

Sustainable Impact Model Portfolio Service (SIMPS)

Medium-low risk | August 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: 31/08/2023

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

INVESTMENT MANAGERS:
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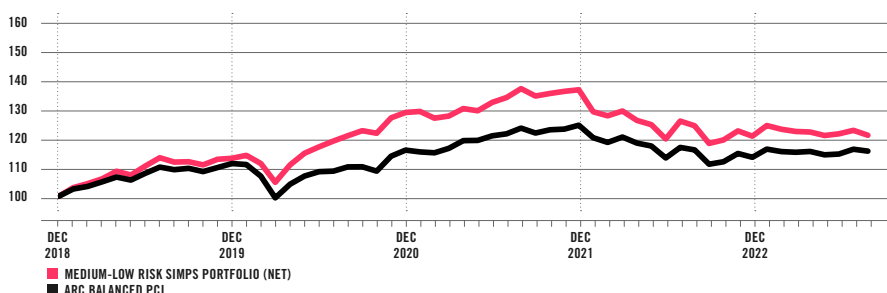
This month

August was a tale of two halves for both stock and bond markets. Following a strong July, the MSCI ACWI global equity index initially fell 5% but recovered in the run-up to the end of the month. Global bonds followed a similar path, with moves driven by the continued mixed signals coming from the worldwide economy.

Policymakers are questioning whether the interest rate rises they've completed over the last 18 months will be sufficient in getting inflation under control. Jay Powell, Chairman of the US Federal Reserve, indicated that interest rates may have to stay higher for longer during his speech at the annual Jackson Hole Symposium in Wyoming. As such, we continue favouring fixed income over equities, given the attractive yield now offered on bonds issued by strong companies.

A weak second quarter from the Chinese economy added another layer of uncertainty to the global outlook. China's shaky domestic real estate sector continues to make consumers hesitant to spend despite the build-up of savings over the lockdowns of the last few years. We focus our China exposure on companies that align with the Central Government's main policy aims of family values, common prosperity and the energy transition. Climate policy continues to feature more regularly in government communications.

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 31/08/2022. 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 - 31/08/2023	31/08/2019 - 31/08/2020	31/08/2020 - 31/08/2021	31/08/2021 - 31/08/2022	31/08/2022 - 31/08/2023
TO 31 AUGUST 2023					
MEDIUM-LOW RISK SIMPS	21.9%	8.4%	13.8%	-9.6%	-2.7%
ARC BALANCED PCI	16.2%	0.9%	12.6%	-6.3%	-0.4%
DIFFERENCE	5.7%	7.5%	1.2%	-3.3%	-2.3%

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

RISK METRICS

TO 31 AUGUST 2023	VOLATILITY
MEDIUM-LOW RISK SIMPS	8.5%
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.

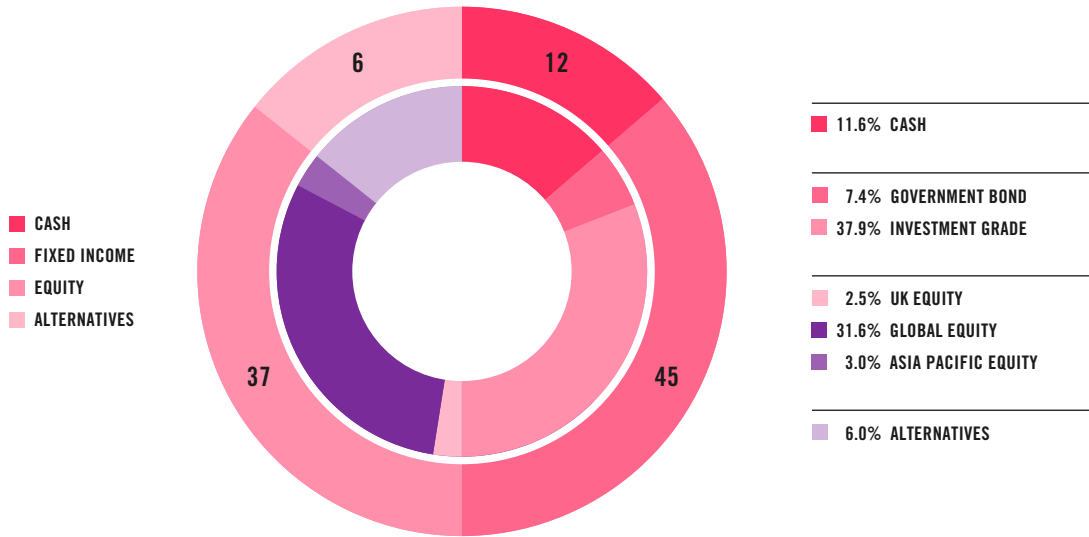
TOP 3 EQUITY HOLDINGS

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

TOP 3 FIXED INCOME HOLDINGS

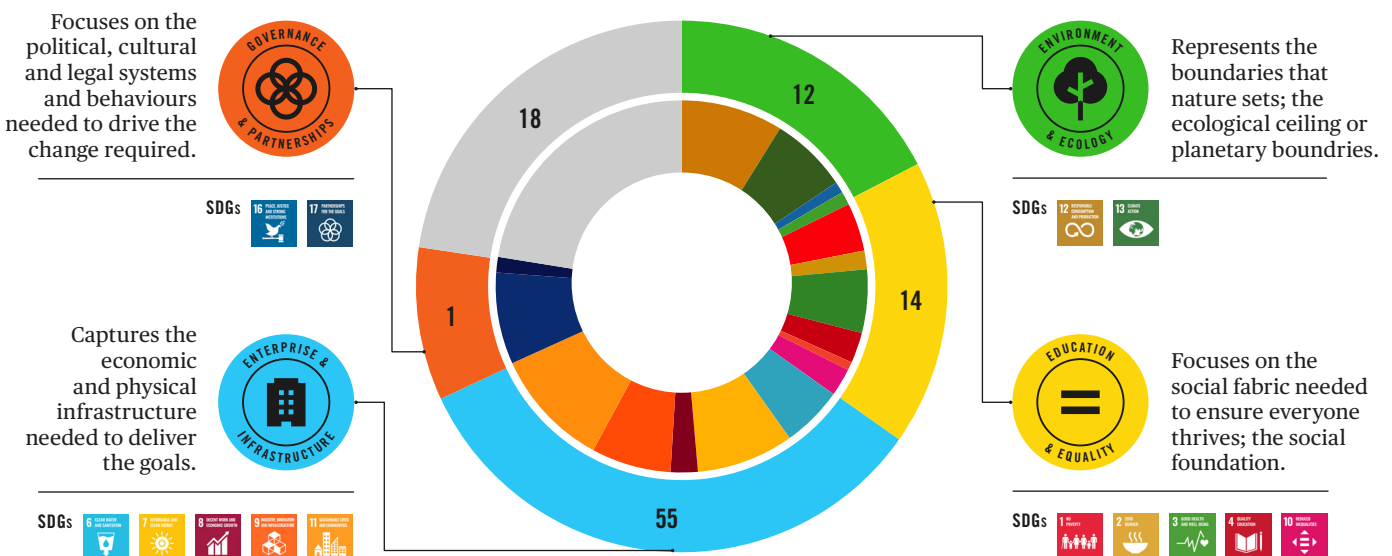
WELLINGTON IMPACT BOND	10%
LIONTRUST SUSTAINABLE FUTURE CORPORATE BOND	8%
ROYAL LONDON SHORT DURATION GLOBAL INDEX LINKED BOND	7%

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.

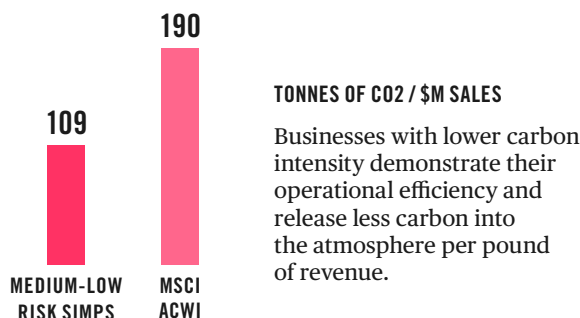


THE GREY SECTION OF THE GRAPH WHICH MAKES UP 23% OF THE SIMPS LOW-MEDIUM RISK PORTFOLIO REPRESENTS CASH AND FUNDS THAT ARE MULTI-THEMED AND CAN'T BE ATTRIBUTED TO ONLY ONE SDG.

PORTFOLIO IMPACT PERFORMANCE

Carbon Intensity¹

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



Carbon Saved¹

By investing £100,000 into the medium-low risk **SIMPS Portfolio** rather than the MSCI ACWI benchmark, you save **5.0 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:
83
medium grown coniferous tree seedlings grown for 10 years

Source: MSCI & US EPA Carbon calculator as at 30/06/2023.

¹ Based on scope 1 and 2 emissions of covered listed equities (40% of medium-low risk SIMPS portfolio).

Healthcare

Across all equity fund holdings² in the medium-low risk **SIMPS Portfolio**, **36** 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 **1.2** 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 **1.5** 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 **352** 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 **277,521,962** 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 **352** companies can create new jobs, as well as terminate existing jobs.

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

In total, these 299 companies generated **591,736** 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 **352** companies can recycle part or all of their waste.

135 companies report on waste recycled.

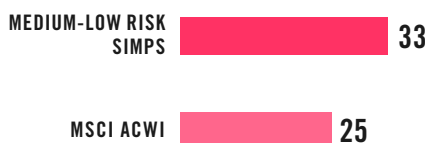
In total, these 135 companies have recycled **19,335,212** tonnes of waste this reporting year³.

That's the equivalent of **122** 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 **352** companies. Out of 352 companies, the average percentage of female board members is **33%**³.



² 40% of the medium-low risk SIMPS portfolio holdings.

³ Third-party fund holding data as at 30/06/2023. 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.

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