

STONEHAGE FLEMING GLOBAL EQUITIES FUND II ('GEF II')

September 2016 Quarterly Factsheet

INVESTMENT OBJECTIVE

The objective is to achieve capital growth and an element of income by investing predominantly in UK and international regulated equity funds. It is likely that a significant proportion of the Fund's property will be invested in sub-funds of another regulated collective investment scheme operated by the Manager.

FUND INFORMATION

Inception date:	31 July 2003
Fund Size:	£232.8 million (at 30 th September 2016)
No of Holdings:	10
Structure:	Non-UCITS Retail Scheme
Domicile:	United Kingdom
Share Classes:	A & B
Currency:	GBP
Dealing:	Daily
Yield:	1.8%*
Benchmark:	GEF II Official Prospectus Benchmark ('Benchmark') ²
Ongoing Charges Figure:	1.47% per annum (A Class) 1.82% per annum (B Class)
Performance Fee:	None
Custodian:	Northern Trust Global Services Limited
Administrator:	Northern Trust Global Services Limited
Manager and Investment Adviser:	Stonehage Fleming Investment Management Limited

*Net figure based on last four dividends paid

COMMENTARY

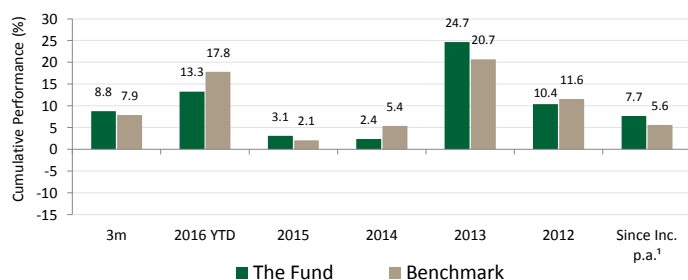
The performance of global equity markets was strong again over the quarter, with markets largely discounting the chances of a "hard Brexit" and instead focused on central banking policy as well as the upcoming US presidential election. The period saw a large reversion towards cyclical, with sectors such as technology and materials outperforming "bond proxy" sectors driven in part by increasing inflation expectations.

Against this backdrop the GEF returned 8.8% against the benchmark return of 7.9%. Within the roster value-orientated managers such as the GLG Japan CoreAlpha fund had a very good quarter as their positions in Japanese banks and materials performed relatively well. The Stonehage Fleming Core UK Equity fund also performed well after benefitting from its overweight commodity exposure as well as holdings in selective UK banks such as HSBC and Barclays.

On the other hand the Stonehage Fleming UK Equity Income fund had a challenging quarter due to the high level of cash holding in the fund as well as large overweight position in global healthcare names. The Stonehage Fleming Global Select Equity Fund also underperformed due to lack of financials exposure, with stock selection generally positive except for Capita which fell significantly after a profits warning.

There were no new investments added or disinvested from, and the portfolio's regional and stylistic positioning was little changed from the previous quarter.

PERFORMANCE (GBP) – Since Inception 31st July 2003



PERFORMANCE (GBP)

As at 30.09.16 (%)	3m	2016 YTD	2015	2014	2013	2012	Since Inc. p.a. ¹
GEF II ¹	8.8	13.3	3.1	2.4	24.7	10.4	7.7
Benchmark ²	7.9	17.8	2.1	5.4	20.7	11.6	5.6
Lipper Global Equity	8.3	18.2	2.6	6.7	19.8	9.1	7.8
Quartile Ranking ³	2	4	2	4	1	2	3

¹ Inception 31-Jul-2003 (net of fees)

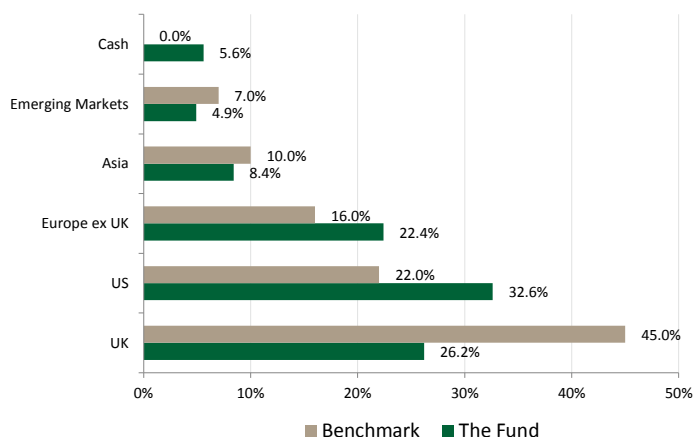
² GEF II Official Prospectus Benchmark ('Benchmark') is a composite benchmark made up of MSCI gross dividend indices – UK 45%; US 22%; Europe ex UK 16%; Far East 10% Emerging Markets 7%; rebalanced monthly

³ Quartile rankings relative to Lipper Global Equity peer group

Performance data since inception at end July 2003 to end September 2016

**RETURNS MAY INCREASE OR DECREASE DUE TO CURRENCY FLUCTUATIONS
PAST PERFORMANCE IS NOT A RELIABLE INDICATOR OF FUTURE RESULTS**

POSITIONING RELATIVE TO BENCHMARK



Source for all market data: Factset, Bloomberg, Lipper
 Source for all Stonehage Fleming Investment Management Limited performance data: Northern Trust Global Services Limited, Stonehage Fleming Investment Management Limited calculations

TOP TEN HOLDINGS

Fund Name/Manager	% of Fund
Stonehage Fleming Global Select Equity	17.9%
Stonehage Fleming UK Equity Income	15.8%
Stonehage Fleming European All Cap	13.1%
Stonehage Fleming Global Best Ideas	13.0%
Stonehage Fleming Core UK Equity	12.8%
Findlay Park American	7.0%
Man GLG Japan CoreAlpha	5.9%
Polar Capital Global Insurance	5.3%
Heronbridge UK Equity	4.2%
Skagen Kon-Tiki	4.1%

RISK DISCLOSURES

The advice we provide will be based on and take into account a majority of product types and not every single equivalent product within a given product category. As such, our advice is restricted (as opposed to independent) as defined by the FCA.

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The value of investments may go down as well as up and, 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.

All investments risk the loss of capital. Where there is potential for profit, there is also possibility of loss. No guarantee or representation is made that the funds will achieve their investment objective.

Past performance should not be used as a guide to future performance.

Whilst every effort is made to ensure that the information provided in this document is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations. Any reference to taxation relies upon information currently in force. You should note that the bases and rates of taxation may change at any time.

Changes in the rates of exchange between currencies may cause the value of investments to go up or down in the reporting currency. In general, underlying investments denominated in foreign currency are not hedged back into the reporting currency. Among the factors that may influence currency values are trade balances, the levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Values may also be affected by developments relating to controls and restrictions on foreign currency remittance of proceeds of investments in a non-sterling jurisdiction.

From time to time, the Manager may engage in hedging transactions within the Fund. There can be no assurances that such hedging, if undertaken, will insulate the Fund from risks and hedging techniques, whether via derivatives or other products or instruments, may give rise to certain costs and additional risks, including a risk of total loss of any amounts invested in hedging instruments.

In addition to the information provided by Stonehage Fleming Investment Management Limited, you may wish to consult an independent professional.

Key Investor Information document (KIID) for the Stonehage Fleming Global Equities Fund II ('GEF II'), is available in English upon request from Stonehage Fleming Investment Management Limited (SFIM) at 15 Suffolk Street, London, SW1Y 4HG, or on SFIM's website at www.stonehagefleming.com The prospectus for GEF II is also available on request.

The Ongoing Charges Figure ("OCF") expresses the costs of running the Fund as a single figure. This is the overall cost shown as a percentage of the value of the assets of the Fund. It comprises the annual management charge and other additional charges including, but not limited to, the charges of the Depositary, Administrator, Registrar and Auditors as well as any specified regulatory or legal fees. It does not include the costs of buying or selling investments or, where relevant, a performance fee. The OCF is also based on the OCFs of funds invested in on a pro-rata basis in proportion to the Fund's value. The pro-rata figures are added to the Fund's own ongoing charges to create one total OCF for the Fund.

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Stonehage Fleming Investment Management Limited is authorised as a full-scope UK Alternative Investment Fund Manager and issues this document in its capacity as Manager and Investment Advisor of the Stonehage Fleming Global Equities Fund II ('GEF II').

The Fund is authorized and regulated in the United Kingdom by the Financial Conduct Authority. The Fund is a Non-UCITS Retail Scheme and is an Alternative Investment Fund (an 'AIF') within the meaning of the EU Alternative Fund Managers Directive (no. 2011/61/EU) ("AIFM Directive")

This document is only approved for issue to existing investors.

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