SUCCESSION

MODEL PORTFOLIOS

powered by

KING & SHAXSON

Asset Management | Rewarding your Values

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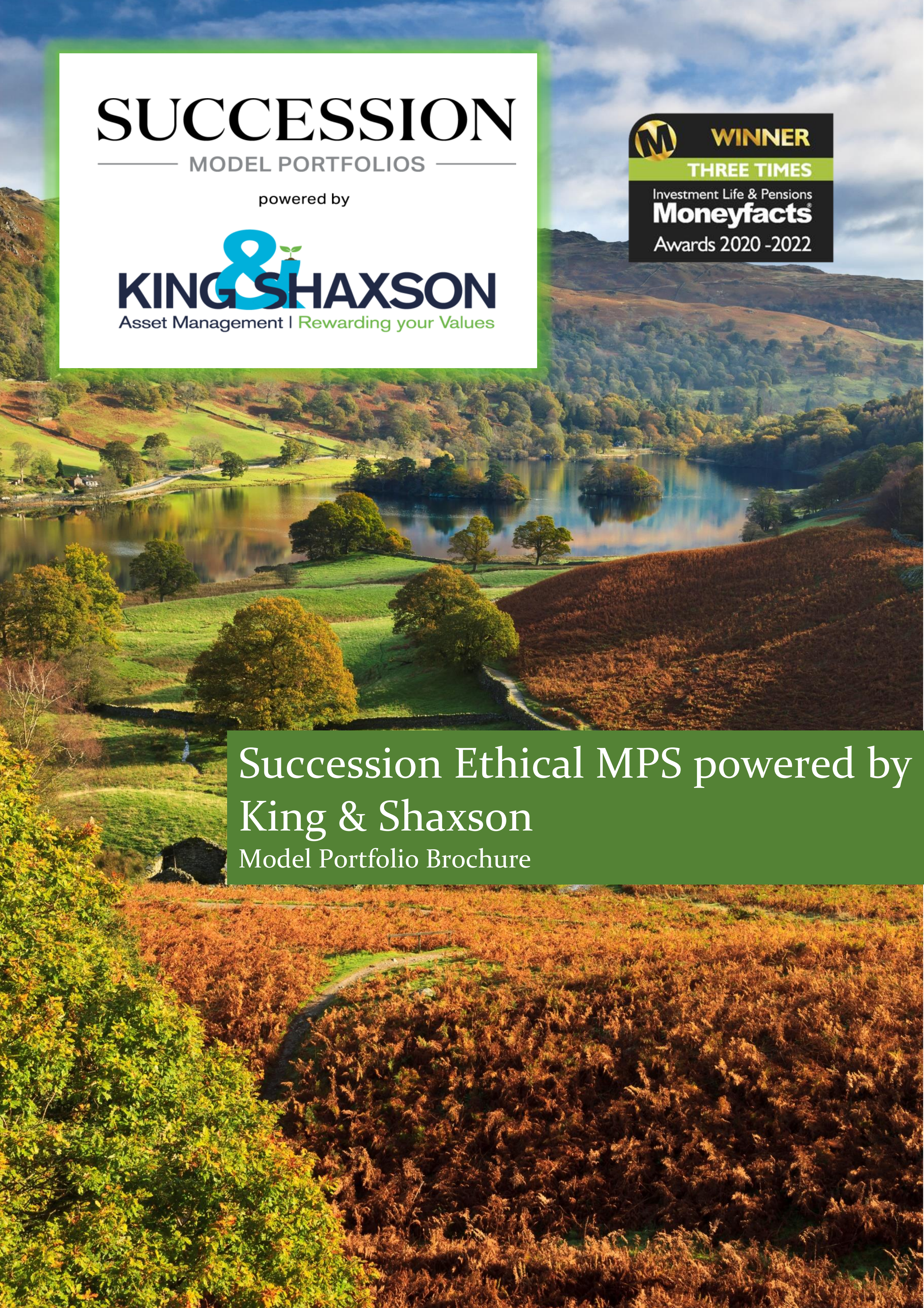

Succession Ethical MPS powered by King & Shaxson

Model Portfolio Brochure

Contents

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About King & Shaxson

King & Shaxson is a long-established City name, with a history that dates back to the mid-nineteenth century. The firm has successfully built on its traditional strengths in the bond and money markets to expand into dealing in equities and fund management.

We are owned by PhillipCapital, a financially strong and developing Singaporean financial services company. PhillipCapital employs over 3,500 staff and is active in 16 countries; including eight in the Far East, Australia, France, India, Spain, Turkey, UAE, United Kingdom and the USA, and has AUM of £2.4bn.

King & Shaxson Asset Management provides a distinctive ethical investment management service, with a sole focus on investing in solutions to social and environmental challenges. We have been managing ethical portfolios since 2002, and our MPS products have been active since 2010. The model portfolios were launched following demand from our IFA clients for a discretionary service that could be accessed through platforms.

King and Shaxson now employs more than 60 staff in London office, drawing from a diversity of professional backgrounds creating a blend of experience, skill and dedication, which is shared with our clients.

The diverse client base includes private clients, institutions such as universities, local authorities, building societies, trusts, charities, pension funds, fund managers, insurance companies and international banks.

King & Shaxson strives to provide an exceptional level of service for all clients, committing to long term partnerships, which we consider crucial in order to add value.

King and Shaxson Asset Management is a member of:

King & Shaxson Asset Management are members of UKSIF, a membership organisation for those in the finance industry committed to growing sustainable and responsible finance in the UK. The organisation has a Vision to create a fair, inclusive and sustainable financial system that works for the benefit of society and the environment. UKSIF therefore works to support and influence policymakers, regulators, financial services trade and professional bodies and other decision-makers on sustainable finance and investment issues.

King & Shaxson Asset Management are members of The House of St Barnabus in Soho, London. Since 1862 the House has been run as a charity to help those who have experienced homelessness. The private members club exists to bring together a community of people who are invested in creating a fair and equal society, whilst breaking the cycle of homelessness through the Charities integrated Employment Academy.

Introduction

Our discretionary management service provides professional investment management for the ethical investor. The six ‘Platform Ethical Portfolios’ are designed to meet the majority of financial and ethical needs including:

- Capital preservation
- Capital growth
- Income
- Investment in social and environmental solutions

Although most investments are held for the long-term, we monitor portfolios on a daily basis and can make changes as circumstances dictate, acting both quickly and efficiently, so investors can delegate the management of their investments to an experienced and reliable manager whom they can trust.

Our portfolios constitute comprehensive investment management and include the following:

- Asset allocation
- Investment selection
- Ongoing monitoring
- Changing investments

This report covers the reasoning behind our portfolios. We explain our investment rationale, and include descriptions of the investments so that you have a clear understanding of why we have selected the individual stocks. Our portfolios are actively managed so our current portfolios may not be identical to those within this report.

Through the platform you are usually provided with a consolidated administration service. Their services include:

- Online valuations
- Multiple product wrappers including ISAs, bonds and self-invested pensions
- Consolidated tax statement
- Analysis tools

Investment Objectives

The investment objectives of each portfolio are designed to provide a range of risk approaches and income levels to cater for the majority of investor’s requirements. These requirements range from those that require a high level of capital protection to those where a high level of risk is acceptable.

We are targeting the volatility and returns parameters set by Succession which are based over a 5-year period.

The objectives for each of the six Platform Ethical Portfolios are included on the individual product sheets on pages 8 to 13.

Defensive

A "Defensive" risk portfolio seeks to provide an enhanced level of capital protection whilst still allowing investors the ability to achieve modest long-term growth (10 years). The portfolio is suitable for risk-averse investors whose financial temperament cannot tolerate variation in performance. Whilst the emphasis is on lower volatility and capital preservation, a small amount of risk will be taken to seek a higher return.

	Neutral	Range
Cash	10%	5-30%
Debt	55%	35-75%
Property	10%	0%-30%
Infrastructure/Yield Cos	7.5%	0%-30%
Equity	20%	10%-40%

Cautious

A “Cautious” risk portfolio seeks to provide a level of capital protection whilst still allowing investors the ability to achieve long-term growth (10 years). The portfolio is suitable for risk-averse investors whose financial temperament cannot tolerate much variation in performance. Whilst the emphasis is on lower volatility and capital preservation, a modest amount of risk will be taken to seek a higher return.

	Neutral	Range
Cash	5%	0-20%
Debt	40%	25-60%
Property	10%	0%-30%
Infrastructure/Yield Cos	7.50%	0%-20%
Equity	37.5%	25%-50%

Balanced

A “Balanced” risk portfolio seeks to provide a balance between capital protection and 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 a moderate level of volatility in performance.

	Neutral	Range
Cash	5%	0-15%
Debt	30%	20%-50%
Property	10%	0%-20%
Infrastructure/Yield Cos	7.5%	0%-20%
Equity	47.5%	30%-60%

Growth

A “Growth” risk portfolio seeks to have a higher bias towards capital appreciation and is suitable for those whose financial situation can tolerate an above moderate to high level of volatility in performance, in return for above average returns over the long term (10 years).

	Neutral	Range
Cash	5%	0-15%
Debt	12.5%	5%-25%
Property	5%	0%-20%
Infrastructure/Yield Cos	5%	0%-20%
Equity	72.5%	60%-85%

Adventurous

An “Adventurous” risk portfolio seeks to achieve high returns. Investors must be prepared to accept a high level of risk and volatility in the expectations of higher-than-average returns over the longer term (10 years). The portfolio will mainly consist of equity funds so investors will take a high degree of risk with their capital.

	Neutral	Range
Cash	5%	0-10%
Debt	2.5%	0%-15%
Property	2.5%	0%-15%
Infrastructure/Yield Cos	2.5%	0%-15%
Equity	90%	80%-100%

Income

An “Income” portfolio seeks to provide a higher level of income, this is with a balance between capital protection and appreciation in a diversified portfolio of assets. The portfolio is suitable for those whose financial situation can tolerate a moderate level of volatility in performance.

	Neutral	Range
Cash	**5%**	**0-15%**
Debt	**35%**	**20%-50%**
Property	**10%**	**0%-30%**
Infrastructure/Yield Cos	**15%**	**0%-30%**
Equity	**35%**	**30-60%**

United Nations Sustainable Development Goals

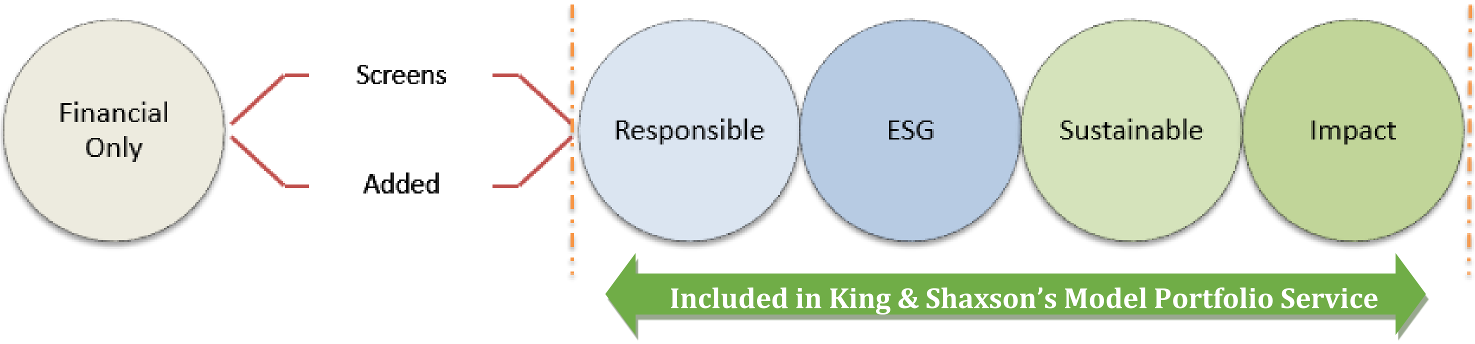
The United Nations have played a key role in the investment world through a number of initiatives since 2000. Firstly, they introduced the United Nations Millennium Development Goals (MDGs), which were superseded by the Sustainable Development Goals (SDGs), a framework of 17 interconnected goals and 169 underlying targets to achieve a better and more sustainable future for all. As explained by the United Nations, “The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 Goals are all interconnected, and in order to leave no one behind, it is important that we achieve them all by 2030”.

When it comes to impact investing, many fund houses identify a number of impact themes, which in many cases mirror that of the United Nations sustainable development goals. An obvious investment is renewable energy companies, where the impact can be measured in terms of CO2 emissions saved versus fossil fuel energy production, which would directly align with Goal 13.

Many of the fund houses within your portfolio will map your investments into the grid below that shows the 17 SDG’s. Information on our assets can be found further on in the brochure under stock profiles.

Spectrum of Capital

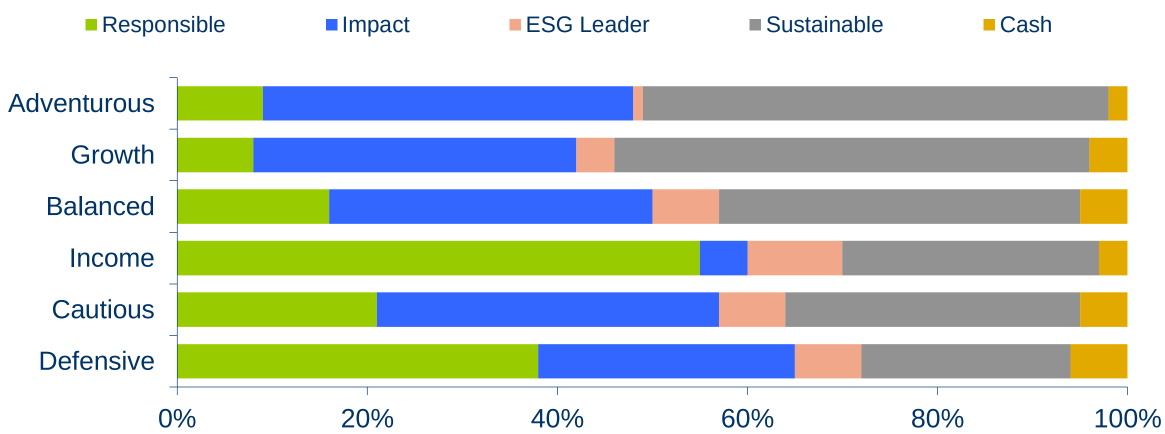
Below is an image showing the Spectrum of Capital, a resource that is used more and more in investing circles to explain the different approaches to investing when other issues such as ethics are considered on top of the financial analysis.



All investments within the portfolio receive a King & Shaxson ethical classification which is aligned to the above spectrum. These can be found below:

Ethical Classifications

Acceptable / Responsible	A fund that applies exclusion criteria, meaning the typical 'sin sectors' are avoided. The underlying products or services are not of direct social or environmental harm, and might be considered as no more than 'ethically neutral'
Best of sector / ESG Leader	A fund that analyses companies based on their environmental, social and governance factors, selecting industry leaders, however the products or services may be of no direct social or environmental benefit.
Sustainable:	A fund with exposure to companies that have strong ESG credentials but also specifically address one/some of the sustainability challenges that we face.
Impact:	Funds with exposure to companies whose service/product address social/environmental challenges, where the impact is identifiable, measurable and beneficial.



King & Shaxson's Ethical Approach

The portfolios are designed to meet the majority of ethical investor's concerns. However, as the portfolios include a number of collective funds and also aim to spread the risk of investing in a tightly defined area, investors may need to take a pragmatic approach. Having said that we aim to make portfolios as 'ethical' as possible, strictly abiding by the below negative and positive screen:

Avoidance/Negative Screen

The portfolios avoid involvement in:

- Adult Entertainment
- Aggressive Tax Practices
- Alcohol Production
- Animal Testing (Cosmetics)
- Armaments
- Fossil Fuels
- Gambling
- Human rights abuse
- Illegal deforestation
- Intensive farming
- Nuclear Generation
- Poor Environmental Management
- Tobacco Production

Where companies have credible and substantial plans to transition away from excluded activities, and where these plans are already evidently underway, they may be included in portfolios, E.G. Orsted.

Social & Environmental Solutions/Positive Screen

The portfolios also seek to invest in Solutions Based investments that finance solutions to social and environmental challenges such as:

- Education & Learning
- Environmental Efficiency
- Healthcare
- Sustainable Infrastructure
- Microfinance
- Public Transport
- Renewable Energy
- Resource Management
- Social & Medical Property
- Sustainable forestry
- Water & Sanitation

Some of these Solutions Based investments do not have specific ethical avoidance criteria, but by their very nature, are largely engaged in socially or environmentally positive activities. We have highlighted any potential ethical issues where they exist.

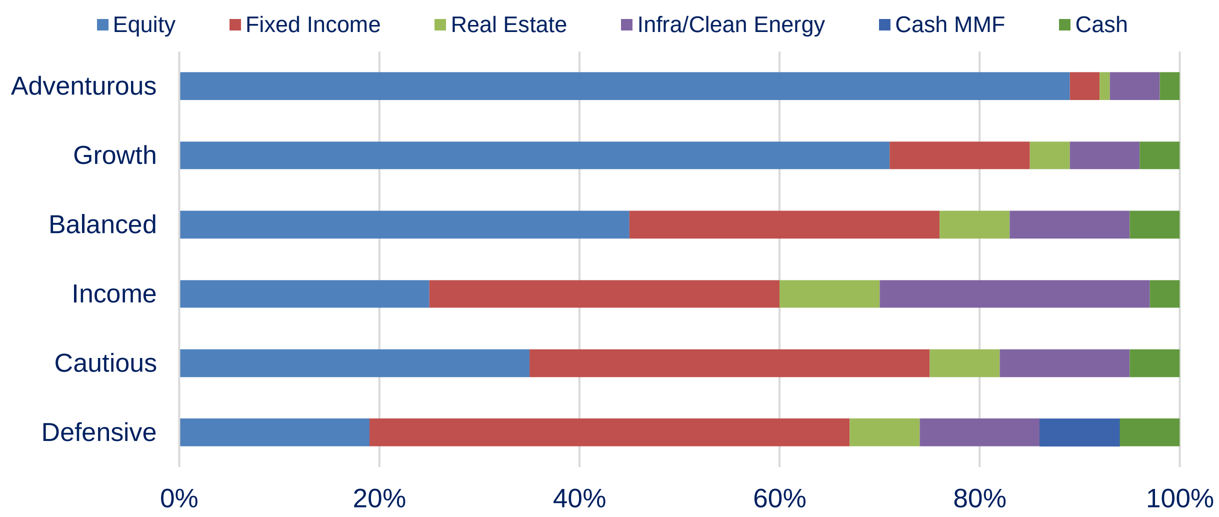
Social & Environmental Leadership

Non-Solutions Based investments have a bias towards companies that exhibit best social and environmental practice in their industry. General ethical funds are preferred if they demonstrate a rigorous ethical screening and research policy, and employ comprehensive and rigorously applied exclusion criteria.

Asset Allocation*

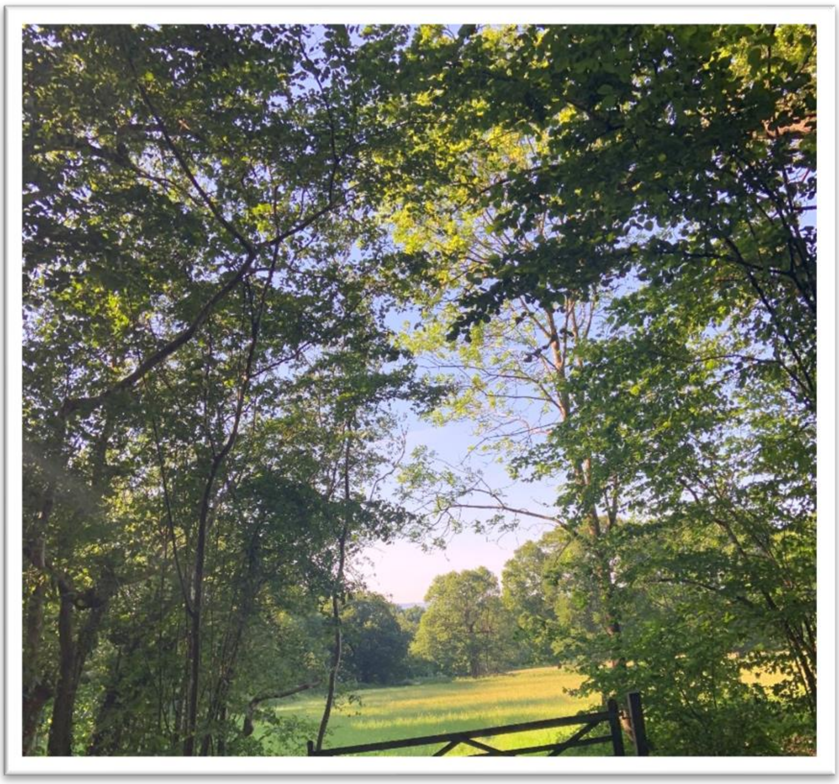
The principle of asset allocation follows the simple adage of not putting all your eggs in one basket. Studies have shown that 90% of a portfolio's performance may be determined by asset allocation rather than stock selection.

We therefore determine an appropriate asset allocation to match the risk profile of the portfolio and make adjustments to this over time as changing circumstances dictate.



We will also diversify some of the currencies held - the portfolio includes investments held in Euros, US Dollars and other currencies.

*Source: King & Shaxson Asset Management – June 23



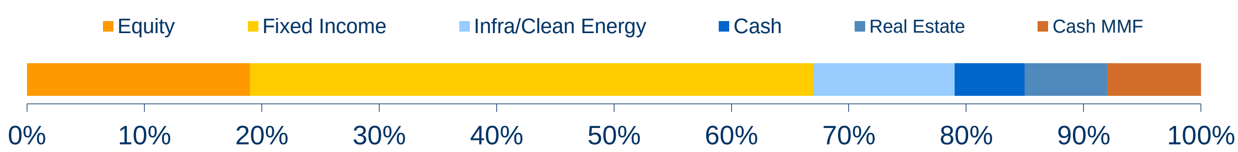
Defensive Portfolio

A “Defensive” risk portfolio seeks to provide an enhanced level of capital protection whilst still allowing investors the ability to achieve modest long-term growth (10 years). The portfolio is suitable for risk-averse investors whose financial temperament cannot tolerate variation in performance.

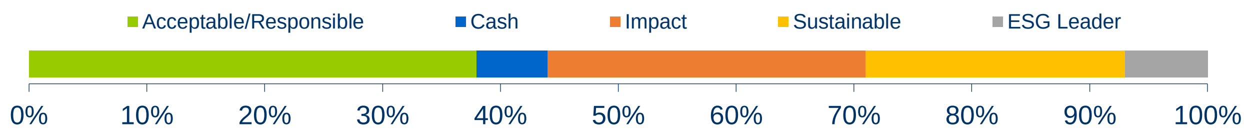
	Geographic	Ethical Classification	Asset Class	%	Type
Fixed Income Funds				**48.0**	
Edentree Resp & Sust Bond Fund	UK	Responsible	Fixed Income	10.0	OEIC
Royal London Short Duration Gilt Fund	UK	Responsible	Fixed Income	10.0	OEIC
Threadneedle Social Bond Fund	UK	Impact	Fixed Income	10.0	OEIC
Wellington Global Impact Bond Fund	Global	Impact	Fixed Income	10.0	OEIC
Rathbone Ethical Bond Fund	UK	Responsible	Fixed Income	6.00	OEIC
BlueBay Impact Aligned Bond Fund	Global	Impact	Fixed Income	2.00	OEIC
Equity Funds				**19.0**	
JH Global Sustainability Eq Fund	Global	Sustainable	Equity	4.00	OEIC
JH UK Responsible Income	UK	Responsible	Equity	4.00	OEIC
M&G Positive Impact Fund	Global	Impact	Equity	4.00	OEIC
Ninety-One UK Sustainable Fund	UK	Sustainable	Equity	3.00	OEIC
Pictet Water	Global	Sustainable	Equity	2.00	OEIC
Impax Environmental Leaders Fund	Global	Sustainable	Equity	1.00	OEIC
Montanaro Better World Fund	Global	Impact	Equity	1.00	OEIC
Infrastructure/Clean Energy Funds				**12.0**	
Foresight UK Infrastructure Inc Fund	UK	Sustainable	Equity	8.00	OEIC
Gravis Clean Energy Income Fund	Global	Sustainable	Equity	4.00	OEIC
Real Estate				**7.00**	
Foresight Sustainable Real Estate Sec	Global	ESG Leader	Real Estate	7.00	OEIC
Cash Money Market Fund				**8.00**	
RLAM Cash Plus Fund	UK	Acceptable	Cash MMF	8.00	OEIC
Cash				**6.00**	
Total				**100.0**	

June 2023

Asset Allocation



Ethical Classification



Cautious Portfolio

A “Cautious” risk portfolio seeks to provide a high level of capital protection whilst still allowing investors the ability to achieve long-term growth (10 years). The portfolio is suitable for risk-averse investors whose financial temperament cannot tolerate much variation in performance. Whilst the emphasis is on lower volatility and capital preservation, a small amount of risk will be taken to seek a higher return.

	Geographic	Ethical Classification	Asset Class	%	Type
Fixed Income Funds				**40.0**	
Threadneedle Social Bond Fund	UK	Impact	Fixed Income	10.0	OEIC
Wellington Global Impact Bond Fund	Global	Impact	Fixed Income	9.00	OEIC
Edentree Resp & Sust Bond Fund	UK	Responsible	Fixed Income	8.00	OEIC
BlueBay Impact Aligned Bond Fund	Global	Impact	Fixed Income	5.00	OEIC
Rathbone Ethical Bond Fund	UK	Responsible	Fixed Income	5.00	OEIC
Royal London Short Duration Gilt Fund	UK	Responsible	Fixed Income	3.00	OEIC
Equity Funds				**35.0**	
M&G Positive Impact Fund	Global	Impact	Equity	8.00	OEIC
JH UK Responsible Income	UK	Responsible	Equity	5.00	OEIC
Ninety-One UK Sustainable Fund	UK	Sustainable	Equity	5.00	OEIC
Pictet Water Fund	Global	Sustainable	Equity	4.00	OEIC
JH Global Sustainability Eq Fund	Global	Sustainable	Equity	3.00	OEIC
Impax Environmental Leaders Fund	Global	Sustainable	Equity	2.00	OEIC
Montanaro Better World Fund	Global	Impact	Equity	2.00	OEIC
Regnan Gbl Equity Impact Solutions	Global	Impact	Equity	2.00	OEIC
Stewart Inv Asia Sustainability	Asia	Sustainable	Equity	2.00	OEIC
WHEB Sustainability	Global	Sustainable	Equity	2.00	OEIC
Infrastructure/Clean Energy Funds				**13.0**	
Foresight UK Infrastructure Inc Fund	UK	Sustainable	Equity	7.00	OEIC
Gravis Clean Energy Income Fund	Global	Sustainable	Equity	6.00	OEIC
Real Estate				**7.00**	
Foresight Sustainable Real Estate Sec	Global	ESG Leader	Real Estate	7.00	OEIC
Cash				**5.00**	
Total				**100.0**	

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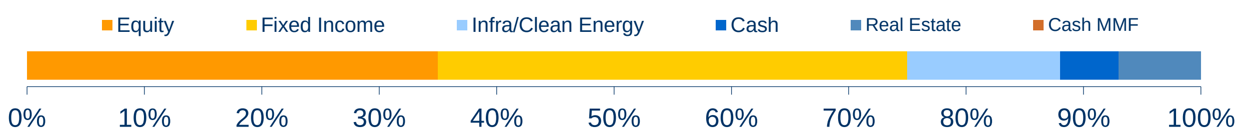
Asset Allocation



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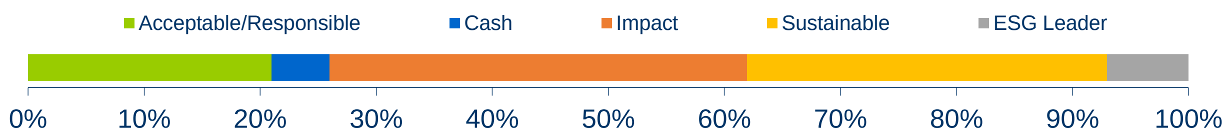


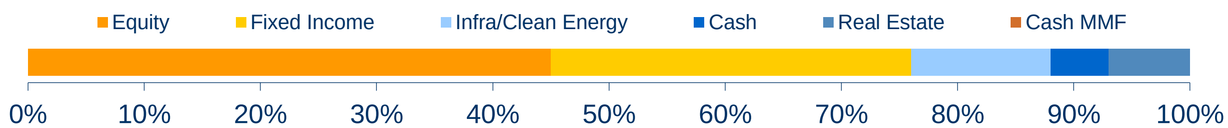
Balanced Portfolio

A “Balanced” risk portfolio seeks to provide a balance between capital protection and 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 a moderate level of volatility in performance.

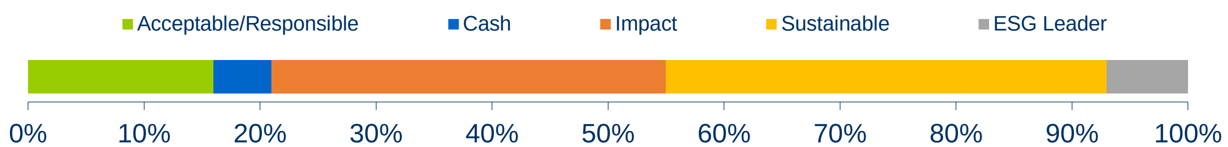
	Geographic	Ethical Classification	Asset Allocation	%	Type
Fixed Income Investments				**31.0**	
Threadneedle Social Bond Fund	UK	Impact	Fixed Income	10.0	OEIC
Edentree Resp & Sust Bond Fund	UK	Responsible	Fixed Income	6.00	OEIC
Wellington Global Impact Bond Fund	Global	Impact	Fixed Income	6.00	OEIC
BlueBay Impact Aligned Bond Fund	Global	Impact	Fixed Income	4.00	OEIC
Rathbone Ethical Bond Fund	UK	Responsible	Fixed Income	3.00	OEIC
Royal London Short Duration Gilt Fund	UK	Responsible	Fixed Income	2.00	OEIC
Equity Funds				**45.0**	
M&G Positive Impact Fund	Global	Impact	Equity	9.00	OEIC
Stewart Inv Asia Sustainability	Asia	Sustainable	Equity	6.00	OEIC
JH Global Sustainability Eq Fund	Global	Sustainable	Equity	5.00	OEIC
JH UK Responsible Income	UK	Responsible	Equity	5.00	OEIC
Ninety-One UK Sustainable Fund	UK	Sustainable	Equity	5.00	OEIC
Pictet Water Fund	Global	Sustainable	Equity	4.00	OEIC
WHEB Sustainability	Global	Sustainable	Equity	4.00	OEIC
Regnan Gbl Equity Impact Solutions	Global	Impact	Equity	3.00	OEIC
Impax Environmental Leaders Fund	Global	Sustainable	Equity	2.00	OEIC
Montanaro Better World Fund	Global	Impact	Equity	2.00	OEIC
Infrastructure/Clean Energy Funds				**12.0**	
Gravis Clean Energy Fund	Global	Sustainable	Equity	7.00	OEIC
Foresight UK Infrastructure Inc Fd	UK	Sustainable	Equity	5.00	OEIC
Real Estate				**7.00**	
Foresight Sustainable Real Estate Sec	Global	ESG Leader	Equity	7.00	OEIC
Cash				**5.00**	
Total				**100.0**	

June 2023

Asset Allocation



Ethical Classification



Growth Portfolio

A "Growth" risk portfolio seeks to have a higher bias towards capital appreciation and is suitable for those whose financial situation can tolerate a moderate to high level of volatility in performance, in return for above average returns over the long term (10 years). The portfolio will have a high allocation to equity funds.

	Geographic	Ethical Classification	Asset Allocation	%	Type
Fixed Income Investments				**14.0**	
Blue Orchard Climate EM Fund	Global	Impact	Fixed Income	4.00	OEIC
Threadneedle Social Bond Fund	UK	Impact	Fixed Income	4.00	OEIC
Wellington Global Impact Bond Fund	Global	Impact	Fixed Income	4.00	OEIC
BlueBay Impact Aligned Bond Fund	Global	Impact	Fixed Income	2.00	OEIC
Equity Funds				**71.0**	
JH Global Sustainability Eq Fund	Global	Sustainable	Equity	10.0	OEIC
M&G Positive Impact Fund	Global	Impact	Equity	10.0	OEIC
Stewart Inv Asia Sustainability	Asia	Sustainable	Equity	10.0	OEIC
JH UK Responsible Income	UK	Responsible	Equity	8.00	OEIC
Ninety-One UK Sustainable Fund	UK	Sustainable	Equity	8.00	OEIC
WHEB Sustainability	Global	Sustainable	Equity	6.00	OEIC
Impax Environmental Leaders Fund	Global	Sustainable	Equity	5.00	OEIC
Montanaro Better World Fund	Global	Impact	Equity	5.00	OEIC
Regnan Gbl Equity Impact Solutions	Global	Impact	Equity	5.00	OEIC
Pictet Water Fund	Global	Sustainable	Equity	4.00	OEIC
Infrastructure/Clean Energy Funds				**7.00**	
Gravis Clean Energy Fund	Global	Sustainable	Equity	4.00	OEIC
Foresight UK Infrastructure Inc Fund	UK	Sustainable	Equity	3.00	OEIC
Real Estate				**4.00**	
Foresight Sustainable Real Estate Sec	Global	ESG Leader	Equity	4.00	OEIC
Cash				**4.00**	
Total				**100.0**	

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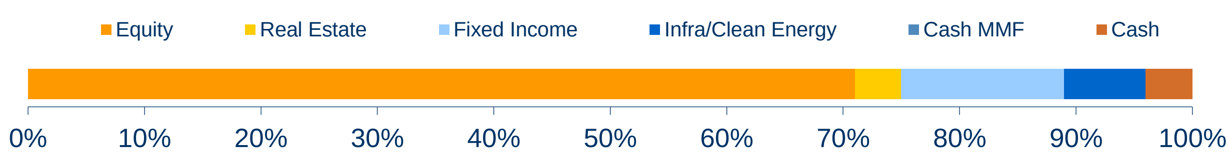
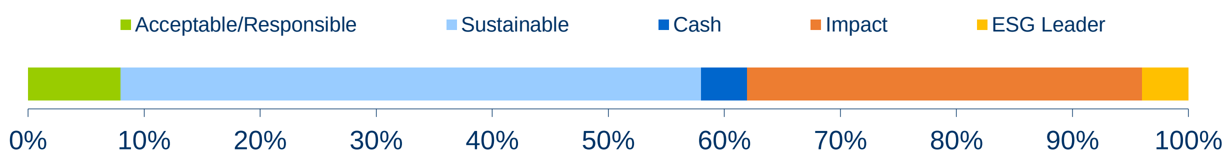
Asset Allocation



Ethical Classification



Adventurous Portfolio

An “Adventurous” risk portfolio seeks to achieve high returns. Investors must be prepared to accept a higher level of risk and volatility in the expectations of higher than average returns over the longer term (10 years). The portfolio will mainly consist of equity funds so investors will take a high degree of risk with their capital.

	Geographic	Ethical Classification	Asset Class	%	Type
Fixed Income Investments				**3.00**	
Blue Orchard Climate EM Fund	Global	Impact	Fixed Income	2.00	OEIC
Wellington Global Impact Bond Fund	Global	Impact	Fixed income	1.00	OEIC
Equity Funds				**89.0**	
JH Global Sustainability Eq Fund	Global	Sustainable	Equity	10.0	OEIC
M&G Positive Impact Fund	Global	Impact	Equity	10.0	OEIC
Stewart Inv Asia Sustainability	Asia	Sustainable	Equity	10.0	OEIC
UBAM Positive Impact EM Eq Fund	Global	Impact	Equity	10.0	OEIC
JH UK Responsible Income	Global	Responsible	Equity	9.00	OEIC
Ninety-One UK Sustainable	UK	Sustainable	Equity	9.00	OEIC
Montanaro Better World Fund	Global	Impact	Equity	8.00	OEIC
Regnan Gbl Eq Impact Solutions	Global	Impact	Equity	8.00	OEIC
WHEB Sustainability	Global	Sustainable	Equity	6.00	OEIC
Pictet Water Fund	Global	Sustainable	Equity	5.00	OEIC
Impaxr Environmental Leaders	Global	Sustainable	Equity	4.00	OEIC
Infrastructure/Clean Energy				**5.00**	
Gravis Clean Energy	Global	Sustainable	Equity	3.00	OEIC
Foresight UK Infrastructure Fund	UK	Sustainable	Equity	2.00	OEIC
Real Estate				**1.00**	
Foresight Sustainable Real Estate	Global	ESG Leader	Equity	1.00	OEIC
Cash				**2.00**	
Total				**100.0**	

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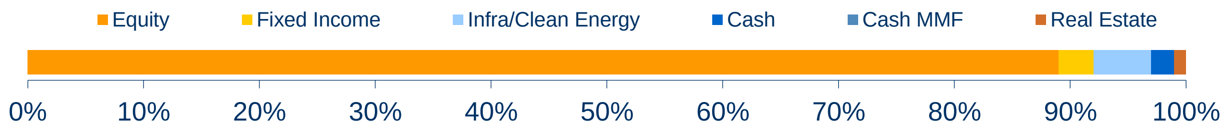
Asset Allocation



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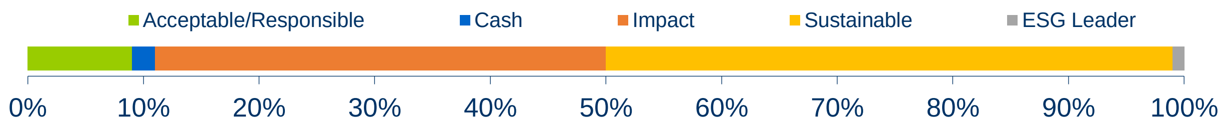


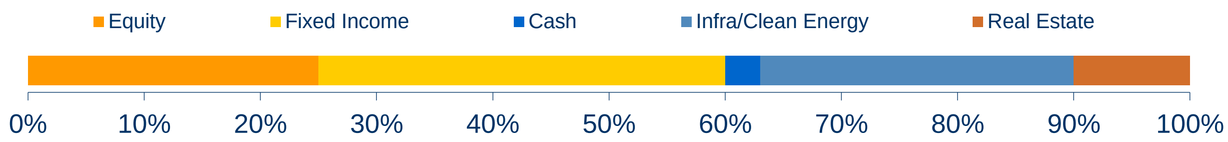
Income Portfolio

An “Income” portfolio seeks to provide a balance between capital protection and appreciation in a diversified portfolio of assets that have a bias towards income generation. The portfolio is suitable for those whose financial situation can tolerate a moderate level of volatility in performance.

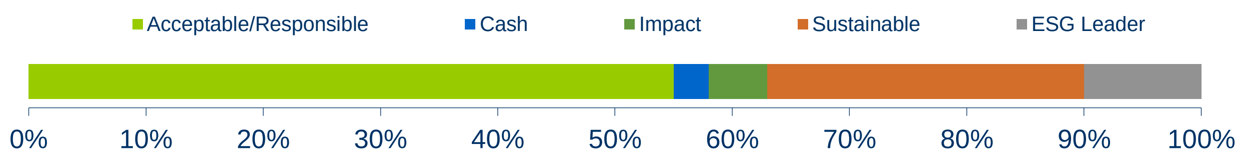
	Geographic	Ethical Classification	Asset Class	%	Type
Fixed Income Investments				**35.0**	
Aegon Ethical Corp Bond Fund	UK	Responsible	Fixed Income	10.0	OEIC
Edentree Resp & Sust Bond Fund	UK	Responsible	Fixed Income	10.0	OEIC
Rathbone Ethical Bond Fund	UK	Responsible	Fixed Income	10.0	OEIC
Wellington Global Impact Bond Fund	Global	Impact	Fixed Income	5.0	OEIC
Equity Funds				**25.0**	
Janus Henderson Responsible Income	UK	Responsible	Equity	10.0	OEIC
Montanaro UK Income Fund	UK	Responsible	Equity	10.0	OEIC
Liontrust UK Ethical Fund	UK	Responsible	Equity	5.00	OEIC
Infrastructure/Clean Energy				**27.0**	
Foresight UK Infrastructure Inc Fund	UK	Sustainable	Equity	10.0	OEIC
Gravis Clean Energy Income Fund	Global	Sustainable	Equity	10.0	OEIC
Gravis UK Infrastructure Income Fund	UK	Sustainable	Equity	7.00	OEIC
Real Estate				**10.0**	
Foresight Sustainable Real Estate Sec	Global	ESG Leader	Equity	10.0	OEIC
Cash				**3.00**	
Total				**100.0**	

June 2023

Asset Allocation



Ethical Classification



Stock Profiles

These descriptions give a brief ethical rationale for each fund held in the portfolios.

Money Market Funds

Royal London Cash Plus (Acceptable – Money Market Fund)

The fund invests into a broad range of debt issuers, whereby the instruments are short dated and high credit quality. By providing an income in line with money market interest rates, it provides an alternative to cash as an asset class, albeit with a slightly higher level of risk. The fund integrates analysis of issuers Environmental, Social and Governance factors, and whilst there is a small negative screen, we consider the fund as no more than 'Acceptable', and when used in portfolios, it is a short-term tactical investment and not expected to form a core part of any portfolio.

Fixed interest securities (see "Risk Factors" on p.16 for associated risks)

As holders of fixed interest securities, funds are entitled to the relatively high level of interest, which can be particularly useful for income, or it can be re-invested to increase capital returns. The capital value rises and falls depending on interest rates, the perceived creditworthiness of the institution and demand, but the risk involved is usually significantly less than equities.

Aegon Ethical Corporate Bond Fund (Responsible Fund)

The Fund screens out companies that provide critical services to, or own or operate, nuclear facilities. Additionally, companies that provide animal testing services or sell animal-tested cosmetics, household products or pharmaceuticals do not pass the Ethical screen and would not be included in the Fund. Aegon is a member of or supports a range of responsible investment initiatives, including the UN-backed Principles for Responsible Investment, the UK Sustainable Investment and Finance Association, the Extractives Industry Transparency Initiative, Carbon Disclosure Project, Climate Action 100+ and the Farm Animal Investment Risk and Return initiative. Their participation in these initiatives helps them to deepen their knowledge and maximise their influence on ESG issues.

BlueBay Impact-Aligned Bond Fund (Impact fund)

This impact aligned bond fund is BlueBay's first thematic strategy investing in entities offering social and environmental solutions. The fund has seven people and planet themes, including ensuring clean and plentiful water, building knowledge and skills and achieving an inclusive society. The portfolio is screened as well, aligning with our values. The BlueBay team are very passionate about this fund, and this provides diversity in portfolio, with the PMs investing in a different range of fixed interest instruments.

Blue Orchard Climate EM Fund (Impact Fund)

This climate bond fund aims to address multiple sustainable development goals to aid the transition towards a sustainable future with the help of ESG scoring, impact scoring and SDG mapping. The fund views emerging markets as the most susceptible to climate change risk, and therefore adopts fixed income strategies to combine solid financial returns with positive environmental impact in these markets that are most vulnerable. They deploy a unique bond strategy based on an actively managed investment process, with liquid and scalable impact investing. For risk management, they utilise a top-down and bottom-up view combined with a country risk allocation to ensure they have an accurate picture of risk.

Edentree Responsible & Sustainable Sterling Bond Fund (Responsible Fund)

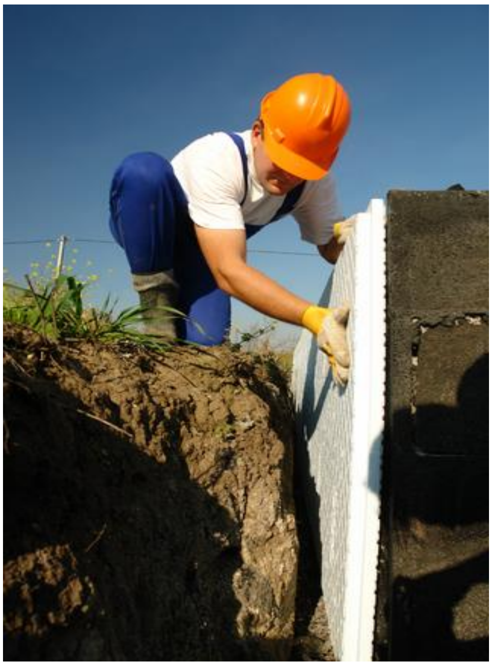
This is a long-standing fund from Edentree that launched back in 2008 (Previously known as Amity Sterling Bond Fund). The Fund seeks to invest in a highly diversified portfolio of Government bonds and good quality fixed income securities issued by companies which make a positive contribution to society and the environment through sustainable and socially responsible practices.

Rathbone Ethical Bond Fund (Responsible Fund)

This corporate bond fund has a widely diversified corporate bond portfolio with a large holding in banks and insurance companies. It also has lesser holdings in social housing bonds. The majority of the portfolio is in UK bonds with around a third in international bonds, although all are sterling denominated.

Royal London Short Duration Gilt Fund (Responsible Fund)

The Fund's investment objective is to achieve a total return over the medium term (3–5 years) by investing at least 80% in short-duration (1-5 years) UK government bonds. The Fund's performance target is to outperform, after the deduction of charges, the FTSE Actuaries UK Conventional Gilts up to 5 Years Total Return GBP Index (over rolling 5-year periods. The Fund is actively managed.



Threadneedle UK Social Bond Fund (Impact Fund)
This was the first fund to unlock the full potential of bonds to deliver both financial returns and positive social outcomes. The fund was born out of a partnership with Big Issue Invest and this link enhances and validates the social outcome of the fund. The Fund Manager Simon Bond is very passionate in his support for responsible investment and is a shining light in this area.

Wellington Global Impact Bond Fund (Impact fund)
This fund was launched in April 2019, and has been on our radar for a while, as we engaged with the team regarding certain issues. The fund seeks to outperform the global fixed income markets by investing in the debt of companies, governments, and organisations addressing some of the world's major social and environmental challenges. The main areas the fund looks to address are, access to basic life essentials, reduce inequality and mitigate the effects of climate change.

Equities (see "Risk Factors" on p.16 for associated risks)

Equities or shares are simply investments in companies, with the total return comprising dividend income (what the company pays out of its profits once or twice a year to its shareholders) and capital appreciation by virtue of an increasing share price. Either dividend income can be taken to provide an income or it can be re-invested to increase total returns. Funds invest in a wide range of equities and we invest in a variety of funds to spread the risk further.

Impax Environmental Leaders Fund (Sustainable Fund)
This fund, that launched in January 2016 looks to address a number of long term macro-economic themes, such as growing populations, rising living standards, increasing urbanisation, rising consumption and depletion of natural resources. Impax are a team we have known for many years and have always have positive dialogue over their funds. ESG considerations are imbedded within their rigorous ten-step investment process for listed equities. Failure by a company to reach the required ESG score will prevent their investment.

Janus Henderson Global Sustainability Equity (Sustainable fund)
This fund was previously known as Global Care Growth Fund. It is one of the original Solutions Based funds with multiple themes embracing education, healthcare, social property and public transport as well as clean technologies. It also employs particularly rigorous exclusion criteria.

Janus Henderson UK Responsible Income Fund (Responsible fund)
This fund is one of just a few equity income funds subject to ethical screening. Performance has been good and compared to other ethical income funds, has a relatively good ethical profile with little exposure to fossil fuels (just gas). The fund will seek to invest in companies that are responsibly run, giving due consideration to environmental, social and governance issues. Most notably, amongst ethical UK equity funds the fund has amongst the highest exposure to companies providing solutions to social and environmental challenges. The approach is a pragmatic one as required by an equity income mandate. This means that there is a significant exposure to financial companies that have don't have a credible sustainability policy. However, the ethical criteria are quite extensive and preclude mining, carbon intensive energy, nuclear power and alcoholic drink manufacture, amongst others.

Liontrust UK Ethical Fund (Responsible fund)
The investment process of this fund seeks to generate strong returns from investing in companies aiming to deliver profits through positive social and environmental impacts. The Fund team look at the world through the prism of three mega trends – Better resource efficiency (cleaner), Improved health (healthier) and Great safety and resilience (safer) – and then 20 themes within these.

M&G Positive Impact Fund (Impact fund)
This fund launched in December 2018. M&G took a while to launch this fund as they were looking to get it right. They held many consultations with external parties with experience in impact investing (including K&S) to make sure the product was fit for purpose, and not just another label. The investing team led by John Willian Olsen will look to invest in companies that have a positive impact on society through addressing the world's major social and environmental challenges.

Montanaro Better World Fund (Impact fund)
This is a relatively new fund, but the company has been managing assets since 1991. They have been managing Ethical mandates since 2005. As part of the company's ethical policy, they do not direct capital to areas of the economy that fail to promote sustainability such as the exploration & production of fossil fuels, alcohol and weapons production. In April 2018 they decided to launch the Better World Fund to invest in quality small and MidCap companies that provide products or services that make a positive impact on the world. The fund is aligned to six themes that support the framework of the UNSDG's. The investments are overseen by an independent ESG committee. This fund is one of very few in the UK to be endorsed with a leading SRI Label from the French Finance Ministry. Montanaro are committed to offsetting their Carbon Footprint on a quarterly basis. They offset their carbon emissions each quarter via Climate Care, an environmental and social impact company which helps to fund projects such as the development of clean energy sources. They are also a signatory to the Carbon Disclosure Project, a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Montanaro UK Income Fund (Responsible fund)
Today, Montanaro is regarded as a leading Small & MidCap specialist with assets under management of over £3.5 billion. They invest in high quality, well-managed businesses operating in growth markets. The Montanaro UK Income Fund, launched in December 2006, invests in quoted UK Small & MidCap companies with a focus on those offering attractive dividend yield or potential for above average dividend growth. As part of the company's ethical policy, they do not direct capital to areas of the economy that fail to promote sustainability such as the exploration & production of fossil fuels, alcohol and weapons production. They expect high ESG standards from the companies they invest in and aim to practice what they preach. For example, they founded and support Tribal Survival, a UK registered charity that aims to promote the wellbeing of indigenous people across the world. They are also a signatory to the Carbon Disclosure Project, a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

Ninety-One UK Sustainable Fund (Sustainable fund)
The Ninety-One UK Sustainable Equity Fund directly addresses two key investor concerns: the achievement of long-term sustainable investment returns; and positive lasting impact on society and the environment. Through in-depth fundamental analysis and engagement, the Fund seeks to allocate capital towards those companies that are making a materially positive impact on society and the environment. Ninety One have developed a proprietary framework of investible 'Sustainable Themes' focused on the transformation towards a sustainable future. Mapped against the UN Sustainable Development Goals (SDGs) that cover social and economic development issues, including poverty, hunger, health, education, global warming and social justice. It provides a consistent approach to identification, assessment, monitoring and reporting of the companies' and the portfolio's impact on society and the environment.

Pictet Water (Sustainable fund - Water management and provision)
Pictet is one of the pioneers of Solutions Based investing and their water fund was the first of it's' type, dating as far back as 2000. Investment in water themes has been identified as one of the key macro strategies with the challenges of supply, ageing infrastructure and rapidly increasing demand creating strong tailwinds for stocks in the sector. Increasing urbanisation, a chronic lack of sanitation infrastructure in the developing world, rising privatisation, and ever increasing demand from agriculture, industry and municipalities have all put pressure on scarce clean water resources. In turn this provides a very strong driver for the water industry over many decades. In practice, this means investing at least two-thirds of its total assets in the shares of companies operating in the water sector worldwide, although at an individual stock level, only 20% of the revenues need to be derived from water related activities (in practice it is invariably much higher than this). These include water supply, processing services, water technology and environmental services. Environmental and Social

Governance risks are also monitored to avoid ethical controversies. This fund is very proven, backed by substantial resources and attracts a four-star 3D rating. Pictet is also committed to a sustainable approach in its' internal operations and has a strong philanthropic tradition, exercised through its' charitable foundation.

Regnan Global Equity Impact Solutions Fund (Impact fund)
Although new, the majority of the team behind this fund used to manage the Hermes Impact Opportunities Fund, a team we know well and a fund we have invested in previously. Regnan is a leader in responsible investment with a long and proud heritage engaging and advising on important themes and environmental, social and governance issues. With roots dating back to 1996, when such issues were largely disregarded by the business and investment community, the team's diverse experience in advocacy, regulation, academia and advising investment managers has enabled them to offer, to date, a range of ESG-related services through our Engagement, Advisory and Research (EAR) team. 2020 marked a new chapter in the Regnan story with a move into sustainable and impact investment management.

Stewart Investors Asia Sustainability Fund (Sustainable fund)
Stewart Investors (now First Sentier) have built on their existing expertise in emerging markets, adopting a pragmatic but well-thought-out approach. This fund seeks to invest in companies providing sustainable goods and services such as healthcare, responsible finance - by which it means old-style banks and insurance companies that support the actual economy; and in infrastructure that is so important in developing countries – things like waste management and water. Notably, the fund avoids mining and tobacco companies as they do not fit the long-term sustainability mandate, whilst environmental and social governance issues are considered for every investment and management undertakes constructive engagement with companies. The fund focuses on companies that are long term beneficiaries of sustainable growth in emerging markets, also investing in sectors like consumer staples, telecommunications, utilities, and information technology. The track record of the fund is very good and it provides exposure to the fast-growing markets of Asia, with a well-thought-out sustainability overlay.

UBAM Positive Impact EM Equity Fund (Impact fund)
This fund seeks impact alongside financial return by investing in positive impact companies that are providing profitable solutions to current ESG problems. The companies they invest in are primarily in emerging markets; they use a bottom-up analysis approach as well as constant engagement with their holdings. Their diversification approach is by SDG as well as country; they tackle 15 SDGs by infusing them into 6 investment themes that adopt a long-term approach.

WHEB Sustainability Fund (Sustainable fund)
This fund invests in three areas – healthcare, water and climate change solutions. This is a response to three key issues: demographic trends which mean that people are living longer and require a disproportionate amount of healthcare; aging water infrastructure in the developed world and demand exceeding supply of clean water in the developing world; and climate change which means a long-term change from fossil fuels to renewable energy. The fund manager is very experienced in the field and has a good track record. Although the fund is not an ethical fund, it makes far less ethical compromises than other Solutions Based funds and all holdings are clearly focussed on the core themes.

Infrastructure/Clean Energy (See "Risk Factors" on p.16 for associated risks)
A proportion of the portfolio is invested in commercial property funds. Most commercial property funds invest in a mixture of office, light industrial and retail premises and produce a good yield through their rental income.

Foresight UK Infrastructure Income Fund (Sustainable infrastructure)
This fund invests in a portfolio of underlying assets that are consistent with ethical and ESG investment appetites. The infrastructure assets provide essential services that allow the global economy to function. The Fund Managers split infrastructure into 6 sub sectors of which in the UK, renewable energy is the largest by completed deal value since 2013. The fund was launched in December 2017 and has seen good growth since inception. The Foresight team are well known to us from their solar fund.

Gravis Capital Clean Energy Fund (Sustainable – Clean energy)
This fund, launched in December 2017 invests in a portfolio of global listed securities involved in the operation, funding, construction, generation and supply of clean energy. The Fund is exposed to a broad range of clean energy investments with a focus on the stability and security of quarterly distributions. Investment is focused on companies with mature technologies and established track records, attractive long-term and dependable cash flows, and Income generative and profitable with scope for capital growth.

Gravis Capital UK Infrastructure Income Fund (Sustainable infrastructure)
Gravis has extensive experience in the infrastructure sector, and this fund is designed to give regular income, preserve capital and protect against inflation. It does so by investing in operational and cash generative Infrastructure assets such as student accommodation buildings, power networks, transport renewable energy sources, schools and hospitals. ESG is incorporated within the investment process, utilising a firmwide exclusion list.

Real Estate

Foresight Sustainable Real Estate Securities Fund (ESG Leader – Real Estate)
This fund offers an exciting alternative to traditional real estate, focusing on growth sectors such as logistics, medical properties, social housing and data centres. The fund’s investments will be into listed Real Estate Investment Trusts, rather than bricks and mortar directly, offering a liquid route to real estate exposure. With buildings accountable for around 40% of energy consumption, it is vital that new technologies and efficiencies develop to improve standards, and this forms part of the investment thesis. On top of this, sustainable real estate can also have a positive impact in wider society, by supporting companies that are having a positive impact through their operations. The investment manager, Foresight, are specialists in real asset investments, and will screen the investments from an ESG perspective and align the holdings to at least one of four United Nations Sustainable Development Goals.

Risk Factors

Equity Securities

Investments will include equity securities and equivalents of issuers in multiple jurisdictions, including issuers in emerging markets, of any market capitalisation (e.g. small, mid or large). Equity securities may include common and preferred stocks and warrants and equivalents (including convertible securities). As a result of investments in equity securities, the Portfolio will be exposed to the risks typically associated with equity investing. These risks include the general risk of broad market declines and specific risks relating to an issuer, such as management performance, financial leverage, financial position, industry problems and reduced demand for the issuer's goods or services.

Fixed Income Securities

Investments will include fixed income securities of corporate and government issuers in multiple jurisdictions. Such fixed income securities are not required to satisfy any minimum rating standard and may include instruments that are in poor standing and that have predominately speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. Fixed income securities are subject to the risk that the issuer may default on the payment of principal and /or interest. The prices of fixed income securities are inversely affected by changes in interest rates and thus are subject to the risk of market price fluctuations. In addition, changes in the credit ratings of a fixed income security or in the perceived ability of the issuer to make payments of principal and interest also may affect the security's market value.

Real Estate

Investments will likely include a sustainable real estate fund; however, these funds avoid many traditional sectors. We no longer invest in direct Property funds, however portfolios (depending on risk), will now have direct exposure through a fund of REITs strategy, which we are comfortable holding over a traditional property fund.

Commodities

Investments in commodities whether by funds or via companies substantially involved with them may expose investors to risks not typical of other investments. Companies associated with commodities and the funds invested in them may have assets in less developed countries which have political, legal and social systems that are less stable than those found in developed countries or markets. The assets of the companies, the commodities and derivatives associated with them may be subject to or affected by conditions such as drought, flood, weather, disease, trade embargo, war or political unrest etc which may substantially affect their value. Commodity funds may hold physical assets which may not be insured and subject to risks associated with high value items.

Emerging Markets

Investments in emerging markets may expose investors to risks not typically associated with similar investments in more developed markets. The classification of a country as an 'emerging market' is generally based on the relative economic, political and social development and is by necessity subjective. Some of the risks associated with emerging markets are similar to those affecting more developed economies but the undeveloped nature of an emerging economy may mean that they are more pronounced or have a longer and deeper effect. Country risk covers such factors as natural disasters which may have a greater effect on the economy and financial systems of an emerging market. The less well-developed financial systems may mean that financial instability is more common and may be more exaggerated both by internal factors such as inflation or external factors such as changes in currency values. Many emerging markets experience rapid and significant changes in political control which may result in unpredictable changes of economic policy. Settlement, custodial and clearing systems may not be fully developed and investors may be subject to political intervention or risks arising from less developed systems and standards. Emerging companies may not be as economically stable as companies in more developed countries and as well as potentially subject to political intervention may have enhanced risk in terms of failure to meet their obligations.

Foreign Exchange Risk

Assets may be denominated in a currency other than Sterling and changes in the exchange rate between Sterling and the currency of the asset may lead to a depreciation of the value of the Portfolio as expressed in Sterling.

Suspensions of Trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, at times of rapid price movement if the price rises or falls in one trading session to such an extent that under the rules of the relevant exchange trading is suspended or restricted.

General Information

Company Information

King & Shaxson Asset Management Limited (Reg. No. 3870667) has its registered office at 1st floor, 155 Fenchurch Street, London, EC3M 6AL. The Company is registered in England and Wales and is part of the PhillipCapital Group. King & Shaxson Asset Management Limited (FCA Reg. No. 823315) is authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.

Request for further information from King & Shaxson can be made in writing, by phone or by email to any of the contact details listed below. Please ensure all communications are in English.

Conflicts of Interest

The companies within the King & Shaxson (K&S) Group provide a wide range of services to many sectors within the financial markets. As such, K&S, or a company with whom it has an association, may from time to time have interests which conflict with its client’s interests or with the duties that it owes its clients. These include conflicts arising between the interests of K&S, its associates and employees on the one hand and the interests of its clients on the other and also conflicts between clients themselves.

K&S has established procedures which are designed to identify and manage such conflicts. These include organisational and administrative arrangements to safeguard the interests of its clients. A key element of this policy is that persons engaged in different business activities involving a conflict of interest must carry on those activities independently of one another.

Please see important information

All information contained in this document has been prepared by King &Shaxson AM. King and Shaxson AM manage funds and portfolios only; we are not stock brokers and do not offer investment advice or conduct advisory or execution only business. Please remember that the value of investments and the income arising from them may fall as well as rise and is not guaranteed. You may not get back the amount invested, especially in the early years.

Fees & Charges

King & Shaxson Charges

Annual Fee	0.24%

Other Charges

Platform initial fee	As agreed with IFA and platform provider
IFA fee	As agreed between the IFA and client
Underlying fund charges	0.61– 0.89% per annum (depending on the portfolio and platform)

For further information please contact

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ADVISER NOTES