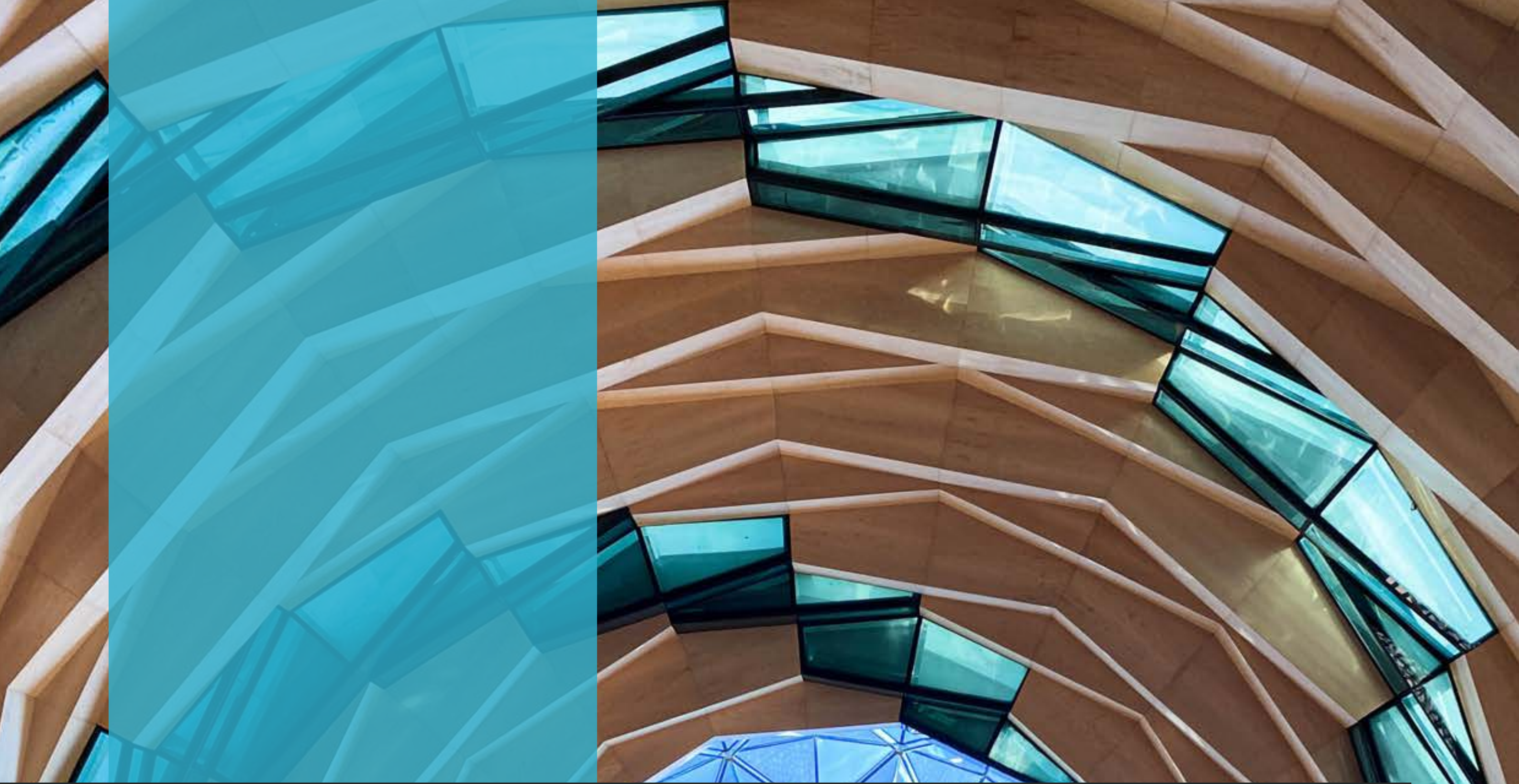

Tempo MPS Portfolios

An evidenced based, multi-factor total returns portfolio

progeny Asset Management

Why should you consider our Tempo portfiolio service?

"An evidence-based, multi-factor portfolio range ideal for clients who want a low-cost solution set to an asset allocation that progressively increases the factors of risk and returns."

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

Tempo is an evidence-based, total return MPS portfolio range designed using a systematic discipline. It combines a passive and multi-factor approach, whilst staying true to the empirical evidence of weightings towards small-cap and value. Its name refers to the metric that sets how a piece of music should be played. Like in a musical score, the tempo defines the pace of performance. At the lowest tempo, the rhythm is slower, at the highest tempo it's livelier and more active. Each portfolio in our range is set to an asset allocation that progressively increases the factors of risk and returns.

Our portfolios are structured using academic research and the long-term observation of markets and how they work.

What we do for you

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

All our solutions are designed for clients who want to hand over the day-to-day management of their investments. We work alongside advisers to choose the right portfolios and services that are matched to suitability.

Our experienced team understand the importance of bringing professionals together to achieve the best outcomes and have used this to create products with a focus on performance and costs, which can already demonstrate an impressive track record.

The Tempo service is a fund of funds solution. It is make up of MGTS Progeny Systematic Bond and MGTS Progeny Systematic Equity Funds. Matched using our selected risk profiling tool our solutions ensure the most appropriate portfolio is chosen to meet investors objectives, considering capacity to suffer losses and financial goals.

Our portfolios are a managed investment service (MPS). This brochure will help explain the objectives, processes and differences between the Tempo Portfolio range that is composed of eleven investment solutions.

What it is

- ✓ Multi-discipline approach to fund allocation
- ✓ Facts and figures-based
- ✓ Systematic approach to asset allocation
- ✓ Competitively priced

What it is not

- × A closet tracker
- × Passive
- × A faceless service
- × Emotion-led fund picking

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Investment Philosophy and Beliefs:

Our five principles for investing

Principle 1: Get the asset mix right

Principle 2: Diversify broadly

Principle 3: Manage financial costs

Principle 4: Control emotions

Principle 5: Rebalance the portfolio

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.

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Progeny Asset Management is independent and impartial; we are not tied to any fund manager, bank or insurance company.

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 Investment Committee is an expert panel of investment 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.

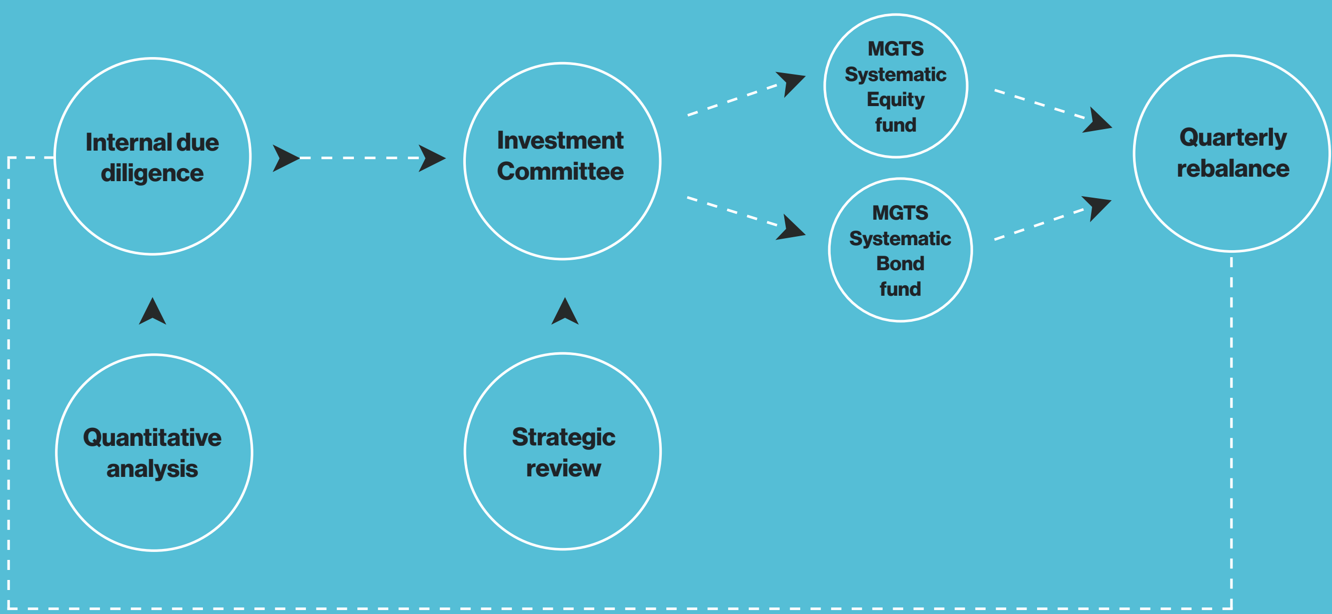
Our investment research covers all major asset classes, spanning all regions of the world and we seek funds with the underlying principles of balancing risk, reward and cost.

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.

One of the key benefits of our investment approach is that we're able to leverage our buying power to provide funds at a fair value, which is lower than similar products in the market. Our Managed Portfolio Service (MPS) portfolios are rebalanced quarterly to support consistency of performance and to keep in line with investors attitude to risk.

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

Robust, repeatable investment process



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The Tempo Portfolio Range

This section illustrates the asset allocation of each model

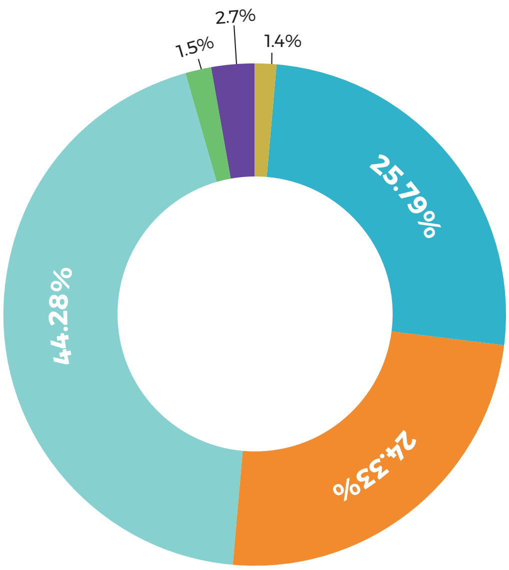
The value of investments and any income from them can fall as well as rise and you may get back less than you invested. Past performance is not a guide to future performance. No investment is suitable in all cases and if you have any doubts as to an investment's suitability, then you should contact a 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.

Tempo 30

The data contained in this profile is based on portfolio simulation and does not represent the actual portfolio. It is intended to provide an indication of the magnitude and direction of historic returns from a hypothetical portfolio made up of asset class market indices held in comparable proportions to those within the Tempo 00 portfolio. The aim of this profile is to help clients understand the broad characteristics of the portfolio.

Profile

The majority of the portfolio is allocated to high-quality and investment grade bonds. It seeks to maintain purchasing power over the medium-term, but could suffer losses of more than 5%.



Risk profile		
Progeny risk description	Very low	
Historical data (after inflation)	**Return %**	**Risk %**
1956 to 2019 (US equity and cash)*	1.5%	4%
Jul-89 to Dec-19**	4.0%	3%
Expected attributes	**Return %**	**Risk %**
Based on assumptions (after inflation)***	0.6%	7%
Portfolio ongoing charges (OCF)	0.16%	
Net of OCF	0.44%	

***Percentages are subject to roundings**

*** S&P 500 and UK One Month Treasury Bills - no costs deducted**
**** Simulated portfolio returns using asset class indices**
*****Based on firm's long-term capital market assumptions**

All simulated returns are shown after inflation and ongoing charges (OCFs), but no other costs (e.g. wrap custody fees, rebalancing costs and adviser fees) have been deducted as these will vary depending on a number of factors.

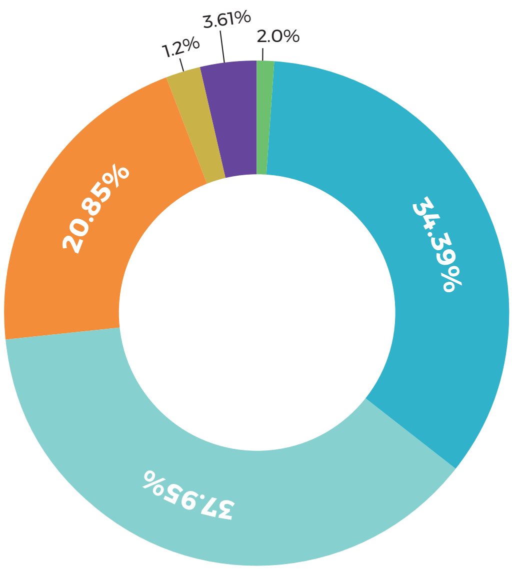
- Cash
- Developed Equities
- Developed Government Bonds
- Emerging Equities
- Investment Grade Corporate Bonds
- Property

Tempo 40

The data contained in this profile is based on portfolio simulation and does not represent the actual portfolio. It is intended to provide an indication of the magnitude and direction of historic returns from a hypothetical portfolio made up of asset class market indices held in comparable proportions to those within the Tempo 10 portfolio. The aim of this profile is to help clients understand the broad characteristics of the portfolio.

Profile

The majority of the portfolio is allocated to high-quality and investment grade bonds. Over the medium to longer-term, the 10% exposure to the risks and expected rewards of equity ownership should help to maintain purchasing power. This portfolio could suffer losses of more than 5%.



***Percentages are subject to roundings**

Risk profile		
Progeny risk description	Very low	
Historical data (after inflation)	**Return %**	**Risk %**
1956 to 2019 (US equity and cash)*	2.2%	4%
Jul-89 to Dec-19**	4.4%	4%
Expected attributes	**Return %**	**Risk %**
Based on assumptions (after inflation)***	1.2%	7%
Portfolio ongoing charges (OCF)	0.17%	
Net of OCF	1.03%	

*** S&P 500 and UK One Month Treasury Bills - no costs deducted**
**** Simulated portfolio returns using asset class indices**
*****Based on firm's long-term capital market assumptions**

All simulated returns are shown after inflation and ongoing charges (OCFs), but no other costs (e.g. wrap custody fees, rebalancing costs and adviser fees) have been deducted as these will vary depending on a number of factors.

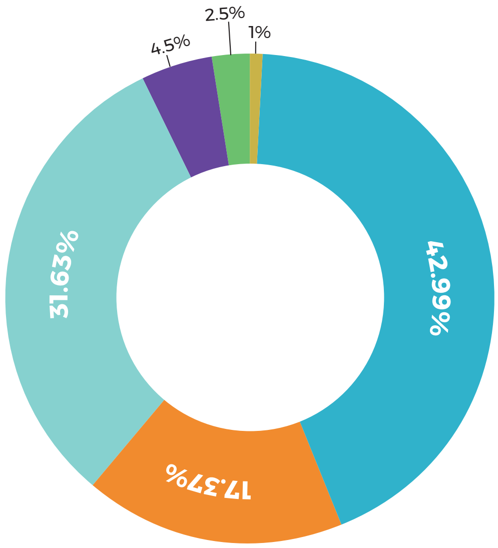
- Cash
- Developed Equities
- Developed Government Bonds
- Emerging Equities
- Investment Grade Corporate Bonds
- Property

Tempo 50

The data contained in this profile is based on portfolio simulation and does not represent the actual portfolio. It is intended to provide an indication of the magnitude and direction of historic returns from a hypothetical portfolio made up of asset class market indices held in comparable proportions to those within the Tempo 20 portfolio. The aim of this profile is to help clients understand the broad characteristics of the portfolio.

Profile

The majority of the portfolio is allocated to high-quality and investment grade bonds. Over the medium to longer term, the 20% exposure to the risks and expected rewards of equity ownership should help to maintain purchasing power. This portfolio could suffer losses of more than 10%.



***Percentages are subject to roundings**

Risk profile		
Progeny risk description	Low	
Historical data (after inflation)	**Return %**	**Risk %**
1956 to 2019 (US equity and cash)*	2.8%	5%
Jul-89 to Dec-19**	4.7%	5%
Expected attributes	**Return %**	**Risk %**
Based on assumptions (after inflation)***	1.7%	8%
Portfolio ongoing charges (OCF)	0.17%	
Net of OCF	1.53%	

*** S&P 500 and UK One Month Treasury Bills - no costs deducted**
**** Simulated portfolio returns using asset class indices**
*****Based on firm's long-term capital market assumptions**

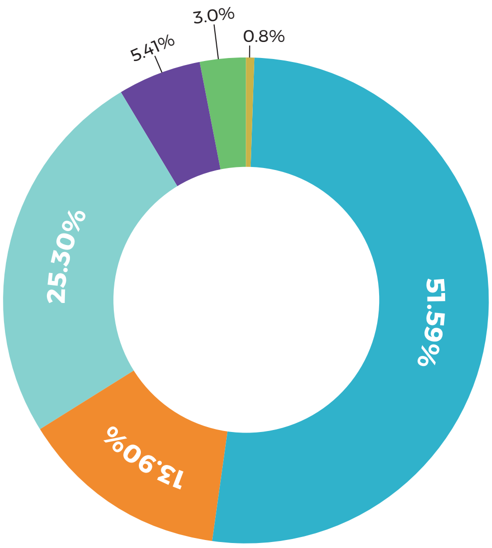
All simulated returns are shown after inflation and ongoing charges (OCFs), but no other costs (e.g. wrap custody fees, rebalancing costs and adviser fees) have been deducted as these will vary depending on a number of factors.

Tempo 60

The data contained in this profile is based on portfolio simulation and does not represent the actual portfolio. It is intended to provide an indication of the magnitude and direction of historic returns from a hypothetical portfolio made up of asset class market indices held in comparable proportions to those within the Tempo 30 portfolio. The aim of this profile is to help clients understand the broad characteristics of the portfolio.

Profile

The majority of the portfolio is allocated to high-quality and investment grade bonds. Over the medium to longer-term, the 30% exposure to the risks and expected rewards of equity ownership should help to maintain purchasing power. This portfolio could suffer losses of more than 15%.



Risk profile		
Progeny risk description	Low	
Historical data (after inflation)	**Return %**	**Risk %**
1956 to 2019 (US equity and cash)*	3.3%	7%
Jul-89 to Dec-19**	5.0%	5%
Expected attributes	**Return %**	**Risk %**
Based on assumptions (after inflation)***	2.3%	9%
Portfolio ongoing charges (OCF)	0.18%	
Net of OCF	2.12%	

*** S&P 500 and UK One Month Treasury Bills - no costs deducted**
**** Simulated portfolio returns using asset class indices**
*****Based on firm's long-term capital market assumptions**

All simulated returns are shown after inflation and ongoing charges (OCFs), but no other costs (e.g. wrap custody fees, rebalancing costs and adviser fees) have been deducted as these will vary depending on a number of factors.

***Percentages are subject to roundings**

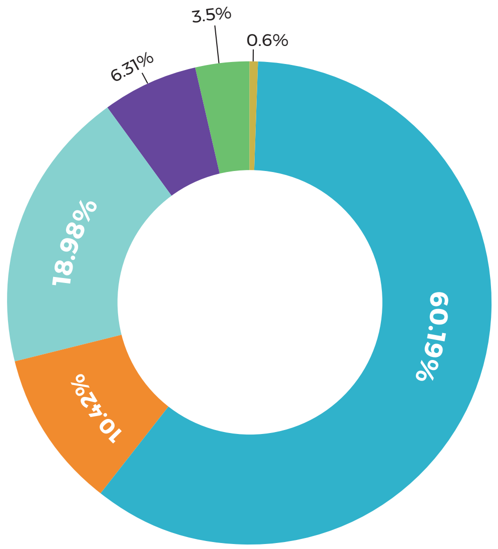
Cash
Developed Equities
Developed Government Bonds
Emerging Equities
Investment Grade Corporate Bonds
Property

Tempo 70

The data contained in this profile is based on portfolio simulation and does not represent the actual portfolio. It is intended to provide an indication of the magnitude and direction of historic returns from a hypothetical portfolio made up of asset class market indices held in comparable proportions to those within the Tempo 40 portfolio. The aim of this profile is to help clients understand the broad characteristics of the portfolio.

Profile

The majority of the portfolio is allocated to high-quality and investment grade bonds. Over the medium to longer-term, the 40% exposure to the risks and expected rewards of equity ownership should help to maintain purchasing power. This portfolio could suffer losses of more than 20%.



*Percentages are subject to roundings

Risk profile		
Progeny risk description	Low medium	
Historical data (after inflation)	**Return %**	**Risk %**
1956 to 2019 (US equity and cash)*	3.9%	8%
Jul-89 to Dec-19**	5.3%	7%
Expected attributes	**Return %**	**Risk %**
Based on assumptions (after inflation)***	2.7%	10%
Portfolio ongoing charges (OCF)	0.19%	
Net of OCF	2.51%	

*** S&P 500 and UK One Month Treasury Bills - no costs deducted**
**** Simulated portfolio returns using asset class indices**
*****Based on firm's long-term capital market assumptions**

All simulated returns are shown after inflation and ongoing charges (OCFs), but no other costs (e.g. wrap custody fees, rebalancing costs and adviser fees) have been deducted as these will vary depending on a number of factors.

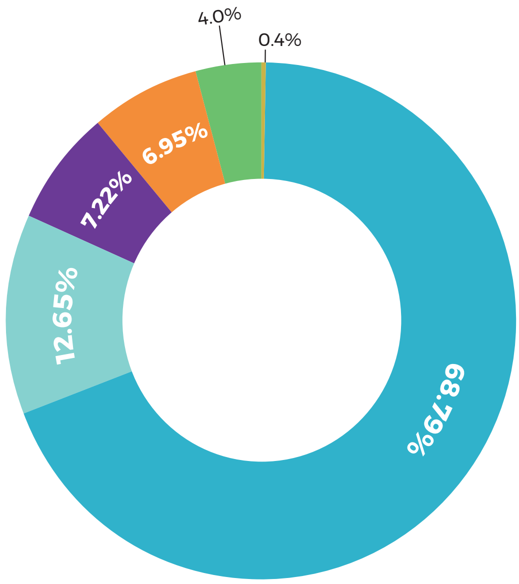
- Cash
- Developed Equities
- Developed Government Bonds
- Emerging Equities
- Investment Grade Corporate Bonds
- Property

Tempo 80

The data contained in this profile is based on portfolio simulation and does not represent the actual portfolio. It is intended to provide an indication of the magnitude and direction of historic returns from a hypothetical portfolio made up of asset class market indices held in comparable proportions to those within the Tempo 50 portfolio. The aim of this profile is to help clients understand the broad characteristics of the portfolio.

Profile

Over the medium to longer-term, the 50% exposure to risks and expected rewards of equity ownership should help to deliver moderate, inflation-plus returns. The equity risk is balanced by a 50% allocation to high-quality bonds and investment grade. This portfolio could suffer losses of more than 25%.



***Percentages are subject to roundings**

Risk profile		
Progeny risk description	Low medium	
Historical data (after inflation)	**Return %**	**Risk %**
1956 to 2019 (US equity and cash)*	4.4%	10%
Jul-89 to Dec-19**	5.5%	8%
Expected attributes	**Return %**	**Risk %**
Based on assumptions (after inflation)***	3.2%	12%
Portfolio ongoing charges (OCF)	0.20%	
Net of OCF	3.0%	

*** S&P 500 and UK One Month Treasury Bills - no costs deducted**
**** Simulated portfolio returns using asset class indices**
*****Based on firm's long-term capital market assumptions**

All simulated returns are shown after inflation and ongoing charges (OCFs), but no other costs (e.g. wrap custody fees, rebalancing costs and adviser fees) have been deducted as these will vary depending on a number of factors.

Cash
Developed Equities
Developed Government Bonds
Emerging Equities
Investment Grade Corporate Bonds
Property

progeny

Asset Management

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