



Trojan Ethical Income Fund

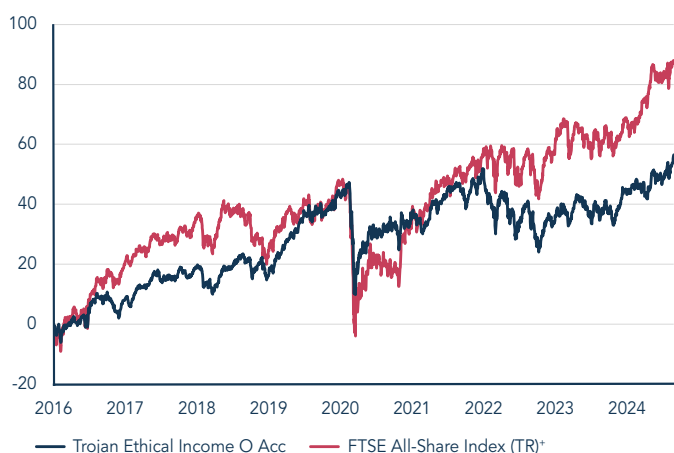
All data as at 31 August 2024

taml.co.uk

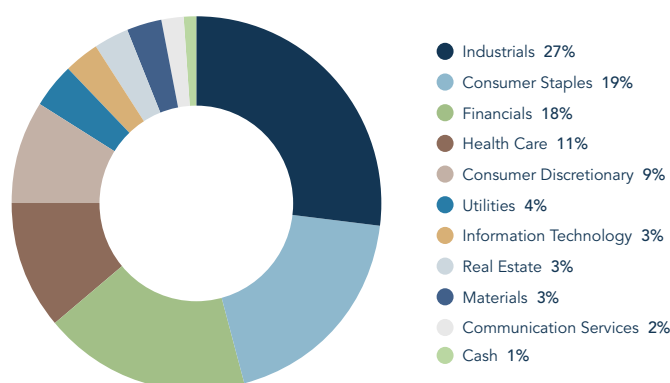
The investment objective of the Trojan Ethical Income Fund is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years). Its investment policy is to invest at least 80% of its assets in UK and overseas equities, including investment trusts and real estate investment 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		YIELD*	FUND SIZE
156.46p	124.21p	2.6%	£200m
‘O’ accumulation shares ‘O’ income shares		‘O’ income shares *historic dividend yield	

PERCENTAGE GROWTH FROM 06/01/2016 TO 31/08/2024



ASSET ALLOCATION



Source: Factset, Asset Allocation subject to change.

Total Return to 31 August 2024	06/01/16 Since Launch	31/08/19 5 years	31/08/21 3 years	31/08/23 1 year	29/02/24 6 months
Trojan Ethical Income Fund O Acc	+56.5%	+13.1%	+7.3%	+12.9%	+7.5%
FTSE All-Share Index (TR)*	+88.0%	+37.9%	+24.4%	+17.0%	+12.6%

Discrete Calendar Annual Returns	2016 [#]	2017	2018	2019	2020	2021	2022	2023	2024 YTD
Trojan Ethical Income Fund O Acc	+8.0%	+10.2%	-2.9%	+23.9%	-6.0%	+12.1%	-11.2%	+8.2%	+7.9%

*© FTSE International Limited 2024
#from 6 January 2016

Source: Lipper

Past performance is not a guide to future performance.

August Commentary

Your Fund returned +1.7% during the month compared to +0.5% for the FTSE All-Share Index (TR).

Despite being August, there was no sense of a summer lull for the Fund, with ten portfolio companies reporting results. These updates were generally encouraging, particularly in the case of two larger holdings, Bunzl and London Stock Exchange Group (LSEG).

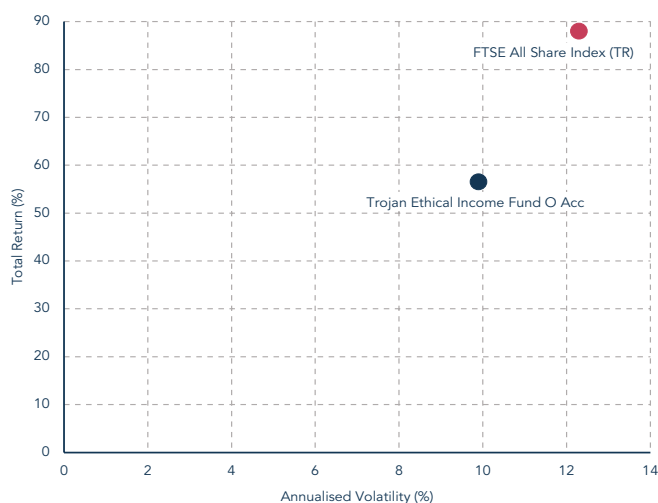
Bunzl's half-year results demonstrated the consistent progress and improvement we have come to expect from this global leader in B2B distribution. Margin improvement has been a feature of recent years, and this has continued in H1 2024. Capital allocation was the other highlight. Bunzl has long been able to use excess cashflow to pay a growing dividend whilst also carrying out value-accretive, bolt-on acquisitions (something we wrote about in a recent [Newsletter](#)). Cash generation has been so strong in recent years that the company additionally announced a buyback of their own shares. Given management's long track record of exemplary capital allocation, this is a strong indication that they consider the shares to be

good value. Trading at a free cash flow yield of almost 6%, whilst having consistently grown free cash flow per share at a high single digit annual rate for over two decades, we would strongly agree with this judgement.

LSEG also reported a typically solid set of results. Sales and operating profits grew 7% and 9% respectively at constant exchange rates, whilst free cash flow generation was very strong. Since initiating a holding in LSEG in 2022, we have continued to gain conviction in the quality of the business and have periodically added to the position at attractive prices. We particularly admire the recurring nature of revenues, underlined by the fact that the actual London Stock Exchange now accounts for only c.3% of group revenues. The improving quality and diversification of LSEG gives us confidence that the company will be resilient through market cycles. The shares currently trade at a very fair valuation of a c. 4.2% free cash flow yield, which represents a meaningful discount to their global peers



RETURN VS VOLATILITY SINCE LAUNCH (06/01/2016)



Source: Lipper

RISK ANALYSIS

Risk analysis since launch (06/01/16)	Trojan Ethical Income Fund O Acc	FTSE All-Share Index (TR)
Total Return	+56.5%	+88.0%
Max Drawdown ¹	-25.4%	-35.3%
Best Month	+6.6%	+12.7%
Worst Month	-9.1%	-15.1%
Positive Months	+63.1%	+63.1%
Annualised Volatility ²	+9.9%	+12.3%

¹ Measures the worst investment period

² Measured by standard deviation of annual returns

Source: Lipper

Past performance is not a guide to future performance

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 Waystone Management (UK) Limited, the Fund's Authorised Corporate Director, (Authorised and Regulated by the Financial Conduct Authority) at www.waystone.com.

Structure	Sub-fund of Trojan Investment Funds UK UCITS
Investment Manager	Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 Fax: 020 7491 2445 email: busdev@tam1.co.uk
Fund Manager	Hugo Ure
Currency	£ Sterling
Launch Date	06 January 2016
Authorised Corporate Director	Waystone Management (UK) Limited Tel: 0345 608 0950

Dividend Ex Dates	1 August (interim), 1 February (final)
Dividend Pay Dates	30 September (interim), 31 March (final)
Historic Dividend Yield	('O' Inc shares) 2.63%
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 .
Registrar	Link Fund Administrators Limited
Auditor	Ernst & Young LLP
Depository	The Bank of New York Mellon (International) Limited

Dealing	Daily at noon Tel: 0345 608 0950
ISIN	GB00BYMLFL45 (O Inc), GB00BYMLFK38 (O Acc) GB00BYMLFR07 (S Inc), GB00BYMLFQ99 (S Acc)
SEDOL	BYMLFK3 (O Acc), BYMLFL4 (O Inc)
Bloomberg	TEIFOAC_LN (O Acc), TEIFOIN_LN (O Inc)
Ongoing Charges (capped)	'O' (ordinary) shares: 1.02% 'S' (charity) shares: 0.77%
Pricing	"O" share class prices published daily in the FT

TOP 10 HOLDINGS

Unilever	7.0%
RELX	6.0%
Bunzl	4.4%
Reckitt Benckiser	4.3%
Experian	4.0%
LSEG	3.9%
National Grid	3.6%
Nestlé	3.4%
GSK	3.3%
Novartis	3.2%
Total Top 10	43.1%
29 Other Equity holdings	55.6%
Cash	1.3%
TOTAL	100.0%

Source: Factset. Holdings subject to change.

RESPONSIBLE INVESTMENT





Important Information

Please refer to Troy's Glossary of Investment terms [here](#). Fund performance data provided is calculated net of fees with income reinvested unless stated otherwise. All performance and income data is in relation to the stated share class, performance of other share classes may differ. 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. Any reference to benchmarks are for comparative purposes only. Tax legislation and the levels of relief from taxation can change at any time. Any change in the tax status of a Fund or in tax legislation could affect the value of the investments held by the Fund or its ability to provide returns to its investors. The tax treatment of an investment, and any dividends received, will depend on the individual circumstances of the investor and may be subject to change in the future. The yield is not guaranteed and will fluctuate. Any objective will be treated as a target only and should not be considered as an assurance or guarantee of performance of the Fund or any part of it. 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.

The Fund is registered for distribution to the public in the UK but not in any other jurisdiction. The sub-funds are registered for distribution to professional investors only in Ireland.

The distribution of certain share classes of the sub-funds of Trojan Investment Funds ("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 a copy of the prospectus and the key information documents for Switzerland, the memorandum and articles of association, the latest annual and semi-annual report, and further information free of charge from the representative in Switzerland: Reyl & Cie Ltd, Rue du Rhône 4, CH-1204 Geneva, Switzerland, web: www.reyl.com. The Swiss paying agent is: Reyl & Cie Ltd, Rue du Rhône 4, CH-1204 Geneva, Switzerland.

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