

TM STONEHAGE FLEMING INTERNATIONAL FUND

OUR FOUR FUNDAMENTAL QUALITY
PILLARS - IDENTIFYING
GLOBAL BEST IN CLASS BUSINESSES



INVESTMENT OBJECTIVE

To achieve long-term growth in capital and income in a focused portfolio of high quality listed businesses from around the world.

INVESTMENT PHILOSOPHY

We invest in best in class businesses for their quality, strategic competitive edge and value.

FUND COMMENTARY

Stock market performance in November has, quite ironically, largely been driven by the cooling US economy, and therefore by perceptions of US interest rates that have peaked. The month was a good example of optically negative news having a positive effect on capital markets.

New US employment numbers at 150,000 were lower than previous months', the unemployment rate at 3.9% has now clearly turned "the corner" upwards and both the Conference Board's Services and Manufacturing indices dropped. These indications of a cooling economy put a clear dampener on interest rates, with a strongly building perception that the Federal Reserve' (Fed)'s tightening task for this cycle may well be complete and that their earlier threat of another target rate hike before the end of the year may well remain to be just that. This view is supported by US headline inflation dropping to 3.2%, with the cost of rent of accommodation remaining almost the only sticky part – and itself also dropping. The fact that US Treasuries have dropped from 5.0% in October to 4.3%¹ is a clear indication that interest rate fears are in process of abating and thus supporting capital markets.

It is important to stress the point that, in contrast to other cycles, the aggressive Fed tightening has this time not had a material impact on the US economy whilst they have built material reserves for late next year should they then need to stimulate the economy.

The reporting season has generally delivered marginally better results than consensus expectations. We have earlier made some portfolio adjustments due to the impact of the GLP-1 drug issues by lowering our Staples and increasing our Health Care exposures.

The best contributors to performance over the month were Microsoft, Cadence Design Systems and S&P Global, with Becton Dickinson the only negative contributor.

¹ Source: Bloomberg

Opinions expressed represent the view of SFIM at the time of preparation. They are subject to change and should not be interpreted as investment advice.

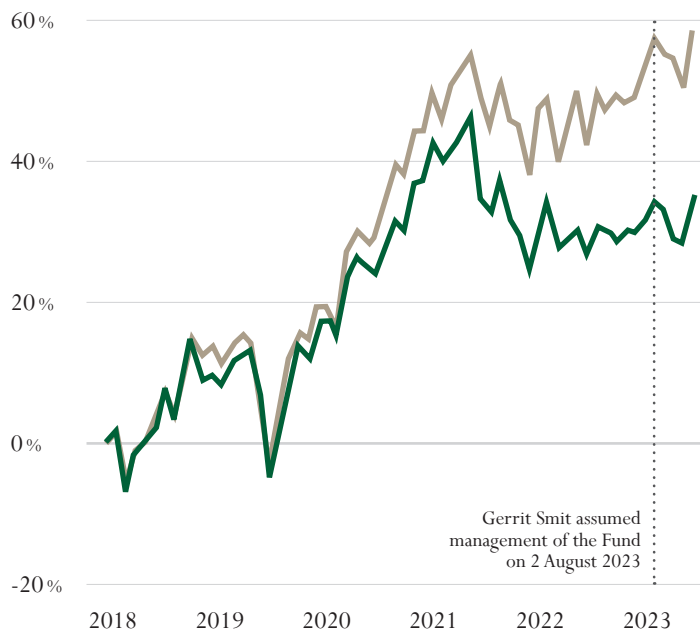
RISK DISCLOSURE

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. The return may increase or decrease due to currency fluctuations. Performance figures are net of fees and charges. The Fund may hold a relatively small number of stocks as compared to many other funds. This may make the Fund's performance more volatile than would be the case if it had a more diversified investment portfolio. For a full list of risks applicable to this fund, please refer to the Prospectus.

INVESTMENT STRATEGY

- Invest for sustainable growth
- Fundamental research driven
- Particular focus on quality of management, balance sheet strength, return on invested capital, free cash flow, ability to grow dividends each year
- Bottom-up approach to identify exceptional businesses
- Global orientation, with emerging market exposure
- High conviction concentrated portfolio
- Predominantly larger capitalisation businesses, also consider exceptional medium-sized ones
- Buy to hold and disciplined selling
- No benchmark orientation, no active trading, no leverage, no hedging

FIVE YEAR PERFORMANCE



■ TM Stonehage Fleming International Fund ■ MSCI ACWI NR GBP

STANDARDISED PERFORMANCE %

	1m	YTD	1yr	3yr	5yr
TM Stonehage Fleming International Fund	5.1	6.3	3.7	9.4	34.3
Annualised	-	-	-	3.0	6.1
MSCI ACWI NR GBP	5.1	11.1	5.6	24.8	56.0
Annualised	-	-	-	7.7	9.3

CALENDAR YEAR PERFORMANCE %

	2022	2021	2020	2019	2018
TM Stonehage Fleming International Fund	-13.1	16.1	11.8	21.2	-11.1
MSCI ACWI NR GBP	-8.7	19.6	13.0	21.7	-3.9

TM STONEHAGE FLEMING INTERNATIONAL FUND

TOP TEN HOLDINGS (% OF FUND)

Microsoft	7.6
Alphabet	7.2
Cadence	5.7
Accenture	5.0
Amazon	4.5
S&P Global	4.1
Zoetis	4.1
EssilorLuxottica	4.1
Visa	4.0
L'Oreal	3.9
TOTAL	50.0

SECTOR BREAKDOWN (% OF FUND)

Technology	28.0
Health Care	21.6
Financials	13.5
Discretionary	12.5
Staples	8.5
Communication	7.2
Materials	3.7
Industrials	3.6
Cash	1.5
TOTAL	100.0

PORTFOLIO MANAGER



GERRIT SMIT

Gerrit Smit is Head of the Equity Management team. He has overall responsibility for its Portfolio Management and Equity Research functions. The team invests for sustainable growth with a particular focus on quality of management, balance sheet strength, cash flow generation and the ability to grow dividends each year.

REGIONAL BREAKDOWN (% OF FUND)

United States	75.6
Continental Europe	19.6
Asia Pacific	3.3
Cash	1.5
TOTAL	100.0

ESTIMATED REGIONAL REVENUES⁸ (% OF FUND)

North America	49.0
Emerging Markets	22.5
Continental Europe	21.7
Japan	2.8
Other	4.0
TOTAL	100.0

PORTFOLIO CHARACTERISTICS

Average Market Cap (Billions GBP)	301.0
Number of Holdings	29
Operating Margin	30.3%
Return on Invested Capital	20.1%
Net Debt/EBITDA ¹	0.5
Expected 3 Year Revenue Growth (p.a.)*	9.3%
Expected 3 Year EPS ² Growth (p.a.)*	13.6%
Expected 3 Year DPS ³ Growth (p.a.)*	9.0%
Dividend Yield (Gross) ^{4,5}	1.0%
Price/Earnings Ratio ⁵	28.6
Free Cash Flow Yield ⁵	3.6%
PEG Ratio ^{6,7}	2.8

SECTOR BREAKDOWN

Source: Northern Trust Global Services SE (UK branch); Stonehage Fleming Investment Management Limited.

PORTFOLIO CHARACTERISTICS

* Such forecasts are not a reliable indicator of future performance.

¹ Earnings Before Interest, Taxes, Depreciation and Amortisation. ² Earnings Per Share. ³ Dividend Per Share. ⁴ Of underlying holdings, and stated gross of withholding taxes and costs. ⁵ Estimated 12 months forward. ⁶ Price / Earnings to Growth Ratio. ⁷ Weighted portfolio Trailing P/E Ratio and EPS projections applied.

Source: Stonehage Fleming Investment Management Limited, Bloomberg.

ESTIMATED REGIONAL REVENUES

⁸ Source: Based on where underlying companies in the TM Stonehage Fleming International Fund derive their revenue.

Source: Bloomberg; Stonehage Fleming Investment Management Limited; Northern Trust Global Services SE (UK branch). Due to rounding, values may not add up to 100%.

OUTCOME OF FAIR VALUE ASSESSMENTS (2023)

- The fund meets the needs of the target market.
- The intended distribution strategy remains appropriate.
- Historically, the fund did not deliver value for money. In response, as of the 2nd August 2023, Stonehage Fleming Investment Management Limited changed the personnel managing the fund and the approach to investment selection. The fund will follow the strategy pursued by the Stonehage Fleming Global best ideas fund (GBI), and own the same quality growth business as this fund. The historic performance of GBI, together with more information on the manager, can be found at www.stonehagefleming.com/GBI

INVESTOR PROFILE

The fund is appropriate for all investor types, including those with only a basic knowledge of funds. It is compatible with investors who do not need a capital guarantee (investors must be prepared to accept fluctuations in the value of capital, including the ability to bear 100% capital loss) and are seeking capital growth. Due to the volatility of markets, investors should be willing to accept price fluctuations in exchange for the opportunity of potentially higher returns. This is a long term investment and investors should have an investment time horizon of at least 5 years. The recommended holding period does not provide any guarantee that the objective will be achieved. This product is eligible for all distribution channels (e.g. investment advice, portfolio management, non-advised sales and pure execution services).

The fund is unlikely to be appropriate for those who:

- Are looking for full capital protection or full repayment of the amount invested, and those who want a guaranteed return
- Have no risk tolerance
- Who are unwilling to accept price fluctuations (volatility) in the value of the fund
- Do not intend to invest for the long term

FUND INFORMATION

Total Net Assets	£363.8m
Comparative Index	MSCI ACWI NR GBP
Fund Type	UCITS
Fund Domicile	United Kingdom
Base Currency	GBP
Currencies Available	GBP
Inception Date	6 July 1994
Range of Holdings	20-30 stocks
Income Paid	£0.028364
Type of Payment	Dividend
Ex Dividend	16 May 2023
Payment Date	14 July 2023
Pricing	Daily, by 12pm (UK)
Dealing	Daily, by 12pm (UK)

FUND CHARACTERISTICS

Active Share ¹	85.7%
Ex Post Tracking Error	5.1%
12 Month Turnover	68.7%
Beta	0.86

GBP B (DISTRIBUTING) SHARE CLASS DETAILS

Price	£5.05
ISIN	GB0032211095
Synthetic Risk & Reward Indicator (SRRI) rating	5
Annual Management Fee	0.60%
Total Ongoing Charge (OCF ²)	0.66%
Min Initial Investment (GBP)	£50,000
Registered for Sale	UK

¹ Active Share measures how much the portfolio holdings differ from the benchmark index (MSCI World) i.e. a portfolio that is identical to the benchmark would have 0% active share. ² The OCF is the Annual Management Fee plus additional fund expenses as a percentage of the assets of the fund. This gives an indication of annual expenses. This figure may vary over time. It excludes portfolio transaction costs.

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 have not been used but are allowed if appropriate for efficient asset management. 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,

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