

HERIOT GLOBAL FUND

Monthly Factsheet as at 30 September 2021

Key Facts

Fund Size	£209.4m
Fund Yield	1.0%
7 Day Fund Liquidity [^]	100%
Number of Holdings	74
Average Market Cap	\$192bn
Median Market Cap	\$62bn
Active Share*	86%

All data as at 30/09/2021.

Sources: T.Bailey Fund Services Limited, Bloomberg, MSCI.

[^]Basis: 25% of trailing 20 day average daily volume

*compared to the MSCI All Country World Index



General Information

Investment Manager	Dundas Global Investors
Portfolio Managers	Investment Team
Fund Type	UK OEIC
Launch Date	20 March 2013
Base Currency	GBP
Accumulation Shares	Dividends Reinvested
Income Shares	Dividends Paid Out
Initial Charge	n/a
Annual Management Charge (AMC)	0.65%
Authorised Corporate Director	T. Bailey Fund Services Limited
Depository	NatWest Trustee and Depository Services Ltd
Auditor	Deloitte LLP
Dealing (Pricing)	Daily (8am)
IA Sector	Global
Dividend Ex Dates	End May & November
Dividend Payment	End January & July

Investor Profile

- Wants total return through capital and dividend growth
- Accepts the risk associated with the volatile nature of equity investments
- Plans to hold their investment for at least five years
- Favours a portfolio with defensive characteristics
- Prefers no investment in tobacco or cluster bomb manufacturers

Fund Objective

The aim of the Fund is to provide capital appreciation over the long term (five years or more) by investing in dividend growth companies. To deliver this, the Fund invests in a portfolio of between 60 and 100 listed global equities. The companies selected have high levels of profitability and cash generation, consistent re-investment, low levels of debt and prudent governance. To the extent that the Fund is not fully invested in listed equities, investments may be made in cash-like instruments but these are not intended to be more than 10% in aggregate of the Fund's value.

Portfolio Comment

There were no full sales made in September. Two new investments were made: the US-listed world leader for electrical interconnected products company **Amphenol** and global respiratory device manufacturer **Fisher & Paykel**. Amphenol works closely with its customers across industries such as automobiles, to create products and systems achieving specific client outcomes. New Zealand health care company, Fisher & Paykel, designs and manufactures products and systems for use in respiratory, acute and sleep apnoea care. Insurance giant Prudential completed its demerger of the US retirement services provider **Jackson Financial**, now a separate Fund holding. The five top contributors were **Misumi, Sysmex, FactSet, Baxter and Analog Devices**. The five biggest detractors were **Novozymes, Lonza, Tomra, Hexagon and ASML**.

Dividend announcements in September were strong. **Close Brothers**, a high-quality commercial bank grew its dividend 50% y-o-y. The dividend is recovering from a reduction enforced by the regulator throughout the pandemic. Close Brothers has been performing well and profitability should continue to improve as the economic recovery broadens. **Microsoft** also grew its dividend 11% and **Accenture** 10%, both of which operate in the theme of commerce digitalisation through cloud computing. Despite Microsoft's scale at \$170bn in revenue, growth is accelerating and profitability is improving. Not only is this driven by the 'work from home' transition, but is sustainable due to growing scale in cloud distribution channels and rising demand for services such as cybersecurity and productivity solutions. Deploying and integrating these services is difficult; Accenture addresses these challenges by helping clients to incorporate advanced software solutions. Similar to Microsoft, demand for Accenture's services is rising and broadening by region and sector.

Performance



Source: FE Analytics 20/03/2013 to 30/09/2021

	Cumulative	1 Month	3 Months	6 Months	3 Years	5 Years	7 Years	Since launch**
Heriot Fund A Acc		-2.5%	2.9%	12.5%	53.3%	104.0%	152.5%	175.2%
MSCI ACWI		-2.2%	1.4%	8.7%	38.0%	79.0%	133.5%	161.3%
IA Global		-2.0%	1.9%	8.9%	40.0%	79.5%	123.4%	146.7%
Quartile		3	2	1	1	1	2	2
	Annualised	1 Year	3 Years (p.a.)	5 Years (p.a.)	7 Years (p.a.)	Since launch** (p.a.)		
Heriot Fund A Acc		20.2%	15.3%	15.3%	14.1%	12.6%		
MSCI ACWI		22.2%	11.3%	12.4%	12.9%	11.9%		
IA Global		23.2%	11.9%	12.4%	12.2%	11.2%		
Quartile		3	1	1	2	2		

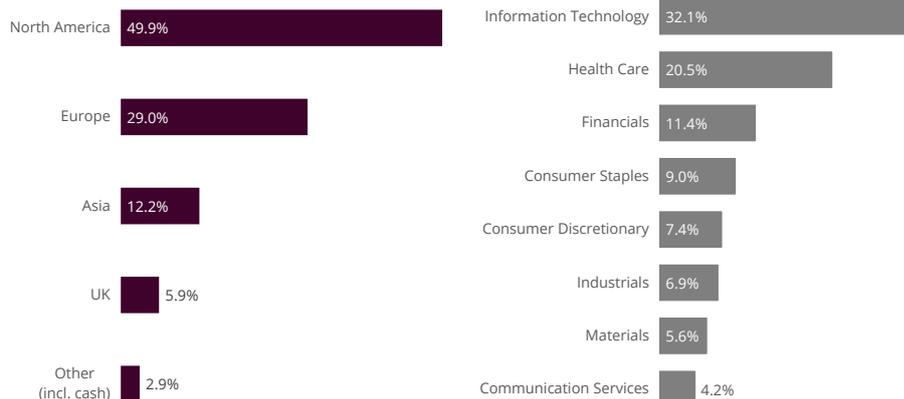
Source: FE Analytics as at 30/09/2021. Total Return in GBP, Bid to Bid, Tax UK Net. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested. **Since Fund launch on 20/03/2013.

Top 10 Holdings

	% of Portfolio
Microsoft	2.6
ASML	2.4
Littelfuse	2.3
PayPal	2.2
Hexagon	2.1
Misumi	2.1
Lonza	2.0
Alphabet	1.9
Sonova	1.9
Accenture	1.9
TOTAL	21.4

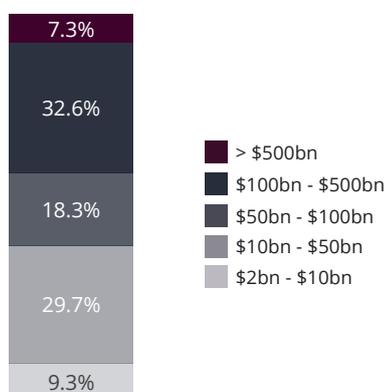
Source: T. Bailey Fund Services Limited as at 30/09/2021

Regional and Sector Exposure



Source: T. Bailey Fund Services Limited as at 30/09/2021. Note: Numbers may not sum precisely due to rounding.

USD Market Cap Exposure



Source: T. Bailey Fund Services Limited & Bloomberg as at 30/09/2021. Note: Numbers may not sum precisely due to rounding.

About Dundas Global Investors

- Single strategy focus
- Experienced team, independent, co-investors
- Over £1 billion institutional client assets under management
- High conviction, long-term approach
- All research conducted in-house
- Signatory to the United Nations' Principles for Responsible Investment since 2012

Fund Attributes

- Portfolio aligned with the biggest factor driving long-term equity return; sustainable dividend growth
- Typically 60 - 75 global listed companies with high returns on equity and strong free cash flows
- Low portfolio turnover with long-term holding periods
- Sector, region and market cap diversification built bottom-up, stock by stock
- Strong ESG scoring

Shareclass Information

GBP	Minimum Investment	Ongoing Charge (OCF)		EMT [^] estimated transaction costs	ISIN	SEDOL
		Annual Charge (AMC)	Other Costs & Charges*			
A Acc	£10,000	0.65%	0.08%	0.05%	GB00B99M6Y59	B99M6Y5
A Inc	£10,000	0.65%	0.08%	0.05%	GB00B835GN22	B835GN2

Source: T. Bailey Fund Services Limited as at 31/05/2020. *Updated annually and published in September. [^]European MiFID Template ex-ante explicit and implicit estimated transaction costs as at 31/12/2020.

How to Invest

You can buy shares in the fund by visiting:

www.tbaileys.co.uk/funds/heriot-investment-funds

By telephoning T. Bailey Fund Services Limited:
0115 988 8272

Or via the following platforms:

Aegon AJ Bell Alliance Trust Ascetric Aviva
Barclays CoFunds Hargreaves Lansdown Hubwise
Interactive Investor James Hay Novia Nucleus
Parmenion Standard Life Elevate Transact
True Potential Zurich 7IM

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The Authorised Corporate Director of the Heriot Global Fund is T. Bailey Fund Services Limited, which is authorised and regulated by the FCA.

Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please contact Dundas or T. Bailey Fund Services Limited. The MSCI All Country World Index ("ACWI") and Investment Association Global Sector are comparator benchmarks. Please refer to the Fund prospectus for full description.

The MSCI ACWI is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI® information contained herein: (1) is provided "as is," (2) is proprietary to MSCI and/or its content providers, (3) may not be used to create any financial instruments or products or any indexes and (4) may not be copied or distributed without MSCI's express written consent. MSCI disclaims all warranties with respect to the information. Neither MSCI nor its content providers are responsible for any damages or losses arising from any use of this information.

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