

Purposeful.Money

Socially Responsible Cautious Medium Portfolio

March 2019



**Purposeful
• Money**

Quarterly Commentary

This quarter has given us increased and continued short term volatility. Close to home the 'Brexit Question' remains unanswered with no visible upsides appearing so far. Further afield, Trump continues to be a similarly divisive player and is certainly offering no positivity to our particular sector. Our main concern in the longer term is, as usual, the 'carbon bubble' worry for investments exposed to fossil fuel companies, and our portfolios remain fully divested from this area. We recognise and celebrate the continuing trend of the expansion of our investment universe, more funds are launched each month which fit the criteria for our watch list.

Key Information

| | |
|--------------------------|--|
| Portfolio Inception date | January 2013 |
| Ongoing charges | 0.94 |
| Portfolio historic yield | 1.84 |
| No of fund holdings | 14 |
| Portfolio Benchmark | UT Mixed Investment 20—60% shares TR in GB |

5 year cumulative performance



| 1mth to 5 year performance | 1 Month | 3 Months | 6 Months | 1 Year | 3 Years | 5 Years |
|--|---------|----------|----------|--------|---------|---------|
| Purposeful.Money Cautious Medium Portfolio | 1.89 | 0.66 | -4.06 | 2.19 | 35.01 | - |
| UT Mixed Investment 20 - 60% shares TR in GB | 0.87 | 1.12 | -2.29 | 0.10 | 17.92 | 22.45 |

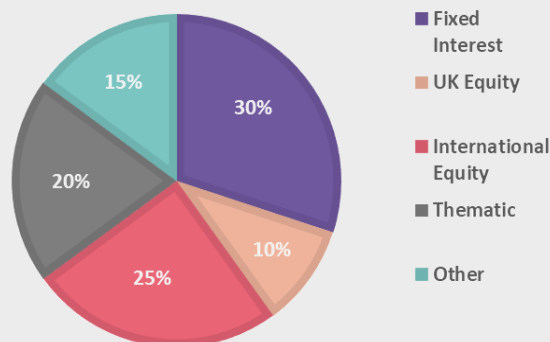
Portfolio Objective

The portfolio seeks to avoid large fluctuations over time and to offer some protection against inflation over a period of at least 5 years. In order to achieve this objective we adopt a strategy to invest a high proportion in fixed interest investments together with some exposure to International and UK Equities. The Cautious Medium Portfolio also invests a proportion into Thematic Funds such as Impact Funds.

Ethical objectives

The 'ethical' objectives of the portfolio are to remain fully divested from Fossil Fuel Exploration and Extraction companies. The Cautious Medium Portfolio also invests 20% into Thematic funds such as impact funds to give some exposure to companies that offer positive solutions to some of the problems that face society.

Asset allocation



Portfolio Composition - Cautious Medium Portfolio

| Fund Manager | Fund name | % split | 3 year performance | Volatility | Alpha | Beta |
|--------------------------------|--|-------------|--------------------|-------------|-------------|-------------|
| F&C (BMO Global Asset Mgmt) | UK Property 2 Inc - Jun 10 | 10% | 12.35 | 7.94 | 5.47 | -0.21 |
| FundRock Partners Ltd | WHEB Sustainability C Acc - May 09 | 10% | 45.87 | 12.32 | 1.20 | 2.06 |
| Liontrust Fund Partners LLP | Sustainable Future Corporate Bond 2 Inc - Feb 01 | 10% | 19.50 | 5.65 | 2.02 | 0.74 |
| Rathbone Unit Trust Mgmt Ltd | Ethical Bond Inst Acc - May 02 | 10% | 20.33 | 4.09 | 3.16 | 0.55 |
| RLUM (CIS) Ltd | Sustainable Managed Growth Trust C Acc - Dec 12 | 10% | 21.95 | 4.65 | 2.35 | 0.79 |
| Stewart Investors (UK) | Worldwide Sustainability B Acc GBP - Nov 12 | 10% | 47.16 | 10.67 | 3.90 | 1.65 |
| Baillie Gifford | Positive Change B Acc—Jan 17 | 5% | 64.02 | 24.17 | 8.46 | 2.25 |
| Henderson Global Investors Ltd | Global Sustainable Equity I Acc - Aug 91 | 5% | 57.10 | 11.75 | 3.76 | 2.07 |
| Kames Capital plc | Property Income B Gr Acc - Mar 14 | 5% | 8.48 | 8.58 | 2.52 | 0.12 |
| Liontrust Fund Partners LLP | Sustainable Future Global Growth 2 Acc - Feb 01 | 5% | 61.78 | 10.77 | 5.90 | 1.86 |
| Liontrust Fund Partners LLP | Sustainable Future UK Growth 2 Acc - Feb 01 | 5% | 37.06 | 11.26 | 1.62 | 1.70 |
| Pictet Asset Management (Eur) | Global Environmental Opportunities I dy GBP - Sep 10 | 5% | 47.38 | 12.39 | 2.38 | 2.08 |
| Pictet Asset Management (Eur) | Water I USD - Jan 00 | 5% | 45.02 | 10.36 | 4.24 | 1.61 |
| RLUM (CIS) Ltd | Sustainable Leaders Trust | 5% | 36.00 | 9.55 | 1.00 | 1.69 |
| Total Portfolio | | 100% | 35.01 | 7.20 | 2.81 | 1.33 |
| Selected Benchmark | UT Mixed Investment 20-6% shares TR in GB | | 17.92 | 5.00 | - | - |



Notes on divestment

The Cautious Medium Portfolio is fully divested from Funds that invest in Fossil Fuel Extraction or Exploration Companies. Purposeful.Money have undertaken sufficient research and due diligence to ensure that the portfolio meets this standard. Ongoing due diligence will be conducted on a quarterly basis to ensure that this standard is maintained. Whilst every effort will be taken to ensure that the portfolio is fully divested it is possible that in periods between due diligence checks one of the funds may invest in a Fossil Fuel Extraction or Exploration Company. As soon as Purposeful.Money are aware of such an investment, or when this is highlighted at the quarterly audit, the Fund will be removed from the Portfolio.

The Portfolio is divested from all companies that are directly involved in the exploration or extraction of Fossil Fuels. At this point however there may remain some investment in infrastructure companies such as those that are involved in the transportation of Fossil Fuels.

Important Information

Purposeful.Money Ltd is registered in England with number 00985150, registered office at Sir Peter Thompson House, 25 Market Close, Poole Dorset BH15 1NE. Purposeful.Money is authorised and regulated by the UK Financial Conduct Authority.

The information on which the document is based is deemed to be reliable, but we have not independently verified such information and we do not guarantee its accuracy or completeness. Changes in exchange rates may have an adverse effect on the value, price or income of foreign currency denominated securities.

Portfolio Management

The management of the portfolio is overseen by the members of the PFM Associates Investment committee. The committee meets monthly to decide upon the strategy for the portfolio, following recommendations from research teams that are responsible for specific geographical and specialised sectors.

These teams are mandated to provide the building blocks for the successful portfolio management. Each fund that is recommended is carefully analysed and only selected once ratified by majority decision of the Investment committee.

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What is Asset Allocation?

Asset allocation is the practice of diversifying assets between different asset classes. Asset allocation has been recognised as a very important part of the process of building a portfolio. In fact, a number of studies have found that the decision as to how to divide up a portfolio into several classes is more important than the process of choosing the actual stocks, bonds, and funds that are owned.

The asset allocation is determined by the amount of risk someone is prepared to accept and also the amount of time to let the investment grow. To assist us in the process of asset allocation we select the most appropriate 'model' asset allocation from a series of standard models. It is important that the portfolio is monitored and reviewed on an ongoing basis to ensure that it remains in line with this 'model'. For further information please see our portfolio flowchart.

Information on performance

Past performance is not a guide to future performance. The value of investments and any income from them can fall and you may get back less than you invested. 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 asset.

The information contained in this documentation has been taken from sources stated and is believed to be reliable and accurate, but without further investigation cannot be warranted as to accuracy or completeness.

Fact Sheet Information

Any comments expressed in this factsheet should not be taken as a recommendation or advice.

This factsheet does not provide you with all the facts that you need to make an informed decision about investing in the Portfolio.

You need to read the associated Key Investor Information Documents and Fund Factsheets relating to the individual funds.

Ongoing charges information

In addition to the quoted ongoing fund charges there may also be an adviser fee chargeable by Purposeful.Money and a Platform charge. If you would like details of the charges that are specific to your investment, please contact your consultant.

