



LONDON &
COLONIAL

INNOVATION IN PENSIONS



London & Colonial Socially Responsible Pension Fund Investment

With

TAM Asset Management



in association with **tamethical**

London & Colonial and TAM Asset Management - The Key to 'Socially Responsible' Pension Fund Investment.

1. Why your clients should consider socially responsible pension fund investments
2. How London & Colonial and TAM Asset Management can assist with socially responsible pension fund investments
3. How Investments are screened for 'social responsibility'
4. Introducing the "You Give, We Give" charitable giving scheme
5. Pension lump sum death benefits (including annuity) donated to charity.

1. Why your clients should consider socially responsible pension fund investments.

When it comes to appreciating the long term impact that certain types of investment activities are having, or are likely to have upon the environment, today's investors are becoming far better educated.

The adoption of this more "socially responsible" approach when it comes to investing, is one that is becoming increasingly popular.

Not only does this approach enable investors to acknowledge personally the relevance and effect of all environmental, social, and governance factors, but it also helps to ensure the long-term health and stability of the market as a whole.

Increasing numbers of investors are waking up to the realisation that effective long-term, sustainable investment returns fully dependent upon stable, well functioning and well governed, social, environmental, and economic systems can be just as profitable as traditional investments.

Responsible investment approaches can be differentiated from conventional investment approaches in two ways.

The first of these concerns the timeframes involved, with the ultimate goal being the creation of sustainable longer term investment returns of the kind more commonly sought by pension savers, as opposed to purely short term gains.

The second is that any form of responsible investment will always require far greater attention to be paid to the much wider contextual factors. These include the stability and health of economic and environmental systems, as well as the evolving values and expectations of the societies of which they are a part.

With issues such as these becoming the key drivers when it comes to industrial and economic change, the most successful companies are likely to be those who respond most effectively to such matters.

There is already strong evidence to suggest that it is those companies that fully embrace sustainability at the heart of their business strategy, who may outperform their counterparts over the longer-term, in terms of both stock market returns and accounting performance.

So in summary, not only can the embracing of socially responsible investment principles provide pension fund investors with a means by which they can enjoy traditional market, or better than market, returns; but in doing so they can rest assured, that such returns will have been produced in a way that is more fully aligned with the interests of society as a whole - And all without adversely impacting upon the environment in which we live, which can only be a good thing.

2. How London & Colonial and TAM Asset Management can assist with socially responsible pension fund investments.

London & Colonial has developed an enviable reputation, and successful track record, over the last 25 years when it comes to the delivery of original and creative new investment products. All backed up by our dedicated in-house IFA Support Team and Operations Teams.

In direct response to the increase in levels of enquiries concerning socially responsible investing, we have now teamed up with specialist Discretionary Fund Manager, TAM Asset Management, to be able to offer your clients 'socially responsible' versions of our already successful range of pension investment solutions.

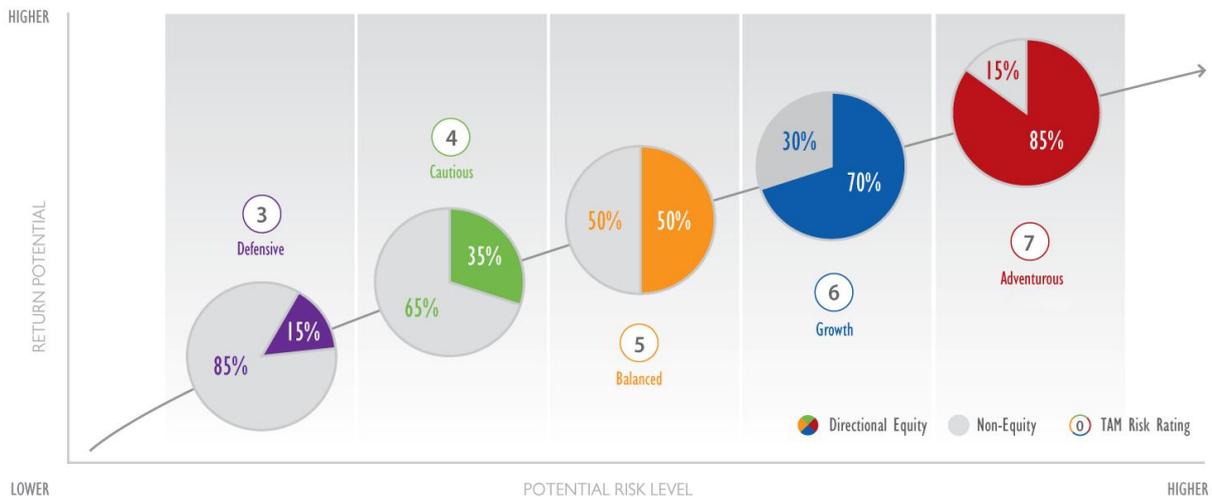
Without the need to compromise on any of the many features already available through these highly attractive products, we can now provide your clients with access to the broad selection of investment opportunities currently available, through TAM Asset Management's full and comprehensive range of 'socially responsible' investments across a diverse portfolio risk range from Defensive to Adventurous.

By using London & Colonial pension wrappers, investing in TAM Asset Management's range of socially responsible investment solutions, and making the right financial decisions whilst remaining loyal to one's own ethical beliefs by focusing on social responsibility, is simple.

London & Colonial's partnership with TAM Asset Management provides your clients with access to a complete range of risk rated portfolios, all of which contain only those investments that have been extensively screened, in order to guarantee their ethical credentials.

Each and every client investor will be unique, and not all will share the same ethical beliefs. We firmly believe that these products can offer your clients an attractive balanced combination of expertly managed investment portfolios, coupled to the reassurance that the socially responsible issues and ethical considerations important to them are being effectively and adequately addressed.

The graph below highlights the range of risk solutions on offer and their neutral equity versus non equity component. It should be noted that this weighting may change as a result of the strategic flexibility the manager maintains.



3. How investments are screened for 'social responsibility'.

TAM Asset Management's investment screening employs a combination of both 'positive' and 'negative' processes, both of which form an integral part of their due diligence and investment procedures.

In fact all of the investments offered through TAM Asset Management, will have been broadly reviewed across the following three main criteria:-

i) Environmental Impact:

The focus within this section will be upon those funds seen to have taken real and deliverable steps towards actively managing, and ultimately reducing, their environmental impact; and / or upon particular companies which provide environmental services or technology.

Funds which are believed to be investing in those companies which are having a negative impact upon the environment, together with those companies who have no set policy in place concerning the management of their environmental impact, will be proactively excluded.

ii) Social Responsibility:

Under the Social Responsibility test, the main focus will be upon those funds which avoid investing in any companies which are actively involved in any sectors considered to be detrimental to society as a whole.

These can include, but are not solely restricted to, the production, sale, or provision of services to the following industries - tobacco, gambling, alcohol, weapons, armaments or pornography. In addition any Companies whose activities are considered to be having a negative effect on human rights will also be proactively excluded.

iii) Animal Welfare:

Animal Welfare can be a very emotive issue. As such the focus within this section will be upon taking the necessary steps, to actively avoid those funds which may invest in companies which are directly, or often indirectly, involved in activities which ignore the welfare of animals.

This means that companies connected with activities such as animal testing, intensive farming, or the use of certain animal products such as fur, will be proactively avoided.



4. Introducing the "You Give, We Give" Charitable Giving Scheme.

As soon as your client has made the decision to invest in any one of our Socially Responsible investment products, they will automatically be given the opportunity to participate in the TAM Asset Management "You Give - We Give" Charitable Donation Scheme.

"You Give - We Give" provides clients investing in any of TAM Asset Management's socially responsible funds with a further opportunity to positively impact society, by choosing to donate part of their annual pension income to a pre-determined charity of their choice.

Clients may choose to donate a percentage of their annual pension income, however small. TAM Asset Management will match the donation with the same percentage from its Asset Management fees.

Your clients are totally free to choose which preferred charity(ies) will become the recipient(s) of these joint donations, and HMRC's Gift Aid (if appropriate) can increase the value of these donations still further.

In essence, the "You Give – We Give" scheme can offer your clients a simple, effective, and convenient way of enabling them to support their favourite charity; as well as being flexible enough to enable their choice of charity and/or level of contribution to be amended at any time.

5. Pension lump sum death benefits donated to charity.

In addition to being able to donate a chosen proportion of their annual pension income to charity throughout retirement, your clients will also have the option to leave either part, or all, of any remaining fund value upon their death, to a charity (or charities) of their choice.

This is available through any of the London & Colonial pension contracts including SIPP, QROPS and Annuity.

Any "crystallised" death benefit lump sum is normally subject to a 55% tax charge – however if this payment is made to charity then it is tax exempt, increasing still further the value of the 'gift'.



Lump sum death benefit payments from an annuity contract are rarely available and normally reduce the annuity rate as well as being subject to a 55% tax charge.

However, the London & Colonial Open Annuity allows for a lump sum death payment to be included as an annuity option without impacting on the annuity rate. In addition any lump sum death benefit payment made to charity is exempt from the 55% tax charge.

Arranging this couldn't be easier. Your client simply completes one of our Charity Nomination Forms when they first take out their investment. Their choice of charity(ies) can be easily amended at any time, through the completion and submission of a replacement form.

Upon your client's death the amount of residual value remaining in their fund will be paid to the charity(ies) mentioned within the last submitted Nomination Form that we hold on record. The client could also adopt a mix and match approach by selecting a percentage of the death benefit payment being made to their nominated charity together with the remainder of the payment being made to a dependant.

For more information, please contact us at:

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With "You Give - We Give" donating to their favourite charity for your clients is as easy as 1, 2, 3

**YOU
GIVE**

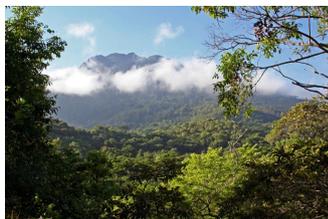
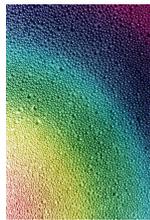
1. Upon the paying of income from their pension, your client may decide to donate a percentage of their drawn down monies

**WE
GIVE**

2. TAM Asset Management will then donate the equivalent percentage, to match your client's donation, from their own management fee.

**TO A
CHARITY
OF YOUR
CHOICE**

3. Your clients chosen charity will then receive:
THEIR Donation
OUR Donation
PLUS even more through the HRMC Gift Aid *





For more information about any of our products please scan the QR code below or contact:

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