<b>-</b>	<b>1,062</b>

**(b) Forwards**

Counterparty	Market value	
	31.05.21	31.05.20
	£'000	£'000
Barclays	(790)	(164)
BNP Paribas	370	-
Citibank	(283)	420
Goldman Sachs	1,207	(201)
HSBC	396	(1,280)
JP Morgan	(16)	(48)
Merrill Lynch	181	27
Standard Chartered	(4)	355
State Street	54	-
<b>Total</b>	<b>1,115</b>	<b>(891)</b>

**(c) Futures**

Counterparty	Market value	
	31.05.21	31.05.20
	£'000	£'000
Goldman Sachs	8	5
Rand Merchant	52	37
<b>Total</b>	<b>60</b>	<b>42</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**19. Efficient portfolio management techniques risk exposure (continued)**

**(d) Cash Collateral**

The value of collateral received and pledged as at 31 May 2021 was:

Counterparty	Collateral asset class	Collateral pledged £'000	Collateral received £'000	Collateralized assets
Barclays	Cash	762	-	Forward FX
BNP Paribas	Cash	-	395	Forward FX
Citibank	Cash	247	-	Forward FX
Goldman Sachs	Cash	-	1,234	Forward FX
HSBC	Cash	-	437	Forward FX
Merrill Lynch	Cash	-	190	Forward FX
<b>Total</b>		<b>1,009</b>	<b>2,256</b>	

The value of collateral received and pledged as at 31 May 2020 was:

Counterparty	Collateral asset class	Collateral pledged £'000	Collateral received £'000	Collateralized assets
Barclays	Cash	195	-	Forward FX
Citibank	Cash	-	479	Forward FX
Goldman Sachs	Cash	146	-	Forward FX/ Swap
HSBC	Cash	1,315	-	Forward FX/ Swap
Standard Chartered	Cash	-	300	Forward FX
<b>Total</b>		<b>1,656</b>	<b>779</b>	

**20. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	60	-	8,064	-
Level 2	116,088	(2,463)	118,025	(2,741)
Level 3	-	-	-	-
<b>Total fair value</b>	<b>116,148</b>	<b>(2,463)</b>	<b>126,089</b>	<b>(2,741)</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

# Emerging Markets Blended Debt Fund

## Distribution Tables

For the year ended 31 May 2021

### Interim distribution paid 31 October 2020

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June and 31 August 2020

	Net Income pence	Equalisation pence	Distribution paid 31.10.20 pence	Distribution paid 31.10.19 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	1.3764	–	1.3764	1.2369
Group 2	0.9218	0.4546	1.3764	1.2369
<b>'A' Class (Income-2 shares)</b>				
Group 1	1.1023	–	1.1023	1.2381
Group 2	0.3263	0.7760	1.1023	1.2381
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.6245	–	1.6245	1.7080
Group 2	0.4931	1.1314	1.6245	1.7080
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.2496	–	1.2496	1.3022
Group 2	0.7086	0.5410	1.2496	1.3022
<b>'J' Class (Accumulation shares)</b>				
Group 1	1.5880	–	1.5880	1.6647
Group 2	0.7745	0.8135	1.5880	1.6647
<b>'J' Class (Income-2 shares)</b>				
Group 1	1.2827	–	1.2827	1.4257
Group 2	0.6723	0.6104	1.2827	1.4257
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.3279	–	1.3279	1.4129
Group 2	1.3279	–	1.3279	1.4129
<b>'R' Class (Income-2 shares)</b>				
Group 1	1.1559	–	1.1559	1.2579
Group 2	0.4487	0.7072	1.1559	1.2579
<b>'S' Class (Accumulation shares)</b>				
Group 1	2.1327	–	2.1327	1.9705
Group 2	2.1327	–	2.1327	1.9705

**Interim distribution paid 31 January 2021**

Group 1 – Shares purchased before 1 September 2020

Group 2 – Shares purchased between 1 September and 30 November 2020

	Net Income pence	Equalisation pence	Distribution paid 31.01.21 pence	Distribution paid 31.01.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	1.0158	–	1.0158	1.0838
Group 2	0.3629	0.6529	1.0158	1.0838
<b>'A' Class (Income-2 shares)</b>				
Group 1	1.0053	–	1.0053	1.1046
Group 2	0.5053	0.5000	1.0053	1.1046
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.4650	–	1.4650	1.5289
Group 2	0.5644	0.9006	1.4650	1.5289
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.0681	–	1.0681	1.1660
Group 2	0.5097	0.5584	1.0681	1.1660
<b>'J' Class (Accumulation shares)</b>				
Group 1	1.4319	–	1.4319	1.4931
Group 2	0.6829	0.7490	1.4319	1.4931
<b>'J' Class (Income-2 shares)</b>				
Group 1	1.1738	–	1.1738	1.2773
Group 2	0.5648	0.6090	1.1738	1.2773
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.2036	–	1.2036	1.2772
Group 2	1.2036	–	1.2036	1.2772
<b>'R' Class (Income-2 shares)</b>				
Group 1	1.0386	–	1.0386	1.1467
Group 2	0.6697	0.3689	1.0386	1.1467
<b>'S' Class (Accumulation shares)</b>				
Group 1	1.7462	–	1.7462	1.7904
Group 2	1.7462	–	1.7462	1.7904

**Interim distribution paid 30 April 2021**

Group 1 – Shares purchased before 1 December 2020

Group 2 – Shares purchased between 1 December 2020 and 28 February 2021

	Net Income pence	Equalisation pence	Distribution paid 30.04.21 pence	Distribution paid 30.04.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	1.0898	–	1.0898	1.2917
Group 2	0.7632	0.3266	1.0898	1.2917
<b>'A' Class (Income-2 shares)</b>				
Group 1	1.0182	–	1.0182	1.2361
Group 2	0.8740	0.1442	1.0182	1.2361
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.5101	–	1.5101	1.7802
Group 2	0.7460	0.7641	1.5101	1.7802
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.1089	–	1.1089	1.3072
Group 2	0.5180	0.5909	1.1089	1.3072
<b>'J' Class (Accumulation shares)</b>				
Group 1	1.4739	–	1.4739	1.7353
Group 2	0.7094	0.7645	1.4739	1.7353
<b>'J' Class (Income-2 shares)</b>				
Group 1	1.1624	–	1.1624	1.4324
Group 2	0.7107	0.4517	1.1624	1.4324
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.2421	–	1.2421	1.4831
Group 2	1.2421	–	1.2421	1.4831
<b>'R' Class (Income-2 shares)</b>				
Group 1	1.0173	–	1.0173	1.3005
Group 2	0.3202	0.6971	1.0173	1.3005
<b>'S' Class (Accumulation shares)</b>				
Group 1	1.8014	–	1.8014	2.1029
Group 2	1.8014	–	1.8014	2.1029

**Final distribution payable 31 July 2021**

Group 1 – Shares purchased before 1 March 2021

Group 2 – Shares purchased between 1 March and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	1.0574	–	1.0574	1.6407
Group 2	0.4119	0.6455	1.0574	1.6407
<b>'A' Class (Income-2 shares)</b>				
Group 1	1.0118	–	1.0118	1.4318
Group 2	0.5062	0.5056	1.0118	1.4318
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.5227	–	1.5227	2.1634
Group 2	1.1565	0.3662	1.5227	2.1634
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.0786	–	1.0786	1.5176
Group 2	0.6178	0.4608	1.0786	1.5176
<b>'J' Class (Accumulation shares)</b>				
Group 1	1.4898	–	1.4898	2.0981
Group 2	0.6760	0.8138	1.4898	2.0981
<b>'J' Class (Income-2 shares)</b>				
Group 1	1.1834	–	1.1834	1.6639
Group 2	0.6865	0.4969	1.1834	1.6639
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.2434	–	1.2434	1.8113
Group 2	1.2434	–	1.2434	1.8113
<b>'R' Class (Income-2 shares)</b>				
Group 1	1.0418	–	1.0418	1.4863
Group 2	0.3498	0.6920	1.0418	1.4863
<b>'S' Class (Accumulation shares)</b>				
Group 1	1.8651	–	1.8651	2.4253
Group 2	0.1658	1.6993	1.8651	2.4253

**Equalisation**

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Emerging Markets Equity Fund

## Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		50,111		(8,878)
Revenue	6	4,432		4,937	
Expenses	7	(1,884)		(1,780)	
Interest payable and similar charges		(1)		(1)	
Net revenue before taxation		2,547		3,156	
Taxation	8	(458)		(474)	
Net revenue after taxation			2,089		2,682
<b>Total return before distribution</b>			<b>52,200</b>		<b>(6,196)</b>
Distribution	9		(2,101)		(2,682)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>50,099</b>		<b>(8,878)</b>

## Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>170,121</b>		<b>169,341</b>
Amounts receivable on creation of shares		18,951		14,783
Amounts payable on cancellation of shares		(64,456)		(7,945)
		(45,505)		6,838
Dilution adjustment		97		16
Change in net assets attributable to shareholders from investment activities		50,099		(8,878)
Retained distributions on accumulation shares		1,744		2,804
<b>Closing net assets attributable to shareholders</b>		<b>176,556</b>		<b>170,121</b>

## Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			175,392		162,073
Current assets					
Debtors	10	415		1,378	
Cash and bank balances		1,544		7,841	
Total other assets			1,959		9,219
<b>Total assets</b>			<b>177,351</b>		<b>171,292</b>
<b>Liabilities</b>					
Creditors					
Bank overdrafts		-		31	
Other creditors	11	795		1,140	
<b>Total liabilities</b>			<b>795</b>		<b>1,171</b>
<b>Net assets attributable to shareholders</b>			<b>176,556</b>		<b>170,121</b>

Notes to the financial statements are on pages 141 to 145.

# Emerging Markets Equity Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Losses on foreign exchange	(348)	(144)
Forward currency contracts	–	(5)
Non-derivative securities	50,534	(8,659)
Transaction charges	(75)	(70)
<b>Net capital gains/(losses)</b>	<b>50,111</b>	<b>(8,878)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	112,562	95,213	150,114	86,976
<b>Trades excluding transaction costs</b>	<b>112,562</b>	<b>95,213</b>	<b>150,114</b>	<b>86,976</b>
<b>Commissions</b>				
Equities	93	87	(72)	(69)
<b>Taxes</b>				
Equities	60	57	(148)	(56)
<b>Total costs</b>	<b>153</b>	<b>144</b>	<b>(220)</b>	<b>(125)</b>
<b>Net trades in the year after transaction costs</b>	<b>112,715</b>	<b>95,357</b>	<b>149,894</b>	<b>86,851</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.08	0.09	0.05	0.08
<b>Taxes</b>				
Equities	0.05	0.06	0.10	0.07

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.09	0.09
Taxes	0.11	0.06
<b>Total costs</b>	<b>0.20</b>	<b>0.15</b>

#### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.11% (31.05.20: 0.18%).

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	1	14
Overseas dividends	4,355	4,824
UK dividends	76	99
<b>Total revenue</b>	<b>4,432</b>	<b>4,937</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	1,650	1,575
General administration charge (GAC)	134	118
	<b>1,784</b>	<b>1,693</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	80	79
	<b>80</b>	<b>79</b>
<b>Other expenses:</b>		
VAT refund	(6)	(8)
ADR fees	8	16
Out of pocket expenses	18	–
	<b>20</b>	<b>8</b>
<b>Total expenses</b>	<b>1,884</b>	<b>1,780</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £8,809 (31.05.20: £8,422).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	446	474
Capital gains tax	12	–
<b>Current tax charge</b>	<b>458</b>	<b>474</b>
Deferred tax charge (note 8(c))	–	–
<b>Total tax charge (note 8(b))</b>	<b>458</b>	<b>474</b>

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	2,547	3,156
Corporation tax of 20%	509	631
<b>Effects of:</b>		
Movement in excess management expenses	283	194
Overseas tax	446	474
Revenue not subject to taxation	(785)	(804)
Overseas tax expensed	(7)	(21)
Capital gains tax	12	–
<b>Total tax charge (note 8(a))</b>	<b>458</b>	<b>474</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Taxation (continued)**

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**(d) Factors affecting future tax charge:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,607,000 (2020: £1,324,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**9. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
Final	1,744	2,804
<b>Add:</b> Equalisation deducted on cancellation of shares	447	84
<b>Less:</b> Equalisation received on creation of shares	(90)	(206)
<b>Net distribution for the year</b>	<b>2,101</b>	<b>2,682</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	2,089	2,682
Capital gains tax	12	–
<b>Net distribution for the year</b>	<b>2,101</b>	<b>2,682</b>

**10. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued dividends and bank interest	322	263
Amounts receivable for creation of shares	37	563
Overseas tax recoverable	29	27
Sales awaiting settlement	27	525
	<b>415</b>	<b>1,378</b>

**11. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	298	151
Purchases awaiting settlement	323	808
Payable for capital gains tax	12	–
Accrued ACD fees	135	125
Accrued general administration charge (GAC)	12	9
Accrued safe custody fee	9	26
Accrued transaction charges	6	21
	<b>795</b>	<b>1,140</b>

**12. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**13. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 11 and 15 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 10 and 11.

**14. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**15. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.75%
'I' Shares	0.90%
'R' Shares	1.25%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	517,123	156,660	(57,706)	(10,304)	605,773
'I' Class (Accumulation shares)	117,954,672	10,863,396	(38,234,606)	-	90,583,462
'R' Class (Accumulation shares)	39,422	4,987	(8,135)	10,491	46,765
'S' Class (Accumulation shares)	621,254	33,261	(397,221)	-	257,294

**16. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

**The Fund's currency exposure as at 31 May 2021 was:**

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Brazilian real	-	2,657
Chinese yuan (offshore)	7,107	6,582
Danish krone	7	1,814
Euro	1	1,869
Hong Kong dollar	49,976	46,291
Hungarian forint	804	1,885
Indian rupee	15,174	4,596
Indonesian rupiah	-	1,368
Malaysian ringgit	-	517
Mexican peso	3,429	4,452
Polish zloty	9	972
Russian ruble	1,527	-
Saudi riyal	2,609	-
South African rand	6,861	3,779
South Korean won	30,956	18,866
Sterling	5,426	11,708
Swiss franc	10	11
Taiwan dollar	15,319	8,264
Thai baht	-	1,480
Turkish lira	2,857	2,065
UAE dirham	-	1,760
US dollar	34,484	49,185
<b>Total</b>	<b>176,556</b>	<b>170,121</b>

**Interest rate risk profile of financial assets and liabilities**

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the fund's exposure to interest rate risk is not considered to be significant.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**17. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	175,392	-	162,073	-
Level 2	-	-	-	-
Level 3	-	-	-	-
<b>Total fair value</b>	<b>175,392</b>	<b>-</b>	<b>162,073</b>	<b>-</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

# Emerging Markets Equity Fund

## Distribution Table

For the year ended 31 May 2021

### Final distribution payable 31 July 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	0.3697	–	0.3697	0.9871
Group 2	0.1059	0.2638	0.3697	0.9871
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.9111	–	1.9111	2.3514
Group 2	0.9702	0.9409	1.9111	2.3514
<b>'R' Class (Accumulation shares)</b>				
Group 1	1.1877	–	1.1877	1.6753
Group 2	0.3684	0.8193	1.1877	1.6753
<b>'S' Class (Accumulation shares)</b>				
Group 1	3.7763	–	3.7763	3.9713
Group 2	0.2923	3.4840	3.7763	3.9713

### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

## Global Franchise Fund

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	4		15,425		14,399
Revenue	6	1,882		1,972	
Expenses	7	(1,288)		(969)	
Interest payable and similar charges		-		-	
Net revenue before taxation		594		1,003	
Taxation	8	(179)		(118)	
Net revenue after taxation			415		885
<b>Total return before distribution</b>			<b>15,840</b>		<b>15,284</b>
Distribution	9		(497)		(893)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>15,343</b>		<b>14,391</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>115,853</b>		<b>107,002</b>
Amounts receivable on creation of shares		67,754		48,671
Amounts payable on cancellation of shares		(37,246)		(55,092)
		30,508		(6,421)
Dilution adjustment		-		17
Change in net assets attributable to shareholders from investment activities		15,343		14,391
Retained distributions on accumulation shares		495		864
<b>Closing net assets attributable to shareholders</b>		<b>162,199</b>		<b>115,853</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			156,853		112,938
Current assets					
Debtors	10	1,093		2,173	
Cash and bank balances		5,135		2,896	
Total other assets			6,228		5,069
<b>Total assets</b>			<b>163,081</b>		<b>118,007</b>
<b>Liabilities</b>					
Creditors					
Other creditors	11	882		2,154	
<b>Total liabilities</b>			<b>882</b>		<b>2,154</b>
<b>Net assets attributable to shareholders</b>			<b>162,199</b>		<b>115,853</b>

Notes to the financial statements are on pages 148 to 151.

# Global Franchise Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains

The net capital gains during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Gains/(losses) on foreign exchange	28	(68)
Non-derivative securities	15,405	14,470
Transaction charges	(8)	(3)
<b>Net capital gains</b>	<b>15,425</b>	<b>14,399</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	48,486	37,936	20,008	37,116
<b>Trades excluding transaction costs</b>	<b>48,486</b>	<b>37,936</b>	<b>20,008</b>	<b>37,116</b>
<b>Commissions</b>				
Equities	13	11	(7)	(11)
<b>Taxes</b>				
Equities	11	21	-	-
<b>Total costs</b>	<b>24</b>	<b>32</b>	<b>(7)</b>	<b>(11)</b>
<b>Net trades in the year after transaction costs</b>	<b>48,510</b>	<b>37,968</b>	<b>20,001</b>	<b>37,105</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.03	0.03	0.04	0.03
<b>Taxes</b>				
Equities	0.02	0.05	-	-

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.01	0.02
Taxes	0.01	0.02
<b>Total costs</b>	<b>0.02</b>	<b>0.04</b>

#### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.04% (31.05.20: 0.04%).

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	2	21
Overseas dividends	1,590	1,485
UK dividends	290	466
<b>Total revenue</b>	<b>1,882</b>	<b>1,972</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	1,171	886
General administration charge (GAC)	109	74
	<b>1,280</b>	<b>960</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	10	8
	<b>10</b>	<b>8</b>
<b>Other expenses:</b>		
VAT refund	(2)	(5)
ADR fees	-	4
SEBI Registration fees	-	2
	<b>(2)</b>	<b>1</b>
<b>Total expenses</b>	<b>1,288</b>	<b>969</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £8,809 (31.05.20: £8,422).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	179	118
<b>Current tax charge</b>	<b>179</b>	<b>118</b>
Deferred tax charge (note 8(c))	-	-
<b>Total tax charge (note 8(b))</b>	<b>179</b>	<b>118</b>

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	594	1,003
Corporation tax of 20%	119	201
<b>Effects of:</b>		
Movement in excess management expenses	257	189
Overseas tax	179	118
Revenue not subject to taxation	(376)	(390)
<b>Total tax charge (note 8(a))</b>	<b>179</b>	<b>118</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Taxation (continued)**

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**(d) Factors affecting future tax charge:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,154,000 (2020: £897,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**9. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
Final	495	864
<b>Add:</b> Equalisation deducted on cancellation of shares	57	141
<b>Less:</b> Equalisation received on creation of shares	(55)	(112)
<b>Net distribution for the year</b>	<b>497</b>	<b>893</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	415	885
Equalisation on conversion of shares	-	8
Revenue deficit	82	-
<b>Net distribution for the year</b>	<b>497</b>	<b>893</b>

**10. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued dividends and bank interest	131	109
Amounts receivable for creation of shares	716	1,824
Overseas tax recoverable	246	240
	<b>1,093</b>	<b>2,173</b>

**11. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	761	1,295
Purchases awaiting settlement	-	772
Accrued ACD fees	109	77
Accrued general administration charge (GAC)	11	6
Accrued safe custody fee	1	3
Accrued transaction charges	-	1
	<b>882</b>	<b>2,154</b>

**12. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**13. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 11 and 15 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 10 and 11.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**14. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**15. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.50%
'I' Shares	0.75%
'J' Shares	0.65%
'K' Shares	0.50%
'R' Shares	1.00%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	7,120,834	271,597	(869,050)	(134,148)	6,389,233
'I' Class (Accumulation shares)	21,894,865	13,104,884	(3,321,789)	76,449	31,754,409
'J' Class (Accumulation shares)	-	5,687,267	(726,564)	-	4,960,703
'K' Class (Accumulation shares)	15,586,715	16,996,711	(16,124,389)	86,377	16,545,414
'R' Class (Accumulation shares)	4,375,790	276,263	(304,240)	11,648	4,359,461
'S' Class (Accumulation shares)	1,819,821	378,522	(897,934)	-	1,300,409

**16. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

**The Fund's currency exposure as at 31 May 2021 was:**

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Euro	16,354	10,980
Norwegian krone	1	1
Sterling	12,152	11,735
Swiss franc	12,907	10,660
US dollar	120,785	82,477
<b>Total</b>	<b>162,199</b>	<b>115,853</b>

**Interest rate risk profile of financial assets and liabilities**

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the fund's exposure to interest rate risk is not considered to be significant.

**17. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	156,853	-	112,938	-
Level 2	-	-	-	-
Level 3	-	-	-	-
<b>Total fair value</b>	<b>156,853</b>	<b>-</b>	<b>112,938</b>	<b>-</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

# Global Franchise Fund

## Distribution Table

For the year ended 31 May 2021

### Final distribution payable 31 July 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)#</b>				
Group 1	–	–	–	0.2722
Group 2	–	–	–	0.2722
<b>'I' Class (Accumulation shares)</b>				
Group 1	0.9444	–	0.9444	2.2662
Group 2	0.8549	0.0895	0.9444	2.2662
<b>'J' Class (Accumulation shares)<sup>1</sup></b>				
Group 1	0.4488	–	0.4488	n/a
Group 2	0.3917	0.0571	0.4488	n/a
<b>'K' Class (Accumulation shares)</b>				
Group 1	0.7379	–	0.7379	1.2764
Group 2	0.5315	0.2064	0.7379	1.2764
<b>'R' Class (Accumulation shares)</b>				
Group 1	0.1862	–	0.1862	1.5672
Group 2	0.1770	0.0092	0.1862	1.5672
<b>'S' Class (Accumulation shares)</b>				
Group 1	3.3085	–	3.3085	4.4422
Group 2	1.4475	1.8610	3.3085	4.4422

### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Share class was in deficit position at the year end.

<sup>1</sup> Launched 29 May 2020.

## Global Quality Equity Income Fund

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	4		2,145		2,172
Revenue	6	552		495	
Expenses	7	(134)		(106)	
Interest payable and similar charges		-		-	
Net revenue before taxation		418		389	
Taxation	8	(45)		(31)	
Net revenue after taxation			373		358
<b>Total return before distributions</b>			<b>2,518</b>		<b>2,530</b>
Distributions	9		(491)		(455)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>2,027</b>		<b>2,075</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>22,440</b>		<b>16,910</b>
Amounts receivable on creation of shares		4,088		5,178
Amounts payable on cancellation of shares		(4,829)		(1,744)
		(741)		3,434
Change in net assets attributable to shareholders from investment activities		2,027		2,075
Retained distributions on accumulation shares		38		21
<b>Closing net assets attributable to shareholders</b>		<b>23,764</b>		<b>22,440</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			23,723		21,008
Current assets					
Debtors	10	235		463	
Cash and bank balances		104		1,277	
Total other assets			339		1,740
<b>Total assets</b>			<b>24,062</b>		<b>22,748</b>
<b>Liabilities</b>					
Creditors					
Distribution payable		266		297	
Other creditors	11	32		11	
<b>Total liabilities</b>			<b>298</b>		<b>308</b>
<b>Net assets attributable to shareholders</b>			<b>23,764</b>		<b>22,440</b>

Notes to the financial statements are on pages 154 to 158.

# Global Quality Equity Income Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains

The net capital gains during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Losses on foreign exchange	–	(3)
Non-derivative securities	2,150	2,179
Transaction charges	(5)	(4)
<b>Net capital gains</b>	<b>2,145</b>	<b>2,172</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	3,615	3,957	3,055	1,841
<b>Trades excluding transaction costs</b>	<b>3,615</b>	<b>3,957</b>	<b>3,055</b>	<b>1,841</b>
<b>Commissions</b>				
Equities	1	1	(1)	(1)
<b>Taxes</b>				
Equities	3	3	–	–
<b>Total costs</b>	<b>4</b>	<b>4</b>	<b>(1)</b>	<b>(1)</b>
<b>Net trades in the year after transaction costs</b>	<b>3,619</b>	<b>3,961</b>	<b>3,054</b>	<b>1,840</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.03	0.03	0.03	0.05
<b>Taxes</b>				
Equities	0.07	0.09	–	0.02

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.01	0.01
Taxes	0.01	0.02
<b>Total costs</b>	<b>0.02</b>	<b>0.03</b>

#### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.04% (31.05.20: 0.04%).

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	–	4
Overseas dividends	363	328
UK dividends	176	153
Property revenue from overseas REITs	13	10
<b>Total revenue</b>	<b>552</b>	<b>495</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	115	93
General administration charge (GAC)	17	13
	<b>132</b>	<b>106</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	3	2
	<b>3</b>	<b>2</b>
<b>Other expenses:</b>		
VAT refund	(1)	(2)
	<b>(1)</b>	<b>(2)</b>
<b>Total expenses</b>	<b>134</b>	<b>106</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £8,809 (31.05.20: £8,422).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	45	31
<b>Current tax charge</b>	<b>45</b>	<b>31</b>
Deferred tax charge (note 8(c))	–	–
<b>Total tax charge (note 8(b))</b>	<b>45</b>	<b>31</b>

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	418	389
Corporation tax of 20%	84	78
<b>Effects of:</b>		
Movement in excess management expenses	24	19
Overseas tax	45	31
Revenue not subject to taxation	(108)	(97)
<b>Total tax charge (note 8(a))</b>	<b>45</b>	<b>31</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Taxation (continued)**

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**(d) Factors affecting future tax charge:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £180,000 (2020: £156,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**9. Distributions**

The Distributions take account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprise:

	31.05.21 £'000	31.05.20 £'000
Interim	188	159
Final	294	312
<b>Add:</b> Equalisation deducted on cancellation of shares	25	9
<b>Less:</b> Equalisation received on creation of shares	(16)	(25)
<b>Net distribution for the year</b>	<b>491</b>	<b>455</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	373	358
ACD fee	101	85
General administration charge (GAC)	16	12
Safe custody fee	2	2
Tax relief from capital*	(1)	(2)
<b>Net distribution for the year</b>	<b>491</b>	<b>455</b>

\* Tax relief from capital expenses

**10. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued dividends and bank interest	40	33
Amounts receivable for creation of shares	89	270
Overseas tax recoverable	106	160
	<b>235</b>	<b>463</b>

**11. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	20	–
Accrued ACD fees	10	9
Accrued general administration charge (GAC)	2	1
Accrued transaction charges	–	1
	<b>32</b>	<b>11</b>

**12. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**13. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 11 and 15 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 10 and 11.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**14. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**15. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.50%
'I' Shares	0.75%
'J' Shares	0.65%
'K' Shares	0.45%
'L' Shares	0.45%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	17,469	19,644	(1,000)	-	36,113
'I' Class (Accumulation shares)	393,014	267,098	(93,645)	-	566,467
'I' Class (Income-2 shares)	972,120	188,331	(267,611)	-	892,840
'J' Class (Accumulation shares)	-	1,368,947	(229,424)	-	1,139,523
'J' Class (Income-2 shares)	19,376	25	(18,286)	-	1,115
'K' Class (Accumulation shares)	1,000	-	-	-	1,000
'K' Class (Income-2 shares)	14,285,635	1,452,712	(2,978,368)	-	12,759,979
'L' Class (Accumulation shares)	578,250	58,000	(69,500)	-	566,750
'L' Class (Income-2 shares)	1,412,330	24	(33,675)	-	1,378,679

**16. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

**The Fund's currency exposure as at 31 May 2021 was:**

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Australian dollar	3	164
Danish krone	570	679
Euro	2,656	2,095
South Korean won	793	311
Sterling	3,956	5,675
Swedish krona	1,019	728
Swiss franc	1,316	1,723
US dollar	13,451	11,065
<b>Total</b>	<b>23,764</b>	<b>22,440</b>

**Interest rate risk profile of financial assets and liabilities**

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the fund's exposure to interest rate risk is not considered to be significant.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**17. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	23,723	-	21,008	-
Level 2	-	-	-	-
Level 3	-	-	-	-
<b>Total fair value</b>	<b>23,723</b>	<b>-</b>	<b>21,008</b>	<b>-</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## Global Quality Equity Income Fund

### Distribution Tables

For the year ended 31 May 2021

#### Interim distribution paid 31 January 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June and 30 November 2020

	Net Income pence	Equalisation pence	Distribution paid 31.01.21 pence	Distribution paid 31.01.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	0.0597	–	0.0597	0.1320
Group 2	0.0597	–	0.0597	0.1320
<b>'I' Class (Accumulation shares)</b>				
Group 1	0.6371	–	0.6371	0.6720
Group 2	0.3845	0.2526	0.6371	0.6720
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.1474	–	1.1474	1.1554
Group 2	0.4648	0.6826	1.1474	1.1554
<b>'J' Class (Accumulation shares)<sup>(1)</sup></b>				
Group 1	0.4759	–	0.4759	n/a
Group 2	0.3789	0.0970	0.4759	n/a
<b>'J' Class (Income-2 shares)</b>				
Group 1	1.1511	–	1.1511	1.1922
Group 2	0.9211	0.2300	1.1511	1.1922
<b>'K' Class (Accumulation shares)</b>				
Group 1	0.6600	–	0.6600	1.0200
Group 2	0.6600	–	0.6600	1.0200
<b>'K' Class (Income-2 shares)</b>				
Group 1	1.0470	–	1.0470	1.0512
Group 2	0.6444	0.4026	1.0470	1.0512
<b>'L' Class (Accumulation shares)</b>				
Group 1	0.7159	–	0.7159	0.7277
Group 2	0.2544	0.4615	0.7159	0.7277
<b>'L' Class (Income-2 shares)</b>				
Group 1	1.0415	–	1.0415	1.0448
Group 2	0.8150	0.2265	1.0415	1.0448

**Final distribution payable 31 July 2021**

Group 1 – Shares purchased before 1 December 2020

Group 2 – Shares purchased between 1 December 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)</b>				
Group 1	0.8340	–	0.8340	0.9561
Group 2	0.3060	0.5280	0.8340	0.9561
<b>'I' Class (Accumulation shares)</b>				
Group 1	1.4755	–	1.4755	1.5313
Group 2	0.3937	1.0818	1.4755	1.5313
<b>'I' Class (Income-2 shares)</b>				
Group 1	1.9268	–	1.9268	1.9440
Group 2	0.5171	1.4097	1.9268	1.9440
<b>'J' Class (Accumulation shares)<sup>(1)</sup></b>				
Group 1	1.0251	–	1.0251	n/a
Group 2	0.7238	0.3013	1.0251	n/a
<b>'J' Class (Income-2 shares)</b>				
Group 1	1.9367	–	1.9367	1.9540
Group 2	1.3670	0.5697	1.9367	1.9540
<b>'K' Class (Accumulation shares)</b>				
Group 1	1.3500	–	1.3500	1.4450
Group 2	1.3500	–	1.3500	1.4450
<b>'K' Class (Income-2 shares)</b>				
Group 1	1.7593	–	1.7593	1.7700
Group 2	0.6165	1.1428	1.7593	1.7700
<b>'L' Class (Accumulation shares)</b>				
Group 1	1.4227	–	1.4227	1.4435
Group 2	1.4227	–	1.4227	1.4435
<b>'L' Class (Income-2 shares)</b>				
Group 1	1.7516	–	1.7516	1.7644
Group 2	1.7516	–	1.7516	1.7644

**Equalisation**

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

<sup>(1)</sup> Launched 29 May 2020.

## Global Special Situations Fund

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		78,983		(41,468)
Revenue	6	2,183		4,041	
Expenses	7	(1,045)		(844)	
Interest payable and similar charges		-		(2)	
Net revenue before taxation		1,138		3,195	
Taxation	8	(230)		(379)	
Net revenue after taxation			908		2,816
<b>Total return before distribution</b>			<b>79,891</b>		<b>(38,652)</b>
Distribution	9		(926)		(2,817)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>78,965</b>		<b>(41,469)</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>154,146</b>		<b>174,625</b>
Amounts receivable on creation of shares		111,602		63,503
Amounts payable on cancellation of shares		(101,876)		(45,468)
		9,726		18,035
Dilution adjustment		138		44
Change in net assets attributable to shareholders from investment activities		78,965		(41,469)
Retained distributions on accumulation shares		759		2,911
<b>Closing net assets attributable to shareholders</b>		<b>243,734</b>		<b>154,146</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			241,384		153,669
Current assets					
Debtors	10	1,803		1,472	
Cash and bank balances		1,986		888	
Total other assets			3,789		2,360
<b>Total assets</b>			<b>245,173</b>		<b>156,029</b>
<b>Liabilities</b>					
Creditors					
Distribution payable		14		40	
Other creditors	11	1,425		1,843	
<b>Total liabilities</b>			<b>1,439</b>		<b>1,883</b>
<b>Net assets attributable to shareholders</b>			<b>243,734</b>		<b>154,146</b>

Notes to the financial statements are on pages 162 to 166.

# Global Special Situations Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Losses on foreign exchange	(34)	(78)
Non-derivative securities	79,069	(41,382)
Transaction charges	(52)	(8)
<b>Net capital gains/(losses)</b>	<b>78,983</b>	<b>(41,468)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	164,974	113,766	156,696	91,146
<b>Trades excluding transaction costs</b>	<b>164,974</b>	<b>113,766</b>	<b>156,696</b>	<b>91,146</b>
<b>Commissions</b>				
Equities	70	50	(60)	(50)
<b>Taxes</b>				
Equities	232	153	(2)	(15)
<b>Total costs</b>	<b>302</b>	<b>203</b>	<b>(62)</b>	<b>(65)</b>
<b>Net trades in the year after transaction costs</b>	<b>165,276</b>	<b>113,969</b>	<b>156,634</b>	<b>91,081</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.04	0.04	0.04	0.05
<b>Taxes</b>				
Equities	0.14	0.13	-	0.02

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.07	0.06
Taxes	0.12	0.09
<b>Total costs</b>	<b>0.19</b>	<b>0.15</b>

#### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.07% (31.05.20: 0.10%).

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	–	2
Overseas dividends	2,051	3,316
UK dividends	132	723
<b>Total revenue</b>	<b>2,183</b>	<b>4,041</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	880	687
General administration charge (GAC)	142	122
	<b>1,022</b>	<b>809</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	23	42
	<b>23</b>	<b>42</b>
<b>Other expenses:</b>		
VAT refund	(3)	(7)
Out of pocket expenses	3	–
	<b>–</b>	<b>(7)</b>
<b>Total expenses</b>	<b>1,045</b>	<b>844</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £10,023 (31.05.20: £9,582).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	230	379
<b>Current tax charge</b>	<b>230</b>	<b>379</b>
Deferred tax charge (note 8(c))	–	–
<b>Total tax charge (note 8(b))</b>	<b>230</b>	<b>379</b>

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	1,138	3,195
Corporation tax of 20%	228	639
<b>Effects of:</b>		
Movement in excess management expenses	201	147
Overseas tax	230	379
Revenue not subject to taxation	(428)	(782)
Overseas tax expensed	(1)	(4)
<b>Total tax charge (note 8(a))</b>	<b>230</b>	<b>379</b>

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Taxation (continued)**

**(d) Factors affecting future tax charge:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £670,000 (2020: £469,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**9. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
Final	773	2,951
<b>Add:</b> Equalisation deducted on cancellation of shares	179	249
<b>Less:</b> Equalisation received on creation of shares	(26)	(383)
<b>Net distribution for the year</b>	<b>926</b>	<b>2,817</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	908	2,816
Equalisation on conversion of shares	–	1
Revenue deficit	18	–
<b>Net distribution for the year</b>	<b>926</b>	<b>2,817</b>

**10. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued dividends and bank interest	21	105
Amounts receivable for creation of shares	659	551
Overseas tax recoverable	138	119
Sales awaiting settlement	985	697
	<b>1,803</b>	<b>1,472</b>

**11. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	1,285	1,119
Purchases awaiting settlement	1	648
Accrued ACD fees	113	46
Accrued general administration charge (GAC)	16	8
Accrued safe custody fee	3	13
Accrued transaction charges	7	9
	<b>1,425</b>	<b>1,843</b>

**12. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**13. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 11 and 15 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 10 and 11.

At the year end date nil% of the Fund's shares (by net asset value) were held by other Funds managed by the ACD (31.05.20: 6.97%).

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**14. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**15. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.50%
'I' Shares	0.75%
'K' Shares	0.30%
'R' Shares	1.00%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	1,403,414	159,368	(283,316)	(10,063)	1,269,403
'A' Class (Income shares)	29,608	4	(670)	-	28,942
'I' Class (Accumulation shares)	9,776,072	36,105,693	(11,654,818)	9,139	34,236,086
'I' Class (Income shares)	1,726,774	2,524,848	(623,094)	-	3,628,528
'K' Class (Accumulation shares)	162,317,039	3,434,269	(57,035,198)	-	108,716,110
'R' Class (Accumulation shares)	207,814	1,062,385	(600,950)	-	669,249
'S' Class (Accumulation shares)	4,759,134	155,359	(4,542,193)	-	372,300
'S' Class (Income shares)	20	1	-	-	21

**16. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

**The Fund's currency exposure as at 31 May 2021 was:**

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Australian dollar	5	5
Brazilian real	2,064	2,122
Canadian dollar	4	4
Euro	37,242	22,152
Hong Kong dollar	2,430	1
Japanese yen	-	18
Mexican peso	3,506	-
New Zealand dollar	1	-
Norwegian krone	-	5
Sterling	54,505	34,278
Swedish krona	-	4,769
Swiss franc	107	5,292
Turkish lira	4,332	5,035
UAE dirham	-	2,355
US dollar	139,538	78,110
<b>Total</b>	<b>243,734</b>	<b>154,146</b>

**Interest rate risk profile of financial assets and liabilities**

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the fund's exposure to interest rate risk is not considered to be significant.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**17. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	241,384	-	153,669	-
Level 2	-	-	-	-
Level 3	-	-	-	-
<b>Total fair value</b>	<b>241,384</b>	<b>-</b>	<b>153,669</b>	<b>-</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

# Global Special Situations Fund

## Distribution Table

For the year ended 31 May 2021

### Final distribution payable 31 July 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)#</b>				
Group 1	–	–	–	1.0750
Group 2	–	–	–	1.0750
<b>'A' Class (Income shares)#</b>				
Group 1	–	–	–	0.8431
Group 2	–	–	–	0.8431
<b>'I' Class (Accumulation shares)</b>				
Group 1	0.5046	–	0.5046	3.2402
Group 2	0.4514	0.0532	0.5046	3.2402
<b>'I' Class (Income shares)</b>				
Group 1	0.3883	–	0.3883	2.3262
Group 2	0.3573	0.0310	0.3883	2.3262
<b>'K' Class (Accumulation shares)</b>				
Group 1	0.5298	–	0.5298	1.4167
Group 2	0.3479	0.1819	0.5298	1.4167
<b>'R' Class (Accumulation shares)</b>				
Group 1	0.1271	–	0.1271	1.9098
Group 2	0.1251	0.0020	0.1271	1.9098
<b>'S' Class (Accumulation shares)</b>				
Group 1	2.5339	–	2.5339	5.7901
Group 2	1.7275	0.8064	2.5339	5.7901
<b>'S' Class (Income shares)</b>				
Group 1	46.4402	–	46.4402	97.8500
Group 2	39.1081	7.3321	46.4402	97.8500

### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Share class was in deficit position at the year end.

## Multi-Asset Protector Fund

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		7,606		(7,202)
Revenue	6	976		2,621	
Expenses	7	(2,161)		(2,599)	
Interest payable and similar charges	8	(1)		(63)	
Net expense before taxation		(1,186)		(41)	
Taxation	9	(32)		(62)	
Net expense after taxation			(1,218)		(103)
<b>Total return before distribution</b>			<b>6,388</b>		<b>(7,305)</b>
Distribution	10		-		(9)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>6,388</b>		<b>(7,314)</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>135,499</b>		<b>163,022</b>
Amounts receivable on creation of shares		714		2,405
Amounts payable on cancellation of shares		(23,617)		(22,614)
		(22,903)		(20,209)
Change in net assets attributable to shareholders from investment activities		6,388		(7,314)
<b>Closing net assets attributable to shareholders</b>		<b>118,984</b>		<b>135,499</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			118,554		134,275
Current assets					
Debtors	11	433		474	
Cash and bank balances	12	3,771		6,416	
Total other assets			4,204		6,890
<b>Total assets</b>			<b>122,758</b>		<b>141,165</b>
<b>Liabilities</b>					
Investment liabilities			-		299
Creditors					
Bank overdrafts		-		2	
Other creditors	13	3,774		5,365	
<b>Total liabilities</b>			<b>3,774</b>		<b>5,666</b>
<b>Net assets attributable to shareholders</b>			<b>118,984</b>		<b>135,499</b>

Notes to the financial statements are on pages 169 to 174.

# Multi-Asset Protector Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Gains on foreign exchange	473	278
Derivative contracts	1,634	(3,290)
Forward currency contracts	3,090	(1,320)
Non-derivative securities	2,847	(2,146)
Transaction charges	(7)	(13)
Price protection expense	(431)	(711)
<b>Net capital gains/(losses)</b>	<b>7,606</b>	<b>(7,202)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	10,594	21,941	5,577	28,004
Bonds	13,212	46,578	5,490	90,497
Collective investment schemes	3,570	14,285	8,624	35,494
Treasury bills	411,228	310,898	438,112	257,951
<b>Trades excluding transaction costs</b>	<b>438,604</b>	<b>393,702</b>	<b>457,803</b>	<b>411,946</b>
<b>Commissions</b>				
Equities	4	9	(2)	(10)
Bonds	-	-	-	-
Collective investment schemes	-	-	-	(1)
Treasury bills	-	-	-	-
<b>Total commissions</b>	<b>4</b>	<b>9</b>	<b>(2)</b>	<b>(11)</b>
<b>Taxes</b>				
Equities	7	12	(2)	(1)
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Treasury bills	-	-	-	-
<b>Total taxes</b>	<b>7</b>	<b>12</b>	<b>(2)</b>	<b>(1)</b>
<b>Total costs</b>	<b>11</b>	<b>21</b>	<b>(4)</b>	<b>(12)</b>
<b>Net trades in the year after transaction costs</b>	<b>438,615</b>	<b>393,723</b>	<b>457,799</b>	<b>411,934</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.04	0.04	0.03	0.03
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Treasury bills	-	-	-	-
<b>Taxes</b>				
Equities	0.06	0.05	0.03	-
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Treasury bills	-	-	-	-

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**5. Purchases, sales and transaction costs (continued)**

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.00	0.01
Taxes	0.01	0.01
<b>Total costs</b>	<b>0.01</b>	<b>0.02</b>

**Average portfolio dealing spread**

The average portfolio dealing spread at the balance sheet date was 0.03% (31.05.20: 0.03%).

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	6	27
Interest on debt securities	84	1,065
Interest distributions from collective investment schemes	22	98
Overseas dividends	284	514
Rebate of management fees from underlying investments	38	64
UK dividends	51	225
Offshore distribution taxable from collective investment schemes	307	329
Offshore distribution non-taxable from collective investment schemes	184	269
Property revenue from UK REITs – PID	–	22
Property revenue from UK REITs – Non PID	–	2
Property revenue from overseas REITs	–	3
Margin interest	–	3
<b>Total revenue</b>	<b>976</b>	<b>2,621</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	2,051	2,479
General administration charge (GAC)	94	105
	<b>2,145</b>	<b>2,584</b>
<b>Payable to the Depository or associates of the Depository, and agents of either of them:</b>		
Safe custody fee	6	10
	<b>6</b>	<b>10</b>
<b>Other expenses:</b>		
VAT refund	(2)	(5)
Collateral interest fee	12	10
	<b>10</b>	<b>5</b>
<b>Total expenses</b>	<b>2,161</b>	<b>2,599</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £8,809 (31.05.20: £8,422).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Interest payable and similar charges**

	31.05.21 £'000	31.05.20 £'000
Interest	1	47
Margin Interest	–	16
<b>Total interest payable and similar charges</b>	<b>1</b>	<b>63</b>

**9. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	32	62
<b>Current tax charge</b>	<b>32</b>	<b>62</b>
Deferred tax charge (note 9(c))	–	–
<b>Total tax charge (note 9(b))</b>	<b>32</b>	<b>62</b>

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net expense before taxation	(1,186)	(41)
Corporation tax of 20%	(237)	(8)
<b>Effects of:</b>		
Movement in excess management expenses	352	210
Overseas tax	31	62
Revenue not subject to taxation	(114)	(201)
Overseas tax expensed	–	(1)
<b>Total tax charge (note 9(a))</b>	<b>32</b>	<b>62</b>

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**(d) Factors affecting future tax charge:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,097,000 (2020: £2,753,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**10. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
<b>Add:</b> Equalisation deducted on cancellation of shares	–	10
<b>Less:</b> Equalisation received on creation of shares	–	(1)
<b>Net distribution for the year</b>	<b>–</b>	<b>9</b>

**The net distribution for the year is represented by:**

	31.05.21 £'000	31.05.20 £'000
Net expense after taxation	(1,218)	(103)
Revenue deficit	1,218	112
<b>Net distribution for the year</b>	<b>–</b>	<b>9</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**11. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued bond interest	252	348
Accrued dividends and bank interest	54	38
Amounts due for ACD fee rebates from underlying funds	110	72
Overseas tax recoverable	17	16
	<b>433</b>	<b>474</b>

**12. Cash and bank balances**

	31.05.21 £'000	31.05.20 £'000
Cash and bank balances	3,504	6,316
Amount held at futures clearing houses and brokers	267	100
	<b>3,771</b>	<b>6,416</b>

**13. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	171	106
Purchases awaiting settlement	3,358	5,000
Accrued ACD fees	162	183
Accrued general administration charge (GAC)	8	8
Accrued safe custody fee	1	3
Accrued transaction charges	1	4
Payable for pricing protection expense	73	61
	<b>3,774</b>	<b>5,365</b>

**14. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**15. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 13 and 17 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 11 and 13.

**16. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**17. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares 1.60%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	81,346,826	419,429	(13,790,036)	-	67,976,219

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund. The Fund's financial instruments are almost exclusively held in the base currency, sterling. Therefore, the fund's exposure to foreign currency risk is not considered to be significant.

Interest rate risk profile of financial assets and liabilities as at 31 May 2021 was as follows:

Currency	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
	31.05.21 £'000	31.05.21 £'000	31.05.21 £'000	31.05.21 £'000
Australian dollar	3	5,583	(5,548)	38
Brazilian real	-	-	573	573
Canadian dollar	5	-	-	5
Chinese yuan (offshore)	31	-	2,208	2,239
Danish krone	1	-	28	29
Euro currency	-	-	(184)	(184)
Hong Kong dollar	9	-	527	536
Indonesian rupiah	-	-	348	348
Japanese yen	-	-	17	17
New Taiwan dollar	-	-	435	435
New Zealand dollar	46	5,545	(5,707)	(116)
South African rand	1	-	-	1
Sterling	3,555	71,771	37,487	112,813
Swedish krona	-	-	157	157
Swiss franc	6	-	331	337
Thailand baht	-	-	572	572
Turkish lira	29	-	-	29
US dollar	85	-	1,070	1,155
<b>Total</b>	<b>3,771</b>	<b>82,899</b>	<b>32,314</b>	<b>118,984</b>

Interest rate risk profile of financial assets and liabilities as at 31 May 2020 was as follows:

Currency	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
	31.05.20 £'000	31.05.20 £'000	31.05.20 £'000	31.05.20 £'000
Australian dollar	-	-	39	39
Brazilian real	-	-	330	330
Canadian dollar	6	-	47	53
Chinese yuan (offshore)	-	-	1,279	1,279
Danish krone	-	-	73	73
Euro	1	-	(201)	(200)
Hong Kong dollar	-	-	(286)	(286)
Indonesian rupiah	-	-	121	121
Japanese yen	-	-	(21)	(21)
South African rand	1	-	-	1
Sterling	6,400	103,080	22,019	131,499
Swedish krona	-	-	(146)	(146)
Swiss franc	1	-	170	171
US dollar	6	-	2,580	2,586
<b>Total</b>	<b>6,415</b>	<b>103,080</b>	<b>26,004</b>	<b>135,499</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**19. Efficient portfolio management techniques risk exposure**

The exposure obtained through efficient portfolio management techniques and identity of counterparties as at 31 May 2021 was as follows:

(a) Forwards

Counterparty	Market Value	
	31.05.21 £'000	31.05.20 £'000
BNP Paribas	1	-
Goldman Sachs	190	(48)
HSBC	-	(1)
JP Morgan	52	(227)
Merril Lynch	5	(12)
Standard Chartered	11	5
<b>Total</b>	<b>259</b>	<b>(283)</b>

(b) Futures

Counterparty	Market Value	
	31.05.21 £'000	31.05.20 £'000
Goldman Sachs	527	-
<b>Total</b>	<b>527</b>	<b>-</b>

**20. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	35,632	-	31,177	-
Level 2	82,922	-	103,098	(299)
Level 3	-	-	-	-
<b>Total fair value</b>	<b>118,554</b>	<b>-</b>	<b>134,275</b>	<b>(299)</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## Multi-Asset Protector Fund

### Distribution Table

For the year ended 31 May 2021

#### Final distribution payable 31 July 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)#</b>				
Group 1	–	–	–	–
Group 2	–	–	–	–

#### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Share class was in deficit position at the year end.

## Multi-Asset Protector Fund 2

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		5,820		(4,850)
Revenue	6	675		1,486	
Expenses	7	(798)		(834)	
Interest payable and similar charges	8	(1)		(27)	
Net (expense)/revenue before taxation		(124)		625	
Taxation	9	(24)		(47)	
Net (expense)/revenue after taxation			(148)		578
<b>Total return before distribution</b>			<b>5,672</b>		<b>(4,272)</b>
Distribution	10		-		(578)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>5,672</b>		<b>(4,850)</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>89,027</b>		<b>91,485</b>
Amounts receivable on creation of shares	7,172		11,320	
Amounts payable on cancellation of shares	(13,163)		(9,507)	
		(5,991)		1,813
Change in net assets attributable to shareholders from investment activities		5,672		(4,850)
Retained distributions on accumulation shares		-		579
<b>Closing net assets attributable to shareholders</b>		<b>88,708</b>		<b>89,027</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			86,618		87,783
Current assets					
Debtors	11	385		297	
Cash and bank balances	12	3,564		4,347	
Total other assets			3,949		4,644
<b>Total assets</b>			<b>90,567</b>		<b>92,427</b>
<b>Liabilities</b>					
Investment liabilities			-		190
Creditors					
Bank overdrafts		-		1	
Other creditors	13	1,859		3,209	
Total other liabilities			1,859		3,210
<b>Total liabilities</b>			<b>1,859</b>		<b>3,400</b>
<b>Net assets attributable to shareholders</b>			<b>88,708</b>		<b>89,027</b>

Notes to the financial statements are on pages 177 to 182.

# Multi-Asset Protector Fund 2

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Gains on foreign exchange	280	180
Derivative contracts	1,537	(2,142)
Forward currency contracts	2,338	(930)
Non-derivative securities	1,993	(1,516)
Transaction charges	(12)	(11)
Price protection expense	(316)	(431)
<b>Net capital gains/(losses)</b>	<b>5,820</b>	<b>(4,850)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21 £'000	31.05.20 £'000	31.05.21 £'000	31.05.20 £'000
Equities	14,399	13,388	4,003	14,929
Bonds	9,692	28,419	1,023	51,694
Collective investment schemes	3,017	9,004	4,674	19,237
Treasury bills	254,172	209,309	275,213	174,587
<b>Trades excluding transaction costs</b>	<b>281,280</b>	<b>260,120</b>	<b>284,913</b>	<b>260,447</b>
<b>Commissions</b>				
Equities	5	6	(1)	(5)
Bonds	-	-	-	-
Collective investment schemes	-	-	-	(1)
Treasury bills	-	-	-	-
<b>Total commissions</b>	<b>5</b>	<b>6</b>	<b>(1)</b>	<b>(6)</b>
<b>Taxes</b>				
Equities	8	8	(1)	-
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Treasury bills	-	-	-	-
<b>Total taxes</b>	<b>8</b>	<b>8</b>	<b>(1)</b>	<b>-</b>
<b>Total costs</b>	<b>13</b>	<b>14</b>	<b>(2)</b>	<b>(6)</b>
<b>Net trades in the year after transaction costs</b>	<b>281,293</b>	<b>260,134</b>	<b>284,911</b>	<b>260,441</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21 %	31.05.20 %	31.05.21 %	31.05.20 %
<b>Commissions</b>				
Equities	0.04	0.04	0.03	0.03
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Treasury bills	-	-	-	-
<b>Taxes</b>				
Equities	0.06	0.06	0.03	-
Bonds	-	-	-	-
Collective investment schemes	-	-	-	-
Treasury bills	-	-	-	-

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.01	0.01
Taxes	0.01	0.01
<b>Total costs</b>	<b>0.02</b>	<b>0.02</b>

**Average portfolio dealing spread**

The average portfolio dealing spread at the balance sheet date was 0.04% (31.05.20: 0.10%).

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	2	16
Interest on debt securities	67	636
Interest distributions from collective investment schemes	–	54
Overseas dividends	221	295
Rebate of management fees from underlying investments	15	29
UK dividends	37	127
Offshore distribution taxable from collective investment schemes	224	172
Offshore distribution non-taxable from collective investment schemes	109	139
Property revenue from UK REITs – PID	–	13
Property revenue from UK REITs – Non PID	–	1
Property revenue from overseas REITs	–	2
Margin interest	–	2
<b>Total revenue</b>	<b>675</b>	<b>1,486</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	717	758
General administration charge (GAC)	66	64
	<b>783</b>	<b>822</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	4	6
	<b>4</b>	<b>6</b>
<b>Other expenses:</b>		
VAT refund	(1)	(4)
Collateral interest fee	12	10
	<b>11</b>	<b>6</b>
<b>Total expenses</b>	<b>798</b>	<b>834</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is £8,809 (31.05.20: £8,422).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Interest payable and similar charges**

	31.05.21 £'000	31.05.20 £'000
Interest	1	18
Margin Interest	–	9
<b>Total interest payable and similar charges</b>	<b>1</b>	<b>27</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**9. Taxation**

(a) Analysis of the tax charge in the year:

	31.05.21 £'000	31.05.20 £'000
Corporation tax	–	10
Overseas tax	24	37
<b>Current tax charge</b>	<b>24</b>	<b>47</b>
Deferred tax charge (note 9(c))	–	–
<b>Total tax charge (note 9(b))</b>	<b>24</b>	<b>47</b>

(b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	(124)	625
Corporation tax of 20%	(25)	125
<b>Effects of:</b>		
Movement in excess management expenses	104	–
Overseas tax	24	37
Revenue not subject to taxation	(79)	(112)
Double taxation relief	–	(3)
<b>Total tax charge (note 9(a))</b>	<b>24</b>	<b>47</b>

(c) Provision for deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

(d) Factors affecting future tax charge:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £104,000 (2020: £0) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**10. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
Final	–	579
<b>Add:</b> Equalisation deducted on cancellation of shares	1	37
<b>Less:</b> Equalisation received on creation of shares	(1)	(38)
<b>Net distribution for the year</b>	<b>–</b>	<b>578</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net (expense)/revenue after taxation	(148)	578
Revenue deficit	148	–
<b>Net distribution for the year</b>	<b>–</b>	<b>578</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**11. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued bond interest	258	224
Accrued dividends and bank interest	47	23
Amounts due for ACD fee rebates from underlying funds	46	31
Amounts receivable for creation of shares	24	11
Overseas tax recoverable	10	8
	<b>385</b>	<b>297</b>

**12. Cash and bank balances**

	31.05.21 £'000	31.05.20 £'000
Cash and bank balances	3,316	4,300
Amount held at futures clearing houses and brokers	248	47
	<b>3,564</b>	<b>4,347</b>

**13. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	393	90
Corporation tax payable	-	10
Purchases awaiting settlement	1,339	3,000
Accrued ACD fees	60	60
Accrued general administration charge (GAC)	6	5
Accrued safe custody fee	1	2
Accrued transaction charges	1	3
Payable for pricing protection expense	59	39
	<b>1,859</b>	<b>3,209</b>

**14. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**15. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 13 and 17 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 11 and 13.

**16. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**17. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'I' Shares 0.80%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'I' Class (Accumulation shares)	63,807,846	4,949,700	(9,089,462)	-	59,668,084

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund. The Fund's financial instruments are almost exclusively held in the base currency, sterling. Therefore, the fund's exposure to foreign currency risk is not considered to be significant.

Interest rate risk profile of financial assets and liabilities as at 31 May 2021 was as follows:

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.21	31.05.21	interest	31.05.21
	£'000	£'000	£'000	£'000
Australian dollar	3	4,171	(4,056)	118
Brazilian real	6	-	513	519
Canadian dollar	3	-	-	3
Chinese yuan (offshore)	23	-	-	23
Danish krone	-	-	130	130
Euro	5	-	10	15
Hong Kong dollar	7	-	525	532
Indonesian rupiah	-	-	305	305
Japanese yen	-	-	98	98
New Taiwan dollar	-	-	405	405
New Zealand dollar	32	4,143	(4,262)	(87)
South African rand	1	-	-	1
Sterling	3,339	5,927	72,533	81,799
Swedish krona	-	-	201	201
Swiss franc	1	-	368	369
Thailand baht	-	-	470	470
Turkish lira	24	-	-	24
US dollar	120	-	1,596	1,716
Yuan Renminbi (offshore)	-	-	2,067	2,067
<b>Total</b>	<b>3,564</b>	<b>14,241</b>	<b>70,903</b>	<b>88,708</b>

Interest rate risk profile of financial assets and liabilities as at 31 May 2020 was as follows:

Currency	Floating rate	Fixed rate	Financial	Total
	financial	financial	assets not	
	assets	assets	carrying	
	31.05.20	31.05.20	interest	31.05.20
	£'000	£'000	£'000	£'000
Australian dollar	-	-	59	59
Brazilian real	7	-	204	211
Canadian dollar	3	-	-	3
Chinese yuan (offshore)	-	-	761	761
Danish krone	-	-	63	63
Euro	1	-	(123)	(122)
Hong Kong dollar	1	-	(184)	(183)
Indonesian rupiah	-	-	78	78
Japanese yen	-	-	(38)	(38)
South African rand	1	-	-	1
Sterling	4,327	67,777	14,489	86,593
Swedish krona	-	-	(104)	(104)
Swiss franc	-	-	113	113
Turkish lira	1	-	-	1
US dollar	5	-	1,586	1,591
<b>Total</b>	<b>4,346</b>	<b>67,777</b>	<b>16,904</b>	<b>89,027</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**19. Efficient portfolio management techniques risk exposure**

The exposure obtained through efficient portfolio management techniques and identity of counterparties as at 31 May 2021 was as follows:

**(a) Forwards**

Counterparty	Market value	
	31.05.21 £'000	31.05.20 £'000
BNP Paribas	1	-
Goldman Sachs	142	(32)
JP Morgan	45	(146)
Merrill Lynch	5	(8)
Standard Chartered	10	4
<b>Total</b>	<b>203</b>	<b>(182)</b>

**(b) Futures**

Counterparty	Market value	
	31.05.21 £'000	31.05.20 £'000
Goldman Sachs	509	-
<b>Total</b>	<b>509</b>	<b>-</b>

**20. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	34,073	-	19,998	-
Level 2	52,545	-	67,785	(190)
Level 3	-	-	-	-
<b>Total fair value</b>	<b>86,618</b>	<b>-</b>	<b>87,783</b>	<b>(190)</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## Multi-Asset Protector Fund 2

### Distribution Table

For the year ended 31 May 2021

#### Final distribution payable 31 July 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 31 May 2021

	Net Income pence	Equalisation pence	Distribution payable 31.07.21 pence	Distribution paid 31.07.20 pence
<b>'I' Class (Accumulation shares)#</b>				
Group 1	–	–	–	0.9079
Group 2	–	–	–	0.9079

#### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

# Share class was in deficit position at the year end.

## UK Total Return Fund

### Statement of Total Return

For the year ended 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains/(losses)	4		10,147		(37,167)
Revenue	6	233		4,081	
Expenses	7	(201)		(521)	
Interest payable and similar charges		-		(3)	
Net revenue before taxation		32		3,557	
Taxation	8	(4)		(51)	
Net revenue after taxation			28		3,506
<b>Total return before distribution</b>			<b>10,175</b>		<b>(33,661)</b>
Distribution	9		(28)		(3,516)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>10,147</b>		<b>(37,177)</b>

### Statement of Change in Net Assets Attributable to Shareholders

For the year ended 31 May 2021

	31.05.21		31.05.20	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		<b>78,004</b>		<b>166,789</b>
Inspecie transfer*		(8,780)		-
Amounts receivable on creation of shares		3,396		3,265
Amounts payable on cancellation of shares		(82,947)		(57,161)
		(79,551)		(53,896)
Dilution adjustment		155		40
Change in net assets attributable to shareholders from investment activities		10,147		(37,177)
Retained distributions on accumulation shares		25		2,248
<b>Closing net assets attributable to shareholders</b>		<b>-</b>		<b>78,004</b>

### Balance Sheet

As at 31 May 2021

	Note	31.05.21		31.05.20	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments assets			-		69,744
Current assets					
Debtors	10	-		8,902	
Cash and bank balances	11	-		9,451	
Total other assets			-		18,353
<b>Total assets</b>			<b>-</b>		<b>88,097</b>
<b>Liabilities</b>					
Investment liabilities			-		1,236
Creditors					
Other creditors	12	-		8,857	
Total other liabilities			-		8,857
<b>Total liabilities</b>			<b>-</b>		<b>10,093</b>
<b>Net assets attributable to shareholders</b>			<b>-</b>		<b>78,004</b>

Fund merged with Ninety One Series i UK Special Situations Fund on 26 February 2021.

Notes to the financial statements are on pages 185 to 189.

\* Relating to the transfer of assets to the Ninety One Series i UK Special Situations Fund.

# UK Total Return Fund

## Notes to the Financial Statements

### For the year ended 31 May 2021

#### 1. Accounting policies

The Accounting policies for the Fund are disclosed in the notes to the financial statements on page 98.

#### 2. Distribution policies

The Distribution policies for the Fund are disclosed in the notes to the financial statements on page 99.

#### 3. Risk management policies

The Risk management policies for the Fund are disclosed in the notes to the financial statements on pages 99 to 114.

#### 4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.05.21 £'000	31.05.20 £'000
Losses on foreign exchange	(7)	(44)
Derivative contracts	(293)	2,959
Forward currency contracts	-	(546)
Non-derivative securities	10,481	(39,529)
Transaction charges	(34)	(7)
<b>Net capital gains/(losses)</b>	<b>10,147</b>	<b>(37,167)</b>

#### 5. Purchases, sales and transaction costs

Analysis of total trade costs

	Purchases		Sales	
	31.05.21	31.05.20	31.05.21	31.05.20
Equities	15,697	52,922	67,602	91,805
Bonds	-	-	-	12,754
Inspecie Transfer	-	-	28,403	-
<b>Trades excluding transaction costs</b>	<b>15,697</b>	<b>52,922</b>	<b>96,005</b>	<b>104,559</b>
<b>Commissions</b>				
Equities	6	25	(24)	(36)
Bonds	-	-	-	-
Inspecie Transfer	-	-	-	-
<b>Total commissions</b>	<b>6</b>	<b>25</b>	<b>(24)</b>	<b>(36)</b>
<b>Taxes</b>				
Equities	52	198	(1)	(1)
Bonds	-	-	-	-
Inspecie Transfer	-	-	-	-
<b>Total taxes</b>	<b>52</b>	<b>198</b>	<b>(1)</b>	<b>(1)</b>
<b>Total costs</b>	<b>58</b>	<b>223</b>	<b>(25)</b>	<b>(37)</b>
<b>Net trades in the year after transaction costs</b>	<b>15,755</b>	<b>53,145</b>	<b>95,980</b>	<b>104,522</b>

Total transaction cost expressed as a percentage of asset type cost

	Purchases		Sales	
	31.05.21	31.05.20	31.05.21	31.05.20
<b>Commissions</b>				
Equities	0.04	0.05	0.04	0.04
Bonds	-	-	-	-
Inspecie Transfer	-	-	-	-
<b>Taxes</b>				
Equities	0.33	0.37	-	-
Bonds	-	-	-	-
Inspecie Transfer	-	-	-	-

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**5. Purchases, sales and transaction costs (continued)**

Total transaction cost expressed as a percentage of average net asset value

	31.05.21 %	31.05.20 %
Commissions	0.10	0.04
Taxes	0.18	0.13
<b>Total costs</b>	<b>0.28</b>	<b>0.17</b>

**Average portfolio dealing spread**

The average portfolio dealing spread at the balance sheet date was nil (31.05.20: 0.27%).

**6. Revenue**

	31.05.21 £'000	31.05.20 £'000
Bank interest	–	9
Interest on debt securities	–	61
Overseas dividends	51	544
UK dividends	182	3,380
Property revenue from UK REITs – PID	–	85
Margin interest	–	2
<b>Total revenue</b>	<b>233</b>	<b>4,081</b>

**7. Expenses**

	31.05.21 £'000	31.05.20 £'000
<b>Payable to the ACD or associates of the ACD, and agents of either of them:</b>		
ACD fee	183	408
General administration charge (GAC)	16	101
	<b>199</b>	<b>509</b>
<b>Payable to the Depositary or associates of the Depositary, and agents of either of them:</b>		
Safe custody fee	1	8
	<b>1</b>	<b>8</b>
<b>Other expenses:</b>		
VAT refund	(1)	(1)
Collateral interest fee	2	5
	<b>1</b>	<b>4</b>
<b>Total expenses</b>	<b>201</b>	<b>521</b>

Please refer to the Prospectus for a full description of expenses covered by the GAC.

The audit fee for the year is TBC (31.05.20: £12,456).

VAT is currently recovered in respect of certain expenses paid under the GAC.

**8. Taxation**

**(a) Analysis of the tax charge in the year:**

	31.05.21 £'000	31.05.20 £'000
Overseas tax	4	51
<b>Current tax charge</b>	<b>4</b>	<b>51</b>
Deferred tax charge (note 8(c))	–	–
<b>Total tax charge (note 8(b))</b>	<b>4</b>	<b>51</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**8. Taxation (continued)**

**(b) Factors affecting current tax charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised OEIC (20%) (31.05.20: 20%). The differences are explained below:

	31.05.21 £'000	31.05.20 £'000
Net revenue before taxation	32	3,557
Corporation tax of 20%	6	711
<b>Effects of:</b>		
Movement in excess management expenses	40	73
Overseas tax	4	52
Revenue taxable in different periods	(46)	(785)
<b>Total tax charge (note 8(a))</b>	<b>4</b>	<b>51</b>

**(c) Provision for deferred taxation:**

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

**(d) Factors affecting future tax charge:**

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £2,331,000 (2020: £2,291,000) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

**9. Distribution**

The Distribution takes account of equalisation received on the creation of shares and deducted on the cancellation of shares, and comprises:

	31.05.21 £'000	31.05.20 £'000
Final	25	2,248
<b>Add:</b> Equalisation deducted on cancellation of shares	7	1,306
<b>Less:</b> Equalisation received on creation of shares	(4)	(38)
<b>Net distribution for the year</b>	<b>28</b>	<b>3,516</b>

The net distribution for the year is represented by:

	31.05.21 £'000	31.05.20 £'000
Net revenue after taxation	28	3,506
Equalisation on conversion of shares	-	10
<b>Net distribution for the year</b>	<b>28</b>	<b>3,516</b>

**10. Debtors**

	31.05.21 £'000	31.05.20 £'000
Accrued dividends and bank interest	-	135
Amounts receivable for creation of shares	-	1
Overseas tax recoverable	-	15
Sales awaiting settlement	-	8,751
	-	<b>8,902</b>

**11. Cash and bank balances**

	31.05.21 £'000	31.05.20 £'000
Cash and bank balances	-	7,154
Amount held at futures clearing houses and brokers	-	2,297
	-	<b>9,451</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**12. Other creditors**

	31.05.21 £'000	31.05.20 £'000
Amounts payable for cancellation of shares	–	8,576
Purchases awaiting settlement	–	249
Accrued ACD fees	–	20
Accrued general administration charge (GAC)	–	6
Accrued safe custody fee	–	3
Accrued transaction charges	–	3
	–	<b>8,857</b>

**13. Capital commitments and contingent liabilities**

The Fund had no contingent liabilities or capital commitments at the year end date (31.05.20: Nil).

**14. Related party transactions**

Ninety One Fund Managers UK Limited, as Authorised Corporate Director (ACD), is a related party, and acts as a principal in respect of all transactions of shares in the Company. The aggregate monies received through issues and paid on cancellation of shares are disclosed in the Statement of Change in Shareholders' Net Assets.

In accordance with the prospectus the ACD collects from the Fund, a general administration charge (GAC), ACD fees and safe custody fees. Please refer to notes 7, 12 and 16 for further details.

Any amounts due to/from Ninety One Fund Managers UK Limited at the end of the accounting year are disclosed in notes 10 and 12.

At the year end date nil% of the Fund's shares (by net asset value) were held by other Funds managed by the ACD (31.05.20: 65.84%).

**15. Dilution adjustment**

Please refer to note 4 of the notes to the financial statements of the company for a detailed description of dilution adjustment.

**16. ACD Fee and charges**

The different level of ACD fees payable per annum as at 31 May 2021 for each share class is detailed below:

'A' Shares	1.25%
'I' Shares	0.65%
'R' Shares	0.75%
'S' Shares	0.00%

The GAC is charged at up to 0.08% of the Net Asset Value of each share class.

All shares within the sub-fund have the same rights on winding up.

**Reconciliation of the shares movement in the year:**

	31.05.20 Opening shares in issue	Creations	Cancellations	Shares converted	31.05.21 Closing shares in issue
'A' Class (Accumulation shares)	5,722,306	148,177	(5,870,483)	–	–
'I' Class (Accumulation shares)	11,040,016	2,416,043	(13,456,059)	–	–
'R' Class (Accumulation shares)	5,386,678	5,536	(5,392,214)	–	–
'S' Class (Accumulation shares)	5,912,048	1,131	(5,913,179)	–	–

**17. Risk consideration**

Please refer to note 3 of the notes to the financial statements of the company for a detailed description of the risk considerations. There are no further specific risks for this Fund.

**The Fund's currency exposure as at 31 May 2021 was:**

Currency	Currency exposure	
	Total 31.05.21 £'000	Total 31.05.20 £'000
Canadian dollar	–	1
Euro	–	462
Sterling	–	68,393
US dollar	–	9,148
<b>Total</b>	–	<b>78,004</b>

**Interest rate risk profile of financial assets and liabilities**

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore, the fund's exposure to interest rate risk is not considered to be significant.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2021**

**18. Efficient portfolio management techniques risk exposure**

The exposure obtained through efficient portfolio management techniques and identity of counterparties as at 31 May 2021 was as follows:

**(a) Futures**

Counterparty	Market Value	Value of exposure
	31.05.21 £'000	31.05.21 £ '000
Goldman Sachs	-	-
<b>Total</b>	-	-

Counterparty	Market Value	Value of exposure
	31.05.20 £'000	31.05.20 £ '000
Goldman Sachs	(1,236)	8,653
<b>Total</b>	(1,236)	8,653

**19. Fair value**

Valuation technique	31.05.21		31.05.20	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	-	-	69,744	(1,236)
Level 2	-	-	-	-
Level 3	-	-	-	-
<b>Total fair value</b>	-	-	<b>69,744</b>	<b>(1,236)</b>

The three levels of the fair value hierarchy under FRS 102 are as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## UK Total Return Fund

### Distribution Table

For the year ended 31 May 2021

#### Final distribution payable 23 April 2021

Group 1 – Shares purchased before 1 June 2020

Group 2 – Shares purchased between 1 June 2020 and 25 February 2021

	Net Income pence	Equalisation pence	Distribution payable 23.04.21 pence	Distribution paid 31.07.20 pence
<b>'A' Class (Accumulation shares)#</b>				
Group 1	-	-	-	3.0465
Group 2	-	-	-	3.0465
<b>'I' Class (Accumulation shares)</b>				
Group 1	0.3658	-	0.3658	2.6116
Group 2	0.2345	0.1313	0.3658	2.6116
<b>'R' Class (Accumulation shares)</b>				
Group 1	0.2671	-	0.2671	2.3262
Group 2	0.2200	0.0471	0.2671	2.3262
<b>'S' Class (Accumulation shares)<sup>(1)</sup></b>				
Group 1	-	-	-	28.0796
Group 2	-	-	-	28.0796

Fund merged with Ninety One Series i UK Special Situations Fund on 26 February 2021.

#Share class was in deficit position.

#### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

<sup>(1)</sup> Closed 24 August 2020.

## Securities Financing Transactions ('SFT's') (Unaudited)

As at 31 May 2021

At 31 May 2021 there were no securities out on loan and no collateral held.

# Other Information

## **ISA status**

During the period under review, the shares of the funds met the requirements for eligibility to be held in a stocks and shares ISA as determined by the regulations which govern ISAs.

Ninety One Fund Managers Limited offer the 'A' shares of the funds through its own ISA plan.

\* Please note that while the Multi Asset Protector Fund became a qualifying investment for a stocks and shares ISA as of 1 January 2011, this may change over time. Please refer to the section of the Supplementary Information Document titled 'ISA investment in the Multi Protector Fund' for further information.

## **Distributions**

Where a distribution is to be paid, it has been calculated as at 31 May 2021 and will be distributed to shareholders, where applicable, on 31 July 2021. For accumulations shares income distribution payments are deemed to be paid on 31 July 2021.

## **Telephone calls**

Telephone calls may be recorded for training and quality assurance purposes.

## **Cross holding table**

There were no cross holdings between sub-funds in Ninety One Funds Series iv as at 31 May 2021.

## **Assessment of Value**

Following the final report of the asset management market study ("AMMS"), the Financial Conduct Authority ("FCA") introduced (among other reforms) new rules on fund governance aiming to strengthen the pre-existing duty of care and acting in investors' best interest rules. These are outlined in the FCA policy statement PS18/8 and apply from 30 September 2019.

The FCA's Handbook rules require the relevant governing body of an Authorised Fund Manager ("AFM") to perform a detailed assessment to determine whether its funds are providing value to investors ("Value Assessment") and then publish an annual statement summarising the outcome of this Value Assessment. Ninety One Fund Managers UK Limited as the Authorised Corporate Director appointed as the AFM of Ninety One Funds Series i, ii, iii, iv and NFM Vitality Funds (together the "Companies"), each with differing financial year ends, will publish one composite Value Assessment statement with respect to the Companies on or slightly before 31 July each year in respect of the prior year to 31 March. This statement can be found on the Ninety One website, [www.ninetyone.com/valueassessment](http://www.ninetyone.com/valueassessment).

## Other Information (continued)

### UCITS V Directive on remuneration

The latest remuneration policy relating to the Authorised Corporate Director (ACD) is available from <https://weare.ninetyone.com/remuneration> or free of charge on request from the Registered Office.

Remuneration paid for 2020-21 to all staff employed by the management company, split into fixed and variable remuneration paid.

N/A – IFML does not employ any employees.

### Aggregate remuneration paid for 2020-21 to senior management and members of staff whose actions have a material impact on the risk profile of IFML.

Aggregate Remuneration	£423,488
Senior Management	£257,808
Other individuals with material impact	£165,640
No of staff	12

# Glossary (unaudited)

## **Active management**

An active investment approach is one where a portfolio manager aims to beat the market through research, analysis and his/her judgement. (See also passive management).

## **Asset allocation**

A fund's allotment to different asset classes.

## **Asset class**

The main types of investment available. The traditional asset classes are equities, bonds and cash.

## **Bear market**

A market where prices fall consistently over a long period of time. Investors are referred to as 'bearish' if they believe prices are going to fall.

## **Benchmark**

A comparative performance index.

## **Bond**

A form of loan issued by a government or company. Typically, an investor should receive a regular coupon and the return of the principal originally lent when the bond matures.

Note: Not all bonds are interest bearing (see zero coupon bond), and not all bonds are fixed rate (e.g. index linked, floating rate and stepped rate bonds).

## **Bottom-up investing**

An investment approach that concentrates on the analysis of individual companies and considers the company's history, management and potential as more important than macroeconomic trends.

## **Bull market**

A market where prices rise consistently over a long period of time. Investors are referred to as 'bullish' if they believe prices are going to rise.

## **Cash**

The most liquid form in which to store capital. While it is regarded as a safe asset class, over time the purchasing power of cash tends to be eroded by inflation.

## **Central bank base rate**

The basic rate of interest set by a central bank that determines the cost of borrowing.

## **Commodities**

An asset class which comprises physical assets such as oil, base and precious metals and agricultural produce.

## **Credit rating agency**

An institution that assigns credit ratings to debt issuers, such as companies and governments. Standard & Poor's and Moody's are well-known examples.

## **Credit risk**

The risk that a bond issuer or borrower will be unable to meet their contractual obligations.

## **Credit spread**

The differences in yield between 'risk-free' bonds, such as gilts or US treasuries, and non-treasury (or gilt) bonds, which are identical in all respects except for the quality of their rating. Corporate bonds tend to offer additional yield to compensate investors for the potential risk of default.

## **Currency risk**

The risk of incurring losses of foreign assets due to adverse movements in exchange rates between domestic and foreign currencies.

## **Deflation**

As opposed to inflation, it describes conditions in which there is a widespread, consistent decline in prices. It conveys the rarer occurrence of the money in one's pocket actually increasing in buying power, rather than the more usual opposite.

## Glossary (unaudited) (continued)

### **Derivatives**

An instrument whose value depends on the performance of an underlying security or rate which requires no initial exchange of principal. Options, futures and swaps are all examples of derivatives.

### **Developed markets**

Refers to industrialised countries with relatively high levels of economic productivity, high standards of living and stable economies.

### **Disinflation**

Refers to a slowing down in price growth, as opposed to deflation where prices are already falling.

### **Diversification**

Holding a range of assets to reduce risk.

### **Dividend**

The portion of company net profits paid out to shareholders.

### **Dividend yield**

The annual dividend per share divided by the current share price.

### **Duration**

A measure of a bond investment's sensitivity to changes in interest rates. The longer the duration, the more sensitive it is. Calculating 'duration' for a fixed income investment such as a bond is a complicated sum. It takes into account the current value of the bond, the coupon or interest payment, the book cost, and the number of years the bond has left to run. Put simply, the higher the duration number the higher the potential return (and the greater the risk).

### **Emerging markets**

Countries in the process of industrialising which tend to have rapidly growing economies.

### **Emerging market debt**

Debt issued by governments and corporates in emerging markets.

### **Equity**

Refers to shares. A share in a company provides an investor with part ownership of that company.

### **Fixed Income**

An investment that provides a return in the form of fixed periodic payments and the eventual return of principal at maturity.

### **Future**

An obligation to buy or sell an asset on a specific date in the future at an agreed price.

### **Gilt**

A bond that is issued by the British government which is generally considered low risk. Bonds issued by South African and Irish governments are also referred to as gilts.

### **Hedging**

A technique seeking to offset or minimise the exposure to specific risk by entering an opposing position.

### **High yield bond**

A below investment grade rated bond, providing the investor with greater returns due to its higher default risk. (See Junk bond).

### **Index-linked bonds**

Bonds whose coupons and principal payment are linked to movements in inflation.

### **Inflation**

Describes conditions in which there have been a consistent rise in prices.

### **Initial public offering (IPO)**

The first public sale of a company's equity resulting in a quoted stock price on a stock exchange.

### **Interest**

The return earned on funds which have been deposited, loaned, or invested.

## Glossary (unaudited) (continued)

### **Investment grade bonds**

Bonds considered of the highest quality by credit rating agencies. The threshold credit rating for Standard & Poor's is BBB and Baa3 for Moody's.

### **Liabilities**

Financial obligations that must be met.

### **Liquidity**

The ease with which an asset can be sold at a reasonable price for cash.

### **Long dated bond**

A bond with usually 15 years or more remaining before redemption, at which point the principal is paid to the holder.

### **Long-term investment**

Holding an asset for an extended period of time. Depending on the security, a long-term asset can be held for as little as one year or for as long as 30 years.

### **Macroeconomic**

Refers to the big trends in an economy as a whole, such as inflation and unemployment, while microeconomic forces refer to the factors affecting individual situations or companies.

### **Market capitalisation**

The total value of a company's equity, calculated by the number of shares multiplied by their market price.

### **Maturity**

With regards to bonds, maturity refers to the time at which the principal of the bond is repayable and it ceases to exist. In terms of a pension fund, it conveys the average age of the membership and the time until benefits are payable.

### **Outperformance**

The return of a fund in excess of the comparative performance index.

### **Overweight**

When a fund has greater exposure to an asset than the comparative performance index.

### **Peer group**

A group of funds that can be compared with one another for performance purposes. A peer group will usually be based on the funds' investment scope, for example UK equities.

### **Performance**

The results of an investment over a given period.

### **Portfolio**

A grouping of financial assets, such as equities, bonds and cash equivalents. Portfolios are held directly by investors and/or managed by financial professionals.

### **Rally**

A swift rise.

### **Real estate**

An asset class comprising buildings and land.

### **Risk premium**

The extra return expected by an investor in compensation for holding a risky asset.

### **Security**

A general term for a tradable financial instrument.

### **Short-term investment**

Investments that are held for or mature in 12 months or less.

### **Standard deviation**

A measure of risk, deriving from the historic volatility of a particular asset.

### **Top-down investing**

Contrasting with bottom-up analysis, a top-down approach to investment analysis begins with an assessment of macroeconomic factors, then business cycles before moving on to look at individual sectors and companies.

### **Treasuries**

Debt securities issued by the US government. Treasuries fall under three categories: treasury bills (T-bills), treasury notes (T-notes) and treasury bonds (T-bonds).

## **Glossary (unaudited) (continued)**

### **Underweight**

When a fund has less exposure to an asset than the benchmark.

### **Volatility**

Price movements. Standard deviation is a measure of an asset's historic volatility.

### **Year-to-date (YTD)**

Refers to the period extending from the beginning of the current calendar year to the present date.

### **Yield**

A measure of the income return earned on an investment. In the case of a share the yield expresses the annual dividend payment as the percentage of the market price of the share. In the case of a property, it is the rental income as a percentage of the capital value. In the case of a bond the running yield (or flat or current yield) is the annual interest payable as a percentage of the current market price. The redemption yield (or yield to maturity) allows for any gain or loss of capital which will be realised at the maturity date.

### **Yield curve**

A graphical representation of all the yields of bonds of the same quality with maturities ranging from the shortest to the longest available.

### **Yield spread**

The difference in yield between different bonds.

### **Yield to maturity**

The annualised return (internal rate of return) that would be earned on a bond if held to maturity.

# Directory (unaudited)

## **Authorised Corporate Director (ACD)**

### **Ninety One Fund Managers UK Limited**

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London EC2V 7EL

## **Investment manager**

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## **Registered number for Ninety One Funds Series iv**

IC392 England and Wales

## **Registrar**

### **SS&C Financial Services Europe Limited**

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## **Depository**

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## **Fund accounting**

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