

AJ BELL RESPONSIBLE GROWTH FUND

# Client guide



Responsible investing made easy

Only available through professional intermediaries. Ask your financial adviser for more information.

# | Contents

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A responsible choice	3
Who is the fund for?	3
How can I be sure that I'm investing responsibly?	3
What can I expect?	4
Who will manage my money?	6
How much does it cost?	6
What happens then?	6

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# | A responsible choice

Investing your wealth can be an extremely difficult decision, particularly if you wish to align your portfolio with personal values and make a positive impact on the planet. To help you, AJ Bell has designed a Responsible Growth Fund. Managed by a professional team, this simple solution allows you to invest with the objective of achieving both long-term growth, and a wider social and environmental benefit.

# | Who is the fund for?

We have designed the Responsible Growth Fund for investors who want their portfolios to make a positive impact on people and the planet, but still make a profit.

The Responsible Growth Fund is multi-asset, investing in funds that in turn invest in a variety of asset classes. It is 'adventurous' in nature, investing primarily in shares with the aim of achieving long-term capital growth. As a result, the fund probably isn't for you if you are uncomfortable with your investments falling in value, or if you need access to your capital in the short term.



# | How can I be sure that I'm investing responsibly?

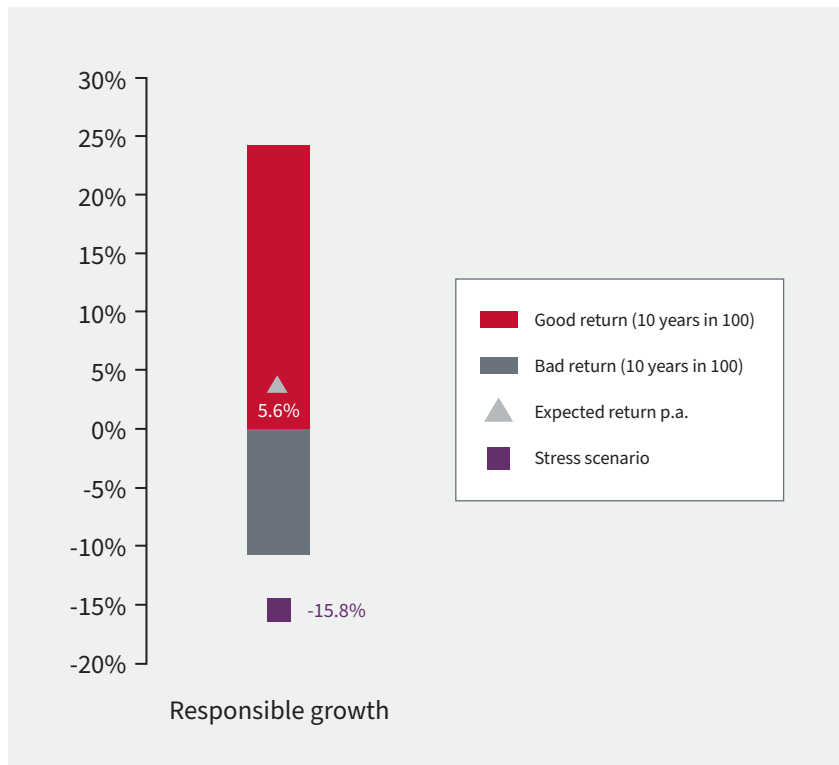
At AJ Bell, we are aware of the dangers of 'greenwashing'. With that in mind, we use a multi-layered approach to ensure that your money really is invested responsibly. Firstly, a series of exclusions removes companies from controversial industries such as tobacco and armaments. Then, a 'best-in-class' ranking system is applied to the remaining companies, so that only those that score more highly on environmental, social and governance credentials are included.



The value of your investments can go down as well as up and you may get back less than you originally invested and some investments need to be held for the long term.

# I What can I expect?

It is important for you to understand how the level of risk taken with the Responsible Growth Fund will translate into returns over time. We have put together the chart below to help you consider the range of outcomes that you could expect to see over one year.



The value of your investments is not guaranteed and can go down as well as up. It is key that you recognise how the fund could perform over time. We have used financial models to demonstrate the likely outcomes. As the output is based on statistical forecasts, the actual outcome and performance could be different from the scenarios above.

In a good year, you might see a return somewhere in the red bar range. In a bad year, your losses would be likely to be somewhere in the grey bar. In a very bad year, such as a repeat of the credit crisis, the loss could be significant. Since you ought to be prepared to witness bad market conditions at some point on your investment journey, we show the range of outcomes that you should allow for.

However, the longer you invest, the more predictable your returns become. That's because, over time, the good and the bad years tend to cancel each other out. Using our back-testing data, over the last five years, had you invested in our Responsible Growth Fund, you would have made the gains shown in the table below.

	AJ Bell Responsible Growth Fund
5 Year Back Tested Performance <sup>(1)</sup>	14.2%
Expected Return	5.6%
Expected Volatility	12.6% - 14.7%

<sup>(1)</sup> 5 Year Back Tested performance is the annualised return from 1 October 2015 to 30 September 2020. Returns are simulated from the fixed weights of the expected ETF model portfolio for the launch of the fund on 23 November 2020. When the ETF has not been trading for the full period, a representative index has been used.

All returns are gross of fund OCF, transaction and platform fees. These figures are forward-looking, and are based on a five-year-plus time horizon.



Forecasted returns are based on AJ Bell's target weights for different asset classes in each fund. We then allow for the capital market assumptions of AJ Bell for the relevant indices for each asset class. If we believe certain asset classes are over or undervalued at any point in time, we may vary the asset allocation weightings accordingly.

The expected return is the arithmetic mean return over a single holding period.

There is a 10% chance of getting a return worse than the 'bad return'.

There is a 10% chance of getting a return better than the 'good return'.

Future returns are assumed to be in line with market returns and conditions experienced over at least the last 15 years.

All projected returns are after underlying OCFs but before AJ Bell's AMC and platform charges

The projected returns shown may vary according to the tax treatment of your investment.

If you pay tax on this investment, your returns may be lower. Tax depends on your personal circumstances and the rules can change at any time in the future.

The data used in this illustration is valid as at October 2020.

# | Who will manage my money?

AJ Bell was established in 1995. We have grown to become one of the UK's largest investment platforms, with £54.3 billion of assets under administration and 282,000 customers. We succeed by providing award-winning investment products, backed up with a dedicated investment team, excellent service and online functionality at a low cost. AJ Bell is a member of the London Stock Exchange.

# | How much does it cost?

We firmly believe that high charges are one of the biggest threats to investment returns, and that's why we have worked so hard to keep charges for our range of funds as low as possible. We do this by ensuring that the underlying investments in the fund are selected using low-cost index-tracking strategies, and keeping the fund's running costs as streamlined as we can.

Thanks to our unique charging structure, all economies of scale are passed onto you. What's more, our cost guarantee means you will never pay more than 1% p.a. for the Responsible Growth Fund.

# | What happens then?

At AJ Bell, we are committed to clear, transparent communication, and we never forget whose money it is we are managing. We will ensure that you and your financial adviser are kept fully informed and up to date on where, how and why your money is invested. Take a look at [investcentre.co.uk/customer-area](https://investcentre.co.uk/customer-area) for regular updates on how we invest your wealth.



This brochure provides general information about the AJ Bell Responsible Growth Fund. It should not be read or construed as investment advice. It is your adviser's responsibility to assess your circumstances and make a personal recommendation that is suitable for your needs.