Cazenove Capital

Charity Equity Income Fund

30 June 2025

Marketing material for eligibile charities only.

Sue Noffke
Fund Manager

Matt Bennison
Fund Manager

Investment objective and policy

The SUTL Cazenove Charity Equity Income Fund aims to provide a portfolio yield in excess of the FTSE All-Share Index, through investing predominately in UK equities. The income provision will be the primary objective. The Fund's secondary target is to provide capital growth in order that its total return exceeds that of the FTSE All-Share Index over rolling five-year periods.

Subject to cash being reasonably held for redemptions and expenses, it is the intention of the Fund to remain fully invested except where market conditions necessitate the use of a defensive investment strategy which involves the holding of cash or near cash.

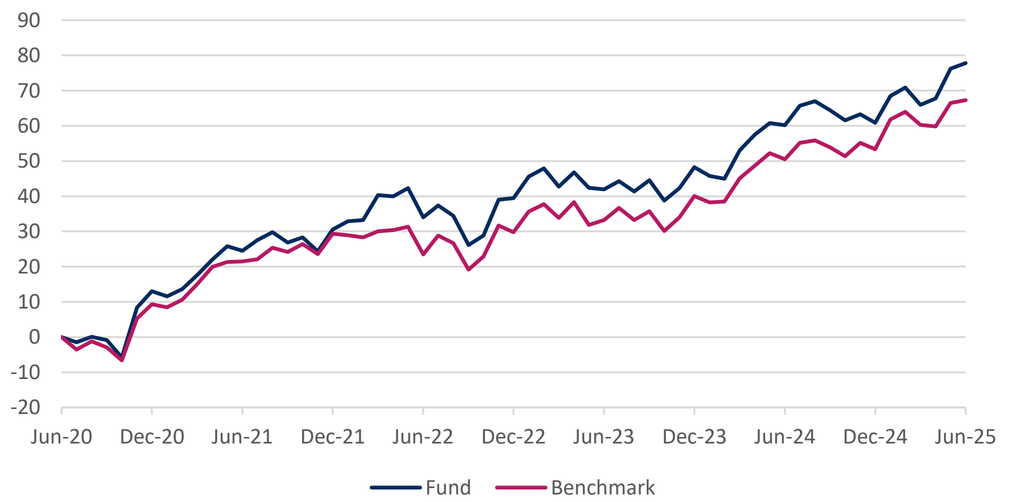
*On 8 June 2018 the fund converted to a Charity Authorised Investment Fund (CAIF) structure, the performance shown below has been obtained predominantly under the old Common Investment Fund (CIF) structure. The objective and strategy remain the same. However, the revised Ongoing Charges (OCF) no longer include VAT.

Performance analysis

Performance (%)	1 month	3 months	6 months	YTD	1 year	3 years	5 years	10 years
Fund	**0.9**	**7.1**	**10.5**	**10.5**	**11.0**	**32.7**	**77.8**	**79.1**
Benchmark	0.5	4.4	9.1	9.1	11.2	35.5	67.3	92.7

Discrete yearly performance (%)	Jun 2024 - Jun 2025	Jun 2023 - Jun 2024	Jun 2022 - Jun 2023	Jun 2021 - Jun 2022	Jun 2020 - Jun 2021
Fund	**11.0**	**12.9**	**5.9**	**7.7**	**24.5**
Benchmark	11.2	13.0	7.9	1.6	21.5

Performance over 5 years (%)



The return received may rise or fall as a result of currency fluctuations.

Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested. There is no guarantee that the objective will be met.

Some performance differences between the Fund and the benchmark may arise because the Fund performance is calculated at a different valuation point from the benchmark.

Source: Schroders, mid price with net income reinvested, net of the ongoing charges and portfolio costs and, where applicable, performance fees.

Technical information

Strategy launch date*	02 December 2002
Total fund size (£)	26.6 million
Total number of holdings	43
Unit price end of month (£)	103.00 GBX
Benchmark	FTSE All-Share Total Return
Fund manager	Sue Noffke Matt Bennison
Ex Distribution Dates	31 Mar, 30 Jun, 30 Sep, 31 Dec
Payment dates	28 Feb, 31 May, 31 Aug, 30 Nov
Latest payment	1.00p
Distribution yield	3.8%
Ethical restriction	No tobacco manufacturers

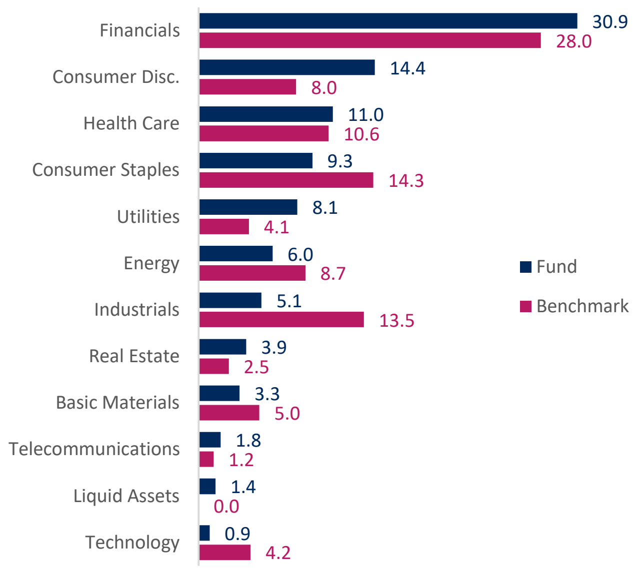
Purchase information

SEDOL	Acc: BF784F4 Inc: BF784G5
Bloomberg	Acc: SUTCEIA LN Inc: SUTCEAI LN
ISIN	Acc: GB00BF784F45 Inc: GB00BF784G51
Fund base currency	GBP
Dealing frequency	Daily (12:00 GMT)
Ongoing charges (OCF)	0.52%
Minimum investment amount	£10,000

Holdings analysis

Top 10 Holdings	Sector	% NAV
HSBC Holdings PLC	Financials	6.2
Shell PLC	Energy	6.0
AstraZeneca PLC	Health Care	6.0
National Grid PLC	Utilities	5.2
Unilever PLC	Consumer Staples	3.8
Standard Chartered PLC	Financials	3.2
Prudential PLC	Financials	3.1
3i Group PLC	Financials	3.0
RELX PLC	Consumer Disc.	3.0
SSE PLC	Utilities	2.9
Total		**42.4**

Asset allocation (%)



Liquid Assets contain cash, deposits and money market instruments with maturities of up to 397 days, which are respectively not part of the core investment objective and policy. The commitment linked to the equity index futures contracts, if present, is deducted from cash. Source: Schroders

Risk considerations

The following risks may affect fund performance. Currency risk: The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. Derivatives risk: A derivative may not perform as expected, and may create losses greater than the cost of the derivative. Equity risk: Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. Liquidity risk: In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares. Operational risk: Failures at service providers could lead to disruptions of fund operations or losses.

Performance and portfolio activity

Performance during the quarter was strong in absolute terms and exceeded the benchmark return. The Fund's small and mid-cap holdings, as well as cyclical exposures, were key contributors to outperformance in the second quarter.

Small and mid-sized companies experienced a notable recovery in the second quarter, supported by signs of improvement in the UK economy and expectations of declining inflation rates, which may result in future interest rate reductions. Merger and acquisition activity remained especially robust among small and mid-cap companies; notably, our investment in Empiric Student Property contributed positively following a bid from Unite Group. The consumer discretionary sector performed well as equity markets rebounded after losses associated with the US tariff announcement on 2 April. Notable performers among the holdings included luxury goods company Burberry, retailer and veterinary services provider Pets at Home, Whitbread (owner of Premier Inn), and International Consolidated Airlines.

In addition, QinetiQ, a defence services company, delivered positive results as its share price recovered after the profit setback announced in March, and broader market recognition of its strong balance sheet and favourable trends in European defence spending. However, underweight exposure to the aerospace and defence sector overall detracted from performance; specifically, no allocation to Rolls Royce and a limited position in BAE Systems offset gains realised from QinetiQ.

From an income perspective, we continue to observe a shift in capital allocation by companies away from purely dividend distributions towards a blend of ordinary dividends and share buybacks. This trend may offer enhanced support for future capital returns for UK equities compared to prospective dividend growth. Nonetheless, the UK market continues to provide the highest yield among major international markets, and, all else being equal, share buybacks improve a company’s future earnings and dividends per share by spreading profits over a reduced share base. We remain confident in identifying opportunities to invest in what we consider mispriced companies, supporting a Fund with a resilient outlook for income generation.

For further information please contact
Jeremy Barker, Portfolio Director, on 020 7658 1107
or jeremy.barker@cazenovecapital.com