

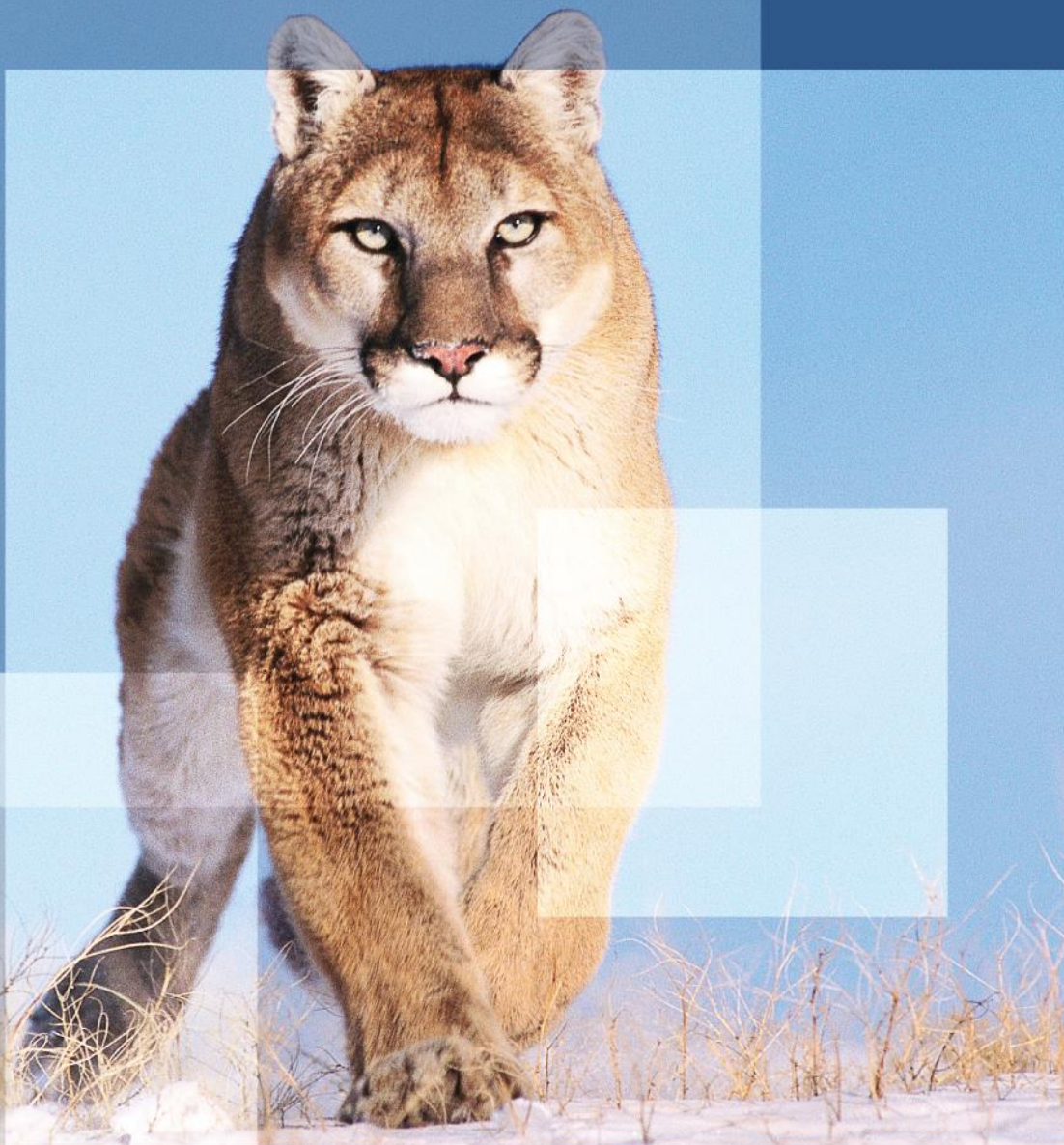
Charteris Treasury Portfolio Managers Ltd

WS Charteris Premium
Income Fund

Fund presentation

Q4 2021

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Background – WS Charteris Premium Income Fund

■ Manager

Ian Williams Chartered FCSI became a Chartered Wealth Manager in 2013, Lead manager of the **WS Charteris Premium Income Fund**. Correctly predicted \$2,000 Gold price in July 2008 Daily Telegraph feature. Citywire plus rating in 2020, Citywire A Rating in 2009, 2010, 2011 & awarded Alpha Manager in 2011 for previously managed UK Gilt fund. Currently Citywire + Rated



✉ iw@charteris.co.uk

■ Performance

✓ 2016	- up 18.12%	*Bloomberg
✓ 2017	- up 11.86%	*Bloomberg
✓ 2019	- up 18.95 %	*Bloomberg
✓ 2020	- up 5.05%	*Bloomberg
✓ 2021	- up 9.18%	*Bloomberg

■ Framework

UK UCITS Structure

ACD – Waystone Management (UK) Limited. (Formerly *DMS Investment Management Services (UK) Limited*. WS is the worldwide leader in Fund governance with assets under service of \$350bn

Depository & Custodian – Credit Agricole (AAA). CACEIS Bank, UK Branch



Fund Parameters

- Fund which only invests in the UK blue-chip listed companies
- Targets growth stocks within this jurisdiction balanced with traditional income stocks
- The aim is to target capital growth but also to target to pay a competitive/attractive yield
- Target Dividend yield of 4-6% a year (includes option premium received)
- Has permissions to write covered call options against underlying holdings inside portfolio
- Can be held inside ISAs / JISAs for long term view

Fund objective

The Fund seeks to provide capital growth through investment in a diversified portfolio of shares in UK companies with a target dividend yield of 4-6% - no small illiquid equities allowed



Actively managed



Concentrated portfolio



Valuation-based approach



Conviction led



Long term



Liquid portfolio



Fund Process

- Targeting absolute returns over a 3-5 year time horizon
- Companies with the ability to grow earnings at an above average rate
- Strong base of recurring revenues & significant market share
- Strongly financed companies with low capital requirements
- Scalable business model – few inhibitions to growth
- Highly profitable companies are defined by superior operating ratios with high returns on capital employed

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How do we build portfolios?

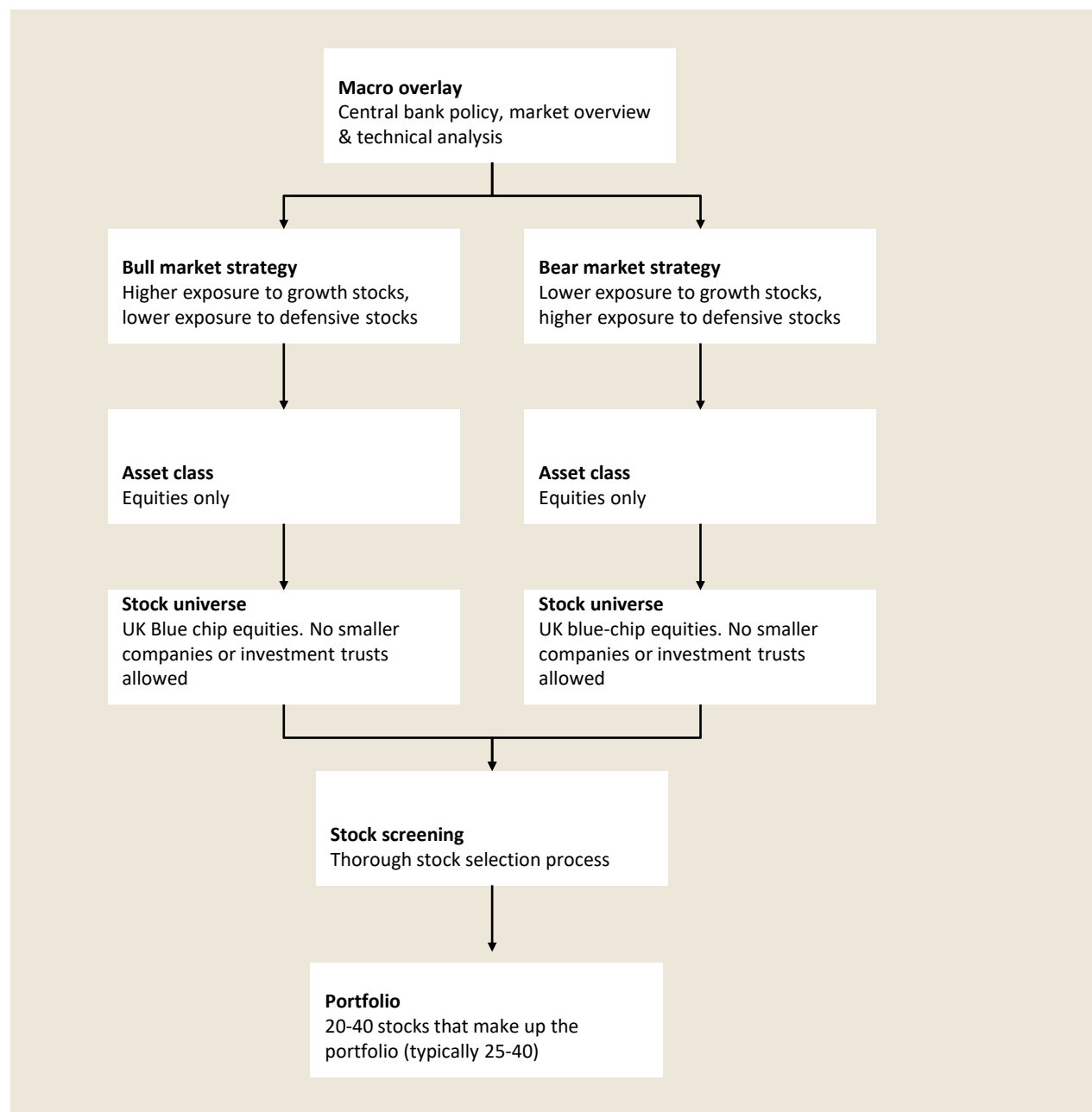
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Bull market strategy

1. Overweight growth stocks like miners
2. Overweight overseas earners
3. Underweight utilities and traditional defensives
4. Approx. 0.5% - 2% cash exposure

Bear market strategy

1. Underweight growth stocks like miners
2. Overweight utilities and traditional defensives
3. Maximum 10% cash exposure





Track Record

Top quartile in its sector

2009	+27.43 %
2010	+18.53%
2016	+18.16%
2020	+5.05%

Source: Bloomberg, I Accumulation share class.

Fund accomplishments (as at Dec 2021)

Increased capability to pay higher dividends

FE Triple Crown Rating

4* Morningstar Rating *

*Source: Morningstar; I Income share class

*Source: Financial Express, I classes.

Income Fund performance since 2010

Source: Charteris, Bloomberg (as at 31 Dec 2021)





ESG Approach

- Fundamental equity approach is to ensure that ESG factors are recognised, analysed and embedded within our assessment of intrinsic value
- All companies, particularly mining equities, are given ESG rankings.

E.g. RIO Tinto has an “A” rating

ESG Integrated

This Fund considers financially material Environment, Social and Governance factors in investment analysis and investment decisions, with the goal of enhancing long-term, risk-adjusted financial returns



Environmental



Social



Governance



Portfolio Case Study

Rio Tinto

Wheaton Precious Metals is a multinational precious metals streaming company. It produces more than 26 million ounces and sells more than 29 million ounces of silver mined by other companies (including Barrick Gold and Goldcorp) as a by-product of its main operations.

Key facts

Portfolio weight 6.23%

Mines produce Iron Ore, Copper, Diamond, Gold, Uranium

Market capitalisation Large Cap (£90B)

Attractive fundamentals

P/E Est. 6.5

Dividend Yield Circa 9%

EPS Est 6%

ESG Rating A Rated

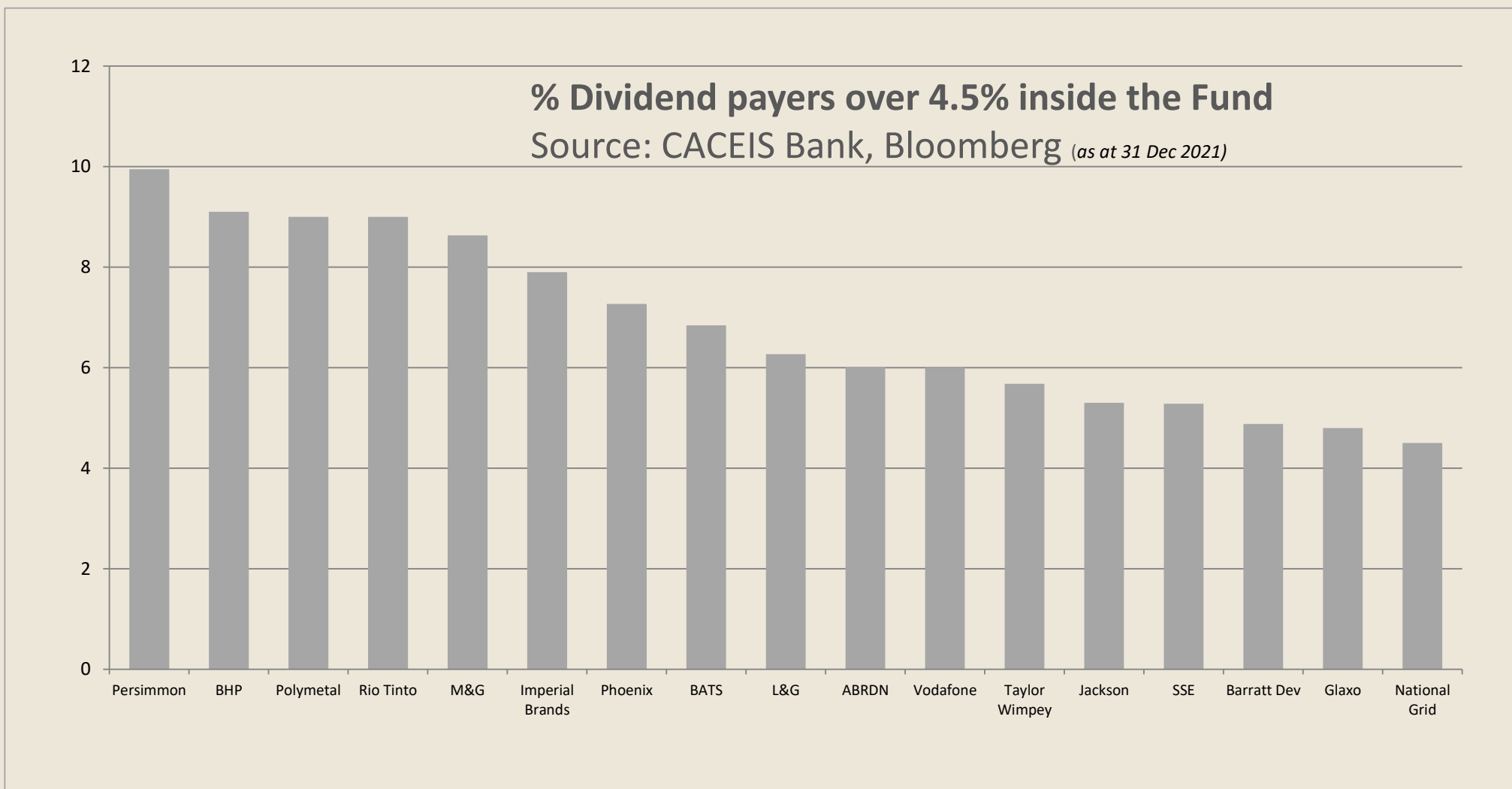
Rio Share Price since 2010

Source: Charteris, Bloomberg (as at 31 Dec 2021)





Dividend Yield contributors in %

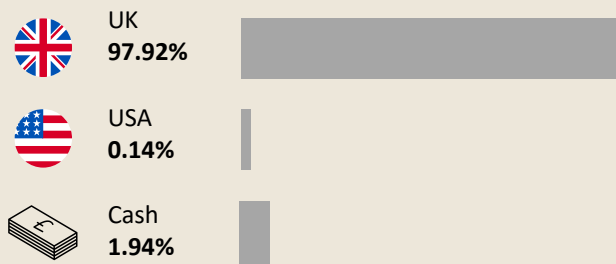




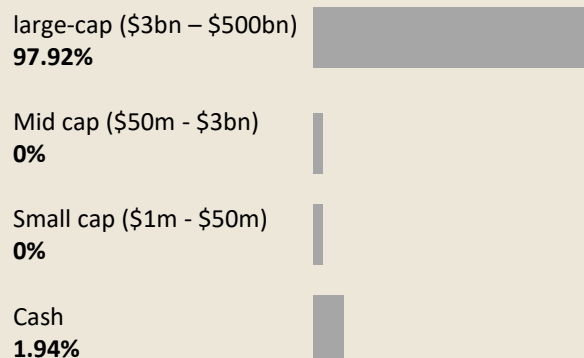
Portfolio Details

{as at 31 Dec 21}

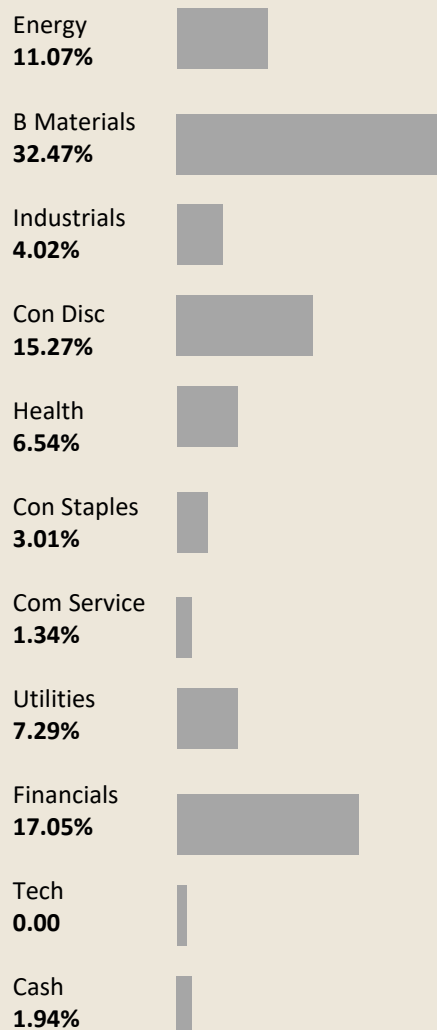
Share domicile holding



Market capitalisation

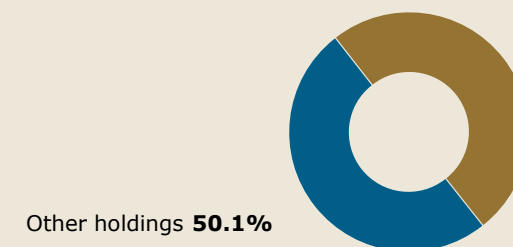


Sector allocation



Top 10 holdings

Stock	Country	Weight
Rio Tinto	UK	6.23%
Antofagasta	UK	6.18%
Evraz	UK	5.50%
Royal Dutch Shell B	UK	5.34%
BP	UK	5.05%
Legal & General	UK	4.51%
Polymetal	UK	4.48%
BHP Group	UK	4.41%
Taylor Wimpey	UK	4.27%
BAE Systems	UK	4.02%
Total of top 10		49.99%





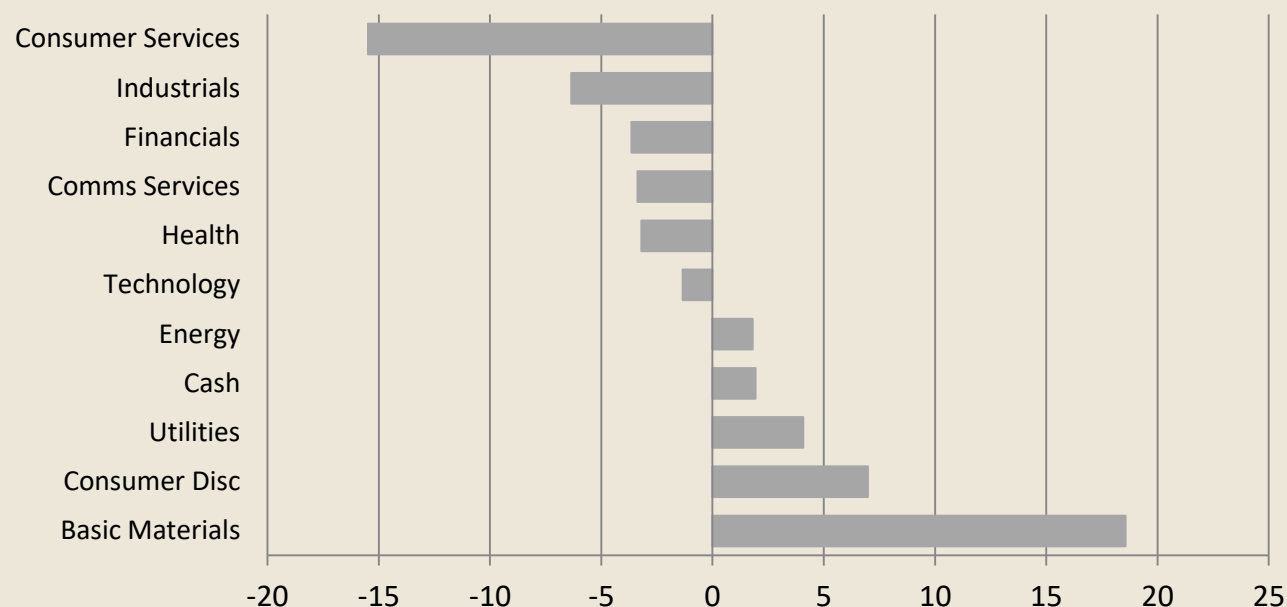
Portfolio Details

How do we select which sectors to invest in?

- With a Global remit, portfolio is constructed to perform during inflation
- Research is conducted on economic & other underlying conditions which can be variable
- Established blue-chips global securities offer higher dividend cover than smaller securities
- Currently have exposure to Basic Materials, renewables, utilities and retail

Overweight / Underweight Sector Allocation compared to UK Index

Source: Bloomberg (as at 31 Dec 2021)





Fund Details

IA Sector	IA UK Equity Income Sector	
Bloomberg Ticker Codes	HCCPIIA LN Equity (Inst Acc Class)	HCCPII LN Equity (Inst Inc Class)
Thomson Reuter Codes	LP68476168 (Inst Acc Class)	LP68476169 (Inst Inc Class)
ISIN Identifiers	GB00BYZKJ276 (Inst Acc Class)	GB00BYZKJ383 (Inst Inc Class)
Custodian	Credit Agricole, CACEIS Bank, UK Branch	
Authorised Corporate Director (ACD) and Registrar	Waystone Management (UK) Limited	
Auditor	Grant Thornton	
AMC	1%	(Institutional/Clean Classes)
OCF	1.44% (Institutional / Clean Classes)	(as at 31 Aug 2021)
MEXID	HTSAM (Inst Acc Class)	HTTTT (Inst Inc Class)
Citicode / FE Code	KLY3 (Inst Acc Class)	KLY4 (Inst Inc Class)



OCF & Risk Profile

Fund Size

£8.2m (as at 31 December 2021)

OCF, charges and TER

	Initial Charge	AMC %	OCF / TER*
I Classes	0%	1%	1.44%
A Classes	5%	1.5%	1.94

*as at 31 Aug 2021 (OCF = ongoing charging fee, TER = Total Expense Ratio)

Currently there are no plans to review these charges in the next 12 months. The total expense ratios quoted above are subject to change as the size of the fund fluctuates due to market movement and net inflows / outflows.

Yield and distribution rates

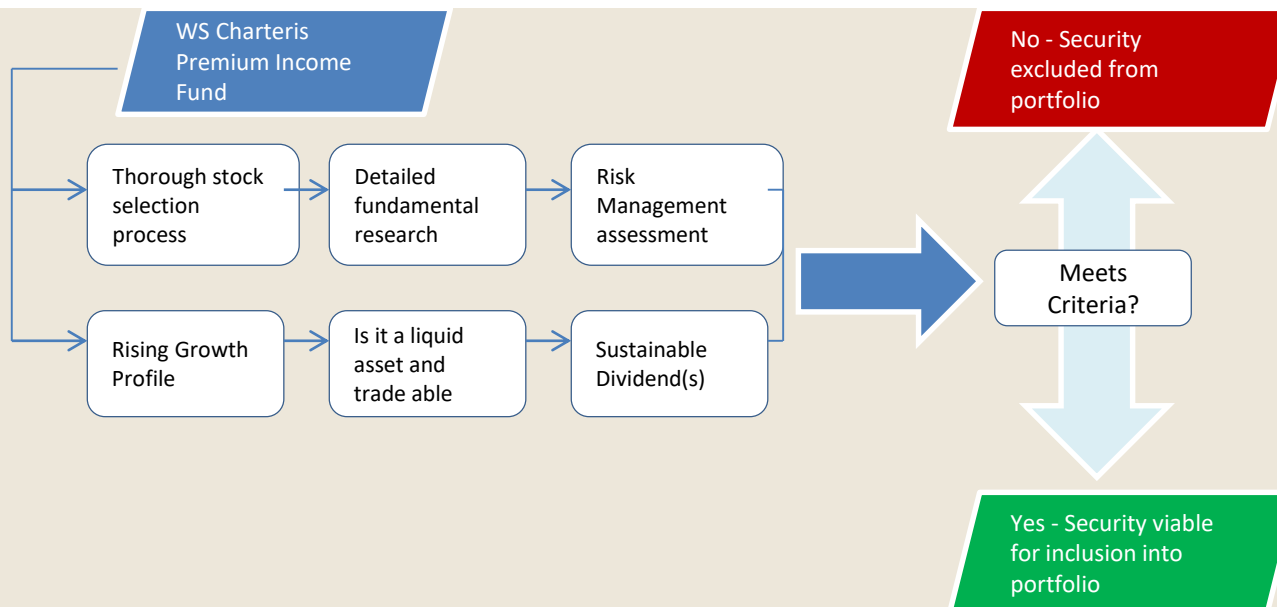
Distribution: Annual - 30th April
Interim - 31st October

Suitable for:

Regular savings, SIPPs, SSAS, ISA's & ISA transfers

Fund Structure

UK Regulated OEIC
Valued at midday every day
Priced in Sterling (£)



Risk & Reward Profile

Stock Holdings	Fundamental Research	Qualitative bottom up analysis and objectivity
Diversification	Sector / industry limit Position Limit	Maximum 40% 10%
Methodology	Cash Limit Options	10% Covered call options on specific stocks in portfolio
Risk Management	Independent verification No lock-in period	All positions of Fund are constantly monitored by compliance at DMS Investment Management Services (UK) Limited [ACD] as well as compliance team at Credit Agricole [Depository] Daily reporting & review of the Fund



Fund Details

Do's and Don'ts inside the Fund	WS Charteris Premium Income Fund
Currency Risk?	NO – Priced in Sterling and assets are held in Sterling
Any Hedging?	NO
Assets held?	YES – Blue Chip UK Equities YES – Cash
Assets held?	NO - UK Gilts NO – ETFs NO – Investment Trusts NO – Bank Loans NO – Convertible Bonds NO – Corporate Bonds NO – Corporate Credit NO – Debt
Max Holding of a security?	10%
Max amount of cash held at any one time?	10%
Max percentage towards one security?	10%
Fund Structure	UK ICVC
ISA Eligible?	YES
ESG Rating	NO – Investment must have performance as main criteria rather than to meet ESG Standard



Senior Investment Team – WS Charteris Premium Income Fund



Ian Williams
Lead Fund Manager



iw@charteris.co.uk
0207 220 9780

Ian Williams – Chartered FCSI, Chartered Wealth Manager

Ian has spent the past 35 years trading equities, commodities and G7 government bonds, covering sales, research, market making and proprietary trading. He was a member of the London Stock Exchange for many years before joining Chase Manhattan Bank (now JP Morgan). He then worked for Dresdner Kleinwort Benson and Guinness Mahon (now Investec) before becoming Chairman & Chief Executive of Charteris Treasury Portfolio Managers. Ian is the lead manager of the **WS Charteris Gold & Precious Metals Fund** (which was the top Fund in the country across all sectors in calendar year 2016) and the newly launched **WS Charteris Strategic Bond Fund** & The **WS Charteris Premium Income Fund**. A Charteris managed Gilt fund was the top UK Gilt Fund in 2007 & 2009 & 2013*. Ian Williams awarded Trustnet Alpha Manager in 2011 & accomplished a CityWire + rating in 2009, 2010 & 2011. Currently Citywire + rated



Colin Robertson
Fund Manager



cr@charteris.co.uk
0207 220 9780

Colin Robertson – MA, Chartered FCSI

Colin Robertson has over 35 years investment management & financial experience. He has held important and influential positions at some of the largest names in the financial sector including Aberdeen Asset Management, Cornelia, Gillespie McAndrew LLP and Brown Shipley. He has managed clients both on a discretionary and advisory basis in that time, across global markets and all sectors. He has demonstrated robust risk management skills and is extremely client focused. Colin graduated from Aberdeen University with a MA in accountancy and went on to acquire further qualifications including the London Stock Exchange exams as well as the LSE private client futures and options exams. Colin is a Chartered Fellow of the Chartered Institute for Securities & Investment. Currently Citywire A rated.



Key information and Risk warnings

Past performance should not be used as a guide to future performance. All performance information is based on the Institutional Accumulation share class unless otherwise stated.

The value of this investment and the income from it can go down as well as up, it may be affected by exchange rate variations and you may not get back the amount that you invested.

The outlook expressed in this presentation represents the views of the Investment Manager at the time of preparation and should not be interpreted as investment advice.

The asset splits detailed within this presentation are correct as at the reporting period and are subject to change, whilst operating within the objectives of the Fund.

This presentation should be viewed in conjunction with the Fund's Key Investor Information Document (KIID), which will exclusively form the basis of any application and the Fund's prospectus. A comprehensive list of risk factors is detailed in the KIID and the Principal Prospectus and an investment should not be contemplated until the risk are fully considered and understood.

This presentation is issued by Charteris Treasury Portfolio Managers Ltd. The KIID and Prospectus are available from the ACD, Waystone Management (UK) Ltd at waystone.com or Charteris at charteris.co.uk.

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