# IFSL CAF ESG Growth Fund
# Quarterly Factsheet
30 June 2026

This document is issued by LGT Wealth Management, the Sub Investment Manager of this Fund

## Investment objective

The aim of the Fund is to increase the value of an investment over a minimum of 5 years through a combination of capital growth - which is profit on investments held, and income received by the Fund - which is money paid out of investments, such as dividends from shares and interest from bonds.

## Investment strategy

The Investment Manager actively manages the Fund, deciding which investments to buy or sell and when using a responsible investment selection process which selects assets that have a strong focus on Environmental, Social and Governance ("ESG") considerations along with the potential to grow in value. The Fund aims to deliver income and growth from a medium-high risk level of return.

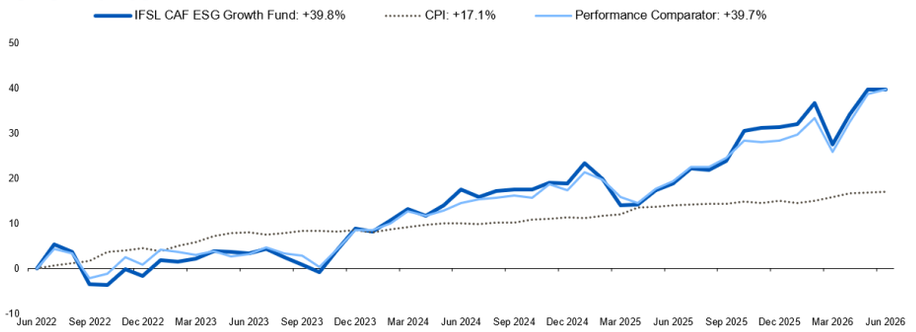
## Assessing ESG performance

The Fund will seek validation of its ESG credentials using an independent ESG ratings agency to assess the portfolio's overall ESG score.
The Fund currently uses MSCI for this assessment and a "high" ESG score should be considered as AA or AAA.

## Responsible investing framework

Ethical screening is used to avoid investing in companies that generate more than a defined percentage of revenue from certain activities including, but not limited to:
Alcohol, Tobacco, Gambling services, Armaments (military weapons, equipment and civilian firearms) - maximum of 5% of revenue. Pornography - maximum of 3% of revenue. Predatory lending, Cluster munitions and landmines – 0% of revenue. Coal, unconventional oil or gas extraction (eg tar sands and shale), or coal power generation - maximum of 5% of revenue. Animal testing without welfare commitments. The Fund does not have a specific sustainability objective.

## Performance




The performance of the fund has been calculated using bid to bid basis, based on an Annual Management Charge (AMC) of 0.5%, gross income re-invested. The Comparator performance is on a Total Return basis. Source: Morningstar (Fund) and Thomson Reuters DataStream (Performance comparator).

## Cumulative performance

| Fund & Benchmarks | Quarter (%) | YTD (%) | 1 Year (%) | 3 Years (% p.a.) |
|---|---|---|---|---|
| IFSL CAF ESG Growth Fund* | 9.7 | 6.4 | 17.6 | 10.6 |
| CPI | 1.1 | 1.7 | 2.7 | 2.7 |
| Performance comparator | 11.0 | 8.9 | 17.0 | 10.6 |

## MSCI ESG RATINGS

AA

| CCC | B | BB | BBB | A | AA | AAA |
|---|---|---|---|---|---|---|

## Key facts

| | |
|---|---|
| Fund Manager | Jonathan Allison / Andrew Patrick |
| Fund Manager Start Date | 13/06/2022 |
| Fund Launch Date | 13/06/2022 |
| Fund Size | £115.1m |
| No. Holdings | 87 |
| Current Yield | 1.8% |
| Performance Comparator | Composite Blend |

| | |
|---|---|
| Composite Blend | MSCI All Country World Index - 75%<br>Bloomberg Global Aggregate Index - 20%<br>SONIA - 5% |
| Comparator Prior to 31/3/2026: | ARC Steady Growth (ACI) |

| | |
|---|---|
| Annual Management Charge | 0.5% |
| Ongoing Charges Figure* | 0.5% |
| Valuation Point | 12 noon (UK) |
| Base Currency | GBP |

| Sedol | | ISIN | |
|---|---|---|---|
| Accumulation | BPSLW03 | Accumulation | GB00BPSLW031 |
| Income | BPSLW14 | Income | GB00BPSLW148 |

*OCF as at 30/06/2026

*The Ongoing Charge Figure (OCF) is the overall cost shown as a percentage of the value of the assets of the Fund. It is made up of the Annual Management Charge (AMC) and the other expenses taken from the Fund over the last annual reporting period. It does not include any initial charges or the cost of buying and selling stocks for the Fund. The OCF can help you compare the costs and expenses of different funds.

## Risk and reward profile

Lower risk
Typically lower rewards

Higher risk
Typically higher rewards

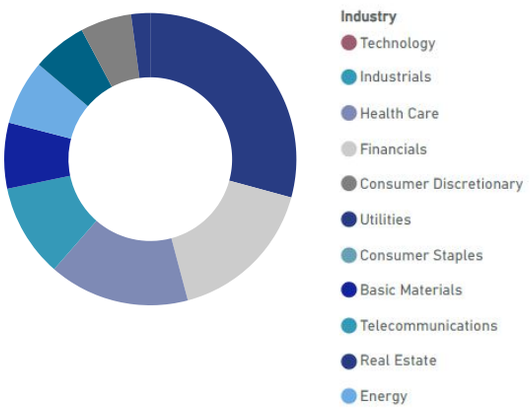
1 2 3 4 **5** 6 7

This indicator reflects the volatility of the fund's share price over the last five years. See Key Investor Information Document (KIID) for details.

The fund was launched on 13/6/2022. A 5 year performance history is therefore not yet available. Performance figures reflect the period since launch.

Source: Morningstar (Fund) and Thomson Reuters DataStream (Performance comparator)
*Fund performance is Net of annual management charges. Past performance is not a reliable indicator of future results. The price of shares and the income from them may go down as well as up and cannot be guaranteed; an investor may receive back less than their original investment.

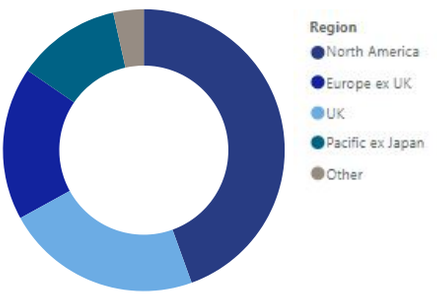
## Equity breakdown - industry (%)




| Industry | % |
|---|---|
| Information Technology | 21.9 |
| Financials | 12.4 |
| Health Care | 11.7 |
| Industrials | 7.7 |
| Utilities | 5.4 |
| Communication Services | 5.4 |
| Materials | 4.5 |
| Consumer Discretionary | 4.2 |
| Real Estate | 1.6 |

As at 30/06/2026

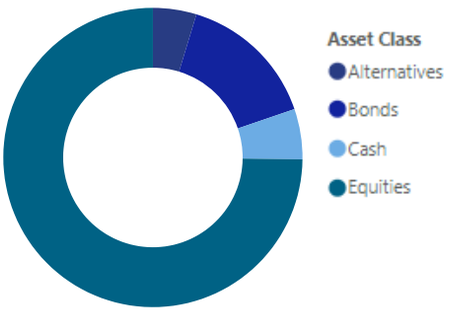
## Equity breakdown - region (%)




| Region | % |
|---|---|
| North America | 33.3 |
| Europe ex UK | 16.8 |
| UK | 13.1 |
| Pacific ex. Japan | 8.9 |
| Japan | 2.6 |

As at 30/06/2026

## Asset class breakdown (%)




| Asset | % |
|---|---|
| Equities | 74.8% |
| Bonds | 15.1% |
| Cash | 5.4% |
| Alternatives | 4.7% |

As at 30/06/2026

## Top ten holdings

| Stocks | (%) |
|---|---|
| Taiwan Semiconductor Manufacturing Co. | 4.8 |
| ASML | 4.2 |
| Alphabet | 3.9 |
| Eli Lilly and Company | 3.7 |
| Govt. Of United Kingdom 0.625% 31-jul-2035 | 3.2 |
| Apple Inc. | 2.8 |
| Govt. Of United Kingdom 0.25% 31-jul-2031 | 2.7 |
| AstraZeneca PLC | 2.6 |
| Schneider Electric SE | 2.6 |
| Microsoft Corporation | 2.6 |

As at 30/06/2026

Definitions: Cash and Other - may include bank and building society deposits, other money market instruments such as Certificates of Deposits (CDs), Floating Rate Notes (FRNs) including Asset Backed Securities (ABSs), Money Market Funds and allowances for tax, dividends and interest due if appropriate.

Securities within the portfolio are not all denominated in sterling. The investment manager seeks to hedge currency risk for fixed income, but does not generally hedge non-sterling equity exposure.
CAF Financial Solutions Limited (CFSL) is a subsidiary of the Charities Aid Foundation. Investment Fund Services Limited (IFSL) is the Authorised Corporate Director (ACD) for the IFSL CAF Investment Fund. This fund range is promoted by CFSL and LGT Wealth Management are appointed as Sub Investment Manager. Find out more about CAF Financial Solutions Limited (CFSL) full range by visiting www.cafonline.org/charityinvestments

For a full explanation of specific risks and the overall risk profile of this fund and the share classes within it, please refer to the Key Investor Information Documents and Prospectus which are available on our website www.cafonline.org/charityinvestments

Key Risks
(a) The value of investments and the income from them can fall and investors may get back less than the amount invested.
(b) The fund invests in securities which are subject to the risk that the issuer may default on interest or capital payments.
(c) The use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as a failure amongst market participants. The use of derivatives may result in the fund being leveraged (where market exposure and thus the potential for loss by the fund exceeds the amount it has invested) and in these market conditions the effect of leverage will be to magnify losses.
(d) The fund invests in emerging market equities and / or bonds. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
(e) The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
(f) The fund invests in high yielding bonds which carry a greater risk of default than those with lower yields.
(g) The fund price can go up or down daily for a variety of reasons including changes in interest rates, inflation expectations or the perceived credit quality of individual countries or securities.

## Asset class ranges

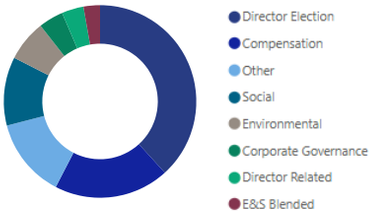
| Asset class | Range (%) |
|---|---|
| Alternatives | 0-20% |
| Bonds | 5-25% |
| Equities | 55-85% |

## Voting

LGT Wealth Management believes that better corporate behaviour will provide better returns over the longer term. We aim to enhance and preserve the value of our clients' investments through active and engaged ownership of their assets. We consider a broad range of factors that might affect the success of a given company.

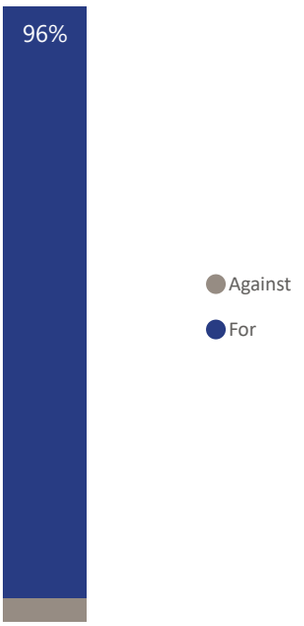
We vote on all shareholdings, seeking to represent our clients' best interests in the decisions we make on their behalves. Because we believe that strong business ethics and governance will generate positive outcomes, we encourage best-practice standards in our investee companies.

### Management resolutions by type (%)




| Type | % |
|---|---|
| Director Election | 38.2% |
| Compensation | 19.4% |
| Other | 13.4% |
| Social | 11.5% |
| Environmental | 6.9% |
| Corporate Governance | 4.1% |
| Director Related | 3.7% |
| E&S Blended | 2.8% |

### Voting alignment with management




## Market Commentary

The second quarter of the year was one of the strongest quarters for equity markets in over five years. US equities led, with the NASDAQ and S&P 500 posting their best quarter since 2021, driven by continued enthusiasm around AI, data centre and semiconductor demand.

This strength underlined how concentrated MSCI ACWI has become in a small number of very large technology companies. While leadership has broadened beyond the 'Magnificent Seven' in recent months, benchmark performance remains heavily shaped by a single growth theme.

Geopolitics was the other key driver. The US-Iran conflict and closure of the Strait of Hormuz disrupted global energy supply, pushing oil prices sharply higher and feeding into inflation expectations, bond yields and near-term growth concerns, particularly for energy importers in Europe and parts of Asia. This created a stagflationary backdrop early in the quarter, lifting volatility across equities and rates, with energy and commodity-linked sectors most affected.

Conditions improved after an interim peace deal on 17 June eased oil prices and sparked a relief rally in equities and emerging markets. The situation remains fragile, and renewed US tariff threats added caution, but markets largely looked through the noise once energy prices stabilised.

In fixed income, inflation and policy expectations were repriced, first by the energy shock and later by a more hawkish central bank tone. Gilts were the weakest developed market sovereigns as higher oil, sticky inflation and UK political uncertainty pressured rate expectations. Sir Keir Starmer's resignation later supported gilts, though risks remain around fiscal policy and the UK's high debt burden.

## Collaborative Engagement Initiatives

Case study – PRI Advance

PRI Advance is a collaborative investor stewardship initiative focused on tackling systemic social risks linked to labour rights and human rights, with a particular emphasis on protecting workers in high-risk sectors and regions. The initiative engages companies operating in sectors where labour risks are most acute, including metals and mining as well as renewable energy and utilities, where rapid expansion, complex supply chains and contractor reliance can heighten exposure to severe labour impacts.

Weak management of these risks presents material operational, regulatory, litigation and reputational risks for companies and investors alike. PRI Advance brings together global investors to conduct coordinated engagements aimed at strengthening governance, human rights due diligence, remediation processes and transparency.

As part of the initiative, LGT acts as a lead investor engaging one of the largest utility companies in the United States, seeking to drive improved labour standards and more resilient business practices across operations and value chains.

Any data contained herein which is attributed to a third party ("Third Party Data") is the property of (a) third party supplier(s) (the "Owner") and is licensed for use by LGT Wealth Management**. Third Party Data may not be copied or distributed. Third Party Data is provided "as is" and is not warranted to be accurate, complete or timely. To the extent permitted by applicable law, none of the Owner, LGT Wealth Management** or any other third party (including any third party involved in providing and/or compiling Third Party Data) shall have any liability for Third Party Data or for any use made of Third Party Data. Past performance is no guarantee of future results. Neither the Owner nor any other third party sponsors, endorses or promotes the fund or product to which Third Party Data relates.

© 2022 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI" Parties) expressly disclaims all warranties (including without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages (www.msci.com).

The period of extreme volatility experienced in bond markets and the heightened correlation between bonds, equities and alternative assets since the fund was launched in June 2022 owing to rapid interest rate rises in response to heightened inflation, has impacted SRRIs across the marketplace. In all cases, an increase in the SRRI was due to higher market volatility and not because of any changes in the fund's investment objective or policy. The SRRIs are constantly reviewed and may be lower or higher in future.

MSCI company ratings are provided to enable comparisons with investments held elsewhere in a standardised format. We conduct our own proprietary research which may lead us to have a view different to that expressed by the MSCI score.

Useful details
Issued by LGT Wealth Management as the Appointed Sub Investment Manager

Existing investor enquiries line:
0808 178 9321
New charity investors line:
03000 123 222
www.cafonline.org/charityinvestments

CAF Charitable Trusts information line:
03000 123 028
www.cafonline.org/trustinvestments

LGT Wealth Management
+44 (0)20 3207 8000
LGT.Charities@LGT.com

Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

Important information
THIS REPORT IS FOR USE BY CHARITABLE CLIENTS OF THE IFSL CAF ESG GROWTH FUND.

This Fund is an authorised Investment Company with Variable Capital. The Authorised Corporate Director is Investment Fund Services Limited (IFSL), registered office: Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP. Issued by the appointed Sub Investment Manager, LGT Wealth Management. Further product information, including full details of charges and risks, is set out in the prospectus which is available from www.ifslfunds.com/sponsor-literature CAF Financial Solutions Limited (CFSL) is authorised and regulated by the Financial Conduct Authority under registration number 189450. CFSL Registered office is 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA. Registered under number 2771873. CFSL is a subsidiary of Charities Aid Foundation (registered charity number 268369).

LGT Wealth Management Limited, registered in Scotland (SC317950) at; Capital Square, 58 Morrison St, Edinburgh, EH3 8BP.
LGT Wealth Management Limited is authorised and regulated by the Financial Conduct Authority.