

PRESS RELEASE

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Thorntons Investments rolls out Sustainable Future AIM IHT Portfolio Service

Thorntons Investments, the Dundee headquartered wealth manager, continues its drive to lead the way in next-generation inheritance tax mitigation with the roll out of a model portfolio service which invests in Alternative Investment Market listed companies providing solutions to the most urgent social and environmental issues of the day.

The firm says its **Sustainable Future AIM Inheritance Tax Portfolio Service** enables investors to leave a meaningful lasting legacy for their beneficiaries and a truly sustainable legacy for the wider world, without compromising on either. The service targets small and innovative companies that meet one or more of Thorntons Investments' sustainable investment themes and offer attractive capital growth prospects over the longer term. The firm stresses the importance of what the portfolio companies actually do, not just what they say, and looks for evidence of growing positive contribution to their stated sustainability goals, as they successfully develop their businesses.

The **Sustainable Future AIM Inheritance Tax Portfolio Service** is run on a discretionary basis as a model available on eight of the leading third-party investment platforms and is only available through financial advisers. It currently comprises 38 holdings across four themes of sustainability:

- **New Energy**
Companies invested in will contribute to energy storage solutions, from grid-scale to small device; smart grid enablement for more distributed and smaller scale generation; new electrification uses, such as electric vehicles; as well as renewable generation of energy from multiple sources.
- **Environment**
Companies invested in will contribute to resource protection, water use reduction, pollution prevention, improved crop management and a cleaner and safer environment for us all to live in.
- **Health**
Companies invested in will contribute to new medicines, devices and services that deliver faster, cheaper and improved healthcare outcomes, to as wide a patient population as possible. Often-as-not this will involve advanced use of the enormous amount of data that has been generated around healthcare.
- **Efficiency**
Companies invested in will provide products and services that reduce energy consumption, reduce natural material use, save time and deliver a better environment to live in.

Matt Strachan, CIO Thorntons Investments, says: “In a world that has become stressed and distressed, we urgently need to move from a linear system of extract, use and dispose, to a more circular, sustainable economy. We believe that some of the most exciting companies focused on providing sustainable solutions to the numerous environmental and social challenges we all face are to be found on AIM.”

Strachan cites two examples: within New Energy the portfolio includes a company that funds, installs and manages smart meters and carbon reduction assets. They are currently engaged in designing, constructing and operating grid-scale battery storage projects across the UK. Under Environment the firm picked an international provider of leak detection and repair for residential, commercial and municipal water infrastructure, which they do through technology minimising invasion and disruption. They also provide irrigation and storm water run-off solutions, again designed to minimise water loss.

“When you consider the two major issues repeatedly making the headlines we would argue these are vital businesses and that some of the most exciting companies in these areas are to be found on AIM.

We want to invest in what companies do, not what they say just to get a green tick from a rating agency. Small companies are often overlooked, or cannot afford to play the rating game and yet often they are the ones trying to make the biggest difference.”

“I could reel off example after example of the tangible, positive impact our portfolio companies are having, from kettle control products which have reduced energy waste equivalent to the CO₂ emissions of 1 million cars, or washing technology that can reduce water, chemical and energy use by half in clothing production, as well as filters that can capture 90% of microfibre waste from domestic washing machines, to the development of biological nutrients for crops that reduce the need for chemical fertilisers and fungicides and also help drought tolerance. This is real and the demand for the work these companies are doing is going to grow and grow.”

“By offering sustainable investment into those AIM companies making a real difference we are providing a genuinely different and ‘deep green’ estate planning solution for investors looking to leave a meaningful lasting legacy for their beneficiaries and future generations,” says Strachan.

Unlike other estate planning solutions, with a portfolio of AIM company shares the investor retains control over their investment and can make withdrawals should their circumstances change. AIM company shares which qualify for 100% business relief are fully exempt from inheritance tax provided they have been held by the investor for at least two years out of the last five years, and were held at death.



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Thorntons Investments has been managing AIM portfolios since 2006 for investors looking to mitigate their IHT liability. In July 2021, the firm removed VAT from both its AIM Inheritance Tax Service and Managed Portfolio Service.

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Notes to editors

Thorntons Investments is headquartered in Dundee, with offices in Edinburgh and Aberdeen.

They operate established discretionary portfolio investment management services and provide managed portfolio solutions to financial advisers across the UK, including their AIM Inheritance Tax Portfolio services and MPS range. As at end August 2022 AIM assets under management stood at £83m.

The Thorntons Investments AIM IHT model portfolios are currently available on the Abrdn, Embark, Fidelity, M&G Wealth, Nucleus, Praemium, Seven IM and Transact platforms. Its range of risk targeted model portfolios are available on Abrdn, Embark, Embark Advance, Fidelity, M&G Wealth, Novia, Nucleus, Praemium, Quilter, Seven IM and Transact.

Thorntons Investments first launched as part of Thorntons Law LLP in 1995, before becoming a company in its own right in November 2014.

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