

Glossary of terms used in marketing communications

Active Share

The percentage of fund holdings that is different from the reference index holdings. A fund that has no holdings in common with the reference index will have an active share of 100%, and a fund that has exactly the same holdings as the reference index considered will have an active share of 0%.

EBIT - Earnings Before Interest and Taxes

Used to measure a company's core profitability and is calculated by adding interest and tax expenses to net income.

EMEA

Europe, Middle East, and Africa.

EPS

Earnings per share. A financial metric that shows the portion of a company's profit allocated to each outstanding share of common stock.

Free Cash Flow

The cash generated by a company from its normal business operations after subtracting any money spent on capital expenditures.

Market Capitalisation

A measure of a company's size, calculated by multiplying the total number of shares on issue by the current share price.

NAV - Net Asset Value

The current market value of the portfolio's assets minus the portfolio's liabilities.

ROIC - Return On Invested Capital

Calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

Yield

Annual percentage rate of return on capital. The dividend or interest paid by a company expressed as a percentage of the current price.