



# TM P1 Sustainable World Fund

Jun2022

## Key Information

### Launch Date

13th January 2021

### Comparator

IA Mixed Investment  
40%-85% Shares

### Fund Size (GBP)

£7.6m

### Annual management charge (AMC)

0.5%

### Ongoing Charge Figure (OCF)\*

1.5% each year

\*Included within OCF is the AMC \*\* 0.5%

### ISIN

GB00BMEKH764 Acc

## Investment Objective

The Fund will aim to deliver income and capital growth, net of fees, on a total return basis whilst providing investors with exposure to a diversified portfolio invested in an ethically conscious way following the Investment Managers' ethical investment policy.

Investors should be aware that there is no guarantee that this objective will be achieved and capital is at risk.

The Fund may invest in a broad range of asset classes including fixed interest (approx. 10-40%) e.g. corporate & government bonds (which may include investment and sub-investment grade bonds), debentures and equities (approx. 50-80%). The Fund may also invest in property REITs as well as money market instruments, deposits, warrants, cash and near cash. Exposure to these asset classes (between 80-100%) will be gained primarily through the use of collective investment schemes although the Fund may also invest directly.

In addition, the Fund will aim to support enterprises who are actively working to address global warming issues, as detailed in the "Non-Financial Objectives" below.

## Non-Financial Objectives

The Fund will invest in assets that meet the requirements of the Investment Managers' ethical investment policy. The ethical investment policy seeks to identify funds or direct investments subject to robust ethical investment policies. Funds and directly held assets must pass a due diligence process designed to assess their ethical credentials. For funds, ethical due diligence includes: collection of documents from the fund provider explaining the process and policies used by the fund manager; fund manager interview; follow-up actions. Areas covered include: adherence to minimum requirements; assessment of exclusions; assessment of engagements carried out; assessment of other policies used (including but not restricted to best-in-class approaches, positive screening, integrated ESG approaches, impact investing approaches); commitment to ethical and sustainability issues; experience and qualifications of fund management staff; evidence supporting fund manager claims; follow up information provided.

The Investment Manager's ethical investment policy is subject to continuous improvement under the guidance of our external ethical oversight committee.

The Fund will aim to support companies who are actively working to address global warming issues. It will do this by focusing on fossil divested investments, renewable energy assets, and through investment in funds that lead companies to achieve net-zero emissions.

Measure	Definition	Target	Status
Fossil divestment	Percentage of fund assets in fossil divested investments	100% at launch and thereafter	100%
Investment in renewable energy	Percentage of fund assets invested in renewable energy assets	10% at launch and thereafter	13.9%
Leading companies to achieving net zero emissions as quickly as possible	Percentage of fund assets invested in funds that have adopted the carbon-neutrality objective below, or an objective we consider to be equivalent, or better. The carbon-neutrality objective has a focus on promoting a net-zero economy by 2030.	25% at launch and thereafter, rising to 85% by 2030.	26.8%

## CONTACT US

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# TM P1 Sustainable World Fund

## Team Bio

Quintin has worked for actuarial and investment consultancy firms as well as a multi-national European bank for nearly ten years including wide experience in quantitative fund and risk analysis. He is a Fellow of the Institute of Physics, a Chartered Fellow of the Chartered Institute for Securities and Investments and a Chartered Wealth Manager. Quintin has completed the Sustainable Investment Professional Certification (SIPC) becoming this programme's second graduate in the UK.



Quintin Rayer

Will achieved an MSc in Finance and Investment from the University of Exeter and an Accounting and Finance BSc from the University of Bath. He has subsequently gained the Chartered Institute of Securities and Investments' Chartered Wealth Manager qualification. Will's talent is recognised by Citywire having been named as one of the Top 30 investment managers under the age of 30 five years in a row.



Will Dickson

## Fund Update

While there was significant volatility, equity market returns during May were relatively flat. Following weeks of persistent selling, the month was saved by a sharp rally seen during the final week. Fixed income markets remain under pressure as both the Federal Reserve and the Bank of England raised interest rates by 0.5% and 0.25% respectively, taking the headline rates to 1%.

The major market focus continues to be on inflation, interest rates as well as the inherently linked cost of living crisis. However, there are signs that these are beginning to peak. So far this year, markets have increasingly priced in higher interest rates, following inflation and central bank guidance higher. Although several interest rate rises have already been enacted, markets are anticipating that these will accelerate through the remainder of the year. Any dovish surprise by central banks would likely be very supportive for both fixed income and equity markets.

Elsewhere, one of the more recent drivers of market weakness has been the COVID lockdowns in China. This led to fears over demand as well as the potential for additional supply disruptions, compounding existing issues. However, more recent data and messaging from the Chinese government suggests that these measures are likely to be eased. The war in Ukraine continues to have an impact on markets, particularly through energy prices, which remain persistently high. There are also medium-term issues developing, particularly in the supply of agricultural products, of which both Ukraine and Russia are major exporters. This may become a growing focus for markets over the coming months.

As markets have weakened, we have been keen to add into equities when opportunities arise, through easing our overweight to renewables positions, that have held up very well in the current environment. We have also looked to extend the duration of the portfolio from a relatively low base, capturing some of the higher yields that are now available.

We have actively contacted all our fund managers and can confirm there is no direct exposure to Russia or Belarus within the fund. We also have an ongoing programme checking that the managers we use have no positions in the ICAN25 list of firms involved in nuclear arms.

Where we are direct investors, where appropriate, we have voted against corporate actions. Reasons for voting against actions included: we felt the remuneration committee was not sufficiently independent, non-executive directors were remaining in post too long, and where auditor tenure exceeded seven years.

## Asset Allocation

### 13.9% Renewables

- 6.2% Greencoat UK Wind
- 6.4% Bluefield Solar
- 1.3% Foresight Solar

### 3.4% Property

- 2.4% Civitas Social Housing REIT
- 1.0% Primary Health Properties

### 20.0% Fixed Interest & Gov Bonds

- 4.7% Aegon Ethical Crop Bond
- 4.6% Liontrust Sust Future Corp Bond
- 10.2% Gilts

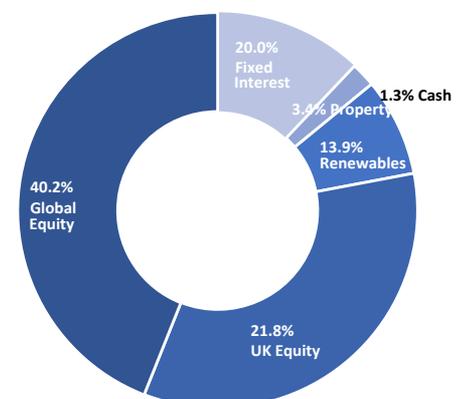
### 1.2% Cash

### 21.8% UK Equity

- 4.5% Aegon Ethical Equity
- 5.6% BMO Responsible UK Equity
- 7.6% Henderson UK Responsible Income
- 4.1% Montanaro UK Income

### 38.6% Global Equity

- 3.7% Liontrust Sus Future Global Growth
- 5.6% Janus Henderson Global Sus Equity
- 3.0% BMO Responsible Global Equity
- 9.5% UBS ETF MSCI World Socially Responsible
- 2.0% UBS ETF MSCI EMU Socially Responsible
- 3.0% UBS ETF MSCI Japan Socially Responsible
- 5.5% Artemis Positive Future
- 4.5% Federated Hermes Sust Global Equity
- 3.4% Alquity Asia



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\* The Ongoing Charges Figure (OCF) covers all aspects of operating a fund during the course of its financial year. These include the annual charge for managing the fund, administration and independent oversight functions, such as trustee, depository, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another fund. This will have an impact on the realisable value of the investment, particularly in the short term.

\*\* These are the annual costs of running and managing the Fund.

## Risk Warnings

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The price of units/shares and any income from them may fall as well as rise and investors may not get back the full amount invested. Past performance is not a guide to future performance. There is no assurance that the investment objective of the Fund will actually be achieved. Investment in other funds may mean that the objectives and risk profiles of those underlying funds may not (always) be fully in line with those of the Fund.

The Fund has a concentrated portfolio (holds a limited number of investments) and if one or more of these investments declines or is otherwise affected, it may have a pronounced effect on the Fund's value.

Significant exposure to a particular industrial sector or geographical region puts the fund at risk of a localised event making a significant impact on the value of the Fund.

## Important Information

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P1 Investment Management Limited is authorised and regulated by the Financial Conduct Authority, Firm Reference Number 752005. P1 Investment Management Limited's registered office is Senate Court, Southernhay Gardens, Exeter, Devon, EX1 1NT, company number 09810560. This document does not constitute an offer or invitation to invest, nor should its contents be interpreted as investment advice, for which you should consult a financial adviser. The information and opinions contained herein have been compiled or derived from sources believed to be reliable at the time of publication and are given in good faith. No representation is made as to the accuracy, completeness or correctness of any information in this document.

Any opinion expressed, whether in general, on the performance of individual securities, or in a wider economic context, represents the views of P1 Investment Management Limited at the time of publication and these views are subject to change.

The KIID and Fund Prospectus are available from P1 Investment Management Limited on request.

Benchmark Information: The comparator benchmark is the Investment Association Mixed Investment 40-85% Shares. The Investment Association Mixed Investment 40-85% Shares is an industry standard benchmark and is one of the leading representations of mixed asset funds. It is easily accessible and provides a fair reflection of the Fund Manager's investment universe and a good relative measure to assess performance outcomes.

The Authorised Fund Manager is Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. Authorised and regulated by the Financial Conduct Authority.