TITAN SUSTAINABLE MPS 7
Factsheet

RISK LEVEL **7**

As of 31/03/2024

INVESTMENT OVERVIEW

The aim of the model portfolio is to increase in value, over a minimum of 5 years, by investing in core investment themes that have passed our inhouse sustainable investment policy, via third-party manager funds across global markets. This will be achieved through a combination of capital growth, which is profit on investments held, and income, which is money paid out of investments such as dividends from shares and interest from bonds.

FEATURES

IA Sector: Mixed Investments 40%–85% shares
Daily Liquidity
No Initial Fees or Minimum Requirements
No Exit Fees
No Performance Fees

RISK AND REWARD PROFILE

3 4 5 6 **7** 8

Lowest risk — Highest risk

This model portfolio has an internal risk rating classification of 7 and will aim to maintain this risk rating classification. The risk rating range is from 1 (lowest risk) to 10 (highest risk).

DETAILS

Live performance from 31/01/2023

CHARGES

Discretionary Management Fee: 0.25%
(inc. 0.05% donation to Global Returns Project)
Synthetic Ongoing Charges Figure: 0.55%
Total Ongoing Charges Figure (OCF): 0.80%

PEER GROUP

Although the model portfolio is not benchmarked against the IA sector one may wish to compare the performance of model portfolio 7 to the IA Mixed Investment 40%-85% Shares sector for peer group analysis.

INVESTMENT GROWTH

Time Period: 31/01/2023 to 31/03/2024

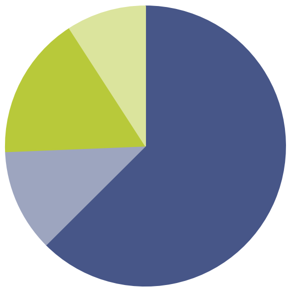
PERFORMANCE COMPARISON

	1 Month	6 Months	1 Year	3 Year	ITD
Titan Sustainable 7	2.56	10.88	10.00	—	9.66
IA Mixed Investment 40-85% Shares	2.77	10.15	10.11	10.67	8.85

TOP 5 HOLDINGS

	%
River&Mercantile Glb Sus Opp S1 GBP Acc	10.3
Storebrand Global ESG Plus Lux B GBP Acc	10.1
Vanguard Global Sustainable Eq A GBP Acc	10.1
CCLA Better World Global Equity C Acc	10.0
Janus Henderson US Sustainable Eq I Acc	8.1

ASSET ALLOCATION



	%
Stock	62.5
Bond	11.8
Cash	16.5
Other	9.1
Total	**100.0**

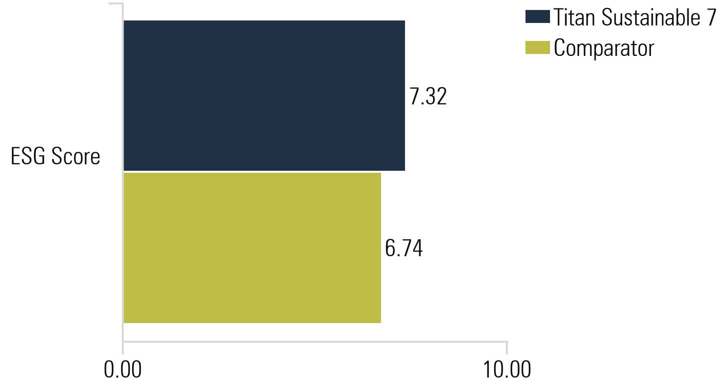
Source: Morningstar Direct

TITAN
Asset Management

MSCI ESG SCORE (0-10)

We measure how well key medium-to long-term ESG risks and opportunities are being managed by the portfolio using the MSCI ESG Quality Score, which is measured on a scale of 0 to 10 (worst to best). The score corresponds to a rating, which is measured on a scale of CCC to AAA (worst to best).

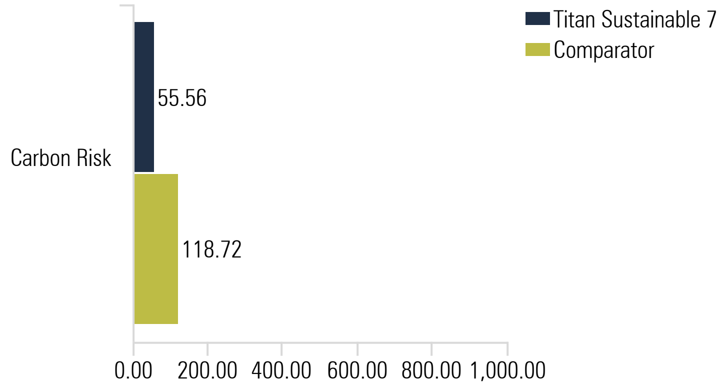
Rating	CCC	B	BB	BBB	A	AA	AAA
Score	0.00 - 3.15	3.15 - 4.16	4.16 - 5.17	5.17 - 6.18	6.18 - 7.19	7.19 - 8.20	8.20-10.00
	Laggard			Average		Leader	



MSCI CARBON RISK (t CO2/$Mn Sales)

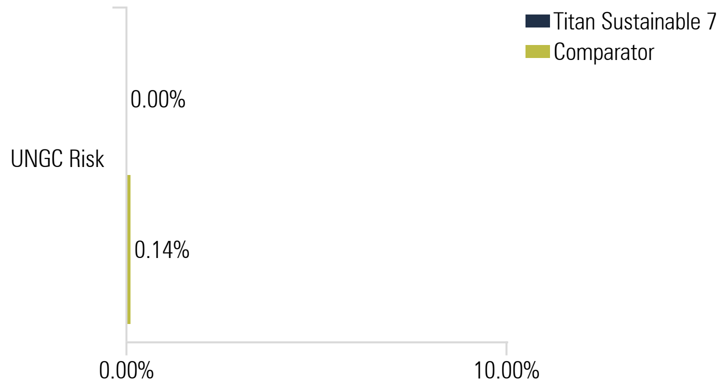
Companies which emit lots of carbon dioxide (CO_2) are more exposed to carbon-related market and regulatory risks that arise due to climate change. We measure the carbon risk of the portfolio using the MSCI ESG Weighted Average Carbon Intensity metric which, per company, is a function of the most recently reported or estimated direct plus indirect CO_2 emissions, divided by sales (the lower the intensity, the better).

Very Low	Low	Moderate	High	Very High
0 - 14	15 - 69	70 - 249	250 - 524	525 - 1000
Leader		Average		Laggard



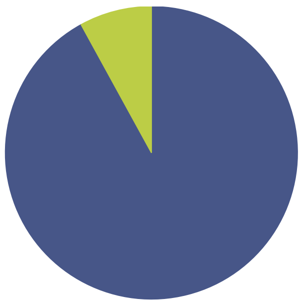
UNITED NATIONS GLOBAL COMPACT RISK (%)

There is a spectrum of good and bad actors in every sector and in every country. Measuring exposure to companies in violation of the Ten Principles of the UNGC is a useful way to separate good actors from bad in a sector- and country-agnostic way (the lower the exposure, the better). The Ten Principles are based on a variety of international declarations and are focused on 4 areas: human rights, labour, the environment and anti-corruption.



MORNINGSTAR CLASSIFICATION

All funds categorised as a 'sustainable investment' by Morningstar are further segregated into 2 buckets: 'general ESG investment' or 'sustainability themed investment'. The first bucket is for funds that integrate ESG data into the portfolio construction and management process. The second bucket is for funds that additionally target a sustainability theme, for example climate action or human development.



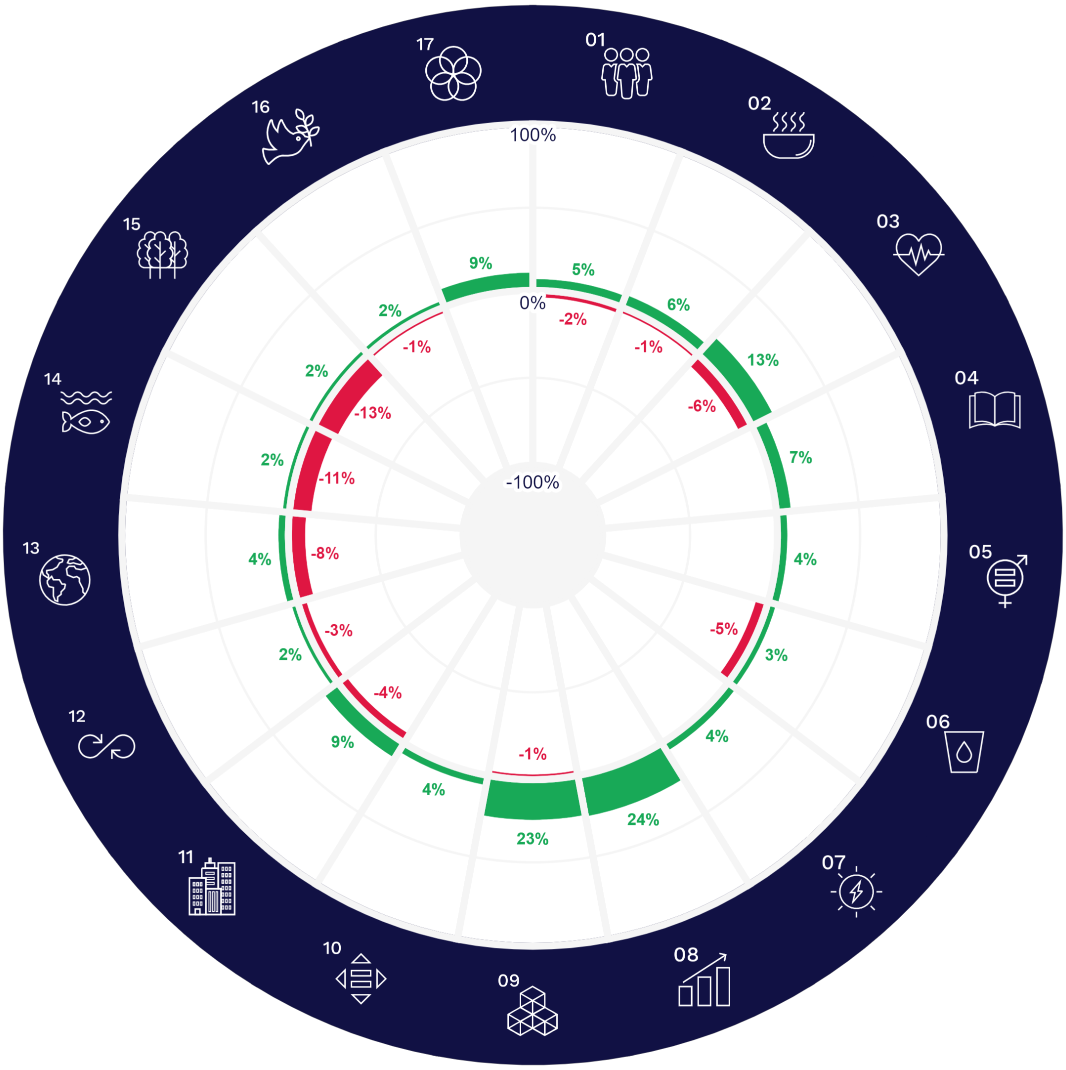
	%
General ESG Investment	92.00
Sustainability Themed Investment	8.00
Total	**100.00**

Source: MSCI ESG Research. The comparator used reflects the asset class allocation based on the underlying investment exposure of the portfolio to fixed income (investment grade and sub-investment grade securities) and equity (developed and emerging market) securities at the date of data. This information is for illustrative purposes only to provide an indicative comparison to a non-sustainable market equivalent.

As of 31/03/2024

Source: Morningstar Direct

ESG ratings, like those built by MSCI, help us to better understand how well ESG risks and opportunities are being managed by companies. It is also possible to measure whether the actions of companies are generating any positive or negative outcomes in the real world. The UN Sustainable Development Goals (SDGs) provide the common language for investors like us to evaluate these real-world outcomes. Util uses natural language processing to assess how companies affect the SDGs, which can be further broken down into thousands of other sustainability concepts. The radial chart indicates, at the portfolio level, any positive or negative alignment to each of the 17 SDGs.



Source: Util, United Nations — As of 31/03/2024

Capital allocation will play a meaningful role in the transition to a more sustainability-minded planet. Measuring the outcomes of our capital allocation using Util's dataset is an important first step for us in this transition. But, as the radial chart indicates, we can go further. Titan Asset Management became a partner of the Global Returns Project (GRP) in 2022. GRP is a UK registered charity (no. 1186683) which curates the 'Global Returns Portfolio': a selection of diverse and effective not-for-profits tackling the twin biodiversity and climate crises. We have integrated a donation to GRP into our fee structure. The purpose of doing so is to resolve the disconnect between allocated capital and real-world outcomes.

Source: Morningstar Direct

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7

SUSTAINABLE INVESTMENT COMMENTARY

As it relates to decarbonisation, pragmatism is the new word du jour. Larry Fink, the CEO of BlackRock, has for the last several years used his annual letter to investors to communicate his firm's thinking about sustainability. In the latest edition, published in March, he emphasised the importance of balancing the energy transition, which will take decades, with energy security, which is top of mind for politicians around the world at the moment due to geopolitical tensions in Europe, the Middle East and elsewhere. His change of tone is also surely a response to the severe backlash amongst Republicans to all things 'ESG', a term which Fink has said he no longer uses in client conversations, at least in the USA. It is not just BlackRock. Other large American institutions like JP Morgan, State Street and PIMCO recently departed Climate Action 100+, an investor coalition focused on engaging with the world's largest corporate greenhouse gas emitters. Several reasons were offered for their exits; however the most likely cause is the coalition's shift from encouraging disclosure to encouraging action, and the associated consequences of this shift from a legal perspective. The challenge for companies is well-illustrated in a new survey published by the World Economic Forum, which identified a plethora of environmental risks worthy of concern over a longer term horizon, compared to a jumble of environmental, societal and technological risks facing the global economy over the next few years. Greenhushing, the practice of doing good work on sustainability but not talking about it, is flourishing as a result.

INVESTMENT TEAM

The investment team is responsible for the centralised investment proposition at the firm. John Leiper, CFA, FDP, CFTe, is the Chief Investment Officer of Titan Asset Management and carries direct responsibility for all discretionary investments at the firm. Together with the investment management team, comprising Alex Livingstone, CFA, David Chandler, James Peel, CFA and Sekar Indran, CFA, they manage the centralised investment proposition at the firm.

PRINCIPLES FOR RESPONSIBLE INVESTMENT

Titan Asset Management became a signatory to the United Nations' Principles for Responsible Investment (PRI) in May 2022. The PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of ESG factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions. The PRI acts in the long-term interests of its signatories, of the financial markets and economies in which they operate, and ultimately of the environment and society as a whole.

ABOUT TITAN ASSET MANAGEMENT

Titan Asset Management Ltd is part of the Titan Wealth Group, authorised and regulated by the Financial Conduct Authority to provide Discretionary Fund Management services. Titan Asset Management Ltd aims to provide innovative, quality, and integrated solutions that deliver efficiency into every part of the wealth management cycle.

CONTACT INFORMATION

Titan Asset Management Ltd, 101 Wigmore Street, London, W1U 1QU
www.titanam.co.uk

Signatory of:

PRI Principles for Responsible Investment