



Trojan Ethical Income Fund

All data as at 30 June 2022

www.taml.co.uk

The investment objective of the Trojan Ethical Income Fund is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years). Its investment policy is to invest at least 80% of its assets in UK and overseas equities, including investment trusts and real estate investment trusts and equity-related securities. At least 60% of its assets will be invested in UK equities and equity-related securities. A maximum of 30% of its assets may also be invested in overseas equities and equity-related securities.

Prices

130.80p

'O' accumulation shares

110.81p

'O' income shares

Historic Dividend Yield

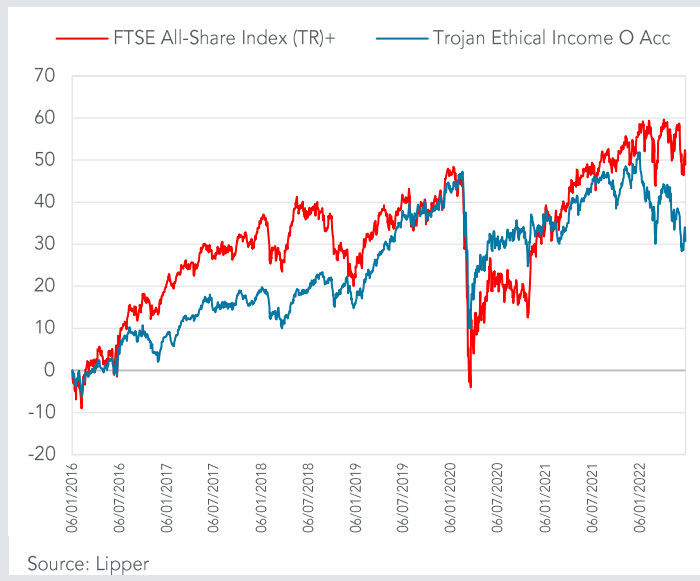
2.6%

'O' income shares

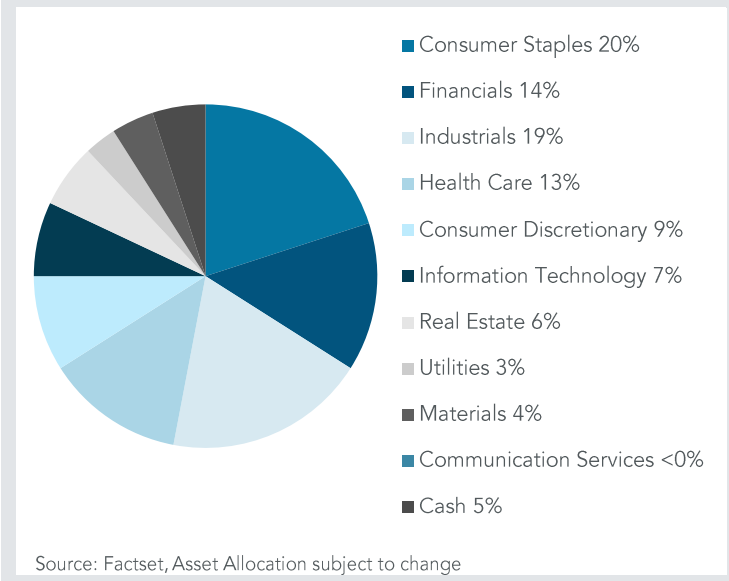
Fund Size

£303m

Percentage Growth from 06/01/2016 to 30/06/2022



Asset Allocation



| Total Return to 30 June 2022 | 06/01/16 Since launch | 30/06/17 5 Years | 30/06/19 3 years | 30/06/21 1 year | 31/12/21 6 months |
|---|--------------------------|---------------------|---------------------|--------------------|----------------------|
| Trojan Ethical Income Fund O Acc | +30.8% | +13.7% | -3.1% | -8.1% | -13.4% |
| FTSE All-Share Index (TR)* | +48.9% | +17.8% | +7.4% | +1.6% | -4.6% |

| Discrete Calendar Annual Returns | 2016# | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 YTD |
|---|-------|--------|-------|--------|-------|--------|----------|
| Trojan Ethical Income Fund O Acc | +8.0% | +10.2% | -2.9% | +23.9% | -6.0% | +12.1% | -13.4% |

Source: Lipper

#from 6 January 2016

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Past performance is not a guide to future performance

June Commentary

Your Fund delivered a total return of -5.6% during the month, compared with -6.0% from the FTSE All-Share Index (TR). 'Rising rates', 'inflation', 'stagflation' and 'recession' are all buzzwords that have dominated market commentary in the first half of the year. The clear message is that tougher times are with us and may be for some time. This is why we find ourselves halfway through the year with the S&P 500 down ~20% (in USD) - its worst first half performance in over 50 years. Energy and select commodities companies have been the only relative safe havens (mostly excluded from this fund by its ethical criteria) and even these have weakened over the past month.

Running through the P&L for a generic index company, you can see why the market is nervous – revenue growth may be slowing as customers turn cautious and demand drops, while rising input costs are shrinking gross margins. Tight labour markets and cost of living concerns mean wages are increasing, pressuring operating

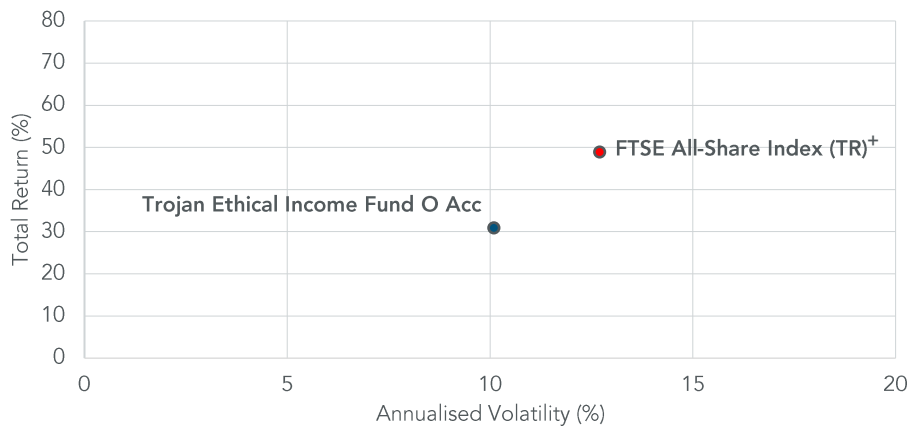
margins. And for those companies reliant on debt, financing costs can be expected to creep up. In aggregate, near-term earnings forecasts may need revising.

There are few business models that thrive in a downturn – a good economy is the friend of the majority. However, if conditions worsen further, investors can take some comfort that Troy have always emphasised business models where the 'earnings sensitivity' should be lower than the market average. We believe a clear majority of the Fund should protect earnings and cash flows better than most, as has been the case in prior tough periods. The providers of our everyday 'staple' products such as Nestlé are, in our experience, a fine place to be in adverse times. Perhaps even more resilient are the providers of vital drugs and medical devices such as GSK, AstraZeneca, and Medtronic. We can point to many other defensive names: the utility National Grid, the contract caterer Compass, the hugely

diverse science publisher and data/analytics firm RELX, or the owners of GP surgeries Assura and PHP. For Bunzl, the distributor of vital everyday goods to businesses, heightened inflation is actively driving higher revenue growth. Alongside this core, there will always be a portion of the Fund invested in businesses with higher cyclical (where it is combined with quality), and we anticipate a time when we might look to increase this, but it is a minority today.

The Fund currently trades on a prospective 5.3% earnings yield, covering a growing 3.1% forward dividend yield. Mid-to-high single digit dividend growth each year is our goal from here, well covered by earnings and cash flow. We gain great comfort from today's combination of valuation and growth. Long-term prospective returns are becoming more attractive. In the short term a 3.1% tangible return from the dividend provides a growing stream of income or source of capital to reinvest through volatile markets.

Return vs volatility since launch (06/01/2016)



Source: Lipper

Past performance is not a guide to future performance

| Risk analysis since launch (06/01/16) | Trojan Ethical Income Fund O Acc | FTSE All-Share Index (TR) |
|---------------------------------------|----------------------------------|---------------------------|
| Total Return | +30.8% | +48.9% |
| Max Drawdown ¹ | -25.4% | -35.3% |
| Best Month | +6.5% | +12.7% |
| Worst Month | -9.1% | -15.1% |
| Positive Months | +62.3% | +62.3% |
| Annualised Volatility ² | +10.1% | +12.7% |

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

| Top 10 holdings | % Fund |
|-------------------|--------|
| RELX | 6.5 |
| Reckitt Benckiser | 5.4 |
| Unilever | 5.2 |
| Experian | 4.1 |
| Nestlé | 4.1 |
| Compass Group | 3.7 |
| Paychex | 3.3 |
| Procter & Gamble | 3.3 |
| AstraZeneca | 3.1 |
| National Grid | 2.8 |
| Total Top 10 | 41.5 |
| 31 other holdings | 53.5 |
| Cash & Equivalent | 5.0 |
| 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 and Link Fund Administrators Ltd (Authorised and Regulated by the Financial Conduct Authority) on 0345 608 0950.

| | | |
|---|---|--|
| Structure Sub-fund of Trojan Investment Funds UK UCITS | Ongoing Charges 'O' (ordinary) shares: 1.02% 'S' (charity) shares: 0.77% | 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 Ex Dates 1 August (interim), 1 February (final) | Registrar Link Fund Administrators Limited |
| Fund Manager Hugo Ure | Dividend Pay Dates 30 September (interim), 31 March (final) | Auditor Ernst & Young LLP |
| Currency £ Sterling | Historic Dividend Yield ('O' Inc shares) 2.64% | Depository The Bank of New York Mellon (International) Limited |
| Launch Date 06 January 2016 | Authorised Corporate Director Link Fund Solutions Limited Tel: 0345 300 2110 | Bloomberg (O shares) TEIFOAC_LN (O Acc), TEIFOIN_LN (O Inc) |
| 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 | ISIN GB00BYMLFL45 (O Inc), GB00BYMLFK38 (O Acc) GB00BYMLFR07 (S Inc), GB00BYMLFQ99 (S Acc) | SEDOL (O shares) BYMLFK3 (O Acc), BYMLFL4 (O Inc) |
| | | Pricing "O" share class prices published daily in the FT |

Important Information

Please refer to Troy's Glossary of Investment terms [here](#). Fund performance data provided is calculated net of fees unless stated otherwise. Past performance is not a guide to future performance. All references to benchmarks are for comparative purposes only. Overseas investments may be affected by movements in currency exchange rates. Investments in mid and smaller cap companies are higher risk than investments in larger companies. 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 dividend 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. Derivatives (whose value is linked to that of another investment, e.g company shares, currencies) may be used to manage the risk profile of the fund. 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. The fund(s) is/are registered for distribution to the public in the UK 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 documents or, as the case may be, the key information documents 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. 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. Registered office: Hill House, 1 Little New Street, London EC4A 3TR. All reference to FTSE indices or data used in this presentation is © FTSE International Limited ("FTSE") 2022. 'FTSE' is a trade mark of the London Stock Exchange Group companies and is used by FTSE under licence. Issued by Troy Asset Management Limited, 33 Davies Street, London W1K 4BP (registered in England & Wales No. 3930846). Authorised and regulated by the Financial Conduct Authority (FRN: 195764) and registered with the U.S. Securities and Exchange Commission ("SEC") as an Investment Adviser (CRD: 319174). Registration with the SEC does not imply a certain level of skill or training. The fund described in this document is neither available nor offered in the USA or to U.S. Persons. Copyright Troy Asset Management Limited 2022