

Reasons-to-invest

Japan equities

Why invest in Japan?

Japan is a relatively under-researched and under-appreciated market. The stock market is characterised by low foreign ownership and often limited analyst coverage. This offers opportunities for bottom-up investors looking for companies, particularly those with prospects decoupled from the macro environment.

Niche industries

Many sectors with only one or two dominant competitors and greater sustainability of returns

Automation

More advanced and cheaper robots adopted by Japanese manufacturers will improve efficiency

Dominant consumer franchises

Strong brand loyalty for Japanese brands across regions. 'Made-in-Japan' a competitive advantage

Resilience

Wide universe of companies able to sustain earnings growth independent of macro factors

Strategy overview

Our Japan equity strategies have a focus on medium to long-term growth. Due to Japan being a relatively under-researched market, great emphasis is placed on fundamental research and 1-1 meetings with company management.

The strategy aims to deliver resilient returns to investors. Consequently it has a bias towards companies able to deliver sustainable, attractive returns irrespective of macro economic conditions.

Key strategy facts

- Aim: capital growth
- Universe: companies with primary listing or majority economic activity in Japan
- Exposure to any individual sector maximum 40%, combined consumer discretionary & staples, 55%
- Lead manager: Sophia Li, 13 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.

This is a financial promotion for The FSSA Japan 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.

Single country/specific region risk: investing in a single country or specific region may be riskier than investing in a number of different countries or regions. Investing in a larger number of countries or regions helps spread risk.

Smaller companies risk: Investments in smaller companies may be riskier and more difficult to buy and sell than investments in larger companies.

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

Conservative approach

Resilient portfolios. Long term returns through consistent compounding of returns

Bottom-up analysis

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

Benchmark agnostic

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

Quality companies

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

ESG integration

Sustainability issues viewed as investment issues. Active ESG engagement

Valuation discipline

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

For more information



www.fssaim.com



www.firstsentierinvestors.com

Important Information

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