

# CLIMATE ASSETS BALANCED FUND - 'B' SHARE CLASS

## FACTSHEET

SEPTEMBER 2023



**QUILTER CHEVIOT**  
INVESTMENT MANAGEMENT

### OBJECTIVE

The investment objective of the Fund is to provide a balance of capital growth and income, net of fees, over the longer term (rolling 5 year periods). The Fund focuses on sustainable investment.

### INVESTMENT PARTNERS

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



■ CLIMATE ASSETS BALANCED FUND - 'B' SHARE CLASS

The share price performance graphic uses an extended track record based on the Climate Assets A-Acc (donor share) up until the 24th June 2012. The Climate Assets B-Acc (primary share) was first issued on 25th June 2012. The AMC (Annual Management Charge) for the A share-Acc is 1.5%, while the AMC for the B share-Acc is 1%.

Cumulative performance (%) to 31 August 2023	YTD	1yr	3yr	5yr	Since Inception
CLIMATE ASSETS BALANCED FUND - 'B' SHARE CLASS	0.66	-1.80	7.25	23.08	154.59
IA Mixed Investment 40-85% Shares	2.87	0.35	10.45	14.85	107.52
Bank Of England Base Rate	2.90	3.77	4.53	5.78	10.05

Discrete performance (%) to 31 August each year	2023	2022	2021	2020	2019
CLIMATE ASSETS BALANCED FUND - 'B' SHARE CLASS	-1.80	-7.63	18.24	3.84	10.52
IA Mixed Investment 40-85% Shares	0.35	-6.55	17.77	1.10	2.85
Bank Of England Base Rate	3.77	0.63	0.10	0.45	0.75

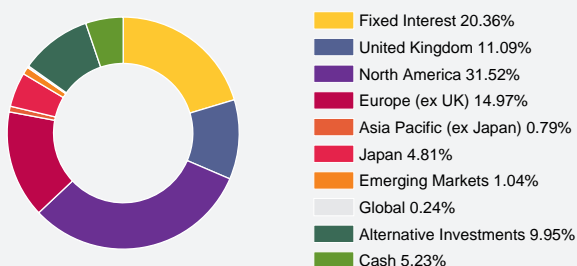
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2018	-0.66	-1.50	-3.10	2.56	2.78	-0.72	2.22	1.31	-0.48	-3.51	0.89	-3.93	-4.36
2019	4.33	1.44	2.40	3.67	-1.03	4.82	3.07	-1.15	0.44	-0.77	1.32	1.25	21.40
2020	0.62	-4.44	-7.21	5.80	4.93	0.86	0.52	1.13	1.78	-1.88	4.40	1.66	7.65
2021	-0.31	-2.17	3.08	2.59	-0.04	1.63	2.82	3.56	-2.69	2.20	0.91	1.14	13.24
2022	-7.56	-1.05	3.49	-2.06	-1.35	-5.03	5.70	-0.89	-6.34	2.70	2.31	-0.87	-11.22
2023	1.62	0.09	0.52	-0.04	-1.20	-0.70	1.44	-1.04	-	-	-	-	0.66

### ASSET ALLOCATION

	%
Fixed Interest	20.36
Equity	64.46
Alternative Investments	9.95
Cash	5.23

### ASSET CLASS/GEOGRAPHICAL ALLOCATION

As at 31 August 2023



### TOP 10 HOLDINGS

	%
Union Pacific	3.37
Waters Corp	2.69
Novartis	2.45
Ecolab	2.43
Medtronic	2.26
Waste Management	2.22
Fresenius	2.20
Thermo Fisher	2.13
Danaher	2.07
UK Gilt 4.75% 2030	2.07
<b>Total Top 10</b>	<b>23.89%</b>

Past performance is not a guide to future performance and future returns are not guaranteed. Source: FE fundinfo 31/08/23. B Accumulation share class performance, inclusive of charges, in GBP with net income reinvested. The performance of other share classes may differ. The share price performance data uses an extended track record based on the Climate Assets A-Acc (donor share) up until 24th June 2012.



## FUND DATA - 'B' SHARE CLASS

Issue Date	25 June 2012
Launch Price	100.00p
Current Price	229.30p Acc, 195.70p Inc
Fund Size	£440,982,556.91
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	2.44%
Annual Management Charge	1.00%
Initial Fee	0.00%
Ongoing Charges*	1.22%
Ex Dividend Dates	1 Feb & 1 Aug
Dividend Pay Dates	31 Mar & 30 Sept
Sedol Number	B3K3HX1 Acc, B5QHLR3 Inc

\* This includes the Annual Management Charge

## MARKET COMMENTARY

August saw the first monthly decline for global stock markets since February, although a recovery into month end and depreciation in the GBP/USD rate meant that most of the losses were recouped. The weakness was driven by renewed concerns for the health of the Chinese property market, soft economic data from China, and rising sovereign bond yields.

Rising bond yields were the main driver for equity weakness in the first half of August, while the recovery into month end was underpinned by an easing in yields after reaching multi-year highs. The correlation between government bond yields and stock markets remains strong as sentiment among investors in both asset classes is being driven largely by near-term expectations of central bank policies and long-term forecasts of inflation.

The US labour market has attracted a greater degree of attention of late and employment data released in early September raised hopes that there has been some cooling in this regard. A bad-news-is-good-news perspective has taken hold, whereby signs of a softening in employment gauges in the world's largest economy increased hopes that disinflation will continue without the Federal Reserve (Fed) raising interest rates further.

Market expectations of the terminal base rate have declined in the US, UK and Europe and there is a growing consensus that the Fed and European Central Bank are done lifting rates for this cycle. The picture for the Bank of England is different as the market sees one or two more 25 basis point increases to a 5.25% base rate in 12 months' time.

In the equity space there have been notable revisions on future earnings since second quarter results, with upgrades in the US and Japan while the UK and Emerging Markets have been downgraded. More resilient consumer spending and a rising oil price has led to upgrades for consumer discretionary and energy. Overall, valuations remain near their long-term average. The so-called 'magnificent seven' (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla) are still seen as key drivers of US market performance. Currently returns' concentration is very high, with index returns heavily dependent on the performance of these seven stocks.

We continue to favour a pragmatic approach to portfolio construction, regularly adjusting exposures to regions and sectors while focusing on the beneficiaries of the energy transition and sustainability themes.

## INVESTMENT THEMES

**Clean Energy (17.03%)** - The fund invests in companies providing solutions to the problems of using fossil fuels and energy scarcity and security, such as those involved in renewable energy generation, green transport, products and technologies for green building design and construction and energy efficiency.

**Food (6.37%)** - 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 and control, and high-tech agriculture supplies.

**Health (26.31%)** - The Fund invests in companies providing products and solutions to improve healthcare that align to the objectives of the Fund such as companies involved in medical supplies and devices, vaccines and products for infectious disease, medical analysis and testing.

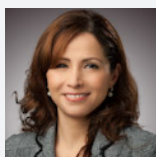
**Resource Efficiency (24.11%)** - The fund invests in companies providing solutions to the problems of resource scarcity, such as those involved in waste management, production and processing of environmentally friendly materials, waste-to-energy, coastal protection, productivity and efficiency gains, and process control.

**Sovereign Debt & Cash (18.71%)** - The fund invests in government bonds, mainly denominated in Pounds Sterling and occasionally in other currencies like the US Dollar and Euro. For liquidity purposes, the fund also holds a cash position.

**Water (7.47%)** - 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 - Head of Sustainable Investment**  
Claudia has over 20 years of experience in Sustainable, Ethical and Responsible Investment and joined Quilter Cheviot in 2009. She is the Lead Fund Manager of our award-winning Climate Assets Balanced Fund. Claudia's portfolio management experience extends to private clients, pensions, and charities with a focus on sustainable investment. She is a voting member of our International Equities Stock Selection Committee, a Chartered Member of the Chartered Institute for Securities & Investment, and the winner of the Wealth Manager of the Year at the City of London Wealth Management Awards in 2021.

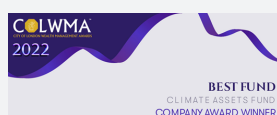


**Caroline Langley - Investment Director**  
Caroline has close to 20 years of investment experience, with most of her expertise acquired during her tenure at Quilter Cheviot, where she has been employed since 2006. She is the Deputy Fund Manager of the Climate Assets Funds, and manages private client's portfolios, collaborating directly with clients or in conjunction with advisors. Her investment qualifications and extensive experience have led her to be a Chartered Fellow of the Chartered Institute for Securities & Investment (CISI).

## HOW TO INVEST

e: [climateassetsfunds@quiltercheviot.com](mailto:climateassetsfunds@quiltercheviot.com)  
Thesis Unit Trust Management Ltd  
t: 0333 300 0375

## CONTACT DETAILS



**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 Limited, 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 Balanced 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 and Quilter Cheviot Investment Management are trading names of Quilter Cheviot Limited. Quilter Cheviot Limited is registered in England with number 01923571, registered office at Senator House, 85 Queen Victoria Street, London, EC4V 4AB. Quilter Cheviot Limited is a member of the London Stock Exchange and authorised and regulated by the UK Financial Conduct Authority and as an approved Financial Services Provider by the Financial Sector Conduct Authority in South Africa.