

TM P1 Sustainable World Fund

Jun 2023

Key Information

Launch Date

13th January 2021

Comparator

IA Mixed Investment 40%-85% Shares

Fund Size (GBP)

£25.7m

Annual management charge (AMC)

0.50%

Ongoing Charge Figure (OCF)*

1.05% each year

*Included within OCF is the AMC

** 0.50%

ISIN

GB00BMFKHV86 Inc

GB00BMFKHT64 Acc

CONTACT US

Info@p1-im.co.uk

0333 421 4129

P1 Investment Management
Winslade Manor
Exeter
EX5 1FY

www.p1-im.co.uk


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 |
|---|---|---|--------------|
| <i>Fossil divestment</i> | <i>Percentage of fund assets in fossil divested investments</i> | <i>100% at launch and thereafter</i> | <i>100%</i> |
| <i>Investment in renewable energy</i> | <i>Percentage of fund assets invested in renewable energy assets</i> | <i>10% at launch and thereafter</i> | <i>14.4%</i> |
| <i>Leading companies to achieving net zero emissions as quickly as possible</i> | <i>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.</i> | <i>25% at launch and thereafter, rising to 85% by 2030.</i> | <i>35.3%</i> |



TM PI 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

Markets continued to be relatively benign in May, following April's trend. Stronger than anticipated economic performance was balanced by higher interest rate expectations and concerns over the US debt ceiling negotiations. The UK once again stood out, with more persistent inflation than others, causing gilts to underperform other government bonds. Equity markets now appear finely balanced leaving them susceptible to a fallback in sentiment. Index level gains are being helped by some strong large cap performances in the technology sector, with notable gains seen by Nvidia, the semiconductor company, rising over 20% in one day.

Domestically, the focus continues to be on inflation. The consumer price inflation data for April, released during the month, caused a mixture of relief and concern. The 8.7% figure was a significant decline from the 10.1% seen the previous month. However, it still came in ahead of expectations for an 8.1% rise. Furthermore, core inflation elements continued to rise, leading to concerns over the "stickiness" of the current price rises. Consequently, markets priced in a higher interest rate peak of 5.5% and yields across the curve rose. Although globally government bond yields have risen over the last few weeks, gilts have notably underperformed.

The Bank of England has a challenging task, as alongside persistent inflation there is a deteriorating labour market. Although they are only early indicators, there are some signs that the very strong labour market is beginning to ease. Vacancy numbers have fallen, and early HMRC payroll data for April suggests one of the largest recorded falls in employment during a single month. As inflation continues to fall, it may be the weakening jobs market that takes precedence. This could lead to aggressive market movements in government bonds and interest rate expectations, reversing recent trends.

During the month we initiated a new position within the fund, in the SparkChange Physical Carbon EUA ETC. Through this holding the fund will participate in movements in EU carbon prices, reduce supply of carbon credits in the short term (deferring carbon emissions) and, as a result of any long-term holding, reduce carbon credit supply by the cancellation of additional allowances in future years. Higher carbon prices will encourage EU carbon emitters into using cleaner energy sources, facilitating a reduction in carbon emissions.

Asset Allocation

14.4% Renewables

- 5.6% Greencoat UK Wind
- 4.9% Bluefield Solar
- 3.7% Foresight Solar

3.6% Property

- 2.5% Civitas Social Housing REIT
- 1.1% Primary Health Properties

20.2% Fixed Interest & Gov Bonds

- 4.9% Aegon Ethical Corp Bond
- 4.9% Liontrust Sust Future Corp Bond
- 10.4% Gilts

0.3% Other

- SparkChange Physical Carbon ETC

2.7% Cash

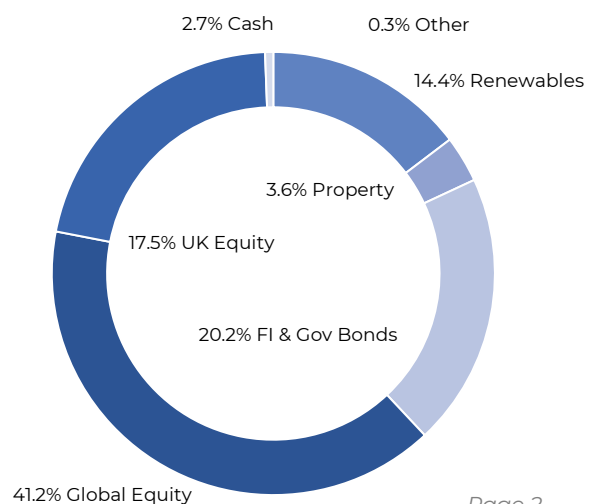
- 1.5% Royal London ST Money Market

17.5% UK Equity

- 3.1% Aegon Ethical Equity
- 4.9% BMO Responsible UK Equity
- 6.0% Henderson UK Responsible Income
- 3.5% Montanaro UK Income

41.2% Global Equity

- 2.8% Liontrust Sus Future Global Growth
- 5.3% Janus Henderson Global Sus Equity
- 2.5% BMO Responsible Global Equity
- 9.8% UBS ETF MSCI World Socially Resp
- 1.4% UBS ETF MSCI EMU Socially Resp
- 3.5% UBS ETF MSCI Japan Socially Resp
- 4.8% Artemis Positive Future
- 6.0% Fed Hermes Sust Global Equity
- 4.9% Alquity Asia



TM P1 Sustainable World Fund

* 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. Transaction costs are dependent on several factors, including the frequency and volume of trading (portfolio turnover) of certain assets, which may vary from time-to-time. We estimate transaction fees will be 0.03% per annum. 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

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

P1 Investment Services Limited is authorised and regulated by the Financial Conduct Authority, Registration Number 752005. P1 Investment Management and P1 Platform are trading names of P1 Investment Services Limited.

P1 Investment Services 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 Services 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.