KING & SHAXSON

Asset Management | Rewarding your Values

WINNER

TWO TIMES

Investment Life & Pensions

Moneyfacts®

Awards 2020-2021

Best Ethical Discretionary Fund Manager

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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.

ABOUT KING & SHAXSON

King & Shaxson

King & Shaxson Asset management (KSAM) has offered a distinct ESG and Impact focused portfolio management service through bespoke mandates and model portfolios since 2002. It remains the sole focus of KSAM.

King & Shaxson is a long-established City name with a history that dates back to the mid-nineteenth century. The firm has successfully built on its traditional strengths in the bond and money markets to offer ethical fund management since 2002.

We are owned by PhillipCapital, a privately owned, financially strong and developing Singaporean financial services company. PhillipCapital employs 3,500 people worldwide, with its major interests in Singapore, Hong Kong and other regions of the Far East. The development of London is an important element in PhillipCapital's global growth plan.

King & Shaxson is a leading dealer in bonds and money market instruments, including certificates of deposit and Treasury bills. Listed by the Debt Management Office (DMO) of the UK Treasury as a primary participant in the Treasury bill market. On top of this, the Dowgate MTF is a trading venue operated by King & Shaxson Limited, offering trading in government bonds, supranational bonds, corporate bonds and certain derivative products.

Our Team

- Wayne Bishop
- CEO
- City career began 1991
- Run conventional funds
- Started managing ethical portfolios in 2002

- Harry Thompson
- Portfolio Manager
- City career began 2014
- Business & Finance Degree
- Personal portfolio invested in line

- Craig Hart
- Client Relationships
- City career began 1988
- Corporate bond broking
- Ethical team since 2012

- Peter Thompson
- Sales
- City career began 2001
- Joined K&S 2019
- Your initial point of contact

- Will Arnold
- Trainee PM
- Joined K&S 2021
- History Degree
- Desires to make a positive impact in society

Our Ethos

At King & Shaxson Asset Management, we take your clients ethics and values and reflect it in their investment portfolio. Taking an active management approach, we seek out investments which have a positive impact on people and the planet.

We are continually monitoring and reviewing investment positions with a forward-looking and adaptive outlook, and our approach goes beyond just looking at financial and ESG data. Our ethical screening is as important to us as the financial investment process. We ensure that our investments meet the clients' ethical expectations, and do not just tick boxes.

We draw from a diversity of professional backgrounds, creating a blend of experience, skill and dedication, which is shared with our clients. King & Shaxson strives to provide an exceptional level of service for all of our clients, committing to long term partnerships, which we consider crucial in order to add value.

What we offer

Platform Model Portfolios

Fund MPS

7 Models

Defensive to Adventurous & Income

Combine Collective Investments Only

DFM fee from 0.24% inc VAT

Direct Equity

4 Models

Cautious Green to Dark Green

Combines Collectives & Direct Equity Holdings

DFM fee 0.24% inc VAT

Bespoke Discretionary Service

More ethically minded clients

Full bespoke (Pershing Securities as custodian)

Based on Values-based questionnaire that determines ethical screen

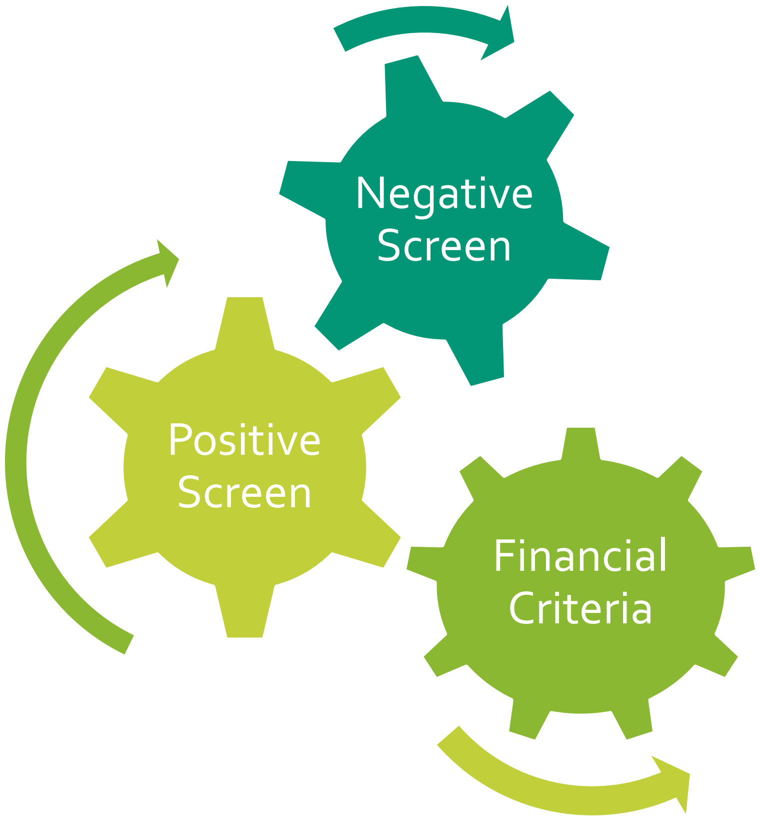
Full Proposal before investment

£250,000 minimum investment

GIA, ISA, SIPP, Charities

OUR SCREENING PROCESS

Our Screening Process



We utilise both a **negative** and **positive** screening process to filter out the harmful and include the impactful. These ethical screens take a slightly different shape for our models compared to bespoke: with bespoke it is formed with respect to a client's values-based questionnaire, whilst the screen in place for model portfolios is laid out in the documentation .

The method we use to screen investments includes both a process driven **quantitative** and values-based **qualitative** approach. This is because whilst quantitative ESG data is an important part of screening a company or fund, it is necessary to look beyond just data and take into account other sources of information.

Quantitative and Qualitative Screening Approach

Quantitative

- We primarily use third party screeners (currently MSCI) for our quantitative analysis;
- We examine investments from an Environmental, Social and Governance perspective by using ESG data. We ensure the data we examine is material to each company.
- We make use of business involvement reports, which highlight if any of the investments' activity is contrary to our negative screens, such as revenue from alcohol products, alongside any controversies and how they've been dealt with
- On top of this, we can view revenue exposure to positive investment themes such as alternative energy; this forms the foundation of our reporting for model portfolios

Qualitative

- We perform our qualitative research in house, based on various sources;
- This includes company disclosures, industry reports, reliable news sources, pressure groups etc. Enables us to assess whether a company's products or services are having a societal or environmental benefit, and ensure they are not having detrimental effects
- Other important considerations, including good corporate citizenship; for example, we would assess whether an investment's tax practices meet our ethical expectations
- We know investing is more than just an electronic process, it is something we take human responsibility for, so our qualitative approach is an important part of our screening process

Our Financial Approach

Top Down

- Thematic/Sector Approach
- Asset Allocation – risk parameters
- Geographical Exposure
- Economic Exposure

Bottom Up

- Financial analysis
- Valuations – price targets
- Group and Broker Research
- Fund screening

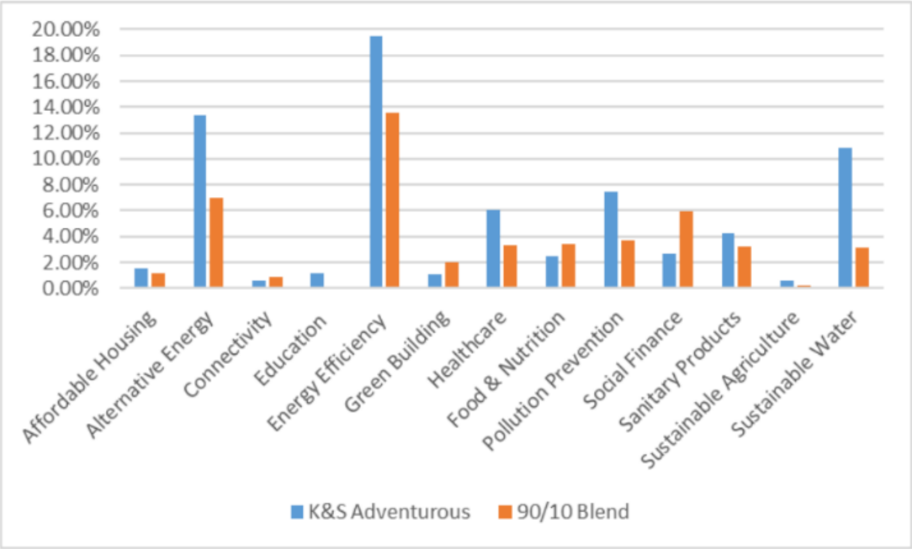
Company Meetings

- Bespoke - Meet companies and management
- Funds – Meet fund managers and analysts
- Engagement is a growing area of our business

OUR SERVICES

Platform Model Portfolios

Our ethical model portfolios were launched in February 2010 following demand from our IFA clients for a discretionary ethical product that could be accessed through wraps and platforms. Now available on multiple platforms, advisers have access to eleven models ranging from defensive to adventurous, as well as an income portfolio. Our seven 'Fund MPS' combines collectives only, whilst our 'Direct Equity MPS' combines collectives and direct equity holdings.



We have designed negative and positive screens to meet the vast majority of ethical investor's concerns.

We have a stringent negative screen in place, **avoiding traditional 'sin stocks'**, but also areas such as **Fossil Fuels** and **Nuclear Energy**.

Meanwhile, many of the positive themes we aim to provide exposure to are associated with mega-trends, for example access to healthcare, de-carbonisation and the circular economy.

As you can see from the bar chart, we report to clients on these investment themes as well as providing real world examples of how clients capital is supporting these themes.

We pride ourselves on ensuring that each portfolio is constructed to be as 'ethical' as possible within the investment constraints of each portfolio and platform. We conduct monthly screening of ethical funds where we look 'under the bonnet' at the underlying holdings to ensure they still align with our client's values.

Bespoke Services

We have been managing bespoke ethical portfolios since 2002. We know that certain client's have specific ethical preferences that would not be suited by a model portfolio.

Our highly personal service not only takes the effort and worry out of investing, but is also tailored to suit the clients individual values.

The client, whether that's an individual, company, trust or charity, set the ethical and financial criteria. This means the screens applied are based on the completed Values-based Questionnaire, which is then reflected in a personally designed portfolio. This means, unlike in the model portfolios, you are in complete control of the ethical screen we'll abide to.

Available accounts include: GIAs, ISAs, SIPPSs and Bond wrappers.

1

Complete the Values Based Questionnaire

Each portfolio is constructed according to the investors ethical beliefs, made possible by King & Shaxson's Values based Questionnaire (VBQ). Leave no stone unturned.

2

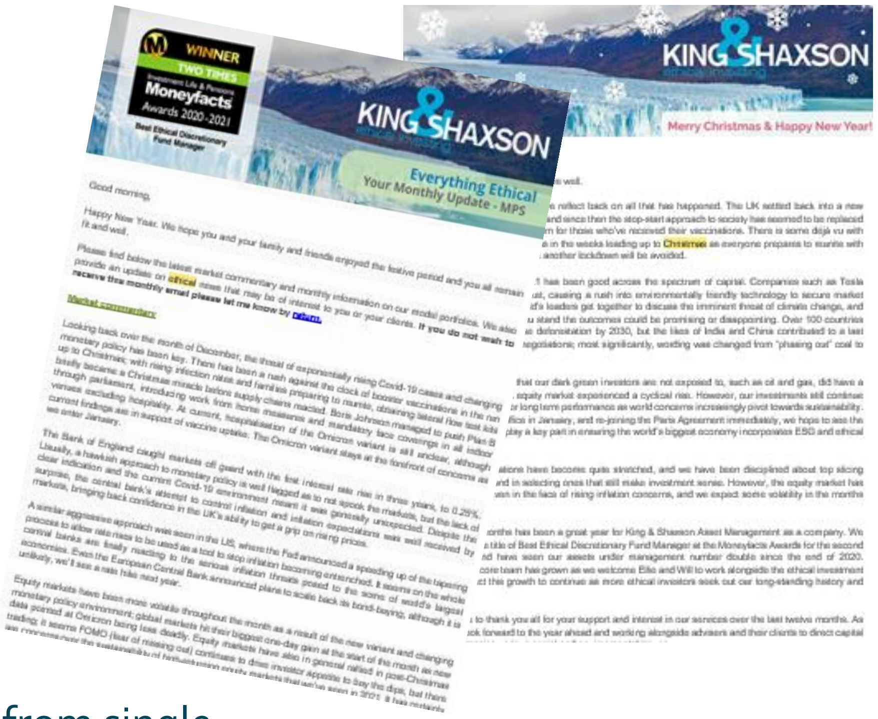
Receive an in-depth portfolio proposal

Every client will receive a detailed portfolio proposal, outlining the potential investments based on the client's investment and ethical objectives, including our rationale for investing in each holding.

3

Portfolio construction

The team of qualified managers will begin constructing your portfolio. The portfolio will be viewable online via our portal as well as via quarterly reports (including a yearly tax pack).



Reporting

All investment documentation will include an ethical profile for each holding, from single equities to funds and unlisted assets.

On top of this, yearly and ad-hoc reports are produced to highlight example companies to which clients would be invested in. This ensures the client truly understands where their money is invested, and also assists advisors in documenting the process.

We also provide monthly “Everything Ethical” factsheets which contain market commentary alongside ethical updates. They will also include rational for any rebalances or changes to portfolios, as and when they happen.

Every quarter we upload a fund managers report, both in document and video format.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