

Comments from your Chief Investment Officer

We are pleased to report August has been another month of solid positive progress for your portfolio. It has also been a month in which technology stocks reasserted their claim to market leadership; your two largest holdings, ASML and Nvidia, were the largest positive contributors to returns, closely followed by Hoya corporation. The laggards were all in the mining sector, which was adversely affected by concerns over iron ore demand from China. Despite an already strong pace of anticipated revenue growth, we are encouraged to report that around 20% of your companies have further increased their guidance in this latest quarterly reporting season.

Nvidia's Omniverse software, a reality simulation system, is showing strong growth, already accounting for 8% of revenue, which is exciting both for the company and also because it is an enabling technology for many other technology companies: [see how Omniverse is being used to improve manufacturing at BMW](#). Developments like Omniverse are increasing the fraction of economic value-added attributable to the technology sectors, helping drive their outperformance. In turn, this is increasing demand for high performance silicon chips leading to improved pricing power through the semiconductor supply chain. This month, industry sources have reported TSMC – your fourth largest holding – to be increasing the price of their processed wafers by between 10% to 20%. We see this as a symptom of both technological progress and a more traditional inflationary process caused by monetisation.

In an inflationary environment our job is to keep you invested in the price-maker companies which create and benefit from inflation rather than the price-takers, which have their margins squeezed by rising costs. ASML, the company making the vital X-ray lithography machines necessary for Nvidia's Omniverse software, currently enjoys especially strong pricing power – hence its position at the top of your portfolio.

During the month, we have been involved in a direct exchange with one of your investee companies concerning their standards of reporting around working conditions for their employees. We are pleased to say we are impressed with the planned improved reporting standards and the quality of engagement. We have upgraded that company's ESG score in our PrISM system.

Net Asset Value Metrics														EUR Class	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Last NAV	YTD	
2021	0.14%	2.27%	4.56%	2.22%	-0.33%	6.66%	2.91%	3.69%					124.12	24.17%	
2020												-0.04%	99.96	-0.04%	

Country Allocation	Top 10 Holdings		Industry Exposure	
<ul style="list-style-type: none"> ■ UNITED STATES ■ FRANCE ■ NETHERLANDS ■ JAPAN ■ AUSTRALIA ■ BRITAIN ■ TAIWAN ■ SWITZERLAND 	ASML Holding	6.16%	Microelectronic Equipment	14.87%
	Nvidia	4.93%	Microelectronic Manufacturing	11.35%
	Apple	3.83%	Medical Technology	9.99%
	TSMC	3.54%	Software	9.43%
	Cadence Design	3.50%	Simulation Software	7.97%
	Lam Research	3.52%	Mining	6.51%
	Intuitive Surgical	3.47%	Diversified Manufacturing	5.41%
	BlackRock	3.30%	Luxury Goods	5.20%
	Microsoft	3.35%	Financial Services	4.11%
	Synopsys	3.31%	Consumer Electronics	3.83%
			Retail	3.76%
			Specialty Chemicals	3.31%
			Investment Management	3.30%
			Telecommunications	3.23%
			Consulting	2.91%
			Transportation	2.39%
			Construction	1.19%
			Cash	1.26%

Portfolio Characteristics*

Average market. Cap (USD bn)	442.6	Equity Ratio	47.65
Number of Holdings	37	Net Debt/ Op. Cash Flow	0.05
Sales Growth (5yr)	12%	EPS Growth (5yr)	28%

*Weighted average of portfolio

Key fund facts

The Fund aims to deliver capital growth by investing in the equities of resilient, conservatively financed, well managed companies with a proven track record of innovation and growth.

Fund Details		ISIN: IE00BL96WK90			
Fund Type	UCITS ICAV	Launch Date	22nd December 2020	Share Class Availability	NOK, EUR, GBP, USD
Management Charge*	0.70%	Depositary	Northern Trust Fiduciary Services	Fund Domicile	Ireland, CBI Regulated
Subscription Charge	0.00%	Auditor	KPMG (Dublin)	AUM (USD)	150 million
Redemption Charge	0.00%	Dealing	Daily (10:00am, Irish time)	Strategy AUM (USD)	350 million
OCF**	1.02%	Pricing	Daily (16:00pm Eastern Time)		

*A management fee of 0.7% is charged only on AUM below \$100 million, or equivalent, for each share class. A performance fee of 10% of returns, in excess of the high water mark, is charged only on AUM above \$100 million, or equivalent, for each share class, as per the CBI regulations.

** Ongoing Charges to the Fund, as specified in the Key Investor Information Document (KIID) for the specific share class.

Disclaimer:

These materials contain preliminary information that is subject to change and is not intended to be complete or to constitute all the information necessary to adequately evaluate the consequences of making any investment.

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The State of the origin of the Fund is Ireland and the Fund is authorised and regulated by the Central Bank of Ireland.

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