

2022

PATH FINANCIAL IMPACT REPORT



The way forward

- ✓ Maximum climate impact
- ✓ Optimised for UN Sustainable Goals
- ✓ Welcoming, expert advisers

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A word from our founder

This business was set up with the bold ambition of giving consumers who held investments and pensions the opportunity to use their money as a force for greater good.

As the UK's first positive-impact-only financial adviser we have been able to identify investment funds that are starting to contribute towards solutions for people and planet. We give our customers the option, for the first time, to align their money with their values and use their money to make a positive difference in the world. In the short time since we started trading, we have grown to be a leading voice in the campaign for a more caring capital system. We have proven that investment returns can be better than the moribund 'traditional' investments which still push money to destructive industries. We are giving grass-roots investors a much-needed voice in demanding higher standards of environmental, social and governance standards from funds and from the companies that such funds invest in. For too long savings and pensions have been the boring and complex black-box that is not understood and hence have been invested mindlessly often with disastrous consequences. We are happy to unleash the power of pensions as a force for good. Research has shown that such action has 21x more impact than all other personal carbon-saving activities combined.

I am immensely proud of our team. Everyone who works for Path has a passion and purpose to create better outcomes for our clients whilst at the same time creating better outcomes for the planet. It has been deeply satisfying to see the effort everyone has made to grow the company. And to get behind the B Corp ethos which so richly echoes our mission as a business to generate better results way beyond the financial. Our commitments keep our feet held-to-the-fire and gives us ambition and courage to strive for ever better scores and outcomes.

Our last year has seen us consolidate as a leader in this new field as we have been delighted to see many more business enter the arena which broadens and deepens consumer's voice and their influence.

David Macdonald
Founder





Our story

We are leading ethical financial advisers who grow your wealth while investing for people and planet.

We make a difference by doing things differently. Our personal, progressive and purposeful approach ensures your savings will perform for you, the planet and its people.

It's our mission to help our clients plan for their financial future while investing for a sustainable future for everyone. We believe that personal values and ethics have as much of a priority in financial planning as ensuring security for you and your family.

We offer sensible, practical financial advice and wealth management, with a team of expert Path Financial Planners and our wider Path support team, who are as equally passionate and motivated by our environmental and social impact as our valued clients.

In the few years since our inception we have grown, engaged, created impact and won awards.

[→ Read more about Path's story](#)



Highlights

2019

2020

2021

2022

Path Financial is founded by David Macdonald

First clients are onboarded

Recruitment drive

Path gets into national and local press

Path is one of five winners of Sky's Zero Footprint Fund

Path wins the Green Finance Award at the Better Society Awards

Path launches the UK's first Climate Portfolio

Path receives B Corp certification

Good Egg awarded by Good with Money

Path's Green Pension Pledge and Certification service is launched

Women of the World Festival

Jude Kelly joins our steering group

Purpose and vision

Our purpose is to help people invest with integrity, provide positive impact with positive returns and protect people and planet for generations to come.

Our business purpose is helping our valued clients invest in the things that matter to them – ensuring financial security while their money is helping to build a better and more sustainable world for everyone.

We are believed to be the first UK financial advice firm that exclusively deals with clients who want to make a positive impact – not only avoiding investment into damaging industry such as fossil fuels, weapons manufacturing, and poor environmental practices, but choosing to invest in companies working towards a better future, through sustainable manufacturing, renewable energy, healthcare, and education for all.

→ Find out more about
Path's purpose and vision

”

Our portfolio of funds include the very best environmental and ethical innovators developing solutions to the major issues threatening the world and driving positive change.



A collective call for change

We have a very clear mission which includes transparency, engagement and being part of a collective call for change.

B Corp	Good Egg	Living Wage
<p>Path is a certified B Corp™, meeting the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.</p>	<p>The good egg mark is the only accreditation in the UK designed to make it easier for consumers to find financial providers that use finance to benefit people and planet.</p>	<p>The real living wage is the only UK wage rate that is voluntarily paid by those companies who believe their staff deserve a wage which meets everyday needs.</p>
<p>We're 1 of 36 Financial Advisers with B Corp certification in the UK</p> 	<p>We're 1 of 5 Financial Advisers awarded with a Good Egg</p> 	<p>We're 1 of 268 Living Wage accredited employers in UK Financial Services</p> 



We are proud to have joined **Business Declares** and the fast-growing network of businesses who acknowledge the Climate and Ecological Emergency.

The Better Business Act is about transforming the way we do business so that every single company in the UK, whether big or small, takes ownership of its social and environmental impact.

An accreditation which recognises responsible business practices, the **Good Business Charter** is an independent not-for-profit organisation supported by the CBI and TUC.

Being a member of **UKSIF** at this crucial time allows Path to take our place at the heart of sustainable and responsible finance, push forward the UK's leadership in this area and position our organisation as a key player in this rapidly growing landscape.

We are proud to be recognised by the **United Nations Race to Zero** campaign, and join governments, businesses, cities, regions, and universities around the world that share the same mission.

Tech Zero is the climate action group for companies of all sizes committed to fighting the climate crisis. We believe that by joining forces, we can make faster progress to net zero.

➔ Find out more about Path's commitments and accreditations

2022

PATH FINANCIAL
IMPACT REPORT



Out and about

Path's events programme of 2022 was designed to widen our audience and engage across many demographics, focussing not just on environmental impact but social issues and financial concerns such as greenwashing.

Some of the highlights during 2022 included:

Investing for gender balance and diversity at the **Women of the World (WOW) Festival**, discussing financial empowerment for women and girls and gender equality within the finance industry as a whole. Casey represented Path at the Money & Me panel discussion hosted by Jude Kelly.

Live at Advisor Hub during **Reset Connect** - the leading sustainability and net zero event - highlighting what conference delegates could do with their own pensions, savings and investments to align their money with their values; protecting the planet without sacrificing performance.

#SeedingChange at **Hampton Court Palace Garden Festival** by spreading the green money message to the green-fingered show visitors, sharing our passion.

Path Presents: Money, Planet & You at the **Green Party Conference**. A fringe event highlighting the power pensions and investments have for bad and for good, and the steps individuals can take to make their savings work hard for them and the future they are saving for.

In the lead up to the **Ethical Consumer** conference, Path held a webinar exploring the role money has in supporting destructive industries such as mining, oil and gas. Many people don't realise the role their money is playing in harming our planet - or how simple it is to change.

An afternoon at **Clarence House** where Path's Financial Planner, Rowan, was inspired by the other 80 amazing people the Queen Consort had invited, including authors, scientists, MPs, investment experts and others.

More impact with partnerships

Sustainable investing is vital. But it leaves one crucial stone unturned. No investment product exists for directly regenerating the planet.

That's where the Global Returns Portfolio comes in. It's the first selection of diverse, effective and scalable not-for-profit organisations tackling climate change.

Not-for-profits don't generate financial returns – they directly regenerate the planet. They enforce environmental law, defend rainforests and marine ecosystems, and more. All our investments are less risky when we enhance and protect our planet.

Taking effective climate action is as simple as setting up a regular contribution to the Global Returns Portfolio. As a charitable donation, contributions can even come with tax benefits.

The Portfolio is run by the Global Returns Project who direct 100% of contributions to the not-for-profits comprising the Portfolio, with no deductions.

Path have partnered with the Global Returns Project in order to provide our like-minded, environmentally conscious clients with a genuine philanthropic solution.

GLOBAL
RETURNS
PROJECT



Values

We monitor and review all aspects of our business including environmental impact on a regular basis and aim to reduce negative impacts where we can.

Where possible, we choose to deal directly with like-minded suppliers and contractors who share our values and environmental concerns and have a commitment to continually improve and monitor our environmental performance.

We are committed to operational excellence and reaching the highest quality in all our standards, with a policy of honesty and integrity at our heart.

We have been set up from scratch to ensure that everything we do is based on best-of-breed principles. This means our business is set up on proven investment models and with the most robust processes.

Path is a certified B Corp, meeting the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

”

The strong, underlying sense of a common purpose, to make a real difference by having a positive impact on climate change and other social issues, is what unites all who work at Path. Having this shared goal and vision and appreciating that good ideas can come from anywhere – something that is encouraged and celebrated, makes for a supportive, healthy, working culture. I love the collaborative and open environment that we are building together and the fact that every individual matters.

*Carla Gerlach,
Business Operations Manager*



People (and policy)

BETTER POLICY

At Path we are proud of our inclusive approach to diversity and culture and the potential benefits this brings to both our work and our culture. It is important to us that we respect these diverse cultures in every way. As such, Path has introduced a flexible public holiday policy to enable people to celebrate days of significance to them. The policy allows all employees to choose to switch the standard paid public holidays with other days of their choosing to acknowledge events and festivities which are important to the celebration of their culture, beliefs, and identity. Path also prides itself on it's flexible working policy - supporting amongst others, women and parents.

BETTER HEALTH AND WELLBEING

We don't pay the minimum wage, so why would we offer the minimum holiday allowance?

We know that taking time off work is crucial for health, wellbeing and productivity, and that's why in late 2022 we announced an increase in our standard holiday allowance for all staff.

BETTER ENGAGEMENT

A share options scheme for Path employees has been set up and will be implemented in early 2023.



Small actions

Encouraging positive impact through staff pledges

From only boiling the needed amount of water in the kettle to turning the thermostat down by a couple of degrees to drying your washing outside, small actions combined can make a big difference.



A paperless approach has reduced our carbon emissions by **10644 kg**, conserved **133828 litres** of water, saved **4535 kg** of wood and eliminated **737 kg** of waste.



67,649
bananas worth of
carbon saved

The weight
of **8.9** giant
Galapagos
tortoises
in waste saved

154
bathtubs of
water saved

Initiatives in 2022

GREEN PENSION PLEDGE

With such a dramatic increase in both the number of people saving and the amounts contributed to a workplace pension scheme, the overall impact on planet and people has the potential to be significant.

With the launch of Path's Green Pension Pledge we are helping companies avoid the greenwash.

→ Find out more about Path's Green Pension Pledge and Certification Service



Impact

Following on from our success in 2021 with the **Sky Zero Footprint Fund** and **Better Society Awards**, Path has been recognised in awards ranging from **Women in Financial Advice** to the **Business Green Leaders Awards**.

We were named not only as a **B Corp**, but a 2022 **Best for the World™** B Corp, making us one of the most sustainable companies in the world.

Continued press coverage throughout the year in local and national press helped to further our cause and spread our message.



- 99.1 overall B Impact score
- 80 qualifies for B Corp certification
- 50.9 median score for ordinary businesses





The Argus

No-fault divorce: Brighton expert offers fair settlement tips

How to cope if you're concerned for your financial future – and practical things you can do to feel better

Comment
Lizzie Thomson
Tuesday 7 Jan 2022 6:56 pm
Share

Every day, there's a n...
Whether it's roasting...
As children and teens...
Savings are being dig...
It's a horrible feeling...
People are deeply con...
Money worries can ha...

Financially fabulous

How green is your pension?

Fired up about climate change and feeling frustrated that you can't do more? You can says Cleer Barrett. Your pension is one of the most powerful weapons you have, and this is how to use it...

Illustration: NINA ROSA

TOTNES TIMES

Eco-friendly investments

Monday 2nd October 2022 12:00 pm



The Guardian

Newspaper of the year

News Opinion Sport Culture Lifestyle

Money Property Pensions Savings Borrowing Careers

Green money: how your finances help the planet

Make sure your cash is used in an environmentally friendly way, from current accounts to pensions



Switch your bank account

Moving the account you use for everyday savings can make sure your money is being used in a way that's often hard, or impossible, to find out. It's also a good way of ensuring people's money in, or savings in, is being used in a way that's often hard, or impossible, to find out.

EXPRESS

Home > Finance > Personal Finance

Triple lock warning as UK pension 'unfunded' - 'Entirely dependent on new PM'

GREEN finance activist group it...
Jack, a charity educational talk...
The session will October 4 from...
Jack will also be the hub's base i...
"Most people are times more imp...
"Sifting through is complex, so g...
"I'm excited to b Totnes' ongoing

PENSIONERS hoping for a big boost to the state pension with the triple lock may be disappointed, a financial planner has warned.

By NICHOLAS DAWSON
11:47, Thu, Aug 4, 2022

THE SUNDAY TIMES

My ex-husband died — and my retirement plans died with him

It has become easier to get a divorce, but don't forget your pension in your haste to separate

Imogen Tew
Sunday April 24 2022, 12:01 am

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THE SUNDAY TIMES

MailOnline The Guardian sky

THE SUNDAY TIMES GOOD WITH MONEY

i News The Telegraph BBC RADIO

FINANCIAL TIMES DAILY EXPRESS

GOOD HOUSEKEEPING MailOnline

METRO Professional Adviser

The Argus

#SeedingChange

At Path we think that women need to talk about money.

Women have been telling us they want to know more about money. Different circumstances and life events can specifically impact women and their financial journey. Through openly talking about money, raising awareness of the issues and supporting and guiding women through the various potential financial impacts of life events such as raising a family, divorce and caring for older relatives, Path continues to have an impact on getting greater financial security for women whilst ensuring that their financial investments align with their values too. Find out more about our #SeedingChange, women and finance postcards by clicking on the images below.

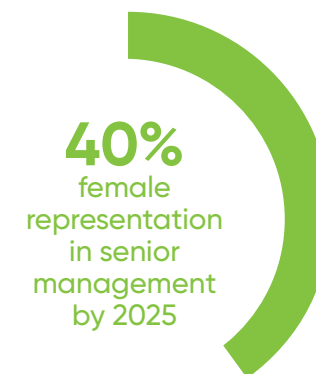


Women and finance

Path has committed to the **Women in Finance Charter** and to promote gender diversity and inclusion, including:

- Senior Managers being made responsible and accountable for gender diversity and inclusion;
- Targets for female representation in our Senior Management and at all other levels across the business;
- Publishing progress annually against these targets;
- Ensuring any senior management bonus scheme is linked to delivery against these internal targets on gender diversity.

Since signing up to the Charter we have already seen commitment to our pledged targets, with 50% of staff across the business being female (an increase of 2%), we have maintained the 43% of management positions being held by women and have made our first major step into achieving our longer term of goal of 40% female representation at senior management level with an increase to 25%.





We are passionate about empowering women in regards to their finances and their choices about where their money goes and what impact it can have. That's why you'll see us at events such as the Women of the World Festival talking about money and asking more women to start a conversation with us – but also with their female friends – about their finances.

Cultivating change

Positive Impact investing is an investment strategy built around a measurable framework that seeks to improve outcomes for both people and planet. At Path, our portfolios are constructed in line with the United Nations Sustainable Development Goals, 17 individual goals that act as a blueprint for developed and developing societies to follow in order to ensure that the most pressing issues our planet faces – poverty, education, equality and climate action – are at the forefront of how we live and to ensure a sustainable future for generations to come.

We hope that our UN SDG Tree will serve as an important meeting place and visual reminder of the goals, where our team can discuss what we do and why we do it, and the importance of acting now – including the easy steps you can take to align your personal finances with your values.

We chose a tree, as a symbol of transformation and unity – and as a symbol of the long-term sustainable growth that can be achieved when we work together.

Our Path UN SDG Tree has accompanied us to various events around the UK during 2022.

→ Find out more about our UN SDG Tree



Building on our commitment to empower women and to reduce gender inequality

As part of our year-long women and finance campaign, Victoria and Scarlett volunteered for WOW's speed mentoring for **International Day of the Girl**.

The event was designed to showcase girls' rights and the unique challenges facing girls around the globe and offer support to 180 secondary school girls aged 13 to 19.



Raising standards

A SAFE PAIR OF HANDS

2022 saw Path become a signatory of the Financial Vulnerability Taskforce.

As professionals working in the UK Personal Finance Sector we commit to enact the 9 statements contained in the Charter which underpin the work of the Financial Vulnerability Taskforce.



A FAIR AND COMPASSIONATE APPROACH

Our Vulnerability Champion, Rowan, is a highly passionate and dedicated expert from our team of Financial Planners. Our Champion ensures we:

"Deliver experiences and fair outcomes for all people who need additional support."

Rowan's contributions during 2022 include press coverage raising awareness of the gender pension gap, no fault divorce and top financial tips.



PATH'S STEERING GROUP

Jude Kelly, the founder of WOW became a member of our steering group. This high-profile appointment is intended to ensure that we continue to lead the way in offering values-driven financial advice choice to our customers.





Our impact for clients

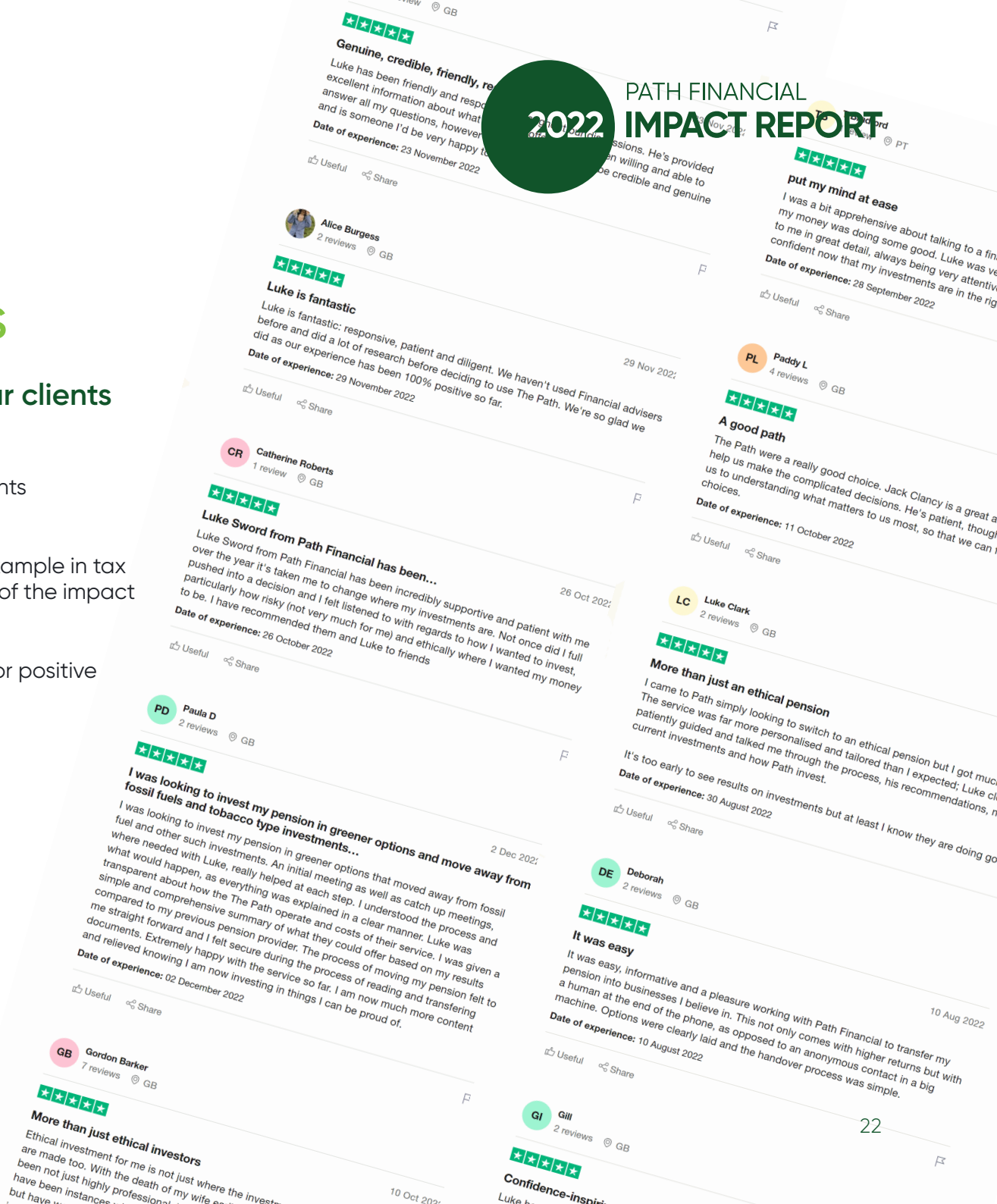
We know we provide a great service for our clients because they tell us.

We have received 5-star reviews and testimonies from clients throughout 2022.

Our impact for clients can be measured quantitatively, for example in tax saved and investment returns but that is only a small part of the impact our clients are achieving.

Our investment strategy and investment portfolios invest for positive impact – and only positive impact.

➔ [Read our testimonials and case studies](#)





Meet our customers:

Living sustainably is central to every aspect of Jo Zaremba's life

For over 30 years she has worked in a range of humanitarian, development and environmental roles across the globe, for the private sector, the UN, and NGOs including Oxfam, Save the Children, Earthwatch and ActionAid. Now based in Oxford, she runs her own consultancy, BlueLemur, has a love of cycling and the outdoors, and is passionate about environmental conservation.

A few years ago, Jo realised that one area she needed to look at was her savings and investments.

“ I had some savings with my bank, but I really felt that the funds needed to be better placed. I wanted to do something positive and not just buy into any old scheme so I researched heavily and spent several years trying to find an organisation that could channel my savings in a meaningful way.

→ Read more about why Jo chose Path Financial



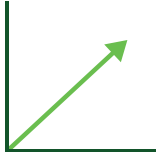


Impact through investment

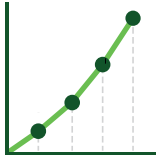
What is the impact of investments that we advise on?

We have taken the past year to research and enhance our offering in impact investing. Launching in January 2023 is Path's new and improved climate-focussed portfolio - the next step in the evolution of thematic portfolios.

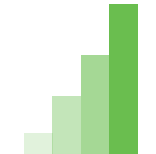
Being ethical financial advisers, Path's Portfolios maximise alignment to the UN Sustainable Development Goals – the blueprint for all countries to promote development that not only meets the needs of people and planet today but builds resilience and sustainability for our future generations.



66%
increase in revenue
2021 to 2022



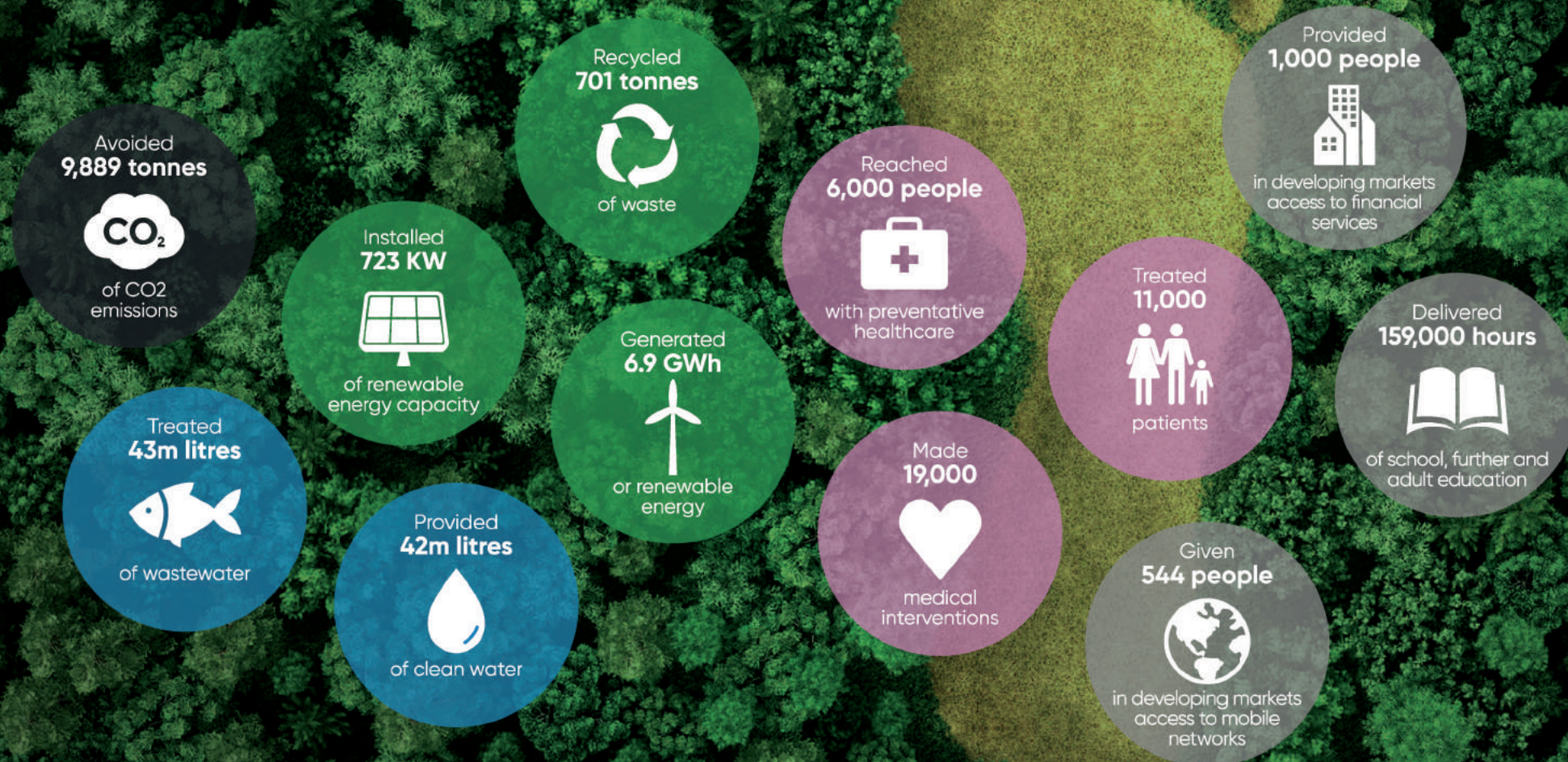
72%
increase in funds
under advice
2021 to 2022



149%
increase in customers
2021 to 2022



...in numbers



Example of the types of companies Path invests in:

Investing in clean energy

NEXT ENERGY SOLAR

Next Energy Solar is a solar infrastructure investment company, focused on the UK, with a diversified portfolio of 90 individual solar plants.

Output

Next Energy Solar own 865MW of renewable energy capacity, and enhance local biodiversity where their assets are located, thereby contributing to a zerocarbon future.

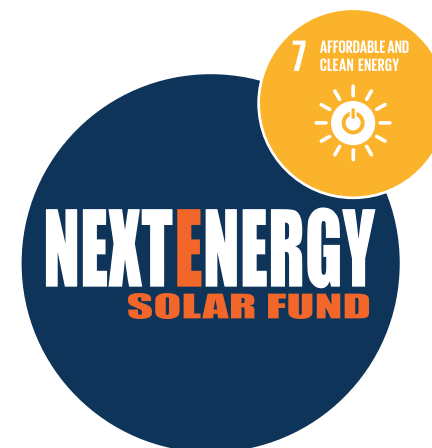
In the last year, they generated a total of 773,000 MWh of electricity.

Outcomes

In 2021 their renewable energy capacity has enabled them to power the equivalent of 185,000 UK homes with clean energy and avoid 317,000 tonnes of CO2 emissions by substituting more fossil fuel based sources of electricity.

Impact

By 2030, increase substantially the share of renewable energy in the global energy mix.



Example of the types of companies Path invests in:

Investing in health and well-being

HOLOGIC

Hologic is a medical devices business, focusing on women's health. Its products aim to improve women's health and well-being through early detection and treatment of breast and cervical cancers, sexually transmitted infections (STIs) and other significant medical conditions.

Output

Hologic products include devices like mammography and biopsy systems, and STI test kits, with a strong focus on accessible pricing. To best tailor its products to real needs, its "Hologic Global Women's health Index" survey uncovers inequalities in women's healthcare across and within 122 countries.

Outcomes

In 2021, Hologic's solutions benefited 347 million women, contributing to early detection and treatment of chronic illnesses such as breast and cervical cancer, and lowering costs for healthcare providers. Its annual survey results help to target research and development on women's health issues.

Impact

By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programmes.



Example of the types of companies Path invests in:

Investing in clean water and sanitation

EVOQUA

Evoqua Water Technologies is a leading provider of water and wastewater treatment solutions. Its products help utility and industrial companies increase water re-use and prevent any toxin release.

Output

Evoqua's technologies helped to treat 86 million litres of water daily via the use of their various treatment products such as aerobic, anaerobic and disinfection systems.

Outcomes

Through their services, Evoqua helped more than 38,000 customers at over 200,000 installations, safely delivering clean water outputs. This in turn prevents the pollution of freshwater ecosystems, thereby protecting the biodiversity in rivers and floodplains.

Impact

By 2030, improve water quality by reducing pollution... halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.



Real life example

We were approached by a client looking for further advice on two existing workplace pension arrangements. During our discussions with the client, we discussed their ethical principles in detail, in particular the client's objective to ensure no fossil fuel exposure within their investment portfolio, and requirement for an alternative portfolio of genuinely ethical funds, with measurable positive environmental and social impact and aligned to his strict ethical criteria.

In addition to our standard advice process of reviewing the general suitability of the existing products in question from a regulated financial planning standpoint, we undertook specific research into the client's self-selected investment funds to thoroughly understand if these fund options met his specific ethical requirements.

Outcome

Each of the client's existing policies did not have an alternative investment funds that met the client's specific ethical criteria available. As a result of being unable to confirm the suitability of his existing products for his needs, we proceeded to implement a new pension arrangement and transfer the client's existing pension savings to facilitate a strategy designed around his moral criteria.

We recommended that the client switch his savings into a Path Financial Positive Impact Portfolio.

By electing to transfer his existing pension policies away from his existing provider, the client's estimated ongoing Positive Impact is depicted here.



Generated
16 MWh
of renewable energy



Recycled
3.4 tonnes
of waste



Treated
8.3 litres
of wastewater



Reached
2 people
with preventative
healthcare



Made
57
medical interventions



Provided
2 people
in developing markets access
to financial services



Avoided
34 tonnes
of Co2 emissions



Installed
2.5 KW
of renewable
energy capacity



Provided
26m litres
of clean water



Treated
16
patients



Given
4 people
in developing markets
access to mobile networks



Delivered
41 hours
of school, further
and adult education

2022

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To be continued...

We will continue on our Net Zero journey by striving to improve all areas of the company including a target of increasing our B Corp score to over 100 when we are recertified in 2025.

We plan to implement better reporting for the company and our customers. Part of this is to establish more indepth impact reporting and UN SDG alignment of our customers investments.

2023 will see us continuing to influence the business community and our industry with community engagement, events and webinars.

Establishing a charitable trust with 1% of our revenue being donated each year remains on our agenda.

We will continue to grow.

Get in touch

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Find us on:     



Path holds the highest-level of professional accreditation available in the UK:



The Path Financial Limited is registered in England. Company number 11583740.
Registered office address: The Path Financial Limited, Watch Oak, Battle, TN33 0YD.

The Path Financial Ltd. is authorised and regulated by the Financial Conduct Authority.
You can find us on the Financial Services Register by entering our FCA number 827270 at register.fca.org.uk.

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