

## INVESTMENT OBJECTIVE

To achieve long term growth in capital and income by developing a focused portfolio of high quality listed companies from around the world.

## INVESTMENT POLICY

- Fundamental research driven
- Considering long term performance, strength of management and administration, allocation of capital, return on investment over time, cash flow and balance sheet strength
- Predominantly high quality, larger capitalisation companies (but does not preclude small and mid cap)
- Long term investment horizon
- Larger high conviction positions for a focused portfolio
- No specific target sector or geographic region
- Companies may include indirect operational exposure to Emerging Markets
- May also take limited direct Emerging Market exposure
- No benchmark orientation
- No leverage

Fund Information	
Investment Manager	Stonehage Investment Partners LLP
Portfolio Manager	Gerrit Smit
Launch Date	16 August 2013
Total AUM	\$147.9m
Dealing Deadline	Every Wednesday by 3pm (Irish time)
Pricing	Every Friday
Fund Type	UCITS

	Fund Performance (net of fees) %			
	Class A USD	Class B USD	Class C GBP	Class D GBP
One Month	1.0%	1.1%	1.8%	1.8%
Year To Date	7.7%	7.9%	10.0%	10.2%
One Year	12.1%	12.7%	23.1%	23.1%
2014	6.1%	6.6%	12.7%	13.3%
Since Launch	22.3%	23.3%	24.9%	26.1%

Source: Capita Financial Administrators (Ireland) Limited and Stonehage Investment Partners LLP. Past performance should not be used as a guide to future performance.

Class	ISIN	Currency	Price	Distributing	UK Reporting	Ongoing Charges Figure	Investment Management Fee	Minimum Initial Investment	Minimum Subsequent Investment
Class A	IE00BCLYMB94	USD	\$122.25	No	No	1.68%	1.25%	\$50,000	\$25,000
Class B	IE00BCLYMC02	USD	\$123.27	No	No	1.18%	0.75%	\$5,000,000	\$25,000
Class C	IE00BCLYMD19	GBP	£124.65	Yes	Yes	1.68%	1.25%	£35,000	£15,000
Class D	IE00BCLYMF33	GBP	£125.34	Yes	Yes	1.18%	0.75%	£3,500,000	£15,000

The Investment Management Fee is included in the OCF and is not in addition to the OCF. The Ongoing Charges Figure ("OCF") expresses the overall costs of running the Fund as a percentage of the value of the assets of the Fund. It comprises the Investment Management Fee and other additional charges including, but not limited to, the charges of the Manager, Administrator, the Custodian, the Directors and any appointed Paying Agent as well as regulatory, company secretarial, statutory, auditing, listing, Governmental and legal costs. It does not include portfolio transaction costs.

## FUND MANAGER'S COMMENT

The generally flat equity performances over the past month lived up well to long term average performance levels for this particular month – the S&P 500 index's average performance during May since 1928 amounts to -0.1%. The northern hemisphere's summer is often the weakest quarter in the year. The retail market's interest in equities has dropped to very low levels, probably resulting from fears of interest rates to start increasing.

The absolute valuation of every business we own is core to our investment philosophy – we won't hold even the best-of-breed business if we feel it is overvalued. Furthermore, whilst most shares currently offer attractive valuations relative to interest rate levels, we rather consider current equity valuations compared to where interest rates may be heading over the next two years.

The current value of a business is the discounted value of all of its future free cash flow (FCF). The S&P 500 index's current FCF yield is 4.6%. Interestingly enough, this is also the index's average FCF yield over the past 25 years. In this context the index seems to be fairly valued on an absolute basis.

The ten year US treasury yield is currently at 2.1%. Whilst it is extremely difficult to forecast future interest rate levels, there is perception that this yield may increase to 3.5% over the next few years. The current FCF yield is still one third higher than this projected treasury yield. Strikingly, the ratio between these two series over the past 25 years also has been at an average premium of a third. This implies fair equity valuations also on this relative basis considering expected future interest rate levels.

Top 10 Holdings	% of Fund
Walt Disney	5.8%
Fresenius SE	4.9%
RB Group	4.8%
Accenture	4.5%
Visa	4.5%
Wells Fargo	4.4%
AIA	4.4%
L Brands	4.4%
International Flavors & Fragrances	4.4%
Becton Dickinson	4.4%
<b>Total</b>	<b>46.5%</b>

Sector Exposure	% of Fund
Consumer Staples	27.0%
Technology	19.0%
Consumer Discretionary	15.9%
Financials	11.2%
Industrials	9.4%
Health Care	9.3%
Materials	4.4%
Cash	3.8%
<b>Total</b>	<b>100.0%</b>

Regional Breakdown	% of Fund
United States	53.7%
Continental Europe	24.8%
UK	9.5%
Asia Pacific	8.2%
Cash	3.8%
<b>Total</b>	<b>100.0%</b>

## RISK FACTORS

Stonehage Global Best Ideas Equity Fund (the Fund) is an equity fund. Investors should be willing and able to assume the risks of equity investing in particular, fluctuations in market price, adverse issuer or market information and the fact that equity securities rank below other corporate securities, including debt securities, in right of payment in the event of issuer insolvency. The value of the Fund's portfolio changes daily and can be affected by changes in currencies, interest rates, general market conditions and other political, social and economic developments, as well as specific matters relating to the companies in whose securities the Fund invests. 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. All investments risk the loss of capital. No guarantee or representation is made that the Fund will achieve its investment objective. The value of investments may go down as well as up and the distributions can also go down or up and you may not receive back the full value of your initial investment. The risks outlined here are some of the more specific risks applicable to investment in the Fund and investors' attention is drawn to Appendix II of the Prospectus which provides more information on the types of risk factors investors should consider.

Whilst every effort is made to provide investors with accurate and up to date information, some of the information may be rendered inaccurate by changes in applicable laws and regulations. For example, the levels and bases of taxation may change. No information in this document should be interpreted as investment advice. If you feel unsure about the suitability of this investment for you, please consult with a professional financial adviser.

### Contact for Dealing or Application Form

Administrator: Capita Financial  
 Tel: +353 1 400 5300 | Fax: +353 1 400 5350  
 Email: [dublinta@capitafinancial.com](mailto:dublinta@capitafinancial.com)

Stonehage Investment Partners LLP  
 15 Suffolk Street London SW1Y 4HG  
 Email: [globalbestideas@stonehage.com](mailto:globalbestideas@stonehage.com)  
[www.stonehage.com](http://www.stonehage.com)

## IMPORTANT INFORMATION

The Fund is a sub-fund of Stonehage Investment Partners 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 Acts 1963 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. The Company is recognised as a section 264 scheme by the Financial Conduct Authority in the United Kingdom. The Company is also an approved Foreign Collective Investment Scheme in South Africa where it is registered with the Financial Services Board ("FSB"). Capita Financial Managers (Ireland) Limited has been appointed as the manager (the "Manager") of the Company and Stonehage Investment Partners LLP 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 can be obtained by contacting the administrator: [dublinta@capitafinancial.com](mailto:dublinta@capitafinancial.com). This document is issued by Stonehage Investment Partners LLP which is authorised and regulated by the Financial Conduct Authority and registered with the FSB as a Financial Services Provider (FSP) under the Financial Advisory and Intermediary Services Act. No 37 of 2002 (FSP No: 44728). The registered office is 15 Suffolk Street, London, SW1Y 4HG. Registered in England no. OC308083.

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