

**SHINING A LIGHT ON THE.....
Regnan Global Equity Impact Solutions Fund**

AT A GLANCE

Investment Objective
The fund aims to achieve capital growth in excess of the MSCI ACWI IMI Index (net of fees) over rolling 5 year periods and to generate a positive impact by investing in companies that have the potential to address the world’s major social and environmental challenges. In order to achieve the investment objective, the fund will invest at least 80% of the portfolio in shares of companies quoted and/or traded on Regulated Markets worldwide and which aim to generate (a) positive, measurable social and environmental impact when measured against the taxonomy developed by the Investment Manager relating to sustainable development goals (the “Regnan Taxonomy”), further details of which are set out below; and (b) financial returns. It is anticipated that the fund’s portfolio will comprise fewer than fifty holdings.

Inception Date	
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F000015YIK

Management	
Manager Name	Start Date
Tim Crockford	27 th October 2020
Mohsin Ahmad	27 th October 2020

FUND PERFORMANCE

Performance from 27th October 2020 – 31st August 2022

	2020	2021	2022
Regnan Global Equity Impact Fund	11.90%	6.61%	-12.82%
MSCI ACWI IMI NR	8.37%	19.31%	-4.29%

Performance over 12-months, and since launch:

	12-months	Since Launch
Regnan Global Equity Impact Fund	-16.20%	4.00%
MSCI ACWI IMI NR	-0.93%	23.74%

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	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
-	99.26	-	-	-	-	-	Growth/Mid

LWM Consultants Ltd

Volatility Measurements

3-Yr Std Dev (volatility)	-
3-Yr Mean Return (average)	-

Investment Style Details

Giant	10.53%
Large	21.86%
Medium	48.25%
Small	12.96%
Micro	1.49%

Top 5 Holdings – 32 Holdings

Sartorius Stedim Biotech SA	Healthcare	5.47%
Qiagen NV	Healthcare	5.44%
Novo Nordisk A/S Class B	Healthcare	5.39%
Agilent Technologies Inc	Healthcare	5.16%
PT Bank Rakyat Indonesia (Perser...	Financial Service	5.13%

Top 5 Sectors

Healthcare	36.04%
Industrials	27.67%
Technology	13.51%
Consumer Defensive	5.61%
Financial Services	5.40%

Top 5 Regions

US	32.95%
Denmark	10.12%
France	8.61%
UK	6.21%
Brazil	5.61%

UPDATE....

The fund is now approaching its two-year anniversary. The managers were previously at Hermes and managed a successful strategy. The whole team came across to Regnan to link into their expertise in ESG. Since launch the performance has been weak, and they attribute that to the exposure to small and mid-cap names. It is worth reflecting that other funds which are similar have also had mixed performance.

The fund invests across themes; these include health and wellbeing, energy transition, circular economy, future mobility, food security, education, financial inclusion, and water.

LWM Consultants Ltd

They look to invest in companies which drive growth from products and solutions attributed to the UN Social Development Goals. The three areas of focus are:

1. Identify products and services contributing towards these targets
2. Articulate a theory of change
3. Opportunity for substantial market growth

Then from this they can identify companies. They are looking for the innovators. They don't look at early adopters but more where traction is starting to come through. The companies must derive at least 80% of their profits from solutions to UN Sustainable Development Goals.

They are acutely aware that performance has been weak, but they highlight that the market is very short term, and the average active manager only holds a company for 1.7 years. They are however long-term holders and performance should be judged over a 5 to 10 year plus period. They are investing in the future leaders; as an example, life science tools and services which are driving growth in medical solutions. Across the holdings they are seeing earnings growth and this they believe is positive for the long-term outlook.

This is very different to the index and other global funds and therefore this might be attractive to investors. Investors shouldn't see much movement in holdings unless there are specific events which mean the case for holding changes.

They have sold Siemens Gamesa over concerns on margins with rising inflation, ProCredit who had exposure to Ukraine, and Hannon Armstrong over accounting concerns. They have added ATS and the part of the business they like is the automation of electric vehicle batteries.

In summary, we have held a small position within our positive impact portfolios since almost the launch of the fund. We have held back from adding to the position due to the performance. We understand the strategy and how it can offer investors something different in the global space. However, we would like to see better performance coming through. We are also aware that there are other strategies from the likes of Montanaro and Ninety One which investors may want to compare against.

The source of information in this note has been provided by Regnan and is correct as of September 2022. 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 decide based on these notes we cannot take responsibility for this, and you should carry out your own research before deciding. We would also recommend that you receive advice before following up on any decision.