FUND PROFILE

RSMR

SARASIN
RESPONSIBLE GLOBAL EQUITY FUND

August 2020

OUR RESEARCH. YOUR SUCCESS

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SARASIN RESPONSIBLE GLOBAL EQUITY

OUR FUND PROFILES provide an in-depth review of our leading rated funds and are designed to give advisers, paraplanners and analysts an 'under the bonnet' view of the fund. In providing more detailed commentary than a standard fund factsheet we believe our fund profiles set the standard for the next generation of research notes, aiding in fund selection and in meeting the ongoing suitability requirements expected by the FCA, and helping ensure firms deliver good client outcomes.

All of our rated funds are subject to rigorous and ongoing scrutiny on both a qualitative and quantitative basis. Our fund methodology is available for download from the RSMR Hub – www.rsmr.co.uk

The **Sarasin Responsible Global Equity Fund** has been an RSMR rated fund since April 2012. It is a global equity fund that is constructed using the depth of resource of the Global Thematic Equity investment team at Sarasin. The strategy launched in June 2011 with the current manager, Jeremy Thomas, taking over the reins in December 2016. Jeremy is the Head of Global Equities at Sarasin and is co-manager of the fund along with Alex Bibani. Giles Money is the deputy fund manager on the strategy.

The thematic global equity investment process used by Sarasin & Partners on the Responsible Global Equity Fund produces an actively managed proposition with low turnover that is invested in long term sustainable themes. The portfolio construction process has a rigorous environmental, social and governance (ESG) element embedded into it which stems from Sarasin's heritage in running money for a range of charities, foundations and institutional investors. In addition, the fund has demonstrated compelling risk/return characteristics compared to the Investment Association Global sector.

For investors who wish to mitigate the underlying currency exposure of a global equity proposition, a sterling hedged version of the strategy is also available.

Stuart Ryan, Chartered FCSI, Chartered Wealth Manager, Investment Research Manager, RSMR

Stuart graduated from the University of Wales Swansea with a degree in Law and commenced his career in finance in 2004 at HSBC in Canary Wharf. He has gained wide range of experience in finance ranging from investment management and investment banking to financial trading and market making.

Stuart worked for over 6 years at London based IFA Holden & Partners as Investment Manager leading the in-house investment team. This included portfolio construction (including SRI & ESG portfolios), investment research, conducting face-to-face meetings with both fund managers and clients and being a member of the internal investment committee. He was subsequently the Performance & Risk manager at Redmayne Bentley based in Leeds and sat on the various asset allocation committees as well as the Model Portfolio Service committee

Stuart is a Chartered Fellow of the Chartered Institute for Securities and Investment (CISI) as well as a Chartered Wealth Manager.

IA GLOBAL SECTOR

The Sarasin Responsible Global Equity fund is classified in the Investment Association (IA) Global sector. The sector comprises funds which are geographically diversified with at least 80% of their assets invested in global equities, typically with a primary objective of achieving long term capital growth. There are almost 350 funds within the sector with over £120bn of assets under management as at May 2020.

The coronavirus outbreak, which began in China in December 2019 and quickly spread throughout the world, has caused a great deal of volatility in global stock markets. Coming off the back of the longest bull market in history, some major indices began 2020 by reaching record highs before suffering significant falls, as the extent of the economic impact of the virus became apparent. The speed with which markets fell was unprecedented in some cases, with several large indices falling by 20-30% in a matter of weeks. In order to combat the spread of the virus, some governments restricted the movement of people and many companies reduced or suspended their business operations, particularly in sectors which rely on face-to-face interactions such as hospitality and retail as well as in manufacturing. The truly global nature of modern-day supply chains has helped to power economic growth over the past few decades but when factories and borders are closing this has a significant knock-on effect on the availability of goods. These factors had a profound effect on the level of economic output in a number of the world's largest economies such as the US and China, and across Europe.

During the first quarter of 2020, a narrow group of stocks did enjoy some success, particularly those that were seen as potential beneficiaries of the global shutdown such as technology companies. With a significant increase in demand for online shopping, conferencing software, and content streaming services to name a few, some smaller players saw their share prices quadruple in a matter of months, whilst the larger incumbents consolidated their positions at the top of their respective indices. In a lot of cases the crisis has had a binary outcome, with share prices markedly higher or lower than in the preceding year, creating a bifurcation in valuations across markets.

In contrast to the first quarter, the second quarter of 2020 witnessed a sharp rebound in capital markets, in some cases erasing the majority of the losses encountered during the height of the crisis. This turnaround was in part due to sentiment, as optimism returned to markets as to the length of the crisis, as well as monetary policy as liquidity has been injected into the market looking for a return. This has led many to comment that a dislocation has taken place between the market and the real economy as the full extent of the damage caused by the crisis has yet to wash through.

There will undoubtedly be a small number of long-term casualties and in response to downward earnings revisions some firms have reduced or temporarily suspended their dividends. More cyclical sectors such as oil and gas or bricks and mortar retailers may take longer to recover than nimble, asset light businesses in technology, for example. Some commentators believe that existing trends have been accelerated by the pandemic, from the move towards cloud computing and online shopping to the proliferation of ethical and positive impact investing.

It is important to recognise that we are not out of the woods yet in terms of the crisis and, as with all equity investment, there will be periods of short-term volatility in global stock markets, especially directed by news flow in terms of another wave or a vaccine. The first quarter of 2020 is an example of this in action. However, although challenges remain, the opportunity set for global equities is broad with the core indices listing several thousand companies across a diverse range of sectors and geographies, and investment within the asset class should continue to offer attractive long-term returns.

SARASIN & PARTNERS LLP

Sarasin & Partners LLP is a specialist asset manager that manages assets on behalf of their clients across a range of capabilities covering multi-asset, third party funds, equities, fixed income and real estate.

As at 30th June 2020, Sarasin were responsible for managing £14.7 billion in investments on behalf of charities, private clients, institutions and intermediaries. Sarasin operates as a partnership with management owning 45% of the economic interest. The remainder is owned by Bank J Safra Sarasin. Combined, the group in total has assets under management in excess of £145 billion as at the 31st December 2019.

The Board of Sarasin & Partners LLP has overall responsibility of the management of the business. The firm's overall strategy is set by the Board with implementation and day-to-day management delegated to the Executive Committee.

SARASIN RESPONSIBLE GLOBAL EQUITY

Managers	Jeremy Thomas (Co-Manager), Alex Bibani (Co-Manager), Giles Money (Deputy Manager)
Structure	OEIC
IA Sector	Global
Launched	1.6.2011
Fund Size	£126.14m (as at 30.6.2020)

Fund Management Team

The fund is co-managed by Jeremy Thomas and Alex Bibani with Jeremy joining Sarasin in 2016 and Alex in 2015. The fund also has a deputy manager, Giles Money, who joined Sarasin & Partners in 2018. In addition to the unitised fund, the strategy is run in segregated mandates across Sarasin & Partners. The combination of both the segregated mandates and the unitised fund results in excess of £1 billion of assets in the strategy.

Jeremy Thomas – Partner, Co-Portfolio Manager

Jeremy has over 20 years' investment experience and joined Sarasin & Partners in 2016 from Allianz Global Investors where he spent 12 years as a UK, European and global equity fund manager. He co-managed the Brunner Investment Trust from 2010 to 2016. Prior to this he spent three years at Isis Asset Management (now BMO Global), five years at Schroders, and five years as a British Army Officer.

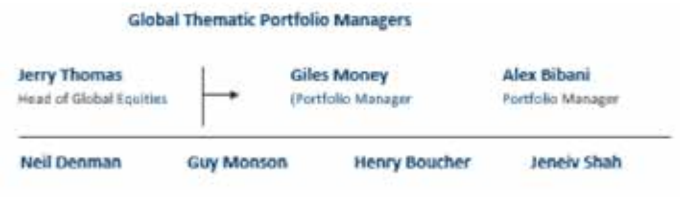
Alex Bibani – Co-Portfolio Manager

Alex has over 13 years investment experience and joined Sarasin & Partners in 2015. Alex is co-fund manager of the Responsible Global Equity funds and works closely with the team of sector-focused analysts. Prior to joining Sarasin & Partners in 2015, he spent three and a half years at IFM Investors in Sydney as a small cap equity analyst, with lead responsibility for the consumer sector. Before that he spent 5 years at London based boutique Ratio Asset Management LLP as a European small and mid-cap analyst.

Giles Money – Deputy Manager

Giles joined Sarasin & Partners in 2018, having joined the industry in 2004, and has expertise in global, ESG and sustainable investment. Prior to joining Sarasin & Partners, Giles was the lead fund manager of climate change and thematic/sector funds at Schroders, as well as holding responsibilities as an analyst within the global sector specialist team. Giles has also been a portfolio manager at F&C Asset Management (BMO) as a global fund manager for their flagship ESG and thematic product.

'On the 9th October 2020 the Sarasin Responsible Global Equity fund and the Sarasin Responsible Global Equity (Sterling Hedged) fund will merge. Post this merger, the fund size will increase to circa £200m based on values at the time of writing.



Global Thematic Equity investment team

Digitalisation	Josh Sambrook-Smith	Rolando Rodrigues
Automation	Alex Cobbold	Jeremy Thomas
Ageing	Alex Hunter	Neil Denman
Evolving Consumption	Giles Money	Jeneiv Shah
Climate Change	Ben McEwen	Alex Bibani
Stewardship	Natasha Landell-Mills	Kwai San Wong
Stewardship	Ben McEwen	Therese Kieve

Fund Objectives & Targets

The Sarasin Responsible Global Equity Fund is a global thematic strategy adopting a responsible approach to investment that fully integrates stewardship and environmental, social & governance (ESG) factors as well as climate analysis. The fund also excludes activities from the portfolio that are considered the most harmful.

The benchmark of the fund is the MSCI All Countries (AC) World Daily (Net Total Return) and the fund targets an outperformance of the benchmark of +2-3% per annum gross of fees over a 3-year rolling period.

Investment Philosophy & Process

TThe global equity investment philosophy at Sarasin & Partners is founded on the key principle that to invest in a company is to participate in the long-term success of that company. Underpinning this principle are three pillars on which the fund management process is based, namely thematic, responsible ownership, and active management.

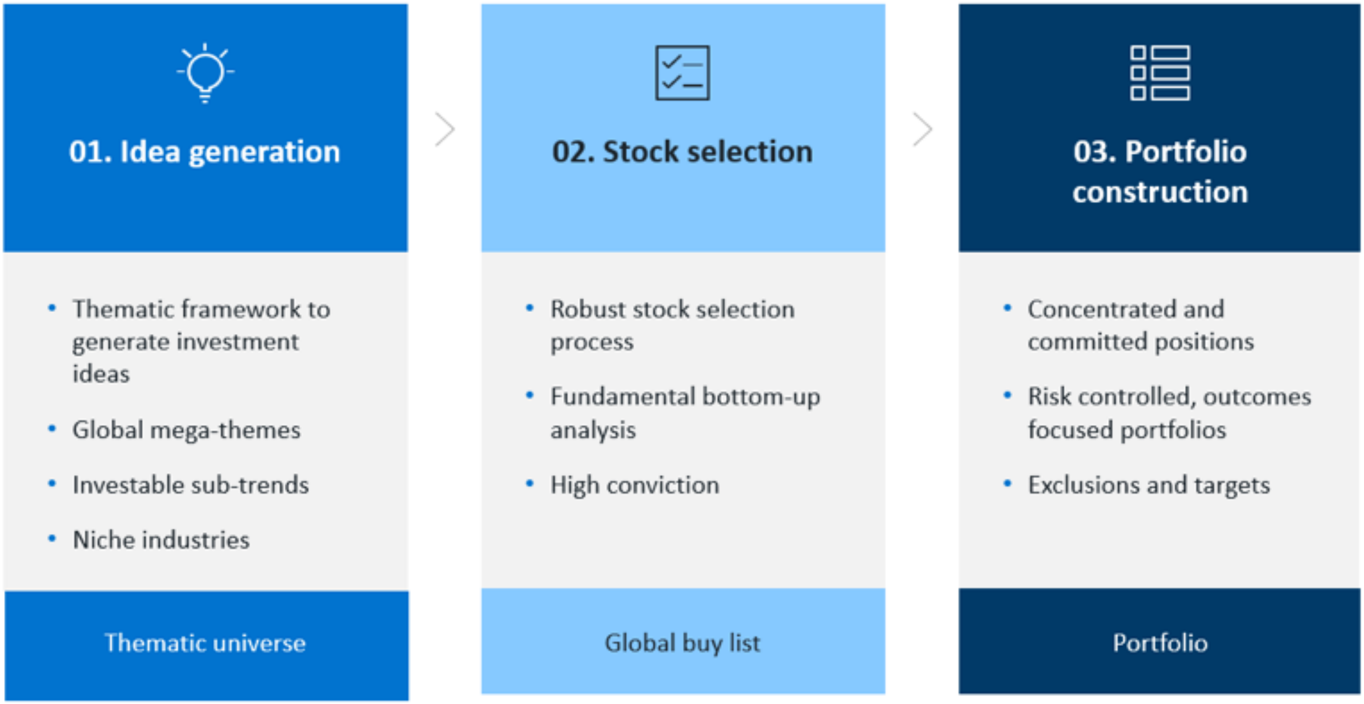
- Thematic – Themes are ultimately what drive long term corporate profitability, and these have the potential for attractive long-term investment return. The team look for themes which are likely to persist for at least 5-10 years across industry sectors and geographies, using a combination of macro and micro factors. Companies are sought that are most likely to benefit from the theme and have attractive returns on capital and a sustainable competitive advantage.
- Stewardship (Responsible Ownership) – Environmental, Social and Governance (ESG) analysis forms an integral part of the investment process as does the fundamental analysis of companies. Active engagement with the companies owned is important and can lead to the proactive raising of concerns where necessary.
- Active Management – Companies are invested in where the long-term economic profits are not currently being reflected in the market valuation. This is based on a belief that markets are not wholly efficient.

The investment philosophy can then be overlaid onto the investment process:

- Idea Generation (Thematic) – The thematic process is used to identify various growth trends, and research resources are then focussed in these areas to identify which companies will benefit. The team believe that there are a number of mega-themes which cause the inexorable growth that forms the backdrop for the fund and identifies companies that have long term sustainable businesses. This aids in identifying the mega-themes on which the fund is based. The mega-themes for the fund are Digitalisation, Automation, Ageing, Evolving Consumption and Climate Change. Sub-themes within the mega-themes are used to locate industry niche companies for stock ideas. Typically, there are between 25 and 30 sub-themes covered at any one time which reduces the universe of stocks down from circa 3000 to a thematic universe of around 600 stocks.
- Stock Selection (Stewardship) – The identified themes are then populated by companies that Sarasin expect to benefit from the theme using fundamental bottom-up analysis. Further due diligence is undertaken assessing the long-term valuations and applying a variety of metrics to analyse the prospects for each stock. Each company is subject to an

in-depth multi-stage research process where detailed modelling and an investment thesis is constructed. This also includes ESG analysis that generates an ESG score derived by the analysts with support from the Stewardship team. Once this research has been completed the stock is voted on by the team. A successful vote allows the stock onto the global buy list, which comprises around 100 stocks.

- Portfolio Construction (Active Management) – A core list of stocks is created comprising companies in whom the managers have long term conviction, from which the portfolio can be constructed. This results in a portfolio of between 35-50 stocks, all of which are derived from the global buy list.



Corporate Characteristics

The research process also assists in identifying where a company currently is in its lifecycle allowing for a corporate characteristic category to be determined. As businesses evolve and change over time, so do their risk and return characteristics. Each of the corporate characteristics have unique quality, growth and valuation elements which assist in identifying the risk and return factors for companies held in the portfolio. By looking at the corporate characteristics a more diverse portfolio can be achieved avoiding too much concentration in companies in the same stage of their life cycle.

The corporate characteristics are defined as follows:

- Disruptive Growth – Companies with the ability to attack large entrenched profit pools with a superior product or service. These companies may not generate high returns on capital when investing to drive growth, but can be enormous creators of shareholder value.
- Defensive Franchise – These are typically market leaders in their industries, with demonstrable barriers to entry. They consistently earn high returns on invested capital with limited variability across the economic cycle. Free cash flow generation is usually high and predictable. The companies usually have pricing power and a sustainable competitive advantage. The compounding effect of this can be very powerful.
- Cyclical Franchise – Generally market leaders with high barriers to entry. Cyclical franchise companies create value over a full economic cycle, but a degree of cyclicality means they may not achieve this every year. End market demand is usually highly dependent on levels of economic activity.
- Cash Harvest – Usually mature businesses with limited internal need for the excess cash that they generate. As a result, they are likely to return this excess cash to shareholders via dividends or share buybacks. The market can underestimate the duration over which these companies are able to maintain superior and growing cash returns to shareholders.
- Special Situations – A broad category of investments with specific and unusual investment case drivers, such as corporate restructuring, spin-off businesses, companies which own real estate and other financial assets and family-controlled businesses, where a conservative approach can be a source of superior returns.

Once a holding is established in the portfolio via the investment process, a sell discipline is maintained using the following conditions:

- Share price reaches intrinsic value estimates – Each investment case has an estimate of intrinsic value and an expected absolute return. If the investment case transpires (with the intrinsic value being reached) then a mandatory review of the holding will take place.
- Change in investment case – If the original investment case alters due to new information becoming available, the investment held will be reviewed.
- Superior idea – Holdings may be sold in favour of better ideas to include in the portfolio.
- Portfolio risk profile – Risk analysis of the portfolio can, on rare occasions, highlight unintended factor, style or correlation risks that require action. This may result in adjustments to existing holdings being made.
- Theme removal – When a theme is removed or replaced, the underlying holdings related to that theme will be reviewed.

Environmental, Social and Governance Factors

'We do not think of ESG as three separate subjects, we think of them as fifteen areas of analysis" – Alex Bibani

Stewardship is an important part of the investment process at Sarasin and is integrated into the decision making on all stocks held with a team dedicated to this area who actively engage with companies on issues as well as voting and producing thought leadership pieces. ESG analysis forms part of this overarching stewardship approach with ESG analysis fully integrated into the investment process and all analysts in the team are ESG specialists.

Alex explains 'we do not think of ESG as three separate subjects, we think of them as fifteen areas of analysis'. Each of the areas of environmental, social and governance comprise five component parts. For environmental, the underlying components of climate change, circular economy, land, air and water are identified. The same principle applies to social issues with the underlying areas of suppliers, employees, customers, bribery & corruption and cohesive society identified. For the governance aspect, this comprises board structure, ownership rights, reporting & controls, executive remuneration and business ethics.

ESG issues are a fundamental part of the assessment undertaken on every stock and are factored into the modelling of the revenue and cost projections for the business as well as the threats to the business model. By focusing on these component parts, issues can be identified with a premium added to the cost of capital in the models for that business. Combining this ESG analysis with the additional Stewardship work Sarasin undertake (policy outreach and active engagement), enhances the thematic investment process of the strategy in identifying companies that are set to be better positioned with a positive tailwind delivering alpha to the portfolio.

Traffic light analysis is applied to companies held to highlight areas of concern with each stock graded A to E. Stocks graded E are unvisitable due to clear breaches of environmental and social norms, unethical business practices and/or a failed governance structure.

In terms of restrictions applied to the fund, Sarasin & Partners publish a 'Guide to Ethical Restrictions' which contains the sectors that have been deemed unethical and are not held within the portfolio. Currently there are eight sectors excluded from the portfolio namely, adult entertainment, alcohol, armaments, civilian firearms, gambling, tobacco, extraction of thermal coal, and production of oil from tar sands. Six of these sectors would not pass the investment process of the fund anyway, the only ones that would being alcohol (due to growth trends in emerging markets) and armaments (due to in most cases being a subsidiary of a larger business). By applying these eight exclusions, currently 6.2% of the benchmark is excluded from ownership. The fund has also no exposure to Fossil fuel extractors.

Sarasin publish a 'Climate Pledge' setting the firms commitment to the Paris Accord of 2015 via its stewardship of the companies it invests in.

Portfolio Construction Parameters

The fund is benchmarked against the MSCI AC World Daily (Net TR) and the active share of the fund is typically above 90% with a tracking error between 3% and 7%.

The portfolio usually consists of 35-50 stocks with an upper active weight limit of 5%, although 2-2.5% weights are more usually found and there is no tail within the portfolio as holding weights do not typically go below between 1-1.5%. Turnover in the fund is in the region of 30% per annum.

PAST & CURRENT POSITIONING/STRATEGY

The thematic approach of the investment process enables the identification of trends that have the potential to be both positive and sustainable in the future. Areas such as low carbon energy, electric vehicles and smart grids have been identified as likely to benefit in the future from sustainable cashflows with a lower risk of regulation or consumer concerns. In contrast, oil, plastic wrapped consumer products and coal are areas that are unsustainable and as such have a higher risk of declining cashflows and are actively avoided.

To encapsulate these trends, the five mega-themes of Digitalisation, Automation, Ageing, Evolving Consumption and Climate Change have been identified with sub-themes sitting under each of the mega-themes. For example, digital media and digital commerce are sub-themes of Digitalisation and low carbon transport and resource efficiency fall under Climate Change. That is not to say the themes are silos in isolation, the sub-themes within the mega-themes interact complementing each other in the portfolio. Nor does this mean that more traditional sectors of investment are excluded. An example of this would be financials where the team will prefer to gain exposure to the sector via a technology company providing a solution to the financials sector rather than holding large exposure to financials directly.

Stocks that touch on more than one theme are favoured the most by the team, an example of which is Dassault Systèmes (a software company) which covers digitalisation, climate change and automation. Where a company covers more than one theme, the theme that is driving the top line growth is selected.

Schneider Electric can be used as an example of the investment process in action. The company provides energy and automation digital solutions for efficiency and sustainability and is categorised under the mega-theme of automation with the key trend of smart buildings. The industry niche that Schneider is selected for is its process automation. The factors that support the investment case for Sarasin include that Schneider Electric is well positioned to benefit from the growth linked to energy efficiency within the urbanisation, digitisation and energy conversation themes.

Schneider Electric is an asset light business, which Sarasin feels is a positive differentiation in a market place which is fragmented and competitive. Compared to its peers, Schneider Electric has the greatest exposure to faster growing regions with over 30% of sales generated in Asia. Sarasin categorise the business as being a cyclical franchise from a corporate characteristic perspective.

For the other mega-themes, the following are examples of companies held:

- Digitalisation – Equinix is held for the key trend of ‘network traffic’ and was selected for its industry niche of having a hyper-connected data centre. This business is classified as a cash harvest in terms of corporate characteristics.
- Ageing – CSL is held for the key trend of ‘future human’ and the industry niche of longevity. The corporate characteristic of the business is defensive franchise.
- Evolving Consumption – Shimano is held for the key trend of ‘health & wellness’ and the industry niche of leisure. Cyclical franchise is the corporate characteristic of Shimano.
- Climate Change – Orsted is held for the key trend of ‘zero carbon power’ and was selected for the industry niche of wind energy. The corporate characteristic of the business is disruptive growth.

There can be situations where a growth trend interlinks with an area that has been identified as being unsustainable. Interestingly, road tyres (in the current guise) are seen as unsustainable whereas electric vehicles (that currently use them) are sustainable. The issue with tyres surrounds the particles that enter the environment when driving that can impact the respiratory system as well as entering the water system due to run-off from the roads. This is an issue that needs addressing and the team are engaging with tyre manufacturers to understand the growth implications to their businesses to as they adapt. Currently there is no tyre exposure within the portfolio with component parts of electric vehicles preferred, as this is a more sustainable area for growth.

The team will always try to position the fund with less carbon intensity than the benchmark, and this is a topic the team discuss regularly, although they highlight that relying on the data alone can lead to interesting opportunities being missed. Air Liquide, an industrial gasses business, is an example of this. The company in isolation has a very high emission figure, however this is because many businesses outsource their emissions to Air Liquide as this is seen as quick solution to reduce their own emission levels. The positive of this is that when Air Liquide take over the emissions of a business, they make it more efficient and reduce the emission levels. NextEra is another example of this in North America focusing on renewable energy. By conducting fundamental research and engaging with the businesses, the team can fully understand how a company operates and what they are looking to achieve.

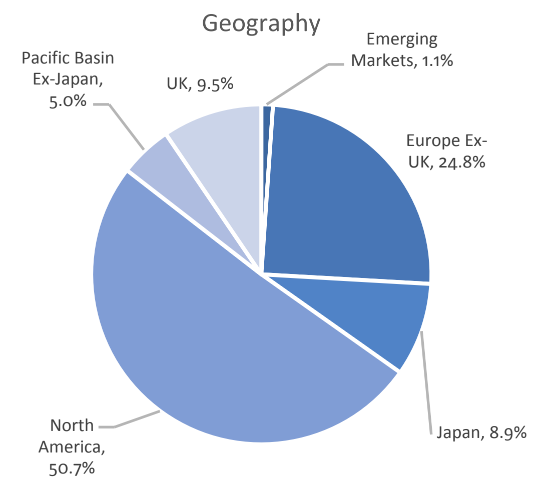
Like many portfolios, Covid-19 has resulted in the team reviewing the themes and looking at them from a different perspective. Digitisation, and the sub-themes within it, has been accelerated by the crisis and is set to be benefit from the changes to society going forward. For others, this may not be the case with consumer behaviour changing in terms of increased consumption at home as well as a potential decrease in travel and the experiences associated with that, Also, for the sub-theme of low carbon transport, rail travel is now looking more interesting than passenger vehicles as behaviour changes. The theme of automation is being refreshed to factor in the aspects of the crisis. This is especially around the areas of security of supply chains, as well as ageing as opportunities may be presented in the protection of the elderly in society.

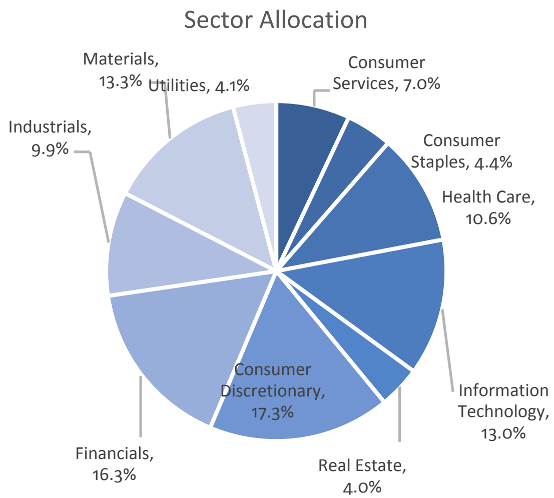
The Stewardship team have also been active in analysing companies, especially on the social aspect, to understand how they have been behaving during the crisis and holding companies to account to ensure they are behaving in a way that society would expect.

"Responsible Stewardship is absolutely at the heart of what we want to offer all of our customers" – Jeremy Thomas

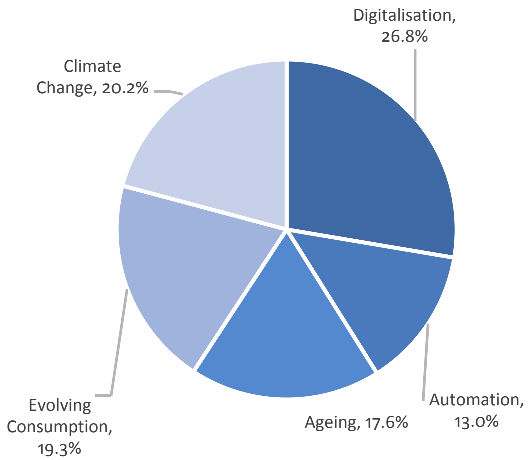
Although the fund follows a thematic approach to investment, it is still a global equity portfolio and should be viewed that way. As Jeremy comments, 'Responsible Stewardship is absolutely at the heart of what we want to offer all of our customers'. As such, the fund has the benefit of accessing the resource of the investment professionals at Sarasin to populate the portfolio with ideas from across the other strategies managed as well.

The following charts provide an example of how the portfolio may be positioned. The geographic exposure illustrates the global nature of the portfolio with the sector allocation translating the mega-themes and sub-themes identified by Sarasin into the common language of the benchmark. The investment themes are also provided, along with the corporate characteristics which are used to identify where in the life cycle a business is and provide diversification.

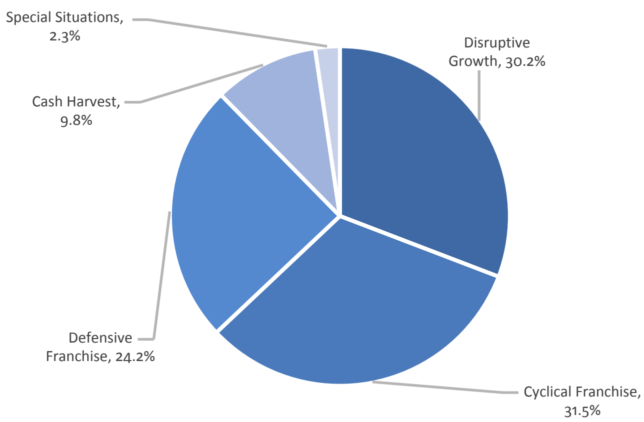




Investment Themes



Corporate Characteristics



Source: Sarasin 30/06/2020 & RSMR. Numbers may not add up to 100% due to rounding or the exclusion of cash.

The fund is actively managed and its composition will vary. Fund details and characteristics are as of the date noted and subject to change.

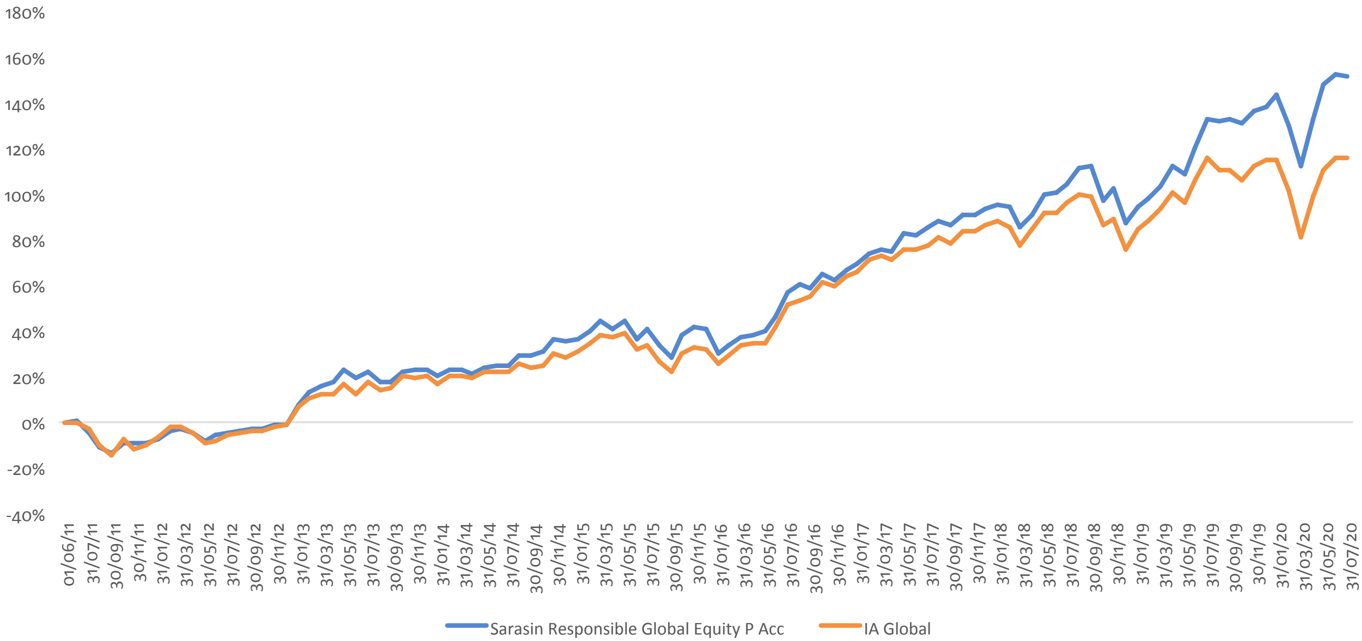
As the above charts illustrate, diversification is achieved both in terms of geographic exposure as well as thematic and the life cycle of the businesses held. The manager is mindful to ensure this diversification is maintained, avoiding concentration in any one theme or type of business in the fund.

PERFORMANCE

Since launch, the Sarasin Responsible Global Equity fund has delivered a total return of 151% versus the IA Global sector average over the same time period of 115.6%.

This performance history since launch is illustrated in the following chart:

Sarasin Responsible Global Equity Fund vs IA Global Sector – (June 2011 – July 2020)



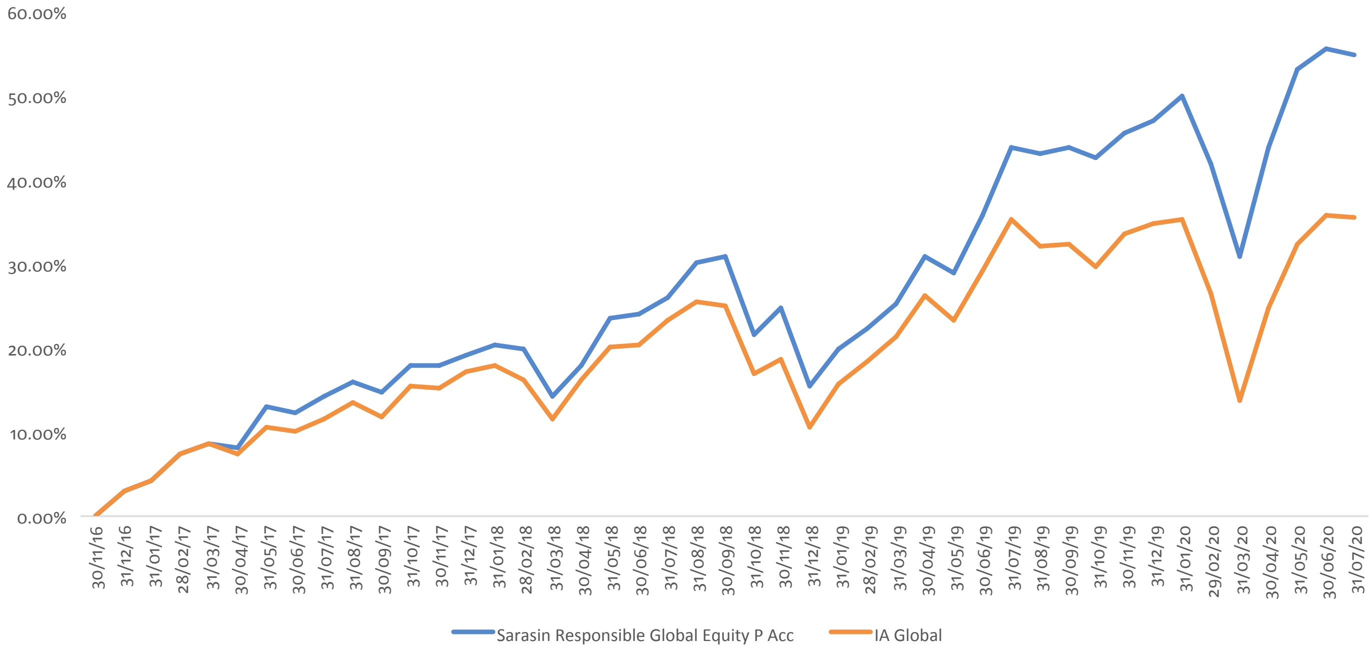
Drilling down further, since Jeremy Thomas became Head of Global Equities (December 2016), the fund has delivered a total return of 54.9%. Over the same period, the IA Global sector delivered 35.4%, again on a total return basis.

The outperformance that can be seen over this period is attributed to the investment themes and stock selection in the portfolio, however it can also be attributed to the changes that occurred once Jeremy Thomas became Head of Global Equities. The existing process was evolved with the global buy list becoming more concentrated to the current level of around 100. The reduction in names enables the team to concentrate resource and dedicate the time required to get to know the companies on the list in depth. Restructuring also took place within the team itself with greater vigour applied to the overall investment process, all of which has come through in the returns generated over the period since.

The team are proud that the beta of the portfolio is less than that of the benchmark due to the fund being relatively defensively positioned. The fund has also been able to capture alpha different markets which is demonstrated by the compelling upside market capture as well as downside market capture under the current managers tenure.

The following chart illustrates the performance of the fund since Jeremy Thomas became Head of Global Equities:

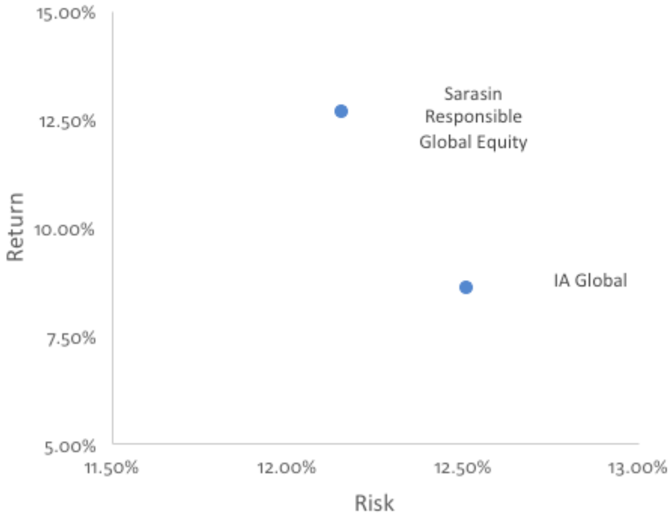
Sarasin Responsible Global Equity Fund vs IA Global Sector - (December 2016 – July 2020)



Source: Sarasin (31/07/2020) & RSMR. Figures shown are for the P Acc share class in sterling.

The figures shown relate to past performance. Past Performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

Interestingly, over the same period, the fund has delivered compelling risk reward characteristics versus the wider IA Global sector. Annualised risk has been slightly lower than the wider sector with greater annualised return. This is illustrated in the following scatter chart.



Source: Sarasin (31/07/2020) & RSMR. Figures shown are for the P Acc share class in sterling.

The figures shown relate to past performance. Past Performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

SUMMARY & EVALUATION

The Sarasin Responsible Global Equity Fund, although thematic in approach, is first and foremost a core global equity proposition. The fund invests in global equities to gain exposure to themes that have the potential to be positive and sustainable, whilst avoiding those that are in decline.

Since Jeremy became Head of Global Equities, the process has evolved with the global buy list reducing to its current level of around 100, as well as restructuring the team with greater vigour applied to the overall investment process. By having a smaller global buy list, the team are able to keep abreast of changes and fully understand these companies in great depth.

The thematic global equity investment process produces a proposition that does not mirror the benchmark. As such the portfolio can include a diverse number of industries, geographies and themes ranging from health, wellness & diet, low carbon transport and digital media. This naturally leads to a high active share with the manager typically running a fairly concentrated portfolio of around 35 to 50 stocks with low annual turnover.

Stewardship is a fundamental part of the investment process and the fund does apply ethical screens to remove eight sectors that are deemed the most contentious. In a time where ESG has become very much in vogue, their history and clients means that Sarasin have been investing in a responsible way for some time with their overarching approach to stewardship (which incorporates ESG) and it is very much part of their DNA. The team have the experience and resource to facilitate this approach to investing supported by a dedicated stewardship team that are active in engaging with companies, voting and being thought leaders.

The Sarasin Responsible Global Equity fund can form part of the core global equity allocation of a portfolio providing both diversification as well as exposure to key long-term mega-themes, many of which have been accelerated by the events of 2020.

The fund has the additional benefit of providing both hedged and unhedged versions of the strategy.

RSMR

Established in 2004 RSMR provides research and analysis to firms working across the UK's personal financial services marketplace.

Our work is completed with total impartiality, without any conflict of interest and delivered to a high professional standard by a team of experienced and highly qualified people.

Working with advisers

We provide specialist research, analysis and support to a diverse range of financial advisers and planners helping them to deliver sound advice to their clients, backed by rigorous and structured research and due diligence.

The main regulatory body in the UK, the FCA, states that personal recommendations made by advisers should be 'based on a comprehensive and fair analysis of the relevant market' and this has led to closer scrutiny of the whole advice process. Our solutions are designed to help advisers meet these challenges whilst recognising that advisory firms require a range of flexible options that best meet their own business needs and those of their clients.

Working with providers

We work with all the leading fund groups, life and pension companies and platform operators across the financial services sector offering straight forward and pragmatic advice to help add value and improve their business performance and efficiency whilst treating customers fairly in line with FCA requirements.

Ratings

Our innovative ratings are now recognised as market leading and cover a broad area of investment solutions including single strategy funds, SRI funds, Multimanager and multi-asset funds, DFMs and investment trusts. Our familiar 'R' logo is now recognised as a trusted badge of quality by advisers and providers alike and a 'must-have' when selecting funds. Our ratings are founded on a strict methodology that considers performance and risk measures but places a greater emphasis on the ability of fund managers to continue to deliver performance in the years ahead. based on our in-depth face-to-face meetings with fund managers across the globe.

We understand financial services and we will work alongside you to deliver tailored solutions that are right for your clients and your business.

Our research. Your success.

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All opinions included in this document and/or associated documents constitute our judgement as at the date indicated and may be changed at any time without notice and do not establish suitability in any individual regard.

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