



Dynamic^{ESG} Portfolios

A total returns portfolio based on our Dynamic range and invested with a focus on creating a positive social and environmental impact.

Progeny Asset Management Ltd is authorised and regulated by the Financial Conduct Authority.

This document is directed at professional advisers and should not be relied upon by retail investors. The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Why should you consider our **Dynamic**^{ESG} portfolio service?

“

A total returns portfolio based on our Dynamic range and invested with a focus on funds that seek to create a positive social and environmental impact. ”

Progeny Asset Management (PAM) are an award winning team that have been building portfolios and models together for over a decade.

Our ESG Portfolio range of risk-targeted investments was established in 2018 and designed to deliver returns for years to come.

We are all keenly aware of our impact on the world and many of us seek to actively reduce the negative repercussions of our daily routines. Asset management is no different.

Environmental, Social and Governance (ESG) investing allows investors to focus on companies, organisations and funds that seek to create a positive social and environmental impact through their products and activities. As well as helping clients make informed choices which align with their moral standpoint, ESG investing can also offer the chance to capitalise on niche market opportunities.

What we do for you

While investors might have been cautious about ESG in the past, it now appears to be on the brink of significant growth as they set aside their reservations.

We have developed our innovative offering by being agile and responsive to our clients' needs, alongside the uncertainty of market conditions. Too many investors pay for poor investment performance and sub-standard service.

We're here to show that there's a better way to invest and make the most of balancing risk and return.

We have developed a cost-effective portfolio for investors looking to invest in this space, through a series of funds that adhere to ESG principles.

Our solutions are ideal for investors who would like to hand over the day-to-day management of their portfolio to experts because they offer the reassurance of a carefully selected portfolio of funds, across a broad spectrum of assets. Regular rebalancing ensures it stays on course.

With all of our portfolios, you can be secure in the knowledge that your investments are being carefully looked after by our experienced investment management team.

Our portfolios are a managed investment service. This brochure will help explain the objectives, processes and differences between the Dynamic ESG Portfolio range composed of six investment solutions.

What it is

- ✓ Multi-discipline approach to fund allocation
- ✓ 'Best of Breed' approach, balancing investment styles and cost
- ✓ Dynamic approach to asset allocation
- ✓ ESG suitable investments
- ✓ Competitively priced

What it is not

- ✗ A closet tracker
- ✗ Passive
- ✗ A faceless service
- ✗ Style specific
- ✗ Emotion-led fund picking

Our investment philosophy and beliefs: five principles for investing



Principle 1: Get the asset mix right

We start with getting the asset apportionment fine-tuned across our funds. The choice and adherence to our long-term investment policy and asset allocation, is the core driver of portfolio returns and therefore risk. Choosing the right mix, over the right time and for the right risk appetite, is the best means to deliver expected returns.

Principle 2: Diversify broadly

The next important step is to ensure that an investor is not overly exposed to one sector/fund/geography because the only certainty in financial markets is their uncertainty. Taking an approach that doesn't chase trends means investors take advantage, wherever they can, of the diversification benefits on offer. We believe that owning a well-diversified portfolio is critical to long term portfolio success and is a method of taking an element of control over market changes that are essentially uncontrollable, such as natural disasters, wars, political changes etc.

Principle 3: Manage financial costs

Investors are often unaware of the effects ongoing and compounding fees have on returns and the severe deductions over the long-term. These include the effects of inflation on purchasing power; the cost of tax; and the significant 'all-in' cost of investing (e.g. ongoing charges and turnover costs). Controlling costs within the fund has significant benefits, especially given the multiplying effects over the life-time of an investment.

Principle 4: Control emotions

Behavioural finance studies have revealed that investors suffer a number of wealth damaging psychological preconceptions and biases.

The emotional impacts of regret, pride, greed and panic tend to result in trying to guess market timing and the excessive taking or avoidance of risk. Poor investment behaviour is likely to have a negative effect on investment returns. We take the emotion out and base decisions on quantitative analysis rather than making behavioural choices.

Principle 5: Rebalance the portfolio

Rebalancing is where a portfolio is brought back to its originally designed asset allocation when market performance has caused it to change. The purpose of rebalancing is to control risk, and to ensure that investors are not exposed to more risk than they agreed. Rebalancing can be achieved either by buying and selling funds, or by directing new money into the right asset to achieve the original balance.

Progeny Asset Management deliver an investment proposition that is genuinely unbiased across a broad range of solutions.

These are built on the foundations of our Investment Principles. Using these building blocks, we're able to offer clients a wide range of investment strategies which are risk-rated, and provide a style-agnostic approach.

Our goal is to provide clients with a smoother investment journey.

Our Investment Committee is an expert panel of wealth professionals who set the strategic approach we take to investing.

A quantitative process is at the heart of what we do. Not only does it filter the investment world down to a manageable level of choices but also strips out any emotional bias.

The primary focus of our fund research is to identify a 'buy list' of thoroughly researched investments from which we select when building portfolios. This investment research

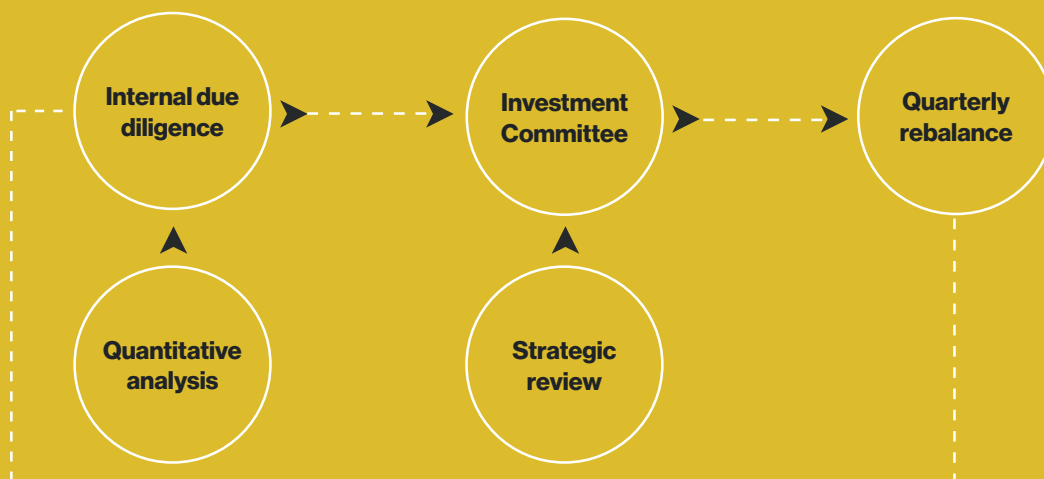
conducted by the team covers all major asset classes spanning all regions of the world to provide a broad diversification while maintaining ESG credentials.

We recognise that minimising costs in the client's investment programme can have significant benefits, especially given the multiplying effects of compounding. A pound of costs saved is no different to a pound of market performance in monetary terms, yet it is more valuable due to its consistency over time and being achieved without taking any risk.

Our Managed Portfolio Service (MPS) portfolios are rebalanced quarterly to support consistency of performance and to keep in line with our clients' attitude to risk.

Within all our funds we adhere to our 5 core investent principles.

Robust, repeatable investment process



The Dynamic^{ESG} Portfolio Range

This section illustrates the asset allocation of each model

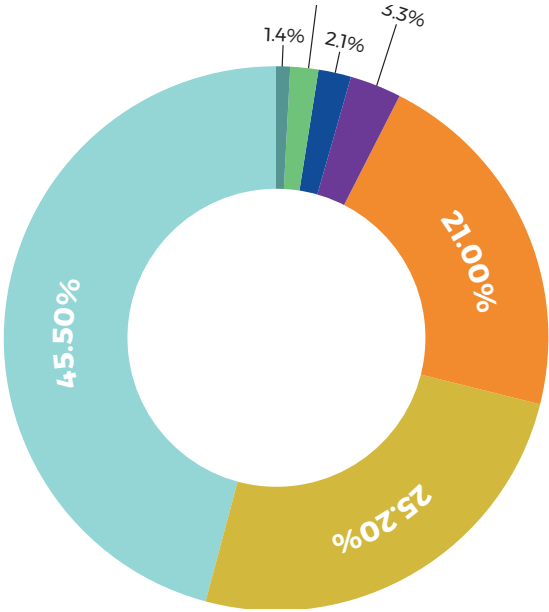
The value of investments and any income from them can fall and you may get back less than you invested. Past performance is not a guide to future performance. No investment is suitable in all cases and if you have any doubts as to an investment's suitability, then you should contact a professional adviser. If you invest in currencies other than your own, fluctuations in currency value will mean that the value of your investment will move independently of the underlying assets, thus increasing the risks.



Dynamic ESG 30

Profile

An investment portfolio appropriate for this risk profile may contain, for example, mainly lower-risk investments such as cash, cash-type assets and bonds, medium-risk investments and a minority of higher-risk investments such as UK and overseas shares.



Asset Allocation:

- 15% Cash
- 53% Bonds
- 32% Equities

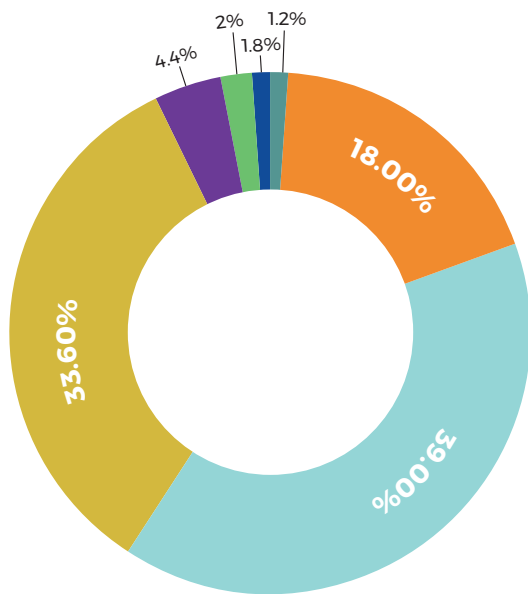
*Percentages are subject to roundings

- | | | |
|--|--|---|
| UK Index-Linked Gilts | North American Equity | Global Investment Grade Bonds |
| UK Gilts | Japanese Equity | Global High Yield Bonds |
| UK Equity | Europe excl UK Equity | Cash |
| Sterling Corporate Bonds | Asia Pacific excl Japan Equity | |
| Global Equity | Emerging Market Equity | |

Dynamic ESG 40

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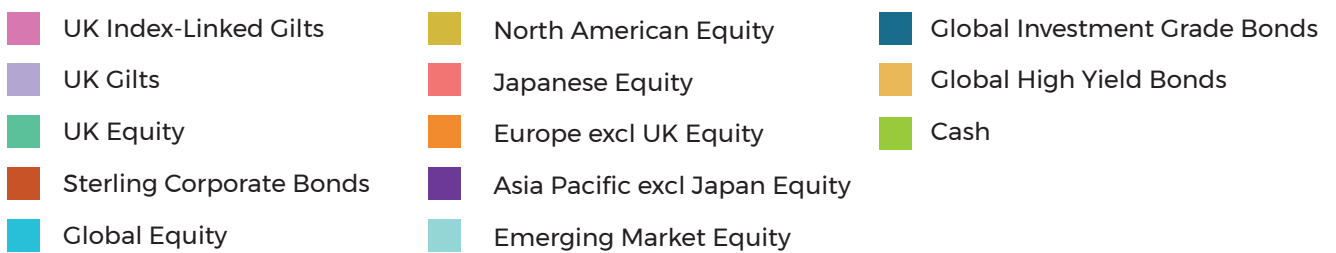
Asset Allocation:

10% Cash

40% Bonds

50% Equities

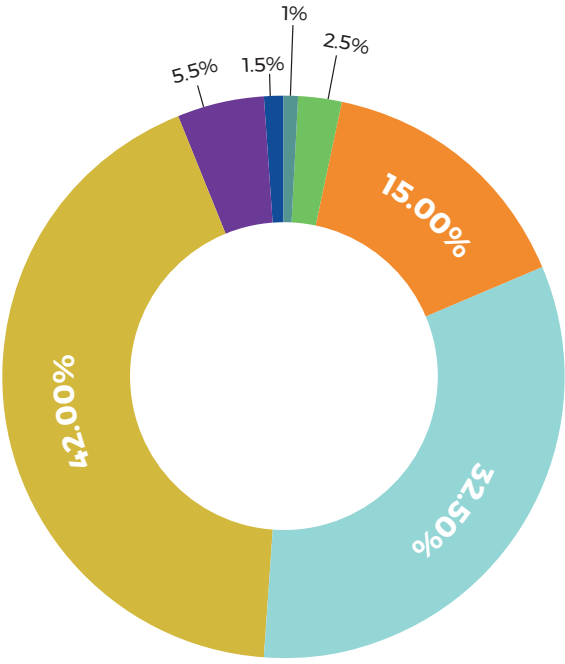
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Dynamic ESG 50

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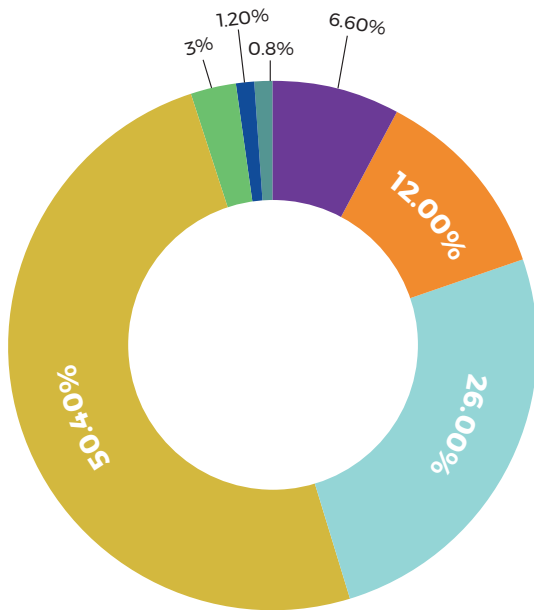
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Dynamic ESG 60

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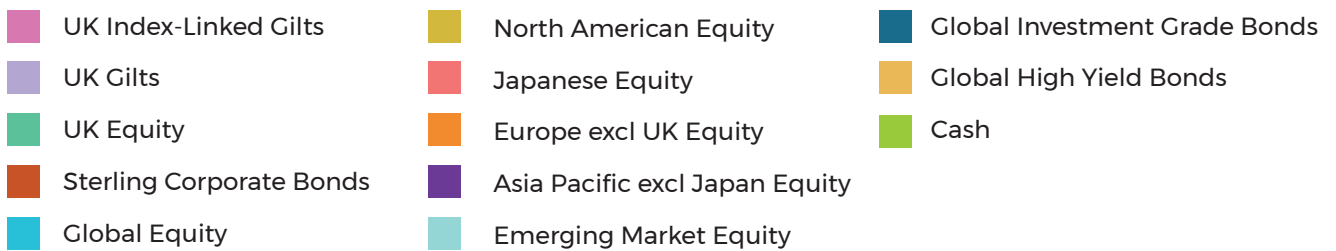
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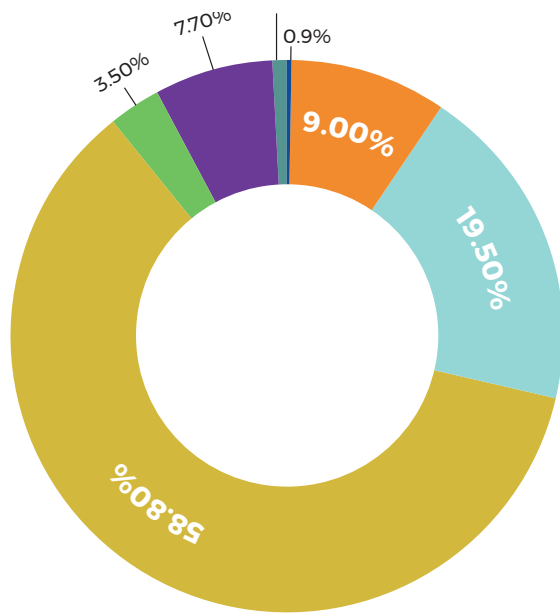
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Dynamic ESG 70

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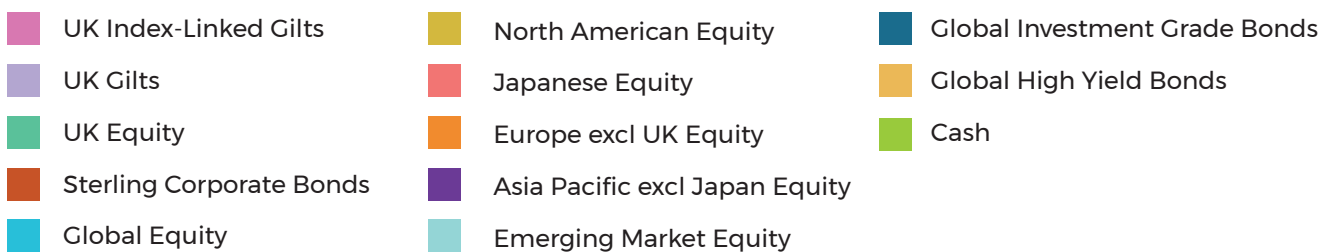
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Past performance is not a guide to future performance. Any specific investments mentioned are for illustrative purposes only and this is not intended as investment advice. If you are unsure as to the suitability of the service, please contact a professional adviser or Progeny Asset Management to discuss.

The information contained within this document is subject to the UK regulatory regime and is therefore primarily targeted at consumers based in the UK. The value of investments and the income from them can fall as well as rise, and you may not recover the amount of your original investment. Your capital is therefore always at risk.

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