Cazenove Capital

SUTL Cazenove GBP Sustainable Growth Fund

March 2025

S Accumulation Unit

Fund manager

Ahmet Feridun

Fund launch date

13 January 2021

Unit price at launch

50.0 GBP

Unit price as at 31 March 2025

58.24 GBP

Fund size (£m)

688.9

Total number of holdings

64

Estimated income yield

1.56%

Annual management charge (AMC)

0.375%

Est. ongoing charges figure (OCF)

0.69%

Dividend distribution dates

Semi-Annual

Dealing frequency

Daily

ISIN

GB00BF782275

SEDOL

BF78227

Sustainable investment policy:

Avoid harm by excluding[1] harmful sectors and screening companies environmental, social and governance practises

Benefit society by allocating a significant portion to companies that create overall positive outcomes for their stakeholders, such as employees, communities and the environment

Contribute to solutions by including an allocation to areas of environmental and social needs

Influence companies through engagement and voting, to encourage responsible business practises

[1]Full policy available on request. Screens are applied with a threshold tolerance of maximum 10% of revenue derived from Fossil Fuels, Alcohol, Pornography, Armaments, Tobacco, Gambling & High interest rate lending.

Investment objective

The fund aims to provide capital growth and income of inflation (as measured by the UK Consumer Price Index) plus 4% (after fees have been deducted) over any five to seven year period by investing in a diversified range of assets and markets worldwide which meet the investment manager's sustainability criteria. Target returns cannot be guaranteed and your capital is at risk. The fund's intention is to achieve the financial objectives whilst creating positive outcomes for people and the planet.

Above is the investment objective of the fund. For details on the fund's Investment Policy, please refer to the Key Investor Information Document, which is available upon request.

Performance % (Total return)	3 Mon	6 Mon	1 Year	3 Year	5 Year
SUTL Cazenove GBP Sustainable Growth Fund*	-2.9%	-2.0%	1.0%	8.8%	51.3%
ARC GBP Steady Growth PCI	-1.2%	-0.1%	2.5%	6.9%	38.2%
CPI + 4% +	1.6%	3.3%	6.9%	32.0%	52.2%

Performance % (Total return)	Mar 24 - Mar 25	Mar 23 - Mar 24	Mar 22 - Mar 23	Mar 21 - Mar 22	Mar 20 - Mar 21
SUTL Cazenove GBP Sustainable Growth Fund*	1.0%	10.0%	-2.0%	7.9%	28.9%
ARC GBP Steady Growth PCI	2.5%	9.2%	-4.5%	4.6%	23.5%
CPI + 4% +	6.9%	7.5%	14.8%	10.4%	4.4%

Performance of SUTL Cazenove GBP Sustainable Growth Fund*

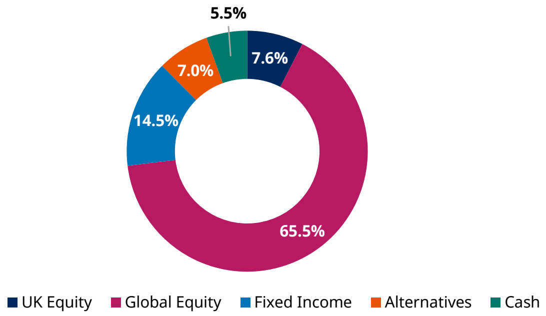
Cumulative performance (%)

* The above chart and tables show the performance of the Cazenove SIC GBP Growth model portfolio shown as representative past performance for the SUTL Cazenove GBP Sustainable Growth Fund prior to 31 January 2021, followed by the performance of the Fund after this date. The Cazenove SIC GBP Growth model is constructed in the same way as the SUTL Cazenove GBP Sustainable Growth Fund. However, model performance may differ from the performance of the SUTL Cazenove GBP Sustainable Growth Fund. Model performance is shown net of the AMC of the fund, underlying fund fees and trading costs. The performance returns for ARC GBP Growth Asset PCI in Q1 2025 are estimated returns. Past Performance is not a guide to future performance and may not be repeated. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested.

+ CPI data lagged by 1 month

Asset allocation

Tactical asset allocation

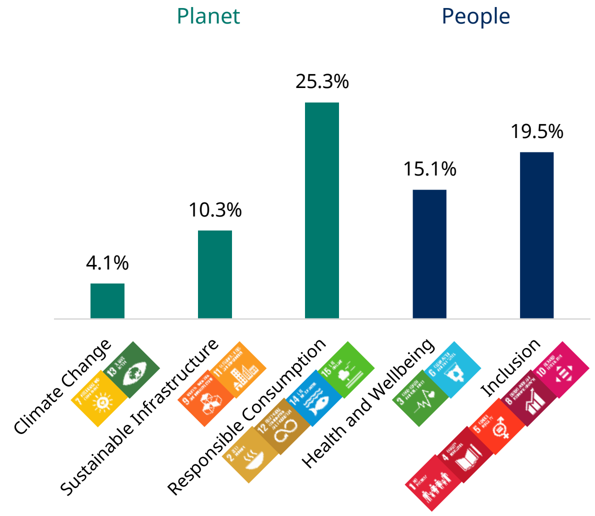


Asset allocation is subject to change

Asset class ranges	
Equities	50–80%
Fixed income	0–30%
Alternatives	0–30%
Cash	0–20%

Sustainable Development Goals (SDG)

Equities alignment



Source: MSCI SDG alignment based on companies with any revenue from products and services that support the goals within the equity portfolio, grouped under our 5 key themes

Sustainability Insights

Portfolio equities *vs Global Equities*

People

Social Dividend

4.3%

vs -0.4%

Planet

Environmental Dividend

-0.6%

vs -2.0%

Social and environmental dividend is measured using SustainEx which calculates the contribution of the companies expressed as a percentage of sales. For example, a score of +2% means that the portfolio adds $2 of benefits for society for every $100 of sales.[1] Benchmark is MSCI All Countries World Index

Climate Dashboard

Portfolio equities *vs Global Equities*

Carbon footprint

72% lower

Implied temperature rise

2.2°C

vs 2.6°C

Carbon footprint based on the average Scope 1 and 2 carbon emissions (tonnes CO2e) of portfolio companies. Implied temperature rise based on projected emissions, i.e. targets and historical efforts across scopes 1, 2 & 3 over one time horizon. Benchmark is MSCI All Countries World Index

[1] SustainEx™ provides an estimate of the potential "impact" that an issuer may create in terms of social and environmental "costs" or "benefits" of that issuer. It does this by using certain metrics with respect to that issuer and quantifying them positively (for example by paying 'fair wages') and negatively (for example the carbon an issuer emits) to produce an aggregate notional measure of the relevant underlying issuer's social and environmental "costs", "externalities" or "impacts". SustainEx™ utilises and is reliant on third party data (including third party estimates) as well as Schroders' own modelling assumptions, and the outcome may differ from other sustainability tools and measures. Where SustainEx™ relies on data and estimates produced by third parties, Schroders seeks to ensure that such data and estimates are accurate, but Schroders cannot and does not warrant the accuracy, completeness and adequacy of such third-party data and estimates. Like any model, SustainEx™ will evolve and develop over time as Schroders continues to assess, refine and add to the metrics and their relative contributions. Generating SustainEx™ scores involves an element of judgment and subjectivity across the different metrics chosen by Schroders, and accordingly Schroders does not accept any liability arising from any inaccuracy or omission in, or the use of or reliance on, SustainEx™ scores. As the model evolves, changes made to how metrics are applied may result in changes to the SustainEx™ score of any issuer and ultimately the overall fund/portfolio score. At the same time, of course, the issuer's SustainEx™ performance might improve or deteriorate. Schroders' proprietary sustainability tools including SustainEx™ may not cover all of a fund/portfolio's holdings from time to time, in which case Schroders may use a range of alternative methods to assess the relevant holding. In addition, certain types of assets (such as cash and certain equivalent securities) are treated as neutral and are therefore not considered by our proprietary tools. Other types of assets such as equity indices and index derivatives may not be considered by our proprietary tools and in such case would be excluded from a product's sustainability score.

Holdings analysis

	Top ten holdings	Sector	% NAV
1	Schroder SSF WM Global Sustainable Equity	Global Equity	23.9%
2	UBS S&P 500 Elite ETF	Global Equity	7.6%
3	1.125% UK Gilt 31.01.39	Fixed Income	3.8%
4	Schroder SSF Sustainable Diversified Alternative Assets	Alternatives	3.5%
5	Sparinvest Ethical Global Value Fund	Global Equity	3.2%
6	UBAM Positive Impact Energy Equity	Global Equity	2.9%
7	Vontobel Sustainable Bond Fund	Fixed Income	2.4%
8	Rockefeller US Small Cap Equity	Global Equity	2.3%
9	Robeco Circular Economy	Global Equity	2.1%
10	MS Global ABS	Fixed Income	1.9%
	Total		**53.5%**

Source: Cazenove Capital, as at 31 March 2025

Commentary

The first quarter of 2025 saw heightened volatility in global markets, influenced significantly by global policy announcements, most notably out of the US, Europe and China. The deepening of tensions arising from renewed trade tariffs amid a slowdown in some key macro indicators led to questions over the "exceptionalism" of the US economy. Meanwhile we saw significant fiscal shifts in Europe, and particularly in Germany after their election in February, while in China there was a combination of monetary and fiscal measures; these measures led to a more positive outlook for both regions after recent periods of sub-par growth.

Our equity allocation performed negatively over the period, underperforming global equities. This was largely driven by our core global equity position in Schroder Global Sustainable Equity. Although the fund's positions in financials and healthcare helped dampen the underperformance – notably Banco Bilbao Vizca and Roche Holdings – it was names in the Industrials sector that largely contributed to the relative weakness. These included Recruit Holdings and Emerson Electric. The model's US equity holdings were also significant detractors to headline equity returns. The Rockefeller US Small Cap ESG fund bore the brunt but performed in line with US small caps, and although the UBS S&P500 ESG Elite ETF delivered negative returns, it held up better than broader US equities given its more quality characteristics. Elsewhere in equities, our global thematic funds HSBC Sustainable Healthcare and Robeco Circular Economy which was bought at the start of the quarter, performed in line with global equities, whereas the Sparinvest Global Ethical Value delivered positive returns given its value-focused tilt. Our bond allocation delivered a small positive return. In particular the MS Global Sustainable Asset Backed Securities Fund continued to generate a good spread over traditional corporate bonds. It was a good quarter for alternatives, which contributed significant positive returns. Our holdings in gold and energy transition metals performed strongly, whilst other alternatives such as Schroder Sustainable Diversified Alternative Assets fund and Blue Orchard Microfinance were also positive contributors.

There were a few changes made in the model over the quarter. In advance of Donald Trump's inauguration, we trimmed the model's equity exposure in January by selling the M&G Positive Impact fund, as we felt markets may have become a little extended after their run in Q4 last year and amidst continued global political uncertainty. In February, we took profits from our inflation linked bond holdings after strong moves in inflation expectations, recycling the proceeds back into an existing UK gilt holding. In the same month, we initiated a new position in the Rockefeller US Small Cap ESG fund. As part of that equity trade, we also reviewed our thematic equity exposure and decided to switch from the Robeco Sustainable Water fund to the Robeco Circular Economy fund, which so far has held up better in the current market conditions. Finally, in March we reduced our position in the Schroders Alternative Assets fund following some good performance.

[1] Price Return in USD
[2] Price Return in EUR
[3] Price Return in JPY
[4] Price Return in GBP

Sustainability Focus Label

We are delighted to announce our intention to adopt the Financial Conduct Authority's (FCA) Sustainability Disclosure Requirements (SDR) 'Sustainability Focus' label for the SUTL Cazenove Charity Sustainable Multi-Asset Fund.

We believe we are leading the way, as one of the first wealth managers to announce plans to adopt an SDR label, helping to differentiate our sustainable multi-manager, multi-asset approach. The label is intended to give our clients confidence in the integrity and robustness of our sustainable investment approach, and commitment to managing investments in line with their charitable values.

Investment funds may adopt one of four labels under SDR, which aims to improve the trust and transparency of sustainable investment and minimise the risk of greenwashing.

A labelled fund must have a sustainability objective that is clear, specific and measurable using key performance indicators. The 'Sustainability Focus' label requires a minimum of 70% of the assets within the fund to contribute to a sustainability objective, and no assets can be held that conflict with the sustainability objective. We believe these stringent requirements represent best practice for sustainable investing.

All data has been sourced from Schroders, DataStream and Lipper, bid to bid, net income reinvested as of 31st March 2025.

Taking action to support the United Nations Sustainable Development Goals

Engagement Themes
Using our influence to create change

Investment Themes
Allocating capital to solutions

Climate Change

Biodiversity and Natural Resource Constraints

Human Capital Management

Human Rights

Inclusion and Diversity

Governance and Oversight

Engagement:
Inclusion and Diversity

We engaged with Japanese medical equipment manufacturers, Terumo and Fujifilm, on their board composition. For context, Japanese companies on average see 20.5% representation of women on their boards – a proportion which lags other developed countries (Japan has announced a push for 30% female board members by 2030). Fujifilm currently has 27% female representation on the board, and Terumo only has 9% female representation.

Our conversations with the companies centred on improving this, as well as improving international diversity. Both companies have acknowledged the ask, and we are delighted that Terumo has committed to improving its gender and international diversity in response.

Investment:
Health and Wellbeing

Natera is a leader in genetic testing, using advanced DNA analysis and AI to support early disease detection. Its flagship test, Signatera, identifies minimal residual disease (MRD) and cancer recurrence up to 16.5 months earlier than standard scans for colorectal cancer and up to two years for breast cancer. This enables more informed treatment decisions, potentially reducing costs and side effects while improving survival. Backed by 100+ studies and used by over 200,000 patients, Signatera is covered by most insurers and supported by over 35% of U.S. oncologists.

Source: Natera.com / HSBC Sustainable Healthcare Fund

Climate Change

Health and Wellbeing

Sustainable Infrastructure

Responsible Consumption

Inclusion and Diversity

Risk considerations

Sustainable investing risk: The fund has environmental and/or social characteristics. This means it may have limited exposure to some companies, industries or sectors and may forego certain investment opportunities, or dispose of certain holdings, that do not align with its sustainability criteria chosen by the investment manager. The fund may invest in companies that do not reflect the beliefs and values of any particular investor**. 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. **Currency risk**: The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. **Interest rate risk:** A rise in interest rates generally causes long-lived asset prices to fall. **Leverage risk:** Some funds use derivatives for leverage, which makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss. **Operational risk**: Failures at service providers could lead to disruptions of fund operations or losses. **Emerging markets & frontier risk**: Emerging markets, and especially frontier markets, generally carry greater political, legal, counterparty and operational risk.

Nothing in this document should be deemed to constitute the provision of financial, investment or other professional advice in any way. Past Performance is not a guide to future performance and may not be repeated. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested. This document may include forward-looking statements that are based upon our current opinions, expectations and projections. We undertake no obligation to update or revise any forward-looking statements. Actual results could differ materially from those anticipated in the forward-looking statements. All data contained within this document is sourced from Cazenove Capital unless otherwise stated.

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