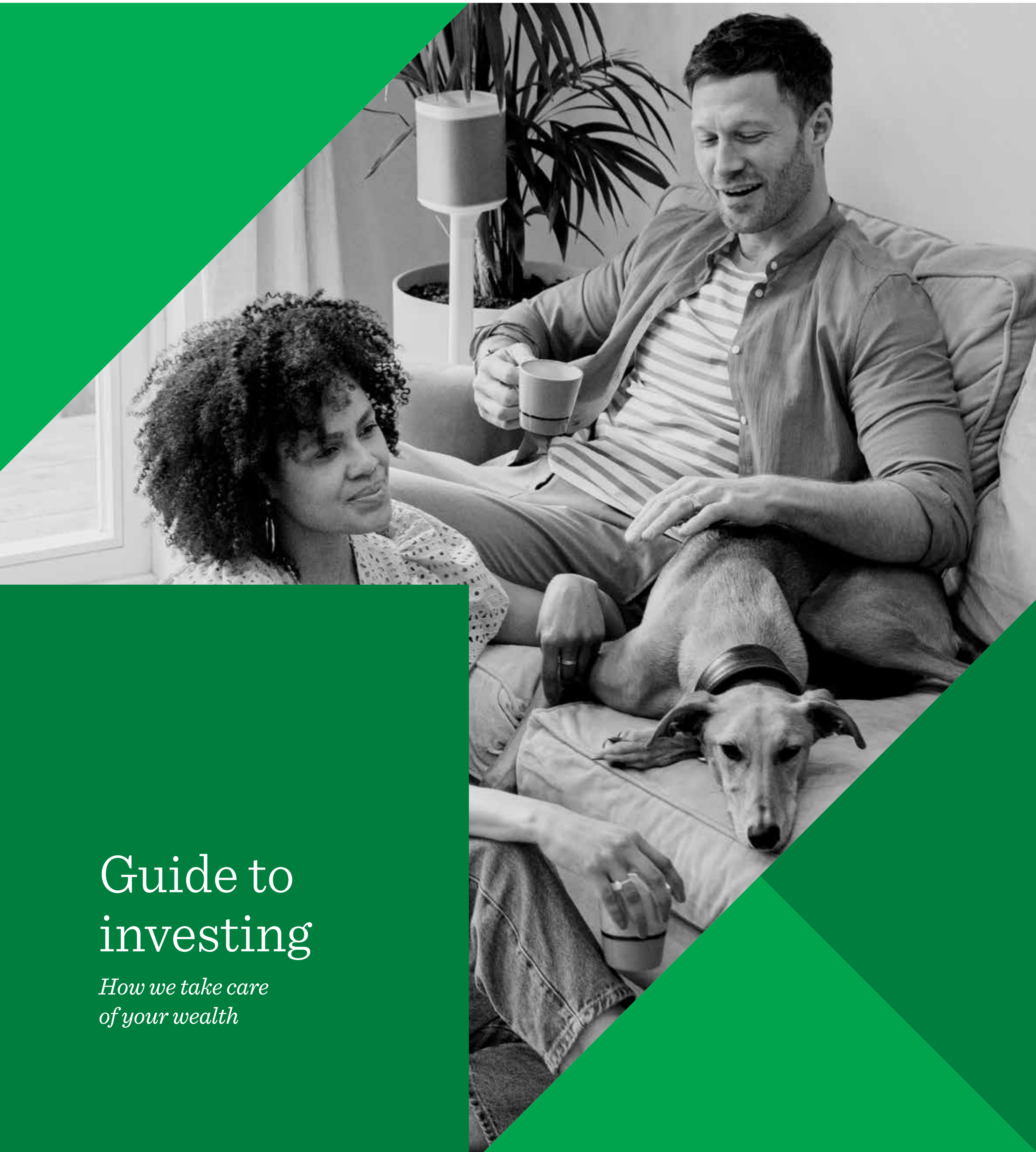
Quilter
Financial
Planning



Guide to investing

How we take care of your wealth

The value of investments can fall as well as rise.
You may get back less than you originally invested.

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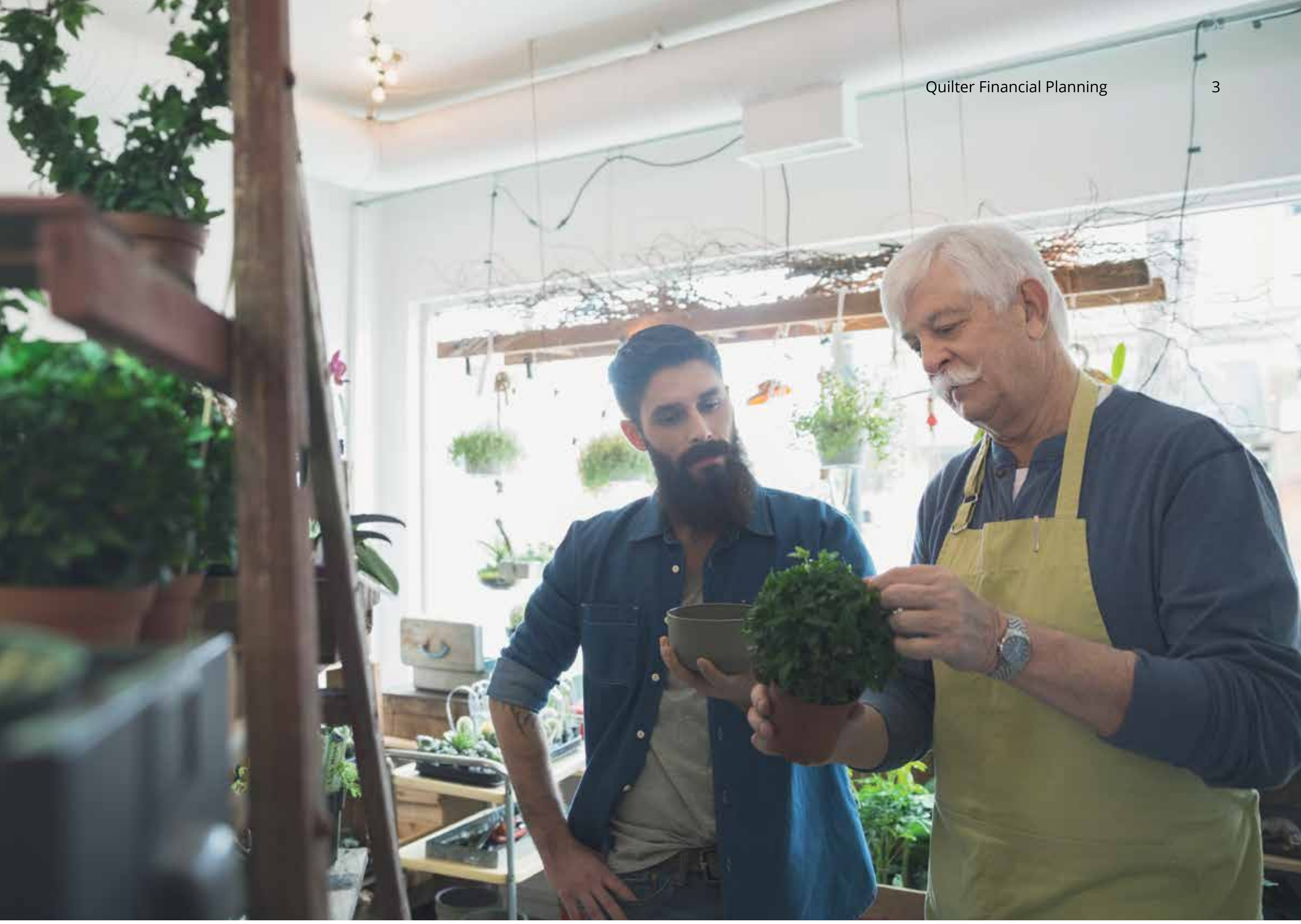


The purpose of this guide

This guide tells you the essentials of investing, what to expect from your Quilter Financial Planning adviser and how investing could help you to achieve your financial goals.

Welcome!

Whether you've got existing investments, or you're completely new to the world of investing, we're here to help.

Your adviser will help you understand what investing is, whether it's appropriate for you, the potential benefits to you, and the risks involved.

Importantly, your adviser will also consider how investing fits with, and relies upon, other key elements of your financial plans, such as your income needs and your aspirations for the future.

Investing can be complex, so we help to make the service easy by ensuring your assets are in the most appropriate tax shelters and selecting the right investments to fit your needs.

Your adviser will also be on hand to support you throughout your financial journey as your personal needs and financial circumstances evolve.

What does investing mean?

Investing can be an effective way to help you achieve your goals, however you also need to be comfortable with the investment risks involved.

When you invest, your money is used to buy different types of assets, such as stocks and shares (equities), bonds, property, and commodities such as gold and other natural resources. These assets are packaged together into funds and portfolios offered to investors by investment managers.

Your financial planner's role is to understand what you want to achieve, to recommend a suitable portfolio to get you there, and to be by your side through every step of the journey.

Investing is a long-term commitment

It's important to understand that investing is a long-term commitment (typically 5-10 years or longer).

Markets and the value of your investment can fluctuate in the short term, but focusing on the long term and remaining invested means that your money has the opportunity to recover in value and make a return if markets go up.

The most successful investors generally make a long-term investment plan, stick to it, and don't try to time the market or make knee-jerk reactions.

For most styles of investing the returns will not be guaranteed and will be affected by market conditions.

Investing vs keeping money in cash

Certain or near-certain returns are normally offered by cash accounts available from the bank or building society.

If your plans require a greater return than cash can offer, then investing can be an effective way to help you achieve them but you also need to be comfortable with the risks involved, which we discuss later in this guide.

Why invest?

You may invest for a number of reasons:

- Saving for a specific purpose.
- Building a pot of money for personal use at a later date.
- To help offset the impact of inflation, ensuring that you maintain a good standard of living.

Before you invest

Before you invest, we recommend that you address three key areas:

- You have settled any debt.
- You have adequate emergency funds.
- You have adequate financial protection to cover common risks such as being off work due to sickness or accident.

Saving vs investing

What is saving?

Saving means putting away a share of your income that you choose not to spend today. Those savings are traditionally held in cash or deposit accounts, although the returns are low, and in the case of cash, are usually negative because of the effects of inflation, so you are losing money over time in terms of its real spending power.

Saving alone therefore may not be sufficient for you to achieve your financial goals.

What is investing?

With investing, the focus is to make those savings produce a higher return, whilst of course carefully managing the investment risk that you are taking, in order to achieve specific financial objectives. Successful investing means ensuring you are getting the best return that you can for the level of investment risk you are comfortable to take.

In order to achieve returns that are higher than savings rates, it is typically necessary to take investment risk – indeed investment risk should not be seen as an undesirable side effect of investing, but as a necessity that actually drives these potentially higher returns.

Balancing risk and return

The balancing of this risk and return is the key challenge of investing and is a key part of the value that you receive from working with a financial adviser.

You might choose to treat different areas of your finances in different ways. For example, you may wish to invest for a specific purpose, such as buying a new house, as well as to build up a pot of money to enjoy when you don't want to work so hard, and those two goals may well involve different amounts, timescales, and levels of return and risk.

Investing should be considered to be a long-term activity. Typically, the minimum time for investment should be 5 years, with 7, 10 and even up to 30 year timeframes, depending upon your different investment goals.

What is speculating or gambling?

Speculating or gambling is where the aim is to maximise short term returns, typically less than 3 to 5 years, and often much sooner than this. This requires a level of specialist qualification, experience, research, time and attitude and a high capacity for loss.

Speculating or gambling is typically beyond the means or motivations of a private individual whose focus should be upon achieving the longer term personal goals for themselves and their family.

We will help you establish your needs and objectives and make recommendations on how you can meet them, in line with your investment requirements.

Understanding your needs and requirements

Whatever your starting point in thinking about investing, it is a good idea to ask yourself the following:

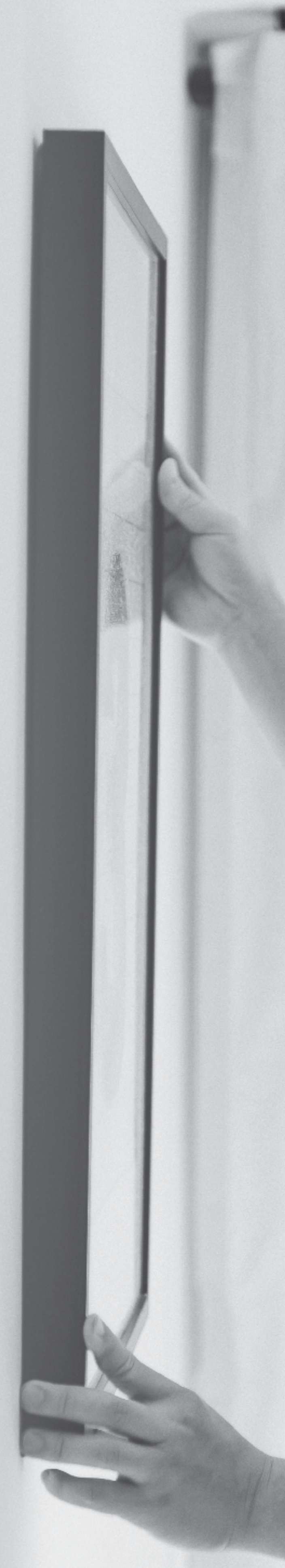
What has prompted me to think about this now?

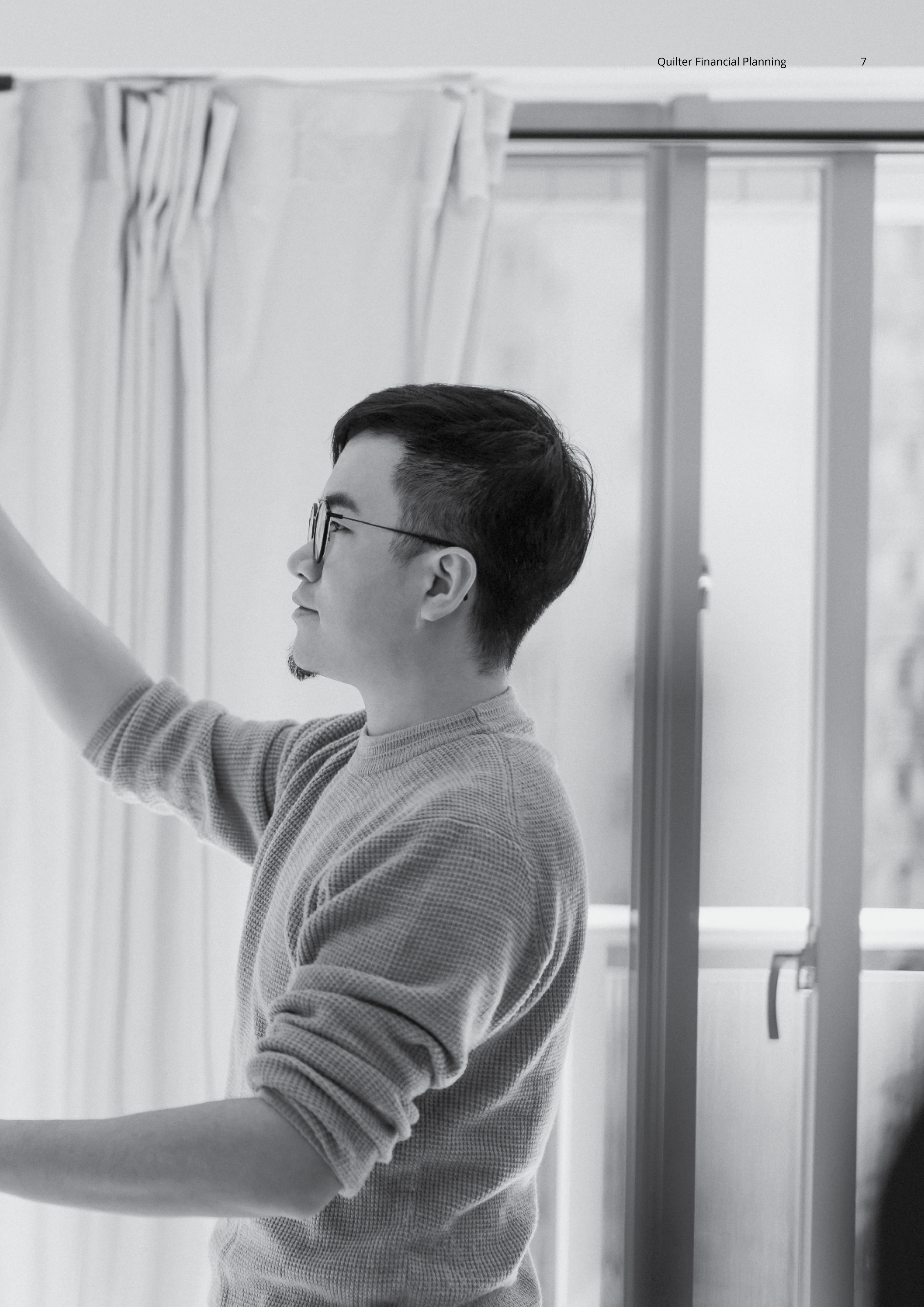
It could be that a particular significant event has occurred in your life, expected or unexpected. These can be positive of course – a promotion, looking to buy a first house, getting married, or starting to think about retirement, and many others.

They could also be negative, such as ill health, bereavement, or unemployment. Common to all of these though is their personal importance, as well as their significant financial implications.

You could also be considering investing because of something that you have heard about from family, a friend, or something in the media. This may have got you thinking whether you should consider investing also. For example; changes in pension regulations, stock markets rising or falling, changing world events, employment outlooks, interest rate or inflation rate changes or even services and technologies that have just launched.

How you feel about investment risk, and your expectations, are important parts of getting the right investment for you.





What will a financial adviser do for me?

A financial adviser will do a great deal more than just make an investment recommendation. Investment is just one part of the overall picture, and should never be considered in isolation.

Key elements an adviser will add:

1. Your personal purpose

Your financial adviser will first work with you to understand your personal purpose.

How do you see your role in providing financially for yourself and your family?

What would you like to achieve, and when?

And what would you specifically like to avoid along the way?

What are your hopes, aspirations, or concerns? What aspects interest you in particular?

Inherent within this will be giving you the means to identify and understand the implications of investment risk, including:

- Your investment experience and knowledge.
- How comfortable you are with the risks of investing.
- How much you can afford to invest and how much risk you can afford to take.
- What level of risk you need to take in order to achieve the investment returns that you need to achieve your financial goals.
- Are all the above optimised so that you are not losing money unnecessarily due to tax.

2. Your existing provisions

Almost everyone has some form of existing provisions. These can include savings in a bank, building society or a cash ISA, the equity in your home, insurance policies, or some existing investments such as pensions or stocks and shares ISAs. If you have any of these, regardless of the value, your financial adviser will begin by considering these existing provisions, and how they serve your purpose and goals. They will do this before recommending whether any changes need to be made to further develop or optimise your finances, and before starting any new plans.

Questions your financial adviser will consider on your behalf at this stage of the process include:

- Are your assets each held in the most appropriate name?
- Do each of your assets have the right ownership i.e. named beneficiaries?
- Are each of your assets held in the best tax shelter, such as (but not necessarily limited to) ISAs and pensions?
- Are all the above optimised so that you are not losing money unnecessarily due to tax.

3. Your investment solution

Being clear on the purpose of a product or investment will help your adviser to select most suitable financial solution in its class for your needs.

Therefore, your financial adviser will make any adjustments and additions to your existing savings in the light of your agreed purpose and goals.

Your financial adviser will ensure that:

- Your investments have the right level of return expectations to give you the outcomes you want.
- You are only taking the level of risk with your investments that you are comfortable with.
- The mix of assets (e.g. cash, fixed interest, shares, property etc) is correct for the investment return and investment risk level that you have agreed.
- Your assets and investments are able to be released at the times you want, or if your circumstances change.

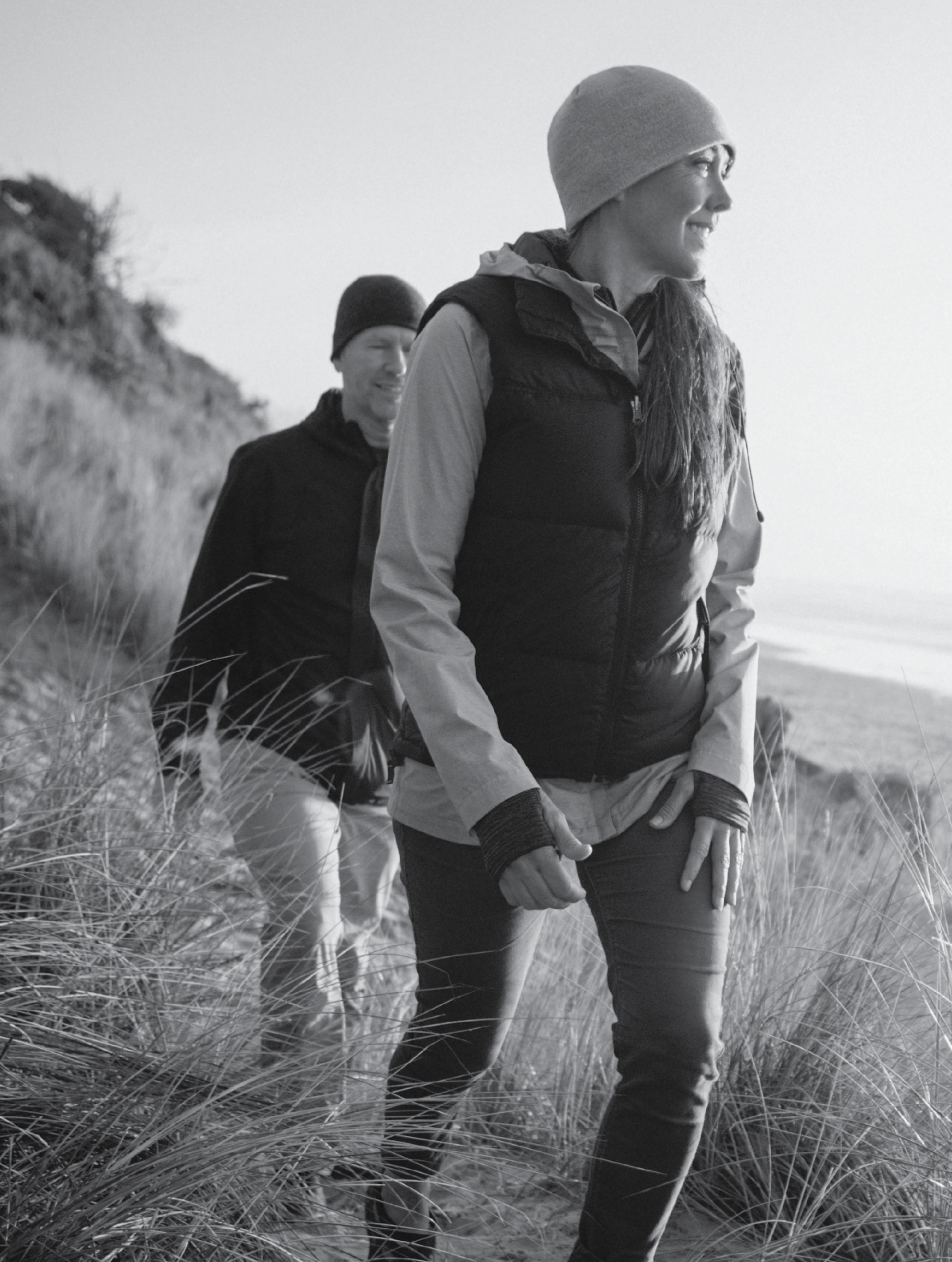
4. Supporting your ongoing journey

In your investment journey, it is essential to check whether your plans are on track. Also, as both your personal circumstances and external economic factors change, your plans may need to adapt. Our planning process has the flexibility to accommodate the shifting priorities that arise due to your changes in lifestyle, family size or age, as well as to respond to unexpected events.

Your financial and investment plan should also consider how much of your income and your assets can be protected.

In providing a regular ongoing service to you, including how many times we meet, how we communicate with you, your financial adviser will:

- Consider any changes to your purpose, goals or personal circumstances that may have an impact which requires a change to your investments.
- Check how any personal changes in income or capital values may impact your current savings or tax situation i.e. still held in the right name, ownership, and product.
- Explain in simple terms how the UK Government budget announcements impact you by way of welfare or income, capital, or inheritance tax changes. As well as discuss with you your valuable tax allowances.
- Make sure you do not miss out on getting money back that might be owed to you. For example, tax relief on pension and retirement planning.
- Ensure that your investments remain appropriate for your financial goals.
- Help avoid making wrong decisions (such as switching to cash in a market downturn, or switching between investment funds).
- Support your personal financial goals.



Key things to think about

Your adviser has access to market-leading psychometric tools developed and tested by Quilter with the help of industry experts and academics.

These tools will help them understand four key factors:

1. How much investment risk you are prepared to take to achieve your objectives.

2. Whether your portfolio should be designed to produce an income for you or to grow your money.

3. How you prefer your investment portfolio to be managed.

4. Whether investing responsibly is important to you with regards to the environment and society.

Your financial adviser will support you through their service and provide tailored advice to suit your personal circumstances.

Understanding investment risk

Investment risk is the engine that drives investment returns. We believe that the right approach is to fully understand how much risk an investment involves, what that might mean in different market conditions, and why that level of risk is right for you to take.

We take investment risk extremely seriously at Quilter Financial Planning. It is both the key to earning a higher return, and a potential cause of losses. We build our investment offering with risk at the forefront of our minds.

It's important to understand that not even the world's foremost investment expert knows with certainty exactly what markets are going to do and when.

Instead, your adviser will look to manage these risks and ensure that your money is invested across a wide enough range of assets, and adjusted where needed, to help balance the risk and rewards.

Your adviser will also help you to consider the other economic and 'life' risks that you are exposed to, such as investing at a level that you could still afford your day-to-day expenses should you become unable to work. In fact it is the purpose of investing to mitigate these and other risks.

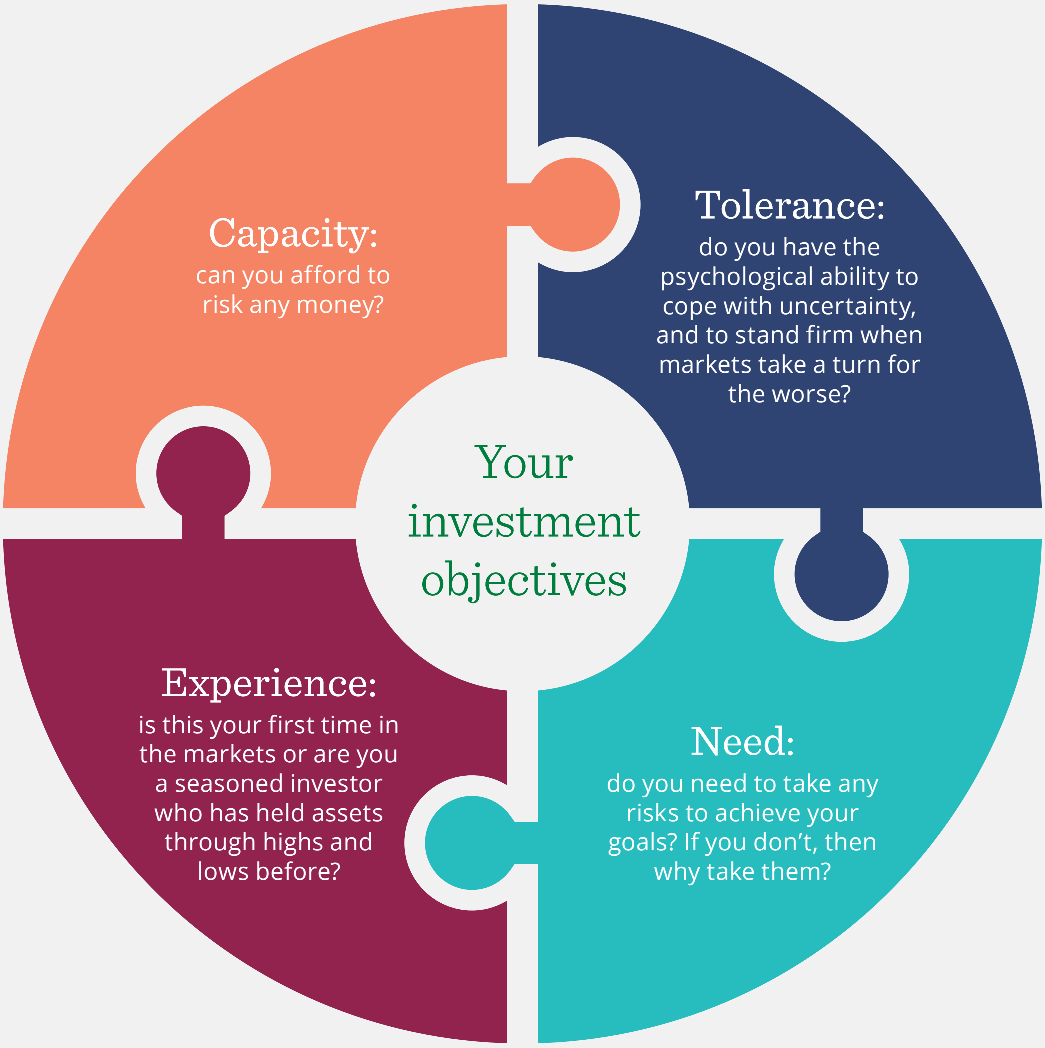
It is your financial adviser's role to help you to understand the relationship between these life, economic and investment risks, and the implications for your particular circumstances, purpose and goals.

Here are the main risks which your adviser will discuss with you, and help you to understand and assess:

- Investment risk – is the risk of the capital value of your investments falling.
- Goal risk – the risk of you not achieving your financial goals.
- Longevity risk – the risk of outliving your income.
- Event risk – the risk of unexpected events which affect your plan.
- Savings risk – the risk of you not saving enough to invest.
- Inflation risk – the risk of inflation eroding your savings and investments.
- Interest rate risk – the risk of changes in interest rates affecting your expenses for example your mortgage repayments or, your return on savings.

The amount of risk you take is closely linked to the return potential of any investment.

Your risk profile is a combination of four different things. Your adviser will explore all of them and use their skill and judgment to make a recommendation:



Your overall financial plan may involve several portfolios with different levels of risk, all pursuing different objectives.

The risk profiles

We've talked about the different parts of your risk profile: tolerance, capacity, needs, and experience. But how do we classify different levels of investment risk?

We work with six categories of risk as shown below. It's important to bear in mind that all assets, even cash, involve some form of risk. Assets held in cash may face the risk that inflation erodes their buying power over time. All investors have to decide what kind of risk they will take, and why.

Below you'll find our six risk profiles and descriptions.

Decreasing investment risk

1. Risk Averse

Risk averse investors prefer to keep their money in the bank rather than investing it in the stock market.

They usually take a long time to make up their minds on financial matters and will almost certainly regret if their decisions turn out badly. They tend to hold all money in cash deposits. The risk they run with this strategy is that the value of their savings fails to keep pace with rises in the cost of living.

1

2. Conservative

Conservative investors prefer to hold most of their money in low-risk assets and are cautious of investing in the stock market.

They, too, will take considerable time to make up their minds on financial matters and will feel disappointment if any actions they take do not come good.

2

3. Balanced

Balanced investors do not take much risk with their available cash. They may prefer lower risk assets but are aware that investments with a higher risk profile are likely to give better longer-term returns.

They consider any financial opportunity carefully and would regret any decision that failed to lead to a return.

3

Increasing investment risk

4. Moderate

Moderate investors understand that they will probably have to take a degree of investment risk to attain their long-term goals. They are likely to be willing to take risk with a significant proportion of their available assets.

They will usually make up their minds on financial matters quickly, but still feel regretful if their decisions turn out badly.

4

5. Dynamic

Dynamic investors understand that higher risk investments offer the opportunity to generate significant returns over the long-term. To achieve their goals, they are usually willing to take risk with most of their available assets.

They will make up their minds on financial matters quickly and although they may regret decisions that turn out badly, they accept that occasional poor returns are a necessary part of long-term investment.

5

6. Adventurous

Adventurous investors look for a high return on their capital and are willing to take considerable amounts of risk to achieve this, usually with all their available assets.

They will make decisions on financial matters quickly and can accept occasional poor returns with little regret.

6

What is diversification?

We believe that the safest way to invest for the long term is with a well-diversified managed portfolio. Think of diversification as 'the spreading of risk'.

There are five main types of diversification:

- **Between asset classes.**
  A multi-asset approach is often the best, where your portfolio combines shares with bonds, property, and other assets
- **Between sectors and companies.**
  For example, investing in several different industries (such as energy, pharmaceuticals, retail and banking) as well as investing in several different companies within the same industry.
- **Between regions.**
  Regions of the world, such as the UK, Europe, North America, Asia, emerging markets and others all have different investment characteristics and so your portfolio is likely to benefit by being diversified across these too.
- **Between management styles.**
  Not all fund managers work in the exact same way. Equity managers, for example, might focus on particular sizes or style of companies.
- **Between investment management houses.**
  A 'Quilter' portfolio won't necessarily be 100% managed by Quilter. Inside it you'll often find a wide range of other experts from around the market, blended and monitored by your overall portfolio manager.

We have illustrated example asset allocations for each risk profile on pages 18 and 19.

But it's also important not to diversify too much. For example, combining lots of different actively managed portfolios together might mean that there is no space left for outperformance of the whole. It is possible to diversify away the potential for active management to add value, because different managers' decisions can cancel each other out. This is why we generally recommend assigning a single diversified portfolio with a clear objective to each of your financial goals.

Taken together, these different asset allocations could be blended to produce an allocation that is suitable for your risk profile.

Example asset allocations

The asset splits below are intended to give a rough idea of how a portfolio at a particular level of risk might be invested. Please note that these are examples only. No actual portfolios will directly replicate these splits.

The key driver of your portfolio's risk level will be its asset allocation. In other words, how much of the whole is in riskier assets like shares, and how much is in lower risk assets like government bonds?

As your risk profile increases from the lowest (Risk Averse) up to the highest (Adventurous) the proportion of shares will increase, too.

Here are some examples of what the asset allocation of a portfolio at each risk level could look like.

Property has historically demonstrated long term diversification benefits. However, many fund managers will choose not to hold direct property in their portfolios due to its lack of liquidity (it can be difficult to sell).

As you can see, in the Dynamic and Adventurous profiles the investment in stocks and shares is far higher than for the Risk Averse and Conservative portfolios.

Decreasing investment risk

1. Risk Averse

Cash	**100%**
Fixed Interest	**0%**
Property	**0%**
UK and Global Equities	**0%**

2. Conservative

Cash	**12%**
Fixed Interest	**55%**
Property	**8%**
UK and Global Equities	**25%**

3. Balanced

Cash	**10%**
Fixed Interest	**35%**
Property	**10%**
UK and Global Equities	**45%**

1 2 3

Increasing investment risk

4. Moderate

Cash	**4%**
Fixed Interest	**21%**
Property	**10%**
UK and Global Equities	**65%**

5. Dynamic

Cash	**0%**
Fixed Interest	**7%**
Property	**8%**
UK and Global Equities	**85%**

6. Adventurous

Cash	**0%**
Fixed Interest	**0%**
Property	**0%**
UK and Global Equities	**100%**

4 5 6

Your portfolios

Your adviser will normally allocate one diversified managed portfolio for each distinct financial objective you may have.

For example, you might agree to have one portfolio for your longer-term retirement savings and another for your more medium term objectives. Every financial plan is unique to you and what you want to achieve.

Your portfolio will always be under the care of a full-time investment professional. The exact structure of the portfolio may vary depending on what you choose, but the fundamentals won't change.

Past performance is not a guide to future performance.

Your adviser may recommend the following types of portfolios for you to invest in

Fully active

These investment solutions are suitable for clients who want an investment professional to use all available asset classes and all available investment techniques to potentially generate the best possible return for their level of risk. This may involve a portfolio with exposures to less well-known asset classes such as private equity and techniques such as hedging or the limited use of derivatives. Portfolios of this nature tend to cost more and have the capability to potentially achieve greater growth over time, but they may also underperform lower cost options if the manager's decisions do not add value in the expected way.

Active with constraints

These investment solutions are suitable for clients who want an investment professional to make active decisions about their portfolio on their behalf, but they also prefer a portfolio at a lower cost than some of the fully active options. To achieve a cost saving they are willing to accept some form of constraint or limitation on what their portfolio manager can do or buy on their behalf. For example, some portfolios only select investments from one or two investment firms. These are sometimes called 'fettered' portfolios. Others reduce costs by blending active holdings with passive holdings in the overall portfolio.

Passive

Some of our clients do not believe that an investment manager can beat the market over time and therefore want to invest in the lowest cost manner available. Passive portfolios are likely to be the most suitable for these investors. They are unwilling to pay more for the chance that they could earn more and would rather invest in the right asset allocation at the lowest cost.

Clients who choose this strategy are happy to save charges and avoid the risk of underperformance. This option will simply follow the asset allocation shown in your Risk Profiler, or as close to that asset allocation as we can find in the market.

Pay an income

These investment solutions are suitable for clients who are looking to achieve a higher than average yield (or 'natural income') from dividends or other sources. Capital growth, whilst a secondary requirement, is also possible from this type of investment.

Bespoke portfolio

Some clients may need or want a specialist or bespoke investment portfolio with a dedicated investment manager to make decisions on their behalf. This type of investment management is generally only suitable for clients with over £250,000 to invest.

Investment research and governance you can trust

It's comforting to know that the products we recommend undergo rigorous vetting, and continual oversight from Quilter Financial Planning's three tier approach to investment research and governance:

1. Oversight

The Quilter Financial Planning Investment Oversight Committee (IOC) meets on a quarterly basis. It's responsible for managing conduct risk and ensuring our investment panel provides good outcomes and fair treatment for customers. The committee consists of senior Quilter Financial Planning executives and non-executive members, which ensures we maintain a robust, rigorous and transparent approach to oversight.

2. Management

The day-to-day management of the investment panel is the responsibility of the Advice Investment Proposition Forum (AIPF), which reports to the IOC. The AIPF consists of senior Quilter Financial Planning executives and renowned industry experts from Square Mile, Morningstar, Defaqto and Moody's Analytics who are responsible for providing valuable additional research and opinion.

3. Monitoring

To make sure the investment panel continues to meet the needs of our customers and performs in-line with their expectations the funds are electronically monitored on a continual basis. If any fund moves outside its pre-set parameters Quilter Financial Planning's monitoring system automatically alerts the members of the AIPF. The system also monitors fund performance by benchmarking it against its peers and reports any changes. As an adviser we have access to the latest Morningstar reports that cover the performance of every fund in detail.

This rigorous three tier approach means that making it onto Quilter Financial Planning's investment panel is one thing, staying there is another. By continually monitoring the investment funds on our panel we can make sure they continue to meet the needs of our clients.

Square Mile -
an independent investment research and consulting business that undertakes detailed qualitative research, supported by quantitative analysis, aiming to identify funds that are 'best in class'.

Morningstar -
an independent investment research and consultancy business with one of the largest and most experienced fund research teams in the UK.

Defaqto -
a provider of independent financial product, fund and ratings information that maintain's the UK's largest retail financial product and fund database.

Moody's Analytics -
a world leading organisation providing stochastic information to help clients understand the trade-off between investment risk and potential return.

The value of pensions and investments can fall as well as rise and you can get back less than you invested.

1. Investment Oversight Committee

Quilter Financial Planning is overseen by the Investment Oversight Committee.

2. Advice Investment Proposition Forum

SQUARE MILE INVESTMENT CONSULTING & RESEARCH

MORNINGSTAR®

defaqto

MOODY'S

Quilter Financial Planning

Senior Quilter Financial Planning executives including our:

Chief Executive Officer

Head of Adviser Propositions

Adviser Investment Solutions Manager

Executive Consultant

Senior Risk Consultant

3. Monitoring & feedback

Ongoing Monitoring

Market information in real time.

Peer groups, feedback and surveys

The needs of clients regularly monitored including feedback from our adviser focus groups and surveys.

Helping you avoid common investment mistakes

Investing well is as much about avoiding mistakes as it is about having the right long-term plans. Quilter conducted research into the most common- and costly -investor errors.

Summary of key findings

In June 2018 Quilter commissioned external research company Boring Money to examine the holdings and behaviours of individuals who hold investment products (over and above bank accounts) but who did not take financial advice in the selection of those products and do not take any ongoing advice as to their management*.

The chart below summarises the impact of the common mistakes that unadvised investors tended to make.

The research from Boring Money and our own research with professional financial advisers suggests that most unadvised investors:

- Tend to treat different pots of money differently.
- Have stocks and shares, and these are often held in ISAs.
- Are less likely to hold pensions (outside the workplace).

The top five investor errors:

1. Paying little or no attention to the ownership and tax treatment of the product in which their assets are held.
2. Panic selling in a market downturn.
3. Buying single company shares without much (or any) diversification.
4. Chasing returns based on past performance alone.
5. Not having a clear plan.

Your adviser will help you avoid these costly mistakes, and build the right long-term plan with you.

Typical Unadvised Investor Portfolio Behaviour	Impact on Return Outcome	Impact on Risk Outcome
Lack of Equity Diversification	Decreases Return	Increases Risk
UK Bias	Decreases Return	Increases Risk
Lack of Asset Allocation	Decreases Return	Increases Risk
Buying 'Attention-grabbing' Assets	Decreases Return	Increases Risk
Non Rebalancing	Decreases Return	Increases Risk
Overtrading	Decreases Return	N/A
Panic Selling	Decreases Return	N/A

** Source: adviser-delta-report-highlights.pdf (quiltercheviot.com)*

Responsible investment made easier

At Quilter we are committed to providing you with a long-term return on your investments and we know that you want to achieve those returns in line with your values.

What is responsible investment?

Responsible investment is a purposeful approach to investing and whilst it is not a new concept, it has become more mainstream; thanks to initiatives like the UN-backed Principles for Responsible Investment (PRI), the world's leading proponent of responsible investment. The UNPRI defines responsible investment as 'a strategy and practice to incorporate environmental, social and governance (ESG) factors into investment decisions and exercise active ownership'.

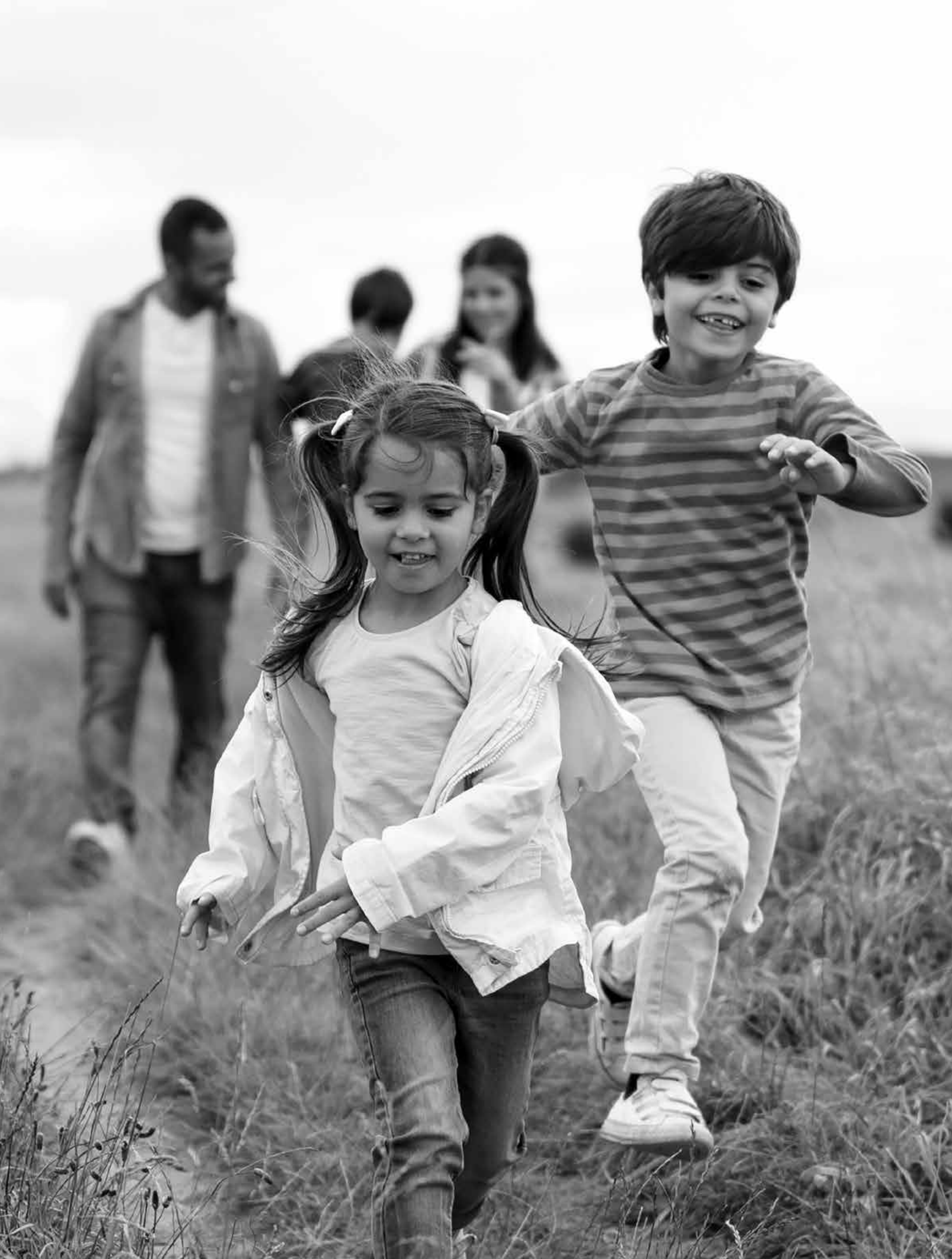
Investing in this way is intended to mitigate risk and help investors to identify potential opportunities thereby contributing towards the generation of long-term sustainable returns.

In addition, some of the investment options your adviser may discuss with you are managed on the basis of a responsible investment objective. For example, excluding a sector from the investment on the basis of a moral choice or selecting an investment on the basis of the sustainability criteria it fulfils.

The table overleaf provides further detail on how these approaches might be applied in practice. The terms associated with these kinds of investments can be misunderstood. It's therefore important for you to make sure you read the detail provided with your adviser to make sure what is being recommended aligns with your financial needs and values.

Approaches to responsible investment

Responsible Investment Process		Responsible Investment Objectives		
Stewardship	*ESG Integration*	*Exclusions*	*Sustainability Focus*	*Impact investing*
The responsible allocation, management and oversight of capital to create long-term value for investors and beneficiaries leading to sustainable benefits for the economy, the environment and society. *Definition sourced from the Financial Reporting Council (FRC).*	The systematic and explicit inclusion of material ESG factors into investment analysis and investment decisions. *Definition sourced from the UN-supported Principles for Responsible Investment (PRI).*	Excluding entire sectors, activities, companies or countries from a fund or portfolio based on ESG criteria, moral or ethical views, or religious beliefs.	Investment approaches that select and include investments on the basis of their fulfilling certain sustainability criteria and / or delivering on specific and measurable sustainability outcome(s). Investments are chosen on the basis of their economic activity (what they produce/ what services they deliver) and on their business conduct (how they deliver their products and services). *Definition sourced from the Investment Association (IA).*	Impact investments are investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return. *Definition sourced from the Global Impact Investing Network (GIIN).*
What does this mean? ▸ Ongoing engagement with the companies and funds we invest in to discuss their handling and disclosure of ESG related issues. ▸ Engagement may be undertaken individually or in collaboration with other investors. ▸ Using voting rights where applicable to further our engagement.	**What does this mean?** ▸ It is not about excluding certain activities but it is understanding the ESG related challenges and opportunities. ▸ It is about risk mitigation. ▸ The approach depends on the asset class.	**What does this mean?** ▸ Across Quilter we have a firm-wide restriction on investing in controversial weapons directly or indirectly through actively managed funds. ▸ Some of the strategies or products we offer have specific exclusions as part of the investment mandate. ▸ Within our discretionary portfolio offering clients are able to set their own exclusions.	**What does this mean?** ▸ Different strategies will set different sustainability outcomes. ▸ For many strategies this will be linked to supporting the UN Sustainable Development Goals (SDGs).	**What does this mean?** ▸ Investing in different asset classes to intentionally achieve positive social and environmental outcomes. ▸ Lower financial returns may be accepted to achieve social / environmental returns.



How do we make responsible investment easier for you?

Your adviser will take the time to understand your feelings about responsible investment and its importance to you.

We find most people fall into one of three categories:

1. *ESG Aware*	***2.*** *ESG Focused*	***3.*** *ESG Dedicated*
Interested in mainstream investments and aware of what responsible investment means.	Interested in mainstream investments, aware of what responsible investment means and would like to know more about how it applies to your portfolio.	A dedicated requirement for, or a specific focus on, responsible investment.

Your adviser will discuss the options with you before recording your views and tailoring their advice to meet your preferences.

ESG ratings

In order to make it easy for you to understand how your investments are managed, each of the solutions on our investment panel has ESG ratings provided by Square Mile.

Square Mile is an independent investment research and consulting business which uses in-depth, qualitative fund research to analyse and rate how an investment manager incorporates ESG considerations into their activity at two levels:

1. **At a company level –** they seek to understand if and how an asset manager integrates the consideration of ESG factors in its investment processes.
2. **At a fund level –** they seek to understand if and how ESG factors are considered in the management of individual funds.

The ratings provided by Square Mile work in the following way:

Company scores	*Fund level scores*	*Square Mile Ratings*
Scale of 0-3, (0 indicating no integration and 3 showing full integration) giving you an idea of how far along the journey of ESG integration the company is, and how committed it is to future improvement.	Scale of 0-3, (0 indicating no integration and 3 showing full integration) highlighting how much the manager uses ESG as an integrated part of their fund management process.	Company 0 1 2 3 Fund 0 1 2 3

1 ESG Aware

If you are an 'ESG Aware' investor, then your adviser will make recommendations from our investment panel and inform you of the ESG ratings of each of the investment solutions they recommend.

2 ESG Focused

If you are an 'ESG Focused' investor, then your adviser will work with you to understand your ESG requirements. When selecting solutions from our investment panel they will use the ESG ratings to help refine the recommendations they make in order to meet your requirements.

3 ESG Dedicated

If you are an `ESG Dedicated' investor, your adviser will work with you to understand how you want the management of your portfolio to reflect ESG factors.

There are of course, lots of factors to consider and your adviser will help you to decide which options are right for you. Once they have understood your preferences, they will then look at the dedicated ESG solutions available to you on our investment panel. In the unlikely case that they can't meet your specific needs and preferences, they have the option of searching the wider market for you.

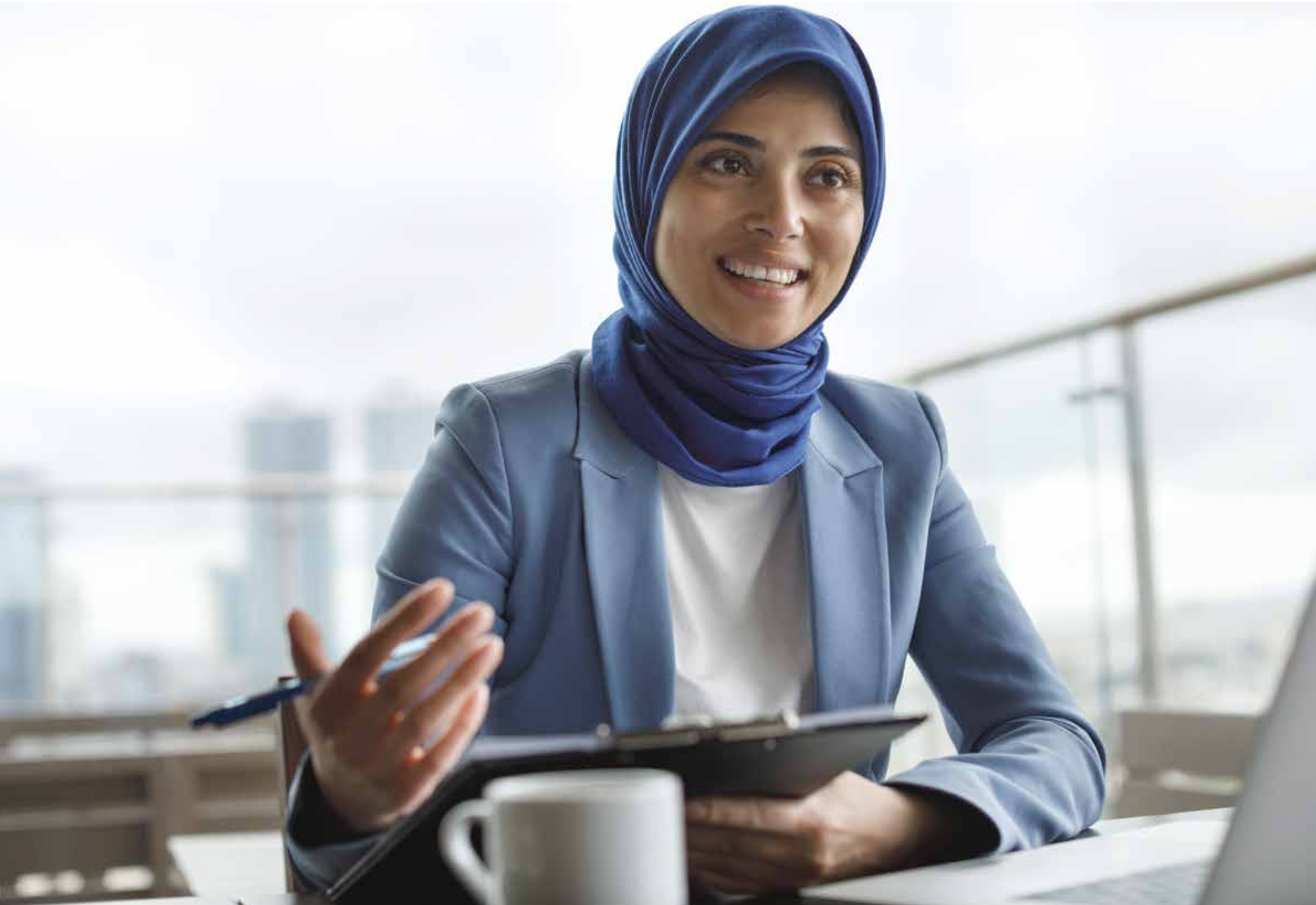
We're here to help you

Managing your finances effectively and making the right decisions for your future can seem a daunting prospect, so we're here to help make the process easy and stress-free.

At Quilter Financial Planning, we take pride in offering a personal service that takes into account your individual circumstances. Your financial situation is unique, so we work hard to understand your goals and aspirations, and make financial recommendations based on a comprehensive and detailed analysis of your needs.

Through our comprehensive offer we will have an adviser who is able to help you with your financial planning needs, including:

- Protecting against risk.
- Saving and investing for the future.
- Planning for your retirement.
- Estate and trust planning.
- Owning your own home.



Quilter Foundation

The Quilter Foundation is Quilter's charity. The Quilter Foundation provides vital funding to carefully selected charitable organisations, focusing on education, employment and health & wellbeing.

To find out more visit:
plc.quilter.com/thequilterfoundation

www.quilter.com

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