

Castlefield B.E.S.T Sustainable Income Fund

Factsheet - September 2019

Fund Information

| | |
|---|----------------------------|
|  | Fund Manager: |
| | Mark Elliott |
| Historic Yield: | Sector: |
| 4.56%* | IA UK Equity Income |
| Fund Size | Number of Holdings: |
| £26.41m | 40-50 |
| ACD: | |
| Castlefield Fund Partners Limited | |
| Launch Date: | |
| 2nd May 2006 Current strategy since 8th July 2012 | |
| Rating: | |
| Morningstar - 4 Globes Sustainability Rating | |
|  | |
| Platform Availability | |
| Aegon, AJ Bell, Aviva, Elevate, CoFunds, FNZ, Hargreaves Lansdown, James Hay, Novia, Transact, Zurich | |

Active Share Calculation* 82.06%

* Active Share calculation measures how much the portfolio holdings differ to the benchmark. i.e. A portfolio identical to benchmark would have a 0% active share. Source : FactSet

Share Class Information

| Share Class | General |
|-------------------------------|--------------|
| Min. Investment | £500 |
| Initial Charge | 0% |
| Investment Adviser Fee | 0.75% |
| Ongoing Charge | 1.23% |
| Payment Dates | Quarterly |
| ISA Eligible | Yes |
| ISIN | GB00B13NPH48 |
| CITI CODE | K6LW |
| Bloomberg | PRESIN:LN |

Source: Financial Express. as at 31/08/2019

Past performance is not a guide to future performance.

Investment in the fund carries the risk of potential loss of capital.

*Historic Yield reflects the historic dividend income paid from the fund in the preceding 12 months as at 31/08/2019.

Holdings within other share classes of the Fund previously active were converted to the 'General Income Class' reflected within the document as of 1st July 2019.

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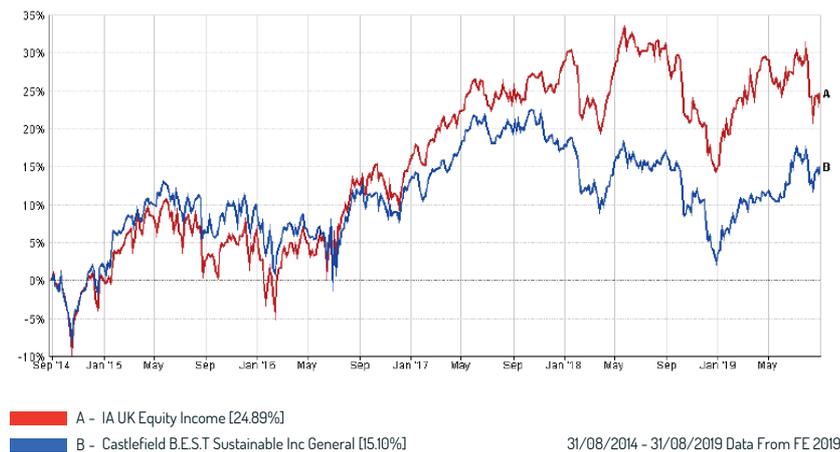
Fund Objective and Strategy

The investment objective of the Fund is predominantly to generate a relatively high level of current income, together with income growth and some capital growth over the long term, which is superior to the median performance of all of the funds forming the official peer group of which the Fund is a part. 'Peer group' is defined as being the Investment Association sector to which the Fund has been allocated (currently being the UK Equity Income Sector) or to which it may be allocated in future, as determined by that body. Long term means over a minimum investment horizon of five years. The fund adopts a unique investment process designed to consider factors beyond traditional business and financial criteria, as outlined in the fund's name:

| | |
|-------------------------------------|------------------------------------|
| B Business & financial | S Social |
| E Environmental & ecological | T Transparency & governance |

The investment adviser uses a responsible investment process to identify securities in which the fund may invest. The four criteria that need to be evidenced by each investment are reflected in the name of the fund where 'B.E.S.T' indicates Business & financial, Environmental & ecological, Social and Transparency & governance.

* Further information on the 'B.E.S.T' criteria and sustainability element may be obtained from the Investment Adviser upon request.



Cumulative Performance (%)

| | 1 Mth | 3 Mths | 6 Mths | 1 Yr | 3 Yrs | 5 Yrs |
|-----------------|-------|--------|--------|-------|-------|-------|
| B.E.S.T | -0.74 | 3.76 | 4.54 | -0.97 | 3.33 | 15.10 |
| Sector | -3.46 | 0.21 | 1.38 | -3.76 | 10.60 | 24.89 |
| Quartile | 1 | 1 | 1 | 2 | 4 | 4 |

Discrete Performance (%)

| | 2019 YTD | 2018 | 2017 | 2016 | 2015 |
|-----------------|----------|--------|-------|------|------|
| B.E.S.T | 10.93 | -11.93 | 3.91 | 3.54 | 7.32 |
| Sector | 8.36 | -10.54 | 11.32 | 8.84 | 6.20 |
| Quartile | 2 | 3 | 4 | 4 | 2 |

Discrete Year to Quarter End Performance (%)

| | Q2 2018 | Q2 2017 | Q2 2016 | Q2 2015 | Q2 2014 |
|----------------|---------|---------|---------|---------|---------|
| | Q2 2019 | Q2 2018 | Q2 2017 | Q2 2016 | Q2 2015 |
| B.E.S.T | -0.25 | -3.45 | 17.05 | -5.87 | 9.28 |

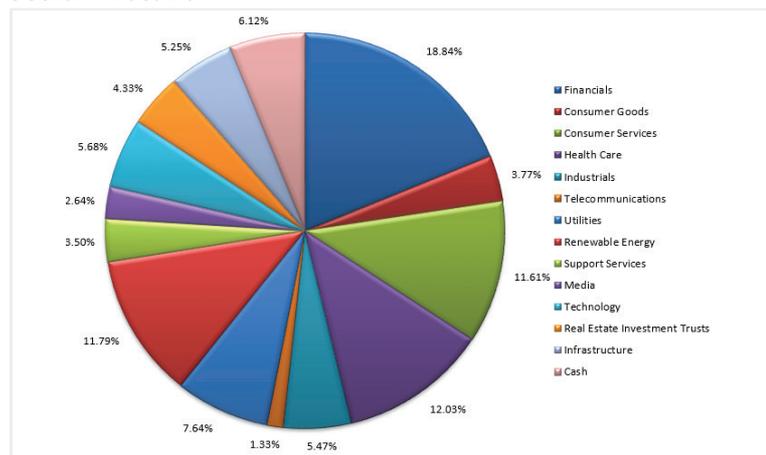
Fund Commentary

August was a pleasing month with regards to relative performance with the fund returning -0.74% compared to the UK high-yielding index and sector peers which returned -5.78% and -3.46%, respectively.

Top contributors to the Fund's performance were Greencoat Renewables and Avast. Greencoat Renewables, the euro-denominated renewable infrastructure fund, was the fund's top performer moving 8.7% higher over the month. With Brexit dominating the headlines, holdings with exposure to overseas revenues found favour with investors. The trust's underlying earnings stream and its shares are both quoted in euro and the currency strengthened relative to sterling, enhancing the attractiveness of the fund to investors during the period. The fund also benefited from the sharp downward move in bond yields as risk aversion gripped equity markets. The resulting yield compression boosted the value of bond proxies and the shares now command a sizeable premium to NAV. Avast, a new addition added to the fund in July, announced strong first half results towards the middle of August. Revenues beat analysts' expectations and the company raised guidance for the full year from high single-digit to low double-digit growth. The company's continued ability to convert 'freemium' members into paying subscribers combined with customer retention saw its billings grow c.12.5% over the period and cash generation improved further. New product launches and cross-selling opportunities continue to support the Company's long-term prospects. Having taken the decision to invest prior to the results the announcement was reassuring, and we are pleased with how the Company is progressing thus far.

Detractors to performance came from Prudential and Cineworld. Prudential released interim results confirming the expected timeline for its demerger of its asset management business M&GPrudential. Whilst the Group's results proved to be positive, the drawn-out process of the demerger and recent market turmoil hit sentiment and the shares slid during the month. The trade turmoil between the US and China and further political unrest in Hong Kong seem to have no imminent resolution and are casting a shadow over the shares into this month. Global cinema chain, Cineworld moved lower on 'softer' performance announced in its interim results. This was largely as a consequence of the timing of film releases and a lack of 'blockbusters' compared to the prior year period. Whilst the timing of releases remains out of the Group's control, the positive update on the Regal integration as well as its plans to roll out monthly subscriptions in the US, similar to its tried and tested proposition within the UK were notable positives. A continued focus on reducing net debt post the regal acquisition and a strong pipeline of releases for the second half of the year leave us more optimistic on prospects for the full year.

Sector Allocation



Top Ten Holdings

| | | |
|-----|----------------------|-------|
| 1. | Glaxosmithkline | 6.17% |
| 2. | Astrazeneca | 5.86% |
| 3. | Greencoat UK Wind | 5.49% |
| 4. | Greencoat Renewables | 4.84% |
| 5. | Assura REIT | 4.33% |
| 6. | Equiniti Group | 3.50% |
| 7. | National Grid | 3.49% |
| 8. | The Gym Group | 3.26% |
| 9. | Avast | 3.08% |
| 10. | Phoenix Group | 2.93% |

Fund Manager

Mark Elliott, Partner, MChem (Hons), CFA, Chartered MCSI

Mark was one of the founding members of the Castlefield investment management business, having previously worked with the other co-founders within the institutional investment and fund management division of private bank, Brown Shipley. In addition to being the lead manager of the Castlefield B.E.S.T Sustainable Income Fund, Castlefield Real Return Fund and the Castlefield B.E.S.T UK Opportunities Fund, Mark is also responsible for managing segregated accounts for the firm's discretionary clients. A charter holder (Chartered Financial Analyst) of the CFA Institute as well as an individually Chartered Member of the Chartered Institute for Securities & Investment (CISI), Mark has over 15 years industry experience.

Important Information

This document provides information about the Castlefield B.E.S.T Sustainable Income Fund. Castlefield Fund Partners Limited (CFP) is the Authorised Corporate Director (ACD) of the Fund and Castlefield Investment Partners LLP (CIP) is the appointed Investment Adviser. Both CFP and CIP are authorised and regulated by the Financial Conduct Authority. This document does not constitute or form part of, and should not be construed as, an initiation to buy or sell units and neither this document nor anything contained or referred to in it shall form the basis of, or be relied on in connection with, any offer or commitment whatsoever. The value of units and the income generated from them can fall as well as rise and are not guaranteed; investors may not get back the amount originally subscribed. Equity investments should always be considered as long term. Investors should not purchase the Fund referred to in this document except on the basis of information contained in the Fund's prospectus. We recommend that investors who are not professional investors should contact their professional adviser. The Fund's Prospectus and Key Investor Information Document (KIID) are available from www.castlefield.com or direct from Castlefield.

Contact Information

Castlefield Fund Partners

111 Piccadilly, Manchester, M1 2HY

Dealing Information: 0345 026 4284

General Enquiries: 0161 233 4890

E: castlefield@mailto:landgroup.co.uk

W: www.castlefield.com