

The Peregrine & Black Responsible Investment Solutions

The Responsible Portfolio 3

Moderate Risk Investment Strategy

Dec 2021

The value of investments can fall and you may get back less than you invested. Past performance is not a guide to future performance. Any specific investments mentioned are for illustrative purposes only and are not intended as investment advice. Performance is shown inclusive of underlying fund charges but gross of PBIM charge or any platform, custody or adviser charges. Deduction of this charge will have the result of reducing the illustrated performance.

Moderate risk portfolio objective

The strategy is designed to produce moderate total returns across the market cycle with average downside risk.

Commentary

2021 proved to be another strong year for growth investing and sustainable focused funds in particular. As well as growth stocks, the portfolio has exposure to more stable assets such as social housing and energy infrastructure. Amongst these, solar produced strong gains and the social housing and wind assets showed modest but adequate returns. Fixed interest had a harder year held back by inflation fears translating into the end of QE and imminent interest rate rises. The fourth quarter saw a shake out of highly rated technology stocks, though these are not widely held in this portfolio, we have seen some retracement of growth stocks that had already produced strong gains. This is partly a reaction to higher interest rates and also to higher stock valuations moving back to more moderate valuations in these areas.

The Responsible focus

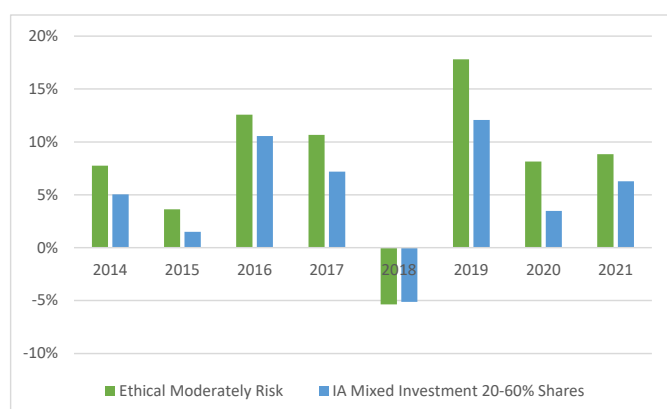
We adopt a balanced approach to both excluding funds investing in certain activities whilst seeking out funds that aim to make a positive impact on the world. All funds operate with different criteria but we would expect all our funds to avoid exposure to: alcohol production, animal abuse, armaments, high interest lending, poor environmental stewardship, gambling, human rights & labour abuses, nuclear, pornography, negative product stewardship & tobacco production. At the same time we expect the managers of the funds we invest in to take a leading position on climate change and an active engagement with the companies they invest in. Funds may invest in companies that are moving to a more sustainable world and show a clear commitment to this.

Portfolio details

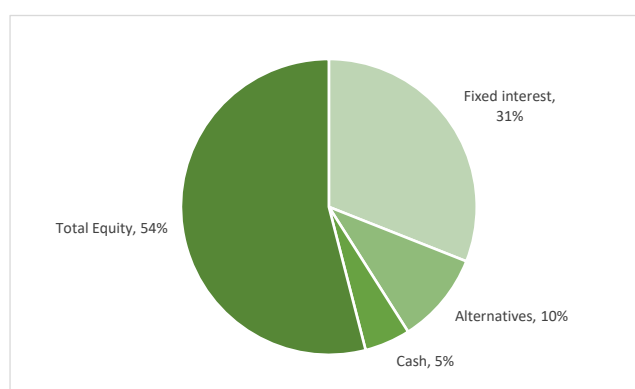
Benchmark	AI Mixed 20-60% shares
Fees	0.3%
Underlying fund cost	0.73%
Est annual yield	1.89%

Performance

Total annual returns



Asset allocation



	2014	2015	2016	2017	2018	2019	2020	2021
Portfolio	8.5%	4.1%	13.2%	11.1%	-5.3%	18.2%	8.4%	8.8%
AI Mixed 20-60% shares	5.0%	1.5%	10.6%	7.3%	-5.1%	12.1%	3.5%	6.3%

Source: Morningstar