



SOCIAL IMPACT PORTFOLIO

BECKETT ASSET MANAGEMENT LIMITED

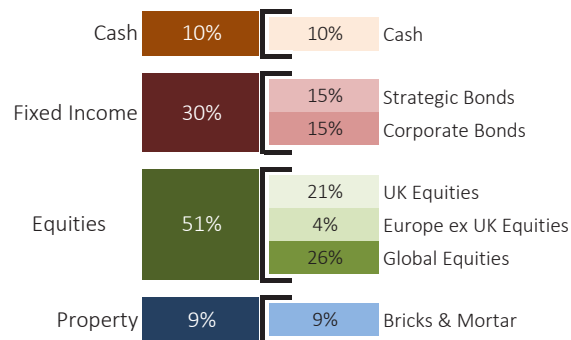
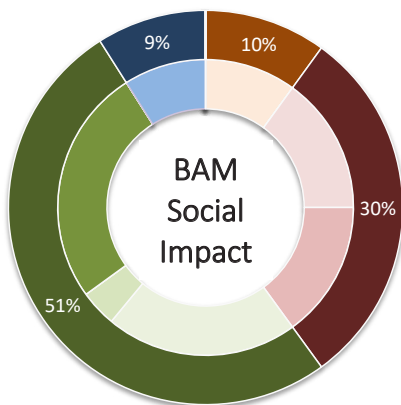
RISK PROFILE 4

SOCIAL IMPACT PORTFOLIO COMMENTARY

The model delivered a positive return in the third quarter of the year and finished ahead of the benchmark. We have decided to make a few changes for the upcoming quarter.

We have continued to become more concerned with the outlook for UK equities and the UK economy given the ongoing uncertainty related to Brexit. Indeed we have already begun to see a marked softening of data printed over recent months. With this in mind we made the decision to reduce our UK equity exposure in the model by taking 1% from each of the four UK equity funds. The proceeds of this sale will be allocated to the WHEB Sustainability fund, which invests in Global equities. We have been monitoring the WHEB fund for over a year and have met with the management a number of times. The fund appeals to us from the perspective of their attractive investment process, but also their sustainability credentials and pedigree, where some industry analysis recently highlighted this fund as very comparing very favourably to peers.

PORTFOLIO COMPOSITION



PORTFOLIO COMPOSITION SHOWN IS AS AT OCTOBER 2017. PLEASE NOTE THAT ASSET ALLOCATIONS MAY CHANGE OVER TIME.

STRATEGY DESCRIPTION

This strategy is composed of collective investments and is particularly suited to those investors seeking a more Ethical approach to investing. Investors should be prepared to accept a cautious to medium level of investment risk.

There are the typical risks you would experience by investing in any risk asset, however by having this ethical overlay, the investment universe is narrowed when compared to a standard portfolio and there may be limited ability to take positions in certain regions or asset classes, for example Absolute Return. Although it may not always be the case, investors should note that this restricted universe can have an impact on performance.

INCOME YIELD

The Income yield of this strategy is not targeted and any income received will be reinvested.

STRATEGY BENCHMARK

The performance of the strategy will be measured against the IA Mixed Investment 20-60% shares, over a rolling three-year period.

CHARGES ON WRAP

In the region of 0.69%, but subject to change depending on the underlying funds.

RISK CONTROLS AND INVESTMENT STRATEGY CHARACTERISTICS

ETHICAL

- 70% of our equity and bond holdings will avoid investment in companies with Human Rights, Environmental abuse and Animal Testing issues and Arms exposure, and the remaining holdings will be classified as Ethical by Financial Express.
- Only property funds awarded a Green Star by the Global Real Estate Sustainability Benchmark (or GRESB for short) would be eligible.

GENERAL

- The strategy will always have a minimum and a maximum exposure as defined below. The maximum equity exposure restricted to 60% of the Fund and is currently 51%.

| Country/Asset Class | Minimum Exposure | Maximum Exposure | Current Exposure | Diff |
|-------------------------|------------------|------------------|------------------|------|
| Fixed Income | 25% | 60% | 30% | - |
| UK Equities | 10% | 40% | 21% | ▼ |
| Global Equities | 10% | 40% | 26% | ▲ |
| Property | 5% | 20% | 9% | - |
| Multi Asset Abs Return | 0% | 15% | 0% | - |
| Equity Based Abs Return | 0% | 10% | 0% | - |
| Cash | 0% | 20% | 10% | - |

- At least 30% of the fund must be in fixed income investments (for example, corporate and Government bonds) and/or “cash” investments “Cash” can include investments such as current account cash, short-term fixed income investments and certificates of deposit.
- This strategy is limited in the amount it can invest in overseas assets which can be positively or negatively impacted by changes in the relative valuation of currencies if the currency is not hedged.
- The strategy will hold a minimum of 10 different fund holdings and a maximum of 20.
- No individual holding will account for more than 17% of the strategy.
- No investment house will have more than 3 funds represented within the strategy.

THE INVESTMENTS MENTIONED IN THIS REPORT ARE INTENDED AS LONG-TERM INVESTMENTS. SOME OF THEM MAY GO DOWN AS WELL AS UP AND YOU THEREFORE MAY NOT GET BACK THE FULL AMOUNT INVESTED. WHERE INVESTMENTS ARE DENOMINATED IN FOREIGN CURRENCIES, CHANGES IN THE RATE OF EXCHANGE MAY HAVE AN ADVERSE EFFECT ON THE VALUE OR PRICE OF THE INVESTMENT IN STERLING TERMS.

PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO FUTURE PERFORMANCE.

THIS DOCUMENT SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT OR SOLICITATION AND IS CIRCULATED BECAUSE THE CONTENTS MAY BE OF INCIDENTAL INTEREST. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.

- The policy of the strategy is to be managed on a “fully invested” basis.
- In addition to mainstream Unit Trust / OEIC funds, the strategies may also invest, where appropriate, in: Boutique investment house funds, Alternative investment funds (FAIFS), Investment Trusts, Structured Products, Tracker-type investments and ETFs.

SOCIAL IMPACT PORTFOLIO CONSTITUENTS

| FIXED INCOME | Diff |
|--|-------|
| EdenTree Amity Sterling Bond | 7% - |
| Royal London Ethical Bond | 8% * |
| Rathbone Ethical Bond | 8% - |
| Standard Life Ethical Corporate Bond | 7% - |
| UK EQUITY | |
| Liontrust UK Ethical | 6% ▼ |
| Henderson Global Care UK Income | 5% ▼ |
| Kames Ethical Equity | 5% ▼ |
| Royal London Sustainable Leaders | 5% ▼ |
| GLOBAL | |
| WHEB Sustainability | 4% * |
| Henderson Global Care Growth | 9% - |
| F&C Responsible Global Equity | 8% - |
| Jupiter Ecology | 5% - |
| PROPERTY | |
| Kames Property Portfolio | 3% - |
| L&G Property Feeder | 6% - |
| EUROPEAN EQUITY | |
| Liontrust Sustainable Future European Growth | 4% - |
| CASH | 10% - |

* represents new funds

