KING & SHAXSON
Asset Management | Rewarding your Values

WINNER THREE TIMES Investment Life & Pensions Moneyfacts Awards 2020-2022 Best Ethical Discretionary Fund Manager

King & Shaxson Asset Management Balanced Growth Model Portfolio

Launched August 2021

Monthly Factsheet as at 31st August 2026

Key Information

DFM fee: 0.20% to 0.40% (based on AUM)	
Portfolio OCF	0.64%
Transactional Cost	0.16%
Portfolio Yield	1.85%
3-Year Volatility	9.01%

Portfolio Risk Data

FE Analytics MORNINGSTAR defaqto 6 RISK RATING BALANCED GROWTH

SELECTAPENSION ev Risk 1 - 5 Risk 1 - 7 Risk 1 - 10

Screening

For our ethical model portfolios, we have implemented a stringent negative and positive screen to meet the vast majority of investor's concerns

Excluded Activity

- X **Adult Entertainment**
- X **Alcohol Production**
- X **Armaments**
- X **Fossil Fuel Exploration & Production**
- X **Major Environmental Concerns**
- X **Gambling**
- X **Tobacco Production**

Our aim us to achieve zero exposure to the above sectors. Whilst our portfolios are not focused on transition companies, where companies have credible and substantial plans to transition away from excluded activities, and where these plans are already evidently well underway, they may be included in portfolios. Eg Orsted

Targeted Activity

- ✓ **Climate**
  (Clean Energy, Energy Efficiency, Green Building)
- ✓ **Environment & Natural Capital**
  (Sustainable Water, Pollution Prevention & Control, Sustainable Agriculture, Recycling)
- ✓ **Human Needs**
  (Food & Nutrition, Access to Sanitation, Healthcare, Affordable Housing)
- ✓ **Empowerment**
  (Education, Connectivity, SME & Micro-finance)

Portfolio Objective

A "Balanced Growth" risk portfolio seeks to provide a riskier alternative to our balanced portfolio, with an increased bias to capital appreciation by investing in a diversified portfolio of asset classes over the long-term (10 years). The portfolio is suitable for those whose financial situation can tolerate an above moderate level of volatility in performance. The portfolio is suitable for retail investors who wish to invest their funds in an ethical manner, taking advantage of the stringent ethical screens utilised.

About King & Shaxson Asset Management

King & Shaxson Asset Management has offered a distinct ethical portfolio management service for individuals, trusts and charities since 2002, and is our sole focus today. We take your clients' ethics and values and reflect it in their investment portfolio made possible by our deep understanding of client screening demands.

The method we use to screen investments includes both a process driven quantitative and values-based qualitative approach. This is because whilst quantitative ESG data is an important part of screening a company or fund, it is necessary to look beyond just data and take into account other sources of information.

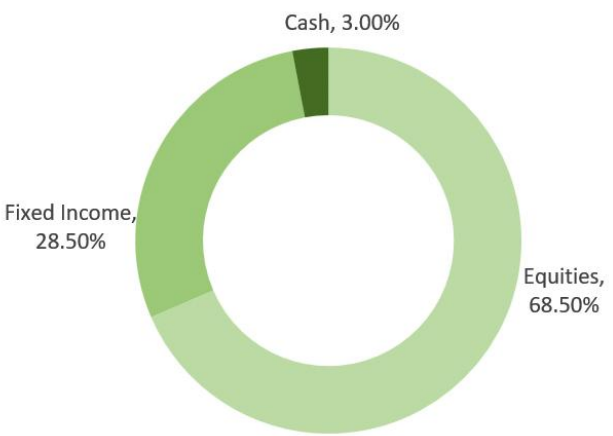
Top 5 Bond Funds

CT UK Social Bond	6.00%
T Rowe Price Global Impact Credit	6.00%
AXA Green Short Duration Bond	5.00%
Rathbone Global Sustainable Bond Fund	3.00%
Edentree Short Dated Bond Fund	3.00%

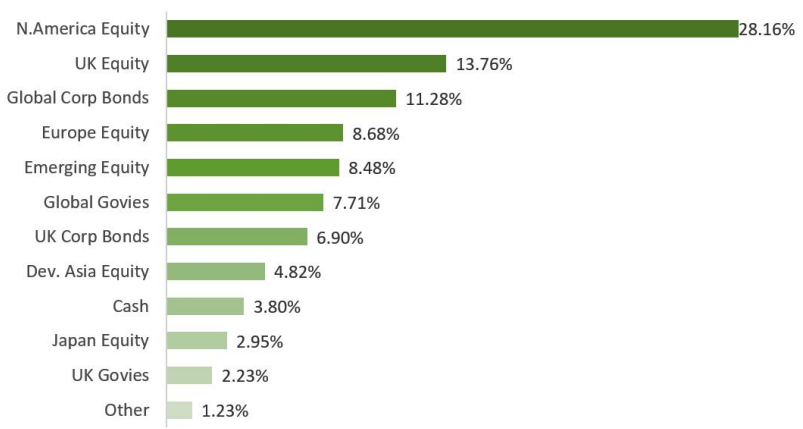
Top 5 Equity Funds

CT Sustainable Global Equity Income	10.00%
JH UK Responsible Income	9.50%
Schroders Global Sustainable Value	8.50%
Regnan Sustainable Water & Waste	6.00%
Hermes Sustainable Global Equity	5.00%

Fund Asset Allocation



Geographical Allocation



King & Shaxson Asset Management
Balanced Growth Model Portfolio

Cumulative Performance Since Inception

The chart provides an indicative guide to the performance returns since the inception of the model portfolio. Please remember this factsheet is just a snapshot in time in relation to performance data, and is not intended or to be relied upon by retail investors. Note that the value of investments and the income arising from them, may fall as well as rise and is not guaranteed.

Source: FE Analytics and King & Shaxson Asset Management

Cumulative Performance (Net of DFM fee & OCFs)

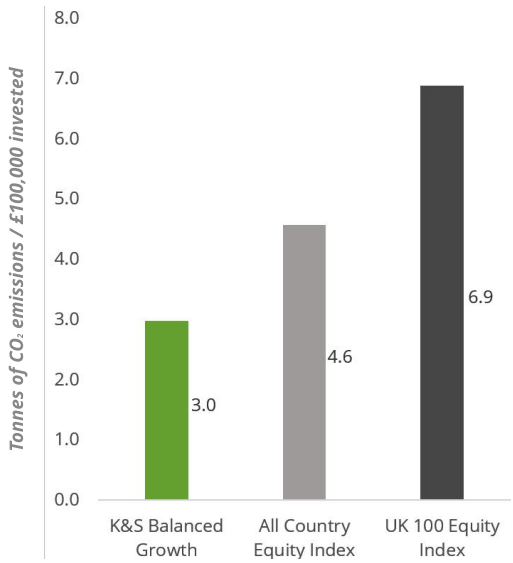
3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception*
1.64%	4.85%	13.61%	27.27%	7.89%	9.29%

**inception date: August 2021*

Discrete Performance (Net of DFM fee and OCFs)

Sep 25 to Aug 26	Sep 24 to Aug 25	Sep 23 to Aug 24	Sep 22 to Aug 23	Sep 21 to Aug 22
13.61%	3.03%	8.73%	-5.56%	-10.24%

Fund Carbon Data



Data provided by Morningstar®

This chart shows the portfolio's exposure to Scope 1 and 2 emissions generated by the companies within the equity portion of the portfolio. **Scope 1** emissions are direct emissions from a company's own operations, such as fuel combustion and on-site activities. **Scope 2** emissions are indirect emissions from the purchase of electricity, heating, or cooling used by the company. These measures capture the core operational carbon footprint of companies and are typically the most reliable and consistently reported emissions data.

When investing £100,000 in the King & Shaxson Balanced Growth portfolio over a UK Large Cap Index, you emit **3.9** less metric tonnes of CO_2, equating to:

Emissions from consumption of 9.0 barrels of oil

Emissions from charging 315,970 smartphones

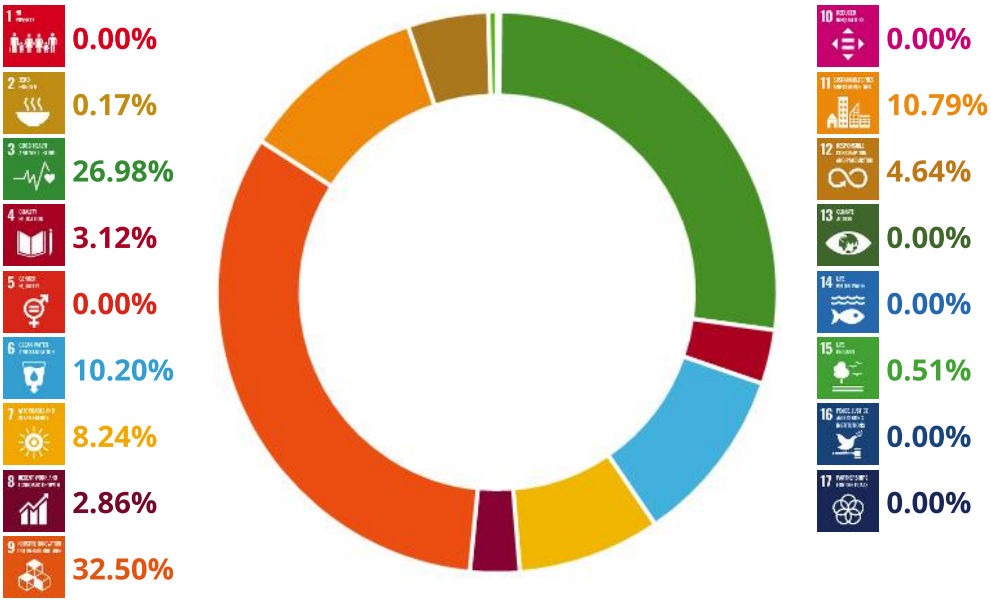
Carbon sequestered by 3.9 acres of U.S. forest in one year

Source: U.S. Environmental Protection Agency Greenhouse Gas Equivalencies Calculator

Portfolio Sustainability Alignment (Correct as at last rebalance)

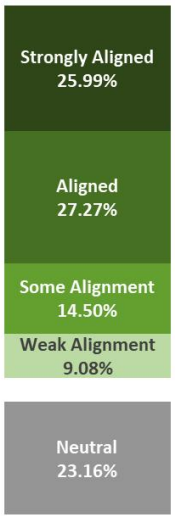
Our approach aligns company revenues with the United Nations Sustainable Development Goals (SDG) by mapping each business activity to an SDG it directly supports based on its real-world impact. This approach enables an assessment of how business activities contribute to global sustainable priorities. This excludes the fixed income and cash portions of the portfolios.

Sustainable Development Goal Revenue Alignment



39.40% of revenue in the portfolio (excluding fixed income & cash) can be directly aligned to the SDGs, normalised to 100% in the chart above.

Alignment Distribution



76.84%
Weight of companies with alignment

Classification	Revenue Range
Neutral	**0%**
Weak Alignment	**0% - 5%**
Some Alignment	**5% - 25%**
Aligned	**25% - 75%**
Strongly Aligned	**>75%**

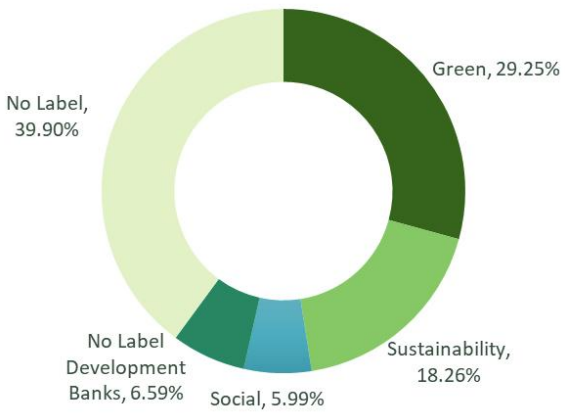
Source: Sustainalytics® and King & Shaxson Asset Management

Fixed Income Labelled Allocation

The pie chart shows the proportion of labelled impact bonds within the fixed income segment of the portfolio.

Green bonds are financial instruments whose proceeds, or an equivalent amount, are dedicated exclusively to financing or refinancing, either partially or fully, new or existing eligible green projects. **Sustainability** bonds are financial instruments where proceeds are used to finance or re-finance a combination of green and social projects.

There is a small amount of exposure to **non-labelled** bonds. In these cases, the underlying issuer will have a strong ESG profile, and/or has an underlying focus on impact through its operations. We have broken out **non-labelled development bank** bonds separately as they play a critical role in financing projects aligned with the United Nations Sustainable Development Goals, directing capital toward infrastructure, climate action, and inclusive growth.



Percentages may not sum to 100% due to rounding error

Monthly Stock Pick - The World Bank Clean Cooking Outcome Bond

The World Bank Clean Cooking Outcome Bond is an outcome bond issued by the International Bank for Reconstruction and Development ("IBRD" or the "World Bank"). A unique feature of this bond is that the return for investors is linked to the issuance and monetization of Internationally Transferred Mitigation Outcomes (ITMOs) generated from the use of cleaner cooking devices through projects in Ghana, designed and implemented by UpEnergy, an East Africa-based company with a footprint across the region. The projects aim to make cleaner cooking accessible to 1.3 million people, cutting reliance on biomass use, which is expected to reduce greenhouse gas emissions by more than 1.8 million tons of carbon dioxide equivalent (CO2e).

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Fund Manager's Report

August opened in the shadow of the Middle Eastern conflict, with oil prices swinging as tensions escalated once more, and President Trump signalling he was content to let economic pressure grind on Tehran. Brent Oil moved from the low $80s towards $92 a barrel over the course of the month, keeping inflation risk firmly at the forefront of the market's mind and pushing 10-year Gilt yields back above 5.0%. The volatility spread beyond energy; alongside the impact to agriculture from the Iran War (diesel and fertiliser disruptions), escalating Russia-Ukraine tensions put more pressure on agricultural commodity inflation, with wheat and corn prices hitting 3-year highs.

Government bond yields stayed sensitive to energy prices and central bank rhetoric, with longer-dated yields touching fresh cycle highs as yield curves steepened. A US Treasury announcement to expand long-dated bond buybacks helped calm some of these moves. The announcement revived the 'debasement trade', which saw gold surge and helped bitcoin gain over 20% for the month, whilst the U.S. dollar fell sharply. However, sentiment shifted later in the month when Federal Reserve Chair Kevin Warsh struck a hawkish tone at the Jackson Hole conference, prompting both assets to give back much of their earlier gains and spurring a spike in bond yields, as markets priced in more of a chance of a rate hike at the next meeting. Short duration bonds continued to provide insulation against this move.

Despite the conflict and inflation-riddled backdrop, equity markets marched on. A leading global equity index returned 2.60% in USD terms and 1.81% in GBP terms, with the U.S. outperforming, driven by the AI-trade amid continued capital expenditure and earnings growth, with Nvidia capping the month with impressive results. Core holding Janus Henderson Global Sustainable Equity Fund rose 2.33%, whilst Schroder Global Sustainable Value Equity (+0.30%) lagged behind following a rotation back into growth equities. Although semiconductors rebounded in August, cybersecurity and software were the standout performers, recovering from the sell-off earlier in the year after reporting robust earnings and easing previous concerns over AI-disruption.

Emerging Markets also recouped some of the losses experienced in July, particularly in tech-dominated Taiwan and Korea. UBAM Positive Impact Emerging Equity returned +0.83%, whilst value-focussed Aikya Global Emerging Markets (which was added at the last rebalance) started the month strongly with the rotation out of the tech-names, but reversed back to -0.39%.

Healthcare was also a theme that performed well over the month, benefitting from sector-related news. Firstly, obesity drug giant Eli Lilly eased concerns over a slowdown in obesity

drug demand, and later in the month Moderna & Merck announced that their new vaccine helped cut the recurrence of skin cancer in a late-stage trial, which lifted the whole sector. Polar Capital Healthcare Opportunities Fund returned 3.43% over the period.

Real estate and homebuilders came under pressure as they sat on the wrong side of the hawkish rate repricing, despite moderate strength in names exposed to the data centre buildout. Elsewhere in alternatives, infrastructure was a mixed bag. Global infrastructure struggled with yields rising, whilst UK renewables found a boost from elevated power prices and energy storage-trusts rallied on the back of activist-driven corporate activity and narrowing discounts.

As we move into September, back-to-back Fed and Bank of England meetings, the ongoing Strait of Hormuz situation, and the early stages of the US mid-term election will be the key factors to focus on.

Investment Contacts

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Platform Availability

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