

KEY FACTS

Pricing information

| | |
|-----------------------|------------------|
| Nav price (29 Feb 24) | 10.011 |
| Pricing frequency: | Any Business Day |

Portfolio managers

| | |
|----------------|----------------|
| Manager names: | Dani Saurymper |
|----------------|----------------|

Fund facts

| | |
|---|----------------------------------|
| Launch date of fund: | 26 Oct 21 |
| Launch date of class | 27 Oct 21 |
| Investment manager: | Pacific Asset Management |
| Fund structure: | Irish UCITS |
| Sustainable Finance Disclosures Regulation: | Article 8 |
| Benchmark: | MSCI ACWI |
| Fund type: | Equity Long Only |
| Base currency: | USD |
| Currencies available: | AUD, CHF, EUR GBP, USD |
| Other currencies available | on request |
| Pricing frequency | Any Business Day |
| Dealing frequency: | Any Business Day |
| Subscription cut off: | Noon the prior day |
| ISA eligible: | Yes |
| Auditors: | Deloitte |
| Depository: | Citi Depository Services Ireland |

Identifiers

| | |
|------------|--------------|
| ISIN: | IE0001JUTTH0 |
| Bloomberg: | PLSGEFA ID |
| SEDOL: | BL6L4H8 |

Charges

| | |
|-------------------------|-------|
| Initial Charge: | 4.00% |
| AMC*: | 0.75% |
| Ongoing Charges Figure: | 1.10% |
| Performance Fee: | None |

Pacific Asset Management
is proud to be a signatory of:



A commitment to responsible investing

As a signatory to the UN PRI Principles for Responsible Investment, Pacific Asset Management has publicly stated our support for the better understanding of the investment implications of environmental, social and governance (ESG) factors.

As a business we are committed to constantly strive to be a more responsible firm both in how we operate and how we manage our clients' investments.

Investment objective

To deliver long term capital growth through investing primarily in equities and equity-related instruments issued by companies linked to the ageing of the population and increasing life expectancy worldwide while also incorporating Environmental, Social and Governance criteria ("ESG") into the investment process.



Fund manager commentary

The MSCI World equities index was up 5% in February (in GBP) with broad based strength led by cyclicals), while more defensive sectors such as Staples and Healthcare lagged. Nvidia's record results refuelled AI optimism and the equities rally was sustained despite Central Banks reiterating their stance of being in no rush to cut rates as inflation remains above target levels both in the US and Europe. With earnings season largely behind us, it is difficult to make a uniform assessment of corporate outlooks as consumer demand remains bifurcated. Services sector, which has been an engine of growth in 2023 is normalising at a high level, while demand for goods is more idiosyncratic with ongoing sluggishness in rate sensitive sectors contrasting with resilience in beauty, eyewear and an uptick in the luxury space. Corporates provided cautiously optimistic outlooks for the year ahead, but many guided for growth to be second half weighted. In this complex environment, we believe the Longevity portfolio offers a balanced defensive stance and remains well placed to benefit from long term demographic trends.

Portfolio positioning and performance

The Pacific Longevity & Social Change strategy delivered a positive return but underperformed its global benchmark in February. The main reason for divergence stems from our overweight allocation to Healthcare and its relative underperformance. On a stock level, the top three absolute contributors to Fund performance in February were Icon, Carlyle and Strategic Education. The primary detractors were Reckitt Benckiser, Medcover and Conmed.

Healthcare was the main contributor to performance with strong gains in the Drug Development & Manufacturing and Pharmacy subthemes. On a stock level, Icon and Eli Lilly drove the largest contribution to return while Conmed was the main detractor. Icon reported a solid Q4, which highlighted a strong setup for 2024 with solid book to bill, cash flow generation, positive margin momentum and strong activity among the Pharma customers. Conmed underperformance reflects ongoing market concerns over competitive dynamics for its AirSeal franchise.

Longevity Consumer saw strong gains in Financial Planning and Travel & Leisure subthemes which more than offset slight weakness in Life & Non-Life Insurance and Companionship. Carlyle was the main contributor to performance, supported by a reassuring Q4 update and a planned change to the compensation structure which will rebalance a higher share of the steady Fee Related Earnings streams to shareholders. An expanded share buyback plan was also taken positively. Brunswick shares gained despite a Q4 miss and a lower than expected guide for FY24, reflecting relief that the bottom of the earnings cycle is near as well as an acknowledgement that the company fared better than peers through the destocking period. Legal and General was the main detractor from performance as the market continues to struggle with IFRS 17 related earnings noise. We expect the company to report strong underlying trends in the PRT market when it publishes results in March, highlighting that underlying cash generation is not affected by accounting changes.

Education & Wellbeing performance was bifurcated with Aesthetics & Vision and Education posting solid gains, while Screening and Hygiene & Personal Care lagged. On a stock level Strategic Education and Ulta Beauty were the strongest performers while Reckitt Benckiser was the main detractor. The company's disappointing Q4 results raised questions over the near-term growth trajectory. We expect some of the headwinds to abate through 2024 and see significant value in the shares at current levels.

In Later Living a solid month for Funeral Services was more than offset by underperformance in the Health Insurance subtheme. Medcover was the main detractor from performance, despite delivering a beat on earnings. We remain supportive of the company's strategy and believe the market is underestimating its India market presence where it now operates over 5,500 beds [versus Fortis Healthcare (4,300 operational beds) and Apollo Hospitals (~10,000 operational beds)] and future profit contribution.

Outlook

As we look ahead to 2024, we remain focused on the reality that populations around the world are ageing and the social implications around this demographic transformation continues to create significant opportunities for companies that provide products and services that meet the changing consumption patterns driven by this phenomenon. Our Longevity and Social Change strategy is focused on identifying high-quality businesses which have such exposure and can deliver sustainable returns over the long term.

Fund Performance

From 27 Oct 2021 (inception) to 29 Feb 2024 (%)



Year-on-year performance

As at 29 Feb 2024 (%)

| Year | 28 Feb 2022 to 28 Feb 2023 | 28 Feb 2023 to 29 Feb 2024 |
|------|----------------------------|----------------------------|
| 2022 | - | 6.49 |
| 2023 | - | 3.43 |

Period returns

From 27 Oct 2021 (inception) to 29 Feb 2024 (%)

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Year |
|------|-------|-------|-------|-------|-------|-------|------|-------|-------|-------|-------|-------|-------|
| 2021 | - | - | - | - | - | - | - | - | - | 0.67 | -4.58 | 3.87 | -0.22 |
| 2022 | -7.65 | -1.37 | 5.02 | -4.17 | -1.14 | -3.25 | 6.16 | -2.86 | -4.27 | 3.11 | 5.45 | -1.78 | -7.56 |
| 2023 | 3.98 | 0.92 | -1.55 | 1.48 | -5.68 | 1.95 | 1.87 | -1.10 | -1.15 | -4.19 | 4.81 | 6.48 | 7.36 |
| 2024 | -1.31 | 2.44 | - | - | - | - | - | - | - | - | - | - | 1.09 |

Past performance is not necessarily a guide to future performance.

Performance is shown net of fees.

Source: Pacific Asset Management as at 29 Feb 2024.

PORTFOLIO STRUCTURE

Theme overview

The Fund is an actively managed and invests in companies linked to the ageing population and increasing life expectancy. The fund focuses on secular multi-year themes and sub-themes which are already investable with proven commercial viability.



EDUCATION & WELLBEING 30.7%

| | |
|---------------------------|------|
| ● Fitness & Nutrition | 8.4% |
| ● Aesthetics & Vision | 8.1% |
| ● Hygiene & Personal Care | 6.6% |
| ● Screening | 4.7% |
| ● Education | 2.8% |

LATER-LIVING 12.3%

| | |
|-------------------------|------|
| ● Health Insurance | 6.9% |
| ● Funeral Services | 3.1% |
| ● Care Services | 1.3% |
| ● Home-health & Nursing | 1.0% |

LONGEVITY CONSUMER 25.1%

| | |
|-----------------------------|-------|
| ● Financial Planning | 12.9% |
| ● Travel & Leisure | 5.0% |
| ● Life & Non-Life Insurance | 4.9% |
| ● Companionship | 2.3% |

HEALTHCARE 30.8%

| | |
|----------------------|-------|
| ● Medical Devices | 13.2% |
| ● Pharmacy | 12.8% |
| ● Drug Dev. & Manuf. | 4.7% |



PORTFOLIO BREAKDOWN

Percentages exclude 1.1% cash

Fund characteristics

| | |
|------------------------------|-------|
| Total no. of securities held | 58 |
| Top 10 concentration | 28.4% |
| Median mkt cap (\$ bn) | 18.8 |
| Women on Board | 34.8% |
| Female Executives | 28.3% |
| Tracking error | 5.88 |
| Predicted Beta | 1.02 |
| Active Share | 94.8% |

Market cap breakdown (% of nav)

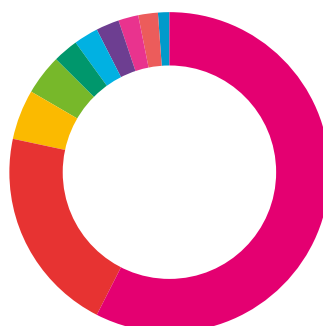
| | |
|----------------------------|-------|
| Small <\$2bn | 5.7% |
| Mid-cap \$2bn - \$10bn | 22.6% |
| Large-cap \$10bn - \$200bn | 59.1% |
| Mega-cap >\$200bn | 11.5% |
| Cash | 1.1% |

Top 15 holdings (%)

| Name | Geographic | Theme | Sub-theme | % of fund |
|-------------------------------|------------|-----------------------|---------------------|-----------|
| AstraZeneca | UK | Healthcare | Pharmacy | 3.5 |
| Service Corp | US | Later-living | Funeral Services | 3.1 |
| EssilorLuxottica | France | Education & Wellbeing | Aesthetics & Vision | 2.9 |
| ConvaTec | UK | Healthcare | Medical Devices | 2.8 |
| GSK PLC | UK | Healthcare | Pharmacy | 2.8 |
| Booking | US | Longevity Consumer | Travel & Leisure | 2.8 |
| Hologic | US | Education & Wellbeing | Screening | 2.7 |
| Carlyle Group Inc | US | Longevity Consumer | Financial Planning | 2.7 |
| AbbVie | US | Healthcare | Pharmacy | 2.7 |
| UnitedHealth | US | Later-living | Health Insurance | 2.6 |
| Ultra Salon Cosmetics & Fragr | US | Education & Wellbeing | Aesthetics & Vision | 2.6 |
| Intermediate Capital | UK | Longevity Consumer | Financial Planning | 2.5 |
| ICON | Ireland | Healthcare | Drug Dev. & Manuf. | 2.4 |
| Merck & Co | US | Healthcare | Pharmacy | 2.3 |
| Thermo Fisher | US | Healthcare | Drug Dev. & Manuf. | 2.3 |

Fund geographical weightings (%)

| | |
|----------------|-------|
| United States | 57.5% |
| United Kingdom | 20.8% |
| France | 5.1% |
| Ireland | 4.1% |
| Sweden | 2.6% |
| Switzerland | 2.5% |
| Netherlands | 2.3% |
| Germany | 2.0% |
| Other | 2.0% |
| Cash | 1.1% |



Fund industry weightings (%)

| | |
|------------------------|-------|
| Health Care | 50.2% |
| Consumer Discretionary | 19.8% |
| Financials | 17.8% |
| Consumer Staples | 6.9% |
| Communications | 2.8% |
| Materials | 1.3% |
| Cash | 1.1% |

All data as at 29 Feb 2024

Source: Pacific Asset Management.

Holdings and allocations are subject to change and may not total 100 due to rounding.

ESG Integration

As an Article 8 fund the portfolio team are committed to promoting ESG characteristics and help drive positive change. They utilise top-down ESG scoring, exclusion and filtering whilst using proprietary bottom up research, voting and engagement.

| | | | |
|--|--|---|---|
|  <p>Positive inclusion</p> <p>The fund champions companies with quality management and good governance, which promote longer living and positive changes for society now and in the future</p> |  <p>Voting/engagement & equality</p> <p>Voting and Engagement framework driven by bottom-up stock selection alongside ISS special proxy voting (SRI alignment)</p> |  <p>ESG data analysis</p> <p>Using top-down, industry leading ESG scoring from TruValue Labs to filter investable universe and assess ESG characteristics of all holdings</p> |  <p>Exclusion criteria</p> <p>The fund does not invest in businesses involved in activities contrary to the development of a sustainable economy, including Fossil fuels, Iron & Steel production and armaments</p> |
|--|--|---|---|

PLEASE GET IN TOUCH

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|---|--|---|---|
|  <p>Pacific Asset Management 1 Portland Place London, W1B 1PN United Kingdom</p> <p>www.pacificam.co.uk For daily updates on this fund and more information please visit our website</p> | <p>Contact us T +44 20 3970 3100 E info@pacificam.co.uk</p> | <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>DANI SAURYPFER Portfolio Manager</p> </div> <div style="text-align: center;">  <p>JULIA VARESKO Senior Analyst</p> </div> </div> |  |
|---|--|---|---|

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