

Quarterly Investment Review

Q2 / 2018

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Important Notes

Views and Opinions

The views and opinions expressed in this document are those of Parmenion Investment Management. They should not be taken as a personal recommendation to buy or sell, or as advice on how any investment mentioned is likely to perform. Every care has been taken to ensure the accuracy of the information published in this document. It cannot, however, be guaranteed.

Performance Data

All risk grade performance figures are from FE Analytics, formerly Financial Express, and assume that net income has been reinvested ("total return basis") and that the client has been invested throughout the period to 30 June 2018 ("bid to bid basis" so that there is no impact from the bid/offer spread, and there are no Initial Charges or Fund One-Off Costs incorporated).

Fund prices are published after the payment of Fund Ongoing Charge Figures, Fund Trading Costs and Fund Incidental Costs (the latter two being newly declared charges under MIFID II) so these charges are included in the performance figures quoted here. These figures should be close to the Gross Performance (excluding charges) figures given in the quarterly client valuation reports, provided the client has been invested in the same model throughout the period.

However, as different clients have different fee structures, the performance figures given in this document do not include Annual DFM, Custody or Adviser charges; nor do they include Ongoing Custodian dealing charges or Fund One-Off Costs.

The impact of all charges not included in these performance figures are shown for existing clients by the difference between Gross and Net Performance figures in their quarterly valuation reports, where they are also broken out as individual monetary amounts.

For Advisers wishing to estimate returns that are approximately comparable to client portfolio performance, the client's Annual DFM, Custody and Adviser Charges (though importantly not the OCF element of the Total Annual Charge or TAC) should be subtracted from the 12m performance figures provided here or applied pro rata to other periods. Turnover times the applicable Ongoing Custodian dealing charge would give an estimate of annual dealing costs.

Performance figures assume that sales and purchases of funds instructed for rebalancing and fund switches will be made on the same day. However, in the context of client portfolios at least a 24 hour delay may be imposed between sales and purchases, to ensure settlement proceeds have been received before purchases are made. This is to protect the pooled client money account by ensuring that only money belonging to clients is used to fund their purchases. Where performance data is not available for a period of five years or more, this is quoted from inception date. Where no performance figures are shown, no data is available which we have labelled as N/A for the purposes of this document.

Standard Disclaimer

The tables in this document provide past performance data and should not be taken as a guide to future returns.

The value of investments and the income that can be earned from them may go down as well as up and a client may not get back the full amount invested. Rates and bases of taxation are subject to change. The risks of investment associated with different asset classes, for example, overseas equity, property, corporate debt, commodities and alternative assets vary in their nature.

Yield

The Quarterly Investment Review quotes the historic yield, which reflects distribution declared over the past twelve months as a percentage of the unit price. It is based on a snapshot of the portfolio on that day.

Seeking appropriate Financial Advice

Parmenion is not authorised to provide investment advice to individuals. It is important that clients take a medium to long term view when investing and are realistic about performance outcomes.

If a client wishes to obtain financial advice as to whether an investment is suitable for their needs, they should consult an authorised Financial Adviser. Clients should ensure they have understood the contents of their Adviser's suitability report before proceeding with any proposed investment.

Regulatory

Parmenion Investment Management Ltd is a subsidiary of Parmenion Capital Partners LLP. Parmenion Capital Partners LLP is authorised and regulated by the Financial Conduct Authority, registration number: 462085. Wholly owned subsidiary of Aberdeen Asset Management PLC and Aberdeen Investments Limited. Parmenion Capital Partners LLP is registered in England and Wales OC322243.

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Parmenion Investment Management

Parmenion Investment Management (PIM) is a leading provider of discretionary management services to Financial Advisers. Renowned for its investment expertise, service excellence and unique risk management framework, PIM provides Advisers with an extensive range of market-leading investment solutions to assist in creating customised offerings to best meet the specific requirements of their individual clients.

Our aim is to be the investment manager of choice for Financial Advisers looking to profitably grow their business. We pledge to undertake the investment research, fund selection and monitoring, allowing you to focus more closely on ensuring the on-going suitability of the selected investment solution to best align with the risk mandate agreed between you and your clients. This ensures that the client and Adviser can have complete confidence in their investments and their risk-adjusted returns regardless of market conditions, strategy or investment style, whilst also providing Advisers with greater opportunity to expand new business prospects.

The enhanced client and Adviser confidence stems from the unique approach PIM takes towards investing. With a firm belief that risk and return are inextricably linked, our focus at all times is on managing the expectations of clients and Financial Advisers in relation to their investment outcomes – a fundamental premise being that long term returns are likely to be commensurate with the level of risk taken.

In contrast, many Investment Managers focus on benchmark investment performance, which we believe only leads to disappointment. Instead, we place the emphasis on managing risk so that clients understand the inherent volatilities they are taking with their investments and consequently the range of outcomes they can expect.

We believe the management of risk within an investment portfolio is critical. To assist in this process Modern Portfolio Theory (MPT) is used to substantiate and underpin our investment solutions with the objective of reducing overall risk whilst maximising returns for any given level of risk taken. This is done by varying the exposure to risky and defensive asset classes and back testing using 20 years of historical data to help determine an optimised weighting to each asset class for any given level of risk. PIM then overlays this with our experience and a variety of techniques, including stress testing, that takes into account a range of potential scenarios to ensure that each and every portfolio is suitably protected and diversified.

The comprehensive PIM investment range encompasses a Strategic Multi-Option solution, with a mix of Active and Passive options, plus Tactical, Income, de-accumulation and Ethical solutions. Each of the PIM solutions are built using asset classes (Equities, Fixed Interest and Property) that are optimally combined to match the risk tolerance of each client.

PIM undertakes rigorous research for each fund included in its portfolios. The objective is to select funds that will provide favourable risk adjusted returns over the long term. The research of these funds is divided into two stages: qualitative and quantitative. The qualitative element involves meeting with the fund manager to understand their investment philosophy, process and methodology and how they have generated the favourable risk-adjusted performance that PIM has identified. The quantitative analysis measures raw data including the risk/return performance of the fund and the downside risk management and skill of the fund manager.

Market Commentary



Simon Brett

Chief Investment Strategist
Parmenion Investment Management

After a see-saw first quarter, stock market returns in the second quarter of 2018 were more equable. In March, the FTSE All Share was down nearly 8% on the year but after rising 9% in the past months it is ahead 1%, year to date.

The same is true of the United States whose economy is humming along quite nicely. Unemployment is low, tax cuts have boosted personal income, company earnings growth is above expectations and the Federal Reserve appears to be raising interest rates at a pace that will stop the economy overheating. The era of printing money (QE) in the United States has come to an end. This key to the rise in markets over the past 10 years is now being withdrawn. It will be interesting to see how markets fare, assessing stocks based upon more fundamental data. At very least investors should expect heightened volatility compared with levels experienced recently.

And yet the rhetoric from President Trump over tariffs is building. His tariffs on steel and aluminium coming into the country is leading to retaliatory action from Europe, the Chinese and Canada. So far this has not yet blown up into a full trade war and protectionism. However, mistakes can happen and should things escalate the global economy will suffer.

What does this mean for stock markets? There is a risk to company earnings and margins. Tariffs will raise costs for importers if they are not able to source supplies domestically. A country like Germany derives a significant part of its GDP from international trade and the US IT sector derives over half of its revenues from overseas sales. Should the worse come to pass, company valuations are likely to fall.

Closer to home Italian politics weighed down on Europe. The ousting of the traditional parties in the recent election and the rise of the Northern League and the Five Star movement has changed the political landscape of the Euro's third largest economy. Italy's economy fell by 10% after the 2007-08 financial crisis and is not forecast to regain that level until the mid 2020's. Debt as a percentage of GDP is high at 130%. With the added complication of the migrant crisis, the European consensus may fracture. If Italy left the Euro to overcome its economic malaise, the single currency itself may be threatened.

Like the United States the UK economy appears to be doing well, although the uncertainties of Brexit continue. Smaller companies in particular are hoarding cash until there is greater clarity in terms of the final shape of the deal. This lack of confidence may create a headwind for the continued good economic news.

Given we expect the second half of the year to be more challenging, it is important to ensure that investors are comfortable with their risk tolerance and investment time horizon. All Parmenion investment solutions have 10 risk grades and these have performed in step with each other over many years, according to their risk characteristics. Over a sensible time frame, returns can still be expected, commensurate with the volatility sustained in the period of investment.

Featured Article

Have US politics distracted us from US profits?



Peter Dalgliesh
Managing Director, PIM
Parmenion Investment Management

Donald, who? In early 2016, in our regional events for Advisers we analysed the incoming US President, Donald Trump. Who was he and what were his plans?

We talked about The Wall, his infrastructure plans, tax cutting ideas and the promised support for the military. We didn't foresee the Russian investigation, high staff turnover in the White House, children separated from their families, a rapprochement with North Korea or trade wars. And it's the latter issue that is uppermost today.

Trade Wars: the Soap Opera

Calm, unobjectionable Canada has been handed a good tweeting on its dairy exports. Europe has slapped retaliatory tariffs on Harley-Davidson motor cycles after its steel and aluminium exports to the US were hit. Affected by the same measure, Japan has pushed hard for an exemption. Amidst this flurry of activity, the sense is emerging that the real target is China, and that's a big issue for investors.

Chinese trade-away

Trump's proposals in relation to China involve a \$34bn package of tariffs with talk of a much larger target to be aimed for and even higher duties if there is retaliation. The goal here is to bring jobs home to America, and retain Trump's blue collar support. The price, even of the threats, is potentially high. China has managed to maintain the strength of its domestic economy since the Financial Crisis in large measure through its banking sector pumping money into housing and construction. This has led to commentators querying whether there is a hidden risk to stability in Chinese banking which a trade war could expose. Parmenion have been wary of overexposure to mainland China as a result. Their government's response to Trump's protectionism has been subtle. But there is another factor influencing markets. The American stock market is seeing a set of storming corporate profit results and they've seen the S&P 500 Index end the quarter strongly, while other markets in the UK and the rest of the world have drifted flatter year to date.

How sharp are the FAANGS?

There is no doubt that a key factor in driving up US stock markets in the face of mounting trade war concerns is the rise of the tech giants. Facebook, Apple, Amazon, Netflix and Google (the FAANGS) together share a market capitalisation of \$2.7trn, as at the end of June, not far short of the value of the entire UK FTSE 100. Their rate of share price appreciation and elevated price/earnings ratios can be seen in the table below. There's a latent worry that this is DotCom Mark II, a bubble in tech stocks based on naive expectations of future achievements. The genuine difference is that these businesses have real customers and big profits, here and now. In the first quarter they shared gross revenue of \$187bn and in the detail of the numbers is evidence of solid growth. Netflix added a record number of subscribers in Q1, beating all analyst expectations. Amazon returned a record quarter of profitability and Google's income increased to \$31bn in the first three months against \$25bn in the comparable period of 2017. These businesses are driving a global transformation of consumption in news, social interaction, communication, purchasing and entertainment, as are their clones and 'me too' followers.

	PRICE \$	52 WK HIGH	52 WK LOW	P/E RATIO	MKT CAP \$BN
Stock					
Facebook	194.3	203.55	147.8	34.18	466.1
Amazon	1699.8	1763.1	931.75	227.47	824.8
Apple	185.11	194.2	142.41	18.95	909.8
Netflix	391.43	423.31	144.25	279.13	170.1
Google	1129.19	1201.49	915.31	50.84	337.2

Source: Financial Times, 02 July 2018

Reviewing the financial press at the start of the third quarter, the news of Trump's increasingly bellicose stance on trade is everywhere. The logic that the sheer scale of the US economy can be self-sustaining – the economics of 'beggar my neighbour' – stands to be tested against market sentiment over the rest of this year.

M PIM Strategic Multi-Option Active and Passive Portfolios

The Multi-Option offering is built around seven asset classes; Managed Liquidity, Fixed Interest, Property, UK Value and Income, UK Growth, Developed Markets and Emerging Markets. An investor in the Multi-Option offering assumes that the risk and return relationships between the various asset classes are stable over the long term. Thus, the asset allocations for the ten Risk Graded portfolios will not change frequently. The Multi-Option offering allows a choice of either Active or Passive investment for each asset class.

The PIM Strategic Passive solution, is identical in structure to the PIM Strategic Multi-Option Passive solution and as such is excluded from the QIR. Strategic Multi-Option gives Advisers the flexibility to choose between Active or Passive for each asset class, whilst PIM Strategic Passive has a passive fund selection across all available asset classes. Whilst the DFM fee differs slightly for PIM Strategic Multi-Option (proportional to the Active exposure) this would not affect the performance figures as they are gross of fees from Parmenion or the Adviser.

PIM Strategic Multi-Option - Asset Allocation Table

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS	TOTAL
Risk Grade								
1	80%	20%	0%	0%	0%	0%	0%	100%
2	25%	55%	10%	5%	5%	0%	0%	100%
3	15%	55%	10%	10%	5%	5%	0%	100%
4	15%	35%	10%	20%	10%	10%	0%	100%
5	5%	30%	10%	20%	15%	20%	0%	100%
6	0%	25%	10%	20%	20%	25%	0%	100%
7	0%	15%	15%	20%	20%	25%	5%	100%
8	0%	0%	15%	20%	15%	35%	15%	100%
9	0%	0%	10%	15%	15%	35%	25%	100%
10	0%	0%	0%	10%	15%	40%	35%	100%

Active portfolios are rebalanced to their asset allocation on a quarterly basis.
Passive portfolios are rebalanced to their asset allocation on a half yearly basis.

Net Ongoing Charge Figure (OCF) and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

PIM Strategic Multi-Option Active

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS
Fund OCF	0.10%	0.58%	0.73%	0.85%	0.76%	0.83%	1.02%
Historic Yield	0.25%	2.34%	3.29%	3.98%	2.13%	0.85%	1.20%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Strategic Multi-Option Passive

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS
Fund OCF	0.10%	0.08%	0.73%	0.12%	0.05%	0.08%	0.22%
Historic Yield	0.25%	1.74%	3.29%	4.79%	3.55%	1.88%	1.85%

Fund OCF and historic yield data is correct as at 03 July 2018.

Portfolio Holdings as of 30 June 2018

The current portfolio holdings for PIM Strategic Multi-Option are shown in the tables below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

PIM Strategic Multi-Option Active

MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS
Federated Short-Term Sterling Prime	Allianz Gilt Yield	Threadneedle UK Property Authorised Trust Feeder	Unicorn UK Income	LF Lindsell Train UK Equity	Dodge & Cox US Stock	GS Emerging Markets Equity Portfolio
BlackRock ICS Institutional Sterling Liquidity	M&G Index Linked Bond	L&G UK Property Feeder	Trojan Income	Liontrust Special Situations	Vontobel US Equity	Schroder Global Emerging Markets
	Fidelity Moneybuilder Income	Standard Life Investments UK Real Estate Income Feeder	Rathbone Income	Jupiter UK Special Situations	Pioneer US Fundamental Growth	MI Somerset Emerging Markets Dividend Growth
	BlackRock Corporate Bond		Threadneedle UK Equity Income	Investec UK Alpha	Fidelity American Special Situations	Fidelity Emerging Markets
	Goldman Sachs Global Fixed Income Plus Portfolio		Evenlode Income		Jupiter European	
	M&G Optimal Income		CF Miton UK Multi Cap Income		Threadneedle European Select	
	Jupiter Strategic Bond				FP CRUX European Special Situations	
					LF Morant Wright Nippon Yield	
					Schroder Tokyo	
					Veritas Asian	
					Stewart Investors Asia Pacific Leaders	

PIM Strategic Multi-Option Passive

MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK VALUE AND INCOME	UK GROWTH	DEVELOPED MARKETS	EMERGING MARKETS
Federated Short-Term Sterling Prime	Vanguard UK Government Bond Index	Threadneedle UK Property Authorised Trust Feeder	Vanguard FTSE UK Equity Income Index	Vanguard FTSE UK All Share Index	Vanguard US Equity Index	Vanguard Emerging Markets Stock Index
BlackRock ICS Institutional Sterling Liquidity Premier	L&G All Stocks Index Linked Gilt Index	L&G UK Property Feeder			Vanguard FTSE Developed Europe ex UK Equity Index	
	Vanguard UK Investment Grade Bond Index	Standard Life Investments UK Real Estate Income Feeder			L&G Japan Index	
	Vanguard Global Bond Index GBP Hedged				L&G Pacific Index	

PIM Strategic Multi-Option Active - Portfolio Returns to period end 30 June 2018

All portfolios continue to perform in line with their relative risk over 2, 3 and 5 years (with the exception of Risk Grade 9 over 5 years) owing to the strong relative performance of UK Growth, Developed and Emerging Markets Equity over 2 and 3 years and Developed Markets Equity over 5 years. Over 3 months to 1 year, performance is distorted by the relative underperformance of Emerging Markets and the relative outperformance of Property over 1 year.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Active						
1	0.05%	-0.02%	0.43%	1.86%	3.30%	7.10%
2	0.98%	0.20%	2.00%	7.98%	11.67%	22.80%
3	1.78%	0.48%	2.60%	10.64%	15.28%	29.24%
4	3.61%	1.38%	3.82%	14.92%	19.63%	37.56%
5	4.92%	1.97%	5.22%	19.47%	26.02%	48.59%
6	5.84%	2.41%	6.18%	22.50%	29.97%	55.63%
7	5.81%	2.37%	6.76%	24.40%	31.81%	58.38%
8	5.85%	2.00%	7.55%	28.54%	37.85%	65.94%
9	5.02%	1.11%	7.52%	29.90%	40.17%	65.64%
10	4.50%	0.24%	7.55%	32.09%	44.28%	67.38%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Multi-Option Passive - Portfolio Returns to period end 30 June 2018

All portfolios continue to perform in line with their relative risk over 2, 3 and 5 years owing to the strong relative performance of UK Growth, Developed and Emerging Markets Equity over 2 years and Developed Markets Equity over 3 and 5 years. Over 3 months to 1 year, performance is distorted by the relative underperformance of Emerging Markets and the relative outperformance of Property over 1 year.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Passive						
1	0.07%	0.06%	0.48%	1.21%	3.43%	7.75%
2	0.98%	0.18%	2.16%	5.82%	11.60%	23.59%
3	1.74%	0.37%	2.91%	8.48%	15.12%	29.47%
4	3.43%	0.86%	4.27%	13.15%	18.74%	35.01%
5	4.64%	1.27%	5.61%	17.94%	24.98%	44.98%
6	5.49%	1.54%	6.50%	21.06%	28.68%	50.91%
7	5.46%	1.51%	7.11%	23.42%	30.33%	53.18%
8	5.53%	1.30%	8.10%	28.92%	36.52%	60.68%
9	4.75%	0.60%	8.03%	30.60%	38.85%	61.22%
10	4.27%	-0.11%	8.05%	33.28%	43.01%	63.70%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Multi-Option - Asset Class Returns to period end 30 June 2018

The PIM Strategic Multi-Option Risk Graded portfolios are built through a weighted exposure to seven underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

PIM Strategic Multi-Option Active

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	1.06%	3.49%
Fixed Interest	-0.27%	-0.99%	0.78%	6.46%	12.34%	22.33%
Property	1.70%	2.99%	7.46%	14.70%	15.14%	42.26%
UK Value and Income	8.77%	2.80%	3.62%	23.78%	24.78%	54.03%
UK Growth	10.18%	4.81%	11.29%	33.84%	38.03%	68.52%
Developed Markets	8.05%	3.26%	9.06%	32.45%	52.96%	90.01%
Emerging Markets	-3.06%	-5.94%	4.85%	32.43%	41.31%	44.46%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Multi-Option Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	1.06%	3.49%
Fixed Interest	-0.14%	-0.61%	1.02%	3.08%	13.02%	25.96%
Property	1.70%	2.99%	7.46%	14.70%	15.14%	42.26%
UK Value and Income	8.32%	1.09%	6.26%	21.71%	20.37%	39.55%
UK Growth	9.18%	2.08%	9.38%	29.08%	31.82%	52.76%
Developed Markets	7.66%	3.03%	9.49%	35.98%	55.69%	90.92%
Emerging Markets	-2.75%	-5.08%	5.77%	34.33%	38.94%	44.40%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

C PIM Strategic Conviction Portfolios

PIM Strategic Conviction was launched in August 2015. The solution combines both active and passive funds within each asset class in order to achieve attractive long term risk adjusted returns, a unique feature within the PIM investment solutions. By combining both types of fund, the PIM Conviction Solution overcomes the difficulty of choosing one approach over the other. PIM uses its experience to decide the split between active/passive by examining monthly a range of quantitative and qualitative factors. Thus the split between active and passive in each asset class is likely to vary over time depending on PIM's analysis and interpretation of market conditions. The current allocations can be seen on page 13.

The PIM Strategic Conviction solution is built around seven broad asset classes; Managed Liquidity, Fixed Interest, Property, UK Value and Income, UK Growth, Developed Markets and Emerging Markets. Fixed Interest is then split into four sub asset classes: UK Gilts, Index Linked Gilts, Corporate Bonds and Strategic Bonds. Developed Markets is also split into four sub asset classes; European Equity, US Equity, Japanese Equity and Asia Pacific ex Japan Equity. An investor in the PIM Strategic Conviction assumes that the risk and return relationships between the various asset classes are stable over the long term. Thus, the asset allocations for the ten Risk Graded portfolios will not change frequently.

PIM Strategic Conviction Portfolios - Asset Allocation Table

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity	80.00%	25.00%	15.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gilts	3.00%	8.25%	8.25%	5.25%	4.50%	3.75%	2.25%	0.00%	0.00%	0.00%
Index Linked Gilts	2.00%	5.50%	5.50%	3.50%	3.00%	2.50%	1.50%	0.00%	0.00%	0.00%
Corporate Bonds	7.00%	19.25%	19.25%	12.25%	10.50%	8.75%	5.25%	0.00%	0.00%	0.00%
Global Bonds	8.00%	22.00%	22.00%	14.00%	12.00%	10.00%	6.00%	0.00%	0.00%	0.00%
Property	0.00%	10.00%	10.00%	10.00%	10.00%	10.00%	15.00%	15.00%	10.00%	0.00%
UK Equity Income	0.00%	5.00%	10.00%	20.00%	20.00%	20.00%	20.00%	20.00%	15.00%	10.00%
UK Equity Growth	0.00%	5.00%	5.00%	10.00%	15.00%	20.00%	20.00%	15.00%	15.00%	15.00%
European Equity	0.00%	0.00%	1.00%	2.00%	4.00%	5.00%	5.00%	7.00%	7.00%	8.00%
US Equity	0.00%	0.00%	3.00%	6.00%	12.00%	15.00%	15.00%	21.00%	21.00%	24.00%
Japanese Equity	0.00%	0.00%	0.50%	1.00%	2.00%	2.50%	2.50%	3.50%	3.50%	4.00%
Asia Pacific ex Japan Equity	0.00%	0.00%	0.50%	1.00%	2.00%	2.50%	2.50%	3.50%	3.50%	4.00%
Emerging Market Equity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	15.00%	25.00%	35.00%

*Portfolios are rebalanced to their asset allocation on a quarterly basis or when a change is made between the active/passive allocations.

Net Ongoing Charge Figure (OCF) and Historic Yield

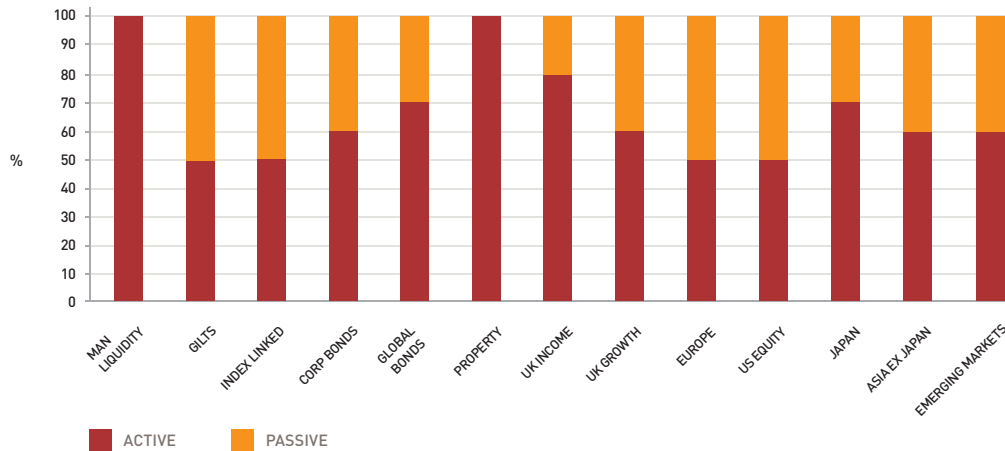
The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

	MANAGED LIQUIDITY	GILTS	INDEX LINKED GILTS	CORPORATE BONDS	STRATEGIC BONDS	PROPERTY	UK EQUITY INCOME	UK EQUITY GROWTH	EUROPEAN EQUITY	US EQUITY	JAPANESE EQUITY	ASIA PACIFIC EX JAPAN EQUITY	EMERGING MARKET EQUITY
Fund OCF	0.10%	0.19%	0.33%	0.35%	0.55%	0.73%	0.70%	0.48%	0.49%	0.47%	0.74%	0.61%	0.70%
Historic Yield	0.25%	1.34%	0.00%	2.94%	2.48%	3.29%	4.14%	2.70%	1.86%	0.88%	1.65%	2.58%	1.46%

Fund OCF and historic yield data is correct as at 03 July 2018.

Active/Passive Allocation as at 30 June 2018

The chart below displays the current active/passive weights within each asset class as at 30 June 2018.



Portfolio Holdings as of 30 June 2018

The current portfolio holdings for PIM Strategic Conviction are shown in the tables below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

PIM Strategic Conviction Active and Passive Funds

MANAGED LIQUIDITY	GILTS	INDEX LINKED GILTS	CORPORATE BONDS	GLOBAL STRATEGIC BONDS	PROPERTY	UK EQUITY INCOME	UK EQUITY GROWTH	EUROPEAN EQUITY	US EQUITY	JAPANESE EQUITY	ASIA PACIFIC EX JAPAN EQUITY	EMERGING MARKET EQUITY
Federated Short-Term Sterling Prime	Allianz Gilt Yield	M&G Index Linked Bond	Fidelity Moneybuilder Income	Jupiter Strategic Bond	Threadneedle UK Property Authorised Trust Feeder	Unicorn UK Income	LF Lindsell Train UK Equity	Jupiter European	Fidelity American Special Situations	LF Morant Wright Nippon Yield	Stewart Investors Asia Pacific Leaders	MI Somersset Emerging Markets Dividend Growth
BlackRock ICS Institutional Sterling Liquidity	Vanguard UK Government Bond Index	L&G All Stocks Index Linked Gilt Index	BlackRock Corporate Bond	M&G Optimal Income	L&G UK Property Feeder	Trojan Income	Liontrust Special Situations	Threadneedle European Select	Pioneer US Fundamental Growth	Schroder Tokyo	Veritas Asian	Fidelity Emerging Markets
			Vanguard UK Investment Grade Bond Index	Goldman Sachs Global Fixed Income Plus Portfolio	Standard Life Investments UK Real Estate Income Feeder	Rathbone Income	Jupiter UK Special Situations	FP CRUX European Special Situations	LF Miton US Opportunities	L&G Japan Index	L&G Pacific Index	Schroder Global Emerging Markets
				Vanguard Global Bond Index GBP Hedged		Evenlode Income	Investec UK Alpha	Vanguard FTSE Developed Europe ex UK Equity Index	Vanguard US Equity Index			GS Emerging Markets Equity Portfolio
						LF Miton UK Multi Cap Income	Vanguard FTSE UK All Share Index					Vanguard Emerging Markets Stock Index
						Threadneedle UK Equity Income						
						Vanguard FTSE UK Equity Income Index						

PIM Strategic Conviction - Portfolio Returns to period end 30 June 2018

All portfolios continue to perform in line with their relative risk over 2 years and since inception owing to the strong relative performance of UK Equity Growth, Developed Markets Equity and Emerging Markets Equity. Over 3 months, 6 months and 1 year performance is distorted by the relative underperformance of Emerging Markets Equity vs. all other equities.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	FROM INCEPTION (31.08.2015)
Risk Grade					
1	0.04%	0.00%	0.44%	1.66%	2.92%
2	0.96%	0.18%	2.05%	7.30%	10.88%
3	1.76%	0.42%	2.71%	10.02%	14.66%
4	3.57%	1.16%	4.01%	14.47%	19.75%
5	4.84%	1.64%	5.37%	19.05%	26.77%
6	5.74%	2.00%	6.31%	22.04%	31.24%
7	5.71%	1.95%	6.86%	24.12%	33.91%
8	5.78%	1.60%	7.62%	28.85%	42.01%
9	4.95%	0.76%	7.48%	30.32%	46.13%
10	4.43%	-0.10%	7.40%	32.68%	52.59%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Conviction - Asset Class Returns to period end 30 June 2018

The PIM Strategic Conviction portfolios are built through a weighted exposure to thirteen underlying asset classes. For transparency purposes the returns of each sub-asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	FROM INCEPTION (31.08.2015)
Asset Class					
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	0.92%
Gilts	0.11%	0.40%	2.19%	2.06%	14.33%
Index Linked Gilts	-0.37%	-1.08%	1.73%	8.88%	20.92%
Corporate Bonds	-0.03%	-1.06%	0.94%	6.35%	11.64%
Global Strategic Bonds	-0.63%	-1.14%	-0.02%	4.61%	6.65%
Property	1.70%	2.99%	7.46%	14.70%	13.28%
UK Equity Income	8.91%	2.33%	4.83%	24.34%	25.87%
UK Equity Growth	9.78%	3.71%	10.75%	30.68%	43.26%
European Equity	4.95%	0.79%	6.02%	33.02%	46.07%
US Equity	10.05%	4.33%	10.25%	32.91%	60.07%
Japanese Equity	3.55%	-1.27%	8.15%	42.55%	53.57%
Asia Pacific ex Japan Equity	5.22%	1.41%	8.03%	28.53%	55.04%
Emerging Market Equity	-2.93%	-5.75%	4.38%	33.67%	58.99%

Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Guardian Portfolios

The PIM Strategic Guardian solution enables clients to invest in one of ten carefully constructed Strategic portfolios, according to the client's requirement for yield, total return, attitude to risk and capacity for loss. The amount invested into each portfolio is dependent upon the clients' risk profile and, once agreed, is kept constant with periodic rebalancing. This solution has been specifically designed to be used within a drawdown environment whether that be via pension drawdown or otherwise.

PIM Strategic Guardian Portfolios - Asset Allocation Table

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity	55.00%	30.00%	15.00%	7.00%	5.00%	2.00%	0.00%	0.00%	0.00%	0.00%
UK Gilts	5.00%	10.00%	10.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Index Linked Gilts	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	2.00%	2.00%
UK Corporate Bonds	10.00%	16.00%	25.00%	27.00%	17.00%	12.00%	6.00%	0.00%	0.00%	0.00%
Global Strategic Bonds	15.00%	20.00%	15.00%	13.00%	10.00%	10.00%	9.00%	5.00%	0.00%	0.00%
Global High Yield Bonds	0.00%	0.00%	2.00%	4.00%	5.00%	5.00%	6.00%	9.00%	9.00%	7.00%
UK Property	5.00%	5.00%	5.00%	6.00%	6.00%	6.00%	7.00%	8.00%	7.00%	2.00%
UK Equity Income	0.00%	5.00%	15.00%	15.00%	23.00%	20.00%	14.00%	0.00%	0.00%	0.00%
UK Mid Cap Equity	0.00%	0.00%	0.00%	2.00%	3.00%	3.00%	3.00%	3.00%	4.00%	5.00%
UK Small Cap Equity	0.00%	0.00%	0.00%	4.00%	5.00%	7.00%	7.00%	8.00%	9.00%	10.00%
US Equity	0.00%	0.00%	0.00%	3.00%	6.00%	12.00%	13.00%	15.00%	16.00%	18.00%
US Equity Small Cap	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	8.00%	10.00%	11.00%
Europe ex UK Equity	0.00%	0.00%	0.00%	4.00%	5.00%	6.00%	8.00%	8.00%	10.00%	10.00%
Pacific ex Japan Equity	0.00%	0.00%	0.00%	2.00%	3.00%	5.00%	6.00%	8.00%	9.00%	10.00%
Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	15.00%	15.00%	20.00%
Targeted Return	10.00%	14.00%	13.00%	13.00%	12.00%	12.00%	11.00%	11.00%	9.00%	5.00%

*Portfolios are rebalanced to their asset allocation on a quarterly basis.

Net Ongoing Charge Figure (OCF) and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

	MANAGED LIQUIDITY	UK GILTS	UK INDEX LINKED GILTS	UK CORPORATE BONDS	GLOBAL STRATEGIC BONDS	GLOBAL HIGH YIELD BONDS	UK PROPERTY	UK EQUITY INCOME	UK MID CAP EQUITY	UK SMALL CAP EQUITY	US EQUITY	US EQUITY SMALL CAP	EUROPE EX UK EQUITY	PACIFIC EX JAPAN EQUITY	EMERGING MARKETS EQUITY	TARGETED RETURN
Fund OCF	0.10%	0.06%	0.10%	0.47%	0.75%	0.64%	0.72%	0.87%	0.83%	1.36%	0.41%	0.43%	0.91%	0.51%	1.07%	0.86%
Historic Yield	0.25%	1.39%	0.00%	3.33%	2.83%	4.83%	3.31%	3.82%	2.53%	0.22%	0.94%	0.37%	1.33%	5.24%	1.37%	2.98%

Fund OCF and historic yield data is correct as at 03 July 2018

Portfolio Holdings as at 30 June 2018

The current portfolio holdings for PIM Strategic Guardian are shown in the tables below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

MANAGED LIQUIDITY	UK GILTS	UK INDEX LINKED GILTS	UK CORPORATE BONDS	GLOBAL STRATEGIC BONDS	GLOBAL HIGH YIELD BONDS	UK PROPERTY	UK EQUITY INCOME	UK MID CAP EQUITY	UK SMALL CAP EQUITY	US EQUITY	US EQUITY SMALL CAP	EUROPE EX UK EQUITY	PACIFIC EX JAPAN EQUITY	EMERGING MARKETS EQUITY	TARGETED RETURN
BlackRock ICS Institutional Sterling Liquidity	Vanguard UK Government Bond Index	L&G All Stocks Index Linked Gilt Index	Fidelity Moneybuilder Income	Jupiter Strategic Bond	Pimco GIS Global High Yield Bond	Threadneedle UK Property Authorised Trust Feeder	Evenlode Income	Neptune UK Mid Cap	Liontrust UK Smaller Companies	Fidelity American Special Situations	Dimensional US Small Companies	Jupiter European	Schroder Asian Income Maximiser	GS Emerging Markets Equity Portfolio	Aviva Inv Multi Strategy Target Income
Federated Short-Term Sterling Prime			BlackRock Corporate Bond	M&G Optimal Income	Threadneedle High Yield Bond	L&G UK Property Feeder	Rathbone Income			Pioneer US Fundamental Growth		FP CRUX European Special Situations	L&G Pacific Index	MI Somerset Emerging Markets Dividend Growth	Invesco Perpetual Global Targeted Returns
			Royal London Sterling Credit	Goldman Sachs Global Fixed Income Plus Portfolio			Trojan Income			Dodge & Cox US Stock					
										Vontobel US Equity					
										Vanguard US Equity Index					

PIM Strategic Guardian - Portfolio Returns to period end 30 June 2018

All portfolios have performed in line with their relative risk over 1 year, 2 years and since inception owing to strong relative returns in UK and US Small Cap Equities. Performance over 3 and 6 months is distorted as Emerging Markets Equity and Targeted Return have underperformed all other asset groups.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	FROM INCEPTION (03.05.2016)
Risk Grade					
1	-0.04%	-0.18%	0.48%	2.90%	3.41%
2	0.27%	-0.28%	0.56%	4.44%	5.55%
3	1.12%	-0.12%	0.88%	6.64%	8.08%
4	2.19%	0.36%	2.38%	12.46%	13.55%
5	3.39%	0.93%	3.13%	15.46%	16.90%
6	4.02%	1.38%	4.13%	18.60%	20.76%
7	4.25%	1.48%	5.23%	22.09%	25.62%
8	3.45%	0.84%	6.07%	25.40%	31.05%
9	4.15%	1.23%	6.96%	27.99%	34.25%
10	4.39%	1.03%	7.47%	30.95%	38.78%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Guardian - Asset Class Returns to period end 30 June 2018

The PIM Strategic Guardian portfolios are built through a weighted exposure to sixteen underlying asset classes. For transparency purposes the returns of each sub-asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	FROM INCEPTION (03.05.2016)
Asset Class					
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	0.73%
UK Gilts	0.00%	0.40%	2.11%	1.05%	8.34%
UK Index Linked Gilts	-0.37%	-1.12%	1.79%	8.94%	21.15%
UK Corporate Bonds	0.08%	-1.13%	1.18%	7.56%	9.55%
Global Strategic Bonds	-0.83%	-1.33%	-0.21%	6.84%	7.96%
Global High Yield Bonds	-0.32%	-1.30%	0.68%	10.98%	11.43%
UK Property	1.85%	3.10%	7.61%	15.53%	10.68%
UK Equity Income	8.34%	2.36%	1.97%	17.44%	19.43%
UK Mid Cap Equity	3.70%	-2.84%	5.12%	25.24%	21.18%
UK Small Cap Equity	8.21%	7.77%	18.68%	66.00%	55.04%
US Equity	9.97%	4.97%	9.37%	31.08%	44.90%
US Equity Small Cap	13.76%	7.93%	13.89%	42.13%	57.04%
Europe ex UK Equity	7.51%	3.75%	10.87%	34.27%	40.70%
Pacific ex Japan Equity	3.03%	-0.91%	5.25%	32.66%	44.57%
Emerging Markets Equity	-4.34%	-7.55%	1.86%	25.69%	39.58%
Targeted Return	-0.81%	-1.61%	-2.77%	-0.95%	-1.37%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

S PIM Strategic Active Portfolios

The PIM Strategic Active portfolios are constructed using six asset classes each with their own distinctive risk and reward characteristics. By varying the percentage exposure to each asset class, ten Risk Graded portfolios are produced that can match the risk tolerance of a particular client. The current split between the asset classes for each of the ten Risk Graded portfolios is detailed in the table below. An investor in the PIM Strategic Active solution assumes that the risk and return relationships between the various asset classes are stable over the long term. Thus, the asset allocations for the ten Risk Graded portfolios will not change frequently.

PIM Strategic Active Portfolios - Asset Allocation Table

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	EQUITY INCOME	EQUITY GROWTH	GLOBAL ALPHA	TOTAL
Risk Grade							
1	80%	20%	0%	0%	0%	0%	100%
2	25%	55%	10%	5%	5%	0%	100%
3	15%	55%	10%	10%	10%	0%	100%
4	15%	35%	10%	25%	15%	0%	100%
5	5%	30%	15%	25%	25%	0%	100%
6	0%	25%	15%	25%	25%	10%	100%
7	0%	10%	15%	25%	35%	15%	100%
8	0%	0%	15%	20%	35%	30%	100%
9	0%	0%	10%	20%	30%	40%	100%
10	0%	0%	0%	0%	35%	65%	100%

Net Ongoing Charge Figure (OCF) and Historic Yield

Fund OCF	0.10%	0.58%	0.73%	0.86%	0.83%	0.87%
Historic Yield	0.25%	2.34%	3.29%	3.89%	1.16%	0.73%

Fund OCF and historic yield data is correct as at 03 July 2018.

Portfolios are rebalanced to their asset allocation on a quarterly basis.

PIM Strategic Active - Model Portfolio Holdings as at 30 June 2018

The current portfolio holdings for PIM Strategic Active are shown in the table below, as at 30 June 2018. Please refer to page 57 for further details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	EQUITY INCOME	EQUITY GROWTH	GLOBAL ALPHA
Federated-Short-Term Sterling Prime	Allianz Gilt Yield	Threadneedle UK Property Authorised Trust Feeder	MI Chelverton UK Equity Income	Liontrust Special Situations	Franklin UK Managers' Focus
BlackRock ICS Institutional Sterling Liquidity	M&G Index Linked Bond	L&G UK Property Feeder	Unicorn UK Income	LF Lindsell Train UK Equity	Old Mutual North American Equity
	BlackRock Corporate Bond	Standard Life Investments UK Real Estate Income Feeder	Trojan Income	Investec UK Alpha	JOHCM Continental European
	Fidelity Moneybuilder Income		Rathbone Income	Jupiter UK Special Situations	Baillie Gifford Japanese
	Goldman Sachs Global Fixed Income Plus Portfolio		Threadneedle UK Equity Income	Vontobel US Equity	Schroder Asian Alpha Plus
	Jupiter Strategic Bond		Evenlode Income	Fidelity American Special Situations	JPM Emerging Markets Small Cap
	M&G Optimal Income		LF Miton UK Multi Cap Income	Pioneer US Fundamental Growth	
			Fidelity Global Dividend	Dodge & Cox US Stock	
			Artemis Global Income	Jupiter European	
				Threadneedle European Select	
				FP CRUX European Special Situations	
				LF Morant Wright Nippon Yield	
				Schroder Tokyo	
				Stewart Investors Asia Pacific Leaders	
				Veritas Asian	
				MI Somerset Emerging Markets Dividend Growth	
				Fidelity Emerging Markets	
				Rathbone Global Opportunities	

PIM Strategic Active - Portfolio Returns to period end 30 June 2018

All portfolios continue to perform in line with their relative risk over all periods (with the exception of Risk Grade 9 over 6 months) owing to the consistent relative outperformance of Equity Income (over 3 months) Equity Growth and Global Alpha.

	<i>3 MONTH RETURN</i>	<i>6 MONTH RETURN</i>	<i>1 YEAR RETURN</i>	<i>2 YEAR RETURN</i>	<i>3 YEAR RETURN</i>	<i>5 YEAR RETURN</i>
Risk Grade						
1	0.05%	-0.02%	0.43%	1.86%	3.30%	7.10%
2	0.83%	0.10%	2.00%	8.15%	12.33%	23.32%
3	1.61%	0.37%	2.72%	11.04%	16.04%	29.52%
4	3.29%	1.11%	3.85%	15.44%	20.33%	37.08%
5	4.14%	1.63%	5.15%	19.28%	25.36%	46.18%
6	4.94%	1.98%	6.28%	23.30%	29.73%	52.79%
7	6.16%	2.63%	7.78%	28.11%	35.43%	61.79%
8	6.97%	3.08%	9.24%	32.84%	40.37%	68.60%
9	7.30%	3.07%	9.55%	34.78%	42.14%	69.90%
10	7.81%	3.25%	11.25%	40.61%	49.84%	77.43%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Active - Asset Class Returns to period end 30 June 2018

The PIM Strategic Active Risk Graded portfolios are built through a weighted exposure to six underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

	<i>3 MONTH RETURN</i>	<i>6 MONTH RETURN</i>	<i>1 YEAR RETURN</i>	<i>2 YEAR RETURN</i>	<i>3 YEAR RETURN</i>	<i>5 YEAR RETURN</i>
Asset Class						
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	1.06%	3.49%
Fixed Interest	-0.27%	-0.99%	0.78%	6.46%	12.34%	22.33%
Property	1.70%	2.99%	7.46%	14.70%	15.14%	42.26%
Equity Income	8.46%	2.36%	5.13%	27.41%	29.52%	55.45%
Equity Growth	7.68%	3.45%	10.09%	34.29%	49.75%	81.85%
Global Alpha	7.89%	3.14%	11.87%	44.08%	49.79%	74.95%

*Prior to 16 February 2015 the returns shown as Global Alpha were synonymous with Specialist Equity.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

T PIM Tactical Active & Passive Portfolios

The Tactical offering is built around five asset classes; Managed Liquidity, Cautious, Balanced, Active and Global Alpha. The Managed Liquidity and Global Alpha portfolios are the same as PIM Strategic Active portfolios. The asset allocation between bonds, equities and other asset classes may vary within the Cautious, Balanced and Active portfolios, at the discretion of the investment manager (PIM). The aim is to minimise volatility whilst maximising risk adjusted returns.

These five asset class portfolios are blended to give ten Risk Graded portfolios, as shown below. The Tactical Passive investment solution seeks to replicate the asset allocation of Tactical Active via the use of passive funds. The exceptions are Managed Liquidity and Property where passive alternatives are unavailable. Global Alpha has the same sub-asset allocations for Active and Passive, however is labelled Active Plus in the latter.

PIM Tactical Portfolios Active and Passive - Asset Allocation Table

	MANAGED LIQUIDITY	CAUTIOUS	BALANCED	ACTIVE	GLOBAL ALPHA	TOTAL
Risk Grade						
1	50%	50%	0%	0%	0%	100%
2	25%	75%	0%	0%	0%	100%
3	0%	100%	0%	0%	0%	100%
4	0%	75%	25%	0%	0%	100%
5	0%	25%	75%	0%	0%	100%
6	0%	0%	100%	0%	0%	100%
7	0%	0%	75%	25%	0%	100%
8	0%	0%	25%	75%	0%	100%
9	0%	0%	0%	100%	0%	100%
10	0%	0%	0%	75%	25%	100%

Portfolios are rebalanced to their asset allocation on a periodic basis.

Net Ongoing Charge Figure (OCF) and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

PIM Tactical Active

	MANAGED LIQUIDITY	CAUTIOUS	BALANCED	ACTIVE	GLOBAL ALPHA	INCOME
Fund OCF	0.10%	0.56%	0.75%	0.85%	0.87%	0.79%
Historic Yield	0.25%	1.89%	1.87%	1.52%	0.73%	3.92%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Tactical Passive

	MANAGED LIQUIDITY	CAUTIOUS	BALANCED	ACTIVE	ACTIVE PLUS
Fund OCF	0.10%	0.15%	0.14%	0.17%	0.09%
Historic Yield	0.25%	1.90%	2.63%	2.49%	1.99%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Tactical Active (Cautious, Balanced and Active) - Portfolio Holdings*

ASSET CLASS	FUND	CAUTIOUS	BALANCED	ACTIVE	
Managed Liquidity	Federated Short-Term Sterling Prime	7.50%	0.00%	0.00%	
	BlackRock ICS Institutional Sterling Liquidity	7.50%	0.00%	0.00%	
Fixed Interest	Allianz Gilt Yield	16.87%	6.63%	0.00%	
	M&G Index Linked Bond	3.75%	0.87%	0.00%	
	BlackRock Corporate Bond	4.82%	1.88%	0.00%	
	Fidelity Moneybuilder Income	4.81%	1.87%	0.00%	
	Goldman Sachs Global Fixed Income Plus Portfolio	7.33%	3.33%	0.00%	
	Jupiter Strategic Bond	7.33%	3.33%	0.00%	
	M&G Optimal Income	7.34%	3.34%	0.00%	
	Property	L&G UK Property Feeder	3.34%	3.34%	3.34%
		Threadneedle UK Property Authorised Trust Feeder	3.33%	3.33%	3.33%
Standard Life Investments UK Real Estate Income Feeder		3.33%	3.33%	3.33%	
UK Equities	LF Lindsell Train UK Equity	5.00%	13.33%	10.00%	
	Jupiter UK Special Situations	5.00%	13.34%	10.00%	
	Liontrust Special Situations	5.00%	13.33%	10.00%	
International Equities	Vontobel US Equity	0.75%	3.75%	5.00%	
	Fidelity American Special Situations	0.75%	3.75%	5.00%	
	Pioneer SICAV US Fundamental Growth	0.75%	3.75%	5.00%	
	Dodge & Cox US Stock	0.75%	3.75%	5.00%	
	Threadneedle European Select	0.34%	1.66%	2.33%	
	Jupiter European	0.33%	1.67%	2.33%	
	FP CRUX European Special Situations	0.33%	1.67%	2.34%	
	LF Morant Wright Nippon Yield	0.25%	1.25%	1.75%	
	Schroder Tokyo	0.25%	1.25%	1.75%	
	Stewart Investors Asia Pacific Leaders	0.12%	0.62%	0.50%	
	Veritas Asian	0.13%	0.63%	0.50%	
	Fidelity Emerging Markets	0.75%	1.25%	7.13%	
	GS Emerging Markets Equity Portfolio	0.75%	1.25%	7.13%	
Schroder Global Emerging Markets	0.75%	1.25%	7.12%		
MI Somerset Emerging Markets Dividend Growth	0.75%	1.25%	7.12%		
Total		100%	100%	100%	

PIM Tactical Passive (Cautious, Balanced and Active) - Portfolio Holdings*

ASSET CLASS	FUND	CAUTIOUS	BALANCED	ACTIVE	ACTIVE PLUS
Managed Liquidity	Federated Short-Term Sterling Prime	7.50%	0.00%	0.00%	0.00%
	BlackRock ICS Institutional Sterling Liquidity	7.50%	0.00%	0.00%	0.00%
Fixed Interest	Vanguard UK Government Bond Index	16.87%	6.63%	0.00%	0.00%
	L&G All Stocks Index Linked Gilt Index	3.75%	0.87%	0.00%	0.00%
	Vanguard UK Investment Grade Bond Index	9.63%	3.75%	0.00%	0.00%
	Vanguard Global Bond Index Hedge	22.00%	10.00%	0.00%	0.00%
Property	L&G UK Property Feeder	3.34%	3.34%	3.34%	0.00%
	Threadneedle UK Property Authorised Trust Feeder	3.33%	3.33%	3.33%	0.00%
	Standard Life Investments UK Real Estate Income Feeder	3.33%	3.33%	3.33%	0.00%
UK Equities	Vanguard FTSE UK All Share Index	15.00%	40.00%	30.00%	7.90%
International Equities	Vanguard US Equity Index	3.00%	15.00%	20.00%	51.60%
	Vanguard FTSE Developed Europe ex UK Equity Index	1.00%	5.00%	7.00%	18.20%
	L&G Japan Index	0.50%	2.50%	3.50%	8.20%
	L&G Pacific Index	0.25%	1.25%	1.00%	6.75%
Emerging Markets	Vanguard Emerging Markets Stock Index	3.00%	5.00%	28.50%	7.35%
Total		100%	100%	100%	100%

*The current portfolio holdings for PIM Tactical (Active and Passive) are shown in the tables above, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Active - Portfolio Returns to period end 30 June 2018

PIM Tactical Active - Portfolio Returns

All portfolios continue to perform in line with their relative risk over 1 to 5 years owing to the consistent relative performance of each of the asset classes with respect to each other. Performance is distorted over 3 and 6 months as Tactical Balanced and Global Alpha have both outperformed Tactical Active given its higher asset allocation to Emerging Markets Equity.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.89%	0.50%	1.93%	6.03%	8.53%	16.85%
2	1.27%	0.63%	2.73%	8.77%	12.40%	24.07%
3	1.65%	0.76%	3.54%	11.55%	16.37%	31.67%
4	2.62%	1.24%	4.59%	14.63%	20.04%	37.82%
5	4.59%	2.20%	6.72%	21.01%	27.63%	50.87%
6	5.58%	2.68%	7.79%	24.30%	31.56%	57.78%
7	5.33%	2.27%	7.94%	26.12%	33.92%	59.81%
8	4.84%	1.46%	8.24%	29.80%	38.67%	63.80%
9	4.59%	1.06%	8.38%	31.66%	41.04%	65.75%
10	5.41%	1.57%	9.20%	34.63%	43.17%	67.99%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Passive - Portfolio Returns

All portfolios continue to perform in line with their relative risk over 1 to 5 years owing to the consistent relative outperformance of Tactical Passive Balanced, Active and Active Plus. Performance is distorted over 3 and 6 months as Tactical Passive Balanced and Active Plus have both outperformed Tactical Passive Active given its higher asset allocation to Emerging Markets Equity.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.85%	0.38%	1.83%	4.84%	8.11%	16.15%
2	1.21%	0.46%	2.58%	6.95%	11.75%	22.95%
3	1.57%	0.54%	3.33%	9.07%	15.47%	30.10%
4	2.48%	0.81%	4.26%	12.17%	18.72%	34.89%
5	4.33%	1.35%	6.12%	18.58%	25.40%	44.89%
6	5.26%	1.61%	7.07%	21.89%	28.83%	50.10%
7	5.05%	1.34%	7.41%	24.36%	31.35%	52.56%
8	4.63%	0.80%	8.08%	29.36%	36.38%	57.38%
9	4.42%	0.52%	8.41%	31.89%	38.88%	59.74%
10	5.73%	1.47%	8.85%	33.49%	45.48%	65.55%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.



PIM Tactical Active & Passive - Asset Class Returns to period end 30 June 2018

The PIM Tactical Risk Graded portfolios are built through a weighted exposure to the five underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each risk graded portfolio.

PIM Tactical Active

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	1.06%	3.49%
PIM Tactical Active: Cautious	1.65%	0.76%	3.54%	11.55%	16.37%	31.67%
IA Mixed Investment 20-60% Shares	2.82%	-0.42%	2.44%	14.59%	16.73%	30.87%
PIM Tactical Active: Balanced	5.58%	2.68%	7.79%	24.30%	31.56%	57.78%
IA Mixed Investment 40-85% Shares	4.89%	0.51%	4.85%	21.78%	24.08%	43.36%
PIM Tactical Active: Active	4.59%	1.06%	8.38%	31.66%	41.04%	65.75%
IA Flexible Investment	4.38%	0.25%	5.04%	23.85%	25.38%	44.66%
PIM Tactical Active: Global Alpha	7.89%	3.14%	11.87%	44.08%	49.79%	74.95%
FTSE World	7.16%	2.41%	9.35%	34.36%	54.01%	86.13%

*Prior to 16 February 2015 the returns shown as Global Alpha were synonymous with Specialist Equity.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	1.06%	3.49%
PIM Tactical Passive: Cautious	1.57%	0.54%	3.33%	9.07%	15.47%	30.10%
IA Mixed Investment 20-60% Shares	2.82%	-0.42%	2.44%	14.59%	16.73%	30.87%
PIM Tactical Passive: Balanced	5.26%	1.61%	7.07%	21.89%	28.83%	50.10%
IA Mixed Investment 40-85% Shares	4.89%	0.51%	4.85%	21.78%	24.08%	43.36%
PIM Tactical Passive: Active	4.42%	0.52%	8.41%	31.89%	38.88%	59.74%
IA Flexible Investment	4.38%	0.25%	5.04%	23.85%	25.38%	44.66%
PIM Tactical Passive: Active Plus	7.06%	2.42%	9.27%	35.06%	52.31%	71.46%
FTSE World	7.16%	2.41%	9.35%	34.36%	54.01%	86.13%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Active & Passive - Portfolio Volatility Against Comparable Indices

All portfolios (Active and Passive) have outperformed the IA Mixed Investment sector averages over the last year with a lower volatility (except Tactical Active) and a higher return/risk ratio. Over 3 years the PIM Tactical Active mandate has significantly outperformed the IA Flexible sector average, whilst Tactical Cautious and Balanced have demonstrated a significantly lower volatility and all portfolios have enjoyed a higher annualised return/risk.

	1 YEAR RETURN	1 YEAR VOLATILITY	1 YEAR RETURN/RISK RATIO	3 YEAR ANNUALISED RETURN	3 YEAR ANNUALISED VOLATILITY	3 YEAR ANNUALISED RETURN/RISK RATIO
PIM Tactical Active: Cautious	3.54%	2.43%	1.46x	5.18%	3.20%	1.62x
PIM Tactical Passive: Cautious	3.33%	2.87%	1.16x	4.91%	3.45%	1.42x
IA Mixed Investment 20-60% Shares	2.44%	4.02%	0.61x	5.29%	5.04%	1.05x
PIM Tactical Active: Balanced	7.79%	5.05%	1.54x	9.57%	5.76%	1.66x
PIM Tactical Passive: Balanced	7.07%	5.75%	1.23x	8.81%	6.16%	1.43x
IA Mixed Investment 40-85% Shares	4.85%	5.81%	0.83x	7.46%	6.83%	1.09x
PIM Tactical Active: Active	8.38%	6.56%	1.28x	12.14%	8.26%	1.47x
PIM Tactical Passive: Active	8.41%	7.46%	1.13x	11.57%	8.88%	1.30x
IA Flexible Investment	5.04%	6.00%	0.84x	7.83%	7.44%	1.05x

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

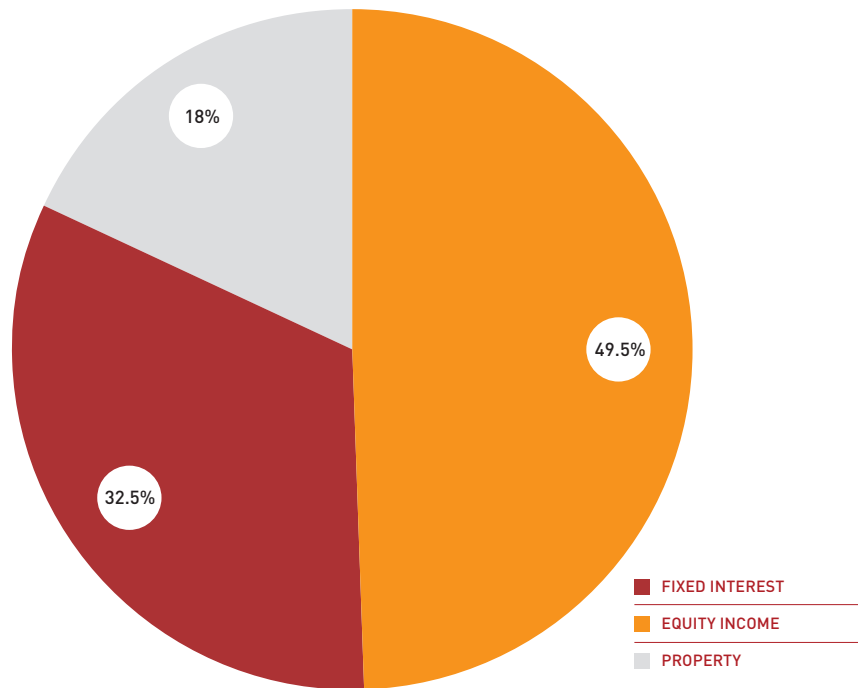
PIM Tactical Active Income - Portfolio Returns to period end 30 June 2018

The Tactical Active Income portfolio invests in a combination of Managed Liquidity, Fixed Interest, Property and Equity Income collectives with the aim of providing a yield between 10% and 20% greater than that of the broad UK stock market, which is currently 3.64%. The mix of asset classes will be varied by the investment manager (PIM) depending upon their risk and return characteristics. Given the unique character of the portfolio, Tactical Income does not easily fit within any of the IA sector definitions and there is no natural benchmark for performance comparisons. However, in the table below are some of the common benchmarks for reference purposes.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
PIM Tactical Active Income	3.82%	1.05%	4.15%	18.77%	20.32%	40.82%
Citi UK Government Bond Index	0.70%	1.03%	2.82%	1.69%	16.48%	30.65%
IA Sterling Corporate Bond Sector	-0.19%	-1.51%	0.58%	7.02%	13.60%	26.14%
IA UK Equity Income Sector	8.33%	1.71%	6.04%	26.54%	24.24%	52.08%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Active Income % Asset Allocation as of 30 June 2018



The PIM Tactical Active Income portfolios have a target yield of between 10% and 20% above the UK Equity Market.

PIM Tactical Active Income Portfolio Holdings as at 30 June 2018

The current portfolio holdings for PIM Tactical Active Income are shown in the table below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

ASSET CLASS	FUND	TACTICAL INCOME
Fixed Interest	M&G Index Linked Bond	2.50%
	Invesco Perpetual Corporate Bond	10.00%
	M&G Optimal Income	6.67%
	Jupiter Strategic Bond	6.67%
	PIMCO Global Bond	6.66%
Property	L&G UK Property Feeder	6.00%
	Threadneedle UK Property Authorised Trust Feeder	6.00%
	Standard Life Investments UK Real Estate Income Feeder	6.00%
Equity Income	MI Chelverton UK Equity Income	7.28%
	Unicorn UK Income	3.64%
	LF Miton UK Multi Cap Income	3.64%
	Trojan Income	7.28%
	Rathbone Income	7.28%
	Schroder Income Maximiser	7.29%
	Fidelity Enhanced Income	7.29%
	Fidelity Global Dividend	3.20%
Artemis Global Income	2.60%	
Total		100%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

TI PIM Tactical Income Solution

The PIM Tactical Income portfolios aim to deliver a set of target yields while controlling the level of portfolio volatility. Parmenion will use tactical asset allocation to both achieve the target yields and to keep portfolio volatility within the constraints identified for each risk grade.

The PIM Tactical Income portfolios have, as their name suggests, the flexibility to adopt tactical asset allocations. This means the investment manager (PIM) has the capability to alter the asset allocation of the portfolios in light of changing market conditions.

This flexibility enhances PIM's ability to increase allocations to income generating assets to meet the target yields, when it is prudent to do so, while simultaneously managing the portfolios' volatility and exposure to risk. All changes to asset allocation are made within prescribed limits only.

Key Benefits

- 10 Risk Graded Portfolios
- Rising target yields, rising from 3% to 5.25%
- Tactical asset allocation to make the targeted yields achievable
- Proactive blending of Passive and Active funds
- Natural income arises periodically, not evenly, and can be paid as it arises
- Controlled use of Maximiser Funds.

What are Maximiser Funds?

Up to 35% of a PIM Tactical Income portfolio may be invested in Maximiser Funds to help ensure an attractive level of income. It is important that clients understand this. A Maximiser Fund is a portfolio of stocks in which the fund manager has a high level of conviction.

Derivatives contracts are written on a select number of underlying companies, carefully managed by a derivatives specialist, generating additional income in return for giving up some potential return on a stock above the level specified in the contract. In this way, Maximiser Funds can generate an income greater than that achieved by only investing in stocks.

Tactical Asset Allocation

Parmenion has designed the PIM Tactical Income portfolios using a range of neutral strategic asset allocations as its starting point. These strategic asset allocations are based around the performance and volatilities of various asset class indices over a 20 year period and combined with a qualitative overlay to ensure diversification. As market conditions change over time, so do the relative volatility and valuations of different asset classes.

When prudent to do so, the PIM Tactical Income portfolio asset allocations can adapt to ensure that target yields are achieved with the least anticipated risk and within the acceptable range of volatility for each particular risk grade.

PIM Tactical Income Portfolios - Historic Yield, Fund OCF and Return Data

	TARGET YIELD	HISTORIC YIELD (LAST 12 MONTHS)	ANNUALISED RETURN	ANNUALISED STANDARD DEVIATION	MAXIMUM 12 MONTH LOSS	MAXIMUM 12 MONTH GAIN	FUND OCF
Risk Grade							
1	3.00%	2.37%	4.45%	2.31%	-6.59%	14.53%	0.51%
2	3.25%	3.08%	5.70%	4.04%	-13.69%	23.63%	0.59%
3	3.50%	3.61%	6.66%	5.56%	-17.92%	31.96%	0.65%
4	3.75%	3.99%	7.34%	6.77%	-21.75%	37.70%	0.69%
5	4.00%	4.26%	7.82%	7.87%	-24.81%	41.94%	0.71%
6	4.25%	4.47%	8.08%	9.27%	-27.25%	45.06%	0.72%
7	4.50%	4.66%	8.26%	10.34%	-29.32%	47.24%	0.73%
8	4.75%	4.92%	8.45%	11.50%	-31.81%	49.81%	0.74%
9	5.00%	5.16%	8.63%	12.77%	-34.25%	52.44%	0.74%
10	5.25%	5.30%	8.63%	13.84%	-35.46%	54.56%	0.74%

Fund OCF and historic yield data is correct as at 03 July 2018.

Please note, the Annualised Return, Standard Deviation, Maximum Loss and Gain figures are based on the simulated returns, of the portfolio's neutral asset weightings over the last 20 years to December 2017. Figures are based on indices and therefore exclude the effect of taxes or fees from Parmenion or the Adviser. Charges are however taken from portfolio liquidity and therefore will not affect the income distributed.

Portfolio Holdings as of 30 June 2018

The current fund holdings for PIM Tactical Income portfolios are shown in the table below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

Asset Group	Holdings	1	2	3	4	5	6	7	8	9	10
Managed Liquidity	Dimensional Global Ultra Short Fixed Income	18.34%	11.67%	5.00%	1.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	AXA Sterling Credit Short Duration Bond	18.33%	11.67%	5.00%	1.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	M&G Short Dated Corporate Bond	18.33%	11.66%	5.00%	1.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Corporate Bonds	Fidelity Moneybuilder Income	7.50%	7.50%	11.25%	11.25%	10.00%	7.50%	5.00%	2.50%	0.00%	0.00%
	M&G Corporate Bond	7.50%	7.50%	11.25%	11.25%	10.00%	7.50%	5.00%	2.50%	0.00%	0.00%
	Jupiter Strategic Bond	7.50%	7.50%	11.25%	11.25%	10.00%	7.50%	5.00%	2.50%	0.00%	0.00%
	PIMCO Global Bond	3.75%	3.75%	5.62%	5.62%	5.00%	3.75%	2.50%	1.25%	0.00%	0.00%
	M&G Optimal Income	3.75%	3.75%	5.63%	5.63%	5.00%	3.75%	2.50%	1.25%	0.00%	0.00%
High Yield Bonds	Schroder High Yield Opportunities	0.00%	0.00%	1.00%	1.50%	2.00%	3.00%	3.50%	4.00%	4.50%	5.00%
	Threadneedle High Yield Bond	0.00%	0.00%	1.00%	1.50%	2.00%	3.00%	3.50%	4.00%	4.50%	5.00%
Property	Janus Henderson UK Property Feeder	3.09%	4.13%	3.09%	3.09%	3.09%	2.06%	2.06%	2.06%	2.06%	0.00%
	L&G UK Property Feeder	3.09%	4.13%	3.09%	3.09%	3.09%	2.06%	2.06%	2.06%	2.06%	0.00%
	Threadneedle UK Property Authorised Trust Feeder	6.19%	8.25%	6.19%	6.19%	6.19%	4.13%	4.13%	4.13%	4.13%	0.00%
UK Equity Income	Rathbone Income	0.00%	1.00%	1.50%	1.90%	2.20%	2.60%	2.90%	3.30%	3.50%	3.80%
	Trojan Income	0.00%	1.00%	1.50%	1.90%	2.20%	2.60%	2.90%	3.30%	3.50%	3.80%
	Artemis Income	0.00%	1.00%	1.50%	1.90%	2.20%	2.60%	2.90%	3.30%	3.50%	3.80%
	Vanguard FTSE UK Equity Income Index	0.00%	3.50%	5.25%	6.65%	7.70%	9.10%	10.15%	11.55%	12.25%	13.30%
	Fidelity Enhanced Income	0.00%	1.75%	2.62%	3.32%	3.85%	4.55%	5.07%	5.77%	6.12%	6.65%
	Schroder Income Maximiser	0.00%	1.75%	2.63%	3.33%	3.85%	4.55%	5.08%	5.78%	6.13%	6.65%
US Equity	JPM US Equity Income	0.00%	1.00%	1.50%	2.00%	2.50%	3.50%	4.00%	3.50%	3.00%	2.50%
	Aviva Investors US Equity Income II	0.00%	1.00%	1.50%	2.00%	2.50%	3.50%	4.00%	3.50%	3.00%	2.50%
Europe ex UK	Standard Life Investments European Equity Income	0.00%	1.00%	2.00%	3.00%	4.00%	6.00%	7.00%	8.00%	10.00%	12.00%
Asia Pacific ex Japan	L&G Pacific Index	0.00%	0.00%	0.00%	0.67%	1.67%	2.67%	3.33%	4.33%	5.67%	6.67%
	Janus Henderson Asian Dividend Income	0.00%	0.00%	0.00%	0.66%	1.66%	2.66%	3.33%	4.33%	5.66%	6.66%
	Schroder Asian Income Maximiser	0.00%	0.00%	0.00%	0.67%	1.67%	2.67%	3.34%	4.34%	5.67%	6.67%
Global Maximiser	Schroder ISF Global Dividend Maximiser	1.97%	4.11%	4.22%	4.97%	5.72%	6.56%	8.06%	9.56%	11.06%	11.25%
	Fidelity Global Enhanced Income	0.66%	1.38%	1.41%	1.66%	1.91%	2.19%	2.69%	3.19%	3.69%	3.75%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

PIM Tactical Income - Portfolio Returns to period end 30 June 2018

Risk Grades 3 to 10 have continued to meet or exceed their income targets over the last 12 months. From a total return perspective, all portfolios have performed in line with their relative risk over 3 months, 2 years, 3 years and since inception owing primarily to strong relative returns in US Equity. UK Equity Income and Global Equity Income Maximiser also performed relatively well over 3 months, whilst Europe Ex UK, Asia Pacific Ex Japan and Global Equity Income also delivered attractive returns over 2 years. Over 6 months and 1 year performance is distorted by the outperformance of Property relative to all other asset groups.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.02.2014)
Risk Grade						
1	0.39%	-0.04%	1.42%	5.89%	8.49%	14.64%
2	1.53%	0.22%	2.22%	9.37%	12.88%	21.10%
3	1.83%	-0.08%	2.17%	11.06%	15.43%	25.22%
4	2.34%	-0.06%	2.50%	13.14%	18.20%	29.19%
5	2.84%	0.00%	2.85%	15.14%	20.84%	33.04%
6	3.52%	-0.01%	3.03%	17.17%	23.66%	36.68%
7	4.10%	0.14%	3.39%	18.93%	25.91%	39.84%
8	4.59%	0.25%	3.69%	20.65%	27.73%	42.43%
9	4.97%	0.32%	4.01%	22.63%	30.01%	45.37%
10	5.13%	0.01%	3.62%	23.28%	30.86%	46.24%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Income - Asset Class Returns to period end 30 June 2018

The PIM Tactical Income Risk Graded portfolios are built through a weighted exposure to nine underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each Risk Graded portfolio.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.02.2014)
Asset Class						
Managed Liquidity	0.34%	-0.05%	0.39%	2.28%	3.65%	5.61%
Corporate Bonds	-0.45%	-1.35%	0.46%	6.88%	11.25%	19.69%
High Yield Bonds	-0.60%	-0.92%	2.36%	14.20%	17.71%	22.81%
Property	1.49%	2.93%	7.41%	14.96%	15.81%	30.31%
UK Equity Income	7.67%	0.74%	2.33%	16.82%	18.74%	32.36%
US Equity	10.36%	1.31%	6.63%	27.27%	54.55%	81.97%
Europe ex UK	2.17%	-2.31%	1.36%	27.30%	36.79%	48.34%
Asia Pacific ex Japan	2.98%	-0.96%	4.85%	31.85%	43.27%	62.61%
Global Equity Income Maximiser	6.11%	1.28%	6.28%	28.53%	40.32%	58.85%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

SE PIM Strategic Ethical Active Portfolios: Profile A-D

What is Ethical Investing?

Ethical investment is known by a variety of terms including: 'Green investment', 'Socially responsible investment' (SRI) and 'Sustainable finance'. All of these terms refer to financial or investment services which strive to maximise investment performance and social welfare. In general, ethical investment looks to encourage corporate practices that promote environmental stewardship, consumer protection, human rights and diversity, although additional criteria such as the avoidance of weapons, alcohol, tobacco, gambling and pornography are often included as legitimate areas of concern. These criteria can be broadly summarised as environmental, social justice and corporate governance issues or ESG criteria.

What are the benefits of Investing Ethically?

Ethical investment provides the opportunity to invest in ethically sound investment solutions that cater for a range of ethical preferences. It gives investors the option to avoid companies that engage in activities that they could not usually support, and proactively invest in companies that recognise their corporate responsibilities. Investing ethically is now one of the fastest growing areas in financial services with funds under management having grown to approximately \$8.72 trillion in the United States alone (Source: <http://ussif.org>).

Solution Description

The PIM Strategic Ethical Active Investment Solution offers the discretionary management of active funds across up to eight distinct asset class groups. There is an independent ethical overlay provided by the Ethical Oversight Committee, which includes Julian Parrott and Julia Dreblow. Both Julian and Julia are ethical specialists, with over 20 years experience in ethical investing, previously holding the positions of Chair of the EIA and Director of UKSIF, respectively.

Each asset class is populated with funds according to their Ethical Profile and risk adjusted returns. Incorporated within the solution are four Ethical Profiles (A to D) and ten Risk Graded portfolios (1 to 10), which are designed to capture the majority of clients' ethical preferences and values. The Ethical Portfolio Selector is available to assist Advisers in identifying the appropriate Ethical Profile for their client.

Ethical Screening Criteria by Ethical Profile

ETHICAL CRITERIA	ETHICAL PROFILE A (LIMITS EXPOSURE ¹)	ETHICAL PROFILE B (LIMITS EXPOSURE ¹)	ETHICAL PROFILE C (AIMS TO AVOID ²)	ETHICAL PROFILE D (AIMS TO AVOID ²)
Armaments (Strategic)	✓	✓	✓	✓
Pornography (Production)	✓	✓	✓	✓
Human Rights (Evidenced/Country Based)	✓	✓	✓	✓
Environmental Management / Technology**	✓	✓	✓	✓
Animal Testing (Non-Medical)	✓	✓	✓	✓
Tobacco (Production)	✓	✓	✓	✓
Environmental Impact		✓	✓	✓
Gambling			✓	✓
Alcohol Production				✓
Nuclear (Power)				✓

¹Exposure to ethical criteria is likely to be limited by the responsible approach to environmental, social and governance issues adopted in Ethical Profiles A and B.

²Ethical Profiles C and D only invest in funds which include the specified ethical criteria, as defined by the Ethical Oversight Committee.

Note. Avoidance criteria does not always mean 'zero involvement' as most ethical funds have de minimis limits which allow for limited (normally non-manufacturing or wholesale related) exposure to excluded areas. This allows funds to be manageable and support otherwise positive larger companies.

PIM Strategic Ethical Active - Asset Class Weightings as of 30 June 2018

The PIM Strategic Ethical Active portfolios are constructed using up to eight asset classes, each with their own distinctive risk and reward characteristics. Ten Risk Graded portfolios (1-10) are produced, by varying the percentage exposure to each asset class, to match the risk tolerance of a particular client. UK Government Bonds are currently excluded from Ethical Profiles B-D, whilst Ethical Profiles C-D also exclude Property due to the difficulties in screening the underlying tenants. The current split between the asset classes for each of the portfolios are detailed in the tables below. Strategic investors assume relatively constant long term risk and return characteristics and as such the underlying asset allocations will only vary where these have materially changed.

PIM Strategic Ethical Active - Profile A

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	24.00%	28.00%	40.00%	40.00%	32.00%	24.00%	12.00%	4.00%	0.00%	0.00%
UK Government Bonds	6.00%	7.00%	10.00%	10.00%	8.00%	6.00%	3.00%	1.00%	0.00%	0.00%
UK Property	0.00%	10.00%	15.00%	15.00%	15.00%	10.00%	10.00%	10.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

PIM Strategic Ethical Active - Profile B

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	30.00%	35.00%	50.00%	50.00%	40.00%	30.00%	15.00%	5.00%	0.00%	0.00%
UK Property	0.00%	10.00%	15.00%	15.00%	15.00%	10.00%	10.00%	10.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

PIM Strategic Ethical Active - Profile C

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	30.00%	45.00%	65.00%	65.00%	55.00%	40.00%	25.00%	15.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

PIM Strategic Ethical Active - Profile D

Asset Group	1	2	3	4	5	6	7	8	9	10
Managed Liquidity (Unscreened)	70.00%	45.00%	15.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
UK Ethical Corporate Bonds	30.00%	45.00%	65.00%	65.00%	55.00%	40.00%	25.00%	15.00%	5.00%	0.00%
UK Ethical Equity Growth	0.00%	3.00%	6.00%	9.00%	15.00%	18.00%	21.00%	21.00%	24.00%	24.00%
UK Ethical Equity Income	0.00%	2.00%	4.00%	6.00%	10.00%	12.00%	14.00%	14.00%	16.00%	16.00%
International Ethical Equity	0.00%	5.00%	10.00%	15.00%	15.00%	20.00%	25.00%	30.00%	30.00%	30.00%
Ethical Emerging Markets Equity	0.00%	0.00%	0.00%	0.00%	5.00%	10.00%	15.00%	20.00%	25.00%	30.00%

Portfolios in all profiles are rebalanced to their asset allocation on a periodic basis.

Ongoing Charge Figure (OCF) Net of Rebates and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

PIM Strategic Ethical Active - Profile A

	MANAGED LIQUIDITY	UK ETHICAL CORPORATE BONDS	UK GOVERNMENT BONDS	UK PROPERTY	UK ETHICAL EQUITY GROWTH	UK ETHICAL EQUITY INCOME	INTERNATIONAL ETHICAL EQUITY	ETHICAL EMERGING MARKETS EQUITY
Fund OCF	0.10%	0.52%	0.44%	0.76%	0.69%	0.83%	0.64%	1.00%
Historic Yield	0.25%	4.07%	0.65%	3.23%	1.82%	3.96%	0.89%	0.37%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Strategic Ethical Active - Profile B

	MANAGED LIQUIDITY	UK ETHICAL CORPORATE BONDS	UK PROPERTY	UK ETHICAL EQUITY GROWTH	UK ETHICAL EQUITY INCOME	INTERNATIONAL ETHICAL EQUITY	ETHICAL EMERGING MARKETS EQUITY
Fund OCF	0.10%	0.52%	0.76%	0.69%	0.83%	0.64%	1.00%
Historic Yield	0.25%	4.07%	3.23%	1.82%	3.96%	0.89%	0.37%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Strategic Ethical Active - Profile C

	MANAGED LIQUIDITY	UK ETHICAL CORPORATE BONDS	UK ETHICAL EQUITY GROWTH	UK ETHICAL EQUITY INCOME	INTERNATIONAL ETHICAL EQUITY	ETHICAL EMERGING MARKETS EQUITY
Fund OCF	0.10%	0.48%	0.69%	0.83%	0.64%	1.00%
Historic Yield	0.25%	3.74%	1.82%	3.96%	0.89%	0.37%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Strategic Ethical Active - Profile D

	MANAGED LIQUIDITY	UK ETHICAL CORPORATE BONDS	UK ETHICAL EQUITY GROWTH	UK ETHICAL EQUITY INCOME	INTERNATIONAL ETHICAL EQUITY	ETHICAL EMERGING MARKETS EQUITY
Fund OCF	0.10%	0.51%	0.65%	0.81%	0.64%	1.00%
Historic Yield	0.25%	3.71%	2.08%	3.89%	0.89%	0.37%

Fund OCF and historic yield data is correct as at 03 July 2018.

PIM Strategic Ethical Active (A-D): Portfolio Holdings as of 30 June 2018*

The fund universe for each of the Ethical Profiles is determined by the Ethical Oversight Committee (EOC) as per the ethical screening criteria defined on page 32 of the QIR. The table below shows the current holdings for each Ethical Profile (A-D), to demonstrate the impact of the ethical screening on fund selection and for the purposes of transparency. Please note these holdings may change over the period, depending on the views of the investment manager (PIM). Details of any fund changes over the period, are available on page 57 of this document.

Illustration of the Impact of Ethical Screening on Portfolio Holdings as of 30 June 2018

FUND		PROFILE A	PROFILE B	PROFILE C	PROFILE D
Asset Class					
Managed Liquidity (unscreened)	Federated Short-Term Sterling Prime				
	BlackRock ICS Institutional Sterling Liquidity				
UK Ethical Corporate Bonds	Rathbone Ethical Bond				
	Kames Ethical Corporate Bond				
	EdenTree Amity Sterling Bond				
	Liontrust Sustainable Future Corporate Bond				
	Royal London Ethical Bond				
UK Government / Inflation Linked Bonds	Allianz Gilt Yield				
	M&G Index Linked Bond				
UK Responsible Property	Janus Henderson UK Property Feeder				
	L&G UK Property Feeder				
	Threadneedle UK Property Authorised Trust Feeder				
UK Ethical Equity Growth	Royal London Sustainable Leaders				
	Liontrust Sustainable Future UK Growth				
	Premier Ethical				
	Liontrust UK Ethical				
	F&C - Responsible UK Equity Growth				
	Kames - Ethical Equity				

FUND		PROFILE A	PROFILE B	PROFILE C	PROFILE D
Asset Class					
UK Ethical Equity Income	F&C Responsible UK Income				
	Janus Henderson UK Responsible Income				
International Ethical Equity	Janus Henderson Global Sustainable Equity				
	F&C Responsible Global Equity				
	Liontrust Sustainable Future Global Growth				
	Liontrust Sustainable Future European Growth				
Ethical Emerging Market Equity	Stewart Investors Asia Pacific Sustainability				
	Vontobel mtx Sustainable Emerging Markets Leaders				

*Fund weightings are excluded, as it would depend upon the Risk Grade selected. For further information please contact your relationship manager.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Please refer to the Ethical Portfolio Selector and supporting documents for further information.

PIM Strategic Ethical Active (Profile A-D): Portfolio Returns to period end 30 June 2018

All portfolios continue to perform in line with their relative risk over all periods across all Ethical Profiles (except over 6 months and Risk Grade 10 for Ethical Profiles A and B over 1 year) owing to relative outperformance in UK Ethical Equity Growth, International Ethical Equity and Emerging Markets (over 3 and 5 years). Performance over 6 months is distorted by the underperformance of UK Ethical Corporate Bonds and Ethical Emerging Markets Equity.

PIM Strategic Ethical Active - Profile A

	<i>3 MONTH RETURN</i>	<i>6 MONTH RETURN</i>	<i>1 YEAR RETURN</i>	<i>2 YEAR RETURN</i>	<i>3 YEAR RETURN</i>	<i>5 YEAR RETURN</i>
Risk Grade						
1	0.04%	-0.25%	0.72%	3.19%	5.51%	12.87%
2	0.94%	0.26%	2.44%	8.39%	11.41%	23.78%
3	1.73%	0.46%	3.93%	13.89%	18.42%	36.56%
4	2.50%	0.76%	4.86%	17.42%	22.22%	43.64%
5	3.45%	1.10%	5.86%	21.04%	25.36%	50.12%
6	4.34%	1.33%	6.58%	24.23%	28.76%	55.12%
7	5.32%	1.77%	7.62%	27.92%	32.25%	61.03%
8	5.90%	2.01%	8.32%	30.39%	35.29%	64.41%
9	6.39%	1.99%	8.59%	32.10%	37.09%	67.25%
10	6.48%	1.76%	8.50%	32.50%	38.37%	68.33%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Ethical Active - Profile B

	<i>3 MONTH RETURN</i>	<i>6 MONTH RETURN</i>	<i>1 YEAR RETURN</i>	<i>2 YEAR RETURN</i>	<i>3 YEAR RETURN</i>	<i>5 YEAR RETURN</i>
Risk Grade						
1	0.02%	-0.33%	0.68%	3.35%	5.21%	12.62%
2	0.92%	0.16%	2.39%	8.60%	11.04%	23.54%
3	1.70%	0.33%	3.85%	14.23%	17.87%	36.68%
4	2.47%	0.63%	4.79%	17.78%	21.65%	43.60%
5	3.44%	1.00%	5.80%	21.34%	24.89%	50.59%
6	4.33%	1.26%	6.54%	24.48%	28.41%	56.33%
7	5.33%	1.75%	7.61%	28.05%	32.08%	62.99%
8	5.92%	2.01%	8.33%	30.45%	35.24%	67.24%
9	6.42%	2.01%	8.61%	32.12%	37.12%	70.86%
10	6.51%	1.78%	8.53%	32.53%	38.40%	72.65%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Ethical Active - Profile C

	<i>3 MONTH RETURN</i>	<i>6 MONTH RETURN</i>	<i>1 YEAR RETURN</i>	<i>2 YEAR RETURN</i>	<i>3 YEAR RETURN</i>	<i>5 YEAR RETURN</i>
Risk Grade						
1	0.07%	-0.33%	0.59%	3.26%	5.11%	12.37%
2	0.81%	-0.30%	1.62%	7.85%	10.78%	21.78%
3	1.54%	-0.37%	2.70%	13.00%	17.40%	33.81%
4	2.31%	-0.07%	3.63%	16.50%	21.14%	40.46%
5	3.25%	0.30%	4.66%	20.06%	24.40%	47.31%
6	4.22%	0.79%	5.77%	23.58%	28.04%	53.72%
7	5.19%	1.28%	6.88%	27.19%	31.76%	60.36%
8	5.76%	1.55%	7.63%	29.61%	34.95%	64.34%
9	6.34%	1.78%	8.27%	31.71%	36.98%	68.86%
10	6.51%	1.78%	8.53%	32.53%	38.40%	71.62%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Ethical Active - Profile D

	<i>3 MONTH RETURN</i>	<i>6 MONTH RETURN</i>	<i>1 YEAR RETURN</i>	<i>2 YEAR RETURN</i>	<i>3 YEAR RETURN</i>	<i>5 YEAR RETURN</i>
Risk Grade						
1	0.03%	-0.42%	0.50%	3.18%	5.08%	12.38%
2	0.75%	-0.46%	1.52%	7.79%	10.70%	22.05%
3	1.46%	-0.60%	2.57%	12.94%	17.27%	34.51%
4	2.23%	-0.33%	3.52%	16.50%	21.00%	41.52%
5	3.18%	0.00%	4.64%	20.19%	24.27%	48.47%
6	4.16%	0.50%	5.82%	23.82%	27.91%	55.25%
7	5.14%	1.01%	7.01%	27.55%	31.62%	62.29%
8	5.73%	1.30%	7.79%	30.02%	34.79%	66.46%
9	6.32%	1.53%	8.48%	32.21%	36.82%	71.05%
10	6.49%	1.55%	8.76%	33.04%	38.25%	73.82%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Strategic Ethical Active (Profile A-D): Asset Class Returns to period end 30 June 2018

Defensive assets have relatively outperformed over 3 and 6 months owing to the recent reversal of sentiment towards risk assets. Over 1 year, relative performance is dominated by UK Property, UK and International Equity. Over 2 and 3 years UK Ethical growth, International and Emerging Markets have performed strongly, whilst UK, International and Emerging Markets have all performed well over 5 years.

PIM Strategic Ethical Active - Profile A

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	0.85%	5.16%
UK Ethical Corporate Bonds	-0.21%	-1.61%	1.46%	9.54%	15.64%	31.53%
UK Government Bonds	0.10%	-0.26%	2.17%	5.80%	20.15%	34.96%
UK Property	1.57%	3.01%	7.84%	15.46%	16.21%	43.80%
UK Ethical Equity Growth	8.67%	3.91%	10.51%	39.31%	28.72%	65.96%
UK Ethical Equity Income	6.71%	1.24%	5.57%	24.52%	22.40%	59.24%
International Ethical Equity	7.97%	3.58%	10.71%	40.59%	51.19%	74.81%
Ethical Emerging Markets Equity	3.10%	-1.60%	6.06%	23.88%	41.60%	64.18%

PIM Strategic Ethical Active - Profile B

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	0.85%	5.16%
UK Ethical Corporate Bonds	-0.21%	-1.61%	1.46%	9.54%	15.64%	31.53%
UK Property	1.57%	3.01%	7.84%	15.46%	16.21%	44.61%
UK Ethical Equity Growth	8.67%	3.91%	10.51%	39.31%	28.72%	65.96%
UK Ethical Equity Income	6.71%	1.24%	5.57%	24.52%	22.40%	59.24%
International Ethical Equity	7.97%	3.58%	10.71%	40.59%	51.19%	74.81%
Ethical Emerging Markets Equity	3.19%	-1.51%	6.15%	23.96%	41.70%	79.46%

PIM Strategic Ethical Active - Profile C

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	0.85%	5.16%
UK Ethical Corporate Bonds	-0.05%	-1.61%	1.15%	9.20%	15.29%	30.54%
UK Ethical Equity Growth	8.67%	3.91%	10.51%	39.31%	28.72%	65.35%
UK Ethical Equity Income	6.71%	1.24%	5.57%	24.52%	22.40%	57.47%
International Ethical Equity	7.97%	3.58%	10.71%	40.59%	51.19%	72.88%
Ethical Emerging Markets Equity	3.19%	-1.51%	6.15%	23.96%	41.70%	79.46%

PIM Strategic Ethical Active - Profile D

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.12%	0.22%	0.34%	0.66%	0.85%	5.16%
UK Ethical Corporate Bonds	-0.18%	-1.89%	0.87%	8.94%	15.16%	30.57%
UK Ethical Equity Growth	8.71%	2.96%	11.48%	41.54%	28.96%	66.33%
UK Ethical Equity Income	6.49%	1.03%	5.35%	24.26%	22.15%	57.15%
International Ethical Equity	8.01%	3.65%	10.85%	40.89%	50.44%	79.69%
Ethical Emerging Markets Equity	3.19%	-1.51%	6.15%	23.96%	41.70%	79.46%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.



PIM Tactical Ethical Active Portfolios

The Tactical Ethical Active offering is built around five asset classes; Managed Liquidity, Cautious, Balanced, Active and Global Alpha. The Managed Liquidity portfolio is the same as PIM Strategic Active portfolios given the difficulties in sourcing an appropriate ethical fund in this area. The asset allocation between bonds, equities and other asset classes may vary within the Cautious, Balanced and Active portfolios, at the discretion of the investment manager (PIM). The aim is to minimise volatility whilst maximising risk adjusted returns. Funds are selected from the Ethical Investment Research Services (EIRiS) fund universe, after applying PIM's due diligence process. Passive investments are not available within this solution.

PIM Tactical Ethical Active Portfolios - Asset Allocation Table

	MANAGED LIQUIDITY	CAUTIOUS	BALANCED	ACTIVE	GLOBAL ALPHA	TOTAL
Risk Grade						
1	50%	50%	0%	0%	0%	100%
2	25%	75%	0%	0%	0%	100%
3	0%	100%	0%	0%	0%	100%
4	0%	75%	25%	0%	0%	100%
5	0%	25%	75%	0%	0%	100%
6	0%	0%	100%	0%	0%	100%
7	0%	0%	75%	25%	0%	100%
8	0%	0%	25%	75%	0%	100%
9	0%	0%	0%	100%	0%	100%
10	0%	0%	0%	75%	25%	100%

Portfolios are rebalanced to their asset allocation on a periodic basis.

Net Ongoing Charge Figure (OCF) and Historic Yield

Fund OCF	0.10%	0.48%	0.66%	0.78%	0.84%	0.69%
Historic Yield	0.25%	2.29%	2.26%	1.52%	0.54%	3.84%

Fund OCF and historic yield data is correct as at 03 July 2018.

Portfolio Holdings as at 30 June 2018

The current portfolio holdings for the PIM Tactical Ethical Active portfolios are shown in the table below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

HOLDINGS		CAUTIOUS	BALANCED	ACTIVE
Managed Liquidity	Federated Short-Term Sterling Prime	7.50%	0.00%	0.00%
	BlackRock ICS Institutional Sterling Liquidity	7.50%	0.00%	0.00%
Fixed Interest	Allianz Gilt Yield	16.87%	6.63%	0.00%
	M&G Index Linked Bond	3.75%	0.87%	0.00%
	Liontrust Sustainable Future Corporate Bond	9.63%	3.75%	0.00%
	Rathbone Ethical Bond	11.00%	5.00%	0.00%
Property	Royal London Ethical Bond	11.00%	5.00%	0.00%
	L&G UK Property Feeder	3.34%	3.34%	3.34%
	Threadneedle UK Property Authorised Trust Feeder	3.33%	3.33%	3.33%
UK Equity	Standard Life Investments UK Real Estate Income Feeder	3.33%	3.33%	3.33%
	Premier Ethical	3.00%	8.00%	6.00%
	Liontrust Sustainable Future UK Growth	3.00%	8.00%	6.00%
	Royal London Sustainable Leaders	3.00%	8.00%	6.00%
	F&C Responsible UK Income	3.00%	8.00%	6.00%
	Janus Henderson UK Responsible Income	3.00%	8.00%	6.00%
International Equity	Liontrust Sustainable Future European Growth	1.18%	5.93%	7.86%
	Stewart Investors Asia Pacific Sustainability	1.50%	2.50%	14.25%
	Vontobel mtx Sustainable Emerging Markets Leaders	1.50%	2.50%	14.25%
	Liontrust Sustainable Future Global Growth	1.19%	5.94%	7.88%
	Janus Henderson Global Sustainable Equity	1.19%	5.94%	7.88%
	F&C Responsible Global Equity	1.19%	5.94%	7.88%
Total		100%	100%	100%

PIM Tactical Ethical Active - Portfolio Returns to period end 30 June 2018

All portfolios continue to perform in line with their relative risk over 3 months, 1, 2, 3 and 5 years owing to the relative outperformance of Tactical Active and Global Alpha. Performance over 6 months is distorted from Risk Grade 7 as Tactical Balanced outperformed Tactical Active due to the lower weighting in Emerging Markets Equity.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.89%	0.31%	1.96%	6.72%	8.76%	18.49%
2	1.28%	0.36%	2.78%	9.81%	12.75%	26.67%
3	1.66%	0.40%	3.60%	12.95%	16.83%	35.32%
4	2.52%	0.79%	4.48%	16.03%	19.46%	40.31%
5	4.25%	1.56%	6.26%	22.42%	24.82%	50.74%
6	5.12%	1.94%	7.16%	25.73%	27.55%	56.18%
7	5.29%	1.90%	7.47%	27.05%	29.72%	58.07%
8	5.65%	1.82%	8.09%	29.73%	34.88%	63.56%
9	5.83%	1.78%	8.40%	31.07%	36.33%	63.71%
10	6.39%	2.59%	9.48%	34.07%	40.09%	68.61%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Ethical Active - Asset Class Returns to period end 30 June 2018

The PIM Tactical Ethical Risk Graded portfolios are built through a weighted exposure to the five underlying asset classes. For transparency purposes the returns of each asset class are given below. These returns should not be considered in isolation as the asset class risk and return characteristics are taken into account within the construction of each Risk Graded portfolio.

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Portfolio						
PIM Tactical Ethical Active: Cautious	1.66%	0.40%	3.60%	12.95%	16.83%	35.32%
IA Mixed Investment 20-60% Shares	2.82%	-0.42%	2.44%	14.59%	16.73%	30.87%
PIM Tactical Ethical Active Balanced	5.12%	1.94%	7.16%	25.73%	27.55%	56.18%
IA Mixed Investment 40-85% Shares	4.89%	0.51%	4.85%	21.78%	24.08%	43.36%
PIM Tactical Ethical Active: Active	5.83%	1.78%	8.40%	31.07%	36.33%	63.71%
IA Flexible Investment	4.38%	0.25%	5.04%	23.85%	25.38%	44.66%
PIM Tactical Ethical Active Global Alpha	8.11%	5.06%	12.75%	43.33%	51.72%	83.62%
FTSE World	7.16%	2.41%	9.35%	34.36%	54.01%	86.13%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

PIM Tactical Ethical Active Income

The Tactical Ethical Active Income portfolio invests in a combination of Bonds, Property and Equity collectives with the aim of providing a yield between 10% and 20% greater than that of the broad UK stock market, which is currently 3.64%. The mix of asset classes will be varied by the investment manager (PIM) depending upon their risk and return characteristics. Funds will be selected from the Ethical Investment Research Services (EIRiS) fund universe within Fixed Interest and Equity Income in line with the Ethical mandate.

PIM Tactical Ethical Active Income - Portfolio Returns to period end 30 June 2018

Given the unique character of the portfolio, Tactical Ethical Active Income does not easily fit within any of the IA sector definitions and there is no natural benchmark for performance comparisons. However, in the table below are some of the common benchmarks for reference purposes.

Portfolio / Benchmark	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
PIM Tactical Ethical Active Income	3.59%	0.63%	4.48%	17.82%	19.00%	45.33%
Citi UK Government Bond Index	0.70%	1.03%	2.82%	1.69%	16.48%	30.65%
IA Sterling Corporate Bond Sector	-0.19%	-1.51%	0.58%	7.02%	13.60%	26.14%
IA UK Equity Income Sector	8.33%	1.71%	6.04%	26.54%	24.24%	52.08%

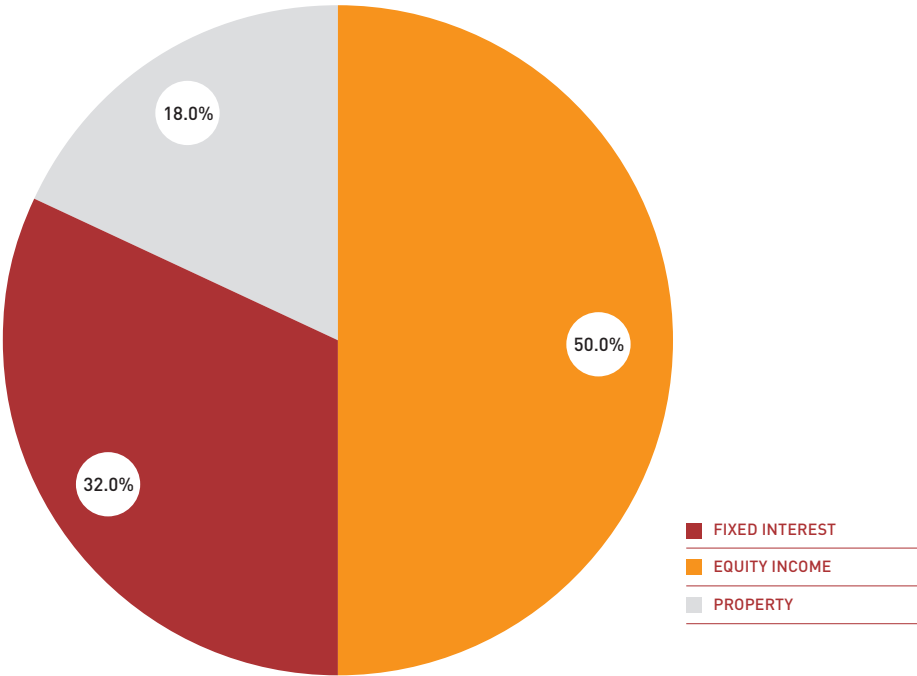
Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Portfolio Holdings as of 30 June 2018

The current portfolio holdings for PIM Tactical Ethical Active Income are shown in the table below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

	HOLDINGS	INCOME
Fixed Interest	Liontrust Sustainable Future Corporate Bond	10.00%
	Rathbone Ethical Bond	11.00%
	Royal London Ethical Bond	11.00%
Property	L&G UK Property Feeder	6.00%
	Threadneedle UK Property Authorised Trust Feeder	6.00%
	Standard Life Investments UK Real Estate Income Feeder	6.00%
Equity Income	Janus Henderson UK Responsible Income	25.00%
	F&C Responsible UK Income	25.00%
Total		100%

PIM Tactical Ethical Active Income % Asset Allocation as of 30 June 2018



The PIM Tactical Ethical Active (Income) Portfolios have a target yield greater than 10% than that of the UK Equity Market.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DU DFA Multi-Option: UK Perspective

The Dimensional Fund Advisers (DFA) Multi-Option: UK Perspective Solution enables clients to allocate monies across multiple asset classes within a Risk Graded framework. The Multi-Option profile provides the client with additional flexibility to accommodate both pure, passive and (where appropriate) active exposure within each asset class, and to vary the value and small cap tilt as appropriate. The amount to invest into each asset group is dependent upon the clients' risk profile and, once agreed, is kept constant by the investment manager (PIM) by periodic rebalancing. PIM only have the authority to make infrequent changes to asset weightings, as identified by a structural change.

DFA Multi-Option: UK Perspective - Asset Allocation Table

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK EQUITY GROWTH	UK EQUITY INCOME	UK VALUE & SMALL CAP EQUITY	WORLD EX-UK EQUITY	WORLD EX-UK VALUE & SMALL CAP EQUITY	EMERGING MARKETS EQUITY	EMERGING MARKET VALUE & SMALL CAP EQUITY	TOTAL
Risk Grade											
1	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
2	45%	40%	5%	1%	1%	3%	2%	3%	0%	0%	100%
3	25%	45%	10%	2%	1%	7%	2%	3%	3%	2%	100%
4	10%	50%	10%	3%	2%	10%	4%	6%	3%	2%	100%
5	0%	50%	10%	3%	3%	14%	4%	6%	5%	5%	100%
6	0%	45%	5%	4%	4%	17%	6%	9%	5%	5%	100%
7	0%	35%	5%	5%	4%	21%	6%	9%	8%	7%	100%
8	0%	25%	5%	6%	5%	24%	6%	9%	10%	10%	100%
9	0%	20%	0%	6%	6%	28%	8%	12%	10%	10%	100%
10	0%	10%	0%	7%	7%	31%	8%	12%	13%	12%	100%

Portfolios are rebalanced to their asset allocation on a semi annual basis.

Ongoing Charge Figure (OCF) Net of Rebates and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

DFA Multi-Option: UK Perspective Pure

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK EQUITY GROWTH	UK EQUITY INCOME	UK VALUE & SMALL CAP	WORLD EX-UK EQUITY	WORLD EX-UK VALUE & SMALL CAP	EMERGING MARKETS EQUITY	EMERGING MARKETS VALUE & SMALL CAP EQUITY
Fund OCF	0.20%	0.28%	0.22%	0.24%	0.12%	0.51%	0.35%	0.56%	0.67%	1.01%
Historic Yield	1.19%	1.03%	2.88%	2.62%	4.79%	2.34%	1.49%	1.02%	1.71%	1.20%

Fund OCF and historic yield data is correct as at 03 July 2018.

DFA Multi-Option: UK Perspective Passive

	MANAGED LIQUIDITY	FIXED INTEREST	PROPERTY	UK EQUITY GROWTH	UK EQUITY INCOME	UK VALUE & SMALL CAP	WORLD EX-UK EQUITY	WORLD EX-UK VALUE & SMALL CAP	EMERGING MARKETS EQUITY	EMERGING MARKETS VALUE & SMALL CAP EQUITY
Fund OCF	0.20%	0.08%	0.22%	0.05%	0.12%	0.51%	0.08%	0.56%	0.22%	1.01%
Historic Yield	1.19%	1.74%	2.88%	3.55%	4.79%	2.34%	1.88%	1.02%	1.85%	1.20%

Fund OCF and historic yield data is correct as at 03 July 2018.

Portfolio Holdings as at 30 June 2018

The current portfolio holdings for DFA Multi-Option: UK Perspective (Pure and Passive) are shown in the tables below, as at 30 June 2018. For the purposes of on-going suitability due diligence is conducted on DFA and underlying passive fund providers on a 6 monthly basis.

DFA Multi-Option: UK Perspective Pure

<i>MANAGED LIQUIDITY</i>	<i>FIXED INTEREST</i>	<i>GLOBAL PROPERTY</i>	<i>UK EQUITY GROWTH</i>	<i>UK EQUITY INCOME</i>	<i>UK VALUE & SMALL CAP</i>	<i>WORLD EX-UK EQUITY</i>	<i>WORLD EX-UK VALUE & SMALL CAP EQUITY</i>	<i>EMERGING MARKETS EQUITY</i>	<i>EMERGING MARKETS VALUE & SMALL CAP EQUITY</i>
Dimensional Global Ultra Short Fixed Income	Dimensional Global Short Dated Bond	iShares Global Property Securities Equity Index	Dimensional UK Core Equity	Vanguard FTSE UK Equity Income Index	Dimensional UK Value	Dimensional International Core Equity	Dimensional Global Targeted Value	Dimensional Emerging Markets Core Equity	Dimensional Emerging Markets Targeted Value
	Dimensional Sterling Inflation Linked Intermediate Duration Fixed Income				Dimensional UK Small Companies				

DFA Multi-Option: UK Perspective Passive

Dimensional Global Ultra Short Fixed Income	Vanguard UK Government Bond Index	iShares Global Property Securities Equity Index	Vanguard FTSE UK All Share Index	Vanguard FTSE UK Equity Income Index	Dimensional UK Value	Vanguard US Equity Index	Dimensional Global Targeted Value	Vanguard Emerging Markets Stock Index	Dimensional Emerging Markets Targeted Value
	L&G All Stocks Index Linked Gilt Index				Dimensional UK Small Companies	Vanguard FTSE Developed Europe ex UK Equity Index			
	Vanguard UK Investment Grade Bond Index					L&G Japan Index			
	Vanguard Global Bond Index Hedge					L&G Pacific Index			

DFA Multi-Option UK Perspective - Portfolio Returns to period end 30 June 2018

All DFA UK (Pure and Passive) portfolios continue to perform in line with their relative risk over 3 months, 1, 2, 3 and 5 years owing to the relative outperformance of all equities (except Emerging Markets) over 3 months, UK Equity Growth and UK Value and Small Cap over 1 and 2 years and World Ex-UK Equity and World Ex UK Value and Small Cap Equity over 1, 2, 3 and 5 years. Over 6 months performance is distorted by the outperformance of Global Property and the underperformance of Emerging Markets Equity.

DFA Multi-Option: UK Perspective Pure

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
2	1.67%	0.21%	1.01%	3.97%	7.83%	13.64%
3	2.48%	0.09%	1.89%	7.79%	13.38%	21.67%
4	3.26%	0.23%	2.79%	11.28%	17.37%	28.58%
5	3.47%	-0.07%	3.41%	14.52%	20.78%	33.76%
6	3.66%	-0.04%	4.12%	17.54%	22.28%	37.03%
7	3.87%	-0.25%	4.82%	20.96%	25.27%	41.35%
8	4.07%	-0.48%	5.44%	24.22%	28.20%	45.53%
9	4.24%	-0.48%	6.17%	27.48%	29.65%	48.95%
10	4.44%	-0.69%	6.82%	30.89%	32.58%	53.24%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DFA Multi-Option: UK Perspective Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
2	1.42%	0.13%	1.52%	4.90%	10.92%	19.49%
3	2.18%	0.02%	2.53%	8.88%	17.01%	28.59%
4	2.90%	0.14%	3.50%	12.46%	21.56%	36.73%
5	3.10%	-0.14%	4.17%	15.76%	25.05%	42.16%
6	3.29%	-0.10%	4.82%	18.60%	26.20%	44.81%
7	3.55%	-0.27%	5.45%	21.79%	28.38%	47.48%
8	3.80%	-0.48%	6.00%	24.80%	30.48%	49.94%
9	3.97%	-0.45%	6.66%	27.90%	31.54%	52.62%
10	4.23%	-0.63%	7.25%	31.07%	33.59%	55.05%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DFA Multi-Option UK Perspective - Asset Class Returns to period end 30 June 2018

All equities (except Emerging Markets) performed well over 3 months. Global Property (and UK Equity Growth for Pure and World Ex-UK Equity for Passive) relatively outperformed over 6 months whilst UK Equity Growth and UK Value and Small Cap outperformed over 1 and 2 years. Finally, World Ex-UK and World Ex-UK Value and Small Cap delivered attractive returns over 1, 2, 3 and 5 years.

DFA Multi-Option: UK Perspective Pure

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
Fixed Interest	0.40%	-0.42%	-0.25%	0.65%	5.36%	11.28%
Global Property	12.39%	3.26%	4.33%	9.85%	41.70%	55.33%
UK Equity Growth	9.63%	3.59%	10.07%	33.44%	31.69%	55.10%
UK Equity Income	8.32%	1.09%	6.26%	21.71%	20.37%	39.55%
UK Value and Small Cap	7.87%	1.34%	10.98%	39.63%	26.57%	56.29%
World Ex-UK Equity	9.13%	2.33%	9.26%	37.20%	53.80%	86.07%
World Ex-UK Value & Small Cap Equity	7.10%	1.16%	8.12%	36.99%	48.05%	80.24%
Emerging Markets Equity	-2.74%	-6.05%	3.32%	31.88%	39.35%	46.23%
Emerging Markets Value & Small Cap Equity	-3.68%	-7.53%	1.22%	27.59%	39.61%	43.24%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DFA Multi-Option: UK Perspective Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
Fixed Interest	-0.14%	-0.61%	1.02%	3.08%	13.02%	25.96%
Global Property	12.39%	3.26%	4.33%	9.85%	41.70%	55.33%
UK Equity Growth	9.18%	2.08%	9.38%	29.08%	31.82%	52.76%
UK Equity Income	8.32%	1.09%	6.26%	21.71%	20.37%	39.55%
UK Value and Small Cap	7.87%	1.34%	10.98%	39.63%	26.57%	56.29%
World Ex-UK Equity	7.67%	3.04%	9.49%	36.08%	55.81%	91.23%
World Ex-UK Value & Small Cap Equity	7.10%	1.16%	8.12%	36.99%	48.05%	80.24%
Emerging Markets Equity	-2.75%	-5.08%	5.77%	34.33%	38.94%	44.40%
Emerging Markets Value & Small Cap Equity	-3.68%	-7.53%	1.22%	27.59%	39.61%	43.24%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.



DFA Multi-Option: Global Perspective

The DFA Multi-Option: Global Perspective Solution enables clients to allocate monies across multiple asset classes within a Risk Graded framework that uses a global approach to asset weightings. The Multi-Option profile provides the client with additional flexibility to accommodate both pure, passive and (where appropriate) active exposure within each asset class, and to vary the value and small cap tilt as appropriate. The amount to invest into each asset group is dependent upon the client's risk profile and, once agreed, is kept constant by the investment manager (PIM) by periodic rebalancing. PIM only has the authority to make infrequent changes to asset weightings, as identified by a structural change.

DFA Multi-Option: Global Perspective - Asset Allocation Table

	MANAGED LIQUIDITY	FIXED INTEREST	GLOBAL PROPERTY	GLOBAL EQUITY	GLOBAL VALUE & SMALL CAP EQUITY	EMERGING MARKETS EQUITY	EMERGING MARKET VALUE & SMALL CAP EQUITY	TOTAL
Risk Grade								
1	100%	0%	0%	0%	0%	0%	0%	100%
2	45%	40%	5%	4%	6%	0%	0%	100%
3	25%	45%	10%	6%	9%	3%	2%	100%
4	10%	50%	10%	10%	15%	3%	2%	100%
5	0%	50%	10%	12%	18%	5%	5%	100%
6	0%	45%	5%	14%	21%	8%	7%	100%
7	0%	35%	5%	16%	24%	10%	10%	100%
8	0%	25%	5%	18%	27%	13%	12%	100%
9	0%	20%	0%	20%	30%	15%	15%	100%
10	0%	10%	0%	22%	33%	18%	17%	100%

Portfolios are rebalanced to their asset allocation on a semi annual basis.

Net Ongoing Charge Figure (OCF) and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

DFA Multi-Option: Global Perspective Pure

	MANAGED LIQUIDITY	FIXED INTEREST	GLOBAL PROPERTY	GLOBAL EQUITY	GLOBAL VALUE & SMALL CAP	EMERGING MARKETS EQUITY	EMERGING MARKET VALUE & SMALL CAP EQUITY
Fund OCF	0.20%	0.29%	0.22%	0.36%	0.56%	0.67%	1.01%
Historic Yield	1.19%	1.23%	2.88%	1.52%	1.02%	1.71%	1.20%

Fund OCF and historic yield data is correct as at 03 July 2018.

DFA Multi-Option: Global Perspective Passive

	MANAGED LIQUIDITY	FIXED INTEREST	GLOBAL PROPERTY	GLOBAL EQUITY	GLOBAL VALUE & SMALL CAP	EMERGING MARKETS EQUITY	EMERGING MARKET VALUE & SMALL CAP EQUITY
Fund OCF	0.20%	0.10%	0.22%	0.08%	0.56%	0.22%	1.01%
Historic Yield	1.19%	1.49%	2.88%	2.22%	1.02%	1.85%	1.20%

Fund OCF and historic yield data is correct as at 03 July 2018.

Portfolio Holdings as at 30 June 2018

The current portfolio holdings for DFA Multi-Option: Global Perspective Pure and Passive are shown in the tables below, as at 30 June 2018. For the purposes of on-going suitability, due diligence is conducted on Dimensional Fund Advisers (DFA) and underlying passive fund providers on a 6 monthly basis.

DFA Multi-Option: Global Perspective Pure

<i>MANAGED LIQUIDITY</i>	<i>FIXED INTEREST</i>	<i>GLOBAL PROPERTY</i>	<i>GLOBAL EQUITY</i>	<i>GLOBAL VALUE AND SMALL CAP</i>	<i>EMERGING MARKETS EQUITY</i>	<i>EMERGING MARKETS VALUE & SMALL CAP EQUITY</i>
Dimensional Global Ultra Short Fixed Income	Dimensional Global Short Dated Bond	iShares Global Property Securities Equity Index	Dimensional Global Core Equity	Dimensional Global Targeted Value	Dimensional Emerging Markets Core Equity	Dimensional Emerging Markets Targeted Value
	Dimensional Sterling Inflation Linked Intermediate Duration Fixed Income					

DFA Multi-Option: Global Perspective Passive

Dimensional Global Ultra Short Fixed Income	L&G All Stocks Index Linked Gilt Index	iShares Global Property Securities Equity Index	Vanguard FTSE UK All Share Index	Dimensional Global Targeted Value	Vanguard Emerging Markets Stock Index	Dimensional Emerging Markets Targeted Value
	Vanguard Global Bond Index Hedged		Vanguard FTSE UK Equity Income Index			
			Vanguard US Equity Index			
			Vanguard FTSE Developed Europe ex UK Equity Index			
			L&G Japan Index			
			L&G Pacific Index			

DFA Multi-Option Global Perspective - Portfolio Returns to period end 30 June 2018

All DFA Global (Pure and Passive) portfolios have performed in line with their relative risk over 1, 2, 3 and 5 years owing to the relative outperformance of Global Equity and Global Value and Small Cap. Over 3 and 6 months, performance is distorted by the outperformance of Global Property and poor returns in Emerging Markets.

DFA Multi-Option: Global Perspective Pure

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
2	1.58%	0.21%	0.87%	3.56%	8.10%	13.66%
3	2.34%	0.08%	1.64%	7.25%	14.51%	22.48%
4	3.05%	0.22%	2.48%	10.65%	19.42%	30.36%
5	3.22%	-0.06%	3.02%	13.88%	23.96%	36.74%
6	2.81%	-0.45%	3.39%	16.68%	26.26%	39.90%
7	2.97%	-0.68%	3.97%	20.00%	30.49%	45.58%
8	3.14%	-0.89%	4.58%	23.38%	34.78%	51.41%
9	2.72%	-1.30%	4.91%	26.23%	37.07%	54.65%
10	2.88%	-1.51%	5.51%	29.68%	41.40%	60.65%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DFA Multi-Option: Global Perspective Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Risk Grade						
1	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
2	1.36%	0.09%	1.22%	3.79%	9.97%	17.73%
3	2.08%	-0.02%	2.10%	7.59%	16.73%	27.35%
4	2.76%	0.11%	2.98%	11.09%	21.98%	36.13%
5	2.93%	-0.14%	3.57%	14.40%	26.61%	42.75%
6	2.55%	-0.48%	3.96%	17.28%	28.67%	45.39%
7	2.77%	-0.65%	4.50%	20.65%	32.42%	49.97%
8	2.99%	-0.80%	5.09%	24.11%	36.18%	54.61%
9	2.60%	-1.17%	5.42%	27.03%	38.19%	57.22%
10	2.82%	-1.32%	6.01%	30.56%	41.95%	61.89%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DFA Multi-Option Global Perspective - Asset Class Returns to period end 30 June 2018

Global Property relatively outperformed over 3 and 6 months, whilst Global Equity and Global Value and Small Cap outperformed over 1, 2, 3 and 5 years. Emerging Markets Equity has struggled over 3 and 6 months albeit returns over longer periods (2-5 years) are more reasonable.

DFA Multi-Option: Global Perspective Pure

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
Fixed Interest	0.36%	-0.42%	-0.46%	-0.37%	3.79%	8.96%
Global Property	12.39%	3.26%	4.33%	9.85%	41.70%	55.33%
Global Equity	7.80%	2.58%	9.47%	32.65%	51.13%	82.98%
Global Value & Small Cap	7.10%	1.16%	8.12%	36.99%	48.05%	80.24%
Emerging Markets Equity	-2.74%	-6.05%	3.32%	31.88%	39.35%	46.23%
Emerging Markets Value & Small Cap Equity	-3.68%	-7.53%	1.22%	27.59%	39.61%	43.24%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DFA Multi-Option: Global Perspective Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Asset Class						
Managed Liquidity	0.30%	0.10%	-0.02%	-0.19%	0.57%	1.80%
Fixed Interest	-0.19%	-0.75%	0.42%	0.03%	8.34%	18.89%
Global Property	12.39%	3.26%	4.33%	9.85%	41.70%	55.33%
Global Equity	7.84%	2.82%	9.27%	34.58%	51.15%	83.98%
Global Value & Small Cap	7.10%	1.16%	8.12%	36.99%	48.05%	80.24%
Emerging Markets Equity	-2.75%	-5.08%	5.77%	34.33%	38.94%	44.40%
Emerging Markets Value & Small Cap Equity	-3.68%	-7.53%	1.22%	27.59%	39.61%	43.24%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

DT Distribution Technology Multi-Option

The Distribution Technology (DT) Multi-Option Solution incorporates ten risk graded model portfolios constructed by Parmenion Investment Management (PIM). The asset weightings of these portfolios exactly match those specified by Distribution Technology in their quarterly investment report. This solution allows the Adviser to choose between active and/or passive fund exposure, within each asset class, as appropriate for the underlying client. Please note, on 05 October 2017 DT solution asset allocations were revised in line with the latest Q3 DT SAA.

Distribution Technology Multi-Option: Asset Allocation Table

	UK CASH	UK CORP BONDS	UK V/L BONDS	INTERNATIONAL BONDS	UK GILTS	GLOBAL HIGH YIELD	UK EQUITY	EUROPEAN EQUITY	US EQUITY	JAPAN EQUITY	PACIFIC EX-JAPAN EQUITY	EMERGING MARKETS EQUITY	UK PROPERTY	TOTAL
Risk Grade														
1	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100%
2	46.00%	13.00%	5.00%	8.00%	11.00%	0.00%	12.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	100%
3	15.00%	21.00%	9.00%	9.00%	14.00%	0.00%	14.00%	2.00%	6.00%	2.00%	0.00%	0.00%	8.00%	100%
4	10.00%	22.00%	5.00%	3.00%	8.00%	3.00%	19.00%	4.00%	10.00%	4.00%	4.00%	0.00%	8.00%	100%
5	5.00%	21.00%	0.00%	0.00%	5.00%	4.00%	26.00%	4.00%	12.00%	6.00%	5.00%	5.00%	7.00%	100%
6	4.00%	16.00%	0.00%	0.00%	0.00%	4.00%	31.00%	5.00%	12.00%	7.00%	8.00%	8.00%	5.00%	100%
7	0.00%	5.00%	0.00%	0.00%	0.00%	5.00%	35.00%	5.00%	10.00%	8.00%	13.00%	14.00%	5.00%	100%
8	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	20.00%	5.00%	8.00%	7.00%	23.00%	27.00%	5.00%	100%
9	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.00%	5.00%	7.00%	6.00%	25.00%	41.00%	0.00%	100%
10	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.00%	0.00%	5.00%	0.00%	27.00%	63.00%	0.00%	100%

These are the asset weightings that were in effect as at 03 July 2018. Please refer to solution factsheet for details of current asset weightings.

Portfolios are rebalanced to their asset allocation on a quarterly basis.

Net Ongoing Charge Figure (OCF) and Historic Yield

The fund OCF and historic yield for each asset class are shown below. The data included will vary from month to month, depending on the fund selection of the investment manager and the expenses of the underlying funds themselves. These figures are therefore only included for the purposes of transparency.

Distribution Technology Multi-Option Active

	UK CASH	UK CORP BONDS	UK I/L GILTS	INTERNATIONAL BONDS	UK GILTS	GLOBAL HIGH YIELD	UK EQUITY	EUROPEAN EQUITY	US EQUITY	JAPAN EQUITY	PACIFIC EX-JAPAN EQUITY	EMERGING MARKETS EQUITY	UK PROPERTY
Fund OCF	0.10%	0.54%	0.56%	0.79%	0.32%	0.73%	0.82%	0.88%	0.76%	1.01%	0.92%	1.02%	0.73%
Historic Yield	0.25%	3.14%	0.00%	2.81%	1.29%	4.63%	2.92%	1.25%	0.34%	1.70%	2.28%	1.20%	3.29%

Fund OCF and historic yield data is correct as at 03 July 2018.

Distribution Technology Multi-Option Passive

	UK CASH	UK CORP BONDS	UK I/L GILTS	INTERNATIONAL BONDS	UK GILTS	GLOBAL HIGH YIELD	UK EQUITY	EUROPEAN EQUITY	US EQUITY	JAPAN EQUITY	PACIFIC EX-JAPAN EQUITY	EMERGING MARKETS EQUITY	UK PROPERTY
Fund OCF	0.10%	0.06%	0.10%	0.10%	0.06%	0.73%	0.09%	0.09%	0.06%	0.10%	0.14%	0.22%	0.73%
Historic Yield	0.25%	2.65%	0.00%	1.66%	1.39%	4.63%	4.17%	2.46%	1.54%	1.56%	3.04%	1.85%	3.29%

Fund OCF and historic yield data is correct as at 03 July 2018.

Portfolio Holdings as at 30 June 2018

The current portfolio holdings for DT Multi Option are shown in the tables below, as at 30 June 2018. Please refer to page 57 for details on fund changes over the period. If you have any further queries, please refer to your relationship manager.

Distribution Technology Multi-Option Active and Passive

UK CASH	UK CORP BONDS	UK V/L GILTS	INTERNATIONAL BONDS	UK GILTS	GLOBAL HIGH YIELD	UK EQUITY	EUROPEAN EQUITY	US EQUITY	JAPAN EQUITY	PACIFIC EX-JAPAN EQUITY	EMERGING MARKETS EQUITY	UK PROPERTY
Active												
Federated Short-Term Sterling Prime	Fidelity Moneybuilder Income	M&G Index Linked Bond	M&G Optimal Income	Allianz Gilt Yield	Threadneedle High Yield Bond	Trojan Income	Jupiter European	Vontobel US Equity	LF Morant Wright Nippon Yield	Stewart Investors Asia Pacific Leaders	GS Emerging Markets Equity Portfolio	Threadneedle UK Property Authorised Trust Feeder
BlackRock ICS Institutional Sterling Liquidity	BlackRock Corporate Bond		Jupiter Strategic Bond			LF Lindsell Train UK Equity	Threadneedle European Select	Fidelity American Special Situations	Schroder Tokyo	Schroder Asian Income	Schroder Global Emerging Markets	L&G UK Property Feeder
			Goldman Sachs Global Fixed Income Plus Portfolio			Unicorn UK Income	FP CRUX European Special Situations	Pioneer US Fundamental Growth			MI Somerset Emerging Markets Dividend Growth	Standard Life Investments UK Real Estate Income Feeder
						LF Miton UK Multi Cap Income		Dodge & Cox US Stock			Fidelity Emerging Markets	
						Liontrust Special Situations						
						Jupiter UK Special Situations						
						Investec UK Alpha						
Passive												
Federated Short-Term Sterling Prime	Vanguard UK Investment Grade Bond Index	L&G All Stocks Index Linked Gilt Index	Vanguard Global Bond Index GBP Hedged	Vanguard UK Government Bond Index	Threadneedle High Yield Bond	Vanguard FTSE UK All Share Index	Vanguard FTSE Developed Europe ex UK Equity Index	Vanguard US Equity Index	L&G Japan Index	L&G Pacific Index	Vanguard Emerging Markets Stock Index	Threadneedle UK Property Authorised Trust Feeder
BlackRock ICS Institutional Sterling Liquidity						Vanguard FTSE UK Equity Income Index						L&G UK Property Feeder
												Standard Life Investments UK Real Estate Income Feeder

Distribution Technology Multi-Option - Portfolio Returns to period end 30 June 2018

All portfolios (Active and Passive) have performed in line with their relative risk over 2 and 3 years (except Risk Grade 10 for Active) owing to attractive relative returns in US Equity and Japan (for Active). Performance over 3 and 6 months has been distorted by poor performance in Emerging Markets Equity and the dominance of US Equity relative to all other asset groups over 1 year and since inception.

Distribution Technology Multi-Option Active

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.06.2013)
Risk Grade						
1	0.12%	0.22%	0.34%	0.66%	1.06%	3.15%
2	1.18%	0.37%	2.09%	7.33%	11.33%	19.00%
3	2.11%	0.57%	3.47%	12.33%	19.69%	32.99%
4	3.34%	1.03%	4.68%	17.13%	24.89%	42.65%
5	4.13%	1.05%	5.73%	21.61%	30.24%	50.55%
6	4.68%	1.06%	6.49%	25.53%	34.30%	56.44%
7	4.96%	0.93%	7.30%	29.27%	38.46%	58.84%
8	3.49%	-0.14%	7.15%	30.63%	40.62%	57.77%
9	2.62%	-1.19%	7.01%	32.70%	44.24%	57.34%
10	0.36%	-2.92%	6.03%	31.82%	43.03%	48.11%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Distribution Technology Multi-Option Passive

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.06.2013)
Risk Grade						
1	0.12%	0.22%	0.34%	0.66%	1.06%	3.15%
2	1.12%	0.28%	2.05%	5.99%	10.79%	18.65%
3	2.04%	0.55%	3.54%	10.82%	19.44%	33.79%
4	3.17%	0.80%	4.67%	16.20%	24.31%	40.65%
5	3.98%	0.80%	5.81%	20.84%	29.42%	44.48%
6	4.49%	0.63%	6.42%	24.93%	32.88%	47.49%
7	4.69%	0.29%	7.06%	28.76%	35.99%	47.42%
8	3.08%	-0.84%	6.79%	31.29%	38.61%	46.63%
9	2.19%	-1.80%	6.71%	33.98%	42.28%	46.71%
10	0.01%	-3.23%	6.15%	34.52%	42.30%	41.88%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Distribution Technology Multi-Option - Asset Class Returns to period end 30 June 2018

Whilst US Equity has relatively outperformed over all periods (except 2 years for Active), Japan Equity has also delivered attractive returns for Active over 1 year to since inception. UK Equity have also posted solid gains over 3 months whilst for Active managers in UK and European Equity have also performed well over 1 year.

Distribution Technology Multi-Option Active

Asset Class	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.06.2013)
UK Cash	0.12%	0.22%	0.34%	0.66%	1.06%	3.15%
UK Corp Bonds	0.02%	-1.25%	0.83%	6.29%	11.78%	19.75%
UK I/L Gilts	-0.37%	-1.05%	1.77%	8.65%	24.84%	39.51%
International Bonds	-0.89%	-1.35%	-0.03%	8.02%	9.47%	11.17%
UK Gilts	0.58%	0.53%	2.57%	2.84%	15.33%	20.91%
UK Property	1.70%	2.99%	7.46%	14.70%	15.14%	42.78%
Global High Yield*	-0.46%	-0.84%	1.43%	11.21%	13.02%	N/A
UK Equity	9.06%	3.08%	8.37%	30.73%	34.66%	61.77%
European Equity	6.55%	2.76%	8.98%	33.49%	48.31%	75.79%
US Equity	9.65%	4.30%	8.95%	30.67%	55.44%	92.03%
Japan Equity	2.96%	-2.13%	8.47%	45.60%	56.32%	85.69%
Pacific Ex-Japan Equity	5.12%	1.71%	7.42%	29.99%	43.64%	64.67%
Emerging Markets Equity	-3.06%	-5.94%	4.85%	32.43%	41.31%	36.72%

*Distribution Technology introduced the Global High Yield asset class on 15 January 2015. Data is therefore unavailable over longer periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Distribution Technology Multi-Option Passive

Asset Class	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	FROM INCEPTION (01.06.2013)
UK Cash	0.12%	0.22%	0.34%	0.66%	1.06%	3.15%
UK Corp Bonds	-0.12%	-0.79%	1.19%	6.71%	16.18%	25.72%
UK I/L Gilts	-0.37%	-1.12%	1.79%	8.94%	24.87%	40.02%
International Bonds	-0.17%	-0.71%	0.26%	-1.02%	6.50%	14.41%
UK Gilts	0.00%	0.40%	2.11%	1.05%	15.65%	26.32%
UK Property	1.70%	2.99%	7.46%	14.70%	15.14%	42.78%
Global High Yield*	-0.46%	-0.84%	1.43%	11.21%	13.02%	N/A
UK Equity	8.75%	1.58%	7.82%	25.36%	25.99%	39.03%
European Equity	3.58%	-1.13%	2.76%	32.10%	39.91%	57.34%
US Equity	10.28%	5.62%	12.58%	36.86%	63.83%	103.99%
Japan Equity	4.92%	0.62%	9.04%	36.29%	45.13%	69.65%
Pacific Ex-Japan Equity	3.03%	-1.54%	5.15%	35.42%	47.62%	46.63%
Emerging Markets Equity	-2.75%	-5.08%	5.77%	34.33%	38.94%	35.19%

*Distribution Technology introduced the Global High Yield asset class on 15 January 2015. Data is therefore unavailable over longer periods.

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Portfolio Changes

Portfolios Affected: PIM Strategic Conviction

CHANGE US Equity

Active/Passive Split: 80/20 to 50/50

The 80% Active position was no longer tenable given the ongoing momentum in technology stocks which are prominent within US passive indices. We moved to a neutral 50:50 stance to reflect this ongoing risk and the difficulty of timing any potential turnaround in valuations.

Portfolios Affected: PIM Strategic Conviction

CHANGE Gilts

Active/Passive Split: 75/25 to 50/50

Collectively we have faith in Mike Riddell, manager of Allianz Gilt, and his deputy PM, Kaspar, to add value going forward. The Conviction charts since Mike Riddell took over the fund have noticeably improved, reflecting the alpha he has delivered versus his predecessor. Whilst our current positioning was 75:25 in favour of passive, we brought this back to an equal 50:50 split to reflect changes in quantitative indicators, which we monitor on a monthly basis.

Portfolios Affected: PIM Strategic Conviction

CHANGE Europe

Active/Passive Split: 60/40 to 50/50

Our quantitative indicators suggested a move towards passive as active signals appear to be rolling over. We are however cognisant that the outlook for Europe is perhaps not as positive as it has been previously and thus wish to temper the passive move slightly. The result is a shift from 60:40 in favour of active to a 50:50 split.

Portfolios Affected: PIM Strategic Conviction

CHANGE UK Equity Income

Active/Passive Split: 60/40 to 80/20
(plus inclusion of Threadneedle UK Equity Income)

One year charts have taken a sharp downward turn on the back of all active funds lagging passive, which presents a clear opportunity for Active managers to add alpha in the future. Threadneedle UK Equity Income has also been added into the asset class to align the funds with PIM Strategic Multi-Option.

Portfolios Affected: PIM Strategic Ethical A & B

INCREASE EdenTree Amity Sterling Bond / Liontrust Sustainable Corporate Bond / Rathbone Ethical Bond / Royal London Ethical Bond

SELL Kames Ethical Corporate Bond

The Kames Ethical Corporate Bond fund is being sold as we wish to increase the allocation to “best fit” funds (EdenTree and Liontrust) within Ethical Profiles A and B from 40 to 50%, in line with the mandate’s objectives. Also the fund’s risk-adjusted performance has been the least strong of the 5 funds used in this sector.

Portfolios Affected: PIM Strategic Ethical Profile D

BUY F&C Responsible UK Income

SELL Janus Henderson UK Responsible Income

The Janus Henderson UK Responsible Income fund was sold in favour of F&C Responsible UK Income as following a detailed SRI report by Julia Dreblow, EOC member, and subsequent conversations with Janus Henderson, it became clear that they do not have an ethical screen for alcohol production and the animal testing screens only apply to cosmetic companies. As such, it does not fulfil the objectives of an Ethical Profile D investor.

Portfolios Affected: PIM Strategic Ethical A & B & C / PIM Tactical Ethical Active

INCREASE Premier Ethical / Liontrust Sustainable Future UK Growth / Royal London Sustainable Leaders Trust

SELL EdenTree Amity UK

EdenTree Amity UK was sold following ongoing concerns with performance with proceeds reinvested into our existing UK Ethical Growth funds which have consistently delivered attractive risk adjusted returns. As this change is principally return focused, all mandates have been included, with the exception of Ethical Profile D as it does not hold the EdenTree fund and Premier/Royal London are not permitted in the mandate. We note that this change will reduce the “best fit” from 75% to 67% for A and B (C remains at 100%) but believe that the risk-adjusted return profile merits such a move.

Portfolios Affected: PIM Tactical Active / PIM Tactical Passive / PIM Tactical Ethical Active

INCREASE UK Equity

REDUCE Japan / Europe / Index-Linked Gilts

Post the Asset Allocation Committee and a wider discussion within the PIM team, it was decided to increase the weighting to UK Equity from the previous underweight position back to neutral. This is based on qualitative views of the team on valuation grounds and also the UK ranking highly within value and momentum indicators. To fund the move to neutral in the UK, Japan and Europe were brought back to neutral from current single overweights. Momentum is slowing in Europe on the back of softer data and we held an overweight in Japan for some time which had performed well.

We also reduced Index Linked Gilts to fund the UK position. The duration of Index Linked Gilts is over 22 years so with rate rises becoming more realistic within the UK we have decided to reduce the duration of our overall fixed interest asset group.

Index and Peer Group Returns

Index and Peer Group Returns to period end 30 June 2018

	3 MONTH RETURN	6 MONTH RETURN	1 YEAR RETURN	2 YEAR RETURN	3 YEAR RETURN	5 YEAR RETURN
Comparative Indices						
IA Mixed Investment 0-35% Shares	1.68%	-0.59%	1.34%	8.94%	12.58%	21.96%
IA Mixed Investment 20-60% Shares	2.82%	-0.42%	2.44%	14.59%	16.73%	30.87%
IA Mixed Investment 40-85% Shares	4.89%	0.51%	4.85%	21.78%	24.08%	43.36%
IA Flexible Investment	4.38%	0.25%	5.04%	23.85%	25.38%	44.66%
LIBOR GBP 12m	0.24%	0.45%	0.80%	1.55%	2.60%	4.57%
FTSE Actuaries UK Conventional Gilts All Stocks	0.16%	0.42%	1.93%	1.05%	14.69%	27.76%
FTSE Actuaries UK Index Linked All Stocks	-1.00%	-0.91%	1.83%	8.68%	24.82%	48.10%
IBOXX Sterling Corporates All Maturities	-0.35%	-1.83%	0.37%	7.23%	17.00%	34.07%
Barclays Global Aggregate GBP (H)	-0.26%	-0.71%	0.25%	-1.04%	6.47%	16.15%
PIM Property Index	1.21%	2.48%	6.76%	12.11%	11.83%	39.53%
FTSE All Share	9.20%	1.69%	9.02%	28.78%	31.62%	52.76%
FTSE UK Equity Income	8.34%	0.69%	5.94%	21.52%	20.30%	40.15%
FTSE North America	10.05%	5.05%	12.47%	36.44%	64.87%	110.59%
FTSE Europe Ex UK	3.29%	-1.27%	3.00%	32.58%	41.00%	63.65%
FTSE Asia Pacific Ex Japan	2.19%	-2.37%	6.70%	35.93%	44.74%	63.69%
FTSE Japan	3.21%	0.36%	8.99%	34.68%	44.64%	68.36%
FTSE World ex UK	7.00%	2.47%	9.41%	34.91%	55.85%	89.41%
FTSE Emerging	-2.38%	-4.48%	5.92%	31.43%	36.26%	47.17%

Please refer to Important Notes on page 4 for how performance figures are calculated. Performance data is correct as of 03 July 2018. Past performance is not an indication of future returns. The value of investments and any income from them is not guaranteed and can go down as well as up.

Solutions Index

Investment Solution

NO. OF PORTFOLIOS /
RISK GRADES

ASSET ALLOCATION
METHODOLOGY

Investment Solutions

At Parmenion we provide an extensive range of investment solutions across varying Risk Grades and investment styles, here is a summary:

Active

Active funds are selected for their potential to outperform their sector with lower volatility. Active funds have higher charges as a result of the increased cost of the management process and associated research relative to Passive funds.

Tactical

Tactical asset allocation takes its lead from the fixed asset weightings of a strategic portfolio, but then allows the investment manager a degree of flexibility to vary those weightings within a risk-controlled framework. By moving among the various asset classes the investment manager looks to create an additional source of investment return by taking advantage of short term market inefficiencies which can help to manage investors' exposure to risk.

Passive

Passive funds are selected for their ability to track the asset class benchmarks closely. As processes are largely technology driven, there is minimal human intervention and the associated cost is lower.

Strategic

Strategic portfolios define and fix the asset allocation weightings at the outset and are based on historical performance data. These are reviewed annually and are only changed when structural errors have been identified. Once the weightings of the portfolio are established, the emphasis is on maintaining the asset allocation through rebalancing to achieve performance over the long term.

PIM In-House Solutions		
PIM Strategic Multi-Option	1-10	Strategic
PIM Strategic Conviction	1-10	Strategic
PIM Strategic Guardian	1-10	Strategic
PIM Strategic Active	1-10	Strategic
PIM Tactical Active	1-10	Tactical
PIM Tactical Passive	1-10	Tactical
PIM Tactical Income	1-10	Tactical
PIM Strategic Ethical Active (A-D)	1-10	Strategic
PIM Tactical Ethical Active	1-10	Tactical
Fund Manager Focus Solutions		
DFA Multi-Option: UK Perspective	1-10	Strategic
DFA Multi-Option: Global Perspective	1-10	Strategic
Distribution Technology Multi-Option	(DT) 1-10	Strategic

ASSET WEIGHTINGS

PAGES

INVESTMENT STYLE

OPEN TO

SOLUTION DESCRIPTION

PIM Efficient Frontier	8-11	Active and/or Passive	All Users	This solution uses seven asset groups and allows for active or passive fund selection, within a Strategic Asset Allocation. The PIM Strategic Passive solution has an identical structure to PIM Multi-Option Passive and has therefore been excluded from the QIR.
PIM Efficient Frontier	12-15	Active and Passive	All users	The PIM Strategic Conviction solution enables clients to divide their investment across various different asset classes. The amount invested into each asset class is dependent upon the clients' risk profile and, once agreed, is kept constant with periodic rebalancing. A strategic asset allocation will be followed and periodically reviewed by the Investment Manager. Only in exceptional or unusual market conditions will the Strategic asset weightings be re-defined, as appropriate. The split between active and passive funds will be determined by PIM using both quantitative and qualitative measures and may vary by asset class as deemed appropriate by the investment managers.
PIM Efficient Frontier	16-19	Active and/or Passive	All users	This solution has been specifically designed to be used within a drawdown environment whether that be via pension drawdown or otherwise. Sixteen individual asset classes are blended to provide 10 Risk Graded portfolios that are dual optimised to provide both capital growth and a stable yield. The solution uses predominately active fund managers however some passive funds are also utilised with certain asset classes.
PIM Efficient Frontier	20-21	Active	All Users	This solution is based on a pure strategic asset allocation and active fund selection using six asset groups, including Equity Income, Equity Growth and Global Alpha.
PIM Asset Allocation Committee	22-27	Active	All Users	This solution is based on PIM's tactical asset allocation and a passive fund selection, investment philosophy and process.
PIM Asset Allocation Committee	22-27	Passive	All Users	This solution is based on PIM's tactical asset allocation and a passive fund selection, investment philosophy and process.
PIM Asset Allocation Committee	28-31	Active and/or Passive	All Users	This investment solution enables clients to invest in a range of carefully constructed Tactical portfolios, according to their requirement for yield, total return and capacity for loss. The amount invested into each portfolio is dependent upon the client's risk profile and, once agreed, is kept constant with periodic rebalancing. The investment managers have and will use a degree of flexibility to vary these weightings within a risk controlled framework, to maintain the portfolio's targeted yield, maximise total return and minimise losses in response to changing market conditions.
PIM Efficient Frontier	32-39	Active	All Users	This solution combines various styles of ethical investing with strategic asset allocations and an active fund selection. All funds are screened for positive and negative ethical criteria and monitored on an on-going basis by the Ethical Oversight Committee.
PIM Asset Allocation Committee	40-43	Active	All Users	This solution is based on PIM's tactical asset allocation and active fund selection, investment philosophy and process. Funds are selected from the EIRIS universe which are deemed to be broadly ethical in nature.
PIM Efficient Frontier	44-47	Pure/Passive	Approved Users	This solution provides the client with additional flexibility to accommodate both pure and passive exposure within each asset class, and to vary the value and small cap tilt as appropriate. The portfolio strategy incorporates a traditional domestic bias to UK equity in line with the Dimensional approach. This solution is strategic in nature; as such asset allocations are only changed on an infrequent basis, in response to structural issues.
PIM Efficient Frontier	48-51	Pure/Passive	Approved Users	This solution provides the client with additional flexibility to accommodate both pure and passive exposure within each asset class, and to vary the value and small cap tilt as appropriate. The portfolio strategy incorporates a global approach to asset allocations, in line with each country's market capitalisation relative to the global economy. This solution is strategic in nature; as such asset allocations are only changed on an infrequent basis, in response to structural issues.
Distribution Technology's Strategic Asset Allocation (SAA)	52-56	Active and/or Passive	All Users	This solution asset weightings match DT's Strategic Asset Allocation (SAA) and allows for active or passive fund selection.

Notes

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Notes

Get in **touch**

To speak to one of the Parmenion Investment Management team, you can call 0345 519 0100 or email invest@parmenion-im.co.uk



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