University of Nottingham
UK | CHINA | MALAYSIA

CAZENOVE CHARITIES

University of Nottingham

Thursday, 1st June 2023

Agenda

Team

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Your investment mandate

University of Nottingham

Your investment mandate		
1.	Investment objective	**Permanent Endowment Fund (circa £62 million) and Medium Term Fund (circa £9 million)** – The investment objective of both portfolios is to maintain the real capital value ahead of inflation, over the long term. The Trustees can tolerate variation in the capital value of the portfolio in the short-term and are prepared to adopt a total return (income and capital growth) approach to meet their expenditure requirements. The portfolio will be invested in the Responsible Multi-Asset Fund which has a target of inflation (CPI) plus 4% per annum, net of fees, over rolling ten-year periods. The Fund targets a stable and sustainable total return distribution of 4% per annum.
2.	Risk	– Capital volatility – able to tolerate oscillations in value – medium to high – Inflation – protection of the real portfolio value over the long term is important
3.	Time horizon	– Long term (in excess of 10 years)
4.	Responsible investment	– The Fund incorporates a responsible investment policy, with screening aligned with common concerns. The intention is for the Fund to have a positive impact on people and the planet. The managers will invest to avoid harm through ESG integration and exclusions, benefit society through responsible business activities and contribute to solutions through influence and investing for impact.
5.	Liquidity requirements	– Annual withdrawal of £1 million from the UoN - Permanent Endowment Fund – Monthly standing order of £83,333.33 – Medium Term Fund withdrawals are TBC
6.	Fees	– 0.55% (0.05% management fee, 0.32% RMAF fee, 0.17% third party manager fees)
7.	Reporting and monitoring:	
	Quarterly Valuations	Sally Blackamore, Hannah McMaster, Cara Higginbottom, Wendy Queen
	Authorised signatories	Sally Blackamore, Margaret Monckton, Helen Lawrenson, Carrie Richardson, Kerry Williamson White
	eServices access	Sally Blackamore, Hannah McMaster, Cara Higginbottom
	Investment and market updates by email	Sally Blackamore, Hannah McMaster, Cara Higginbottom

Please do inform us if there are any adjustments to be made.

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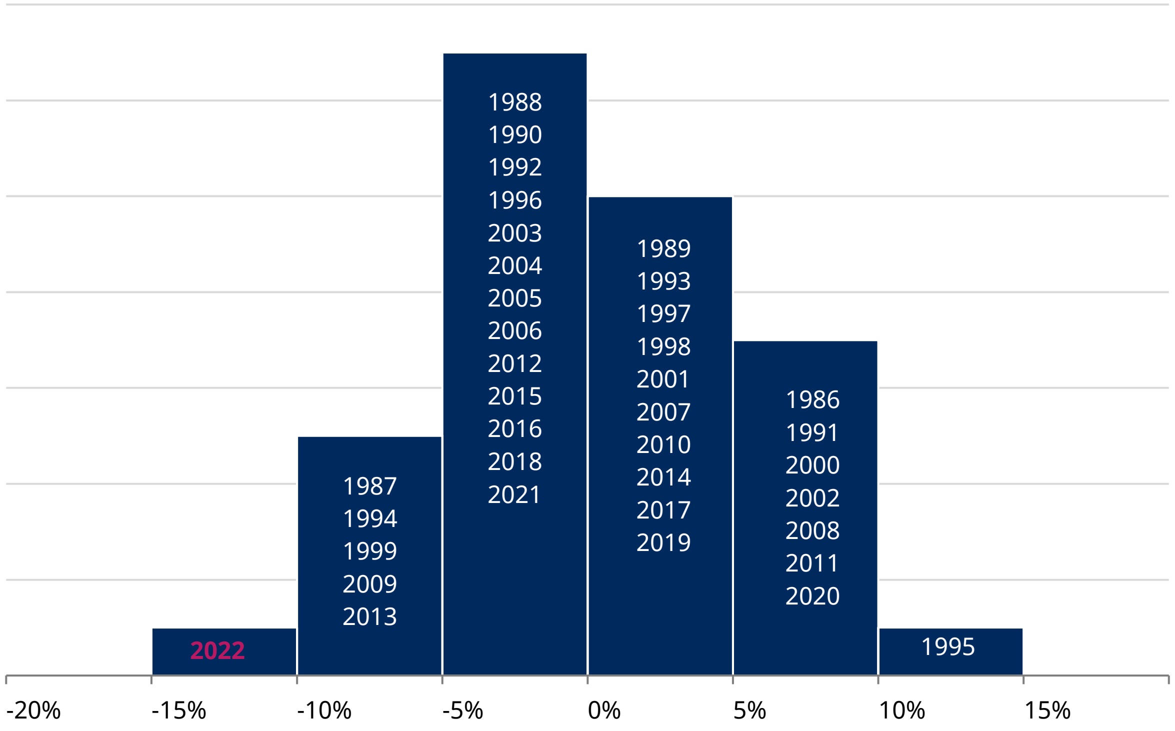
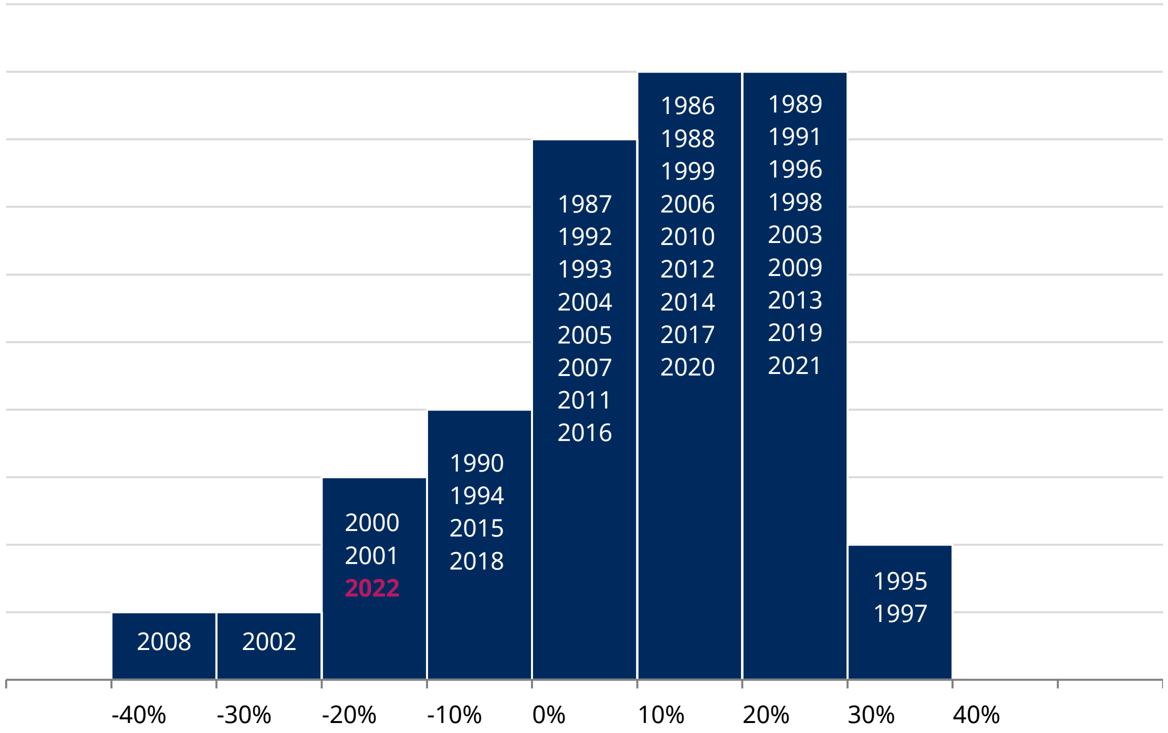
2022 was a challenging year for both equities and bonds

No place to hide in traditional asset classes

Bank of America US Treasury index annual total return (USD)



S&P500 annual total return (USD)



Total returns

Forecasts included are not guaranteed and should not be relied upon.
Source: Refinitiv, Cazenove. Data to 31 December 2022.

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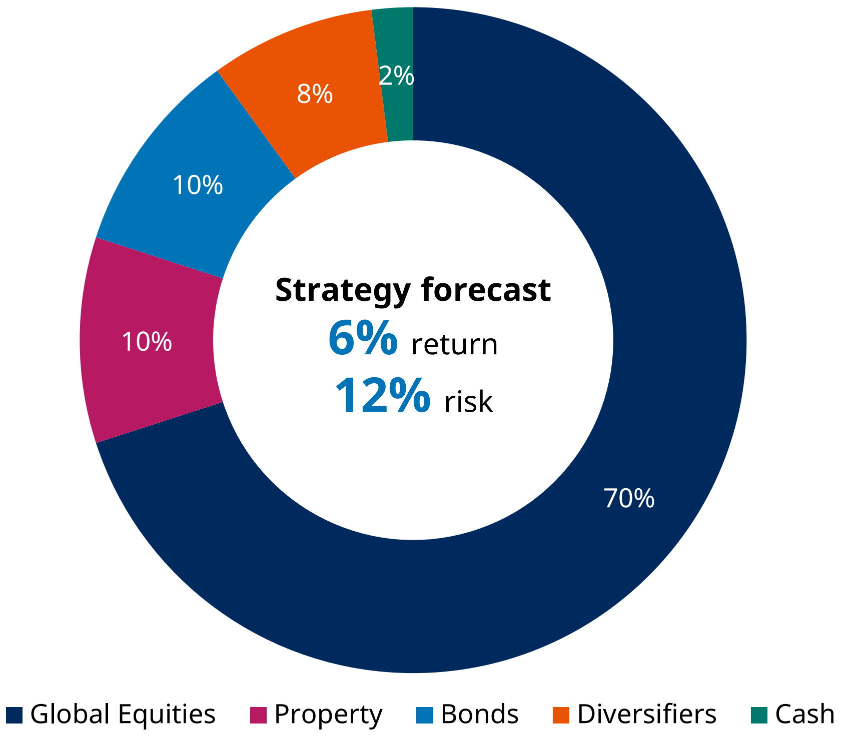
Responsible Multi-Asset Fund

Designed specifically for charities

- **Charity Authorised Investment Fund** – regulated by the Charity Commission and FCA
- **Strong corporate governance** – the Fund is monitored by an independent Advisory Committee
- A target return objective of **inflation (CPI) plus 4%** over rolling ten-year periods[1]
- **Responsible investment policy**, aims to achieve positive outcomes for people and the planet, with screening aligned with common charity concerns and values
- Income units pay a **sustainable distribution** to fund charitable expenditure (targeting 4% p.a. total return distribution smoothed over the previous three years)
- **Liquidity**: 12.00 daily dealing
- **Active asset allocation** over a market cycle around central strategy
- Morningstar Rating™*: Risk and Return ★★★★★ Sustainability
- Current fund size £1,316m on behalf of 334 charities



Inflation plus 4%

Source: [1]The target return is not guaranteed and your capital is at risk. 31st March 2023. Estimated risk and return data is based on our own analysis. Risk, return or yield characteristics of the above portfolios or constituent asset classes are not guaranteed to be achieved in the future. We define risk as standard deviation of annual returns. Our forecasts assume an average rate of inflation (CPI) of 2% per annum.
*Morningstar Ratings are sourced from Morningstar.

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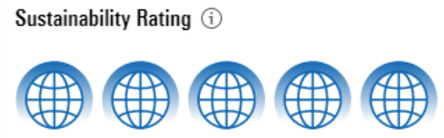
Responsible Investment Policy

A whole portfolio approach



Investment:

A. Avoid Harm: Ensuring all our investments avoid harm
   - ✓ Screening policy excluding areas of significant harm
   - ✓ Integrating ESG factors in the investment process
   - ✓ Reducing total portfolio carbon emissions and funding offsets

B. Benefit people and planet: Investing in global leaders in sustainability that support social and economic development

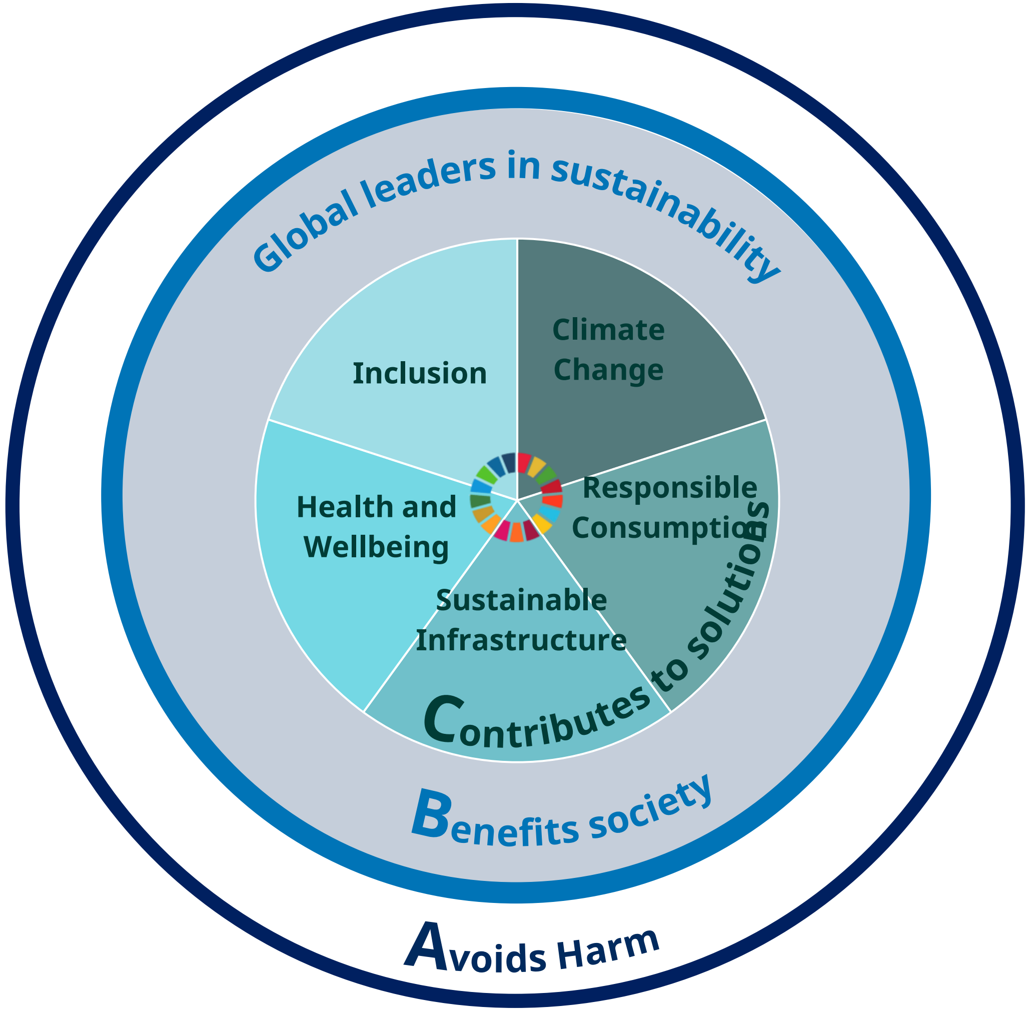
C. Contributes to solutions: Creating impact, tackling environmental and social challenges through thematic and impact strategies supporting the Sustainable Development Goals

Influence:

- ✓ Influence companies & managers, through engagement and voting, to encourage progress towards the UN sustainable development goals
- ✓ Collaborate with asset owners and managers to drive industry change

Exclusions

Fossil Fuels, Alcohol, Pornography, Armaments, Tobacco, Gambling, High interest rate lending & Human embryonic cloning



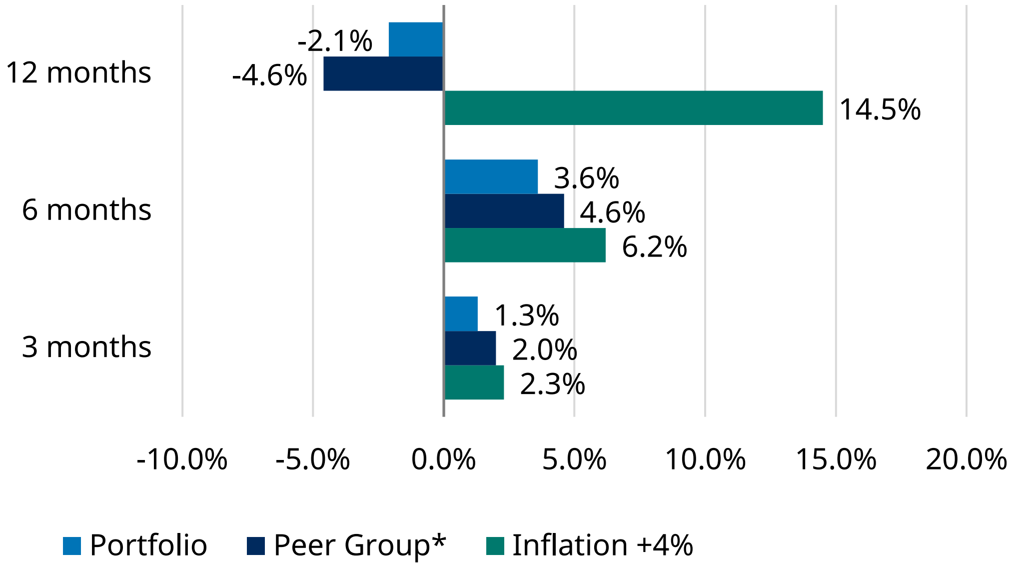
Source: Cazenove Capital. Screens are applied with a threshold tolerance of maximum 10% of revenue derived from the controversial area. See Sustainable Investment Policy. Screening tolerances for pooled investments are dependent on the underlying funds' responsible investment strategy. Morningstar Ratings are sourced from Morningstar.

Summary of investments

31st March 2023

- Total assets: £71,027,423
- **Medium Term Fund: £9,238,177**
- **Permanent Endowment Fund: £61,789,246**
- Total portfolio distribution target: 4.0% p.a.

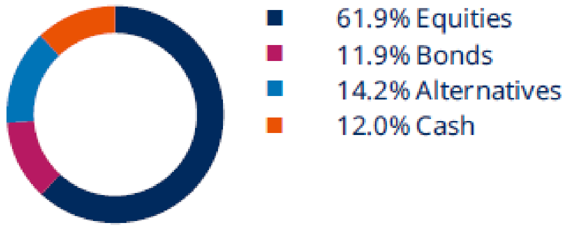
Performance – Permanent Endowment Fund



YTD performance: +2.1%**

UON - Medium Term Fund

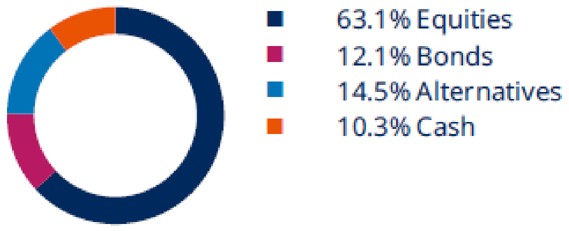
Asset allocation



	Value £	Weight
Equities	5,719,098	61.9%
Bonds	1,097,797	11.9%
Alternatives	1,309,498	14.2%
Cash	1,111,784	12.0%
Total	**9,238,177**	**100.0%**

UON – Permanent Endowment Fund

Asset allocation



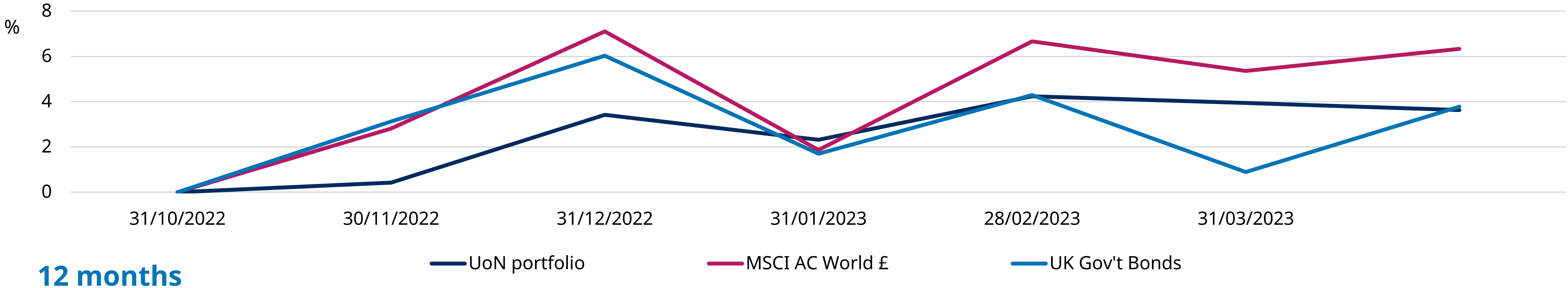
	Value £	Weight
Equities	39,017,361	63.1%
Bonds	7,489,495	12.1%
Alternatives	8,933,777	14.5%
Cash	6,348,613	10.3%
Total	**61,789,246**	**100.0%**

Source: Cazenove Capital. Total return in GBP net of fees to 31st March 2023. Past performance is not a guide to future performance. Target distribution is not guaranteed. *Peer Group: ARC Sterling Steady Growth. **As at 26th May 2023. Inception: 1st October 2021.

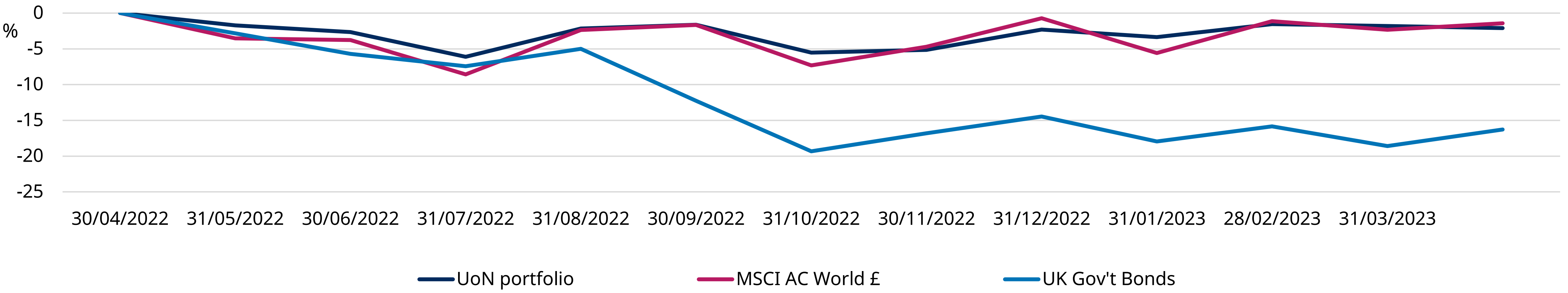
A smoother path of returns over time

Targeting circa 70% of global equity market volatility over an economic cycle

6 months



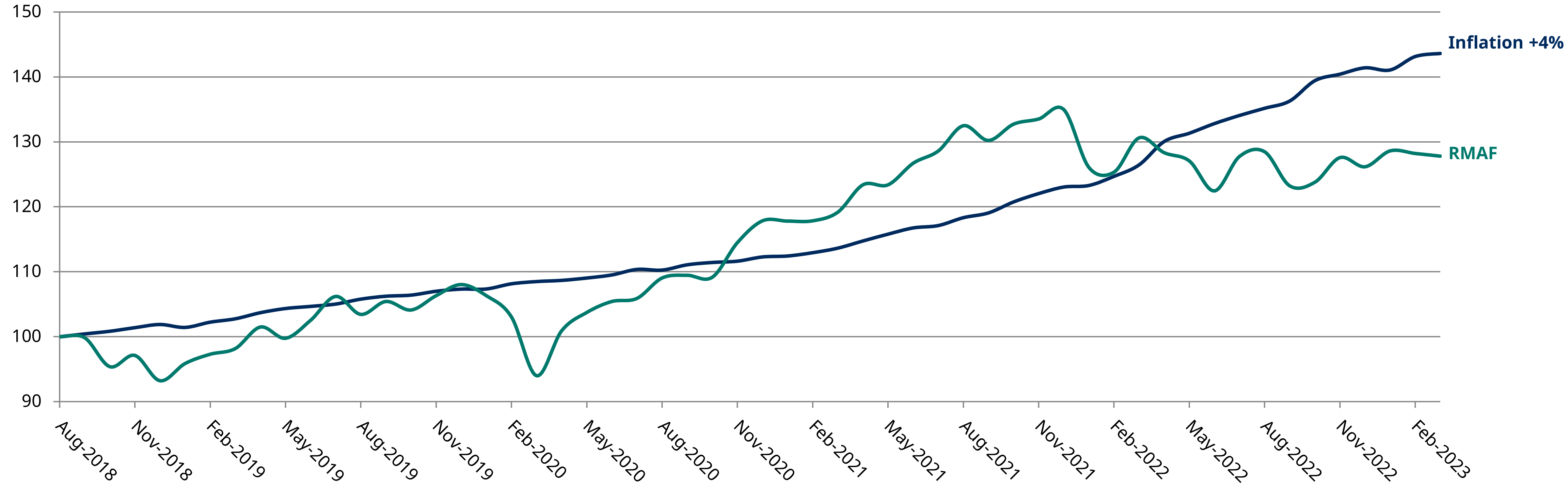
12 months



Source: Past performance is not a guide to future performance. Source: Cazenove Capital as at 31st March 2023.

Responsible Multi-Asset Fund

Long-term performance



31st March 2023	Since Inception	3 years p.a.	2 years p.a.	1 year
Responsible Multi-Asset Fund	+28.6%	+10.8%	+3.6%	- 2.2%
Inflation (UK CPI) +4%	+46.3%	+10.1%	+12.9%	+14.5%
Peer Group	+12.1%	+7.2%	- 0.1%	-4.6%

Past performance is not a guide to future performance.
Source: Datastream/Lipper, bid to bid, in GBP, net income reinvested at 31st March 2023. S Share Class; cumulative returns. Inception: 1 August 2018. Peer Group, ARC Steady Growth.

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Responsible Multi-Asset Fund

Short term performance

Contribution to performance Q1
Responsible Multi-Asset Fund: 1.3%

Top contributors to performance	Contribution
Schroder Global Sustainable Growth Fund	+2.2%
WisdomTree Physical Gold	+0.2%
Schroders Global Energy Transition Fund	+0.1%
Invesco US Treasury Bond	+0.1%
RPI Linked Gilt 2027	+0.1%

Bottom contributors to performance	Contribution
Schroder Sustainable Diversified Alternative Assets	-0.3%
Property Income Trust for Charities	-0.2%
WisdomTree Energy Transition	-0.1%
HSBC Global Sustainable Healthcare Fund	-0.1%
UBAM Positive Emerging Markets Fund	-0.1%

Contribution to performance 1 Year
Responsible Multi-Asset Fund: -2.2%

Top contributors to performance	Contribution
Schroder Global Sustainable Growth Fund	+0.3%
Schroder Global Energy Transition	+0.3%
Sparinvest Ethical Global Value Fund	+0.1%
HSBC ESG Liquidity Fund	+0.1%
TwentyFour Sustainable Short Term Bond Fund	+0.0%

Bottom contributors to performance	Contribution
Schroder Sustainable Diversified Alternative Assets	-0.8%
Property Income Trust for Charities	-0.5%
Charities Property Fund	-0.3%
Charity Bond Fund	-0.3%
WisdomTree Physical Gold	-0.2%

Past performance is not a guide to future performance.
Source: 31st March 2023, Schroders/Datastream/Lipper in GBP, net income reinvested. For illustration purposes, not a recommendation to buy or sell

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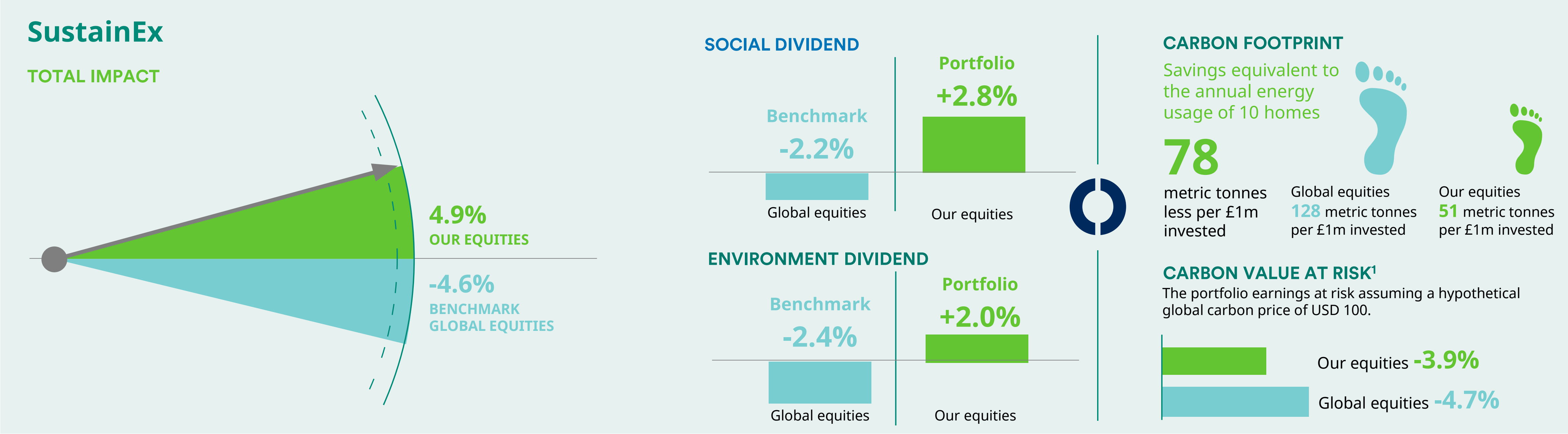
Sustainability

Sustainability insights

Equity portfolio



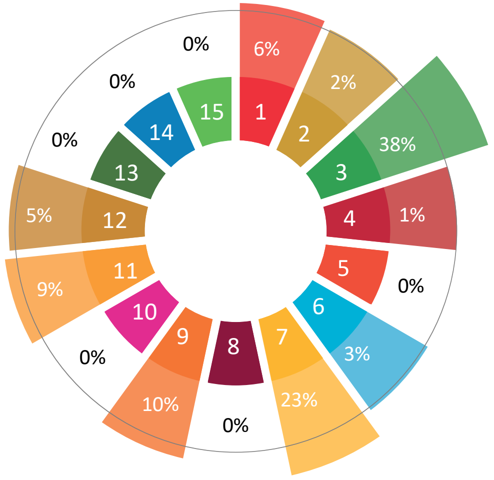
[1]Carbon Value at Risk measures the extent to which company profits and investor returns could be at risk if there was a globally agreed and implemented carbon price of $100. [2]ESG Integration: Integrating environmental, social and governance factors into investment decisions. Carbon footprint includes an aggregate of the annual scope 1 & 2 carbon emissions attributed to the companies. Impact is measured using SustainEx™. Schroders uses SustainEx™ to estimate the net social and environmental "cost" or "benefit" of an investment portfolio having regard to certain sustainability measures in comparison to a product's benchmark where relevant. For example, a score of +2% means that the portfolio adds $2 of benefits to society for every $100 of sales. It does this using third party data as well as Schroders own estimates and assumptions and the outcome may differ from other sustainability tools and measures. Source: Schroders, MSCI, EPA. Benchmark/Global Equities: MSCI AC World. As at 30th September 2022

Understanding the impact of your investments

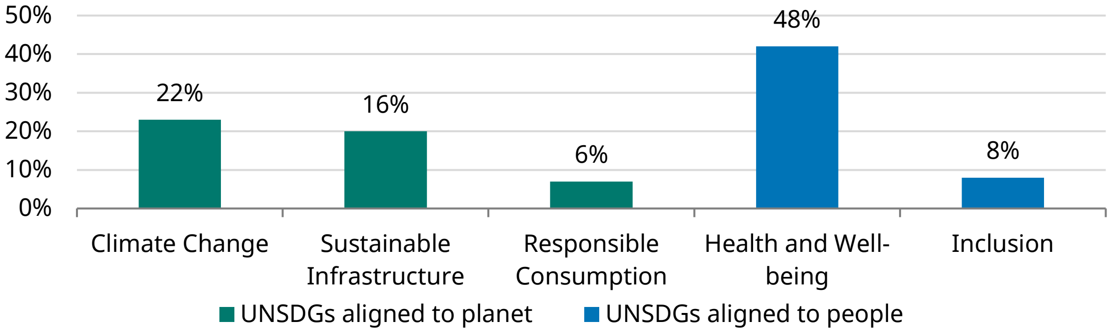
34% Contributes to solutions

✓ Aligned to UN Sustainable Development Goals
✓ Intentional ✓ Material

Bond, Equity and Alternative Investments alignment to UN Sustainable Development Goals (UNSDG)[1]



Thematic alignment



Impact metrics per £1m invested

People

424
People reached

Including

191
provided with healthcare

218
provided with financial service

14
provided with digital services

Planet

154
Tonnes of CO_2e avoided

Which is the equivalent of the carbon absorbed by

2,548 trees

[1]Portfolio holdings included that by our assessment are contributing to furthering sustainable development. Impact metric data provided, in part by Net Purpose. As at 31st December 2021.

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Investing for the Planet

Investment examples

Lombard Odier Climate Bond Fund
IBRD – Integrated modern agriculture development project[1]

Building climate resilience

94,000 hectares

380,000 farmer households supported

Lombard Odier Climate Bond Fund
Nordic Investment Bank – Blue Bonds[2]

Protecting Baltic Seas Ecosystems

Improved waste water treatment equivalent to the sewage created by 997,170 people

Thomas Lloyds Energy Impact Trust
Uttar Pradesh project[3]

Building renewable energy in ASIA

Clean electricity provided to 102,894 people

114,681 tonnes of CO_2 avoided annual

Source: 1. Cazenove Capital Impact report 2020. https://library.cazenovecapital.com/view/869139937/38/. 2. NIB NIB Environmental Bonds - Nordic Investment . Thomas Lloyd. https://www.thomas-lloyd.com/en/project/uttar-pradesh-i. For illustrative purposes only. Not recommended as a buy or sell. Underlying positions will change at the discretion of the manager and investments may no longer be held.

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Investing for People

Investment examples

Big Society Capital Impact Trust

Greater Manchester - homelessness intervention programme[1]

Getting and keeping young people off the

Intended to reach **1500** young people

Threadneedle Social Bond Fund

International Finance Facility for Immunisation – Vaccine Bonds[2]

Providing essential healthcare services

981m children vaccinated

Prevented **16million** deaths since 2000

Big Society Capital Impact Trust

Hull Women's Network[3]

Helping women escape domestic violence

670 women and children supported

200 new homes across the city

Source: 1. Big Society Capital. https://bigsocietycapital.com/impact-stories/greater-manchester-young-persons-homelessness-prevention-programme/. 2.https://iffim.org/sites/default/files/IFFIm_Investor_Presentation.pdf. :3. Big Society Capital. https://bigsocietycapital.com/impact-report-2020/people/housing-and-local-facilities/hull-womens-network/. For illustrative purposes only. Not recommended as a buy or sell. Underlying positions will change at the discretion of the manager and investments may no longer be held.

We offset the Scope 1&2 carbon emissions of the fund

Innovative partnership with Ecologi

COLLECTIVE IMPACT

36,228
trees planted

152,871 tonnes
of carbon avoided

Equivalent to one of the following:

Track our collective impact through offsets at www.ecologi.com/cazenovecapital

[1]The UK Governments greenhouse gas emissions report estimates that a flight from London to San Francisco emits 0.15119kg of carbon dioxide equivalent. [2]A report published by Science Magazine found that the loss of Arctic sea ice had a linear relationship to carbon dioxide equivalent emissions. The ratio is 3 ± 0.3 square meters per tonne of CO_2e https://protect-eu.mimecast.com/s/Ht-MClxy5S2xkvyjuGlWXV?domain=science.org. [3]The US Environmental Protection Agency's carbon emissions calculator estimates that 2,481 miles driven in a car emits 1 tonne of carbon dioxide equivalent. Carbon offsets are purchased against the average quarterly scope 1 & 2 carbon emissions attributed to the equities, as measured by MSCI, calculated on a daily basis. These figures reflect the offsets collectively purchased for the Charities Responsible Multi-Asset Fund, Cazenove Sustainable Growth Fund and Cazenove Sustainable Balanced Fund. **Offset purchases are voluntary and capped at a maximum of 0.05% of the total funds value.**

Cazenove Capital

Pushing for progress

Climate

Inclusion and Diversity

Human Capital Management

Biodiversity and Natural Resource Constraints

Human Rights

Governance and Oversight

↓

A path to Net Zero:

As a founding signatory to the asset managers net zero initiative we have committed to achieve net zero by 2050 or sooner.

To enable this we have been engaging with our underlying managers to understand their climate commitments and decarbonisation plans. We have completed an initial review of all **150 managers** on our buy lists and have set initial meetings with 23 managers to understand better their goals.

Following the publication of our Climate Transition Plan, will be launching a large scale engagement in 2023, targeting laggard managers with an initial focus on the firm level commitments

In 2022 we **engaged over 700 companies** on their net zero plans. Preliminary results show engaged companies were **2X more likely to adopt carbon targets**.

↓

Eliminate Commodity Driven deforestation:

We have committed to eliminate exposure to commodity-driven deforestation in the companies directly held in the investment portfolios we manage by 2025. Commodities covered include palm oil, soy, cattle products, and timber.

In 2022 we reviewed all holdings to understand where our highest exposures are. These companies are being engaged with in priority order:

Tier 1 priority – companies with direct exposures to deforestation risk commodities (largely producers and traders with revenue exposure >20%).

Tier 2 – companies with exposure to deforestation risk commodities in their supply chain, where Schroders have material exposure.

Tier 3 – all companies with deforestation risk that do not meet the materiality thresholds.

We look forward to reporting on progress going forward.

Source: Schroders/Cazenove. For illustration purposes, not a recommendation to buy or sell. Published February 2022 in our Engagement Blueprint.

Outlook and positioning

Outlook

Q1 2023

Economics The expectation is for slowing global growth and for the US economy to fall into a shallow recession. Inflationary pressures should ease but remain above long term central bank targets.

Valuations Equity valuations have moderated but earnings are at risk of downgrades. Government bonds look better value relative to recent history.

Sentiment Investor sentiment has improved but could continue to be tested with the potential for periods of heightened volatility.

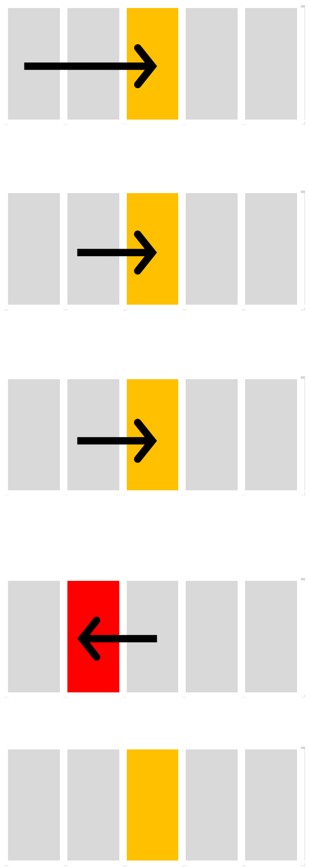
Risks Both downside and upside risks to the base case. Continued monetary policy tightening and geopolitical uncertainty pose most significant downside risks.

Source: Cazenove Capital.

Adding to global equities – are we there yet?

Getting closer, but none of the signals suggest an imminent end to the bear market

1. A peak in US interest rates
2. The economic backdrop stops deteriorating
3. The earnings backdrop stops deteriorating
4. Equity market valuations have meaningfully de-rated
5. Capitulation in investor sentiment and positioning



Source: Cazenove Capital. Arrows represent the year to date movement in the indicator.

Investment views

March 2023

Investment positioning

- Underweight equities – given elevated near term uncertainty, albeit valuations look more attractive
- Overweight bonds – Nominal government bonds have defensive characteristics in an uncertain economic environment and look more attractively valued relative to recent history.
- Overweight diversifiers and cash – attractive diversification characteristics and low correlation to traditional assets.

Rising interest rates offer more attractive returns relative to recent history, whilst cash offers optionality in potentially volatile markets.

Longer term themes

- Green initiatives to benefit from focus on energy independence and more supportive government policy
- More rapid adoption of technology and advances in healthcare
- Secular shift toward private markets

Responsible Multi-Asset Fund	Strategy	Tactical ranges	Current position
Equities	70%	55–85%	66.0%
Bonds	10%	0–20%	11.4%
Property	10%	0–15%	5.4%
Diversifiers	8%	0–15%	9.7%
Cash	2%	0–15%	7.5%

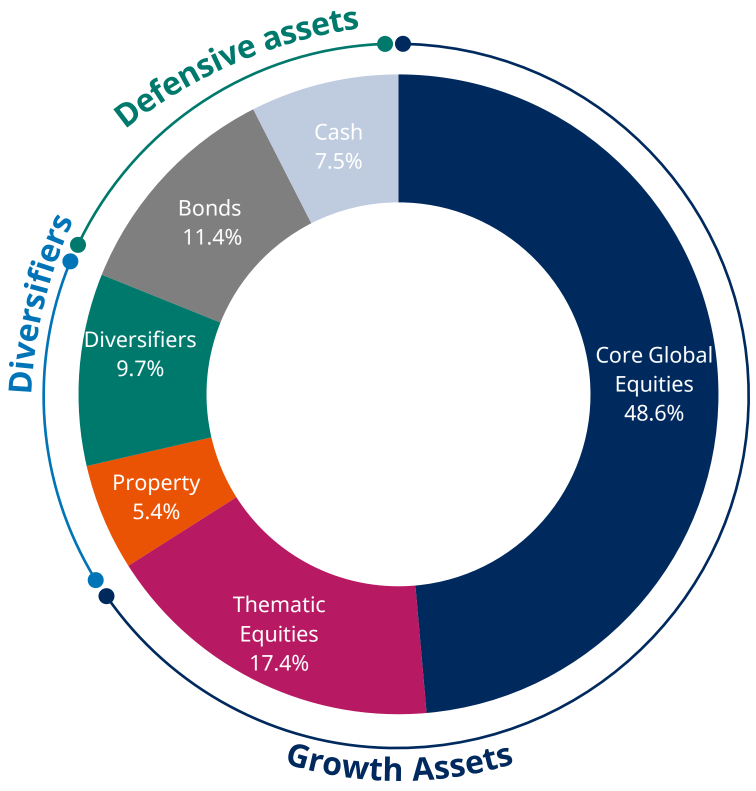
Source: Schroders, 31st March 2023. Allocations are subject to change.

Responsible Multi-Asset Fund

Investment Selection - to meet both financial and impact objectives

Defensive assets	18.9%
Bonds	**11.4%**
Charity Bond Fund	0.8%
Lombard Odier Global Climate Bond Fund	1.2%
Threadneedle European Social Bond Fund	1.1%
Inflation Linked Gilt 2027	1.4%
4.25% Gilt 2032	1.9%
Federated Hermes Climate Change Fund	0.9%
Invesco US Treasury Bond	2.1%
TwentyFour Sustainable Short Term Bond Fund	2.0%
Cash & Equivalents	**7.5%**
HSBC ESG Liquidity Fund	2.1%
Cash	5.4%

Alternatives	15.1%
Property	**5.4%**
Property Income Trust for Charities	2.6%
Charities Property Fund	2.8%
Diversifiers	**9.7%**
International Public Partnerships	0.2%
The Renewables Infrastructure Group	0.3%
WisdomTree Physical Gold	2.7%
Schroder Sustainable Diversified Alternative Assets	4.6%
WisdomTree Energy Transition Metals	1.9%



Growth assets	66.0%
Core Global Equities	**48.6%**
Direct Equities *30 – 50 of the worlds leading sustainable businesses*	48.6%
Thematic Equities	**17.4%**
Schroders Global Energy Transition Fund	3.3%
UBAM Positive Impact Emerging Equity	1.7%
Pictet Nutrition	1.8%
Sparinvest Ethical Global Value Fund	8.6%
HSBC Global Equity Sustainable Healthcare Fund	2.0%

Exposure to in house Funds	57.3%
Exposure to External Funds	37.3%

Source: Schroders, 31st March 2023. For illustration purposes, not a recommendation to buy or sell

Appendices

21+ years
ESG integration

44
Dedicated ESG specialists

With 300+ years
Combined investment experience

Fully ESG Integrated
Across our managed assets

2,100+
Engagements in 2021

Across 58
Countries globally

10
Proprietary investment tools and frameworks

13,000+
Companies covered by our portfolio-level sustainability reporting tools

A+
UN PRI annual assessment[1]

1st
Asset manager to tie cost of capital to sustainability goals

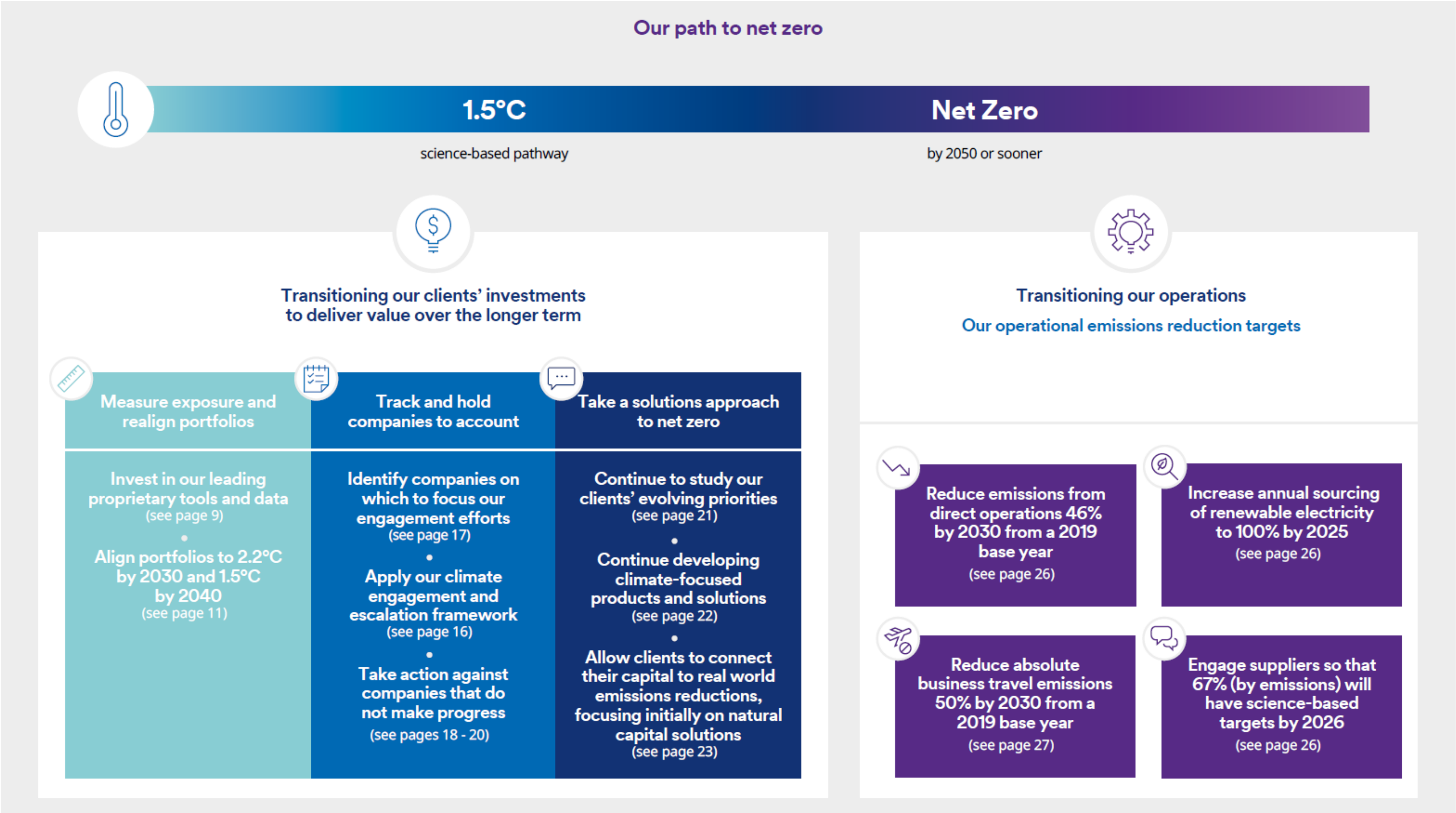
UN global compact
Signatory

Net Zero Asset Manager
Founding member of initiative

Source: Schroders, March 2022 unless otherwise stated. [1]PRI, 2015 - 2020 Assessment Reports. [2]For certain businesses acquired during the course of 2020 and 2021 we have not yet integrated ESG factors into investment decision-making. There are also a small number of strategies for which ESG integration is not practicable or now possible, for example passive index tracking or legacy businesses or investments in the process of or soon to be liquidated, and certain joint venture businesses are excluded.

Our climate transition action plan

Science-based targets for our investment and operational activities to lead the transition to a low carbon economy



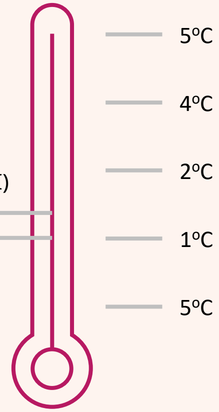
Implied portfolio temperature rise

2.4ºC

Benchmark
MSCI All Countries
World Index (ACWI)

2ºC

Responsible
Multi-Asset
Fund



Data is sourced from MSCI Research and Refinitiv. [Schroders Climate Transition Action Plan - Financial Professionals - Schroders]

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Investing for a better future

Investing with intention, taking action and delivering impact

Intention

- ✓ to meet your financial goals
- ✓ to have a positive impact on people and planet
- ✓ to align with your charities values

Action

- ✓ investing to **a**void harm, to **b**enefit society and **c**ontribute to solutions
- ✓ influencing companies, managers and policy makers to make progress towards the sustainable development goals

Impact

- ✓ measuring and managing the impact of your investments
- ✓ reporting on people and planet

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The power of collective action

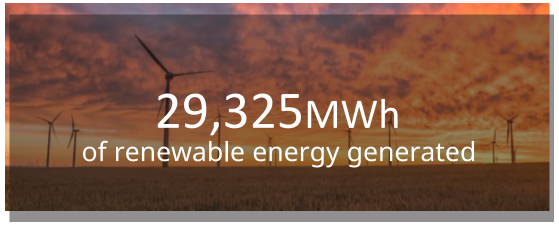
People

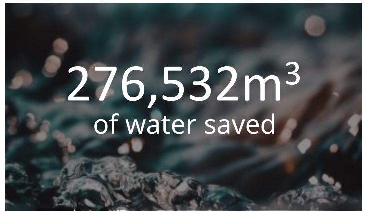
206,596
People reached

Planet

75,315 Tonnes of CO_2e avoided

Which is the equivalent of the carbon absorbed by 1,242,699 trees





Data shown reflects the notional aligned impact calculated for 12 months to 31 December 2021, based on the value of assets in our sustainable growth fund, accrued daily. The positive impact is generated by the companies that we invest in and the users of their products and services, like the organisations that have helped improve access to healthcare, finance and education and the people who choose to switch to renewable energy. Investors in the sustainable growth fund are aligned with these impacts by investing in a company's activities generally but do not finance any particular activity, product or service that a company may undertake or make available. We use the most up to date underlying impact data available as reported by the companies and fund managers in which we invest to estimate these impact metrics, and apportion it according to our holding size. To illustrate the aggregated impact, we translate the impact into more meaningful comparisons using the following conversion ratios: over a decade, one tree captures and stores 60kg of carbon dioxide from the atmosphere (Source: EPA), the average UK home uses 3,731KWh of electricity in a year (Source: Ofgem). Where data is not available we have not included it, with the expectation that our results are conservative. Impact metrics provided, in part by Net Purpose. The full impact methodology is available on our website.

Sustainability insights

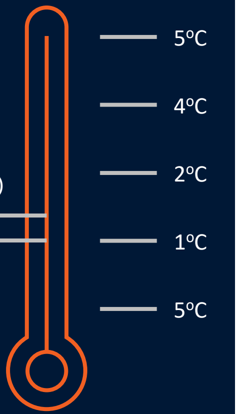
Implied portfolio temperature rise

2.4°C

Benchmark MSCI All Countries World Index (ACWI)

2°C

Responsible Multi-Asset Fund



People

	PORTFOLIO	BENCHMARK
SENIOR MANAGEMENT GENDER DIVERSITY Average % of women in senior management	17%	20%
BOARD GENDER DIVERSITY Average % of women on board	22%	24%
HUMAN RIGHTS POLICY % of companies with a human rights policy	74%	83%

Planet

	PORTFOLIO	BENCHMARK
WASTE INTENSITY Total amount of waste produced (tonnes) per $m sales	Portfolio 3 tonnes	Benchmark 302 tonnes
WATER INTENSITY Total water withdrawal (cubic metres) per $m of sales	Portfolio 853	Benchmark 6,885
CARBON INTENSITY Total CO2 and CO2 equivalents emission (tonnes) per $m of sales	Portfolio 30	Benchmark 135

99% lower than the benchmark (waste intensity)

88% lower than the benchmark (water intensity)

78% lower than the benchmark (carbon intensity)

Cazenove Capital

Investment process

Adding value at every stage of the process

Strategy

- Long-term roadmap: allocation to different asset classes to suit your return objectives, risk tolerances and spending needs
- Secular themes (sustainability, demographics, technology)

Targeting inflation plus spending

Asset Allocation

- Allocation to different asset classes over a business cycle. Based on:
  - Economics
  - Valuations
  - Sentiment

Adding value over the business cycle

Investment selection

- Choosing the best investments
- Fundamental research and proprietary tools
- Integrating sustainability
- Active ownership
- Ensuring value for money

Delivering your goals

Cazenove Capital

Investment beliefs

At the heart of our approach

Benefits of a long-term view	Diversification to smooth the journey	Active decisions through the cycle
Long term investors can benefit from their time horizon. Equities outperform over the longer-term, but are volatile	Target return of inflation +4% with a focus on risk	The economic environment needs to be taken into account

Sustainability

Understanding the impact of investments can improve investment decisions

 Source: Cazenove Capital. The investment philosophy may be adjusted when deemed necessary. Target return is not guaranteed and your capital is at risk.

Cazenove Capital

Why we invest sustainably

It's what makes a great investment *'stay'* great

We believe that only investments that are

- **run for the long-term**
- taking account of their impact on **all stakeholders**

will be able to sustain growth and returns

"Long-term value creation shaped by relationships with stakeholders"

Source: Cazenove

Core equity approach: Global Sustainable Growth

A distinctive approach with five key pillars of value creation

Philosophy

Long-term value creation driven by **stakeholder relationships**

Expertise

Unique collaboration between **experienced** teams, drawing on Schroders' wider global resources

Sustainability

Proprietary framework for differentiated and in-depth analysis

Portfolio construction

Investment led process focusing on positive sustainability characteristics and strong fundamentals

Active ownership

Targeted engagement to **improve shareholder and societal outcomes**

Source: Schroders.

Investment process

Overview

Idea generation	Sustainability	Investability	Active engagement
Global Research Platform	**Sustainable Investor Group**	**Portfolio Managers**	**Sustainable Investor Group**
Leverage Schroders' global analyst network and Global Team expertise **Identification of suitable candidates**	Initial vetting process Sustainable Quotient (SQ) analysis **Investable universe of approximately 100 stocks**	– Fundamental risk – Valuation – Conviction – Liquidity **Portfolio of 30–50 stocks**	Targeted engagement driven by sustainability assessment Stewardship/Voting **Seek to enhance long term returns**

Good Company vs. **Good Investment**

Source: Schroders.

Cazenove Capital

Schroder Sustainable Diversified Alternative Assets Fund

Providing diversified investment returns and capital for sustainable solutions

- Return target: UK CPI + 2.5% after fees, over a 5-7 year period.
- Invests in alternative asset classes including sustainable infrastructure, social housing, private equity, renewables, gold etc.
- Contributing towards the UN Sustainable Development Goals

Climate Change

Renewables including wind, solar, and bioenergy.

Climate mitigation or adaptation catastrophe-linked bonds

Investment examples:
Thomas Lloyd Energy Impact Trust – sustainable energy infra in Asia

Health and wellness

Healthcare providers, care homes, doctors surgeries.

Life sciences innovation and technology.

Investment examples:
Syncona Ltd
Impact Healthcare REIT
Target Healthcare REIT Ltd

Responsible consumption

Biodiversity-linked investments e.g. carbon offsets and forestry.

Energy transition-linked commodities

Investment examples:
SDCL Energy Efficiency Income Trust

Sustainable infrastructure

Clean energy infrastructure including battery storage, EV charging.

Water and sanitation infrastructure.

Investment examples:
International Public Partnerships (INPP)

Inclusion

Social infrastructure including housing, education, hospitals, courts.

Microfinance and financial inclusion.

Investment examples:
- Schroder BSC Social Impact Trust

Holdings as at 30th June 2022. SFDR Sustainable Finance Disclosure Regulation. For illustration purposes only and not a recommendation to buy or sell. Target return is not guaranteed and your capital is at risk

Companies that consider all their stakeholders

Global direct equity holdings as at 31 March 2023

Communication Services
- Alphabet

Consumer Discretionary
- Booking Holdings
- Deckers Outdoor
- Greggs
- Inditex
- Kingfisher
- Sekisui Chemical

Consumer Staples
- Nestle
- Raia Drogasil
- Reckitt Benckiser
- Unilever

Financials
- AIA Group
- B3 SA
- DBS Group
- FinecoBank
- HDFC Bank
- Macquarie Group
- Toronto Dominion

Health Care
- AstraZeneca
- DexCom
- Elevance Health
- Lonza Group
- Oak Street Health
- Roche
- Thermo Fisher
- UnitedHealth Group

Industrials
- Bunzl
- Husqvarna
- Recruit Holdings
- RELX
- Schneider Electric
- Spirax-Sarco
- Vestas Wind Systems

IT
- Adobe
- ASML
- Keyence
- Mastercard
- Microsoft
- Salesforce
- TSMC
- Texas Instruments
- Visa

Materials
- Norsk Hydro

Utilities

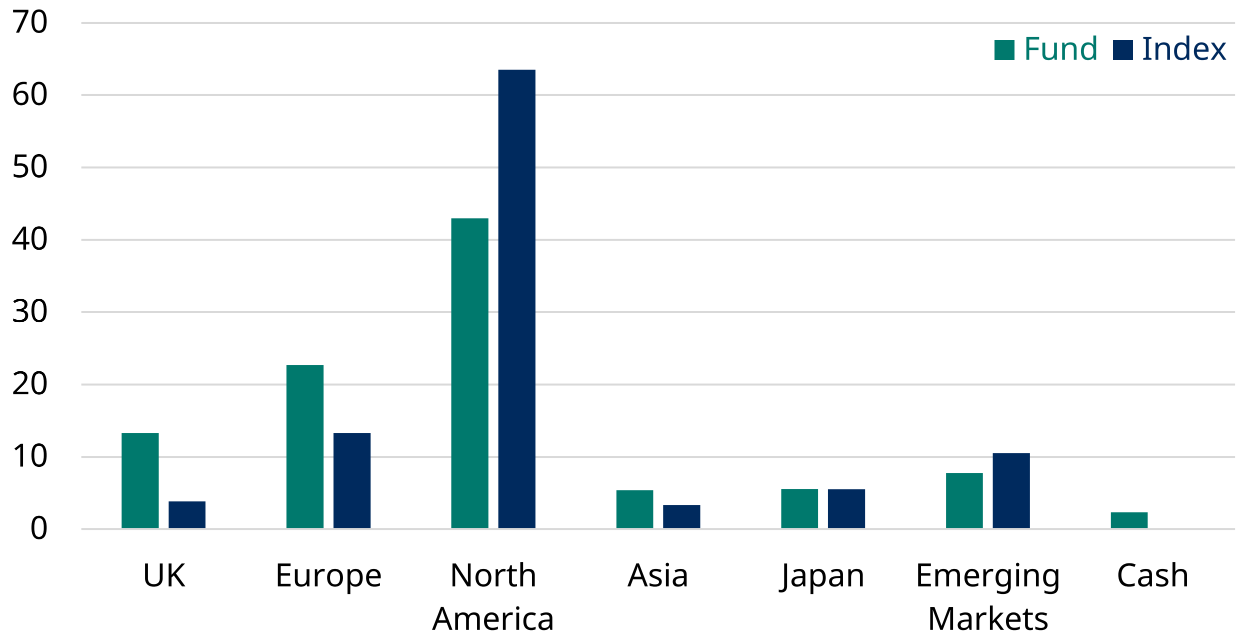
Energy

Source: Schroders, Refinitiv. The stocks and sectors shown above are for illustrative purposes only and are not to be considered a recommendation to buy or sell. Portfolio composition is subject to change.

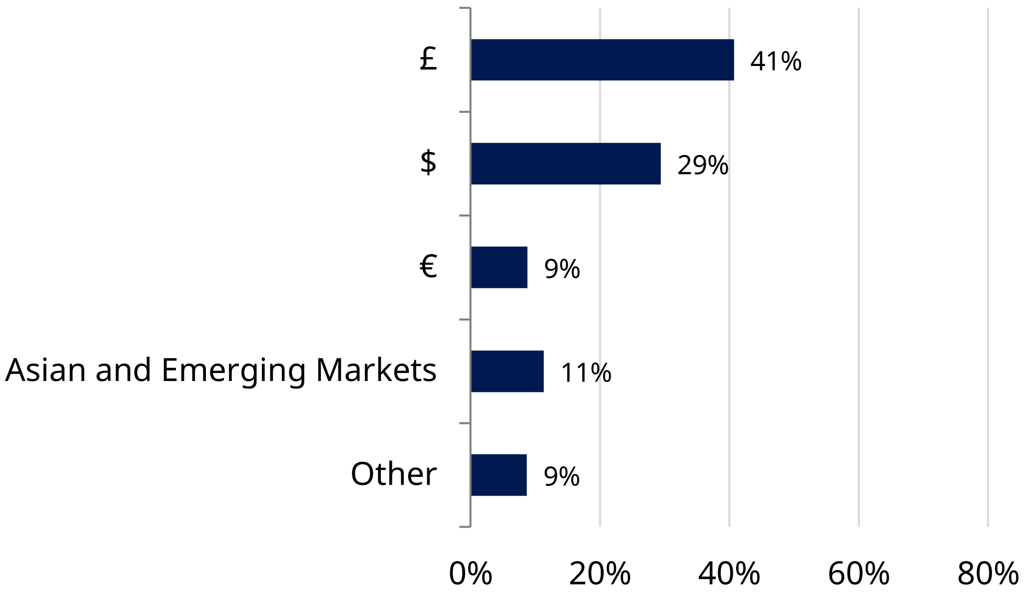
Investment Selection

Look through analysis

Equity Geographical Exposure



Fund Currency Exposure



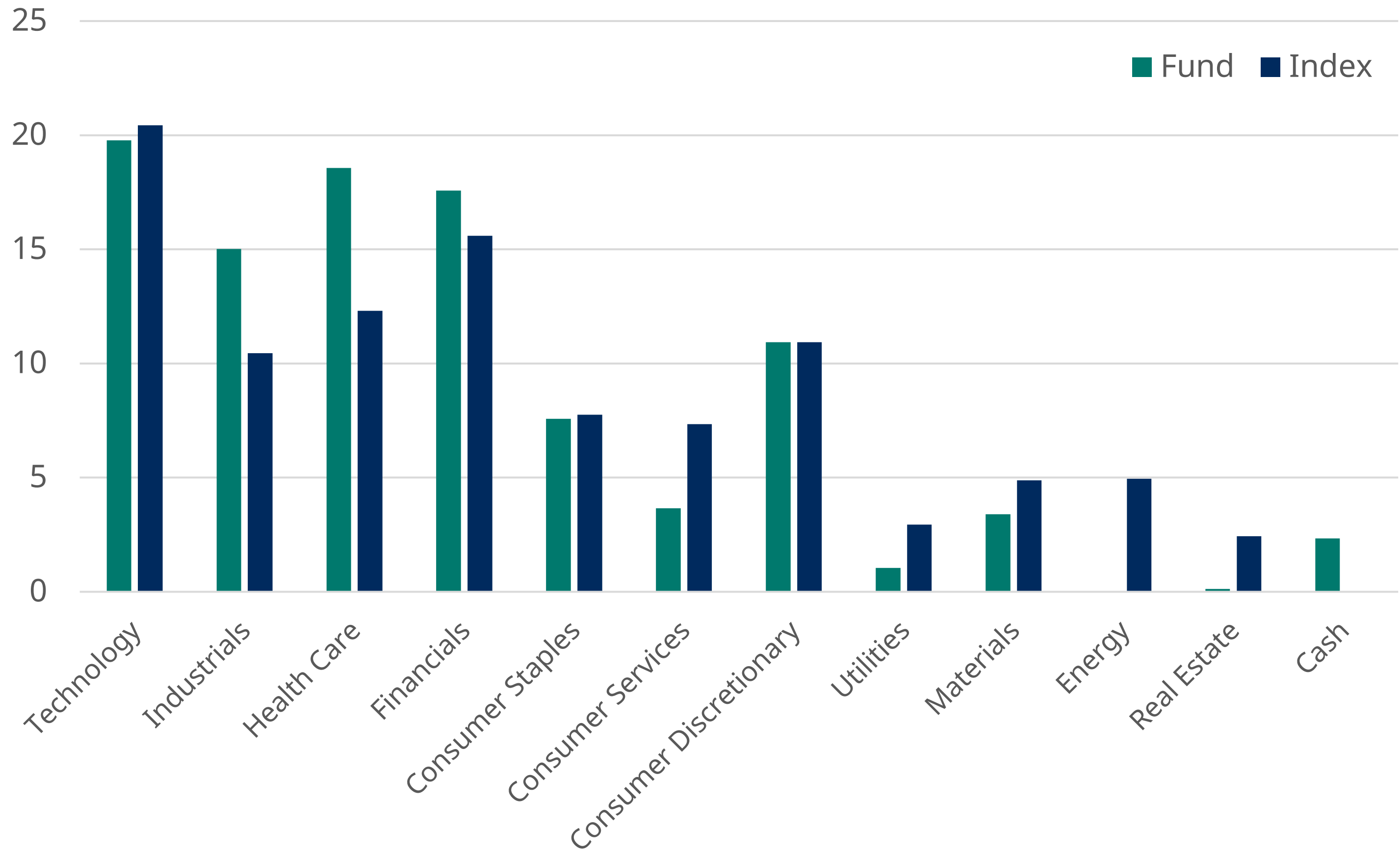
Source: Schroders. Style Analytics benchmark 100% MSCI AC World. As at 31st March 2023. For illustration purposes only. Please note that this is indicative exposure only and may change, subject to market conditions and outlook.

Cazenove Capital

Investment Selection: Equities

Look through analysis

Sector Exposure



	Top 10 Holdings	Exposure	YTD Return
1	Microsoft Corporation	4.9%	+18.2%
2	Schneider Electric	2.9%	+16.9%
3	Alphabet Inc	2.7%	+15.3%
4	Booking Holdings	2.7%	+29.1%
5	AstraZeneca	2.4%	+1.6%
6	Texas Instruments	2.4%	+11.2%
7	Thermo Fisher Scientific	2.3%	+2.8%
8	UnitedHealth Group	2.2%	-12.3%
9	Bunzl Public Limited	2.1%	+10.8%
10	AIA Group	2.1%	-7.1%

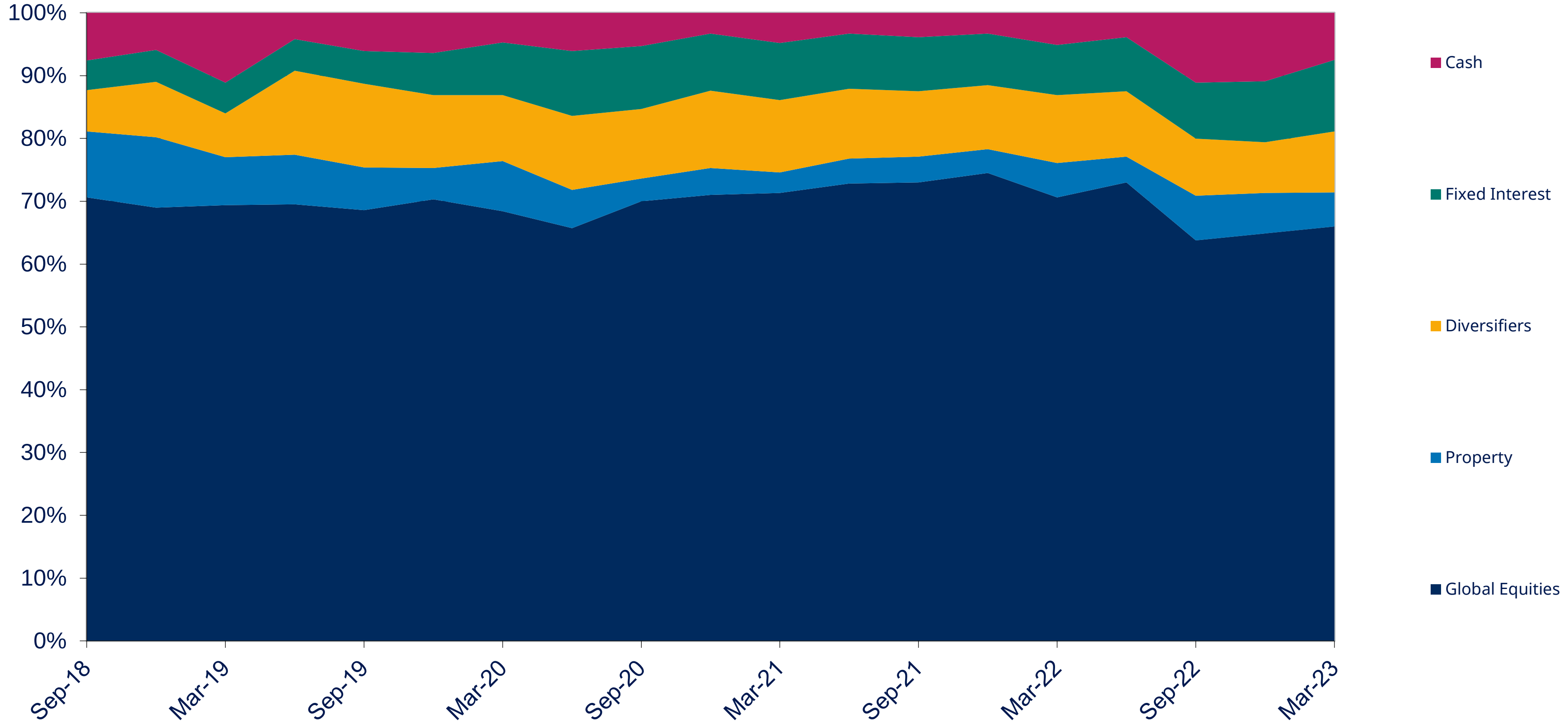
Risk Metrics	%
Active Share	80.6%
Tracking error	2.9%
No. of stocks	278
Beta	0.97

Source: Schroders. Style Analytics benchmark 100% MSCI AC World. As at 31st March 2023. The securities above are not a recommendation to sell or purchase. For illustration purposes only. Past performance is not a guide to future performance

Cazenove Capital

Charity Responsible Multi-Asset Fund

Asset allocation history



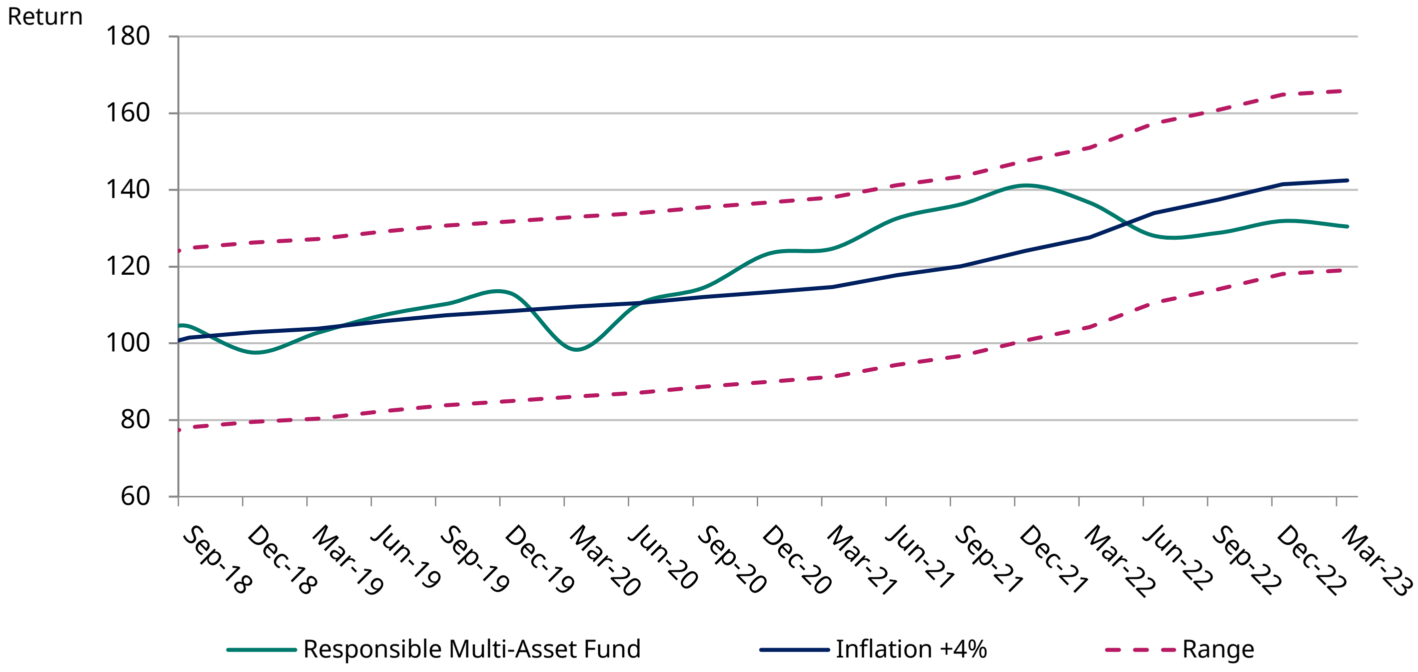
Source: Schroders, 31st March 2023

Cazenove Capital

Responsible Multi-Asset Fund

Performance since inception

- Long term target of inflation +4%
- Expect oscillations around this target as it is a non-investable ‘benchmark’
- Inception base date 1st August 2018 when Global Equities were historically 4% above average valuation
- Range: Upper and lower boundaries represent two standard deviations of the strategy from the central return expectation (inflation +4%)
- Targeting circa 70% of global equity market volatility over an economic cycle



Past performance is not a guide to future performance.

Source: Datastream/Lipper, bid to bid, in GBP, net income reinvested at 31st March 2023. S Share Class; cumulative returns. Inception: 1 August 2018. Global equity PE valuation at launch was 18.6 compared with the 15 year average of 17.9.

Cazenove Capital

Responsible Multi-Asset Fund

Performance since inception - Must be included in all packs with RMAF performance

	Since Inception	Since Inception p.a.	3 Years to 31 March 2023 (p.a.)	1 April 2022 to 31 March 2023	1 April 2021 to 31 March 2022	1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020
Responsible Multi-Asset Fund	**+28.6%**	**+5.5%**	**+10.8%**	**-2.2%**	**+9.6%**	**+26.8%**	**-4.3%**
Inflation (CPI) +4%*	+44.7%	+8.3%	+9.7%	+13.2%	+11.3%	+4.7%	+5.6%

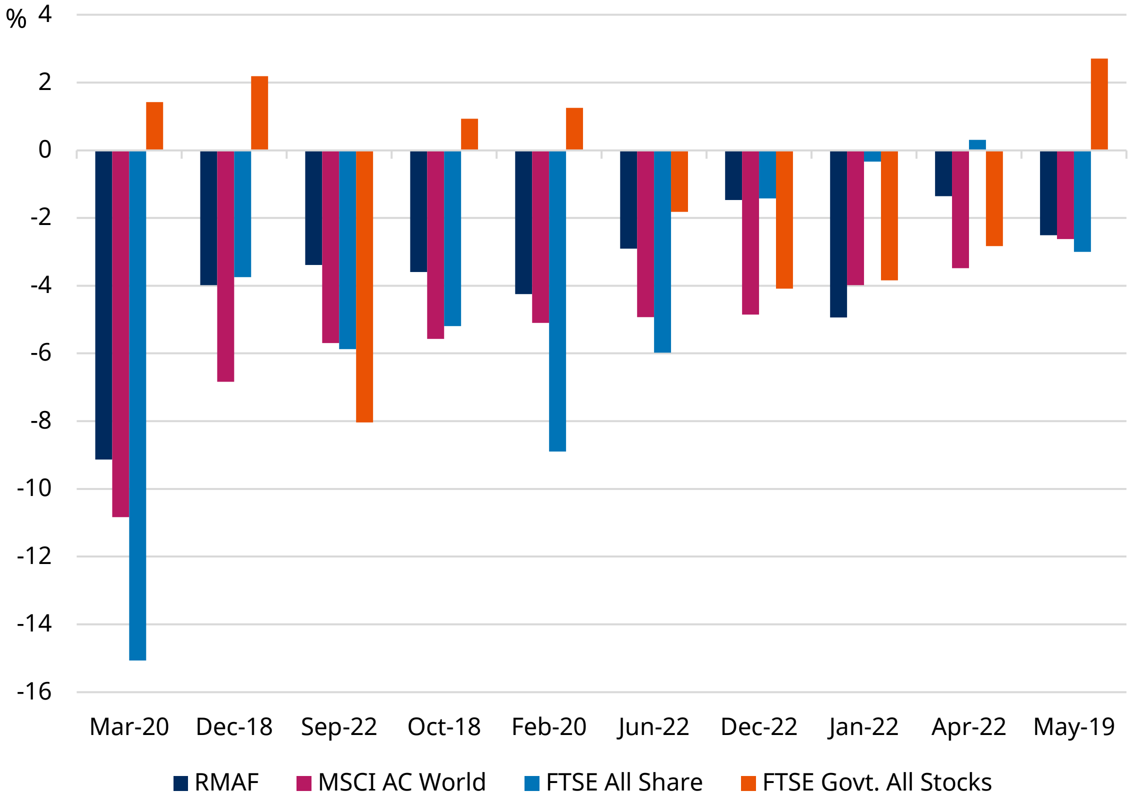
Past performance is not a guide to future performance.
Source: Datastream/Lipper, bid to bid, in GBP, net income reinvested at 31st March 2023. S Share Class; cumulative returns. Inflation at 30th February 2023. Inception: 1 August 2018.

Cazenove Capital

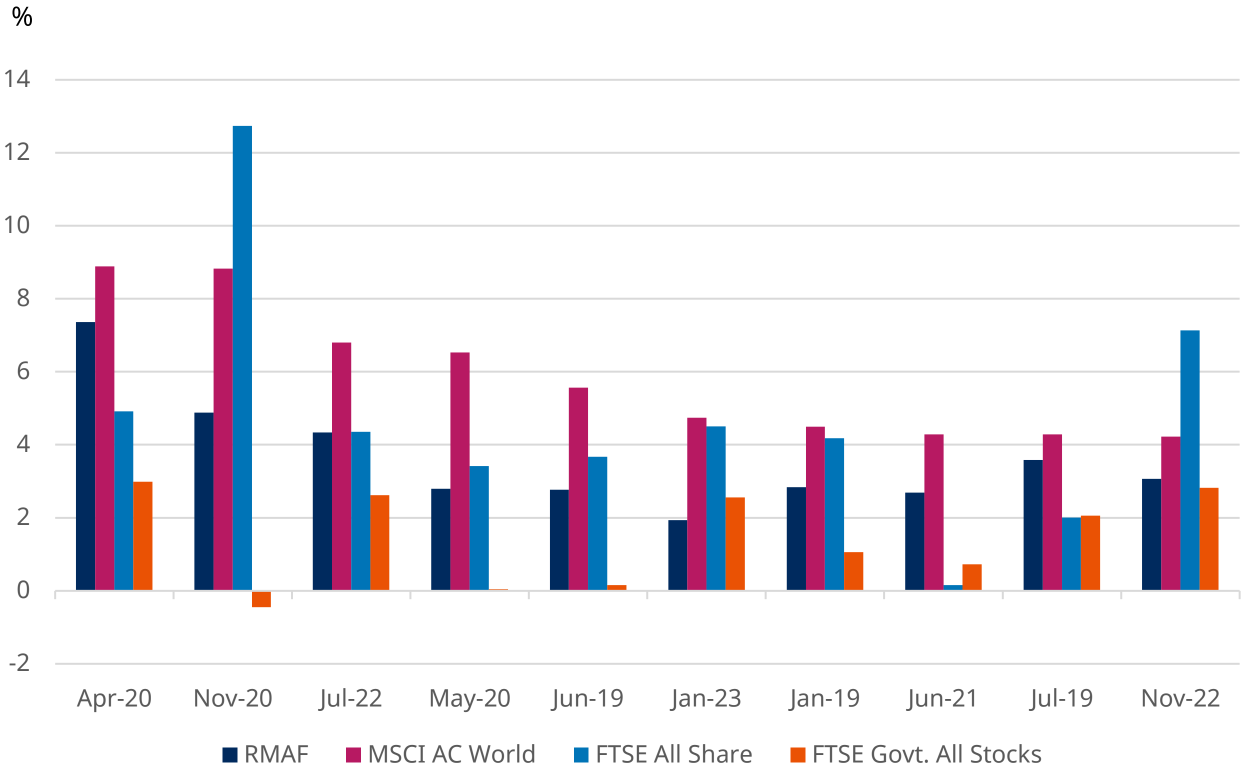
Responsible Multi-Asset Fund

Downside risk management

Ten worst months for global equities since inception



Ten best months for global equities since inception



Past performance is not a guide to future performance.
Source: Datastream/Lipper, RMAF S share class in GBP, as at 31st March 2023. Inception: 1 August 2018.

Cazenove Capital

Responsible Multi-Asset Fund

Fund performance to 31st March 2023

Asset Class	Fund	12M		3Y		3Y ANN		5Y		5Y ANN	
Equities - Emerging Markets	UBAM Positive Impact Emerging Markets	-3.5%	(2)	n/a	-	n/a	-	n/a	-	n/a	-
Equities - Emerging Markets	MSCI EM (Emerging Markets) NR USD	*-4.0%*	-	*17.2%*	-	*5.4%*	-	*6.9%*	-	*1.3%*	-
Equities - Global	HSBC Global Sustainable Healthcare Equity	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-
Equities - Global	Pictet Nutrition	-6.2%	(4)	n/a	-	n/a	-	n/a	-	n/a	-
Equities - Global	Schroder Global Sustainable Growth	1.2%	(1)	65.3%	(1)	18.2%	(1)	100.7%	(1)	15.0%	(1)
Equities - Global	Schroder Global Energy Transition	11.0%	(1)	122.9%	(1)	30.6%	(1)	n/a	-	n/a	-
Equities - Global	Sparinvest Global Ethical Value	1.2%	(1)	n/a	-	n/a	-	n/a	-	n/a	-
Equities - Global	*MSCI AC World NR GBP*	*2.2%*	-	*41.5%*	-	*12.3%*	-	*54.2%*	-	*9.1%*	-
Fixed Income - UK	Cazenove Charity Bond Fund	-15.2%	(1)	-23.0%	(1)	-8.4%	(1)	-13.2%	(1)	-2.8%	(1)
Fixed Income - UK	Vontobel 24 Sust Short Term Bond Income	-2.5%	(3)	1.3%	(4)	0.4%	-	3.2%	(3)	0.6%	(3)
Fixed Income - Europe ex UK	Threadneedle EU Social Bond	-7.6%	-	n/a	-	n/a	-	n/a	-	n/a	-
Fixed Income - US	Invesco US Treasury Bond ETF	-5.9%	-	-14.0%	-	-4.9%	-	n/a	-	n/a	-
Fixed Income - Global	Fed. Hermes Climate Change HY Bond	-13.3%	(4)	n/a	-	n/a	-	n/a	-	n/a	-
Fixed Income - Global	Lombard Odier Global Climate Bond	-6.2%	-	-10.1%	-	-3.5%	-	-3.9%	-	-0.8%	-
Fixed Income - UK	*FTSE Actuaries UK Gilts All Stocks*	*-13.8%*	-	*-27.1%*	-	*-10.0%*	-	*-13.5%*	-	*-2.9%*	-
Alternatives - Property	Charities Property Fund	-10.1%	-	11.0%	-	3.5%	-	19.1%	-	3.6%	-
Alternatives - Property	Property Income Tst for Charities	-16.3%	-	4.9%	-	1.6%	-	14.0%	-	2.7%	-
Alternatives - Property	*IPD UK All Property Monthly TR*	*-15.3%*	-	*7.7%*	-	*2.5%*	-	*13.9%*	-	*2.6%*	-
Alternatives - Property	*IA Property Other TR*	*-18.9%*	-	*5.7%*	-	*1.9%*	-	*5.2%*	-	*1.0%*	-
Alternatives - Gold	WisdomTree GBP Hedged Gold	-0.3%	-	19.7%	-	6.2%	-	33.2%	-	5.9%	-
Alternatives - Multi-Asset	Schroder Sustainable Diversified Alt. Assets	14.4%	-	-	-	-	-	-	-	-	-

Asset Class	Fund	31 Mar 2022- 31 Mar 2023		31 Mar 2021- 31 Mar 2022		31 Mar 2020 - 31 Mar 2021		31 Mar 2019- 31 Mar 2020		31 Mar 2018- 31 Mar 2019	
Equities - Emerging Markets	UBAM Positive Impact Emerging Markets	-3.5%	(2)	-2.8%	(1)	n/a	-	n/a	-	n/a	-
Equities - Emerging Markets	MSCI EM (Emerging Markets) NR USD	-4.0%	-	-9.9%	-	*35.5%*	-	*-9.0%*	-	*0.3%*	-
Equities - Global	HSBC Global Sustainable Healthcare Equity	n/a	-	n/a	-	n/a	-	n/a	-	n/a	-
Equities - Global	Pictet Nutrition	-6.2%	(4)	1.5%	(4)	n/a	-	n/a	-	n/a	-
Equities - Global	Schroder Global Sustainable Growth	1.2%	(1)	12.6%	(2)	45.1%	(2)	2.7%	(1)	18.2%	(1)
Equities - Global	Schroder Global Energy Transition	11.0%	(1)	-3.2%	(4)	107.5%	(1)	n/a	-	n/a	-
Equities - Global	Sparinvest Global Ethical Value	1.2%	(1)	n/a	-	n/a	-	n/a	-	n/a	-
Equities - Global	*MSCI AC World NR GBP*	*2.2%*	-	*4.3%*	-	*32.8%*	-	*-1.8%*	-	*11.0%*	-
Fixed Income - UK	Cazenove Charity Bond Fund	-15.2%	(1)	-5.6%	(2)	-3.9%	(1)	9.0%	(4)	3.5%	(2)
Fixed Income - UK	Vontobel 24 Sust Short Term Bond Income	-2.5%	(3)	-1.5%	(4)	5.5%	(3)	0.0%	(2)	1.9%	(1)
Fixed Income - Europe ex UK	Threadneedle EU Social Bond	-7.6%	-	-5.7%	-	n/a	-	n/a	-	n/a	-
Fixed Income - US	Invesco US Treasury Bond ETF	-5.9%	-	-3.9%	-	-4.9%	-	n/a	-	n/a	-
Fixed Income - Global	Fed. Hermes Climate Change HY Bond	-13.3%	(4)	n/a	-	n/a	-	n/a	-	n/a	-
Fixed Income - Global	Lombard Odier Global Climate Bond	-6.2%	-	-5.5%	-	1.4%	-	4.0%	-	2.8%	-
Fixed Income - UK	*FTSE Actuaries UK Gilts All Stocks*	*-13.8%*	-	*-8.3%*	-	*-7.8%*	-	*15.0%*	-	*3.2%*	-
Alternatives - Property	Charities Property Fund	-10.1%	-	20.8%	-	2.2%	-	1.5%	-	5.7%	-
Alternatives - Property	Property Income Tst for Charities	-16.3%	-	24.6%	-	0.6%	-	1.6%	-	7.1%	-
Alternatives - Property	*IPD UK All Property Monthly TR*	*-15.3%*	-	*23.9%*	-	*2.6%*	-	*0.1%*	-	*5.6%*	-
Alternatives - Property	*IA Property Other TR*	*-18.9%*	-	*11.0%*	-	*17.4%*	-	*-7.6%*	-	*7.7%*	-
Alternatives - Gold	WisdomTree GBP Hedged Gold	-0.3%	-	13.9%	-	5.5%	-	18.0%	-	-5.7%	-
Alternatives - Multi-Asset	Schroder Sustainable Diversified Alt. Assets	14.4%	-	-	-	-	-	-	-	-	-

Past performance is not a guide to future performance.

Source: Lipper, Datastream, bid to bid, in GBP, net income reinvested. 31st March 2023. [1]Lagged by one month. For illustration purposes, not a recommendation to buy or sell

Cazenove Capital

Responsible Multi-Asset Fund

Fund performance to 31st March 2023

Asset Class	Fund	12M		3Y		3Y ANN		5Y		5Y ANN		31 Mar 2022- 31 Mar 2023		31 Mar 2021- 31 Mar 2022		31 Mar 2020 - 31 Mar 2021		31 Mar 2019- 31 Mar 2020		31 Mar 2018- 31 Mar 2019	
Alternatives - Property	*IPD UK All Property Monthly TR*	*-15.3%*	-	*7.7%*	-	*2.5%*	-	*13.9%*	-	*2.6%*	-	*-15.3%*	-	*23.9%*	-	*2.6%*	-	*0.1%*	-	*5.6%*	-
Alternatives - Property	*IA Property Other TR*	*-18.9%*	-	*5.7%*	-	*1.9%*	-	*5.2%*	-	*1.0%*	-	*-18.9%*	-	*11.0%*	-	*17.4%*	-	*-7.6%*	-	*7.7%*	-
Alternatives - Gold	WisdomTree GBP Hedged Gold	-0.3%	-	19.7%	-	6.2%	-	33.2%	-	5.9%	-	-0.3%	-	13.9%	-	5.5%	-	18.0%	-	-5.7%	-
Alternatives - Other	International Public Partnerships	-12.4%	-	6.3%	-	2.1%	-	30.1%	-	5.4%	-	-12.4%	-	7.5%	-	12.9%	-	6.6%	-	14.8%	-
Alternatives - Other	Renewables Infrastructure Grp (IT)	-2.9%	-	13.5%	-	4.3%	-	53.0%	-	8.9%	-	-2.9%	-	16.9%	-	0.0%	-	14.6%	-	17.6%	-
Alternatives - Multi-Asset	Schroder Sustainable Diversified Alt. Assets	14.4%	-	-	-	-	-	-	-	-	-	14.4%	-	-	-	-	-	-	-	-	-

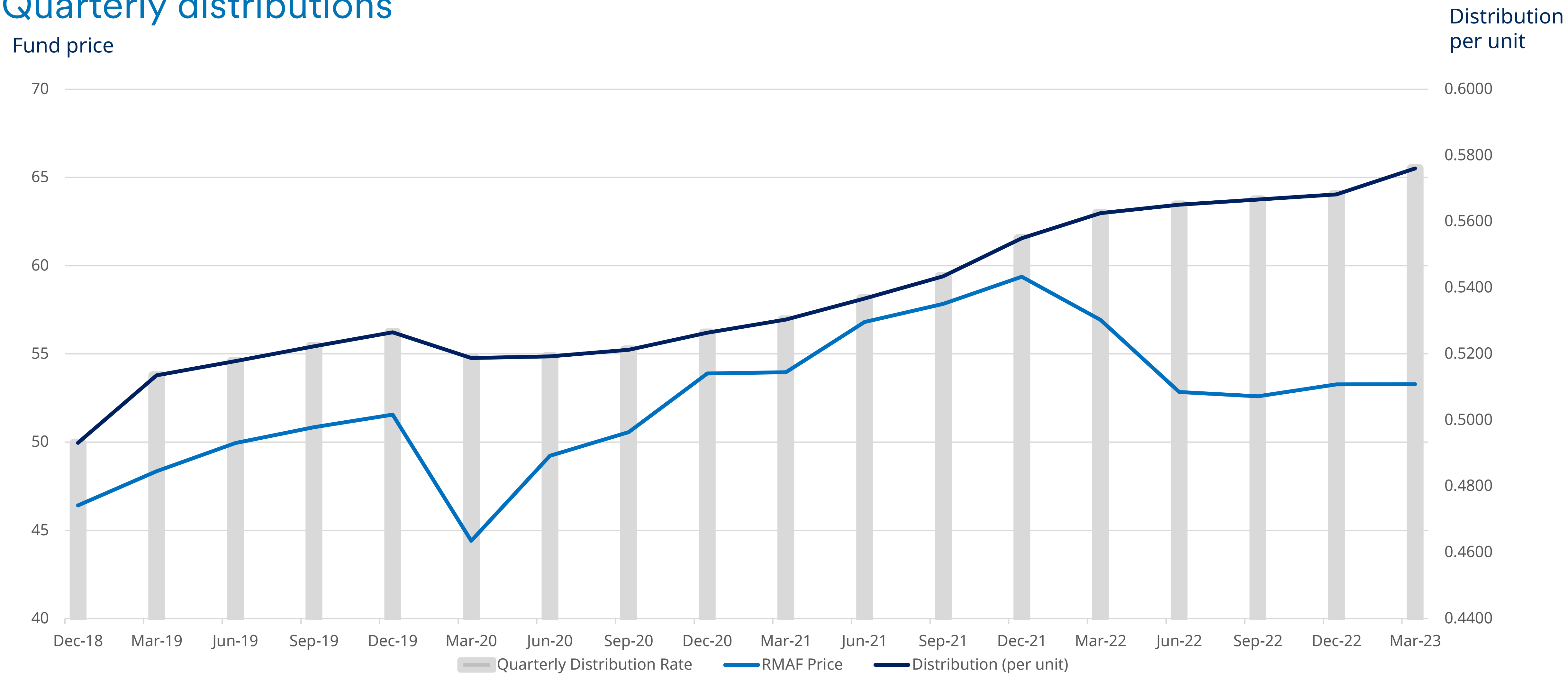
Past performance is not a guide to future performance.

Source: Lipper, Datastream, bid to bid, in GBP, net income reinvested. 31st March 2023. [1]Lagged by one month. For illustration purposes, not a recommendation to buy or sell

Cazenove Capital

Responsible Multi-Asset Fund

Quarterly distributions

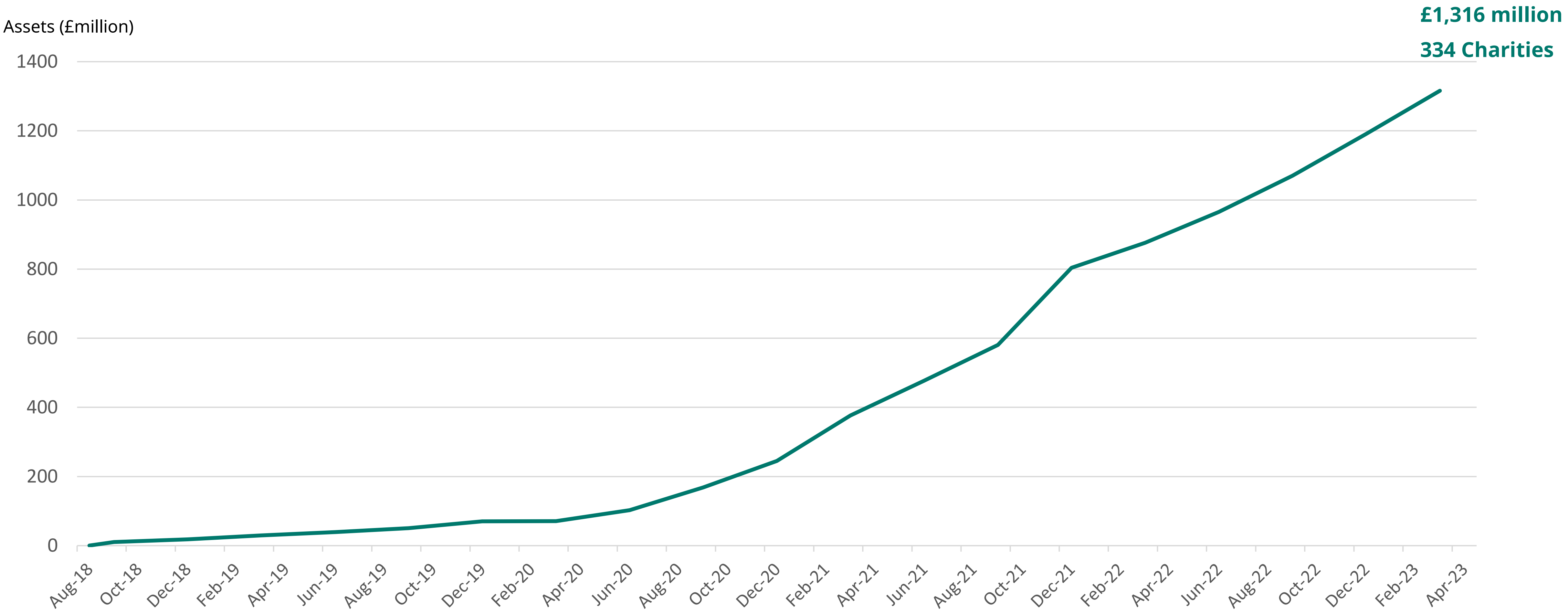


Source: Schroders, 31st March 2023. RMAF, S Distribution share class. Total return distribution, smoothed over the previous three years targeting 4% per annum, paid 1% per quarter. The target return is not guaranteed and your capital is at risk

Cazenove Capital

Responsible Multi-Asset Fund

Assets under management



Source: Schroders 31st March 2023. Fund launch date 1st August 2018

Cazenove Capital

Responsible investment policy

Screening policy

Exclusions

- Indiscriminate weaponry (zero tolerance)
- Armaments (>10% revenues)
- Pornography (>3% revenues)
- Tobacco (>10% revenues)
- Gambling (>10% revenues)
- High interest rate lending (>10% revenues)
- Human embryonic cloning (>10% revenues)
- Alcohol (>10% revenues unless the company meets industry standards for responsible marketing and retailing)
- Fossil Fuels – extraction, production and refining of coal, oil and gas (>10% revenues)

The exclusion policy reflects common concerns of charities. It will be reviewed regularly and may be amended as considered necessary.

To aid diversification we will incorporate the use of pooled funds and third party managers. As screening policies may differ we will select funds that currently exhibit no exposure to the above sectors and will continue to monitor the underlying holdings for compliance.

Carbon Offsetting

Partnership with Ecologi

- To support our efforts to have a positive impact on the planet we offset the portfolio’s carbon emissions on a quarterly basis, based on scope 1 and 2 carbon emissions from the equities. We work with social enterprise Ecologi, to buy carbon credits from environmental projects across the world, with a focus on reforestation and conservation of biodiverse forests. We will report on the environmental projects and their impact within our annual impact report.

- The cost of the projects will be paid for by the firm and no charge is passed to investors.

- Carbon offsets are purchased against the average quarterly scope 1 & 2 carbon emissions attributed to the equities, as measured by MSCI, calculated on a daily basis. Offset purchases are voluntary and capped at a maximum of 0.05% of the total funds value.

- Details of the carbon credits purchased and projects supported can be seen at www.ecologi.com/cazenovecapital

Long-term returns and risk assumptions

Cazenove Capital GBP Portfolios

Forward looking return assumptions for high level asset classes (GBP)

	Expected long-term return p.a.	Expected volatility p.a.	Comments
UK equity	7.0%	13.9%	Assumption of 4% equity risk premium over expected returns from government bonds (3%)
Developed market ex-UK equity	7.0%	14.9%	Assumption of 4% equity risk premium over expected returns from government bonds (3%)
Emerging market equity	9.5%	21.4%	Emerging market premium over developed equities expected to reward investors for higher risk and higher anticipated nominal growth rates
Government bonds (UK or £ hedged)	3.0%	6.0%	0.75% excess return over cash for maturity extension
Investment grade corporate bonds (UK or £ hedged)	4.0%	6.1%	Returns derived by adding expected credit spread, net of anticipated losses due to defaults, to government bond yields (credit spread 1.1%, default losses 0.1%)
High yield bonds (UK or £ hedged)	5.0%	9.3%	Returns derived by adding expected credit spread, net of anticipated losses due to defaults, to government bond yields (credit spread 5%, default losses 3%)
Liquid private and real assets	6.0%	12.0%	Reflects return of 5% from real estate and infrastructure (1% premium over investment grade bonds) combined with exposure to listed private equity and debt
Target absolute return	3.75%	8.7%	Long term sensitivity of 0.3 to equity markets expected to generate 1.5% excess returns over cash
Short equity volatility	5.75%	11.2%	Returns from systematic monetisation of equity volatility
Cash (£)	2.25%	0.7%	Derived from inflation assumption of 2% and equilibrium real interest rate of 0.25%

Source: Cazenove Capital, 2021. The expected returns are forecasts and not a reliable indicator of future performance. Illustrative ten year performance for a normal business cycle. Income reinvested with no capital withdrawals. Underlying assumptions and calculations available on request. All forecast performance figures are exclusive of commissions, fees and other charges which will have an effect on final performance figures.

Cazenove Capital

Disclaimers, risk warnings and regulatory status

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Disclaimers, risk warnings and regulatory status

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Disclaimers, risk warnings and regulatory status

Risk warnings (continued)

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