

# SUSTAINABLE IMPACT MODEL PORTFOLIO SERVICE (SIMPS) FOR FINANCIAL ADVISERS

## What do the SIMPS PORTFOLIOS do?



### DELIVER FINANCIAL RETURNS:

We have a stringent investment due diligence process when selecting managers, which we combine with thoughtful and disciplined asset allocation.



### DELIVER SOCIAL AND ENVIRONMENTAL BENEFITS:

Managers are chosen for both their investment approach and how they think about sustainability and impact.



## How are the SIMPS PORTFOLIOS constructed?

### ASSET ALLOCATION

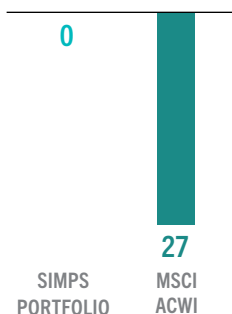
We look for appropriate positions in cash, equities and fixed income based on the global economic cycle. Our Investment Committee leads our asset allocation process ensuring our SIMPS PORTFOLIOS reflect current market conditions and opportunities.



### MANAGER\* SELECTION

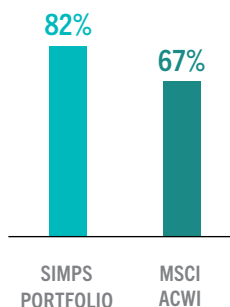
Combining rigorous investment analysis with detailed impact and sustainability assessments. We want our managers to think in the same way that we do, a three-step process:

### TRYING TO AVOID CONTROVERSIES... BUSINESSES INVOLVED IN MAJOR CONTROVERSIES\*



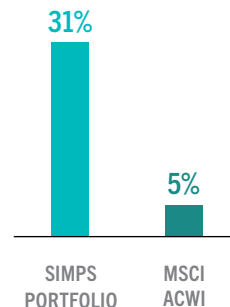
Trying to avoid investing in businesses that are engaged in controversial activities: aggressive tax avoidance, animal testing, governance issues, etc.

### ...WITH WELL RUN BUSINESSES... % OF ESG LEADERS\*



Businesses that are well run: not just those that are aware of their environmental, social and governance (ESG) risks, but looking to maximise the opportunity in these.

### ...THAT ARE SOLVING GLOBAL CHALLENGES % OF HIGH IMPACT BUSINESSES\*



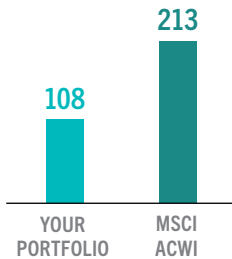
Exposure to companies that Tribe score as High Impact, whose products and services are solutions directly aligned with the UN Sustainable Development Goals.

\*BASED ON MSCI COVERAGE OF THE UNDERLYING EQUITY ALLOCATION IN OUR SIMPS PORTFOLIO. MANAGERS: REFERENCE TO MANAGERS ARE TO THE FUND MANAGERS WHOSE REGULATED FUNDS MAKE UP OUR CURRENT SIMPS PORTFOLIO.

# What is the impact of the SIMPS PORTFOLIOS?

## CARBON INTENSITY<sup>1</sup>

The equities in the 'Medium' SIMPS PORTFOLIO is almost **49%** less carbon intensive than the MSCI ACWI benchmark.



Businesses with lower carbon intensity demonstrate their operational efficiency and release less carbon into the atmosphere per pound of revenue.

## CARBON SAVED<sup>1</sup>

By investing £100,000 into the 'Medium' SIMPS PORTFOLIO rather than the MSCI ACWI benchmark, you will save **8** tons of carbon dioxide (CO<sub>2</sub>). Which is equivalent to the amount of carbon sequestered by:



SOURCE: MSCI & US EPA CARBON CALCULATOR NOVEMBER 2019. <sup>1</sup> BASED ON EMISSIONS SCOPE 1 AND 2 OF COVERED LISTED EQUITIES (59% OF 'MEDIUM' SIMPS)

# How do the SIMPS PORTFOLIOS relate to the UN Sustainable Development Goals?

To help translate the Goals we have aggregated them into our four Impact Themes. We harness the interconnectivity of the Goals to create the SIMPS PORTFOLIOS.

**ENVIRONMENT & ECOLOGY**

Tribe Theme 1 focuses on the boundaries that Nature sets; the ecological ceiling or planetary boundary.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

15 LIFE ON LAND

**ENTERPRISE & INFRASTRUCTURE**

Tribe Theme 3 focuses on the economic and physical infrastructure needed to deliver Tribe Theme 2 whilst respecting Tribe Theme 1; the fabric for delivery of the goals.

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

**EDUCATION & EQUALITY**

Tribe Theme 2 focuses on the social fabric needed to ensure everyone thrives; the social foundation.

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

**GOVERNANCE & PARTNERSHIPS**

Tribe Theme 4 focuses on the political, cultural and legal systems and behaviours needed to drive the change required; the behavioural shift needed to succeed.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR GOALS

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