Investment Objective
To prioritise income, with the aim of exceeding the yield of the FTSE 250 Mid-Cap Index, together with capital growth over the longer term, five years or more. The Manager will seek to achieve the investment objective by investing in a mix of equities, fixed-interest securities and cash equivalents. The Fund will maintain a bias towards equities of 60 – 85%.

Fund Manager
Manager name: Robin Hepworth
Start Date: 17/11/1994
Manager name: Thomas Fitzgerald
Start Date: 01/09/2016
Manager name: David Katimbo Mugwanya
Start Date: 01/09/2016

Price Information
Single price: 338.70p (as at 30/09/2020)
Currency: British Pound
Pricing: Daily
Historic Yield: 5.13%

Fund Facts
Fund Size: £397.97m
IA Sector: IA Mixed Investment 40-85% Shares
Index**: FTSE All Share
Asset Class: Mixed Asset
Launch Date: 17/11/1994
Domicile: United Kingdom
Number of Holdings: 92

Identifiers
Sedol: 0943398
ISIN: GB0009433987

Dividends
Ex-Dividend Date: 01/01, 01/07
Dividend Pay Date: 30/04, 31/08

Charges
AMC*: 1.00%
Ongoing Charge: 1.03%
Initial Charge: 5.00%

Fund Manager Commentary
The UK equity market (as measured by FTSE All-Share) fell 1.7% on a total return basis in September, underperforming both the domestic fixed interest market and broader global equities. Fears around a disorderly Brexit weighed on investor sentiment, as did worries around a second wave of COVID-19 infections. Rising infection rates contributed to the weak performance of domestically-focused equities, and mid-cap equities in particular, while sterling strength against a weak dollar weighed on internationally diversified large-caps. UK fixed interest markets delivered positive returns over the month as Brexit uncertainty resumed and discussion surrounding negative interest rates from the Bank of England re-emerged. The fund outperformed the benchmark over the month, benefitting from allocation to domestic fixed interest markets and international equities. Relative performance was also boosted by a positive attribution effect in UK equities, as the fund’s underweight allocation to the Energy and Telecommunications (two sector laggards) boosted returns. During the month the fund top-sliced its allocation to AstraZeneca following a sustained period of strong share price performance and used some of the proceeds to participate in a share issue of Greencoat UK Wind.

Cumulative Performance (as at 30/09/2020)

<table>
<thead>
<tr>
<th>Period</th>
<th>Fund</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1m</td>
<td>-1.08%</td>
<td>-0.39%</td>
</tr>
<tr>
<td>3m</td>
<td>-2.45%</td>
<td>1.90%</td>
</tr>
<tr>
<td>6m</td>
<td>7.12%</td>
<td>15.28%</td>
</tr>
<tr>
<td>1y</td>
<td>-11.89%</td>
<td>-0.19%</td>
</tr>
<tr>
<td>3y</td>
<td>-6.85%</td>
<td>9.56%</td>
</tr>
<tr>
<td>5y</td>
<td>18.06%</td>
<td>37.92%</td>
</tr>
<tr>
<td>10y</td>
<td>56.88%</td>
<td>79.17%</td>
</tr>
</tbody>
</table>

Source: FE fundinfo. Fund and Sector performance is shown in local currency, on a bid to bid basis with income re-invested into the fund.
Higher Income C

October 2020

Top 10 Holdings

<table>
<thead>
<tr>
<th>Name</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLAXOSMITHKLINE ORD GBP0.25</td>
<td>3.24%</td>
</tr>
<tr>
<td>TAIWAN SEMICON MAN TWD10</td>
<td>2.78%</td>
</tr>
<tr>
<td>SANOFI EUR2</td>
<td>2.45%</td>
</tr>
<tr>
<td>LEGAL &amp; GENERAL GP ORD GBP0.025</td>
<td>2.37%</td>
</tr>
<tr>
<td>TESCO ORD GBP0.05</td>
<td>2.10%</td>
</tr>
<tr>
<td>ROYAL MAIL PLC ORD GBP0.01</td>
<td>2.09%</td>
</tr>
<tr>
<td>GREencoAT UK WIND ORD GBP0.01</td>
<td>2.04%</td>
</tr>
<tr>
<td>SMITH(DS) ORD GBP0.10</td>
<td>2.01%</td>
</tr>
<tr>
<td>AstraZeneca ORD USD0.25</td>
<td>1.93%</td>
</tr>
<tr>
<td>ROYAL DUTCH SHELL ‘B’ORD EUR0.07</td>
<td>1.91%</td>
</tr>
</tbody>
</table>

Capitalisation of Assets

- GLOBAL LARGE-CAP: 57.32%
- GLOBAL MID-CAP: 22.07%
- GLOBAL SMALL-CAP: 20.61%

Bond Maturity

- 0-5 years: 25.65%
- 5-15 years: 13.64%
- Over 15 years: 60.72%

Sector Breakdown

- Financials: 44.91%
- Health Care: 11.86%
- Industrials: 7.85%
- Materials: 6.71%
- Utilities: 5.92%
- Consumer Staples: 5.49%
- Energy: 5.42%
- Communications: 3.77%
- Other: 6.15%
- Cash: 1.93%

Region Breakdown

- United Kingdom: 67.91%
- United States: 5.77%
- France: 4.76%
- Taiwan: 2.78%
- Sweden: 2.69%
- Germany: 2.60%
- Hong Kong: 2.37%
- Singapore: 2.24%
- Other: 6.93%
- Cash: 1.93%

*Past 12 months’ distributions as a % of midshare price, excluding preliminary charge.
Yield figures are as at 30/09/2020. AMC† is charged to capital for both share classes of this fund which could constrain the potential growth of your investment.
**We compare the fund’s performance to the FTSE All Share Index, however the portfolio manager is not bound or influenced by the index when making investment decisions.
Past performance should not be seen as a guide to future performance. The value of an investment and the income from it can fall as well as rise as a result of market and currency fluctuations, you may not get back the amount originally invested.
This factsheet should not be interpreted as financial advice. If you are unsure which investment is most suited for you, the advice of a qualified financial adviser should be sought.