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28 May 2021

Dear Investor,

Client Code: «Client Code»

**Changes to the sub-funds of First Sentier Investors ICVC (the “UK OEIC”) – no action required**

We are writing to notify you of changes to the funds in our UK OEIC range.

These will become effective on 2 August 2021 unless otherwise defined in the relevant sections below.

**What changes are we making?**

Various changes are being made, some of which relate to all funds and some only to certain of the funds. None will result in any portfolio re-alignment and there will, therefore, be no associated transaction costs to the funds. All other costs (such as the costs of this mailing) will be paid by us.

The changes are described below. If you would like details for a particular fund you hold, and the amendments being made to the prospectus wording, please follow this link:

[www.firstsentierinvestors.com/uk/en/intermediary/performance/literature.html](http://www.firstsentierinvestors.com/uk/en/intermediary/performance/literature.html).

If you would like to receive a paper copy of the changes, please contact us as indicated under “What should I do if I have any questions?” below and we would be happy to send you one.

- **Change in dealing days**

This change relates to all funds in the UK OEIC.

Shares in the funds can usually be bought, sold and switched on every day on which banks are open in London. However, where a stock exchange is closed on a particular day, and a substantial portion of the fund’s assets are traded on that exchange, keeping the fund open for dealings on that day may be harmful to the interests of investors. This is particularly in the case for single country funds (i.e. funds which invest in a single country) but it may also apply from time to time to other funds.

The single country funds are already closed for dealings when the principal market in the relevant country is closed. We are now introducing additional flexibility to declare non-dealing days in any fund where necessary and in the interests of all investors.

Any non-dealing days will be disclosed in advance on the ACD’s website at:

[www.firstsentierinvestors.com/uk/en/private/performance/literature.html](http://www.firstsentierinvestors.com/uk/en/private/performance/literature.html). The current upcoming non-dealing days can be found by following that link.

- **Additions to the type of short-term securities that the sub-funds can hold**

This change relates to all of the funds in the UK OEIC apart from the First Sentier Diversified Growth Fund and the First Sentier Emerging Markets Bond Fund.

We are increasing the range of short-term securities which may be held by each of the funds, including flexibility to acquire debt securities where the manager considers this appropriate.

We are adding the following language (underlined) to the investment policies of each of the relevant funds:

Where the Manager is unable to identify investment opportunities at appropriate valuations from time to time, the Fund may hold cash and Near Cash Assets in different currencies and other short-term securities listed, traded or dealt in on a Regulated Market. The short-term securities in which the Fund may invest will include securities such as commercial paper, debentures, certificates of deposit, treasury bills and bankers' acceptances all rated above investment grade or in the opinion of the Investment Manager or Sub-Investment Manager to be of comparable quality. For defensive purposes where necessary to protect investor value during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Fund may also hold assets in fixed or floating rate corporate and/or government debt securities which must be rated at least investment grade or in the opinion of the Investment Manager or Sub-Investment Manager to be of comparable quality and which are listed, traded or dealt in on a Regulated Market.

- **Changes to the Stewart Investors sustainability funds**

These changes relate to:

- the Stewart Investors Asia Pacific and Japan Sustainability Fund,
- the Stewart Investors Asia Pacific Leaders Sustainability Fund,
- the Stewart Investors Asia Pacific Sustainability Fund,
- the Stewart Investors Global Emerging Markets Leaders Sustainability Fund,
- the Stewart Investors Global Emerging Markets Sustainability Fund,
- the Stewart Investors Indian Subcontinent Sustainability Fund,
- the Stewart Investors Worldwide Leaders Sustainability Fund and
- the Stewart Investors Worldwide Sustainability Fund.
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The changes being made to the investment policy and investment strategy of these funds are shown in the table below. New language is underlined, and deletions are struck through. Please note the changes previously discussed in this letter are double underlined.

The reason for the changes is to recognise that the Stewart Investors investment team invest in companies whose supply chains, and products and services, may benefit and contribute to sustainable development outside of their countries of operation. We are also adding language to disclose our policy on investment in harmful products and services, as defined and published on the Stewart Investors' website [www.stewartinvestors.com](http://www.stewartinvestors.com).

The changes do not represent a change in the way the funds are managed or to their risk profile but are being made for clarity to you as an investor.

**Investment Policy:** The Fund invests in a diversified portfolio of equity or equity-related securities of companies that are incorporated or listed, or where a majority of their economic activities take place, in the Asia Pacific region (including Japan) and which are listed, traded or dealt in on Regulated Markets worldwide.

The Fund invests in quality companies which are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

The Manager assesses quality by understanding:

- i. the quality of management which includes integrity, attitude to environmental and social impacts, corporate governance, long-term performance, attitude to risk and alignment with minority shareholders. The Manager has a preference for stable, long-term (often multiple generational) stewards leading the company;
- ii. the quality of the franchise which includes the social usefulness of the products or services, their environmental impacts and efficiency, and responsible business practices; and
- iii. the quality of the financials which includes financial performance over the economic cycle, cash flows and debt, with a preference for net cash balance sheets (i.e. companies whose cash resources exceed their debt).

Further information is available under Investment Strategy below.

The investment policy of the Fund may be achieved by investing up to 10% of its Net Asset Value in other collective investment schemes, including in collective investment schemes managed by the ACD or its associates, and/or other Funds of the Company. Further details are set out in Section 19.1.11 headed 'Investment in Second Schemes'.

Where the Manager is unable to identify investment opportunities at appropriate valuations from time to time, the Fund may hold cash and Near Cash Assets in different currencies and other short-term securities listed, traded or dealt in on a Regulated Market. The short-term securities in which the Fund may invest will include securities such as commercial paper, debentures, certificates of deposit, treasury bills and bankers' acceptances all rated above investment grade or in the opinion of the Investment Manager or Sub-Investment Manager to be of comparable quality. For defensive purposes where necessary to protect investor value during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Fund may also hold assets in fixed or floating rate corporate and/or government debt securities which must be rated at least investment grade or in the opinion of the Investment Manager or Sub-Investment Manager to be of comparable quality and which are listed, traded or dealt in on a Regulated Market.

**Investment Strategy:** The Manager's investment strategy is founded on the principle of stewardship, allocating capital to good quality companies with sound growth prospects and strong management teams. The Manager believes that sustainability is a driver of investment returns and that incorporating these considerations fully into the investment process is the best way to protect and grow capital for clients over the long-term (at least five years). The Manager takes a bottom-up, qualitative approach (i.e. focusing on analysing individual companies rather than countries or sectors) to finding and investing in reasonably priced, good quality companies that are well positioned to benefit from, and contribute to, and benefit from, sustainable development in the countries in which they operate. The Manager has a strong conviction that such companies face fewer risks and are better placed to deliver positive long-term, risk-adjusted returns (i.e. investment returns which take into account the associated risk taken in making the particular investment; higher short-term returns may often reflect higher risk). An output of the Fund's bottom-up investment process, means that it does not seek to and actively avoids investing in companies with material exposure to what the Manager believes, in its discretion, to be harmful products and services, as defined and published on the Stewart Investors' website [www.stewartinvestors.com](http://www.stewartinvestors.com). The Manager invests with capital preservation in mind, meaning it defines risk as losing client money, rather than deviation from a benchmark index. The Manager's focus on quality companies rather than investing according to a benchmark index may lag in very strong liquidity-driven or momentum-led markets and may perform well when due recognition is given to companies with quality management teams, good long-term growth prospects and sound balance sheets.

Sustainability is also a key part of the Manager's engagement approach with topics ranging from labour rights to pollution. The Manager believes that its role as a long-term investor and fiduciary of client capital is to provide the space for management teams to address sustainability issues which the wider capital markets may at times overlook. The Manager does this through constructive, non-confrontational and relationship-based conversations with the companies held for clients.

The Manager aims to ensure that the Fund remains adequately diversified across companies, sectors and countries.

While it is not generally the Manager’s intention to do so, in some circumstances the Manager may use derivatives (investments whose value is linked to another investment, performance of a stock market, interest rate or other factor) to reduce certain risks or costs and / or generate extra income or growth (often called EPM). Further details are set out in Section 19.1.17. headed ‘Efficient Portfolio Management’. It is not intended that any such use will increase the volatility (a measure of the short term changes in the Fund’s price) or materially alter the risk profile of the Fund. The Manager’s intention is that the Fund will generally only hold derivatives such as options and warrants which result from certain corporate actions, new issues or placements from time-to-time.

- **Changes to the investment policy and investment strategy sections of the FSSA All China Fund**

These changes relate to the FSSA All China Fund (the “**All China Fund**”).

The changes being made to the investment policy and investment strategy of the All China Fund are shown in the table below. New language is underlined, and deletions are struck through. Please note the changes previously discussed in this letter are double underlined.

New language is being added to disclose the range of the number of companies in which the All China Fund will typically invest (rather than simply referring to a “concentrated” portfolio). This does not represent a change in the way the All China Fund is managed or to its risk profile but is being made for clarity to you as an investor. The All China Fund still remains subject to the concentrated portfolio risk factor set out in the Prospectus.

FSSA All China Fund	<p><b>Investment Policy:</b> The Fund invests at least 70% of its Net Asset Value in a <del>concentrated</del> portfolio of equity or equity-related securities issued by companies established or having a majority of their economic activities in the People’s Republic of China that are listed, traded or dealt in on Regulated Markets worldwide.</p> <p><u>The Fund has no set target for the number of companies it will invest in but the Manager anticipates that typically the Fund will invest in around 40 - 60 stocks. This does not represent a constraint on the number of holdings which may from time to time fall outside of that range.</u></p> <p>The investment policy of the Fund may be achieved by investing up to 10% of its Net Asset Value in other collective investment schemes, including in collective investment schemes managed by the ACD or its associates, and/or other Funds of the Company. Further details are set out in Section 19.1.11 headed ‘Investment in Second Schemes’.</p> <p>Where the Manager is unable to identify investment opportunities at appropriate valuations from time to time, the Fund may hold cash and Near Cash Assets in different currencies <u>and other short-term securities listed, traded or dealt in on a Regulated Market. The short-term securities in which the Fund may invest will include securities such as commercial paper, debentures, certificates of deposit, treasury bills and bankers’ acceptances all rated above investment grade or in the opinion of the Investment Manager or Sub-Investment Manager to be of comparable quality. For defensive purposes where necessary to protect investor value during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Fund may also hold assets in fixed or floating rate corporate and/or government debt securities which must be rated at least investment grade or in the opinion of the Investment Manager or Sub-Investment Manager to be of comparable quality and which are listed, traded or dealt in on a Regulated Market.</u></p> <p>The Fund may use derivatives for Efficient Portfolio Management (“EPM”) purposes only.</p>
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	<p><b>Investment Strategy:</b> The Fund's investment strategy is centred on identifying quality companies, buying them at a sensible price and holding for the medium to long-term (at least three years). The Manager looks for founders and management teams that act with integrity and risk awareness, and companies with a dominant market position that have the potential to deliver continual and predictable returns over the medium to long-term.</p> <p>The strategy aims for capital preservation; the potential downside of an investment is evaluated as much as the upside. Benchmark indices are not used in the portfolio construction process as they may not fully represent the available opportunities in the markets. Instead the Manager relies on bottom-up stock selection (i.e. focusing on analysing individual companies rather than stock markets) to construct a <del>concentrated</del> and high-conviction portfolio.</p> <p>Particular attention is paid to the quality of management, the strength of the brand, the financials of the company, and the market valuation.</p> <p>While it is not generally the Manager's intention to do so, in some circumstances the Manager may use derivatives (investments whose value is linked to another investment, performance of a stock market, interest rate or other factor) to reduce certain risks or costs and / or generate extra income or growth (often called EPM). Further details are set out in Section 19.1.17. headed 'Efficient Portfolio Management'. It is not intended that any such use will increase the volatility (a measure of the short term changes in the Fund's price) or materially alter the risk profile of the Fund. The Manager's intention is that the Fund will generally only hold derivatives such as options and warrants which result from certain corporate actions, new issues or placements from time-to-time.</p>
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- **Changes to funds with Class E Shares**

This change relates to:

- the First Sentier Diversified Growth Fund,
- the First Sentier Responsible Listed Infrastructure Fund,
- the FSSA All China Fund,
- the FSSA Global Emerging Markets Focus Fund,
- the FSSA Indian Subcontinent All-Cap Fund,
- the FSSA Japan Focus Fund and
- the Stewart Investors Global Emerging Markets Leaders Sustainability Fund.

With effect from 2 August 2021 the minimum initial subscription / switch into Class E Shares in these funds, and the minimum holding in the funds for Class E Shares, will increase from £1k, €1k, JPY140k and \$1k to £100k, €100k, JPY14m and \$100k respectively. These increases only apply to new Shareholders in the E Share Class on or after this date. If you are an existing Shareholder in Class E Shares in the funds listed above prior to 2 August 2021 there is no change.

In addition, from 14 May 2021, the Class E Shares in the FSSA Global Emerging Markets Focus Fund and the FSSA Japan Focus Fund were closed to subscription for new investors. Please note that if you are an existing holder of E Class Shares on that date you will continue to be able to make additional investments.

- **Changes to the Benchmark of the FSSA Japan Focus Fund – effective date of change Q42021.**

This change relates to the FSSA Japan Focus Fund (the “**Japan Focus Fund**”).

The current comparator benchmark for the Japan Focus Fund is the MSCI Japan index. We are changing the benchmark to the TOPIX index effective as of the fourth quarter 2021.

The Japan Focus Fund is included in the Morningstar sector - Japan Flex-Cap Equity. The rationale for the change is to align more closely with other funds in this Morningstar sector where 57% of the funds use the TOPIX index as their benchmark.

- **Changes to the Investment Association Sectors**

This change relates to:

- the First Sentier Global Listed Infrastructure Fund,
- the First Sentier Responsible Listed Infrastructure Fund,
- the FSSA Indian Subcontinent All-Cap Fund,
- the Stewart Investors Indian Subcontinent Sustainability Fund and
- the Stewart Investors Latin America Fund.

The UK Investment Association (“**IA**”) is the trade association which represents UK investment firms. The IA divides funds into sectors for comparative purposes and is proposing to divide its Global and Specialist sectors so that investors can more easily find and compare fund peer groups. As a result, certain of our funds will move into new IA Sectors as indicated in the table below. These sectors remain as comparator benchmarks only.

<b>Sub-Fund</b>	<b>existing IA Sector</b>	<b>new IA Sector</b>
First Sentier Global Listed Infrastructure Fund	Global Sector	Infrastructure Sector
First Sentier Responsible Listed Infrastructure Fund	Global Sector	Infrastructure Sector
FSSA Indian Subcontinent All-Cap Fund	Specialist Sector	India Sector
Stewart Investors Indian Subcontinent Sustainability Fund	Specialist Sector	India Sector
Stewart Investors Latin America Fund	Specialist Sector	Latin America Sector

## What should I do if I have any questions

If you have any questions about the details of this letter, you can contact us:

by telephone: from the UK 0800 587 4141 and from abroad +44 131 525 8870; telephone calls may be recorded for your security

by email: [fsi@bnymellon.com](mailto:fsi@bnymellon.com)

or in writing: Client Services, PO Box 404, Darlington DL1 9UZ.

Yours sincerely,



Terry Yodaiken

Director of First Sentier Investors (UK) Funds Limited

Authorised Corporate Director of First Sentier Investors ICVC