



# SOCIAL IMPACT PORTFOLIO

## BECKETT ASSET MANAGEMENT LIMITED

JULY 2021

RISK PROFILE 4 | INCEPTION DEC. 2015

### INVESTMENT OBJECTIVE

To provide capital growth on a long term basis by exposure to assets considered to be ethical by the managers.

### STRATEGY RISK PROFILE AND SUITABILITY

The portfolio will be fully invested in the Blenheim Ethical opportunities Fund. This is a multi-asset fund, investing in a range of asset classes which are considered by the managers to be ethical investment choices.

The fund is managed with a cautious to a medium risk tolerance. In addition to the typical risks inherent in any investment, the additional ethical overlay does narrow the investment universe when compared to a normal multi-asset portfolio, and may have an adverse impact on the performance. The fund's exposure to equities will vary between a minimum of 20% and a maximum of 60% with the remaining balance invested in other suitable asset classes for diversification purposes. Diversification is further enhanced by investing no less than 70% of the fund in collectives.

### ETHICAL CRITERIA

To be eligible for investment:

- Collective investment schemes must have a stated Environmental social or governance (ESG) objective and policy or a stated socially responsible (SRI) objective and policy.
- Property oriented collective investment schemes must have an independent accreditation for their ESG or SRI credentials.
- Direct investments must align to one or more of the sustainable development goals, as measured by the Investment manager's assessment of the business model.
- The investment manager will check at the point of investment and at least annually that a minimum of 70% of the collectives focusing on shares and Bonds, avoid companies that derive any revenue from any of the following: Human rights abuses, Environmental abuse, Animal testing for cosmetics and armaments.

The portfolio is suitable for investors whom are looking for capital growth on a long-term basis (5 years plus), and are prepared to accept a cautious to medium level of risk.

### MANAGEMENT

The portfolio is managed by Beckett Asset Management's team of investment professionals: Samantha Owen, Tony Yousefian and Elliot Basford.

As well as deciding on asset allocation, the team also manages the underlying Blenheim range of funds. These are actively managed utilising a wide investment universe, in line with their investment objectives.

### BENCHMARK

ARC Sterling balanced Assets Private Clients Index is a suitable benchmark. This index has a targeted volatility band of 40% - 60% relative to World Equities.

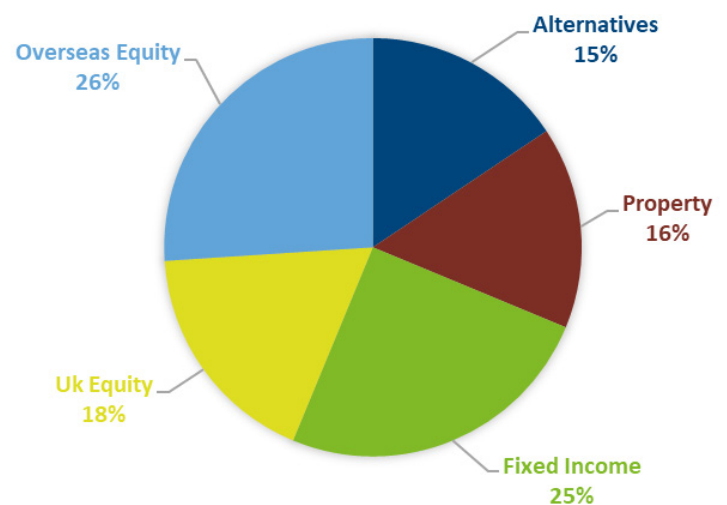
### INCOME YIELD

Income is not a consideration for this portfolio. Any income produced is a by-product of the underlying holdings and will be incidental.

### ONGOING CHARGES FIGURE (OCF)

0.64%.

### PORTFOLIO COMPOSITION



### PORTFOLIO CONSTITUENTS

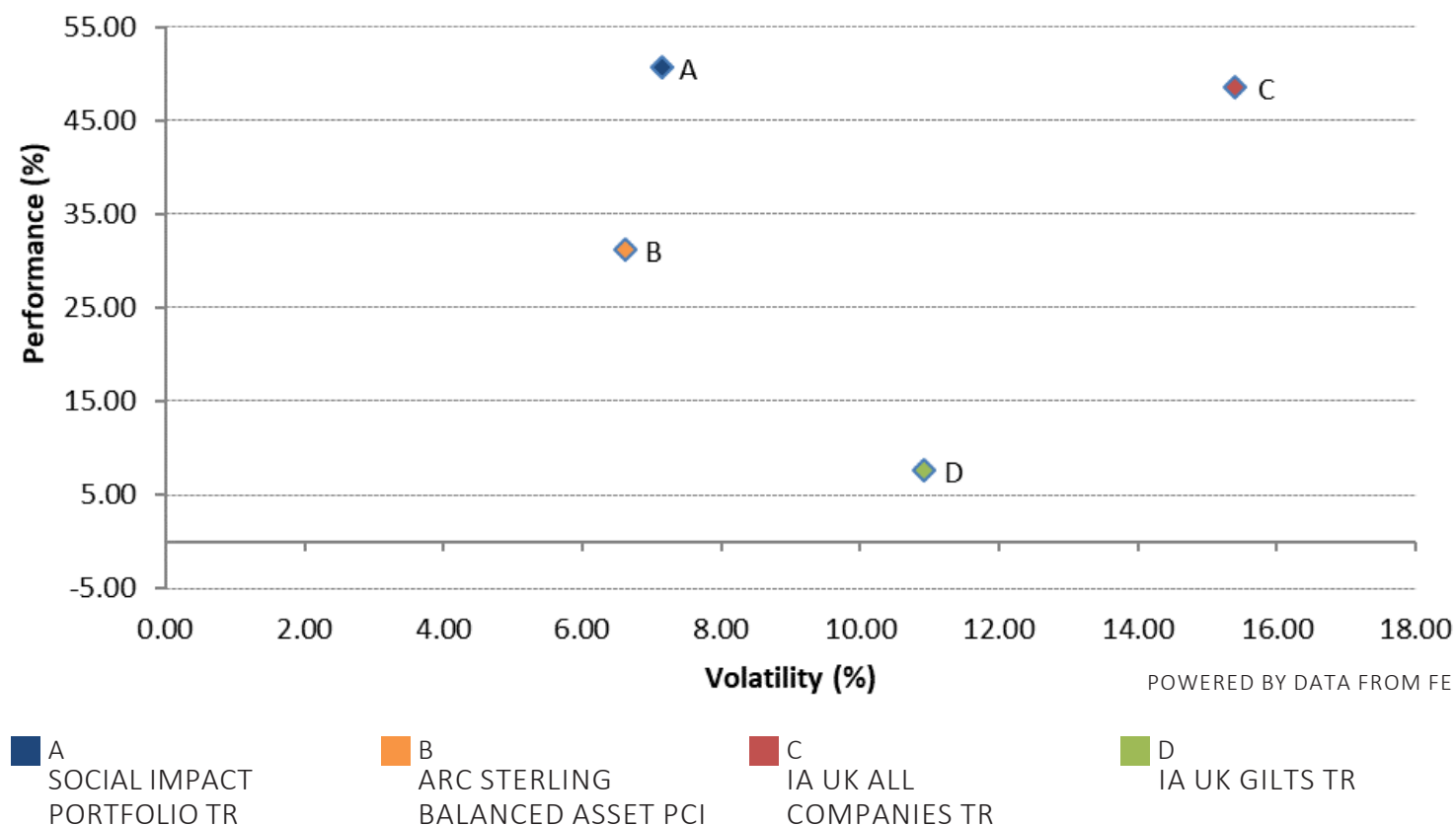
Blenheim Ethical Opportunities	100%
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## MANAGER COMMENTARY

For the quarter to the end of June, the Social Impact portfolio was able to achieve a healthy 4.22% return net of OCF, but gross of advisor charges, which compares favourably to the 3.53% achieved by the benchmark, ARC Balanced PCI. The majority of returns were driven by the equity content of the portfolio, specifically those domiciled in the UK. However, the property exposure also contributed healthily to performance, which is an area we have been adding to, by including a new diversifying position to provide a stable return stream outside of equity correlation.

At asset allocation level, we have taken the decision to implement a lessening in risk within our portfolios; this manifests as a reduction in the equity content across our range of model portfolios. This decision is as much motivated by where we are today, as it is, where we have been. The level of risk in our portfolios is partially a function of the market environment in April 2020 when we added to our equity weightings in order to benefit from the exception opportunity we saw in risk assets, post the 'corona crash' and resulting Government and Central Bank intervention. In the period since mid-April 2020 global equities, as measured by their relevant IA sector, have returned over 43%. This decision does not represent a prediction of the future level of returns available from equities; rather, it is to 'bank' some of the returns we have been able to achieve. As ever, it is our intention to think stochastically to prepare our portfolios for a range of possible futures in which we maximise the risk adjusted returns for our clients.

## RETURN AND VOLATILITY 5 YEARS TO 30/06/2021



INVESTMENTS ARE INTENDED FOR THE LONG TERM. THEIR VALUE IS NOT GUARANTEED AND MAY GO DOWN AS WELL AS UP. THE VALUE OF INTERNATIONAL HOLDINGS MAY ALSO BE AFFECTED BY THE FLUCTUATION IN THE VALUE OF STERLING AGAINST OTHER CURRENCIES. PAST PERFORMANCE IS NO GUIDE TO FUTURE RETURNS. THIS DOCUMENT SHOULD NOT BE CONSTRUED AS AN OFFER DOCUMENT OR SOLICITATION AND IS CIRCULATED BECAUSE THE CONTENTS MAY BE OF INCIDENTAL INTEREST. THE OPINIONS STATED ARE THOSE OF BECKETT ASSET MANAGEMENT LTD, WHICH IS AUTHORISED AND REGULATED BY THE FINANCIAL CONDUCT AUTHORITY.