

EQ Future Leaders Balanced Plus

Model Portfolio Factsheet

FOR FINANCIAL ADVISERS & CLIENTS

Jun 2024

Invest sustainably using low-cost index funds.

Company Description

EQ Investors is an award-winning discretionary fund manager focused on sustainable and impact investing. Proud to be a Certified B Corporation (B Corp), we firmly believe investors can achieve their goals while doing good for people and the planet.

Key Facts

Factsheet Date	30/06/2024
Launch Date	29/02/2020
Portfolio Yield (indicative)	0.68%
EQ Management Charge	0.20%
Underlying fund MiFID II Charges ²	
Ongoing	0.20%
Transactional	0.09%
Incidental	0.00%
Total	0.29%

Source: EQ, Morningstar

Investment Team



Damien Lardoux, CFA
Portfolio Manager
Head of Impact Investing



Tertius Bonnin
Assistant Portfolio Manager
Investment Analyst



Louisiana Salge
Head of Sustainability

Awards



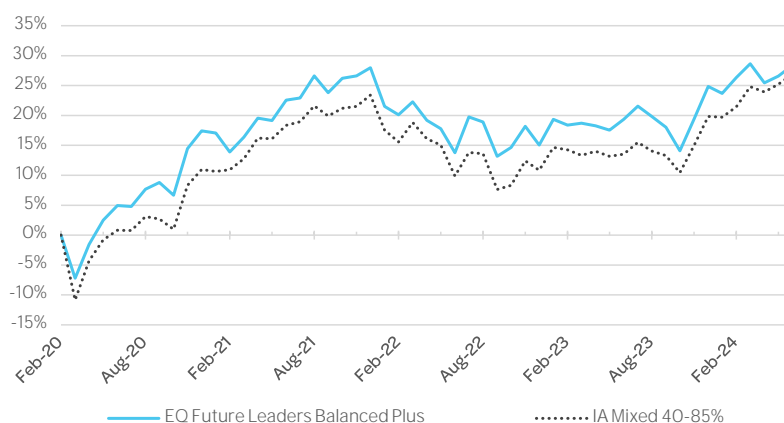
Platform Availability

7IM, abrdn Wrap, Aegon ARC, AJ Bell, Aviva, Fundment, Fusion Wealth, Hubwise, M&G Wealth, Morningstar, Novia, Nucleus, Parmenion, P1, Quilter, Scottish Widows, Transact and True Potential.

Portfolio Objective

The Future Leaders portfolios are managed with a dual mandate: to achieve long-term capital growth by investing in the most responsibly run businesses whilst avoiding the most controversial activities. This is achieved by investing in low-cost passive funds that invest in businesses showing leadership within their sector in managing relevant environmental, social and governance (ESG) risks and avoiding controversial activities. This is complemented by sustainable thematic funds. This Balanced Plus portfolio is diversified across a mix of equities, fixed income and cash.

Portfolio Performance¹



Cumulative Performance (%)	3M	6M	1Y	3Y	5Y	Since launch
EQ Future Leaders Balanced Plus	-0.22	2.82	7.55	4.74	-	28.36
IA Mixed 40-85%	1.69	5.92	11.79	7.22	25.99	26.91

Discrete Performance (%)	Jul 23 Jun 24	Jul 22 Jun 23	Jul 21 Jun 22	Jul 20 Jun 21	Jul 19 Jun 20
EQ Future Leaders Balanced Plus	7.55	4.91	-7.17	16.79	-
IA Mixed 40-85%	11.79	3.32	-7.17	17.39	0.10

Volatility (%)	1Y	3Y	5Y	Since launch
EQ Future Leaders Balanced Plus	8.99	8.95	-	10.08
IA Mixed 40-85%	7.27	8.26	10.12	10.39

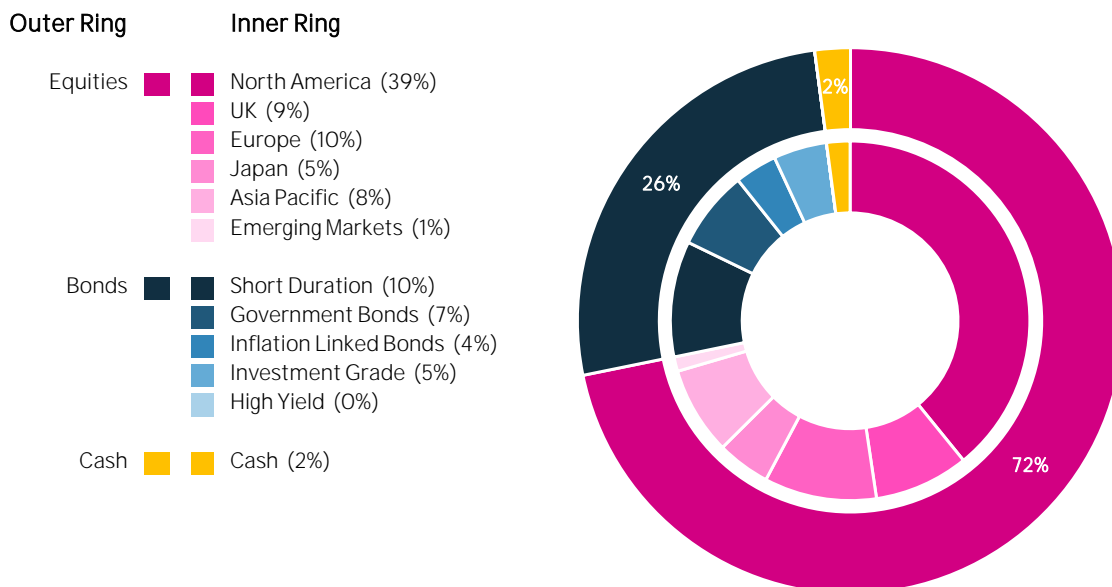
DFM Risk Profiler



Past performance is not a reliable indicator of future performance. All performance is shown in sterling, net of EQ's management fee (0.2%) and underlying fund charges. It does not include platform or adviser fees. Investment Association (IA) is a universe index comprising multi asset funds that has a set equity exposure range. Source: EQ, Morningstar.

Asset Allocation

The chart below shows the short-term asset allocations of the portfolio. Percentages are subject to rounding.



Top 5 fund holdings

	Description	Weighting
Amundi MSCI USA SRI PAB Index	North American stocks with a sustainable & Paris Aligned overlay.	30.0%
Amundi MSCI Europe SRI PAB Index	Europe stocks with a sustainable & Paris Aligned overlay.	7.5%
Amundi MSCI UK IMI SRI PAB Index	Exposure to UK stocks with a sustainable & Paris Aligned overlay.	7.0%
HSBC Sustainable Development Bank Bonds ETF	High quality international bank bonds, funding projects to improve society.	5.8%
NT Global Green Bond Index	Exposure to Green bonds across multiple income sectors.	5.3%

Top 10 underlying companies

	Description	Weighting
NVIDIA	9 Leader in GPU design and chip systems, primarily for data centre servers	2.0%
Microsoft	9 Cloud infrastructure, developer of soft and hardware technology solutions	1.6%
Texas Instruments	9 Innovator in semiconductors, making electronics more affordable	1.2%
Home Depot	Home improvement retailer of tools, construction products, and services	1.1%
Adobe	Multinational multimedia and creativity software company	1.0%
Danaher Corp	3 Medical, industrial and commercial conglomerate, improving quality of life	1.0%
Walt Disney	Entertainment, media and retail conglomerate	0.8%
Intel	9 Leading designer & manufacturer of computer processors	0.8%
Intuit	8 Financial management software and solutions for individuals and businesses	0.6%
Verizon Communications	9 Leading online marketplace for small vendors and pre-owned products	0.6%

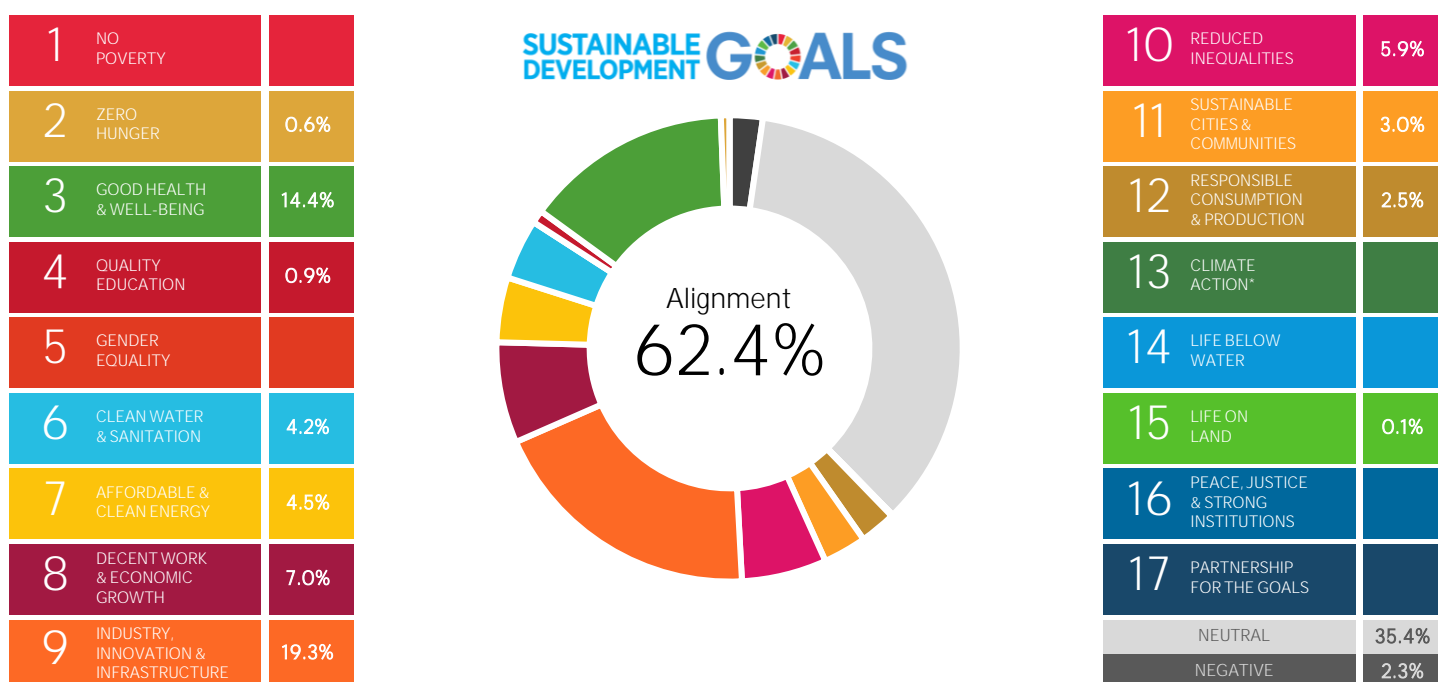
The top 10 underlying equity holdings represent the top 10 equity exposures held in an aggregated list of each funds' underlying holdings in the portfolio. Multiple issues of a single company are aggregated in this list. Icons represent the overall company alignment to the UN Sustainable Development Goals. To produce this data, we use a snapshot of the funds held at the last rebalance.

UN Sustainable Development Goals: A framework for impact

The 17 UN Sustainable Development Goals ("Global Goals") describe the world's greatest social and environmental challenges. These have been agreed as the global call to action by over 190 countries around the world. We use the Global Goals as our framework for impact, positively selecting investments that contribute to solutions to these diverse unmet needs, while excluding those investments that harm progress on the goals.

While many Global Goals can be tackled by a company's core products and services, some goals are directly targeted through companies' operations. We still touch on these goals, despite the lens of impact not being represented by the UN SDG mapping data shown. This is assured through selecting responsibly run companies driving positive change through their management. Our approach aims to positively impact non-investable goals through engagement on the operations of the company.

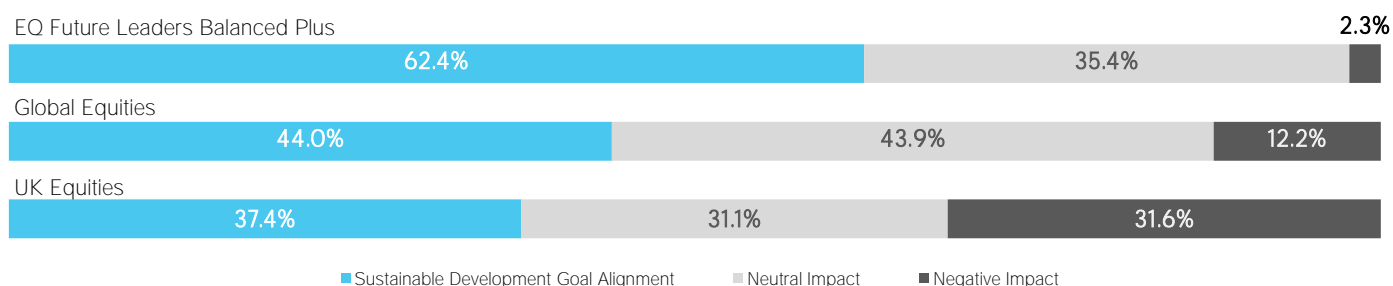
Portfolio alignment with the UN Sustainable Development Goals



Global Goals with no figure indicate the portfolio has 0% exposure; this is because either the Global Goal presents few investable opportunities, or companies within the portfolio provide exposure to multiple goals and the most relevant goal has been selected. *The Climate Action goal overlaps with more specific goals, so we have instead mapped our exposure to these.

To produce this data, we use a snapshot of the funds held at the last rebalance. Underlying fund holdings are updated on a quarterly basis. Percentages may not add up to 100% as they are rounded to the nearest decimal. All holdings are analysed against EQ's proprietary taxonomy of SDG aligned products/services and the list of harmful product/services.

Portfolio impact comparison to Global Equities & UK Equities

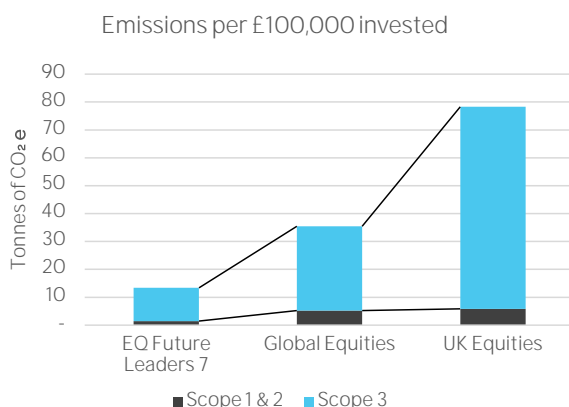


To calculate the alignment for 'Global Equities' and 'UK Equities', we use data from ETFs tracking the performance of MSCI ACWI and FTSE 100, respectively.



What's the carbon footprint of your portfolio?

All investments carry a carbon footprint, by investing in businesses that emit greenhouse gases through their activities.



% difference in carbon emissions vs UK Equities

-82.9%

£100,000 GBP investment in the EQ Future Leaders Balanced Plus portfolio has 65 tonnes less associated emissions, compared to investing the same amount in a UK Equities index.

To illustrate the scale of this difference, we have converted it into commonly known equivalents:

- 14** average passenger cars driven within one year;
- 16** UK household's energy use within one year; or
- 7.3** thousand gallons of gasoline burned.

Data source: MSCI, Analysis: EQ Investors, data as at the last rebalance.

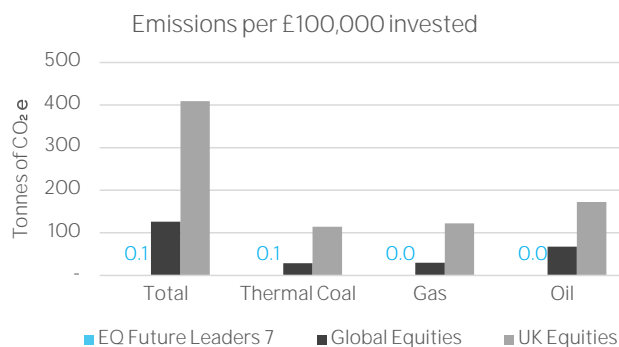
Please note that switching your investments does not directly save emissions in the real world and does not offset your personal carbon footprint.

We use an industry standard methodology, which lets us associate the tonnes of CO₂ equivalent (CO₂e) emitted per 1m GBP invested, and scale it to any amount of shareholding. We use the "Financed carbon emissions method", using Enterprise Value including Cash (EVC) as recommended in the PCAF carbon accounting standard.³

Potential Emissions from Fossil Fuel Reserves

Currently, only 20% of the Earth's existing fossil fuel reserves can be burned while limiting global warming to the 1.5 degrees target by 2050, making the rest un-usable. To compare fuel reserves, we express potential emissions to greenhouse gas emissions as tonnes of CO₂.

Certain fuels such as thermal coal, oil sands, shale oil/gas have a higher carbon content than other types. In addition to carbon intensity, extraction can be costly and climate unfriendly because of geological, technical and environmental challenges.



Data source: MSCI, Analysis: EQ Investors, data as at the last rebalance.

To calculate the alignment for 'Global Equities' and 'UK Equities', we use data from ETFs tracking the performance of MSCI ACWI and FTSE 100, respectively.

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¹ The value of investments and income derived from them may fluctuate and investors may not get back the amount originally invested. The performance of portfolios linked to this model may differ from the model itself, due to the variation in timing of the initial and subsequent investments. This portfolio is not suitable for all investors: investments may only be undertaken based on a recommendation from a financial adviser.

² The MIFID II Ex-Ante charges are forward looking estimates based on the previous fiscal year's information and may vary year to year. 'Ongoing Costs' include adviser, administration, custodian, legal and other fees that typically do not vary year to year. 'Transaction Costs' include the costs of buying or selling assets for the fund. 'Incidental Costs' include performance fees. For newly launched funds that do not have historical data available, the Ex-Ante figure is estimated. The fund charges shown are based on the share classes available on the Pershing platform; charges may vary across platforms based on share class availability.

³ We only focus on the equity portion of the portfolio to enable comparability with a standard market index, and include direct and indirect carbon emissions from the businesses (Scope 1,2 and 3 as defined by the greenhouse gas protocol). Scope 1 & 2 covers direct emissions and those from purchased energy. We also chose to include Scope 3 emissions, which are all the indirect upstream and downstream emissions of a business, e.g. providers/suppliers or from the use of their products and services. Please note that naturally, the associated Scope 3 emissions may include some double counting when investing in businesses sharing the same supply chains. The underlying Scope 1,2 and 3 carbon emissions data is sourced by MSCI and reflect most recent portfolio holdings and disclosed carbon data.

For a full methodology: Visit: <https://eqinvestors.co.uk/headless/wp-content/uploads/2023/03/CarbonCalculatorMethodV2.pdf>