

#### Risk Profile Description

The portfolio aims to have 40% exposure to equity and property assets and 60% exposure to Fixed Interest securities. Over the medium to longer term, the 40% exposure to risks and expected rewards of equity ownership should help to deliver moderate, inflation-plus returns. The equity exposure is invested in both UK and overseas equities in both developed and emerging markets. The equity risk is balanced by a 60% allocation to high quality bonds and investment grade bonds.

Bravo ESG is a range of evidence-based, total-return portfolios designed using a systematic discipline, with Environmental, Social and Governance (ESG) front and centre of the investment process.

The portfolios are defined according to ESG criteria, so investors can see and understand clearly how they are constructed. In addition to understanding the key aims and objectives, we believe that investors in our ESG solutions should also know what is the composition of the portfolios. The Bravo range has undergone rigorous ESG screening with the fund and portfolio exclusions and objectives listed below:

Each fund in the portfolio excludes the following:

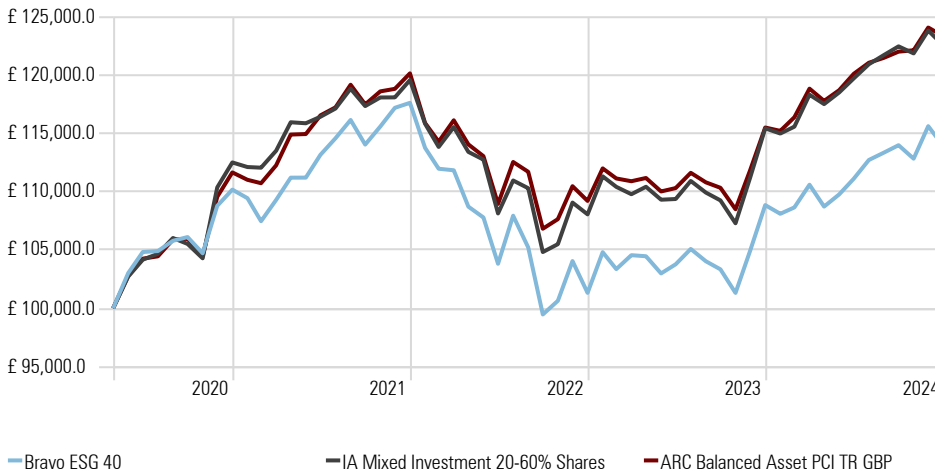
- Tobacco Producers
- Controversial Weapons
- Nuclear Weapons

The overall portfolio has the following characteristics:

- 50% less CO2 emissions than the MSCI ACWI World Index
- Revenue of no more than 5% from Alcohol sales, Gambling, Civilian Weapons, Nuclear Power and Thermal Coal

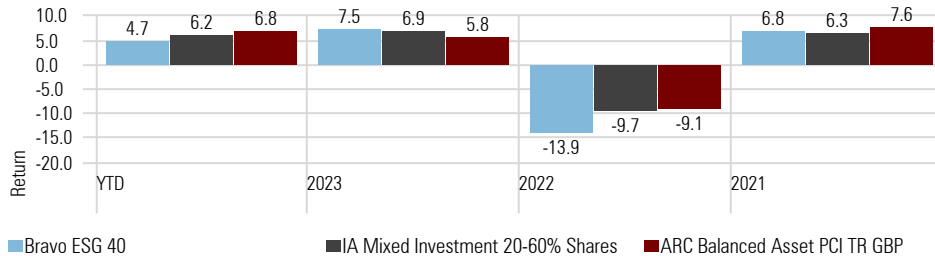
#### Cumulative Bravo ESG 40 returns of £100k invested

Time Period: 30/04/2020 to 31/12/2024



#### Calendar Year Returns

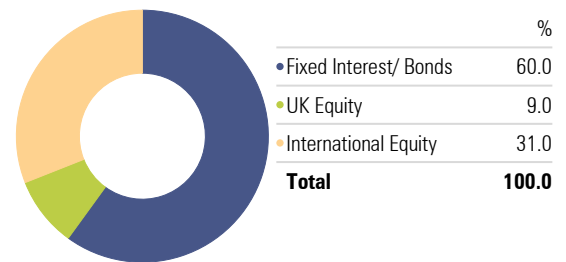
Calculation Benchmark: IA Mixed Investment 20-60% Shares



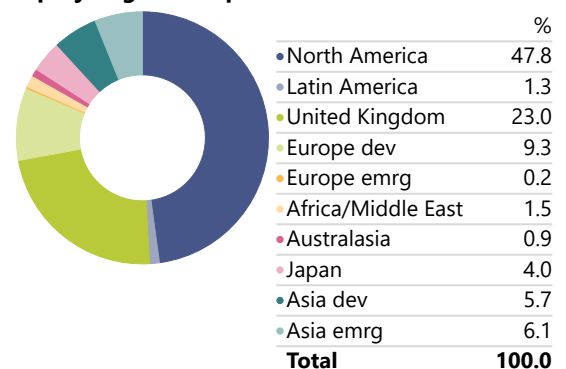
#### Bravo ESG 40 - Portfolio Information

Yield	2.07%
OCF	0.24%
Transaction Charge	0.04%
Investment Management Fee	0.20% + VAT
Rebalance	Quarterly
Benchmarks	IA Mixed Investment 20-60% Shares ARC Balanced Asset PCI TR GBP

#### Asset Allocation - Bravo ESG 40



#### Equity Regional Exposure - Bravo ESG 40



Bravo ESG 40 Performance Metrics	Portfolio	Benchmark (IA)	Benchmark (ARC)
Max Drawdown	-18.40	-14.16	-11.13
Best Month %	3.99	5.86	4.90
Worst Month %	-5.49	-4.98	-4.39
Best Quarter	5.35	6.65	5.40
Worst Quarter %	-7.20	-6.43	-6.20

## Portfolio Comments

The fourth quarter of 2024 saw some mixed performances from growth assets in their local currency, and some headwinds to defensive assets. However, overall, the year saw growth assets perform well, particularly the US and Japanese equity markets. With defensive assets, the speed of interest rate reductions was slower than markets had anticipated in the latter part of the year and against this backdrop, major global investment grade bonds struggled in Q4 and therefore made a negative return on the year.

Once again, global economic performance was led by the US this year, which separated from the other major areas as GDP growth averaged 2.6% quarter on quarter annualised over the first three quarters of 2024. The overall economic picture was also driven by the re-election of Donald Trump who re-enters the White House later this month.

In December the European Central Bank (ECB) cut its key interest rates for a fourth time this year, by 0.25%, but borrowing costs remain tight, due to previous hikes still impacting existing loans. Looking ahead on interest rates, analysts see the prospect for larger rate cuts in Europe. However, the ECB does not face an easy task in the coming months given the headwinds in Europe.

In the UK, financial markets are currently pricing in a rate cut in February and the Bank of England Governor Andrew Bailey said rate cuts are likely to be gradual over the next year. However, some members of the MPC may be concerned about the effects of the Budget, as hiring in the UK has fallen to its lowest level in four years.

Turning to growth assets, apart from Japan, major markets had a lackluster finish to the year in December. An ongoing theme throughout 2024 was the continued dominance of the 'Magnificent Seven' technology stocks. However, since the start of 2024 we have been mindful about the 'concentration risk' among such names, expecting instead the earnings profile of other sectors to accelerate, as those of the top seven companies start to decelerate.

Across Emerging Markets, some of the initial optimism that surrounded Chinese equities at the start of the quarter failed to materialize further, as the raft of monetary policy announcements were not followed up by any coordinated fiscal package.

The best performing factors over the quarter were Growth and Momentum. Given the strength of the US AI stocks over the year, they also provided the strongest annual returns. It was a more challenging year for Value, and this factor gave the lowest returns over the quarter and along with Small-Cap, over the year as a whole.

Defensive assets struggled over the quarter, in large part due to what the implications of a Donald Trump presidency might do for the direction of interest rates. The markets' response over the quarter showed this to be the case, with the US 10-year Treasury yield moving sharply higher by the end of December.

Looking at our themes for 2024, bonds did behave like bonds, but resilient growth and sticky inflation meant markets pared back expectations for how quickly rate cuts would be delivered, particularly in the US, impacting returns. We also saw the earnings growth of major US companies accelerate whilst the 'Magnificent 7' decelerated, supporting the view we would see a broadening of returns. Finally, the view about keeping a balanced return was a valid one - it was pleasing to see global government bonds re-assert their downside protection benefits during the sell-off in early August, after a disproportionately weak US jobs report.

In summary, with 2024 now behind us, we remain alert to opportunities and challenges, in what is likely to be a geopolitically and economically volatile year ahead. Fundamentally, there is a plethora of political outcomes and policy decisions to analyse into 2025 and these are most likely to be the source of any macro shock which will create short-term noise in the new year.

### Benchmark Disclaimers

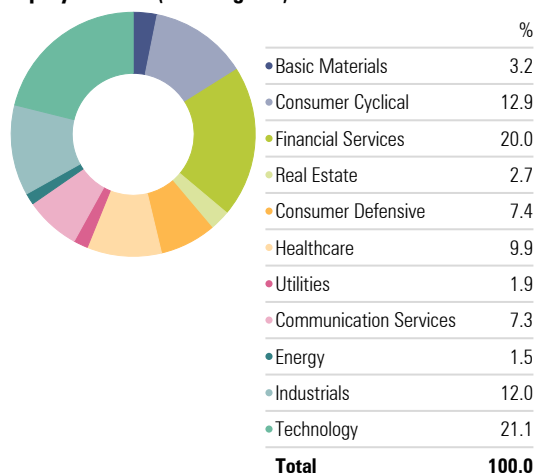
The IA (Investment Association) sector is used as the comparator. This is considered appropriate for investors to use when comparing performance as the sector is made up of funds with a similar asset allocation as defined by the IA. The sector is not constructed as an index, therefore as funds enter or leave, the sector composition can change, but it is considered that the sector remains a useful and relevant comparator for investors to assess performance within a relevant peer group.

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## Equity Sectors (Morningstar) - Bravo ESG 40



## Bravo ESG 40 - Holdings

Holdings	Equity Style Box	Portfolio Weighting %
UBS(Lux)FS Sust Devpmt Bk Bds H GBP Adis		26.16
Amundi IS MSCI World SRI PAB IG C		13.07
Dimensional Global Sstby Fxd Inc GBPDist		12.54
iShares Up to 10YrsIdxLnkdGtIdx(UK)SAcc		11.04
L&G All Stocks Gilt Index C Acc		10.26
UBS ETF MSCI UK IMI SRI GBP A dis		9.00
Neuberger Berman Glb ValGBPISAcc		5.22
Schroder ISF QEP Global ESG C Acc GBP		5.22
iShares MSCI EM SRI ETF USD Acc		4.86
Dimensional Global Sust Cor Eq GBP Acc		2.62

## Morningstar Style Box - Bravo ESG 40

Portfolio Date: 31/12/2024

Morningstar Equity Style Box™			Market Cap	%
	Value	Blend	Growth	
Large		█		Market Cap Giant % 33.1
				Market Cap Large % 39.0
Mid				Market Cap Mid % 24.7
				Market Cap Small % 2.8
Small				Market Cap Micro % 0.4