

**SHINING A LIGHT ON THE.....
KBI Global Resource Solutions Fund**

AT A GLANCE

Investment Objective
The investment objective of the Fund is to generate the highest possible return for its Shareholders by investing primarily in equity and equity-related securities of international companies involved in environmental sectors as further described below. This is reflected in its pursuit of capital gains and income.

Launch	30th August 2009
Fund Factsheet Link	https://www.morningstar.co.uk/uk/funds/snapshot/snapshot.aspx?id=F00000LKPP

Management	
Manager Name	Start Date
Colm O'Connor	1 st January 2013
Andros Florides	1 st January 2013

FUND PERFORMANCE

Performance from 1st January 2016 to 31st August 2022:

	2016	2017	2018	2019	2020	2021	2022
KBI Global Resource Solutions Fund	26.49%	15.50%	-8.37%	21.74%	26.85%	26.64%	7.76%
S&P Natural Resources TR EUR	57.79%	12.04%	-7.14%	12.67%	-2.42%	26.35%	19.63%

Performance over 12 months, 3 years, 5 years and since launch:

	1 year	3 years	5 years	Since launch
KBI Global Resource Solutions Fund	12.82%	79.67%	102.16%	233.50%
S&P Natural Resources TR EUR	29.16%	52.98%	64.67%	142.67%

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	Information Ratio	Active Share	Upside Capture Ratio	Downside Capture Ratio	Batting Average	Beta	Alpha	Equity Style
12.92	0.49	88.86	75.72	32.90	58.33	0.77	8.13	Mid/Blend

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Volatility Measurements

3-Yr Std Dev (volatility)	17.66%
3-Yr Mean Return (average)	21.57%

Investment Style Details

Giant	6.92%
Large	28.00%
Medium	44.77%
Small	15.91%
Micro	2.30%

Top 5 Holdings (101 holdings)

Veolia Environnement SA	Industrials	2.64%
United Utilities Group PLC	Utilities	2.41%
NXP Semiconductors NV	Technology	2.38%
Essential Utilities Inc	Utilities	2.38%
Danaher Corp	Healthcare	2.33%

Top 5 Sectors

Industrials	33.64%
Utilities	22.17%
Basic Materials	14.34%
Technology	12.76%
Consumer Defensive	9.76%

Top 5 Regions

United States	47.90%
Eurozone	18.90%
United Kingdom	10.11%
Canada	5.69%
Europe ex Euro	4.63%

Fund Benchmark

Fund Benchmark	S&P Global Natural Resources TR EUR
Fund size (Mil)	EUR 38.47
Ongoing Charge (share class A EUR)	0.62%
Active share	88.86

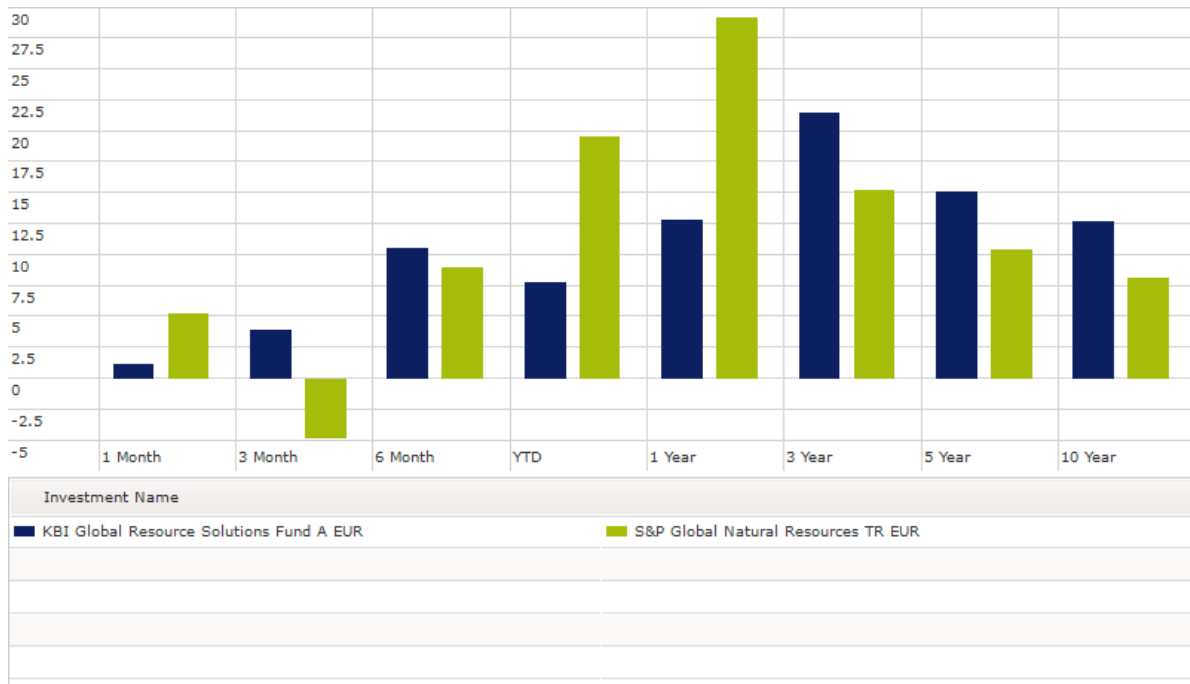
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Bull points (pros)	Bear points (cons)
Invests in the resources of the future Different mix to the natural resources index and very different holdings Could potentially act as a standalone investment or blended with an old-style commodity fund It will invest in transitioning companies, so it is not an exclusionary strategy as such	Focuses on resources of the future so will miss out when there is a bull market on areas such as oil and mining

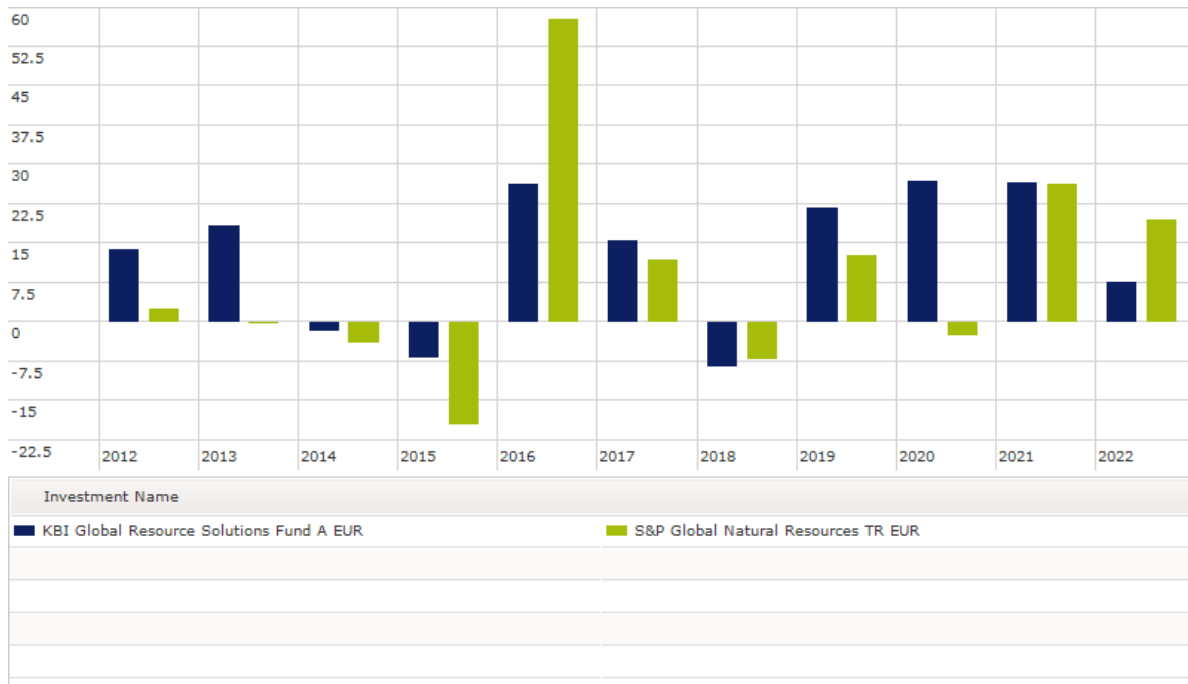
UPDATE....

Commodities have come back onto the table for investors and this fund may be one that comes to the fore. It is important to understand that although this is not an exclusionary fund it looks to invest in commodities of the future. This means that if there is a bull market in say oil, then this fund is likely to lag as it has this year.

The charts below show periods when the index has outperformed but also how this has outperformed over the long term.



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This is important to understand to ensure that investors are not disappointed with short-term results.

Although the fund was launched in 2009 the team have been managing natural resources in this way since the early 2000s. They see natural resources as covering areas such as water, energy and alternative resources and food shortages. The fund has around 100 stocks and they invest across the different sleeves. The core sleeves are agriculture, water and clean energy.

The fund is more positioned defensively and we talked about whether there were too many holdings. They accepted there is a “tail” of names which they are starting to sell down and they think the portfolio will end up with around 80 companies.

They don’t have a pre-defined company but they are looking for profitable companies, and those that can easily access debt if needed. Most of the companies they invest in are profitable but there are some disruptive early-stage technologies. This includes battery storage and hydrogen.

Examples of holdings include:

China Water Affairs Group Limited – supplier of raw water and tap water for industrial and municipal end users, provider of related services including sewage treatment, metering and connection services and beneficiary of policy initiatives in China, encouraging the use of private capital for build out of water infrastructure

Samsung SDI – top tier EV battery maker, long-term battery supply agreements with auto OEMs, and produces energy storage systems for fast growing stationary market

Trimble – global leader in precision ag technology. Its products connect the entire operations of a farmer in real time to maximise productivity and sustainability. Its advanced positioning technology allows farmers to optimise input usage, reducing waste

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Touching further on the three key areas, there are sub themes within this:

Water – water utilities, water infrastructure and water technology

Agri – producers, infrastructure and processors and inputs

Global energy transition – clean energy utilities, renewable energy and energy efficiency

They tend to be long term (around 5 years) holders of stocks. Investing in this part of the market has been hard but there has been a shift over the last couple of years. Having said that, they have outperformed the index despite not owning old style energy stocks.

With all the regulation within this space they feel this is a multi-decade opportunity for investors.

We touched on remuneration of staff. There is a profit share scheme and rewards on performance over 1, 3 and 5 years. Bonuses are locked into the funds and Amundi shares who own 90% of the company.

In summary, this is about investing in commodities of the future. It is probably not a true commodity fund and touches more on impact strategies. The fund has performed well against the broader commodity index and it has very little commonality with this. It isn't exclusionary and will have transitioning companies.

The source of information in this note has been provided by KBI and is correct as of September 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 decide 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.