

Strategic Europe Quality Fund

An Introduction to the Fund



ERIC STURDZA
INVESTMENTS

FUND OVERVIEW

- The Fund launched in October 2010 by Eric Sturdza Investments and advised by Willem Vinke and the Lofoten Asset Management team since inception.
- The London-based team utilise a fundamental, bottom-up stock picking process, with an absolute orientation and strict valuation-driven investment process.
- High conviction portfolio of 25-35 large cap liquid stocks of European companies with a "quality value" bias - buying high-quality businesses and large cap stocks at a discount to their intrinsic value.

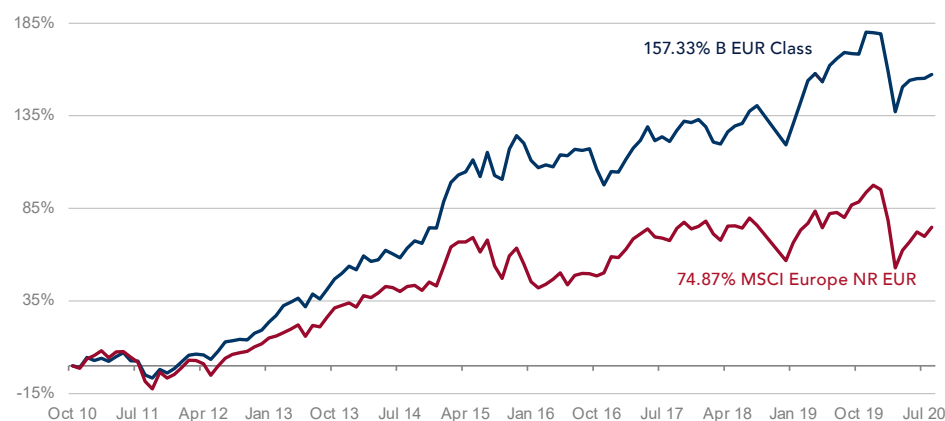
INVESTMENT PHILOSOPHY

- **Focusing on market leaders:** Benefitting from companies with long-term structural growth and high margins, strong barriers to entry and quality management.
- **Targeting sectors with low capital intensity:** Structural bias towards health care, consumer and IT and general avoidance of high cost of capital sectors such as insurers, utilities and the oil and gas majors.
- **Patient investing:** Ability to wait and focus on long term performance. Determining long-term fundamental valuation of each company that the Fund invests in.

INVESTMENT PROCESS

- Disciplined and repeatable investment process focusing on cash flow analysis, preferring superior quality business models with a focus on visibility, sustainable margins and high returns on invested capital.
- Strict valuation driven process, utilising a discount to intrinsic value approach and in-house modelling.

PERFORMANCE SINCE FUND INCEPTION¹



CALENDAR YEAR PERFORMANCE¹ %

	YTD 2020	2019	2018	2017	2016	2015	Annualised Inception
B EUR Class	-8.05	27.57	-5.86	13.73	-6.94	26.25	10.08
MSCI Europe NR EUR	-11.50	26.05	-10.57	10.24	2.58	8.22	5.84

- The B EUR Class of the Fund has returned 157.33% on an absolute basis since October 2010¹, representing a relative outperformance of 82.46% compared to its benchmark, an annual excess return of 4.24%.

Past performance is not an indicator of future performance.

PORTFOLIO MANAGER



Willem Vinke has been involved in the management of equity funds since 1995 and has been in the financial industry since 1992. Willem is the CEO and CIO of Lofoten Asset Management.

He holds an MSc in Economics from the London School of Economics and is a Chartered Financial Analyst.

FUND FACTS & TERMS

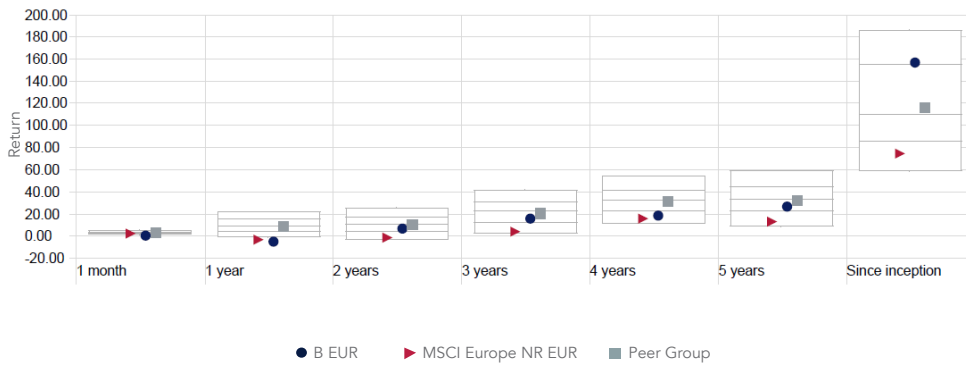
Morningstar Rating™	★★★★★ ²
A Sub-Fund of	E.I. Sturdza Funds plc
Manager	E.I. Sturdza Strategic Management Limited
Adviser	Lofoten Asset Management Limited
Structure	UCITS V Compliant
Domicile	Ireland
Launch Date	29 October 2010
Benchmark	MSCI Europe NR EUR
AUM	EUR 754.64 million
Strategy AUM	EUR 1,433.97 million
Active Share %	78.76%
Currency	EUR, USD, GBP, CHF
Minimum Investment	A/C: No Minimum B: 1 million SI: 25 million
Liquidity	Daily
Notification ³	One business day
Management Fee %	A: 1.50% B: 0.90% C: 2.20% SI: 0.75%
Performance Fee ³ %	A/C: 10.00% B/SI: 0.00%
Placement Fee	0.0%
Registered for Sale	AT, BE, BG, CH, DE, ES, FI, FR, IE, IT, LI, LU, NL, NO, SE, SG, UK
Administrator	SS&C Financial Services (Ireland) Limited
Depository	The Bank of New York Mellon SA/NV, Dublin Branch

CONTACT

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PERFORMANCE RELATIVE TO PEER GROUP AND BENCHMARK^{1,4}

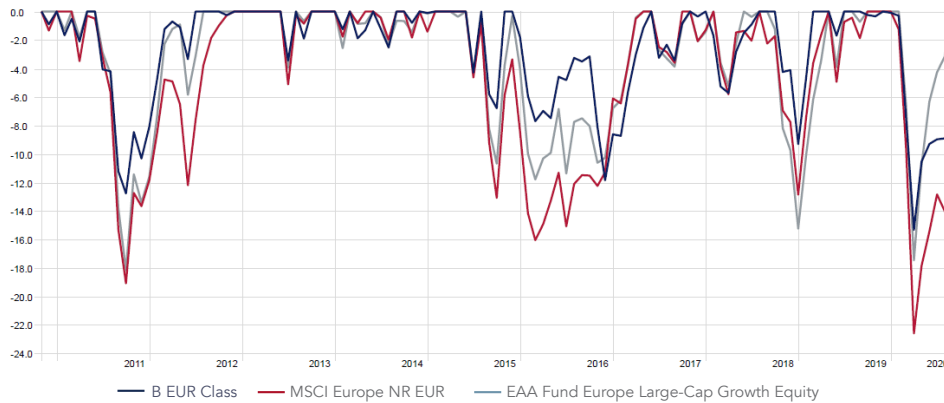


STATISTICS B EUR CLASS – ANNUALISED SINCE INCEPTION¹

	B Eur	Index	Peer Group
Return	10.09	5.85	8.18
Standard Deviation	10.94	12.99	12.48
Alpha	5.41	-	2.66
Beta*	0.74	1.00	0.92
Tracking Error	6.28	-	3.85
Sharpe Ratio	0.92	0.45	0.65
Information Ratio	0.64	-	0.57

* Not annualised

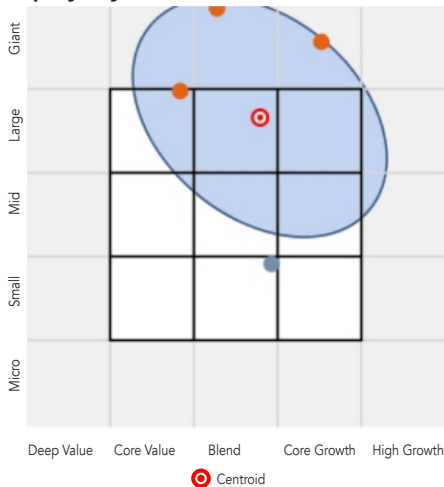
DOWNSIDE PROTECTION⁵



- Since inception, the Fund has continuously delivered downside protection to investors.
- With a down capture ratio of 56.37% over a five year time frame, the Fund places in the top 1% of its peer group and well ahead of the peer group average at 96.85%.

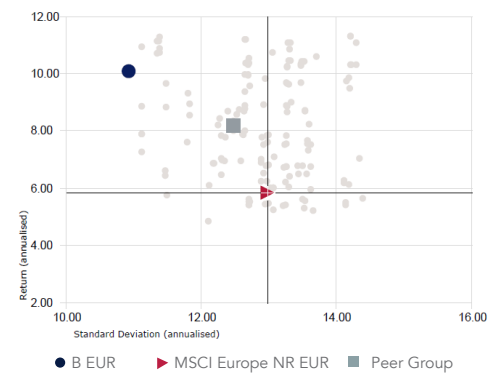
PORTFOLIO STYLE^{5,6}

Equity Style Box



Sectors	Fund %	Category %
Basic Materials	3.20	7.01
Consumer Cyclical	6.62	8.89
Financial Services	0.00	7.52
Real Estate	0.00	0.42
Communication Services	6.11	4.77
Energy	10.12	1.15
Industrials	1.07	16.12
Technology	9.01	18.94
Consumer Defensive	35.85	12.41
Healthcare	28.01	22.04
Utilities	0.00	0.73

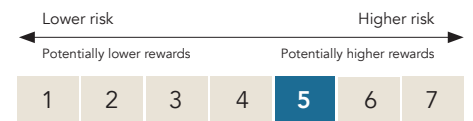
RISK / REWARD ANALYSIS^{1,4}



The risk / reward profile highlights the Fund's strong relative outperformance versus the majority of its peers as well as its benchmark since inception¹.

Further, the Fund's focus on defensive and less cyclical stocks leads to a 'less volatile returns' profile when compared with both its benchmark and peers.

RISK & REWARD PROFILE



¹ Source: Morningstar Direct. Note that this includes a track extension for the B EUR Class, utilising performance for the A EUR Class, prior to the launch of the B EUR Class on 31.12.2012.

² Morningstar Overall Rating™ as of 31.08.2020: Strategic Europe Quality Fund (B EUR Class).

³ For more information, please refer to the latest Prospectus.

⁴ Analysis based on peer group percentiles 5-95%.

⁵ Source: Morningstar Direct.

⁶ The Strategic Europe Quality Fund appeared as a large growth fund on the Morningstar Style Box™ at 30 June 2020.



RATINGS & AWARDS*



Morningstar Sustainability Rating as at 31/07/2020. Out of 2,704 Europe Equity Large Cap funds as of 31/07/2020. Based on 96.74% of AUM.



Low Carbon

Morningstar Low Carbon Rating as at 30/06/2020.

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WARNING

The contents of this document have neither been reviewed nor endorsed by the Central Bank of Ireland or any other regulatory authority. If you are in any doubt about any of the content of this document you should obtain independent professional advice.

***RATINGS & AWARDS DISCLAIMER**

Strategic Europe Quality Fund (B EUR Class) received a 3-star Morningstar Overall Rating™ and a 3-star Morningstar 5-year Rating™. Morningstar Ratings as of 31/08/2020.

The Strategic Europe Quality Fund received a Morningstar Low Carbon Award. Carbon Metrics as of 30/06/2020. Based on 88.12% of AUM. Data is based on long positions only.

The Strategic Europe Quality Fund received a Morningstar 3 Globe Morningstar Sustainability Award. Historical Sustainability Score as of 30/06/2020. Sustainability Rating as of 31/07/2020. Sustainalytics provides company-level analysis used in the calculation of Morningstar's Historical Sustainability Score. Data is based on long positions only.

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