

# NorthStar Ethical Growth Portfolio

August 2021

## Key Information

A summary of key information about the NorthStar Ethical Growth Portfolio:

### Inception Date

01.01.15

### Current Holdings

14

### FE Risk Score

60

### Historic Yield

1.25%

### Targeted Average Annual Return<sup>1</sup>

5-6%

### Passive/Active Split

17/83

### Indicative Risk Level

6/10

### Rebalance Frequency

Biannual

### Benchmark<sup>2</sup>

IA Mixed Investment 40-85% Shares

## Portfolio Charges

At NorthStar, we're committed to providing clear and simple charges for our investment portfolios. We believe in total transparency so you'll always know what you will pay.

The charges for the NorthStar Ethical Growth Portfolio are:

### Annual Portfolio Charge (OCF)<sup>3</sup>

0.61%

## Investment Objective

The NorthStar Ethical Growth Portfolio is suitable for investors who are seeking to invest 'ethically' and require a balance between capital growth and capital security. The portfolio is constructed using a broad range of assets which may include equities, fixed income, property, infrastructure, alternative investments and cash. The diversification of this portfolio will insulate investors from some short-term market volatility. Investments are predominantly held in assets that seek to promote environmental, ethical, sustainable and socially responsible causes and exclude companies that promote or produce tobacco, fossil fuels, arms, gambling, animal testing and similar activities. Equity content will typically be around 70%, meaning the portfolio will exhibit moderate downside risk to achieve the required level of capital growth.

Due to the nature of underlying holdings, investment in this portfolio should be seen as a long-term strategy. Risk aspects include inflation risk, capital risk, shortfall risk, and exchange rate risk. The key objective of the portfolio is to adhere to high ethical, sustainable and socially responsible standards at all times. These considerations will always take precedence over portfolio returns. The portfolio targets capital growth in excess of 5-6% per annum over a rolling 5-year period and is benchmarked against the IA Mixed Investment 40-85% Shares sector average. Values may fall as well as rise and investors may not get back the amount originally invested.

## Portfolio Performance

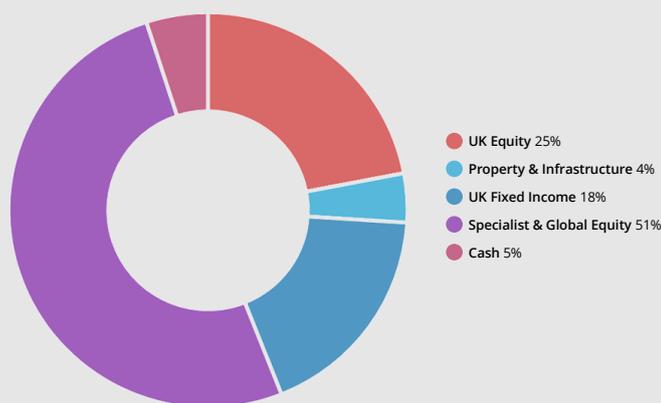
Performance of the NorthStar Ethical Growth Portfolio to August 2021:



	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
NorthStar Ethical Growth Portfolio	4.3%	8.6%	19.4%	28.4%	51.3%	72.9%
Benchmark: IA Mixed Investment 40-85% Shares	1.9%	7.5%	18.3%	20.1%	41.3%	55.7%
Relative Performance	2.4%	1.1%	1.1%	8.3%	10.0%	17.2%

## Asset Allocation

Current asset allocation of the NorthStar Ethical Growth Portfolio:



## Portfolio Commentary

Global investment markets continued to push higher in recent months as many countries began to lift COVID restrictions. Vaccination rollouts have allowed most governments in Europe and North America to start to re-open their economies with consumer demand rebounding strongly. The picture is more mixed in many Asian regions and there are some significant challenges for the majority of developing nations to establish an effective COVID suppression strategy.

The re-opening of the global economy has also seen a surge in commodity prices, with the cost of fuels and other raw materials rising in many regions leading to a spike in inflation. Many central banks have indicated they are likely to accept higher inflation over the coming years but there remain concerns that interest rates may have to rise to keep price rises under control if this level of inflation persists. This factor, along with concerns over new COVID variants took the edge off returns over the summer months, but the general direction of most markets remains upward.

The NorthStar Ethical Growth Portfolio recorded a return of 8.6% during the six months since the last investment review. This performance saw it finish ahead of the benchmark which ended the period 7.5% higher. Over the past year as a whole, the portfolio is up by 19.4%, ahead of the benchmark. The best performing fund was Sarasin Sustainable Global Real Estate, with a return of over 18% during the past six months. At the other end of the spectrum was FP Foresight Global Real Infrastructure, recording a fall of over 6% during this period.

Investment returns are likely to be driven largely by the recovery from the pandemic during the remainder of 2021. Significant challenges remain in terms of vaccine delivery in developing countries, the co-ordination of government strategies, barriers to travel, economic recovery policies and the risks of new variants. How these factors are handled is likely to determine the outlook for investors over the next few years.

## Constituent Funds

<b>UK Equity</b>	<b>22%</b>
Liontrust UK Ethical	8%
Royal London Sustainable Leaders Trust	8%
Jupiter Responsible Income	6%
<b>Property &amp; Infrastructure</b>	<b>4%</b>
FP Foresight Global Real Infrastructure	2%
Sarasin Sustainable Global Real Estate	2%
<b>UK Fixed Income</b>	<b>18%</b>
Rathbone Ethical Bond	8%
Royal London Ethical Bond	6%
Aegon Ethical Corporate Bond	4%
<b>Specialist &amp; Global Equity</b>	<b>51%</b>
BMO Responsible Global Equity	15%
Stewart Investors Worldwide Sustainability	13%
Vanguard ESG Developed World All Cap Equity Index	12%
Guinness Sustainable Energy	6%
Legal & General MSCI World SRI Index	5%
<b>Cash</b>	<b>5%</b>
Royal London Short Term Money Market	5%

## About NorthStar Wealth Management

At NorthStar, we bring a fresh perspective and innovative approach to wealth management. Our team of chartered financial planners combine their expertise with the latest technology to provide the highest quality independent financial planning and advice. We help our clients take control of their money, grow their wealth, protect their lifestyle and plan for a more certain future.

## Contact NorthStar Wealth Management

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1. Targeted average annual return is based on the average long-term returns of applicable asset classes and is in no way guaranteed. 2. Over a rolling 5-year period. 3. Portfolio charges are calculated using the average fund charges across all applicable platforms. Performance data are on a bid-to-bid basis, with income reinvested. Performance data do not take into account platform or advisory charges and exclude any holdings in platform 'cash accounts'. Performance data show returns for discounted 'super clean' funds where these are available. Such funds may not be available on all platforms. Performance data are rounded to the nearest 0.1% so small rounding errors may occur. Data correct as at 01.08.21. Source: FE. The value of investments and the income from them can fluctuate and investors may not get back the full amount invested. Past performance is not necessarily a guide to future performance. The tax treatment of investments depends on individual circumstances and is subject to changes in tax legislation. Figures are provided for illustrative purposes only and their accuracy cannot be guaranteed. Information provided should not be relied upon in isolation when making investment decisions and does not constitute advice or an offer to purchase any investment or product. Please contact us for more information on our range of portfolios. © NorthStar Wealth Management Group Ltd. Registered in England and Wales: 09069129. Authorised and regulated by the Financial Conduct Authority. Registered office: Ocean Village Innovation Centre, Ocean Way, Southampton, Hampshire, SO14 3JZ.