

Premier Miton  
Financials Capital Securities Fund  
Sterling class C - Income shares

Objective

The objective of the fund is to provide income together with capital growth over the long-term, being five years or more. Five years is also the minimum recommended period for holding shares in this fund. This does not mean that the fund will achieve the objective over this, or any other, specific time period and there is a risk of loss to the original capital invested. Income will be paid through distributions on a monthly basis.

Fund facts

Fund size	£152.6m
Distribution yield	7.17%
Modified duration	2.43
Duration times spread	10.12
Launch dates	Fund - 14 Sep 2020 Share class - 14 Sep 2020
Fund structure	Open Ended Investment Company (OEIC)
Reporting dates	Final - 30 Apr Interim - 31 Oct
Base currency	GBP
Valuation point	12:00 noon
ISA eligible	Yes
Investment Association sector	IA Specialist
Performance comparator	ICE BofA Contingent Capital Hedge GBP Index

Please see page 3 for further information.

Investment team

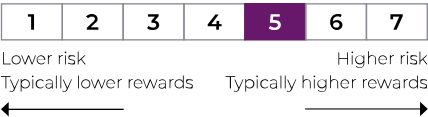


Fund manager  
**Lloyd Harris**  
Joined Premier Miton  
**Aug 2020**  
Manager since  
**Sep 2020**



Fund manager  
**Simon Prior**  
Joined Premier Miton  
**Aug 2020**  
Manager since  
**Jan 2023**

Risk and reward profile



The fund is ranked as 5 because it and portfolios holding similar assets have experienced medium to high rises and falls in value over the past five years. Please note that even the lowest ranking does not mean a risk-free investment

Investment overview

- A portfolio of fixed and variable interest rate investments
- At least 75% invested in capital securities issued by companies in the financial service sector, such as Tier 1, Tier 2 and subordinated senior securities, focusing on contingent capital bonds, also known as contingent convertible bonds (CoCos)
- At least 50% invested in CoCos
- May also invest in other debt securities, such as bonds issued by governments, companies and other institutions not in the financial services sector

Awards and ratings



Awards and ratings are based on past events and are not an indication of future performance. Ratings are not a recommendation. Please see page 4 for further information.

Performance summary (%)

- Fund share class      ■ Sterling class C - Income shares  
Performance comparator      ■ Index: ICE BofA Contingent Capital Hedge GBP Index

Performance since fund launch



	1 month	3 months	1 year	3 years	5 years	10 years	Fund launch
■ Fund	1.22	2.57	11.69	21.43	-	-	29.73
■ Index	1.73	0.83	10.65	18.62	-	-	19.93

	2020	2021	2022	2023	2024	YTD
Fund	-	5.36	-7.44	6.46	12.32	4.59
Index	-	4.73	-11.89	5.76	12.54	3.36

	29.05.20 28.05.21	28.05.21 31.05.22	31.05.22 31.05.23	31.05.23 31.05.24	31.05.24 30.05.25
Fund	-	-2.65	-4.93	14.35	11.69
Index	-	-7.24	-8.91	17.69	10.65

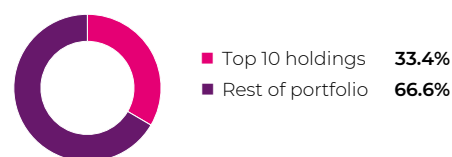
Source: FE Analytics. Based on Sterling class C - Income shares, on a total return basis to 30 May 2025. Performance is shown net of fees with income reinvested. This fund is priced on a swing pricing basis. The full 5 years of calendar year performance is not available as the fund launched on 14.09.2020. ICE Data Indices, LLC is used with permission.

The performance information presented on this page relates to the past. Past performance is not a reliable indicator of future returns.

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living. More information about the risks of investment is provided later in this document.

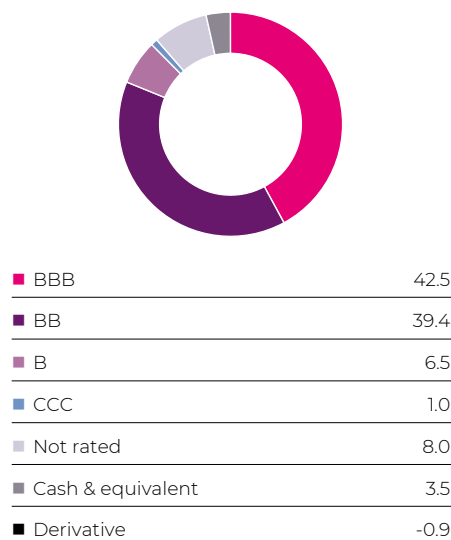
## Portfolio breakdown

### Top 10 holdings (%)

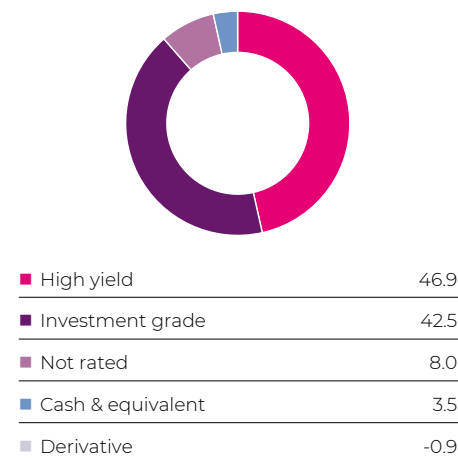


KBC Group NV 6% Perpetual	4.0
NatWest Group 5.125% Perpetual	3.8
UniCredit 3.875% Perpetual	3.7
AIB Group 6.25% Perpetual	3.6
Credit Agricole 7.50% Perpetual	3.3
Rothsay Life 6.875% Perpetual	3.1
EFG International 5.5% Perpetual	3.1
Virgin Money UK 11.0% Perpetual	3.0
Intesa SanPaolo 7.75% Perpetual	3.0
Barclays 9.25% Perpetual	2.9

### Credit rating (%)



### Credit quality (%)



## Income

Distribution yield	7.17%
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The distribution yield reflects the expected income distribution over the next twelve months as a percentage of the fund price as at the date shown. The distribution yield is higher than the underlying yield because expenses are charged to capital. It does not include any preliminary charge and investors may be subject to tax on their distributions.

Underlying yield	6.37%
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The underlying yield reflects the annualised income generated for distribution after deducting all expenses and is lower than the distribution yield because expenses are charged to capital. The yield is expressed as a percentage of the fund price as at the date shown. It does not include any preliminary charge and investors may be subject to tax on their distributions.

The distribution yield and underlying yield are not guaranteed and will fluctuate.

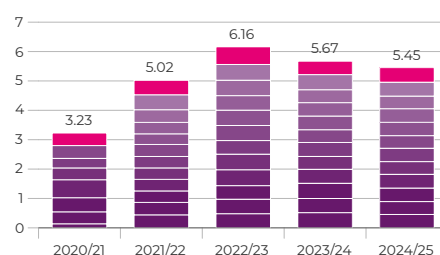
Payment frequency	Monthly
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Payment dates	28th of each month
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Ex dividend dates	1st of each month
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### Income distribution (pence per unit)

Total income distributions in each fund financial year since launch.



The dividend amount that is paid each year can go down and up and is not guaranteed

## Charges

Ongoing charges figure (OCF) as at 30.04.2024	0.80%
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The OCF is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the fund (unless these assets are shares of another fund). The OCF includes the annual management charge. Transaction charges will also apply. Please refer to the [total costs & charges document](#) on our website for more information.

Initial charge	0.00%
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### Charges are taken from capital

As the objective of the fund is to treat the generation of income as either an equal or higher priority than capital growth, the fund's charges will be taken from capital instead of income. This may result in higher levels of income payments but could result in capital erosion or constrain capital growth.

A typical investor in the fund

This fund may be compatible for clients who:

- are seeking a regular income from their investment, paid monthly, and who are comfortable with that level of income fluctuating
- are seeking the prospect for long-term growth on their original investment
- can invest for the long-term, by which we mean staying invested for at least 5 years
- do not need a capital guarantee
- understand the risks of investing, including the risk that they could lose some of the amount originally invested
- are comfortable with seeing the value of their investment go up and down. There will be times when the value of the fund will fall, especially over the short-term
- understand that there is no guarantee on the amount of investment growth or income they can expect to receive during the period that they remain invested

This fund may not be compatible for clients who:

- are fully risk averse / have no risk tolerance
- seek capital preservation
- have a short/medium term investment time horizon
- are seeking to receive a guaranteed level of income
- are looking for a guaranteed level of investment growth
- would be uncomfortable with seeing the value of their investment fluctuating

Performance comparator

As at least 75% of the fund will be invested in capital securities of financial institutions, including contingent capital

bonds, we believe that that the ICE BofA Contingent Capital Hedge GBP Index is an appropriate comparator to enable

investors to assess performance of the fund.

Fund codes and investment minimums

Fund codes	
ISIN	GB00BMWVS664
Sedol	BMWVS66
Bloomberg	PRFSCGI:LN

Minimums			
Initial £1m	Top-up £100,000	Withdrawal £100,000	Holding £1m

## General risks

Investing involves risk. The value of an investment can go down as well as up which means that you could get back less than you originally invested when you come to sell your investment. The value of your investment might not keep up with any rise in the cost of living.

Typically, there is less risk of losing money over the long-term (which we define as over 5 years) from an investment that is considered low risk, although potential returns may also be lower. Investments considered higher risk typically offer greater opportunities for better long-term

returns, though the risk of losing money is also likely to be higher. Premier Miton is unable to provide investment, tax or financial planning advice. We recommend that you discuss any investment decisions with a financial adviser.

## Specific fund risks

Some of the main specific risks of investing in this fund are summarised here. Further detail is available in the prospectus for the fund.

### Derivatives

Derivatives may be used within funds for different reasons, usually to reduce risk, which can be called "hedging". This can limit gains in certain circumstances as well. Derivatives can also be used to generate income or to increase the risk being taken, which can have positive or negative outcomes. The derivatives used can be options or futures which are types of contracts that are dealt on an exchange or negotiated with a third party. More complex derivatives may also be used. Derivatives can also introduce leverage to a fund, which is similar to borrowing money to invest.

### Equities

Equities (company shares) can experience high levels of price fluctuation. Smaller company shares can be riskier than the largest companies, companies in less developed countries (emerging markets) can be riskier than those in developed countries and funds focused on a particular country or region can be riskier than funds that are more geographically diverse. These risks can result in bigger movements in the value of the fund. Equities can be affected by changes in central bank interest rates and by inflation.

### Fixed income

Fixed income investments, such as bonds, can be higher risk or lower risk depending on the financial strength of the issuer of the bond, where the bond ranks in the issuer's structure or the length of time until the bond matures. It is possible that the income due or the repayment value will not be met. They can be particularly affected by changes in central bank interest rates and by inflation.

### High volatility

This fund may experience high volatility due to the composition of the portfolio or the portfolio management techniques used.

### Other investment risks

Funds may have holdings in investments such as commodities (raw materials), infrastructure and property as well as other areas such as specialist lending and renewable energy. These investments will be indirect, which means accessing these assets by investing in companies, other funds or similar investment vehicles. These investments can also increase risk and experience sharp price movements. Funds focused on specific sectors or industries, such as property or infrastructure, may carry a higher level of risk and can experience bigger movements in value. Certain investments can be impacted by decisions made by third parties, such as governments or regulators.

### Other risks

There are many other factors that can influence the value of a fund. These include currency movements, changes in the law, regulations or tax, operational systems or third-party failures, or financial market conditions that make it difficult to buy or sell investments for the fund.

## Ratings, awards and other information

The methodology and calculations used by the third parties providing the ratings/awards are not verified by Premier Miton Investors and we are unable to accept responsibility for their accuracy, nor should they be relied upon for making an investment decision.

The index data referenced herein is the property of ICE Data Indices, LLC, its affiliates ("ICE Data") and/or its third party suppliers and has been licensed for use by Premier Miton Investors. ICE Data and its Third Party Suppliers accept no liability in connection with its use. See [www.premiermiton.com/indices](http://www.premiermiton.com/indices) for a full copy of the disclaimer.

A swing pricing is where the price can swing to either a bid or an offer basis depending on the investment and redemption activity in the fund. This means the investor selling or buying fund shares bears the associated [dis] investment costs and protects the continuing holders in the fund. Performance could be shown on a combination of bid, mid or offer prices, depending on the period of reporting. MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings (the "Information") provide environmental, social and governance data with respect to underlying securities within more than 31,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG is a Registered Investment Adviser under the Investment

Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from, the US SEC or any other regulatory body. None of the Information constitutes an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product or trading strategy nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the Information can be used to determine which securities to buy or sell or when to buy or sell then. The Information is provided "as is" and the user of the Information assumes the entire risk of any use it may make or permit to be made of the Information.

## Glossary

### Annual management charge (AMC)

The yearly fee paid to Premier Miton for managing a fund, expressed as a percentage of your investment. The AMC does not typically change from year to year.

### Bonds (or fixed income)

Types of investments that allow investors to loan money to governments and companies, usually in return for a regular fixed level of interest until the bond's maturity date, plus the return of the original value of the bond at the maturity date. The price of bonds will vary, and the investment terms of bonds will also vary.

### Capital

Describes financial assets, particularly cash, or other assets, such as shares, owned by a person or organisation.

### Capital growth

The increase in the value of an asset or investment over time, excluding any income received, measured by its current value compared to its purchase cost.

### Convertible bonds

A type of bond that the holder can convert into shares of the issuing company in certain circumstances.

### Contingent convertible bonds (CoCos)

A form of debt security usually issued by a financial institution that can either convert into equity or have the principal value written down, resulting from certain events relating to regulatory requirements.

### Credit rating

A rating or score awarded by an independent agency, to indicate the financial strength of the issuer of a bond, and the potential for a default on payments. Bonds issued by developed market governments are generally considered to have the highest rating. As the financial strength or quality of the issuing entity diminishes, so does the credit rating. Higher quality bonds are considered investment grade. Lower rated bonds may be considered to be 'sub-investment grade' or 'high yield'. Not all bonds are rated, and these are 'nonrated bonds' which may vary in quality.

### Derivative

A financial contract whose value is based on the change in price of a specific asset or index.

### Duration

A measure of the price sensitivity of a fixed income investment to a change in interest rates.

### Duration Times Spread (DTS)

A measure of the price sensitivity of a bond to duration and credit spread risks. Duration is a measure of the price sensitivity to a change in interest rates and credit spread is the additional yield of a bond over the equivalent government bond. DTS is calculated by multiplying the duration by the credit spread. The weighted average for the fund can then be calculated.

### High yield / non-investment grade

Bonds that are expected to have a higher risk of defaulting on interest payments or repayment of the issue value on maturity and receive lower ratings from credit rating agencies.

### Investment Association (IA)

The trade association that represents investment management firms in the UK.

### Investment Association (IA) sectors

To help with comparisons between the thousands of funds available, funds are categorised into different groups or sectors, organised and reviewed by the Investment Association (IA).

### IA Specialist sector

Funds in this sector will have an investment universe that is not accommodated by the mainstream sectors. Performance ranking of funds within the sector as a whole is inappropriate, given the diverse nature of its constituents.

### Investment grade bond

Bonds that are expected to have a lower risk of defaulting on interest payments or repayment of the issue value on maturity and receive higher ratings from credit rating agencies.

### Individual Savings Account (ISA)

A wrapper in which eligible UK residents can place their savings and investments to protect them from some forms of taxation. There are different types of ISA. HM Revenue & Customs set the amount that you are allowed to invest into in an ISA in each tax year, which can be found on the Government website.

### Modified duration

Duration is a measurement, in years, of the price sensitivity of a bond to a change in interest rates. Modified duration provides an indication of the price change of a bond in response to a 1% change in interest rates. If a bond has a modified duration of 5 years, then we can expect an approximate 5% shift in the bond's price for every 1% change in interest rates. If interest rates rise by 2%, then we would expect the bond price to decrease by around 10% (5 years modified duration times 2% change in interest rates).

### Ongoing Charges Figure (OCF)

A measure of what it costs to invest in a fund over a year. It includes the fee paid to Premier Miton for the management of the fund (known as the annual management charge) and the OCFs of underlying funds that might be held in a portfolio (excluding any Premier Miton funds held) with the remainder covering costs that have to be paid to external companies for other services relating to the ongoing administration and management of a fund, such as the fees paid to the depositary, custodian, regulator, auditor and administrator. The fee is deducted from the value of the fund and reflected in the fund's share price. The OCF is typically calculated once a year and can change from year to year. The OCF does not include transaction costs which are associated with buying and selling investments in a fund.

### Total return

A way of showing how an investment has performed and is made-up of the capital appreciation or depreciation and includes any income generated by the investment. Measured over a set period, it is expressed as a percentage of the value of the investment at the start of that period.

## Contact us

From 9:00am to 5:30pm, Monday to Friday, excluding bank holidays.



0333 456 4560



contactus@premiermiton.com

## Customer care

Investors may find themselves in difficult circumstances at any point in their lives, whether as a result of a change in physical or mental ill-health, or during key life stage events such as bereavement, loss of job, personal debt concerns, or more generally through lack of confidence in dealing with financial matters.

We encourage all our investors to seek financial advice before making any important investment decisions and particularly when life may be more challenging. We want to make sure that we can provide our customers with the support they need. If you would like copies of product information in a

different format, such as **large print**, **Braille** or **audio**, please send us your request using the contact details provided. It may take up to 15 working days to send the information to you in these formats.

## Important Information

### This is a marketing communication

Investors should refer to the Prospectus and to the Key Investor Information Document (KIID) before making any final investment decisions. A free, English language copy of the Prospectus, KIID and Supplementary Information Document are available on the Premier Miton website, or copies can be requested by calling 0333 456 4560 or emailing contactus@premiermiton.com.

Whilst every effort has been made to ensure the accuracy of the information provided, we regret that we cannot accept responsibility for any omissions or errors. Premier Miton is unable to provide investment, tax or financial planning advice. We recommend that you discuss any investment decisions with a financial adviser. Reference to any investment should not be considered advice or an investment recommendation.

All data is sourced to Premier Miton unless otherwise stated.

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