



ROCKHOLD

Sustainable Brochure

Rockhold Asset Management



Your capital is at risk and the value of investments, as well as the income from them, can go down as well as up and you may not recover the amount of your original investment. Past performance is not a reliable indicator of future results. Investments should be considered over the longer term and should fit in with your overall attitude to risk and financial circumstances.

What is Sustainable Investing?

Sustainable investing places a greater emphasis on companies that have a positive impact on their consumers and the world around us. Typically, sustainable investing covers companies that try to promote environmental stewardship, consumer protection, human rights and diversity, whilst looking to restrict or exclude companies involved in tobacco, alcohol, gambling, pornography and munitions. Sustainable investing also considers things such as the effects of the products that are produced, waste management, the way companies treat their employees, their tax transparency, business ethics and how they finance their activities.



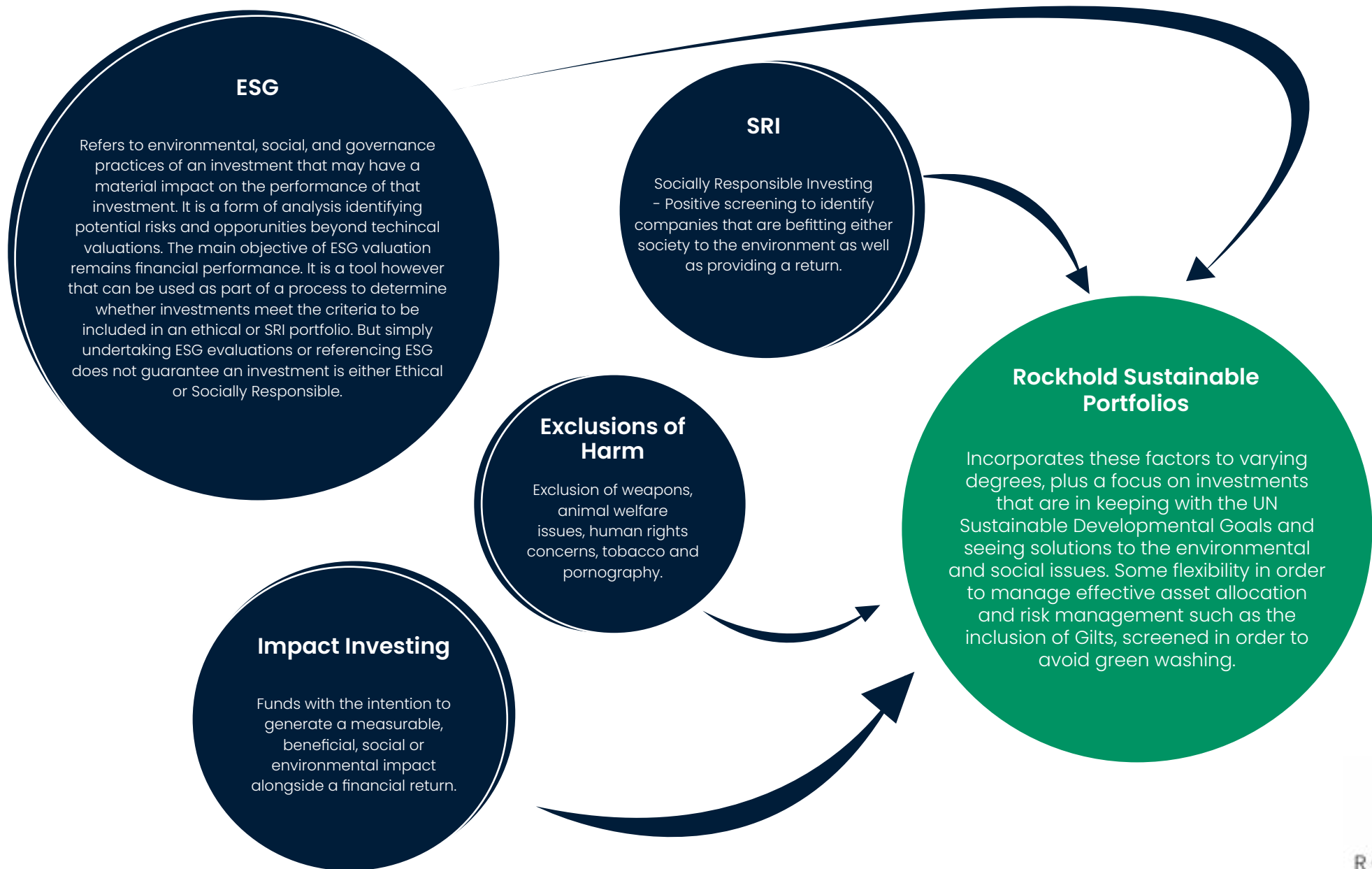


Definitions used in Sustainable Investing

To invest or not to invest? The options open to investors can vary from a 'soft' screen based on moral choices, e.g. to limit the investment in "unacceptable" companies, or to applying a 'hard' screen which emphasises the exclusion of such companies. These two options fall broadly into two investment areas; ESG (environmental, social and corporate governance) and SRI (socially responsible investing). Although both fall under the umbrella of sustainable investing.

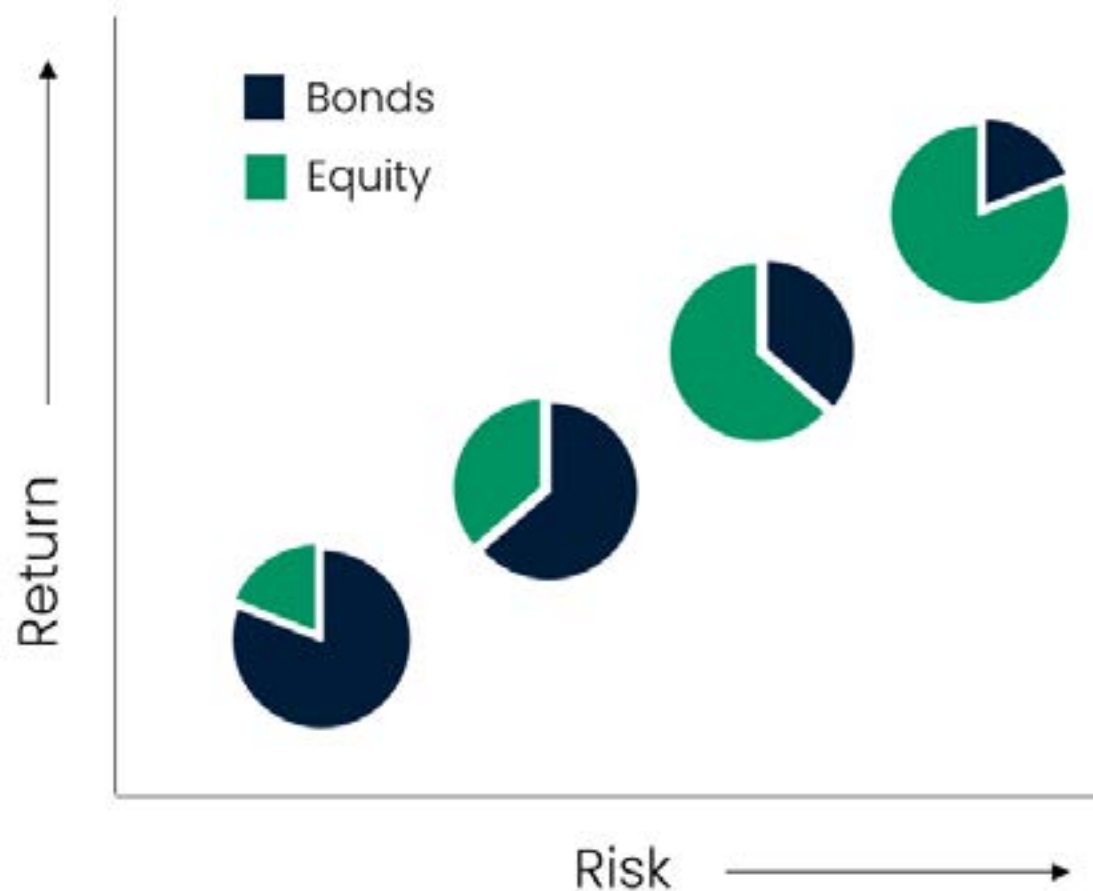
ESG and SRI differ in their approach. Other terms, such as Ethical or Impact are sometimes used, but these two usually form a subset of both ESG and SRI. The diagram on the next page describes the terminologies used and shows where our sustainable range sits within them.

Understanding the Universe



About our Portfolios: Asset Allocation

There are six portfolios, which have been created by our strategic partner, Alpha Beta Partners (ABP), who have over 24 years' experience in the field of sustainable investing. They employ a proprietary investment process that is dynamic (an investment strategy that involves regularly evaluating and adjusting the assets in a portfolio to increase returns and manage risk, based on changing market conditions), and forward looking in its nature but is rigorous and robust in its methodology. Central to this process is a 'risk based' approach, which means that portfolios are both mapped and managed to an investor's individual risk profile. As such, these portfolios may have an element of non-screened funds (as described on the next page), such as government bond funds, that are important to maintain diversification within a portfolio and to meet the investor's risk profile.



Note: For illustrative purposes only and not intended to represent any particular portfolios.

About our Portfolios: Fund Selection Process

ABP have devised an in-house investment vehicle selection methodology which is clear and straight forward to understand:

A – Funds with a main investment objective of investing in companies that are providing solutions to the current global crises, e.g. water scarcity, climate change, and urbanisation.

B – SRI funds which apply positive screening and align their holdings with the UN Sustainable Development Goals.

C – Index funds that do not necessarily apply positive screening but are considered for asset allocation purposes.

D – Funds which have exposure to any of the avoidance criteria. e.g. weapons, tobacco, gambling, pornography, or that are involved with activities that are harmful to the environment or operate with a disregard to human rights. Funds which have no ESG considerations.



ABP have criteria for inclusion and exclusion of funds in our portfolios. Where a fund sits within category C (index funds used for portfolio diversification, but not necessarily positively screened), they apply the following screening before inclusion / exclusion:

1. Research of the index that the fund is tracking.
2. Ascertain any ESG policy.
3. Ensure the top ten holdings have no exposure to our areas of avoidance.
4. Look at the nature of business activity, the sustainability policy, and the corporate responsibility statements of the largest holdings / exposures.
5. Seek additional information from Fund Provider.

ABP apply a pragmatic approach to fund inclusion and if any holding in one of the funds held raises questions / concerns, they initiate discussion with the fund manager to voice their concerns and come to a resolution.

Sustainable Themes

Humanity is facing an existential crisis, caused by overpopulation and overconsumption putting insurmountable pressure on the planet and its resources.

That is why we choose funds with investment strategies that aim to support the United Nations (UN) Sustainable Development Goals. These are 17 goals that the UN has set out for its member states to achieve by 2030 for peace and prosperity for people of the planet.



Costs

As at March 2024, our portfolio management fee is 0.25% per annum. The underlying aggregate fund costs will vary, but currently range from 0.47% and 0.63%, depending on the type of portfolio.

Information that we provide about the sustainable nature of each portfolio

We appreciate that determining the acceptable level of sustainable screening is very much down to personal choice. So that investors can understand the sustainable qualities of each portfolio, we provide a separate 'Impact Statement' for each one. In these we detail the following characteristics:

- Example portfolio holdings
- Harmful exposure metrics
- Fossil fuel involvement
- Carbon metrics
- Alignment to UN sustainable goals
- How certain funds align themselves to the UN principles.

These impact statements can be obtained from your adviser.



Summary

- Rockhold offer 6 sustainable portfolios, managed to defined risk parameters.
- They offer sustainable screening, which aims to avoid 'greenwashing'.
- Asset allocation driven by Alpha Beta Partners' dynamic, forward looking process.
- Funds selected by managers experienced in the field of responsible investing.
- Costs are competitive for the market.





Rockhold is a trading name of Rockhold Asset Management Ltd which is authorised and regulated by the Financial Conduct Authority.
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