

Cautious Portfolio

Monthly factsheet as at 31 December 2021



Fees

0.24% to 0.48% inc VAT
(based on AUM level)

Portfolio Underlying Fund Charges

0.61%

5 year Volatility

6.51%

Risk Profile

A "Cautious" risk portfolio seeks to provide a high level of capital protection whilst still allowing investors the ability to achieve long-term growth (10 years). The portfolio is suitable for risk-averse investors whose financial temperament cannot tolerate much variation in performance. Whilst the emphasis is on lower volatility and capital preservation, a small amount of risk will be taken to seek a higher return.

Investment Objective

To invest in a range of direct holdings and funds which have an ethical focus.

Investment Approach

The portfolio adopts negative screening criteria to avoid investing in unethical companies plus a positive screen to focus on investing in companies that provide a social or environmental benefit.



Fund Manager's Report

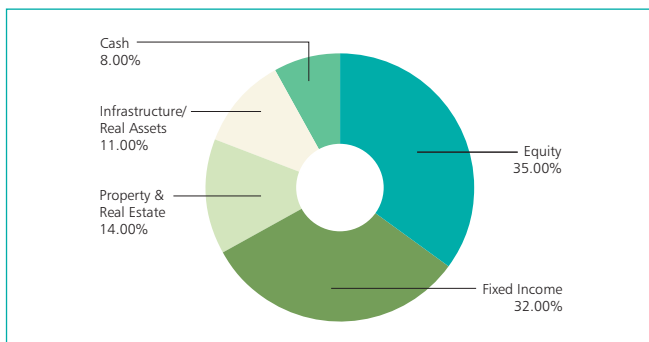
Looking back over the month of December, the threat of exponentially rising Covid-19 cases and changing monetary policy has been key. There has been a rush against the clock of booster vaccinations in the run up to Christmas; with rising infection rates and families preparing to reunite, obtaining lateral flow test kits briefly became a Christmas miracle before supply chains reacted. Boris Johnson managed to push Plan B through parliament, introducing work from home measures and mandatory face coverings in all indoor venues excluding hospitality. At current, hospitalisation of the Omicron variant is still unclear, although current findings are in support of vaccine uptake. The Omicron variant stays at the forefront of concerns as we enter January.

The Bank of England caught markets off guard with the first interest rate rise in three years, to 0.25%. Usually, a hawkish approach to monetary policy is well flagged as to not spook the markets, but the lack of clear indication and the current Covid-19 environment meant it was generally unexpected. Despite the surprise, the central bank's attempt to control inflation and inflation expectations was well received by markets, bringing back confidence in the UK's ability to get a grip on rising prices. A similar aggressive approach was seen in the US, where the Fed announced a speeding up of the tapering process to allow rate rises to be used as a tool to stop inflation becoming entrenched. It seems on the whole central banks are finally reacting to the serious inflation threats posed to the some of world's largest economies. Even the European Central Bank announced plans to scale back its bond-buying, although it is unlikely, we'll see a rate hike next year.

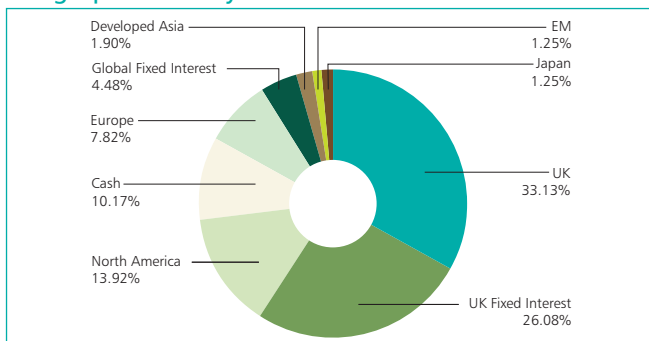
Equity markets have been more volatile throughout the month as a result of the new variant and changing monetary policy environment; global markets hit their biggest one-day gain at the start of the month as new data pointed at Omicron being less deadly. Equity markets have also in general rallied in post-Christmas trading; it seems FOMO (fear of missing out) continues to drive investor appetite to buy the dips, but there are concerns over the sustainability of high-returning equity markets that we've seen in 2021. It has certainly been the year of equities, and bond markets have suffered on the flip side of this; investors continue to favour short-term debt, if any, as further tightening of monetary policy is anticipated.

Energy prices are expected to continue to rise, putting pressure on UK households; the government are now considering a much wider package of help for those facing a financial squeeze as a result. Supply chain constraints were expected in the run up to Christmas, with the likes of Apple having to halt some assembly lines for several days as Chinese factories shut due to energy restrictions. Supply shortages and a lack of delivery drivers may have left the unprepared empty-handed on Christmas day. However, the easing of supply constraints and a replenishment of inventories may add support in the quarters ahead. There were no changes to portfolios during the month.

Asset Allocation*



Geographical Analysis*



Cumulative Performance (Net of AMC)*

3 months	6 months	1 year	3 years	5 years
3.80%	4.65%	9.12%	28.72%	31.50%

Discrete Performance (Net of AMC)*

Jan 2021 to Dec 2021	Jan 2019 to Dec 2020	Jan 2019 to Dec 2019	Jan 2018 to Dec 2018	Jan 2017 to Dec 2017
9.12%	4.81%	12.55	-2.85	5.16

Top Five Collective Holdings*

Threadneedle Social Bond Fund	10.00%
Rathbone Ethical Bond Fund	8.00%
Aegon Ethical Corp Bond Fund	7.00%
Edentree Resp & Sust Bond Fund	7.00%
Montanaro Better World Fund	6.00%

Top Five Equity Holdings*

HOME REIT	3.00%
International Public Partnerships	3.00%
PRS REIT	3.00%
Triple Point Social Housing	3.00%
Severn Trent	2.00%

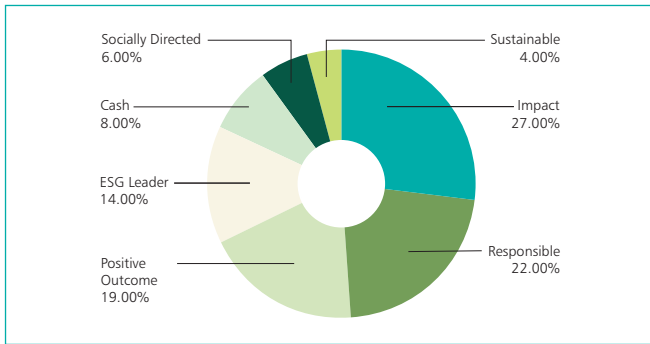
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ESG and Impact investing, will by its very nature, have no or very limited exposure to some key sectors of stock markets and a higher exposure to a number of positive themes. It is therefore important to understand that both performance and the risks associated can differ versus a portfolio that does not include ethical exclusions.

As the portfolios are housed on number of platforms there will be some variances in cost and performance depending on the platforms ability to hold certain share classes and their policy on execution, and the data is to provide a guide but each platform will vary. King & Shaxson Asset Management Limited (Reg. No. 3870667) has its registered office at 1st floor, Cutlers Court, 115 Houndsditch, London, EC3A 7BR. The Company is registered in England and Wales and is part of the PhillipCapital Group. King & Shaxson Asset Management Limited (FCA Reg. No. 823315) is authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.

Cautious Green Portfolio

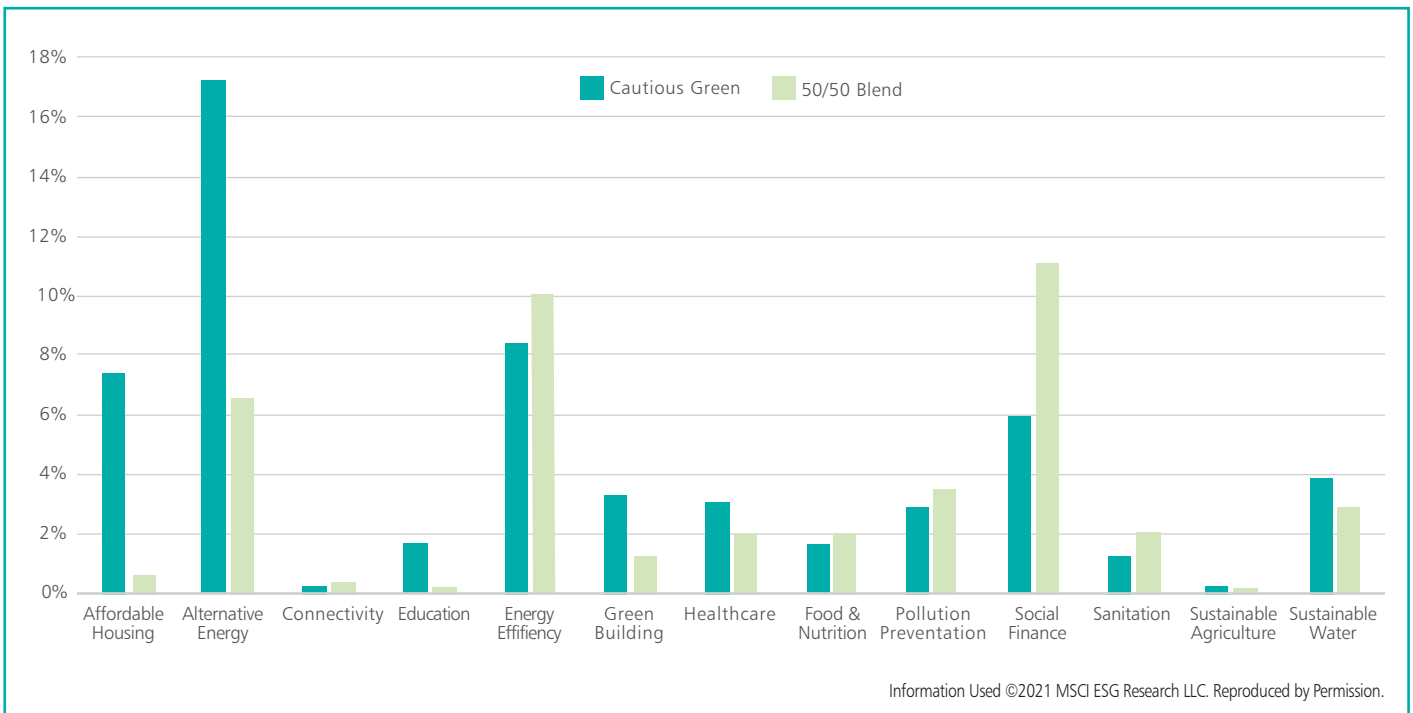
Ethical Classification*



Stock Pick – BIFFA is the UK's no.1 Industrial & Commercial waste collection service provider, with nationwide operations covering over 95% of UK postcodes with their fleet. We regard it as a Positive Outcome investment and it is the preferred provider of waste collection to residents of 40 local authorities across the UK, with 4 of the top 10 best performing councils (from the DEFRA recycling league table) being looked after by them. Anaerobic Digestion (AD) technology is increasingly being deployed across the UK, converting waste food matter into bio methane. Anaerobic digestion technology is used to generate green energy, which is then exported to the National Grid. Its operations are certified to environmental standard ISO14001, and the company has significantly and progressively reduced its carbon emissions per tonne of waste processed. Having reduced emissions by 70% since 2002, its 2030 targets include a further 50% reduction in CO2 emissions, ceasing to buy fossil-fuelled vehicles and buying 100% renewable electricity for its operations.

Positive Investment Themes (Correct as at H2 2021)

Whilst we have access to all the underlying holdings held within each collective, it would be unrealistic to detail each individual company and their own specific positive outcomes. Instead, the data below looks at the portfolios holistically, and maps their exposure to a number of positive investment themes, such as alternative energy, sustainable water, or green buildings, to name but a few. We have taken third party data from MSCI and used their thirteen 'Sustainable Impact Metrics', which cover environmental and social impact, and compared it to a blend of global equity and bonds depending on risk.



A number of the funds and direct equity holdings within your portfolio are not yet covered by MSCI's analysis. For direct equities, we have made some assumptions where there is a clear and obvious revenue stream supporting one of the MSCI's themes. For example, Foresight Solar and Greencoat UK Wind, operate solar and wind farms, so we have allocated the exposure to these companies to the 'alternative energy' category. We do expect the coverage to expand over time, as the quality and depth of reporting widens through the universe of investable stocks.

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