

# Sustainable MPS

## Balanced



Brewin  
Dolphin

31 May 2025

### Investment objective and overview

The portfolio aims to maximise returns from income and capital growth from a portfolio of funds which exclude exposure to companies with significant revenue from controversial sectors. Subject to the primary objective, the portfolio seeks exposure to companies that have a positive societal or environmental impact.

All funds in the portfolio go through a robust Environmental, Social, Governance (ESG) selection process which consists of three parts:

**Exclusions:** funds that seek to exclude companies that derive significant revenue from tobacco, controversial weapons, thermal coal, gambling, and adult entertainment\*.

**ESG Leaders:** funds that are industry leaders in integrating ESG factors into investment decisions and stewardship activities, and

**Impactful companies:** funds that invest in companies which contribute positively and measurably to social and/or environmental challenges

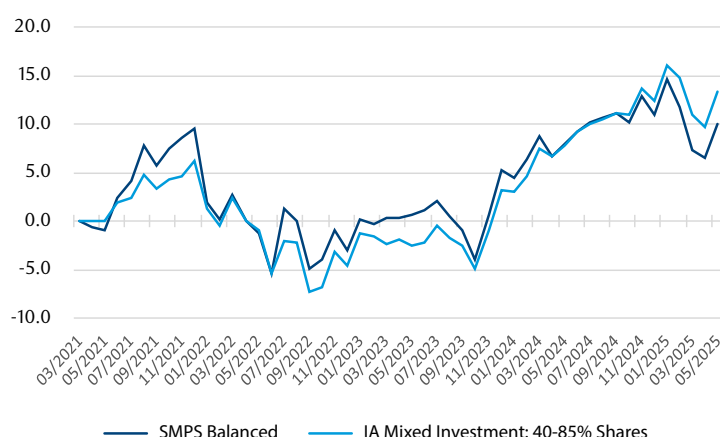
We measure our approach by assessing alignment with the United Nations' Sustainable Development Goals (SDGs).

\* Involvement is defined as greater than 10% of sales in the listed areas.

### Performance

May 2025	1Month	3Months	6Months	YTD	1 Year	2 Years	3 Years	4 Years	2022	2023	2024	SI (p.a) <sup>1</sup>
SMPS Balanced	3.17	-1.57	-2.63	-0.89	1.82	9.28	11.29	11.05	-11.48	8.53	5.35	2.42
IA Mixed Investment: 40-85% Shares	3.32	-1.12	-0.20	0.95	5.20	16.38	14.47	13.43	-10.18	8.10	8.88	3.19
Relative	-0.15	-0.46	-2.43	-1.84	-3.38	-7.11	-3.17	-2.38	-1.30	0.42	-3.53	-0.77

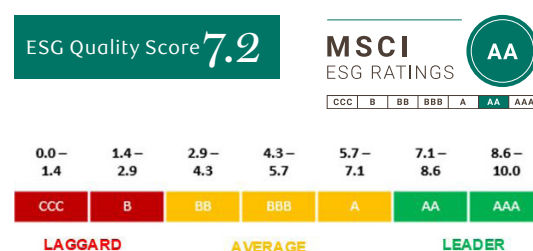
Source: MorningStar. All income is reinvested. Performance is shown inclusive of underlying fund charges and RBC Brewin Dolphin's investment management charge. Since Inception (SI) - <sup>1</sup>Inception Date of 26/04/2021, quoted on an annualised basis.



### Key information & charges

Inception date:	26 April 2021
Estimated annual yield	1.93%
Investment Management Charge	0.30%

### MSCI ESG ratings



MSCI's ESG ratings are designed to measure a company's resilience to financially material, environmental, societal and governance risks. They are not meant to serve as a measure of corporate goodness, a barometer on any single issue or a synonym for sustainable investing. Certain information ©2022 MSCI ESG Research LLC. Reproduced by permission.

### Risk ratings

Defaqto	6
Dynamic Planner	5
EV 1-5	3
EV 1-7	4
EV 1-10	5
Fina Metrica	58-69
Morningstar	3.6
Oxford Risk	3/5 & 4/7
Synaptic	3.6

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## Economic commentary

May brought optimism after April's turbulence. The S&P 500 posted its best May performance since 1990, rebounding from April's tariff-induced downturn. However, the index remains about flat for the year, marking one of the weakest starts to a calendar year since the 1950s. U.S. equities continued to trail global peers as investors reassess U.S. exceptionalism.

Markets were buoyed by signs of policy pragmatism. President Trump scaled back China tariffs, delayed further EU tariffs, and a U.S. trade court ruling questioned reciprocal tariffs' legality. Some dubbed the market recovery the "TACO trade" (Trump Always Chickens Out), reflecting confidence that economic pressures may temper the administration's hardline stance.

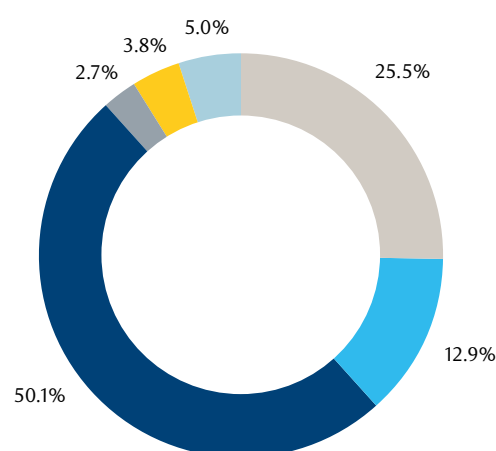
## Portfolio holdings as at 31 May 2025

Brown Advisory US Sustainable Growth	11.00%
L&G All Stocks Gilt Index Trust	7.50%
Liontrust Sustainable Future US Growth	7.00%
IFSL Evenlode Income	6.50%
Royal London Sustainable Leaders Trust	6.40%
BlueBay Impact Aligned Bond	6.00%
Stewart Investors Asia Pacific Leaders Sustainability	5.80%
Schroder Global Sustainable Value	5.50%
L&G Global ex UK Inflation Bond	5.50%
Pictet Global Environmental Opportunities	4.60%
CT Responsible Global Equity	4.50%
BlackRock ICS Sterling Liquidity Premier	4.50%
ASI Global Government Bond Tracker	4.50%
Ninety One Global Environment	4.00%
IFSL Evenlode Global Income	3.30%
Schroder Global Cities Real Estate	2.70%
Schroder Global Energy Transition	2.60%
Royal London Ethical Bond	2.00%
Baillie Gifford Positive Change	1.80%
BNY Mellon Sustainable Global Dynamic Bond	1.50%
Muzinich Global Tactical Credit	1.20%
Trium ESG Emissions Improvers	1.10%
Cash	0.50%

Bond markets, however, signalled caution. Concerns over U.S. debt and deficits weighed on longer-dated U.S. Treasuries, with falling prices reflecting heightened risk. A proposed tax cut package further stoked fears about the sustainability of U.S. public finances. The term premium may remain elevated as investors demand greater compensation for interest rate risks.

Meanwhile, U.S. inflation trends positively, though uncertainty remains around tariffs' effects on consumer prices. The Federal Reserve is likely to hold rates steady, awaiting clearer signs of inflation or growth risks.

## Asset allocation



■ Bonds
 ■ Equities - International
 ■ Alternatives
 ■ Equities - UK
 ■ Commercial Property
 ■ Cash

## Awards



## Our ESG partners



### Carbon intensity

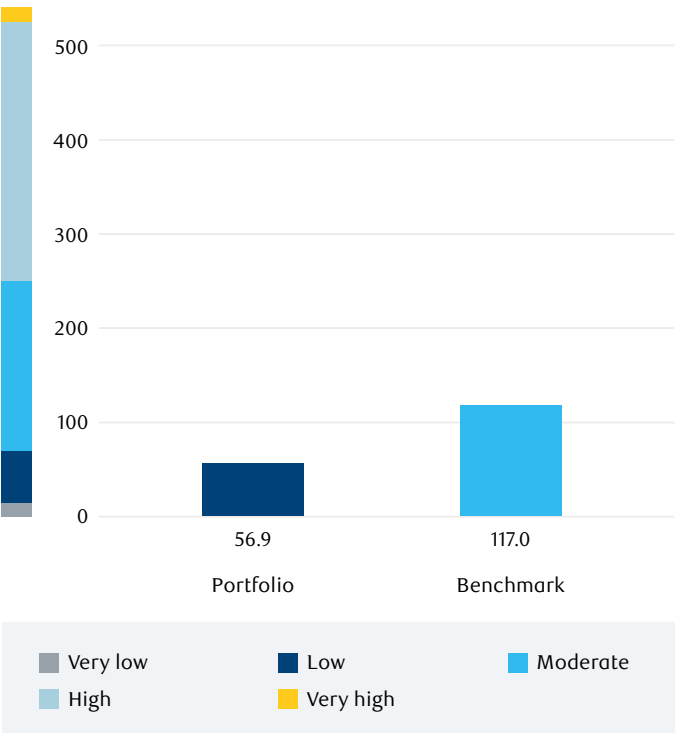
Carbon Intensity measures a portfolio’s exposure to carbon intensive businesses and is a recommended metric for assessing Carbon Risk by the Task Force on Climate Related Financial Disclosures (TCFD). It is calculated as a weighted average of each portfolio companies total Scope 1<sup>1</sup> and Scope 2<sup>2</sup> Carbon Emissions divided by their annual Sales, with a lower score representing less (better) Carbon Intensity.

Comparisons of Carbon Intensity figures should be made with caution, as generally companies in the sectors with the highest Carbon Emissions (such as Utilities) also have the highest potential for reducing their Carbon Emissions. We believe it is important to encourage these reductions in carbon emissions where they have the potential for highest impact.

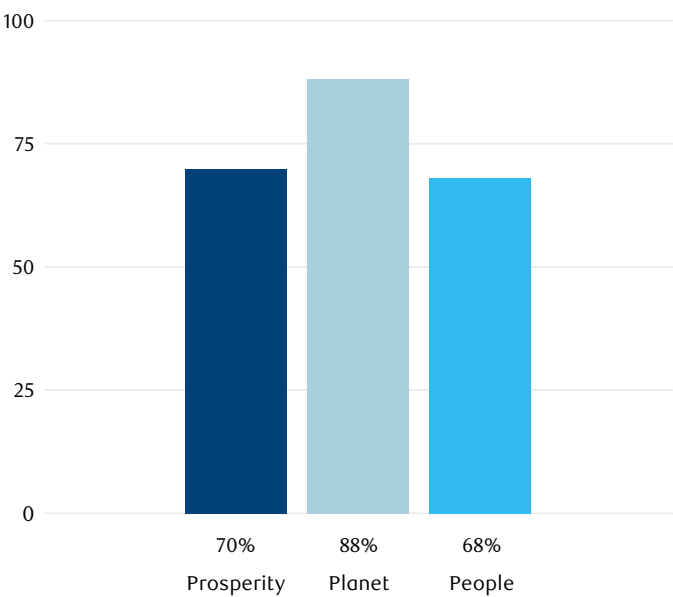
### References:

<sup>1</sup> Scope 1: All direct GHG emissions from sources owned or controlled by the company (e.g. emissions from combustion in owned boilers, furnaces).  
<sup>2</sup> Scope 2: Indirect GHG emissions that occur from the generation of purchased electricity, steam or heat consumed by the company.  
Benchmark for comparison: 70% Global equity, 30% Global aggregate bonds.

### Carbon intensity vs benchmark (TCO<sub>2</sub>e / \$m sales)



### SDG alignment



The UN SDG Alignment provides a framework for considering a broad set of seventeen sustainability issues. Although not intended for investment purposes, it provides a useful context for measuring a portfolio’s alignment with these goals.

We select 12 of these SDGs and place them into three sustainability themes: People, Planet, and Prosperity, with each sustainability theme consisting of four SDG goals. We use fund alignment data from MSCI to measure the alignment of the portfolio to each of our three sustainability themes. To calculate this, we take a weighted average of each fund’s alignment to each of the three sustainability themes.

For instance, if Fund A is a 10% holding in the portfolio, and within the People theme is aligned with both “Zero Hunger” and “Gender Equality” but not the other two SDGs, then the fund will contribute 5% to the overall score of the People theme: 2.5% through Gender Equality and 2.5% through “Zero Hunger”.

### Prosperity



### Planet



### People



## Stewardship and engagement - our partners



THE INVESTOR FORUM

A community interest company set up to help investors work collectively to escalate material issues with the Boards of UK-listed companies.

Via the Investor Forum, we have supported engagements on a range of issues including microplastic pollution, and the licensing of UK garment manufacturers.



An investor initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.

As an active participant, we are part of the group engagement with Berkshire Hathaway.



Columbia Threadneedle Investments is our ESG collective engagement partner for global companies. By pooling our assets with others to create a single powerful investor voice, we increase our influence to effect positive change. We are engaging with Columbia Threadneedle Investments on our priorities for 2025 which include climate change, environmental stewardship and labour standards.

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The Sustainable MPS model portfolios promote investment into firms with positive environmental, social and good governance characteristics, but they do not have sustainable investing targets. Due to the sustainable focus of this portfolio, there are companies and sectors in which we are unable to invest, meaning the portfolio's performance may be lower than that of an unconstrained investment portfolio with the same benchmark.

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