

TM STONEHAGE FLEMING INTERNATIONAL FUND

PREVIOUSLY KNOWN AS TM CAVENDISH INTERNATIONAL FUND



ACTIVELY
MANAGED



STOCK PICKING
APPROACH



LONG-TERM
INVESTMENT HORIZONS



STYLE AGNOSTIC APPROACH,
BLENDING QUALITY AND VALUE



GROWTH
MINDSET

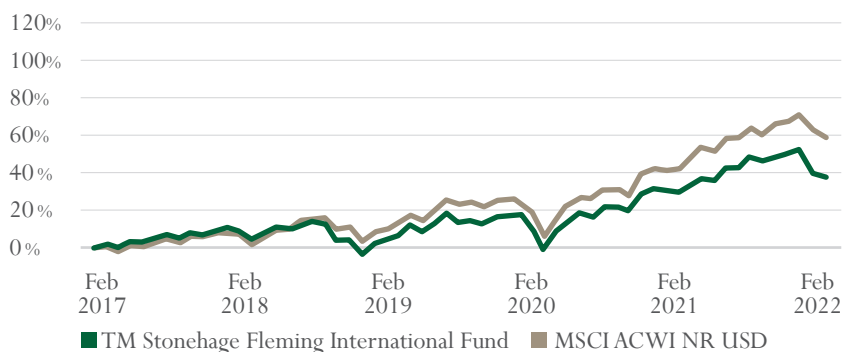
INVESTMENT OBJECTIVE

The fund aims to achieve long-term capital growth.

INVESTMENT POLICY

The Fund shall invest mainly in equity securities of companies listed on stock exchanges anywhere in the world. There will be no restrictions on the countries, regions or industrial sectors in which invested. Equally there will be no presumption or expectation that the Fund will maintain asset allocation across all countries, regions or industrial sectors on an ongoing basis. The Fund will be free to invest globally, but there may be a bias towards one or more countries, regions or industrial sectors to the exclusion of other countries, regions or industrial sectors.

PORTFOLIO PERFORMANCE



STANDARDISED FUND PERFORMANCE (%)

Performance	3m	6m	YTD	1yr	3yrs	5yrs
TM SF International Fund	-7.71	-6.87	-9.11	7.00	33.11	38.35
MSCI ACWI NR USD	-5.01	-2.83	-6.49	12.34	44.61	59.37
Peer Group Percentile	79	69	84	28	17	25

DISCRETE 12 MONTH PERFORMANCE (%)

12 months to 28 February	2022	2021	2020	2019	2018
TM SF International Fund	7.00	16.95	6.37	-4.76	9.13
MSCI ACWI NR USD	12.34	19.00	8.18	2.72	7.29
Peer Group Percentile	28	32	30	93	28

CALENDAR YEAR PERFORMANCE (%)

Performance	YTD	2021	2020	2019	2018	2017
TM SF International Fund	-9.11	16.05	11.74	21.24	-11.11	14.67
MSCI ACWI NR USD	-6.49	19.63	12.67	21.71	-3.78	13.24

Source: Morningstar Direct, % growth, total return, GBP, single price, UK net income reinvested with no initial charges. Peer Group is the Flexible Investment Sector and number of peers for February 2022 are 152.

PERFORMANCE DISCLOSURE

Past performance is not a guide to future performance. The value of investments can fall. Investors may not get back the amount invested. Income from investments may vary and is not guaranteed. For a full list of risks applicable to this fund, please refer to the Prospectus. If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations.

Source for all performance is Morningstar Direct as at 28 February 2022. Total return (with dividends) is net of fees.

KEY FACTS

Launch Date	6 July 1994
IA Sector	Flexible Investment
Fund Size (m)	£440.8
Fund Type	UCITS
Dealing Frequency	Daily
Range of Holdings	50-80
Comparator Index	MSCI ACWI NR USD

FEES

Initial Charge (%)	Up to 5.00
Ongoing Charges* (%)	0.65
Annual Management Charge** (%)	0.60

*Ongoing charges (the OCF) is the management fee plus additional fund expenses (excluding transaction costs) as a percentage of the assets of the fund. This gives an indication of annual expenses which may vary over time. **Included in the Ongoing Charges figure.

MINIMUM INVESTMENT

Lump Sum	£50,000
Additional	£5,000
Regular Savings	N/A

PORTFOLIO MANAGER

LIZ EVANS



Liz Evans has 3 decades of industry experience. Joining Cavendish Asset Management after graduation, she spent time working as an analyst before becoming a fund manager. Liz managed the Cavendish Asia Pacific Fund from launch to its merger with the TM Cavendish International Fund. In 2017, she took on a global role as the deputy Fund Manager of TM Cavendish International Fund and in 2019 she assumed the role of Fund Manager. Liz transferred to Stonehage Fleming in July 2020 following the acquisition of the business activities of Cavendish Asset Management by Stonehage Fleming. Liz is an associate member of the CISI.

DEPUTY PORTFOLIO MANAGER

NICOLA MUIRHEAD



Nicky is a Director of Equity Management at Stonehage Fleming. She is Deputy Fund Manager on the TM Stonehage Fleming International Fund and a Senior Equity Analyst for the Stonehage Fleming Global Best Ideas Equity Fund. Nicky focusses her in-depth, bottom up research on the quality, growth areas of the market.

Nicky joined the Equity Management Team in 2019 from Bessemer Trust having previously worked as a Senior Analyst and Fund Manager at River & Mercantile Asset Management, Neptune and BlackRock/Merrill Lynch Investment Management. She is a CFA charterholder and graduated from Oxford University with first class honours in Physics.

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ENQUIRIES

ENQUIRIES AND DEALING	
0333 300 0375	
(press 1 for Enquiries, press 2 for Dealing)	
DEALING:	
Thesis Unit Trust Management Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG	
SEDOL CODES:	
Class B Share	B0JX3Z5
ISIN CODES:	
Class B Share	GB0032211095
LIPPER IDS:	
Class B Share	65009655

SECTOR ALLOCATION (%)*

Information Technology	19.7
Financials	15.2
Consumer Discretionary	13.4
Health Care	11.8
Communication Services	10.5
Consumer Staples	9.6
Industrials	8.1
Materials	4.7
Real Estate	1.3
Energy	1.1
Cash and ETFs	4.6

*As of COB 28 February 2022 rather than the Valuation Point of 12pm
Source: Stonehage Fleming Investment Management Limited

TOP TEN HOLDINGS (%)*

Microsoft Corp	2.6
Alphabet Inc C	2.5
JP Morgan	2.4
Fifth Third Bancorp	2.3
Amazon	2.2
Louis Vuitton Moet Hennessy	2.2
Estee Lauder	2.2
ASML Holding	2.1
L3Harris Technologies Inc	2.1
Edwards Lifesciences Corp	2.1

PORTFOLIO COMMENTARY

In February, the TM Stonehage Fleming International Fund performance was as follows:

- B share class units fell in value by 1.58%
- This performance was against a fall of 2.59% in the MSCI ACWI NR USD
- Fund and Index performance data sourced from Morningstar

Markets continued to sell off during February driven by inflation fears, which were compounded by the invasion of Ukraine by Russian forces. Oil prices rose steadily reaching \$95 by month end, and have spiked further since. Attempts by OPEC to stabilise the markets with extra supply have so far had little impact. Already disrupted supply chains are now considerably more complicated, particularly around Europe. Despite this, US Federal Reserve commentary continues to back the earlier communicated rate rises. Concerns around the spill over impact on growth globally are building.

The fund has no direct exposure to Russia or Ukraine, albeit global companies may have a small percentage of sales to that region or have production facilities located there. However, the broader ramifications on continued supply chain disruption, inflation, the interest rate environment and growth outlook do have an impact. Results season continued during February with broadly positive updates but the market reaction to the smallest miss or more negative tone was very harsh. The position in L3Harris, the US Defence company, was the largest positive contributor to performance as expectations grow for increased defence spending in response to the war. Fifth Third Bancorp was another strong performer as it

reassured on its growth outlook and announced a deal to buy Dividend Finance, a digital lender, focused on renewable energy home improvement solutions. On the negative side, Air Products & Chemicals reported strong growth but weaker margins than had been expected, largely driven by oil inflation that has yet to be recouped through pricing. Paypal was another laggard, announcing a strategic change in direction; away from customer acquisition and towards customer monetisation.

The fund has been reorienting away from longer duration equities in favour of cash earnings today. The position in Salesforce was sold entirely and the positions in Alps Alpine, Edwards Lifesciences and Zoetis were trimmed, taking profits and redeploying capital into existing holdings that offered more valuation opportunity. The Japanese holdings have been hard hit by the market rotation and the fund added to the positions in Recruit and Keyence in response. The fund is building a holding in two US energy companies, where the ongoing focus on cash flow generation and new strategic priorities have served to improve the quality of earnings significantly.

The Russian situation clouds the near term outlook considerably, however we continue to diligently focus on the longer term earnings prospects of our companies, seeking those that can withstand the current difficulties and emerge the other side in a stronger position. We take some comfort from the historical precedence of geopolitical events; the current drawdown already exceeds the median average of the previous 21 most significant events. Moreover, in 15 of those events the ensuing returns were meaningfully positive, so whilst the current events are deplorable, the Fund will continue to focus on the longer term outlook.

IMPORTANT INFORMATION

This is a marketing communication issued by Stonehage Fleming Investment Management Limited (SFIM). SFIM is the investment manager of the Fund.

All investments risk the loss of capital. No guarantee or representation is made that the funds will achieve their investment objective.

The value of investments may go down as well as up. For products designed to return income, the distributions can also go down or up and you may not receive back the full value of your initial investment.

Derivatives may be used for efficient portfolio management. The fund invests in assets which are denominated in other currencies; hence changes in the relevant exchange rate will affect the value of the investment.

Past performance is not a guide to future returns. If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations.

The distribution or possession of this document in jurisdictions outside the United Kingdom may be restricted by law or other regulatory requirements.

For details of the Funds investment policy, please see the Investment Objective and Policy section of the Fund Prospectus Document.

Whilst every effort is made to ensure that the information provided to clients is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations may be subject to change in the future.

The information in this document does not constitute legal, tax, or a personal recommendation.

The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.

The Authorised Fund Manager is Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. Authorised and regulated by the Financial Conduct Authority.

Before you invest you should read the Key Investor Information Document (KIID) and the Prospectus which contain detailed information. These documents are available in English, free of charge, upon request by writing to Thesis Unit Trust Management Limited at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP; or by phoning 01483 783 900 between 9am and 5pm Monday to Friday; or on the website at www.fundlistings.com.

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