



## FUND OVERVIEW



Fund Manager(s)	Sebastien Beguelin, George Crowdy, Mike Fox
Fund Size	£3,059.14m
Domicile	United Kingdom
ISA	Eligible
Investment Association Sector	IA Mixed Investment 40-85% Shares
Currency	GBP
Initial Charge	0.0%

### Share Class C (Accumulation)

Unit Launch Date	26.11.12
Minimum Investment	£1,000
Ongoing Charges Figure (OCF)	0.77%
SEDOL	B882H24
Mid Price	357.40p
Historic Yield	1.01%

### Share Class A (Income)

Unit Launch Date	21.09.09
Minimum Investment	£1,000
Ongoing Charges Figure (OCF)	1.17%
SEDOL	B3PXJXo
Mid Price	390.70p
Historic Yield	0.61%

### Share Class C (Income)

Unit Launch Date	26.11.12
Minimum Investment	£1,000
Ongoing Charges Figure (OCF)	0.77%
SEDOL	B8GG632
Mid Price	317.10p
Historic Yield	1.02%

### Share Class D (Accumulation)

Unit Launch Date	26.11.12
Minimum Investment	£3,000,000
Ongoing Charges Figure (OCF)	0.62%
SEDOL	B8GHTZ8
Mid Price	363.50p
Historic Yield	1.14%

### Share Class D (Income)

Unit Launch Date	26.11.12
Minimum Investment	£3,000,000
Ongoing Charges Figure (OCF)	0.62%
SEDOL	B8N2569
Mid Price	317.40p
Historic Yield	1.15%

## Overview

The Fund's investment objective is to achieve capital growth over the medium term (3-5 years) by investing mainly in the shares of companies globally listed on stock exchanges that are deemed to make a positive contribution to society. Investments in the Fund will adhere to the Manager's ethical and sustainable investment policy. The IA Mixed Investments 40-85% Shares sector is considered an appropriate benchmark for performance comparison.

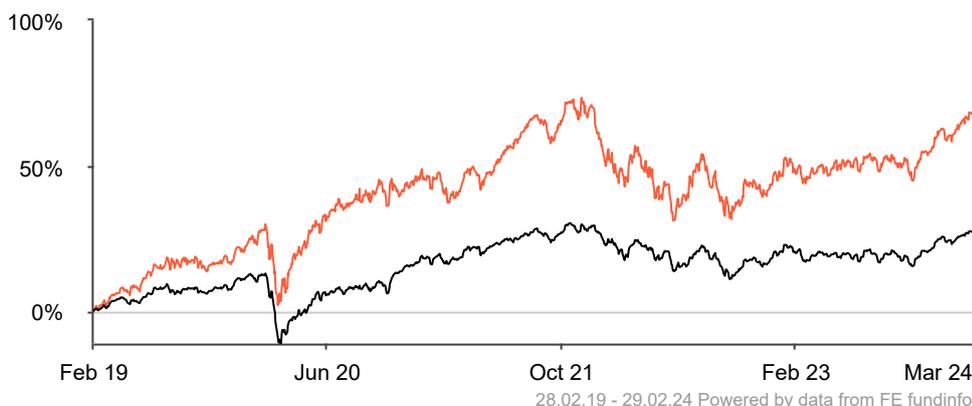
## Year-on-year performance

	31.12.22 to 31.12.23	31.12.21 to 31.12.22	31.12.20 to 31.12.21	31.12.19 to 31.12.20	31.12.18 to 31.12.19
Share Class C (Accumulation)	15.2%	-17.0%	17.7%	20.2%	30.1%
Share Class A (Income)	14.6%	-17.4%	17.1%	19.3%	29.1%
Share Class C (Income)	15.2%	-17.0%	17.7%	20.2%	30.0%
Share Class D (Accumulation)	15.3%	-16.8%	17.9%	20.4%	30.3%
Share Class D (Income)	15.3%	-16.8%	17.8%	20.4%	30.3%

## Cumulative Performance (as at 29.02.24)

	3 Months	6 Months	1 Year	3 Years	5 Years
Share Class C (Accumulation)	8.9%	9.7%	14.1%	19.6%	67.8%
Share Class A (Income)	8.8%	9.5%	13.6%	17.9%	63.1%
Share Class C (Income)	8.9%	9.7%	14.1%	19.6%	67.9%
Share Class D (Accumulation)	8.9%	9.8%	14.2%	20.1%	69.1%
Share Class D (Income)	8.9%	9.8%	14.2%	20.1%	69.1%
IA Sector Average	5.6%	6.5%	6.2%	9.4%	27.2%
Quartile Ranking	1	1	1	1	1

## Performance Chart



Trust IA Sector Average

**Past performance is not a guide to future performance. The value of investments and the income from them is not guaranteed and may go down as well as up and investors may not get back the amount originally invested.**

Source: RLAM and FE fundinfo as at 29.02.24. Fund performance is shown on a mid to mid price basis, net of fees and gross of taxes, with gross income reinvested unless otherwise stated. Benchmark performance is shown gross of fees and taxes.

## Distribution History (Net)

	30/11/2023	31/05/2023
Share Class A (Income)	1.8103p	0.5620p
Share Class C (Income)	2.0896p	1.1399p
Share Class D (Income)	2.3050p	1.3465p

Table above shows figures as at payment date.

## Fund Manager(s)



**Mike Fox**  
Co-manager  
Fund Manager tenure:  
21.09.09



**Sebastien Beguelin**  
Co-manager  
Fund Manager tenure:  
01.04.21



**George Crowdy**  
Co-manager  
Fund Manager tenure:  
01.04.21

## Yield Definitions

The historic yield reflects distributions declared over the past twelve months as a percentage of the mid-market price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. Reported yields reflect RLAM's current perception of market conventions around timing of bond cash flows.

## Fund Commentary

Globally, February was a good month for risk assets with the Nasdaq in the US and the Nikkei in Japan both hitting all-time highs. The positive impact from significant investments in generative artificial intelligence has continued to influence stock markets and lead to some large gains from companies with direct exposure to the theme. The expectations for interest rate cuts, which were high at the start of the year, have now been pushed out as the rate of inflation remains sticky, with reductions now shifted towards the end of the year. The MSCI Index rose nearly 5% in sterling terms, with technology, industrial and consumer discretionary names performing the best, whilst defensive sectors like consumer staples and utilities lagged. In the UK, the FTSE All-Share Index recovered during the month to record a small gain. While 2023 had begun with fears of a global recession, with a very large number of companies reporting their full year financial results for 2023, the outcome has largely been better than feared. General evidence is that corporate balance sheets are healthy, with a range of quality businesses reporting attractive growth in profits and cash generation.

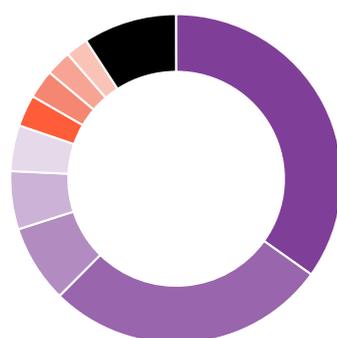
The Sterling credit market fell 0.56% in February; this was driven by higher gilt yields, with the yield on ten-year UK government bonds rising from 3.8% to 4.1% as market expectations of the timing of rate cuts continued to be pushed further out. This was partially offset by credit spreads tightening 8bps, ending the month at 1.01% above government bonds.

The Trust outperformed during February, ranking in the first quartile relative to its peer group. The Trust's top contributors to performance in February came from a number of industrial and infrastructure focused businesses, including Schneider Electric and Comfort Systems, which are beneficiaries of electrification of buildings and industry. Semiconductor company TSMC was also strong. Key detractors included Latin American ecommerce company MercadoLibre, where long-term investment decisions weighed on short-term margins. Software provider Adobe was also weaker as investors assessed threats from AI-driven competition.

The Trust continued to build its stake in recently initiated positions during February, including semiconductor and enterprise software company Broadcom and water products distributor Core & Main. These purchases were funded through some profit taking in businesses which had performed strongly following robust financial results, including TSMC and diabetes specialist Novo Nordisk.

This is not a recommendation or solicitation to buy or sell any particular security. The views and opinions expressed herein are those of the manager at the time and are subject to change without notice.

## Geographical Breakdown



	Fund
United States	34.8%
United Kingdom	27.5%
France	7.6%
Netherlands	5.7%
Ireland	4.5%
Canada	3.1%
Switzerland	2.8%
Taiwan, Province Of China	2.5%
Denmark	2.2%
Other	9.1%

## Sector Breakdown

	Fund
Industrials	23.8%
Technology	22.6%
Health Care	14.3%
Fixed Income	13.7%
Financials	11.5%
Consumer Discretionary	7.2%
Basic Materials	4.5%
Utilities	1.5%
Consumer Staples	1.0%

## Asset Split

	Fund
North American Equity	38.7%
European Equity	19.1%
UK Equity	17.1%
UK Fixed Interest	13.5%
Global Em Markets Equity	9.4%
Japan Equity	0.6%
Cash	1.7%

## Top 10 Holdings as at 29.02.24

	Fund (%)
MICROSOFT CORP	4.0%
VISA INC CLASS A	3.6%
ALPHABET INC CLASS A	3.6%
THERMO FISHER SCIENTIFIC INC	3.2%
SCHNEIDER ELECTRIC	3.2%
CANADIAN NATIONAL RAILWAY	3.1%
ASML HOLDING NV	3.0%
LONDON STOCK EXCHANGE GROUP PLC	2.6%
ASTRAZENECA PLC	2.6%
LOREAL SA	2.5%
<b>Total</b>	<b>31.4%</b>
<b>No of Holdings</b>	<b>233</b>

Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Nothing in this factsheet should be construed as advice and is therefore not a recommendation to buy or sell shares.

**ESG Terms and Definitions**

**ESG Integration:** The systematic and explicit inclusion of environmental, social and governance (ESG) factors into investment analysis and investment decisions.

**Promotes Environmental or Social Factors:** An ESG Fund promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

**Sustainable Fund Objective:** A product that has sustainable investment or a reduction in carbon emissions as its objective.

**Exclusions:** Explicitly prohibits investing in a particular company, sector, business activity, country or region.

**ESG Metrics Explanation**

**Carbon Footprint:** Exposure to high emitters in the portfolio, expressed in tCO<sub>2</sub>e/\$M invested. Financed emissions (explained above) are divided by the portfolio value, the same approach for listed companies and private issuers is applied in this metric.

**Financed Emissions:** The emissions from activities in the real economy that are financed through lending and investment portfolios, expressed in tCO<sub>2</sub>e. Emissions are attributed to a portfolio based on the portion of the company's value the portfolio holds, and using different accounting values for public and private corporates. We provide financed emissions for scope 1 and 2 emissions.

**Weighted Average Carbon Intensity:** Portfolio's exposure to carbon-intensive companies, expressed in tCO<sub>2</sub>e / \$M revenue. Scope 1 and scope 2 GHG emissions are divided by companies revenues, then multiplied based on portfolio weights (the current value of the investment relative to the current portfolio value). The WACI is calculated as a weighted average sum of the holdings with carbon intensity coverage.

**ESG Characteristics Rationale**

The Fund focuses on the sustainability of the products and services of the companies it invests in, as well as their standards of environmental, social, governance ("ESG") management, alongside financial analysis. The investment approach is fundamentally based on positive screening; identifying companies that are making a positive contribution towards a cleaner, healthier, safer and more inclusive society, through assessing both what a company does and how it does it, and through active engagement to encourage continual improvement. The fund will not invest in companies that undertake business activities deemed to be detrimental to society. Further details of the Funds Sustainable Investment process can be found in the ethical and sustainable investment policy at [www.rlam.com](http://www.rlam.com)

**ESG Characteristics**

	Yes	No
ESG Integration	✓	
Promotes Environmental or Social Characteristics		✓
Sustainable Fund Objective	✓	
Additional Exclusions*	✓	

\*RLAM has a controversial weapons exclusion across all investments

**Our Fund Restrictions**

Adult Entertainment	✓	High Environmental Impact	✓
Alcohol	✓	Human Rights Issues	✓
Animal Welfare	✓	Nuclear Power	✓
Armaments	✓	Nuclear Weapons	✓
Controversial Weapons	✓	Tobacco	✓
Fossil Fuels	✓		
Gambling	✓		

**Details of avoidance and/or exclusion criteria:** <https://www.royallondon.com/siteassets/site-docs/rlum/rlum-ethical-and-sustainable-investment-policy.pdf>

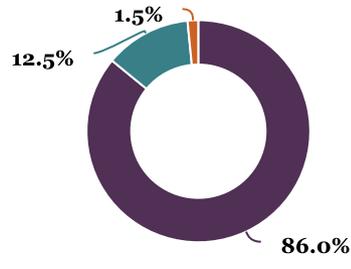
**ESG Metrics\***

	Portfolio	Benchmark	Difference
<b>Carbon Footprint</b>	10.5	-	-
Carbon Footprint Coverage	90.5%	-	-
<b>Financed Emissions</b>	39,225.55	-	-
Financed Emissions Coverage	90.5%	-	-
<b>Weighted Average Carbon Intensity</b>	43.3	-	-
Weighted Average Carbon Intensity Coverage	97.4%	-	-

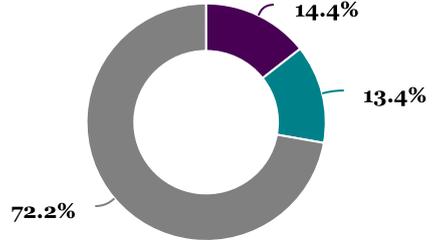
\*data as at 31/12/2023

**Fund Stewardship Activity\***

Proxy Voting Activity



Engagement Topics



- Vote For
- Vote Against
- Vote Abstain
- Vote Take No Action
- Climate - Transition Risk
- Corporate Governance
- Others

\*Data as at 31st December 2023 for the calendar year 2023. Data includes activity led by the Investment Manager and Responsible Investment teams.

## CONTACT DETAILS

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Telephone calls may be recorded. For further information please see the privacy policy at <http://www.rlam.com>.

### Important Information

This is a financial promotion and is not investment advice.

The Trust is an authorised unit trust scheme. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032. For more information on the Trust or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com).

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Source: RLAM, FE fundinfo and HSBC as at 29.02.24, unless otherwise stated. Yield definitions are shown above.

Our ref: FS RLAM PD 0121

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## Key Concepts to Understand

**Capital Growth:** The rise in an investment's value over time.

**Bonds:** Are defined as fixed-income investments issued as debt by companies and public bodies to raise finance. Investors in bonds receive a previously agreed, non-variable interest payment until the investment matures. Corporate bonds are those issued by companies to raise finance.

**Environmental, social and governance:** A list of predefined criteria that determines how a company operates in terms of sustainability and overall corporate governance.

**Efficient Portfolio Management:** A list of approved investment techniques, including the use of derivatives, used to protect against excessive risk, reduce cost or generate extra income or growth.

## Fund Risks

**Investment Risk:** The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

**Concentration risk:** The price of Funds that invest in a reduced number of holdings, sectors, or geographical areas may be more heavily affected by events that influence the stockmarket and therefore more volatile.

**Credit Risk:** Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

**Derivative Risk:** Derivatives are highly sensitive to changes in the value of the underlying asset which can increase both Fund losses and gains. The impact to the Fund can be greater where they are used in an extensive or complex manner, where the Fund could lose significantly more than the amount invested in derivatives.

**EPM Techniques:** The Fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

**Exchange Rate Risk:** Investing in assets denominated in a currency other than the base currency of the Fund means the value of the investment can be affected by changes in exchange rates.

**Interest Rate Risk:** Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

**Liquidity Risk:** In difficult market conditions the value of certain fund investments may be difficult to value and harder to sell, or sell at a fair price, resulting in unpredictable falls in the value of your holding.

**Counterparty Risk:** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

## Fund Restrictions Definitions

**Adult Entertainment:** Companies which own or produce adult entertainment services, or engage in the distribution or sale of adult entertainment services.

**Alcohol:** Companies which have involvement in brewing, distillation or sale of alcoholic drinks.

**Animal Welfare:** Companies that conduct animal testing (other than for purposes of human or animal health and/or where it is required by law or regulation).

**Armaments:** Companies who manufacture armaments or nuclear weapons or associated products.

**Controversial Weapons:** Weapons which have an indiscriminate and disproportional impact on civilians or weapons that are illegal and prohibited by international conventions and treaties.

**Fossil Fuels:** Companies involved in the exploration, extraction or refining of oil, or gas, or coal, plus any activity relating to thermal coal.

**Gambling:** Companies who promote irresponsible gambling which includes betting shops, casinos or amusement arcades.

**High Environmental Impact:** Companies which have a high environmental impact, and which have 'no evidence' of appropriate environmental management systems.

**Human Rights Risks:** Companies with a strategic presence operating in countries of concern and which have 'no evidence' of policies or systems to manage human rights risks.

**Nuclear Power:** Companies who generate energy from Nuclear Power.

**Nuclear Weapons:** Companies that manufacture, nuclear; or are involved in the production of intended-use parts, whole weapons systems, or exclusive delivery platforms.

**Tobacco:** Companies which are growing, processing or selling tobacco products.