



Bordier & Cie (UK) Plc fact sheet

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What is your corporate background?

Bordier (UK) PLC is a specialist investment manager that promotes a long standing culture of consistency and excellence, whether in the performance of our portfolios, the service given by our staff or our award winning reporting.

Our focus is managing investments including: general investment accounts (GIAs), ISAs, pensions, trusts, and offshore bonds. Our key partners include financial advisers, lawyers, accountants, charities, family offices and other large institutions. Our portfolios are constructed around five core investment strategies, each with differing commitments to equities and other asset classes. Portfolios are managed by a dedicated investment manager but also benefit from a disciplined investment process which harnesses some of the stringent requirements of institutional fund management within a private client environment.

Why should I consider using your Discretionary Fund Management service?

We are committed to providing the highest standards of service and investment management solutions to our clients.

Our core values are central to our business and our relationships. It is how we do business with each other, our clients and their trusted advisers.

Expertise

Our investment team is both expert and experienced and our clients therefore benefit from an investment capability which matches that offered by the largest asset management firms, but coupled with the greater care and attention that a smaller, independent firm is able to offer. Our senior investment managers typically have more than twenty years' investment experience and have spent significant parts of their careers working for major institutions including Skandia, Invesco, HSBC, Close Brothers, UBS and Cazenove. Our team has been through several stock market cycles, learning valuable lessons and insight to the behaviour of assets in a wide variety of market conditions. This experience is vital in negotiating what is still one of the most challenging periods in economic and stockmarket history. We cannot influence market sentiment, but we can provide our clients with the certainty that we have the expertise and long experience to guide them through challenging times.

Transparency

We are open and fair in all of our dealings with clients and also our own colleagues, always seeking to work in a completely transparent and honest manner. Our fee structure is straightforward and easy to understand with no hidden charges.

Service Quality

We marry a contemporary approach to managing money with the old fashioned values of high quality client service. Our clients delegate to us the responsibility to manage their investments, and we never forget that we are entrusted with their hard earned capital. Effective communication is one of the most important aspects of our service. We understand the need to provide advisers and clients with accurate and understandable information about their investment portfolio, in

a timely manner. This enables the client or adviser to make informed choices about investment performance (both recent and historic) and whether or not the agreed objectives and aspirations are being satisfied.

What is your approach to discretionary fund management?

Asset Allocation

The investment strategy and overall asset allocation for clients is determined by the Investment Committee. The Investment Committee, which is chaired by the Chief Investment Officer, comprises senior members of the firm's portfolio management department, with additional presence from Bordier & Cie's Research department. Each of the committee members has significant experience within the investment industry. The Investment Committee meets quarterly, although a wider group of Investment Managers and research personnel meet on a weekly basis, with meetings chaired by the Chief Investment Officer, to discuss economic, market and general research matters as they arise. This provides a platform for Investment Managers and research specialists to express views and encourages debate which can be taken forward and fed into the quarterly Investment Committee discussions.

Although Investment Committee meetings are held on a quarterly basis, this does not prevent ad hoc meetings taking place, particularly if significant market or economic events require more immediate action. The conclusions of the Investment Committee meetings are discussed with Investment Managers and any changes to asset allocation are reflected in an Asset Allocation matrix, which in turn is reflected in internal portfolio management software, from which portfolio valuations can be produced and action, as appropriate, can be taken by Investment Managers to realign client portfolios.

The main sources of external macroeconomic and market input are from Bordier & Cie's Research Department, Capital Economics (a UK-based research house with whom the firm has an ongoing commercial relationship) and the many external investment management firms with whom the firm has investments or relationships. Information from all external fund management groups, including direct access to their fund managers, economic departments and research areas is freely available given the firm's use of collective funds, as is economic and market information widely distributed in the media.

In reaching its conclusions on asset allocation, the Investment Committee will give consideration to several factors including:

- Global economic growth forecasts
- Inflation and interest rate expectations
- Stockmarket valuations
- Currency expectations
- Sector-specific expectations (e.g. property, hedge funds, commodities)
- Technical factors such as market liquidity and momentum
- Investment risk in relation to default strategic exposures and benchmarks for each portfolio risk profile



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Fund selection

Overview

We select active and passive funds using a disciplined process of qualitative and quantitative research under the supervision of Mark Robinson (CIO). Our client facing investment professionals are fully integrated into the fund selection and process as they have responsibility for qualitative research on a particular sector or asset class. We do not have any in house funds and as a result our choice of funds is impartial.

The Process

The fund selection process is structured and repeatable and is designed to compress the funds universe to a manageable list of investments for possible inclusion in our portfolios.

Quantitative screening

Proprietary screens are run on the relevant universe to create a short list of funds that we deem suitable. We pay particular attention to:

- Consistency of Returns
- Discrete Performance
- Cumulative Performance
- Relative & Absolute returns
- Volatility
- Fund Structure
- Liquidity Constraints

Qualitative analysis

Meeting the underlying managers is a vital part of the selection process and the firm's ongoing monitoring processes. Discussions will focus on investment process, performance, manager experience, corporate issues, team resources, investment style, risk controls, manager remuneration, current portfolio composition and views on markets and economies. These meetings are extremely valuable not only as part of the funds selection process but also in terms of feeding back views on markets and economies to the Investment Committee.

Ongoing monitoring

Ongoing monitoring of our fund selections is an integral part of the process. This involves running monthly and quarterly performance screens, conducting fund manager meetings and regular sector reviews, and may highlight:

- Short-term performance and volatility issues, leading to further investigation
- New funds to be considered for inclusion on the buy list
- An emerging trend, such as midcap outperformance

Research notes

A detailed research note is written on each fund. They serve a permanent record of due diligence and keep our investment managers fully informed.

Bordier (UK) buy list

There are approximately 60 approved funds on its buy list at any one time. Only funds which have gone through the funds selection process are on the buy list. We may decide to sell a fund for a variety of reasons including poor performance, manager change, corporate change, and style drift. We have a reserve buy list so that we always have replacement funds available at short notice.

What investment solutions can you offer through the Nucleus platform?

Our five investment strategies offer clients a range of investment options to suit their appetite for investment risk and financial objectives. You and your professional adviser select the investment strategy that best suits your financial objectives and appetite for investment risk.

Defensive

A lower risk strategy with an exposure to stockmarkets of between 0-20%, mostly in the UK, and a high exposure to lower risk asset classes. Suitable for investors looking to preserve their capital over the medium to longer term with minimal fluctuation in values.

Cautious

A cautious strategy with an exposure to stockmarkets of between 20-40%, including modest overseas exposure, but a reasonably high commitment to lower risk asset classes. Suitable for investors looking to preserve their capital in real (inflation-adjusted) terms over the medium to longer term but who feel comfortable with some moderate fluctuation in values over shorter periods.

Balanced

A balanced strategy with an exposure to stockmarkets of between 40-60%, including overseas exposure, and moderate commitments to lower risk asset classes. Suitable for investors looking to build their capital in real (inflation adjusted) terms over the medium to longer term but who feel comfortable with quite sharp fluctuations in values over shorter periods.

Growth

A strategy with a high exposure to stockmarkets of between 60-80%, including overseas exposure, and modest commitments to lower risk asset classes. Suitable for investors looking to build their capital in real (inflation-adjusted) terms over the medium to longer term but who would like to see some protection in times of stockmarket weakness.

Adventurous

A strategy with a very high exposure to stockmarkets of between 80-100%, including high overseas exposure, and low commitments to lower risk asset classes. Suitable for investors looking to build their capital in real (inflation adjusted) terms over the medium to longer term who are entirely comfortable with stockmarket volatility and very limited protection in times of stockmarket weakness.

Entry level of £1,000 or £100 per month.



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What are your fees?

Annual charge 0.30% + VAT

No transaction charges (except for listed securities)

Who should I contact to discuss the service further?

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