

# Greenbank LED Managed Portfolio Service

Sustainable investments,  
for clients of financial advisers.



**Rathbones**  
Look forward

# Greenbank LED Managed Portfolio Service

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## Contents

Introducing the Greenbank LED Managed Portfolio Service	04
Features at a glance	10
How do you benefit from the expertise of Rathbone Funds?	12
Greenbank: empowering investors, creating positive impact	14
Greenbank's heritage	16
Investing sustainably	18
An experienced fund management team at Rathbone Funds	22
A range of strategies to suit your needs	24
Things to consider	27
What service can you expect?	28
Next steps	30

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Past performance should not be seen as an indication of future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.



## Introducing the Greenbank LED Managed Portfolio Service

The Greenbank LED Managed Portfolio Service (GLMPS) offers a cost-effective and straightforward solution for clients with their own Independent Financial Adviser (IFA), who wish to access adviser led\* sustainable investments.

GLMPS invests in the Rathbone Greenbank Portfolio Range of funds, which integrates Greenbank's proven expertise in ethical, sustainable and impact (ESI) investment with Rathbone Unit Trust Management's (known as Rathbone Funds) excellence in fund management. This partnership creates leading, active and expert sustainable investment management.

This approach offers an investment solution for clients with more modest amounts to invest and simpler needs than would justify a bespoke discretionary service. It aims to empower investors to use their money as a force for good, without compromising on long-term financial objectives.

\*Our service is offered on an adviser led execution only basis (i.e. we can only act on client instructions following advice you have received from your financial adviser). Rathbones does not provide investment advice and takes no responsibility for the suitability of the investment.

**Working with your Independent Financial Adviser (IFA)**

The GLMPS is an adviser led\* service where you, as the investor, work with advice from your IFA to choose a suitable investment strategy, with the underlying investments of that strategy actively managed by Rathbone Funds.

You should discuss your financial situation, investment objectives and risk profile with your IFA before deciding. You should also be aware that all investments carry risk, and that the value of your investments could go down as well as up and you may not get back your original investment.

**Careful sustainability screening**

Greenbank's ESI research team uses its skill and decades of experience in ethical, sustainable and impact investments to apply rigorous positive and negative screens to potential holdings chosen by Rathbone Funds.

Greenbank has a final veto on any holdings included in the funds, meaning you can trust that your money will only be invested in companies that are working to create a more sustainable future.

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## Industry leading risk management

GLMPS is aligned to the LED (Liquidity, Equity-type risk and Diversifiers) investment framework, Rathbones' forward-looking approach to managing risk that targets assets that we believe to be the most resilient during times of market stress.



## The LED investment framework

### L Liquidity

Assets that can be sold easily, low credit risk but may carry interest rate and currency risk.

- cash: £/\$/€/¥
- government bonds:
  - conventional
  - index-linked
  - UK and overseas
- high-quality investment grade.

### E Equity-type risk

Equities and all assets highly correlated with equities.

- investment grade corporate bonds
- high yield bonds
- equities (listed and private)
- REITs.

### D Diversifiers

Assets with diversification potential demonstrated by low correlation to equities.

- structured products
  - momentum
  - relative value
- portfolio protection
  - put options
  - yield curve steepeners
- infrastructure.

## Features at a glance

### Matching values with potential for returns

- an adviser led\* investment solution that brings together the expertise of Rathbone Funds and Greenbank ESI research
- five available investment strategies to match a broad spectrum of financial objectives and risk appetites, all with robust sustainability screening
- underlying investments are aligned to at least one of Greenbank's eight sustainable development themes detailed on pages 20-21, ensuring your money is invested in companies making a positive impact on the world, without detriment to long-term financial objectives
- Rathbone Funds' extensive investment resources provide a wide choice of global investment opportunities
- direct online access to information about the underlying investments in your portfolio and their valuation
- investment strategies are eligible for tax efficient structures including trusts and settlements, Individual Savings Accounts (ISAs) and Self-Invested Personal Pensions (SIPPs)
- flexibility to make additions to, or withdrawals from your portfolio with ease.

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## Working with your IFA

- your IFA will work with you to choose your most suitable investment strategy
- dedicated client team for you and your financial adviser.

## Is this service right for you?

- service open to clients with a minimum of £15,000\* to invest
- service only available for clients with an independent financial adviser
- minimum recommended investment period ranging from three to five years depending upon chosen strategy
- a solution that offers access to proven investment expertise at a competitive price
- no penalties or notice periods to withdraw funds\*\*
- clear and transparent fees
- all strategies follow our LED (Liquidity, Equity-type risk and Diversifiers) investment framework to manage risk.

\*£9,000 for Junior ISAs

\*\*Availability of the proceeds from the sale of your investments is subject to a four working day settlement period from day of dealing.

# How do you benefit from the expertise of Rathbone Funds?

Rathbone Funds is a wholly-owned, London-based subsidiary of Rathbone Brothers Plc which manages more than £9.8 billion\* for its clients.

When you invest in GLMPS, you are investing in one of the Rathbone Greenbank Portfolio Range of funds. The fund managers from Rathbone Funds will look for the best opportunities from a broad range of potential investments.

\* As of December 2020

Rathbone Funds focus on investing directly in high-quality UK and overseas equities, government bonds, corporate bonds and structured products. The funds can also use different types of investments to help protect against uncertain and unpredictable events.

Many investors are more worried about losing money than making high returns. With this in mind, the underlying funds for the Greenbank Cautious, Balanced, Balanced Plus and Equity strategies have clear targets for risk as well as returns, which provides explicit boundaries for the level of risk that they can take.

Rathbones' scale gives the funds' managers access to the senior management of leading global companies, vital in terms of understanding the culture of the organisation as well as their commitment to sustainability.

Meanwhile, investing in direct securities reduces costs and increases transparency, giving you better value for money and more visibility of where your money is invested.

Due to the Rathbone Funds' active management style, the underlying funds are not restricted to a monthly or quarterly schedule, meaning the fund managers can manage investments and asset allocation continuously. Their disciplined and well-resourced investment process informs every investment decision they make.

# Greenbank: empowering investors, creating positive impact

Greenbank provides tailored investment services with positive impact for a range of private clients, trustees and professional advisers.

Having specialised within the ethical, sustainable and impact investment industry since 1997, Greenbank has been at the forefront of delivering sustainable solutions while creating long-term value for its clients.

The team's passion for ethical, social and environmental issues underpins all that Greenbank does. The Greenbank team knows that industry collaboration means faster, stronger impact and strives to share that knowledge to build a universal understanding of ethical, sustainable and impact investing. Greenbank pushes for improvements in corporate behaviour through active engagement with portfolio companies on issues ranging from modern slavery to climate risk. The team has played an important role in the growth of the impact investment market, which keeps them engaged, well-connected and widely trusted.

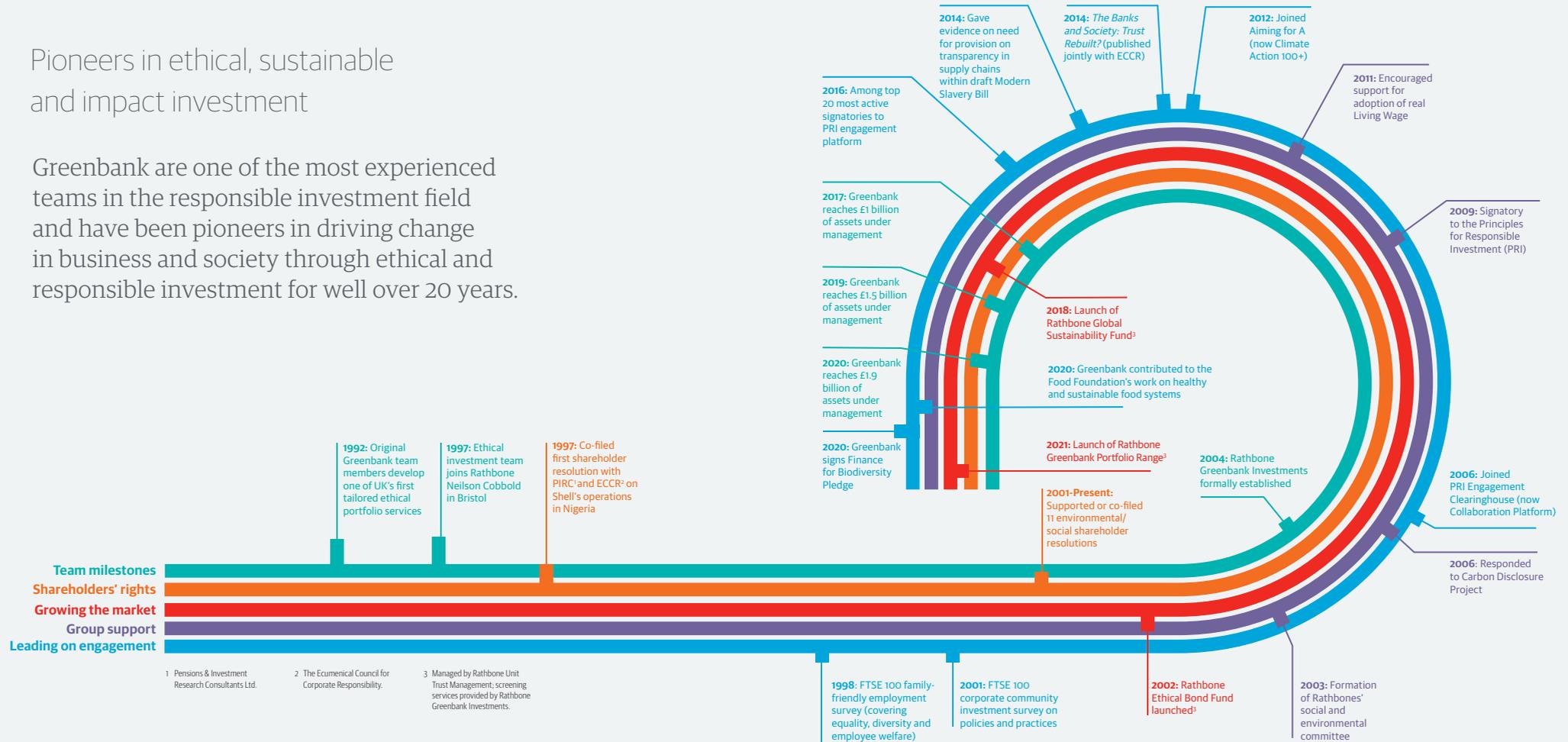
We are all experiencing a gearshift towards a world that's undergoing rapid social and environmental change. To make sure that your money will contribute positively, it is crucial to work with people who can support and guide you through complex investment markets.

With the Greenbank LED Managed Portfolio Service, you will not have to sacrifice your values in pursuit of your potential financial return. We will empower you to invest as a force for good, so that together we can champion the transition to a healthier planet and a more equitable society.

# Greenbank's heritage

Pioneers in ethical, sustainable and impact investment

Greenbank are one of the most experienced teams in the responsible investment field and have been pioneers in driving change in business and society through ethical and responsible investment for well over 20 years.



<sup>1</sup> Pensions & Investment Research Consultants Ltd.

<sup>2</sup> The Ecumenical Council for Corporate Responsibility.

<sup>3</sup> Managed by Rathbone Unit Trust Management; screening services provided by Rathbone Greenbank Investments.

## Investing sustainably

### The Greenbank screening process

All investments within the Rathbone Greenbank Portfolio Range of funds held through the GLMPS must meet sustainability criteria across different asset classes as summarised below:

- **corporate bonds, equities and real estate investment trusts** must be aligned to one or more of Greenbank's sustainable development themes and not breach any of the funds' negative screens
- **government bonds** must pass standards relating to military expenditure, corruption, civil liberties and climate change
- **green bonds** may be included where proceeds are intended for a specific social or environmental purpose
- **for structured products**, sustainability criteria will be applied to counterparties and underlying assets.

### Stewardship

Rathbones believes that the investor's voice is a powerful means to influence and direct the ways in which companies are run. Taking an active approach to share ownership of companies is part of Greenbank's ESI research role and complements the investment analysis. It is a vital expression of the stewardship of a client's assets to advocate for lasting change within the companies invested. There are two primary elements to this approach:

- **voting:** active voting is overseen by Rathbones' stewardship committee, which includes representatives from Greenbank. Voting decisions are subject to an additional sustainability overlay to ensure that we support any proposals that promote good corporate citizenship and long-term shareholder and stakeholder value.
- **engagement:** covers a wide agenda from informal calls or meetings through to regular dialogue with company management. This approach can be used to address issues of concern or encourage best practice; it is not intended to 'micromanage' organisations but is designed to protect long-term value.

# Greenbank’s sustainable development themes – supporting the Sustainable Development Goals

The Greenbank team has developed eight sustainable development themes, which are mapped to the seventeen Sustainable Development Goals (SDGs). The SDGs have been adopted by UN member states to frame their policies in order to 'end poverty, protect the planet and ensure prosperity for all' by 2030.

Greenbank’s approach to sustainable and impact investing recognises many of the challenges encompassed in the SDGs and the ways in which companies can help to address them. Of the companies invested in, some are directly supporting the delivery of one or more of the SDGs, while others display leading practices in managing their own social and environmental impacts.



## Decent work

Includes organisations that are supporting the quantity and quality of jobs through the products and services they provide. Also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own employment practices.



## Resource efficiency

Includes organisations that are supporting the sustainable use of Earth’s resources through the products and services they provide. It also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own resource use.



## Habitats and ecosystems

Includes organisations that are helping to preserve land, water and marine habitats and biodiversity.



## Inclusive economies

Includes organisations that are promoting access to basic services and supporting a more inclusive society through the products and services they provide.



## Energy and climate

Includes organisations that are supporting positive climate action and energy security through the products and services they provide. Also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own environmental impacts.



## Health and wellbeing

Includes organisations that are supporting physical and mental wellbeing, or helping to prevent injuries and deaths, through the products and services they provide.



## Resilient institutions

Includes organisations that promote peace, justice and the rule of law through the products and services they provide. It also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own human rights impacts.



## Innovation and infrastructure

Includes organisations that are supporting environmental sustainability or human wellbeing through the products and services they provide. Organisations in this theme can often play a facilitating role in creating the environment or infrastructure needed for other organisations to deliver positive impact.



## An experienced fund management team at Rathbone Funds

The GLMPS draws on the expertise of Rathbone Funds' highly experienced fund management team.

The funds used in four of the five strategies are managed by Rathbone Funds' Multi-Asset Portfolio fund management team. Will McIntosh-Whyte is the fund manager, working alongside David Coombs (head of multi-asset investments). They have extensive experience, and their track records demonstrate their ability to deliver returns through different market conditions.

The fifth strategy is delivered through the Rathbone Greenbank Global Sustainability Fund\* which is managed by Rathbone Funds' manager David Harrison, who has over 17 years of experience in fund management and equity analysis.

The fund management team is supported by investment specialists from across Rathbones. Rathbones' proprietary investment process brings together specialists in asset allocation, security selection, portfolio construction, risk management and governance. This gives a broad coverage of available investment opportunities, combined with in-depth research and thorough scrutiny.

\* Currently the Rathbone Global Sustainability Fund. Name change subject to FCA approval.

The fund managers draw on the work of these teams to make decisions that are aligned with the individual objectives of each fund.

### Key features

- experienced fund managers with a successful track record
- supported by investment specialists from across Rathbones
- leveraging the process and resources behind all of Rathbones' investment services.

# A range of strategies to suit your needs

Deciding which strategy is right for you will depend on your financial situation and the outcomes you want to achieve.

You should work with your financial adviser to choose the strategy that is right for you.



The five strategies are designed to suit different risk and return requirements. You can choose to switch between strategies if your financial situation or investment objectives change and can undertake this without penalty or notice.

All our strategies aim to grow your investment over time with an emphasis on preserving the capital value of your investment. However, you should be aware that all investments involve risk; the value of your investments and the income from them may go down as well as up, and you could get back less than you invested.

Strategies are currently invested in multi-asset and single strategy funds designed to meet a range of client investment needs, without compromising on investing responsibly.

### Strategy and risk framework

Each of our strategies' investment objective is to provide capital growth.

Strategy	Long term return objective	Relative risk level	Minimum recommended investment period	Rathbone Greenbank Fund invested in
<b>Greenbank Cautious</b>	Cash +2%	Lower	3 years	Rathbone Greenbank Total Return
<b>Greenbank Balanced</b>	Inflation +2%	Lower to medium	5 years	Rathbone Greenbank Defensive Growth
<b>Greenbank Balanced Plus</b>	Inflation +3%	Medium	5 years	Rathbone Greenbank Strategic Growth
<b>Greenbank Equity</b>	Inflation +4%	Medium to higher	5 years	Rathbone Greenbank Dynamic Growth
<b>Greenbank Equity Plus</b>	Inflation +5%	High Risk	5 years	Rathbone Greenbank Global Sustainability*

Inflation is measured as the Consumer Price Index (CPI) from the UK's Office for National Statistics. Sterling cash is measured as SONIA (Sterling Overnight Index Average) from the Bank of England.

\* Currently the Rathbone Global Sustainability Fund. Name change subject to FCA approval.

## Things to consider

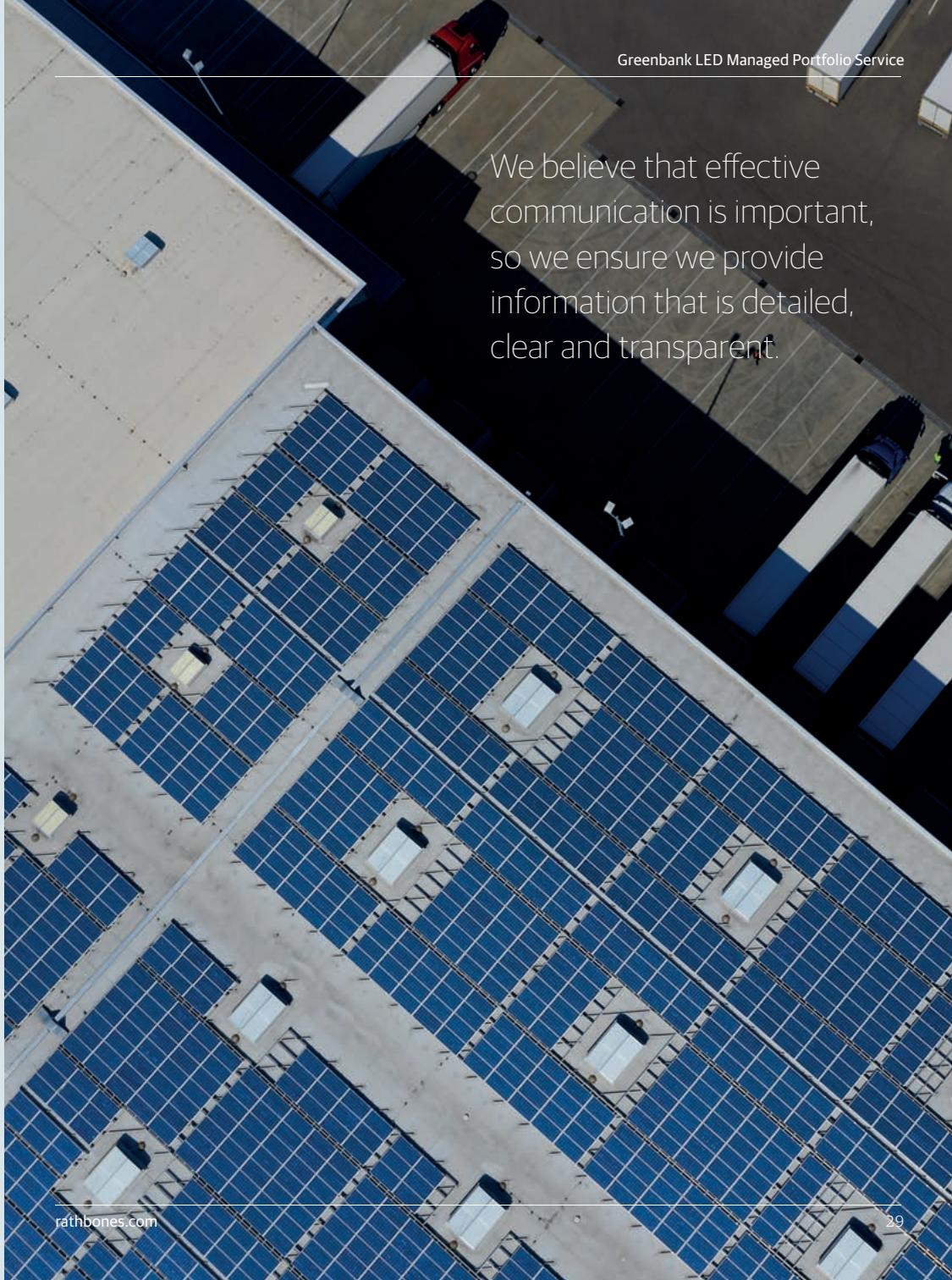
- **Equity investment risk is not right for everyone.** For example, during periods of market volatility, the risks normally experienced by our strategies may increase significantly, and in addition, the strategies may be subject to different investment risks.
- **As an investor, you should ensure that you understand the tax treatment of your investment and its impact on your personal taxation.** We will provide you with an annual tax report, but the service will not manage your personal allowances or account to HM Revenue and Customs (HMRC) for your tax obligations.
- **The value of your investments and the income from them may go down as well as up and you may not get back your original investment.**
- **We are not responsible for ensuring your investment is suitable for you.** Your financial adviser will be able to give you detailed financial guidance on suitability.

## What service can you expect?

We understand that efficient service is just as important as investment excellence.

That's why the GLMPS provides:

- a straightforward application process and documentation
- direct telephone and email access for you and your financial adviser to a dedicated client service team based in the UK
- an online service, allowing you and your financial adviser to view:
  - secure messaging for all instructions and communication
  - daily updated portfolio valuations
  - quarterly valuation packs showing the value of underlying individual securities within the funds
  - a tax-year-end pack to help you or your accountant complete your annual self-assessment return
  - our investment updates.



We believe that effective communication is important, so we ensure we provide information that is detailed, clear and transparent.

# Next steps

Whether you're considering sustainable investing for the first time or switching from an existing provider, the Greenbank LED Managed Portfolio Service could be the ideal solution.

For more information including details of our charging structure, please speak to your financial adviser or contact our intermediary services desk:

Call us on: 020 7399 0399  
Or email: [ifaservices@rathbones.com](mailto:ifaservices@rathbones.com)

For account opening and servicing queries: call us on: 0800 328 0029 or email [mps@rathbones.com](mailto:mps@rathbones.com)

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## Important information

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Registered office: Port of Liverpool Building, Pier Head, Liverpool L3 1NW. Registered in England No. 01448919.

Rathbone Unit Trust Management Limited (known as Rathbone Funds) is a subsidiary of Rathbones and is authorised and regulated by the Financial Conduct Authority. Registered office: 8 Finsbury Circus, London EC2M 7AZ. Registered in England No. 02376568.

Rathbone Investment Management Limited is a wholly owned subsidiary of Rathbone Brothers Plc.

We are covered by the Financial Services Compensation Scheme. The FSCS can pay compensation to investors if a bank is unable to meet its financial obligations. For further information (including the amounts covered and the eligibility to claim) please refer to the FSCS website [fscs.org.uk](http://fscs.org.uk) or call 020 7892 7300 or 0800 678 1100.

Unless otherwise stated, the information in this document was valid as at 29th March 2021. Not all the services and investments described are regulated by the Financial Conduct Authority (FCA). Rathbone Brothers Plc. Is independently owned, is the sole shareholder in each of its subsidiary businesses and is listed on the London Stock Exchange.

Head office: 8 Finsbury Circus, London, EC2M 7AZ.

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## Collaborating for the common good

Our Greenbank team is able to magnify its positive impact through partnering with many different members of the responsible investment community.



# Rathbones

Look forward

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