

# Sustainable Impact Model Portfolio Service (SIMPS)

Equity risk | August 2021 | For financial advisers

## Portfolio Description

The SIMPS Portfolio range provides a combination of risk-adjusted returns and positive impact: investing that **does well** and **does good**. The portfolios aim to achieve capital appreciation whilst reducing investment risk via a diversified, multi asset class portfolio.

The strategy is based on **actively managed asset allocations** across equities and cash. We invest in funds which align with our investment philosophy; businesses that **avoid controversies**, are **well run** and **solving major global challenges**.

PORTFOLIO FACTS AS AT: 31/08/2021

LAUNCH DATE: 17/05/2021

BENCHMARK: ARC Equity Risk PCI

PORTFOLIO OBJECTIVE: Capital appreciation

MANAGEMENT FEE: 0.25% + VAT

OCF OF UNDERLYING FUNDS: 0.90%\*\*

AVAILABLE THROUGH:  
7IM, Nucleus, Old Mutual, Standard Life, Transact

INVESTMENT MANAGERS:  
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## This month

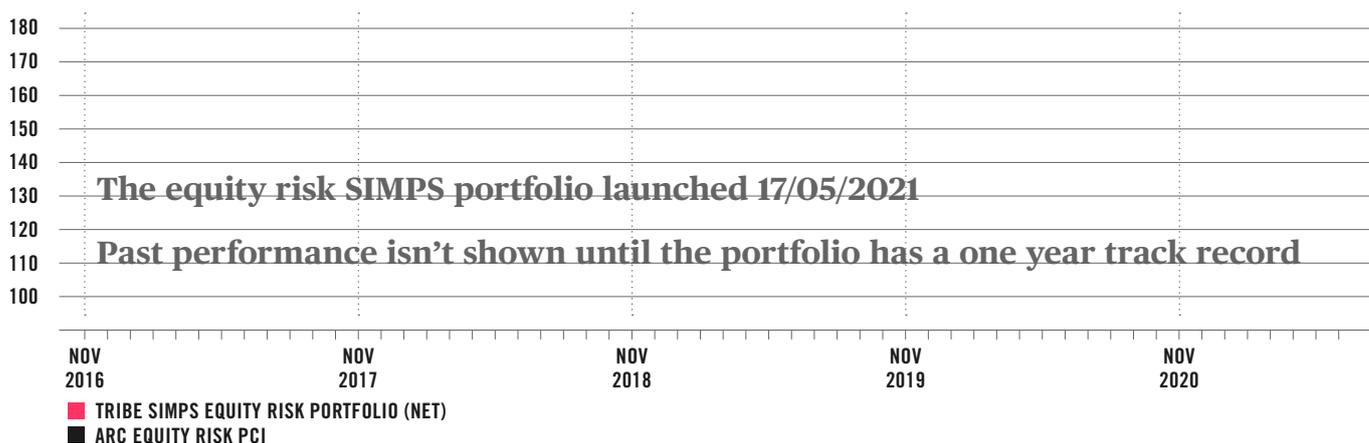
August began with a strong Q2 earnings season, particularly in the US, where over 87% of S&P 500 companies beat earnings expectations. The Jackson Hole Symposium resulted in a renewed commitment from the US central bank to keep interest rates low, whilst also indicating that the Central Bank's stimulus package may be reduced by the end of the year. This message was received as largely positive by markets.

In the US, the Senate formally passed President Biden's \$1trillion infrastructure package, which will include \$550bn of new spending focused on transport, electric and water systems.

August was another volatile month for Chinese stocks, as President Xi stressed the need for "common prosperity" and called for a fairer distribution of wealth. Fears of a potential tax hike and increased regulation caused markets in China to suffer.

Finally, the events in Afghanistan led to some market volatility in the middle of the month. However, the real impact of the US' withdrawal won't be clear for some time, as markets try and determine whether the US will concentrate their focus on domestic, rather than international issues in the future.

## RETURN METRICS\*



**NET PERFORMANCE:** The SIMPS equity risk performance is shown after Tribe's management fee (0.25% plus VAT) and the underlying fund managers' fees (OCF of 0.90%\*\*\*) have been deducted. But it does not include platform and adviser charges.

**BENCHMARK:** ARC Benchmarks are calculated by collecting actual performance from over fifty investment managers. The Equity Risk PCI is suitable for strategies with a relative volatility of 80-120% of global equities as measured by MSCI ACWI.

## RISK METRICS

TO 31 AUGUST 2021	VOLATILITY
EQUITY RISK SIMPS	4.9%
ARC CAUTIOUS PCI	4.6%

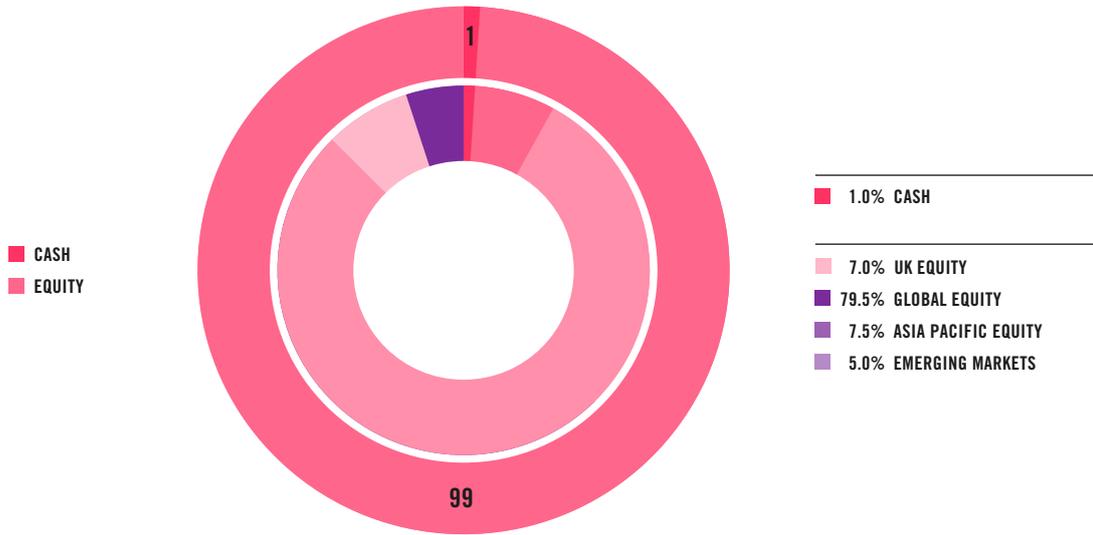
Volatility is measured as the standard deviation of monthly returns since inception. We believe this is more representative of the risk associated with our long term strategic asset allocation, we do not use an annual figure.

TO 31 AUGUST 2021	SINCE INCEPTION	ROLLING 12M PERIODS				
	May '21 to Aug '21	Aug '20 to Aug '21	Aug '19 to Aug '20	Aug '18 to Aug '19	Aug '17 to Aug '18	
EQUITY RISK SIMPS	N/A	N/A	N/A	N/A	N/A	
ARC EQUITY RISK PCI	N/A	N/A	N/A	N/A	N/A	
DIFFERENCE	N/A	N/A	N/A	N/A	N/A	

**TOP 6 EQUITY HOLDINGS**

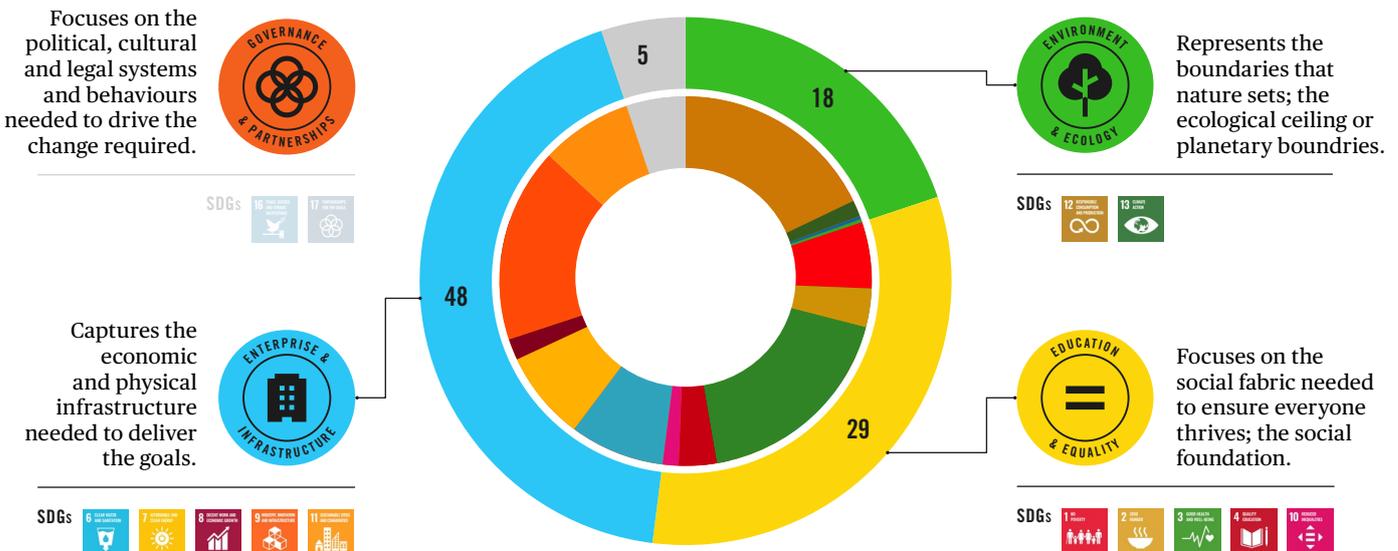
SCHRODER GLOBAL ENERGY TRANSITION	10%	MONTANARO BETTER WORLD	9%
BAILLIE GIFFORD POSITIVE CHANGE	9%	FP WHEB SUSTAINABILITY	8%
JANUS HENDERSON GLOBAL SUSTAINABLE EQUITY	9%	STEWART INVESTORS ASIA PACIFIC LEADERS	8%

**ASSET ALLOCATION**



**IMPACT ALLOCATION**

The UN Sustainable Development Goals (SDGs) are the blueprint to achieve a better and more sustainable future for all. To help translate the Goals into the **SIMPS Portfolios** we have aggregated them into our four Impact Themes.



THE GREY SECTION OF THE GRAPH WHICH MAKES UP 5% OF THE SIMPS EQUITY RISK PORTFOLIO REPRESENTS CASH AND FUNDS THAT ARE MULTI-THEMED AND CAN'T BE ATTRIBUTED TO ONLY ONE SDG.

PORTFOLIO IMPACT PERFORMANCE

### Carbon Intensity<sup>1</sup>

The equities in the equity risk **SIMPS Portfolio** are **31% less** carbon intensive than the MSCI ACWI benchmark.



TONS OF CO2 / \$M SALES

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 equity risk **SIMPS Portfolio** rather than the MSCI ACWI benchmark, you save **8.0 tons** of carbon dioxide (CO2) if invested for 12 months. This represents:



THE CARBON EMITTED BY:

**10 flights** from London to New York (economy class)



THE CARBON SEQUESTERED BY:

**133** medium grown coniferous tree seedlings grown for 10 years

Source: MSCI & US EPA Carbon calculator June 2021.<sup>1</sup> Based on scope 1 and 2 emissions of covered listed equities (93% of equity risk SIMPS portfolio).

### Healthcare

Across all equity fund holdings\* in the equity risk **SIMPS Portfolio**, **79** companies provide access to healthcare.

**15** report on the number of people who received access to healthcare.

In total, these 15 companies have provided healthcare to **1,668,754,631** people this reporting year\*\*.

That's the equivalent of **13.7** people for each £100,000 invested in the equity risk **SIMPS Portfolio** for 12 months.



### Financial services

Across all equity fund holdings\* in the equity risk **SIMPS Portfolio**, **22** companies provide financial services.

**7** report on the provision of financial services to those previously excluded.

In total, these 7 companies have provided financial services to **113,949,069** people who previously didn't have access to financial services this reporting year\*\*.

That's the equivalent of **0.26** people for each £100,000 invested in the equity risk **SIMPS Portfolio** for 12 months.



### Renewable energy

Across all equity fund holdings\*\* in the equity risk **SIMPS Portfolio**, all **431** companies could produce their own renewable energy by investing in on-site renewable energy infrastructure.

**106** companies report on renewable energy generation.

In total, these 106 companies have generated **502965,829** MWh of renewable energy this reporting year\*.

That's the equivalent of **14.06** MWh of renewable energy for each £100,000 invested in the equity risk **SIMPS Portfolio** for 12 months.



## Net jobs created

Across all equity fund holdings\* in the equity risk **SIMPS Portfolio**, all **431** companies can create new jobs, as well as terminate existing jobs.

**309** companies report on jobs created and terminated (as a net job equivalency).

In total, these 309 companies generated **232,969** net jobs in this reporting year\*\*.

That's the equivalent of **0.004** net jobs created for each £100,000 invested in the equity risk **SIMPS Portfolio** for 12 months.



## Waste recycled

Across the equity fund holdings\* in the equity risk **SIMPS Portfolio**, all **431** companies can recycle part or all of their waste.

**128** companies report on waste recycled.

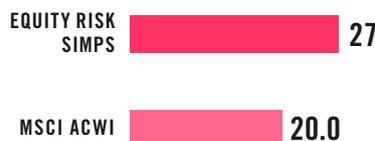
In total, these 128 companies have recycled **18,680,618** tons of waste this reporting year\*\*.

That's the equivalent of **368** kg of waste recycled for each £100,000 invested in the equity risk **SIMPS Portfolio** for 12 months.



## Gender

Multiple studies show that gender parity in business is essential in driving sustainable growth. Across the equity holdings\* in the equity risk **SIMPS Portfolio** there **431** companies. Out of 431 companies, the average percentage of female board members is **27%\*\***



\* 93% of the equity risk SIMPS portfolio holdings.

\*\* Third-party fund holding data as at 30/06/2021. Impact data is provided from the following sources: MSCI, Net Purpose Ltd and the underlying company's latest available public reports. Reporting timetables vary company by company.

**TRIBE'S COMMITMENTS** As dedicated impact wealth managers, we are signatories to a number of important initiatives including the UN Principles for Responsible Investing and the UN Environment Programme Finance Initiative, as well as HM Treasury's Women in Finance, Science Based Targets and the Principles of Positive Impact Finance. We are also a proud certified B Corp which means everything we do balances purpose and profit.



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their Financial Adviser. **\*Please note: (i) past performance is not an indication of future performance and the value of investments and the income derived from them may fluctuate and you may not receive back the amount you originally invested and (ii) any type of impact investment will involve risk to investors capital and the expected impact or financial return may not be achieved.** The tax treatment of investments depends on each investor's individual circumstances and is subject to change in tax legislation. The performance of actual portfolios linked to this **SIMPS Portfolio** may differ from the performance of the **SIMPS Portfolios** shown here due to the variation in

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\*\*The ongoing charge figure is variable and is for example purposes only.