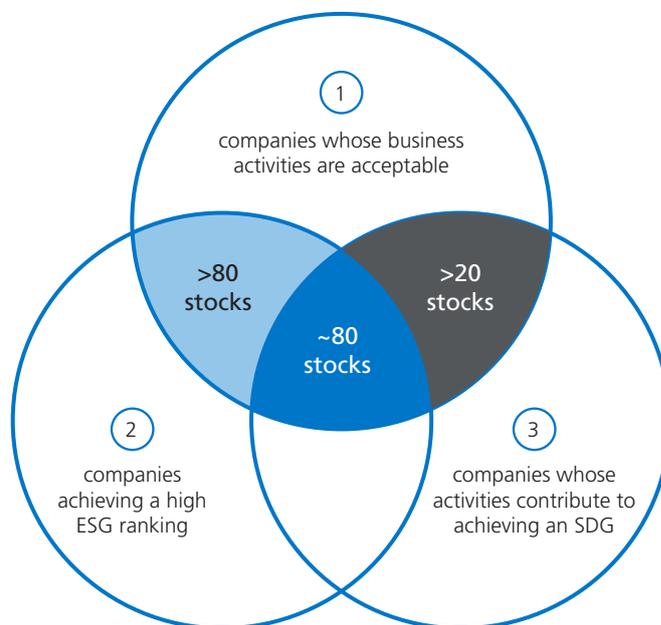


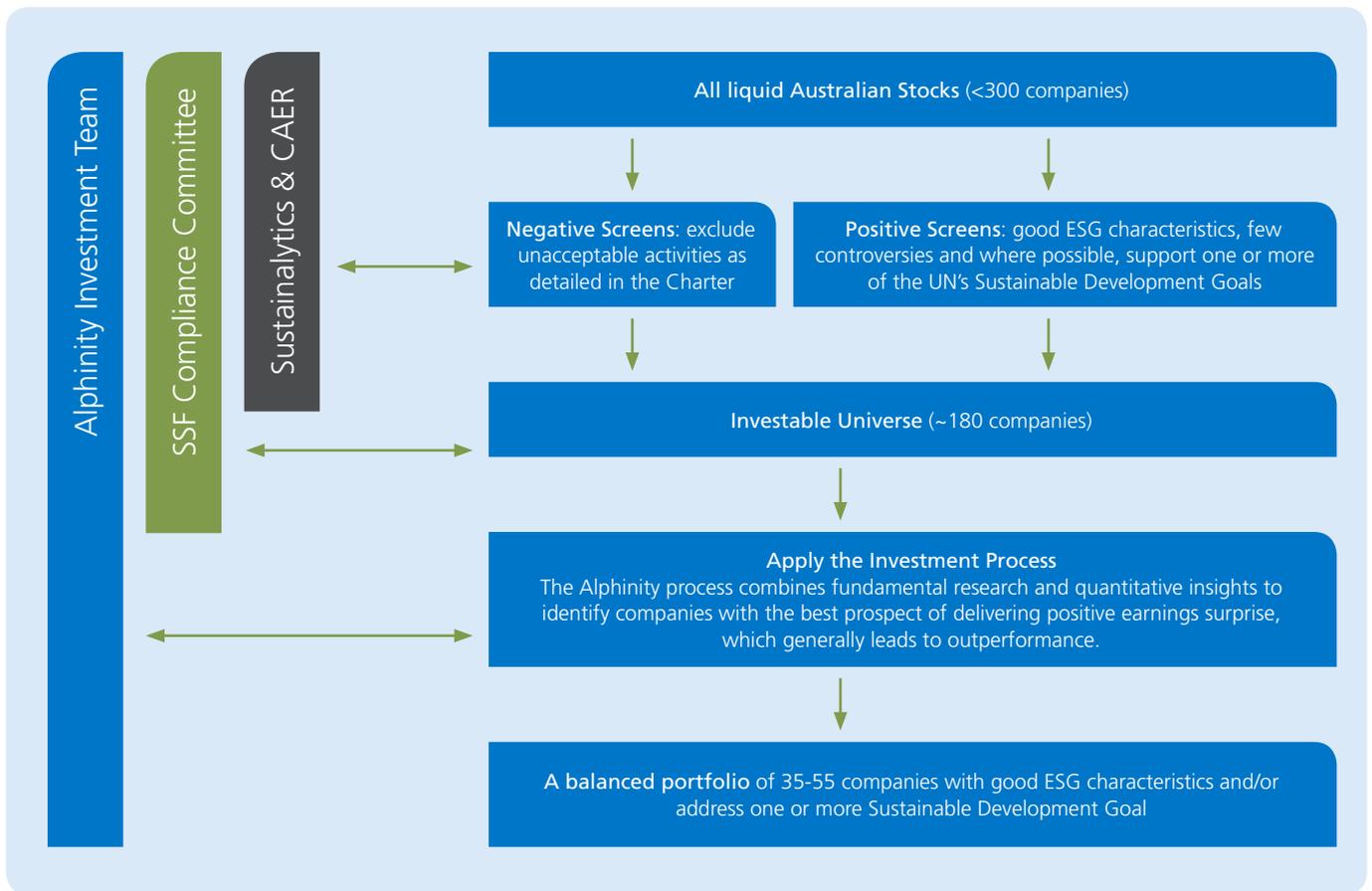
The Alphinity Sustainable Share Fund (the Fund) can invest in ASX-listed companies with a market capitalisation over \$100 million at the time of purchase. Its performance benchmark is the ASX300, however the negative and positive filters described below are applied to restrict that universe substantially:

- a) a negative filter eliminates companies which are engaged in unacceptable activities as detailed in the Fund's **Charter**;
- b) a positive filter identifies companies whose environmental, social and governance (ESG) performance is rated highly by our external research provider, as defined in the Charter and as vetted by the Fund's **Compliance Committee**;
- c) a second positive filter identifies companies which make a positive contribution towards achieving one or more of the UN **Sustainable Development Goals** (SDGs). This is done in conjunction with external research providers (Sustainalytics and CAER) who contribute their expert assessment of whether and/or how companies address the various SDGs. This data is then confirmed by the Compliance Committee. Not all companies in the portfolio will address a SDG goal but it is intended that the vast majority of them will.

The process of refining the investment universe is summarised in the diagram on this page. There are a number of companies which pass all three filters, shown in the deep blue segment, but companies undertaking acceptable operations that pass either of the positive filters will also be considered. These are represented by the light blue and grey shaded areas.



Companies are selected from this refined universe to make up the portfolio. It is at this point that Alphinity's investment process, which seeks high-quality, reasonably-valued companies which have potential for earnings upgrades, is applied. Alphinity applies its unique mix of fundamental research and select quantitative inputs, as described in the diagram overleaf, to arrive at a portfolio of companies which the Portfolio Managers assess as having the best prospect of achieving the optimal return for the degree of risk being taken.



This activity occurs with the assistance of Alphinity's proprietary Composite Research Model (CRM). The CRM combines the fundamental and quantitative outputs in an impartial manner that allows companies to be assessed on a common basis regardless of the industry in which they operate. The Portfolio Managers use the CRM as a tool to help select companies for inclusion in the Fund.

The outcome of this process is a portfolio of between 35 and 55 stocks which falls within the Fund's overall risk exposure restrictions, namely a maximum overweight/underweight to benchmark of 5% for any stock; a maximum overweight/underweight to any sector of

15%; and a maximum ex-ante tracking error of 5%. Considering the Fund excludes many of the most carbon-intensive companies listed on the ASX, it is expected that portfolio carbon intensity will be materially superior to the benchmark. Carbon metrics will be disclosed in quarterly Fund reports using data provided by a recognised external research house.

## Want more information?

To find out more, please visit [www.alphinity.com.au](http://www.alphinity.com.au) or email us: [contact@alphinity.com.au](mailto:contact@alphinity.com.au)

### Important information

Unless otherwise specified, any information contained in this publication is current as at the date of this publication and is provided by Fidante Partners Limited ABN 94 002 835 592, AFSL 234668 (Fidante Partners), the responsible entity and issuer of interests in the, Alphinity Sustainable Share Fund (ARSN 093 245 124). Alphinity Investment Management ABN 12 140 833 709 AFSL 356 895 (Alphinity) is the investment manager of the Fund. It is intended to be general information only and not financial product advice and has been prepared without taking into account any person's objectives, financial situation or needs. Each person should, therefore, consider its appropriateness having regard to these matters and the information in the product disclosure statement (PDS) and any additional information brochure (AIB) for the Fund before deciding whether to acquire or continue to hold an interest in the Fund. The PDS can be obtained from your financial adviser, our Investor Services team on 13 51 53, or on our website [www.fidante.com.au](http://www.fidante.com.au). Please also refer to the Financial Services Guide on the Fidante Partners website.