

Balanced ESG Portfolio

31st March 2021



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

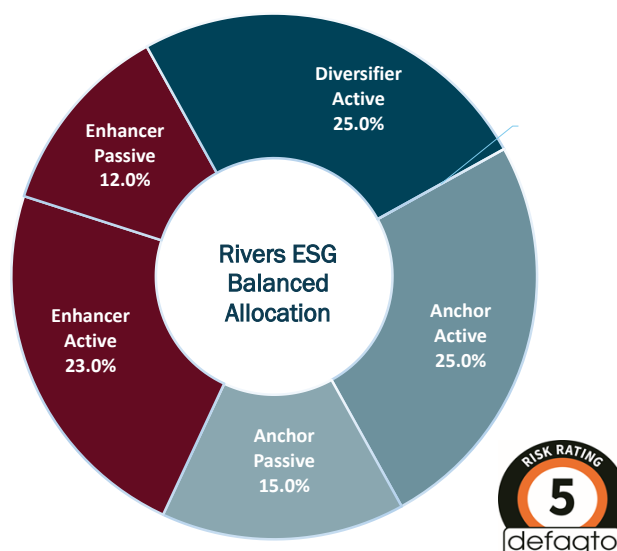
Equities again outperformed during March but were led by different sectors than those that led for much of 2020. The large cap tech stocks which led growth last year lagged financials and other traditionally value orientated sectors as inflation fears rose. Overall equity indices in the US, UK Europe and Japan rose nearly 4% as hopes from the vaccine roll-out kept building. Emerging Market Equity indices fared less well although India remained strong. For Anchors the allocation to Inflation linked paper paid off but as benchmark rates continued to rise opportunities were limited. For Diversifiers, global property was positive and gold managed to sustain its value after the declines year to date.

| Model Characteristics | Target | Current |
|---|-----------|---------|
| Annualised Return ¹ | 5.2-6.7% | 4.9% |
| Portfolio Volatility ² | <9.0% | 7.7% |
| Maximum Loss ³ | <10.0% | -14.2% |
| Ongoing charge of underlying ⁴ | <0.75% | 0.61% |
| Number of holdings | <25 | 16 |
| Last rebalance date | - | Feb-21 |
| Current expected portfolio yield ⁵ | - | 1.62% |
| Classified 'Passive' investments ⁶ | 40% | 27.0% |
| Since Inception Total Return | 30-Jun-17 | 29.04% |

| Allocation | Strategic | Current | Tactical |
|--------------|-----------|---------|----------|
| Cash | 0.0% | 0.0% | 0.0% |
| Anchors | 27.0% | 40.0% | 13.0% |
| Enhancers | 55.0% | 35.0% | -20.0% |
| Diversifiers | 18.0% | 25.0% | 7.0% |

| Performance (%) ¹ | 1m | 3m | YTD | 1yr | 3yr |
|------------------------------|------|-------|-------|-------|-------|
| Rivers ESG Balanced | 1.16 | -0.14 | -0.14 | 25.38 | 27.16 |
| IA Mixed 20%-60% Shares | 1.27 | 0.85 | 0.85 | 19.83 | 14.40 |

| Quarterly | Q1 | Q2 | Q3 | Q4 | Total |
|-----------|---------|--------|-------|--------|--------|
| 2017 | - | - | 0.86% | 2.56% | 3.44% |
| 2018 | -2.70% | 2.80% | 1.52% | -4.55% | -3.09% |
| 2019 | 5.66% | 4.25% | 2.75% | 0.41% | 13.65% |
| 2020 | -10.41% | 14.05% | 3.49% | 6.39% | 12.49% |
| 2021 | -0.14% | - | - | - | -0.14% |



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

| | | |
|---|--------------------|------|
| Muzinich - BondYield ESG S Inc GBP | Anchor Active | 8.0% |
| Vanguard - UK Infl-Linked Gilt A Grss Acc GBP | Anchor Passive | 8.0% |
| EdenTree - Amity Sterling Bond B | Anchor Active | 7.0% |
| Royal London Sust Diversified Trust C Acc | Diversifier Active | 7.0% |
| Rathbone - Ethical Bond Inst Acc | Enhancer Active | 7.0% |
| VT - Gravis Clean Energy Income C Acc GBP | Diversifier Active | 7.0% |
| Vanguard - SRI European Stock Acc GBP | Enhancer Passive | 6.0% |
| UBS - MSCI UK IMI Socially Responsible ETF | Enhancer Passive | 6.0% |
| BMO - Responsible Global Equity 2 Acc | Enhancer Active | 6.0% |
| Aegon - Global Sustainable Equity B Acc GBP | Enhancer Active | 6.0% |

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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