



Investment Management for charities

A personalised service for charities

Choosing an investment manager for your charity can seem like a difficult process. Our approach means you do not have to compromise on what you need

We have built a sustainable and collegiate culture, that puts the needs of clients first and foremost. We hire exceptional people, invest heavily in their training and nurture them for the long term. This ensures that there is a continuity of service and trustees can build a successful long-term relationship with their investment manager.

Our offering is underpinned by a robust and repeatable investment process which provides a solid framework within which to manage discretionary segregated portfolios. By taking time to understand your circumstances, we can then construct the optimal portfolio, applying these proven and longstanding processes.

We have consistently been recognised by various industry experts, judging panels and awarding bodies for our investment performance and client service. We are proud of these achievements.

Over the next few pages we have provided an insight into our service for charities and would encourage you to get in contact should you require any further information.

We look forward to welcoming your charity as a client and working with you for many years to come.

Nick Murphy,
Head of Charities



Smith and Williamson have been our investment managers for over three years now. They regularly provide great analysis and bespoke reporting to our board, and the portfolio has performed comparably to benchmark since inception. Our thanks go to the team for their continuing hard work.

**All quotes extracted from our client satisfaction survey between November 2015 and September 2017.*



Our charity service

Smith & Williamson is one of the UK's leading independently owned investment managers. Founded in 1881, we have been managing charity portfolios for over 100 years.

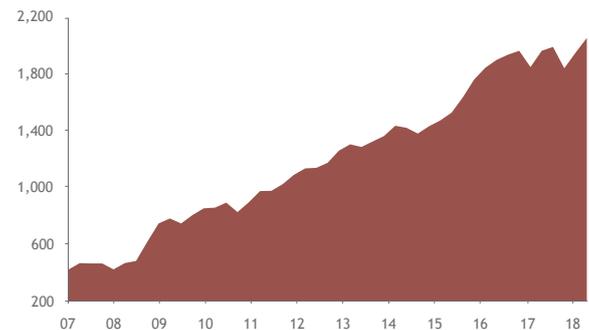
We are one of the larger investment managers in the charity market with a little over £2 billion of charity funds under management (at 30 June 2019). Charities across the UK benefit from the expertise of our specialist charity teams in our Belfast, Birmingham, Bristol, Dublin, Glasgow and London offices. We liaise directly with trustees to build portfolios tailored to the charity's individual requirements and evolving goals.

Charities are an integral part of our business, and the way we engage and communicate with trustees is fundamental to the service we provide. Trustees deal directly with the investment managers responsible for making the decisions on their portfolios. Smith & Williamson has a stellar reputation for client service and we work hard to ensure that this is maintained.

Charity Services in brief

- The charities & not-for-profit group is the third largest and the single fastest growing business area within Smith & Williamson
- We have over £2bn of charity and not-for-profit assets under management (as at 30 June 2019)
- We construct portfolios to meet each charity's unique requirements.

Growth in charity assets under management (£m)



Our approach

Our market place has seen a move towards an increasingly commoditised ‘one size fits all’ approach. This may make sense from the perspective of profits for the investment manager, but trustees should ask whether this makes sense in terms of the needs of their charity.

Trustees often find that their charity’s requirements, environmental, social and governance (ESG) concerns and risk management can seem like an afterthought. At Smith & Williamson we construct portfolios to meet each charity’s unique requirements. Each investment team uses our robust investment process to build a portfolio that meets each charity’s specific needs.

Within this our investment philosophy rests on three key pillars:



Quality

We look for high quality and sustainable business models that should outperform in all markets.



Liquidity

We believe that portfolios need to be flexible in order to adapt to changing economic and market conditions.



Diversification

We believe that our well diversified portfolios should add value both in rising and falling markets.

Risk management

Risk and return are two sides of the same coin. Our long term track record can be attributed to our risk controls.

Good risk management starts with an in-depth understanding of each charity which is at the heart of what we do. This philosophy permeates every aspect of our engagement with trustees and the delivery of our services.

Ensuring that risk taken is intentional, transparent and clearly understood by all trustees is crucial and reflected in our reporting and regular reviews of investment policy.

Responsible investing

UN PRI & the UK stewardship code

Smith & Williamson is a signatory to the United Nations Principles for Responsible Investment (UN PRI) and the UK Stewardship Code. These two sets of principles were developed to encourage the adoption of responsible investment practices within the investment industry.

Corporate Engagement

We hold over 500 meetings with companies each year. Where necessary we engage in proactive discussions with companies if there are ethical, environmental, social or corporate governance concerns. As a signatory to the UN PRI, we are part of a network that allows us to collaborate with other investors on company specific issues.

Voting

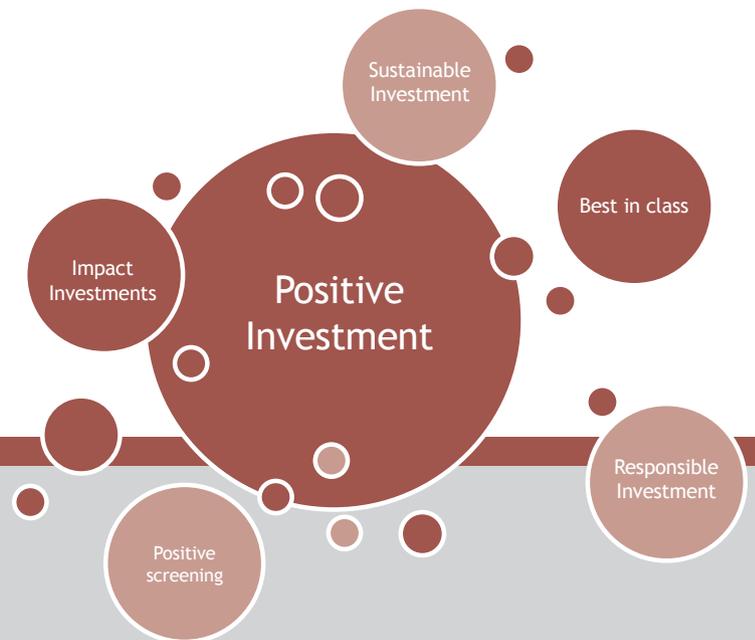
At a firm level we now vote on around 700 shareholdings (domestic and international). We work with the leading proxy voting service Glass Lewis to inform our decision making, which we adapt to suit our own requirements & policies.

ESG in our Investment Process

As environmental, social and governance (ESG) investment becomes central to charitable investment requirements, our bespoke approach allows us to tailor your specific needs in your

portfolio. Trustees can take comfort in the fact that we can incorporate both qualitative and quantitative factors, risk mitigation, the positive effects of impact investing, transparency of governance, good stewardship and engagement. Trustees can work in collaboration with their investment manager to review the stocks and shares in the portfolio on a regular basis

Being actively involved allows us to engage directly with those businesses that are on the path to improvement in their ESG factors rather than immediately screen them out. This is an investment style that continues to evolve and remains at the heart of our investment ethos. We also have an enhanced capacity for screening third party funds, measuring impact and applying carbon ratings.



Client satisfaction

Since November 2015 we have conducted regular surveys to gauge what our clients think of our service. The results, summarised below, are based on over 1,100 responses* and show consistently high satisfaction across a number of key areas.

Communication

96%

said we were excellent or above average at explaining technical issues



Loyalty

99%

say they would, or already have recommended us to a friend or relative



Understanding your needs

94%

said we were excellent or above average at understanding their needs

Value for money

91%

said we offered excellent or above average value for money



Availability

98%

thought we were excellent or above average at returning their emails/calls



Our people

99%

thought our approachability was excellent or above average



Meeting your objectives

92%

thought we were excellent or above average at meeting their objectives



Past performance is not a guide to future performance

*approximately 10% of our client base. All data as at 30.09.17

Services for charities

Trustee Training

Trustees can attend our regular free training seminars at our offices around the country. Being a leading accountancy practice as well as an investment manager means we can offer a wide range of seminar topics.

Charity Conferences

We also hold two charity conferences each year, one in London and one in Birmingham. Previous topics have included ethical investment, the role of benchmarks, reserves policies and strategic asset allocation.

Monthly Bulletins

Our charity trustees can receive monthly bulletins discussing key issues in the charity sector.

Client service reviews

To ensure that we are consistently providing a service that is attuned to our clients' needs we survey our clients on a regular basis. The results show consistently high satisfaction across a number of key areas.



“I like the personable approach of my portfolio manager; I feel I know them and they know me, rather than our relationship being one of rules, regulations, terms and conditions and box ticking.”



Get in touch:

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Capital at risk. The value of investments and the income from them can fall as well as rise and you may not receive back the original amount invested.

Offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin (City and Sandyford), Glasgow, Guildford, Jersey, Salisbury and Southampton.

Smith & Williamson Investment Management LLP Authorised and regulated by the Financial Conduct Authority (registration number is 580531).

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