

**SHINING A LIGHT ON THE.....
FP Foresight Sustainable Real Estate Securities Fund**

AT A GLANCE

| Investment Objective |
|---|
| The Fund aims to provide an income yield of 4% net of fees with a secondary objective to achieve capital growth over a rolling 5-year period. The Fund will invest in global real estate via publicly traded securities (listed) on stock exchanges in developed markets (meaning North America, Western Europe and Asia Pacific), primarily Real Estate Investment Trusts (REITs), Investment Trusts and Closed-Ended Funds. |

| | |
|----------------------------|---|
| Inception Date | 15 th June 2020 |
| Fund Factsheet Link | https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00001587P |

| Management – launch 15 th June 2020 | |
|--|----------------------------|
| Manager Name | Start Date |
| Nick Scullion, Mark Brennan and Eric Bright | 15 th June 2020 |

FUND PERFORMANCE

Performance from 15th June 2020 to 31st August 2021:

| | 2020 | 2021 |
|---|--------|--------|
| FP Foresight Sustainable Real Estate Securities Fund | 1.77% | 17.37% |
| MSCI World NR | 14.86% | 17.14% |

Performance over 12 months, and since launch:

| | 1 year | Since launch |
|---|--------|--------------|
| FP Foresight Sustainable Real Estate Securities Fund | 17.64% | 19.45% |
| MSCI World NR | 26.25% | 34.55% |

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.

| Tracking Error | Upside Capture Ratio | Downside Capture Ratio | Batting Average | Beta | Alpha | Equity Style |
|----------------|----------------------|------------------------|-----------------|------|-------|--------------|
| - | - | - | - | - | - | Blend / Mid |

| Volatility Measurements | |
|-----------------------------------|---|
| 3-Yr Std Dev (volatility) | - |
| 3-Yr Mean Return (average) | - |

LWM Consultants Ltd

| Investment Style Details | |
|--------------------------|---|
| Giant | - |
| Large | - |
| Medium | - |
| Small | - |
| Micro | - |

| Top 5 Holdings – 24 equity holdings, 58% in top 10 holdings | | |
|---|---|-------|
| Dream Industrial Real Estate Inv... | - | 9.21% |
| Medical Properties Trust Inc | - | 8.97% |
| Physicians Realty Trust | - | 8.93% |
| Stag Industrial Inc | - | 4.99% |
| Office Properties Income Trust | - | 4.79% |

| Top 5 Regions | |
|----------------|--------|
| United States | 59.72% |
| United Kingdom | 14.68% |
| Canada | 14.61% |
| Australasia | 6.66% |
| Japan | 4.32% |

UPDATE....

The fund was launched last year and follows on from the infrastructure fund which was established in 2017. Real Estate is part of that fund and therefore it felt a natural progression to launch this strategy. The aim is to give investors access to property without the liquidity issues. Additionally, this has a sustainability focus. The four key areas for the strategy are:

1. It provides a highly liquid route to the real estate market
2. It delivers a resilient yield targeting 4% p.a.
3. It contributes directly to a sustainable future
4. It is highly diversified by sector and geography

The key areas are logistics, healthcare and data centres, and the characteristics of the holdings are high quality and defensive. They look to invest in companies with a market cap above £1 billion.

The mix of holdings includes UK GP Surgeries to US Hospitals, Forestry REITS, Amazon warehouses in the UK and early learning centres in Australia.

They believe that investing in Real Estate Investment Trusts focusing on sustainability offers key advantages. Not only is it a growing theme, tenants are also looking for more sustainable properties. In terms of raising capital there is clear evidence that businesses that focus on sustainability have better access to capital.

The fund is just over 12 months old and has raised just under £100 million from a mix of investors. No single investor has more than £10 million invested. They believe the strategy could grow to £3 billion without compromising performance. In terms of identifying investments, they like to visit sites (which is obviously difficult at the moment), and they don't use outside agency ratings but use their own

LWM Consultants Ltd

systems which focus on the UN Global Compact, UN Sustainable Development Goals and Qualitative Assessment.

They are sector selective because the focus is on areas where they see the fundamental drivers of growth. Equally there are areas where the fund has little or no exposure and this includes retail, hospitality, and office.

In summary, for investors looking to invest in property then this is an alternative option. Although REITS are seen as liquid and in theory shouldn't suffer the same issues as bricks and mortar property funds, investors should be aware this is property and so this is not risk free. Where this is different is the sustainable element, and it comes from an investment house with plenty of experience. We have added this to our watchlist.

The source of information in this note has been provided by Foresight and is correct as of September 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.