

Appian Ethical Value Fact Sheet Fund

DECEMBER 2017

About Appian Asset Management

Appian is an independent Irish owned asset management company. Since our establishment in 2003 our investment philosophy has been to achieve solid investment growth with the minimum of risk and volatility. Our objective is to preserve and grow capital through value investing on a sustainable, risk adjusted basis. We ignore investment fashions and do not leverage any of our investments.

Investment Team

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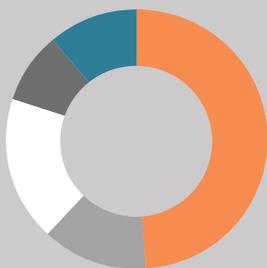
Niall Dineen

Pat Kilduff

Appian Ethical Value Fund Performance 02.01.18

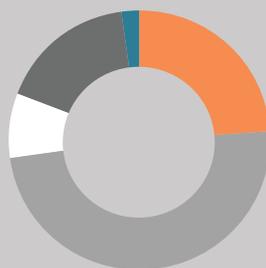
Period	2015	2016	2017
Fund Return	-2.43%	1.93%	1.86%

Asset Allocation



Equities	49%
Bonds	13%
Cash	18%
Property	9%
Alternatives	11%

Geographic Currency Distribution



US	24%
Euro	49%
Swiss	8%
UK	17%
NOK	2%

Key Features

- Focus on companies with strong balance sheets
- US, UK, Swiss and European stocks only
- Active stock selection
- No entry, exit or performance fees
- Lower volatility than global equity markets
- Sustainable long term returns
- Independent Trustee Custodian and Administrator
- Robust ethical screening using Vigeo Eiris™
- Independent oversight from Ethical Advisory Group

Appian Ethical Value Fund Review, Quarter 4 2017

There was a better tone to financial markets in the final quarter of the year, with equity markets especially performing well. Against this backdrop, the Appian Ethical Value fund was ahead by 1.39% in Q4 making for a 1.86% return for 2017 as a whole.

There was little change in the economic trends which had been well established all year. Growth in the global economy remains solid with the US, Europe and China being the main engines of that growth. Monetary policy has also been in line with expectations with the US Central Bank raising interest rates as expected in December.

Equity markets have benefitted this year from the underlying resilience in profits, after a number of years of sub-par performance. The equity component of the Ethical Value Fund performed well in the final quarter of the year. We saw especially good performance from our holdings in the retail sector. While fully acknowledging the threat from on-line retailers, our high conviction approach to stock selection, highlighting both strong financial characteristics and strong competitive positioning allows us to focus on quality names such as Kohls which was up 19% in the period. Another sector which performed well in the quarter was banking, where a return to more normal financial conditions well as better growth supported share prices. In the US our holding in Wells Fargo increased by 10%, while in Europe, UBS was ahead by just over 8%.

Bond markets had a reasonable finish to what was a quiet year. Eurozone government bonds, rose by just over 1.5% which edged them into positive territory for the year as a whole.

Elsewhere in the portfolio we continue to see good progress with our holdings in assets such as forestry (IFUT) which was up just over 6% for the year as a whole, and infrastructure where the value of our holding in the Irish Infrastructure Fund is ahead by close to 10% for the full year. Property also had another good year and despite the impact of the stamp duty increase in the budget, for the year as a whole the fund benefitted from a 9.6% increase in the unit value of our IPUT holding.

Looking ahead, we see a continuation of the positive economic backdrop and continued improvement in corporate profits which should underpin financial markets. Critical to investment outcomes will be how markets react to the series of increases in interest rates we are likely to see in the US. As always the Appian Ethical Value Fund remains well diversified over a range of quality assets.

Top 5 Equity Holdings 29.12.17

Name	Country	Sector	%
BP PLC	UK	Oil & Gas	3.36%
Nestle	Swiss	Food	2.98%
GlaxoSmithKline PLC	US	Pharmaceuticals	2.88%
Wells Fargo & Co	US	Financial Services	2.72%
Microsoft	US	Technology	2.61%

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Fund Facts

LAUNCH DATE

July 2015

NAME

Ethical Value Fund

FUND SIZE

€17 million

PRICING FREQUENCY

Monthly

PRICING BASIS

Single Price

ANNUAL MANAGEMENT

CHARGE

1.5% p.a.

FUND CUSTODIAN

**BNP Paribas
Securities Services**

STRUCTURE

**Retail Investor Alternative
Investment Fund**

WARNING The value of your investment may go down as well as up. Past performance is not a reliable guide to future performance. These investments may be affected by changes in currency exchange rates. If you invest in this fund you may lose some or all your investment.