

Reasons-to-invest

Global Emerging Markets equities

Why invest in Global Emerging Markets?

As emerging market economies transition into developed economies, this process will continue to offer compelling opportunities for investors. A growing, more affluent population is driving higher consumption whilst several industrial sectors e.g. semiconductors, already maintain global leadership within their fields.

Rising consumption

Positive demographics and low consumption per capita offers long-term growth potential

Technology adoption

Mobile device usage and large pools of IT talent promote expanding technology markets

Financial services

Rising credit penetration and wider demand for financial products are accelerating within the region

Dominant franchises

High quality companies able to establish dominant, protected market positions

Strategy overview

FSSA GEM equity strategies cover developing and frontier markets with a portfolio bias towards mid-large cap companies. Focus is on companies with growth potential, dominant franchises and within industries with long-term structural tailwinds.

The investment approach is completely bottom-up with relatively concentrated portfolios comprising high-conviction ideas. Importance is placed on companies with proven management teams and high levels of corporate governance.

Key strategy facts

- Aim: capital growth over medium-long term (>3 years)
- Universe: portfolio exposure to companies with market cap less than US\$1bn will be less than 10%
- GEM strategies launched by FSSA in 2017
- Lead manager: Rasmus Nemmo, 18 years investment experience

Why FSSA?

FSSA Investment Managers are specialists in Asia Pacific and Global Emerging Markets equity strategies. Our investment strategies cover regional and single country portfolios across the universe of small, mid and large-cap stocks.

An autonomous team within the First Sentier Group, we are bottom-up investors using fundamental research to construct high-conviction portfolios. ESG analysis is core to our process as we seek to identify high-quality, long-term investment opportunities.

- **1,600** 1:1 meetings p.a.
- **15** languages spoken across the team
- **35** year history

This is a financial promotion for The FSSA Global Emerging Markets Strategy. This information is for professional clients only in the UK and EEA and elsewhere where lawful. Investing involves certain risks including:

- **The value of investments and any income from them may go down as well as up and are not guaranteed. Investors may get back significantly less than the original amount invested.**
- **Currency risk:** the Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund and could create losses. Currency control decisions made by governments could affect the value of the Fund's investments and could cause the Fund to defer or suspend redemptions of its shares.
- **Emerging market risk:** Emerging markets tend to be more sensitive to economic and political conditions than developed markets. Other factors include greater liquidity risk, restrictions on investment or transfer of assets, failed/delayed settlement and difficulties valuing securities.

For a full description of the terms of investment and the risks please see the Prospectus and Key Investor Information Document for each Fund.

If you are in any doubt as to the suitability of our funds for your investment needs, please seek investment advice.

Investment approach

FSSA are long-term, fundamental bottom-up investors. Our investment approach is to research quality companies, buy them at a sensible price and hold for the long-term. We look for companies with proven management teams with a record of successfully managing their businesses across economic cycles.

The most attractive opportunities are likely to be companies with dominant franchises and an ability to deliver sustainable and predictable long-term returns. ESG engagement is core to our process as we believe companies with good or improving ESG standards are likely to be superior investments.

Long-term investors

Long-term investors. Promote improvement through active engagement

Bottom-up analysis

Bottom-up research. Ability to compound growth in excess of cost of capital

Quality companies

Strong management, high ESG standards, competitive advantage, record across cycles

Valuation discipline

Both financial and non-financial metrics to determine fair market value

Conservative approach

Resilient portfolios. Long term returns through consistent compounding of returns

Benchmark agnostic

Index considerations not part of portfolio construction. High-conviction portfolios

ESG integration

Sustainability issues viewed as investment issues. Active ESG engagement

For more information



www.fssaim.com



www.firstsentierinvestors.com

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