

CLIMATE ASSETS FUND

FACTSHEET

NOVEMBER 2018



QUILTER CHEVIOT

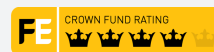
OBJECTIVE

The Climate Assets Fund seeks to achieve long term capital appreciation and provide income by multi-asset allocation and multi-thematic investment. The fund invests around the world with a focus on investment opportunities arising from the convergence of climate change, resource scarcity and population shifts.



■ CLIMATE ASSETS FUND

Past performance is not a guide to future performance and future returns are not guaranteed. The share price performance data uses an extended track record based on the Climate Assets A-Acc (donor share) up until 24th June 2012.



INVESTMENT PARTNERS

You can also invest in this fund via one of our wide range of Investment Partners.



Cumulative performance (%) to 31 October 2018	YTD	1yr	3yr	5yr	Since Inception
CLIMATE ASSETS FUND	-1.32	-0.72	32.62	42.23	98.63
IA Mixed Investment 40-85% Shares	-2.78	-1.75	21.32	30.05	71.63
Bank Of England Base Rate	0.48	0.56	1.26	2.27	4.16

Discrete performance (%) to 31 October each year	2018	2017	2016	2015	2014
CLIMATE ASSETS FUND	-0.72	9.74	21.72	3.93	3.20
IA Mixed Investment 40-85% Shares	-1.75	9.84	12.42	4.95	2.14
Bank Of England Base Rate	0.56	0.25	0.44	0.50	0.50

Source: Financial Express 31/10/2018. B Accumulation share class performance, inclusive of charges, in GBP with net income reinvested. The performance of other share classes may differ. The AMC (Annual Management Charge) for the A share-Acc is 1.5%, while the AMC for the B share-Acc is 1%. The share price performance data uses an extended track record based on the Climate Assets A-Acc (donor share) up until the 24th June 2012.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	5.08	3.50	1.55	0.36	2.75	-3.82	4.95	-1.76	0.78	3.48	-0.72	1.00	18.11
2014	-2.21	3.54	-0.39	0.00	1.02	-0.16	-0.78	2.04	-0.38	0.31	4.39	0.22	7.68
2015	2.36	1.29	2.34	-2.64	1.64	-4.77	0.66	-2.41	-2.02	3.21	2.00	-1.09	0.22
2016	-2.20	3.98	3.03	0.56	0.21	5.15	5.43	1.26	0.56	1.23	-2.01	1.86	20.43
2017	1.59	1.86	0.88	0.82	2.26	-1.42	0.00	2.24	-0.84	2.21	-0.50	1.12	10.62
2018	-0.66	-1.50	-3.10	2.56	2.78	-0.72	2.22	1.31	-0.48	-3.51	-	-	-1.32

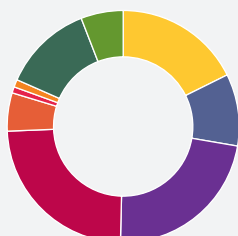
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ASSET ALLOCATION

	%
Fixed Interest	17.67
Equity	63.93
Alternative Investments	12.51
Cash	5.89

ASSET CLASS/GEOGRAPHICAL ALLOCATION

As at 31 October 2018



Fixed Interest	17.67%
United Kingdom	10.03%
North America	22.68%
Europe (ex UK)	23.98%
Asia Pacific (ex Japan)	5.33%
Japan	0.86%
Emerging Markets	1.05%
Alternative Investments	12.51%
Cash	5.89%

TOP 10 HOLDINGS

	%
SPDR Barclays US Treasury Bond ETF	3.20
Waste Management	2.80
Union Pacific	2.70
Thermo Fisher	2.70
American Water	2.60
UK Treasury Gilt 1.5% 22/01/2021	2.50
Xylem	2.50
Emerson Electric	2.30
Schneider Electric	2.20
Kingspan	2.20
Total Top 10	25.70%

IMPORTANT: The value of investments and the income from them can go down as well as up. You may not recover what you invest.



FUND DATA

Issue Date	25 June 2012
Launch Price	100.00p
Current Price	178.90p Acc, 169.20p Inc
Fund Size	£59,321,056
ISAs/SIPPs/SSASs/Offshore Bonds	Eligible
Base Currency	GBP
Minimum Lump Sum Investment	£1,000
Minimum Regular Savings	£100 a month
Dealing Schedule	Daily at 12:00pm

Historic Yield	2.12%
Annual Management Charge	1.00%
Initial Fee	0.00%
Ongoing Charges*	1.24%
Ex Dividend Dates	1 Feb & 1 Aug
Dividend Pay Dates	31 Mar & 30 Sept
Sedol Number	B3K3HX1 Acc, B5QHRL3 Inc

* This includes the Annual Management Charge

This clean share class is the Retail Distribution Class (RDR) and is commission free

MARKET COMMENTARY

Global equity markets ended the month on a negative footing, the culmination of a rapid sell-off that started in late September. However, we think this is more like a market correction rather than the start of a more prolonged downturn. Global economic growth, albeit slowing, is still likely to be healthily positive over the next year or so. Equity market valuations are not elevated and are now looking attractive in some sectors. Corporate earnings and dividends are still forecast to grow. Furthermore, any signs of weakness in the US economy will likely temper the Federal Reserve's enthusiasm to raise interest rates in the future, thus providing a counterpoint to the events that kicked-off the fall in stocks in the first place. Volatility may be back, but it doesn't mean that the current bull market is over, in our view.

During the month, nervousness set in after the US Federal Reserve raised interest rates as expected but spoke quite firmly about the need to increase rates by more. At the same time, the yield on three month US Treasuries, a proxy for cash, rose above inflation for the first time in a decade. With that in mind, we started a 'tactical' position in US Treasuries by buying the SPDR Bloomberg Barclays US Treasury Bond UCITS ETF. This security tracks the whole US Treasuries index, has a sterling priced share-class and is unhedged so it offers US dollar exposure.

It is worth noting that higher interest rates themselves are not necessarily a problem if economies are growing strongly, but together with the reversing of quantitative easing in the US, does represent a tightening of liquidity conditions. This means less 'firepower' to keep buying equities. At the same time, higher bond yields have increased the discount rate applied to future company earnings, thereby reducing their present value. This has put downward pressure on the share prices of many industrial stocks, which has been a detractor of performance during the month.

INVESTMENT THEMES

Energy (16.81%) The fund invests in companies providing solutions to the problems of using fossil fuels and energy scarcity & security, such as those involved in renewable energy generation, green transport, products & technologies for green building design & construction and energy efficiency.

Food (7.47%) The fund invests in companies providing solutions to the food supply/demand imbalance problem, such as those involved in grain production and harvesting, food testing, food processing, measurement & control, and high-tech agriculture supplies.

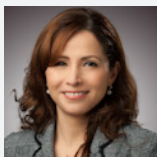
Health (20.10%) The fund invests in companies providing products and solutions to these problems, such as those involved in medical supply & devices, vaccines and products for infectious diseases, minimal invasive surgery and medical analysis & testing.

Resources (36.19%) The fund invests in companies providing solutions to the problems of resource scarcity, such as those involved in waste management, production and processing of environmentally friendly materials, waste-to-energy, coastal protection, productivity and efficiency gains and process control.

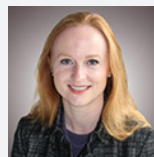
Water (13.54%) The fund invests in companies providing solutions to the water scarcity problem, such as those involved in water supply and distribution, water analysis, monitoring and purification, water metering and efficient methods for crop irrigation.

References to specific securities are not recommendations to buy or sell those securities

FUND MANAGERS

**Claudia Quiroz - Fund Manager**

Claudia is the Lead Fund Manager of our award winning sustainable investment strategy, the Climate Assets Fund. She also manages the Quilter Investor Ethical Fund and segregated portfolios on behalf of private clients, pensions and charities with a focus on sustainable investment. Claudia holds an MBA from Cass Business School in London and joined Quilter Cheviot from Henderson Global Investors in 2009. She has over 15 years' experience in Sustainable, Ethical & Responsible Investment and is a member of the Chartered Institute for Securities & Investment.

**Caroline Langley - Fund Manager**

Caroline first trained as a Chartered Accountant at PricewaterhouseCoopers before spending two years as a consultant in their Sustainable Business Solutions team. She then began her private client career at J O Hambro before joining the company in 2006. Caroline graduated in Human Sciences from Oxford University in 1997 and also holds a Masters degree in Environmental Technology (specialising in Global Environmental Change and Policy) from Imperial College.

HOW TO INVEST

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wealth adviser

AWARD WINNER 2017

Best Wealth Manager - Balanced Portfolio
 Quilter Cheviot Investment Management

Risk Warning: Past performance is not an indication of future performance. The value of investments and the income from them can go down as well as up. You may not recover what you invest. There are risks involved with this type of investment. Please refer to the Prospectus & Key Investor Information documents for further details, available free of charge from the Authorised Corporate Director ('ACD') Thesis Unit Trust Management Ltd, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. These documents are only available in English. Important Information: This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or individual requirements of any particular person. It is not a personal recommendation and it should not be regarded as a solicitation or an offer to buy or sell any securities or instruments mentioned in it. Quilter Cheviot recommends that potential investors independently evaluate investments, and encourages investors to seek the advice of a financial advisor. Currency movements may also affect the value of investments. The Climate Assets Fund is a sub-fund of the SunPortfolio Fund which is an open ended investment company authorised and regulated by the Financial Conduct Authority. Quilter Cheviot Limited is registered in England with number 01923571, registered office at One Kingsway, London WC2B 6AN. Quilter Cheviot Limited is a member of the London Stock Exchange and authorised and regulated by the UK Financial Conduct Authority.