progeny

Bravo ESG 70 Portfolio Factsheet

01/10/2022

Risk Profile Description

The portfolio aims to have 70% exposure to equity and property assets and 30% exposure to Fixed Interest securities. Over the medium to longer term, the 70% 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 30% 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:

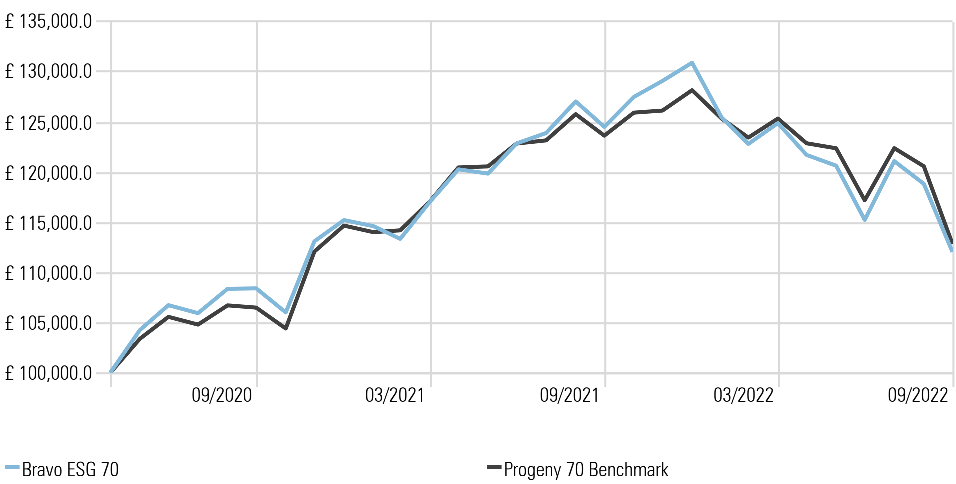
- Tobacco Producers
- Controversial Weapons
- Nuclear Weapons

The overall portfolio has the following characteristics:

- 50% less CO_2 emissions than the MSCI ACWI World Index
- Revenue of no more than 5% from Alcohol sales, Gambling, Civilian Weapons, Nuclear Power and Thermal Coal

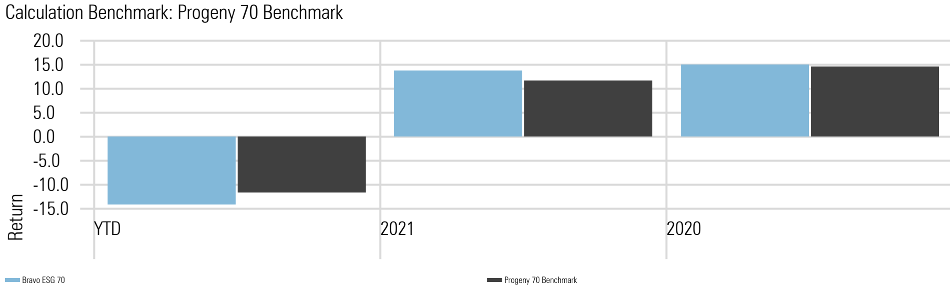
Bravo ESG 70 returns of £100k invested

Time Period: 30/04/2020 to 30/09/2022



Calendar Year Returns

Calculation Benchmark: Progeny 70 Benchmark



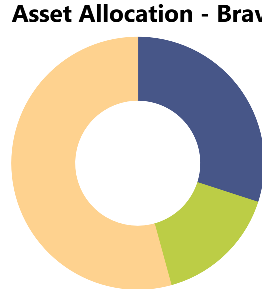
Bravo ESG 70 Performance Metrics	Portfolio	Bmark
Max Drawdown	-15.18	-12.70
Best Month %	6.69	7.35
Worst Month %	-5.72	-6.43
Best Quarter	6.28	7.69
Worst Quarter %	-7.73	-6.51

Bravo ESG 70 - Portfolio Information

Yield	0.79%
OCF	0.38%
Transaction Charge	0.08%
Investment Management Fee	0.20% + VAT
Rebalance	Quarterly
Benchmark	Progeny Benchmark 70*

*Constructed from MSCI and ICE BofA indices

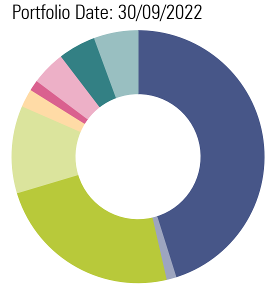
Asset Allocation - Bravo ESG 70



	%
Fixed Interest/ Bonds	30.0
UK Equity	15.8
International Equity	54.3
Total	**100.0**

Equity Regional Exposure - Bravo ESG 70

Portfolio Date: 30/09/2022



	%
North America	45.2
Latin America	1.3
United Kingdom	24.0
Europe dev	11.2
Europe emrg	0.0
Africa/Middle East	2.3
Australasia	1.4
Japan	4.4
Asia dev	4.8
Asia emrg	5.6
Total	**100.0**

Portfolio Comments

September has seen some extreme volatility in financial markets, particularly in the UK and we going to look at why markets reacted the way they have over the past few weeks.

Chancellor Kwarteng's mini budget this month was not received well by markets. The long-term cost to the government of funding a surprise higher rate tax cut, saw some investors sell Sterling and UK Government bonds.

This saw Sterling fall to an all-time low against the dollar and created some short-term disfunction in both the currency and the gilt markets. This ultimately led to the Bank of England intervening to buy long-dated gilts to support liability-driven investment funds and defined benefit pension schemes.

Meanwhile on an economic front, the UK is very likely to head into recession (the US has arguably already entered one) and emerge with a K-shaped recovery whereby certain sectors and those at the higher end of income and economic distributions fare relatively better than those at the lower end.

Clearly, higher interest rates will have a direct impact on UK consumers and businesses, further exacerbating an existing cost of living crisis. One positive, however, is that both UK corporates and consumers emerged from covid lockdowns with much healthier balance sheets than pre-pandemic, with a record level of savings balances.

Additionally, the labour market is still tight, with unemployment at historically low levels of 3.6%. These help to offset the impact of generally higher cost of living.

Focussing on growth assets, financial markets are forward-looking discounting machines, i.e. the impact on corporates and their earnings has mostly been baked in and UK valuations are attractive compared to history and peers. What matters more medium-long term is still the actions of the US Federal Reserve and the general global economic backdrop.

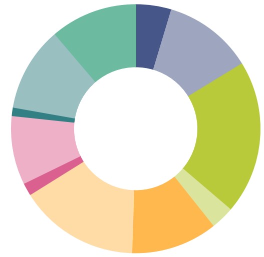
In terms of factor performance over the month, unsurprisingly given the volatility, the Quality factor gave one of the best returns, with growth and small cap the worst performing.

Turning to defensive assets, as mentioned, it was a very difficult month for UK Government bonds. However, a lot of bad news appears to be baked into to pricing and on valuation grounds, bonds are looking as attractively priced as they have in many years.

In summary, volatility will remain elevated for some time. For investors, staying diversified and staying invested is important. There is a lot of noise at the moment and it is important to remember the old adage that it is 'time in the markets' not market timing which is important. At times like these, don't let emotions drive investment decisions.

Equity Sectors (Morningstar) - Bravo ESG 70

Portfolio Date: 30/09/2022



	%
Basic Materials	4.6
Consumer Cyclical	11.6
Financial Services	20.0
Real Estate	3.1
Consumer Defensive	11.2
Healthcare	15.6
Utilities	1.6
Communication Services	8.9
Energy	1.1
Industrials	11.0
Technology	11.2
Total	**100.0**

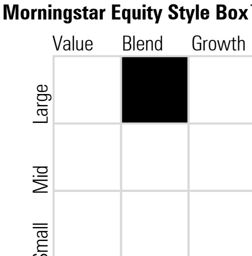
Bravo ESG 70 - Holdings

Holdings	Equity Style Box	Portfolio Weighting %
Amundi IS MSCI World SRI PAB IG C		32.02
UBS ETF MSCI UK IMI SRI GBP A dis		15.75
UBS(Lux)FS Sust Devpmt Bk Bds H GBP Adis		13.09
Schroder ISF QEP Global ESG C Acc GBP		9.15
iShares MSCI EM SRI ETF USD Acc		8.51
Dimensional Global Sstby Fxd Inc GBP Acc		6.28
Dimensional £InflLnkdIntermDurFI GBP Acc		5.50
L&G All Stocks Gilt Index C Acc		5.13
Dimensional Global Sust Cor Eq GBP Dist		4.57

Morningstar Style Box - Bravo ESG 70

Portfolio Date: 30/09/2022

Morningstar Equity Style Box™



Market Cap	**%**
Market Cap Giant %	32.8
Market Cap Large %	38.6
Market Cap Mid %	25.2
Market Cap Small %	3.1
Market Cap Micro %	0.3

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