
ACTIVE, LOW-TURNOVER INVESTING

Investment Manager Marina Record explains how supporting the companies we invest in for the long term aims to help them realise their potential.

All investment strategies have the potential for profit and loss, your or your clients' capital may be at risk.

This communication was produced and approved in May 2023 and has not been updated subsequently. It represents views held at the time of filming and may not reflect current thinking.

Marina Record: Our goal as investors is to find future winners early. And that means being curious, finding management teams with the most audacious goals and asking, “What if they realise them?”

Many savers buy broad baskets of companies known as index funds. These contain tiny percentages of hundreds of companies in a given region or industry. However, indices are backwards-looking: they contain information about past winners and the current status of industries and economies. Our focus is firmly on the future. We look for those very rare companies that have the potential to change how the world looks 5, 10, 20 years from now.

But finding these opportunities is only the beginning. Our most important role is to support great leaders, great companies and to help protect their independence as they grow to realise their true potential for society and for investors.

The emphasis that we have on the long term is important to the companies that we back. It frames their ambitions. It changes their notion of risk. The ability to plan over the long term empowers companies to go after the hardest problems and reduce risk by investing in teams, technology and science. This increases their chances of success and builds resilience to setbacks. Crucially, it also increases the scale of the opportunity and with it, the chances of becoming one of those rare and valuable companies that generate extraordinary, outlier returns.

We are long-term partners in the businesses we invest in. And that's what low turnover means for us.



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