

**SHINING A LIGHT ON THE.....  
ASI Europe ex UK Ethical Fund**

**AT A GLANCE**

Investment Objective
To generate growth over the long term (5 years or more) by investing in European equities (company shares) which meet the ethical criteria set out in the investment manager's ethical investment policy.

<b>Inception Date</b>	24 September 2007
<b>Fund Factsheet Link</b>	<a href="https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000OPVB">https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000OPVB</a>

Management	
Manager Name	Start Date
Sarah Norris	16 <sup>th</sup> April 2018
Iain Hewitt	16 <sup>th</sup> April 2018
Roseanna Ivory	1 <sup>st</sup> June 2020
Sasha Kachanova	1 <sup>st</sup> February 2021

**FUND PERFORMANCE**

Performance from 1<sup>st</sup> January 2016 to 31<sup>st</sup> May 2022:

	2016	2017	2018	2019	2020	2021	2022
<b>ASI Europe ex UK Ethical Fund</b>	17.01%	17.99%	-12.58%	20.75%	21.88%	14.71%	-16.36%
<b>FTSE World Eur Ex UK TR GBP</b>	19.69%	17.53%	-9.45%	20.45%	8.62%	17.40%	-8.55%

Performance over 12 months, 3 years, and since launch:

	1 year	3 years	Since launch
<b>ASI Europe ex UK Ethical Fund</b>	-9.30%	29.35%	95.18%
<b>FTSE World Eur Ex UK TR GBP</b>	-1.46%	27.19%	137.19%

*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.*

Tracking Error	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
7.08	85.85	113.90	111.65	58.33	1.04	1.30	Growth/Large

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Volatility Measurements	
3-Yr Std Dev (volatility)	17.92%
3-Yr Mean Return (average)	8.96%

Investment Style Details	
Giant	12.69%
Large	40.96%
Medium	39.27%
Small	4.21%
Micro	0.89%

Top 5 Holdings – 47 Holdings		
ASML Holding Nv	Technology	6.95%
Schneider Electric Se	Industrials	3.52%
Mowi ASA	Consumer Defensive	3.05%
Orsted A/S	Utilities	3.00%
Antin Infrastructure Partners	Financial Services	2.84%

Top 5 Sectors	
Financial Services	20.62%
Technology	20.43%
Industrials	17.46%
Consumer Cyclical	12.65%
Consumer Defensive	7.22%

Top 5 Countries	
France	18.24%
Germany	16.74%
Netherlands	11.65%
Italy	10.09%
Norway	7.20%

## UPDATE....

We tied this meeting in with the Europe ex UK strategy. Roseanna works on both of these strategies, so it was helpful to get some insight in to the differences and whether there is some crossover between the two.

It is worth starting with the exclusion policy. This is investor led and excludes weapons, nuclear, alcohol, animal testing, animal husbandry, fur, pornography, tobacco, gambling, poor business practices and ensuring environmental protection.

Animal testing is perhaps one of the main differences and this excludes around 50% of the market including pharmaceutical companies. Therefore, comparing to the index makes this very difficult to do because there are large parts of it that it doesn't or can't invest in. This has around an 86% active share class so supports the difference to the index.

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Where the non-Ethical strategy has more of a quality focus, this has more of a growth focus. So these are still quality businesses it is just that they might be more expensive. There is some crossover in terms of holdings but as there are large parts of the market it can't hold, the crossover is relatively small.

Some other differences are that this is weighted more towards mid-cap companies than the other strategy, and although this is a concentrated portfolio it has around 47 holdings compared to 30 in the Europe ex UK Fund.

The higher growth focus and higher weighting to mid-cap has meant that this fund has struggled this year, however they are comfortable in what they are holding.

Two other important factors. One I alluded to at the start and that this is investor led. Each year investors are asked to participate in a survey and this can change the exclusions. The second is that they are happy to be challenged. They produce an annual survey and everything is open. We discussed why they have Kingspan, and they were very open on the reasons but at the same time acknowledged why this might not be seen as favourable.

In summary, this strategy has had a difficult period, but it is hard to compare to any index. They remain positive on what they hold and that this will turn. This is a true exclusionary strategy driven by investors and this makes it different in this market. We do hold this in our positive impact strategies but blend with other funds.

*The source of information in this note has been provided by ASI and is correct as of June 2022. 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.*