



Impact Report 2021 - 2022



Holden & Partners were named Best ESG Adviser in the Professional Adviser Awards 2022

Holden & Partners and B Corp

Holden & Partners are one of only a few independent financial adviser firms to have achieved Chartered status and B Corporation (B Corp) accreditation.

We provide high quality, bespoke financial planning, and investment management advice whilst encouraging clients to invest ethically and responsibly. We believe in creating a positive impact on our wider society and the planet. As well as being highly qualified, our advisers and firm deliver a first-class, bespoke service to our clients, building enduring partnerships and trust.

What is a B Corp?

**A growing community
of 4,000 companies across
74 countries, in 150 industries.**

Much like a Fairtrade certification for companies, certified B Corp businesses balance purpose and profit. They are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. This is a powerful community of leaders, driving a global movement of people using businesses as a force for good.



A message from our Managing Partner, Steven Pyne

Welcome to our 2021-22 Impact Report. Compiling the information to create this report is becoming an important part of our calendar at Holden & Partners; it is a moment to take stock of how far we have come as we assess our own environmental impact, and importantly to consider how we can improve still further.

Businesses have an opportunity to be a force for good and anything we can do to improve the lives of our clients, staff and stakeholders, whilst also reducing our environmental impact, is to be welcomed. Having external validation of what we are doing in all these increasingly important areas is incredibly important to us, as is the focus on continuous improvement. That's why we are proud to be a B Corp and to introduce this year's report.

My 3 highlights in this year's edition are:

Winning Best ESG Adviser at the Professional Adviser Awards. Achieving this external recognition within our industry for our work in sustainable investment was a hugely significant moment as we have been independently judged alongside our peers and found to be the best.

Signing up to B Corp's Net Zero 2030 mission and taking clear action by engaging a third party to help us estimate our emissions and offset what cannot be avoided through gold standard projects.

Communicating more about sustainable investment and what it means to customers through our publications and our recent myth-busting webinar.

Looking ahead

When we write our report next year it will be against the backdrop of Holden & Partners' 20-year anniversary of when we established ourselves as one of the very first sustainable advice firms. As we hit this milestone, we will continue to hold those principles of benefiting people and planet which have always been important to us, at the centre of our business, whilst also looking for new opportunities and areas on which to focus. In particular we are looking forward to returning to the volunteering work that the pandemic disrupted, and also starting some new initiatives focused on diversity in the financial sector.

If you would like to know more about our B Corp journey, then please do get in touch.



An award-winning year



During 2021-22, we were proud to have either been shortlisted for or won a range of awards, which include:



Professional Adviser Awards
Best Adviser Firm for ESG



Professional Adviser Awards
Highly Commended, Adviser Firm of the Year



Professional Paraplanner Awards 2021
Paraplanner Team of the Year



New Model Adviser Top 100 - 2021



2021 thewealthnet Top Financial Planning Companies





‘I am proud of the work I do with my clients because we are helping to shape a more sustainable world for today and for future generations.’

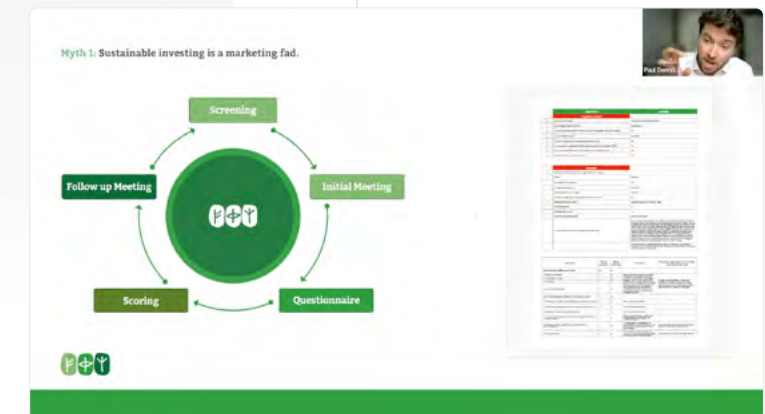
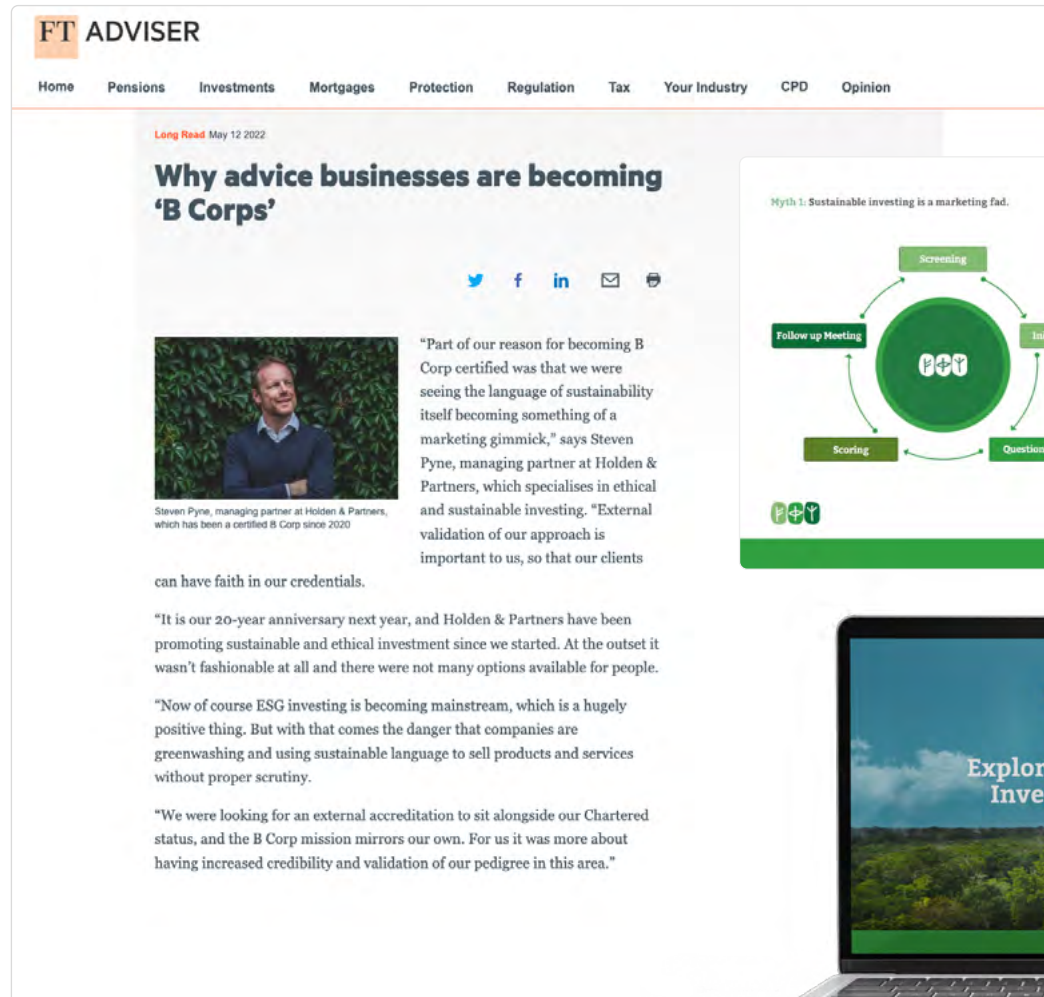
**Stefani Williams,
Financial Planner & Partner**



Spreading the word



An important part of becoming a B Corp is spreading the word and advocating an approach that combines people and planet. We have been more proactive than ever this year in talking to the media, producing our own articles, and holding a myth-busting sustainable investment webinar for clients.



Supporting our Charity Partner



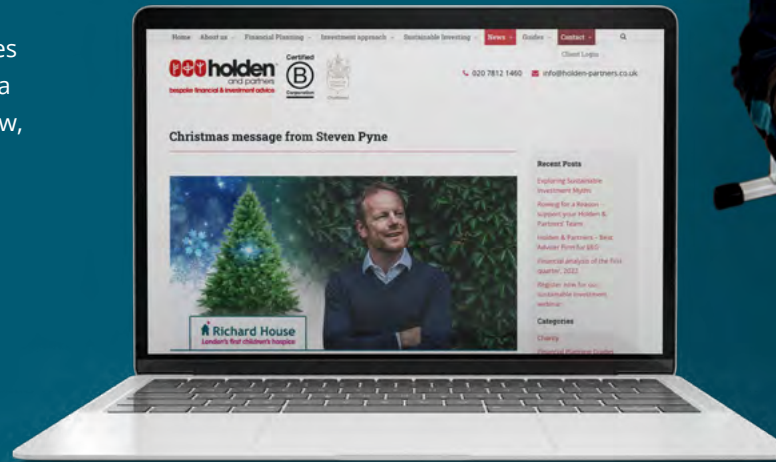
 **Richard House**
London's first children's hospice

£3,810.00

This year we have raised £3,810 for our Richard House Hospice.

We rowed the 346km of the (virtual) Thames in the Holden & Partners office and launched a Christmas appeal to our clients and contacts.

Richard House Children's Hospice serves the heart of east London. They deliver specialist care for babies, children and young adults with life-limiting and life-threatening conditions, while supporting their families through counselling, therapy, bereavement support and more. With a focus on living for today and creating positive memories for tomorrow, they also offer a range of activities for all the family to enjoy.

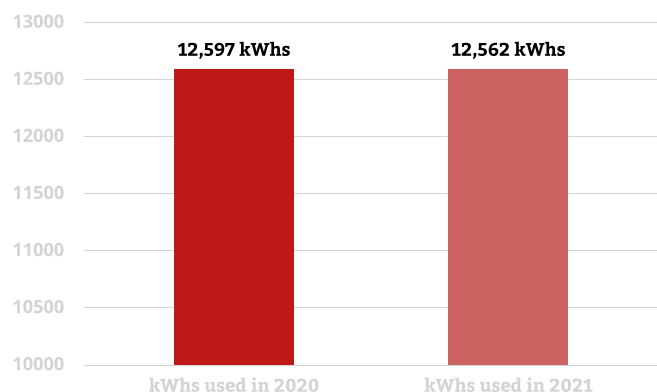


Holden & Partners' impact on the environment



We track key metrics connected to the electricity usage, printing and waste in our London office. We anticipated that it would be harder to make improvements this year over last year as the pandemic prevented people from coming in, but we are pleased to report that we have generated further savings across all three categories.

Electricity used:

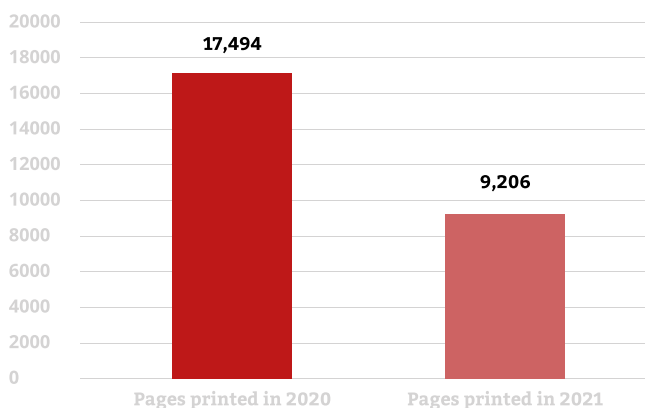


kWh's used in 2020	kWh's used in 2021
< 12,597 kWhs	12,562 kWhs

Unlike 2020, in 2021 the office was open for most of the year (after the initial lockdown early in the year). Because of this, it is not unreasonable to expect electricity usage to have increased substantially over 2021 when compared to 2020. However, we managed to reduce our usage very slightly year on year (35 kWh difference).

Over the next year, we plan on completing an office refurbishment and one of the big inefficiencies we have identified is the office lights, which when replaced will result in big efficiency savings.

Pages printed:

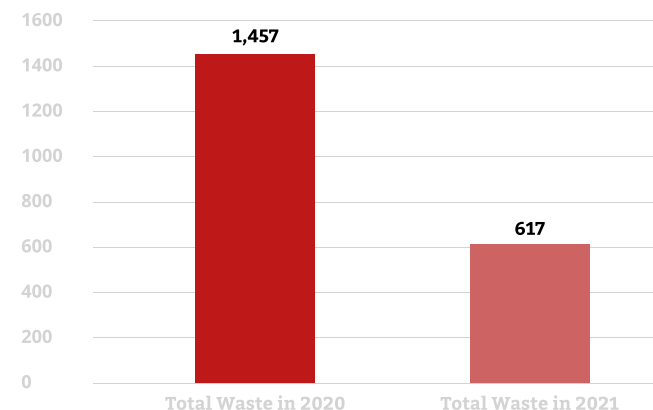


Pages printed in 2020	Pages printed in 2021
< 17,494	9,206

A similarly positive result when comparing 2020 to 2021, with a reduction in printing levels by 8288 pages year on year. Part of the reduction we believe is a change in mentality when it comes to printing. There is a big emphasis on printing only when absolutely necessary and making use of laptops and TV screens in meetings, and this has had a positive impact on our printing levels.

As ever, when we do need to print, this is on recycled paper.

Waste produced:



Total waste in 2020	Total waste in 2021
< 1,457 kgs	617 kgs

Waste levels fell from 1,457 in 2020 to 617 in 2021 (excluding food waste). The primary source of our waste is paper, and with the fall in levels of printing, it is positive to see the direct impact that has on our waste levels.

We continue to use the services of a circular recycling company whereby our wastepaper is separated, broken down into fibres, cleaned, screened, de-inked, dried and pressed to form new paper.

We plan to introduce further metrics as we develop as a B Corp, such as our carbon footprint. Any metric assessed must be able to be measured accurately.





NET ZERO | 2030

In 2021, we signed up to the B Corp Net Zero 2030 pledge. This is a commitment to reduce carbon equivalent emissions by as much as possible from their current levels, and offset any residual emissions which cannot be reduced. This is not just about offsetting, it is about actually reducing levels of emissions. This will involve maximising the efficiency of the office (i.e. replacing old equipment, fixtures and fittings) along with assessing and switching our suppliers where a more suitable option is available.

This commitment requires the measurement of our Scope 1, 2 and 3 emissions.

Scope 1 covers emissions from sources that a company controls directly (this would be things like fuel burnt to power buildings/vehicles). In the case of Holden & Partners, we have very limited Scope 1 emissions, to the extent that only the air conditioning gas top ups are included which is simple to measure.

Scope 2 deals with the indirect emissions from the generation of our electricity. Again, this is straightforward to measure.

Scope 3 encompasses all emissions that are not produced by the company directly, but by anything relating to our firm in the entire value chain (this can include things like employee commuting, supplier emissions etc). This is typically the largest share of a business's emissions, and is more difficult to accurately determine. We are using the services of a third party to help us estimate our emissions, and once the total has been determined, these will be offset in gold standard projects. The gold standard certification helps to ensure any project chosen adheres to the highest level of integrity and has a verified impact on one or more of the Sustainable Development Goals.

‘The investment universe is changing with greater demand for sustainable investing from clients pursuing not only profitability but investments that have a positive impact on the world. Sustainable investing has been at our core since Holden & Partners opened its doors and I believe that the expertise we have built up puts us in the best possible position to help clients balance their family’s financial future with the future of the planet.’

**Dom Clark,
Paraplanner**



Reducing your carbon footprint through investment



We find that making figures tangible is one of the best ways of explaining the impact of sustainable investment to our clients. Our investment partner AJ Bell has highlighted the difference that investing in our sustainable balanced portfolio can make when you look at your carbon footprint.

£20,000

A £20,000 investment is equivalent to recycling 100 bags of rubbish.



£40,000

A £40,000 investment is equivalent to 5 acres of forests.



£50,000

A £50,000 investment is equivalent to taking your car off the road.



£80,000

An £80,000 investment is equivalent to going vegan for 5 years



The data contained within this document compares the estimated CO₂e emissions generated per unit of sales in the Holden & Partners Sustainable Balanced MPS to AJ Bell Passive MPS 3, relating to a comparable investment over a one-year period unless otherwise stated. Data is sourced from Morningstar, US Environmental Protection Agency, and Scarborough et al. "Dietary greenhouse gas emissions of meat-eaters, fish-eaters, vegetarians and vegans in the UK." Climatic change vol. 125,2 (2014): 179-192. doi:10.1007/s10584-014-1169-1

‘Most clients I speak to want to know not just that their investments do no harm, but that they are contributing to positive change. We take this guiding principle into the sustainable portfolios we build.’

**Paul Dennis,
Investment Director**

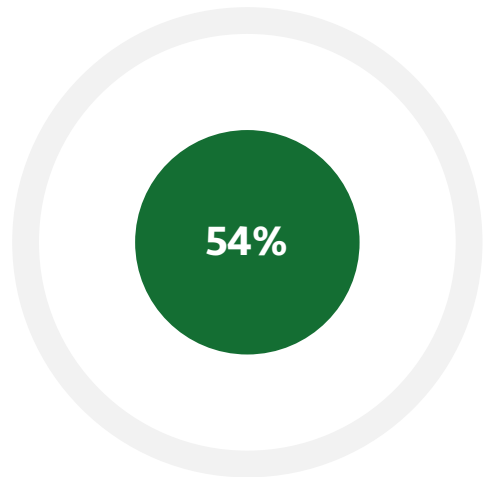


Our approach to sustainable investing

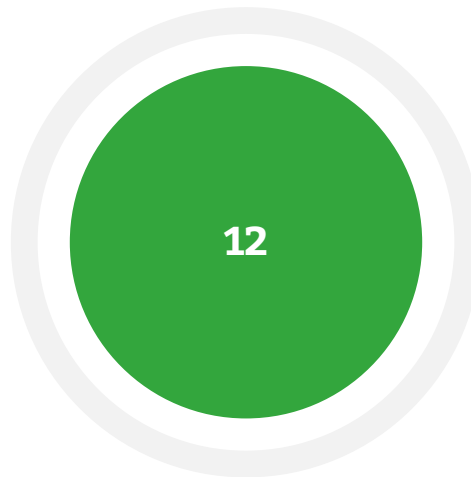


We are passionate about sustainable investing; it's at the very heart of our purpose, beliefs, and ambition. We seek investments that support sustainable development opportunities, which means aiming to meet the needs of the present without compromising the ability of future generations to meet their own needs.

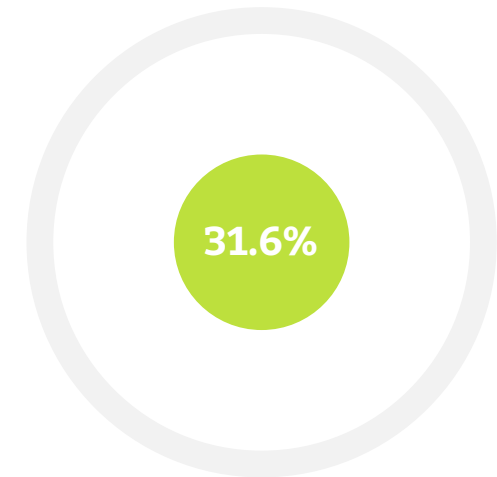
our sustainability performance in numbers



54% of assets under management are invested in ESG or sustainable funds, up from 43% last year



All our sustainable model portfolios generate revenue from the 12 investable UN Sustainable Development Goals (SDGs).¹



31.6% of the revenues generated by the holdings in the H&P Sustainable Balanced model portfolio can be mapped to the 12 investable SDGs.²

1. Worthstone deem 5 of the 17 UN SDGs are un-investable, therefore map against the remaining 12 investable SDGs (see next slide).

2. Our analysis is carried out on all Sustainable model portfolios but for illustrative purposes our most popular model portfolio has been used.

Measuring our impact



To find the true social and environmental impact of our portfolios, we have partnered with Worthstone, a company that conducts focused impact research on sustainable and impact funds.

Worthstone believe that 12 of the UN's 17 Sustainable Development Goals (SDGs) are investable, and all of our sustainable model portfolios generate revenue from these 12 SDGs. (The uninvestable SDGs are greyed out below).



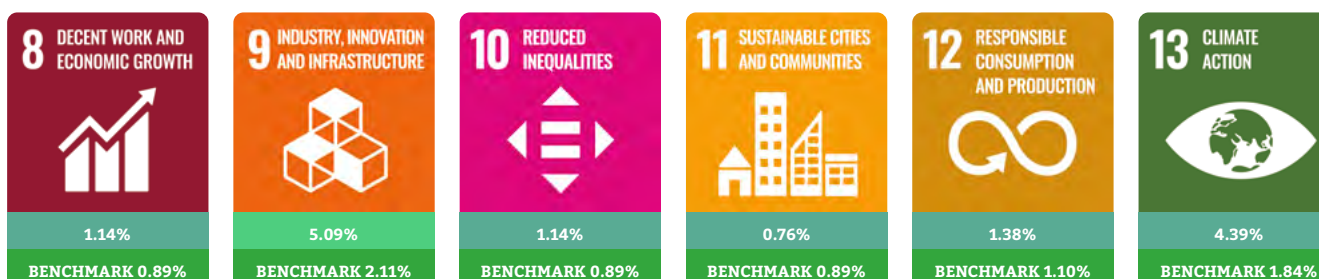
Case Study: H&P Sustainable Balanced



One of the best ways to illustrate how our process comes to life is looking at one of our portfolios, H&P Sustainable Balanced, and the metrics we track.

We use data from Worthstone to illustrate the percentage of revenues generated from the underlying holdings in the portfolio that align with each SDG, helping us visualise and assess the positive impact towards societal and environmental targets.

Revenues	
No Revenue	
0 - 2.5% Revenues	
2.5 - 10% Revenues	
>10% Revenues	



This shows that SDG 9, Industry, Innovation and Infrastructure, has the most aligned revenue generation from the underlying holdings, compared to the other SDGs in this case. For example, some of our underlying holdings invest heavily in companies supplying energy efficiency products to reduce resource use.

All figures reported are based only on funds that Worthstone have comprehensive impact data on (X% of the whole portfolio) therefore these figures might not be accurately reflecting the true social and environmental impact our portfolio is creating and should be taken only as an approximation.

Paris Alignment

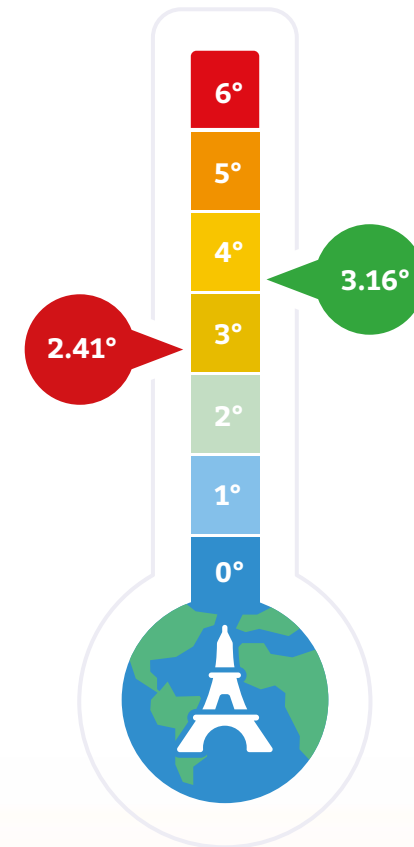


In 2015, at the 21st Conference of Parties (COP), The Paris Agreement was adopted by 196 member nations. The goal set is to limit global warming to well below 2, preferably 1.5 degrees Celsius, compared to pre-industrial levels.

We track our Sustainable Balanced portfolio's temperature alignment (in degrees Celsius) by the year 2100. This measure considers all emissions of underlying holdings including scopes 1, 2 and 3. It is particularly pertinent to consider scope 3 emissions as these represent emissions across a company's supply chain which are often missed from calculations, despite often contributing the most to a company's emissions. This is compared to direct emissions produced by a company captured in scopes 1 and 2 which are easier to quantify.

The Sustainable Balanced portfolio is estimated to be aligned with 2.41 degrees Celsius of warming by 2100. While this is above the target set in The Paris Agreement, is still well below the benchmark of a non-sustainable portfolio which is estimated to produce 3.16 degrees Celsius of warming and gives us a target for the future.

<https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>



Portfolio



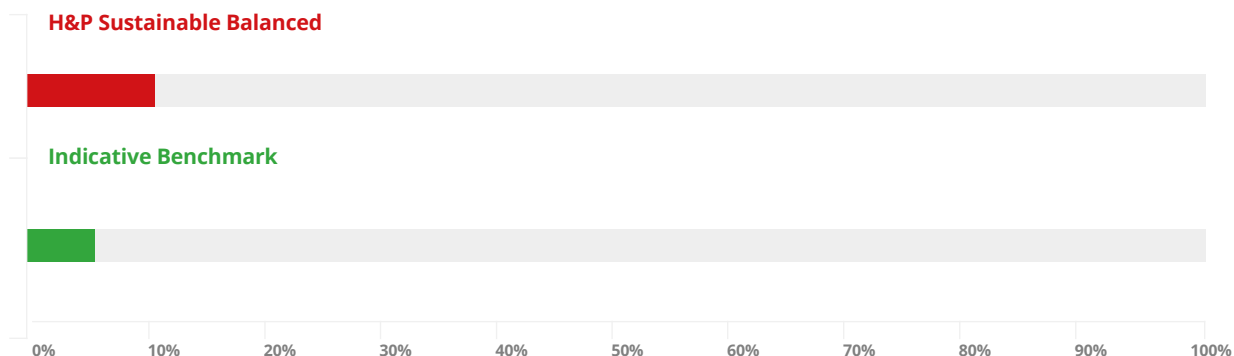
Benchmark



Impact Solutions Alignment



We track the percentage of our portfolio's weighted average revenue derived from impact solutions goods and services; here you can see the portfolio generates almost twice as much revenue from impact solutions compared to the indicative benchmark.



We also monitor how our portfolio's positive impact revenues are derived from each investment theme. The data shows that Holden & Partners' Sustainable Balanced Portfolio is focused on energy efficiency, alternative energy, as well as healthcare.



Social	40.5%	Environmental	44.3%
Healthcare	12.5%	Energy Efficiency	19.8%
SME Finance	7.7%	Alternative Energy	10.5%
Sanitation	7.1%	Green Buildings	6.0%
Nutrition	4.9%	Pollution Prevention	3.9%
Affordable Housing	4.5%	Sustainable Water	3.7%
Education	4.5%	Sustainable Agriculture	3.7%
Connectivity	0.6%		

* A high percentage weighting does not necessarily equate to higher absolute impact, but a more concentrated revenue from that theme. The Impact revenue attribution of all portfolios, regardless of their level of impact, will add up to 100% (subject to rounding of decimals).

Carbon risk

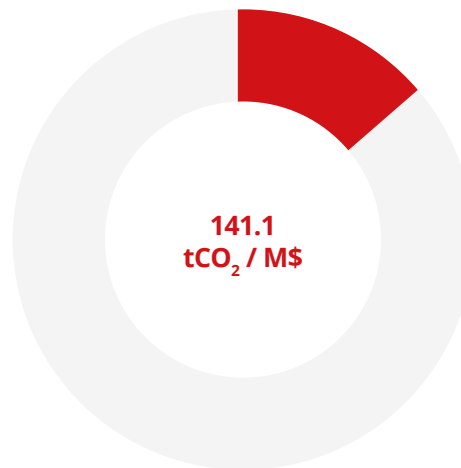
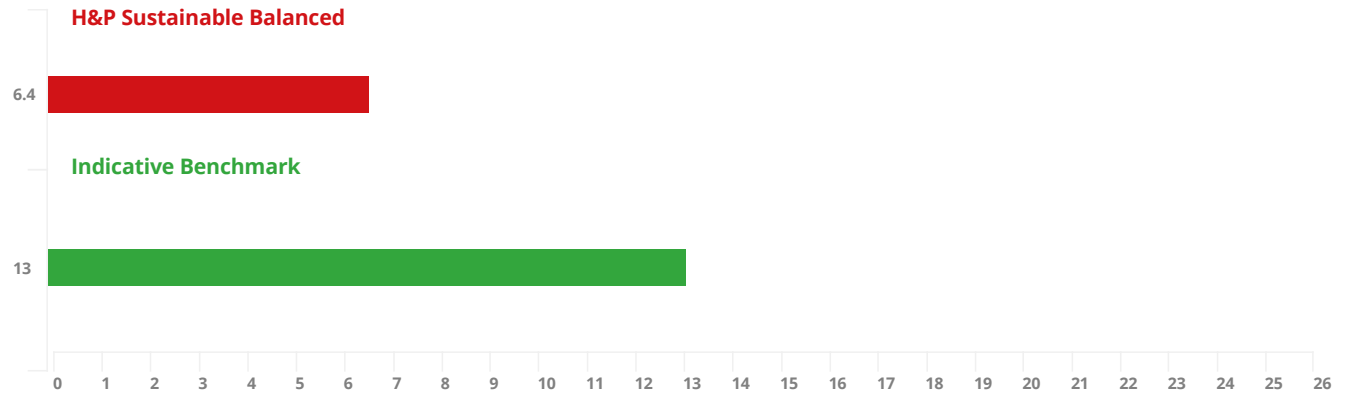


We track the material financial risk associated with our portfolio due to the implications of projected environmental policies and the transitional and physical impacts of climate change.

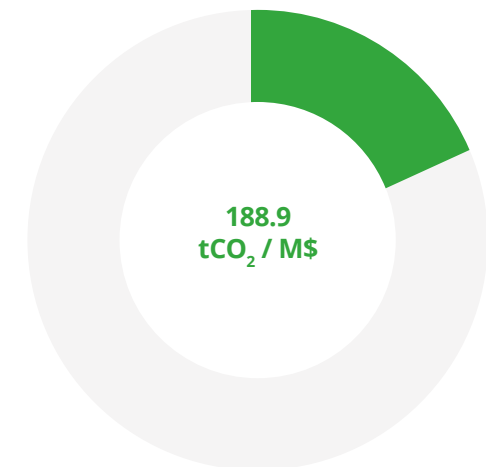
The weighted average carbon intensity of the portfolio (141.1 tCO₂/M\$), is the tons of carbon dioxide emissions per million USD invested, weighted by the proportion of each fund in the model.

To interpret the data, it is important to understand that the goal is not necessarily to create a portfolio with the lowest weighted average carbon intensity. Whilst a high score is indicative of greater carbon risk from the transition to a sustainable economy, many industries vital to the sustainable transition are relatively carbon intensive.

An example of this is a wind turbine manufacturer, over the entire lifecycle of a wind farm, the positive impact far outweighs the initial steel and carbon intensive manufacturing process, but a company that produces wind turbines would show a higher carbon risk score than a company such as Netflix, which does not score highly due the absence of a capital intensive supply chain within their industry.



H&P Sustainable Balanced



Indicative Benchmark

Environmental, Social and Governance (ESG) rating



The ESG rating is an important measure combining the following factors:



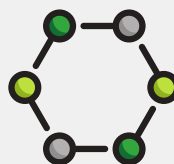
Environmental

Environmental factors include ecological stewardship, including waste, pollution, resource or biodiversity depletion, greenhouse gas emissions, and climate change.



Social

Social factors consider the relations between the company and people, both inside and outside of the organisation, this can range from modern slavery within the supply chain to diversity and gender pay disparities.



Governance

Governance has long been a focus for asset managers, and it focuses on the alignment of shareholder interests with management decisions. This directly impacts the ability of shareholders to promote change within a company and therefore has always been a fundamental aspect of corporate analysis.



What does this mean in practice?

For example, a company that produces renewable energy would score highly on an environmental basis, however ongoing labour disputes or inadequate workplace safety could lead to a poor social score, whilst a narrow board structure with low levels of diversity could also flag significant governance issues.



This score focuses on the ESG practices and opportunities associated with this portfolio's underlying holdings, providing insight into the companies' resilience to long-term, financially material ESG risks.

Sustainable investment in action



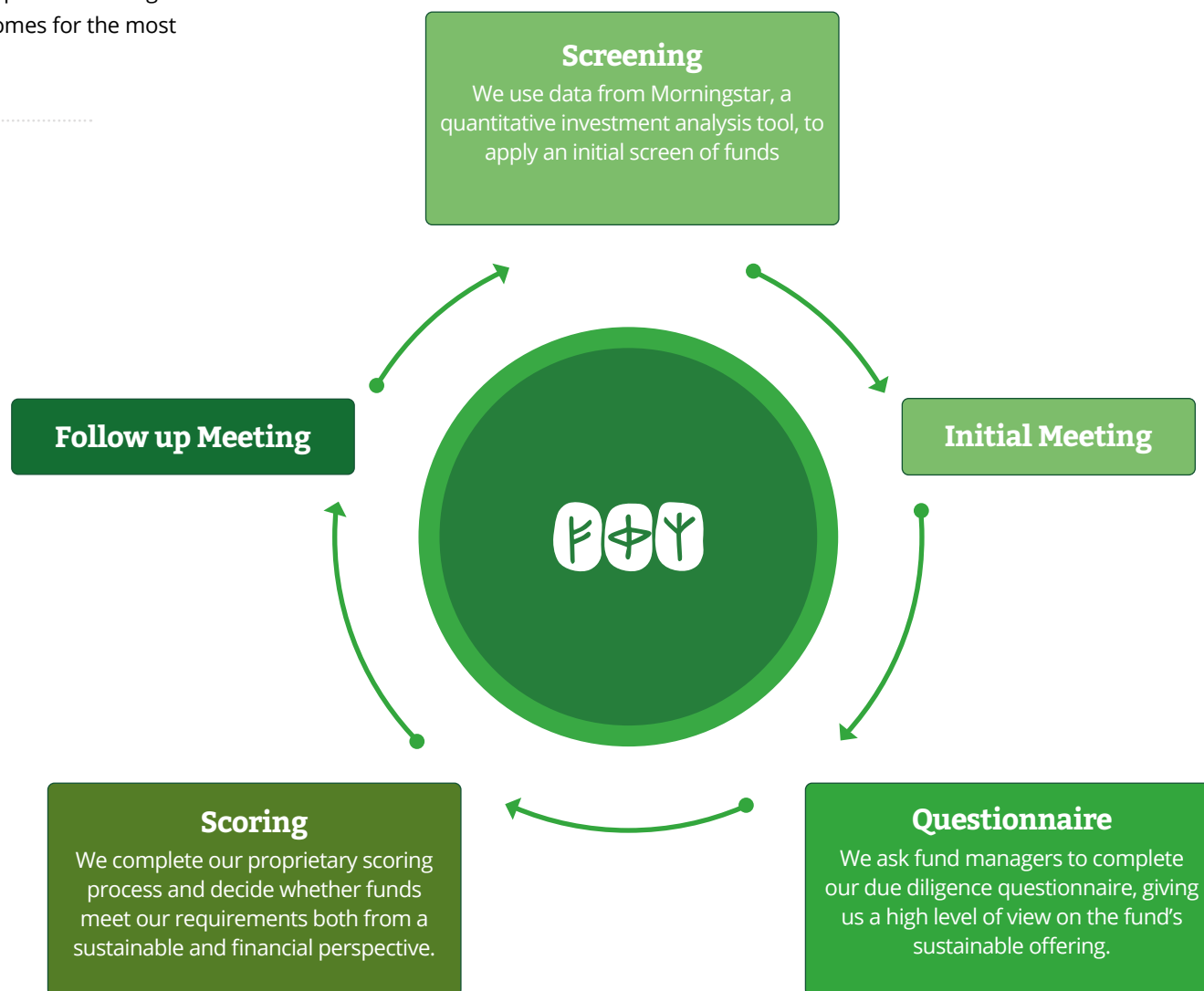
Understanding the theory is one thing, but most investors we speak to are eager to know how their investments will contribute to positive outcomes for the most pressing global issues.

How we select our funds

To bring our sustainable investing philosophy to life, our Investment Team uses a thorough quantitative and qualitative selection process for all funds held in our sustainable portfolios.

Sustainable investment in action

Over the next few pages, we outline some of the funds that we invest in, and some of the companies that are in their portfolios to show their real-world impact.



Sustainable investment in action

Ninety One's Global Environment Fund features in many of our investment portfolios, investing in companies that will benefit from sustainable decarbonisation.

All companies invested in generate at least 50% of revenues from environmental means and actively avoid carbon based on a classification system. The fund has a 100% focus on SDG 13, climate action.



Iberdrola is the number one producer of wind power and one of the world's biggest electricity utilities in Spain, the US, the UK and South America, having embarked on the mission to tackle climate change 20 years ago.

They invest in renewable energy, smart grids, large-scale energy storage and digital transformation, supplying energy to clean energy to almost 100 million people. (Source: Iberdrola.com)

7 AFFORDABLE AND
CLEAN ENERGY



13 CLIMATE
ACTION



Sustainable investment in action

Stewart Investors Asia Pacific Leaders Sustainability embeds sustainability factors into every part of their analysis, with a focus on companies that are positive to the social and economic aspect of the country in which they operate.

The fund looks to invest in quality companies which are particularly well positioned to benefit from and contribute to sustainable development.



CSL is an Australian healthcare company that develops and manufactures vaccines and plasma protein biotherapies.

The company is a quality global franchise that rose to prominence almost a 100 years ago when it developed an influenza vaccine during the Spanish Flu pandemic.

CSL has a dominant market position in blood plasma derivatives, for which there are no alternatives. It operates one of the world's largest plasma collection networks and is the chosen national plasma fractionator in several Asian countries. It is also one of the largest global providers of influenza vaccines and plasma derived products.



Sustainable investment in action

The **Renewables Infrastructure Group** aims to generate sustainable returns from investing in renewable infrastructure that contributes towards a zero-carbon future.

Their dedicated sourcing team look to purchase mostly solar and wind assets in the UK and Europe. Annually, the portfolio is capable of powering over 1.3 million homes and saving 1.6 million tonnes of CO₂, directly contribution to SDGs 7 and 13.



East Anglia One is a newly constructed UK offshore wind farm. The wind farm is located 4.3km off the Suffolk Coast and generates enough electricity to meet the demands of 630,000 homes.

This holding furthers TRIG's ESG goals underpinning the Company's contribution to supporting the United Nations Sustainability Goals.



Sustainable investment in action

UBAM Positive Impact Emerging Equity focuses on companies which have products and processes which aim to deliver social or environmental benefits, and excludes companies which contribute to the world's societal or environmental challenges.



Safaricom is a Kenyan mobile network operator headquartered in Nairobi.

The company are pioneering mobile money to alleviate poverty.

The mobile money plan has potential to be hugely beneficial and the additional infrastructure developed by Safaricom has broader positive economic impact on Kenyan society. As a consequence, the business is helping to provide basic needs through financial inclusion and hence meets the positive impact criteria that the fund uses to select holdings.



We are Chartered Financial Planners



Chartered status represents the pinnacle for financial planning firms, demonstrating that we have met the high standards required for best practice and customer service.

We play an active role in building a more sustainable economy



The Green Alliance; a UK think tank that aims to make the environment a central political issue for policy makers



The UK Sustainable Investment and Finance Association

(UKSIF) which promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment.



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