

Better World Fund (£)

30 September 2019

Open Ended

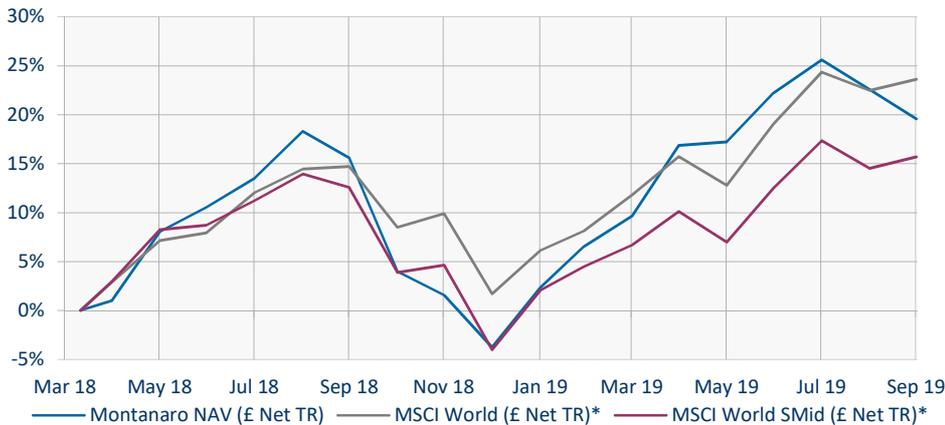
Fund Objective

The Fund will seek to invest in high quality companies whose products, services or behaviour are deemed to make a positive impact on society and which emphasise sound environmental, social and governance (ESG) practices. In particular, the Investment Manager will seek to identify profitable and well managed businesses operating in markets that offer attractive structural growth opportunities. The Fund may not invest in companies with material revenue exposure to the manufacturing or supply of weapons, tobacco, gambling, adult entertainment, alcohol, exploration and production oil & coal companies, or any other areas deemed not to meet the Investment Manager's ethical standards.

Performance

	YTD	1M	3M	6M	12M	3Y	5Y	Launch
Fund (TR)‡	24.3%	-2.4%	-2.2%	9.0%	3.4%			19.6%
MSCI World (TR)*	21.5%	0.9%	3.8%	10.6%	7.8%			23.6%
MSCI W. SMid (TR)*	20.5%	1.0%	2.8%	8.4%	2.8%			15.7%
Fund	24.0%	-2.4%	-2.2%	9.0%	3.2%			19.3%
MSCI World*	19.6%	0.7%	3.4%	9.4%	5.6%			20.0%
MSCI W. SMid*	18.9%	0.8%	2.4%	7.4%	1.1%			12.7%

Cumulative Performance Since Inception



Calendar Year Returns



Source: Montanaro, Bloomberg. NAV to NAV, unrounded.

‡ Dividends reinvested at ex-date.

*Please note the MSCI World & MSCI World SMid indexes are shown for comparison purposes only.

About Montanaro

Montanaro, an independent specialist asset manager, was established in 1991 to research and invest in quoted Small & MidCap companies. Funds under management are currently £2.2 billion.

Fund Facts

Co-Fund Managers	Charles Montanaro Mark Rogers
Contact	Ed Heaven
Fund Launch	10 April 2018
Currency	GBP
Class	Distribution
IA Sector	Global
Benchmark	None
Ticker	MONBWFG ID
ISIN	IE00BYWFFF02
Sedol	BYWFFF0
Net Assets	£148 million
NAV	£1.193
No. of Holdings	50
Median Mkt Cap	£3981 million
Cash	3.2%
Legal Status	Irish OEIC
Listing	Irish Stock Exchange
Valuation Time	Daily 4pm Dublin time
Minimum Investment	£1,000
Dealing Time	12pm Dublin time
Dividend Date	Expected Q1
Management Fee	Annual 0.50% Will increase to 0.85% from 1 January 2020
Authorised for marketing in	Ireland, UK, Iceland, Sweden, Finland, France, Netherlands, Italy
Fund ESG Score	6.4

The Fund ESG Score is the weighted average of Montanaro's proprietary company ESG Checklist scores (0-10; 10 is best).

Ratings



Montanaro is signatory to:



Important Information

All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

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Top 10 Holdings

Sartorius Stedim Biotech	3.5%
Waters Corp	3.1%
Ansys Inc	3.0%
Medidata Solutions	3.0%
Qualys Inc	2.9%
Solaredge Technologies	2.8%
Ryman Healthcare	2.7%
Cochlear Ltd	2.7%
Amplifon	2.7%
Halma	2.7%
Total	29.1%

Risk Analysis

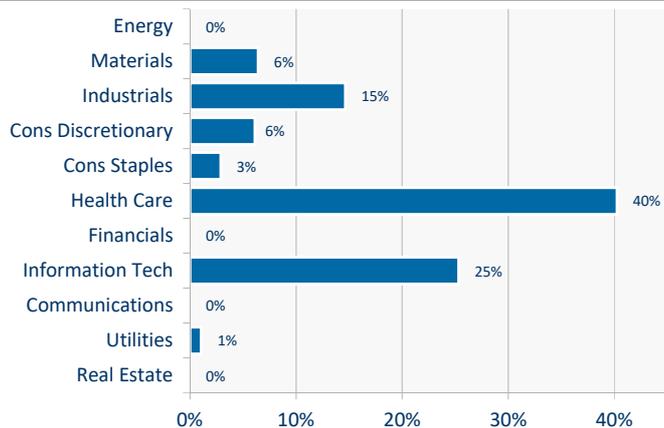
Insufficient data available for Risk Analysis

Portfolio Analysis

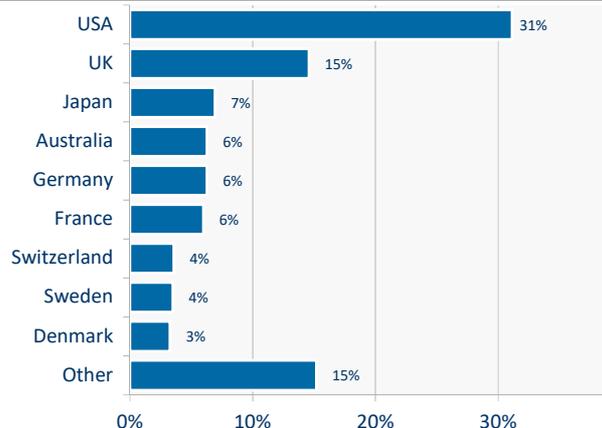
Price / Earnings 20F	27.3
EPS Growth 20F	12.3%
Dividend Yield 20F	1.3%
Dividend Growth 20F	6.4%
Return on Equity 20F	17.4%
EV/EBITDA 20F	21.0
EBIT Margin 20F	25.3%
Net Debt/Equity 20F	-5.8%

Source: Factset consensus estimates

Sector Allocation



Country Allocation (Top 10)



Monthly Commentary

September was a strange month. Investors returned from their summer holidays in a sprightly mood, pushing markets higher as weak economic data, a feature of the third quarter, was briefly ignored. Yet the month was not without its dramas. At one point, oil prices spiked by over 20% after an attack on Saudi Arabia's oil infrastructure, the largest move in the price of Brent crude since Saddam Hussein invaded Kuwait in 1990. Meanwhile, the European Central Bank joined the Federal Reserve in cutting interest rates, while also resuming quantitative easing.

In this context, the NAV of the Sterling share class declined by 2.4% in September.

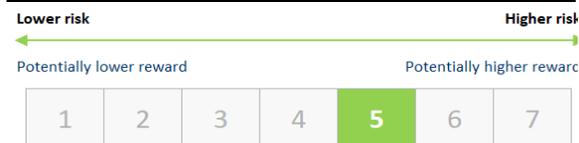
The strongest contribution during the month came from **Mani**, the medical devices company specialising in high quality surgical and dental equipment, which continued to benefit from strong growth expectations. **Ansys**, the engineering simulation software provider, rose following a well-received capital markets day. **Polypipe**, the leading supplier of recyclable plastic piping systems that are replacing carbon intensive cement alternatives, recovered from a weak period earlier in the summer.

The weakest contribution came from **Grand Canyon**, the provider of tertiary and online education services, which declined due to political worries in the US, namely the potential impeachment of President Trump. **Pro Medicus**, which makes software for enterprise imaging in healthcare settings, declined as the two founders sold a small part of their shareholdings. **Sartorius Stedim**, the developer of equipment used in the manufacture of biologic drugs, experienced profit taking after a strong run.

Perhaps the drama of the summer months (oil price spikes; interest rate cuts; trade war worries; Brexit, et al.) didn't feel so bad while the sun shone. There is little doubt that the global economy faces several unpredictable risks, however. How will the trade war develop? Is a "no-deal" Brexit now the most likely outcome in the UK? Will tensions in the Middle East escalate? Perhaps most importantly for bottom-up stock pickers, will companies respond to slowing growth and profits by scaling back investment plans and cutting jobs?

There is no clear answer to such questions. These uncertainties mean that the case for owning Quality companies remains as strong as ever. We continue to believe that the companies within the Portfolio offer compelling solutions to the world's greatest sustainability challenges. Coupled with our "Quality" bias, this leaves them well placed to deliver for their investors and stakeholders whatever the twists and turns in the macro economy over the coming months.

Risk and Reward Profile



These numbers rate how the Fund may perform and the risk of losing some or all of your investment. In general the potential for higher returns also implies a higher level of risk. However, the lowest category (1) does not mean a risk free investment.

This risk rating is based on historical data which may not be a reliable indication of the future risks and rewards of the fund. The risk rating of the fund may change over time.

Past performance is not a reliable indicator of future results. All investments are subject to risk and the value of shares and the income from them can fall as well as rise due to stock market and currency movements. You may not get back as much as you originally invested.

For further information please see the Risk and Reward section of the Key Investor Information Document (KIID).

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