

Assessment of Value Report

Global Sustainable Value Fund

Global Sustainable Focused Value Fund

November 2023

Overview

The Financial Conduct Authority (FCA) has introduced new rules to strengthen the duty of asset managers to act in investors' best interests. These require us to carry out an annual assessment of whether we provide value for our clients (known as an assessment of value) in the context of fund performance and other benefits but also cost.

The FCA mandates seven assessment criteria which we review for our fund in this document. The assessment criteria are as follows:

- Assessment of performance
- Assessment of general costs of the fund
- Assessment of economies of scale
- Assessment of comparable market rates
- Assessment of comparable services
- Assessment of classes of units
- Assessment of quality of service

The table below summarises the outcome of our review for the GSI Global Sustainable Value Fund and the GSI Global Sustainable Focused Value Fund (the **Funds**) for the year ending 31 November 2023, using the seven assessment criteria set by the FCA.

	Global Sustainable Value Fund	Global Sustainable Focused Value Fund
Performance	+	+
General costs of the fund	+	+
Economies of scale	o	o
Comparable market rates	+	+
Comparable services	+	+
Classes of units	+	+
Quality of services	+	+
Overall fund rating	+	+

The table above shows the following information for the assessment criteria:

+ = fund provides good value

o = fund provides value but merits some action.

- = fund does not provide good value

How we assessed each of the criteria

Assessment of Performance

Do the Funds provide good performance in relation to their investment objective?

The investment objective of the Funds is to achieve long-term total return in a sustainable manner. We seek to achieve this through diversified investment in the securities of companies listed on developed market exchanges around the world.

The table below shows the performance of the GSI Global Sustainable Value Fund and the GSI Global Sustainable Focused Value Fund compared to other funds in the same Morningstar category (EAA

Fund Global Large-Cap Value Equity) and which are also Article 8 funds and also compared to the Morningstar category index (the MSCI ACWI Value NR USD).¹ All return numbers are in USD.

		Global Sustainable Value Fund	Global Sustainable Focused Value Fund
1 Year	Return (annualised) %	11.30	6.06
	Category mean return %	7.43	7.43
	Category index return %	3.59	3.59
	Category percentile rank %	14	64
3 Years	Return (annualised) %	7.20	N/A
	Category mean return %	6.94	N/A
	Category index return %	6.92	N/A
	Category percentile rank %	43	N/A
5 Years	Return (annualised) %	8.40	N/A
	Category mean return %	6.69	N/A
	Category index return %	5.54	N/A
	Category percentile rank %	18	N/A

Source: Morningstar. Morningstar Category: EAA Fund Global Large-Cap Value Equity. Morningstar Category index: MSCI ACWI Value NR USD. Fund returns are as of Nov 30, 2023 and in USD. Only Article 8 funds are included.

The table shows that the Global Sustainable Value Fund has performed well relative to other Article 8 funds in the same category and relative to the category index over the last 1, 3 and 5 years. The Global Sustainable Focused Value Fund has performed well relative to the category index over the last twelve months. As the fund was only launched in 2021, it does not have a longer performance history.

Differences in returns between different strategies are driven by differences in investment processes. We also monitor the returns of the Funds against other comparators and, based on our reviews, we are confident the Funds provide good returns in relation to their investment objective.

Assessment of General Costs of the Fund

Are the charges fair compared with the cost to GSI of providing the services?

The GSI Global Sustainable Value Fund's ongoing charges figure (OCF) is 0.36% per year and the GSI Global Sustainable Focused Value Fund's OCF is 0.50%. This compares very favourably to the mean OCF of Article 8 funds in their Morningstar category which is 1.01% per year. Relative to this mean figure, the Funds provide a 64% and a 50% discount respectively.

GSI Global Sustainable Value & Global Sustainable Focused Value ongoing charges figure (OCF) %	Category average ongoing charges figure (OCF) % ¹	Category median ongoing charges figure (OCF) % ¹	GSI Discount (based on category average)%
0.36 & 0.50	1.01	0.84	64 & 50

¹ Average and median category OCF is sourced from Morningstar with published fees as of November 2023. Only Article 8 funds are included.

¹ Article 8 funds are defined by the Sustainable Finance Disclosure Regulation (SFDR) as "a fund which promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices". As of November 30, 2023 there is a total of 63 funds in the EAA Fund Global Large-Cap Value Equity Morningstar category which are also Article 8 funds.

Effective management of costs is a core component of our strategy as a firm. We will continue to monitor all costs that we face as investment managers and will not hesitate to pass on cost savings that we may achieve over time to our clients.

Assessment of Economies of Scale

Have the Funds achieved appropriate economies of scale and have these been passed on to investors?

We apply a 0.36% fee cap to the total expenses of the GSI Global Sustainable Value Fund and a 0.50% fee cap to the total expenses of the GSI Global Sustainable Focused Value Fund, which means that the total fee for the Funds does not exceed these levels. The fee cap protects investors from the effect of fixed costs while the Funds are small. As the Funds grow, the total expense ratio will fall below the fee caps and this cost benefit will be passed on to the investors.

Assessment of Comparable Market Rates

Do the fund charges provide value compared to similar funds in the market?

Funds with low ongoing charges (OCF) offer better value than those with higher fees. The GSI Global Sustainable Value Fund and the GSI Global Sustainable Focused Value Fund have an OCF of 0.36% and 0.50% respectively compared to an average OCF level of 1.03% for all funds in their Morningstar category.

We are continually monitoring our fees to ensure that GSI continues to offer good value for money for its funds.

Assessment of Comparable Services

How do the charges each investor pays compare with those paid by other investors in the same fund?

All investors in the GSI Global Sustainable Value Fund pay the same charges. This is true for all share classes in the Funds. For the GSI Global Sustainable Focused Value Fund there is a cheaper share class available for investors with a minimum investment of £100,000,000. The OCF for that share class is 0.42%.

Assessment of Classes of units

Have I invested in an expensive share class when a cheaper one is available?

Currently, all share classes of the GSI Global Sustainable Value Fund incur the same charges. For the GSI Global Sustainable Focused Value Fund there is a cheaper share class available for investors with a minimum investment of £100,000,000.

Assessment of Quality of Service

Is the range and quality of service satisfactory given what investors are paying?

GSI provides clients with informational material about the Funds and their investments on a regular basis. In addition, because we are a small firm, we are able to offer regular access to decision-making personnel (such as portfolio managers).

In addition, due to GSI's business model of outsourcing all non-core activities such as compliance, model portfolio creation, trade implementation, record keeping and accounting, this provides a very robust infrastructure. GSI itself focuses only on investments, research and client communications.

Overall conclusion

GSI is an investments-led firm that is committed to provide investors with the best value for money. Using the seven criteria discussed above and which are mandated by the FCA, we conclude the we provide good value to investors but, at the same time, we recognise that there is always room for improvement, so we aim to make continual enhancements to our offering.