

Davy Low Carbon Equity Strategy

Strategy Information June 2020

This Strategy is provided and managed by Davy Global Fund Management

Davy Global Fund Management ('Firm')

| | |
|--------------------------------|---|
| About us | Davy Group Founded: 1926 Headquarters: Dublin, Ireland DGFM AUM¹: \$7.6bn |
| Investment Capabilities | Global Equity Strategies: <ul style="list-style-type: none"> ESG Equity Low Carbon Equity Smaller Companies Equity Custom strategies |
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Davy Low Carbon Equity

| | |
|---------------------------------|------------------|
| Inception | April 2018 |
| Strategy AUM² | \$16.83mn |
| Benchmark | MSCI World Index |

Portfolio Management Team



Des Flood: Portfolio Manager
Industry start: 1987
BA, MA, ASIP



Brian Kennedy: Portfolio Manager
Industry start: 2009
BA, MSc, CFA

Investment Strategy

- The Davy Low Carbon Equity strategy, invests in high QUALITY³ companies which demonstrate a combination of low carbon emissions and a high level of climate change mitigation, using a blend of quantitative and fundamental-based investment approaches which we call 'Quantamental' investing.
- We believe climate change represents the largest ESG business risk to companies in operation today and companies, which adapt to a low carbon future, while displaying high QUALITY fundamentals, represent superior long-term investments.
- In our opinion, stocks which exhibit the characteristic of QUALITY will deliver consistent superior risk adjusted performance over the long term. The strategy focuses on companies which offer a combination of high QUALITY and strong climate change mitigation to build a high conviction portfolio from the bottom up.

Investment Process

- Climate change considerations are integrated across the investment process, including; idea generation, fundamental research, valuation, engagement, portfolio construction, risk management and reporting.
- The team uses a proprietary research methodology to identify companies effectively mitigating climate change in their business while adapting their products and services for a low carbon future.
- The strategy does not invest in companies which are involved in the exploration, extraction or burning of fossil fuels for profit.
- Company engagement is used to support fundamental research and drive improved performance on key climate change issues. All engagements are investor-led.

Performance

Returns (%) as at June 30th, 2020

| Equity Strategies – USD | 3M | YTD | 1Yrs | 3Yrs | 5Yrs | 7Yrs | 10Yrs | Since Inception (May 2011) | Inception Date |
|------------------------------|-------|-------|------|------|------|------|-------|----------------------------------|-------------------|
| Low Carbon Equity (Gross) | 18.24 | -2.70 | 7.20 | - | - | - | - | 7.81 | 04/25/2018 |
| Low Carbon Equity (Net) | 18.14 | -2.87 | 6.82 | - | - | - | - | 7.43 | |
| MSCI World | 19.36 | -5.77 | 2.84 | - | - | - | - | 4.49 | |

Source: Davy Global Fund Management and MSCI. Periods over 1 year are annualized
Net performance for the strategy shown is that of ESG Equity Class A accumulating which is not available for investment in the United States, but the strategy is available through a separately managed account. Prior to December 2014 the Fund was priced weekly, where no official month end NAV is available an unofficial NAV is used to calculate performance. Fees for such separately managed accounts may vary from the fees assessed by the UCITs funds.

¹As at December 31st, 2019

²As at June 30th, 2020

³Quality Matters" White Paper – Chantal Brennan, Paraic Ryan, Hannah Cooney: 2016: Copy available on request from DGFM

Risk Metrics

3Yr as at June 30th, 2020

| Equity Strategies – USD | Strategy | Benchmark |
|--------------------------------|----------|-----------|
| Information Ratio | 1.3 | - |
| Sharpe Ratio ⁴ | 0.4 | 0.1 |
| Sortino Ratio | 0.5 | 0.2 |
| Standard Deviation | 16.7% | 18.4% |
| Maximum Drawdown | 18.1% | 21.1% |
| Beta vs Benchmark ⁵ | 1.0 | - |
| Upside Capture vs Benchmark | 99.7% | - |
| Downside Capture vs Benchmark | 86.7% | - |
| Batting Average | 0.7% | - |

Source: Davy Global Fund Management and MSCI
Product risk metrics based on gross performance.

⁴Risk free instrument used in calculation – 3-month US Treasury Bill.

⁵Sourced Style Analytics based on 5 years.

Holdings

As at June 30th, 2020

| Top 10 Holdings | Strategy ⁶ | ESG |
|-------------------|-----------------------|-----|
| Apple Inc | 6.1% | A |
| Microsoft Corp | 6.0% | AAA |
| Alphabet Inc CL A | 4.6% | AA |
| Thermo Fisher | 3.2% | BBB |
| VISA Inc | 2.9% | A |
| Iberdrola | 2.9% | AAA |
| Deutsche Boerse | 2.7% | AAA |
| Hologic Inc | 2.7% | A |
| Unilever NV | 2.4% | A |
| Medtronic Plc | 2.3% | BBB |
| Total | 35.9% | |

⁶Absolute weights.

Portfolio Characteristics

As at June 30th, 2020

| Characteristics | Strategy | Benchmark |
|---------------------------------------|----------|-----------|
| P/E Trailing | 22.0 | 21.7 |
| P/E Forward | 20.1 | 20.2 |
| Dividend Yield | 1.9% | 2.3% |
| Price to Book | 3.5 | 2.5 |
| Price to Cash flow | 14.3 | 11.3 |
| Earnings Growth (last 3Yrs) | 9.2% | 8.5% |
| Market Cap - Mean (\$Bil) | 156.7 | 31.3 |
| Market Cap - Median (\$Bil) | 55.9 | 13.0 |
| Market Cap - Weighted Average (\$Bil) | 310.8 | 262.6 |

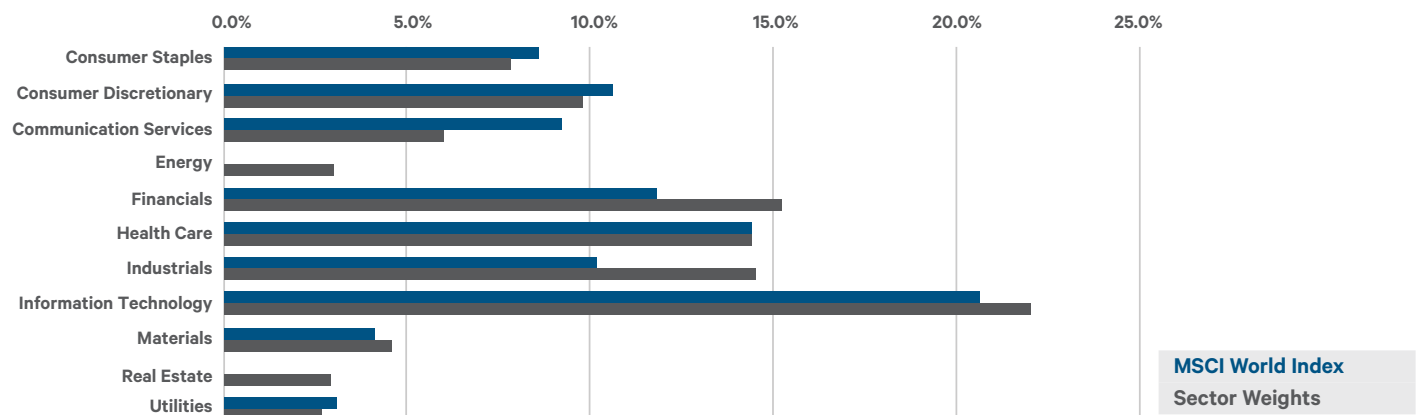
Regional Characteristics

As at June 30th, 2020

| Region | Strategy | Relative |
|---------------|----------|----------|
| Asia Ex Japan | 2.7% | -0.9% |
| Europe Ex UK | 18.2% | 2.8% |
| Japan | 8.2% | 0.3% |
| North America | 64.8% | -4.1% |
| UK | 4.8% | 0.8% |

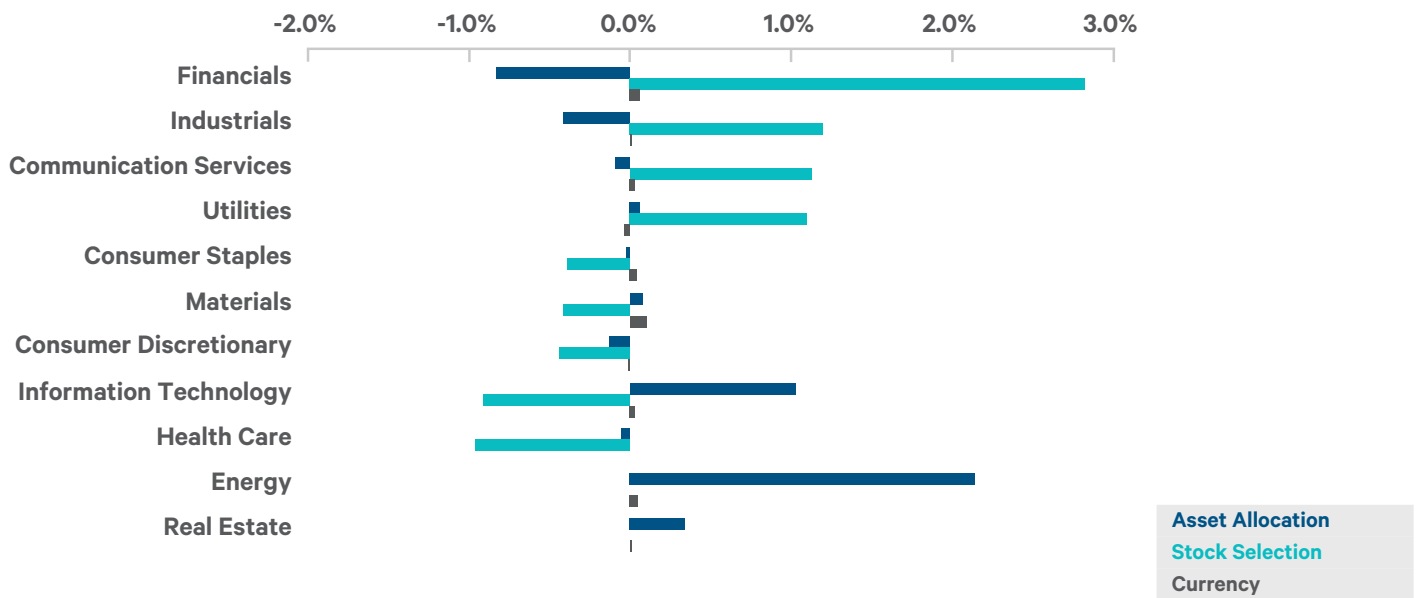
Sector Weights

Sector Weights versus MSCI World Index as at June 30th, 2020



Please note: Statistics extracted from the UCITS fund format are for illustrative purposes only and are not available for sale in the United States. However, the strategies are available for sale through a segregated mandate.

Active Return Attribution GICS Sector
 Since Inception (30APR18) as at June 30, 2020



Source: Davy Global Fund Management, Low Carbon Fund, Bloomberg Port and MSCI as at 30th June 2020, gross returns in USD. Note attribution figures can be impacted by large flows

Warning: If you invest in this product you may lose some or all of the money you invest. The value of your investment may go down as well as up. This product may be affected by changes in currency exchange rates.

The holdings of the Strategy and the breakdowns are indicative in nature and have been provided for illustrative purposes only. Please note the Portfolio Management Team has full discretion to change these holdings and weightings at any point in time, as outlined in the Strategy documentation. Indicative information should not be relied on by potential investors to make investment decisions.

Davy Low Carbon Equity Strategy: Product gross performance is sourced from monthly AA Accumulating share class NAV returns (gross of management fees) in US \$ terms. Product net performance is sourced from monthly AA Accumulating share class NAV returns and takes into account all charges taken from the Fund over a year. Base currency is Euro. Benchmark is MSCI World Index Net of Dividends (Code MSDEWIN Index in Bloomberg), in USD terms.

Warning: Past performance is not a reliable guide to future performance

Please note: Gross returns will be reduced by fees and expenses

Please note: Fees for such segregated mandates may vary from the fees assessed by the UCITs funds

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