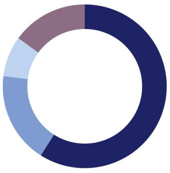
EPIM Sustainable Defensive

Asset allocation



Fixed interest	59%
UK equity	0%
Overseas equity	18%
Alternatives	8%
Cash	15%

Top 10 holdings

Cash	15.90%
Vanguard US Govt Bond Index	10.10%
Vontobel Sustainable Short Term Bond	9.20%
Trojan Ethical	7.70%
Rathbone Ethical Bond	6.60%
Pictet Global Sustainable Credit	6.20%
L&G Global Inflation Linked	5.60%
Brown Advisory Global Sustainable Total	5.00%
CG Dollar	4.90%
Threadneedle UK Social Bond	4.00%

Portfolio information

Launch date	1 June 2020
Minimum cash holding	2%
Annual management charge	0.3%
Total Cost of Investment	0.47%

Portfolio Objectives

The primary objective of this portfolio is to preserve capital. The portfolio is diversified across a range of asset classes but with a low overall allocation to funds investing in equities (expected to be no greater than 40%) and other risk assets. Target Volatility: 2%-4.75%

Sustainable philosophy

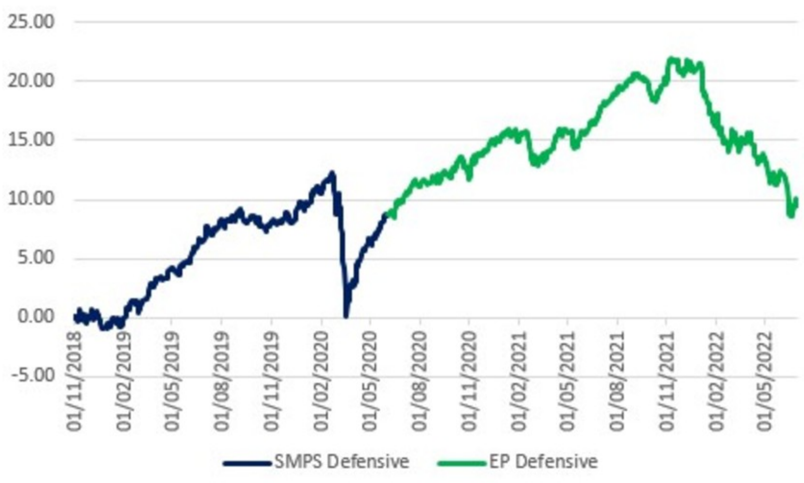
The ultimate goal of the portfolio is to support more inclusive social and economic development and more sustainable environmental and business practices, whilst generating strong and consistent investment returns. The portfolio will aim to achieve this by investing in a diversified range of funds which include themes such as renewable energy, financial inclusion, education, social housing, climate change action, sustainable waste management and renewable material production.

Monthly investment update

As we approach the third quarter, markets have printed one of their worst starts to the year in history, demonstrating the difficult market and economic environment we have seen so far this year. The first half of 2022 has seen a seismic shift in the valuation at which the market is willing to pay for companies, with those with greater longer term potential but lower earnings today being the most heavily impacted. This is a characteristic synonymous with many sustainably focused businesses as they are focused on addressing and solving the problems of tomorrow. As such, more of their earnings potential will be realised over the longer term and not necessarily over the next year, despite being profitable and financially resilient today. One of the big drivers of these moves has been the higher interest rates and less accommodative central bank policies around the world, as tighter policy leads to more expensive borrowing costs. This is primarily a concern for more indebted businesses and those with a higher perceived risk of default but despite this, the market has shown little mercy on long term growth opportunities that have minimal debt, or need to borrow for that matter. This highlights the short term and indiscriminate nature of markets during periods of stress and although it can be difficult to stomach the drawdowns we have seen so far this year, we believe that the businesses we favour will continue to generate good underlying growth in the medium to long term and weather the current market conditions better than the moves in share prices suggest. Markets have been experiencing higher levels of volatility lately and we see this continuing through the rest of 2022. Holding assets in more defensive sectors such as healthcare can help provide greater short term certainty on earnings due to much of the healthcare sector being supported by necessary spending. Healthcare has long been a core exposure within the sustainable portfolios due to their ability to significantly advance sustainable development and improve health outcomes, which helps to generate a more stable return profile through the economic cycle.

Powered by LGT Wealth Management

Performance



Source: Morningstar

	As at end of June 2022
1 month	-2.52%
3 month	-5.29%
6 month	-9.84%
1 year	-6.73%
3 year	2.81%
	Target
Volatility	2 to 4.75%
Return	3 to 4.5%
Potential drawdown	-5.0%
	Yield
Assumed yield	1.36%
Dividend	26%
Savings	74%

Where targets are given, these are for indication purposes only; the actual figures achieved could be more or less than the ranges given. Source: Morningstar. Net of underlying fund costs, gross of all other charges. Source: Figaro. Fixed income considered saving income, all other asset classes (bar cash) considered dividend income.