



ADVANCE BY EMBARK

A GUIDE TO MORNINGSTAR
MODEL PORTFOLIOS

For intermediary use only – not for use with clients.



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INTRODUCTION

The Advance by Embark Platform is a wealth management service provided by Sterling ISA Managers Limited.

Through the Platform we make available a comprehensive choice of mutual funds and exchange-traded assets, as well as providing access to a range of accounts and investment solutions giving you the flexibility you need to deliver to your clients' investment strategy needs.

This Guide provides information about the 10 risk-rated model portfolios available from Morningstar through the Advance by Embark Platform. These can be useful starting points to help you target different clients' investment needs, and could help save you the time, effort and expense of building and maintaining your own portfolios.

The model portfolios combine the asset allocation skills of EV and the fund selection expertise of Morningstar. The asset mix and associated funds within the model portfolios are aligned with the strategic asset allocation model used within the tools accessed from the Platform.

Please note that during the last month of every quarter the asset allocations used in these EV tools will differ from those used in the model portfolios. This is attributable to timing differences in respect of the updating of the tools and the updating of the model portfolios.

There are 2 investment horizons available, medium (6 to 15 years) and long-term (over 16 years). Each investment horizon has 5 strategic asset allocations from which the following risk rated profiles are produced: Cautious, Moderately Cautious, Balanced, Moderately Adventurous and Adventurous.

Please note that money market assets have been excluded from the model portfolios because there are cash solutions available through the Platform. This will help you more readily control decisions on money market assets and liquidity. It also means that the model portfolios can be used for customers investing via a stocks and shares ISA.

The model portfolios will be updated at the start of every quarter (unless a corporate action has caused an ad-hoc change) using the latest asset allocations from EV and following a formal review of the fund selections from Morningstar.

When there is a change to a model portfolio, and you have clients invested in that model portfolio, you will receive notification that a change to the model portfolio has occurred. You will have the option of upgrading your clients' holdings to the latest model portfolio. If you do not upgrade your clients' holdings, they will remain invested in the same assets and in the same proportions as used in the previous version of the model portfolio.

Please refer to the Advance by Embark Platform for the latest model portfolios as well as relevant model portfolio literature such as user guides and quarterly reports.

Sterling ISA Managers Limited (SIML) is not responsible for, and does not endorse, the Morningstar model portfolios that we make available on the Platform.



MODEL ASSET ALLOCATION GUIDE

Background

With over 20 years of experience in the market, EV has established itself as the market leading financial technology provider to the UK financial services market. It has an impressive client list covering product providers, banks, fund managers, employee benefit consultants, adviser firms and corporates/employers (who make EV's financial planning tools available to their employees).

Financial advisers use the EV software to identify their clients' financial goals and analyse their tolerance for investment risk to construct appropriate investment portfolios and to forecast various financial outcomes based on risk/reward trade-offs. Consumers primarily (although not exclusively) in the workplace use EV tools to make decisions about their retirement and other financial needs.

Today EV works with almost 90% of the UK's large product providers and all the major banks.

Stochastic modelling

EV's asset allocations are driven by a global stochastic asset model and this methodology has underpinned EV since its original establishment within Towers Perrin. As an economic scenario generator, the asset model produces forecasts of possible future paths for interest rates, asset class returns and other market indicators from current conditions by way of scenarios that are realistic both individually and in aggregate. The model has a calibration process that determines, from historical information, how scenarios evolve and an update process that uses current market data to make projections from prevailing conditions. The result is a proliferation of economic scenarios whose assumptions are up-to-date with current market circumstances and whose collective distribution captures the probability of outcome.

By also covering different economic zones, these scenarios capture the wide range of market outcomes while giving a reflection of international effects and their potential impact on investment returns. Asset allocations are driven directly by the asset class returns forecast by these scenarios.

The EV model forecasts broad asset class characteristics and, therefore, does not seek to precisely replicate an explicit index.

Creating the asset allocations

Asset allocations are generated using an adapted version of the standard efficient frontier methodology. The method involves determining asset class weights that maximise the expected growth rate for a portfolio for a given risk target over the relevant investment period.

Setting risk targets

Risk targets for each term are set based on benchmark asset allocations for the lowest and highest risk categories. Targets for the remaining risk levels increase proportionally from the low to the high risk benchmarks. Risk here refers to the uncertainty in the expected portfolio growth rate over the term of the investment goal. The targets are fixed in terms of benchmark asset allocations, thus ensuring that as model assumptions are updated from quarter to quarter, risk targets do not move much in relative terms.

Applying charges

The charge assumptions used in asset allocation calculations are consistent with general product and asset management charges on product available on the UK market. These will not exactly match the charges actually levied on any given investment, particularly when the cost of advice is added to the product charge. However, the allocations themselves are more sensitive to the relative level of charges rather than the charges themselves.

Keeping allocations stable

For practical purposes, it is desirable for asset allocations to be relatively stable over time and not to be unduly affected by small changes each quarter. Overreaction can come from assets that are very closely correlated or where certain combinations of assets have very similar characteristics and small shifts in underlying expectations can suggest large changes in allocations without large gains in expected returns. To avoid this and resulting unnecessary transaction costs, a hurdle is set for large swings and they are accepted only if they exceed the challenge. For some groups of highly correlated asset classes, the ratio is simply fixed.

Applying market constraints

Asset grouping, charges and risk targets corresponding to each investment time horizon are, in theory, sufficient to create efficient portfolios. However, results may not always be desirable or achievable. For example, particularly large allocations to property would be unacceptable under certain circumstances due to poor liquidity and potential lack of diversification. Therefore, market-related constraints may be applied, as appropriate, to ensure reasonable levels of diversification and liquidity.

Optimising portfolios

EV's team of investment experts uses highly sophisticated mathematical techniques to determine the mix of assets that gives the highest expected return for given constraints and targets. Results are then reviewed by the EV investment committee for consistency and suitability. Asset allocations vary by term as the risk/reward trade-off characteristics for asset classes and their combinations also vary by term. This generally means that allocations for shorter terms have a larger proportion of less volatile assets included.



The information on these pages has been supplied by EV as of April 2022. SIML is not responsible for the information they have provided.

MODEL PORTFOLIOS



Introduction

Morningstar Investment Europe Ltd has operated a model portfolio service for many years and the individuals involved have a great deal of experience in managing and advising upon funds and portfolios.

In essence the portfolio construction process is two-fold, namely the research of underlying mutual funds and the construction of model portfolios from the selected funds. The wider Morningstar Group research process undertakes in-depth analysis of the most prominent UCITs based funds which form the armoury for the fund selection process.

Our approach to fund manager research recognises that investment is a combination of art and science. The entire research process aims to characterise a fund from a process and performance perspective. Once it has been rated our on-going monitoring serves to reinforce our initial observations which is why we stress constant contact with the manager and regular reviews of the underlying portfolio.

The model portfolio process aims to take account of requirements provided by SIML. When constructing the portfolios we are guided by the asset allocation inputs and requirements provided by SIML. We believe that appropriate population of the asset allocation is absolutely critical and this is always regarded as our primary objective.

Morningstar approach to fund manager research

The research approach is qualitative by nature which we see as critical to providing forward-looking research and opinions. We believe that a qualitative understanding of a manager, gained through face-to-face meetings, is a significant way to truly understand how a fund is managed, what it sets out to achieve and the prospects of those objectives being met in the future. It also provides a meaningful framework to assess historical trends and returns.

The Morningstar team is well-resourced and are responsible for fund research and regular meetings with fund managers. There is a support team collecting data and creating templates from which the research is undertaken. There is a mixture of experienced and young talented individuals operating as a team. There are approximately 2,500 manager meetings a year, conducted according to a vigorous timetable of fund review meetings, with most funds covered on a quarterly basis. In broad terms the research process stresses the importance of group ownership and stability, the investment philosophy and objectives of the fund, the investment professionals involved in the management of the fund, the investment process itself and the portfolio construction and risk controls.

Morningstar approach to portfolio construction

The funds selected for the model must first of all conform to the 'appropriate' tag. For example, if a high yield weighting is specified by the asset allocation input, we must ensure that this is met with a rated fund, or if not available an appropriate fund of sufficient quality. It is here that we are mindful of the risk characteristics of selected funds and their appropriateness for the overall model portfolio. This is not done in splendid isolation as funds are selected for the longer term and due consideration is given to the market cycle via our Global Investment Strategy service, where an appreciation of market drivers will shape our thoughts about how we blend portfolios.

Factors to consider when selecting funds would include its liquidity, its market cap bias, its style bias and the investment time horizon within which the manager operates. It is vital that our assessment of the fund's core characteristics is accurate and through the constant contact that we undertake with the managers themselves, we seek to confirm that these attributes are retained.

In terms of the construction of the model portfolio we must be aware of the benchmark, the investment guidelines and the risk parameters. We closely monitor the number of funds used in each model to ensure that the risk taken is appropriate given the mandate. There are no hard and fast rules on construction in aggregate although by experience weightings of more than 15% may undermine the essential need for diversification while weightings of less than 5% tend to have a limited impact in terms of return and diversification.

The most important value-add is the blending of the underlying funds themselves. It is vital for investors to appreciate that blending and diversifying appropriate funds should average down the risk and the return of the overall portfolio. We should not expect all funds to be performing well simultaneously as this implies an unhealthy skew within the underlying fund selection. We accept that active managers tend to have an inherent style bias which will result in periods of underperformance and by dint of our understanding of these characteristics, we aim to diversify different types of managers. We therefore aim to blend funds that can outperform relevant benchmarks over the long term while offering sensible diversification over any given period.

Model portfolio risk controls

All portfolios are reviewed on a constant basis by the Morningstar portfolio team members dedicated to SIML. In addition, all model portfolios are reviewed formally on a quarterly basis. Any suggested changes are reviewed and signed-off by the Morningstar Portfolio Committee. There is a monthly investment meeting whereby the team review the holdings used across European client accounts.



The information on these pages has been confirmed by Morningstar as at April 2022. SIML is not responsible for the information they have provided.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

CAUTIOUS PORTFOLIO

OCF Weighted **0.28%** ▲

Cautious – Medium Term

The aim of the portfolio is to provide capital growth over the **medium term of 6 – 15 years** through investment in funds that demonstrate moderate price fluctuations, with greater emphasis placed on fixed income securities and low exposure to equities.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 1 – Cautious**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take lower risk with their investments and so wish to avoid the risks usually associated with investing all their money in equities. Investments are expected to be more stable and fluctuate in value far less than equities alone and are likely to involve a high proportion of fixed interest assets. The investment return is likely to be much lower. Over some periods of time the value of the investments can fall, and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	78.00 ▼				
Government Bonds	58.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	14.00 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	15.00
Vanguard UK Government Bond Index Acc GBP Clean		FPD7	IE00B1S75374	Silver	14.00 ▼
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	15.00
Index-Linked Bond	20.00 ▼				
iShare Index Linked Gilt Index D Acc GBPClean		G6VD	GB00B83RVT96	Bronze	10.00 ▼
L&G All Stocks IL Gilt Idx I Acc GBP Clean		G5YQ	GB00B84QXT94	Bronze	10.00 ▼
Equities	22.00 ▲				
European	1.00 ▼				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	1.00 ▼
Japanese	4.00 ▲				
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	4.00 ▲
UK	10.00 ▲				
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	10.00 ▲
US	7.00 ▼				
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	7.00 ▼
Total	100.00				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF for the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

CAUTIOUS PORTFOLIO

OCF Weighted **0.42%**

Cautious – Long Term

The aim of the portfolio is to provide capital growth over the **long term of more than 15 years** through investment in funds that demonstrate moderate price fluctuations, with greater emphasis placed on fixed income securities and low exposure to equities.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 1 – Cautious**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take lower risk with their investments and so wish to avoid the risks usually associated with investing all their money in equities. Investments are expected to be more stable and fluctuate in value far less than equities alone and are likely to involve a high proportion of fixed interest assets. The investment return is likely to be much lower. Over some periods of time the value of the investments can fall, and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	56.00 ▼				
Government Bonds	56.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	14.00 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	14.00
Vanguard UK Government Bond Index Acc GBP Clean		FPD7	IE00B1S75374	Silver	14.00
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	14.00 ▼
Equities	44.00 ▲				
European	5.00 ▼				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	5.00 ▼
Japanese	6.00 ▲				
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	6.00 ▲
UK	16.00				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	5.25
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	6.25
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	4.50
US	17.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	4.40
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	8.20 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	4.40
Total	100				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF for the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

MODERATELY CAUTIOUS PORTFOLIO

OCF Weighted **0.40%** ▲

Moderately Cautious – Medium Term

The aim of the portfolio is to provide capital growth over the **medium term of 6 – 15 years** through investment in funds that demonstrate moderate price fluctuations, with emphasis placed on fixed income securities and some exposure to equities and property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 2 – Moderately Cautious**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take moderate risk with their investments but wish to avoid the risks usually associated with investing all their money in equities. Investments are expected to fluctuate in value less than equities alone and so are likely to involve a significant proportion of fixed interest assets, as a consequence the investment return is likely to be lower. Over some periods of time the value of the investments can fall, and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	61.00 ▼				
Government Bonds	52.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	13.00 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	13.00
Vanguard UK Government Bond Index Acc GBP Clean		FPD7	IE00B1S75374	Silver	13.00
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	13.00 ▼
Index-Linked Bond	9.00 ▼				
L&G All Stocks IL Gilt Idx I Acc GBP Clean		G5YQ	GB00B84QXT94	Bronze	9.00 ▼
Equities	39.00 ▲				
European	2.00 ▼				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	2.00 ▼
Japanese	7.00 ▲				
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	3.50 ▲
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	3.50 ▲
UK	16.00 ▲				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	5.00 ▲
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	6.00 ▲
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	5.00 ▲
US	14.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	3.65
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	6.85 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	3.50
Total	100.00				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF for the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

MODERATELY CAUTIOUS PORTFOLIO

OCF Weighted **0.48%** ▲

Moderately Cautious – Long Term

The aim of the portfolio is to provide capital growth over the **long term of more than 15 years** through investment in funds that demonstrate moderate price fluctuations, with emphasis placed on fixed income securities and some exposure to equities and property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 2 – Moderately Cautious**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take moderate risk with their investments but wish to avoid the risks usually associated with investing all their money in equities. Investments are expected to fluctuate in value less than equities alone and so are likely to involve a significant proportion of fixed interest assets, as a consequence the investment return is likely to be lower. Over some periods of time the value of the investments can fall and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	44.00 ▼				
Government Bonds	43.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	11.00 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	11.00 ▼
Vanguard UK Government Bond Index Acc GBP Clean		FPD7	IE00B1S75374	Silver	10.00 ▼
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	11.00 ▼
Corporate Bond	1.00 ▲				
iShare Corporate Bond Index D Acc GBP Clean		G6HY	GB00B84DSW83	Bronze	1.00 ▲
Equities	56.00 ▲				
European	7.00				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	7.00
Japanese	8.00 ▲				
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	4.00 ▲
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	4.00 ▼
UK	20.00				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	6.30
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	7.80
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	5.90
US	21.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	5.50
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	10.00 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	5.50
Total	100.00				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF for the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

BALANCED PORTFOLIO

OCF Weighted **0.50%** ▲

Balanced – Medium Term

The aim of the portfolio is to provide capital growth over the **medium term of 6 – 15 years** through investment in funds that may demonstrate moderate to large price fluctuations. Investments will comprise of a balance of fixed income securities and equities with some exposure to property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 3 – Balanced**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take a measured risk with their investments in return for the prospect of good longer term investment performance. Whilst investing in equities and property often give the best potential for growth the investors wish to avoid the risks usually associated with investing all their money in equities. Investments are expected to have the potential to produce good returns above inflation but with less fluctuation in value compared with equities alone. Over some periods of time the value of the investments can fall, and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	43.00 ▼				
Government Bonds	43.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	11.00 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	11.00
Vanguard UK Government Bond Index Acc GBP Clean		FPD7	IE00B1S75374	Silver	10.00 ▼
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	11.00 ▼
Equities	57.00 ▲				
European	4.00 ▼				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	4.00 ▼
Japanese	10.00 ▲				
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	5.00 ▲
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	5.00 ▲
UK	23.00 ▲				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	6.00
Man GLG Undervalued Assets Prof C Acc GBP Clean		JWHQ	GB00BFH3NC99	Silver	4.00 ▲
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	7.00 ▲
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	6.00 ▲
US	20.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	5.00 ▼
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	10.00 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	5.00 ▼
Total	100.00				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF for the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

BALANCED PORTFOLIO

OCF Weighted **0.55%** ▲

Balanced – Long Term

The aim of the portfolio is to provide capital growth over the **long term of more than 15 years** through investment in funds that may demonstrate moderate to large price fluctuations. Investments will comprise of a balance of fixed income securities and equities with some exposure to property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 3 – Balanced**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take a measured risk with their investments in return for the prospect of good longer term investment performance. Whilst investing in equities and property often give the best potential for growth the investors wish to avoid the risks usually associated with investing all their money in equities. Investments are expected to have the potential to produce good returns above inflation but with less fluctuation in value compared with equities alone. Over some periods of time the value of the investments can fall, and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	30.00 ▼				
Government Bonds	28.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	8.50 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPJDD09	Silver	11.00 ▼
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	8.50 ▼
Corporate Bond	2.00 ▲				
iShare Corporate Bond Index D Acc GBP Clean		G6HY	GB00B84DSW83	Bronze	2.00 ▲
Equities	70.00 ▲				
European	9.00 ▲				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	9.00 ▲
Japanese	9.00 ▲				
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	4.50 ▲
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	4.50 ▼
UK	25.00				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	6.25
Man GLG Undervalued Assets Prof C Acc GBP Clean		JWHQ	GB00BFH3NC99	Silver	4.50
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	8.00
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	6.25
US	27.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	6.75 ▼
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPJJD412	Gold	13.50 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	6.75 ▼
Total	100.00				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF for the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

MODERATELY ADVENTUROUS PORTFOLIO

OCF Weighted **0.59%** ▲

Moderately Adventurous – Medium Term

The aim of the portfolio is to provide capital growth over the **medium term of 6 – 15 years** through investment in funds that may demonstrate moderate to large price fluctuations with greater exposure to equity and some fixed income securities and property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 4 – Moderately Adventurous**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take a measured risk with their investments in return for the prospect of better longer term investment performance. Investments have the potential to produce above average longer-term returns, which is likely to involve a high proportion of worldwide equities. Over some periods of time there can be sharp falls, as well as rises, in the value of the investments and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	22.00 ▼				
Government Bonds	22.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	6.50 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	9.00 ▼
Royal London UK Government Bond M Acc GBP Clean		GWUS	GB00B881TW52	Bronze	6.50
Equities	78.00 ▲				
European	7.00 ▼				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	7.00 ▼
Japanese	12.00 ▲				
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TG445	N/A	6.00 ▲
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	6.00 ▼
UK	30.00				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	8.00
Man GLG Undervalued Assets Prof C Acc GBP Clean		JWHQ	GB00BFH3NC99	Silver	5.25
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	8.75
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	8.00
US	29.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	7.50 ▼
HSBC American Index C Acc Clean		G19C	GB00B80QG615	Gold	7.00 ▼
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	7.00 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	7.50
Total	100.00				

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MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

MODERATELY ADVENTUROUS PORTFOLIO

OCF Weighted **0.63%** ▲

Moderately Adventurous – Long Term

The aim of the portfolio is to provide capital growth over the **long term of more than 15 years** through investment in funds that may demonstrate moderate to large price fluctuations with greater exposure to equity and some fixed income securities and property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 4 – Moderately Adventurous**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take more risk with their investments in return for the prospect of better longer term investment performance. Investments have the potential to produce above average longer-term returns, which is likely to involve a high proportion of worldwide equities. Over some periods of time there can be sharp falls, as well as rises, in the value of the investments and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Fixed Interest	18.00				
Corporate Bond	8.00 ▲				
iShare Corporate Bond Index D Acc GBP Clean		G6HY	GB00B84DSW83	Bronze	8.00 ▲
Government Bonds	10.00 ▼				
Allianz Gilt Yield I Inc GBP Clean		TI01	GB0031383390	Neutral	5.00 ▼
iShares UK Gilts All Stocks Ind UK H Acc GBP Clean		KQSA	GB00BPFJDD09	Silver	5.00 ▼
Equities	82.00				
European	9.00 ▲				
BlackRock Continental European Inc D Acc GBP Clean		NOU4	GB00B359LG25	Bronze	4.40
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	4.60 ▲
Global Emerging Markets	9.00				
Fidelity Emerging Markets W Acc GBP Clean		JAZJ	GB00B9SMK778	Silver	5.00
Robeco Emerging Stars Equities F Acc GBP Clean		E96A	LU1408525035	Silver	4.00
Japanese	10.00 ▲				
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	5.00 ▲
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	5.00 ▼
UK	28.00 ▼				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	7.50
Man GLG Undervalued Assets Prof C Acc GBP Clean		JWHQ	GB00BFH3NC99	Silver	5.50
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	8.00 ▼
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	7.00 ▼
US	26.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	7.00 ▼
HSBC American Index C Acc Clean		G19C	GB00B80QG615	Gold	6.00 ▼
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	6.00 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	7.00 ▼
Total	100.00				

When a weight is accompanied by a green upwards arrow (▲), it indicates the weight has increased with respect to last quarter. When the accompanying arrow is a red downwards one (▼), it indicates a decrease in weight. If the arrow is next to a rating, it means that the rating has gone up (▲) or down (▼) since the last quarterly portfolio guide. When the arrow appears next to the average weighted OCF, it means that the average weighted OCF of the portfolio has gone up (▲) or down (▼) since the last review. New funds are highlighted in green, while exiting funds are highlighted in red.

MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

ADVENTUROUS PORTFOLIO

OCF Weighted **0.62%** ▲

Adventurous – Medium Term

The aim of the portfolio is to provide capital growth over the **medium term of 6 – 15 years** through investment in funds that may demonstrate large price fluctuations with exposure primarily to equity with some exposure to emerging markets and property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 5 – Adventurous**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take greater risk with their investments in return for the prospect of the highest longer term investment performance. Investments have the potential to produce superior longer-term returns, which is likely to involve a high proportion of worldwide equities. Over some periods of time there can be significant falls, as well as rises, in the value of the investments and investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Equities	100.00				
European	17.00 ▲				
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	8.50 ▲
BlackRock Continental European Inc D Acc GBP Clean		NOU4	GB00B3S9LG25	Bronze	8.50 ▲
Japanese	13.00 ▲				
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	6.50 ▼
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	6.50 ▲
iShare Japan Equity Index D Acc GBP Clean		G6IB	GB00B6QQ9X96	Gold	0.00 ▼
UK	21.00				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	5.75
Man GLG Undervalued Assets Prof C Acc GBP Clean		JWHQ	GB00BFH3NC99	Silver	3.75
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	6.00
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	5.50
US	49.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	11.30
HSBC American Index C Acc Clean		G19C	GB00B80QG615	Gold	13.15 ▼
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	13.50 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	11.05
Total	100.00				

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MORNINGSTAR MODEL PORTFOLIOS

Correct as of August 2022.

ADVENTUROUS PORTFOLIO

OCF Weighted **0.72%** ▲

Adventurous – Long Term

The aim of the portfolio is to provide capital growth over the **long term of more than 15 years** through investment in funds that may demonstrate large price fluctuations with exposure primarily to equity with some exposure to emerging markets and property.

The portfolio asset allocations are set by EV and are aligned to their **risk profile 5 – Adventurous**. The funds are selected by Morningstar.

The portfolio is intended for investors who are prepared to take greater risk with their investments in return for the prospect of the highest longer term investment performance. Investments have the potential to produce superior longer-term returns, which is likely to involve a high proportion of worldwide equities. Over some periods of time there can be significant falls, as well as rises, in the value of the investments. Investors may get back less than they invest.

Asset Classes	Suggested Allocation %	Citicode	ISIN	Morningstar Analyst Rating	Fund Weight
Equities	100.00				
European	12.00 ▲				
BlackRock Continental European Inc D Acc GBP Clean		NOU4	GB00B3S9LG25	Bronze	6.00 ▲
Schroder European L Acc GBP Clean		JOVD	GB00BDD2CB80	Gold	6.00 ▲
Global Emerging Markets	15.00				
Fidelity Emerging Markets W Acc GBP Clean		JAZJ	GB00B9SMK778	Silver	7.50
Robeco Emerging Stars Equities F Acc GBP Clean		E96A	LU1408525035	Silver	7.50
Japanese	11.00 ▲				
Baillie Gifford Japan Inc Growth B Acc GBP Clean		N3JZ	GB00BYZJQH88	Bronze	5.50 ▼
Jupiter Japan Income I Acc GBP Clean		09QS	GB00B5TGB445	N/A	5.50 ▲
iShare Japan Equity Index D Acc GBP Clean		G6IB	GB00B6QQ9X96	Gold	0.00 ▼
UK	28.00				
Jupiter UK Special Situations I Acc GBP Clean		FER9	GB00B4KL9F89	Gold	7.50
Man GLG Undervalued Assets Prof C Acc GBP Clean		JWHQ	GB00BFH3NC99	Silver	5.00
Ninety One UK Alpha J Acc GBP Clean		K3LD	GB00BJFLDM36	Silver	8.00
Troy Trojan Income X Acc GBP Clean		OAFU	GB00BZ6CQ390	Silver	7.50
US	34.00 ▼				
Dodge & Cox US Stock A Acc GBP Clean		MCB9	IE00B50M4X14	Gold	8.50 ▼
HSBC American Index C Acc Clean		G19C	GB00B80QG615	Gold	8.50 ▼
iShare North American Eqty Index H Acc GBPClean		KQRV	GB00BPFJD412	Gold	8.50 ▼
Natixis Loomis Sayles U.S. Eq Ldrs N Acc GBP Clean		J8GC	GB00B8L3WZ29	Silver	8.50 ▼
Total	100.00				

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