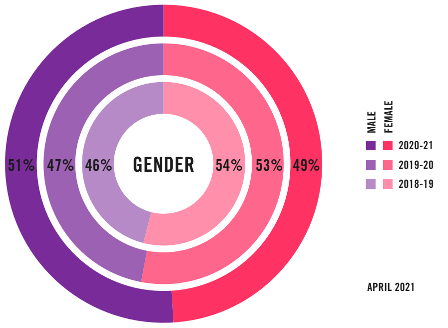
SDG Performance Report 2020–21

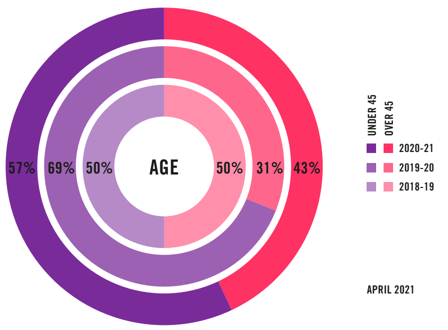
Tribe IMPACT CAPITAL

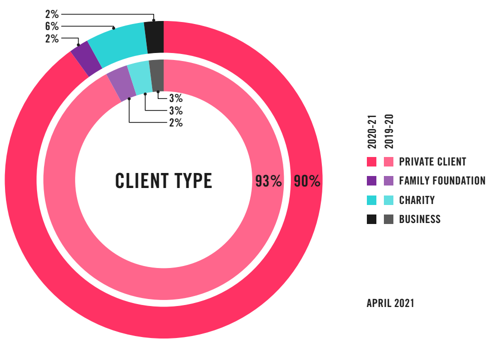
Tribe IMPACT CAPITAL

Highlights

OUR CLIENTS

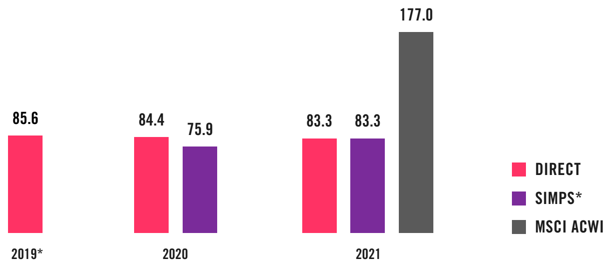






CARBON EQUIVALENCY

CARBON TONS PER £M INVESTED



* *SIMPS data for 2019 was not reported due to insufficient assets under management. SIMPS includes all our managed portfolio products that are available to financial advisers in the UK.*

ABSOLUTE CARBON SCOPES 2020-21

ABSOLUTE CARBON BY SCOPES PER £1M INVESTED / DIRECT*

	Scope 1	Scope 2	Scope 3
PORTFOLIO	65	18	444
MSCI ACWI	151	26	717

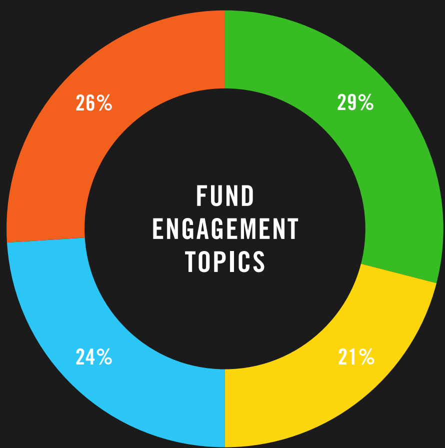
ABSOLUTE CARBON BY SCOPES PER £1M INVESTED / SIMPS*

	Scope 1	Scope 2	Scope 3
PORTFOLIO	68	15	422
MSCI ACWI	150	26	712

** For this reporting year the reporting coverage for all Scopes (equity asset class only) is 94.7% for direct AUM and 94.4% for SIMPS portfolios.*

Governance issues included:

- Product safety governance
- Business ethics
- Tax practices



Environmental issues included:

- Decarbonisation strategies
- Biodiversity impacts
- Sustainable buildings

Social issues included:

- Supply chain labour management
- Impacts on local communities
- Diversity and inclusion

Cross-cutting issues included:

- Data security
- Conflict minerals
- Animal testing

Introduction

We're delighted to present our third **SDG Performance Report**. This reporting year[1] has been one of the most extraordinary years in human history. The Covid-19 pandemic effectively brought the world to a standstill in March 2020, and since then, has imposed lockdowns in most countries around the world. As vaccines have been rolled out, the world is slowly re-emerging; but things are not how they were before. The pandemic has laid bare the frailties of communities and societies around the world, highlighting health and economic inequalities and inequities. The past 18 months have hopefully taught us vital lessons and, in some areas, led to what we hope will be the start of a completely new way of doing business and finance.

The extraordinary growth of Environmental Social and Governance (ESG) investing over the last 18 months certainly points to a sizeable shift in the investment psychology in the markets. It's clear to us that ESG alone won't get us to where we need to get to - **the delivery of the UN Sustainable Development Goals**. However, as a bellwether for market sentiment there is no denying its message. The investment paradigm has started to shift from a largely shareholder driven one to a stakeholder aligned one.

The last 18 months have also witnessed an acceleration in the speed and scale of the ecosystem changes we are witnessing, particularly evident with the climate. The Australian "Black Summer" bushfires in 2019-2020[2], the record-breaking fires in North America[3] and the most powerful landed super typhoon Goni (Rolly) in the Philippines[4] with measured winds of 195mph are just some events that remind us of the severity of the climate crisis we continue to face. This, we believe, has added to the market response towards ESG and impact investing. While 2016 was a pivotal year for impact investing with the adoption of the UN SDGs (and the Paris Climate Agreement the year before), it feels like 2020 was the year global finance really started to embrace impact. Time will tell the scale and depth of this transition, but we close this reporting year feeling optimistic about the positive changes we're witnessing.

We recently submitted our B Corporation (B Corp) recertification assessment[5] and we await the outcomes of that. We're also working to develop our Science Based Target (SBT)[6] after the methodology for the finance sector was released in November 2020. We enjoyed beta testing the tools that the SBT team developed before the launch of the methodology. We also put forward our annual Principles for Responsible Investing (PRI)[7] submission which outlines our approach to sustainable and impact investing across all of our assets. The latter part of this reporting year saw us change custodian and we've been working with them to increase the breadth and depth of our active ownership and engagement needs.

We're thrilled to report that our assets under management between May 2020 and April 2021 again more than doubled. All our assets remain 100% managed for social and environmental impact.

The style and metrics included in this report remain consistent with our previous reports to enable comparison and tracking of our performance. We will however, move away from this format in our next report for **our investments** section. This is because our commitment to agree and deploy our approved SBT across our business will shift the way we report our Paris Climate Agreement alignment. Next year we'll also present for the first time our active ownership and voting records enabled by our change of custodian. There's a lot of change happening in impact and investment performance reporting, and we constantly strive to incorporate developments into our reporting and disclosures.

During this reporting year we committed to becoming a Future Fit Pioneer[8] and will report on our progress later this year. The Future Fit Business Benchmark (FFBB) includes 23 "Break-Even Goals" and a complementary set of indicators for businesses to use to assess alignment with the UN SDGs. It also defines 24 "Positive Pursuits" which are activities a business with purpose can pursue to create a regenerative impact on people and planet. We believe it's important to keep the

1 1 May 2020 – 31 April 2021
2 www.theguardian.com/environment/2020/jul/31/australias-black-summer-bushfires-showed-the-impact-of-human-wrought-change-aoe
3 edition.cnn.com/2021/07/01/americas/canada-town-evacuation-extreme-heat/index.html
4 yaleclimateconnections.org/2020/11/super-typhoon-goni-slams-into-philippines-as-strongest-landfalling-tropical-cyclone-on-record/
5 bcorporation.uk/directory/tribe-impact-capital-llp
6 sciencebasedtargets.org/
7 www.unpri.org/
8 futurefitbusiness.org/pioneer-directory/

Future Fit Pioneer Report separate for now to allow it to be comparable with other Pioneer Reports. In time, it may become part of this report.

Since Tribe started in summer 2016, we've taken our pledge to being transparent seriously. We've committed, mainly through our B Corp submissions, and our annual UN Principles for Responsible Investing (PRI) returns, to ensure anyone can find information about what we do and how we do it. We hope our SDG Performance Report provides clarity on what we've managed to achieve and importantly, what's left for us to do. We don't pretend to have all the answers, nor do we present what we do as the solution, but rather as part of a suite of solutions. We hope that by sharing what we've achieved and what we've learned will inspire others to do the same. Only together will we create the change that's needed.

Amy Clarke
Chief Impact Officer

The Tribe

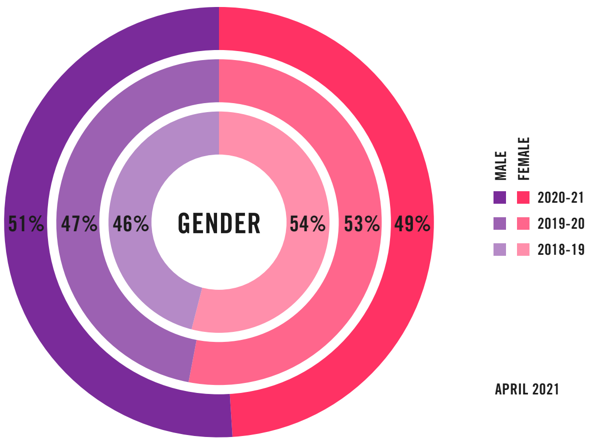
Many of you reading this will know we often refer to "**The Tribe**". In the broadest sense of our interpretation, the Tribe is everyone who "**gets**" what we do, why we do it and does it regardless of whether they do it with us or someone else. The principle is that it's a mindset that underpins action and consequently, is a democratic set of behaviours that anyone can exhibit.

However, for the purposes of our reporting we use it to describe everyone who works for, supports, and partners with us. It includes our partners, employees, fellows[9], and our clients.

Our clients

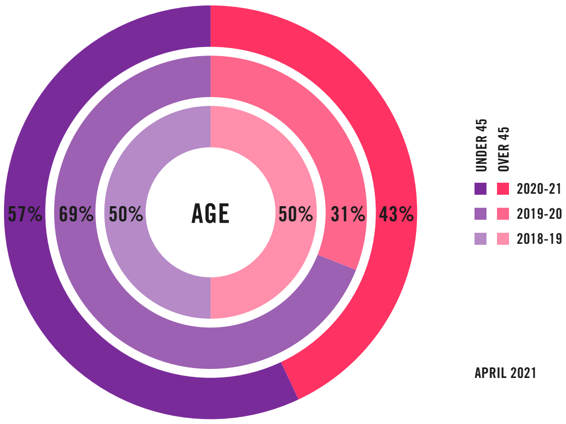
Driving diversity within Tribe has always been, and will always be, a core value of the business and something we strive to deliver through the Partnership and our employment process. We know that if we build a destination for like-minded people, who care about the world and want to play a role in delivering true sustainable development, we'll attract a diverse range of clients. This has certainly been, and continues to be, the case. The Tribe is a wonderfully eclectic family of individuals, families and foundations, charities and businesses who are all unified by a common purpose - **impact** - we call it our glue.

We have a strong gender balance within the Tribe. We're very proud of this. With the inter-gender transfer of wealth happening currently, and the anticipated shift in the distribution of wealth into female hands (60% by 2025 in the UK)[10], creating a space where female wealth holders can feel supported is important to us. We're particularly proud that so many women have chosen to partner with us in terms of clients, partners, and employees.

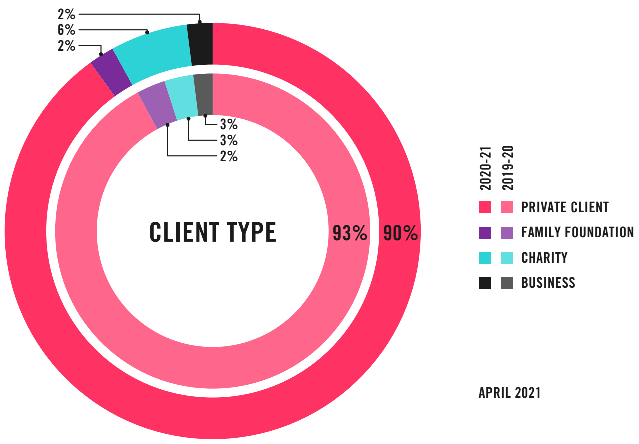


9 www.tribeimpactcapital.com/about-us/
10 www.tribeimpactcapital.com/news/the-rise-of-gender-lens-investing/

What's also evident is that we have representation in our client base across the age spectrum. With the huge focus on the inter-generational transfer of wealth happening and the expectation that this will help drive the change that's needed, we're again proud to demonstrate that we have a high proportion of millennials as clients. This year has seen an increase in our younger population of clients bringing our split back up - in line with the early days of Tribe - when we had a significant proportion of clients under the age of 45.



This reporting year we've seen a growing number of charities opening accounts with us as they seek to manage their assets in line with their values. This is in line with a broader market movement by charities into sustainable and impact investing.



Our people

This year has been an extraordinary year. In March, just before the start of our reporting year, we all moved to a home working environment as the first lockdown happened. Our business was able to pivot quickly to operating remotely which we recognise we were extremely fortunate to be able to do. We know that this wasn't the case for many in the UK and around the world.

Our employees have been exceptional in very challenging circumstances. The Management Board is resolutely proud of each Tribe employee and immensely grateful for all their hard work, enthusiasm, optimism, and friendship over the last year. It has been a year when the Tribe really has felt like the family we knew it to be. It only feels right that we take a moment in our SDG Performance Report to recognise every one of them, and our Partners - thank you.

For those who know us, our people are who make us what we are. We passionately believe that to create the right environment for our clients we must blend finance, sustainability, operational rigour and great interpersonal skills. That's why Tribe includes sustainability and impact specialists; and investment and wealth management professionals who are, by default, great communicators, and storytellers. By merging these two tribes, we have created a new Tribe. One we feel has the right skillsets, insights, and 'magic' to really drive change in the right way. This Tribe has grown in the last year. We are thrilled to have been able to welcome new faces to our team.

Aaron Gaide (Wealth Manager), **Cate Quentin** (Wealth Manager), **Katharine Samuels** (Wealth Manager), and **Melanie Tillotson** (Compliance Director) bringing the Tribe to 17 as of the end of April 2021.

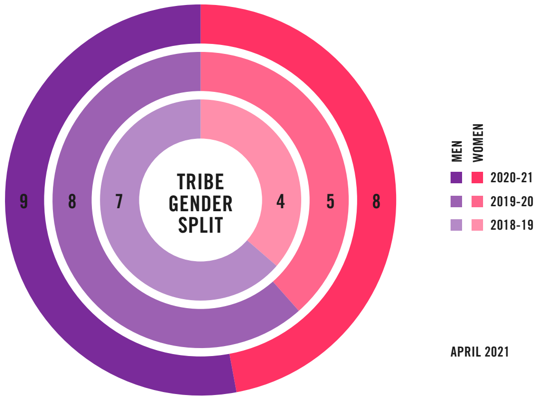
DIVERSITY

We committed in February 2018 to HM Treasury's Women in Finance Charter[11] with a pledge to retain a 50/50 gender management split. We've tried to keep close to this pledge for the three years we've reported since signing[12].

Whilst we're proud of our gender story, we know we have yet to reflect the true nature of society in our business. We're

11 www.gov.uk/government/publications/women-in-finance-charter
12 assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/786164/2019.03.14_WIFC__FINAL_online_high_res.pdf

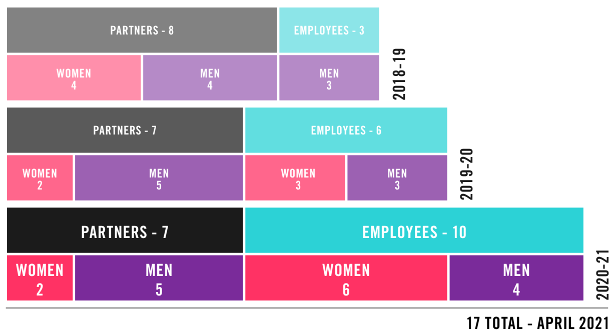
resolutely committed to this. Looking at a business through the lens of diversity brings huge opportunities for increasing innovation through diversity of thought and lived in experience. Whether ethnic, age, gender, socio-economic, sexual, religious, cultural, or neurological diversity we welcome and encourage interest from all parts of society. Finance needs more colours, tones and patterns if we're to truly turn it into the force for good we so passionately believe it can be. Whilst we strive to ensure our vacancies, when advertised, reach as far and wide as possible, we welcome conversations with talented and insightful people who represent the beauty of the communities within which we work, live, and play all year round. If you're reading this and thinking 'that's me' then please do drop us a line. Whilst we may not be able to offer anything immediately, if we know where you are then we'll let you know when we do!



FAIR PAY

We're committed to treating our employees fairly, and our B Corp certification and assessment, in part, reflects that commitment. We're also aware of the vastly significant differences in financial packages between executives and junior staff. The current types of discrepancy between the two, especially in finance, are often unfair and unwarranted. With that in mind, and for this reporting year, we can confirm that we currently have a 4.5x differential between our lowest recompensed employee and our highest recompensed Partner in terms of salaries and draws. We appreciate that our Partners also own part of the business so the total financial/beneficial package for them overtime will be higher.

PARTNERS / EMPLOYEES BY GENDER

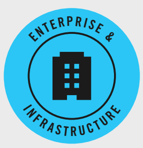


VOLUNTEERING

We encourage volunteering across the Tribe. Many of our team actively volunteer, in a range of guises from fundraising to being trustees in charities. We believe it's important, when we can, for us to share our passion and our skills. Not only do those organisations we support benefit, but we also benefit by learning new skills, expanding our own horizons and knowledge base, and making new friends.

Our total volunteering for the reporting year was 212 hours, or 12.47 hours per Tribe head. Given the increase in headcount this is a significant increase from our previous reporting years. We're thrilled that in a year of trauma and need for so many the Tribe has responded in sharing their time and knowledge. This is particularly evident in the thematic breakdown of our volunteering hours. Most of our activity has been spent supporting charities working in our Education and Equality impact theme which is where we've witnessed much of the urgent need over the last year (e.g. community kitchens).

143 hours
8.4 hours
per Tribe head



63 hours
3.7 hours
per Tribe head

5 hours
0.3 hours
per Tribe head

Our business

RECOGNITION

The annual B Corps Best For The World Honoree awards were suspended for 2020 due to the pandemic with a revised release date of summer 2021. For updates, please visit our **website**.

We're proud to have been awarded several accolades during this reporting year. Whilst we don't do what we do for recognition, it's always appreciated when the industry publicly embraces our business model and our approach and celebrates us.

OUR SUPPLY CHAIN

Wherever we can, we choose to work with our fellow B Corps community in our supply chain. We do this for two reasons:

1. We know they're committed to running their businesses with a clear mission and real sense of purpose; and
2. We can rely on their B Lab assessments as part of our due diligence on them. Having been through the B Lab Assessment when we established Tribe and going through it again recently for recertification, we know how comprehensive and exacting a standard it is.

We have a relatively small traditional supply chain, from our IT support to non-IT based office equipment. However, we view our partners in the investment world (our fund managers and the companies they work for) as part of our supply chain too. We currently have 5 B Corps in our supply chain who are also PRI signatories, Net Zero investors, and SBT signatories.

Finance has a long way to go in terms of sustainable leadership, but we're starting to see real change and by sharing what we do, how we do it and why we do it, we are finding more of our supply chain wanting to share learnings and experiences with us. We welcome this enormously. Finance will only improve the more we learn together and co-create.

SCOPE 1 AND 2 CARBON FOOTPRINT & SCOPE 3 AIR TRAVEL CARBON FOOTPRINT

Energy: In what was an exceptional year, the Tribe spent the reporting year working from home office environments. Our serviced office, previously located at the Conduit Club in London, was closed during the first lockdown. The Club subsequently permanently closed and as a result we took the decision to remain working from home until a time when we felt it was safe to re-open an office and when we found a new home that met our needs. We've been working from home office environments for the duration of this reporting year.

SCOPE 01

SCOPE 02

Travel: There's been no business travel for the Tribe this reporting year. As we've previously reported we favour low carbon transportation wherever possible and only fly when we absolutely need to. This year has taught us all in finance how little travel we really do need to undertake for work. Technology has done the heavy lifting. We hope this change lasts.

SCOPE 03

Tribe IMPACT CAPITAL

Our investments

This section of our report covers the performance of the aggregated assets under management at Tribe. These assets are split into "direct" and "SIMPS" (Sustainable Impact Managed Portfolio Service) related reporting. Direct relates to our HNW and UHNW direct clients who have discretionary and advisory only accounts with us. SIMPS refers to the family of fund portfolio products we offer to Independent Financial Advisors (IFAs) who themselves work with a broader range of end clients.

All data presented in this section is effective as of 31st March 2021. This is due to the reporting cycles of many of the funds that we use, and means that the climate data for this report is a month out of kilter with the remaining information we present which is effective as of 31st April 2021.

Our data feeds are in part driven by MSCI Inc (and MSCI Carbon Delta), as well as proprietary data we collect (which includes other third-party data, for example Carbon Disclosure Project (CDP)).

ImpactDNA™ & AMI FRAMEWORK DATA

At the centre of our security and fund selection is our client's ImpactDNA™. This helps us to identify investments that resonate with our client's values. We use the UN SDGs as a framework for uncovering client's values and to measure and report portfolio performance. The SDGs guide our investments and allow our clients to identify what impact they wish to create in the world.

The ImpactDNA™ process allows us to create portfolios based on the UN SDGs and the macro themes we associate with these goals. This enables us to think at both macro (systems) level, as well as micro (goal specific) level.

Environment & Ecology — Represents the boundaries that nature sets; the ecological ceiling or planetary boundries.

SDGs: 12, 13, 14, 15

Education & Equality — Focuses on the social fabric needed to ensure everyone thrives; the social foundation.

SDGs: 1, 2, 3, 4, 5, 10

Enterprise & Infrastructure — Captures the economic and physical infrastructure needed to deliver the goals.

SDGs: 6, 7, 8, 9, 11

Governance & Partnerships — Focuses on the political, cultural and legal systems and behaviours needed to drive the change required.

SDGs: 16, 17

Our aim is to optimise our clients' wealth for the returns they seek, as well as the change (the impact) they wish to play a role in creating. Given many of our clients' portfolios are managed according to different financial and impact criteria, providing an aggregated impact measurement can become challenging. At portfolio level this can be a lengthy process given the number of different investment vehicles being held and the variety in quantity and quality of impact data to measure. Additionally, many fund managers and companies use various key performance indicators and differing methodologies (often their own) for reporting their impact, which challenges us as we look to understand the data provided to us. We've committed as a business to only report on the metrics we feel are verifiable, meaningful, and true measures of performance and/or impact. We refer to several different methodologies as we do this (including the Impact Management Project, SASB[13], PwC's TIMM framework[14]), all of which look to quantify and differentiate between output, outcome, and impact. These frameworks sit alongside and support our own methodology, the AMI framework.

13 www.sasb.org/
14 www.pwc.co.uk/who-we-are/corporate-sustainability/performance/total-impact-measurement-management.html

How we define impact

We analyse, on an initial and on-going basis, each investment opportunity* against the UN SDGs, ESG risks, and the Paris Climate Agreement.

UN SDGS

We use the SDGs as a framework for understanding clients' values and to measure and report on a portfolio's performance. The SDGs guide our investments and help clients identify what impact they wish to create. As well as referring to all 17 SDGs, we've also allocated them into four "impact themes".

ESG

We assess the environmental, social and governance (ESG) risks associated with company* operations; for the short, medium, and long term.

CONTROVERSY SCREENING

We monitor companies'* behaviours and ensure that they align with our values as a business, and our clients values as defined in the **Impact**DNA™.

ALIGNMENT WITH THE PARIS CLIMATE AGREEMENT

We assess all companies'* contributions to the Paris Climate Agreement. By doing this, we're managing the climate risk embedded in our investments, while also maximising opportunities to invest in those businesses driving us to meet the Agreement's carbon dioxide level targets.

* *Company and institutional analysis is undertaken on underlying fund holdings and where we invest directly.*

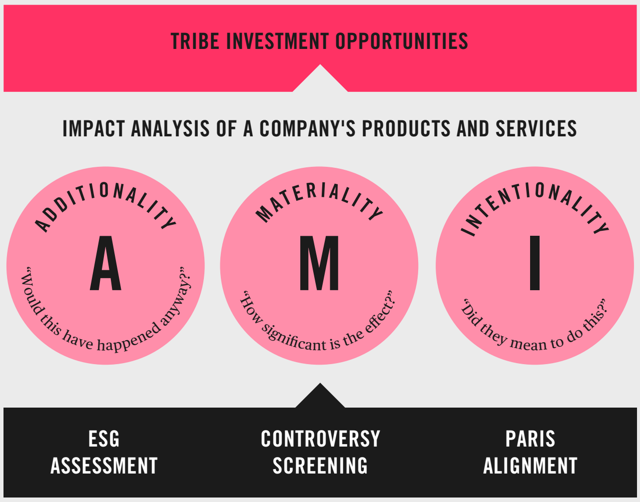
How we identify impact

For each company that we could potentially directly invest in – and which has more than 50% of its revenue aligned with the SDGs – goes through a further level of assessment.

We do this through our AMI Framework. This is our proprietary framework that considers a business according to 'Additionality', 'Materiality', and 'Intentionality' (AMI). It helps us understand the potential depth and scale of impact a business can deliver.

We also use our AMI framework when assessing funds.

These are the questions we ask about each business within the framework:



ADDITIONALITY

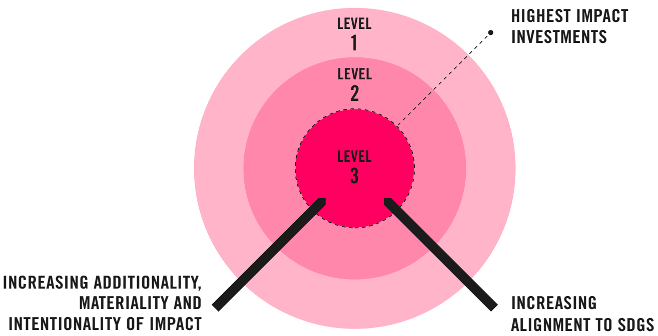
What if the company didn't exist? Is it providing a crucial product or service?

MATERIALITY

How significant is the impact this company is having? What is the material difference it's delivering?

INTENTIONALITY

Is the company aware of its positive impact and will it continue to build on that positive impact in the future?



How we assess impact

Our process for assessing impact is based on very specific criteria. We carry out deep analysis into the businesses themselves to understand how they align with the SDGs. We do this with both direct investments, and through our funds.

We look at three levels of likely impact for pooled securities (funds) and single securities (single lines), across public and private markets. These we term 'operational', 'transition', and 'systemic' impacts and relate to the ability of a company to deliver the targets that support the SDGs.

Tribe IMPACT CAPITAL

OPERATIONAL 1 IMPACT

LEVEL 1: OPERATIONAL IMPACT

Companies which demonstrate strong ESG performance and with no major controversies (e.g. bribery or child labour) but which don't necessarily aim to tackle sustainability through their products and services. We don't directly* invest in these businesses at Tribe.

TRANSITION 2 IMPACT

LEVEL 2: TRANSITION IMPACT

Companies which demonstrate strong ESG performance, with no major controversies and which derive at least 10% revenue from products and services aligned with the delivery of the SDGs. We invest in a small number of these businesses at Tribe that demonstrate a clear commitment to transitioning to future-fitness.

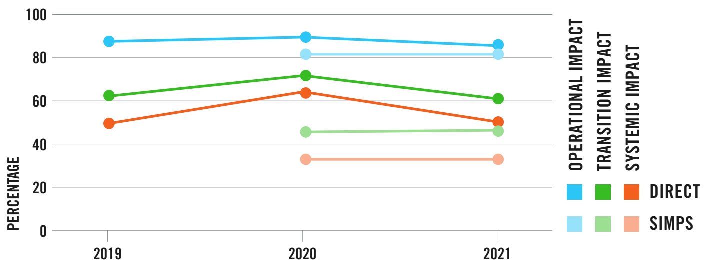
SYSTEMIC 3 IMPACT

LEVEL 3: SYSTEMIC IMPACT

Companies which demonstrate strong ESG performance, with no major controversies, and which derive at least 50% revenue from products and services aligned with the delivery of the SDGs. We aim to invest in these businesses at Tribe.

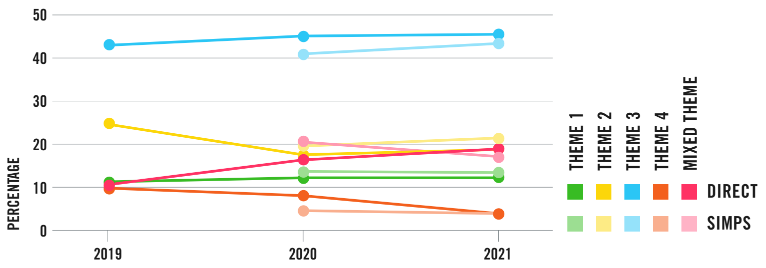
Whilst we don't have direct investment in these businesses some of the funds we hold may do so.

AMI LEVELS YEAR BY YEAR***



	DIRECT**			SIMPS	
	2019	2020	2021*	2020	2021*
OPERATIONAL IMPACT	88%	90%	86%	82%	82%
TRANSITION IMPACT	62%	72%	61%	45%	46%
SYSTEMIC IMPACT	49%	64%	***50%	32%	32%

THEME LEVELS YEAR BY YEAR



	DIRECT**			SIMPS	
	2019	2020	2021	2020	2021
THEME 1	11.3%	12.3%	12.2%	13.7%	13.5%
THEME 2	24.8%	17.7%	18.9%	19.7%	21.6%
THEME 3	43.4%	45.5%	45.9%	41.4%	43.8%
THEME 4	9.8%	8.0%	3.8%	4.5%	3.9%
MIXED THEME	10.6%	16.5%	19.1%	20.7%	17.2%

* *The impact analysis (our AMI score) across our portfolios is influenced by how much of our investment universe is covered by the proprietary data sources we use. Currently impact metrics are only available for the equity asset class. Where data is not available, we investigate each underlying opportunity but aren't able to report against our AMI framework. For this reporting year, our AMI coverage across direct is 64.27%. For SIMPS it's 57.15%. Theme coverage is across 100% of the portfolio (both direct and SIMPS).*

** *Previously referred to in reporting years as "bespoke".*

*** *Our strategic asset allocation for the reporting period included a higher allocation to fixed income, alternative (uncorrelated) investments and cash. The effect of this reduced our equity exposure and correspondingly lowered the percentage of the portfolio we could provide impact metrics for.*

Tribe | IMPACT CAPITAL

SOCIAL AND ENVIRONMENTAL PERFORMANCE

In September 2019 we took a bold decision, the first wealth manager in the UK to do so, and announced a **Net Zero target** across our Scope 1, Scope 2 and Scope 3 emissions by 2025, bringing our commitment ahead of best-in-class 2030 declarations and significantly ahead of many other commitments for 2040 and 2050.

We did this for three main reasons:

1. There is a critical need to accelerate our transition to a low carbon economy as global citizens, businesses, and governments. One of the most challenging issues we all need to address are our collective greenhouse gas emissions, alongside our over-consumption that has led to catastrophic declines in wildlife and wildlands.
2. Being aware of the increasing level of financial risk the climate crisis poses to us as a wealth manager is essential. We are otherwise at risk of transgressing our responsibility to manage the risks our clients' capital is exposed to. To be able to manage this risk we must understand it, measure it, and reduce it.
3. The global finance sector, wealth, and asset management, has a significant role to play in reducing levels of greenhouse gas emissions and associated global warming. Our investment thesis (investing only in sustainable businesses solving global problems) and business model (B Corp), place us in a position to help establish pathways to address the problem.

You can read more about our Net Zero commitment and how we hope to achieve it **here**.

Our climate data

CARBON EQUIVALENCY

We're currently in the process of setting our Science Based Target (SBT), with a revised SBT minimum threshold alignment of 1.5 degrees of warming[15]. From next year we'll be reporting our climate risk and performance in line with our SBT. Carbon performance here is based on carbon equivalency (CO2e) which is a standard measure that represents the 6 different greenhouse gasses covered by the Kyoto Protocol[16] expressed as a carbon equivalent.

As a reminder from our last reports, we know that to drive global warming of no more than 2 degrees, the global community must reduce current absolute carbon emissions by 25.23% by 2030. To drive warming of no more than 1.5 degrees, we must reduce current absolute carbon emissions by 55.14% by 2030 and be Net Zero by 2050. These metrics are against a 2018 baseline of 55.3 GtCO2e[17].

We've looked at the MSCI ACWI[18] universe as a proxy for global capital markets. It's not perfect but it's a good representation and a place to start. We've assumed a proportional decrease in reductions across Scope 1, 2 and 3 emissions[19] and all industry segments (public and private). We appreciate this is overly simplistic. However, it gives us a starting point from which we can calculate that in order to deliver no more than 1.5 degrees of warming by 2030 the absolute carbon emissions currently being reported across MSCI ACWI for this reporting year (Scope 1 and 2) would have to reduce from 10.8 GtCO2e to 4.9 GtCO2e. This is the transition pathway we choose to currently benchmark ourselves against as a business. Our next report will see us moving to our SBT reporting protocol.

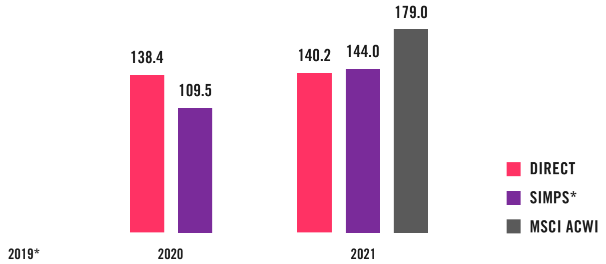
By understanding the market cap of businesses in the MSCI we can work out how much total carbon per £1m invested a client should be looking to establish as a 'carbon ceiling'. Assuming £1m invested equally across MSCI ACWI the current absolute carbon would be 177 tonnes (this is for Scope 1 & 2 emissions). To be 1.5 degree aligned it needs to be 79.65 tonnes by 2030.

Tribe's investments for the 2020-21 reporting year[20], as of April 1st, 2021, £1m invested in Tribe generated 83.3 tonnes of carbon across all our direct client portfolios, and 83.3 tonnes of carbon across our SIMPS portfolios. This is for Scope 1 and 2 emissions.

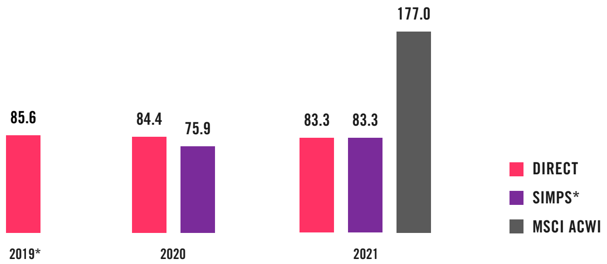
15 sciencebasedtargets.org/news/sbti-raises-the-bar-to-1-5-c
16 unfccc.int/kyoto_protocol
17 wedocs.unep.org/bitstream/handle/20.500.11822/30797/EGR2019.pdf?sequence=1&isAllowed=y
18 We use MSCI ACWI as a proxy for global markets given the geographic and industry diversity within the universe and believe that it mirrors globla markets (as closely as is currently possible).
19 ghgprotocol.org/
20 It is not possible to currently report on 100% of the portfolio. These figures relate to 43.4% of the Tribe direct portfolio and 59.24% of the Tribe SIMPS portfolio (which together represent 100% of AUM) and covers 94.7% of the equity asset class for the Tribe direct portfolio and 94.4% of the equity asset class for the Tribe SIMPS portfolio. It is also important to note that the carbon data used is the latest available data (as of March 31st 2021) and may, as a result, be historical.

Tribe IMPACT CAPITAL

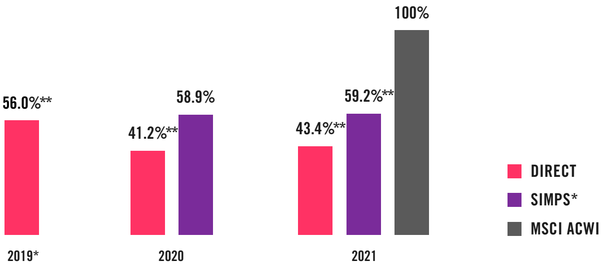
CARBON INTENSITY



CARBON TONS PER £M INVESTED



CARBON COVERAGE OF TOTAL PORTFOLIO



* *SIMPS data for 2019 was not reported due to insufficient assets under management. SIMPS includes all our model portfolio products that are available to financial advisers in the UK.*

** *Our strategic asset allocation for the reporting period included a higher allocation to fixed income, alternative (uncorrelated) investments and cash. The effect of this reduced our equity exposure and correspondingly lowered the percentage of the portfolio we could provide impact metrics for. The carbon figures reported here relate to the equity asset class. For the 2018-2019 reported year we reported Scope 1 and 2 carbon metrics across 90% of the equities. For the 2019-2020 reporting year that coverage increased to 93%. For this reporting year the coverage is 94.7% for direct AUM and 94.4% for SIMPS portfolios.*

These figures are estimates only. This is due to data paucity and quality challenges as well as reporting timetables (in that this information is historical in context but live as of 31 March 2021 – see above).

As we have consistently reported, we don't feel comfortable saying we're Paris compliant yet. We understand many others may want to do this to highlight the progress they're making but given all the changes underway with reporting methodologies and benchmarks and the scale of the challenges that face the investment industry, we don't believe it's possible to assert Paris Alignment.

We do, however, feel comfortable saying we're investing in a way now that should help deliver the Paris Climate Agreement (1.5-degree scenario) and are roughly in line with where the UN expects the market to be by 2030, based on absolute emissions in equities. We're reassured that for the third year in a row we've been able to maintain a downward trend, albeit incremental, in our absolute carbon, a measure we believe to be one of the most robust and meaningful.

Our SIMPS AUM carbon performance has increased marginally from the last reporting year. This is due to the SIMPS product range being a fund based range of products with limited access to the alternative investments we use in our direct portfolios that have lower carbon footprints. However, as other companies and fund managers commit to Net Zero and to SBT's we fully expect absolute carbon to continue to decrease, and hopefully accelerate in that reduction, over the coming decade.

As we roll out our Net Zero commitment and our SBT which will now be anchored to a 1.5 degree warming scenario as a minimum, along with the toolkits we have access to, we should be in a more robust position in future reports to highlight more precisely where we are with regards to climate pathways (both emissions, intensity, and temperature). We expect these to reveal the scale and the extent of the work left for us to do to drive our portfolios to where they need to be, and beyond.

Tribe IMPACT CAPITAL

ABSOLUTE CARBON SCOPE BY SCOPE

We're also tracking our absolute carbon across all scopes. It's important for us to understand the total footprint of the carbon we're financing. The data shows we're consistently below the MSCI ACWI benchmark we use for comparison purposes. Whilst reassuring, we know that there's a lot of hard work ahead of us and our fund managers in driving down these absolute figures further.

We're using MSCI Inc estimated Scope 3 data for our reporting and performance management. We understand the challenges in Scope 3 emissions reporting, but we don't believe that we should wait for a time when all listed companies are reporting Scope 3 to a uniform standard. We believe we need to understand what's happening now so we can better target the right types of investment that drive the change required and deliver the type of performance our clients expect. Estimated data allows us to further enhance our due diligence with investment opportunities as well as better manage our performance over time.

ABSOLUTE CARBON BY SCOPES PER £1M INVESTED / DIRECT*

	Scope 1	Scope 2	Scope 3
PORTFOLIO	65	18	444
MSCI ACWI	151	26	717

ABSOLUTE CARBON BY SCOPES PER £1M INVESTED / SIMPS*

	Scope 1	Scope 2	Scope 3
PORTFOLIO	68	15	422
MSCI ACWI	150	26	712

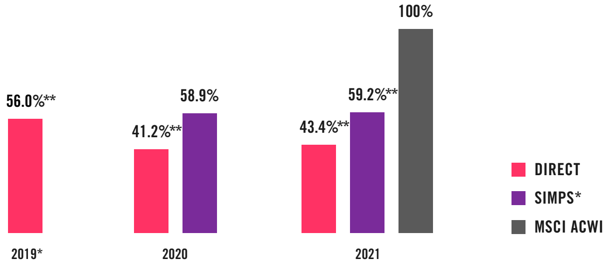
** For this reporting year the reporting coverage for all Scopes (equity asset class only) is 94.7% for direct AUM and 94.4% for SIMPS portfolios.*

CLIMATE VALUE AT RISK AND WARMING POTENTIAL

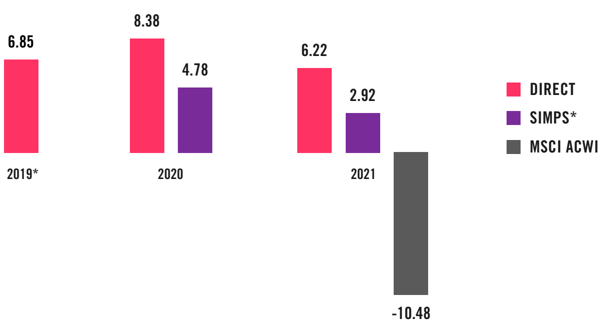
We report on the climate valuation risk within our portfolios with the help of MSCI's Climate Value at Risk (CVaR) methodology as well as the Warming Potential. CVaR provides forward looking and return-based valuation assessments to measure the potential impact of climate change on company valuations. It provides insights into the potential stressed market valuation of investment portfolios and downside risks, translating climate-related costs into potential valuation impacts at varying degrees of warming. Put simply, negative figures imply a potential financial risk to the portfolio. The Warming Potential is an estimate as to the level of warming our portfolios would currently result in (should the business not substantively change its activities).

WARMING POTENTIAL

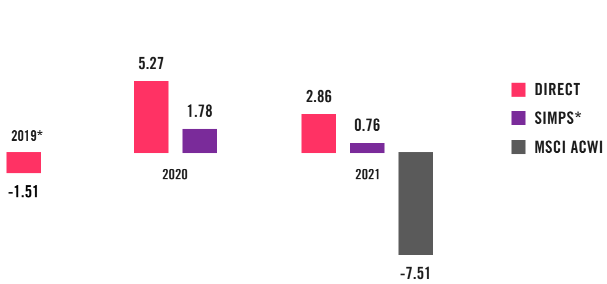
CLIMATE COVERAGE OF TOTAL PORTFOLIO



CVAR 1.5°C



CVAR 2.0°C



* *SIMPS data for 2019 was not reported due to insufficient assets under management. SIMPS includes all our managed portfolio products that are available to financial advisers in the UK.*

** *Our strategic asset allocation for the reporting period included a higher allocation to fixed income, alternative (uncorrelated) investments and cash. The effect of this reduced our equity exposure and correspondingly lowered the percentage of the portfolio we could provide impact metrics for. The carbon figures reported here relate to the equity asset class. For the 2018-2019 reporting year we reported Scope 1 and 2 carbon metrics across 90% of the equities. For the 2019-2020 reporting year that coverage increased to 93%. For this reporting year the coverage is 94.7% for direct AUM and 94.4% for SIMPS portfolios.*

Unfortunately our warming potential has increased this reporting year. We've been actively tracking this during the year and knew we would be disclosing a warmer portfolio. We've taken active positions in a couple of funds at the forefront of the low carbon and green transition which have exposed our clients to companies with currently increased warming potential. Many of these are infrastructure funds investing in waste management and water management businesses that are a critical part of the transition to a cleaner, greener future but we know are currently working through their own efficiencies as they relate to greenhouse gas management.

Therefore, the deployment of carbon equivalency metrics and greenhouse gas management frameworks is critical in these companies. The funds we've chosen to onboard during the reporting year who are focused on these types of companies are actively engaging to deploy such frameworks and targets, with our support (see our **ownership and engagement** section). Whilst we remain below the MSCI ACWI benchmark we use, we are resolutely committed to only working with fund managers who can demonstrate active engagement and success in driving performance improvement with many of these solutions-based companies.

As targets and frameworks are rolled out in our funds, and particularly in the two solutions-based funds we've chosen to support, we expect temperature to reduce. Changes in methodologies with third-party providers we use to assess these types of metrics are also subject to continual improvement and change. In line with our SBT commitment we'll continue to execute decisions in our portfolio to drive down further absolute carbon, carbon intensity and the warming potential for the foreseeable future, if not indefinitely.

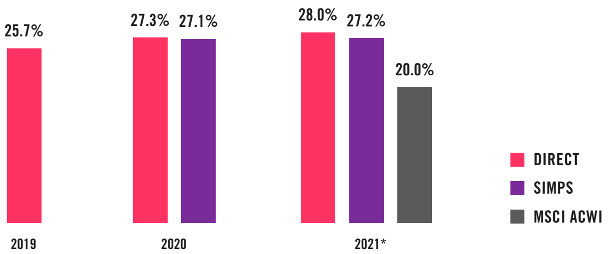
We believe it's important we disclose this performance. It demonstrates that, even for those of us with a solutions-based investing philosophy, driving the change required regarding our financed emissions and the climate more generally, requires a multi-year approach where we track our performance year on year. And in that approach, there may well be years where our performance figures temporarily deviate from the direction of travel we seek. Performance happens year on year, impact over time, and it's only by disclosing year on year that we can start to track out trajectory more accurately. Our move to a SBT will strengthen our reporting immensely. As will the changes that we've been actively deploying with our fund managers over the last 2 years.

Our ongoing CVaR scores are reassuring, given they directly relate to the climate related valuation risk embedded in our portfolios.

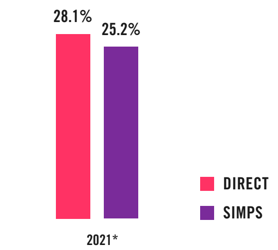
GENDER

This year we're also reporting again on high level metrics relating to gender, specifically focusing on women in business in positions of influence. We do this because we believe and we know, because of many different studies[21, 22, 23], that those companies with more gender diverse boards and senior management teams are likely to outperform their less diverse counterparts. We also know that they're more likely to set the conditions favourably for more sustainable business practices.

WOMEN ON THE BOARD**



COMPANIES WITH FEMALE CEO/CFO WEIGHTED AVERAGE**



COMPANIES WITH FEMALE CEO/CFO

* *The gender metrics cover 43.4% of our direct portfolio (94.7% of the equities covered) and 59.24% of the SIMPS portfolio (94.4% of the equities covered).*

** *This is the weighted average of women as a % of the overall Board composition in these portfolios / % of the portfolio invested in companies with a female CEO/CFO.*

21 www.mckinsey.com/~/media/mckinsey/business%20functions/organization/our%20insights/delivering%20through%20diversity/delivering-through-diversity_full-report.ashx
22 hbr.org/2019/03/when-and-why-diversity-improves-your-boards-performance
23 www.credit-suisse.com/about-us-news/en/articles/news-and-expertise/cs-gender-3000-report-2019-201910.html

Tribe IMPACT CAPITAL

Our ownership and engagement

EQUITY ENGAGEMENT

This reporting year we took the decision to move to a new custodian. We're working with them to increase our active ownership and engagement with companies. This will be reflected in our Engagement Policy.

Currently 6.4% of our equity asset class is invested in single line securities (that's 3.2% of the total AUM across all asset classes).

FUND ENGAGEMENT

We consistently work with our fund managers to improve impact performance and reporting. We're committed to strengthening our fund engagement and due diligence processes. This is the second year of our enhanced fund impact performance review process which is designed to illuminate both the positive and negative potential for impact embedded in our fund universe. This exercise allows us to compare potential impact trade-offs within our funds and is useful for follow-up engagement with our fund managers and sits alongside our quarterly fund review process.

We appreciate our fund managers receive a huge volume of requests from their clients and we're mindful of the pressure on them. However, our investment philosophy is the beating heart of Tribe, as are our client's values, and as such we do expect our fund managers to be responsive and to collaborate in the pursuit of excellence. As funds across fixed income, equity and alternative asset classes constitute 96.8% of our AUM, only together with our fund managers can we drive change.

2021 FUND IMPACT PERFORMANCE REVIEW

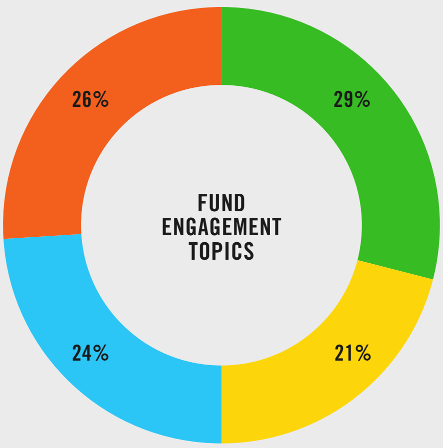
Over the past year we have continued to strengthen our fund engagement programme through a range of activities, many of which were directly linked to the social issues that arose during the pandemic. We use our AMI framework, our Net Zero and SBT commitments and the Future Fit Business Benchmark to inform our engagement with our fund managers (as well as our single line direct equity positions). We conducted three rounds of strategic outreach across our fund universe, as detailed below:

- We engaged with 12 of our core equity fund managers on their approach to impact measurement and reporting metrics. This was an opportunity for us to discuss common challenges and complexities, and work towards more harmonised approaches to impact reporting in the future.
- We engaged with 29 of our equity and fixed income managers on their investment policies and exposure to controversial industries. This gave us valuable insight into the (minor) impact trade-offs that exist within our universe, as well as the level of rigour that our fund managers demonstrate during company selection and impact monitoring.
- We initiated engagement with 26 fund managers on their approach to proxy voting and climate/ESG-related resolutions. This is an important opportunity for us to assess the values alignment and impact integrity of the fund houses we work with.

We also engaged with our fund managers on a wide range of company specific ESG and impact issues:

Governance issues included:

- Product safety governance
- Business ethics
- Tax practices



Environmental issues included:

- Decarbonisation strategies
- Biodiversity impacts
- Sustainable buildings

Social issues included:

- Supply chain labour management
- Impacts on local communities
- Diversity and inclusion

Cross-cutting issues included:

- Data security
- Conflict minerals
- Animal testing

FUND MANAGER ACCOUNTABILITY

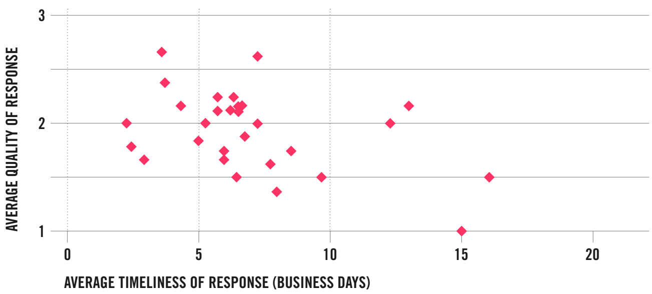
Throughout our interactions with fund managers, we continue to track both the timeliness and the quality of their responses, as displayed in the graph below. We reported on this during the last reporting year and are pleased to see improvement.

On average, most fund managers respond to our queries and information requests within 5 - 10 business days. This is similar to our reported data from the last reporting year, although there is some marginal improvement. The average quality of their responses is varied, and we've identified clear leaders and laggards; here we can evidence a marked improvement in the average quality of the responses we received this reporting year.

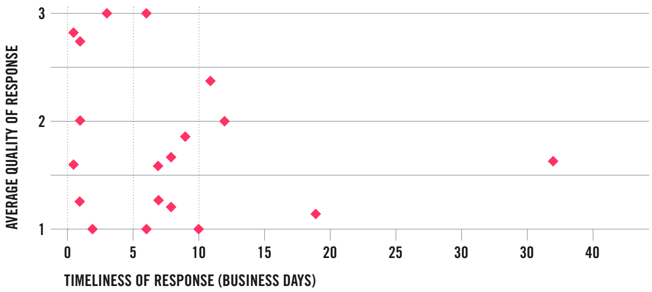
We score the quality of each response on a scale of one to three. A score of one represents a brief and basic response with limited detail; two represents an articulate response and a good level of understanding of the issue raised, with evidence of previous engagement with the company/companies in question; three represents a comprehensive response and a deep understanding of the issue raised, with evidence of ongoing engagement and follow-up with the company/companies in question.

These timeliness and quality scores help inform our view of the fund managers we work with and help with reduction and divestment-based decisions. During this reporting year we fully divested from 3 equity funds because of our discomfort with changes to their underlying holdings, differences in house views regarding controversial products, services, or practices and/or a lack of confidence in their ability to engage for change. One example here that did underpin some of our divestment, is the inclusion of dedicated natural gas players in funds which we won't tolerate unless there is clear and evidenced intent of transition to cleaner, low carbon alternatives. We also significantly reduced our exposure to one of our core global equity funds because of dissatisfaction with their ability to engage effectively with two companies of concern.

2021 FUND MANAGER RESPONSIVENESS

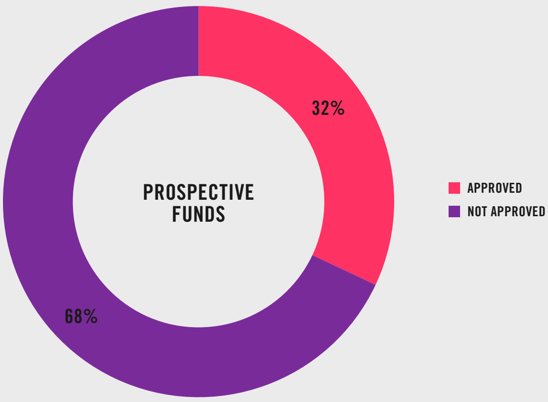


2020 FUND MANAGER RESPONSIVENESS



FUND SELECTION AND DUE DILIGENCE

We keep a close eye on the new funds coming into the market to ensure that we're offering our clients the best possible impact investment opportunities. We're acutely aware of the marked increase in products coming into the market. We welcomed the EU Sustainable Finance Disclosure Regulation (SFDR)[24] framework as a mechanism to ensure quality investment solutions in the sustainable and impact investing marketplace.



Over the past year we've reviewed more than 30 funds for potential inclusion in our investment universe. Of those we reviewed, 22 funds made it to the initial due diligence stage. 7 of these went on to be approved and 15 did not.

Among the unsuccessful funds we identified a range of shortcomings: such as a lack of consistency between the fund philosophy and the companies selected, a lack of understanding of impact and the potential trade-offs embedded within certain companies and sectors, and a lack of differentiation and superior performance when compared with our existing funds.

24 eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019R2088

Market development support

We continue to sit on the Development Council of the Future Fit Benchmark (FFB)[25] which is a collaboration of businesses and investors looking at how we partner and drive to deliver the SDGs and create a future fit society.

During this reporting year we committed to becoming a Future Fit Pioneer and report on our progress which we'll do later this year.

We're delighted to form part of the beta testing group for the Science Based Target methodology which we're now deploying in our business. This toolkit for the finance sector, we believe, is the best-in-class product and approach in the marketplace and we're thrilled to see a significant uptake in companies adopting SBTs during the reporting year. As of publication date, there are 1640 companies taking action, and 813 companies with approved SBTs - 665 of those with SBTs linked to a 1.5 warming trajectory.

Finally, we're proud to be supporting the Ocean Plastic Leadership Forum on the Ocean Plastics Dialogues. These dialogues are convening companies, regulatory and policy makers, NGOs and activists, waste pickers themselves and investors around the world in support of a binding UN Global Treaty on plastics. The first dialogue was in March 2021. We've been supporting OPLN for the last 2 years and have been impressed with the international support they've been able to gain and the progress they've made. Collaboration is the key we believe will unlock the changes that are required to drive a unified, global response to the critical issue we have of plastic waste and its devastating impacts on our oceans and their health.

We continue to sit on the Global Steering Committee for the Global Ethical Finance Initiative, which brings together stakeholders to advance ethical, sustainable and impact investing amongst a broad coalition of finance stakeholders. It also delivers practical projects to support those stakeholders.

Future-Fit Business

SCIENCE BASED TARGETS

OCEAN PLASTICS LEADERSHIP NETWORK

GLOBAL ETHICAL FINANCE INITIATIVE

Summary

It's been a busy year at Tribe. From starting the reporting year with some degree of trepidation about the future given the unprecedented nature of the pandemic, we've been uplifted and inspired in equal measure by our clients, our employees, our Fellows, fund managers and companies. We've experienced a real sense of camaraderie and partnership that has driven us, and many other sustainable businesses, forward. We've been busier than ever, and this has manifested in the Tribe growing during the year, both in terms of AUM, clients, and employee headcount. We would like to express deep gratitude and thanks to all those who have helped us during the year.

We still have much to do. Our performance data for this reporting year, positioned comparatively against our last 2 years of reported data, highlights that whilst we've continued to perform strongly, we've increased the warming potential of our portfolios, and the carbon intensity. We knew that the data we reported for the first few years was subject to a degree of movement (positive and negative) as a result of data coverage and some changes in reporting cycles and reporting methodologies. These changes in our performance can't only be attributed to that as we've previously discussed, and they serve to inspire us to work harder for the change we seek.

Investing in public markets for change isn't without its challenges and the impact we seek will only come as a result of being on top of our performance at all times and knowing

25 futurefitbusiness.org/

that the decisions we take will drive the change. Decisions we've taken this year have created some negative short-term movement in our core impact performance which we knew would occur when we took the decisions, but we remain committed to the positive change we know these decisions will create over the next few years, and decades.

That's also why we are excited about some of the structural changes that we've made to our reporting frameworks and our governance during the year. These changes will drive significant impact in our performance and our overall footprint. They include a change in custodian, and the adoption of the Future Fit Pioneer status, as well as the Science Based Target beta testing and subsequent release of the methodology, we'll be using to track alignment with the Paris Climate Agreement.

As we approach our 5th birthday in November, we're proud of what our clients have been able to achieve with us, for themselves and for society at large. With new tools in our toolkit, higher hurdles for our fund managers to reach, a move into investing directly in publicly listed businesses, and the support of our partners, we're looking forward to the future.

The past 18 months have changed everything. We passionately believe we're now closer to creating the future we need than we've ever been before. We hope you do too.

Thank you for being a part of, and taking an interest in, our journey.