

OUR FOUR FUNDAMENTAL QUALITY PILLARS - IDENTIFYING GLOBAL BEST OF BREED BUSINESSES



**SUSTAINABLE
ORGANIC GROWTH**



**QUALITY
MANAGEMENT**



EFFICIENCY



**FREE CASH FLOW
GENERATION**

**TOP DECILE
PERFORMANCE**
OF GLOBAL EQUITY FUNDS

Citywire Global Equity
peer group over 3 and 5 years
as at 31 May 2020



MORNINGSTAR

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 of breed businesses for their quality, strategic competitive edge and value.

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. 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.

FUND COMMENTARY

The S&P 500 index has completed one of its five best 65-day (3-month) recoveries since 1950. The S&P Technology index has recovered +48% since its GVC (Great Virus Crisis) low on 23 March.

Our Fund is well exposed to the Technology sector, with our Technology classified businesses making up the largest sector at a 26.4% weight. Other technology driven businesses that are not officially classified as such (Alphabet, Amazon) make up a further 9.3%. Four of the top five contributors to the Fund's performance in June (Tencent, Amazon, Microsoft, Adobe) are from this group.

COVID-19 is accelerating the Technology sector's relevance to the global economy to a major extent. This is particularly the case for Working From Home issues, providing the necessary networks, connections, and computing facilities. This facet further boosts the need for technology enablers in the public cloud, data handling and office automation space.

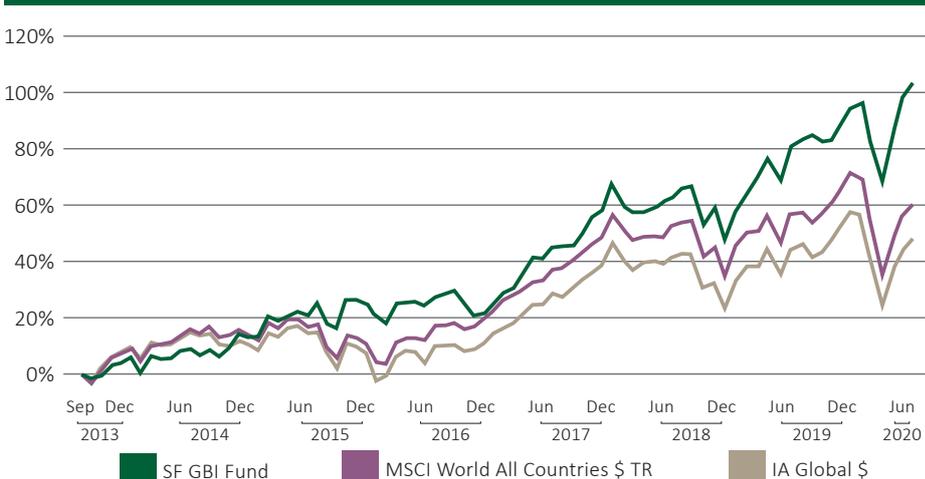
Along with this, the boost to e-Commerce caused by the global lock-downs has been the largest and quickest windfall any sector has probably ever got. Its share of the overall retail market increased in a matter of weeks by what it earlier achieved in a number of years. Because of virus fears, consumers have also abandoned the use of cash in favour of digital payment almost overnight. The need for food delivery services and general online sales exploded, along with streaming and home entertainment services.

Everyone hopes that effective vaccines will imminently be developed and that GVC can phase out as soon as possible. Even if this best scenario may come to fruition, we think the world and many personal outlooks have changed and that the above scenarios are more long-term structural than short-term tactical in nature. The future has arrived much earlier than expected for many businesses. Our portfolio is well positioned in this context.

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

CUMULATIVE PERFORMANCE (CLASS B USD)



CLASS B USD CUMULATIVE PERFORMANCE %

| | 1m | YTD | 1 Year | 3 Year | 5 Year | Since Inception |
|--|-----|------|--------|--------|--------|-----------------|
| Stonehage Fleming Global Best Ideas Equity | 3.1 | 4.6 | 12.5 | 43.5 | 67.6 | 104.5 |
| MSCI World All Countries \$ TR | 3.2 | -6.3 | 2.1 | 19.6 | 36.7 | 61.1 |
| IA Global \$ | 2.4 | -5.9 | 2.2 | 17.5 | 28.0 | 48.3 |

CLASS B USD PERIODIC PERFORMANCE %

| Calendar Year | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|------|-------|------|------|------|------|
| Stonehage Fleming Global Best Ideas Equity | 30.7 | -6.4 | 30.0 | -2.5 | 10.4 | 6.6 |
| MSCI World All Countries \$ TR | 26.6 | -9.4 | 24.0 | 7.9 | -2.4 | 4.2 |
| IA Global \$ | 26.8 | -11.2 | 24.8 | 3.4 | -2.9 | 0.8 |

Fund Inception Date: 16 August 2013. Source for all performance is Link, Bloomberg, Financial Express, MSCI and Stonehage Fleming Equity Management as at 30/06/2020. Third parties (including Bloomberg and Financial Express) whose data may be included in this document do not accept any liability for errors or omissions.

FUND RATINGS







Source & Copyright: Morningstar and Morning star OBSR ratings © 2020 Morningstar. All Rights Reserved. Ratings are collected on the first business day of the month. Morningstar Sustainability Rating as of 30/06/20. Morningstar ratings refer to the B class rating for all USD denominated share classes and to the D class rating for all GBP denominated share classes. Sustainability provides company-level analysis used in the calculation of Morningstar's Sustainability Score. Sustainability Mandate information is derived from the fund prospectus. Morningstar Carbon Metrics cover all equity holdings as of 30/06/20. FE Crown Fund Ratings do not constitute investment advice offered by FE and should not be used as the sole basis for making any investment decision.

| SECTOR BREAKDOWN | % of Fund |
|------------------|--------------|
| Technology | 26.4 |
| Staples | 16.2 |
| Discretionary | 17.9 |
| Health Care | 15.8 |
| Communication | 10.8 |
| Financials | 7.4 |
| Cash | 5.6 |
| Total | 100.0 |

Source: Link Fund Administrators (Ireland) Limited and Stonehage Fleming Investment Management Limited.

| REGIONAL BREAKDOWN | % of Fund |
|--------------------|--------------|
| United States | 72.3 |
| Continental Europe | 9.1 |
| Asia Pacific | 7.8 |
| UK | 5.2 |
| Cash | 5.6 |
| Total | 100.0 |

| PORTFOLIO CHARACTERISTICS | |
|--|-------|
| Average Market Cap (Billions USD) | 283.0 |
| Number of Holdings | 26 |
| Operating Margin | 26.9% |
| Return on Invested Capital | 19.1% |
| Net Debt/EBITDA ¹ | 0.5 |
| Expected 3 Year EPS ² Growth (p.a.) | 14.1% |
| Expected 3 Year DPS ³ Growth (p.a.) | 6.4% |
| Dividend Yield (gross) ^{4,5} | 1.1% |
| Price/Earnings Ratio ⁵ | 33.7 |
| Free Cash Flow Yield ⁵ | 3.4% |
| PEG Ratio ^{6,7} | 2.7 |

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 Median Portfolio Price/Earnings to Growth Ratio. ⁷ Applying Trailing P/E Ratio. Source: Stonehage Fleming Investment Management Limited, Bloomberg.

| TOP TEN HOLDINGS | % of Fund |
|------------------|-------------|
| PayPal | 6.2 |
| Microsoft | 6.1 |
| Visa | 5.6 |
| Amazon | 5.0 |
| Zoetis | 5.0 |
| Tencent | 4.5 |
| Accenture | 4.3 |
| Alphabet | 4.3 |
| Nike | 4.2 |
| Adobe | 4.1 |
| Total | 49.3 |

| ESTIMATED REGIONAL REVENUES ⁸ % of Fund | |
|--|--------------|
| North America | 46.8 |
| Emerging Markets | 31.0 |
| Continental Europe | 17.8 |
| UK | 4.4 |
| Total | 100.0 |

⁸ Source: Based on where underlying companies in the Stonehage Fleming Global Best Ideas Equity Fund derive their revenues. Source: Bloomberg; Stonehage Fleming Investment Management Limited; Link Fund Administrators (Ireland) Limited. Due to rounding, values may not add up to 100%.

FUND MANAGER



CITYWIRE / **AA**

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.

| FUND INFORMATION | |
|----------------------|--------------------------------|
| Total Net Assets | \$1,457.5m |
| Comparative Index | MSCI World All Countries \$ TR |
| Lipper Sector | Lipper Global Equity Global |
| Fund Type | UCITS |
| Fund Domicile | Ireland |
| Base Currency | USD |
| Currencies Available | GBP, USD, EUR, CHF |
| Inception Date | 16 Aug 2013 |
| Number of Holdings | 20-30 stocks |
| Income Paid | N/A |
| Type of Payment | N/A |
| Ex Dividends | N/A |
| Payment Date | N/A |
| Pricing | Daily by 11pm (IRE) |
| Dealing | Daily by 12pm (IRE) |

| FUND CHARACTERISTICS | |
|---------------------------|-------|
| Active Share ⁹ | 87.0% |
| Ex Post Tracking Error | 6.3% |
| 12 Month Turnover | 2.4% |
| BETA | 0.84 |

⁹ Active Share measures how much the portfolio holdings differ from the benchmark index (MSCI World) ie. a portfolio that is identical to the benchmark would have 0% active share.

| USD B (ACCUMULATION) SHARE CLASS DETAILS | |
|---|--------------|
| Price | \$204.55 |
| ISIN | IE00BCLYMC02 |
| Synthetic Risk & Reward Indicator (SRRI) rating | 5 |
| Annual Management fee | 0.75% |
| Total ongoing charge (OCF) | 0.85% |
| Min initial investment (USD) | 5,000,000 |
| Registered for sale | UK, CH, SA |

The OCF is the 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

The Fund is a sub-fund of the Stonehage Fleming Pooled Investments (Ireland) plc (the "Company"), an open-ended umbrella investment company with variable capital and segregated liability between Funds incorporated with limited liability in Ireland under the Companies Act 2014 with registration number 525228. It qualifies and is authorised in Ireland by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities ("UCITS").

The Company is recognised as a section 264 scheme by the Financial Conduct Authority in the United Kingdom. The Fund is an approved Foreign Collective Investment Scheme in South Africa where it is registered with the Financial Sector Conduct Authority (South Africa). The Fund has been granted consent pursuant to the Control of Borrowing (Jersey) Order 1958, by the Jersey Financial Services Commission ("JFSC") to circulate an offer for subscription,

sale or exchange of shares in Jersey. The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that Law. Link Fund Administrators (Ireland) Limited has been appointed as the manager (the "Manager") of the Company and Stonehage Fleming Investment Management Limited has been appointed as the investment manager (the "Investment Manager") of the Company.

The latest version of the Prospectus and the Key Investor Information documents are available in English and can be obtained by contacting the administrator at dublinta@linkgroup.ie.

This document is issued by Stonehage Fleming Investment Management Limited which is authorised and regulated by the Financial Conduct Authority and registered with the Financial Sector Conduct Authority (South Africa) as a Financial Services Provider (FSP)

under the Financial Advisory and Intermediary Services Act. No 37 of 2002 (FSP No: 46194). The registered office is 15 Suffolk Street, London, SW1Y 4HG. Registered in England No. OC4027720. Affiliates of Stonehage Fleming Investment Management Limited are authorised and regulated in Jersey by the JFSC for financial services business. This document has been approved for use in Jersey.

Swiss Investors: The home jurisdiction of the fund is Ireland. The place of performance and jurisdiction, along with the place where the prospectus, memorandum and articles of association, key investor information documents and the annual and semiannual reports of the Fund can be obtained free of charge, is the registered office of the Fund's Swiss Representative - ARM Swiss Representatives SA, Route de Cité-Quest 2, 1196 Gland, Switzerland. Swiss Paying Agent : Banque Cantonale de Geneve of 17, Quai de l'île, 1204 Geneva, Switzerland.