

SUSTAINABILITY REPORT

Sustainable Managed Portfolio Service (SMPS)

Q3 2025

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Recent developments

The United Nations Global Compact¹ (UNGC), the world's largest corporate sustainability initiative turned 25 in July. Launched by then UN Secretary-Kofi Annan in 2000, it is a principles-based, voluntary framework which seeks to encourage businesses to adopt sustainable and responsible practices with two aims:

- ✓ Align strategies and operations with ten universal Principles covering human rights, labour, environment, and anti-corruption.

Businesses should:

Human Rights

1. Support and respect the protection of internationally proclaimed human rights
2. Make sure that they are not complicit in human rights abuses

Labour

3. Uphold the freedom of association and the effective recognition of the right to collective bargaining
4. Uphold the elimination of all forms of forced and compulsory labour
5. Uphold the effective abolition of child labour
6. Uphold the elimination of discrimination in respect of employment and occupation

Environment

7. Support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility
9. Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

10. Work against corruption in all of its forms, including extortion and bribery
- ✓ Drive awareness and strategic action towards advancing the achievement of the UN Sustainable Development Goals by 2030 (progress towards which was covered in the Q2 Sustainability Report).

Through CEO and highest-level executive commitments, it now involves over 20,000 companies and 3,000 non-business participants in more than 160 countries. Business participants report on their progress against the Ten Principles and the UN SDGs in an annual Communication on Progress (CoP) report.

Complementary to the work of the UNGC is that of the Organisation of Economic Co-operation and Development (OECD), an intergovernmental organisation which has been advising governments on how to support resilient, inclusive and sustainable growth through the delivery of 'better policies for better lives' since 1961. One of the most prominent of more than 250 legal instruments established by the OECD, is its Guidelines for Multinational Enterprises (MNEs) on Responsible Business Conduct²; a set of relatively prescriptive, consensus recommendations from governments to MNEs for responsible business conduct which span: human rights; employment and industrial relations; environment; bribery and anti-corruption; consumer interests; science and technology; competition and taxation.

Like the UNGC Principles, adherence to the OECD's Guidelines is voluntary for companies.

We believe that these are minimum standards to which all businesses should aspire in the pursuit of a more sustainable economy. They are also very important risk mitigation factors from an investment perspective; companies that behave in a manner which is contrary to these expectations are more likely to face instances which impair the value investors ascribe to them via the share price they are prepared to pay, be they fines related to poor conduct or higher costs associated with operational disruptions, the list goes on. It is typical for investments within the sustainability-focused universe to avoid companies whose actions are judged as contrary to the UNGC Principles and/or the OECD Guidelines under what are termed 'norms-based' exclusions. It is also a requirement for inclusion within Paris-Aligned and Climate Transition Benchmarks under the EU's regulations. The Sustainable Managed Portfolio Service aligns with the latter.

On top of exclusions at the underlying holdings level, which give some comfort that the likelihood of exposure to violators is always minimal, we regularly screen the portfolios for exposure ourselves to ensure that this is the case.

In a related piece of news, we are extremely pleased that Evelyn Partners became a participant to the UNGC in October.

¹ [Homepage | UN Global Compact](#)

² [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct | OECD](#)

Fund in focus – Sparinvest Ethical Global Value

Sparinvest Ethical Global Value was a new addition to the portfolios in July of this year, diversifying the exposure to global sustainable value equity strategies.

The fund is managed by Per Kronborg Jensen, David Orr and Mark Feasey at Sparinvest, a Danish value-focused boutique asset manager. The team, based in Copenhagen, have worked together for some years, with the most recent joiner of the three being Mark (2016). They are supported by a team of analysts but also conduct company analysis and engagements themselves.

They aim to deliver a positive return through a value approach to stock selection in global equities. They seek to do this whilst keeping the fund's Weighted Average Carbon Intensity (WACI) below 80% of that of the MSCI World Value index and adhering to a strict activity- and norms-based exclusions policy.

The team's traditional value approach results in an opportunity set populated by companies which trade at a significant discount to what the team, through extensive fundamental analysis, estimate them to be worth. Consideration of Environmental, Social and Governance (ESG)/sustainability-related factors is fully integrated into the fundamental stock analysis in the belief (which we share) that they can often be just as important as financial factors in determining the intrinsic value of a company.

The fund typically has 60-70 holdings, with the largest limited to 4% of the total.

In order to ensure that returns are primarily driven by stock selection and exposure to value as a factor, relative to the MSCI World, the fund is limited to being maximum 10% overweight to a specific sector, and 10% over- or under- weight a specific country, with the exception of the US, where there is flexibility to go up to 15% either way. This results in a portfolio in which the US is better represented relative to other global value portfolios.

One of many things that we particularly like about the strategy is the thoughtful approach the team take to considering sustainability-related factors associated with potential and existing holdings, and the manner in

which they engage on those, as well as other topics with management teams. We share the belief that the transition to Net Zero must be global and will necessitate the use of products and services from some hard-to-abate sectors. Not only do these present attractive investment opportunities in their own right, but owning them and encouraging them, through engagement, to continue to move towards more sustainable operating models is critical.

The fund holds the Towards Sustainability label³, which is awarded where the quality of the approach to integrating sustainability-considerations into the investment process has been third party verified as meeting a particular standard. The standard requires a combination of exclusions, impact, engagement, transparency and accountability factors⁴.

Sparinvest is a signatory to and supporter of a number of sustainability-related initiatives, and the team are active participants of Climate Action 100+ having led a number of engagements.

The fund tracks and discloses the following metrics relative to the MSCI World and the MSCI World Value indices:

WACI

% holdings which are CDP⁵ signatories

% holdings with carbon reduction targets

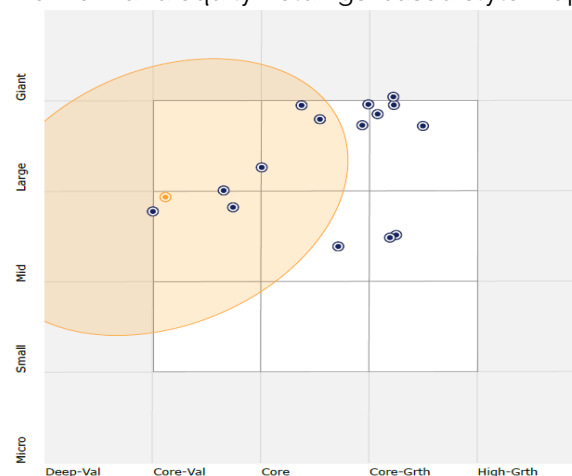
% holdings with collective labour agreements

% holdings with majority independent boards

% holdings with split CEO and chair roles

% holdings with >1 female director

Horizon fund equity holdings-based style map⁶:



³ [Sparinvest Ethical Global Value | Towards Sustainability](#)

⁴ [Quality Standard | Towards Sustainability](#)

⁵ [CDP: Turning Transparency to Action](#)

⁶ Morningstar Direct, 30th September 2025

Equity

Fund name	Region	Top 5 holdings	What the fund does
Jupiter Responsible Income	UK	AstraZeneca Unilever RELX Prudential Reckitt Benckiser	<p>An income fund which seeks to outperform the FTSE4Good UK Index over the longer term through owning UK-listed companies (predominantly large caps) which behave in a financially, socially and environmentally responsible manner and have the potential to contribute to achieving Net Zero by 2050.</p> <p>Why we own it: A differentiated UK income fund, with a quality/defensive bias. The manager takes a well-considered, pragmatic approach to investing for income with strong sustainability characteristics.</p>
Liontrust UK Ethical	UK	AJ Bell Wise Paragon Banking Admiral Softcat	<p>A multi-cap growth-focused strategy with a small and mid-cap bias, which is managed under the Liontrust Sustainable Future umbrella. It looks for well-managed companies which are exposed, through their products and services, to the transformative changes associated with structural growth themes whilst contributing to sustainable development.</p> <p>Why we own it: A UK fund with a significant growth bias, managed by Liontrust's Sustainable Investment team, under their Sustainable Future investment process. With a focus on innovation, the fund has a meaningful tilt towards mid and small cap UK companies.</p>
Royal London Sustainable Leaders Trust	UK	Standard Chartered HSBC Prudential RELX AstraZeneca	<p>A large cap quality-biased fund which looks for companies that are deemed to positively contribute to one or more of four sustainability themes: Clean, Healthy, Safe, Inclusive. 80% of the portfolio must be in UK shares, but there is potential for some overseas exposure with the remainder.</p> <p>Why we own it: A core UK fund that invests in high quality companies which the manager deems to be making a positive contribution to society. The portfolio is mostly large, liquid names, with the option to invest up to 20% outside of the UK.</p>
Brown Advisory US Sustainable Growth	US	Microsoft NVIDIA Amazon.com Intuit Visa	<p>A growth strategy that invests in a concentrated portfolio of US companies with strong business models, sustainable business advantages and competitive valuations. The managers favour quality companies which are helping to drive positive change.</p> <p>Why we own it: A large and mid-cap growth fund which brings exposure to some of the most exciting companies in the US market whilst thoughtfully integrating ESG and sustainability considerations.</p>

Equity (continued)

Fund name	Region	Top 5 holdings	What the fund does
Brown Advisory US Sustainable Value	US	CRH Sanofi ADR Bank of America Willis Towers Watson Cardinal Health	<p>A high conviction, quality value US equity fund which focuses on quality businesses with durable market positions and sustainable cashflow advantages which trade at a discount to their intrinsic value.</p> <p>Why we own it: A predominantly large cap, valuation and cashflow driven approach which brings exposure to less appreciated but quality companies within the US market, whilst thoughtfully integrating ESG and sustainability considerations.</p>
Stewart Investors Asia Pacific All Cap	Asia Pacific-ex Japan	Mahindra & Mahindra Samsung Electronics Alibaba Shenzhen Inovance Tech Tube Investments of India	<p>A very well-established, high active share, Asia Pacific-ex Japan equity strategy. It focuses on quality companies which meet the fund's sustainability criteria.</p> <p>Why we own it: The fund mainly invests in large and mid-sized companies where the majority of company activities take place in Asia Pacific ex Japan. The fund brings exposure to quality growth companies in the region which contribute to and benefit from sustainable development.</p>
Alquity Future World	Emerging Markets	TSMC Tencent SK Hynix Xiaomi HKEX	<p>A style agnostic but valuation-aware approach to investing in companies in emerging and frontier markets which have high ESG standards. The strategy focuses on companies that have attractive growth prospects and contribute to a more sustainable future.</p> <p>Why we own it: The fund brings exposure to companies and markets which are not otherwise well-represented, and which nonetheless have strong ESG profiles. 10% of revenues are donated to the Transforming Lives Foundation annually.</p>
Atlas Global Infrastructure	Global	SES Severn Trent SSE Elia RWE	<p>A long-term, valuation-driven, high conviction global equity strategy that invests exclusively in listed infrastructure companies, including utilities. Climate risk and engagement in this regard is integral to the process given the focus on pricing future cashflows from assets.</p> <p>Why we own it: The fund brings diversifying global mid and large cap equity exposure, particularly in terms of style and sector, whilst monitoring and managing carbon risk exposure within set tolerances.</p>

Equity (continued)

Fund name	Region	Top 5 holdings	What the fund does
Baillie Gifford Responsible Global Equity	Global	TSMC Microsoft Apple Procter & Gamble Analog Devices	<p>The fund seeks to deliver real growth in income and capital over time, together with a sustainable income stream, through a low turnover approach to investing responsibly in the global equity market.</p> <p>Why we own it: The fund's income bias results in a portfolio which is core in style and lower beta relative to the broad global equity indices. Forward-looking sustainability assessments seek to identify material ESG issues and long holding periods support constructive engagements.</p>
CT Responsible Global Equity	Global	Microsoft NVIDIA Apple Mastercard Linde	<p>The fund aims to deliver long term capital growth through investing globally in companies which are providing solutions aligned with seven sustainability-related themes.</p> <p>Why we own it: The fund has a long-established position in the market, delivering exposure to companies in the growth phase whilst considering ESG and sustainability factors.</p>
Federated Hermes Sustainable Global Equity	Global	NVIDIA Microsoft Mastercard TSMC Schneider Electric	<p>A balanced approach to seeking companies which have a reduced environmental footprint and which contribute to four objectives aligned with the UN SDGs. The preference is for companies with strong business models, well-managed ESG factors and which benefit people and planet.</p> <p>Why we own it: A core fund in terms of overall style, which takes a more balanced approach than some sustainability-led peers whilst delivering exposure to companies which are contributing to a more sustainable future.</p>
Impax Environmental Markets Fund	Global	Air Liquide Waste Connections Trimble Xylem PTC	<p>A fund which invests in predominantly small and medium sized companies which contribute to cleaner and/or more efficient delivery of basic services of energy, water and waste.</p> <p>Why we own it: The fund provides exposure to less well-known, smaller companies which are providing products and services necessary for a more sustainable global society.</p>

Equity (continued)

Fund name	Region	Top 5 holdings	What the fund does
M&G Global Sustain Paris Aligned	Global	Microsoft Alphabet Schneider Electric American Express Tokio Marine	<p>A core global equity fund focused on high quality companies which contribute to the Paris Agreement goal and have the potential to reduce their contribution to climate change and ultimately reach Net Zero.</p> <p>Why we own it: A core, valuation-aware fund which tends to have a lower beta relative to broader global equity indices. Despite the significant climate focus, the fund remains balanced in terms of style and has demonstrated the ability to deliver in terms of returns in most market conditions.</p>
Regnan Sustainable Water & Waste	Global	Sabesp Mueller Industries Watts Water Technologies Xylem Pentair	<p>A quality-focused, small and mid-cap biased global equity fund which aims to generate long term outperformance by investing in companies that provide solutions to global water and waste challenges.</p> <p>Why we own it: The team have a market-leading track record in investing across what tends to be a relatively uncorrelated, defensive thematic.</p>
Schroder Global Sustainable Value	Global	Rohm GSK Macy's Aptiv Sanofi	<p>A bottom-up, valuation-driven, benchmark-agnostic approach which seeks sustainability leaders that are delivering a positive contribution to planet and/or people, and benefits from Schroders's significant proprietary resources including CONTEXT and SustainEx.</p> <p>Why we own it: The fund brings diversifying global value equity exposure to the portfolios whilst demonstrating robust integration and consideration of sustainability-related factors.</p>
Sparinvest Ethical Global Value	Global	Citigroup Travelers Cos MetLife AT&T eBay	<p>A bottom-up, value approach to global equities which fully integrates ESG and sustainability-related factors and seeks to always have a Weighted Average Carbon Intensity (WACI) of below 80% of the MSCI World Value index. Managed by a Danish value boutique, the fund is benchmark-aware at the country and sector level to ensure that stock selection and exposure to the value factor are the primary drivers of returns.</p> <p>Why we own it: The fund brings differentiated and diversifying global value equity exposure alongside a thoughtful approach to sustainability which recognizes that the transition to Net Zero must also include leaders in hard to abate sectors.</p>

Fixed Income

Fund name	Region	Top 5 holdings	What the fund does
Aegon Global Short Dated Climate Transition Fund	Global	NTT 4.62% 07/28 AstraZeneca 4.80% 02/27 Allianz 4.60% 09/38 National Grid 3.50% 10/26 Novo Nordisk 3.38% 05/26	<p>A short-dated global credit fund which takes a benchmark agnostic approach to delivering cash +1.25% with low volatility, via bonds with expected maturity of less than 4 years from issuers which are managing their ESG and climate transition risks.</p> <p>Why we own it: A short duration corporate bond portfolio managed by a very experienced team. It takes a robust approach to ESG and considering issuers' exposure to considering climate transition risks and companies' level of preparedness for the transition to Net Zero.</p>
TwentyFour Sustainable Short-Term Bond Income	Global	Germany 2.40% 04/30 T-Bill 0.00% 10/25 US Treasury 4.0% 03/30 L&G 3.75% 11/49 Axa 3.25% 05/49	<p>A short-dated UK credit fund (with some sovereign exposure for risk management purposes), which aims to deliver a return of cash +2.5% with low volatility. It invests in issuers that contribute to the Paris goal and pass negative and positive screens.</p> <p>Why we own it: A low volatility short duration bond fund managed by the very experienced Chris Bowie, with credits assessed by TwentyFour's proprietary ESG Observatory tool, which considers ESG factors alongside traditional bond characteristics.</p>
Vanguard US Government Bond Index (Hedged)	US	US Treasuries	<p>Passive US sovereign bond fund, whose assets are hedged back to sterling,</p> <p>Why we own it: US government bond exposure which is hedged back to sterling to avoid the potential volatility associated with foreign currency exposure.</p>
CG Dollar Fund (Hedged)	US	US Treasury Inflation-Protected Securities (TIPS)	<p>An actively managed US sovereign inflation-linked bond fund which seeks capital appreciation and income growth and whose assets are hedged back to sterling.</p> <p>Why we own it: The fund provides exposure to US index-linked bonds and reflects our preference for active management in the space with an experienced team. The assets are hedged back to sterling to avoid the potential volatility associated with foreign currency exposure.</p>
iShares UK Gilts up to 10 Years	UK	UK Gilts	<p>A passive, shorter duration UK sovereign bond fund.</p> <p>Why we own it: Shorter duration government bonds.</p>

Fixed income (continued)

Fund name	Region	Top 5 holdings	What the fund does
Vanguard UK Government Bond Index	UK	UK Gilts	<p>A passive, medium-duration UK sovereign bond</p> <p>Why we own it: We have a preference for nominal exposure in the UK, where we think a growth shock is more likely. We remain shorter duration in lower risk models and medium duration in higher risk models.</p>

Alternatives

Fund Name	Region	Sub-asset class	What the fund does
Cordiant Digital Infrastructure	Europe, North America	Real Assets	<p>An investment trust which pursues a mid- market 'buy and build' strategy to owning core digital economy assets in Europe and North America. The focus is on telecommunications towers, fibre-optic networks and data centers. Aware of the environmental burden of the digital economy, the company promotes a more sustainable approach at the network, asset and operational level.</p> <p>Why we own it: A portfolio of high-quality digital infrastructure assets which is managed by an extremely experienced team which is strongly aligned through significant personal shareholdings.</p>
International Public Partnerships	UK, North America, Europe, Australia	Real Assets	<p>An investment trust which owns, builds and operates a diversified portfolio of critical social infrastructure assets across the UK, Europe, North America and Australia. It focuses on Public Private Partnerships, regulated investments and operating businesses.</p> <p>Why we own it: A best-in-class Core infrastructure investment trust which offers exposure to highly contracted, inflation-protected revenue streams associated with the provision of high-quality social infrastructure assets to the public.</p>
The Renewables Infrastructure Group	UK, Europe	Real Assets	<p>A large, liquid and well-established investment trust which owns predominantly operational renewable energy assets across Europe and the UK. The majority of the assets are wind farms and solar PV parks, which are managed by co- manager, Renewable Energy Systems Group (RES).</p> <p>Why we own it: Exposure to assets with attractive income characteristics and a good degree of inflation protection. The co-management arrangements between InfraRed and RES results in robust financial management married with strong operational expertise.</p>
Schroder BSC Social Impact Trust	UK	Private Equity	<p>This investment trust, managed by Better Society Capital, targets CPI+2% alongside measurable positive social outcomes through a diversified portfolio of fund interests, co-investments and direct investments in private social impact investments in the UK.</p> <p>Why we own it: A unique opportunity to gain exposure to an asset class which offers portfolio diversification benefits alongside genuine social impact in the UK.</p>

Alternatives (continued)

Fund name	Region	Sub-asset class	What the fund does
Trium Climate Impact	Global	Absolute Return	<p>A long/short market neutral hedge fund which focuses on climate. The team seek exposure to attractively valued mid and large-cap, differentiated climate solutions companies in its long book. In the short book the strategy aims to hedge factor, volatility and style risk.</p> <p>Why we own it: The team have a well-considered, responsible approach to identifying climate businesses and will not short any companies that are providing such solutions. They also avoid any positions, long or short, in companies that violate the UN Global Compact. The strategy aims for cash + 6%-8% returns and has a volatility target of 6%-8%. This fund provides a higher risk/reward target than our other absolute return funds and is complementary while diversifying our exposure.</p>
Trojan Ethical	Global	Absolute Return	<p>A conventional, long-only multi-asset fund which invests in inflation-linked government bonds, equities, gold and cash, subject to the manager's ethical exclusion criteria and considering companies' alignment to, or commitment to align to, net zero greenhouse gas emissions by 2050.</p> <p>Why we own it: The fund has a long track record of delivering consistent, positive returns with lower volatility whilst avoiding exposure to activities to which the portfolios themselves seek to limit.</p>
Invesco Physical Gold ETC	Global	Gold	<p>An Exchange Traded Commodity product that tracks the performance of the physical gold price.</p> <p>Why we own it: A cost-efficient structure for exposure to physical gold. 100% of the gold bars held at the depositary in its segregated account are minted post-2012, so are in adherence with the LBMA (Gold and Silver) Responsible Sourcing Guidelines in relation to ethical mining standards which seek to avoid contributing to conflict or human rights abuses.</p>

Product involvement

Any Tie⁷

	Sustainable Conservative	Sustainable Cautious	Sustainable Balanced	Sustainable Growth	Sustainable Adventurous	Sustainable Maximum Growth
Adult entertainment	0.0	0.0	0.0	0.0	0.0	0.0
Alcohol	0.0	0.0	0.0	0.0	0.0	0.0
Animal welfare*	5.1	6.2	7.5	8.5	9.7	11.6
Firearms	0.0	0.0	0.0	0.0	0.0	0.0
Cluster munitions	0.0	0.0	0.0	0.0	0.0	0.0
Conventional weapons	0.0	0.0	0.0	0.0	0.0	0.0
Gambling	0.0	0.0	0.0	0.0	0.0	0.0
Land mines	0.0	0.0	0.0	0.0	0.0	0.0
Palm oil	0.0	0.0	0.0	0.0	0.0	0.0
Nuclear weapons	0.0	0.0	0.0	0.0	0.0	0.0
Thermal coal	0.0	0.0	0.0	0.0	0.0	0.0
Tobacco	0.0	0.0	0.0	0.0	0.0	0.0

% Revenue⁸

	Sustainable Conservative	Sustainable Cautious	Sustainable Balanced	Sustainable Growth	Sustainable Adventurous	Sustainable Maximum Growth
Adult entertainment	0.0	0.0	0.0	0.0	0.0	0.0
Alcohol	0.0	0.1	0.1	0.1	0.1	0.1
Conventional weapons	0.0	0.0	0.0	0.0	0.0	0.0
Firearms	0.0	0.0	0.0	0.0	0.0	0.0
Gambling	0.0	0.0	0.0	0.0	0.0	0.0
GMO	0.0	0.0	0.0	0.0	0.0	0.0
Nuclear Power**	0.2	0.2	0.2	0.2	0.2	0.3
Tobacco	0.0	0.0	0.0	0.0	0.0	0.0
Fossil Fuel-related***	0.2	0.2	0.3	0.3	0.4	0.5

***Animal Welfare:** The animal welfare flag includes animal testing, which is used by healthcare and consumer goods businesses. The majority of our exposure is via healthcare companies. Some companies are required by regional law and regulation to test on animals prior to human testing.

****Nuclear Power:** the SMPS does not specifically avoid nuclear power as the team believes that it has an important role to play in the transition to a Net Zero economy.

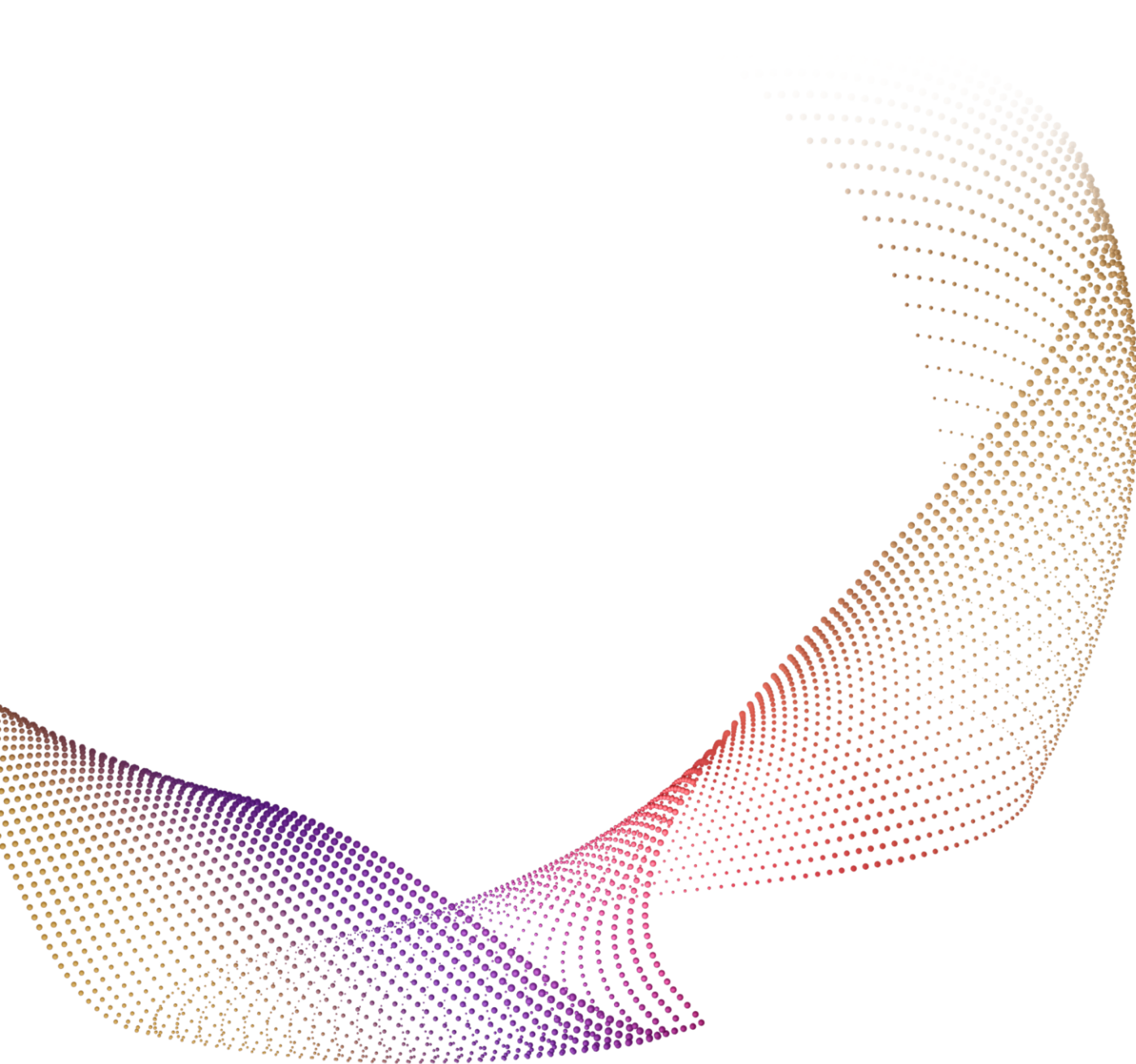
*****Fossil Fuel-related:** Fossil fuel-related relates to Utilities holdings which have some residual fossil-fuel power generation, and which the team believes are important in the transition to a Net Zero economy whilst also providing consumers with the basic needs of heat, light and power.

⁷ Excludes Trium Climate Impact, real assets, private equity and sovereign bonds

⁸ Excludes Trium Climate Impact, real assets, private equity and sovereign bonds

The value of investments and the income from them can fall as well as rise and the investor may not receive back the original amount invested. Past performance is not a guide to future performance.

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