



ARBUTHNOT LATHAM

Bankers since 1833

Product Summary:

## Sustainable Portfolio Service

(For Professional Advisers Only)

### Product Purpose

The purpose of the Sustainable Portfolio Service is to provide an investment portfolio for FCA authorised financial advisers to select for their retail clients. The portfolio service is managed on a discretionary basis, in line with the Arbuthnot Latham Investment Committee's portfolio construction.

### Key Risks

Capital at risk.

### Target Market Assessment

#### Positive Target Market

- ✓ Individuals over 18 years old
- ✓ Individuals who are advised by a UK financial adviser.
- ✓ Individuals with a medium to long term time horizon (3+ years)
- ✓ Individuals with varying levels of investment knowledge and experience from novice to experienced.
- ✓ Individuals who value capital growth but have an ability to bear capital losses and an attitude to risk that acknowledges that their investments may lose value over a given time period.
- ✓ Individuals who prefer their investments to be managed on a discretionary basis.
- ✓ Individuals who would benefit from an actively managed multi-asset investment solution.
- ✓ Individuals who may benefit from their capital gains being actively managed.
- ✓ Individuals who value access to an investment manager working alongside their financial adviser
- ✓ Individuals where the total investment value is £500k or greater.
- ✓ Individuals who aim to minimise the social and environmental harm of their investments.
- ✓ Individuals who aim to maximise positive social and environmental outcomes from their investments.
- ✓ Individuals who are comfortable with a portion of their investments being held in high risk and complex securities, as part of their diversified investment strategy
- ✓ Individuals who aim to maximise exposure to dedicated Environmental Social and Governance (ESG) investments/themes.

#### Negative Target Market

- × Individuals who are under 18
- × Individuals who are not advised by a UK financial adviser.
- × Individuals with no capacity to bear loss.
- × Individuals who do not wish to risk any capital.
- × Individuals looking for a speculative risk investment solution, for example 100% equity exposure.
- × Individuals with portfolio values of less than £500k and are unlikely to reach this value.
- × Individuals whose sole investment goal is to maximise return.
- × Individuals with specific and personal ESG objectives e.g., investing only in renewable energy.
- × Individuals with zero tolerance to a specific industry/region/company

## Vulnerable Client Considerations

We take a proactive approach to understand the nature and extent of vulnerability in our target market and customer base. Our Product Management Team manage all aspects of the product lifecycle and have procedures in place to ensure vulnerable clients are considered as part of product and service design.

Our understanding of vulnerability within our target market and customer base will be reviewed annually, or sooner where a significant event occurs which is likely to have an impact on our understanding of vulnerability within our customer base.

## Distribution Strategy

The product is suitable for distribution to individuals who meet the above-mentioned target market. Distribution of the product may only be via an FCA authorised financial adviser who can provide advice on the product characteristics, including risks, and who can assess the suitability of the product for the client's personal circumstances. The portfolio service is available across 6 risk levels ranging from low to higher risk.

## Value Assessment

The Arbuthnot Latham Fee Schedule is available upon request provides information on the management fee of the portfolio. Underlying fund charges can be found within the Portfolio Proposal or via Defaqto. An assessment of the value provided to clients of Arbuthnot Latham's Sustainable Portfolio Service has been completed and concludes that the product provides fair value to individuals. No material issues have been identified and Arbuthnot Latham expects the product to continue providing value for the foreseeable future.

## Information Suitable for Provision to Retail Customers

Client investment proposals and reviews as well as portfolio and tax reporting may be provided to retail customers.

## Outcome of Product Review

The product review conducted by Arbuthnot Latham on the Sustainable Portfolio Service identified no material issues requiring remedial action.