

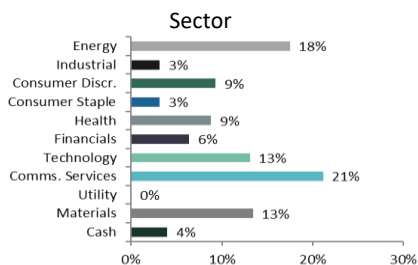
PERFORMANCE COMMENTARY

A bout of nerves brought on by a rise in bond yields dampened the stock markets’ enthusiasm towards the end of February. The Fund marginally outperformed global stock markets, holding up better in the second half and ending the month up 1.1%.

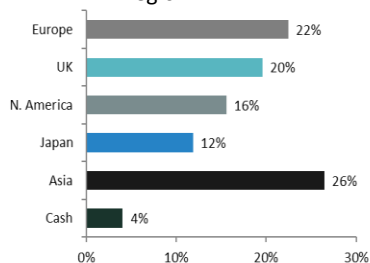
Our energy holdings continued their strong run and were the largest contributors to our monthly performance. These companies provide a vital resource in meeting the world’s energy needs through a transition to renewables that will take decades. (We believe in strong engagement with these companies to ensure they continue moving towards their climate change goals.) Despite the recovery in share prices, our energy stocks trade at an average of 10x our Sustainable Earnings, showing just how out of favour these stocks were and continue to be. The next top performer was M6-Metropole, the French media group. It reported strong 2020 results, with efficiency gains leading to its highest operating margin in twenty years and revenue growth in Q4 exceeding expectations. The dividend recommenced puts it on an 8% yield. It is a 3.2% position in the Fund.

Yamana, the Canadian gold miner, was the weakest performer in the month. This appears due to both the decline in the gold price and the company’s announcement of temporary lower production at one of its mines in Argentina (driven by Covid restrictions). Despite the impact to production, 2020 results were good. The balance sheet has improved and shareholder returns have been increased. Its portfolio of mines has been restructured over a number of years to now contain high quality mines in good jurisdictions in the Americas. On a 10% FCF yield and at 11x Sustainable Earnings, Yamana remains an exceptional investment.

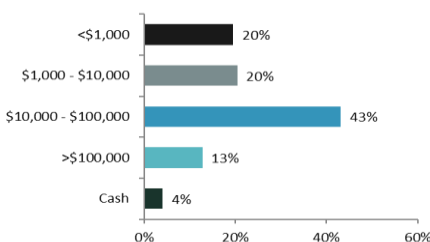
FUND POSITIONING



Region



Market Cap (\$m)



TOP 10 HOLDINGS

TOP 10 HOLDINGS	% FUND
NEWMONT CORP	6.7%
ROYAL DUTCH SHELL	5.5%
QUADIANT	5.1%
CHINA MOBILE	4.7%
EQUINOR	4.7%
BP	4.7%
NEWCREST MINING	4.1%
SINGAPORE TELECOM	4.1%
FUKUDA DENSHI	4.0%
TEXWINCA	3.6%
<b>Total Top Ten</b>	<b>47.0%</b>
18 other holdings	49.0%
Cash	4.0%
<b>Total</b>	<b>100.0%</b>

PERFORMANCE (net of fees)\*

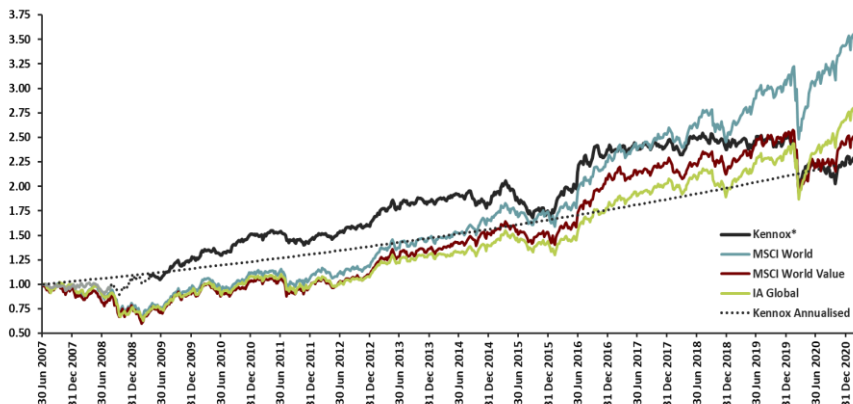
Inception (9/7/2007)	125%
UK Launch (30/4/2009)	108%
5 Years	20%
4 Years	-4.4%
3 Years	-6.4%
2 Years	-6.5%
1 Year	-0.1%
YTD	1.7%
3 Month	2.4%
1 Month	1.1%
Annualised:	
Inception	6.1%
UK Launch	6.4%

INVESTMENT TEAM

Charles L. Heenan CFA & Geoff Legg

Charles and Geoff have worked together as an investment team since the inception of the portfolio in July 2007. Both focus exclusively on the management of the Fund. They are fully aligned with investors, each having 100% of their investment in equities in the Fund.

RELATIVE PERFORMANCE



We focus on long-term, absolute performance, not on short-term relative returns.

We do not track, nor are we constrained by, a benchmark.

Reference to the MSCI World, MSCI World Value and IA Global indices are for comparative purposes only.<sup>‡</sup>

We would expect that Fund weightings (geographic, sector and market cap) may vary considerably from those of the MSCI and IA indices.

SINCE INCEPTION	Annualised Return	Sharpe ratio Annualised <sup>+</sup>	Best Month	Worst Month	Volatility <sup>++</sup>
<b>Kennox (net of fees)*</b>	<b>6.1%</b>	<b>0.4</b>	<b>13.8%</b>	<b>-9.2%</b>	<b>11.5%</b>
MSCI World Value	6.9%	0.3	11.5%	-14.2%	16.8%
MSCI World	9.5%	0.5	9.4%	-10.7%	16.0%
IA Global Sector	7.5%	0.4	9.8%	-12.6%	14.7%

ANNUAL DISCRETE	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007 (9/7/07)
<b>Kennox* (net of fees)</b>	<b>-11.1%</b>	<b>4.8%</b>	<b>-2.2%</b>	<b>2.5%</b>	<b>35.8%</b>	<b>-4.0%</b>	<b>-1.1%</b>	<b>15.5%</b>	<b>10.0%</b>	<b>-4.0%</b>	<b>21.1%</b>	<b>16.0%</b>	<b>9.8%</b>	<b>-2.1%</b>
MSCI World Value	-3.2%	18.0%	-4.6%	7.7%	35.1%	1.4%	11.0%	25.0%	11.2%	-4.4%	13.7%	15.3%	-18.2%	-4.3%
MSCI World	13.2%	23.4%	-2.6%	12.3%	29.1%	5.4%	12.2%	24.9%	11.3%	-4.5%	16.4%	18.1%	-18.8%	-0.4%
IA Global Sector	14.8%	22.0%	-5.7%	13.9%	23.9%	2.9%	7.0%	21.8%	9.7%	-9.3%	15.8%	23.0%	-24.3%	-0.1%

**Track Record Description & Methodology**

<sup>‡</sup> The indices are not targets for the Company, nor is the Company constrained by the indices. The ACD has selected the MSCI World Value Index, the MSCI World Index and the IA Global sector as comparators against which shareholders may compare the performance of the Company as it believes these best reflect the Company's asset allocation. For more information please see the Fund's prospectus (available online and upon request).

\* The portfolio was launched in July 2007 ("Inception") in Australia as the Contrarian Global Value Fund. The Kennox investment team ran that fund from launch until September 2008. The Kennox Strategic Value Fund was launched in April 2009, comprising 19 of the 20 positions that existed in the Australia fund. We have assumed a static portfolio for the interim period. Performance shown reflects total return of the Institutional Share class. Performance figures are generated from the accumulation shares since their launch on 29 April 2013. Prior to that performance figures are taken from an alternative share class, adjusted to reflect a 1.0% management fee throughout.

+ Sharpe Ratio is calculated as annualised return divided by the standard deviation of the excess return over the Libor 3m Bond yield.

++ Volatility is calculated as the standard deviation of the natural log returns multiplied by the square root of the periodicity of the returns.

Performance figures shown are total return with data for Kennox and the MSCI provided by Kennox/Bloomberg and IA Global data provided by Morningstar



3 SHARE CLASSES (Income & accumulation)	Investment Management Fee	Minimum Initial Investment	GBP (pence)	OCF	Sedol	ISIN
Professional Income	1.3%	£20,000	109.6	1.47%	B2R8FY9	GB00B2R8FY91
Professional Accumulation	1.3%	£20,000	128.6	1.47%	B9DH0K0	GB00B9DH0K00
Institutional Income	1.0%	£2m	110.8	1.17%	B3YDJ20	GB00B3YDJ200
Institutional Accumulation	1.0%	£2m	133.3	1.17%	B8Y8GR4	GB00B8Y8GR43
Class A Income	0.80%	£20m	110.9	0.97%	B9D9Z90	GB00B9D9Z904
Class A Accumulation	0.80%	£20m	135.2	0.97%	B9B3CY8	GB00B9B3CY80

FUND DETAILS

**Fund Managers** Charles L. Heenan, Geoff Legg  
**Investment Universe** Listed securities on any globally recognised stock exchange, bonds and cash  
**Target Asset Allocation** 80-100% equities; 0-20% cash  
**Fund Status** UK OEIC; UCITS  
**IA Sector** Global Equity  
**Inception Date** July 2007; UK Fund launched in April 2009  
**Fund Size** £94 Million  
**Total Strategy AUM** £235 Million (Fund; Segregated mandates)  
**ISable Fund** Yes  
**Pricing** Daily at 1200  
**Dilution Adjustment** A dilution adjustment may apply on orders greater than 5% of AUM

TO DEAL IN THE FUND

All dealing is through our Transfer Agency:  
 Smith & Williamson Fund Administration Ltd  
 Tel: 0141 222 1150  
 Fax: 0207 131 8261  
[SWFAdealing@smithandwilliamson.com](mailto:SWFAdealing@smithandwilliamson.com)  
 206 St Vincent Street, Glasgow G2 5SG  
 Application forms, the Fund prospectus and KIIDs are available on our website:  
[www.kennox.co.uk/investing-in-the-fund/](http://www.kennox.co.uk/investing-in-the-fund/)

Performance Tracking

**Income Share** Income distributed semi-annually  
**Ex-Dividend Dates** Y/E: 1 October Interim: 1 April  
**Distribution Payment Dates** Y/E: 30 November Interim: 31 May  
**Dividend Yield (net of fees)** Class A: 2.4% Professional: 1.9% Institutional: 2.2%  
**Registrar** Smith & Williamson Fund Administration Limited  
**Depository** NatWest Depository Services Limited  
**Custodian** Bank of New York Mellon  
**Auditor** Johnston Carmichael

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