



Bespoke – for direct clients

Bespoke is portfolio
management personal
to your individual requirements.

Rathbones
Look forward

Recent history demonstrates that the unexpected happens infrequently in financial markets. Our approach recognises that assets behave differently in different market conditions.

Our LED (liquidity, equity-type risk and diversifiers) risk framework supports a forward-looking approach to strategic asset allocation.

By dividing asset classes into three distinct categories we are better able to control and manage risk.

The value of investments and the income from them may go down as well as up and you may not get back your original investment. Past performance should not be seen as an indication of future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.



Liquidity

The 'L' represents 'liquidity'. This can include assets that can be sold easily, have a lower credit risk and sometimes lower price volatility but may carry interest rate and currency risk.

These are assets that we expect to be easy to buy and sell during periods of market distress or dislocation, and at a sensible price, such as government bonds, high-quality (those with a low risk of failure) corporate bonds and cash. We also may expect to see these assets be negatively correlated (a change in one asset results in a similar change in the other) to equities during these periods of stress or dislocation in markets.

It isn't, however, the return-generating mechanism of the portfolio. That is the role of the 'E' assets.

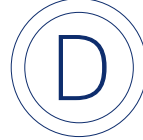


Equity-type risk

The 'E' represents 'equity-type risk'. This can include equities and all assets expected to be highly correlated with equities during periods of market stress.

These are assets that can drive growth in the funds, including equities and other securities with a high correlation to equity markets. Along with equities, this category includes riskier corporate bonds, private equity funds, industrial commodities sensitive to the economic cycle and alternative strategies (hedge funds).

It is the element that aims to deliver investment performance over time.



Diversifiers

The 'D' represents 'diversifiers'. This can include assets with diversification (investing in different areas that would each react differently to the same event) potentially demonstrated by low correlation to equities.

These are assets that can reduce or offset equity risk during periods of market distress, such as commodities like precious metals or agriculture, infrastructure, bricks and mortar, property and various other classes.

They allow us to create portfolios with the capacity to reduce the risk of losing value in line with what's acceptable to you, your circumstances and risk profile.

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Introducing Bespoke



Our Bespoke service is focused on one thing – you.

Providing direct access to an expert investment manager, with investments in UK and international direct securities, as well as a wide range of external funds, it can be the perfect fit when you have larger sums to invest or more complex financial needs.

It's also more than that.

The service isn't simply designed to help you achieve your investment objectives within risk parameters. It wraps the full spectrum of our personalised service around you, connecting your financial plans with the structure and management of your investment portfolio.

Personalisation runs through it

Personal service and direct access to your investment manager mean Bespoke has the flexibility to accommodate your complex objectives, such as structured income requirements and tax allowance management. Allied to this is the breadth it offers – your investment manager can select from a large range of investment options to construct a portfolio that's entirely suited to you.

A decision based on value

Throughout the world of investment, there is a widely held misconception where value is equated directly to cost. But that is rarely an accurate correlation. A lower-cost service delivers no value if it doesn't match what a client wants. And while Bespoke is a premium-cost solution, the value you gain is based on the fully personalised, comprehensive service you need.

Taking care of things for you

Within Bespoke, your investment manager will provide a discretionary service. Your investment manager uses their professional judgement and experience to invest in a way that matches your specific objectives and your attitude to risk, and managing those investments on a day-to-day basis. You should also be aware that all investments carry risk, and that the value of your investments could go down as well as up and you may not get back your original investment.

The process begins with you

Before we start talking about investments and our Bespoke service, we will talk with you about your investment goals, your needs and aspiration, and gain a thorough understanding of your personal circumstances and financial situation.

As a result we will make a full assessment of your investment requirements. This means we can make the most appropriate investments for you and deliver a portfolio that is aligned with the required investment mandate.

An aerial, high-angle photograph of a large, paved city square. The square is filled with numerous people of various ages and ethnicities, some walking, some standing, and some in small groups. The pavement is made of light-colored, rectangular stones. The overall scene is bright and active, suggesting a public space in a major city.

Thinking, acting and investing responsibly

We see it as our responsibility to invest for everyone's tomorrow.

That means doing the right thing for our clients and for others too. We keep the future in mind when we make decisions today, and look beyond the short-term for the most sustainable outcome. This is how we build enduring value for our clients, make a wider contribution to society and create a lasting legacy.

This purpose is intrinsic to our investment process. We aim to lead the UK wealth sector by taking an intelligent and active approach to responsible investment through a holistic appraisal of investment opportunity and risk. This incorporates a thorough consideration of the financial and investment impacts of relevant environmental, social and governance factors from potential investments.

An aerial, high-angle photograph of a large, diverse crowd of people gathered in a city square. The people are seen from above, creating a mosaic of colors and shapes. The square is paved with cobblestones, and the crowd is dense, filling most of the frame. The lighting is bright, suggesting a sunny day.

We've identified a series of principles that guide us towards service excellence:

Responsible and entrepreneurial in creating value

It's through responsible entrepreneurship that we achieve the best results for our clients. Our people are trusted to pursue value. They know when to change course to help to preserve it too. Being responsible for today and tomorrow, we are open to the new yet always guided by the long view.

Courageous and resilient in leading change

Responsibility demands courage. We are not afraid to ask difficult questions or make changes that need to be made. We stand up for what's right, accepting that this can be challenging sometimes.

Collaborative and empathetic in dealing with people

Managing wealth responsibly takes collaboration: with each client, among colleagues and with professional partners. What matters is not who's best but what's best for our clients. Empathy brings insight.

Professional and high performing in all our actions

We take our professional responsibilities seriously. We are accountable for what we do: to our clients, to each other and to the future.



A focus on risk management

Bespoke is aligned with our LED (Liquidity, Equity-type risk and Diversifiers) investment framework, this forward-looking approach to strategic asset allocation is a special way of managing real risk in investment portfolios.

The conventional view on investment management or portfolio construction places heavy emphasis on returns. However, with our approach, portfolio diversification is built on risk protection, rather than relative and potential returns, and particularly on how different asset classes, instruments and funds behave at points of market stress.

For us, asset allocation is not simply pulling together assets under their equities, fixed interest, alternatives and cash categories in order to deliver a relative portfolio. Our approach to asset allocation is instead about managing the risk that comes with different assets and using the liquidity of assets to meet your cash flow requirements and avoiding forced selling.

Building your portfolio

Having agreed the appropriate risk profile for your portfolio, your investment manager will select the individual investments to represent each asset class, guided by Rathbone's investment committees and research team recommendations. We also make use of external research as an input to our investment process and to supplement our in-house research expertise.

All clients' portfolios are expected to fit the broad risk characteristics of the risk level in which they reside. While we have a robust central investment process to guide everyone, your investment manager remains responsible for selecting the individual investments that make up your portfolio.

Through Bespoke, we can meet specific requirements you may have. If you wish your portfolio to be managed in a particular way or to invest in (or exclude) particular types of assets, then we can accommodate your instructions. It is important that we agree the strategy with you in advance (including any preferences and constraints) and that you understand the effect any constraints may have in relation to our ability to meet any wider investment goals.

Our investment process and our risk level framework will ensure that we both know where the portfolio should sit in terms of its likely risk characteristics. Lastly, we will agree the best way to measure the performance of the portfolio through a mutually agreed and appropriate performance benchmark.

Things to consider

- **Equity investment risk is not right for everyone.**
For example, during periods of market volatility, the risks normally experienced by our strategies may increase significantly, and in addition, the strategies may be subject to different investment risks.
- **As an equity investor, you should ensure that you understand the tax treatment of your investment and its impact on your personal taxation.** We will provide you with an annual tax report, but the service will not manage your personal allowances or account to HMRC for your tax.
- **In agreement with your adviser, your Rathbone investment manager can make use of your annual capital gains tax allowance (CGT) and individual savings accounts (ISA) subscription.** This ensures that your wealth is managed as tax efficiently as possible. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.
- **The value of investments and the income from them may go down as well as up and you may not get back your original investment.**

Features at a glance

Fully personalised discretionary investment service

- direct access to a dedicated investment management team, working for you on a discretionary basis to provide personalised, flexible investment plans built around your current and changing objectives and tax position
- bespoke solution that invests in UK and international direct securities, as well as external funds
- Rathbones extensive investment resources provide a wide choice of global investment opportunities, including an in-house research team and specialist investment committees
- constant access to information about the underlying investments in your portfolio and their valuation
- investment strategies are eligible for tax-efficient structures, including trusts and settlements, ISAs, self-invested personal pensions (SIPPs) and offshore investment bonds. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future
- flexibility to make additions to, or withdrawals from your portfolio with ease
- competitive pricing structure
- a comprehensive reporting package, including a year-end tax pack to help you and your accountant complete self-assessment returns.

Access to your investment manager

- you will have direct access to your investment manager, who will provide personal service based on your specific circumstances, your financial objectives and your tax situation, among other considerations
- discretionary investment management remains our core business, and investment managers at Rathbones are highly competent and experienced across all asset classes. They are supported by various internal committees, ensuring they maintain their knowledge and access to a wide range of investment opportunities across all asset classes for client portfolios, which is crucial given the bespoke nature of your requirements
- to work out an optimal investment strategy for you, investment managers communicate directly with you to ensure they properly capture your individual requirements. This is a vital part of the process and is the reason that we do not employ client relationship managers
- each investment manager has the support of a wider investment team, dedicated to you. This includes an assistant investment manager and a client services executive. This team model allows for segregation of duties, meaning the investment manager can focus on the tasks most important to you
- all of our investment managers are investment professionals in their own right, having attained the relevant qualifications and accreditations for their respective roles. The average length of service for the investment professionals at Rathbones is over 10 years

Is this service right for you?

- service open to clients with a minimum of £300,000 to invest
- minimum recommended investment period of typically three to five years or more, depending on your chosen strategy and its level of risk
- a solution that offers access to proven investment expertise at a competitive price
- no penalties or notice periods to withdraw funds*
- clear and transparent fees
- all strategies follow our LED (Liquidity, Equity-type risk and Diversifiers) investment framework to manage risk.

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* Availability of the proceeds from the sale of your investments is subject to a four working day settlement period from day of dealing. For a small number of investments settlement may take longer.



Why Rathbones?



Rathbone Investment Management (Rathbones) is one of the UK's leading providers of high-quality, personalised investment and wealth management services for individuals and families. We are part of Rathbones Group Plc, an independently-owned FTSE 250 listed company. Our independent ownership allows us to focus our full attention on managing wealth and client relationships.

Individual investment

Our ethos is simple – to help you take care of the future by delivering the very best individual investment service focused on long-term results. With this in mind, we have a framework of a robust and clearly defined investment process within which we give our managers autonomy to apply their own professional judgment and technical expertise in managing your wealth.

We do not employ 'relationship managers'. Our investment managers, supported by dedicated teams, have direct contact with clients and form long and trusted relationships. This approach helps us to capture your individual requirements and deliver optimal investment strategy and service. Details matter to us, as much as the big picture.

Informed

Our individual approach to investment decisions makes our investment managers accountable. They are aware of how their actions affect your wealth. We pool our intellectual capital and individual specialisms to make informed decisions to achieve the best results for you. Being informed means we are able to follow the courage of our convictions and adapt to change along the way.

Quality

Our consistent growth demonstrates that our approach to wealth management is valued by clients and staff alike. We have been able to attract and retain highly talented people, ensuring that the person managing your money today is likely to do so for years to come.

As a FTSE 250 company, we are subject to – and welcome – close scrutiny. We meet high standards of corporate governance and offer outstanding performance transparency. We submit all portfolios to major industry-recognised performance standards for scrutiny and monitoring and employ a clear, fee-only charging structure that clients can readily understand.



What service can you expect?

We understand that efficient service is just as important as investment excellence.

That's why Bespoke provides:

- a portfolio managed by a named and regionally located investment manager ensuring direct accountability for the service provided
- a designated investment manager available to discuss your portfolio
- the option for the investment manager to make use of your annual CGT allowance and ISA subscription ensuring your wealth is managed as tax efficiently as possible
- the portfolio and its administration can be individually tailored to your needs and objectives. For example, you may wish to discuss the exposure to underlying assets within the portfolio including any restrictions you wish to apply. Alternatively, practical aspects such as flexible income provision or portfolio currency options might be required to reflect your unique personal circumstances.

- the ability to hold other assets within your portfolio such as legacy or treasured assets (with certain restrictions and exclusions that your investment manager will tell you about). Although held separately to the assets under our discretionary management, your administration is eased by these assets sitting under one roof.
- an online service, allowing you to view:
 - secure messaging for all instructions and communications
 - daily updated portfolio valuations
 - quarterly valuation packs showing the value of underlying individual securities within the funds
 - a tax-year-end pack to help you or your accountant complete your annual self-assessment return.

Next steps

Whether you're considering investing for the first time or switching from an existing provider, Bespoke could be the ideal solution.



020 7399 0399

DFMsales@rathbones.com

Our offices

Bristol
Birmingham
Cambridge
Chichester

Edinburgh
Exeter
Glasgow
Kendal
Liverpool

London
Lymington
Newcastle
Winchester

For more information, please visit [rathbones.com](https://www.rathbones.com)

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Rathbones
Look forward