

An illustration on a teal background. A large, pale hand is shown from the top, dropping a gold coin with a pound symbol (£) into the top of a large pink piggy bank. Inside the piggy bank, several grey gears are visible. A man in a dark blue suit and orange tie is standing next to the piggy bank, using a small tool to adjust one of the gears. The overall theme is financial planning and investment.

A nurturing approach to your wealth

Investment guide

Rouse
INTELLIGENT FINANCIAL PLANNING

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Our 6 step process

We pride ourselves on offering a personalised service that all clients value.

1



Meet

We'll spend time talking to you and helping you to identify your financial objectives. Essential to good financial planning is having a strong relationship between client and Financial Planner. Our team works hard not only to understand your financial situation but also to support other aspects of your life within that.

2



Profile

Next, with your help, our team will collect and then assess all your relevant personal and financial data, including establishing your attitude to risk and to investments. We'll help you by taking you through financial questionnaires and using approved tools to identify your financial approach.

3



Analyse

Using our knowledge and expertise, we'll then analyse all the data and your responses to assess the most appropriate way for us to help you reach your financial goals.

4



Plan

Once we fully understand you, and what you would like to achieve, we will put together a written plan that reflects your aims, interests and attitude to risk. We'll take you through the plan and get your go-ahead for implementation.

5



Implement

If you choose to accept our plan and give us the go-ahead to action it, we will implement it in accordance with the service arrangement we agreed, and our admin team will ensure that all processes are rigorously adhered to.

6



Review

Our team will regularly review your plan, and its progress, against your financial goals. This ensures your money continues to work hard for you and the plan remains suitable for your current circumstances. Any modifications that need to be made to your plan will be implemented strictly within the manner of the service agreement we set up with you at the start.

Welcome to Rouse

We work hard to develop an effective, diversified investment portfolio that reflects your ethics, is in line with your attitude to risk and keeps you on track to achieve your financial goals. Our investment process starts with you.

We offer a balanced and nurturing approach to your wealth and do our best to ensure we understand your personal and financial circumstances as well as identifying your attitude to risk.

We believe that determining your asset allocation is the most important decision you'll make with respect to your investments – even more than the individual investments you buy. Working closely with you allows us to develop a diversified financial portfolio that reflects your time horizon, ethical view and attitude to risk. Once created we monitor its performance and rebalance as necessary to ensure you remain on track to achieve your financial goals.

Our objective and expert view enables us to guide you away from decisions you might later regret.

Understanding you

You are at the heart of everything we do so we take time to get to know you.



I want to make sure my family is secure

What if my investment doesn't perform very well?

How will a recession affect my portfolio?

I'd like to invest ethically but how will it affect my return?

Investing is about more than just putting your money where it will get the best return.

A good relationship with your Financial Planner is essential. We are talking about your money so you need to feel comfortable with us and we need to know we have the full picture of your life, so we can help you make informed decisions about your investments.

Taking the time to get to know you, and collecting and assessing your relevant personal data, allows us to identify the most appropriate way for us to help you achieve your financial goals.

Risk and reward

All investments involve some degree of risk: risk and reward are inextricably linked. The reward for taking on risk is the potential for greater investment return.

Risk questionnaires are a recognised way of assessing attitude to investment risk and have been designed to measure an individual's emotional response to changes in the value of their investments.

Risk profiling

When we think of attitude to risk we tend to think in terms of how a person feels about taking risk: how much of a gambler they are; how do they strike the balance between seeking a favourable outcome against the risk of an unfavourable one? This is known as risk tolerance. However, the extent to which that person's financial plan can withstand unexpected or negative events also needs to be assessed and is called their risk capacity.

Risk capacity and risk required are financial parameters so calculations are made using a combination of historical data, a stock's expected return with a standard variation, and software that creates random outcomes.

Emotional rescue

Investment decisions can be influenced by the twin-headed monster: fear and greed. These strong emotions can have a profound and detrimental effect on investors. Risk profiling can't remove emotion from investing but it does aim to understand the individual and thereby work within an investor's emotional landscape in order to maximise their returns.

To do it properly requires sound processes and robust tools as well as advisory skills - if you can't understand the data you can't apply it to a particular situation. The science lies in the tools we use, the art in interpreting the data.

Ethics

We have all become more aware of the global impact of some of the first world benefits we enjoy. From knowing the provenance of the food we eat to the way we sort our rubbish, we're all a bit greener. And increasingly this social responsibility is being extended to the way we manage our money.

The concept of investing with a conscience is not new - we have offered ethical investing opportunities for more than a decade and have seen its popularity rise and its scope widen.

Our range of ethical portfolios allows our clients to invest their money without compromising their principles.

Establishing the appropriate asset allocation

Choosing the right ingredients



Pick and mix

When we talk of asset allocation we mean that the assets within an investment portfolio are divided among different asset classes. These classes can be simplified as: cash, fixed interest, equities, property, and other forms of investment. We can then further divide these so that, for example, equities, is split into UK, North American, European, Far East etc.

So how do we decide what could be a suitable asset allocation for an individual investor? Essentially, we have to consider two main points:

- ▶ Time horizon
- ▶ Ability to tolerate risk

Clocking up results

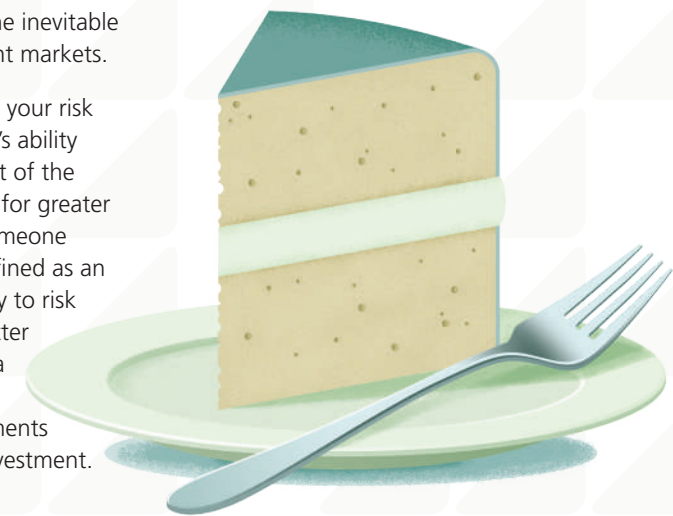
Time horizon: Your time horizon is the length of time over which you expect to invest in order to achieve a particular financial goal. It's significant because an investor with a longer time horizon may be more relaxed about making riskier investments as they have the time to wait out slow economic cycles and the inevitable ups and downs of the investment markets.

Risk tolerance: Linked to this is your risk tolerance, which is an individual's ability and willingness to lose all or part of the original investment in exchange for greater potential returns. This means someone who has a tolerance for risk (defined as an aggressive investor) is more likely to risk losing money in order to get better results, whereas someone with a low-risk tolerance (a cautious investor) tends to favour investments that will preserve the original investment.

Diversity and practicality

For many financial goals, investing in a mix of assets is a good strategy. By including asset categories within a portfolio that have investment returns that are affected by different market conditions, an investor can protect against significant losses. This is known as diversification and is important as it has an impact on whether you will meet your financial goal: if you don't include enough risk in your portfolio, your investments may not earn a large enough return.

By first establishing a client's time horizon and risk tolerance, then adding our understanding of the asset-specific risks that exist, we are able to pick a mix of assets that has the highest probability of not only meeting that client's financial goals but at a level of risk with which they'll be comfortable. But this mix isn't set in stone: as a client gets nearer to reaching a financial goal we will discuss whether it's appropriate to adjust the asset mix.





Structured for success

Investment Committee process

Our Investment Committee

The job of our Investment Committee is to ensure that the recommended investment strategy remains appropriate to you: aligned to your individual aims, ethics and attitude to investment risk.

The Investment Committee meets weekly to discuss the latest economic data and the impact that it may have on the different asset classes in which you invest. There may be other news to consider too, such as the end of a fund manager tenure or a new investment idea.

As well as qualified team members, our Investment Committee incorporates representation from City of London-based firm, LGT Vestra LLP. This arrangement provides access to LGT Vestra's comprehensive research facilities and latest thinking, while still allowing us to drive the investment strategy and final decisions in formulating our model portfolios. It is very important that we are fully involved with the investment process, to ensure the way in which our clients' investments are managed continue to reflect their values.

We are also able to access their expertise in sustainable investing, an area in which we have found a lot of our clients have a keen interest.

Always treating you fairly

There are strict rules governing the investment advice process and the Investment Committee must ensure that procedures are followed correctly and all regulatory requirements met.

In addition to the Investment Committee, we have an Oversight Officer who assists us in meeting these requirements. It's their job to check all systems and procedures are carried out within the guidelines and in line with the Investment Committee's Terms of Reference.

Who is LGT Vestra LLP?

LGT Vestra is a global wealth management firm with offices in 20 countries and over 350 staff. They collectively manage around £14bn for private investors and institutions, such as banks, pension funds and insurance companies.

We find them a highly professional organisation but simultaneously approachable and communicative. They are run in a socially responsible manner and remain open to fresh developments as the world changes.

Of equal importance is that they share our core values: always putting the interests of a client first, never losing sight of the fact that it is your money in our care.

Always on guard to protect your interests, we work hard to ensure you receive the best possible advice. Our commitment to you and your wealth management remains our priority.

Our investment proposition

Whether advisory or discretionary, we're with you every step of the way



Stay in control

We offer both an advisory (Advantage) and discretionary (Premier) investment management service. Both services see your investments actively managed and benefit from regular rebalancing.

Under Advantage, our advisory service, we are unable to change a fund or its weighting without first obtaining your authority to do so. We therefore need to communicate the changes we wish to make and why, then wait for you to confirm that you are happy to proceed before we can enact the recommended changes. This can prove time consuming and means that we cannot always act swiftly enough to fully capitalise on the opportunities that we have uncovered.

In order to reduce the time to act and improve the capitalisation of the opportunities found, we have Premier, our discretionary investment management service. This service does not require your authority to make changes to your investments. Instead we will write to you each quarter to confirm the changes we have made and explain why these changes took place.

The Premier service will ensure that your investments remain in our most up to date portfolios without any input from you.

Which service is right for you?

It is not simply a question of one service or the other; the right solution for you could be a combination of both services.

Both the Advantage and Premier services will provide you with unrestricted access to your investments. You will also have unrestricted access to your dedicated Financial Planner and the team – you can contact them to discuss any financial planning matter, without charge.

Don't worry, your Financial Planner will help assist you in determining which of our services are most appropriate for you, depending on your personal circumstances and preferences.

You are at the heart of everything we do

Our team has extensive experience and knowledge in most aspects of financial planning and as we offer independent advice, it means our advice is based on a whole-of-market assessment.

We aim to take your wealth management worries away by offering end-to-end financial services that support you. Whether you're looking for advice on pensions, savings, investments, tax and trust planning, each member of our team is committed to providing you with a unique service, and to having proper regard for your best interests in any advice given.

Our mission is always to provide a unique service.

It's vital that investment decisions are based on a thorough understanding of an ever-changing world

We're with you every step of the way

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