

Model Portfolio Risk Level 4

June 2020

Information in this factsheet is at the last valuation point in 29th June 2020 (except where indicated).

Portfolio Overview

Objective: To provide a long-term total return above that of the UK Consumer Price Index (CPI) +2%

Investments: The portfolio will be actively managed and invest in multiple asset classes with a portfolio of collective investment schemes, commodity and property funds.

Strategy: The investment manager has the discretion to weight the portfolio towards any investment type, or geographical region, at any time provided it is compatible with the investment objective, risk parameters and policy of the portfolio as a whole.

Key Facts

| | |
|---------------------|--|
| Investment Managers | Chris Fernyhough John Mitchell Alex Young |
| Entry Fees | None |
| Exit Charge | None |
| Fund Management Fee | 0.40% + VAT |
| Performance Fee | None |

Portfolio Manager - Facet

Established in 1979, FACET Investment Management Limited is a provider of investment management services to both individuals and corporate clients. Our multi-asset class portfolios give exposure to a wide variety of opportunities and help to manage risk within portfolios. Historically Facet's model portfolios have consistently outperformed numerous established benchmarks and comparable indices.

Key Investment Managers

Chris Fernyhough - Chris has over 15 years' experience managing multi-asset portfolios. Prior to becoming Managing Director of FACET, Chris worked at WH Ireland establishing their Bristol office. He also worked at Newland in the wealth management division. He holds a distinction in the PCIAM exam and is a Chartered Wealth Manager as well as holding Chartered FCSI status with the CISI

John Richard Mitchell - John has a career spanning over 40

years in both equities and bonds. He managed risk at Credit Suisse before moving to Royal London where he implemented risk for their first geared fund. John was also involved in the founding of Newland Financial where he was the compliance director.

Alex Young - Alex has been in Financial Services with FACET for 20 years. He is a qualified IFA as well as holding IMC, a certificate in Discretionary Investment Management, a certificate in Securities Advice and Dealing and a diploma in Technical Analysis.

Risk Report



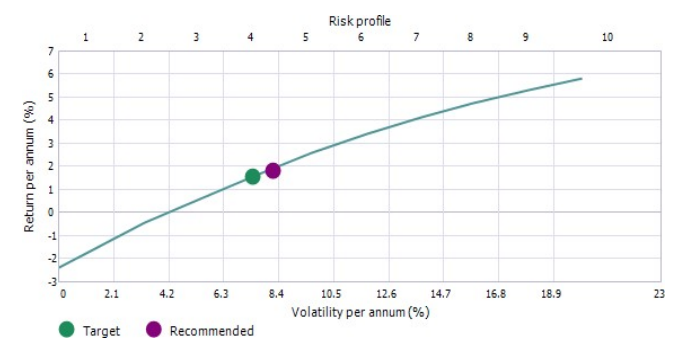
Lower risk Higher risk

The indicator is based on historical data and may not be a reliable indication of the future risk profile. The lowest category does not mean 'risk free'

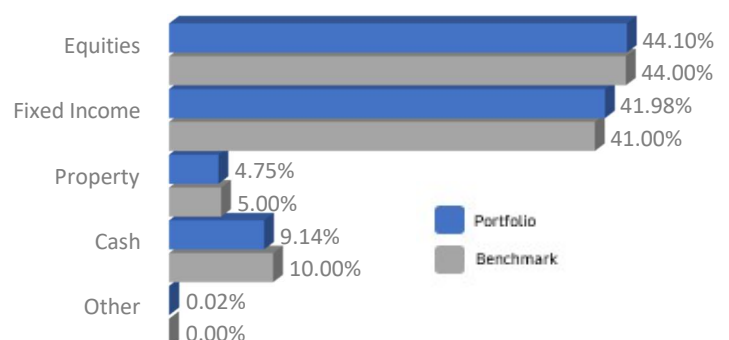
Facet Performance**



Efficient Frontier



Fund Breakdown by Asset Class



Top 5 Holdings

| Holding | % of Portfolio |
|-------------------------------|----------------|
| AXA Sterling Corporate Bond | 16% |
| LF Lindsell Train UK Equity | 9% |
| Kames Investment Grade Bond B | 8% |
| CFP UK Buffettology General | 8% |
| Baillie Gifford American B | 8% |
| | 49% |

Portfolio Manager's Comments

Markets have been largely stagnant for June. The UK stock markets started the month pretty much where it ended at around 6180 and briefly closed at a high of 6484 on 5th June. Markets are now waiting to see what the next steps are regarding exiting lockdown, any 2nd spike concerns and ultimately, what the real impact on the economies have been.

The economy is the real key factor here and is still a very vague figure. We do not know what the true fallout will be, it changes daily depending on policy. An easy example here would be the travel and tourism industry. With the summer season here, currently, if you go on holiday you must self-quarantine on your return for 14 days, unless you visit one of the countries which have yet to be named as part of the air bridge scheme. Depending on the success of this scheme, this could make a significant difference for airlines and holiday companies such as TUI.

The Model Portfolios have performed well again this month, with all except Risk 2 beating their market comparisons over the last 3 months, and all except 2 and 3 beating their comparisons over 1 month.

We made one significant change this month which was the switch from Invesco Asian to Baillie Gifford Pacific B. As always, we will continue to review and make changes in line with the portfolio risk profiles.

Portfolio Performance

| | Facet Portfolio Risk 4 | IA Mixed Investment 20-60% Shares | UK Consumer Price Index + 2% |
|------|------------------------|-----------------------------------|------------------------------|
| 1m | 3.21 | 2.70 | |
| 3m | 15.83 | 10.61 | 0.25 |
| 6m | 4.85 | -4.49 | 0.84 |
| 1yr | 7.49 | -0.68 | 2.40 |
| 3yr | 10.71 | 3.79 | 11.28 |
| 5yr | 24.68 | 18.04 | 19.36 |
| 10yr | 89.16 | 58.65 | 47.53 |

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Further information is available from:

FACET Investment Management Ltd 2 Charlwood Court County Oak Way Crawley RH11 7XA

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**Using Facet Aviva Risk 2 performance pre-1st March 2020, and Facet Model Portfolio Risk 4 post 1st March. This is due to Facet only running risk models 1-4 as opposed to the new 1-10 risk models available now.

IMPORTANT INFORMATION This document has been produced by FACET Investment Management Limited for information only and represents the views of the investment manager at the time of writing. It should not be construed as Investment Advice. No investment decisions should be made without first seeking advice. The Model Portfolio Risk Level 4 is managed by Facet Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority. Before making an investment, you should ensure that you have read and understood the relevant Key Investor Information documents, for all the underlining funds within the portfolio

Slight deviations in the underlying assets for this portfolio may be required subject to availability of investments on the investment platform you are with. Not all platforms have our preferred investment choices available. In this instance, appropriate substitutions will be made.

WARNINGS The Model Portfolio Risk Level 4 is subject to normal stock market fluctuations and other risks inherent in such investments. The value of your investment and the income derived from it can go down as well as up, and you may not get back all the money that you invested. Investments in overseas equities may be affected by changes in exchange rates, which could cause the value of your client's investment to increase or diminish. You should regard their investment as medium to long term. Past performance is not a guide to future performance. Every effort is taken to ensure the accuracy of this data, but no warranties are given. Some of the funds within the portfolio could in exceptional circumstances be subject to a temporary suspension.