

| Fund | Former objective and policy (Pre 07/08/2019) | New objective and policy (Post 07/08/2019) |
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| 7IM Cautious Fund | <p>7IM Cautious Fund aims to provide a long-term total return, by way of income with some capital appreciation. There may be moderate risk to capital, but the Sub-fund will be managed with the intention of limiting volatility to relatively low levels in normal circumstances. As a consequence, long-term return expectations may be lower than for higher risk portfolios. There is no guarantee that a positive return will be delivered.</p> <p>The Sub-fund will seek to achieve its objective through direct or indirect investment in a range of asset classes, which may include government and corporate bonds, cash, near cash and equities as well as in alternative asset classes (such as real estate, private equity and close-ended funds). Investment in these alternative asset classes would be largely (and in the case of real estate, only) achieved indirectly through investing in collective investment schemes, certificates and derivatives.</p> <p>While bonds, cash and near cash and other income generating assets are likely to represent the main part of the Sub-fund's investment exposure, this may also include assets with scope for capital growth in real terms, and assets with scope for greater volatility.</p> <p>The Sub-fund may use derivatives for investment purposes as well as for and Efficient Portfolio Management.</p> <p>There is no guarantee that a positive return will be delivered.</p> | <p>7IM Cautious Fund aims to provide a return by way of income with some capital growth.</p> <p>The Sub-Fund invests at least 80% of its assets in a range of collective investment vehicles and securities, which give an exposure to fixed interest and equity instruments. These, for the most part, use passive strategies (that is, strategies designed to track the performance of particular indices, market sectors or asset classes). The Sub-Fund will invest in asset classes such as property, commodities and private equity, indirectly through holdings in equities including investment trusts and exchange traded funds. The asset allocation for the entire portfolio will be actively managed.</p> <p>The other 20% of the Sub-Fund will be invested in liquid assets such as cash, deposits, money market funds and money market instruments, as well as warrants.</p> <p>In extraordinary market conditions (such as political unrest economic instability, war, the bankruptcy of large financial institutions or closure of a relevant market(s)), it may not be appropriate for the Sub-Fund to be invested in funds and other assets as noted above and the Sub-Fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, treasury bills, government bonds or short-term money market instruments. Examples of extraordinary market conditions include periods of heightened volatility caused by a sudden economic downturn or events such as political unrest, war or bankruptcy of large financial institutions.</p> <p>While the Sub-Fund's investments will be more focussed on bonds, cash and near cash and other income generating assets, the investments may also include assets with scope for capital growth in real terms, and assets with scope for greater volatility.</p> |

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| 7IM Cautious Fund | | <p>The Sub-Fund is likely to invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income) as well as for investment purposes.</p> <p>Investment Strategy:</p> <p>The starting point for the Manager’s investment process is identifying the best mix of asset classes to create a strategic asset allocation (“SAA”) customised for each 7IM risk profile.</p> <p>The SAA is then adapted to financial markets to enhance return and reduce volatility on a tactical basis using 7IM’s tactical asset allocation process (“TAA”) making temporary and measured departures from the SAA. The Sub-Fund’s portfolio of assets is constructed predominantly with passive securities, that is, we actively choose third party managers or securities for their own expertise in selecting particular assets, where their objective is to closely track a pre-determined index.</p> <p>Comparator Benchmark:</p> <p>The Sub-Fund’s performance may be compared to the IA Mixed Investment 0-35% Shares which has been chosen because it is representative of the Sub-Fund’s agreed risk profile and the type of assets in which it invests. It is therefore an appropriate comparator for the Sub-Fund’s performance.</p> |