

The **co-operative**  
asset management

An introduction to

# **The Co-operative Asset Management**



This document is intended for investment professionals only and its content should not be relied upon by private investors when making investment decisions.

# About Us



“Our approach is focused, long-term and valuation-based with a high degree of ESG research integrated into our investment ideas.”

Paul McGinnis, Head of Research

## **The Co-operative Asset Management**

The Co-operative Asset Management is a stand-alone fund management company, which benefits from the stability and strength of its parent company, The Co-operative Group. We manage around £19 billion in a range of investment portfolios for UK intermediaries and their clients as well as pension funds, life companies and other institutional clients.

Our investment approach is best characterised by our long-term focus, our robust, pragmatic philosophy of sustainability, and our strong, yet flexible, framework. These characteristics lie at the heart of The Co-operative Asset Management's proposition, and the strength of this approach is borne out by our investment team's strong and consistent long-term performance.

## **What characterises The Co-operative Asset Management?**

### **1. We dig deeper**

The Co-operative Asset Management's investment approach, integrates financial and environmental, social and governance (ESG) research themes throughout the process, providing an additional layer of analysis that ensures more thorough research and more exhaustive questioning.

### **2. We think long-term**

Many investment firms focus on the short-to-medium term, an area we believe is overcrowded and where there are fewer chances to uncover profitable opportunities others may have missed. We believe there is more potential for outperformance, and less risk

overall for our clients, by investing for the long-term. This means that we tend to hold companies in our portfolios for three to four years, much longer than the industry average.

### **3. Focused portfolios**

Our portfolios tend to be relatively concentrated – with between 40 to 60 holdings in equity portfolios – and therefore every holding needs to pull its weight. Stock selection is driven by robust, detailed fundamental analysis. And we believe that by including key questions on ESG issues, we become more attuned to industry dynamics and can therefore recognise developing themes and trends at an early stage.

### **4. An experienced and stable investment team**

We have over 50 investment professionals based in Manchester. The fund management team consists of nine experienced fund managers who have managed portfolios through numerous market and economic cycles. Fund manager turnover is exceptionally low compared with the industry average, with an average fund tenure of eight years.

## **Our Fund Range**

We manage a range of actively run, segregated funds for charities, insurance companies, pension funds and other institutions.

We are always happy to create bespoke, sustainable mandates to meet the needs of institutional investors.

We also manage a number of collective funds which are available to institutional and retail clients.

# About The Funds

## CIS Sustainable Leaders Trust

Fund Manager: Mike Fox



A UK growth fund focusing on the core themes of the environment, human welfare and sustainability to generate superior investment returns.

### Highlights

- OBSR, Morningstar and Citywire Selection rated.
- The first ethical fund to top the UK All Companies sector (with over 320 funds) over a 12-month period in January 2007.
- Aims to outperform the UK FTSE All-Share Index.
- Invests in the core themes of sustainability, the environment and human welfare and avoids investment in industries with a detrimental impact on society, such as tobacco, armaments and oil.

## CIS Sustainable Diversified Trust

Fund Manager: Linda Desforges

A well-positioned fund providing capital growth from investment in a diverse range of asset classes, primarily in the UK.

### Highlights

- Diversified – The Fund will take advantage of investment opportunities across a range of asset classes.
- Sector: IMA Cautious Managed – The Fund is a relatively low-risk vehicle with an emphasis on downside protection.
- Benchmark Unconstrained – The Fund will be active in its asset allocation and stock selection seeking out investments that are attractive on a total return basis.
- Invests in the core themes of sustainability, the environment and human welfare and avoids investment in industries with a detrimental impact on society, such as tobacco, armaments and oil.

## CIS Sustainable World Trust

Fund Manager : Mike Fox

A diversified international fund generating long-term capital growth from a blend of the best sustainable companies around the world.

### Highlights

- The Fund concentrates on companies making a positive impact on society and avoids investment in industries with a detrimental impact on society, such as tobacco, armaments and oil.
- Sustainable companies typically have better growth prospects due to demand for their products and services.

- The Fund has a strong overseas element giving exposure to global leaders in sustainability.
- The multi-asset approach allows the Fund Manager significant flexibility to respond to changing market and economic conditions.

## CIS UK Income with Growth Trust

Fund Manager: Neal Foundly

A well positioned total return UK fund incorporating fixed income exposure and an equity portfolio focused upon companies with strong dividend growth potential.

### Highlights

- The fund aims to achieve a total return comprising an equity capital return exceeding that of the FTSE All-Share Index, and a yield at least 20% greater than the FTSE All-Share Index.
- 40-60 equities in a portfolio with dividend growth and capital potential, combined with a fixed income portfolio focused on higher yield securities.

## CIS UK Growth Trust

Fund Manager: Andrew Moffat

A focused stock picking FTSE All-Share fund with strong performance since inception.

### Highlights

- An established stock-picking fund which aims to outperform the UK FTSE All Share Index.
- The Fund is suitable for investors looking for long-term capital growth through investing in an actively managed fund featuring high quality UK stocks.

## CIS Corporate Bond Income Trust

Fund Manager : Daniel Fox

A high quality bond portfolio generating a regular and stable income.

### Highlights

- A solid track record of performance versus the IMA UK Corporate Bond sector.
- A combination of strong macro calls and conservative credit management.
- An uninterrupted history of stable and attractive income since launch in 2003.
- A relatively low risk vehicle that can take advantage of value in the corporate bond market.

\* Source: Lipper

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