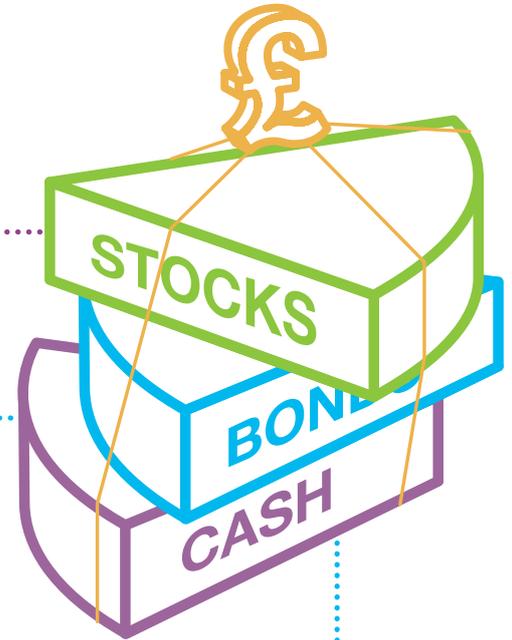


MANAGING WEALTH: PORTFOLIO

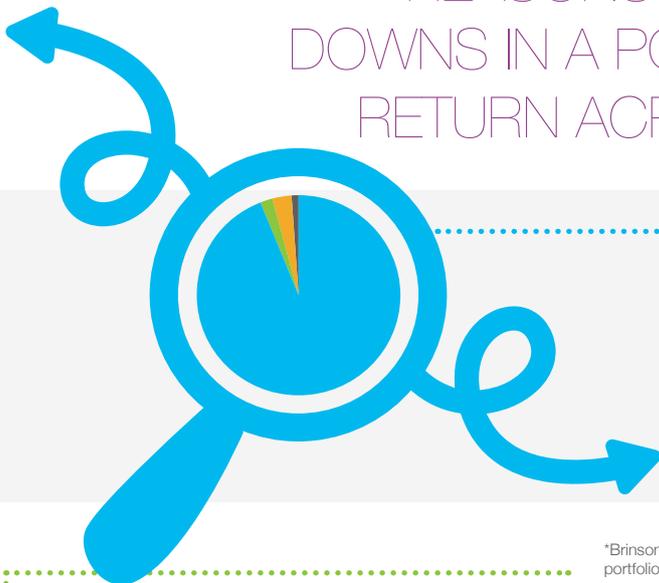
As evidence-based investors, we don't spend our time trying to 'time' the market, therefore we have exponentially more time than active managers to focus on doing a few simple things exceptionally well.

1. ALLOCATE ASSETS WISELY

Getting the right mix of asset classes in a client's portfolio to achieve their goals: this is the driver of a successful outcome. It starts with ensuring that the right balance is set between growth (equity-like assets) and defensive (bond) assets.



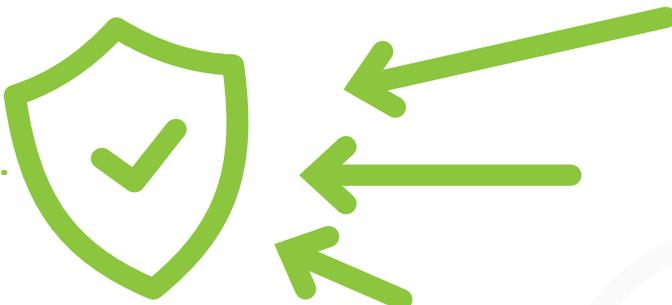
REASONS FOR UPS & DOWNS IN A PORTFOLIO'S RETURN ACROSS TIME*



*Brinson, Gary P., Hood, L. Randolph, and Beebower Gilbert L., (1986) 'Determinants of portfolio performance', Financial Analysts Journal, vol. 42, No. 4, pp 40-48.

2. MANAGE INFLATION

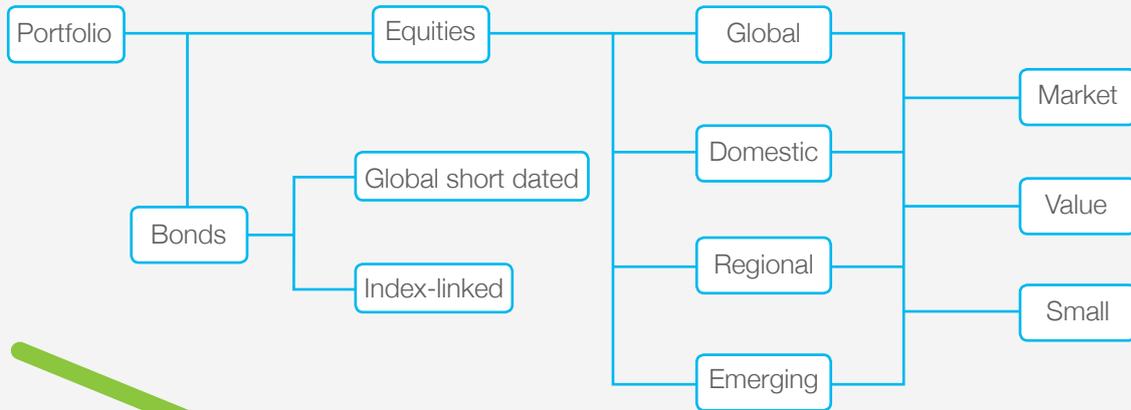
Inflation is an invidious form of taxation and we make sure that client portfolios are adequately protected from it.



'By a continuing process of inflation, government can confiscate, secretly and unobserved, an important part of the wealth of their citizens.'
John Maynard Keynes

3. DIVERSIFY BROADLY

Client portfolios are highly diversified by asset class, geography, sector and company to ensure that they own a 'portfolio for all seasons'.



4. DRIVING DOWN COSTS

All investment costs eat away at market returns. Small numbers compound into large impacts over time and we avoid as much return leakage as possible.

5. REBALANCING PORTFOLIOS REGULARLY

As markets move over time, the structure of a client's portfolio changes. Our disciplined rebalancing of portfolios back to their original structure helps to avoid an upward (or sometimes downward) drift of risk in the portfolio.



'If I have learned anything from my 52 years in this marvellous field, it is that, for a given individual or institution, the emotions of investing have destroyed far more potential investment returns than the economics of investing have ever dreamed of destroying.'

John C. Bogle, Founder
- Vanguard Group

6. MANAGING CLIENT EMOTIONS

Poor decisions driven by emotion destroy wealth. Our disciplined, systematic approach helps to curb the influence of emotions on decision-making.

