

WhiteOak Capital Mutual Fund launches 'WhiteOak Capital ESG Best-In-Class Strategy Fund'

- The NFO opens on 11th October and closes on 25th October 2024

Mumbai, 11th October 2024: WhiteOak Capital Mutual Fund today announced the launch of their new fund offer (NFO) - 'WhiteOak Capital ESG Best-in-class Strategy Fund', an open-ended equity scheme investing in companies following Environment, Social and Governance (ESG) theme adopting best-in-class strategy. The NFO opens on 11th October and closes on 25th October 2024.

WhiteOak Capital ESG Best-In-Class Strategy Fund seeks to invest in **companies with superior corporate governance practices**. The fund seeks to derive returns for its clients by investing in high-quality businesses which have long-term sustainability of return on capital, potential scalability of the business, strong execution capability and superior corporate governance culture.

Historically, Nifty100 ESG TRI has out-performed Nifty 100 TRI in 11 out of 14 financial years. (including FYTD 2025). The growth rate for Nifty100 ESG TRI since April'11 to September'24 has been 14.6% CAGR Vs 13.7% CAGR for Nifty 100 TRI. However, the Nifty100 ESG TRI has under-performed Nifty 100 TRI over last 3 years. (Past performance may or may not be sustained in the future.)

Speaking on the fund launch, **Mr. Aashish Somaiyaa, CEO of WhiteOak Capital Asset Management Limited**, said, *"In DCF (Discounted Cash Flow) models, typically more than 80% of the value comes from the terminal value. Projecting growth into the future and assigning significant exit growth rates, multiples, and terminal value all assume sustainability and longevity of business, which one suspects can't come at the cost of damaging the environment, disregarding societal imperatives, and short-changing minority shareholders. Poor ESG practices pose a risk to business longevity and hence reduce terminal value"*.


Mr. Ramesh Mantri, CIO of WhiteOak Capital Asset Management Limited said, *"The fund will utilize its proprietary framework to assess companies on their corporate governance practices. Under this framework, companies are prominently assessed based on their accounting practices, alignment with minority shareholders' interests, capital allocation, board strength and compliance with the relevant laws and regulations."*

Based on this assessment, companies are ranked internally between one to twelve, with companies with rank one being the most well-governed companies and companies with the twelfth rank being the least well governed. The Scheme will consider companies ranked first to fourth under its proprietary framework as its investment universe. Within the investment universe, the fund will invest in businesses with attributes such as superior returns on incremental capital, scalable long-term opportunity, strong execution, etc., which are available at an attractive valuation i.e. the current market price is at a substantial discount to intrinsic value. As per SEBI Guidelines, the Scheme shall only invest in securities that have Business Responsibility and Sustainability Report (BRSR) disclosures[^]. The Fund will use a SEBI Registered third-party, ESG Ratings Provider for Ratings Reports, and other research to aid the decision-making process.

[^]As per SEBI Guidelines, the scheme shall invest at least 65% of its AUM in companies which are reporting on comprehensive BRSR and are also providing assurance on BRSR Core disclosures. The balance AUM of the scheme can be invested in companies having BRSR disclosures. (Please refer the Scheme Information Document for complete asset allocation of the scheme.)

The fund will be managed by Mr. Ramesh Mantri (Equity), Ms. Trupti Agarwal (Assistant Fund Manager, Equity), Mr. Dheeresh Pathak (Assistant Fund Manager, Equity), and Mr. Piyush Baranwal (Debt). The fund is suitable for investors seeking long-term capital appreciation with a focus on ESG related investment instruments.

The fund portfolio allocation will include Equity & Equity related Instruments of companies following Environment, Social and Government (ESG) theme adopting Best-In-Class Strategy: 80% -100%, Equity & Equity related Instruments of other companies. 0-20%, Debt Securities and Money Market Instruments. 0-20% and units issued by REITs and InvITs. 0-10%. Under Best-In-Class strategy, the Scheme shall invest in companies and issuers that perform better than peers on one or more performance metrics related to ESG matters. The Scheme shall invest under 'other equity & equity related instruments' in accordance with the Best-in-Class strategy followed by the scheme. *(Please refer the Scheme Information Document for complete asset allocation of the Scheme.)*

<p>WhiteOak Capital ESG Best-In-Class Strategy Fund (An open-ended equity scheme investing in companies following Environment, Social and Governance (ESG) theme adopting Best-In-Class Strategy) is suitable for investors who are seeking*:</p>	<p style="text-align: center;">Scheme Risk-o-meter</p>  <p style="text-align: center;">RISKOMETER</p> <p style="text-align: center;">Investors understand that their principal will be at Very High Risk</p>
<ul style="list-style-type: none"> • Long Term Capital Appreciation • Investment predominantly in equity & equity related instruments of companies following Environment, Social and Governance (ESG) adopting Best-In-Class Strategy. 	
<p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	

About WhiteOak Capital Group

WhiteOak Capital Asset Management Limited is part of WhiteOak Capital Group. WhiteOak Capital group provides investment management and advisory services for equity assets of over INR 81,715 crores as on 30th September 2024. Besides segregated managed accounts for leading global institutions, WhiteOak offers investment services through a wide array of fund vehicles domiciled in India, Ireland, Mauritius, and UK to individual and institutional investors in India and worldwide. WhiteOak has investment research teams based in India, Singapore, and Spain, and additional sales and distribution offices across Asia and Europe. WhiteOak Capital group was founded by Mr. Prashant Khemka, former CIO of Goldman Sachs Asset Management's India Equity and Global Emerging Markets Equity businesses. WhiteOak's performance-first investment culture is founded upon the following four pillars; stock selection-based philosophy, high calibre research team, disciplined analytical process and balanced portfolio construction framework.

<https://mf.whiteoakamc.com/>

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Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.