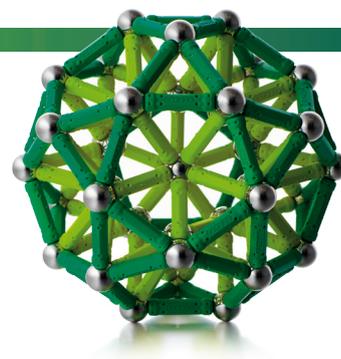


POLICY ON CONTROVERSIAL WEAPONS



This statement sets out Merian Global Investors' position with respect to investments in companies involved in the manufacture, development or trade of controversial weapons, specifically anti-personnel mines¹ and cluster munitions². These weapons are subject to international and national law and are of concern due to humanitarian consequences and unacceptable harm caused to civilians through their use.

LEGAL CONTEXT

The Anti-personnel Landmines Convention 1997 bans the use, stockpiling, production and transfer of anti-personnel mines and prohibits assisting others in these prohibited acts. Over 133 countries, including the UK, have signed the Convention. This treaty is enforced in UK law through the Landmines Act 1998.

The Convention on Cluster Munitions 2008 bans the use, production, stockpiling and transfer of cluster munitions. It became legally binding on 1 August 2010, and at the time of writing 120 states, including the UK, have committed to the goals of the Convention. Countries that have signed the Convention undertake "never under any circumstances to assist, encourage or induce anyone to engage in any activity prohibited". This treaty is enforced in UK via the Cluster Munitions (Prohibitions) Act 2010.

MERIAN GLOBAL INVESTORS' POSITION

Merian Global Investors will not knowingly invest directly in securities (equity or debt) of companies involved in the manufacture, development or trade of anti-personnel mines or cluster munitions or components or services of the core weapon system which are considered tailor-made and essential for the lethal use of the weapon³. An up-to-date exclusion list is maintained alongside regular monitoring of investments.

This policy applies to portfolios directly managed in-house by Merian Global Investors where we have discretion over security selection⁴. Information regarding companies' involvement in anti-personnel mines or cluster munitions is provided by an independent third party provider. This policy does not apply to portfolios managed by third party fund managers; however we do encourage them to articulate their policy with respect to controversial weapons.

This policy is reviewed annually and updated as necessary. October 2018.

1 An "anti-personnel mine" is a landmine which is designed to be detonated by the presence, proximity or contact of an individual and is capable of incapacitating, injuring or killing an individual.

2 "Cluster munition" means a conventional munition that is designed to disperse or release explosive submunitions each weighing less than 20 kilograms. "Prohibited munition" means a cluster munition, or an explosive bomblet that is specifically designed to be dispersed or released from dispensers affixed to aircraft ("a relevant explosive bomblet").

3 The policy covers long and short positions in companies that manufacture develop or trade in core weapon systems which are components/services that are tailor-made and essential for the lethal use of the weapon, e.g. warhead, propulsion system. The policy does not apply to supporting systems or technical/administrative support that whilst essential are not tailor-made for the core weapon system.

4 This policy does not apply to funds that track or replicate indices.

The art and science of investing™

Merian
GLOBAL INVESTORS

Past performance is not a guide to future performance and may not be repeated. Investment involves risk. The performance data does not take account the commissions and costs incurred on the issue and redemption of shares. The value of investments and the income from them may go down as well as up and investors may not get back the amount originally invested. Because of this, an investor is not certain to make a profit on an investment and may lose money. Exchange rate changes may cause the value of overseas investments to rise or fall.

This communication is issued by Merian Global Investors (UK) Limited (MGI), Millennium Bridge House, 2 Lambeth Hill, London, United Kingdom, EC4P 4WR. MGI is authorised and regulated by the Financial Conduct Authority.

This communication is for information purposes only. Nothing in this communication constitutes financial, professional or investment advice or a personal recommendation. This communication should not be construed as a solicitation or an offer to buy or sell any securities or related financial instruments in any jurisdiction. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein, nor is it intended to be a complete statement or summary of any securities, markets or developments referred to in the document.

Any opinions expressed in this document are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or companies within the same group as MGI as a result of using different assumptions and criteria.