

ES River and Mercantile EUROPEAN FUND

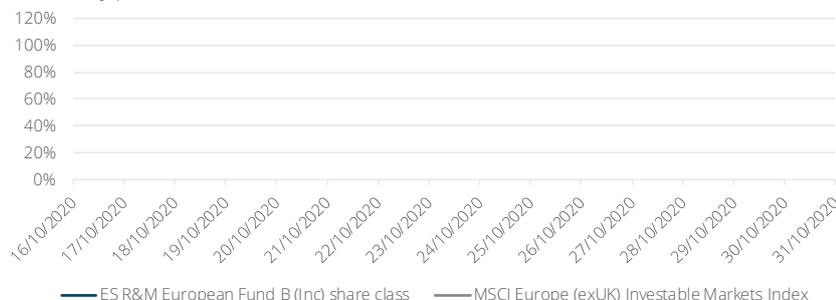
CLASS B GBP (Income)

PAST PERFORMANCE

As this fund or share class has been running for less than 12 months there is insufficient data to provide a useful indication of past performance.

PERFORMANCE SINCE INCEPTION

As this fund or share class has been running for less than 12 months we are not permitted to show any performance data.



CUMULATIVE PERFORMANCE

As this fund or share class has been running for less than 12 months we are not permitted to show any performance data.

	1 month %	3 months %	1 year %	3 years %	Since inception %
B share class (Inc)	-	-	-	-	-
Benchmark	-	-	-	-	-

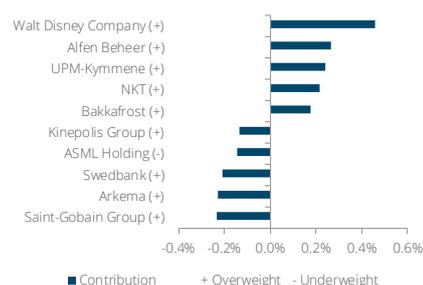
DISCRETE 12 MONTH PERFORMANCE

As this fund or share class has been running for less than 12 months there is insufficient data to provide a useful indication of past performance.

	12 months to 31/12/2016	12 months to 31/12/2017	12 months to 31/12/2018	12 months to 31/12/2019	12 months to 31/12/2020
B share class (Inc)	-	-	-	-	-
Benchmark	-	-	-	-	-

TOP 5 PERFORMANCE CONTRIBUTORS & DETRACTORS

The best and worst contributors to the portfolio's performance relative to the benchmark



Source: Factset

TOP 5 OVERWEIGHTS & UNDERWEIGHTS

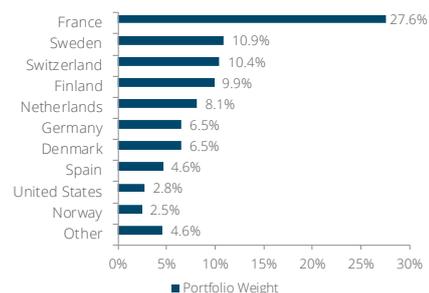
The securities in which the portfolio weight differs most from that of the benchmark



Source: Factset

TOP 10 COUNTRY WEIGHTS

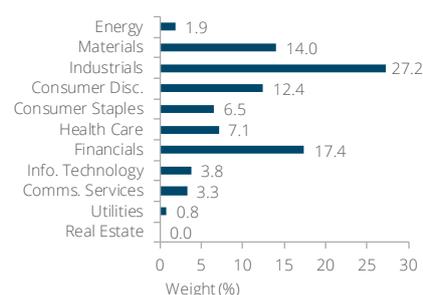
The portfolio's ten largest country holdings by total weight.



Source: Factset

SECTOR WEIGHTS

Portfolio weightings within specific industrial sectors.



Source: Factset

RIVER AND MERCANTILE

INVESTMENT OBJECTIVE

To achieve a return (income and growth in the value of your investment (known as "capital growth")) over a rolling period of at least five years, by investing in a core concentrated portfolio of shares of European companies.

PORTFOLIO MANAGER

James Sym

PORTFOLIO & RISK CHARACTERISTICS

Number of holdings	45
Fund Volatility	15.9%
Benchmark Volatility	14.2%
Beta	1.06
Tracking error	5.04
Active Money	85.2%

KEY FACTS

Fund launch date	30/09/2020
Share class launch date	16/10/2020
Benchmark	MSCI Europe (ex-UK) IM index
IA sector	Europe ex-UK
Total fund size	£8.9m
Domicile	UK
Fund type	UCITS
SEDOL	BMX64P1
ISIN	GB00BMX64P13
Bloomberg	ESRMEBI
Distribution type	Income

FEES & CHARGES

Initial charge	Up to 5.25%
AMC	0.75%
Ongoing charge (including AMC)	0.95%

DEALING INFORMATION

Dealing frequency	Daily
Dealing cut-off time	12pm (UK)
Valuation point	12pm (UK)
Settlement	T+4
Minimum investment	£1000

SYNTHETIC RISK & REWARD INDICATOR (SRRI)



CONTACT DETAILS

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TOP 10 HOLDINGS

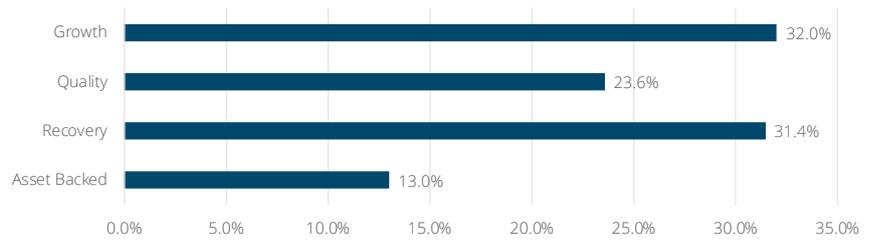
The ten largest positions by weight held in the portfolio.

	Weight (%)
Boliden	3.6
Dometic Group	3.5
Arkema	3.5
Grupo Catalana Occidente	3.3
UPM-Kymmene	3.2
Elis	3.0
Cargotec	3.0
Saint-Gobain Group	2.9
Verallia	2.8
Walt Disney Company	2.7

Source: River and Mercantile Asset Management LLP

CATEGORIES OF POTENTIAL

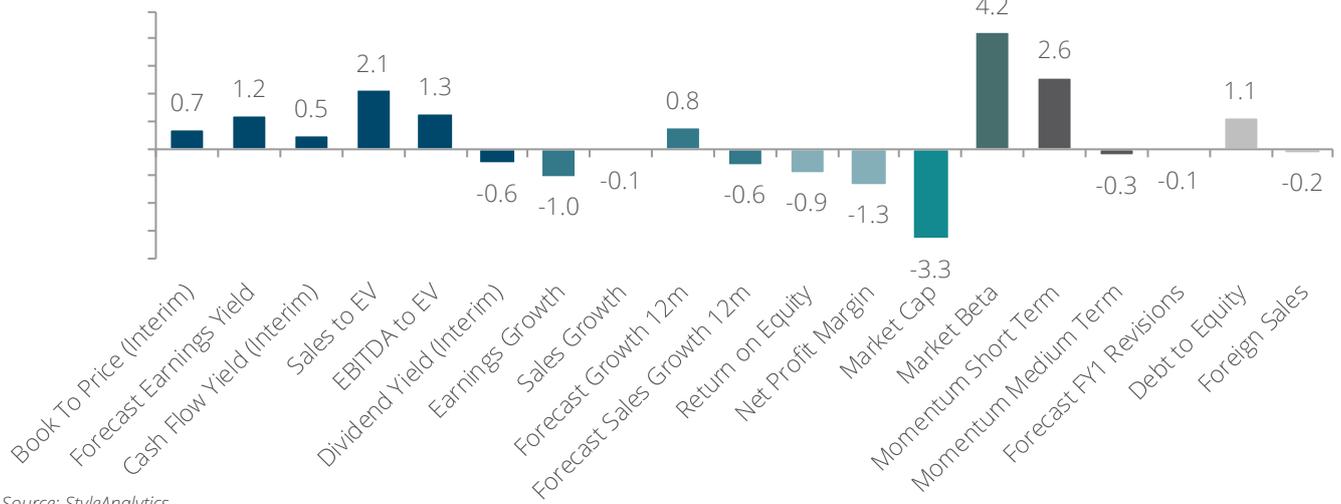
The weighting of the portfolio across the four categories of potential, related to stages of a company's life cycle.



Source: River and Mercantile Asset Management LLP, excludes cash.

PORTFOLIO STYLE SKYLINE

This chart shows the Style Tilts of the portfolio against the benchmark as calculated by StyleAnalytics.



Source: StyleAnalytics

OTHER INFORMATION

Authorised Corporate Director
 Investment manager
 Depositary

Equity Trustees Fund Services Limited
 River and Mercantile Asset Management LLP
 The Bank of New York Mellon (International) Limited

MANAGER'S REVIEW

Last month we discussed where investors might find the best returns as we move into this very different phase of the investment regime, and why the simple value versus growth axis was likely to be an insufficient investment guide for the recovery phase of the cycle. As well as considering the extreme vulnerability of the high valuation, low volatility factor (which is unfortunately where much client capital is deployed) we sounded a cautionary note for deep value such as banks and oil and gas, beyond a very short-term dash-for-trash rally which is probably more than half-way through. There remains an outstanding opportunity set in cyclicality and idiosyncratic value.

Much ink is spilt on ESG at the moment. We want to generate our returns through companies making a net positive, and hopefully improving, contribution to society. In this sense I consider ESG alongside traditional investment considerations. As a team we have a robust ESG process in place (which we call S-PVT) but from the end client perspective what is even more relevant is the businesses their capital is invested in, and how those companies are striving to make the world a better place through their activities and corporate strategy. This month our commentary elucidates these contributions through the prism of the key sustainability topics with reference to the UN Sustainable Development Goals, and explores the tension between valuation discipline and aligning the fund with sustainable investment themes. For any client interested in how their money is making the world a better place in our fund, and why they can be proud of being invested, I hope it is an informative read and the antithesis of 'greenwashing' - written in plain English!

I continue to position the fund in European companies which are likely to benefit from the unlocking of the economy over the next 3-6 months as well as the novel investment themes of the upcoming cycle such as increasing government spending and energy transition. We are cognisant of the likely return of valuation risk in markets, and also inflationary pressures in the medium term. In short, we are investing for the very specific type of recovery we are likely to observe over the next 18 months or so. From a top down and bottom up perspective I find European equities an attractive proposition as large cohorts of the markets are not pricing in the likely nominal strength of end demand and corporate profitability improvement. I believe the upcoming business cycle and associated policy response is likely to favour European companies in a way the previous cycle did not.

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