

Rathbones

Look forward

Rathbone Greenbank  
Global Sustainability Fund

Interim report for the half year ended 31 October 2023



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# Rathbone Greenbank Global Sustainability Fund

## Authorised Corporate Director (ACD)

Rathbones Asset Management Limited  
8 Finsbury Circus  
London EC2M 7AZ  
Telephone 020 7399 0399

**A member of the Rathbones Group**

**Authorised and regulated by the  
Financial Conduct Authority and member  
of The Investment Association**

Effective 30 November 2023, Rathbone Unit Trust Management Limited changed its name to Rathbones Asset Management Limited.

## The Company

Rathbone Greenbank Global Sustainability Fund\*  
Head Office:  
8 Finsbury Circus,  
London EC2M 7AZ

\* Refer to 'Change to the Company structure' in the General Information on page 19.

## Dealing office

SS&C Financial Services Europe Limited  
SS&C House  
St Nicholas Lane  
Basildon  
Essex SS15 5FS  
Telephone 0330 123 3810  
Facsimile 0330 123 3812

## Independent Auditor

Deloitte LLP  
Statutory Auditor  
110 Queen Street  
Glasgow G1 3BX

## Directors of the ACD

**RP Stockton** – Chairman  
(resigned 1 December 2023)  
**MM Webb** – Chief Executive Officer  
(resigned 1 December 2023)  
**T Carroll** – Chief Investment Officer  
**E Renals** – Chief Operating Officer  
(appointed 3 July 2023)  
**JA Rodgers** – Chief Distribution Officer  
(appointed 1 December 2023)  
**MS Warren** – Non-Executive Director  
**J Lowe** – Non-Executive Director

## Administrator

HSBC Securities Services  
1-2 Lochside Way  
Edinburgh Park  
Edinburgh EH12 9DT  
**Authorised and regulated by the  
Financial Conduct Authority**

## Registrar

SS&C Financial Services International Limited  
SS&C House  
St Nicholas Lane  
Basildon  
Essex SS15 5FS  
Telephone 0330 123 3810  
Facsimile 0330 123 3812  
**Authorised and regulated by the  
Financial Conduct Authority**

## Depository

NatWest Trustee and Depository Services Limited  
250 Bishopsgate  
London EC2M 4AA  
**Authorised and regulated by the  
Financial Conduct Authority**

# Investment objective and policy

## Investment objective

The objective of the fund is to deliver a greater total return than the FTSE World Index, after fees, over any five-year period.

There is no guarantee that this investment objective will be achieved over five years, or any other time period.

We use the FTSE World Index as a target for our fund's return because we want to offer you higher returns than global stock markets.

We also compare our fund against the IA Global sector to give you an indication of how we perform against other funds in our peer group. Like us, the funds in this sector invest globally, although most of them don't invest using a sustainability framework.

## Investment policy

To meet the objective, the fund manager will invest at least 80% of our fund in global shares, with the remainder in cash, short-term deposits and UK government debt.

Derivatives may be used by the fund for the purposes of efficient portfolio management and hedging.

The Manager may use all investment powers as permitted by the prospectus, outside the ranges described above, to ensure the fund is managed in the best interest of investors in times of market irregularities or stress.

The fund may invest at the fund manager's discretion in other transferable securities, money market instruments, warrants, cash and near cash and deposits and units in collective investment schemes. Use may be made of stock lending, borrowing, cash holdings, hedging and other investment techniques permitted by the FCA Rules.

## Investment strategy

Sustainable investing means different things to different people. For us, sustainable investing is about long-term value creation for investors, society and the environment.

We invest in companies that operate sustainably and are committed to helping achieve the United Nations Sustainable Development Goals. We avoid companies that fail our rigorous sustainability criteria. We believe that companies displaying strong environmental, social and governance policies and practices are likely to be well positioned to deliver long-term value for investors. As shareholders we work with companies to encourage best practice and highlight any concerns we have.

When choosing investments we use our own trinity of risk framework: price, business and financial.

We look for businesses that offer good value and make strong and consistent profits with high quality earnings – those that are backed by real cash rather than accounting contrivance. Companies shouldn't have more debt than they can handle.

## Ethical investment policy

The fund will seek to invest in companies that are aware of their wider responsibilities to society and the environment. In doing so, the fund will aim to invest in companies that support the achievement of the UN Sustainable Development Goals (SDGs) through their activities or ways of operating.

The companies must, in the opinion of the Manager:

- Display leading or well-developed policies and practices in one or more key responsible business areas, and/or,
- have significant involvement in the provision of products or services aligned with sustainable development

The Manager will further apply ethical criteria and screening in order to avoid investing in companies involved in specific activities or engaged in behaviour that is considered to be of concern to ethical and sustainable investors.

Further details in relation to the current ethical and sustainability criteria may be obtained by contacting Rathbones Asset Management. Investors should be aware that these criteria may change over time.

# Investment report for the half year ended 31 October 2023

## Performance

In the six months ended 31 October 2023, our fund fell 6.0%, while the FTSE World Index (S-class shares) gained 2.1% and the IA Global Sector lost 2.0%.

## Market overview

Benchmark government bond yields continued to rise over the past six months. In the US, the yield on the 10-year treasury increased massively from 3.4% to 5%. At the time of writing, it had retrenched dramatically to 4.5%. This isn't new – US government bonds have been extremely volatile for a while, making for unsettling months of whipsawing fortunes.

These bond yields affect equity markets in two ways. The first and most direct is that this yield is the benchmark used to value all other investments. If you can get 3.4% on a safe government bond, then you will expect a higher return on a stock that comes with the risk of losing some or all of your money. So if the benchmark 'risk-free' return increases to 5%, the returns you'll want from that stock will need to be higher still. Because companies can't magic up more future profits, the stock's price will fall and cause the expected return – the company's forecast profits divided by the share price – to increase to a level that investors are comfortable with.

The second effect of changes in government bond yields is that they are also the bedrock for all longer-term interest rates in the economy. When a household or company wants a loan, a bank will take the long-term bond yield and then add a percentage on top to account for the risk of default and to make a profit. Higher bond yields means that borrowing is harder to come by for households and businesses, which tends to bode ill for spending and investment. When spending and investment dip, economies slow down and recession beckons, threatening company profits.

Higher borrowing rates haven't yet seemed to hold back spending by either camp, in the US especially, but we think the risk of recession in the next few quarters has increased. With caution in mind, we've been kicking the tyres on all our companies,

reviewing how they should fare in a downturn.

Taking our portfolio as a whole, our companies have very low levels of borrowing, so higher interest rates shouldn't lead to greater expenses. We also think being able to receive cash from customers very soon after spending money on sales and production will be pivotal for companies next year if commerce slows and pressures mount. That means less money locked up in the business and more flexibility to take advantage of opportunities and deal with threats.

## Portfolio activity

After our review, we decided to sell our position in Finnish lift business Kone. While Kone has always been a highly cash-generative franchise, it has significant exposure (about 40% of its profits) to China. Historically, this was attractive, as China represents one of the true growth markets for lifts, given the huge number of large buildings it has thrown up. We have become concerned, however, about prospects for the Chinese construction market in 2024 and see more attractive opportunities elsewhere. We will keep Kone on our watchlist for the future.

As mentioned earlier, we believe the large increase in interest rates and bond yields over the past few years will already be creating strains for businesses and households all over the world. These strains could start to develop into problems and hard decisions for people. Company managers may need to shut down projects that are no longer viable now that it costs more to borrow money and attract equity investors. Households may need to rein in spending as bills mount – especially if curtailed business activity leaves them out of a job. In advance of this, we've been adjusting our portfolio to be more defensive throughout this year. This is part of the reason why we've added to our healthcare stocks over the period – people who need an important operation typically don't put it off unless there's no other option. This tends to make their sales more resilient during a downturn. We think many healthcare stocks' valuations are extremely attractive on a long-term basis and see the sector as a sensible place to invest as the global economy appears likely to weaken.

Two firms, Denmark's Novo Nordisk and American pharma Eli Lilly, have developed next-generation weight loss and diabetes management drugs that have excited investors in recent months. These drugs, which mimic a gut hormone called GLP-1 (glucagon-like peptide), are shaping up to be important and revolutionary new tools for combatting one of the greatest health challenges of our time. We have bought a position in Eli, which makes the anti-obesity and diabetes management drugs Mounjaro and Zepbound. Like Novo Nordisk in Europe, Eli has benefited from a steep rise in its share price this year, yet we think its value still underestimates just how many potential customers it could have in the years to come.

We bought US pharmaceutical giant Merck, which trades at a significant discount to its peers. We believe it has several strong franchises that should continue to deliver long-term profit growth. Close to half of Merck's value is in Keytruda, which is a range of cancer therapies. Investors have been concerned about the long-term value of Keytruda, worrying that it could be superseded by rivals. Yet new approvals for enhanced cancer treatment applications have continued. Meanwhile, we believe its Gardasil human papillomavirus (HPV) vaccine also offers plenty of future growth potential. One of the big questions around Merck has been its use of cash, which was largely answered with the purchase of Prometheus Biosciences in April. Prometheus is developing a potentially significant suite of treatments for irritable bowel syndrome (IBS) and Crohn's disease. These two intestinal illnesses have grown much more prevalent in recent decades. While the causes are hard to pinpoint – and are likely multitudinous – the struggle is real. Roughly 5% to 10% of people around the world suffer from varying severity of IBS. Crohn's disease can be even more debilitating, with cases rising steadily. Merck has the medicine to treat both.

Another healthcare addition was US animal healthcare business Idexx Laboratories, which specialises in diagnostic tools for vets. The company's equipment allows vets to diagnose and treat a range of illnesses, many of which were previously hard to detect. There are multiple tailwinds in Idexx's favour: growing pet ownership, a relatively immature market for diagnostics, and

the opportunity to cross-sell incremental software services to vets over time. Idexx has consistently grown its sales at a multiple of US GDP and generated strong profit margins, which we think reflects the quality of their products.

We've also been adding to consumer goods companies, like US consumer products company Colgate-Palmolive, that usually remain in the supermarket trolley regardless of the economic situation. Colgate-Palmolive is known for its eponymous toothpaste and fairy liquid (though never together). Colgate is the global leader in oral care, which represents about half its overall portfolio. Looking after teeth and mouths is a profitable business. It's also a business where brand really matters: you're not going to mess around when your teeth are involved. There's another clear, long-term opportunity in emerging markets for Colgate. For many years the company has invested in building its brand in these nations. We also like how Colgate is renewing its focus on research and development – on continually improving its products to stay ahead of the competition and better serve its customers. This should help boost growth in more developed markets. Outside oral care, we believe its incremental investment in its Hill's pet food business could provide handsome rewards.

And in a high-inflation world of scarce profit growth, American digital technology companies have led the way in recent years. We think these companies should also hold up better than most in a recession because they offer quality – and often indispensable – services to such a large spread of households and businesses with relatively low costs when you look at the scale of their customer base. With this in mind, we added to our holding of digital office and AI business Microsoft. Our digital technology investments now make up almost 25% of our fund.

We also bought Nvidia. The company has long been a leader in the development of graphics processing units (GPUs) that are integral to creating the efficient and powerful computing power required to run data centres and high-end graphics and physics engines for computer games. Of course, there's something else that requires extreme computing power: artificial intelligence (AI). It's fair to say

that excitement around generative AI has hit fever pitch this year and Nvidia has been at the centre of this. Despite the hype, we believe the company's valuation is actually not egregious, given that its earnings expectations have increased significantly since the beginning of the year. We think these estimates may underplay the opportunity for Nvidia to increase profits, too. The company has long invested in next-generation chip technology, with the expectation that AI would gain traction. This focus has paid off for the business and established significant barriers against competition entering the space anytime soon. The management team have created an ecosystem that is hard to displace, at a time that AI opportunities are growing quickly.

We reduced our position in Thermo Fisher Scientific, the US speciality diagnostics and equipment company. We believe the company can continue to compound growth in revenue and earnings at an attractive rate and many of the long-term drivers in its business are still underappreciated. However, we wanted to spread our risk, so we recycled some of this capital into other healthcare businesses that we recently added to our portfolio.

We sold our holding in DSM-Firmenich, the Dutch-listed ingredients and flavours company. The merger between DSM and Firmenich was extremely exciting as it offered the potential for a globally comprehensive product portfolio with clear areas of improving efficiency and reducing costs. Execution, however, was not optimal and we became concerned about the level of senior management turnover at a critical time. Added to this, the demand for the company's products also weakened and we were unconvinced that pricing power in the business was strong enough to offset falling volumes.

We reduced our position in US water technology business Xylem, which had grown too large. We had previously owned Evoqua Water Technologies, which was acquired by Xylem. We think the combination of Xylem and Evoqua should be exciting given the scale of spending needed on global water infrastructure in the next 10 years. There is also significant potential to increase efficiencies and cut costs in this business too.

Lonza is a Swiss pharmaceutical manufacturer that creates drugs and specialist medicines and nutritional supplements for other pharma companies that have the intellectual property but not the production capacity or the laboratory muscle. Lonza is a critical partner to many of the world's leading pharmaceutical brands in both drug discovery and outsourced production. The pharmaceuticals business has lots of rules and regulations – as you would expect – so Lonza has few global competitors. Its expertise in biologic drug development (using live substances like enzymes, viruses and proteins, rather than traditional chemicals) should help drive consistently strong organic growth for Lonza. We took profits on our holding a few times throughout the period, and decided to reduce its size as 2023 progressed. Its share price might be vulnerable to anything less than consistent delivery in 2024, so we wanted to reduce our risk.

While the global economy appears to be approaching a tough time, we think any recession should be relatively shallow and short. Unlike in the Global Financial Crisis, banks are holding much less risky debt and have significantly higher safeguards against losses that could make them fail. We are really excited about the businesses we hold and think they should offer strong performance over the next five to 10 years.

**David Harrison**  
Fund Manager  
*24 November 2023*

# Net asset value per share and comparative tables

## I-class income shares

	30.04.22 pence per share	30.04.21 pence per share
<b>Change in net assets per share</b>		
Opening net asset value per share	144.98p	105.25p
Return before operating charges*	12.46p	42.24p
Operating charges	(0.62p)	(1.21p)
Return after operating charges*	11.84p	41.03p
Distributions on income shares	–	(1.30p)
Redemption price***	(156.82p)	–
Closing net asset value per share	–	144.98p

\*after direct transaction costs<sup>1</sup> of: 0.07p 0.24p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

## Performance

Return after charges 8.17% 38.98%

## Other information

Closing net asset value	–	£4,448,184
Closing number of shares	–	3,068,214
Operating charges **	–	0.90%
Direct transaction costs	0.05%	0.18%

## Prices\*\*\*

Highest share price	163.03p	149.87p
Lowest share price	134.56p	103.98p

\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per share shown in the comparative table, this may result in the opening/closing net asset value per share being higher or lower than the published highest or lowest prices for the period.

\*\*\* I-class income was merged into S-class income on 25 October 2021.



## Net asset value per share and comparative tables *(continued)*

### I-class accumulation shares

	30.04.22 pence per share	30.04.21 pence per share
<b>Change in net assets per share</b>		
Opening net asset value per share	150.38p	108.42p
Return before operating charges*	12.92p	43.21p
Operating charges	(0.64p)	(1.25p)
Return after operating charges*	12.28p	41.96p
Distributions on accumulation shares	–	(1.33p)
Retained distributions on accumulation shares	–	1.33p
Redemption price***	(162.66p)	–
Closing net asset value per share	–	150.38p

\*after direct transaction costs<sup>1</sup> of: 0.07p 0.25p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

### Performance

Return after charges 8.17% 38.70%

### Other information

Closing net asset value	–	£24,369,851
Closing number of shares	–	16,205,468
Operating charges**	–	0.90%
Direct transaction costs	0.05%	0.18%

### Prices\*\*\*

Highest share price	169.10p	154.68p
Lowest share price	139.58p	106.82p

\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per share shown in the comparative table, this may result in the opening/closing net asset value per share being higher or lower than the published highest or lowest prices for the period.

\*\*\* I-class accumulation was merged into S-class accumulation on 25 October 2021.

## Net asset value per share and comparative tables *(continued)*

### S-class income shares

	<b>31.10.23</b> pence per share	30.04.23 pence per share	30.04.22 pence per share	30.04.21 pence per share
<b>Change in net assets per share</b>				
Opening net asset value per share	125.91p	128.70p	145.02p	105.01p
Return before operating charges*	(6.62p)	(0.70p)	(14.32p)	42.19p
Operating charges	(0.38p)	(0.74p)	(0.87p)	(0.88p)
Return after operating charges*	(7.00p)	(1.44p)	(15.19p)	41.31p
Distributions on income shares	(0.80p)	(1.35p)	(1.13p)	(1.30p)
Closing net asset value per share	118.11p	125.91p	128.70p	145.02p

\*after direct transaction costs<sup>1</sup> of: 0.03p      0.11p      0.07p      0.24p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

### Performance

Return after charges (5.56%)      (1.12%)      (10.47%)      39.34%

### Other information

Closing net asset value	£16,489,283	£20,223,324	£38,276,391	£34,269,851
Closing number of shares	13,960,429	16,061,486	29,741,909	23,631,513
Operating charges**	0.60%	0.59%	0.58%	0.65%
Direct transaction costs	0.03%	0.09%	0.05%	0.18%

### Prices\*\*\*

Highest share price	129.55p	138.34p	167.96p	149.83p
Lowest share price	117.25p	114.58p	126.98p	103.75p

\*\* The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

\*\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per share shown in the comparative table, this may result in the opening/closing net asset value per share being higher or lower than the published highest or lowest prices for the period.

## Net asset value per share and comparative tables *(continued)*

### S-class accumulation shares

	<b>31.10.23</b> pence per share	30.04.23 pence per share	30.04.22 pence per share	30.04.21 pence per share
<b>Change in net assets per share</b>				
Opening net asset value per share	133.09p	134.57p	150.42p	107.90p
Return before operating charges*	(6.99p)	(0.70p)	(14.96p)	43.42p
Operating charges	(0.40p)	(0.78p)	(0.89p)	(0.90p)
Return after operating charges*	(7.39p)	(1.48p)	(15.85p)	42.52p
Distributions on accumulation shares	(0.84p)	(1.42p)	(1.17p)	(1.34p)
Retained distributions on accumulation shares	0.84p	1.42p	1.17p	1.34p
Closing net asset value per share	125.70p	133.09p	134.57p	150.42p

\*after direct transaction costs<sup>1</sup> of: 0.03p      0.11p      0.07p      0.24p

<sup>1</sup> Transaction costs include dealing costs, broker commission, stamp duty and other explicit investment costs.

### Performance

Return after charges (5.55%)      (1.10%)      (10.54%)      39.41%

### Other information

Closing net asset value	£42,390,820	£46,827,385	£55,424,367	£19,479,503
Closing number of shares	33,725,016	35,184,601	41,185,568	12,949,816
Operating charges**	0.60%	0.59%	0.58%	0.65%
Direct transaction costs	0.03%	0.09%	0.05%	0.18%

### Prices\*\*\*

Highest share price	136.93p	144.65p	174.72p	154.65p
Lowest share price	123.94p	119.80p	132.09p	106.59p

\*\* The Operating charges are represented by the Ongoing Charges Figure (OCF) which is calculated in line with the IA SORP.

\*\*\* These prices may have been calculated on a different basis to the opening/closing net asset value per share shown in the comparative table, this may result in the opening/closing net asset value per share being higher or lower than the published highest or lowest prices for the period.

## Risk and reward profile

### Risk and reward profile as published in the fund's most recent Key Investor Information Document



Lower potential risk/reward  
(Not risk-free)

Higher potential risk/reward

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

## Discrete annual performance

### Discrete annual performance, quarter ending 31 October 2023

	2019	2020	2021	2022	2023
I-class shares*	6.61%	24.37%	N/A	N/A	N/A
S-class shares	6.88%	24.65%	22.25%	-22.45%	3.20%
FTSE World Index	7.93%	5.24%	24.00%	-3.01%	12.19%

Source performance data Financial Express, mid to mid, net income reinvested.

\* I-class income was merged into S-class income on 25 October 2021.

Past performance should not be seen as an indication of future performance.

The value of investments and the income from them may go down as well as up and you may not get back your original investment.

## Portfolio and net other assets as at 31 October 2023

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
<b>Chemicals (30.04.23: 3.65%)</b>		
8,312 New Linde	<b>2,617,754</b>	<b>4.45</b>
<b>Industrial Engineering (30.04.23: 8.85%)</b>		
118,469 Atlas Copco	1,262,683	2.14
27,299 Jungheinrich Preference	600,666	1.02
73,090 SIG Combibloc	1,323,073	2.25
8,396 Xylem	647,214	1.10
	<b>3,833,636</b>	<b>6.51</b>
<b>Automobiles and Parts (30.04.23: 1.30%)</b>		
10,632 Aptiv	<b>764,467</b>	<b>1.30</b>
<b>Electronic and Electrical Equipment (30.04.23: 9.66%)</b>		
6,486 Badger Meter	739,547	1.25
52,246 Halma	963,677	1.64
3,143 Littlefuse	559,625	0.95
15,100 Nidec	445,348	0.76
10,503 Schneider Electric	1,324,205	2.25
	<b>4,032,402</b>	<b>6.85</b>
<b>Construction and Materials (30.04.23: 3.49%)</b>		
12,481 Advanced Drainage Systems	1,098,702	1.87
45,000 Assa Abloy 'B'	788,976	1.34
22,683 Trex	1,050,546	1.78
	<b>2,938,224</b>	<b>4.99</b>
<b>Consumer Goods (30.04.23: 5.06%)</b>		
25,588 Colgate-Palmolive	1,584,054	2.69
3,588 L'Oréal	1,236,408	2.10
40,662 Unilever	1,581,345	2.68
	<b>4,401,807</b>	<b>7.47</b>
<b>Healthcare Equipment and Services (30.04.23: 8.60%)</b>		
20,037 Dexcom	1,466,303	2.49
6,673 Eurofins Scientific	277,205	0.47
2,280 IDEXX Laboratories	749,284	1.27
2,363 Sartorius Stedim Biotech	363,194	0.62
2,023 Thermo Fisher Scientific	741,247	1.26
	<b>3,597,233</b>	<b>6.11</b>

## Portfolio and net other assets as at 31 October 2023 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
<b>General Retailers</b> (30.04.23: 3.07%)		
78,000 RELX	<b>2,236,020</b>	<b>3.80</b>
<b>Life Insurance</b> (30.04.23: 2.88%)		
224,400 AIA	<b>1,603,573</b>	<b>2.72</b>
<b>General Financial</b> (30.04.23: 2.27%)		
648,979 Legal & General	<b>1,369,346</b>	<b>2.32</b>
<b>Financial Services</b> (30.04.23: 7.63%)		
6,604 MasterCard	2,047,297	3.48
10,046 Visa 'A'	1,945,535	3.30
	<b>3,992,832</b>	<b>6.78</b>
<b>Software and Computer Services</b> (30.04.23: 13.54%)		
3,767 Adobe	1,651,681	2.81
821 Adyen	453,190	0.77
4,843 Ansys	1,109,885	1.88
11,218 Cadence Design System	2,216,143	3.76
10,430 Microsoft	2,905,908	4.94
20,726 Shopify 'A'	806,187	1.37
	<b>9,142,994</b>	<b>15.53</b>
<b>Support Services</b> (30.04.23: 3.05%)		
15,474 Waste Management	<b>2,094,272</b>	<b>3.56</b>
<b>Technology Hardware and Equipment</b> (30.04.23: 5.49%)		
2,619 ASML	1,289,638	2.19
2,750 ASM International	930,510	1.58
3,979 NVIDIA	1,336,553	2.27
11,250 Taiwan Semiconductor	800,651	1.36
	<b>4,357,352</b>	<b>7.40</b>
<b>Pharmaceuticals and Biotechnology</b> (30.04.23: 9.17%)		
12,889 Abbott Laboratories	1,004,077	1.71
20,417 AstraZeneca	2,091,926	3.55
5,541 Bio-Techne Corporation	249,230	0.42
2,459 Eli Lilly	1,121,764	1.91
947 Lonza	271,674	0.46
21,389 Merck	1,810,076	3.07
	<b>6,548,747</b>	<b>11.12</b>

## Portfolio and net other assets as at 31 October 2023 *(continued)*

Holding (Ordinary shares unless otherwise stated)	Value £	Percentage of total net assets
<b>Electricity</b> (30.04.23: 2.22%)		
64,691 EDP Renováveis	<b>852,018</b>	<b>1.45</b>
<b>Gas, Water and Multiutilities</b> (30.04.23: 2.96%)		
96,731 E.ON	<b>943,285</b>	<b>1.60</b>
<b>Industrial Transportation</b> (30.04.23: 0.72%)		
5,508 DSV	<b>676,881</b>	<b>1.15</b>
<b>Total value of investments</b> (30.04.23: 95.92%)	56,002,843	95.11
<b>Net other assets</b> (30.04.23: 4.08%)	2,877,260	4.89
<b>Total value of the fund as at 31 October 2023</b>	<b>58,880,103</b>	<b>100.00</b>

All investments are ordinary shares unless otherwise stated and admitted to official stock exchange listings.

Sectors eliminated since the beginning of the year:

Banks	1.23%
Real Estate	1.08%

## Statement of total return for the half year ended 31 October 2023

	31.10.23 £	31.10.23 £	31.10.22 £	31.10.22 £
Income				
Net capital losses		<b>(3,793,288)</b>		(4,250,628)
Revenue	<b>453,775</b>		442,154	
Expenses	<b>(190,450)</b>		(236,903)	
Net revenue before taxation	<b>263,325</b>		205,251	
Taxation	<b>(26,574)</b>		(43,208)	
Net revenue after taxation		<b>236,751</b>		162,043
<b>Total return before distributions</b>		<b>(3,556,537)</b>		(4,088,585)
Distributions		<b>(413,174)</b>		(398,695)
<b>Change in net assets attributable to shareholders from investment activities</b>		<b>(3,969,711)</b>		(4,487,280)

## Statement of change in net assets attributable to shareholders for the half year ended 31 October 2023

	31.10.23 £	31.10.23 £	31.10.22 £	31.10.22 £
<b>Opening net assets attributable to shareholders</b>		<b>67,050,709</b>		93,700,758
Amounts receivable on issue of shares	<b>3,962,711</b>		3,288,054	
Amounts payable on cancellation of shares	<b>(8,446,896)</b>		(24,744,733)	
		<b>(4,484,185)</b>		(21,456,679)
Change in net assets attributable to shareholders from investment activities (see Statement of total return above)		<b>(3,969,711)</b>		(4,487,280)
Retained distributions on accumulation shares		<b>283,290</b>		232,107
<b>Closing net assets attributable to shareholders</b>		<b>58,880,103</b>		67,988,906



## Balance sheet as at 31 October 2023

	31.10.23 £	31.10.23 £	30.04.23 £	30.04.23 £
<b>Assets</b>				
<b>Fixed assets:</b>				
Investments		<b>56,002,843</b>		64,315,835
<b>Current assets:</b>				
Debtors	<b>111,115</b>		342,859	
Cash and bank balances	<b>3,275,212</b>		2,778,304	
<b>Total current assets</b>		<b>3,386,327</b>		3,121,163
<b>Total assets</b>		<b>59,389,170</b>		67,436,998
<b>Liabilities</b>				
<b>Creditors:</b>				
Distribution payable on income shares	<b>(111,683)</b>		(120,461)	
Other creditors	<b>(397,384)</b>		(265,828)	
<b>Total liabilities</b>		<b>(509,067)</b>		(386,289)
<b>Net assets attributable to shareholders</b>		<b>58,880,103</b>		67,050,709

## Notes to the interim financial statements

### Accounting policies

The interim financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 and the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by The Investment Association in May 2014 (and amended in June 2017).

All accounting policies applied are consistent with those of the annual report for the year ended 30 April 2023 and are detailed in full in those financial statements.

### Portfolio transactions

Total purchases and sales transactions for the half year ended 31 October 2023 were £13,017,178 and £17,541,377 respectively (31.10.22: £8,385,758 and £30,674,668).

## Distribution table for the half year ended 31 October 2023

### Distribution table (pence per share)

#### Interim

Group 1 – Shares purchased prior to 1 May 2023

Group 2 – Shares purchased on or after 1 May 2023 and on or before 31 October 2023

<b>S-class income shares</b>	<b>Income</b>	<b>Equalisation</b>	<b>Payable 29.12.23</b>	<b>Paid 30.12.22</b>
Group 1	0.80	–	0.80	0.60
Group 2	0.44	0.36	0.80	0.60

  

<b>S-class accumulation shares</b>	<b>Income</b>	<b>Equalisation</b>	<b>Allocated 29.12.23</b>	<b>Accumulated 30.12.22</b>
Group 1	0.84	–	0.84	0.62
Group 2	0.28	0.56	0.84	0.62

#### Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. After averaging it is returned with the distribution as a capital repayment. It is not liable to Income Tax but must be deducted from the cost of the shares for Capital Gains Tax purposes.

## Directors' statement

This report is approved in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

**JA Rodgers**                      **T Carroll**  
for Rathbones Asset Management Limited  
ACD of Rathbone Greenbank Global Sustainability Fund  
*19 December 2023*

# General information

## ACD Name

Effective 30 November 2023, Rathbone Unit Trust Management Limited changed its name to Rathbones Asset Management Limited.

## Authorised status

The Rathbone Greenbank Global Sustainability Fund (the company) is an open-ended investment company with variable capital, incorporated in England and Wales under registered number IC001117 and authorised by the FCA with effect from 10 July 2018.

## Change to the Company structure

At the period end, the Fund was structured as a standalone fund, however on 30 November 2023, the Fund changed from a standalone fund to an umbrella fund. This was part of an ongoing review of Rathbones Asset Management's portfolio of investment opportunities. The fund will still be named Rathbone Greenbank Global Sustainability Fund, however, the umbrella fund will be named Rathbone Greenbank Global Sustainable Portfolios. Additionally, a new fund was launched on 30 November 2023, Rathbone Greenbank Sustainable Bond Fund, which will expand the Rathbone Greenbank Global Sustainable Portfolios range.

## Fund benchmark

FTSE World Index.

## Valuation of the fund

The fund is valued on each business day at 12 noon for the purpose of determining prices at which shares in the fund may be bought or sold. Valuations may be made at other times on business days with the Depositary's approval.

## Stewardship code

Rathbones Asset Management Limited fully supports the UK Stewardship Code sponsored by the Financial Reporting Council. Our statement on complying with the Code can be found on our website: [rathbonesam.com](http://rathbonesam.com)

## Buying and selling of shares

The ACD is available to receive requests for the buying and selling of shares on business days between 9.00am and 5.00pm and transactions will be effected at prices determined by the next valuation. Application forms for shares (obtainable from the ACD or the Administrator) should be completed and sent to the Administrator. In respect of telephoned orders, remittances should be sent on receipt of the contract note. Contract notes confirming transactions will be issued by the close of business on the next business day after the dealing date. Purchasers of shares are required to enter their registration details on the form supplied with their contract note. Once shares are paid for these details will be entered on the share register.

Shares can be sold by telephone, fax or letter followed by despatch to the Administrator of the authorisation to sell duly completed by all shareholders.

In the absence of clear written instructions signed by all the registered holders, a Form of Renunciation will be sent out together with the repurchase contract note. This will need to be signed by all registered holders, and returned to our Administrators before settlement can be made. Settlement will be made on whichever is the later of four business days after the dealing date or four days after the receipt of written confirmation.

Shareholders may sell shares on submitting the purchase contract note and a duly executed Deed of Transfer. The issue and redemption of shares will not take place if dealing in the shares is suspended by operation of law or any statute for the time being in place. Sales, in retail units, constituting a 'large deal' of £50,000 or more may receive a lower price than the published price.

The minimum initial and additional investment for S-class shares is at Fund Manager discretion. Any number of shares may be subscribed, sold or transferred so long as transaction complies with applicable minimums.

The ACD currently receives an annual remuneration from the property of the fund at the rate of 0.5%.

### Statements

A distribution statement showing the rate per share and your shareholding will be sent half yearly on 30 June and 31 December.

The current value of your shares is shown on a valuation statement, which shows the number of shares bought over the previous six months, the total number of shares in your account and their current value.

Twice yearly on 30 June and 31 December, shareholders will receive a consolidated valuation statement showing, where applicable, their ICVC, Unit Trust and ISA holdings for each fund held.

### Prices

Prices are available on our website [rathbonesam.com](http://rathbonesam.com)

### Other information

Copies of the Prospectus, Key Investor Information Document, Supplementary Information Document and the most recent Annual and Interim Reports may be obtained free of charge on application to the ACD or seen by visiting their registered office.

The Register of Shareholders can be inspected during normal business hours at the office of the Registrar, SS&C Financial Services International Limited, SS&C House, St Nicholas Lane, Basildon, Essex SS15 5FS.

Further copies of this report are available upon request, free of charge, from Client Services Department, Rathbones Asset Management Limited, 8 Finsbury Circus, London EC2M 7AZ.

If you have any queries or complaints about the operation of the fund you should put them to the Compliance Officer, Rathbones Asset Management Limited, 8 Finsbury Circus, London EC2M 7AZ. Any complaint we receive will be handled in accordance with our internal complaint procedures. A copy of these are available from the Compliance Officer.

If you have occasion to complain, and in the unlikely event that you do not receive a satisfactory response, you may direct your complaint to the Financial Ombudsman Service at Exchange Tower, London E14 9SR. Further details about the Financial Ombudsman Service are available on their website at [financial-ombudsman.org.uk](http://financial-ombudsman.org.uk)

### ISA eligibility

The fund has been managed throughout the year to ensure that it is eligible to qualify and be included in an Individual Savings Account (ISA). The fund will at all times be invested in such a way that the units will constitute 'Qualifying Investments' for the purposes of the Individual Savings Account (ISA) Regulations 1998, as amended from time to time.

### Risk factors

An investment in an investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance should not be seen as an indication of future performance. Investments denominated in currencies other than the base currency are subject to fluctuations in exchange rates which can be favourable or unfavourable. Where the ACD's charge is fully or partly taken out of the fund's capital, distributable income will be increased at the expense of capital which will either be eroded or future growth restricted.

### Value assessment

Our regulator, the Financial Conduct Authority (FCA), has asked us to assess the value of our funds. Assessing value is much more than just looking at the fees you pay or the performance of your fund in isolation. Considering this, we have designed an assessment which looks at nine criteria.

We have also appointed an independent research firm, Square Mile Investment Consulting & Research, to provide an impartial report on the value our funds offer compared with the market.

## General information *(continued)*

It is the responsibility of our board of directors to consider the outcomes of these assessments, ensure they are clear and fair, and then communicate to you, our investors, if we have delivered value or, if not, where we need to improve.

You can view the value assessments for the Funds four months after their period end on our website [rathbonesam.com](http://rathbonesam.com)

### Other funds

Rathbones Asset Management Limited is also the Manager of the following funds:

Rathbone Active Income and Growth Fund  
Rathbone Core Investment Fund for Charities  
Rathbone Ethical Bond Fund  
Rathbone Global Opportunities Fund  
Rathbone Income Fund  
Rathbone Strategic Bond Fund  
Rathbone UK Opportunities Fund

and the Authorised Corporate Director of:

Rathbone Defensive Growth Portfolio  
Rathbone Dynamic Growth Portfolio  
Rathbone Enhanced Growth Portfolio  
Rathbone Greenbank Defensive Growth Portfolio  
Rathbone Greenbank Dynamic Growth Portfolio  
Rathbone Greenbank Global Sustainability Fund  
Rathbone Greenbank Strategic Growth Portfolio  
Rathbone Greenbank Total Return Portfolio  
Rathbone High Quality Bond Fund  
Rathbone Strategic Growth Portfolio  
Rathbone Strategic Income Portfolio  
Rathbone Total Return Portfolio

### Further details

Should you need further details of this fund or any of the other funds managed by Rathbones Asset Management Limited, a Prospectus, Key Investor Information Document and Supplementary Information Document or an application form for the purchase of shares or units, please write to:

Client Services Department  
Rathbones Asset Management Limited  
8 Finsbury Circus  
London EC2M 7AZ

All literature is available free of charge.  
Information is also available on our website: [rathbonesam.com](http://rathbonesam.com)

### Data protection

Where relevant, Rathbones' privacy notice for clients, together with our relevant terms of business, sets out how your personal data (as further detailed in the privacy notice) shall be processed by Rathbones. A copy of the privacy notice is available on request or on Rathbones' website.

From time to time Rathbones Asset Management Limited may wish to communicate with you with information on other products and services offered by the Rathbones Group. If you do not wish to receive these communications, please advise us in writing at the following address:

Data Protection Officer  
Rathbones Asset Management Limited  
8 Finsbury Circus  
London EC2M 7AZ

# Rathbones

Look forward

**Rathbones Asset Management Limited**

8 Finsbury Circus, London EC2M 7AZ  
Tel 020 7399 0000

**Information line**

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A member of The  
Investment Association

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