

Socially Responsible Investment portfolios

Sustainable, Responsible, Impactful



Introducing Close Socially Responsible Investment portfolios

We listen very carefully to what our clients say about how they would like to invest. Increasingly, clients are telling us that they want their investments to help build a more sustainable future, as well as generate a financial return.

That's why we introduced our range of Socially Responsible Investment (SRI) portfolios.

Our SRI portfolios aim to maximise long-term profits by investing in global businesses with real concern and respect for wider social, environmental and economic issues.

Doing good, delivering profit

In response to growing interest from an ever-increasing number of clients, we created a range of SRI portfolios. It was clients like you that demanded them, and it was the assiduous hard work of our team, in research, analysis and monitoring that has enabled us to create them.

The research we carried out while creating our SRI portfolios made it clear to us that companies which endorse the values that are important to our clients, seem to outperform the broader market - and experience lower levels of volatility.

In other words, doing good with your investments can deliver better returns too.

Our mission: strong financial returns with a conscience for social good.

Monitoring and maintaining ethical behaviour

Looking for ethical investments

Our interpretation of ethical focuses on sustainable investments that are aligned with the UN's Sustainable Development Goals, defined on page 10.

We do not just mechanically screen out companies based on industry exposure, but take a more thoughtful, considered approach.

Looking for commitment to ESG

This is not about what a company does - it's about how it behaves. We analyse whether Environmental, Social and Governance (ESG) factors are incorporated into the company's corporate culture. Our ESG analysis looks directly at how a business conducts itself in every aspect of its activities. Evidence shows us that businesses which adopt ESG principles are usually safer long-term investments.

Our analyst team considers ESG factors in their assessment of each company as a key risk metric. For a company to be part of a Close SRI portfolio it must either show a good or improving ESG trend - or rank highly in comparison to its global sector peers.

In addition, to ensure that our process is truly robust, we have partnered with an external provider, MSCI ESG, which provides us with comprehensive commentary on ESG issues and detailed impact analysis.

Looking for Impact

We define Impact investments as those displaying a positive social, environmental, health or economic impact and with the ability to deliver a positive financial return.

We strongly believe that companies need to innovate if they are to be sustainable. Impact investments are typically growth companies that are innovating to find solutions to global problems, as identified by the UN's Sustainable Development Goals.

We have developed a proprietary Impact Model, which measures the dispersion of impact themes aligned with the UN 's Sustainable Development Goals across our clients' portfolios. This means you can see the positive social, environmental and economic impact of the companies you are invested in, alongside your financial performance.

“We don't just examine what a company does - we go deeper and look at how a company behaves.”





Designed to deliver better returns

Our SRI portfolios typically invest in forward looking companies that are creating solutions to tackle global problems.

There is significant evidence that Environmental, Social and Governance (ESG) factors are important indicators of risk. Investors who consider these factors in the selection of investments may generally see better risk-adjusted returns than the broader market.

By investing in one of our SRI portfolios, you will be putting your money into a carefully selected group of sustainable businesses that are aligned with the UN's Sustainable Development Goals. All investments are made with a view to making a profitable return, but they are also investments which have a net positive impact, which we measure and relay to clients in a meaningful way.

Your money will be invested through a combination of direct shares and third-party funds, constantly reviewed, assessed and approved by our team of dedicated SRI specialists.

The portfolios are actively managed within a framework of institutional discipline and a collegial culture. And as a client, you will enjoy the highest levels of service from us.

Investing for the long-term, investing for good

Our SRI portfolios are predicated on a straightforward, practical investment philosophy: to maximise long-term returns whilst contributing positively to wider social, environmental and economic issues, all within pre-agreed investment risk constraints.

Detailed and comprehensive research, both internal and independent, has made it very clear to us that ESG metrics are powerful indicators of the future share price performance of a company - and of its potential volatility.

By analysing this data, we are able to identify exciting investment opportunities in terms of both financial and social returns.

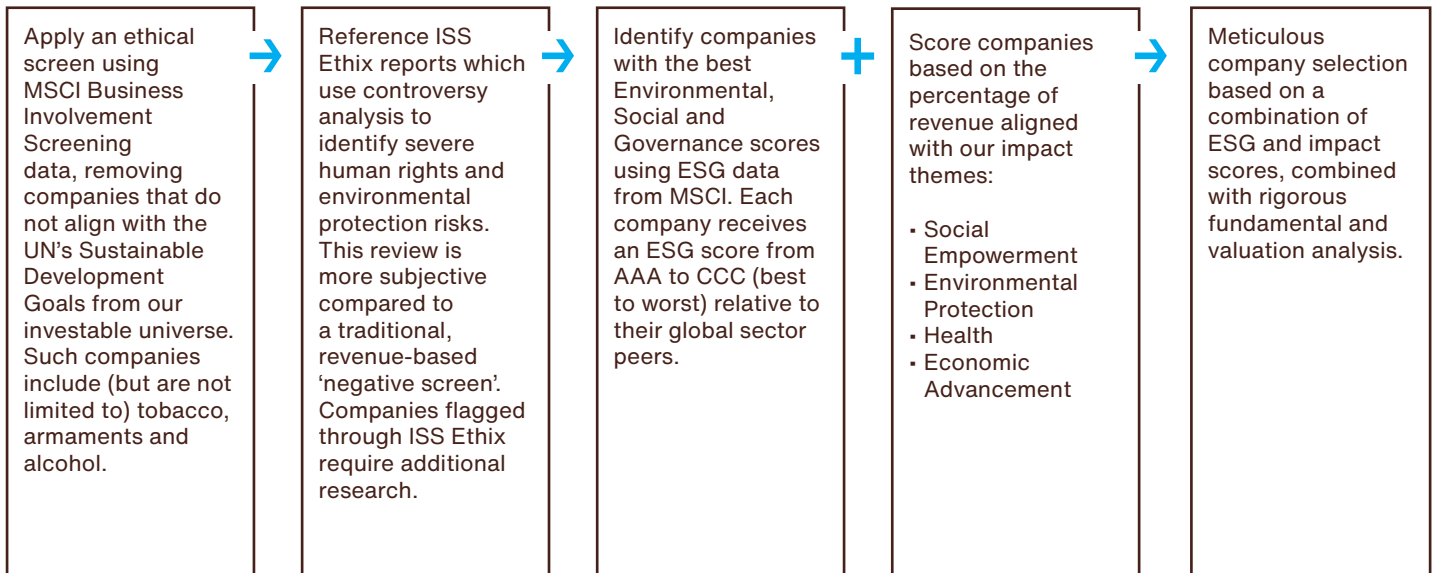
The starting point for our SRI portfolios are the UN's Sustainable Development Goals, which promote prosperity and sustainability. Many companies have developed frameworks from these goals, and are growing their profits in alignment with them.

It's the job of our SRI team to translate these goals into profitable investment opportunities.

“A company’s moral behaviour is integral to its share price performance.”

A rigorous investment process

Our SRI portfolios are actively managed and well diversified by asset class and geography. The long-term asset allocation framework has been created with assistance from Moody’s Analytics, a leading provider of financial intelligence and analytical tools, directly aligned with your agreed risk profile. Shorter-term asset allocation moves reflect our views on the current market landscape and provide the opportunity for active management to deliver added value.



Regular reviews to monitor SRI credentials and operational excellence.

Unlocking the development potential within the United Nations' Sustainable Development Goals

Our SRI portfolios mirror the United Nations' commitment to the promotion of prosperity and sustainability. We ensure that the companies we invest in are moving the world forward in a positive way.



Source: www.un.org

How we reflect the UN’s Sustainable Development Goals in portfolios

When considering companies for inclusion in a SRI portfolio, we identify which of the following impact and investment themes they best reflect:

- Social Empowerment
- Environmental Protection
- Health
- Economic Advancement

A three-way approach

Having grouped the UN’s Sustainable Development Goals into one of these four themes, we apply the following three essential criteria to our investment universe to decide whether the business should be included in a SRI portfolio.

1. Ethical

We avoid businesses that do not align with the UN’s Sustainable Development Goals. We believe such businesses are less sustainable in the long run.

2. Environmental, Social and Governance (ESG)

We positively screen for companies that embed Environmental, Social and Governance factors into their corporate culture. Our rigorous ESG analysis is about how a business conducts itself and manages risks with stakeholders.

3. Impact

We identify companies that are advancing the UN’s Sustainable Development Goals. This helps identify investments in exciting, high-growth trends based on innovation which can offer the opportunity for better growth.

Tailoring your portfolio to reflect your values

Our three building blocks enable us to create bespoke portfolios that reflect our clients’ values and passions. When clients are interested in focusing their investments on a particular impact theme, we can create a portfolio to achieve that goal.

“Your portfolio can drive the change you want to see in the world.”



Who can benefit from a SRI portfolio?

Our SRI portfolios are suitable for individuals, families, trusts and charities: in fact, they are ideal for everyone seeking to align their investments with their moral preferences.

Greater depth and detail

We have a range of client literature explaining how and why investments are included within our SRI portfolios. We also provide clear and transparent reports, which are available printed, and through our secure online client portal.

Important information and risks

No investment, or investment strategy is without risk. The value of investments and the income from them can go down as well as up. Investors may get back less than the full amount originally invested.

Although still diversified, SRI uses a narrower pool of assets than an unconstrained investment portfolio.

If you are unsure about any information contained within this document, or the suitability of this investment to meet your needs, you should speak to your financial adviser or investment manager.

This document is provided by Close Asset Management Limited for information purposes only, does not constitute financial advice and should not be relied upon for the purposes of any investment decisions.

Award winning investment solutions

Our investment solutions are respected by industry professionals and clients alike. We continually strive to improve our services and our commitment to this has been recognised through a number of industry ratings and awards.

Private Asset Manager Awards

Winner Client Service Quality*

(HNW) in 2012, 2013, 2015 and 2017.

Finalist in 2014, 2016 and 2019.

Highly commended sustainable investment solution 2019.

Winner Quality & Clarity of Reporting

2013 and 2015.

Finalist in 2012, 2014, 2016, 2017 and 2018.

Winner Image & Reputation (HNW)*

in 2014. Finalist in 2013 and 2015, 2016.

Winner Investment Performance*

Cautious Portfolios in 2017.

Finalist in 2013, 2014, 2015, 2016 and 2018.

Finalist Investment Performance*

Defensive Portfolios in 2013 and 2018.

Finalist Investment Performance*

Growth Portfolios in 2014.

*HNW : High Net Worth is for clients with £1m+ of investable assets.
Past performance is not a reliable indicator of future returns.

We would be delighted to talk

If you would like further information or to arrange an initial meeting, please speak to your financial adviser or contact us directly.

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Guernsey
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Midlands
Tel: 01676 938940

Chichester
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