SHELTON CAPITAL MANAGEMENT

SEPARATELY MANAGED ACCOUNT

Shelton Sustainable Equity Strategy

The Approach

This strategy seeks to achieve long-term capital appreciation by investing in stocks in the sustainable economy. The portfolio management team pairs a macro-economic growth thesis based on scientific, demographic, and climate trends with bottom up research. The team identifies green economy companies as those which fulfill one or more of the requirements of our PRIME criteria.

PRIME Criteria

Principles	Research	Impact	Mitigation	Evolution
Encourage and improve human well-being and personal freedom	R&D of new technologies that provide for more efficient resource freedom	Help scale the above advantages to a broader range of beneficiaries	Reduce environmental risks and halt or reverse the effects of climate change	Increase economic efficiencies and limit the effects of systemic economic risks

Investment Philosophy

Fundamental Research & Analysis

- Focus on strong free cash flow and attractive return on invested capital (ROIC)
- Low valuation and therefore mispriced by capital markets
- Business models that embrace sustainability/ ESG performance as a competitive advantage in operations
- Demonstrable meaningful contribution to industrial transformation

Rigorous Quantitative Portfolio Construction & Risk Management

- Use of quantitative tools to identify companies and construct portfolios
- Use of risk controls to dampen volatility and express portfolios mandate
- Assess rebalance of weightings on a quarterly basis

Impact Measurement & Reporting

- Map holdings to sustainable development goals and other "sustainability" frameworks
- Produce quarterly newsletter
- Engage with companies on industrial transformation progress
- Join other coalitions of shareholder activists in company campaigns and engagements.

Portfolio Management Team

Bruce Kahn, Ph.D.
Lead Portfolio Manager

Dr. Kahn joined the Firm in October 10, 2022. He has 18 years of experience in portfolio management and other responsibilities at Citibank, Deutsche Bank, Macquarie Global Inc., and Sustainable Insight Capital Management. Dr. Kahn earned a Ph.D. in Land Resources from University of Wisconsin, Madison, an MS in Fisheries and Allied Aquacultures from Auburn University, and a BA in Ecology and Evolutionary Biology from the University of Connecticut.

Derek Izuel, CFA
Chief Investment Officer & Portfolio Manager

Derek Izuel joined Shelton Capital Management in January 2022 and serves as the Chief Investment Officer and Portfolio Manager for the Firm. He has over 24 years of portfolio management experience at Invesco, HighMark Capital and Vitruvian Capital.

Nicolette DiMaggio
Portfolio Analyst

Nicolette DiMaggio joined Shelton Capital Management in August 2023. She over six years of investment experience. Previously, she was the co-director of investment research at WTW, working on their equity and index investment research teams for four years. She is also a published author of the financial literacy book series Stock Explore. In September of 2023, Nicolette was named one of the most "Influential Women in Institutional Investing" by Pensions & Investments.

IMPORTANT INFORMATION

ESG Risk: The Sustainable Equity Strategy's consideration of ESG factors as part of its investment strategy may limit the types and number of investment opportunities available to the strategy, as a result, the strategy may underperform other strategies that do not consider ESG factors. The strategy's consideration of ESG factors may result in the strategy investing in securities or industry sectors that underperform the market as a whole, or forgoing opportunities to invest in securities that might otherwise be advantageous to buy.

INVESTMENTS ARE NOT FDIC INSURED AND MAY LOSE VALUE.