Cazenove Capital

Charity Equity Value Fund

30 June 2025

Marketing material for eligibile charities only.

Investment objective and policy

The SUTL Charity Equity Value Fund aims to provide participating charities with a total return (income and capital growth) in excess of the FTSE All-Share Index over five year rolling periods. In order to achieve this objective, the Fund may invest in securities anywhere in the world, although investment will be predominantly in good quality UK equities.

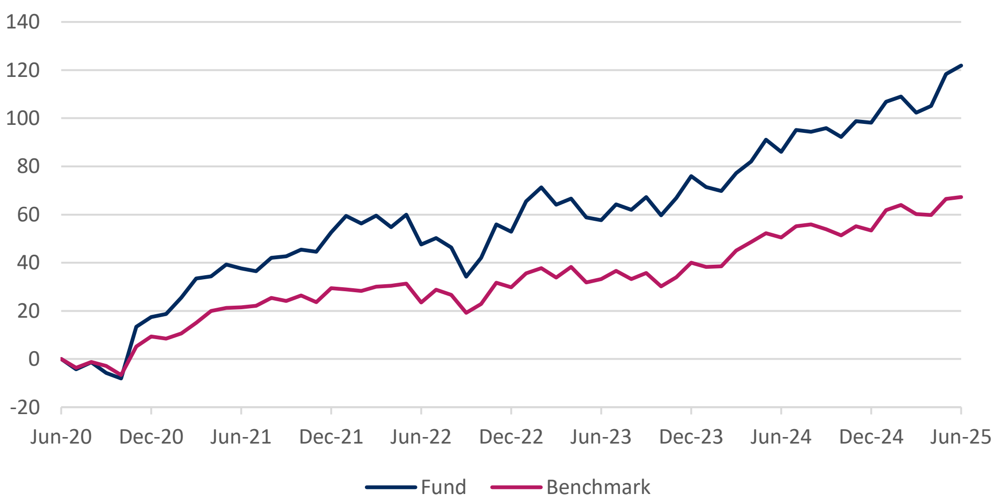
*On 8 June 2018 the fund converted to a Charity Authorised Investment Fund (CAIF) structure, the performance shown below has been obtained predominantly under the old Common Investment Fund (CIF) structure. The objective and strategy remain the same. However, the revised Ongoing Charges (OCF) no longer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

Performance analysis

Performance (%)	1 month	3 months	6 months	YTD	1 year	3 years	5 years	10 years
Fund	**1.6**	**9.6**	**12.0**	**12.0**	**19.2**	**50.4**	**121.9**	**130.2**
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	**19.2**	**18.1**	**6.8**	**7.3**	**37.6**
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.

Managed by the Value team

Technical information

Strategy launch date*	03 March 1992
Total fund size (£)	73 million
Total number of holdings	45
Unit price end of month (£)	550.10 GBX
Benchmark	FTSE All-Share Total Return
Fund team	The Value team
Ex Distribution Dates	31 Mar, 30 Jun, 30 Sep, 31 Dec
Payment dates	28 Feb, 31 May, 31 Aug, 30 Nov
Latest payment	5.00p
Distribution yield	3.9%
Ethical restriction	No tobacco manufacturers

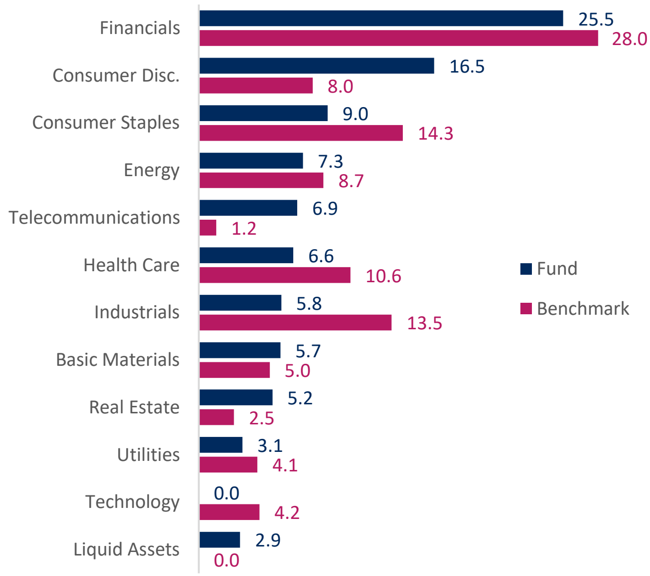
Purchase information

SEDOL	Acc: BF78465 Inc: BF78476
Bloomberg	Acc: SUCCEVA LN Inc: SUCCEAI LN
ISIN	Acc: GB00BF784651 Inc: GB00BF784768
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
St James's Place PLC	Financials	3.9
Tesco PLC	Consumer Staples	3.5
Burberry Group PLC	Consumer Disc.	3.3
GSK PLC	Health Care	3.2
J Sainsbury PLC	Consumer Staples	3.2
BT Group PLC	Telecommunications	3.1
PENNON GROUP PLC GBP0.6105	Utilities	3.1
ITV PLC	Consumer Disc.	2.9
Land Securities Group PLC	Real Estate	2.9
M&G PLC	Financials	2.9
Total		**32.0**

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

The fund delivered a strong positive absolute return in the second quarter and outperformed the FTSE All-Share index.

Luxury brand Burberry was the largest individual contributor to returns, with the shares up 50%. Its's full year results, announced in May, were well received by the market. Cash flow was ok (modestly positive), although this is clearly helped by reducing inventory by discounting pricing and cutting capex. While trends are improving, Burberry is still a leveraged mono-brand retailer, and our position size reflects that.

UK asset manager M&G performed well. A long-term strategic partnership was established with Japan's Dai-ichi Life HD in late May 2025, with Dai-ichi Life taking a 15% stake in M&G. At the full-year results in late March, M&G announced new targets for 2025-2027, aiming to grow adjusted operating profit before tax by 5% or more per annum and generate £2.7 billion of operating capital.

Johnson Matthey performed strongly. In May, it agreed to sell its Catalyst Technologies business to Honeywell for an enterprise value of £1.8 billion. Johnson Matthey committed to returning £1.4 billion of the net sales proceeds to shareholders, and the deal significantly strengthens its balance sheet. Its full year results were also robust in a tough market environment. The Clean Air division saw margins climb from 8.7% to 11.8% and is targeting 16-18% by 2028. The Platinum Group Metals business is also targeting a pro forma margin of around 30%. For 2025/26, the company expects mid-single-digit percentage growth in group underlying operating profit.

On the negative side of the ledger, French pharmaceuticals business Sanofi was a detractor. However, its latest results were better than consensus and it announced a €5 billion share buyback program for 2025. The buyback aligns with Sanofi's focus on shareholder returns. Historically, the company has prioritised debt reduction and dividends, but this move signals a shift toward capitalising on its undervalued stock.

WPP was a detractor, but we believe the shares are very attractively valued. The balance sheet is in reasonable shape, and management seems humbled and more disciplined following the deleveraging effort. While secular risks around A.I. disruption and the evolving advertising landscape are generating negative headlines; historically, the agency model has proven much more resilient and adaptable than feared in the face of technological evolution. With market valuations implying a deep discount to historical average through-cycle earnings, WPP could be a substantial contrarian opportunity.

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