

Ethical Managed portfolio

Quarterly update - July 2020

Portfolio Manager



James Kempster
Manager since September 2019

Portfolio objective

Selecting funds that place an emphasis on ethical investment criteria whilst providing a long term capital return in excess of the UT Mixed Investment 40%-85% Shares sector.

Investment approach

Funds are selected by applying a filter to identify those that meet our strict ethical criteria. The objective is achieved by using a balanced investment approach, gaining exposure to a number of different asset types including shares and bonds across a broad range of international markets. The performance of all the funds in the portfolio is constantly monitored and formally reviewed on a quarterly basis by an investment committee.

Portfolio manager's commentary

With the recovery witnessed in markets over the last quarter the portfolio has gone a long way to recovering the losses experienced in the first three months of 2020. It is above its benchmark over both 3 and 12 months with a return of over 15% this quarter. The portfolio has also benefitted from its ethical overlay with sustainability-based investing again proving its worth compared to more traditional approaches.

Although no asset allocation changes have been made at a headline level, we have taken steps to reduce our US weighting which our research showed is higher than we would like at an underlying level. This position has been a factor in the outperformance of the portfolio but we are aware that it may be harder to find value going forward. Global stocks, especially those with an ethical bias, typically have a high allocation to the region and as a result we have introduced a new holding, Stewart Investors Worldwide Sustainability. This has a broader remit which should help to address this issue. Full details of all the changes are outlined on the Fund Changes summary which is available on our website.

Indicative risk rating



5 year fund performance versus benchmark



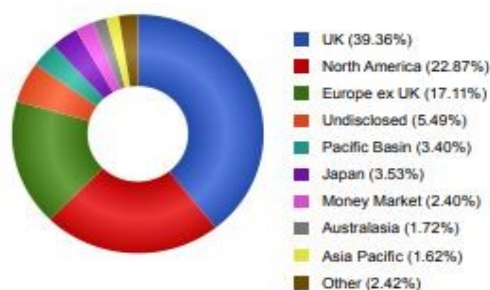
Top 10 Holdings

Royal London - Cash Plus	9%
ASI - Global Ethical Equity	8%
Liontrust - Sustainable Future Global Growth	8%
Liontrust - Sustainable Future UK Growth	8%
Rathbone - Ethical Bond	8%
Royal London - Sustainable Leaders	8%
BMO - Responsible UK Equity Growth	7%
BMO - Responsible Global Equity	6%
ASI - Ethical Corporate Bond	6%
Liontrust - Sustainable Future Corporate Bond	6%

Asset allocation



Regional breakdown



Important notes

All data are to 30.06.2020. Any fund performance data include explicit (OCF) and implicit (ongoing) fund manager charges but do not include platform, adviser or investment management fees. Full details will be outlined in your product provider illustration. For further information please contact your financial adviser.

Past performance is not a guide to future performance. The value of investments and any income from them may fall as well as rise; you may get back less than the amount invested. Higher volatility investments are subject to sudden and large falls in value and could result in a loss equal to the sum invested. Certain investments (e.g. property) are not readily realisable and investors may experience difficulty in realising the investment or in obtaining reliable information on the value or associated risks. Changes in rates of exchange may have an adverse effect on the value, price or income of investments denominated in currencies other than Sterling.

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Key Investor Information Disclosure Documents (KIIDs) or Key Information Documents (KIDs) for the underlying funds can be found on our website: www.imscapital.co.uk/kiid.

Key facts

Ongoing charge figure	1.26%
ISA qualification	Yes
Twelve month historical yield	1.61%
Volatility*	16 (Benchmark 16.26)
Sharpe ratio**	0.22 (Benchmark 0.00)

*Volatility measures how much an investment deviates from its average over a period.

**The Sharpe Ratio measures the trade-off between risk and return.

The ongoing charge figure above represents the average fund charge across the range of available platforms and does not include adviser or platform fees. Full details of all charges will be outlined in your product provider illustration. For further information please contact your financial adviser.

Please note that any performance figures quoted are based on the underlying assets held during the dates specified and therefore they will not necessarily match the returns which are experienced by end investors. Alternative asset selections to those shown overleaf are occasionally necessary. As such, this factsheet should be used in conjunction with the relevant Fund Change and Fund List documents.

All assets are held via the platform selected. All transactions will be made within a reasonable time from receipt and IMS is not responsible for any delays where there are unforeseen issues with third party providers.

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