

**SHINING A LIGHT ON THE.....  
Newton Sustainable Global Equity Fund**

**AT A GLANCE**

Investment Objective	
The objective of the Fund is to achieve capital growth and income over the long term, from a portfolio predominantly invested in global equities. The Fund aims to achieve its objective through investing in a concentrated portfolio of global companies that demonstrate attractive investment attributes and sustainable business practices. All investments will also be expected to conform to the Investment Manager's sustainability criteria, and environmental, social, governance ("ESG") is an integral part of the criteria.	

<b>Inception Date</b>	22 January 2018
<b>Fund Factsheet Link</b>	<a href="http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F0000101SQ">http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F0000101SQ</a>

Management	
Manager Name	Start Date
Raj Shant	22 <sup>nd</sup> January 2018
Yuko Takano	22 <sup>nd</sup> January 2018
Jeff Munro	13 <sup>th</sup> August 2018

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	51.22%
Large	38.09%
Medium	10.69%
Small	0.00%
Micro	0.00%

Top 10 Holdings		
Total number of holdings		47
Assets in Top 10 Holdings		32.44%
Name	Sector	% of Assets
Microsoft Corp	Technology	4.40%
AIA Group Ltd	Financial Services	3.58%
Accenture PLC Class A	Technology	3.18%
Abbott Laboratories	Healthcare	3.18%
Alphabet Inc A	Technology	3.10%
Unilever PLC	Consumer Defensive	3.09%
SAP SE	Technology	3.03%
Eversource Energy	Utilities	3.01%
Wolters Kluwer NV	Consumer Cyclical	2.98%
Citigroup Inc	Financial Services	2.89%

# LWM Consultants Ltd

Volatility Measurements	
3-Yr Std Dev (volatility)	-
3-Yr Mean Return (average)	-

## FUND PERFORMANCE

Performance from 22<sup>nd</sup> January 2018 to 31<sup>st</sup> March 2019:

	2018	2019
Newton Sustainable Global Equity Fund	0.62%	9.52%
iShares MSCI World ETF	-11.91%	11.53%

Performance over 12 months and since launch:

	1 year	Since launch
Newton Sustainable Global Equity Fund	16.95%	10.20%
iShares MSCI World ETF	5.17%	-1.75%

*You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.*

## UPDATE....

Newton run a global equity strategy based on ESG principals. These have been embedded into the business since 1978. The principal behind this fund is that it invests in companies that positively manage the material impacts of their operations and products on the environment and society. It will not invest in tobacco, companies that violate UN Global Compact Principles and Companies deemed incompatible with the 2-degree world.

It currently has 46 holdings, 40 of which are held in the global equity strategy so there is crossover between the two.

Ultimately, they believe that to be different you have to be different. Too many global funds basically follow the benchmark. They believe that it is better to be benchmark agnostic and really look at the companies that you want to invest in. This is about active management and choosing the best companies. Those companies that are active and positive in terms of ESG are proven to deliver positive returns for shareholders. It does reduce the risk but equally when the market moves quickly and quality drops, the fund can lag.

In the short term the fund has delivered strongly, protecting on the downside in 2018, but slightly lagging the index in 2019 as markets bounced back. We talked about why offer an ESG and Sustainable Version of the same fund. They believe this gives investors choice between the two.

## LWM Consultants Ltd

---

In terms of who this might appeal to then it is difficult to pigeon hole. The track record is short but it's defensive nature may mean it doesn't keep up with pure growth funds. However, the defensive nature may appeal as a stand alone strategy or blend with other funds. For those looking for funds which invest in companies with a positive impact on the environment then this would be one to consider.

In summary, this fund is new but is similar to the existing global equity strategy. ESG is the new buzz word but Newton have been doing this since 1978 so have considerable experience. The move to sustainable investing seems a natural move.

*The source of information in this note has been provided by Newton and is correct as at April 2019. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.*