



Trojan Ethical Fund

All data as at 31 August 2019

www.taml.co.uk

The investment objective of the Trojan Ethical Fund is to provide capital growth (net of fees), ahead of inflation (UK Retail Prices Index), over the longer term (5 to 7 years). Its investment policy is to invest across a broad range of asset classes. Whilst asset allocation will vary, in general, the investment universe will comprise high-quality, developed market equities, developed market government bonds, gold related investments, cash and money market instruments (such as treasury bills). The portfolio will be constructed with input from both top-down analysis (looking at an economy as a whole) and bottom-up analysis (study of individual securities). The Fund will invest in accordance with the parameters of its Ethical Investment Criteria.

Prices

108.78p

'O' accumulation shares

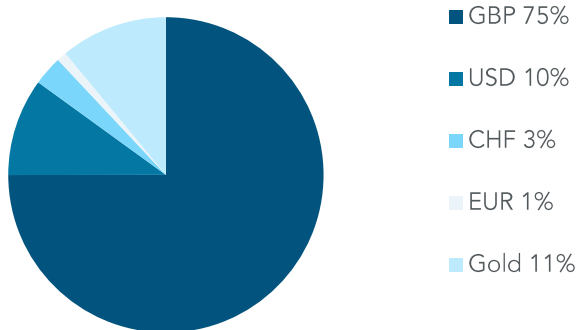
108.67p

'O' income shares

Fund Size

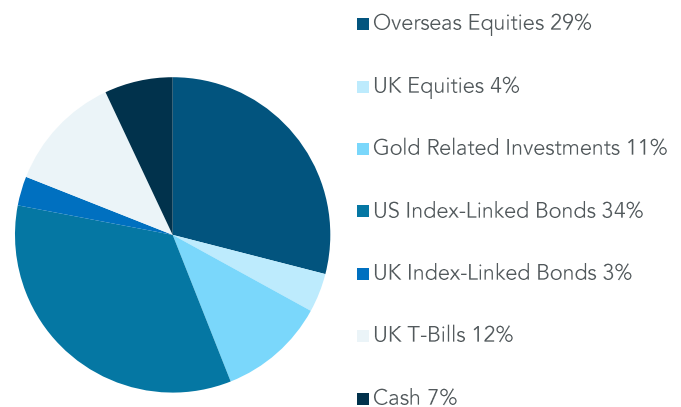
£79m

Currency Exposure*



*Currency forward contracts may be used in order to hedge some of the fund's overseas currency exposure.

Asset Allocation



Asset allocation subject to change

Source: Troy Asset Management Limited

August Commentary

August has seen bond yields fall precipitously. Towards the end of May, we sold some of the Fund's holdings in short-dated UK index-linked gilts, trading on negative real yields, and reinvested the proceeds into 20-year US TIPS (Treasury Inflation Protected Securities). The real yield on these bonds has since more than halved, leading to a c. 15% price appreciation.

This is a microcosm of the wider bond market. In the US, the 30-year conventional bond fell below 2% for the first time. Elsewhere in the world

investors are actually paying to lend. At the end of August the amount of negative-yielding debt (both sovereign and corporate) reached \$17trn globally.

Lower yields indicate a number of things. They are first an output, reflecting the bond market's expectations for future interest rates, based on estimations of economic growth. By this measure the outlook has deteriorated significantly.

They are also an input. Financial institutions with long-dated

liabilities, measure the present value of these liabilities with reference to long-term rates. A lower discount rate means a larger liability. As a result, institutions from pension funds to life insurance companies are faced with deteriorating balance sheets and a consequent need to maximise returns to fund these deficits. This is leading to higher risk taking at a time when assets are expensive.

The Fund's cautious stance reflects growing risks to valuations and cash flows.

Ethical Exclusion Criteria

The Trojan Ethical Fund will adhere to the following ethical investment criteria.

Equities

The present ethical investment criteria mean that the Fund will not invest in any organisation which:

Alcohol – derives more than 10% of its total turnover from the sale or production of alcohol.

Armaments – (a) generates more than 10% of its total turnover from strategic military supplies relating to conventional weapons and/or (b) produces key parts of, or provides services for, cluster munitions systems, and/or (c) is alleged to have contravened the convention on anti-personnel mines in the last ten years and which has not addressed the allegations, and/or (d) manufactures products, or provides services, which are all or part of a nuclear weapons system.

Fossil Fuels – (a) derives more than 33% of its total turnover from the refining or extraction of, or generation of power from, fossil fuels and/ or (b) derives more than 10% of its turnover from coal mining activities. Companies whose listing falls within Oil & Gas sector are also excluded.

Gambling – derives more than 10% of its total turnover from gambling (including spread betting).

High Interest Rate Lending – derives more than 25% of its total turnover from high interest rate lending (high interest being defined as lending at an annual percentage rate (APR) of over 100%).

Pornography – derives more than 3% of its total turnover from pornography or adult entertainment.

Tobacco – makes more than 10% of its total turnover from tobacco products.

Government and Public Securities

Investment in government debt is limited to that issued by Canada, France, Germany, Italy, Japan, the UK and the US (commonly known as the "G7"). The Fund will not invest in the securities of any sovereign issuer which is subject to a sanction issued by either the United Nations or the European Union. The Investment Manager would only consider investing more than 35% of the Fund's assets in UK or US government issued transferable securities or approved money market instruments.

Gold Related Investments

The Fund will seek to minimise exposure to gold mined prior to 2012, which is the date after which it can be ascertained that gold has been sourced in compliance with the London Bullion Market Association's Responsible Gold Guidance.

Please read the Fund's Ethical Investment Criteria before investing (available at www.linkfundsolutions.co.uk)

Top 10 holdings	% Fund
ETFS Physical Gold	9.6
Microsoft	4.8
Medtronic	3.6
Unilever	3.5
Nestlé	3.0
Coca-Cola	2.8
Alphabet	2.7
Visa	2.5
Berkshire Hathaway	1.9
American Express	1.9
Total Top 10	36.3
18 other holdings	45.2
UK T-Bills	11.6
Cash	6.9
Total	100.0

Holdings subject to change

Fund information

A copy of the latest Prospectus and the KIID for each class (in English) upon which you should base your investment decision is available from Link Fund Solutions Ltd, the Fund's Authorised Corporate Director at www.linkfundsolutions.co.uk.

Structure Sub-fund of Trojan Investment Funds UCITS	Dividend Ex Dates 1 August (interim), 1 February (final)	Dealing Daily at noon Tel: 0345 608 0950
Investment Manager Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: busdev@taml.co.uk	Dividend Pay Dates 30 September (interim), 31 March (final)	Registrar Link Fund Administrators Limited
Fund Manager Charlotte Yonge	Authorised Corporate Director Link Fund Solutions Limited	Auditor Ernst & Young LLP
Currency £ Sterling	ISIN GB00BJP0XY24 (O Inc), GB00BJP0XX17 (O Acc) GB00BJP0Y054 (S Inc), GB00BJP0XZ31 (S Acc)	Depository The Bank of New York Mellon (International) Limited
Launch Date 22 March 2019	Benchmarks For more information on the benchmarks used please refer to the 'use of benchmarks' section in the fund information sheet, available from our website	SEDOL (O shares) BJP0XY2 (O Inc), BJP0XX1 (O Acc) BJP0Y05 (S Inc), BJP0XZ3 (S Acc)
Ongoing Charges (capped) 'O' (ordinary) shares: 1.02% 'S' (charity) shares: 0.77%		Pricing "O" share class prices published daily in the FT

Important Information

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