

Investment Objectives

Our objective is to manage the portfolio within the prescribed volatility limits whilst investing in low cost SRI Funds with focus on positive screening factors, Environmental, Social, and Governance (ESG) considerations and UN SDG Goals. To achieve the investment objective, we deploy quantitative and qualitative research techniques that shape our macro-economic and sustainability views.

*These models have some degree of non-SRI passive funds and other asset classes in order to achieve target risk/reward and cost objectives

Snapshot

Base Currency	Pound Sterling
12 Mo Yield	0.99%
Ongoing Charge	0.59%
Management Fee (VAT where applicable)	0.25%
Portfolio Cost	0.84%

Benchmark

Comparator Benchmark	IA Mixed Investment 20-60%
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Risk

The Risk parameters (Standard Deviation and Sharpe Ratio) will be shown once the Portfolio has a 12 Month History.

Top 10 Holdings

Portfolio Date: 31/05/2021

	Portfolio Weighting %
Baillie Gifford Global Stewardship B Acc	11.75%
Stewart Inv Wldwd Sustnby B GBP Acc	9.27%
Brown Advisory US Sust Gr GBP B Inc	7.75%
RLBF II Royal London Ethical Bond Z Inc	7.40%
Royal London Short Duration Gilts M Inc	6.79%
BMO Responsible UK Equity 2 Acc	6.75%
CASH	5.88%
FP Foresight Global RI Infrs A GBP Acc	5.72%
Royal London Sustainable Leaders C Acc	5.26%
Impax Asian Environmental Markets IRL X	4.15%
	70.72%

Investment Team

Investment Managers	Asim Javed, CFA
Investment Manager 2	Paul Warner

Performance Chart

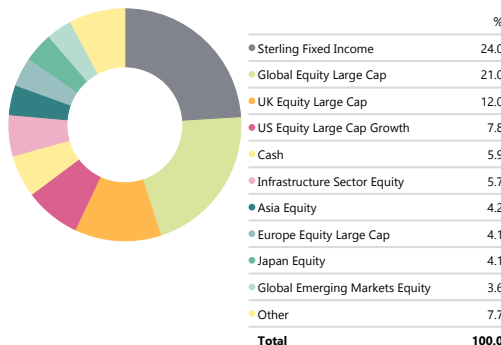
The Performance Chart will be shown once the Portfolio has a 12 Month History.

Performance Table

The Performance Table will be shown once the Portfolio has a 12 Month History.

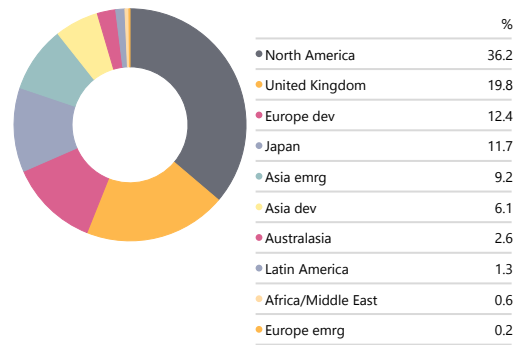
Asset Allocation

Portfolio Date: 31/05/2021



Equity Regional Exposure

Portfolio Date: 31/05/2021



Manager's Commentary

Blue Chip Equity indices barely registered any gains in May, with the S&P 500 index and FTSE 100 index both advancing by less than one percent in local currency terms, compared to a modest rise of 1.33% for the MSCI All Companies World Index. Some consolidation in US equities seemed inevitable with most of our fundamental and technical measures of the market appearing stretched for the past few months.

A major cause of the market consolidation has been expectations regarding inflation and Fed policy. While the Fed has signalled that it expects inflation to run a little hot over the next few quarters, as the US economy suffers some supply side constraints relating to the Covid-19 interruption to markets, the Consumer Price Index print for April certainly surprised the market, with the 0.8% MOM and 4.2% YOY readings, considerably higher than expectations.

For now, however, the US treasury market appears to be siding with the Fed that the inflationary uplift will prove temporary. Treasury yields remained within a tight envelope in May (the big losses and rise in yields coming in the preceding six months) not signifying any stress in the market or an inflation expectation above the breakeven number. This may be down to the demand and supply of treasury securities from liability driven mandates or a precursor of a risk-off trade in the short term.

Sustainable Balanced has benefited from its UK exposure, with its biggest contributor being the BMO Responsible UK Income fund, which is first quartile over 3 months within its sector.

We remain cognisant of what economic recovery could mean for both monetary policy and fiscal policy further downstream. The unemployment numbers remain below consensus for now and may help keep the monetary policy unchanged but that's only one factor. However, if the inflation and growth numbers keep rising, the Fed may be forced to taper in Q4 2021. For now, we remain cautiously risk on. However, we are keeping a close eye on inflation and the potential for any correction in developed market equities from here.

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