

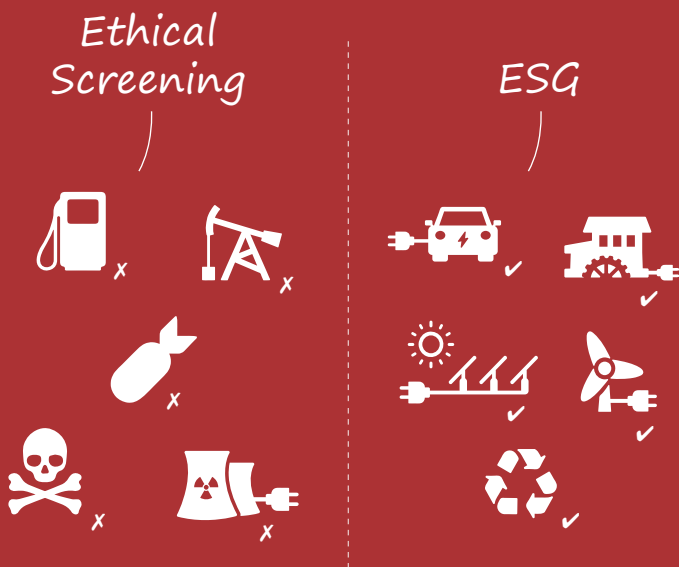


Investing to make a difference

ESG, Sustainable and Ethical Investing
with Parmenion



What is Ethical and Environmental, Social and Governance Investing (ESG)?



As consumers, we're continuously faced with decisions which reflect our lifestyle choices and personal values. We only have to walk into a supermarket to be faced with decisions such as buying Fairtrade bananas, organic meat or free-range eggs.

Ethical investing is no different, as it allows you to focus on organisations that make a difference, in the areas that are important to you.

The difference in styles

In the early days, Ethical investing was largely about avoiding companies that were considered to be unacceptable, such as those involved in armaments or tobacco, or those involved in the abuse of human rights and the environment.

Increasingly however, investors have realised that they have the potential to have a positive impact on the way in which companies operate, by using share ownership to engage with company management to improve the way they treat their employees, suppliers and the environment. It's this latter, more positively focused approach, which is commonly referred to as ESG.

Whilst this is great news for all of us, companies do not make these changes out of the goodness of their hearts. A business that considers its impact on stakeholders can also reduce legal and regulatory costs and even improve a company's brand. Products that offer sustainable solutions to issues such as climate change, can also prove incredibly valuable.

Making a choice that is right for you

There is nothing more personal than who we are and what we believe in. As we're all different, it's important to select an ESG, Sustainable or Ethical investment option that suits your personal goals.

Parmenion offers four Ethical Profiles which collectively aim to cover the entire market. The more positively focused ESG and Sustainable approaches are listed first whilst the latter options offer a more negatively based approach, which focuses more on avoidance criteria.

All of these options are explained within the Parmenion Ethical Portfolio Selector, which will help you to pick the Ethical Profile that's right for you. If you have any questions about these options then you should speak to your Financial Adviser.

Could it involve taking more risk?



Ethical portfolios often have a lower weighting to sectors such as oil and gas or pharmaceuticals which means they behave differently compared to a traditional portfolio. The level of risk however, is primarily determined by your allocation to asset classes such as bonds, property and equities.

Adopting an ESG, Sustainable and Ethical approach may actually help to reduce risk, as it can highlight opportunities or risks that you may not have otherwise considered.

The portfolios have been designed to suit a range of investor profiles with a different tolerance for risk. With the choice of ten options, each with a specific mix of assets, we ensure there is an approach that is suitable for different investor preferences.

In this way, you stand the best chance of your investments resulting in a successful outcome.

The benefits of choosing Parmenion

Parmenion are a Discretionary Investment Manager, who can manage your portfolio to the level of risk and ethical profile that you specify. In this way, you can choose a portfolio that's built around you.

- ✓ Award winning Discretionary Investment Management team of experienced individuals.
- ✓ Ongoing investment, risk and ethical oversight via separate committees.
- ✓ Integrated approach between ESG, Sustainable and Ethical Investing and investment risk and return.
- ✓ Risk and Ethical Questionnaires available to quickly identify the right portfolio for you.
- ✓ Supported by intuitive technology with continuous online access to your portfolio.
- ✓ Over 40 portfolios available to align with your Ethical Profile and Risk Grade, depending on your tolerance for risk and capacity for loss.

Does it affect investment performance?

There's no evidence of an ESG, Sustainable or Ethical portfolio underperforming the market; a fact which is supported by a raft of academic literature on the subject. SRI and Ethical portfolios do however behave differently to a traditional portfolio, as they typically have lower weightings to sectors such as mining, oil and gas.

There's also a growing body of evidence that shows that the adoption of a more sustainable approach to management, may actually improve your portfolio's returns. However, this may not always be the case.

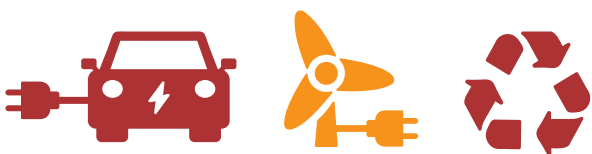
Making a difference through your investment



No investment is perfect because companies themselves are complex multi-national entities. You will always be able to find at least one issue with any company in which you invest. By engaging with these companies however, you can guide management towards sustainable solutions to real issues such as poverty, global warming and animal cruelty.

As pressure increases from consumers, investors and the government, the pressure on companies to act responsibly is increasing every day.

Will I pay more?



ESG, Sustainable and Ethical funds typically have the same cost as any other Active fund, despite the additional layer of research involved.

There are even some funds which are cheaper than the wider market as fund managers recognise the rapidly growing demand from consumers in this sector.

An intelligent approach to investing

The Parmenion Discretionary Management service has at its heart a robust and proven process that is designed to consistently deliver results that are in line with investor expectations.

The focus is on delivering the best possible returns for an accepted level of risk, which is determined by a profiling exercise undertaken by Advisers.

Portfolios are predicated on the principle of managing risk through diversification so we use a range of different investment assets such as shares and property to create a blend that offers the best balance of risk and reward.

In order to achieve this, we combine data analysis with fund manager meetings to identify funds that consistently outperform the market with lower risk, but also fulfill your ESG, Sustainable and Ethical preferences.

We then partner with SRI and Ethical experts, to ensure the portfolios are initially and continue to be appropriate for your values and preferences.

Endorsed by experts

“Parmenion have created a really distinctive offering in the ethical investment market. This service allows you to combine both investment strategy and personal values – without the need to compromise.”

Julian Parrott - Financial Adviser, Ethical Futures.

Julian has over 20 years experience in the field of Ethical Investment and has held senior positions in leading industry bodies including being Chairman of the EIA (Ethical Investment Association).

“Parmenion’s ethical proposition is highly unusual in that it offers great ‘ethical diversity’ and combines this with strategies that aim to meet different investment goals.”

Julia Dreblow - Independent Consultant, SRI Services.

Julia has been a leading figure in the world of Ethical and Socially Responsible Investing for many years and she has been instrumental in the growth of this market having led one of the early and most successful fund management offerings, the Stewardship range, from Friends Provident.

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Investment in the stock market is not a suitable place for short term money and you may not get back what you put in. All investment carries risk and it is important you understand this. If you are in any doubt about whether an investment is suitable for you, please contact your financial adviser. Investment in the stock market and any income derived from it, may go down as well as up.

Recent Awards



5 Star
Investments



Winner
Best Platform
for Adviser Service



5 Star
Drawdown



Gold Service Rating
DFM Service



Winner
Best for Accumulation
(Simple Needs)



Winner
Best Ethical DFM