

# Sustainable Impact Model Portfolio Service (SIMPS)

Medium-low risk | December 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: 31/12/2021

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 - Quilter, abrdn wrap, Transact

INVESTMENT MANAGERS: Tribe Impact Capital LLP  
52 Jermyn St, London, SW1Y 6LX

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

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

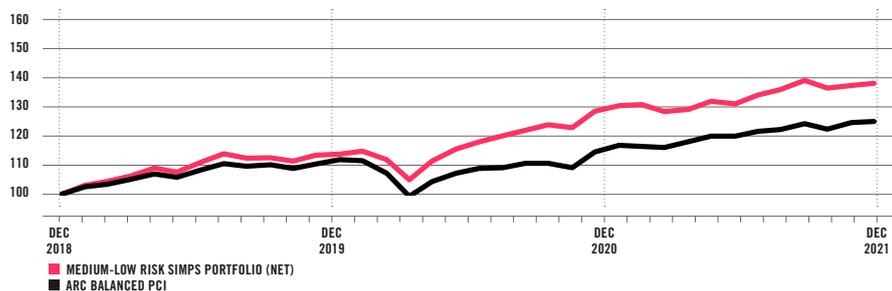
## This month

There were high levels of volatility at the beginning of the month of December, with markets trading largely on news regarding the Coronavirus Omicron variant.

The December meetings of central banks across the world focused on monetary tightening. We saw the Bank of England increasing base rates from 0.1% to 0.25% and the US Federal Reserve continue its reduction in the speed of asset purchases.

In America Senator Joe Manchin's hold up of President Biden's Build Back Better Act also added to volatility. This Act is expected to provide a significant boost to US GDP in the year ahead. As a result of the standstill analysts at Goldman Sachs cut their quarterly GDP forecasts by as much as one percentage point.

## RETURN METRICS\*



IN APRIL 2020 TRIBE CHANGED INVESTMENT REPORTING PLATFORM. DURING THE MIGRATION THE VAT APPLICABLE ON TRIBE'S ANNUAL MANAGEMENT CHARGE WAS NOT INCLUDED AS A COST WHEN CALCULATING THE PERFORMANCE RETURNS. WE WANT TO SHOW INVESTMENT RETURNS AFTER ALL COSTS, SO THIS MEANT THAT PERFORMANCE WAS OVER-STATE BY APPROXIMATELY 5 BASIS POINTS PER YEAR. FOR THE MEDIUM-LOW RISK SIMPS THE CUMULATIVE EFFECT OF THIS ERROR SINCE THE INCEPTION OF THE PORTFOLIO WAS -0.19%, AS THE INCORRECT CUMULATIVE RETURN SINCE INCEPTION WAS STATED 36.1% WHEN THE CORRECT RETURN SHOULD HAVE BEEN 35.9%. THIS AFFECTED FACTSHEETS THAT WERE PRODUCED FROM APRIL 2020 TO OCTOBER 2021. WE HAVE REMOVED THESE FACTSHEETS AND CORRECTED THEM, SO ALL PERFORMANCE IS NOW SHOWING NET OF TRIBE'S FEE AND VAT.

**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%\*\*\*) 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 balanced PCI is suitable for strategies with a relative volatility of 40-60% of global equities as measured by MSCI ACWI.

	SINCE INCEPTION	ROLLING 12M PERIODS	
	Dec '18 to Dec '21	Dec '20 to Dec '21	Dec '19 to Dec '20
<b>TO 31 DECEMBER 2021</b>			
MEDIUM-LOW RISK SIMPS	38.2%	6.3%	14.5%
ARC BALANCED PCI	30.0%	7.9%	4.3%
DIFFERENCE	12.4%	-1.6%	10.1%

## RISK METRICS

TO 31 DECEMBER 2021	VOLATILITY
MEDIUM-LOW RISK SIMPS	7.6%
ARC BALANCED PCI	7.6%

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.

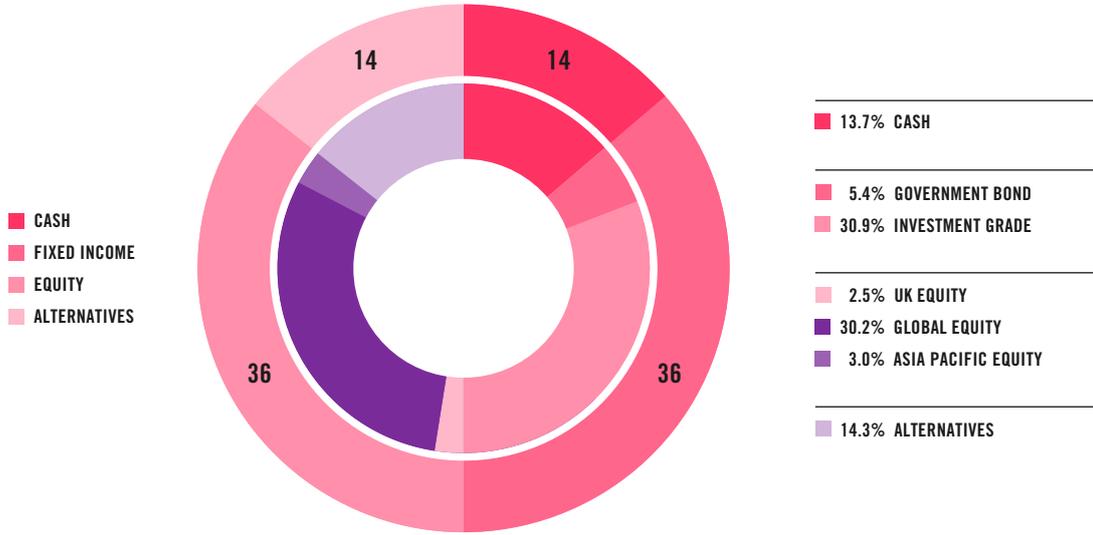
**TOP 3 EQUITY HOLDINGS**

JANUS HENDERSON GLOBAL SUSTAINABILITY	7%
WELLINGTON GLOBAL IMPACT	5%
FP WHEB SUSTAINABILITY	5%

**TOP 3 FIXED INCOME HOLDINGS**

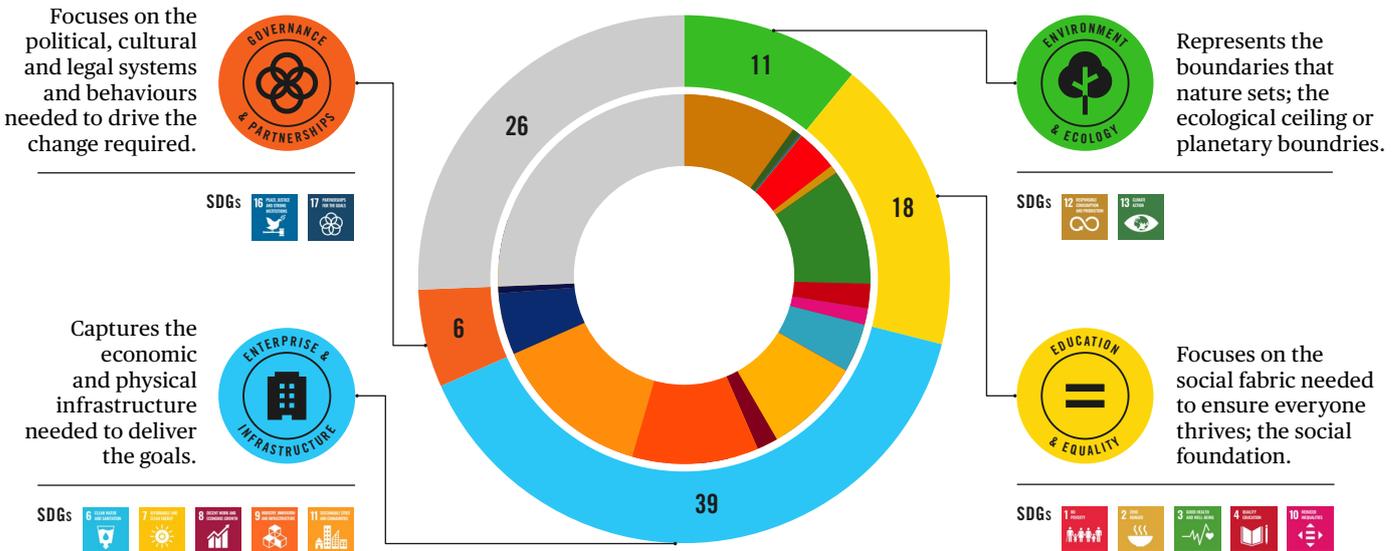
WELLINGTON IMPACT BOND	7%
LIONTRUST SUSTAINABLE FUTURE CORPORATE BOND	7%
EDENTREE RESPONSIBLE & SUSTAINABLE SHORT DATED BOND B	7%

**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.

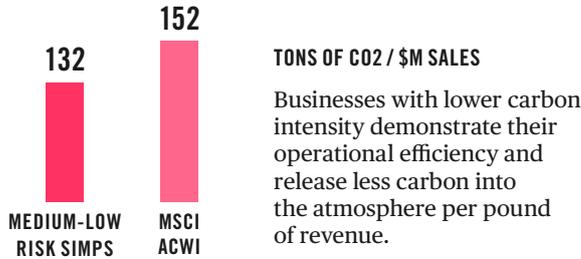


THE GREY SECTION OF THE GRAPH WHICH MAKES UP 26% OF THE SIMPS LOW-MEDIUM RISK PORTFOLIO REPRESENTS CASH AND FUNDS THAT ARE MULTI-THEMED AND CAN'T BE ATTRIBUTED TO ONLY ONE SDG.

PORTFOLIO IMPACT PERFORMANCE

Carbon Intensity<sup>1</sup>

The equities in the medium-low risk **SIMPS Portfolio** are **20% less** carbon intensive than the MSCI ACWI benchmark.



Carbon Saved<sup>1</sup>

By investing £100,000 into the medium-low risk **SIMPS Portfolio** rather than the MSCI ACWI benchmark, you save **4.1 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:  
**68**  
medium grown coniferous tree seedlings grown for 10 years

Source: MSCI & US EPA Carbon calculator September 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<sup>2</sup> in the medium-low risk **SIMPS Portfolio**, **61** companies provide access to healthcare.

Out of these, **17** report on the number of people who received access to healthcare.

In total, these 17 companies have provided healthcare to **191,135,615** people this reporting year<sup>3</sup>.

That's the equivalent of **1.09** people for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



Financial services

Across all equity fund holdings<sup>2</sup> in the medium-low risk **SIMPS Portfolio**, **22** companies provide financial services.

Out of these, **5** report on the provision of financial services to those previously excluded.

In total, these 5 companies have provided financial services to **8,040,686** people who previously didn't have access to financial services this reporting year<sup>3</sup>.

That's the equivalent of **0.03** people for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



Renewable energy

Across all equity fund holdings<sup>2</sup> in the medium-low risk **SIMPS Portfolio**, all **415** companies could produce their own renewable energy by investing in on-site renewable energy infrastructure.

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

In total, these 96 companies have generated **405,916,721** MWh of renewable energy this reporting year<sup>3</sup>.

That's the equivalent of **3.08** 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<sup>2</sup> in the medium-low risk **SIMPS Portfolio**, all **415** companies can create new jobs, as well as terminate existing jobs.

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

In total, these 321 companies generated **99,734** net jobs in this reporting year<sup>3</sup>.

That's the equivalent of **0.0019** 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<sup>2</sup> in the medium-low risk **SIMPS Portfolio**, all **415** companies can recycle part or all of their waste.

**140** companies report on waste recycled.

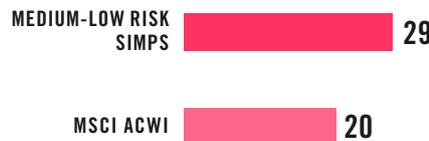
In total, these 140 companies have recycled **14,280,630** tons of waste this reporting year<sup>3</sup> (on average, 54% of their waste).

That's the equivalent of **119** 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<sup>2</sup> in the medium-low risk **SIMPS Portfolio** there **415** companies. Out of 415 companies, the average percentage of female board members is **29%**<sup>3</sup>.



<sup>2</sup> 43% of the medium-low risk SIMPS portfolio holdings.

<sup>3</sup> Third-party fund holding data as at 30/09/2021. 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.



**IMPORTANT INFORMATION** This factsheet is marketing material for use by Financial Advisers and clients and prospects of the Financial Adviser. It should not be reproduced, copied or made available to anyone else. The information in this factsheet is for illustrative purposes only and does not provide sufficient information on which to make an informed investment decision. This factsheet is not intended and should not be construed as an offer, solicitation or recommendation by Tribe to buy or sell any specific investments or participate in any investment (or other) strategy. Any potential investors must seek advice concerning the suitability of any investment in the SIMPS from

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 Portfolios** may differ from the performance of the **SIMPS Portfolios** shown here due to the variation in

timing of the initial investment or rebalancing differences resulting from minimum transaction size limits on the Investment platform. The information in this factsheet is believed to be correct but we cannot guarantee this. No representation or warranty (express or otherwise) is given as to the accuracy or completeness of the information contained in this factsheet and Tribe Impact Capital LLP ("Tribe") and its partners and employees accept no liability for the consequences of your acting upon the information contained herein.

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