

# Ecofin Energy Transition Strategy

As of 30 June 2022

The strategy invests in companies which have secular growth opportunities related to changes in the way energy is produced and consumed. The sectors exposed to the energy transition include utilities, technology, cleantech, industrials, mobility, specialty chemicals and waste. The strategy seeks to outperform the MSCI ACWI by 200-400bps per annum. The strategy is designed to incorporate ESG considerations and provide investors with exposure to key sustainability themes.

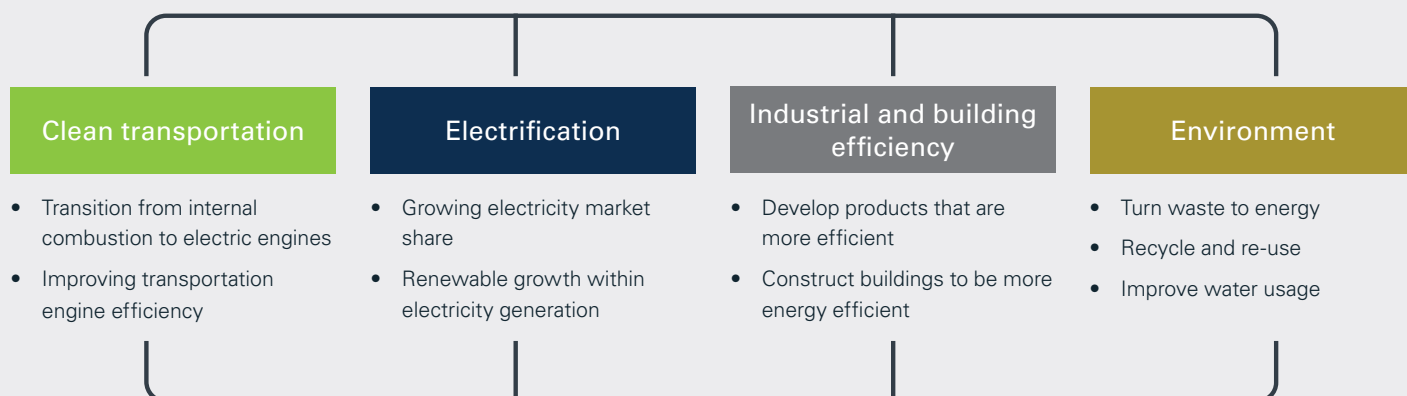
## Thematic research

- Emphasis on reducing carbon emissions and using resources more efficiently
- We identify four broad themes to develop our investment universe

## Strategy information

Firm AUM \$8.7B  
Strategy AUM \$320.5M

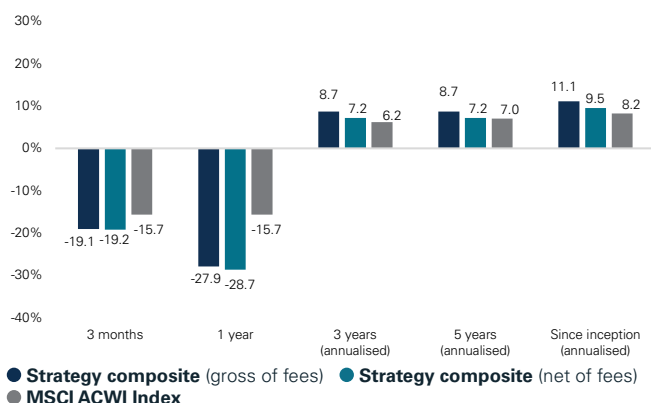
## Strategy master themes



## Portfolio characteristics

Number of holdings: 27 | Beta vs MSCI ACWI (ITD): 1.14 | Volatility (ITD): 18.5% | Correlation (ITD): 84.4% | Sharpe (ITD): 0.48

## Strategy performance<sup>1,2</sup> (total returns)



## Monthly returns<sup>2</sup> (net of fees)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	-14.3	-1.3	3.2	-11.2	1.6	-10.5							-29.6
2021	1.6	-0.7	0.2	0.0	0.8	2.9	0.9	0.9	-2.5	5.1	-4.3	1.6	6.2
2020	1.9	-4.8	-18.8	10.0	6.8	5.0	12.3	5.0	1.4	0.6	18.0	10.3	52.2
2019	9.6	2.5	-1.3	5.9	-4.6	6.4	-0.7	-0.9	3.2	1.9	1.7	2.8	29.3
2018	5.5	-5.4	-0.5	-0.2	0.0	-6.9	2.5	1.6	-3.9	-10.5	3.7	-8.6	-21.6
2017	2.8	1.6	-0.1	1.4	2.3	0.8	6.8	3.4	1.4	3.7	3.4	2.4	34.1
2016	-5.0	-2.3	6.2	0.8	2.5	0.4	3.9	7.7	2.2	-2.2	-3.2	-0.4	10.4
2015	1.9	4.4	5.9	3.8	3.5	-6.3	-5.4	-10.3	-7.2	8.4	-2.8	4.1	-2.3
2014	-0.9	7.1	-2.0	-2.4	2.6	4.3	-3.3	5.2	-3.5	1.0	-2.1	-3.3	2.0
2013	3.6	-1.0	3.9	1.5	7.3	-3.8	5.8	0.6	5.4	5.9	2.0	2.9	39.1

Gross and net performance provided. Source: Ecofin Advisors Limited, Bloomberg. Strategy and index returns are in US dollars. Total return includes dividends paid, if any, and reinvested. **Past performance is no guarantee of future returns.** Returns may increase or decrease due to currency fluctuations.

<sup>1</sup> Ecofin Energy Transition Unrestricted Carve-Out Composite, including all portfolios managed to an unrestricted (in terms of universe of investments) Energy Transition strategy, including a long-only carve-out of an existing fund and any standalone funds managed by Ecofin Advisors Limited.

<sup>2</sup> Net performance is net of 1.5% management fee on the carve-out portion and using actual net performances for the standalone funds.

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## Portfolio construction

Portfolios comprise 3 risk/return segments:

### Structural growth

- Quality multi-sector stocks that have structural growth exposure to our energy transition themes
- Quality is defined as:
  - Low leverage and low beta
  - Strong ROE and above market growth
  - High daily trading liquidity
  - Below average drawdowns (5 years)

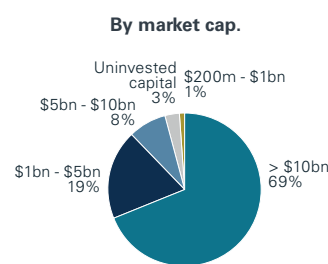
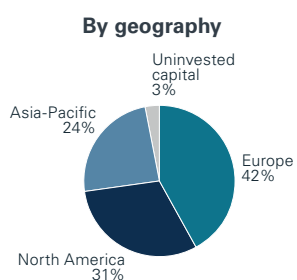
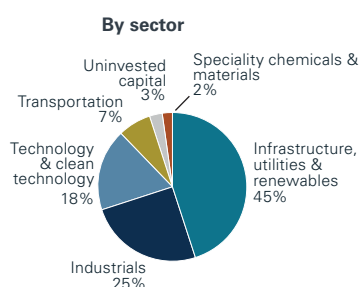
### Asset-backed growth

- Asset-backed businesses
- Long-term contracts
- Low variance in through-cycle demand
- Higher than average dividend yields

### Cyclical growth

- Stocks with long-term structural growth but susceptible to short cycle economic issues
- Conservative entry points to decrease the probability of large drawdowns

## Strategy exposure



## Ten largest holdings

1. China Longyuan Power Group	6.4%
2. NextEra Energy	6.1%
3. TE Connectivity	6.1%
4. Constellation Energy	5.5%
5. Infineon Technologies	4.8%
6. Schneider Electric	4.5%
7. Nidec Corp.	4.3%
8. Enel	4.3%
9. Rohm Co., Ltd	4.2%
10. Sunrun Inc.	3.9%

**Ten largest holdings 50.1%**

## Investment team

### Max Slee

#### Portfolio Manager

17 years investment experience

- Previously a member of the clean energy team of the Clinton Foundation and Lazard Corporate Finance
- Brown University, BA

### Matthew Breidert

#### Senior Portfolio Manager

28 years investment experience

- Previously with Millennium Partners, SG Barr Devlin and Cornerstone Energy Advisors
- University of Illinois-Urbana Champaign, BA; Washington University, MBA

## Adviser

Ecofin Advisors Limited is a leading investment management advisor within the TortoiseEcofin family, specialising in sustainability and impact investing globally across the energy transition value chain.

FCA regulated since 1992 and SEC registered since January 2006.  
Office: London

**This strategy seeks to achieve positive impacts that align with the following UN Sustainable Development Goals**

### Primary:



### Secondary:



Signatory of:  
**PRI** Principles for Responsible Investment

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