



WHEB Asset Management Clare Brook

Presentation to ECCR
November 2010

Important Notice

Regulatory Information and Risk Warning:

- ▶ This presentation is issued for information only by WHEB Asset Management LLP, which is regulated and authorised by the Financial Services Authority.
- ▶ The views and opinions expressed in this presentation are based on internal research and are not to be relied upon as an indication of future stock market performance or any guarantee of return from investment.

Growth in SRI and Ethical Investment

- £9.5bn at end of 2009 in SRI and Ethical funds in UK
- 750,000 investors, over 100 funds
- Growth in SRI in lock-step with increasing public interest in fair trade, organic and locally sourced food, alternative healthcare, alternative energy, recycling, etc.
- Fuelled by corporate scandals, investor education.






And yet... 'X' Fund Managers' Ethical Fund:

Top 10 holdings as at 31 August 2010

<i>Centrica</i>	5.2%	<i>Tesco</i>	3.6%
<i>Vodafone</i>	4.7%	<i>National Grid</i>	3.6%
<i>BP</i>	4.3%	<i>Standard Chartered</i>	3.4%
<i>HSBC</i>	3.8%	<i>Unilever</i>	3.4%
<i>Royal Dutch Shell</i>	3.8%	<i>Astra Zeneca</i>	3.4%

Enter Thematic Investment...

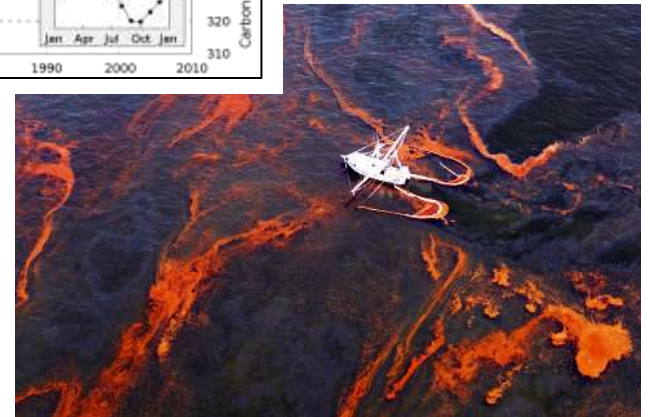
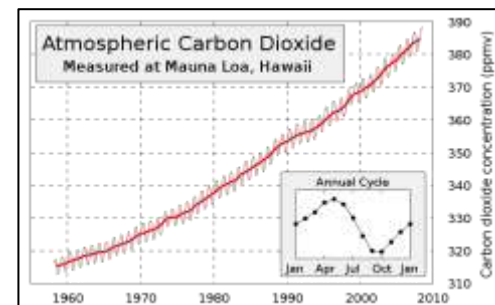
- ▶ What are key challenges facing humanity over next few decades?
- ▶ Which companies offer solutions to those challenges?
- ▶ Companies providing solutions offer exceptional growth opportunities:

Drivers	Themes	
	Climate Change	Clean energy Energy efficiency Clean transport
	Water shortages	Infrastructure Efficiency Treatment
	Ageing population	Healthcare products and services Healthy living

Climate Change and the Energy Challenge

Human activity is causing catastrophic changes in temperature

- ▶ Need to move towards low CO2 economy
- ▶ Rising costs of energy
- ▶ Scarce and inaccessible traditional energy sources
- ▶ Concerns over security



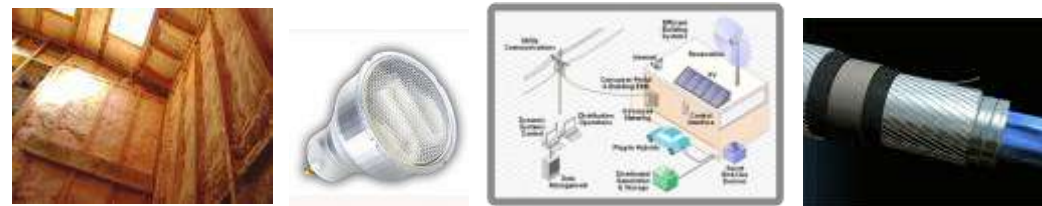
Climate Change

Opportunities presented by the climate change challenge

Alternative energy



Energy efficiency



Clean transport



Clean industrial processes



Water

Global water resources are under increasing stress

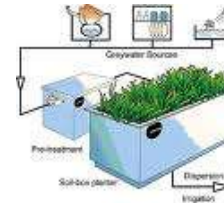
- ▶ Population growth
- ▶ Increasing standards of living
- ▶ Changing diets
- ▶ Climate change effects
- ▶ Ageing infrastructure in the developed world
- ▶ Infrastructure expansion in the developing world



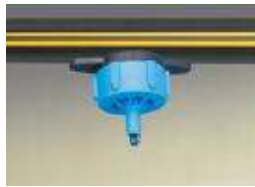
Water

Opportunities presented by water resource shortages

Water efficiency



Water products



Water infrastructure



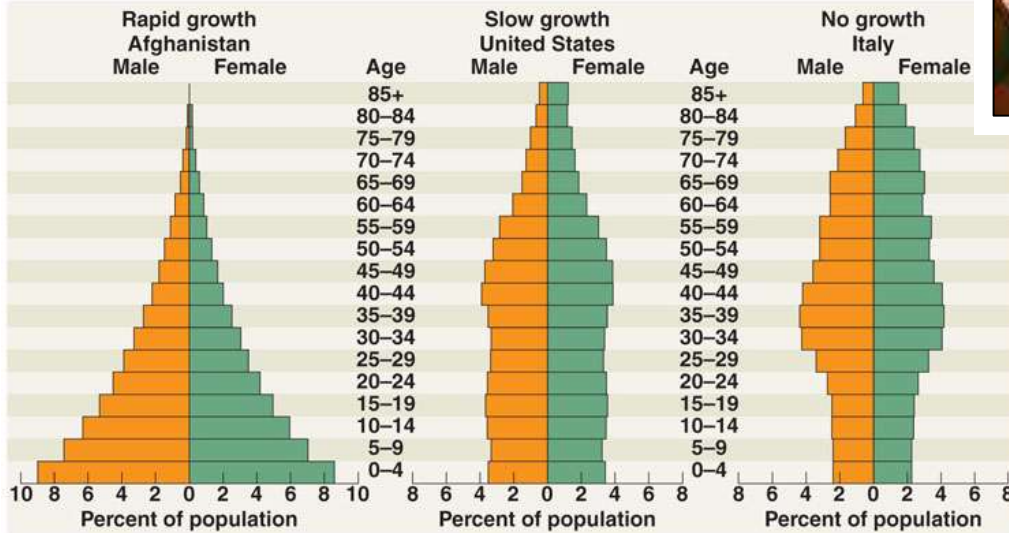
Water utilities



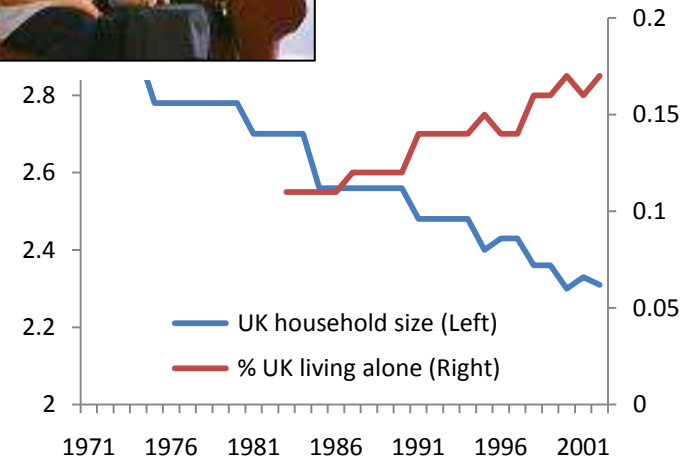
Ageing population

The world's population is aging rapidly, and lifestyles are changing

- ▶ Increasing life expectancy
- ▶ Number of people 85+ set to treble by 2050 in EU
- ▶ Over 85s require 9x medical treatment vs. under 65s
- ▶ Declining family support networks
- ▶ Increasing quality of life expectations



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Ageing population

Opportunities presented by demographic shifts

Medical devices



Care and services



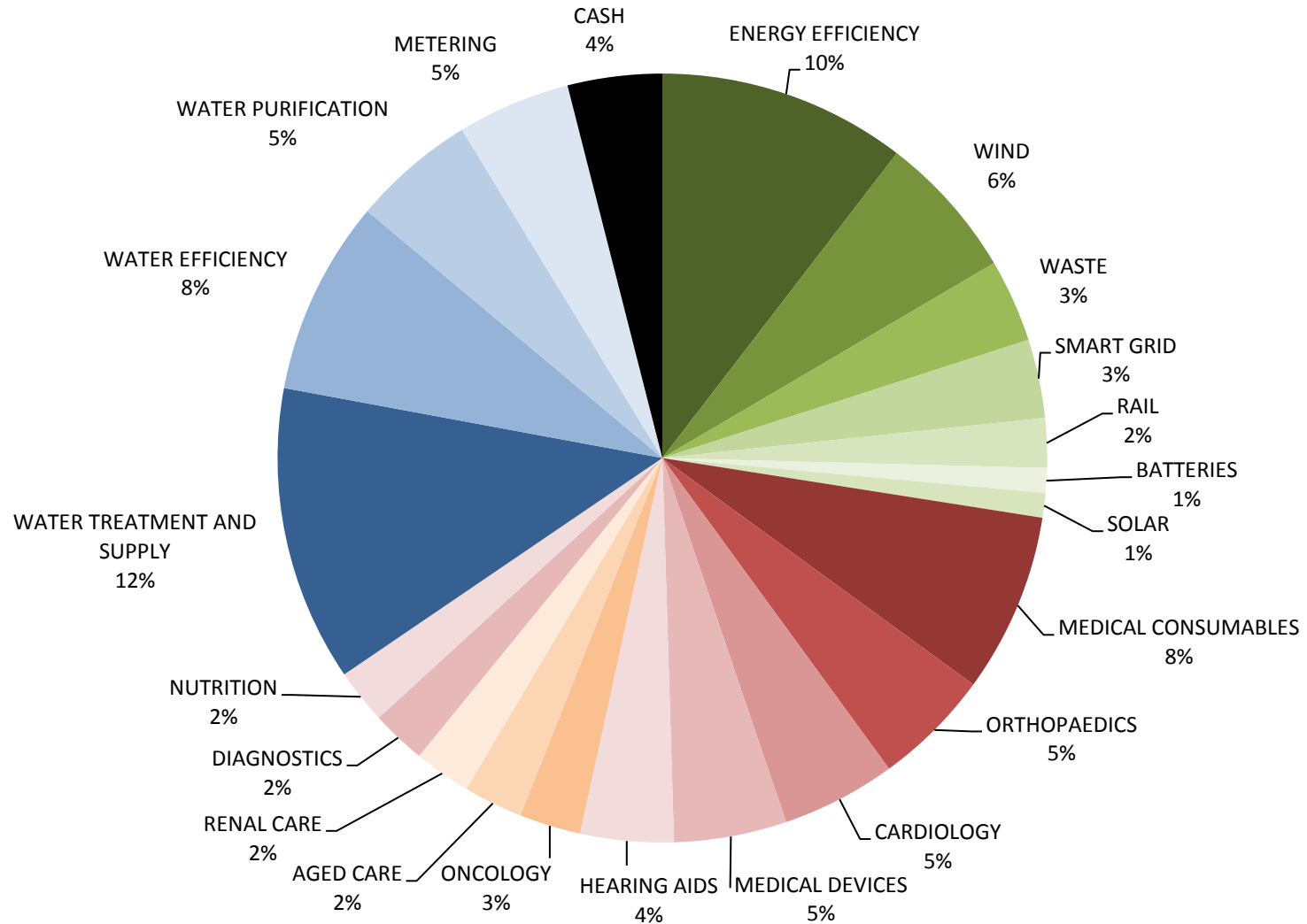
Implants and orthopaedics



Wellbeing and nutrition



Fund composition by subsector (31 Oct 2010)



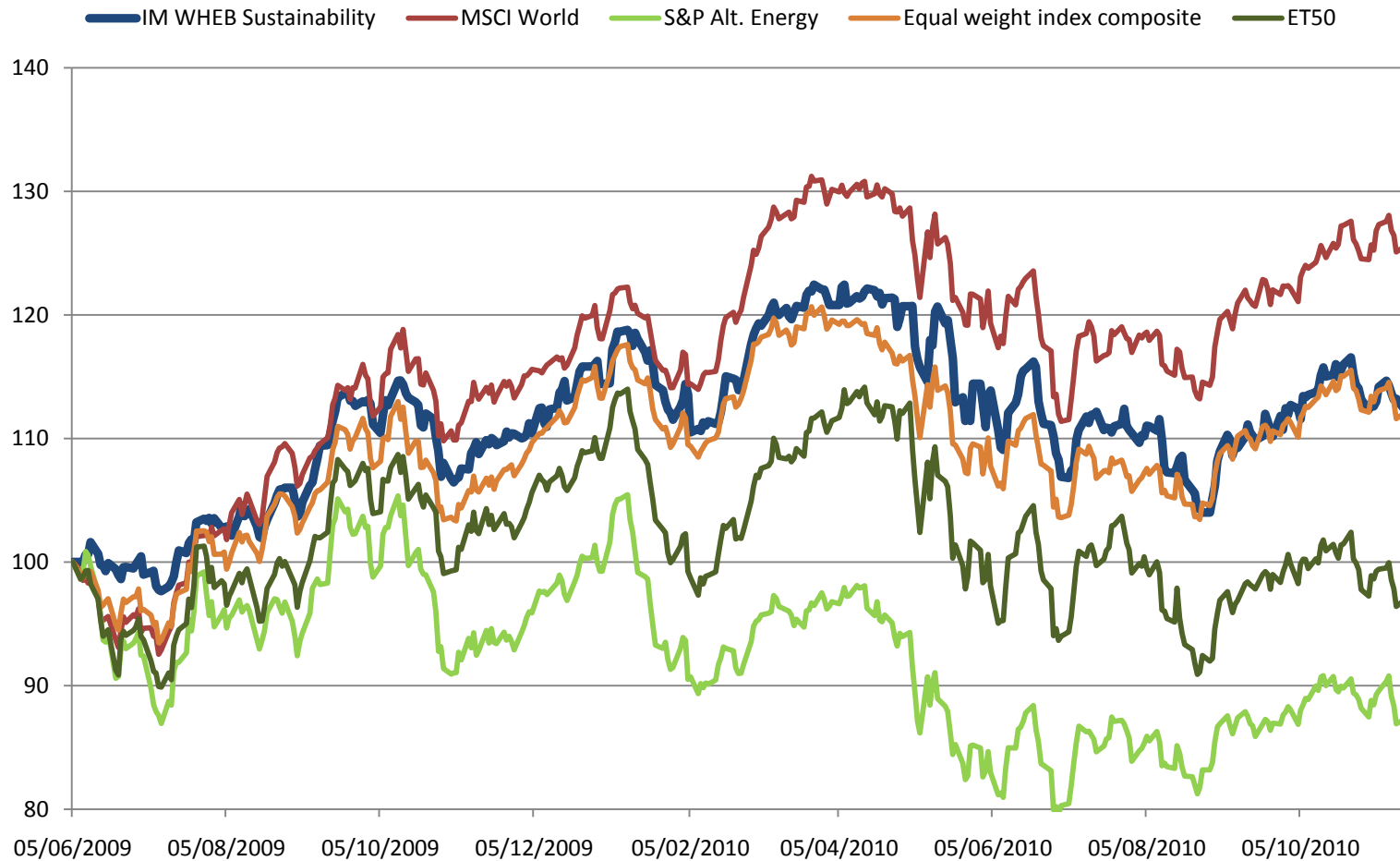
IM WHEB Sustainability Fund

Top 10 holdings as at 31 August 2010

Trina Solar (China) Solar cell, panel and module maker	2.7%	Flowserve (US) Pumps and other water products	2.5%
Pall Corp (US) Filtration, separation and purification technologies	2.5%	Danaher (US) Diversified product maker to the water market	2.5%
Diasorin (Italy) Vitamin D testing	2.5%	Zimmer (US) Orthopaedic implants and devices	2.4%
CSX Corp (US) Rail freight	2.5%	American Superconductor(US) Components for wind turbines	2.4%
Sound Global (China) Water and wastewater treatment infrastructure	2.5%	Badger Meter (US) Advanced utility meters	2.4%

IM WHEB Sustainability Fund

Performance since launch (to 16 Nov 2010)



IM WHEB Sustainability Fund Particulars

Checks and Balances

- Around 40 holdings, evenly weighted, maximum holding size 5%.
- Monthly Investment Committee meeting to review portfolios, integrity of holdings and that criteria of fund are being adhered to.
- Weekly fund management meeting to review economy, formalise our position and probe best ideas.
- Monthly performance review meeting.
- Monthly risk and audit meeting.
- Bi-annual Advisory Committee meeting. Advisors are contacted regularly between meetings to seek their advice on policy or particular holdings.

Fund Particulars

- Launched: 8 June 2009.
- Fund vehicle is a UK OEIC guided by UCITS 3 regulations.
- Annual management charge of 1.5% with no front end fee. Priced daily.
- Service Providers:
 - Authorised Corporate Director: International Financial Data Services
 - Lawyers: Eversheds
 - Fund Accountant: State Street
 - Auditor: Deloitte
 - Depositary: State Street
 - Custodian: State Street