

Sustainable Impact Model Portfolio Service (SIMPS)

Medium-low risk | October 2022 | 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: 31/10/2022

LAUNCH DATE: 31/12/2018

BENCHMARK: ARC Balanced PCI

PORTFOLIO OBJECTIVE: Balance between capital preservation and capital appreciation

MANAGEMENT FEE: 0.25%

OCF OF UNDERLYING FUNDS: 0.57%**

AVAILABLE THROUGH:
7IM, abrdn wrap, M&G Wealth, Nucleus, Quilter, Transact, True Potential, Aegon, Aegon ARC

INVESTMENT MANAGERS:
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This month

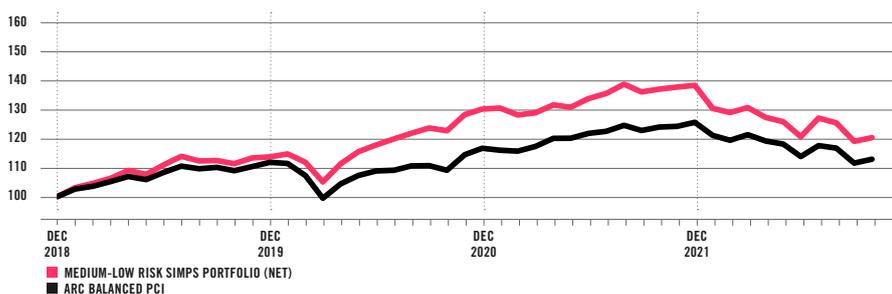
The first half of October was characterised by heightened volatility, driven largely by the political landscape in the UK. The market reaction to the ill-fated mini budget announced by Kwasi Kwarteng and Liz Truss, ultimately sealed her fate after just 44 days in office. Relative calm was restored to the UK market as Rishi Sunak was announced the new prime minister; Jeremy Hunt was retained as chancellor.

In the US, the narrative was driven by the ongoing question of whether the significant tightening of financial conditions this year, will lead to a slowing of the underlying economy. A mixed earnings season led to a rally in US markets at the end of the month; investors began speculating about whether the Federal Reserve would reduce the size of interest rises after another 75-basis point move in November.

In Europe, this rally was supported by falling natural gas prices, which should help abate some inflationary pressures in the region.

Elsewhere, President Xi secured his third term of power at the highly anticipated Party Conference in China. The market reaction was negative with zero covid policies likely to continue and an installation of a new politburo of loyalists, further consolidating the grip he holds on the central government.

RETURN METRICS*



NET PERFORMANCE: The SIMPS medium-low risk performance is shown after Tribe's management fee (0.25%) and the underlying fund managers' fees (OCF of 0.57%***) have been deducted. But it does not include platform and adviser charges. Please note, for the period since inception to 28/02/2022 performance is reported net of VAT. Past performance covers 31/12/2018 (when the medium-low SIMPS was established) to 30/06/2022. Past performance does not exist prior to this period. Past performance is not a reliable indicator of future results.

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			
	31/12/2018 - 31/10/2022	31/10/2019 - 31/10/2020	31/10/2020 - 31/10/2021	31/10/2021 - 31/10/2022	
TO 31 OCTOBER 2022					
MEDIUM-LOW RISK SIMPS	20.2%	10.2%	11.6%	-12.2%	
ARC BALANCED PCI	12.8%	0.1%	13.6%	-8.9%	
DIFFERENCE	7.4%	10.0%	-2.0%	-3.3%	

Sources for return metrics graph and table: Bloomberg & ARC Private Client Indices (PCI)

RISK METRICS

TO 31 OCTOBER 2022	VOLATILITY
MEDIUM-LOW RISK SIMPS	9.0%
ARC BALANCED PCI	8.1%

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.

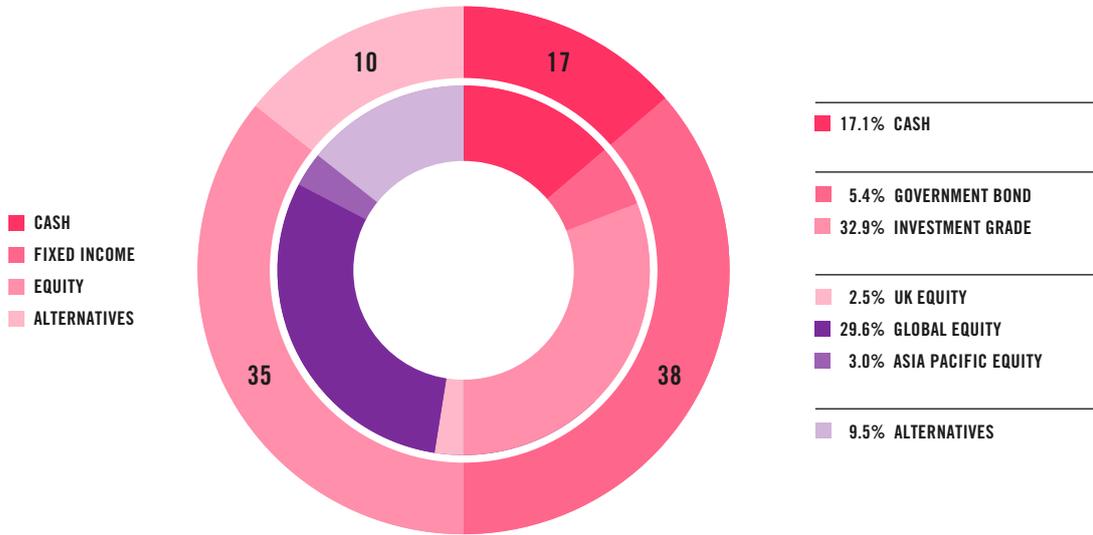
TOP 3 EQUITY HOLDINGS

JANUS HENDERSON GLOBAL SUSTAINABILITY	7%
WELLINGTON GLOBAL IMPACT	5%
SCHRODER GLOBAL ENERGY TRANSITION	5%

TOP 3 FIXED INCOME HOLDINGS

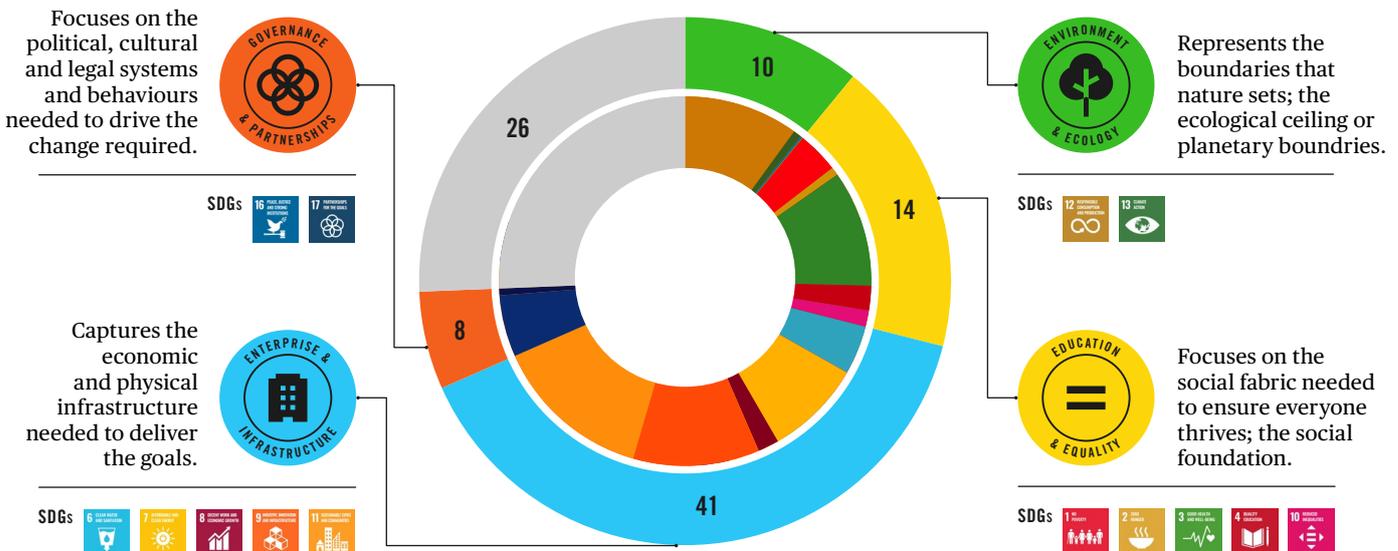
WELLINGTON IMPACT BOND	9%
LIONTRUST SUSTAINABLE FUTURE CORPORATE BOND	7%
EDENTREE RESPONSIBLE & SUSTAINABLE SHORT DATED BOND B	7%

ASSET ALLOCATION



IMPACT ALLOCATION

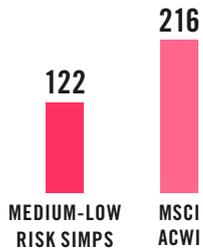
The UN Sustainable Development Goals (SDGs) are the blueprint to achieve a better and more sustainable future for all. To help translate the Goals into the **SIMPS Portfolios** we have aggregated them into our four Impact Themes.



PORTFOLIO IMPACT PERFORMANCE

Carbon Intensity¹

The equities in the medium-low risk **SIMPS Portfolio** are **43% less** carbon intensive than the MSCI ACWI benchmark.



TONNES 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 Saved¹

By investing £100,000 into the medium-low risk **SIMPS Portfolio** rather than the MSCI ACWI benchmark, you save **4.4 tonnes** 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:

73
medium grown coniferous tree seedlings grown for 10 years

Source: MSCI & US EPA Carbon calculator as at 30/09/2022.

¹ Based on scope 1 and 2 emissions of covered listed equities (41% of medium-low risk SIMPS portfolio).

Healthcare

Across all equity fund holdings² in the medium-low risk **SIMPS Portfolio**, **31** companies provide access to healthcare.

Out of these, **12** report on the number of people who received access to healthcare.

In total, these 12 companies have provided healthcare to **265,784,303** people this reporting year³.

That's the equivalent of **1.3** people for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



Financial services

Across all equity fund holdings² in the medium-low risk **SIMPS Portfolio**, **22** companies provide financial services.

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

In total, these 7 companies have provided financial services to **879,105,730** people who previously didn't have access to financial services this reporting year³.

That's the equivalent of **1.2** people for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



Renewable energy

Across all equity fund holdings² in the medium-low risk **SIMPS Portfolio**, all **344** companies could produce their own renewable energy by investing in on-site renewable energy infrastructure.

79 companies report on renewable energy generation.

In total, these 79 companies have generated **597,497,121** MWh of renewable energy this reporting year³.

That's the equivalent of **4.1** 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 holdings² in the medium-low risk **SIMPS Portfolio**, all **344** companies can create new jobs, as well as terminate existing jobs.

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

In total, these 275 companies generated **302,857** net jobs in this reporting year³.

That's the equivalent of **0.0009** net jobs created for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



Waste recycled

Across the equity fund holdings² in the medium-low risk **SIMPS Portfolio**, all **344** companies can recycle part or all of their waste.

138 companies report on waste recycled.

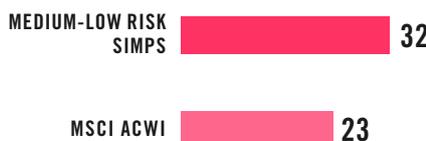
In total, these 138 companies have recycled **17,424,700** tonnes of waste this reporting year³.

That's the equivalent of **168** 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 holdings² in the medium-low risk **SIMPS Portfolio** there are **344** companies. Out of 344 companies, the average percentage of female board members is **32%**³.



² 42% of the medium-low risk SIMPS portfolio holdings.

³ Third-party fund holding data as at 30/09/2022. 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.

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