

Investment Beliefs

The stewardship of your investments is a responsibility we take very seriously. Whilst we understand that each client has a specific set of goals which are unique to their own personal circumstances, we have a consistent set of investment beliefs which underpin our approach.

We seek to grow clients' investment, or generate their desired level of income, over the longer term. We do not believe we (or anyone else for that matter) have the ability to predict market movements over the coming weeks or months and encourage all our clients to have a minimum five-year time horizon.

Historically, equity markets have delivered the strongest return for investors. However, as events over recent decades have demonstrated (dot com bubble, great financial crisis, global pandemic) markets can be volatile and we recommend clients hold sufficient cash to ride out these periods and not become forced sellers at market lows.

Our strategies are constructed to take into account our client's attitude to risk and tolerance of volatility and can be adjusted to suit each individual. Allocating investment to different asset classes such as equities, fixed interest, property and commodities which perform differently at different points in the economic cycle help us dampen down volatility whilst delivering attractive returns. Selecting managers with a range of investment styles further helps this goal.

However, over-diversification can hurt returns and for this reason we favour high conviction, global managers who are free to invest in the best investment opportunities irrespective of where that business is based to give them the best chance of delivering long term returns for our clients.

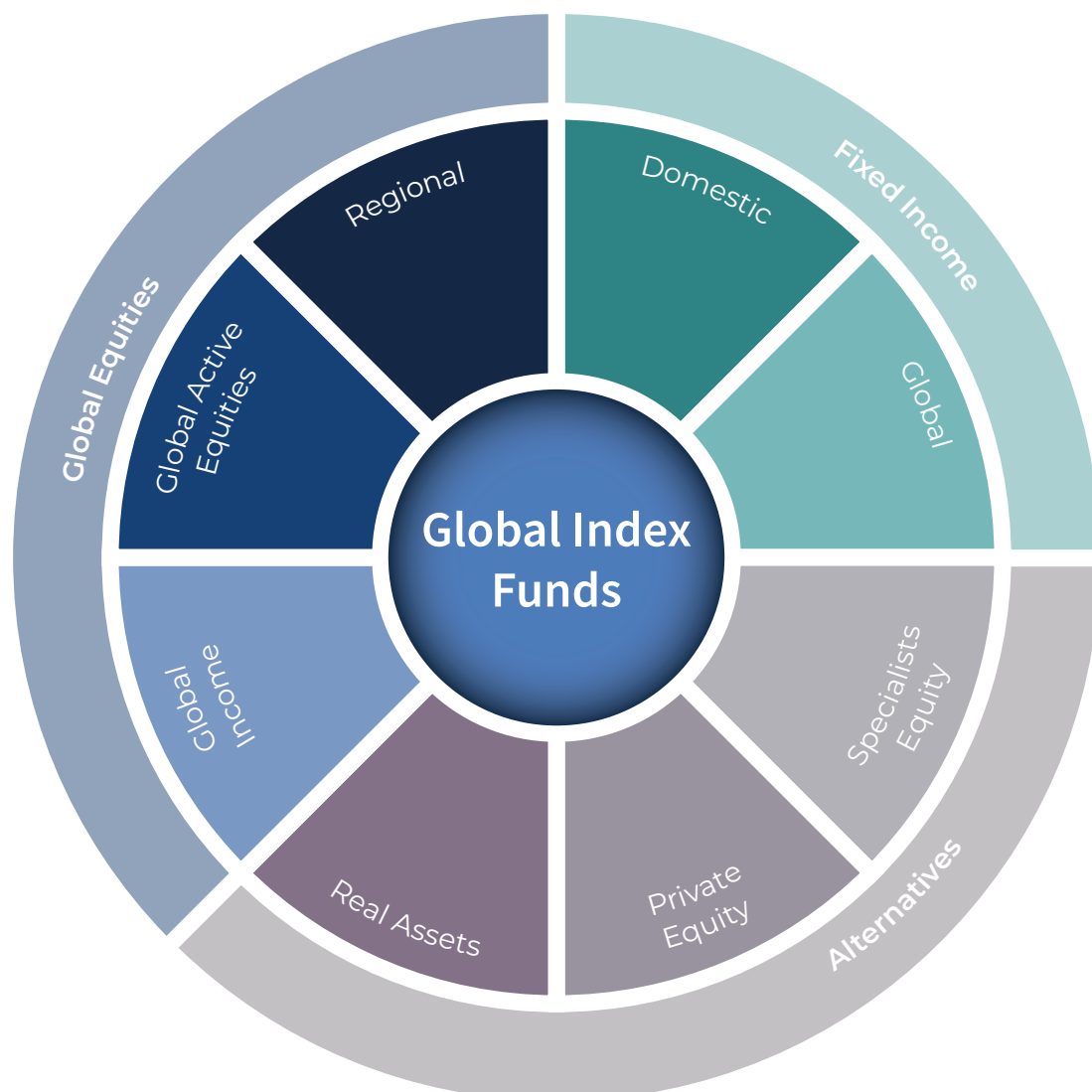
It is the role of the **Investment Committee** to identify managers who have the potential to provide superior investment returns, as well as to monitor them to ensure they maintain the standards for which they were selected. If changes are needed the manager will be replaced.

As even the best fund managers cannot beat the market all of the time, we will employ passive strategies which capture the whole market returns to reduce volatility in a cost-effective way.

Our **Balanced** and **Income strategies** are designed to make up the core of an investors' strategy, whether it be for growth, income or a mixture of both. These strategies are classified as **Medium risk**. The **Growth strategy** is for those clients with a longer term investment horizon and who are willing to accept more volatility. As such the strategy is rated **Medium/High risk**.

Personalisation of each strategy can be achieved from a selection of non-core holdings dependent on an investor's attitude to risk. These can range from **Government bonds** and **Gold** to **Commodities** and **Private Equity**.

Tax efficiency is equally important and in managing our clients' strategy we will aim to maximise the allowances and reliefs available along with tax efficient structures to help enhance the income and growth that can be achieved.



With investing, your capital is at risk

Past performance is not a guide to future performance. The value of an investment and the income from it may go down as well as up and investors may not get back the amount originally invested. This document may include forward-looking statements that are based upon our current opinions, expectations and projections. We undertake no obligation to update or revise any forward-looking statements. Actual results could differ materially from those anticipated in the forward-looking statements. All data contained within this document is sourced from EXE Capital Management unless otherwise stated.

Asset allocation and diversification do not ensure a profit or protect against a loss. All investing involves risk and you may incur a profit or a loss. There is no assurance that any investment strategy will be successful or that any securities transaction, holdings, sectors or allocations discussed will be profitable. The foregoing content reflects the opinions of EXE Capital Management and is subject to change at any time without notice. Content provided herein is for informational purposes only and should not be used or construed as investment advice or a recommendation regarding the purchase or sale of any security outside of a managed account. This should not be considered forward looking, and are not guarantees of future performance of any investment. Important information related to strategy Risks: It is important to review the investment objectives, risk tolerance, tax objectives and liquidity needs before choosing an investment style or manager. All investments carry a certain degree of risk and no one particular investment style or manager is suitable for all types of investors.

- Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default or principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks.
- There is an inverse relationship between interest rate movements and bond prices. Generally, when interest rates rise, bond prices fall and when interest rates fall, bond prices generally rise. Short-term bonds with maturities of three years or less will generally have lower yields than long term bonds which are more susceptible to interest rate risk.
- Credit risk includes the creditworthiness of the issuer or insurer, and possible prepayments of principal and interest. Bonds may receive credit ratings from

a number of agencies however, Standard & Poor’s ratings range from AAA to D, with any bond with a rating BBB or higher considered to be investment grade. Securities rated below investment grade generally provide a higher yield but carry a higher risk of default which could result on a loss of the principal investment. Because high-yield bonds have greater credit and default risk they may not be appropriate for all investors. While bonds rated investment grade have lower credit and default risk, there is no guarantee securing the principal investment.

- International investing involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic instability.
- Investing in emerging markets can be riskier than investing in well-established foreign markets. Emerging and developing markets may be less liquid and more volatile because they tend to reflect economic structures that are generally less diverse and mature and political systems that may be less stable than those in more developed countries.
- Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Stocks of smaller or newer or mid-sized companies may be more likely to realise more substantial growth as well as suffer more significant losses than larger or more established issuers.
- These strategies may be subject to international, small-cap and sector focus exposures as well. Accounts may have over weighted sector and issuer positions, and may result in greater volatility and risk.