



## Trojan Ethical Fund

All data as at 30 September 2020

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 Price 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 Exclusion Criteria.

**Prices**  
**118.21p**

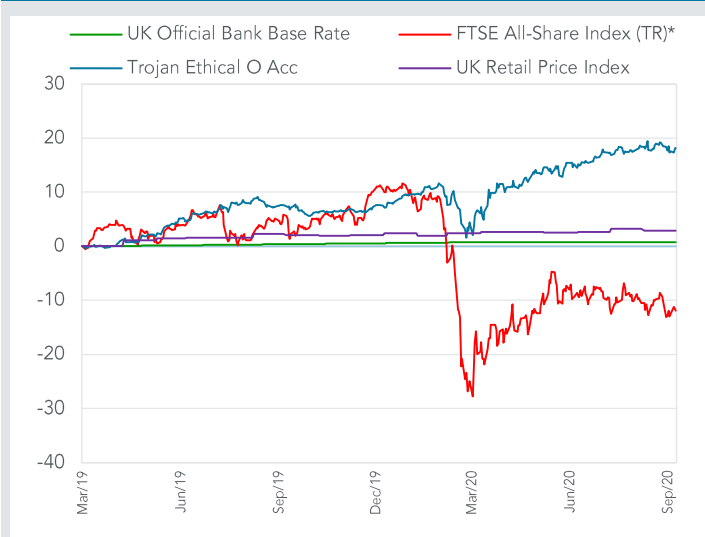
'O' accumulation shares

**117.98p**

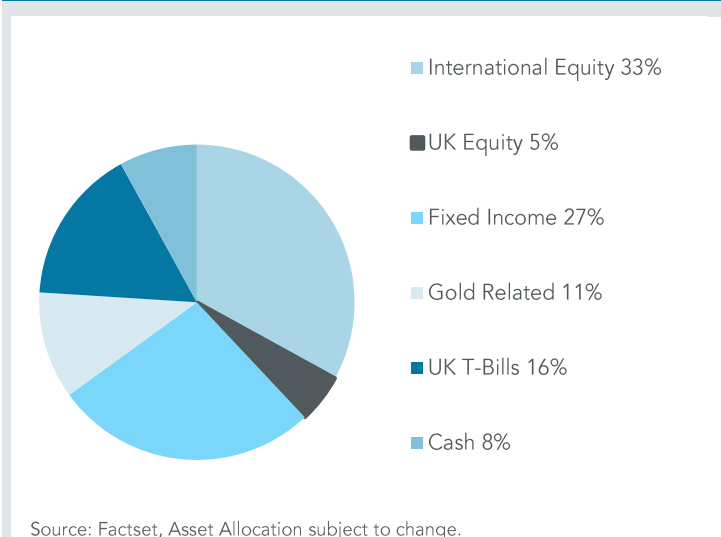
'O' income shares

**Fund Size**  
**£177m**

### Percentage Growth from 22/03/2019 to 30/09/2020



### Asset Allocation



Total Return to 30 September 2020	22/03/19 Since launch	30/09/19 1 year	31/03/20 6 months
Trojan Ethical Fund O Acc	+18.2%	+10.0%	+10.2%
UK Official Bank Base Rate	+0.8%	+0.4%	+0.1%
UK Retail Price Index	+2.9%	+0.8%	+0.2%
FTSE All-Share Index (TR)*	-11.9%	-16.6%	+7.0%
Discrete Calendar Annual Returns	2019 <sup>#</sup>	2020 YTD	
Trojan Ethical Fund O Acc	+7.1%	+10.3%	

\*© FTSE International Limited 2020  
#from 22 March 2019

Past performance is not a guide to future performance

Source: Lipper

### September Commentary

Your Fund returned -0.1% during the month compared to -1.7% for the FTSE All-Share Index (TR).

During market weakness in Q1 of this year, we added to the Fund's payments exposure, increasing the weight in Visa and initiating a holding in MasterCard. In September we met (virtually) with Visa, which served to underline our conviction in the uniquely well-placed payments networks.

Whilst the shift towards digital payments has been occurring for some time, there is evidence that this is now accelerating as ecommerce gains critical mass and governments around the world are shaping regulation to drive the share of digital

payments, which incur less cost and help reduce crime. During the pandemic, cash has also become a vector for virus transmission, causing more merchants to accept card and encourage contactless payments.

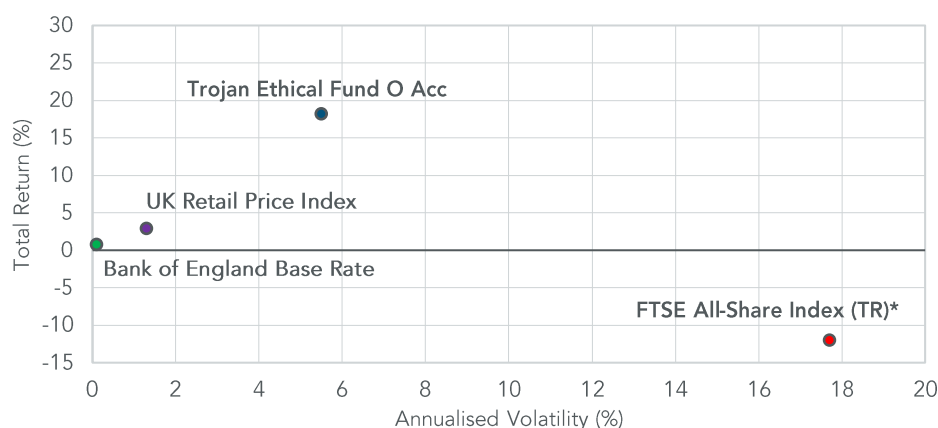
There are also substantial opportunities in digitising payments between businesses (B2B) and other channels such as bill payments and government disbursements in addition to the core C2B (consumer to business) payments which make up the majority of the card networks' businesses today. Visa is uniquely well placed to benefit as payments digitise around the world. Over the course of more than six decades, Visa has built up c. 100m relationships with merchants

and with thousands of issuing banks, building a network and a brand known for its reliability and ubiquity. Any challenger to this would need to replicate the broad reach and trusted reputation that Visa has built up and, most importantly, would need to persuade consumers of the merits of switching.

Thanks to these economies of scale, Visa consistently generates operating margins around 65%, with a free cash flow margin\* of over 50% and the company has very low net debt to EBITDA<sup>1</sup> of 0.2x.

\*Free cash flow margin measures free cash flow as a percentage of sales in a given period.  
<sup>1</sup>Earnings before interest, taxes, depreciation and amortization.

## Return vs volatility since launch (22/03/2019)



Source: Lipper

Risk analysis since launch (22/03/19)	Trojan Ethical Fund O Acc	FTSE All-Share Index (TR)
Total Return	+18.2%	-11.9%
Max Drawdown <sup>1</sup>	-8.9%	-35.3%
Best Month	+4.6%	+4.9%
Worst Month	-2.0%	-15.1%
Positive Months	+72.2%	+55.6%
Annualised Volatility <sup>2</sup>	+5.5%	+17.7%

Source: Lipper 1. Measures the worst investment period <sup>2</sup> Measured by standard deviation of annual returns

Top 10 holdings (excluding government bonds)	% Fund
ETFS Physical Gold	6.2
Invesco Physical Gold ETC	5.1
Microsoft	4.8
Alphabet	3.8
Unilever	3.8
Visa	3.7
Medtronic	3.7
Nestlé	3.6
Colgate-Palmolive	2.1
Agilent Technologies	2.0
Total Top 10	38.8
7 other equity holdings	10.8
Index-Linked Bonds	26.7
UK T-Bills	15.8
Cash	7.9
Total	100.0

Source: Factset, 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](http://www.linkfundsolutions.co.uk).

<b>Structure</b> Sub-fund of Trojan Investment Funds UCITS	
<b>Investment Manager</b> Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: <a href="mailto:busdev@taml.co.uk">busdev@taml.co.uk</a>	
<b>Fund Manager</b>	Charlotte Yonge
<b>Currency</b>	£ Sterling
<b>Launch Date</b>	22 March 2019
<b>Ongoing Charges (capped)</b>	
'O' (ordinary) shares:	1.02%
'S' (charity) shares:	0.77%

<b>Dividend Ex Dates</b> 1 August (interim), 1 February (final)	
<b>Dividend Pay Dates</b> 30 September (interim), 31 March (final)	
<b>Authorised Corporate Director</b> Link Fund Solutions Limited	
<b>ISIN</b> GB00BJP0XY24 (O Inc), GB00BJP0XX17 (O Acc) GB00BJP0Y054 (S Inc), GB00BJP0XZ31 (S Acc)	
<b>Benchmarks</b> For more information on the benchmarks used please refer to the 'use of benchmarks' section in the fund information sheet, available from our <a href="#">website</a>	
<b>Net Yield (historic 'O' Inc shares)</b>	0.09%

<b>Dealing</b> Daily at noon Tel: 0345 608 0950	
<b>Registrar</b> Link Fund Administrators Limited	
<b>Auditor</b> Ernst & Young LLP	
<b>Depository</b> The Bank of New York Mellon (International) Limited	
<b>SEDOL (O shares)</b> BJP0XY2 (O Inc), BJP0XX1 (O Acc) BJP0Y05 (S Inc), BJP0XZ3 (S Acc)	
<b>Pricing</b> "O" share class prices published daily in the FT	

## Important Information

Fund performance data provided is calculated net of fees unless stated otherwise. Past performance is not a guide to future performance. Overseas investments may be affected by movements in currency exchange rates. The value of an investment and any income from it may fall as well as rise and investors may get back less than they invested. The historic yield reflects distributions declared over the past twelve months as a percentage of the fund's price, as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions. The yield is not guaranteed and will fluctuate. The fund may use currency forward derivatives for the purpose of efficient portfolio management. Neither the views nor the information contained within this document constitute investment advice or an offer to invest or to provide discretionary investment management services and should not be used as the basis of any investment decision. Any decision to invest should be based on information contained in the prospectus, the relevant key investor information document and the latest report and accounts. The investment policy and process of the fund(s) may not be suitable for all investors. If you are in any doubt about whether the fund(s) is/are suitable for you, please contact a professional adviser. References to specific securities are included for the purposes of illustration only and should not be construed as a recommendation to buy or sell these securities. Although Troy Asset Management Limited considers the information included in this document to be reliable, no warranty is given as to its accuracy or completeness. The opinions expressed are expressed at the date of this document and, whilst the opinions stated are honestly held, they are not guarantees and should not be relied upon and may be subject to change without notice. Third party data is provided without warranty or liability and may belong to a third party. In line with the Fund's prospectus, the Fund is authorised to invest in transferable securities and money market instruments issued or guaranteed by an EEA state, one or more local authorities, a third country, or a public international body to which one or more EEA states belong. 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. The fund(s) is/are registered for distribution to the public in the UK and Ireland but not in any other jurisdiction. The distribution of shares of sub-funds of Trojan Investment Fund ("Shares") in Switzerland is made exclusively to, and directed at, qualified investors ("Qualified Investors"), as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended, and its implementing ordinance. Qualified Investors can obtain the prospectus, the key investor information document(s) (edition for Switzerland), the instrument of incorporation, the latest annual and semi-annual report, and further information free of charge from the representative in Switzerland: Carnegie Fund Services S.A., 11, rue du Général-Dufour, CH-1204 Geneva, Switzerland, web: [www.carnegie-fund-services.ch](http://www.carnegie-fund-services.ch). The Swiss paying agent is: Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva, Switzerland. The offer or invitation to subscribe for or purchase shares in Singapore is an exempt offer made only: (i) to "institutional investors" (as defined in the Securities and Futures Act, pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore, as amended or modified (the "SFA")); (ii) to "relevant persons" (as defined in Section 305(5) of the SFA) pursuant to Section 305(1) of the SFA, and where applicable, the conditions specified in Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) to persons who meet the requirements of an offer made pursuant to Section 305(2) of the SFA; or (iv) pursuant to, and in accordance with the conditions of, any other applicable exemption provisions of the SFA. Issued by Troy Asset Management Limited, 33 Davies Street, London W1K 4BP (registered in England & Wales No. 3930846). Registered office: Hill House, 1 Little New Street, London EC4A 3TR. Authorised and regulated by the Financial Conduct Authority (FRN: 195764). All reference to FTSE indices or data used in this presentation is © FTSE International Limited ("FTSE") 2020. 'FTSE' is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. Copyright Troy Asset Management Ltd 2020