



# Trojan Ethical Global Income Fund

All data as at 28 February 2022

[www.taml.co.uk](http://www.taml.co.uk)

The investment objective of the Trojan Ethical Global Income Fund is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years). The Fund's investment policy is to invest at least 80% of its assets globally in equities and equity-related securities. It may also invest in government and public securities (such as sovereign debt and treasury bills), corporate bonds, real estate (via REITs), cash, cash equivalents (including money-market instruments) and deposits. Any comparisons against indices are for illustrative purposes only. The Fund will invest in accordance with the parameters of its Ethical Exclusion Criteria.

## Prices

**98.57p**

'O' accumulations shares

**99.05p**

'O' income shares

## Historic Dividend Yield

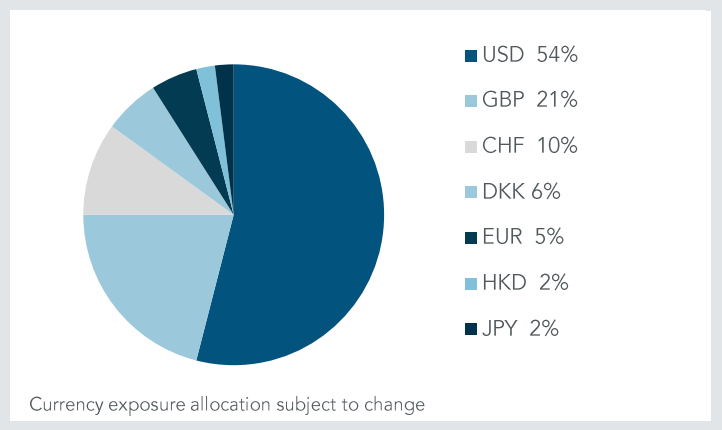
**0.5%**

'O' income shares

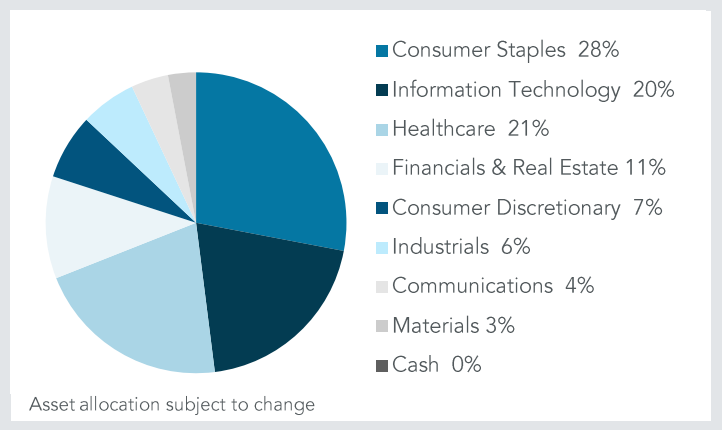
## Fund Size

**£21m**

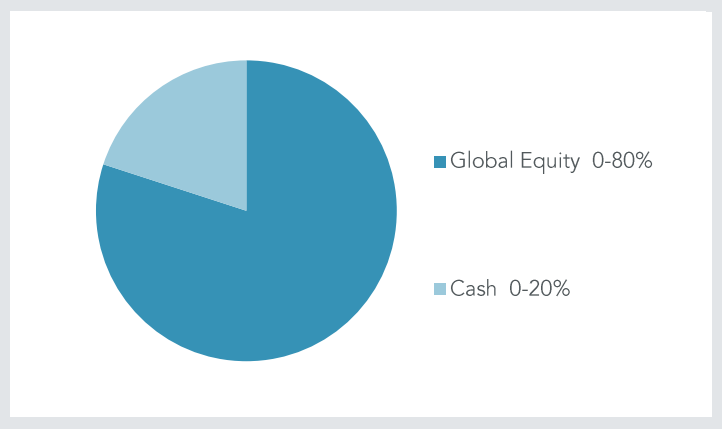
### Currency Exposure



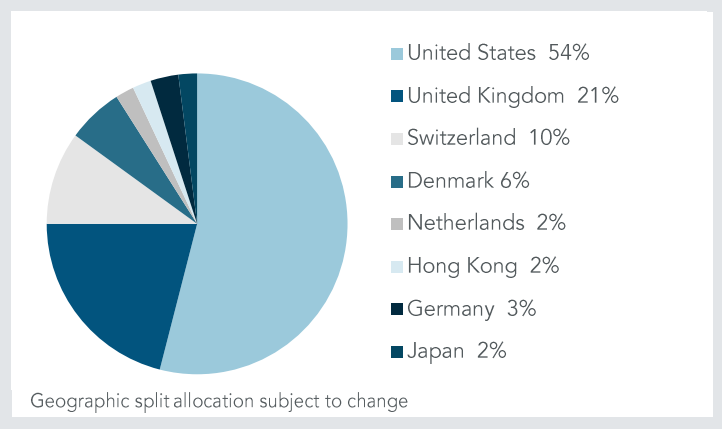
### Asset Allocation



### Asset Class Limits



### Geographic Split



## February Commentary

The events unfolding in Ukraine are deeply distressing and have far reaching implications for the world, the economy and capital markets.

We would like to reassure investors that, grim though the news may be, it is having no effect on Troy from an operational or corporate perspective. We have no direct exposure to Russia or Ukraine in this or any of our other portfolios and very limited indirect exposure. Some of our global companies have historically done business in both countries – inevitably – but we estimate this is limited to c.1.8% of the portfolio on an underlying revenue basis.

Although these events are likely to alter the course of commodity prices, notably oil, economic growth and international relations, they have no impact on our investment process and little impact on our portfolio – at least yet.

Geopolitical risk is ever-present and has a nasty habit of flaring up unexpectedly. In our experience, however, it is not wise to make material changes to portfolios based on such events other than to keep a keen eye out for pre-identified opportunities.

Investors will know that we have been concerned about the valuation of equity markets within the context of a likely slowing economy as indicated by a rapidly flattening yield curve (as short term rate expectations rise but longer term inflation expectations remain quiescent). In essence we think current events accentuate this trend.

The rapid increase in commodity prices, especially oil, make a global recession much more likely. This will, in turn, lead to a probable amelioration in prices. While rising oil prices are inflationary short term, longer term they suck demand out of the broader economy and lead to declining consumption and economic growth. The Russian

invasion makes it more probable we will have higher short term inflation, fewer global rate rises but a steeper recession.

At Troy we seek to build portfolios that are high quality and robust to a range of outcomes – including this one (assuming we exclude the worst case). As such we avoid companies that elicit high degrees of cyclicality and capital intensity. Incidentally this rules out energy and commodity companies despite their short term attractions.

We do, however, have a number of companies in our investment universe that are becoming better value by the day. This will likely allow us to upgrade the quality and income growth embedded in the portfolio should prices continue to fall. Even as we are horrified by the humanitarian disaster unfolding, we are remaining rational in our investment approach.

## Ethical Exclusion Criteria

**Corporate securities**

**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.

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

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

**Fossil Fuels** - (a) derives more than 10% 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 the Oil & Gas sector are also excluded.

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

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

**High Interest Rate Lending** - derives more than 10% of its total turnover from high interest rate lending (high interest being defined as lending at an annual percentage rate (APR) of over 100%).

**Government and public securities**

The Fund will not invest in the securities of any sovereign issue which is issued or guaranteed by any issuer which is subject to a sanction issued by either the United Nations or the European Union.

When investing assets in government and public securities the Fund will only invest in the securities issued or guaranteed by the following countries: Canada, France, Germany, Italy, Japan, the United States of America, the United Kingdom of Great Britain and Northern Ireland (commonly known as the "G7"), or by a single local authority or public authority of those countries.

Please read the Fund's Ethical Exclusion Criteria before investing (available [here](#))

Top 10 holdings	% Fund
Paychex	5.4
CME Group	5.1
Reckitt Benckiser	5.1
Unilever	5.0
PepsiCo	4.6
ADP	4.4
Microsoft	4.0
Roche Holdings	3.8
Novartis	3.6
RELX	3.6
<b>Total Top 10</b>	<b>44.6</b>
<b>23 other holdings</b>	<b>55.1</b>
<b>Cash &amp; Equivalent</b>	<b>0.3</b>
<b>TOTAL</b>	<b>100.0</b>

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).

**INVESTMENT PERFORMANCE WILL NOT BE SHOWN UNTIL ONE CALENDAR YEAR AFTER THE FUND'S LAUNCH DUE TO REGULATORY REQUIREMENTS.**

<b>Structure</b> Sub-fund of Trojan Investment Funds UK UCITS	<b>Dividend Ex Dates</b> 1 May, 1 August, 1 November, 1 February (final)	<b>Dealing</b> Daily at noon Tel: 0345 608 0950
<b>Investment Manager</b> Troy Asset Management Limited 33 Davies Street London W1K 4BP Tel: 020 7499 4030 email: <a href="mailto:buscdev@taml.co.uk">buscdev@taml.co.uk</a>	<b>Dividend Pay Dates</b> 30 June, 30 September, 31 December, 31 March (final)	<b>Registrar</b> Link Fund Administrators Limited
<b>Co-Managers</b> James Harries Tomasz Boniek	<b>Historic Dividend Yield (O Inc)</b> 0.47%	<b>Auditor</b> Ernst & Young LLP
<b>Currency</b> £ Sterling	<b>Authorised Corporate Director</b> Link Fund Solutions Limited Tel: 0345 300 2110	<b>Depository</b> The Bank of New York Mellon (International) Limited
<b>Launch Date</b> 01 November 2021	<b>ISINs</b> GB00BNR5HJ67 (O Acc), GB00BNR5HK72 (O Inc) GB00BNR5HL89 (S Acc), GB00BP8Z0C36 (S Inc)	<b>Bloomberg</b> TREGIOG_LN (O Acc), TREGIOB_LN (O Inc)
<b>Ongoing Charges (capped)</b> 'O' (ordinary) shares: 0.92% 'S' (charity) shares: 0.82%	<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>Pricing</b> "O" share class prices published daily in the FT

## Important Information:

Please refer to Troy's Glossary of Investment terms [here](#). Neither past nor projected performance are guides 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 yield is not guaranteed and will fluctuate. It does not include any preliminary charge and investors may be subject to tax on their distributions. 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. Morningstar logo (© 2022 Morningstar, Inc. All rights reserved.) contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The fund(s) is/are registered for distribution to the public in the UK but not in any other jurisdiction. 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). Copyright Troy Asset Management Ltd 2022.