

# **Ninety One Global Strategy Fund (the “Fund”) – Global Quality Dividend Growth Fund (the “Sub-Fund”)**

Issuer: Ninety One Hong Kong Limited

***This statement provides you with key information about the Sub-Fund.***

***This statement is a part of the offering document and must be read in conjunction with the Prospectus.***

***You should not invest in this Sub-Fund based on this statement alone.***

## **Quick facts**

<b>Management Company</b>	Ninety One Luxembourg S.A.	
<b>Investment Manager:</b>	Ninety One UK Limited (internal delegation, in London)	
<b>Sub-Investment Manager:</b>	Ninety One SA Proprietary Limited (internal delegation, in South Africa) Ninety One North America, Inc. (internal delegation, in New York)	
<b>Depository:</b>	State Street Bank International GmbH, Luxembourg Branch	
<b>Ongoing charges over a year<sup>#</sup>:</b>	A Inc Share Class	1.92%
	A Inc-2 Share Class	1.92%
	A Acc Share Class	1.92%
	C Inc-2 Share Class	2.91%
	C Acc Share Class	2.91%

<sup>#</sup>The ongoing charge figure is based on the expenses over a 12-month period from 1 January 2021 to 31 December 2021. These figures represent the sum of the ongoing expenses chargeable to the respective share class of the Sub-Fund expressed as a percentage of the average net asset value of the respective share class of the Sub-Fund over the same period. This figure may vary from year to year.

<b>Dealing frequency:</b>	Daily
<b>Base currency:</b>	USD
<b>Dividend policy:</b>	A Inc Shares – semi-annually; if declared, will be paid or reinvested A and C Inc-2* Shares – monthly; if declared, will be paid or reinvested A and C Accumulation Shares – no dividend will be declared

\*The Board of Directors may at its discretion pay dividend out of gross income while charging all or part of the Share Class's fees and expenses to the capital of the Share Class, resulting in an increase in distributable income for the payment of dividends by the Share Class and therefore, the Share Class may effectively pay dividend out of capital. Any distributions involving payment of dividends effectively out of the Share Class's capital may result in an immediate reduction of the net asset value per Share.

<b>Financial year end of the Fund:</b>	31 December
<b>Minimum initial investment:</b>	US\$3,000 or the approximate equivalent in another approved currency (applicable to A and C Shares)
<b>Minimum subsequent investment:</b>	US\$750 or the approximate equivalent in another approved currency (applicable to A and C Shares)

## **What is this product?**

This is a fund constituted in the form of a mutual fund. It is domiciled in Luxembourg and its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

## **Objectives and Investment Strategy**

The Sub-Fund aims to provide income and capital growth (i.e. to grow the value of your investment) over the long-term.

The Sub-Fund invests primarily in equities (e.g. shares of companies) around the world.

The Sub-Fund will be actively managed. The Investment Manager will have full discretion in its choice of companies either

by size or industry, or in terms of the geographical make-up of the portfolio.

Investment opportunities are identified using in-depth analysis and research on individual companies. The Sub-Fund will focus investment on equities deemed by the Investment Manager to be of high quality, which typically are expected to provide resilient growth in their dividends.

The Sub-Fund promotes environmental and social characteristics in line with Article 8 of the SFDR as described in the Sub-Fund's Sustainability Disclosures.

The Sub-Fund will not invest in certain sectors or investments. Details of these excluded areas can be found at on the website [www.ninetyone.com/hk](http://www.ninetyone.com/hk) in the section entitled "Sustainability-related Disclosures" pursuant to the Article 10 of the SFDR. Over time, the Investment Manager may, in its discretion and in accordance with this investment policy, elect to apply additional exclusions to be disclosed on the website, as they are implemented.

The Investment Manager will actively manage the Sub-Fund with the aim to look for high quality companies with superior investment characteristics and above average dividend yields, supported by high and sustainable free cash flow. The Investment Manager uses a bottom-up, fundamental research based approach, taking into account factors including but not limited to dividend yield, forecasted dividend growth, free cash flow, valuation and competitive positioning, to construct an income oriented portfolio with attractive absolute returns at below average levels of risk.

The Sub-Fund may invest less than 30% of its net asset value in other transferable securities, money market instruments, cash or near cash, derivatives (financial contracts whose value is linked to the price of an underlying asset), deposits and units or shares in other funds as considered appropriate by the Investment Manager in order to achieve the Sub-Fund's investment objective.

The Sub-Fund may invest and have direct access to China A Shares, Stock Connect Shares and/or to debt securities issued in Mainland China<sup>1</sup> and related derivatives instruments via Stock Connect<sup>2</sup> and/or the RQFII licence or the CIBM Direct Access<sup>3</sup> or Bond Connect<sup>4</sup> of up to 5% of its net assets.

The Investment Manager of the Sub-Fund has no current intention to invest more than 10% of its net asset value in securities issued by or guaranteed by any single country with a credit rating below investment grade.

The Sub-Fund may use derivatives for the purposes of hedging and/or Efficient Portfolio Management. Derivatives which may be used include, without being exhaustive, exchange traded and over-the-counter futures, options, swaps and forwards. The underlying of a transaction in a derivative may consist of any one or more of transferable securities, indices, foreign exchange rates and currencies.

The Sub-Fund is actively managed. This means the Investment Manager is free to select investments with the aim of achieving the Sub-Fund's objectives. The Sub-Fund uses MSCI AC World (Net Return) Index for performance comparison. The Sub-Fund does not seek to replicate the index. It will generally hold assets that are components of the index, but not in the same proportions, and it is allowed to hold assets which are not components of the index. The assets of the Sub-Fund therefore may be very different from the index.

The Sub-Fund currently does not intend to enter into any securities lending, repurchase and/or reverse repurchase transactions. The prior approval of the SFC will be sought and at least one month's prior notice would be given to shareholders should there be a change in such intention.

## Use of derivatives / investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of its net asset value.

## What are the key risks?

**Investment involves risks. Please refer to the offering document for details including the risk factors.**

- **Investment risk** – The underlying investments of the Sub-Fund may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of capital. You may not get back the full amount of money you invest.
- **Risk associated with investment strategy** - There is no guarantee that the Sub-Fund's investment objective and strategy (i.e. to provide income and long-term capital growth) can be achieved. There is a possibility that any investment

<sup>1</sup> Mainland China means the People's Republic of China (PRC) (excluding Hong Kong, Macau and Taiwan).

<sup>2</sup> Stock Connect means (i) Shanghai-Hong Kong Stock Connect, the mutual market access programme through which investors can deal in select securities listed on the Shanghai Stock Exchange through the Stock Exchange of Hong Kong Limited and clearing house in Hong Kong (Northbound trading); and ii) the Shenzhen-Hong Kong Stock Connect, the mutual market access program through which foreign investors can deal in select securities on the Shenzhen Stock Exchange through the Stock Exchange of Hong Kong Limited and clearing house in Hong Kong (Northbound trading).

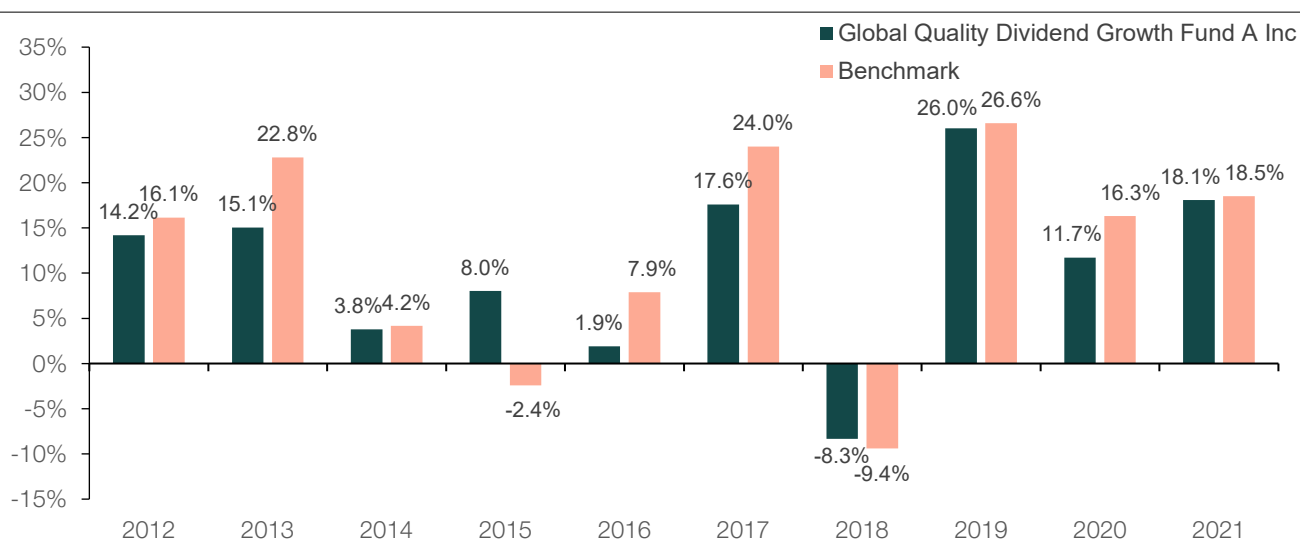
<sup>3</sup> CIBM Direct Access means the PRC investment program under which certain foreign institutional investors may invest, without particular license or quota, directly in RMB securities and derivatives dealt on the China Interbank Bond Market via an onshore bond settlement agent, after such bond settlement agent has made the relevant filings and account opening with the relevant PRC authorities, in particular the People's Bank of China.

<sup>4</sup> Bond Connect means the mutual bond market access programme between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and Hong Kong Exchanges and Clearing Limited and Central Money markets Unit.

techniques used by the Sub-Fund may not work and the Sub-Fund's value may be adversely affected.

- **Risk associated with equities securities** – The Sub-Fund primarily invests in equities. Generally, equities are subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political, economic conditions, issuer-specific factors and higher volatility and therefore higher risk of loss, compared to other instruments such as bonds, money markets instruments or bank deposits.
- **Exchange rate risk** – Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of shares may be designated in a currency other than the base currency of the Sub-Fund. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls. Exchange rate movements may also adversely affect the profitability of an underlying company in which the Sub-Fund invests.
- **Concentration risk** – The Sub-Fund invests in a high conviction and concentrated portfolio of high quality stocks and therefore may be more volatile than more broadly diversified funds.
- **Derivatives usage risk** – The Sub-Fund may use derivatives for the purposes of hedging and/or efficient portfolio management. Investments in derivatives involve additional risks such as credit risk, leverage risk, counterparty risks, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of derivatives can result in a loss significantly greater than the amount invested in the derivatives by the Sub-Fund. In adverse situations, the Sub-Fund's use of derivatives may become ineffective in hedging and/or in efficient portfolio management and the Sub-Fund may suffer significant losses.
- **Risk of distribution out of capital for Inc-2 Share Class** – The Management Fee, the Management Company Fee, the Administration Servicing Fee, the Distribution Fee (if any), the Custodian's fee and all other expenses attributable to the Share Class will be charged against the capital account of that Share Class. This has the effect of increasing the Share Class's distributions (which may be taxable) whilst reducing its capital to an equivalent extent and therefore the Share Class may effectively pay dividend out of capital. This could constrain future capital and income growth. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends effectively out of the Share Class's capital may result in an immediate reduction of the net asset value per Share.

## How has the fund performed?



The performance of years prior to 2016 was achieved under circumstances that may no longer apply. On 12 June 2015, the investment policy of the Sub-Fund was changed.

In addition, a different benchmark was used prior to 2012. Benchmark was changed for more accurate representation of the Sub-Fund's investible universe.

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the share class increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD including ongoing charges and excluding subscription fee and redemption fee (if any) you might have to pay.
- The benchmark is MSCI AC World (Net Return) Index.
- Fund launch date: 03 December 2010
- A Inc Share Class\* launch date: 03 December 2010

\*This Share Class is a representative share class as it is a focus share class made available to Hong Kong investors.

## Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-Fund.

Fee	What you pay
<b>Subscription fee (Initial charge):</b>	A share – Up to 5% of the amount you buy C share – Up to 3% of the amount you buy
<b>Switching fee:</b>	Nil
<b>Redemption fee:</b>	Nil, except a fee on redemptions of up to 2% of the value of the order for the benefit of the Sub-Fund could be levied if the Board of Directors believes the trading practices of the investors are disruptive or harmful to the Sub-Fund

### Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's value)
<b>Management Fee:</b>	A share – 1.50% C share – 2.50%
<b>Depositary Fee:</b>	A share – Up to 0.05% C share – Up to 0.05%
<b>Performance Fee:</b>	Not applicable
<b>Administration Fee (Administration Servicing Fee):</b>	A share – 0.30% C share – 0.30%
<b>Distribution Fee:</b>	A share – 0.00% C share – 0.00%
<b>Management Company Fee:</b>	A Share – 0.01% C Share – 0.01%

### Other fees

You may have to pay other fees when dealing in the shares of the Sub-Fund.

## Additional information

- You generally buy and redeem shares at the Sub-Fund's next-determined net asset value (NAV) after the Registrar and Transfer Agent via the sub-distributors or intermediaries receives your request in good order on or before 5:00pm Hong Kong time being the dealing cut-off time. However certain sub-distributors or intermediaries may have different dealing cut-off times.
- The net asset value of the Sub-Fund is calculated and the price of shares is published each "business day". The latest Net Asset Value per Share of Classes for the Sub-Fund is available on the website of the Hong Kong Representative [www.ninetyone.com/hk](http://www.ninetyone.com/hk) (the content of which have not been reviewed by the SFC) on each dealing day.
- The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months ("Dividend Composition Information") are available by the Hong Kong Representative on request and also on the website of the Hong Kong Representative [www.ninetyone.com/hk](http://www.ninetyone.com/hk) (the content of which have not been reviewed by the SFC).
- Investors may obtain the past performance information of other share classes offered to Hong Kong investors from the website of the Hong Kong Representative [www.ninetyone.com/hk](http://www.ninetyone.com/hk) (the content of which have not been reviewed by the SFC).
- Investors may obtain information on the intermediaries by contacting us.

## Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.