



QUARTERLY INVESTMENT REVIEW Q1 2020

QUILTER CHEVIOT GLOBAL INCOME
AND GROWTH FUND FOR CHARITIES



QUILTER CHEVIOT
INVESTMENT MANAGEMENT

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MARKET COMMENTARY

QUARTER ENDED 31 MARCH 2020

Firstly thank you for your support in investing in the Quilter Cheviot Global Income and Growth Fund for Charities (the Fund) which launched on 8 January. There is never an ideal time to launch a new fund however the benefit of investing in a unitised vehicle alongside other charities has been seen with new cash flows enabling us to time investment and therefore mitigate to a small degree the impact of the current situation for holders.

On the back of a successful fourth quarter and 2019, global stock markets reached new all-time highs in early February before suffering a sharp and broad based sell-off as it became clear that Covid-19 had not been contained within China and that the nature of our globalised world meant that the spread across continents was rapid. The economic impact, which is mainly the result of public health countermeasures rather than sickness or death, is unknown in magnitude or duration as there are no precedents in the global supply chain environment in which we find ourselves. The virus is expected to peak within the next month or so, although this is a quickly evolving situation.

In the short term, the abrupt impact on the global economy has seen many businesses faced with the combined challenge of both a supply-side and demand-side shock to their business model. At present, this is estimated to cost the UK economy £2.4bn a day. The result is a significant increase in working capital requirements, a point acknowledged by governments and central banks worldwide, with many introducing loan guarantee schemes, quantitative easing, wage guarantees and fiscal stimuli, the quantum of which no one has seen in living memory. These are providing confidence to investors that governments are ready to do 'whatever it takes'.

Even so, clearly for some sectors and industries the enormity of the situation effectively means their enterprises are at best in hibernation or worst, bankrupt.

The most affected sectors are non-food retail, leisure, travel and some aspects of the property market. Within the Fund we have limited exposure to these areas, with LVMH being our only non-food retail exposure as B&M has food as well as other retail exposure, whilst our small position in Doric Nimrod (leasing planes to Emirates) has been impacted by the significant reduction in air traffic. Contagion means that other areas will be impacted and in times such as these we have to focus on long-term trends and themes.

The Fund has an income objective to generate a minimum yield of 3% and given the concerns for many charities regarding income streams in this unprecedented time, this remains at the centre of our approach, alongside the overall aim of achieving CPI inflation +3.5% annualised over the long term. The Fund's holdings have seen a diminishment of income – the house-builder Persimmon cancelled its payment after it went ex-dividend, whilst for HSBC the pressure from the regulator has resulted in the UK banking sector cancelling dividends for this year and next, if for no other reason to be seen to be "in it together". At the time of writing, over 60 companies in the UK have now suspended or cancelled dividends worth in excess of an estimated £4 billion. Other areas, such as the insurance sector and potentially even the utilities, may come under pressure to also suspend dividends, again depending on the extent of state support. We expect to see similar impacts across international equity markets. We have taken action to try to mitigate the loss of income from these areas, via new positions in investment companies such as Foresight Solar Income and JP Morgan Global Real Asset as well as through purchases of Assura, the UK's largest listed operator of purpose-built GP surgeries. We have also introduced a weighting in Tesco which is trading strongly through the current "lockdown". Likewise we initiated a position in United Utilities which trades on an attractive valuation discount to its peers as well as providing what we believe is a secure dividend.



MARKET COMMENTARY **contd.**

Beyond the pandemic, there are also concerns over the sustainability of dividends within the oil and gas sector. The breakdown in relations between OPEC and Russia has had a significant impact on the price of Brent crude oil, which in turn has caused havoc in the domestic US oil market. The price of oil has been volatile throughout, likewise the share prices of all oil and gas companies. Our current assessment is that Royal Dutch Shell should be able to continue to pay the dividend for at least the next 12 months at current levels. The situation regarding income is ever-evolving and please do visit our coronavirus hub - <https://www.quiltercheviot.com/uk/charities/coronavirus/>

Whilst this was undoubtedly a very challenging quarter, we were pleased with the performance of our conventional Gilt edged securities which recorded a total return of 7% for the quarter, marginally ahead of the wider UK Government Bond index. Unsurprisingly the internet giants Amazon and Netflix provided positive contributions.

We believe that markets will recover but given the significant uncertainties surrounding the magnitude and duration of the downturn we remain relatively cautious. While markets have re-priced to factor in a global recession in the first half of this year, we believe investors will require confidence that the spread of the virus has been halted before being prepared to look through to recovery in the second half of this year.

The shape of the recovery will depend on limiting the cascade of business bankruptcies, layoffs, and consumer scarring which would deepen the recession and lengthen the time it takes to return to growth. Given that the US and some areas of Europe are yet to see the plateau in Covid-19 cases there remains a lack of clarity around the time until containment measures are phased out.

Final year results for company earnings have clearly been overshadowed by the pandemic. Earnings per share typically fall by around a third in a recession, though the Global Financial Crisis saw earnings per share fall by 50%. We estimate that equities are now discounting a roughly 30% decline in company earnings this year.

We expect markets to remain volatile over the next few months and at this juncture, it is too early to say that markets have fully priced in the full implications of this crisis.



Howard Jenner
Executive Director



Gemma Woodward
Executive Director



PORTFOLIO OVERVIEW

AS AT 31 MARCH 2020

FUND NAME	QUILTER CHEVIOT GLOBAL INCOME AND GROWTH FUND FOR CHARITIES
Investment Mandate	To grow the capital value and provide income over the long term
Benchmark	CPI +3.5%
Inception Date	08 January 2020
Lead Portfolio Managers	Howard Jenner, Gemma Woodward
Total Assets (GBP)	£24,037,319



PORTFOLIO OVERVIEW

FOR THE PERIOD 08 JANUARY 2020 TO 31 MARCH 2020

FUND NAME	£ VALUE
Value at Beginning of Period	-
Net Contributions/Withdrawals	26,907,527.74
Realised Gains and Losses	-211,090.36
Unrealised Gains and Losses	-2,773,042.13
Cash Dividends	113,923.97
Cash Interest	-
Value at End of Period	24,037,319.22

PORTFOLIO ALLOCATION

FOR THE PERIOD 08 JANUARY 2020 TO 31 MARCH 2020

	01 JANUARY 2020	%	31 MARCH 2020	%
Holdings	-	-	20,711,567.86	86.16
Cash	-	-	3,325,751.36	13.84
Total	-	-	24,037,319.22	100.00

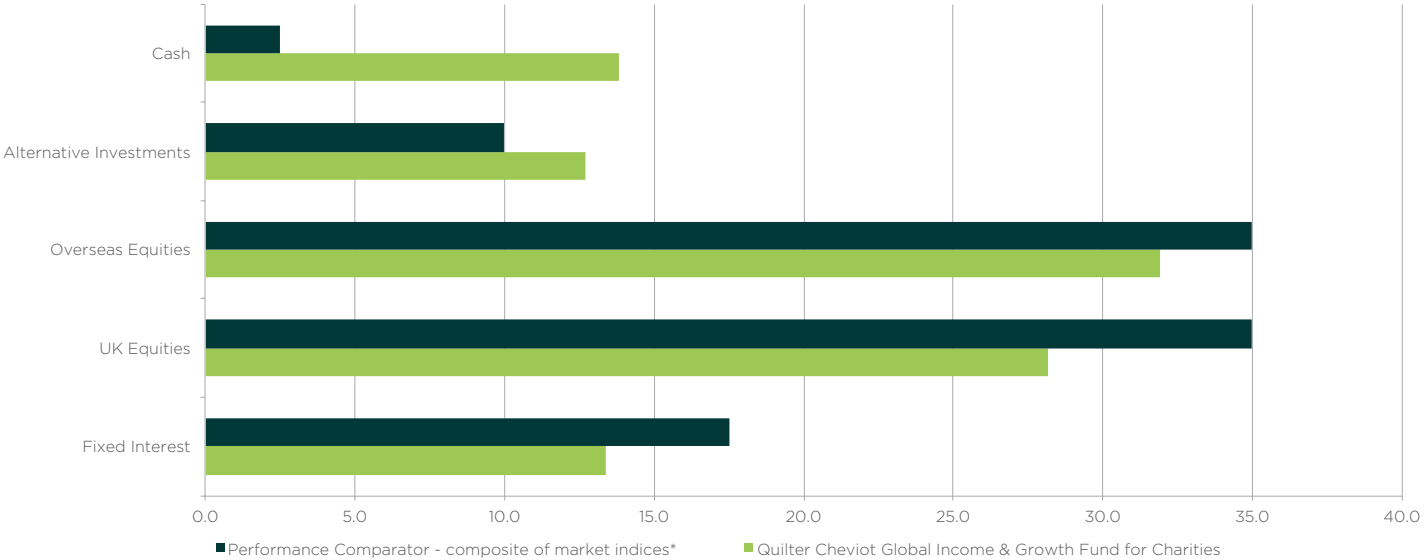


PORTFOLIO ASSET ALLOCATION



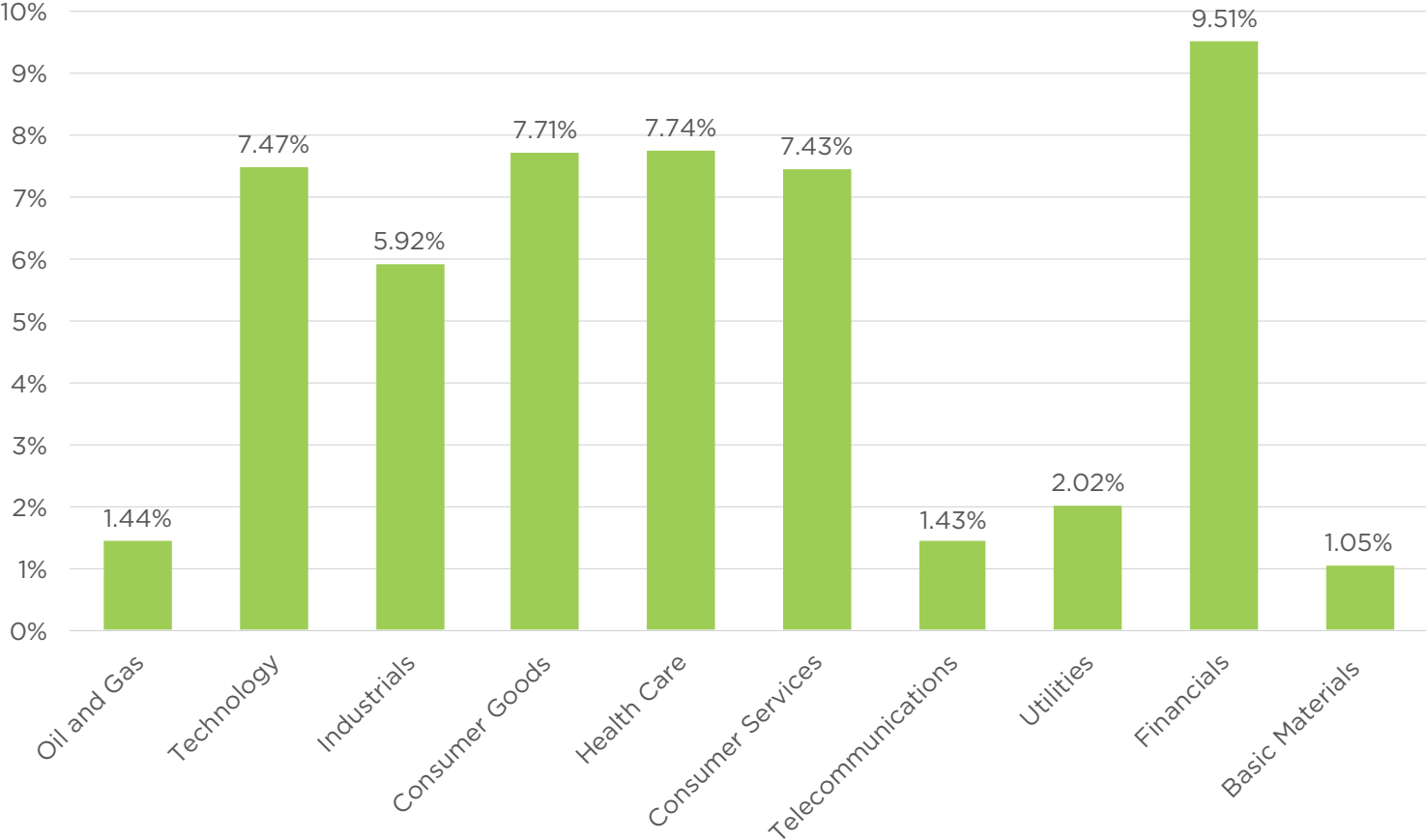
- Fixed Interest 13.36%
- United Kingdom 28.18%
- North America 18.80%
- Europe ex. UK 4.72%
- Japan 2.51%
- Far East ex. Japan 2.84%
- Emerging Markets 2.19%
- Global 0.86%
- Alternative Investments 12.70%
- Cash 13.84%

PORTFOLIO POSITIONING VERSUS THE BENCHMARK*



*12% FTSE Actuaries All Gilts, 5.5% ICE BofA ML Sterling Corporate Bonds, 35% FTSE All Share, 35% FTSE World ex UK, 10% alternatives (50% FTSE Actuaries UK Conventional Gilts up to 5 years/50% FTSE All Share), 2.5% UK interbank 1 year

EQUITIES SECTOR ALLOCATION



PERFORMANCE OVERVIEW

TO 31 MARCH 2020

	3 MONTHS %	1 YEAR %	3 YEAR %	5 YEAR %	SINCE INCEPTION %
Quilter Cheviot Global Income and Growth Fund for Charities	-	-	-	-	-11.9
Performance Comparator - composite of market indices*	-	-	-	-	-15.7
Relative Return	-	-	-	-	4.5

* 12% FTSE Actuaries All Gilts, 5.5% ICE BofA ML Sterling Corporate Bonds, 35% FTSE All Share, 35% FTSE World ex UK, 10% alternatives (50% FTSE Actuaries UK Conventional Gilts up to 5 years/50% FTSE All Share), 2.5% UK interbank 1 year. **Past performance is not a reliable indicator of future results.**



TOP 20 HOLDINGS

AS AT 31 MARCH 2020

HOLDING	COUNTRY	SECTOR	WEIGHT %
Royal London Unit Trust Managers Sterling Credit Instl Inc Z GBP NAV	United Kingdom	Other UK Fixed Interest	3.76
Pimco Global Advisors Irl Ltd Global Inv Grade Cred Hgd Instl Inc Nav	Global	Fixed Interest - Overseas	3.21
United Kingdom (Government Of) 4.5% Snr Bds 07/12/2042 GBP1000 'Regs'	United Kingdom	UK Government Securities	2.58
Baillie Gifford & Co Japanese Income Growth W4 Dis	Japan	Equity Investment Instruments	2.51
Property Income Trust for Charities	United Kingdom	Alternative Investments - Property	2.25
Microsoft Corp Com USD0.00000625	United States	Software & Computer Services	1.82
Amazon Com Inc Com USD0.01	United States	General Retailers	1.77
United Kingdom (Government Of) 0.125% I/L Gilt Bds 22/11/2036 GBP1000	United Kingdom	UK Index Linked Securities	1.74
BBGI SICAV S.A. ord NPV	United Kingdom	Alternative Investments - Infrastructure	1.73
HICL Infrastructure Plc ord GBPO.0001	United Kingdom	Alternative Investments - Infrastructure	1.67
International Public Partnerships ord GBPO.0001	United Kingdom	Alternative Investments - Infrastructure	1.60
Matthews Asia Fds SICAV Asian ex Japan Div S GBP Dis	Asia Pacific Ex Japan	Equity Investment Instruments	1.52
Smiths Group ord GBPO.375	United Kingdom	General Industrials	1.48
Unilever ord GBPO.031111	United Kingdom	Personal Goods	1.47
Royal Dutch Shell 'B'ord EURO.07	United Kingdom	Oil & Gas Producers	1.44
Relx Plc GBPO.1444	United Kingdom	Media	1.40
Smith(DS) ord GBPO.10	United Kingdom	General Industrials	1.35
Reckitt Benckiser Group Plc ord GBPO.10	United Kingdom	Household Goods & Home Construction	1.34
Apple Inc Com USD0.00001	United States	Technology Hardware & Equipment	1.25
Netflix Inc Com USD0.001	United States	Media	1.25



TOP 10 CONTRIBUTORS AS AT 31 MARCH 2020

HOLDING	SECTOR	CONTRIBUTION TO RETURN
Assura Ord	Alternative Investments - Infrastructure	0.20
United Kingdom(Government Of) 4.5% Snr Bds 07/12/2042 GBP1000 'Regs'	UK Government Securities	0.16
Netflix Inc Com USD0.001	Media	0.16
Amazon Com Inc Com USD0.01	General Retailers	0.15
JPM Global Core Real Assets	Alternative Investments - Property	0.12
Microsoft Corp Com USD0.00000625	Software & Computer Services	0.08
Roche Holdings AG Genussscheine NPV	Pharmaceuticals & Biotechnology	0.07
United Kingdom(Government Of) 1.75% Snr Bds 07/09/2037 GBP100 'Regs'	UK Government Securities	0.06
Tesco Ord	Food & Drug Retailers	0.06
Cellnex Telecom SA EURO.25	Mobile Telecommunications	0.05

TOP 10 DETRACTORS AS AT 31 MARCH 2020

HOLDING	SECTOR	CONTRIBUTION TO RETURN
Royal Dutch Shell 'B'ord EURO.07	Oil & Gas Producers	-0.77
Compass Group Plc ord GBPO.1105	Travel & Leisure	-0.59
NB Private Equity Partners Limited Class'A'Ord Shs USD0.01	Alternative Investments - Private Equity	-0.58
M&G Plc Ord GBPO.05	Financial Services	-0.55
Ishares II Plc UK Property UCITS ETF GBP Dist	Alternative Investments - Property	-0.55
Blackrock Throgmorton Trust ord 5p	Equity Investment Instruments	-0.54
Legal & General Group ord GBPO.025	Life Insurance	-0.50
Persimmon ord GBPO.10	Household Goods & Home Construction	-0.46
Doric Nimrod Air Two Ltd ord Pref	Alternative Investments - Infrastructure	-0.44
Baillie Gifford & Co Japanese Income Growth W4 Dis	Equity Investment Instruments	-0.43



KEY PORTFOLIO ACTIVITY

FOR THE PERIOD 08 JANUARY 2020 TO 31 MARCH 2020

SIGNIFICANT PURCHASES	REGION	SECTOR	RATIONALE
Thermo Fisher Scientific	United States	Healthcare Equipment & Services	High quality life science tools company at a discount to peers
Foresight Solar	Alternative Investments	Infrastructure	Adding to the infrastructure element of the portfolio and greater certainty of income
Assura	Alternative Investments	Infrastructure	High quality exposure to GP surgeries and greater certainty of income
JP Morgan Global Core Real Assets	Alternative Investments	Property	Diversified property and infrastructure fund with an attractive entry point
Tesco	United Kingdom	Food & Drug Retailers	Every little helps!
United Utilities	United Kingdom	Gas, Water & Multi Utilities	Trading at a discount to peers and greater certainty of income

SIGNIFICANT SALES	REGION	SECTOR	RATIONALE
Eaton	United States	General Industrials	Concerns over slowing organic sales growth
BP	United Kingdom	Oil & Gas Producers	Reducing oil exposure
Kering	Europe ex UK	Luxury Goods	Accepted profits due to concerns over COVID-19 related impact of Chinese fall in consumption
Palo Alto	United States	Technology Hardware	Concerns over growth in the near term



PORTFOLIO HOLDINGS

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
Fixed Interest - United Kingdom			
<i>UK Government Securities</i>			
United Kingdom(Government Of) 1.75% Snr Bds 07/09/2037 GBP100 'Regs'	£117.1144	1.07	1.50
United Kingdom(Government Of) 4.5% Snr Bds 07/12/2042 GBP1000 'Regs'	£177.5925	2.58	2.55
<i>UK Index Linked Securities</i>			
United Kingdom(Government of) Idx/Lkd Nts 10/08/2028 GBP100	£131.5649	1.01	0.10
United Kingdom(Government Of) 0.125% I/L Gilt Bds 22/11/2036 GBP1000	£169.9086	1.74	0.08
<i>Other UK Fixed Interest</i>			
Royal London Unit Trust Managers Sterling Credit Instl Inc Z GBP NAV	£1.34	3.76	3.95
<i>Fixed Interest - Overseas</i>			
Pimco Global Advisors Irl Ltd Global Inv Grade Cred Hgd Instl Inc Nav	£12.84	3.21	3.75
Equities - United Kingdom			
<i>Oil & Gas</i>			
<i>Oil & Gas Producers</i>			
Royal Dutch Shell 'B'ord EUR0.07	£13.404	1.44	11.14
<i>Basic Materials</i>			
<i>Mining</i>			
Rio Tinto ord GBP0.10	£36.71	1.05	9.43
<i>General Industrials</i>			
Smiths Group ord GBP0.375	£11.76	1.48	3.74
Smith(DS) ord GBP0.10	£2.725	1.35	5.95
<i>Electronic & Electrical Equipment</i>			
Halma ord GBP0.10	£18.39	1.01	0.84



PORTFOLIO HOLDINGS *contd.*

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
<i>Support Services</i>			
Experian ord USD0.10	£22.61	1.00	1.65
Consumer Goods			
<i>Beverages</i>			
Diageo Ord GBP0.28 101/108	£25.345	0.81	2.70
<i>Household Goods & Home Construction</i>			
Reckitt Benckiser Group Plc ord GBP0.10	£61.41	1.34	2.84
Persimmon ord GBP0.10	£18.505	0.92	-
<i>Personal Goods</i>			
Unilever ord GBP0.031111	£40.271025	1.47	3.50
Healthcare			
<i>Pharmaceuticals & Biotechnology</i>			
Astrazeneca ord USD0.25	£70.55	1.23	3.03
GlaxoSmithKline ord GBP0.25	£14.898	1.07	5.28
Consumer Services			
<i>Food & Drug Retailers</i>			
Tesco Ord	£2.2629640	0.71	2.95
<i>General Retailers</i>			
B & M European Value Retail SA ord GBP0.1 (DI)	£2.776	1.12	2.76
<i>Media</i>			
Relx Plc GBP0.1444	£17.065	1.40	2.64



PORTFOLIO HOLDINGS *contd.*

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
<i>Travel & Leisure</i>			
Compass Group Plc ord GBP0.1105	£12.32	1.19	3.16
<i>Telecommunications</i>			
<i>Mobile Telecommunications</i>			
Vodafone Group ord USD0.2095238	£1.1334	0.92	6.66
<i>Utilities</i>			
<i>Gas, Water & Multiutilities</i>			
National Grid ord GBP0.12431289	£9.612154	1.22	5.05
United Utilities Group Ord	£9.132	0.80	4.62
<i>Financials</i>			
<i>Banks</i>			
HSBC Holdings Plc ord USD0.50	£4.5315	1.11	-
<i>Life Insurance</i>			
Prudential GBP0.05	£10.11	0.90	2.87
Legal & General Group ord GBP0.025	£1.9245	0.89	9.06
<i>Financial Services</i>			
Intermediate Capital Group Plc ord GBP0.2625	£8.755442	1.07	5.58
London Stock Exchange Group ord GBP0.06918604	£71.66	0.93	0.96
M&G Plc Ord GBP0.05	£1.201	0.59	15.90
<i>Equity Investment Instruments</i>			
Blackrock Throgmorton Trust ord 5p	£4.635999	1.19	2.21



PORTFOLIO HOLDINGS *contd.*

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
Equities - North America			
<i>Industrials</i>			
<i>Industrial Engineering</i>			
Xylem Inc Com USD0.01	\$66.24	0.75	1.60
<i>Consumer Goods</i>			
<i>Automobiles & Parts</i>			
Aptiv Plc Com USD0.01	\$49.92	0.43	1.79
<i>Beverages</i>			
Coca-Cola Co Com USD0.25	\$45.00	0.84	3.71
<i>Leisure Goods</i>			
Electronic Arts Inc Com USD0.01	\$97.69	0.92	-
Healthcare			
<i>Healthcare Equipment & Services</i>			
Thermo Fisher Scientific Ord	\$284.96	0.70	0.31
Medtronic Plc USD0.0001	\$92.05	0.61	2.40
Stryker Corp Com Stk USD0.10	\$162.96	0.59	1.38
<i>Pharmaceuticals & Biotechnology</i>			
Merck & Co Inc Com USD0.50	\$76.95	0.98	3.17
Pfizer Inc Com USD0.05	\$32.67	0.88	4.66
Consumer Services			
<i>General Retailers</i>			
Amazon Com Inc Com USD0.01	\$1,963.95	1.77	-
<i>Media</i>			
Netflix Inc Com USD0.001	\$370.96	1.25	-



PORTFOLIO HOLDINGS *contd.*

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
Technology			
<i>Hardware & Equipment</i>			
Apple Inc Com USD0.00001	\$254.81	1.25	1.21
<i>Software & Computer Services</i>			
Microsoft Corp Com USD0.00000625	\$160.23	1.82	1.29
Intuit Inc Com USD0.01	\$238.05	1.10	0.92
Alphabet Inc Cap USD0.001 Cl C	\$1,146.82	1.02	-
Facebook Inc Com USD0.000006 Cl 'A'	\$165.95	0.80	-
Adobe Ord	\$318.39	0.78	-
Financials			
<i>Banks</i>			
JPMorgan Chase & Co. Com USD1.00	\$93.50	0.73	4.00
<i>Financial Services</i>			
Visa Inc Com Stk USD0.0001 'A'	\$165.57	0.88	0.74
Ares Management Corporation Com USD0.01 Class A	\$31.37	0.67	5.17
Equities - Europe ex UK			
Industrials			
<i>Industrial Engineering</i>			
Kion Group AG NPV	€ 38.49	0.33	0.10
Consumer Goods			
<i>Food Producers</i>			
LVMH Moet Hennessy Vuitton SE EUR0.30	€ 343.90	0.49	2.01
Nestle SA CHF0.10 (Regd)	CHF 99.16	0.49	2.71



PORTFOLIO HOLDINGS *contd.*

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
Healthcare			
<i>Pharmaceuticals & Biotechnology</i>			
Roche Holdings AG Genusscheine NPV	CHF 313.95	1.00	2.87
Novartis AG CHF0.50 (Regd)	CHF 78.25	0.67	3.69
Telecommunications			
<i>Mobile Telecommunications</i>			
Cellnex Telecom SA EURO.25	€ 42.46	0.51	0.09
Technology			
<i>Technology Hardware & Equipment</i>			
ASML Holding NV EURO.09	€ 244.95	0.69	0.99
Financials			
<i>Nonlife Insurance</i>			
Allianz Se (Regd)(Vinkuliert)	€ 154.86	0.54	6.12
Equities - Japan			
Baillie Gifford & Co Japanese Income Growth W4 Dis	£1.164	2.51	2.78
Equities - Asia Pacific ex Japan			
Matthews Asia Fds SICAV Asian ex Japan Div S GBP Dis	£8.87	1.52	3.46
Blackrock (Luxembourg) S.A. BGF Asian Growth Leaders D2 GBP Acc	£13.00	0.65	-
First State Investments(UK) Stewart Inv Asia Paci Ldrs B GBP Acc	£6.6847	0.68	1.04
Equities - Emerging Markets			
Sands Capital Funds Plc Emerging Mkts Grwth A GBP Acc	€ 14.53	0.97	-
Wells Fargo (Lux) Worldwide Fund Emerging Markets Equity Income Y GBP Dis	£71.51	1.21	4.87



PORTFOLIO HOLDINGS *contd.*

AS AT 31 MARCH 2020

DESCRIPTION	PRICE	% OF TOTAL	ESTIMATED YIELD %
Equities - Global			
Polar Capital Funds Plc Automation & Artificial Intel S GBP Cap	£8.64	0.86	-
Alternative Investments			
<i>Infrastructure</i>			
Assura Ord	£0.85	1.15	3.31
Foresight Solar Fund Ltd	£1.10	1.23	6.25
BBGI SICAV S.A. ord NPV	£1.61478	1.73	4.46
HICL Infrastructure Plc ord GBPO.0001	£1.638	1.67	5.10
International Public Partner ord GBPO.0001	£1.568	1.60	4.60
Doric Nimrod Air Two Ltd ord Pref	£0.6176	0.32	27.69
<i>Property</i>			
Property Income Trust for Charities	£0.871	2.25	5.37
JPM Global Core Real Assets	£0.88924	1.06	3.45
<i>Private Equity</i>			
Princess Private Equity Hldgs Ord EUR0.001 (EUR)	£9.00	1.04	6.48
NB Private Equity Partners Limited Class'A'Ord Shs USD0.01	£6.50	0.66	6.77
Cash			
Cash - GBP	£1.00	13.82	
Cash - CHF	CHF 1.00	0.01	
Cash - USD	\$1.00	0.01	
Cash - Eur	€ 1.00	-0.00	



VOTING AND ENGAGEMENT

QUARTER ENDED 31 MARCH 2020

Investment management company

We met with the Chair of the remuneration committee to discuss the proposed changes to the remuneration policy to be put forward at the upcoming AGM. There have been encouraging developments on the subject of remuneration at the company, particularly regarding increased shareholding requirements for executive directors and improved levels of pension contributions for the wider workforce. Women-on-board representation has also improved over the last twelve months which is a positive. We raised concerns regarding the misaligned pension contribution percentage between the CEO and the wider workforce. The proposed policy represents a missed opportunity and we will continue to advocate for alignment with the UK Corporate Governance Code on this subject. We also raised the topic of introducing ESG metrics into executive pay, this is under consideration.

Infrastructure investment trust

This was a 'get to know the Chair meeting'. We covered a number of topics including diversity and upcoming sustainability regulation readiness. We also discussed board shareholding requirements. The Chair explained that board member shareholding is dependent on individual situation - age, professional background etc. If they are trying to bring a varied skill-set to the board, this may not be consistent with members who can immediately build large shareholdings. This is a reasonable rationale. We encourage them to sign up to GRESB reporting and will monitor progress.

Construction company

We have engaged with this company on a number of occasions over the past twelve months. Since we began our conversation they have been moving in the right direction on executive remuneration. We spoke to the Chair of the remuneration committee on proposed changes to policy. The new policy looks to create more of a balance between financial and cultural metrics. This will be mainly driven by customer satisfaction surveys, but they suggested this could be a partial placeholder for more ESG oriented metrics moving forward. Board composition continues to be a concern as it is still too biased towards financial services. They are looking for members with different skill sets to bolster the board. Overall, this was a positive meeting and we see a number of steps to address some of the well-established concerns relating to executive remuneration levels. We particularly welcome the immediate alignment of executive pension contributions with the wider workforce and the formal expression in the policy of measures to override formulaic remuneration outcomes (one of the issues that lead to excessive pay outs in the past).



DISCLAIMER

The value of investments and the income from them can go down as well as up. You may not recover what you invest. There are risks involved with this type of investment. Please refer to the Prospectus and Key Investor Information for further details visit: <https://www.quiltercheviot.com/uk/charities/caif/>.

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CONTACT DETAILS

Quilter Cheviot
Senator House
85 Queen Victoria Street
London
EC4V 4AB

t: +44 (0)20 7150 4000

e: QCGIGFund@quiltercheviot.com



quiltercheviot.com



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