

Balanced ESG Portfolio

31st December 2019



INTELLIGENT INTUITIVE INVESTING

Investment Objective

The Rivers ESG Balanced Portfolio targets long term capital growth in real terms and after fees. The portfolio invests only in solutions which pass strict criteria of Environmental, Social and Governance (ESG) requirements. The portfolio will be moderately exposed to global equity market cycles. The typical investor seeks capital growth from their investment and is able to accept a moderate level of risk for the potential of higher returns.

Market Comment

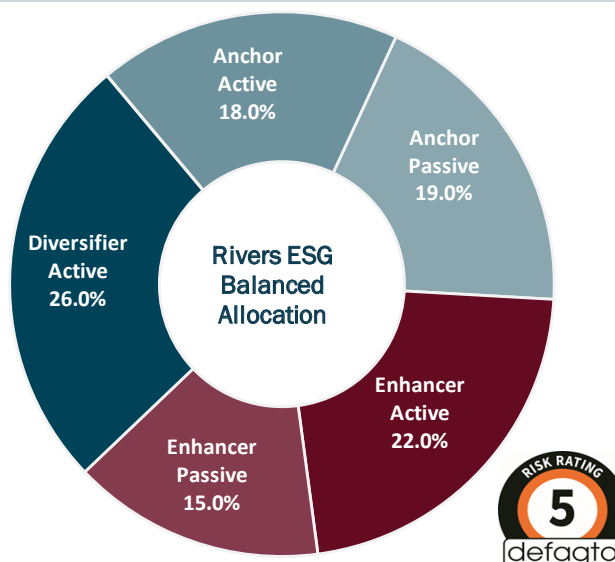
Risk assets continued to advance during December. In the UK the Conservative election victory improved investor confidence in equities although the resulting certainty of Brexit saw sterling and Gilts lose value. From a global perspective confidence of a US China trade agreement increased already elevated equity valuations. The portfolio gained value despite the overall defensive allocation and finished 2019 with above target returns. A portfolio rebalance maintained the tactical cautious allocation (risk level 2 out of 7) as concerns regarding valuations remain high. Fund changes resulted in an increase in UK equities although we expect a better opportunity to increase risk in the New Year.

Model Characteristics	Target	Current
Annualised Return ¹	5.2-6.7%	4.8%
Portfolio Volatility ²	<9.0%	5.2%
Maximum Loss ³	<10.0%	-3.1%
Ongoing charge of underlying ⁴	<0.75%	0.62%
Number of holdings	<25	17
Last rebalance date	-	Apr-19
Current expected portfolio yield ⁵	-	1.62%
Classified 'Passive' investments ⁶	40%	34.0%
Since Inception Total Return	30-Jun-17	14.55%

Allocation	Strategic	Current	Tactical
Cash	0.0%	0.0%	0.0%
Anchors	27.0%	37.0%	10.0%
Enhancers	55.0%	37.0%	-18.0%
Diversifiers	18.0%	26.0%	8.0%

Performance (%) ¹	1m	3m	YTD	1yr	3yr
Rivers Balanced Portfolio	0.87	0.27	13.44	13.44	N/A
IA Mixed 20%-60% Shares	1.24	1.74	11.87	11.87	4.61

Quarterly	Q1	Q2	Q3	Q4	Total
2017	-	-	0.86%	2.56%	3.44%
2018	-2.71%	2.81%	1.52%	-4.65%	-3.18%
2019	5.75%	4.26%	2.62%	0.27%	13.44%



Rivers Asset Classification System:

"Anchors": investments selected for low market correlation, low risk and capital preservation core characteristics. Significant allocation in low risk portfolios.

"Enhancers": selected to increase portfolio long term return but exposed to equity risk. Allocation likely to increase with risk tolerance as returns become more volatile.

"Diversifiers": selected for low correlation to traditional market equity and fixed income risk.

Diversifiers are essential for efficiency in all but the lowest and highest risk portfolios.

For a more detailed explanation please contact Rivers Capital Management

Top 10 Holdings

Vanguard - SRI European Stock Acc GBP	Enhancer Passive	9.0%
EdenTree - Amity Sterling Bond B	Anchor Active	8.0%
Vanguard - UK Infl-Linked Gilt A Gross Acc	Anchor Passive	8.0%
Rathbone - Ethical Bond Inst Acc	Enhancer Active	7.0%
Royal London - Sust Diversified Trust C Acc	Diversifier Active	6.0%
UBS - MSCI UK IMI Socially ResponseETF Dis	Enhancer Passive	6.0%
BMO - Responsible Global Equity 2 Acc	Enhancer Active	6.0%
Schroder - Global Cities Real Estate Z Acc	Diversifier Active	6.0%
Royal London - Enhanced Cash Plus Y Acc	Anchor Passive	5.0%
TM Fulcrum - Diversified Core Abs Ret C Acc	Anchor Active	5.0%

Notes:

- The performance data shown is indicative only. Rivers Capital Management attempts to replicate accurately the performance of the underlying portfolio using Financial Express data but performances will likely differ from individual accounts due to inflows and timing issues. The performance is net of a 0.25%+VAT Rivers Capital Management fee and annualised since inception (March 31st 2017)
- Volatility is calculated as the annualised average weekly standard deviation of return since inception (March 31st 2017)
- The maximum loss is calculated as the total loss from the highest previous month end portfolio value. Intra month or daily data may exceed this.
- The ongoing charge is based on the current portfolio weightings using the latest available OCF data of each fund.
- The yield is the average yield as published by each fund and not guaranteed
- Rivers investment committee determines a Passive allocation target (20-60%) dependant on the perceived market opportunity
- Relative risk level determined between 1 and 7 within the tactical constraints of all models with a level 4 considered tactically neutral



Please contact Rivers directly on **020 3383 0180** or by emailing **info@riverscm.com**

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may cause the value of investments and the income from them to fall as well as rise. Unless otherwise stated, the source of all figures contained herein is Rivers Capital Management. Whilst all reasonable care has been taken in preparing this factsheet, the information contained herein has been obtained from sources that we consider reliable but we do not represent that it is complete or accurate and it should not be relied upon as such.