

# Sustainable Impact Model Portfolio Service (SIMPS)

Medium-low risk | September 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, fixed income 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: 30/09/2021

LAUNCH DATE: 31/12/2018

BENCHMARK: ARC balanced PCI

PORTFOLIO OBJECTIVE: Balance between capital preservation and capital appreciation

MANAGEMENT FEE: 0.25% + VAT

OCF OF UNDERLYING FUNDS: 0.61%\*\*

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

INVESTMENT MANAGERS:  
Tribe Impact Capital LLP  
73 Cornhill, London, EC3V 3QQ

AUTHORISED AND REGULATED BY:  
FCA (Number 756411)  
Companies House: (OC411984)

CONTACT:  
advisers@tribeimpactcapital.com  
+44 (0)203 745 5570

## This month

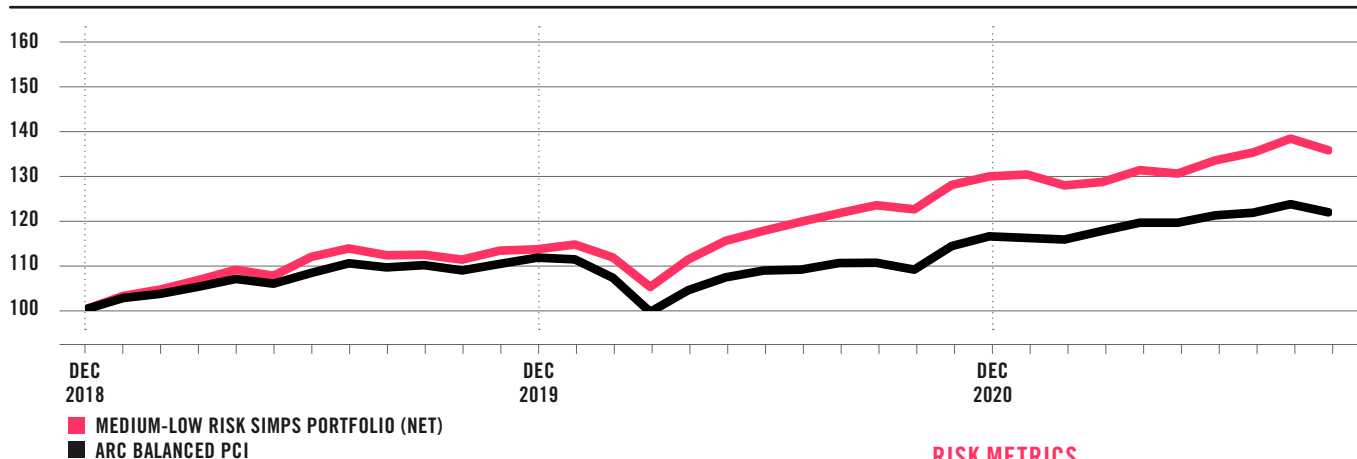
The relative calm and stability in financial markets at the start of the quarter gave way to some weakness and volatility in equity markets during September. Overall, global equity markets (MSCI ACWI GBP Index) gained 3.6% in July and August, then fell 1.76% in September.

Although consumer demand for goods has returned, the pandemic has affected supply chains and they've struggled to meet this demand. This has led to supply shortages, causing some companies to adjust down Q3 earnings guidance, as well as contributing to further upward pressure in prices.

In the US, the Federal Reserve has performed well in communicating its policy intentions. In late September it sent a clear signal that their bond buy-back stimulus programme is likely to be curtailed at yearend, without causing too much volatility in the equity or credit markets.

In China, the administration fared less well in communicating clearly to the market, issuing a series of directives during the quarter related to their emerging priority to learn from the mistakes of the western model of capitalism. They consequently intervened in diverse areas such as the after school tutoring market and videogaming. This increased the perceived level of risk of investing in China.

## RETURN METRICS\*



**NET PERFORMANCE:** The SIMPS medium-low risk performance is shown after Tribe's management fee (0.25% plus VAT) and the underlying fund managers' fees (OCF of 0.61%\*\*). But it does not include platform and adviser charges.

**BENCHMARK:** ARC Benchmarks are calculated by collecting actual performance from over fifty investment managers. The balanced PCI is suitable for strategies with a relative volatility of 40-60% of global equities as measured by MSCI ACWI.

## RISK METRICS

TO 30 SEPTEMBER 2021	VOLATILITY
MEDIUM-LOW RISK SIMPS	8.0%
ARC CAUTIOUS PCI	7.8%

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.

	SINCE INCEPTION	ROLLING 12M PERIODS	
	Dec '18 to Sep '21	Sep '20 to Sep '21	Sep '19 to Sep '20
TO 30 SEPTEMBER 2021			
MEDIUM-LOW RISK SIMPS	36.1%	10.1%	10.0%
ARC CAUTIOUS PCI	22.0%	10.3%	0.5%
DIFFERENCE	14.1%	-0.3%	9.5%

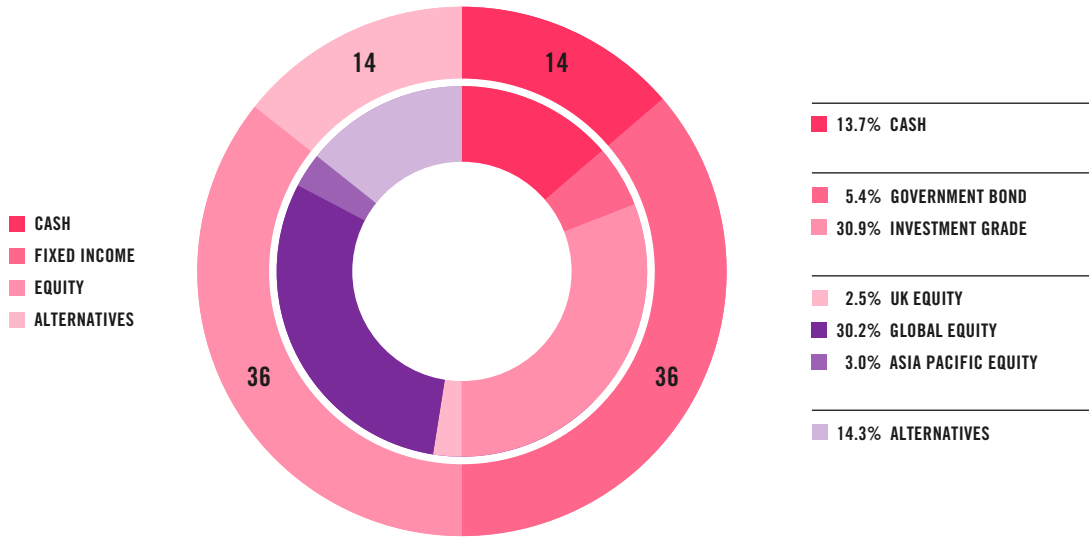
**TOP 3 EQUITY HOLDINGS**

JANUS HENDERSON GLOBAL SUSTAINABILITY	7%
BAILLIE GIFFORD POSITIVE CHANGE	5%
FP WHEB SUSTAINABILITY	5%

**TOP 3 FIXED INCOME HOLDINGS**

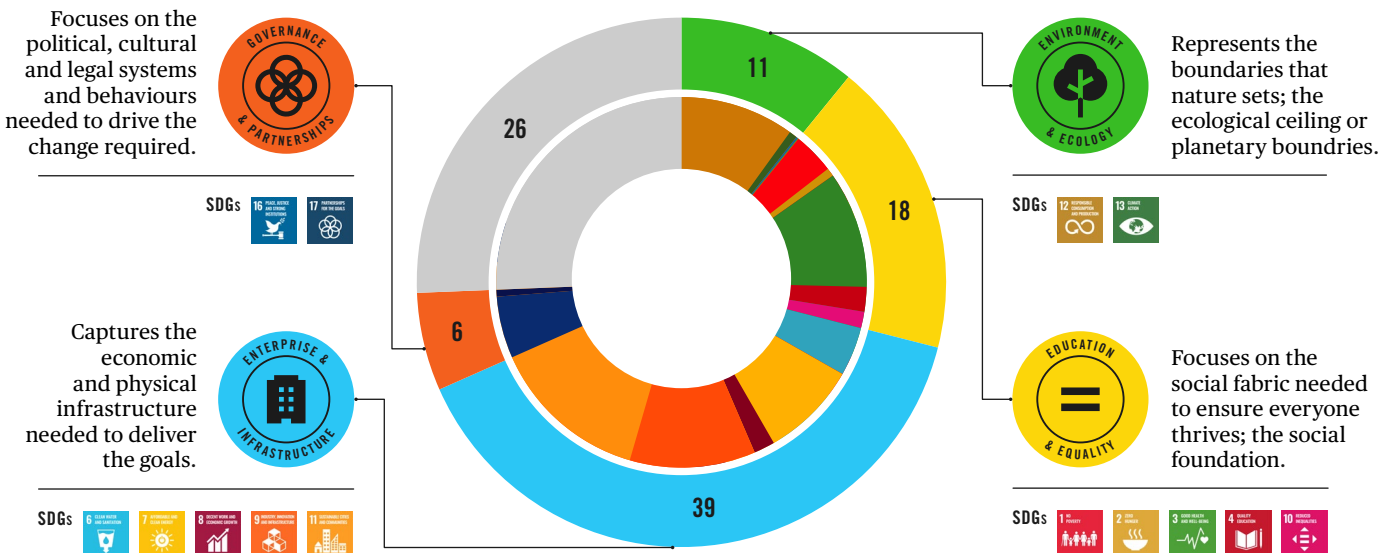
WELLINGTON IMPACT BOND	7%
LIONTRUST SUSTAINABLE FUTURE CORPORATE BOND	7%
EDENTREE AMITY SHORT DATED BOND B	7%

**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.

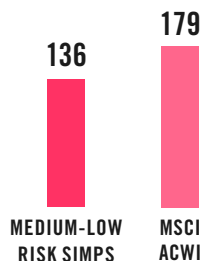


THE GREY SECTION OF THE GRAPH WHICH MAKES UP 26% OF THE SIMPS LOW-MEDIUM RISK PORTFOLIO REPRESENTS CASH AND FUNDS THAT ARE MULTI-THEMED AND CAN'T BE ATTRIBUTED TO ONLY ONE SDG.

PORTFOLIO IMPACT PERFORMANCE

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

The equities in the medium-low risk **SIMPS Portfolio** are **24% 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 medium-low risk **SIMPS Portfolio** rather than the MSCI ACWI benchmark, you save **3.9 tons** of carbon dioxide (CO2) if invested for 12 months. This represents:



THE CARBON EMITTED BY:

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



THE CARBON SEQUESTERED BY:

**64**  
medium grown coniferous tree seedlings grown for 10 years

Source: MSCI & US EPA Carbon calculator March 2021.<sup>1</sup> Based on scope 1 and 2 emissions of covered listed equities (43% of medium-low risk SIMPS portfolio).

### Healthcare

Across all equity fund holdings\* in the medium-low risk **SIMPS Portfolio**, **61** companies provide access to healthcare.

Out of these, **18** report on the number of people who received access to healthcare.

In total, these 18 companies have provided healthcare to **629,980,137** people this reporting year\*\*.

That's the equivalent of **1.1** people for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



### Financial services

Across all equity fund holdings\* in the medium-low risk **SIMPS Portfolio**, **23** companies provide financial services.

Out of these, **6** report on the provision of financial services to those previously excluded.

In total, these 6 companies have provided financial services to **106,549,069** people who previously didn't have access to financial services this reporting year\*\*.

That's the equivalent of **0.08** people for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



### Renewable energy

Across all equity fund holdings\*\* in the medium-low risk **SIMPS Portfolio**, all **382** companies could produce their own renewable energy by investing in on-site renewable energy infrastructure.

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

In total, these 122 companies have generated **663,288,163** MWh of renewable energy this reporting year\*.

That's the equivalent of **5.97** MWh of renewable energy for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



## Net jobs created

Across all equity fund holdings\* in the medium-low risk **SIMPS Portfolio**, all **382** companies can create new jobs, as well as terminate existing jobs.

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

In total, these 320 companies generated **272,859** net jobs in this reporting year\*\*.

That's the equivalent of **0.001** net jobs created for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



## Waste recycled

Across the equity fund holdings\* in the medium-low risk **SIMPS Portfolio**, all **382** companies can recycle part or all of their waste.

**134** companies report on waste recycled.

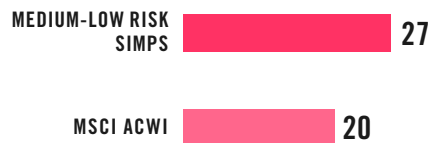
In total, these 106 companies have recycled **14,566,556** tons of waste this reporting year\*\* (on average, 54% of their waste).

That's the equivalent of **149** kg of waste recycled for each £100,000 invested in the medium-low 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 medium-low risk **SIMPS Portfolio** there **428** companies. Out of 428 companies, the average percentage of female board members is **27%\*\***



\* 43% of the medium-low risk SIMPS portfolio holdings.

\*\* Third-party fund holding data as at 31/03/2021. 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.