SARASIN & PARTNERS

Sarasin IE Thematic Global Real Estate Equity

Monthly commentary August 2026

This document is intended for retail investors in the UK and Ireland. You should not act or rely on any information contained in this document without seeking advice from a professional adviser. The value of investments and any income derived from them can fall as well as rise and investors may not get back the amount originally invested. Please refer to the Prospectus and the KIID/KID before making any final investment decisions.

Economic review

The listed real estate sector fell by around 4% in August, in contrast to wider equity markets, interrupting the recovery that began in April and trimming its year-to-date gain. The easing of US-Iran tensions continued to support risk assets through most of the month, with oil prices remaining below their earlier highs. However, renewed geopolitical clashes towards the end of the month lifted oil prices and bond yields, pushing the 10-year US Treasury yield to its highest level since January 2025. Elevated rates weighed on listed real estate towards the end of the month, reflecting the sector's sensitivity to financing costs and valuations relative to bonds.

Fund review

The fund underperformed its benchmark over the month, as weakness in Germany and Spain outweighed positive contributions from the UK and the US. Overweight positions in German residential landlords LEG Immobilien and Vonovia detracted, although our conviction in the sector's rental growth and yield outlook remains unchanged. In Spain, data centre developer Merlin Properties also weighed on the fund's returns, as it retraced part of its robust year-to-date gains.

The fund's overweight position in the UK contributed positively, while stock selection in the US also added value. Company-specific news was limited, with most companies having recently reported their first-half results.

Fund transactions

There were no significant transactions during the month.

Outlook

Listed real estate equities faced a less supportive interest-rate backdrop in August, as bond yields moved higher. This contrasts with the expectation that easing tensions and moderating inflation would keep rates broadly range-bound through year-end. Investment activity and debt availability are also improving, allowing companies to pursue acquisitions and disposal-funded share buybacks, thereby supporting valuations.

Meanwhile, the gap between fundamentals and valuations persists. Operational performance continues to improve, yet share prices remain broadly anchored around early-2023 levels. At the time of writing, earnings multiples remain roughly 18% below their 15-year average, while the discount to net asset value (NAV) remains close to 30%.

Sarasin IE Thematic Global Real Estate Equity

Key risks

It is important that investors are aware of the various risks prior to making an investment decision. The primary risks of the fund have been outlined below:

Concentration risk: The fund holds a small number of investments, and therefore a decline in the value of a single investment may have a greater impact than if it held a larger number of investments.

Small-cap equities risk: Shares of smaller companies can be riskier, as they may be more difficult to buy and sell, and their prices may fluctuate more than those of larger companies.

Derivatives risk: Derivatives are financial instruments whose value is linked to the expected future price movements of an underlying asset. Derivatives such as futures, forward contracts, options, and swaps may be used to seek to manage risk within the fund, reduce investment costs and generate additional income. However, these strategies may not be successful and could lead to losses greater than the cost of the derivative.

Operational risk: Operational risks arising from failures or delays in processes and systems, or the failure of a third-party provider may affect the value of your investments. If compensation is required to due failures, payments may be delayed.

Counterparty and settlement risk: The fund could lose money if a counterparty with which it transacts with becomes unwilling or unable to repay money owed to the fund.

Charges deducted from capital: The fund has charges deducted from capital, which may reduce the potential for growth.

Further details of the risks that apply to the fund can be found in the fund's Prospectus.

Benchmark information

The fund is actively managed and is not constrained by a benchmark. A comparator benchmark is used for performance comparison purposes. Where applicable, a target benchmark is chosen to reflect the performance the fund aims to deliver as stated in its investment objective.

Sarasin & Partners LLP
50 George Street
London, W1U 7DY
T +44 (0)20 7038 7000
sarasinandpartners.com

Important information

This document is intended for retail investors in the UK and Ireland. You should not act or rely on any information contained in this document without seeking advice from a professional adviser.

This is a marketing communication. Issued by Sarasin & Partners LLP, 50 George Street, London W1U 7DY. Registered in England and Wales, No. OC329859. Authorised and regulated by the Financial Conduct Authority (FRN: 475111). Website: www.sarasinandpartners.com. Tel: +44 (0)20 7038 7000. Telephone calls may be recorded or monitored in accordance with applicable laws.

This document has been produced for marketing and informational purposes only. It is not a solicitation or an offer to buy or sell any security. The information on which the material is based has been obtained in good faith, from sources that we believe to be reliable, but we have not independently verified such information and we make no representation or warranty, express or implied, as to its accuracy. All expressions of opinion are subject to change without notice. This document should not be relied on for accounting, legal or tax advice, or investment recommendations. Reliance should not be placed on the views and information in this material when taking individual investment and/or strategic decisions.

Capital at risk. The value of investments and any income derived from them can fall as well as rise and investors may not get back the amount originally invested. If investing in foreign currencies, the return in the investor's reference currency may increase or decrease as a result of currency fluctuations. Past performance is not a reliable indicator of future results and may not be repeated. Forecasts are not a reliable indicator of future performance.

The fund is domiciled in Ireland and authorised by the Central Bank of Ireland. It is not authorised in the UK, but is recognised under the Financial Conduct Authority's Overseas Funds Regime and section 271A of the Financial Services and Markets Act 2000.

The fund is managed by Waystone Management Company (IE) Limited (the "Manager"), which is incorporated in Ireland and authorised by the Central Bank of Ireland. Northern Trust Fiduciary Services (Ireland) Limited is the appointed Trustee pursuant to the relevant Trust Deeds and is incorporated in Ireland and authorised by the Central Bank of Ireland. The Manager has appointed Sarasin & Partners LLP as the Investment Manager of the fund.

UK investors should be aware that if they invest in the fund, they will not be able to refer a complaint against the Manager or the Trustee to the UK Financial Ombudsman Service. Any claims for losses relating to the Manager or the Trustee will not be covered by the UK Financial Services Compensation Scheme, in the event that either entity should become unable to meet its liabilities to investors. Prospective investors should consider obtaining financial advice from a professional adviser before deciding to invest.

The investment which is promoted concerns the acquisition of units in a fund, and not in a given underlying asset owned by the fund. The fund may not be appropriate for investors who plan to withdraw their money within five years. The decision to invest in the fund should take into account all the characteristics or objectives of the fund as described in the Prospectus. Information on sustainability-related aspects of the fund is available on the website. Prospective investors should review the Prospectus carefully, including the section on 'Risk Factors', prior to making any final investment decisions. The Prospectus, the KIID/KID for the relevant class, as well as the annual and half-yearly reports, are available in English free of charge via the relevant product pages on our website or upon request.

The fund may not be distributed to investors in jurisdictions where such distribution would be unlawful. The Manager reserves the right to reject any applications from investors outside of the jurisdictions where the fund is registered for sale. US Persons are not permitted to subscribe for units in the fund.

The Manager reserves the right to terminate any arrangements made for marketing the fund. A summary of investor rights can be obtained here and is available in English.

Neither Sarasin & Partners LLP nor any other member of the J. Safra Sarasin Holding Ltd group accepts any liability or responsibility whatsoever for any consequential loss of any kind arising out of the use of this document or any part of its contents. The use of this document should not be regarded as a substitute for the exercise by the recipient of their own judgement. Sarasin & Partners LLP and/or any person connected with it may act upon or make use of the material referred to herein and/or any of the information upon which it is based, prior to publication of this document.

Where the data in this document comes partially from third-party sources the accuracy, completeness or correctness of the information contained in this publication is not guaranteed, and third-party data is provided without any warranties of any kind. Sarasin & Partners LLP shall have no liability in connection with third-party data.