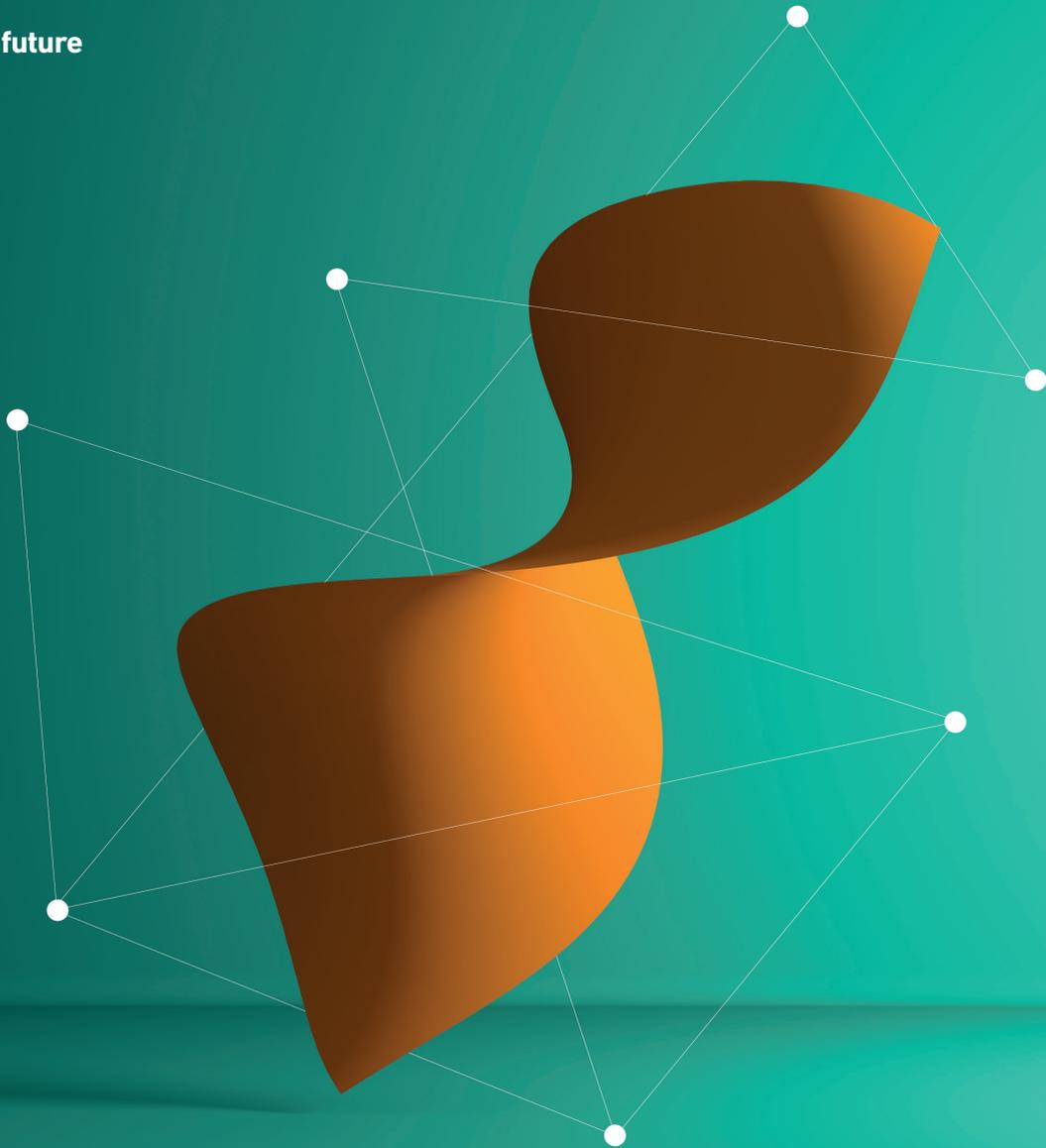


PROFESSIONAL ADVISERS ONLY

The 7IM Responsible Choice Model Portfolios

This is the future



Succeeding together

7IM

Capital at risk

You should be aware that the value of investments may go up and down and you may receive back less than you invested originally. Past performance is not a guide to future performance.

7IM considers that the obligation to provide appropriate advice to clients and explain the risks inherent in the portfolios falls to advisers.

Any reference to specific investments are included for information purposes only and are not intended to provide stock recommendation or investment recommendations to individual investors.

Making a better future today

We all want to make things better. For the world and everybody in it.

That's why 7IM launched the Responsible Choice Model Portfolios. We're using our expertise in responsible and multi-asset investing to help your clients make a difference, now.

We at 7IM are proven performers in responsible investing. We've been running a successful Sustainable Balance fund for over 15 years which boasts top quartile performance over 3, 5 and 10 years. By contrast, many new funds and managers in the space don't even have three-year track records. We've been active ESG investors for a long time, which gives us a unique insight into how it works – and how to spot problem areas and 'greenwashing'.

We're also specialists in multi-asset investing. Our investment team has decades of experience in this space. We have developed our strategy and processes over time, and are used to dealing with whatever happens in the markets.

Now, with the 7IM Responsible Choice Model Portfolios, your clients can access our experience and expertise in responsible and multi-asset investing, with a choice of risk-rated portfolios designed to fit their needs and goals.



Making a better future today

Continued

Our commitment to a better future

Here at 7IM, we are passionate advocates of responsible investing and positive corporate behaviour.

In 2019 7IM signed up to the UN Principles for Responsible Investment (PRI), which encourages all investors to incorporate ESG issues into their investment process.

In addition, 7IM is a signatory to the UK Stewardship Code and takes corporate governance very seriously. Beyond the PRI, we are planning to raise our ESG standards in due course, e.g. by targeting the portfolio emissions of our strategic asset allocations over time.

Likewise, 7IM is also focussed on constantly reviewing and improving its corporate ESG (or sustainability) policy, including recycling, corporate citizenship and its overall emissions footprint.

We believe that investing responsibly can pay off in the form of stronger returns for investors. There's robust evidence that sound approaches to the environment, society and corporate governance can make companies more resilient and help them to perform better. By acting responsibly towards the planet and its people, they can also benefit their shareholders.

7IM is committed to creating a better future for our investors, today. With the 7IM Responsible Choice Model Portfolios, your clients can be part of that.



We believe ESG issues are best handled within investment teams, rather than having a separate ESG or Stewardship Team to focus on ESG issues.”

Terence Moll, Head of Investment Strategy and ESG, 7IM

Building the portfolios: tried and tested processes

Our five 7IM Responsible Choice Model Portfolios are built using rigorous investment processes that we have developed over many years. We use them across all our portfolios and funds.



The Strategic Asset Allocation (SAA) is the long-term investment plan for every portfolio. Developed and refined over the last 19 years, our SAAs have delivered consistently and are a major strength.



Our Tactical Asset Allocation approach looks for shorter-term opportunities to enhance portfolio returns.

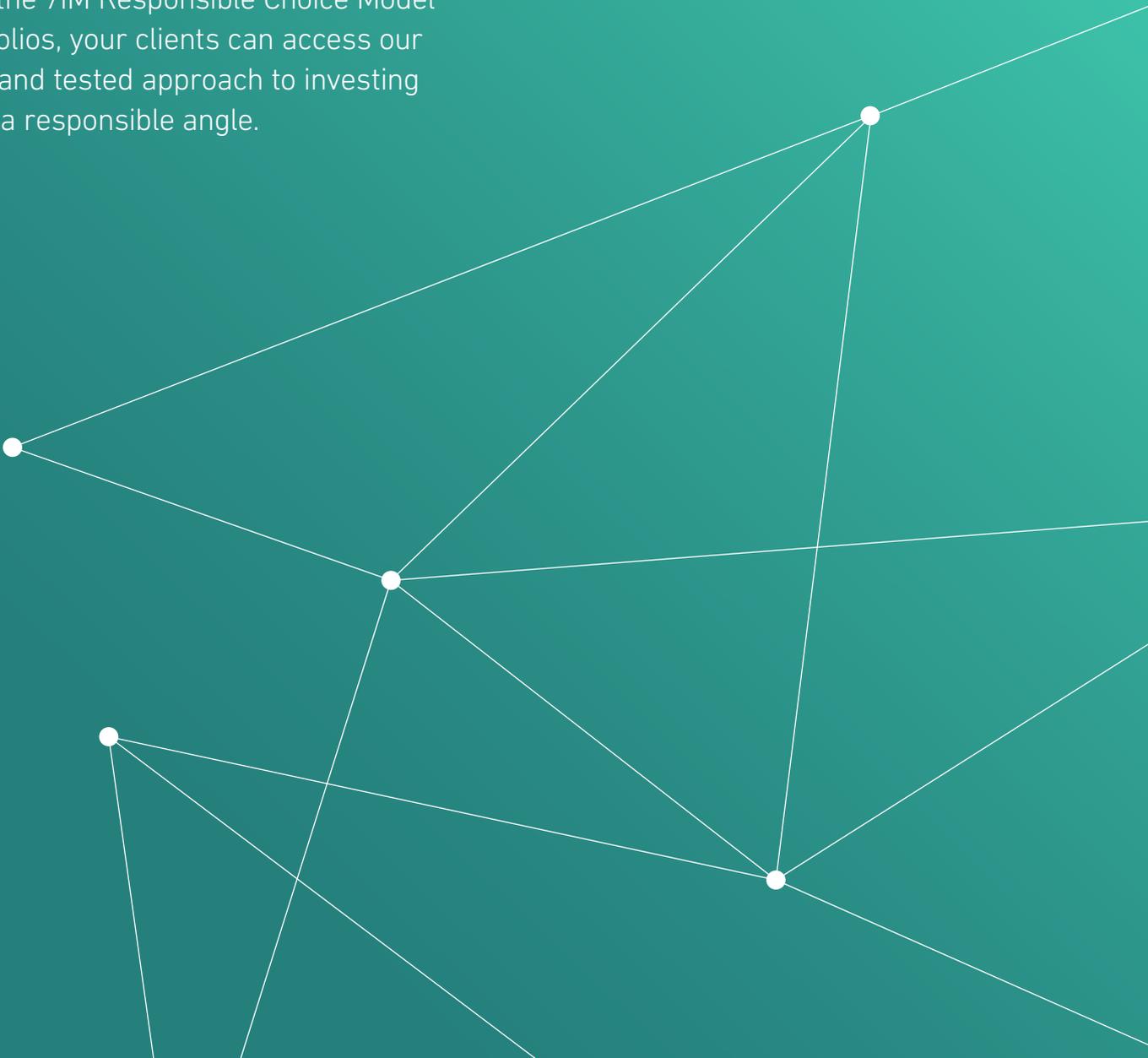


We look for appropriate funds and products to give our clients access to markets and sources of investment returns.



Our robust Risk Management systems ensure that we understand what could go wrong in portfolios, and how to deal with these challenges.

With the 7IM Responsible Choice Model Portfolios, your clients can access our tried and tested approach to investing from a responsible angle.



Building the portfolios: tried and tested processes

Continued

A better future: our responsible choices:

Our portfolios cover the full responsible investment spectrum. They focus on investments that score well on ESG factors and minimise exposure to controversial activities like armaments, tobacco and thermal coal.

We also look beyond these for investments that will have positive long-term impacts on society and the environment. All of this is done without compromising on our investment strategy and risk management.

The Responsible Investment Spectrum

Responsible Investment Type	Ethical	ESG	Thematic	Impact
Description	Exclusions based on specific controversial activities.	Focus on investments that score well on environmental, social and governance factors.	Focus on social and environmental opportunities within long-term investment themes.	Investment to have socially and/or environmental impact, and solid investment returns.
Portfolio examples	We minimise exposure to controversial activities like armaments, tobacco and thermal coal.	<ul style="list-style-type: none"> • Robeco SDG Global Credit • Schroders Global Sustainable Value • First Sentier Global Properties 	<ul style="list-style-type: none"> • Responsible Finance • Clean Energy • Healthcare 	<ul style="list-style-type: none"> • Befesa • Valeo • Evoqua

*Based on MSCI Weighted Average Carbon Intensity, scope 1 & 2 emissions. Comparison versus the SAA is based on the allocations at the point of launch for the Responsible Choice Model Portfolios.'

Responsible choice in practice

Impact investing: Befesa

Steel and Aluminium are vital metals in the development of our homes and workplaces but the manufacturing processes used to produce them are hugely polluting. This is why some of the most impactful stocks are connected to making these processes cleaner.

Befesa is that type of company. It helps make the production of steel and Aluminium more efficient, increases the use of recyclable materials and therefore helps the circular economy. Befesa's best-in-class recycling technology offers an alternative to landfills and its technology can extract and re-use the valuable metals contained within hazardous waste created in the production process.

The company manages and recycles over 2 million tonnes of industrial waste annually with a production of around 1.5 tonnes of new materials. This significantly reduces the consumption of natural resources and also helps protect the environment.

Thematic investing: Responsible Finance

The world is heating up and growing populations are straining food production, social care and housing. Who will pay to help solve these problems?

Responsible finance is one of the fastest-growing areas of sustainable investing, covering green, social and sustainability bonds. In 2020 alone, \$732 bn in responsible bonds were issued to finance a range of sustainable projects.

The largest growth was in social bonds where \$148 bn of bonds were issued. Most of these bonds were used to fight the Covid-19 pandemic and the subsequent recession. For example, the African Development Bank issued \$1 bn in bonds to shore up its finances.

We use the Threadneedle Social Bond Fund to access these bonds, unlocking their potential to deliver social benefits like financial inclusion, social care and community services in the UK. The fund works with Big Issue Invest to select bonds from issuers that have a positive impact on social and economic development, along with healthy financial returns.

Responsible, risk-rated and flexible

The Responsible Choice Model Portfolios incorporate five risk profiles ranging from Cautious to Adventurous, for clients who want to take a responsible attitude to their investments.

Each model portfolio offers a diversified investment solution that combines 7IM's asset allocation and risk management expertise with our long experience in responsible investing. The portfolios may appeal to clients seeking:

- a broad-based, multi-asset portfolio built on longstanding portfolio construction processes.
- a portfolio managed to ethical, sustainable and ESG principles, seeking to have a positive impact on the world without sacrificing performance.

Competitively priced

The 7IM Responsible Choice Model Portfolios carry an annual fee of just 0.30% per annum, with the ongoing charges (OCF) of the underlying holdings generally around 0.40% per annum. This means a competitive total cost to investors of about 0.70% per annum.

Easily accessed

The 7IM Responsible Choice Model Portfolios are available on the 7IM Platform and on a range of other investment platforms.



ESG and responsible investing will flourish after COVID-19. Green recovery and governance issues are high on the global agenda, and the 7IM Responsible Choice Model Portfolios are designed to embrace the opportunities here.”

Verona Kenny, Managing Director of Intermediary at 7IM

For more information about the
7IM Responsible Choice Model
Portfolios, get in touch on:



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