

# Green Effects Fund FACTSHEET

## SEPTEMBER 2021



### Fund Objectives

The objective of the fund is to achieve long term capital growth through a basket of ethically screened stocks. The fund invests in a wide range of companies with a commitment to either supporting the environment or demonstrating a strong corporate responsibility ethos. Sectors such as wind energy, recycling, waste management, forestry and water-related businesses all feature prominently within the fund. The fund can only invest in the constituents of the Natural Stock Index (NAI) which was set up in 1994 and currently consists of 30 global equities.

### Key Information

Morningstar Rating	★★★★★
Fund Inception	Oct 2000
MSCI ESG Rating	AA
NAV	€405.72
Minimum Investment	€5,000
Dealing Frequency	Daily
Investment Manager	Cantor Fitzgerald Ireland Ltd
Custodian	Northern Trust
Administrator	Northern Trust
Sales Commission	3%
Investment Mgt Fee	0.75%

31/8/2021

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

### Fund & Share Class Information

Fund Size	€188.12m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFINVL ID
Domicile	Ireland
Structure	UCITS Fund

### Historic Yield

*Fund Yield	1.35%
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Fund yield is historic based on full year 2017 dividend income received. The fund does not distribute income to investors. All dividend income is reflected within the NAV price of the fund.

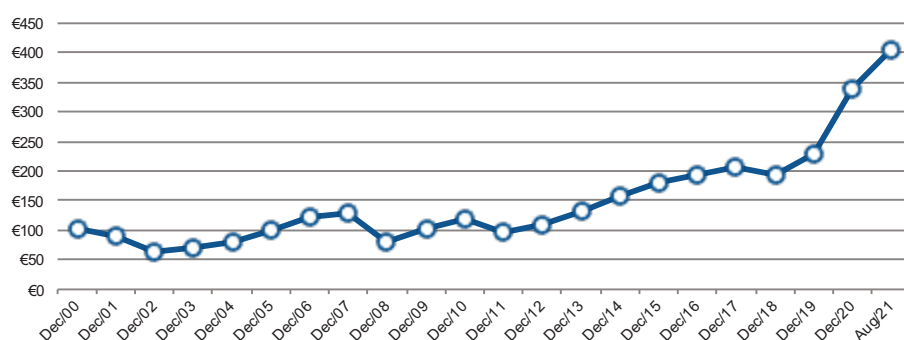
### Total number of holdings

Number of holdings	30
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### Market Capitalisation Exposure

Large: > €3bn	60%
Medium: €500m - €3bn	37%
Small: < €500m	3%

### GREEN EFFECTS FUND NAV SINCE INCEPTION

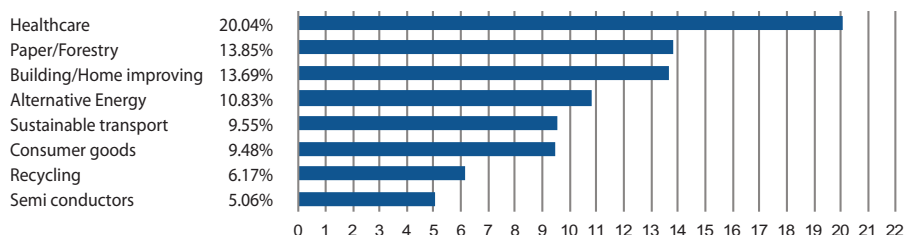


Source: Cantor Fitzgerald Ireland Ltd Research

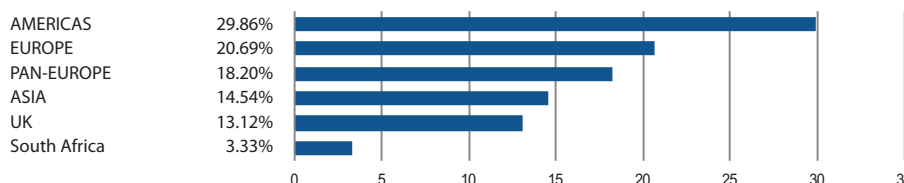
### ESMA RISK RATING



### LARGEST SECTOR EXPOSURE %



### GEOGRAPHIC EXPOSURE %



### Performance

	1 Month	YTD	1 Year	3 Year*	5 Year*	10 Year*	Inception*
Green Effects	2.60	19.29	36.40	23.40	16.70	15.70	6.70
MSCI World €	3.00	22.50	31.90	14.90	14.20	15.10	5.50
S&P 500 €	3.50	25.90	32.70	17.30	16.70	18.70	6.30
Euro STOXX 50	2.60	20.60	31.30	10.50	10.20	10.10	2.70

As of 31/8/2021. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. \*Annualised Return.

## Top 15 Positions

Vestas	8.82%
Smith & Nephew	7.62%
Molina	6.12%
Aixtron Ag	5.06%
Acciona	4.75%
Mayr Melnhof	4.71%
Tomra Systems	4.60%
Steico	4.49%
Kingfisher	4.45%
Shimano	4.22%
Svenska Cellulosa	3.98%
Kurita	3.85%
Ricoh	3.38%
Aspen Pharmacare	3.19%
Natura Holdings	2.90%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Information Technology	8.40%	22.50%
Financials	0.30%	13.30%
Health Care	20.00%	12.80%
Consumer Discretionary	11.50%	11.90%
Industrials	31.30%	10.60%
Communication Services	0.50%	9.10%
Consumer Staples	5.30%	7.00%
Materials	8.90%	4.50%
Energy	0.00%	2.90%
Utilities	6.70%	2.80%
Real Estate	2.60%	2.80%
Cash	4.30%	0.00%

Source: Cantor Fitzgerald Ireland Ltd Research

## Sector Exposure Compared to a Traditional Global Equity Fund

The fund does not invest in banks, oils, mining or metals. From a performance and relative returns perspective this is something that all investors should bear in mind when considering investing in the fund. The overriding investment theme from a sectoral perspective remains that of alternative energy, water, waste management and similar companies with a strong corporate social responsibility (CSR) focus in both their culture and work practices.

## Fund Manager Comment

The Green Effects fund NAV price ended the month as €405.72 which was a gain of **+2.63%** for the month bringing the year-to-date return to **+19.29%**. The main contributors to the NAV move during the month were Aixtron (+0.80%), Vestas (+0.78%), Shimano (+0.56%) and Acciona (0.28%). Aixtron, the German listed semiconductor manufacturer, reported results at the end of July but benefitted from further positive momentum in the technology/chip sector.

The biggest news during the month with respect to ESG investing and climate change was the publication of the **"Climate Change 2021"** report from the IPCC (intergovernmental panel on climate change). Within this marquee publication the team of scientists warned that "human activity is changing the Earth's climate in ways unprecedented in thousands or hundreds of thousands of years, with some of the changes now inevitable and irreversible". Within the next two decades, temperatures are likely to rise by more than 1.5°C above pre-industrial levels, breaching the ambition of the 2015 Paris Climate Agreement, and bringing widespread devastation and extreme weather. The report, which was 8 years in the making, represents the world's full knowledge to-date of the physical basis of climate change, and found that human activity was "unequivocally" the cause of rapid changes to the climate, including rising sea levels, melting polar ice and glaciers, heatwaves, floods, and droughts. António Guterres, the UN secretary general, warned "this report is a code red for humanity. The alarm bells are deafening, and the evidence is irrefutable: greenhouse gas emissions from fossil fuel burning and deforestation are choking our planet and putting billions of people at immediate risk."

As discussed previously within this commentary, circa 40% of the Green Effects Fund holdings are actively involved in providing solutions to help tackle climate change. The focus of international governments, corporates and investors has led to a seismic shift in investment flows and infrastructure spending in an attempt to drive real long-term change. Anecdotally year-to-date the inflows into our Green Effects Fund have been the strongest on record and this trend is something being mirrored across the European market.

In portfolio activity during the month the fund increased its exposure to some of the midcap names within the portfolio like Steelcase, Tomra Systems and Svenska Cellulosa. **Steelcase** is a United States-based furniture company founded in 1912 in Grand Rapids, Michigan. The company produces office furniture, architectural and technology products for office environments and the education, healthcare, and retail industries. It is the largest office furniture manufacturer in the world. **Tomra Systems** provides technology-led solutions that enable the circular economy with advanced collection and sorting systems that optimize resource recovery and minimize waste in the food, drinks, and recycling industries. Its TOMRA recycling division is a global leader in its field and has pioneered the automation of waste sorting. **Svenska Cellulosa (SCA)** is Europe's largest private forest owner (2.6m hectares). The group offers packaging paper, pulp, wood products, renewable energy, services for forest owners and efficient transport solutions. SCA generates climate benefits through growing forests that binds CO2, renewable products that replace fossil-based products and lowering emissions from its own value chain. The cash level within the portfolio at month end was circa 5%.

## Annual Returns

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
2.40%	-11.25%	-30.00%	9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%	13.47%
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
-19.61%	16.02%	19.87%	18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	42.70%	19.29%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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