

The Heriot Global Smaller Companies Fund

Monthly Factsheet as at 31 May 2022

Key Facts

Fund Size	£11.29m
7 Day Fund Liquidity [^]	100%
Number of Holdings	72
Average Market Cap	\$4.4bn
Median Market Cap	\$3.7bn
Active Share*	98%

All data as at 31/05/2022.

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

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

*compared to the MSCI All Country World Small Cap Index

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

General Information

Investment Manager	Dundas Global Investors
Portfolio Managers	Investment Team
Fund Type	UK OEIC
Launch Date	27 September 2021
Base Currency	GBP
Accumulation Shares	Dividends Reinvested
Income Shares	Dividends Paid Out
Initial Charge	n/a
Annual Management Charge (AMC)	0.85%
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

Fund Objective

The aim of the Fund is to provide capital appreciation over the long term (5 years or more).

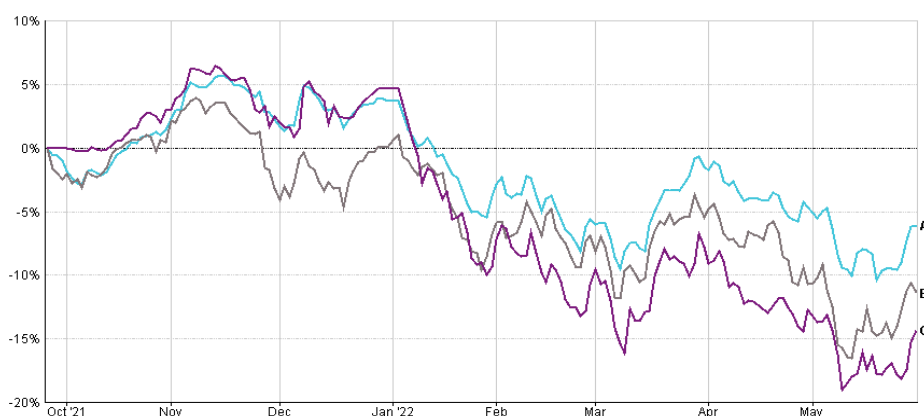
The Fund is not constrained by a benchmark and will invest in shares of companies in any country and in any sector. These will typically, at the time of initial purchase, have a market capitalisation that is no larger (by market capitalisation) than the largest company in the MSCI ACWI Small Cap Index. The Investment Manager will monitor the market capitalisation of companies held and will, using its discretion, seek, at the timing of its choice, to dispose of those holdings where the company's market capitalisation has consistently outgrown that of the largest company in the MSCI ACWI Small Cap Index.

Portfolio Comment

No new investments were made in May and **Fancl Corp** was sold. The top five contributors were **Littelfuse, Disco Corp, Codan, Paradox Interaction** and **Brembo**. The five biggest detractors were **Asahi Intecc, AB Dynamics, LEM Holdings, MonotaRO** and **Technopro**.

There were eight dividend announcements in the month of May with an average growth rate of 23%. Notable changes were **LEM Holdings** and **RS Group**. LEM Holdings provides critical power control systems to the network infrastructure, automotive, and industrial automation industry. The 19% growth in dividend is to mark their 50th anniversary and speaks to the productivity of ongoing investments in new technology to serve the electric vehicle and renewables sectors. RS Group, formerly Electrocomponents, is a value added industrial distributor focused on low volume, high value components. The 18.4% growth in dividend reflects management conviction their ongoing investments in adding SKUs and modernising capacity will continue being rewarded through rising sales and profitability.

Performance



■ A - IA Global TR in GB [-6.11%]
■ B - MSCI ACWI Small Cap TR [-11.35%]
■ C - T. Bailey Fund Svcs Ltd (ACD) - Heriot Global Smaller Companies A Acc GBP in GB [-14.36%]

27/09/2021 - 31/05/2022 Data from FE fundinfo2022

	Cumulative	1 Month	3 Months	6 months	Since launch
Heriot Smaller Companies Fund A Acc		-1.9%	-4.1%	-16.5%	-14.4%
MSCI ACWI Small Cap		0.1%	-4.0%	-7.6%	-11.4%
IA Global		-1.5%	-0.5%	-8.2%	-6.1%
Quartile		2	4	4	4

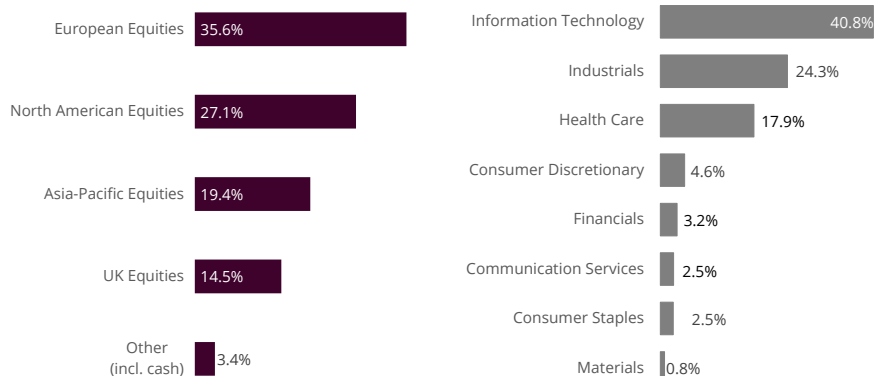
Source: FE Analytics as at 31/05/2022. Total Return in GBP, Bid to Bid. Tax UK Net. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested. **Since Fund launch on 27/09/2021.

Top 10 Holdings

	% of Portfolio
Littelfuse	2.7
Trend Micro	2.7
Disco Corporation	2.5
Temenos	2.3
TransUnion	2.2
Spirent Communications	2.1
TechnoPro Holdings	2.1
MKS Instruments	2.0
Monotaro	2.0
Graco	1.9
TOTAL	22.4

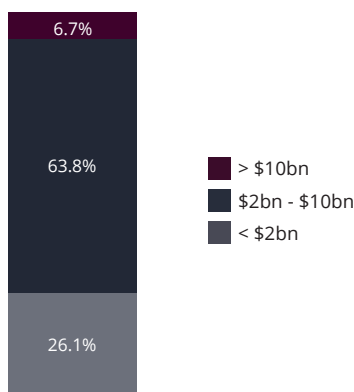
Source: T. Bailey Fund Services Limited as at 31/05/2022

Regional and Sector Exposure



Source: T. Bailey Fund Services Limited as at 31/05/2022. Note: Numbers may not sum precisely due to rounding.

USD Market Cap Exposure



Source: T. Bailey Fund Services Limited & Bloomberg as at 31/05/2022. Note: Numbers may not sum precisely due to rounding.

About Dundas Global Investors

- Single strategy focus
- Experienced team, independent, co-investors
- Over £1.5 billion 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 ^A estimated transaction costs	ISIN	SEDOL
		Annual Charge (AMC)	Other Costs & Charges*			
A Acc	£10,000	0.85%	0.22%	0.05%	GB00BNHRF767	BNHRF76
A Inc	£10,000	0.85%	0.22%	0.05%	GB00BNHRF874	BNHRF87

Source: T. Bailey Fund Services Limited as at 31/05/2022. *Updated annually and published in September. ^AEuropean MiFID Template ex-ante explicit and implicit estimated transaction costs as at 31/05/2022.

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:

AJ Bell Allfunds Aviva CoFunds FNZ
Fundsnetwork Fusion Hubwise
Interactive Investor Pershing

Dundas Partners LLP ("Dundas") is authorised and regulated by the UK Financial Conduct Authority ("FCA").

The Authorised Corporate Director of the Heriot Global Smaller Companies 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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