



RIVER AND MERCANTILE

ES RIVER AND MERCANTILE UK EQUITY INCOME FUND

Quarterly report to 30 June 2022

For unitholders only

ES River and Mercantile UK EQUITY INCOME FUND

Quarter 2, 2022

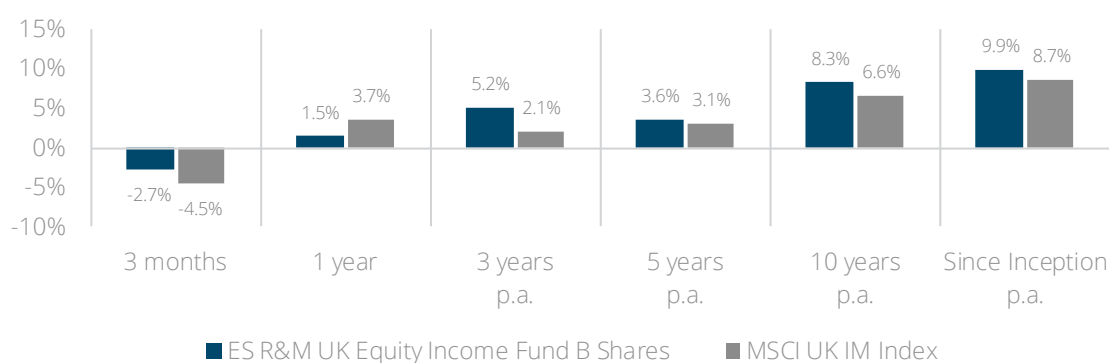
RIVER AND MERCANTILE

INVESTMENT OBJECTIVE

To generate a rising level of income combined with the potential for capital growth. It will achieve this through investing in a portfolio which shall primarily consist of UK equities, however it may also invest in other instruments such as government gilts, corporate fixed income securities and convertibles.

PERFORMANCE (NET OF FEES)

	Fund	Index	Difference
3 months	-2.7%	-4.5%	1.8%
1 year	1.5%	3.7%	-2.2%
3 years p.a.	5.2%	2.1%	3.1%
5 years p.a.	3.6%	3.1%	0.5%
10 years p.a.	8.3%	6.6%	1.7%
Since inception p.a.	9.9%	8.7%	1.3%



	Fund	Index	Difference
3 years (cumulative)	16.3%	6.3%	10.0%
5 years (cumulative)	19.3%	16.7%	2.7%
10 years (cumulative)	122.7%	89.4%	33.3%
Since inception (cumulative)	255.7%	204.9%	50.8%

Source: River and Mercantile Asset Management LLP. Benchmark is the MSCI UK Investable Market index, net GBP. Fund performance shown is of B share class (income units) and is calculated using the midday published price, net of an annual management charge of 0.75% per annum. Please note that the benchmark performance is calculated using close of business mid-market prices. Other share classes may be available. **Past performance is not a reliable indicator of future results.**

PORTFOLIO SUMMARY AND KEY RISK CHARACTERISTICS.

Fund AUM	£51.9m	Tracking error	3.25 %
Strategy capacity	£1.5bn	Portfolio beta	0.94
Inception date	03/02/2009	Historic yield ¹	3.72 %
Number of stocks	60	Current yield ²	3.89 %
		Active Money	55.14 %

¹Historic Yield (of B share class) based on the dividends paid in the preceding 12 months as a % of current price. ²Current Yield (of B share class) reflects the distribution that has accrued within the fund over last rolling twelve-month period as a percentage of the mid-market share price. The fund's expenses are charged to capital. Neither yield calculation includes any preliminary charge and investors may be subject to tax on their distributions.

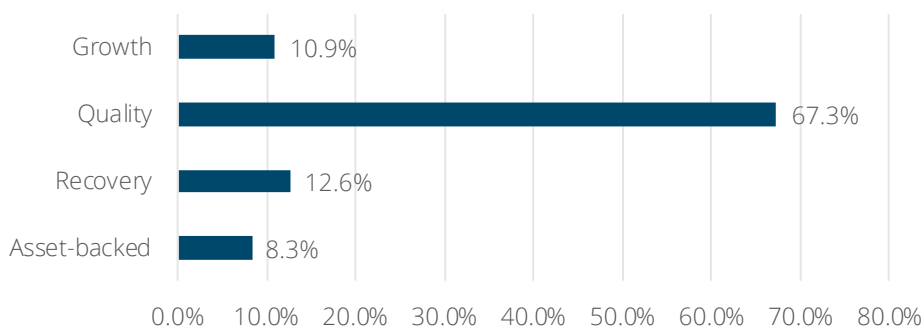
SYNTHETIC RISK AND REWARD INDICATOR



The Synthetic Risk and Reward Indicator (SRRI) is based on how much the returns of the shares have varied over the last five years, or since launch (whichever is the shorter period). The higher the rank the greater the potential reward but also the greater the risk of losing money.

PVT CATEGORIES OF POTENTIAL

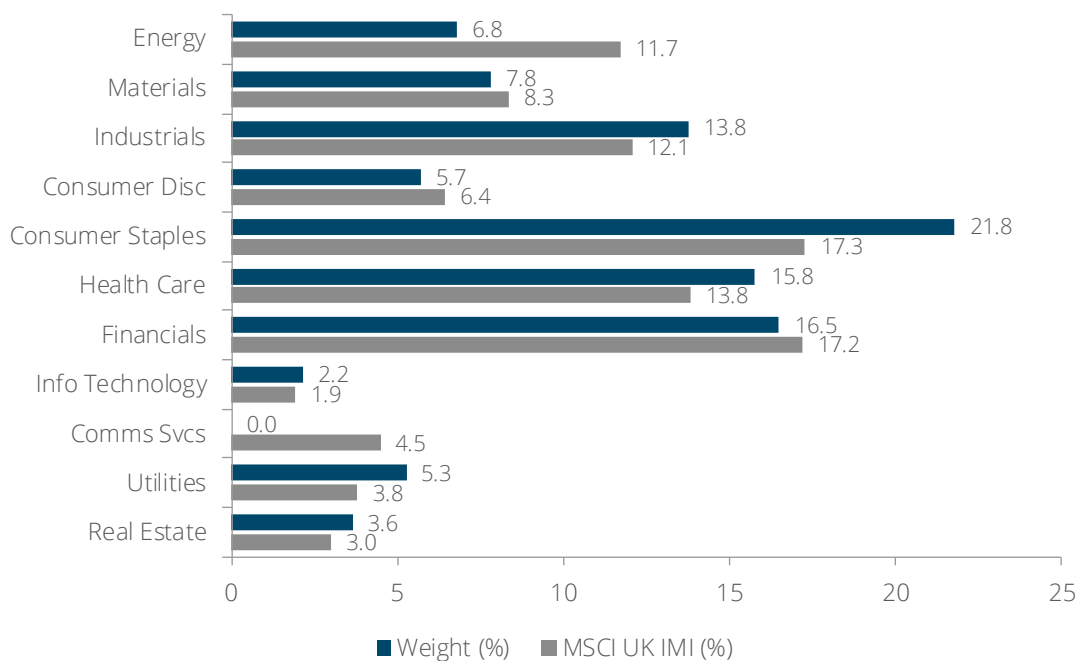
This chart shows the weighting of the fund's holdings across the four categories of Potential, related to the stages of a company's life cycle, as defined within the R&M investment philosophy known as 'PVT' – Potential, Valuation, Timing.



Source: River and Mercantile Asset Management LLP

INDUSTRIAL SECTOR WEIGHTS

This graph shows a comparison of fund and benchmark weightings across the industrial sectors classified by the MSCI Global Industry Classification Standard (GICS).



Source: FactSet

MARKET CAP DISTRIBUTION

This table shows a comparison of fund and benchmark weightings across a range of company values

		Fund	Benchmark	Active
Mega Cap	£20bn +	56.3%	64.9%	-8.6%
Large Cap	£4bn - £20bn	12.7%	20.5%	-7.8%
Mid Cap	£2bn - £4bn	11.2%	6.7%	4.5%
Small Cap	£100m - £2bn	18.5%	7.9%	10.6%
Micro Cap	£0m - £100m	0.4%	0.0%	0.4%

Source: River and Mercantile Asset Management LLP. Excludes cash and any applicable ETF positions.

TOP 10 ACTIVE POSITIONS VS THE BENCHMARK

This table highlights the securities in which the fund weight differs most from that of the benchmark, with the 'overweights' showing 10 securities with the greatest weight difference above the benchmark's position, and the 'underweights' showing 10 securities with the greatest weight difference below the benchmark's position. The difference is known as the 'active weight'.

Overweights	Sector	Fund	%	
			Benchmark	Active
Tesco	Consumer Staples	3.93	0.92	3.01
Barrick Gold	Materials	2.63	0.00	2.63
Sanofi	Health Care	2.30	0.00	2.30
BAE Systems	Industrials	3.51	1.24	2.28
Serco	Industrials	2.01	0.10	1.91
GlaxoSmithKline	Health Care	6.11	4.24	1.87
Reckitt Benckiser	Consumer Staples	3.91	2.09	1.83
Supermarket Income REIT	Real Estate	1.88	0.06	1.83
Direct Line Insurance	Financials	1.79	0.16	1.63
Diversified Energy	Energy	1.58	0.04	1.54

Underweights	Sector	Fund	%	
			Benchmark	Active
BP	Energy	0.00	3.58	-3.58
HSBC Holdings	Financials	2.31	5.13	-2.82
Rio Tinto	Materials	0.00	2.61	-2.61
Shell	Energy	5.21	7.68	-2.47
Glencore	Materials	0.00	2.08	-2.08
AstraZeneca	Health Care	6.23	7.91	-1.68
Vodafone	Communication Services	0.00	1.61	-1.61
Prudential	Financials	0.00	1.32	-1.32
Barclays	Financials	0.00	1.21	-1.21
London Stock Exchange	Financials	0.00	1.19	-1.19

Source: FactSet

TOP 10 HOLDINGS

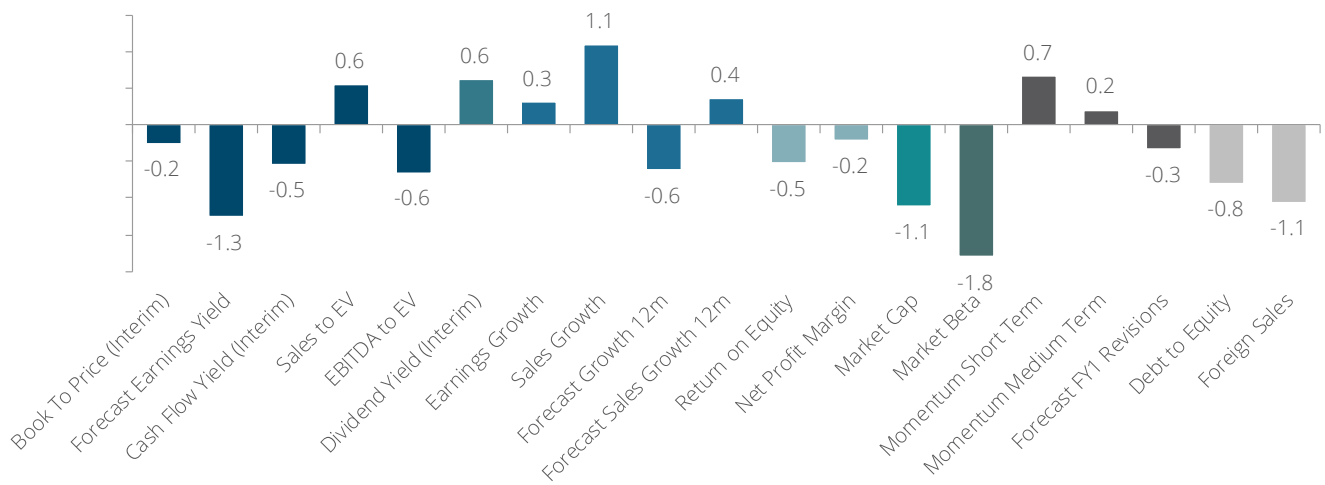
This table shows the fund's ten largest holdings.

	Weight (%)
AstraZeneca	6.2
GlaxoSmithKline	6.1
Shell	5.2
British American Tobacco	4.5
Tesco	3.9
Reckitt Benckiser	3.9
BAE Systems	3.5
Unilever	3.5
National Grid	3.2
RELX Group	3.2

Source: River and Mercantile Asset Management LLP

PORTFOLIO STYLE SKYLINE

This graph shows the Style Tilts™ of the fund against the benchmark as calculated by StyleAnalytics, highlighting stylistic differences between the fund and its benchmark.



Source: StyleAnalytics

STOCK LEVEL PERFORMANCE ATTRIBUTION

This table shows the best and worst contributors to the fund's performance relative to the benchmark. The average active weight highlights whether the fund held a larger or smaller position in a stock than the benchmark did, on average over the period. As performance is relative to the benchmark, outperformance of the benchmark can come from the fund holding a larger position than the benchmark in a stock that performs well, or a lower position than the benchmark (or even a zero holding) in a stock that performs poorly. The contribution to active return is the return that the position has contributed relative to the benchmark.

Greatest Positive Contribution	Average Active Weight	Contribution to Active Return
Serco	2.08%	0.52%
BAE Systems	2.33%	0.46%
Rio Tinto	-2.87%	0.46%
Sanofi	2.68%	0.37%
EMIS	0.51%	0.25%
Ashtead	-0.82%	0.24%
QinetiQ	1.03%	0.23%
Reckitt Benckiser	1.84%	0.22%
GlaxoSmithKline	1.72%	0.20%
Segro	-0.64%	0.17%

Greatest Negative Contribution	Average Active Weight	Contribution to Active Return
Barrick Gold	2.84%	-0.50%
MaxCyte	0.93%	-0.33%
BP	-3.63%	-0.31%
Shell	-2.90%	-0.22%
J Sainsbury	1.48%	-0.20%
Easyjet	0.58%	-0.20%
AstraZeneca	-1.35%	-0.18%
HSBC Holdings	-2.79%	-0.17%
The Restaurant Group	0.65%	-0.17%
Standard Chartered	-0.67%	-0.16%

Source: FactSet

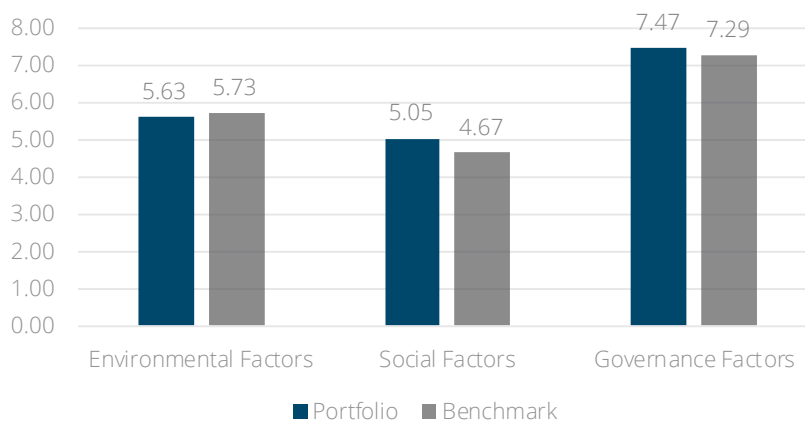
ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTOR ANALYSIS

This report is designed to give a broad overview of the portfolio from the perspective of Environmental, Social and Governance factors. Whilst the portfolio is not run to be optimised with these factors in mind, we may expect to take major risks into consideration when analysing stocks.

This table compares the portfolio and benchmark asset weightings by value with data from MSCI ESG Research.

	Portfolio	Benchmark
Assets covered by MSCI ESG Research	94.0%	99.7%
Assets scoring in the bottom decile	0.0%	0.2%

The chart below illustrates how the portfolio and its benchmark compare on average Environmental, Social and Governance scores. Scores are based on a 1 to 10 scale, where 1 is the lowest/worst and 10 is the highest/best.



10 highest rated ESG companies held by fund	Portfolio Weight	Benchmark Weight	Company Rating	Industry Adjusted Score
RELX Group	3.2%	2.0%	AAA	10.0
Diageo	2.7%	3.9%	AAA	10.0
Sage	1.0%	0.3%	AAA	10.0
J Sainsbury	0.8%	0.2%	AAA	10.0
National Grid	3.2%	1.8%	AAA	9.6
Johnson Matthey	0.9%	0.2%	AAA	9.4
Lloyds Bank	2.5%	1.4%	AA	8.6
HSBC Holdings	2.3%	5.1%	AA	8.6
BAE Systems	3.5%	1.2%	AA	8.5
QinetiQ	1.3%	0.1%	AA	8.5

10 lowest rated ESG companies held by fund	Portfolio Weight	Benchmark Weight	Company Rating	Industry Adjusted Score
Lancashire Holdings	0.6%	0.0%	BB	4.2
British American Tobacco	4.5%	3.6%	BBB	4.3
The Restaurant Group	0.6%	0.0%	BBB	4.3
Serco	2.0%	0.1%	BBB	4.7
Capital & Counties	0.7%	0.0%	BBB	4.7
Diversified Energy	1.6%	0.0%	BBB	5.0
Sabre Insurance Group	0.7%	0.0%	BBB	5.3
Barrick Gold	2.6%	0.0%	BBB	5.4
OSB Group	1.4%	0.1%	BBB	5.4
MaxCyte	0.9%	0.0%	BBB	5.5

BROKER COMMISSIONS ANALYSIS

Counterparty	Total (£)	Commission Paid (£)	
			Execution Only
ABG SUNDAL COLLIER	0.00		0.00
ATLANTIC SECURITIES	0.00		0.00
BANCO ITAU	0.00		0.00
BARCAP	713,674.66		431.25
BERENBERG	409,604.08		327.68
BofA MERRILL LYNCH	0.00		0.00
BTG PACTUAL	0.00		0.00
CANACCORD ALGO	2,367,960.43		947.19
CANACCORD GENUITY	143,688.60		114.95
CENKOS	0.00		0.00
CITI PROG	2,841,620.77		1,136.67
CITIGROUP	829,440.00		663.55
CLSA	0.00		0.00
CREDIT SUISSE	0.00		0.00
DEUTSCHE BANK	0.00		0.00
EXANE	123,554.00		98.84
FINNCAP	27,232.00		21.79
GBM	0.00		0.00
GOLDMAN SACHS	0.00		0.00
GOODBODY	0.00		0.00
HSBC	394,527.60		315.63
ING	0.00		0.00
INSTINET	0.00		0.00
INVESTEC	1,113,443.23		890.75
ITG	352,385.00		211.43
ITG ALGO	0.00		0.00
J&E DAVY	489,649.00		304.86
JANE STREET	0.00		0.00
JEFFERIES	327,048.50		218.87
JEFFERIES ALGO	827,203.69		330.88
JPMORGAN CHASE	514,683.50		359.34
KEPLER CHEUVREUX	0.00		0.00
LIBERUM	230,624.80		138.37
LIQUIDNET	2,066,677.02		1,240.02
MEDIOBANCA	0.00		0.00
MIZUHO	0.00		0.00
MORGAN STANLEY	62,560.00		0.00
NORTHERN TRUST CORP	0.00		0.00
NPLUS1 SINGER	33,561.20		26.85
NUMIS	257,194.00		205.75
PANMURE GORDON	202,032.49		126.99
PEEL HUNT	116,335.31		93.06
RAYMOND JAMES	0.00		0.00
RBC	424,032.00		339.22
RBC ALGO	208,597.67		83.44
REDBURN	521,172.98		312.70
SANTANDER	0.00		0.00
SHORE CAPITAL	0.00		0.00
SOCIETE GENERALE	0.00		0.00
STIFEL EUROPE	138,137.60		110.51
STIFEL NICOLAUS	0.00		0.00
SUSQUEHANNA INTERNATIONAL GROUP	0.00		0.00
UBS	0.00		0.00
UBS PROG	3,858,606.40		1,543.68
WINTERFLOOD	0.00		0.00
FLOWTRADERS	0.00		0.00
CONFIRMED FUND PRICE	0.00		0.00
OPTIVER	0.00		0.00
LLOYDSCRE	0.00		0.00
BANK OF MONTREAL	495,909.23		297.54
BTIG	0.00		0.00
LIQUIDNET ALGO	31,312.50		9.39
JEFFRIES	0.00		0.00
	£ 20,122,468.26	£	10,901.20

Firm Wide Comparators

All Equity Trading	£	728,291,722.26	£414,710.82
Trades:	£	20,122,468.26	£10,901.20
Average Firm-Wide Commission Rate (%)			0.06%
Average Commission Rate (%)			0.05%

IMPORTANT DISCLOSURES

The information in this document has been prepared and issued by River and Mercantile Asset Management LLP (trading as “River and Mercantile” and “River and Mercantile Asset Management”) registered in England and Wales under Company No. OC317647, with its registered office at 30 Coleman Street, London EC2R 5AL. River and Mercantile Asset Management LLP is authorised and regulated by the Financial Conduct Authority (Firm Reference Number 453087), is registered with the U.S. Securities and Exchange Commission as an Investment Adviser under the Investment Advisers Act of 1940.

Equity Trustees Fund Services Ltd (the “ACD” for ES River and Mercantile Funds ICVC) is authorised in the United Kingdom and regulated by the Financial Conduct Authority FRN 227807.

River and Mercantile Asset Management LLP is a subsidiary of River and Mercantile Group Limited which is registered in England and Wales under Company No. 04035248, with its registered office at 30 Coleman Street, London EC2R 5AL.

This document is directed at professional and retail clients. The information in this document should not be relied on or form the basis of any investment decision. Retail clients requiring any information should seek the advice/assistance of a Financial Advisor. The information contained in this document is strictly confidential and must not be reproduced or further distributed.

The value of investments and any income generated may go down as well as up and is not guaranteed. An investor may not get back the amount originally invested. Past performance is not a reliable guide to future results. Changes in exchange rates may have an adverse effect on the value, price or income of investments. Please refer to the ES River and Mercantile Funds ICVC principal prospectus for further details of the financial commitments and risks involved in connection with an investment in this Fund. The information and opinions contained in this document are subject to updating and verification and may be subject to amendment. The information and opinions do not purport to be full or complete. No representation, warranty, or undertaking, express or limited, is given as to the accuracy or completeness of the information or opinions contained in this document by R&M, its partners or employees. No liability is accepted by such persons for the accuracy or completeness of any such information or opinions. As such, no reliance may be placed for any purpose on the information and opinions contained in this document.

Please note that individual securities named in this report may be held by the Portfolio Manager or persons closely associated with them and/or other members of the Investment Team personally for their own accounts. The interests of clients are protected by operation of a conflicts of interest policy and associated systems and controls which prevent personal dealing in situations which would lead to any detriment to a client.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Although River and Mercantile's information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the “ESG Parties”), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein. Further, without limiting any of the foregoing, in no event shall any of the ESG Parties have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

River and Mercantile Asset Management LLP
30 Coleman Street
London EC2R 5AL

riverandmercantile.com

RIVER AND MERCANTILE