



**Responsible Investing
and ESG Policy**
June 2024

Signatory of:



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Introduction

Blackfinch Group was founded and established by its Chief Executive Officer (CEO) Richard Cook on 12th February 2013. This date is significant as it is the anniversary of the birth of Charles Darwin.

The Group has always maintained an adherence to the writings and philosophies of Darwin, reflected in its values of ‘Adapt’, ‘Evolve’ and ‘Thrive’. These inform how it designs and provides a range of services and products to Independent Financial Advisers (IFAs) and their clients. It continually adapts and evolves offerings in order that its customers can thrive.

Blackfinch Group is focused on targeting improvement in responsible investment outcomes, through working to one of Darwin’s key principles, that species and environments need to adapt in order to survive and thrive.

Through Blackfinch’s corporate and investment strategies, we now have adopted various responsible investing processes and policies which will enable us to deliver on our commitment as a signatory to the UN PRI. This is a public demonstration of our pledge to responsible investment, and places Blackfinch at the heart of a global community, seeking to build a more sustainable financial system.

Blackfinch Group

The investment world is Blackfinch Group's natural habitat. With a heritage dating back over 30 years, Blackfinch brings significant knowledge and expertise.

Whatever the economic climate, it works to ensure that its products always meet customer's needs. It achieves this through continually adapting to change, from market shifts to new regulations. In this way, clients can take advantage of highly evolved investment solutions.

Blackfinch Group's businesses cover tax-efficient solutions, early-stage investing, multi-asset funds, renewable energy, property development and asset-backed financing. It is entrusted with over £750 million in assets under management and administration. The focus is always on delivering value through expertise and a high-quality service with a transparent approach.

An overview of each business follows:



Blackfinch Investments

Manages products and services accessing a range of asset classes which have been provided with generous tax incentives by the UK Government. This is in order to channel capital to areas which can have a positive effect on the UK economy, through supporting new and growing firms.



Blackfinch Property

Lending to house builders and property developers constructing buildings with energy efficiency at their core. Its work includes projects that have a positive impact on local economies and communities, bringing buildings back to life, creating jobs, boosting tourism, and enlivening urban areas.



Blackfinch Energy

Investing in clean sustainable energy such as solar and onshore wind farms. Blackfinch is a leading investor in this space, with its underlying investee firm Sedgwick Trading owning sites across the UK. The portfolio now contains over 70 installations around the UK.



Blackfinch Asset Management

Offers outsourced investment solutions available only through advisers. Its managed portfolio service includes five risk-rated portfolios, whilst the tailored portfolio service gives adviser firms the opportunity to build their own branded range of managed portfolios to meet the needs of their client base.



Blackfinch Ventures

Investing in young, entrepreneurial companies with potential to disrupt global markets. These often offer solutions which have a positive social impact, including within health and education. Investments are aligned with the government's focus on technology firms, so supporting innovation, creating jobs and strengthening the economy.

Our responsible investing principles

At Blackfinch, we target growth for long-term success. We have a duty of care to all our stakeholders, whether its tech company founders, financial advisers, retail investors, borrowers, brokers, property developers, renewable energy operators, industry bodies, our own employees or institutional investors. Our actions need to ensure that we all thrive, both now and over the long-term.



We are a signatory to the UN Principles for Responsible Investment (PRI), placing us at the heart of a global community seeking to build a more sustainable financial system.



We are increasingly aligning our policies, processes and communication to the UN Sustainable Development Goals (SDGs) – a universal call to action to tackle the world’s greatest challenges and a shared blueprint for peace and prosperity for people and the planet.

We’re always on the lookout for investments that can create value and capital preservation. This means it’s important for us to consider a multitude of factors when assessing any potential opportunity.

Alongside fundamental financial factors, we have a wide range of considerations we use for initial screening. Our extensive due diligence processes assess factors such as the people involved, health and safety standards, impact on society, risk to the environment, geographic location, strength of governance and more.

Environment, Social and Governance (ESG) factors are considered within our extensive due diligence processes by all of our teams. We aim to deliver on our investment objectives responsibly and, where possible, make a positive contribution to the future prospects of the world around us.

Below are some examples of things we may consider:



Environmental

Blackfinch Group and its subsidiary companies are committed to ensuring that the effects of their work on the environment are positive. Internally, micro-environmental considerations such as integrating electric company cars into the Group. This is alongside work at macro level: investment in clean energy generation, and technology that reduces the level of harmful emissions into the earth’s atmosphere.



Social

Blackfinch Group has an inclusive working culture and is highly supportive of its staff, working to help them thrive over the long term. The team stands at over 140 employees at time of publication. Blackfinch has a strong focus on the health, safety and well-being of its people. At the practical level, all staff are trained in health and safety. They are also regularly reminded of their responsibilities when interacting with their colleagues. In building its team, Blackfinch takes a meritocratic approach, recruiting and developing staff based on their abilities. It then continues supporting all staff to help them reach their full potential. The training and development of staff is core to how the Group works, documented in its Vision statement. As appropriate to their role, select staff are undertaking ESG studies and related qualifications. These include a range of qualifications, from the PRI ESG Foundation Course to the CFA ESG qualification. Blackfinch Group works to support companies which have a positive social impact. For example, within the Group’s subsidiary Blackfinch Ventures, as mentioned previously, demonstrable positive outcomes are seen from the work of investee firms. These range from a digital platform to track children’s education to a technology that protects lone or home workers.



Governance

Blackfinch Group has a comprehensive approach to corporate governance, which also benefits from rigorous oversight. Any entity or investment fund in which it intends to invest is put through a rigorous due diligence process. This is undertaken at both corporate and individual levels. Governance within the Group is monitored by its in-house legal and compliance teams. It also has nonexecutive independent board and committee members. Blackfinch Group is a signatory to the Principles of Responsible Investment (PRI). Finally, all its accounts and related processes are regularly audited by an external accountancy firm.

A signatory to the UN PRI

The Sustainable Development Goals are a universal call to action. The 17 Goals were adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development, which set out a 15-year plan to achieve the Goals. Blackfinch are committed to ensure our processes and goals are aligned with the SDGs, working towards ending poverty, protecting the planet and improving lives and prospects of everyone, everywhere.

SUSTAINABLE DEVELOPMENT GOALS



- Goal 1**
End poverty in all its forms everywhere

Goal 2
End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3
Ensure healthy lives and promote well-being for all at all ages

Goal 4
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5
Achieve gender equality and empower all women and girls

Goal 6
Ensure availability and sustainable management of water and sanitation for all

Goal 7
Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Goal 10**
Reduce inequality within and among countries

Goal 11
Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12
Ensure sustainable consumption and production patterns

Goal 13
Take urgent action to combat climate change and its impacts

Goal 14
Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17
Strengthen the means of implementation and revitalize the global partnership for sustainable development

Contact Us

For more information please visit www.blackfinch.com/sustainability



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