

**SHINING A LIGHT ON THE.....**  
**Standard Life Investments Global SICAV II**  
**Global Equity Impact Fund**

**AT A GLANCE**

Investment Objective
The fund aims to provide long term growth by investing in companies listed globally that intentionally aim to create positive measurable environmental and/ or social impacts. The fund aims to outperform MSCI AC World Index (USD) benchmark before charges. The fund will invest at least 90% of the fund's assets in its investment universe. This is defined as equities and equity-related securities of companies that are under active research coverage by the investment team and are listed on global stock exchanges including Emerging Markets. The fund may invest up to 10% of its net assets in Mainland China equity and equity-related securities including through the Shanghai-Hong Kong and Shenzhen- Hong Kong Stock Connect programme or by any other available means.

<b>Inception Date</b>	18 <sup>th</sup> October 2017
<b>Fund Factsheet Link</b>	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000ZMDG">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000ZMDG</a>

Management	
Manager Name	Start Date
Dominic Byrne	18 <sup>th</sup> October 2017
Sarah Norris	18 <sup>th</sup> October 2017

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2018 – 28<sup>th</sup> February 2021

	2018	2019	2020	2021
<b>Standard Life Investments Global SICAV II Global Equity Impact Fund</b>	-9.66%	22.62%	23.38%	-1.98%
<b>FTSE World ex UK</b>	-2.68%	23.10%	14.15%	-0.69%

Performance over 12 months, 3 years, and since launch:

	1 year	3 years	Since launch
<b>Standard Life Investments Global SICAV II Global Equity Impact Fund</b>	24.06%	35.39%	33.64%
<b>FTSE World ex UK</b>	20.01%	36.31%	37.46%

*You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.*

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Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
4.81	-	78.97	95.71	38.89	0.92	-4.39	Growth/Large

Volatility Measurements	
3-Yr Std Dev (volatility)	13.50%
3-Yr Mean Return (average)	10.63%

Investment Style Details	
Giant	38.90%
Large	35.91%
Medium	12.66%
Small	8.88%
Micro	0.00%

Top 5 Holdings – 44 Equity Holdings		
WuXi Biologics (Cayman) Inc Regi...	Healthcare	4.48%
Samsung SDI Co Ltd	Technology	4.22%
Tetra Tech Inc	Industrials	3.46%
Alstom SA	Industrials	3.16%
Umicore SA	Industrials	2.96%

Top 5 Sectors	
Industrials	29.03%
Healthcare	16.25%
Technology	15.65%
Real Estate	11.29%
Financial Services	10.19%

Top 5 Regions	
United States	39.53%
United Kingdom	11.75%
France	7.53%
Denmark	6.69%
China	6.03%

### UPDATE....

This was our first introduction to the strategy. The team have managed the fund since launch in 2017. In an environment where new funds are coming out all the time it is important to acknowledge experienced teams. They see the current availability of funds through three camps:

- A: Avoid – this is about avoiding certain things and is normally called Ethical Investing
- B: Sustainable / Responsible – this is about buying better companies that are doing “good” but not necessarily focusing on the end result
- C: Contribute – this is about buying companies that contribute to solving problems

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This fund is routed in the contribute camp. They are looking to invest in companies with products or services that tackle climate change, social inequalities and unsustainable production and consumption. They use the UN's Agenda and SDGs for guidance.

They believe that good companies can deliver strong financial returns as well delivering an impact. They have 8 impact pillars which cover the circular economy: sustainable energy, food and agriculture, water and sanitation, health and social care, financial inclusion, sustainable real estate and education and employment.

The fund looks to hold between 35 and 60 stock, and they believe transparency of holdings is really important. For a company to be added there is a high hurdle to beat and as investors they want to be whiter than white, this means they are open to be challenged, and have been. So, it is important to understand what all the holdings are doing.

Samsung SDI is a company they engage with at least 4 times a year. They source cobalt but only through sustainable sourcing and no child labour. Understanding the supply chain is really important. We talk about other companies (and these are not necessarily in the fund), Tesla has effectively replaced the Diesel Car but there are still many negative components that make up the care and therefore understanding the supply chain is really important. NextEra are the world's largest wind and solar provider but also own a coal business. The aim is to turn this is into a renewable business and therefore understanding intentions is also part of the process.

In summary, they think it is important that more competition comes into this space and that creates debate and transparency. The actual global impact universe is around 150 companies. This is a growing theme and it is likely this type of fund will do well moving forward. It is worth comparing the different impact funds and really understanding the underlying holdings. It is important to add that although this is looking to have a positive impact by focusing on climate change, reducing inequalities and reducing unsustainable production and consumption it is no longer a niche global strategy. These types of funds can be used as a blend with other global funds and offer a real point of difference. This is likely to be a strategy we would add to our watchlist.

*The source of information in this note has been provided by Aberdeen Standard and is correct as at March 2021. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*