

Managed – for advised clients

Managed is a personal discretionary service wrapped around a range of Rathbones funds



Rathbones
Look forward

Recent history demonstrates that the unexpected happens frequently 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) potential 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 Managed

The advantages of discretionary portfolio services have traditionally been available only to those clients with the largest sums to invest. The Managed service makes that detailed and personal level of investment management accessible to a wider range of investors.



Bringing higher levels of service to a broader range of investors

A more attentive service, direct access to an investment management team and working with your financial adviser, are hallmarks of Managed, meaning it has the flexibility to accommodate your personal objectives, such as structured income requirements and tax allowance management. Allied to this are any tax-efficiencies and the buying power of a unitised investment – Managed invests exclusively in the range of Rathbones multi-asset portfolio funds managed by Rathbone Unit Trust Management (known as Rathbone Funds).

Combining the twin strengths of personal discretionary service and fund-based investment, Managed takes you beyond the realms of a model portfolio service, allowing you to enjoy the best of both.

A decision based on value

Throughout the world of investment, there is a widely held misconception in which 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 premium-cost solutions are of little value if the services for which the client pays a premium aren't actually necessary.

Managed is different, inviting you to make decisions based on the precise level of service you need, and therefore the value you can expect to achieve.

All the service you need, none of what you don't

The strength of our Managed solution lies in the control it gives you over the degree of personalisation you receive – and what will give you greatest value.

With direct access to an expert investment team, you receive many of the features you would expect from a full-blown discretionary service. This team will work with your existing financial adviser. Because your specific circumstances don't require the entire breadth of a full discretionary service, and therefore don't need to incur the cost, you benefit from the value delivered by a fund-based solution and the economies that offers.

Taking care of things for you

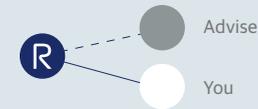
Within Managed, your investment manager will provide a discretionary service. This means that they will manage your money on your behalf but work with Rathbone Funds to oversee your investments, taking care of everything on your behalf and making sure things are on track.

The process begins with you

Before we start talking about investments and our Managed service, we will talk with your financial adviser about you.



Your adviser may operate with us where we rely on their assessment of your needs and requirements, in which they work hand-in-hand with us to provide our investment services. In that instance, we will collaborate closely with them to deliver a portfolio that is aligned with the required investment mandate.



Alternatively, if your financial adviser has acted as an introducer to our services, and to help us determine what we will recommend to you, we will gain a thorough understanding of your personal circumstances and financial situation. To do this, we need to capture wider information about you, your marital status, tax position, employment status and dependants, as well as details of your assets and liabilities, and of your income and regular outgoings.

How your adviser engages with us will be down to their existing relationship with Rathbones. We will combine our expertise to ensure we act in your best interests and deliver the right outcome for you.



Investment expertise

The Managed fund managers identify and research the best opportunities from an expanding universe of potential investments.

The fund managers focus on investing directly in UK and overseas equities, government bonds and corporate bonds. They select specialist third-party managers only when they want to access an opportunity that requires specific market knowledge and expertise.

The funds also use financial instruments as insurance against uncertain and unpredictable events, as well as diversified sources of additional returns. Diversification can help mitigate the risk and volatility of the investment, although it must be remembered that it does not ensure a profit or guarantee against loss.

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.

We've identified and operate by 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

Managed is aligned with our LED (Liquidity, Equity-type risk and Diversifiers) investment framework, which perfectly lends itself to working alongside financial advisers. 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.

Features at a glance

Matching high-quality investment with tailored service

- direct access to a dedicated investment management team, working with your financial adviser on a discretionary basis to provide personalised, flexible investment plans built around your current and changing objectives and tax position
- investment solution that combines many of the benefits of a discretionary service with the value of a fund-based approach
- eleven available investment strategies to match a broad spectrum of financial objectives and risk appetites, including ethical and sustainable investment options
- Rathbone Funds' extensive investment resources provide a wide choice of global investment opportunities
- decisions informed by our extensive investment resources, 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, Individual Savings Accounts (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
- 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 and your financial adviser will have direct access to your investment manager, who will provide personal service based on your chosen strategy, your financial objectives and your tax situation, among other considerations.

Is this service right for you?

- service open to clients with a minimum of £150,000 to invest
- minimum recommended investment period ranging from three to five years, depending on your chosen strategy
- 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

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.

* Availability of the proceeds from the sale of your investments is subject to a four working day settlement period from day of dealing. This is subject to the minimum investment holding limit for this service of £150,000.



Rathbones Funds – How you benefit

Managed is offered by Rathbones Investment Management , investing exclusively in funds managed by Rathbone Unit Trust Management (known as Rathbone Funds). Both companies are subsidiaries of Rathbones Group Plc.

The strategies cover the range of client risk profiles and investment objectives.

A range of Core investment strategies which align to our responsible investment aims, each invest in one of the Rathbone Multi-Asset Portfolio (RMAP) funds:

- Rathbone Multi-Asset Total Return Portfolio
- Rathbone Multi-Asset Defensive Growth Portfolio
- Rathbone Multi-Asset Strategic Income Portfolio
- Rathbone Multi-Asset Strategic Growth Portfolio
- Rathbone Multi-Asset Dynamic Growth Portfolio
- Rathbone Multi-Asset Enhanced Growth Portfolio

Managed also offers a range of Greenbank strategies which offer ethical and sustainable investment and each invest in one of the Rathbones Greenbank Multi-Asset Portfolio (RGMAP) funds, plus the Rathbone Greenbank Global Sustainability fund:

- Rathbone Greenbank Multi-Asset Total Return Portfolio
- Rathbone Greenbank Multi-Asset Defensive Growth Portfolio
- Rathbone Greenbank Multi-Asset Strategic Growth Portfolio
- Rathbone Greenbank Multi-Asset Dynamic Growth Portfolio
- Rathbone Greenbank Global Sustainability fund

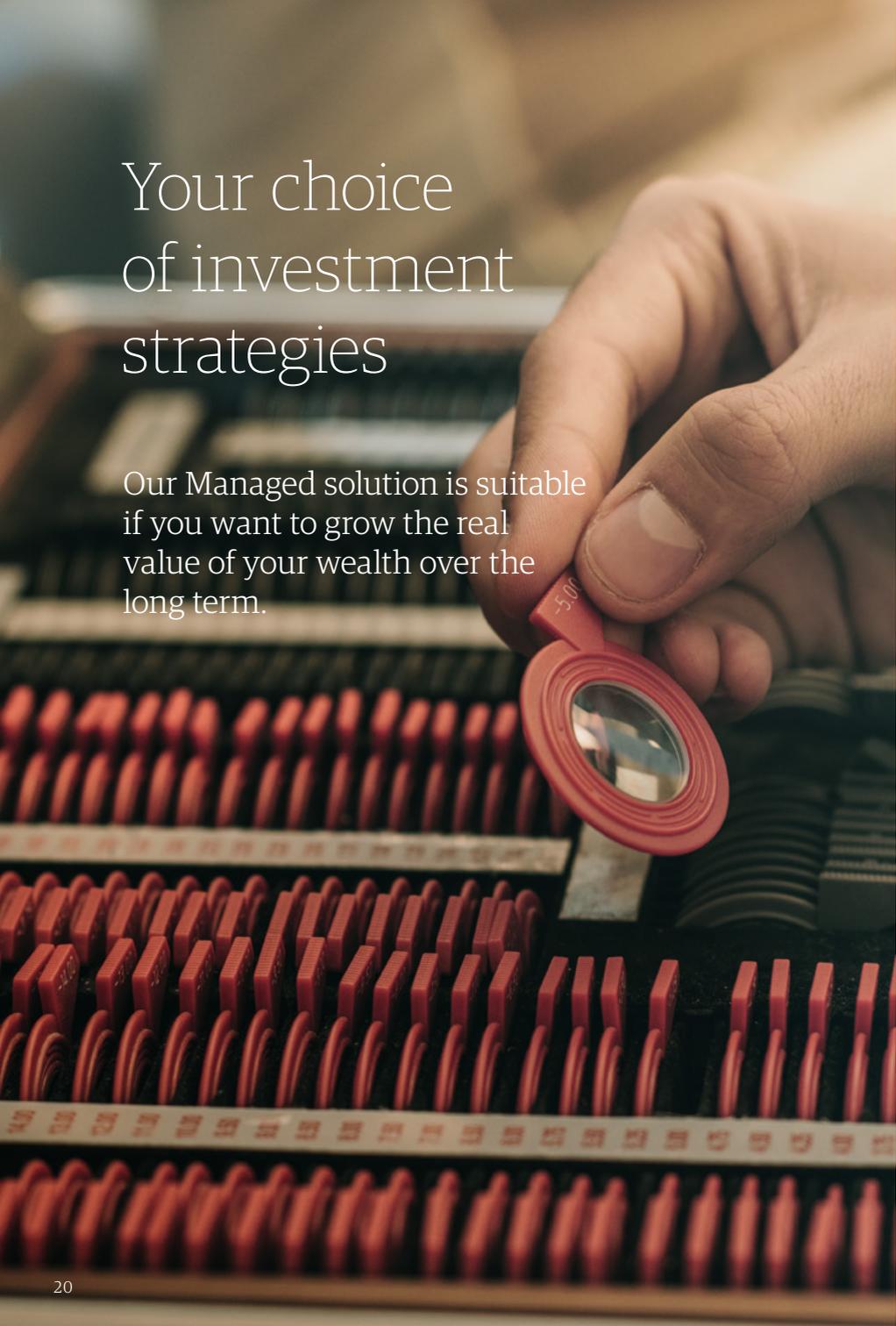
The Rathbone Greenbank Portfolio Range of funds only hold assets which meet Greenbank's strict ethical and sustainable investment criteria. Greenbank is a leading provider of ethical and sustainable investment solutions, and Greenbank's ESI research team have the final say over the assets that are held by the funds.

The multi-asset portfolio funds focus on investing directly in high-quality UK and overseas equities, government bonds, corporate bonds and structured products. The funds can also use different types of investments to help protect against uncertain and unpredictable events. The Greenbank Global sustainability fund is a pure equity fund with wide sector and geographic exposure.

Many investors are more worried about losing money than making high returns. With this in mind, the underlying funds for each of the strategies have clear targets for risk as well as returns, which provides explicit boundaries for the level of risk that they can take.

Investing in direct securities reduces costs and increases transparency, giving you better value for money and more visibility of where your money is invested. Due to the funds' active management style, the fund managers can manage investments and asset allocation in response to changing market conditions. Their disciplined and well-resourced investment process informs every investment decision they make.



A close-up photograph of a hand holding a red magnifying glass over a keyboard. The magnifying glass is positioned over one of the keys, and the keyboard's keys are visible in the foreground and background, creating a sense of depth. The lighting is warm and focused on the hand and the magnifying glass.

Your choice of investment strategies

Our Managed solution is suitable if you want to grow the real value of your wealth over the long term.

To achieve this, we have chosen cash+ and inflation+ long-term target returns that are understood by clients rather than industry benchmark indices*. Please note though that 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.

The funds that these strategies invest in have successful track records of delivering consistent returns. The strategies appeal to a wide variety of investors and can be held in individual savings accounts (ISAs), self-invested personal pensions (SIPPs) and offshore investment bonds.**

You can switch between strategies if your situation or objectives change. Also, with no penalties or notice periods and daily dealing, you have instant access to your money when you need it.***

Your capital is at risk. You may incur a tax liability when switching between strategies where you are not investing via an ISA, bond or pension scheme.

* Other than the lowest risk ('Risk Level 2') strategy, which has a shorter-term time horizon for which a cash plus return is more appropriate and achievable.

** May involve additional forms upon completion.

*** Availability of the proceeds from the sale of your investments is subject to a four working day settlement period from day of dealing.

Core strategies

Strategy	Objective	Long term return objective	Relative risk level	Minimum recommended investment period	Funds invested in
Core strategy 2	Growth	Bank of England base rate +2%	Relatively low	3 years	RMAP Total Return
Core strategy 3	Growth	CPI +2%	Medium-low	5 years	RMAP Defensive Growth
Core strategy 4 - Income	Income	CPI +3%	Medium-high	5 years	RMAP Strategic Income
Core strategy 4	Growth	CPI +3%	Medium-high	5 years	RMAP Strategic Growth
Core strategy 5	Growth	CPI +4%	Relatively high	5 years	RMAP Dynamic Growth
Core strategy 6	Growth	CPI +5%	High	5 years	RMAP Enhanced Growth

Greenbank strategies

Strategy	Objective	Long term return objective	Relative risk level	Minimum recommended investment period	Funds invested in
Greenbank strategy 2	Growth	Bank of England base rate +2%	Relatively low	3 years	RGMAP Total Return
Greenbank strategy 3	Growth	CPI +2%	Medium-low	5 years	RGMAP Defensive Growth
Greenbank strategy 4	Growth	CPI +3%	Medium-high	5 years	RGMAP Strategic Growth
Greenbank strategy 5	Growth	CPI +4%	Relatively high	5 years	RGMAP Dynamic Growth
Greenbank strategy 6	Growth	CPI +5%	High	5 years	Greenbank Global Sustainability

The investment objective of Core strategy 4 – Income – is designed specifically for those who wish to receive a regular income (accumulation shares are available).

The other strategies (with the exception of strategies 5 and 6 in both ranges) give you the **choice of income or accumulation** share classes. The accumulation share classes emphasise growth and reinvest all income.

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.** Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. In agreement with the adviser, your Rathbone investment manager can make use of your annual capital gains tax (CGT) allowance and ISA subscription. This ensures that your investment is managed as tax efficiently as possible.
- **The value of investments in the strategy(s) and the income from them may go down as well as up and you may not get back your original investment.**

An experienced investment team

The personal service you receive will be provided by a local investment manager ensuring a point of contact and accountability.

The Managed service draws on the expertise of our investment management business and experienced fund managers.

The multi-asset funds are managed by **David Coombs** and **Will McIntosh-Whyte**. They have extensive experience and their track records demonstrate their ability to deliver returns through different market conditions.

The Greenbank Global Sustainability, a pure equity fund, is managed by **David Harrison**.

The fund managers are supported by investment specialists from across Rathbones. Rathbones' proprietary investment process brings together specialists in asset allocation, security selection, portfolio construction, risk management and governance. This gives a broad coverage of available investment opportunities, combined with in-depth research and thorough scrutiny.

In the case of the Greenbank Portfolio Range of funds, Greenbank's highly experienced ESI Research team will screen the underlying investments to ensure that they meet our strict ethical and sustainable criteria. The Greenbank ESI Research team has the final decision on all assets held within the Greenbank Portfolio Range of funds.

The fund managers draw on the work of these teams to make decisions that are aligned with the individual objectives of each fund.

Key features

- experienced fund managers with a successful track record.
- supported by investment specialists from across Rathbones.
- drawing on the processes and resources behind all of Rathbones' investment services.

What service can you expect?

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



That's why Managed 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 and support the ongoing relationship with your financial adviser.
- 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.
- an online service, allowing you and your financial adviser 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, our Managed service could be the right solution for you.

We recommend that you speak with your financial adviser first.

Financial advisers can contact our intermediary services desk on:

☎ 020 7399 0399

✉ DFMsales@rathbones.com

For more information, please visit rathbones.com

Our offices

Aberdeen	Edinburgh	London
Bristol	Exeter	Lymington
Birmingham	Glasgow	Newcastle
Cambridge	Kendal	Winchester
Chichester	Liverpool	

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Rathbones

Look forward

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