

Sustainable Impact Model Portfolio Service (SIMPS)

Medium-low risk | May 2023 | 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: 31/05/2023

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: 0.52%**

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

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

In May, despite several potentially significant news stories, volatility in equity markets remained low as technology stocks, particularly those linked to artificial intelligence (AI), led markets higher.

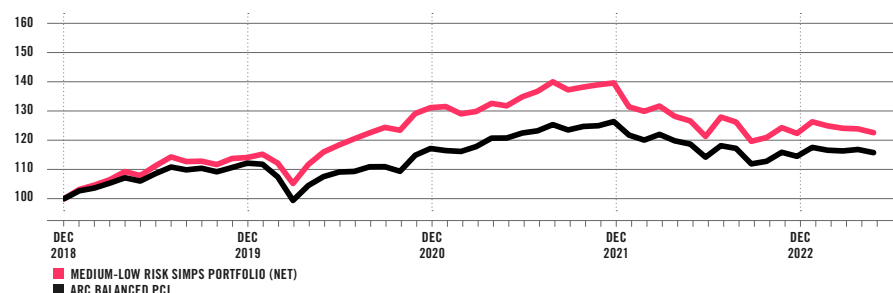
American banks dominated headlines early in the month as JP Morgan acquired First Republic Bank. The Federal Reserve increased rates by a further 25 basis points, although they did open the door to pausing in June. There was a similar move in the UK and Europe as inflation remained above Central Banks' targets despite the fall in energy prices.

American politics overshadowed market fundamentals as the need to raise the US debt ceiling weighed on sentiment. There was concern that unless a deal was agreed, the US might not be able to meet its debt obligations.

The information technology sector accounted for most of the positive performance in equities this year. Chipmakers outperformed off the back of strong earnings and increased investor sentiment about the potential impact AI could have on the global economy. Mega-cap tech names already constitute almost 30% of the US Index.

We remain well diversified across sectors and asset classes, with a preference for high-quality fixed income which we favour over equities at this point in the market cycle.

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 0.52**) 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.

TO 31 MAY 2023	SINCE INCEPTION	ROLLING 12M PERIODS			
	31/12/2018 - 31/05/2023	31/05/2019 - 31/05/2020	31/05/2020 - 31/05/2021	31/05/2021 - 31/05/2022	31/05/2022 - 31/05/2023
MEDIUM-LOW RISK SIMPS	21.8%	7.2%	13.2%	-3.8%	-3.1%
ARC BALANCED PCI	15.2%	1.3%	11.9%	-1.7%	-2.4%
DIFFERENCE	6.6%	5.9%	1.3%	-2.2%	-0.7%

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

RISK METRICS

TO 31 MAY 2023	VOLATILITY
MEDIUM-LOW RISK SIMPS	8.7%
ARC BALANCED 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.

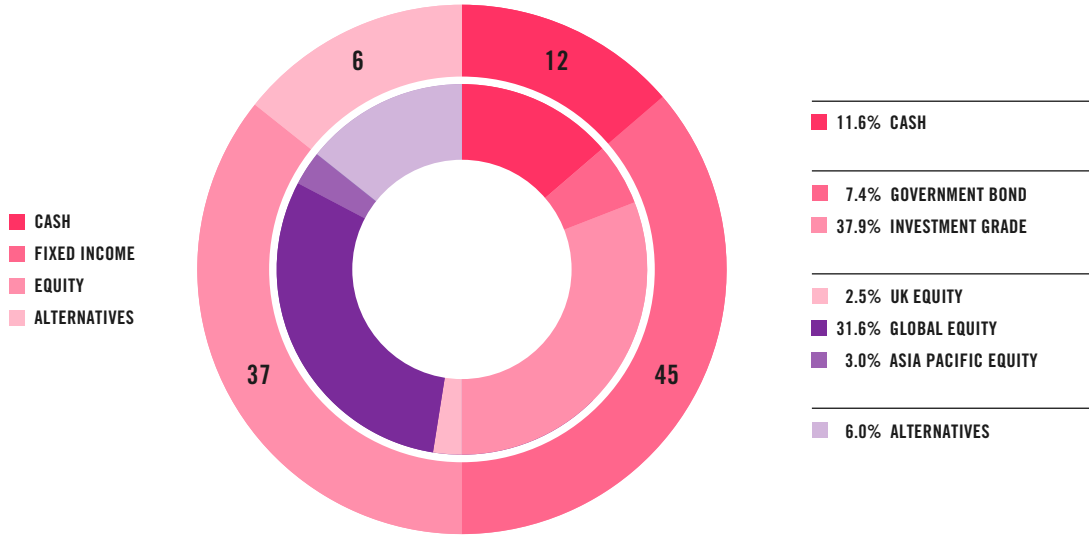
TOP 3 EQUITY HOLDINGS

JANUS HENDERSON GLOBAL SUSTAINABILITY	7%
SCHRODER GLOBAL ENERGY TRANSITION	6%
WELLINGTON GLOBAL IMPACT	5%

TOP 3 FIXED INCOME HOLDINGS

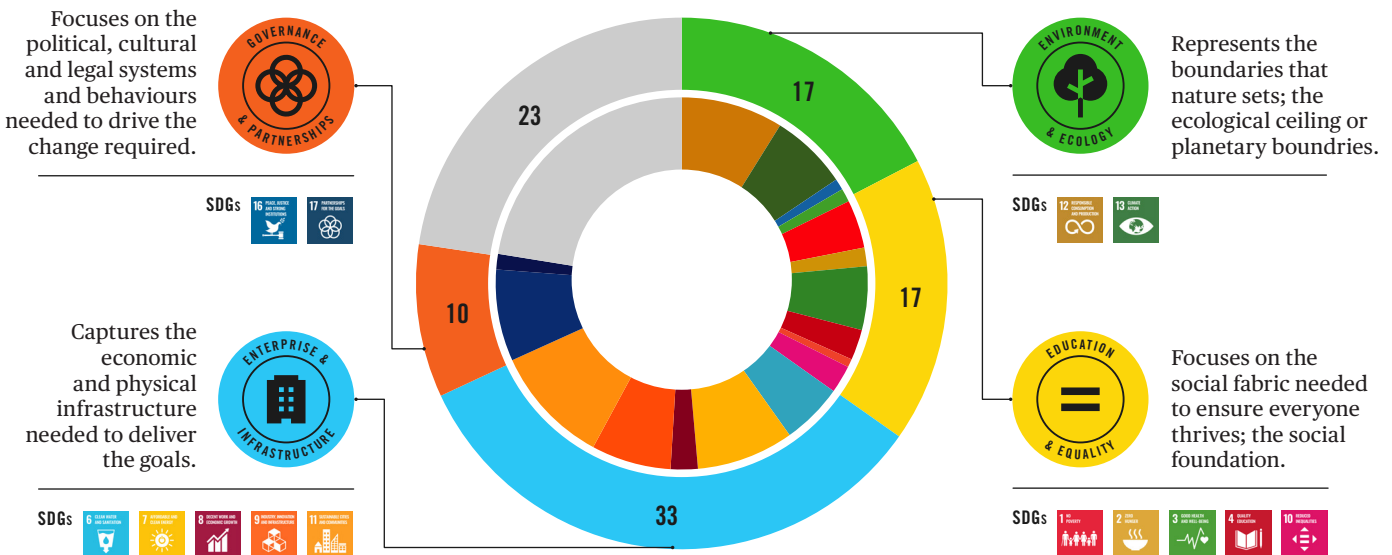
WELLINGTON IMPACT BOND	10%
LIONTRUST SUSTAINABLE FUTURE CORPORATE BOND	8%
ROYAL LONDON SHORT DURATION GLOBAL INDEX LINKED BOND	7%

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.

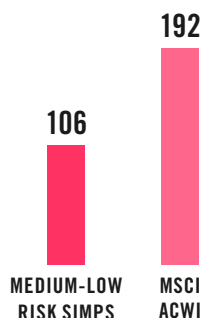


THE GREY SECTION OF THE GRAPH WHICH MAKES UP 23% OF THE SIMPS LOW-MEDIUM RISK PORTFOLIO REPRESENTS CASH AND FUNDS THAT ARE MULTI-THEMED AND CAN'T BE ATTRIBUTED TO ONLY ONE SDG.

PORTFOLIO IMPACT PERFORMANCE

Carbon Intensity¹

The equities in the medium-low risk **SIMPS Portfolio** are **45% 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 **5.2 tonnes** of carbon dioxide (CO2) if invested for 12 months. This represents:



THE CARBON EMITTED BY:
6 flights
from London to New York (economy class)



THE CARBON SEQUESTERED BY:
86
medium grown coniferous tree seedlings grown for 10 years

Source: MSCI & US EPA Carbon calculator as at 31/03/2023.

¹ Based on scope 1 and 2 emissions of covered listed equities (48% of medium-low risk SIMPS portfolio).

Healthcare

Across all equity fund holdings² in the medium-low risk **SIMPS Portfolio**, **35** 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 **239,191,488** 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**, **19** companies provide financial services.

Out of these, **8** report on the provision of financial services to those previously excluded.

In total, these 8 companies have provided financial services to **882,629,261** people who previously didn't have access to financial services this reporting year³.

That's the equivalent of **1.6** 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 **347** companies could produce their own renewable energy by investing in on-site renewable energy infrastructure.

84 companies report on renewable energy generation.

In total, these 84 companies have generated **301,903,227** MWh of renewable energy this reporting year³.

That's the equivalent of **3.1** MWh of renewable energy for each £100,000 invested in the medium-low risk **SIMPS Portfolio** for 12 months.



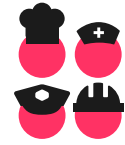
Net jobs created

Across all equity fund holdings² in the medium-low risk **SIMPS Portfolio**, all **347** companies can create new jobs, as well as terminate existing jobs.

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

In total, these 296 companies generated **586,241** net jobs in this reporting year³.

That's the equivalent of **0.0021** 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 **347** companies can recycle part or all of their waste.

131 companies report on waste recycled.

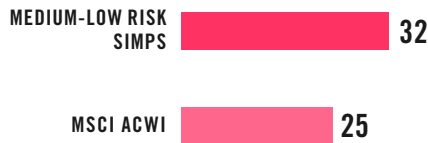
In total, these 131 companies have recycled **19,202,769** tonnes of waste this reporting year³.

That's the equivalent of **130** 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 **347** companies. Out of 347 companies, the average percentage of female board members is **32%**³.



² 48% of the medium-low risk SIMPS portfolio holdings.

³ Third-party fund holding data as at 31/03/2023. 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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