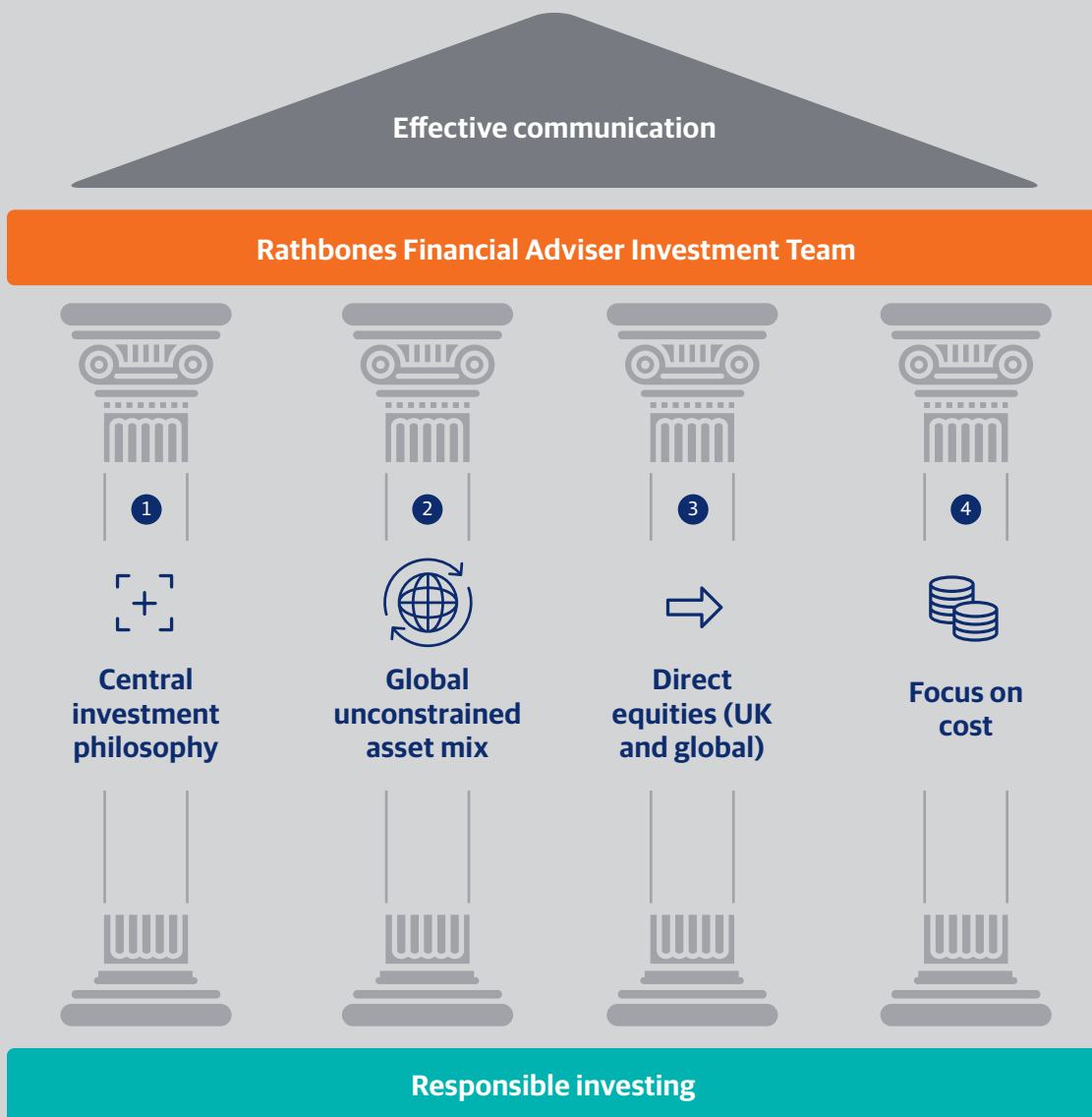


Rathbones Financial Adviser Investment Team principles

At Rathbones we take pride in the relationships we build with professional intermediaries and we believe our services are complementary to holistic financial advice. The financial adviser market matters to us – currently we manage £10.39 billion* of client portfolios where there is an associated financial adviser. What does the team do and why should advisers use its work? Investment professionals harness ideas and investment techniques from across Rathbones private client and fund management businesses. They give investment managers access to portfolio implementation ideas while maintaining their absolute discretion to fully tailor your strategy. In a highly disciplined approach, the committee builds and maintains five portfolios for our investment managers to use, assess or monitor for themes and ideas. We believe that by sharing ideas and using our global reach we can build the best possible solutions for our clients.

Our financial adviser investment team is established to provide a series of core models for investment managers to use when constructing portfolios for clients introduced by financial advisers. At the heart of this process is a desire to build portfolios that deliver consistent outcomes for clients of similar risk levels, whilst still allowing the flexibility for portfolios to be tailored to each client's specific needs. To achieve this, the models adhere to four core investment principles as described overleaf. All portfolios are underpinned by Rathbones' commitment to responsible investing.

The financial adviser investment team is also charged with articulating our investment views to external participants through a combination of market commentaries, roadshow presentations, seminars and webcasts.



We are mindful of your concerns around cost, value and regulation as well as capacity and liquidity. To those ends, we have four key building blocks or what we call 'pillars'; principles that anchor our strategies, and each of which are essential to the overall strength of the approach. These are:

- 1 The team and strategies embody the Rathbones' central investment approach, ensuring high levels of governance that is robust and repeatable.
- 2 The team takes a global investment view across a variety of asset classes.
- 3 The team builds portfolios focussed on direct equity selection.
- 4 The team builds portfolios that are cost conscious.

Pillar 1



Central investment philosophy

The team and strategies embody the Rathbones' central investment approach, ensuring high levels of governance that is robust and repeatable.

So what? We have a long history of managing investments for a wide variety of client types. We have invested significant time and resources to enable fund managers to build portfolios to meet specific client needs, adhering to Rathbones' core investment principles. This is done within a framework that ensures consistency of outcome across multiple risk levels and locations.

Pillar 2



Global unconstrained asset mix

The team has a global reach across a variety of asset classes.

So what? We manage a multi-asset approach to portfolio construction. We are not constrained by historical biases to certain asset classes. Rather we are happy to use our flexibility to actively manage portfolios to ensure that the key themes driving portfolio construction represent our highest conviction ideas. This approach also enables us to manage portfolios across the risk spectrum meaning we can serve most client needs across portfolios of all sizes, time horizon or risk appetite.

Pillar 3



Direct equities (UK and global)

The team builds portfolios focussed on direct equity selection.

So what? We have access to a wide breadth of research, both proprietary and external, enabling us to invest directly into overseas securities markets. We believe this enables significant added value from stock selection, but additionally transparency of portfolio holdings enables far better identification and management of risk. This approach has the further benefit of being more cost effective, which we believe clients should receive when engaging the services of a discretionary fund manager of our size and scale.

Pillar 4



Focus on cost

The team builds portfolios that are cost conscious.

So what? Our direct investment approach reduces cost for your clients. Where collective investments are still considered appropriate Rathbones' scale provides significant benefit as we are able to access institutional and super-institutional units. The costs savings achieved are passed directly on to our clients.

A different way of managing risk and generating returns – Rathbones' investment engine

Our Liquidity, Equity-type risk and Diversifiers (LED) investment philosophy leads us to think beyond the traditional asset class splits. We manage risk by instead focusing on delivering true forward-looking diversification by evaluating the correlation and liquidity of assets and splitting them into three classifications.



Assets that remain liquid, and tradeable at a reasonable price, in stressed market environments



Assets that either are equities, or are likely to have high positive correlation with equities in stressed market environments

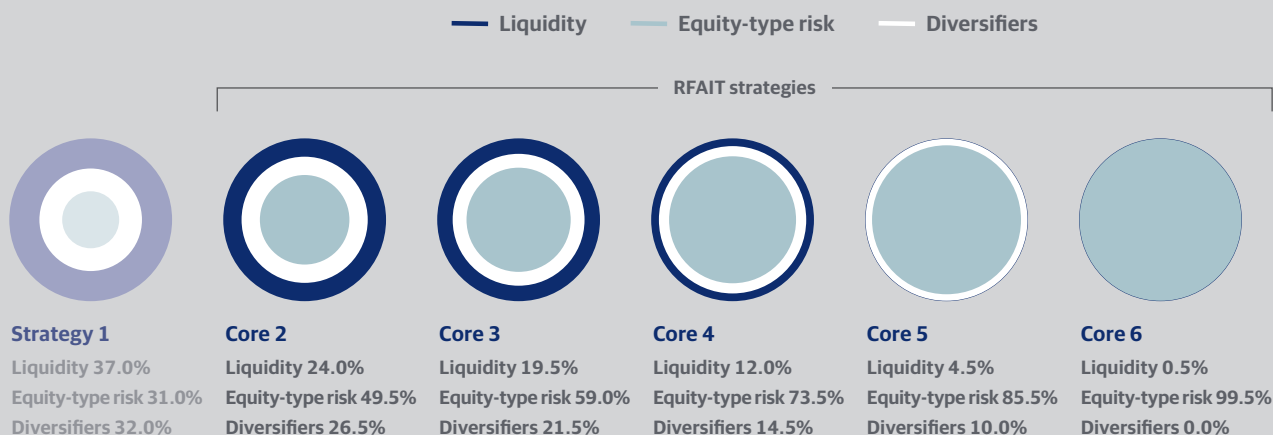


Assets that behave differently to equities and equity risk assets

Through LED we can deliver services to match our clients' attitude to risk while our investment managers are free to deliver truly bespoke investment portfolios. In addition to their own experience our investment managers can draw on the wider Rathbones team for valuable input across all asset classes from asset class specialists.

Where do we start?

Your investment manager has a wealth of tools at their disposal to help them construct your investment portfolio. Rathbones has dedicated and well-resourced in-house teams providing market leading research and analysis across sectors, markets and asset classes. Bringing that research to life is our financial adviser investment team who curate a series of portfolios for your investment manager to monitor, analyse and at their discretion, use as a tool to help construct a portfolio that helps you achieve your individual investment goals and lifestyle aspirations.



Data source Rathbones, as at 31.03.2022.

Basis of use: You should not rely on this information in making an investment decision and it does not constitute a recommendation or advice of a specific investment or class of investments.

The information does not indicate a promise, forecast or illustration of future ratings. The information has been provided independently to Rathbones by the listed third party providers.

Management of strategies is provided by Rathbone Investment Management. Funds are managed by Rathbone Unit Trust Management Limited.

Rathbone Investment Management is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered office: Port of Liverpool Building, Pier Head, Liverpool L3 1NW, Registered in England No. 01448919.

Rathbone Unit Trust Management is authorised and regulated by the Financial Conduct Authority and is a member of the Investment Association and a member of the Rathbones Group. Registered no. 0236568.

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