



# Portfolio Insights

SHELTON INTERNATIONAL SELECT EQUITY FUND (SISEX, SISLX)

## Why We Invest The Way We Do

We know that numbers are important when looking to invest in a particular company, yet we believe in going beyond the numbers and we seek to understand the overarching impact our companies have on the stakeholders in which they serve. We understand that we have a dual mandate to invest our client's capital in companies that are capable of both strong value creation for shareholders, as well as making a positive contribution to society.



COUNTRY: Japan

INDUSTRY: **HVAC Building  
Products**



With sales in over 150 countries and over 100 manufacturing locations, **Daikin** is the largest maker of air conditioning systems in the world. Research & development has been at the core of this company's long history which has led to innovative solutions for both ventilation and air conditioning technology. Some of the company's most recent systems have included clean air technology that is uniquely positioned to help rid germs and harmful contaminants, especially important given the COVID-19 epidemic. As global temperatures rise, Daikin's mission is to provide more efficient, healthy, and accessible HVAC systems to more parts of the world.



COUNTRY: Indonesia

INDUSTRY: **Banking**



**Bank Rakyat** is Indonesia's second biggest bank providing banking services to all parts of the Indonesian population. BRI is the biggest provider of microloans in Indonesia, allowing the smallest business owners access to capital and, ultimately greater opportunities. The Indonesian state-sponsored micro-lending program has become a model for the rest of the developing world with strict and responsible regulations around lending practices to poorer borrowers. Innovative technological advancements in banking developed by BRI have allowed a greater number of agents using mobile devices to deliver banking services to rural areas of the country's challenging archipelago landscape.



**straumann**group

COUNTRY: Switzerland

INDUSTRY: **Medical Devices**



**Straumann** is a global leader in replacement, corrective, and digital dentistry. Advances in dental care over the last 30 years have resulted in highly customized solutions for a greater number of patients around the world. Some of Straumann’s innovations, including premium and discount implants, digital equipment and software, and clear aligners have given dentists a greater number of solutions to fit their patient’s needs, including in countries where dental care has been historically deficient and cost prohibitive.

**Valeo**

COUNTRY: France

INDUSTRY: **Automobile Parts**



Approaching 100 years old, **Valeo** has evolved from a maker of clutches in the early days to become the most technologically advanced partner to automobile manufacturers today. In the early 2000s, the company made the decision to invest heavily in R&D in order to become the leader in automobile efficiency with a focus in reducing CO2 with every part that they make. Today, they are now a leader in autonomous driving systems and the electrification of the automobile, striving to help some of the world’s biggest manufacturers develop clean, fully electric vehicles.


**Ambu**  
Ideas that work for life

COUNTRY: Denmark

INDUSTRY: **Medical Devices**



**Ambu** has always been a maker of single-use medical supplies and equipment ranging from electrodes to resuscitators. However, the company’s newest and most innovative products are their single-use scopes for pulmonary, ENT, gastrointestinal, and urological visualization procedures. In the past, scopes have been reusable and thereby carried infection risk. Ambu has developed a line of single-use, high visibility scopes that will alleviate the need for costly and time-consuming re-cleaning and sterilization. Ambu’s bronchoscopes have been increasingly important in emergency rooms around the world for pulmonologists performing a greater number of scans on COVID-19 patients.

 **Smurfit Kappa**

COUNTRY: Ireland

INDUSTRY: **Containers and Packaging**



With 350 production sites around the world, **Smurfit Kappa** is a leader in corrugated packaging and containerboard manufacturing. As packaging solutions shift to greener, more reusable practices, Smurfit is well positioned as a leader in innovation and design in sustainable products. The company is fully integrated with ownership in over 68,000 hectares of forest globally to supply their packaging production needs, as well as recycling plants around the world that reprocesses over 6.5mln tons of paper and containerboard. The company works on the principles of a circular economy: recovering, reusing, and recycling materials in the most efficient ways possible. Smurfit has been a family-run company throughout most of its history.

**Santen**

COUNTRY: Japan

INDUSTRY: **Specialty Pharmaceuticals**



**Santen Pharmaceuticals** is solely concentrated on developing treatments in the field of ophthalmology. The company’s stated goal is to “aim to reduce the loss of social and economic opportunities for people around the world due to eye conditions.” The company develops, co-develops, or distributes treatments specifically for glaucoma, macular degeneration, and dry eye conditions. As populations age, especially in the developed world, eye conditions have become a larger issue in the overall health outlook. Santen has a collaborative approach to innovation and often combines their resources with other leaders in the field to find the best solutions for ophthalmic illnesses.



## Givaudan<sup>o</sup>

COUNTRY: Switzerland

INDUSTRY: **Specialty Chemicals**



**Givaudan** brings science to the flavors and fragrances we enjoy every day. The company is dedicated to expanding the world’s expression through flavors, exploring the globe for ingredients, and innovating to bring its customers unique propositions. From designer perfumes, to the scent of functional cleaners, laundry, and personal care products worldwide, fragrances made by Givaudan bring pleasure to millions around the world daily. The company takes great care in sourcing natural raw materials it needs from around the world which has resulted in a direct sourcing process that allows for a completely transparent supply chain.



COUNTRY: Germany

INDUSTRY: **Apparel and Footwear**



The history of **Adidas** is rooted in sports and everything they make is centered around athletes both on the field and off. Adidas believes that, through sport, they have the power to change lives. This core belief guides the way they run the company, work with partners, create products, and engage with consumers. Like many footwear and apparel makers, responsible sourcing and sustainable products were not a big focus throughout much of their history. However, Adidas has taken the lead on both fronts and 2020 will mark the 20th year the company has been a part of the Dow Jones Sustainability index. The company has now made more than 11 million pairs of shoes that contain Parley ocean plastic and have taken virtually all of the harmful PFC chemical out of their products. Adidas also ranks as the #1 company in the Apparel and Footwear benchmark on knowthechain.org for its proactive approach to eradicating forced labor and commitment to responsible supply chain monitoring.

## PING AN

COUNTRY: China

INDUSTRY: **Life Insurance**



Since 1988, **Ping An** Insurance Group has grown rapidly from humble beginnings of providing life insurance to the underserved Chinese market. Today, their business also includes property and casualty insurance, banking, and technology in the fields of personal banking and healthcare. With the development of “Ping An Good Doctor,” China’s first and largest 24/7 online healthcare ecosystem, the company has transformed China’s medical and health service system by bringing healthcare online to its 300 million registered users. The system has resulted in healthcare reaching far more people, particularly to the elderly Chinese population in rural areas. Such innovation is the result of successful reinvestment of company earnings that not only broadens the company’s business model, but impacts society in an immeasurable way.

### IMPORTANT INFORMATION

*It is possible to lose money by investing in the Fund. Past performance does not guarantee future results. Investors should consider a fund’s investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, visit [www.sheltoncap.com](http://www.sheltoncap.com) or call (800) 955-9988. A prospectus should be read carefully before investing.*

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*Ethical Investment Risk. In avoiding investments that are inconsistent with the Fund’s principles based screening approach, which may preclude an otherwise attractive investment opportunity, the Fund may not achieve the same level of performance as it would have without the application of the screening process.*

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