

momentum
investments



Investing with purpose and impact

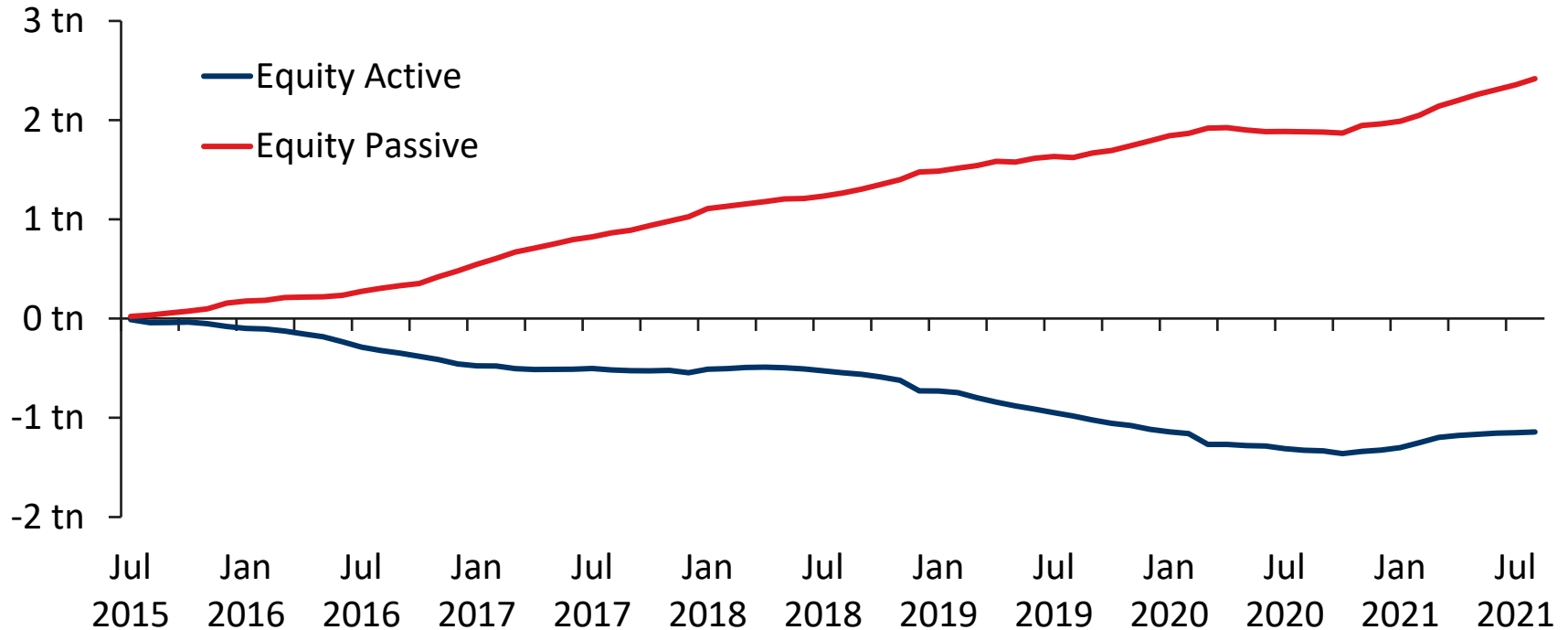
Nina Saad and Malick Badjie



Active vs passive: The trend is still on



Global fund flows: A continuing move from active to passive equity



Sources: Broadridge GMI; Global funds and ETFs, Equity. NET cumulative flows

Multi-asset-class Factor Range of Portfolios TM

Comprehensive range of portfolios that combine passive, smart beta, traditional and new asset classes

Solutions-based investment **strategies** to help you achieve your **goals**

Factor Series

7	Passive Portfolio Range	Target Portfolio Range	Classic Portfolio Range	Enhanced Portfolio Range
6	Passive Portfolio Range	Target Portfolio Range	Classic Portfolio Range	Enhanced Portfolio Range
5	Passive Portfolio Range	Target Portfolio Range	Classic Portfolio Range	Enhanced Portfolio Range
4	Passive Portfolio Range	Target Portfolio Range	Classic Portfolio Range	Enhanced Portfolio Range

Portfolio ranges



Passive Portfolio Range

Passive asset classes



Target Portfolio Range

Passive and smart beta



Classic Portfolio Range

Traditional active asset classes



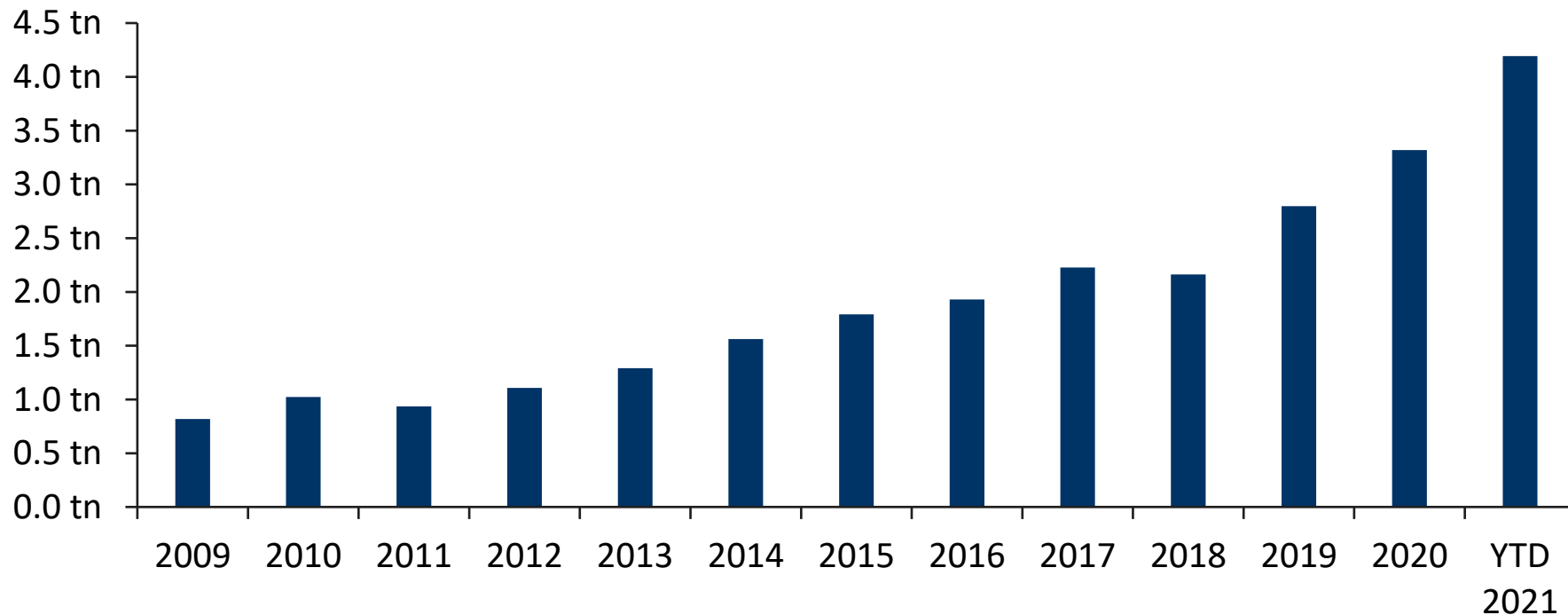
Enhanced Portfolio Range

Traditional and new asset classes

ESG not a 'buzzword' anymore



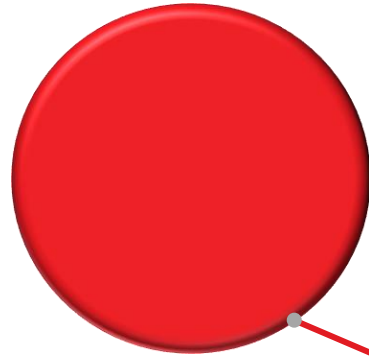
AUM in dedicated ESG strategies: Fund flows now start to confirm ESG being a Mega Trend



Sources: Broadridge GMI (Global Mutual fund & ETF AuM, YtD August 2021, Bonds, Equity, Mixed Assets)

Investment process

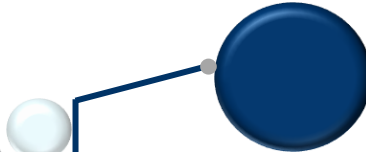
ESG integrated and applied at every decision point



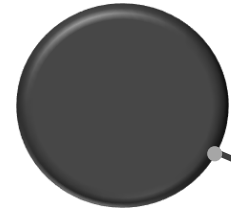
Multi-asset-class
For risk
management at
total portfolio level



**Active
ownership**
An important
lever in
integrating ESG



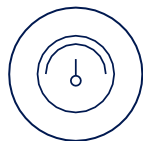
Multi-mandate
For specialist
expertise in
each style



Multi-strategy
For consistent
returns in dynamic
market conditions

Responsible investing rating model

Annual responsible investment rating indicators



Investment management organisation

Responsible Investment culture



Resources

Level of oversight and accountability assigned to management and investment staff



Skillset

Skillset to identify and interpret ESG risks rather than the type or form being implemented



Active ownership

Do they use their formal rights to influence the activity and behavior of the companies they invest in

Responsible investing rating model



Active ownership and engagement: feedback

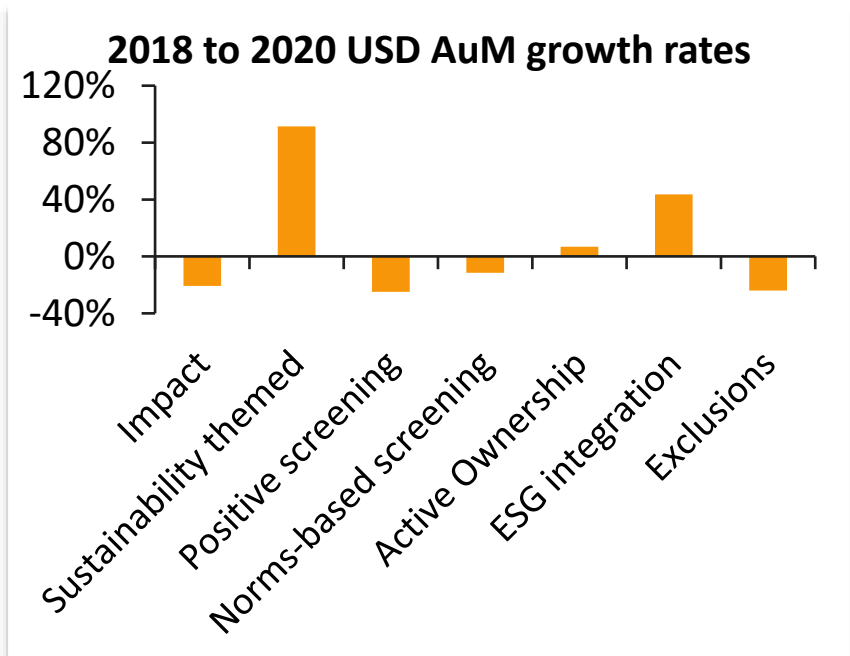
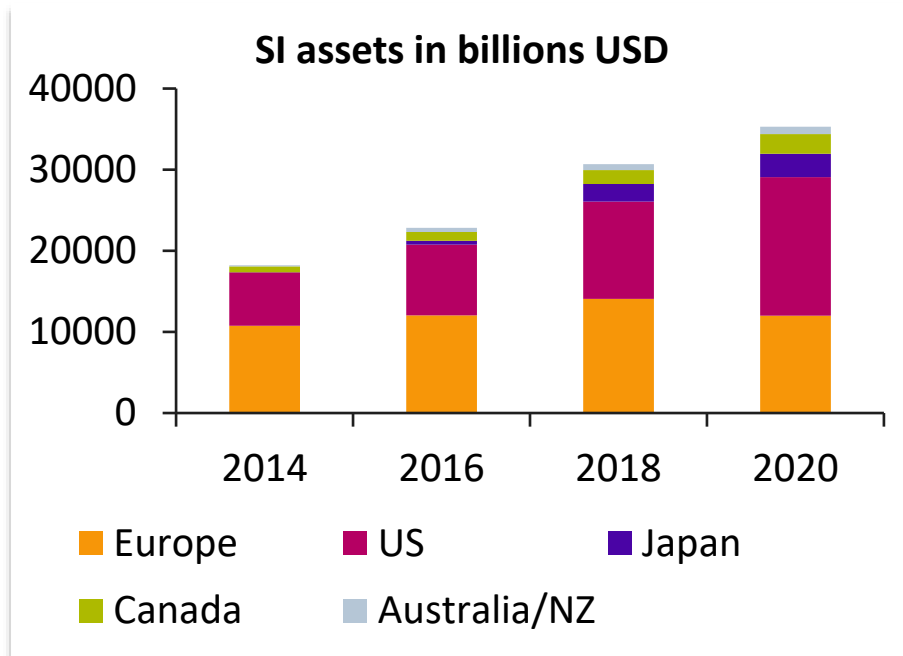
“..... We are pleased to inform you that **we are now PRI signatories**. We will also be publishing our **proxy stats**, as well as our **ESG and RI policies on our website.....**”

“... You'll be pleased to know that we've already **begun work** on producing a **climate change policy**, and **RI practises now do form part of the performance appraisals** of investment team members....”

Growth in sustainable AUM



Focus on ESG integration and thematic investing

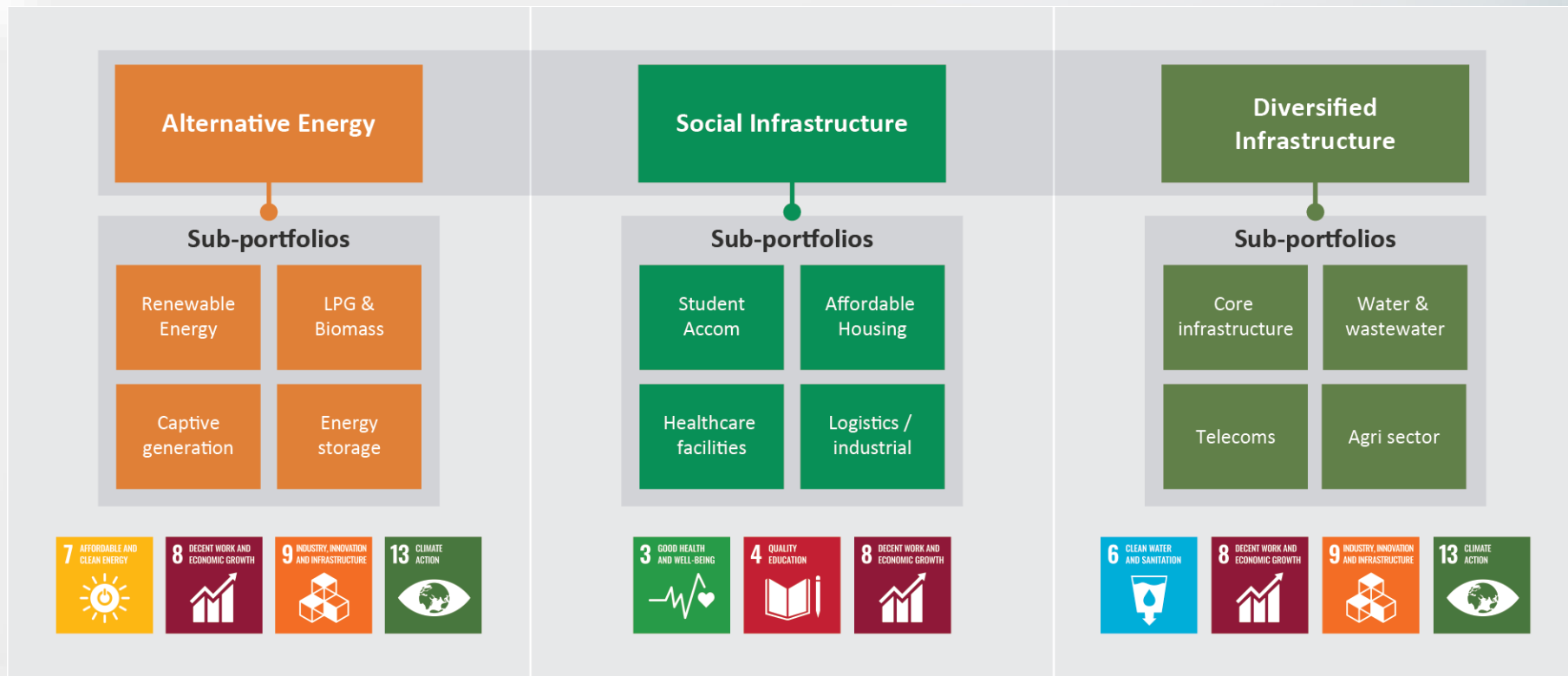


Sources: GSIR 2020, <http://www.gsi-alliance.org/wp-content/uploads/2021/07/GSIR-2020.pdf>

Impact portfolios: Invest with purpose



Our impact themes and portfolio structures



Sustainable investing



A key ESG factor is transformation

“... detailed dashboards to monitor more granular metrics which facilitates and focuses engagement with our investment managers.

... lead to more diverse and transformed investment teams; more women in senior decision-making positions...”



Sustainable performance



Releasing the elephant from the room

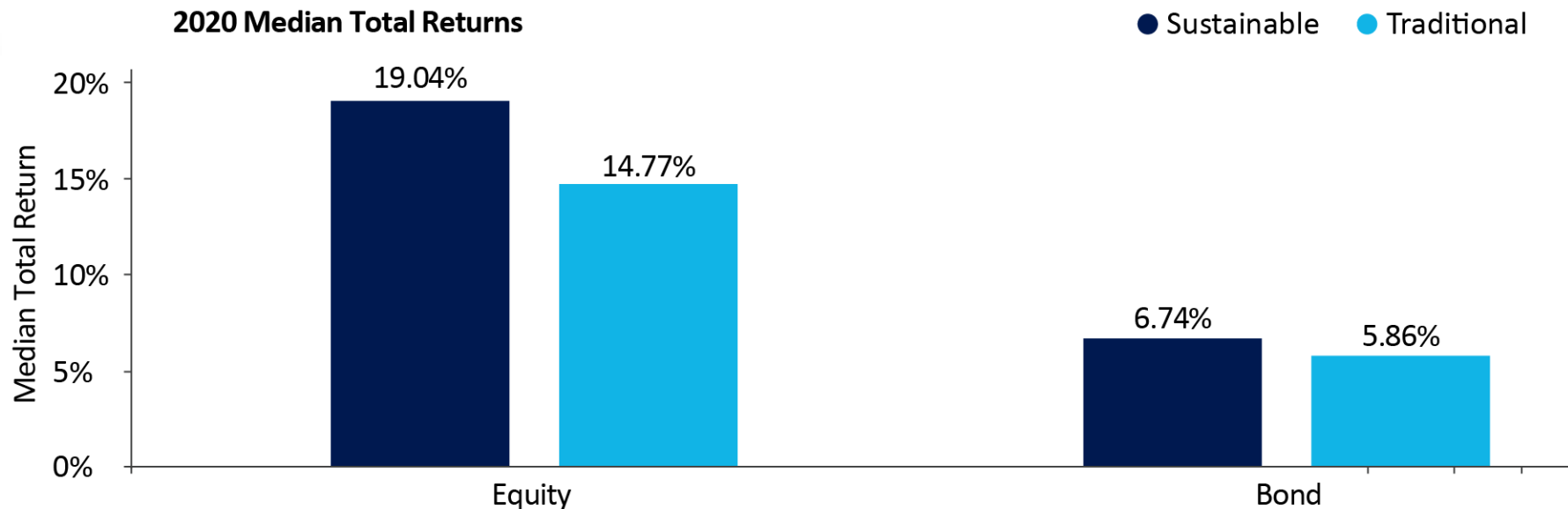
- For a long time, one of the biggest myths about sustainable investing was that it means sacrificing performance
- We see the growing effect of ESG factors in our valuation models and ESG performance attribution

Not understanding the sustainability trends and the risks for corporates in the transition economy may pose the real risk



'A growing body of evidence concludes that companies which are progressively more sustainable today will reap the rewards in the future'

ESG investing outperforming the markets



Sources: <https://www.morganstanley.com/ideas/esg-funds-outperform-peers-coronavirus>

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Sources: Momentum Investments, IRESS

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Thank you

